

**Regular Meeting of the Board of Directors of the
Eastern Shore Broadband Authority
January 26th, 2023
2:00 p.m. at 4174 Lankford Hwy, Exmore, VA 23350**

AGENDA

1. Call to Order
2. Agenda Adoption
3. Public Comment
4. Approval of Minutes
5. System Status & Build Report
6. Old Business
 - a. VATI FY22 Report
 - b. Rate Hearing
7. New Business
 - a. Consider increasing line of credit
8. Treasurers Report
9. Board Comments
10. Closed Session
 - a. **Personnel Discussion** (Section 2.2-3711 Paragraph 1) ⁽¹⁾
 - b. **Contracted Revenue** (Section 2.2-3711 Paragraph 33) ⁽²⁾
11. Adjournment

Next Board Regular Meeting: March 23rd, 2023

1. Closed Session: Section 2.2-3711 of the Code of Virginia of 1950, as amended; (A) Paragraph 1. Discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body.

2. Closed Session: Section 2.2-3711 of the Code of Virginia of 1950, as amended; Paragraph 33: Discussion or consideration by a local authority created in accordance with the Virginia Wireless Service Authorities Act (§ 15.2-5431.1 et seq.) of confidential proprietary records and trade secrets excluded from this chapter pursuant to subdivision 19 of § 2.2-3705.6.

MINUTES

Regular Meeting of the Board of Directors of the Eastern Shore of Virginia Broadband Authority

December 1, 2022

Board members in attendance were: John Reiter, Charles Kolakowski, Elaine Meil, Kelvin Pettit and Mike Mason (remotely attending from Cape May, NJ for personal reasons).

ESVBA management participating in the meeting who were in attendance: Robert Bridgham (via zoom) and Leah Hoopes (Secretary)

Members of the public attending were: Rick Willis, Justin Nick

Mr. Reiter called the meeting to order at 2:00 pm.

AGENDA ADOPTION

Ms. Meil moved to adopt the agenda. Mr. Pettit seconded. Motion passed unopposed.

PUBLIC COMMENT

Rick Willis- gave a brief update on the project to provide broadband to agricultural workers.

Justin Nick- introduced himself as the Reverend and Organizer for Virginia Organizing, Inc.

Mr. Kolakowski arrived at the meeting.

REVIEW OF MINUTES

Mr. Kolakowski moved to approve the Regular Board Meeting Minutes from September. Mr. Pettit seconded. Mr. Mason and Ms. Meil abstained. Motion passed unopposed.

SYSTEM STATUS & BUILD REPORT

1. WiFi Hotspots- There are currently 27 of the 28 hotspots in service. Ebenezer Church is still offline.
2. Residential Broadband- Mr. Bridgham reported that the Authority has 2,691 active residential customers. He stated that there are 65 customers in service in Harborton, 34 in Bobtown, 78 in Church Neck, 71 in Sanford, 41 on Cheapside, 4 on Cobbs Station, 109 in Accomac, 7 in Townsend, 165 in Greenbackville, 67 in Atlantic, 86 in Wattsville/Horntown, 79 in Oak Hall, 111 in Hallwood, 81 in Painter/Quinby, 96 in Eastville, 116 in Nassawadox, 8 in Oyster, 272 in Exmore, 89 in Belle Haven, 44 in Cheriton, 41 in Wachapreague, 409 in Onancock, 264 in Cape Charles, 178 in Parksley, 5 in Nocks Landing, 42 in Saxis, 14 on Chincoteague, and 115 on Tangier. Mr. Mason asked if the number on the report reflects the number of billable circuits?
Mr. Reiter asked if we can include the actual number of customers waiting to be installed.
Mr. Bridgham stated that 2,691 is the number of billable circuits and he will adjust the reports for customers awaiting install.
3. WISP EVPL Program- Mr. Bridgham informed the BOD that 59 sites are in service.
4. Microcommunity Program- There are 39 communities that are in service and 6 others that are in various stages of progress. Ms. Meil asked that Mr. Bridgham provide a report on the history of the Microcommunity program.
Mr. Bridgham stated that there will be a page on the ESVBA website with information on all of the discount programs available.
5. ACP Program- The program had 97 subscribers in the month of October.
6. Assistance Programs- Mr. Bridgham presented a report showing details for all of the assistance programs.
Mr. Mason asked if the 63 customers using the ESVBA assistance program knew about the program when signing up or if they were informed by staff.
Ms. Marble stated that the staff has informed most of the customers about the program.

Mr. Mason asked how we plan on letting the public know that the new web page exists.

Mr. Bridgham informed the BOD that ESVBA plans on doing more advertising through WESR as well as social media and other organizations.

7. Vacluse- ESVBA is providing service to customers on Heron Dr., Trout Ln., and Swan Dr. Construction is still in progress in other areas.

VATI FY22 REPORT

Mr. Bundick gave an update on the VATI FY22 buildout.

