

# 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:** March 19, 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 March 19, 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/92029635280?pwd=T0QyS3ZldnJMVEYreDdwQTZ3TUlPZz09>, Matt Miller, will be responsible for receiving public comments at 540-343-4417 and [mmiller@rvarc.org](mailto: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:** March 19, 2021 Virtual RVBA Board Meeting

**Time:** Mar 19, 2021 08:30 AM Eastern Time (US and Canada)

**Join Zoom Meeting**

<https://zoom.us/j/92029635280?pwd=T0QyS3ZldnJMVEYreDdwQTZ3TUlPZz09>

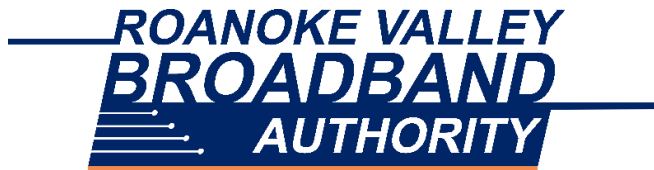
**Meeting ID:** 920 2963 5280

**Passcode:** 730631

**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, March 19, 2021 at 8:30 a.m.**  
**Roanoke Valley Broadband Authority office, Suite 110 (Coulter Building)**  
**601 S. Jefferson Street, SW, Roanoke, VA 24011**

**AGENDA**

1. **Call to Order, Roll Call, Introductions** ..... *Chair McEvoy*
2. **New RVBA Team Member Introduction** ..... *Frank Smith and Tywanii Ross*
3. **Approval of the January 15, 2021 minutes, pp. 3-5** ..... *Chair McEvoy*
4. **Treasurer's Report, pp. 6-7** ..... *Olivia Dooley, Treasurer & CFO*
  - Acceptance of the January and February 2021 Financial Reports
5. **FY 2021 Revised Budget, page 8** ..... *Frank Smith and Olivia Dooley*
6. **Strategic Direction and Planning Presentation, Part 1** ..... *Frank Smith, President & CEO*
7. **Other Business**
8. **Adjournment**



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## **DRAFT MINUTES**

The September 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 8:31 a.m. and welcomed those in attendance. 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; Mike McEvoy, Citizen; Dan O'Donnell, Roanoke County, Jay Taliaferro, City of Salem; Dr. Scott Midkiff, Virginia Tech; and Keith Perry, Carilion.

### **OTHERS IN ATTENDANCE**

Broadband Authority Staff: Olivia Dooley, Frank Smith, Barry Stacy

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

Others: Watts Burks, Glenn Feldmann Darby & Goodlatte; Jill Loope, Roanoke County Economic Development; Corbin Stone, Robinson, Farmer, Cox Associates; and Jennifer Eddy, EddyAlexander

### **2. Approval of Minutes**

The November 20, 2020 and December 14, 2020 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 5-0.

### **3. Treasurer's Report**

Frank Smith gave an overview of the financial statements for November and December. Mr Smith indicated that services revenue was up at already at 94% of the budget for the fiscal year. He also mentioned that legal fees were higher than expected, but in line with what work was being required. Dan O'Donnell reminded everyone that localities are currently developing budgets and inquired about operating expenses for next fiscal year. Mr. Smith

stated that more detailed budget considerations would be presented at the March meeting. Gary Larrowe moved that the two financial statements be accepted as presented. The motion was seconded by Dan O'Donnell. The motion was adopted by a unanimous voice vote of 6-0 (Keith Perry was now present)

**4. Presentation of FY 2020 Audit**

Corbin Stone presented the FY 2020 by reviewing a four-year overview of the RVBA finances. Mr. Stone stated that Olivia Dooley has done an excellent job with the organization of records and that the audit gives an unqualified opinion on the RVBA. Mr. Stone presented a four-year summary of the RVBA finances which showed that unrestricted assets have been growing the last four years. Current liabilities for the RVBA are about \$6.3 and the Net position of the authority is about \$4.2 million. Growth rates in the revenues are higher than the rates for expenses. There were no issues with the audit. Mr. O'Donnell asked if the Western Virginia Water Authority (WVWA) was the fiscal agent for the RVBA. Mr. McEvoy stated that the WVWA is not the fiscal agent; but, has a contract with the RVBA to provide employee related functions which are reimbursed by the RVBA. Mr. Stone concluded by stating that lease reporting will change in the future and that operating leases will have to be included in future audits because of a change in regulations. Gary Larrowe moved to accept the audit report which was seconded by Jay Taliaferro. The motion was approved by a 6-0 voice vote.

