

ROANOKE VALLEY BROADBAND AUTHORITY

601 S. Jefferson Street, SW, Suite 110, Roanoke, VA 24011
Frank M. Smith, II, President & CEO
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rvba.online

BOARD MEMBERS:

Bob Cowell, City of Roanoke
Gary Larrowe, Botetourt County
Mike McEvoy, Citizen
Daniel R. O'Donnell, Roanoke County
James E. Taliaferro, II, City of Salem
Dr. Scott Midkiff, Virginia Tech
Keith Perry, Carilion

Virtual Meeting Notice

TO: Board of Directors, Alternates, Interested Stakeholders, Staff, Others

RE: May 21, 2021 Virtual Meeting- Roanoke Valley Broadband Authority

A virtual Meeting of the Board of Directors of the Roanoke Valley Broadband Authority will be held on May 21, 2021 at 8:30 a.m. to discuss business necessary to continue operations of the Roanoke Valley Broadband Authority. Because of present state of emergency due to the COVID-19 pandemic, the public cannot be accommodated physically in proximity to the Member and Staff Participants. Any members of the public may view and participate in the meeting through electronic means. The meeting will be set up through <https://zoom.us/j/91891274497?pwd=TDlaY0dTcGNkWDJazdxS3NYbXRFQT09>, Matt Miller, will be responsible for receiving public comments at 540-343-4417 and mmiller@rvarc.org. All materials made available to the Members will be made available to the public at the same time by posting on <http://rvba.online/>.

A video and/or audio recording will be made available at <http://rvba.online> within three (3) working days of the meeting. The draft minutes of the meeting will be distributed to common interest community members through the same method used to provide notice of this meeting. Draft minutes of the meeting will be available at <http://rvba.online> within ten (10) working days of the meeting. Final minutes will be available at <http://rvba.online> within three (3) working days of approval.

Please note for purposes of planning to participate in the meeting remotely, members will be required to state the location (a general description such as home, office, or other) from which they are participating for purposes of compliance with new state law related to participation in electronic meetings during the COVID-19 crisis. The location will be recorded in the minutes of the meeting.

Topic: RVBA Board Meeting

Time: May 21, 2021 08:30 AM Eastern Time (US and Canada)

Join Zoom Meeting

<https://zoom.us/j/91891274497?pwd=TDlaY0dTcGNkWDJazdxS3NYbXRFQT09>

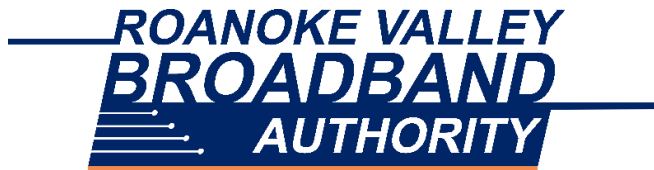
Meeting ID: 918 9127 4497

Passcode: 553839

Dial by your location

+1 929 205 6099 US (New York)

+1 301 715 8592 US (Washington DC)



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Roanoke Valley Broadband Authority Board
Friday, May 21, 2021 at 8:30 a.m.
Roanoke Valley Broadband Authority office, Suite 110 (Coulter Building)
601 S. Jefferson Street, SW, Roanoke, VA 24011
Virtual Meeting

AGENDA

1. **Call to Order, Roll Call, Introductions** *Chair McEvoy*
2. **Approval of the March 19, 2021 minutes, pp. 3-5** *Chair McEvoy*
3. **Treasurer's Report, pp. 6-7** *Olivia Dooley and Frank Smith*
 - Acceptance of the March and April 2021 Financial Reports
4. **Proposed FY 2022 Budget, p. 8** *Olivia Dooley and Frank Smith*
5. **Appointment of Secretary** *Chair McEvoy*
6. **RVBA Update** *Frank Smith*
7. **Other Business**
 - a. Next Meeting Date-July 16, 2021
8. **Adjournment**



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DRAFT MINUTES

The March 2021 Board Meeting of the Roanoke Valley Broadband Authority was held virtually on January 15, 2021 at 8:30 a.m. A video recording of the meeting is available.

1. CALL TO ORDER, WELCOME AND ROLL CALL

Chairman McEvoy called the meeting to order at 8:30 a.m. and welcomed those in attendance. In particular, Ms. Tywanii Ross was introduced as a new staff member for the RVBA.

Wayne Strickland, Secretary to the Broadband Authority, called the roll and reported that a quorum was present.