Most of the engineering has been completed and construction is underway in Northampton and Accomack Counties.

The wait time for materials has improved and is no longer holding up the underground operations.

Mr. Reiter asked if any of the VATI areas are behind schedule and if we are staying on budget.

Mr. Bridgham stated that all of the areas are ahead of schedule aside from Captains Cove and under budget. ESVBA will be invoicing the state quarterly. The first remittance request will cover up to September, 2022 and there will be another one sent in January, 2023.

Ms. Meil suggested billing the state monthly since it's taking so long to receive funds.

Mr. Bridgham explained that he will be checking with the state about invoicing for materials that have been purchased.

NEW BUSINESS

- a. **VATI FY23** – Mr. Bridgham explained that the application was submitted for VATI FY23 to cover the remaining 316 miles on the Eastern Shore. Charter submitted a challenge to the state, which ESVBA responded to.
- b. **Consider updated employee handbook-** Mr. Pettit questioned if the “dismissal without cause” portion goes against any laws.
Mr. Bridgham indicated that they have the right to terminate any employee for any reason.

Ms. Meil stated that there are 2 items that needed to be added to the handbook.

Ms. Meil moved to approve the employee handbook as of 12/1/22. Mr. Mason seconded. Mr. Pettit opposed. Motion passed.

- c. Schedule Work Session-** regarding a closed session Work Session to discuss the strategies and competitive approach to the market.

The BOD agreed to meet on February 23rd, 2023.

- d. Consider 2023 Board Schedule-**

Mr. Kolakowski moved to adopt the schedule as presented. Ms. Meil seconded. Motion passed unopposed.

TREASURER'S REPORT

Mr. Bridgham gave an overview of the financials.

BOARD COMMENTS

Mr. Kolakowski suggested looking into offering another business incentive.

Mr. Pettit explained that a potential customer received a quote from ESVBA that was substantially higher than that of a competitor.

CLOSED SESSION

Motion to enter into closed session according to Section 2.2-3711 of the Code of Virginia of 1950, as amended;) Paragraph 1: Discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body; and evaluation of performance of departments or schools of public institutions of higher education where such evaluation will necessarily involve discussion of the performance of specific individuals. Any teacher shall be permitted to be present during a closed meeting in which there is a discussion or consideration of a disciplinary matter that involves the teacher and some student and the student involved in the matter is present, provided the teacher makes a written request to be present to the presiding officer of the appropriate board. Nothing in this subdivision, however, shall be construed to authorize a closed meeting by a local governing body or an elected school board to discuss compensation matters that affect the membership of such body or board collectively. Paragraph 33: Discussion or consideration by a local authority created in accordance with the Virginia Wireless Service Authorities Act

(§ [15.2-5431.1](#) et seq.) of confidential proprietary information and trade secrets subject to the exclusion in subdivision 19 of § [2.2-3705.6](#)., made by Ms. Meil, seconded by Mr. Pettit. The following board members were present: Mr. Reiter, Mr. Pettit, Ms. Meil, Mr. Mason, and Mr. Kolakowski, and voted affirmative.

After closed session, the Chair reconvened the meeting. Motion was made by Mr. Kolakowski, seconded by Mr. Pettit that the Board had entered the closed session for that purpose as set out in Paragraph 1 and 33 of Section 2.2-3711 of the Code of Virginia of 1950, as amended. Roll call vote taken Vote was that no other business discussed than as advised in Paragraph 1 and 33. The following board members were present: Mr. Reiter, Ms. Meil, Mr. Mason, and Mr. Kolakowski, and voted affirmative.

Ms. Meil moved to approve the Executive Director's contract with a change to section 4d. Mr. Kolakowski seconded. Motion passed unopposed.

Ms. Meil Moved to accept the end of year bonuses. Mr. Mason seconded. Motion passed unopposed.

Ms. Meil moved to adopt the targets that were discussed in closed session. Mr. Kolakowski seconded. After discussion, Ms. Meil amended the motion to add with concurrence with an email sent from the Executive Director. Mr. Mason seconded. Motion passed unopposed.

Kelvin Pettit left the closed session meeting at 3:55pm and did not vote on the motions.

Mr. Bridgham gave a brief overview of the recent fiber cuts.

ADJOURNMENT

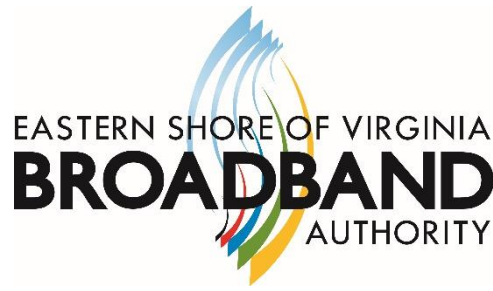
The meeting was adjourned at 4:37pm.

These minutes were approved at the _____ meeting of the Board of Directors of ESVBA.