**5. Election of Officers**

The staff report stated that the election of officers should take place in June of even numbered years according to RVBA bylaws. In 2020, the June meeting was cancelled, and officers have not been elected. It was proposed that the current slate of officers be elected until the next term expires in June 2022. Elected officers are the Chair, Mike McEvoy, and the Vice-Chair, Dan O'Donnell. Gary Larrowe made the motion to re-elect the current officers and the motion was seconded by Jay Taliaferro. The motion passed, 6-0, by a roll call vote.

**Member & Vote**

- Mr. Larrowe – Yes
- Mr. McEvoy – Yes
- Mr. O'Donnell – Yes
- Mr. Taliaferro – Yes
- Mr. Keith Perry-Yes
- Dr. Scott Midkiff-Yes

**6. Project Updates**

Frank Smith presented slides that gave an overview of RVBA activities. Key updates include upgrades to the core backbone with diverse physical routing; fixed wireless projects that are progressing in Botetourt County; an additional 10 miles of network that has been completed in Botetourt County; and a RVBA competitive response to Roanoke County Public Schools for internet and dark fiber services. RVBA staff is working with Virginia Tech and Carilion on various wireless projects and grants, as well as public Wi-Fi services. The RVBA is working with localities to look at fiber to the home (FTTH) projects with LIT Networks. Finally, the RVBA is following broadband related bills in the General Assembly. Dan O'Donnell asked if there was

an update on broadband authorities being able to apply for VATI Grants. Mr. Smith said that Ms. Eddy would cover this and other legislation under other business.

**7. Other Business**

Jennifer Eddy gave an overview state legislation related to broadband in the General Assembly. She stated that there are at least nine different bills being considered in this session. Two bills are in support of the RVBA and other broadband authorities. Senate bill 1334, introduced by Senator Edwards, would allow broadband authorities to compete for VATI funds. House bill 1923, introduced by Delegate Ayala, expands an existing pilot program for electric utilities to allow municipal internet providers to partner to provide service to unserved areas. There are several other bills related to broadband that staff is reviewing to be sure that municipal broadband opportunities are not restricted. Ms. Eddy asked for local governments and partners to consider supporting the legislation that would help remove any restrictions on municipal broadband which would benefit the RVBA and other authorities. Mr. Strickland asked if local governments had already provided support these legislative priorities and mentioned the Regional Commission has passed a resolution in support of most of these measures. Ms. Eddy agreed to provide a summary of the bills (especially the one relating to school boards) to the local government members and stakeholders in response to a question from Mr. O'Donnell. Mr. O'Donnell also suggested that a future VATI grant might have a greater chance of success if it was regional and strategic in nature.

Mr. McEvoy mentioned that the RVBA should also look at a staffing plan and this will be discussed at the March meeting along with the budget.

**8. Adjournment**

The meeting was adjourned at 9:29 a.m.

Submitted by:

Wayne G. Strickland  
Secretary to the Roanoke Valley Broadband Authority

For the Month Ended January 31, 2021

	<u>FY 2020 Budget</u>	<u>January 2020</u>	<u>FY 20/21 Year to Date</u>	<u>Percent Budget</u>
<b>Broadband Revenues</b>				
Contributed Capital	\$397,637	\$33,136	\$313,904	79%
Service Revenue	726,971	185,324	871,249	120%
<b>Total Broadband Operating Revenues</b>	<b>\$1,124,608</b>	<b>\$218,460</b>	<b>\$1,185,153</b>	<b>105%</b>
<b>Broadband Operation &amp; Maintenance Expenses</b>				
Personnel Costs	\$462,000	\$35,956	\$248,395	54%
Network Operations	437,642	30,485	262,467	60%
Brand Management	60,000	10,000	30,000	50%
Legal Fees	20,000	2,523	22,155	111%
Office Expenses	104,966	81,804	137,707	131%
Richmond Message Management	25,000	0	10,000	40%
Travel	15,000	918	3,966	26%
<b>Total BB Operation &amp; Maintenance Expenses</b>	<b>\$1,124,608</b>	<b>\$161,686</b>	<b>\$714,690</b>	<b>64%</b>
<b>Income from Operations</b>	<b>\$0</b>	<b>\$56,774</b>	<b>\$470,463</b>	
<b>Non-Operating Revenues</b>				
Interest Income	\$1,500	\$12	\$365	24%
Installations	50,000	163	32,100	64%
Contributed Capital	539,877	44,990	269,939	50%
Other Non-Operating Revenue	0	680,586	3,288,111	0%
Subtotal Non-Operating Revenues	\$591,377	\$725,751	\$3,590,515	607%
<b>Total Non-Operating Revenues</b>	<b>591,377</b>	<b>725,751</b>	<b>3,590,515</b>	<b>607%</b>
<b>Net Income (Loss) from Operations</b>	<b>\$591,377</b>	<b>\$782,525</b>	<b>\$4,060,978</b>	<b>687%</b>
Capital Projects	581,377	672,580	2,775,533	477%
Reserves	10,000	-	-	
<b>Net Income (Loss)</b>	<b>\$0</b>	<b>\$109,945</b>	<b>\$1,285,445</b>	

**Roanoke Valley Broadband Authority**  
**FY 2020/2021 Operations Statement**  
**For the Month Ended February 28, 2021**

	<u>FY 2020 Budget</u>	<u>February 2020</u>	<u>FY 20/21 Year to Date</u>	<u>Percent Budget</u>
<b>Broadband Revenues</b>				
Contributed Capital	\$397,637	\$33,136	\$347,040	87%
Service Revenue	726,971	56,694	927,944	128%
<b>    Total Broadband Operating Revenues</b>	<b>\$1,124,608</b>	<b>\$89,830</b>	<b>\$1,274,984</b>	<b>113%</b>
<b>Broadband Operation &amp; Maintenance Expenses</b>				
Personnel Costs	\$462,000	\$36,686	\$285,081	62%
Network Operations	437,642	37,161	299,628	68%
Brand Management	60,000	0	30,000	50%
Legal Fees	20,000	3,001	25,156	126%
Office Expenses	104,966	7,328	144,836	138%
Richmond Message Management	25,000	0	10,000	40%
Travel	15,000	642	4,579	31%
<b>    Total BB Operation &amp; Maintenance Expenses</b>	<b>\$1,124,608</b>	<b>\$84,818</b>	<b>\$799,280</b>	<b>71%</b>
<b>Income from Operations</b>	<b>\$0</b>	<b>\$5,012</b>	<b>\$475,704</b>	
<b>Non-Operating Revenues</b>				
Interest Income	\$1,500	\$10	\$375	25%
Installations	50,000	163	32,263	65%
Contributed Capital	539,877	44,990	269,939	50%
Other Non-Operating Revenue	0	0	3,288,111	0%
Subtotal Non-Operating Revenues	\$591,377	\$45,163	\$3,590,688	607%
<b>    Total Non-Operating Revenues</b>	<b>591,377</b>	<b>45,163</b>	<b>3,590,688</b>	<b>607%</b>
<b>Net Income (Loss) from Operations</b>	<b>\$591,377</b>	<b>\$50,175</b>	<b>\$4,066,392</b>	<b>688%</b>
Capital Projects	581,377	419,225	3,194,759	550%
Reserves	10,000	-	-	
<b>Net Income (Loss) **</b>	<b>\$0</b>	<b>-\$369,050</b>	<b>\$871,633</b>	

\*\*Funds to pay for this month's capital projects were received in December 2020

Roanoke Valley Broadband Authority  
 Draft Revised Budget FY 2021  
 February 2 ,2021