Roanoke Valley Broadband Authority Board Members: *Present:* Gary Larrowe, Botetourt County (from Buchanan); Mike McEvoy, Citizen (from 2584 Inglewood Rd, Roanoke); Dan O'Donnell, Roanoke County (5204 Bernard Drive, Roanoke), Jay Taliaferro, City of Salem (114 N. Broad Street, Salem); Dr. Scott Midkiff, Virginia Tech, (6109 Albemarle Lane, Blacksburg); and Keith Perry, Carilion (3853 Ballyhack Trail, Roanoke).

OTHERS IN ATTENDANCE

Broadband Authority Staff: Jim Bandy, Olivia Dooley, Tywanii Ross, Frank Smith, Barry Stacy,

Roanoke Valley-Alleghany Regional Commission Staff: Matt Miller and Wayne Strickland.

Others: Sam Darby, Glenn Feldmann Darby & Goodlatte; Jill Loope, Roanoke County Economic Development; Jennifer Eddy, EddyAlexander; and Jeff Crowder, Virginia Tech.

2. Approval of Minutes

The January 15, 2021 minutes were presented. Dan O'Donnell moved that the minutes be approved. The motion was seconded by Gary Larrowe. The motion was adopted by a unanimous voice vote of 6-0.

3. Treasurer's Report

Frank Smith gave an overview of the financial statements for January and February 2021. Mr. Smith mentioned that the year is going well because of CARES funds and revenue from

new customers. The negative in February is related to unique expenditures on capital projects. Revenue is at 128% of goal.

4. FY 2021 Revised Budget

Mr. Smith pointed out it is normal this time of year to present a revised budget to adjust for changes in revenue and projects. Mr. Smith gave an overview of the numbers presented in the agenda attachment and indicated budgeted revenue is being revised by 31%. Mr. O'Donnell asked for the source of the extra revenue. Mr. Smith said the increase came from both CARES funds and service revenue from new customers and next generation providers. Mr O'Donnell asked about "pass through" funds. Mr. Smith explained they are funds that don't come directly to the RVBA; but go directly to a third party as contracted and thus, these funds are not considered revenue. Mr. Larrowe asked how the RVBA is positioning itself to take advantage of new government funding opportunities. Mr. Smith gave an overview of new federal funding opportunities. The RVBA has also been working with local federal legislators on related broadband grant requirements and funding issues that could impact this region. Mr. Smith also indicated that the vendors used by the RVBA have good supply management and their inventory that has not affected existing projects thus far. Finally, the RVBA is keeping up with both federal and state grant opportunities. Mr. O'Donnell asked about future government contributions. Mr. Smith indicated this would be covered in the May meeting in Part 2 of his Strategic Direction and Planning presentation.

Mr. O'Donnell moved to adopt the revised budget. The motion was seconded by Jay Taliaferro. The motion was adopted by a unanimous voice vote of 6-0.

5. Strategic Direction and Planning Presentation Part 1

Mr. Smith gave a presentation on the direction and planning process of the RVBA. The presentation focused on "How did we get here and where do we go next". Part 2 will be presented in May. The presentation focused on history, progress, compliance, performance, and capacity. The network started out as 50 miles; but has now expanded to 110 miles and has attracted new vendors, competition, and innovation to the region. Mr. Smith pointed out that there are challenges and opportunities ahead and that the RVBA should develop a strategic plan to identify how the region is best served in the future; specifically, enhance infrastructure, technology acceleration, and operation excellence. In the May meeting, financials and future directions will be discussed. Mr. O'Donnell asked if revenue included government contributions. Mr. Smith stated that revenue shown on the slides did not include government contributions. Mr. O'Donnell stated that the RVBA should focus on strategic planning as it relates to access for everybody and how federal and state dollars may play a role. Mr. McEvoy asked if Dr. Midkiff and Mr. Perry would be willing to assist in developing a strategic plan for the RVBA. Mr. Perry agreed and Dr. Midkiff indicated interest (via Jeff Crowder). Dan O'Donnell stated that it would be useful to have a presentation available on the strategic plan for local government boards.

6. Other Business

Mr. Smith gave a General Assembly update. New state legislation allows for up to 10% of VATI funds by municipal broadband authorities. Additionally, AEP and Dominion middle mile projects will now be an available resource for municipal broadband projects. Mr. Smith will follow-up with AEP on potential partnerships.

The next meeting is May 21, 2021.