Presiding Officer

Copy teste:

Leah Hoopes, Secretary



Status Report

January 2023

Status Report Topics

1. WiFi Hotspots
2. Residential Broadband
3. WISP EVPL Program
4. Microcommunity Program
5. Assistance Programs
6. Vaocluse

WiFi Hotspots

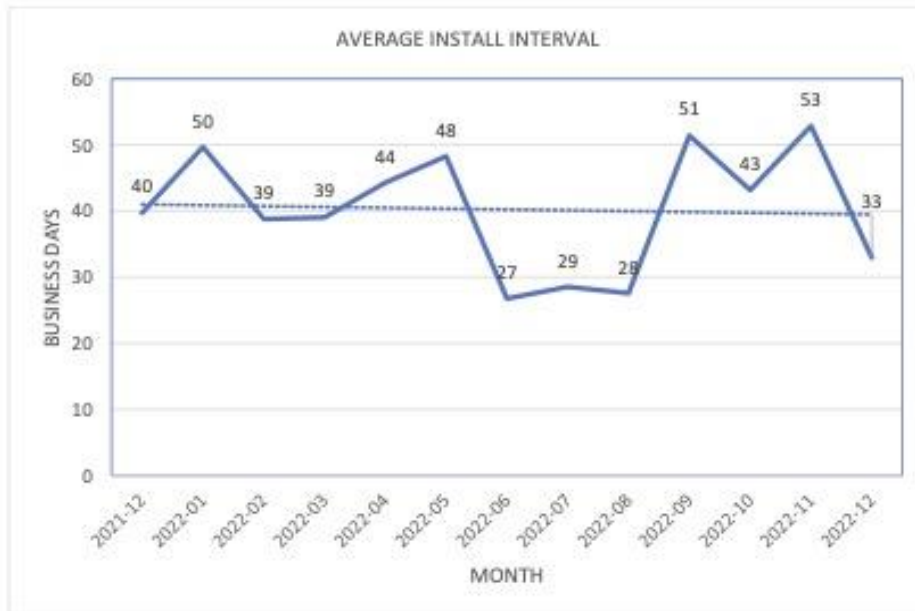
- 26 of 28 WiFi Hotspots online and the report is attached. Ebenezer Church is still offline without any point of contact to repair the downed node. Dreamland 2 Cradlepoint appears to have suffered a hardware failure. We are scheduling to replace the failed unit.

Residential Broadband

Residential Report as of 1/19/2023

Area	Date Opened	# of Homes	Number of Active Circuits	% Active Customers	Number of Signed customers pending construction	% Signed awaiting install	Combined Take Rate (active + signed)	Number of customers with contracts	% Awaiting cust signature
Harborton	Nov-16	142	66	46.48%	3	2.11%	48.59%	0	0.00%
Bobtown/Pungoteague/Keller	Mar-17	513	34	6.63%	4	0.78%	7.41%	0	0.00%
Church Neck	Mar-17	302	131	43.38%	37	12.25%	55.63%	8	2.65%
Sanford	Dec-17	306	68	22.22%	2	0.65%	22.88%	0	0.00%
Cheapside	Dec-17	197	41	20.81%	0	0.00%	20.81%	0	0.00%
Cobbs Station	Dec-17	105	4	3.81%	0	0.00%	3.81%	0	0.00%
Accomac	Dec-17	648	108	16.67%	1	0.15%	16.82%	1	0.15%
Townsend/Latimer Siding	Jan-18	80	7	8.75%	0	0.00%	8.75%	2	2.50%
Greenbackville	Jan-18	294	209	71.09%	40	13.61%	84.69%	7	2.38%
Atlantic	Mar-18	219	67	30.59%	2	0.91%	31.51%	0	0.00%
Wattsville-Horntown	Mar-18	262	87	33.21%	1	0.38%	33.59%	1	0.38%
Oak Hall	May-18	218	84	38.53%	3	1.38%	39.91%	1	0.46%
Hallwood	May-18	740	113	15.27%	1	0.14%	15.41%	0	0.00%
Quinby/Painter	Jun-18	354	79	22.32%	3	0.85%	23.16%	0	0.00%
Eastville	Jun-18	436	109	25.00%	1	0.23%	25.23%	0	0.00%
Nassawadox	Aug-18	455	107	23.52%	0	0.00%	23.52%	0	0.00%
Oyster	Aug-18	87	8	9.20%	0	0.00%	9.20%	0	0.00%
Exmore	Sep-18	740	279	37.70%	5	0.68%	38.38%	3	0.41%
Belle Haven	Sep-18	478	93	19.46%	4	0.84%	20.29%	0	0.00%
Cheriton	Oct-18	236	42	17.80%	0	0.00%	17.80%	0	0.00%
Wachapreague	Oct-18	300	44	14.67%	0	0.00%	14.67%	0	0.00%
Onancock	Nov-18	1907	423	22.18%	8	0.42%	22.60%	3	0.16%
Cape Charles	Nov-18	910	276	30.33%	11	1.21%	31.54%	2	0.22%
Parksley	Jan-19	896	183	20.42%	1	0.11%	20.54%	1	0.11%
Nocks Landing	Jan-19	88	4	4.55%	0	0.00%	4.55%	0	0.00%
Chincoteague	Jan-19	1345	17	1.26%	3	0.22%	1.49%	1	0.07%
Saxis	May-20	248	43	17.34%	1	0.40%	17.74%	0	0.00%
Tangier	May-21	342	115	33.63%	4	1.17%	34.80%	2	0.58%