	Revised Fiscal Year 2021 Budget	Adopted Fiscal Year 2021 Budget	Variance	Percent Change
<b>Broadband Revenues</b>				
Contributed Capital	\$397,637	\$397,637	\$0	0%
Pass Through	81,957	0	81,957	New line item
Service Revenue	950,679	726,970	223,709	31%
<b>Total Broadband Operating Revenues</b>	<b>\$1,430,273</b>	<b>\$1,124,607</b>	<b>\$305,666</b>	<b>27%</b>
<b>Broadband Operation &amp; Maintenance Expenses</b>				
Salaries	\$403,000	\$355,000	\$48,000	14%
Fringe Benefits	126,000	107,000	19,000	18%
Advertising	3,000	3,000	0	0%
ARIN	1,000	1,000	0	0%
Audit	11,920	11,700	220	2%
Bank Fees	300	300	0	0%
Billing System	24,000	24,000	0	0%
Brand Management	60,000	60,000	0	0%
Carrier Services	207,000	108,000	99,000	92%
Computer Fees	5,300	5,300	0	0%
Conferences	1,000	1,000	0	0%
Contract (Community Engagement)	0	0	0	New line item
Contract (FTTH Planning) S	13,850	0	13,850	New line item
Contract (FTTH Planning) B	68,107	0	68,107	New line item
Contract Myriad	9,000	0	9,000	New line item
Contract (RVARC)	4,200	4,200	0	0%
Dues	2,000	1,610	390	24%
Equipment Warranty Services	35,500	35,500	0	0%
Fiber Management System	5,640	5,640	0	0%
Furniture & Equipment	1,000	1,000	0	0%
Insurance	5,300	5,300	0	0%
Lease	22,500	2,028	20,472	1009%
Legal Fees	38,000	20,000	18,000	90%
Locates Va 811	61,000	61,291	-291	0%
Maintenance Copier	768	769	-1	0%
Maintenance Dark Fiber MBC	1,030	0	1,030	New line item
Maintenance Generator	790	753	37	5%
Maintenance HVAC	2,500	2,500	0	0%
Maintenance Telephone	960	960	0	0%
Message Management	82,000	25,000	57,000	228%
Network Engineering	30,000	30,000	0	0%
Network Monitoring	0	400	-400	-100%
NOC Services	26,000	26,000	0	0%
OSP Consulting	20,000	20,000	0	0%
Partner Fiber Utilization	5,408	82,206	-76,798	-93%
Postage	6,000	5,000	1,000	20%
Printing	1,000	1,000	0	0%
Professional Services	2,000	2,000	0	0%
Recognition	300	0	300	New line item
Recruitment	0	0	0	New line item
Rent Co-location Sites	24,000	20,500	3,500	17%
Rent Office Suite	30,000	30,000	0	0%
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	3,600	1,850	1,750	95%
Subscriptions	300	300	0	0%
Supplies - Network	25,000	12,000	13,000	108%
Supplies - Office	2,500	1,000	1,500	150%
Telephone	5,000	5,000	0	0%
Travel	12,000	12,000	0	0%
Training	10,000	2,000	8,000	400%
Utilities at three huts	3,000	3,000	0	0%
<b>Total Broadband Operation &amp; Maintenance Expenses</b>	<b>\$1,430,273</b>	<b>\$1,124,607</b>	<b>\$305,666</b>	<b>27%</b>
<b>Income from Operations</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Non-Operating Revenues</b>				
Contributed Capital - Capital Outlays	\$ 539,877	\$ 539,877	\$0	0%
Pass Thru Funds	3,288,109	0	0	New line item
Service Revenue	277,869			
Contributed Capital - Debt Service	1,049,217	1,049,217	0	0
Installations	32,000	50,000	-18,000	0
Other Income	1,500	1,500	0	0
<b>Subtotal Non-Operating Revenues</b>	<b>\$ 5,188,572</b>	<b>\$ 1,640,594</b>	<b>\$ (18,000)</b>	<b>0%</b>
<b>Non-Operating Expenses</b>				
Interest Expense	\$ (159,217)	\$ (159,217)	\$ -	0%
<b>Subtotal Non-Operating Expenses</b>	<b>\$ (159,217)</b>	<b>\$ (159,217)</b>	<b>\$ -</b>	<b>0%</b>
<b>Total Non-Operating Revenues &amp; Expenses</b>	<b>5,029,355</b>	<b>1,481,377</b>	<b>3,547,978</b>	<b>240%</b>
<b>Net Income (Loss) from Operations</b>	<b>\$ 5,029,355</b>	<b>\$ 1,481,377</b>	<b>\$ 3,547,978</b>	<b>240%</b>
Principal Payment on Long-Term Debt	\$ 890,000	\$ 890,000	\$ -	0%
Capital Projects Reserves	4,089,355	581,377	3,507,978	603%
	50,000	10,000	40,000	400%
<b>Net Income (Loss)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	