7. Adjournment

The meeting was adjourned at 9:31 a.m.

Submitted by:

Wayne G. Strickland
Secretary to the Roanoke Valley Broadband Authority

Roanoke Valley Broadband Authority
FY 2020/2021 Operations Statement
For the Month Ended March 31, 2021

	<u>FY 2020 Budget</u>	<u>March 2020</u>	<u>FY 20/21 Year to Date</u>	<u>Percent Budget</u>
Broadband Revenues				
Contributed Capital	\$397,637	\$33,136	\$298,224	75%
Pass Through Funds	81,957		81,952	100%
Service Revenue	950,679	63,766	991,711	104%
Total Broadband Operating Revenues	\$1,430,273	\$96,902	\$1,371,887	96%
Broadband Operation & Maintenance Expenses				
Personnel Costs	\$529,000	\$36,675	\$321,754	61%
Network Operations	569,425	39,773	328,732	58%
Brand Management	60,000	5,000	35,000	58%
Legal Fees	38,000	8,125	33,281	88%
Office Expenses	128,848	9,892	93,994	73%
Richmond Message Management	82,000	0	82,000	100%
Travel	23,000	8,421	13,000	57%
Total BB Operation & Maintenance Expenses	\$1,430,273	\$107,886	\$907,761	63%
Income from Operations	\$0	-\$10,984	\$464,126	
Non-Operating Revenues				
Contributed Capital	539,877	\$44,990	\$404,908	75%
Pass Through Funds	3,288,109		3,243,111	99%
Installations	32,000	12,063	44,326	139%
Service Revenue	277,869		0	0%
Other Non-Operating Revenue	0		0	0%
Interest Income	1,500	10	385	26%
Subtotal Non-Operating Revenues	\$4,139,355	\$57,063	\$3,692,730	89%
Total Non-Operating Revenues	4,139,355	57,063	3,692,730	89%
Net Income (Loss) from Operations	\$4,139,355	\$46,079	\$4,156,856	100%
Capital Projects	4,089,355	-23,337	3,171,055	78%
Reserves	50,000	-	-	
Net Income (Loss)	\$0	\$69,416	\$985,801	

Roanoke Valley Broadband Authority
FY 2020/2021 Operations Statement
For the Month Ended April 30, 2021

	<u>FY 2020 Budget</u>	<u>April 2020</u>	<u>FY 20/21 Year to Date</u>	<u>Percent Budget</u>
Broadband Revenues				
Contributed Capital	\$397,637	\$33,136	\$331,360	83%
Pass Through Funds	81,957		81,952	100%
Service Revenue	950,679	61,964	1,053,675	111%
Total Broadband Operating Revenues	\$1,430,273	\$95,100	\$1,466,987	103%
Broadband Operation & Maintenance Expenses				
Personnel Costs	\$529,000	\$40,495	\$362,250	68%
Network Operations	569,425	42,184	370,882	65%
Brand Management	60,000	10,000	45,000	75%
Legal Fees	38,000	641	33,922	89%
Office Expenses	128,848	10,911	104,903	81%
Richmond Message Management	82,000	0	82,000	100%
Travel	23,000	870	13,871	60%
Total BB Operation & Maintenance Expenses	\$1,430,273	\$105,101	\$1,012,828	71%
Income from Operations	\$0	-\$10,001	\$454,159	
Non-Operating Revenues				
Contributed Capital	539,877	\$44,990	\$449,898	83%
Pass Through Funds	3,288,109		3,243,111	99%
Installations	32,000	163	44,489	139%
Service Revenue	277,869		0	0%
Other Non-Operating Revenue	0		0	0%
Interest Income	1,500	10	400	27%
Subtotal Non-Operating Revenues	\$4,139,355	\$45,163	\$3,737,898	90%
Total Non-Operating Revenues	4,139,355	45,163	3,737,898	90%
Net Income (Loss) from Operations	\$4,139,355	\$35,162	\$4,192,057	101%
Capital Projects Reserves	4,089,355	4,982	3,176,037	78%
	50,000	-	-	
Net Income (Loss)	\$0	\$30,180	\$1,016,020	