Totals: 12,848 2,841 135 32



WISP EVPL Program

- Fifty-nine (59) sites in service and operational!

Microcommunity Program

- There now 39 microcommunities in-service and operational, three (3) being constructed currently that are 19-homes to come online (2 micros representing 15 homes in NHC and 1 micro representing 4 homes in ACK).

Assistance Programs

ESVBA Assistance Programs Report

January-23

ESVBA Installation Assistance Program (IAP)

Active in 2021 and funded with \$189k

Number of subs enrolled:	56
Total funding from program:	\$ 19,515
Average Assistance / Sub:	\$ 348.48

Accomack Installation Assistance Program (IAP)

Active in 2021 and funded with \$50k

Number of subs enrolled:	0
Total funding from program:	\$ -
Average Assistance / Sub:	\$ -

DHCD Line Extension Cust Assistance Program (LECAP)

Active as of June 2022

Number of subs enrolled:	1
Total funding from program:	\$ 9,301
Average Assistance / Sub:	\$ 9,301

ESVBA VATI FY22 Special Assistance

Active as of June 2022 and funded with \$2.44M

Number of subs enrolled:	11
Total funding from program:	\$ 38,000
Average Assistance / Sub:	\$ 3,455

FCC ACP Program

Number of subs enrolled:	103
Previous month's savings	\$ 3,085

Total # of ESVBA Subscribers Assisted:	171
Total Assistive Funding Rendered:	\$ 66,816

Vaocluse

The subdivision of Vaocluse is construction complete. We currently have 50 subscribers active and operational in the community with 36 residents having open orders for completion.

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135

32

Overview



Rx 168.7 GB, 539.1 Kbps

Tx 3.463 TB, 11.03 Mbps



Total APs

27

Total Traffic

3.618 TB

Avg Rate

11.56 Mbps

Total Clients

2.141 k

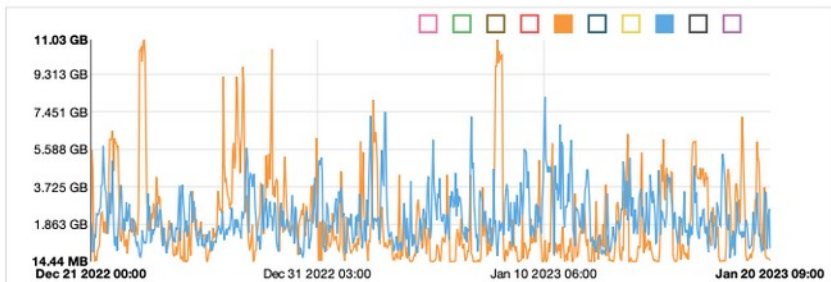
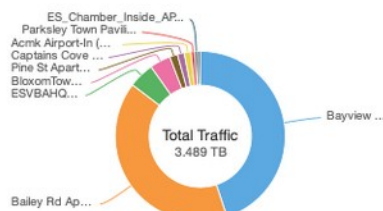
Traffic Distribution



Top APs by Traffic

Total Traffic

1 hour



Top APs by Traffic

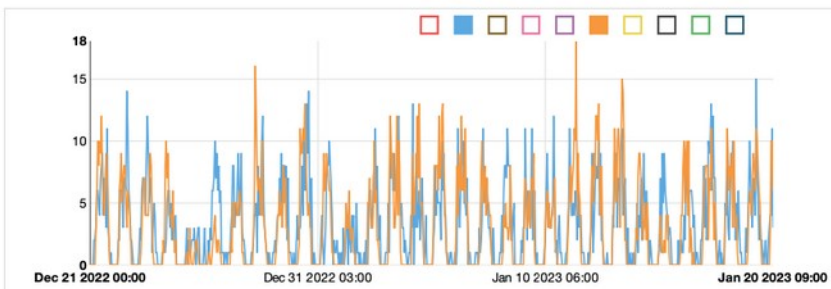
These APs consume 96.45 % (3.489 TB) of the total traffic (3.618 TB).

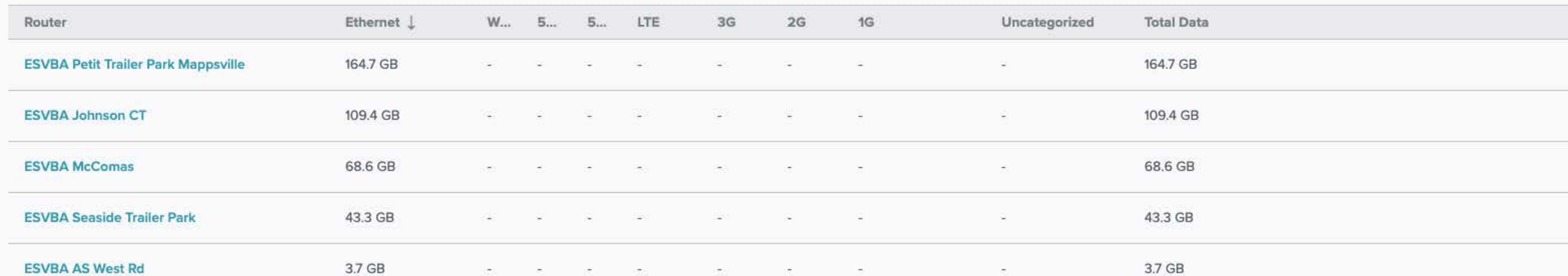
Top 10 APs

Index	AP Name	AP IP Address	Rx	Tx	Total Traffic	Clients
1	Bayview Heritage Gar...	10.32.18.66	42.97 GB	1.525 TB	1.567 TB	181
2	Bailey Rd Apartments	10.32.18.46	54.52 GB	1.357 TB	1.41 TB	129
3	ESVBAHQ Main Off	10.32.18.50	20.39 GB	154 GB	174.4 GB	44
4	BloxomTowerAP01	10.32.18.35	9.596 GB	132 GB	141.6 GB	81
5	Pine St Apartments	10.32.18.101	14.58 GB	38.55 GB	53.13 GB	133
6	Captains Cove Marina ...	10.32.18.28	9.265 GB	37.55 GB	46.82 GB	120
7	Acmk Airport-In	10.32.18.17	3.18 GB	42.9 GB	46.08 GB	67
8	Parksley Town Pavilion	10.32.18.45	1.494 GB	24.46 GB	25.95 GB	359
9	ES_Chamber_Inside_AP	10.32.18.10	3.971 GB	15.18 GB	19.15 GB	101
10	ESVBAHQ Conf Room	10.32.18.51	1.269 GB	15.74 GB	17.01 GB	35

Top APs by Client Count

1 hour





[Home](#)
[GeoView](#)
[Routers](#)
[Data Usage](#)
[Health](#)
[Settings](#)

[Summary](#)

[WAN](#)

[Client](#)

☐ New Clients Only

Last 30 Days

Filter

Updated: 1/20/23 5:35 PM (UTC)