Roanoke Valley Broadband Authority
Draft Budget FY 2022
March 3, 2021

	Fiscal Year 2022 Budget	Revised Fiscal Year 2021 Budget	Variance	Percent Change
Broadband Revenues				
Contributed Capital	\$196,313	\$397,637	-\$201,324	-51%
Pass Through	0	81,957	-81,957	-100%
Service Revenue	1,221,559	950,679	\$270,880	28%
Total Broadband Operating Revenues	\$1,417,872	\$1,430,273	-\$12,401	-1%
Broadband Operation & Maintenance Expenses				
Salaries	\$487,000	\$403,000	\$84,000	21%
Fringe Benefits	153,000	126,000	27,000	21%
Advertising	0	3,000	-3,000	-100%
ARIN	1,000	1,000	0	0%
Audit	12,100	11,920	180	2%
Bank Fees	300	300	0	0%
Billing System	30,000	24,000	6,000	25%
Brand Management	60,000	60,000	0	0%
Carrier Services	180,000	207,000	-27,000	-13%
Computer Fees	5,000	5,300	-300	-6%
Conferences	1,000	1,000	0	0%
Contract (FTTH Planning) S	0	13,850	-13,850	-100%
Contract General Assembly Work	0	68,107	-68,107	-100%
Contract Myriad	10,000	9,000	1,000	11%
Contract (RVARC)	6,000	4,200	1,800	43%
Dues	1,610	2,000	-390	-20%
Equipment Warranty Services	38,000	35,500	2,500	7%
Fiber Management System	5,640	5,640	0	0%
Furniture & Equipment	1,000	1,000	0	0%
Insurance	6,600	5,300	1,300	25%
Lease	26,500	22,500	4,000	18%
Legal Fees	25,000	38,000	-13,000	-34%
Locates Va 811	60,000	61,000	-1,000	-2%
Maintenance Copier	768	768	0	0%
Maintenance Dark Fiber MBC	1,030	1,030	0	0%
Maintenance Generator	790	790	0	0%
Maintenance HVAC	2,500	2,500	0	0%
Maintenance Telephone	960	960	0	0%
Message Management	25,000	82,000	-57,000	-70%
Network Engineering	30,000	30,000	0	0%
NOC Services	26,000	26,000	0	0%
OSP Consulting	20,000	20,000	0	0%
Partner Fiber Utilization	5,624	5,408	216	4%
Partner Botetourt EDA	38,400	0	38,400	New line item
Postage	6,000	6,000	0	0%
Printing	1,000	1,000	0	0%
Professional Services	2,000	2,000	0	0%
Recognition	300	300	0	0%
Rent Co-location Sites	35,500	24,000	11,500	48%
Rent Office Suite	36,000	30,000	6,000	20%
Repair & Restoration Network	25,000	25,000	0	0%
Roanoke Regional Partnership	2,000	2,000	0	0%
Security Coulter Building	500	500	0	0%
Storage	2,850	3,600	-750	-21%
Subscriptions	300	300	0	0%
Supplies - Network	20,000	25,000	-5,000	-20%
Supplies - Office	2,000	2,500	-500	-20%
Telephone	6,600	5,000	1,600	32%
Travel	12,000	12,000	0	0%
Training	2,000	10,000	-8,000	-80%
Utilities at three huts	3,000	3,000	0	0%
Total Broadband Operation & Maintenance Expenses	\$1,417,872	\$1,430,273	-\$12,401	-1%
Income from Operations	\$0	\$0	\$0	
Non-Operating Revenues				
Contributed Capital - Capital Outlays	\$ 741,201	\$ 539,877	\$201,324	37%
Pass Thru Funds	0	3,288,109	0	-1
Service Revenue	0	277,869	0	
Contributed Capital - Debt Service	1,053,267	1,049,217	4,050	0
Installations	2,000	32,000	-30,000	-1
Other Income	1,500	1,500	0	0
Subtotal Non-Operating Revenues	\$ 1,797,968	\$ 5,188,572	\$ 175,374	10%
Non-Operating Expenses				
Interest Expense	\$ (138,267)	\$ (159,217)	\$ (20,950)	-13%
Subtotal Non-Operating Expenses	\$ (138,267)	\$ (159,217)	\$ (20,950)	15%
Total Non-Operating Revenues & Expenses	1,659,701	5,029,355	-3,369,654	-67%
Net Income (Loss) from Operations	\$ 1,659,701	\$ 5,029,355	\$ (3,369,654)	-67%
Principal Payment on Long-Term Debt	\$ 915,000	\$ 890,000	\$ 25,000	3%
Capital Projects	694,701	4,089,355	(3,394,654)	-83%
Reserves	50,000	50,000	0	0%
Net Income (Loss)	\$ -	\$ -	\$ -	