Average Clients Per Day

15

↑ 15.4%

Total Number of Clients

78

↑ 20.0%

Total Client Usage

318.1 GB

↑ 30.1%

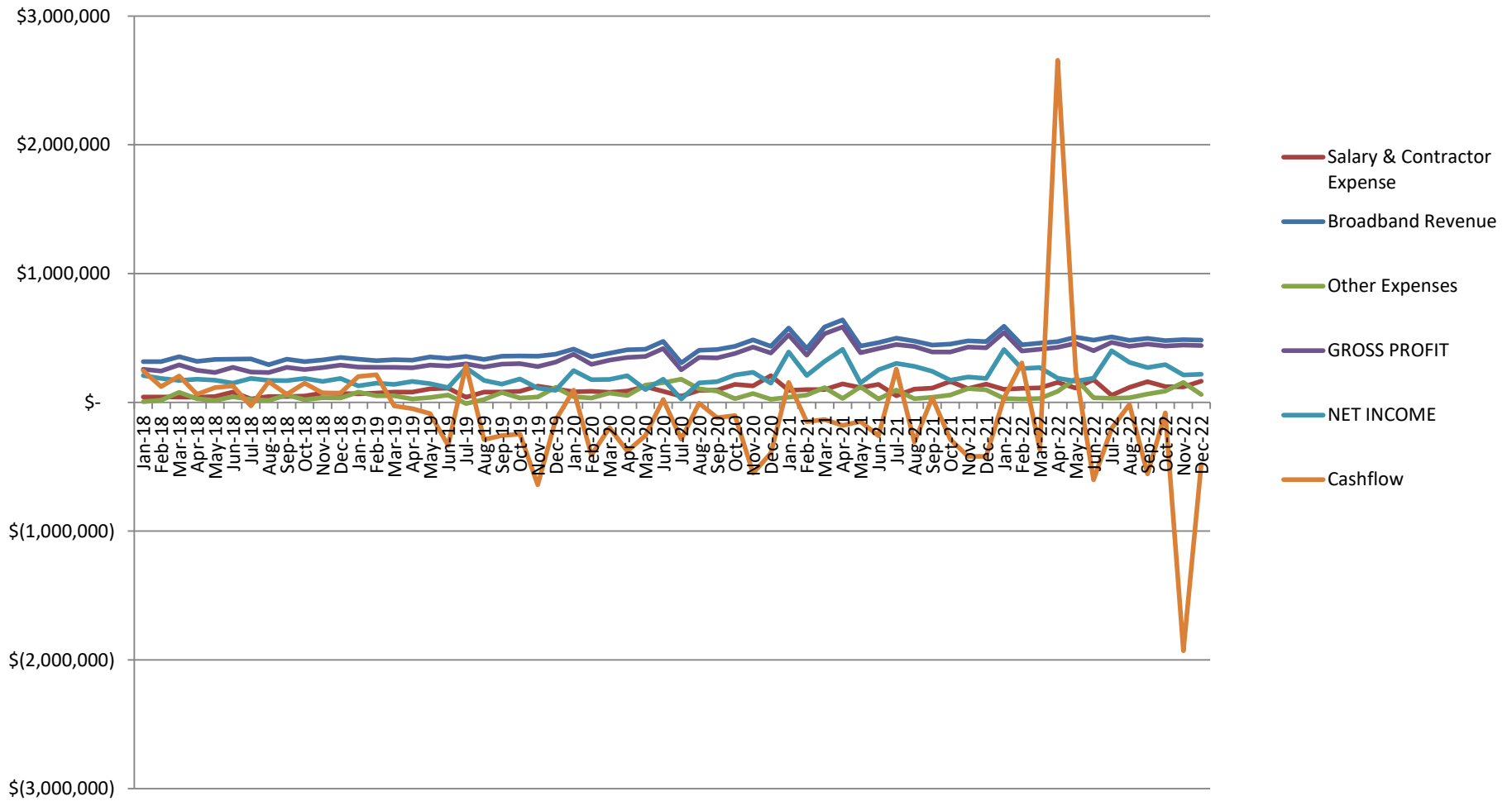
Average Usage Per Client

4.1 GB

↑ 8.4%



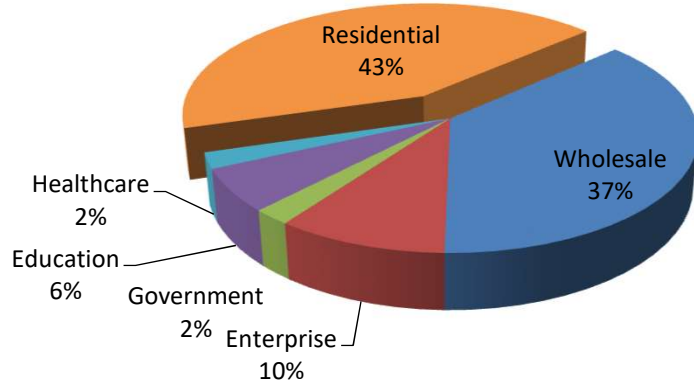
Jan '18 to Dec '22 Financials



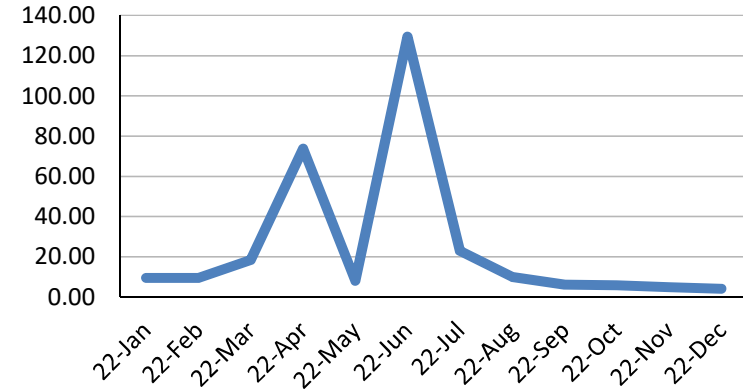
ESVBA Dashboard - January 2023

Financial Data

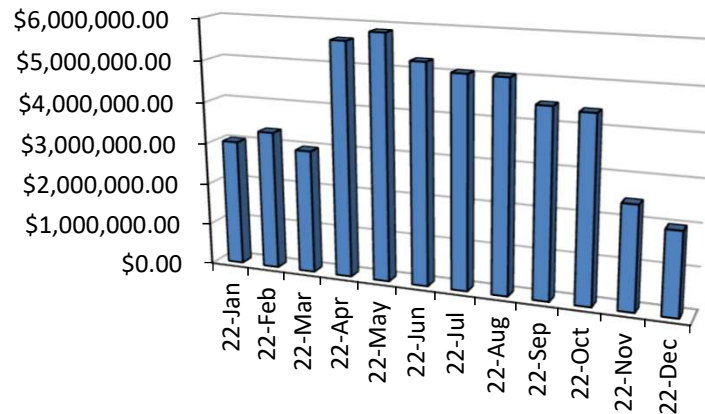
Revenue by Sector as of December 2022



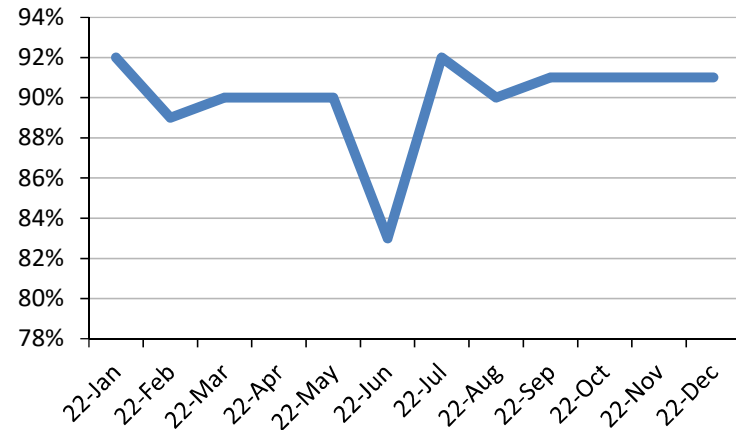
Quick Ratio



Cash & Cash Equivalents

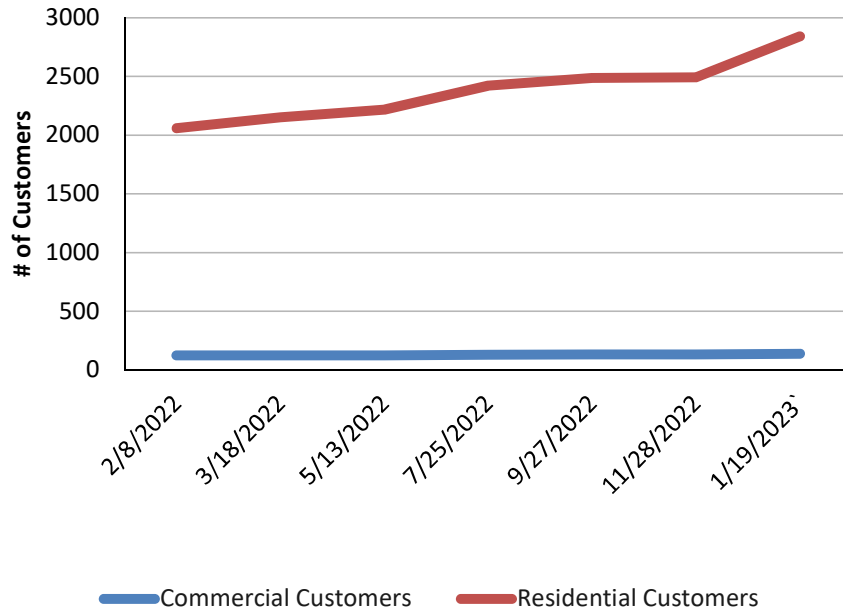


GROSS PROFIT MARGIN

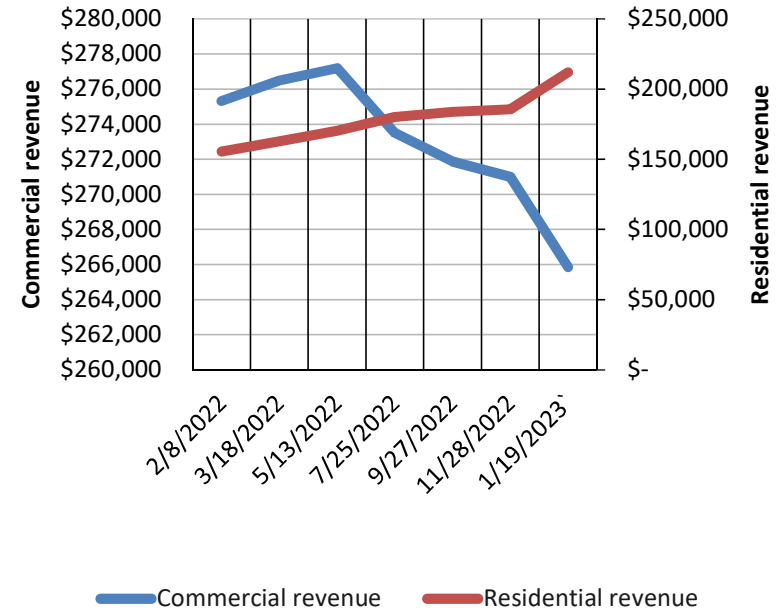


Customer Base

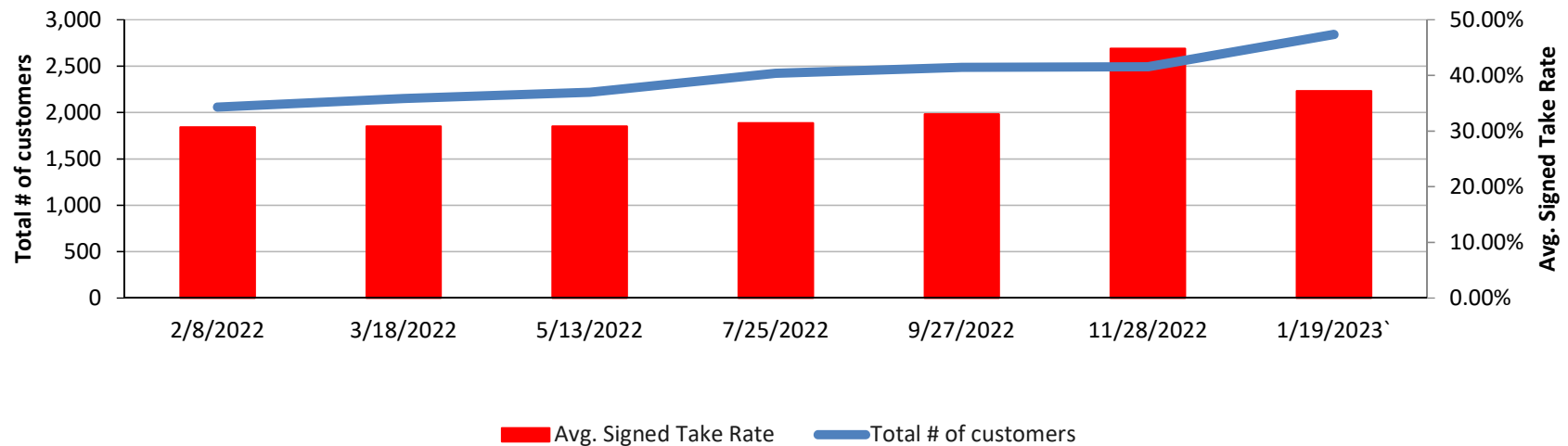
Customer Mix



Commercial vs. Residential Revenues



First 3 FTTH Areas



Eastern Shore of Virginia Broadband Authority
Board Income Statement
Nov 2022, Dec 2022

Financial Row	Nov 2022 Amount	Dec 2022 Amount	Total Amount
Income			
40000 - Broadband Income			
Education Income	\$27,670	\$27,670	\$55,340
Enterprise Income	\$45,427	\$45,112	\$90,539
Government Income	\$9,578	\$10,049	\$19,627
Medical Income	\$10,294	\$10,294	\$20,588
Other Income	\$1,400	\$15,269	\$16,668
Residential Income	\$192,326	\$199,433	\$391,759
Wholesale Income	\$174,988	\$171,702	\$346,690
Total - 40000 - Broadband Income	\$461,683	\$479,529	\$941,212
40900 - Installation Income			
Enterprise Income	\$0	\$750	\$750
Government Income	\$0	\$500	\$500
Installation Income	\$0	\$7,750	\$7,750
Residential Income	\$25,090	\$9,775	\$34,865
Wholesale Income	\$1,551	\$1,051	\$2,602
Total - 40900 - Installation Income	\$26,641	\$19,826	\$46,467
46400 - Other Income			
Other Income	\$2,118	\$0	\$2,118
Wholesale Income	\$150	\$150	\$300
Total - 46400 - Other Income	\$2,268	\$150	\$2,418
46460 - Interest Income			
Other Income	\$106	\$58	\$164
Residential Income	\$0	\$52	\$52
Total - 46460 - Interest Income	\$106	\$110	\$216
Total - Income	\$490,698	\$499,615	\$990,312
Cost Of Sales			
50100 - Cost of Goods Sold:Internet Access	\$6,678	\$6,678	\$13,357
50300 - Cost of Goods Sold:3rd Party Dark service	\$27,398	\$27,398	\$54,796
50400 - Cost of Goods Sold:Utility Locates	\$269	\$243	\$511
50600 - Cost of Goods Sold:3rd Party Transport	\$3,899	\$3,899	\$7,798
51010 - Cost of Goods Sold:Collocation/Hut Expense:Utilities	\$3,565	\$3,490	\$7,055
51020 - Cost of Goods Sold:Collocation/Hut Expense:Phone, Communic.	\$142	\$142	\$283
51030 - Cost of Goods Sold:Collocation/Hut Expense:Fuel	\$179	\$115	\$294
51090 - Cost of Goods Sold:Collocation/Hut Expense:Maintenance	\$0	\$530	\$530
Total - Cost Of Sales	\$42,130	\$42,494	\$84,624
Gross Profit	\$448,568	\$457,120	\$905,688
Expense			
61200 - Payroll Expenses:Wages & Benefits	\$119,745	\$163,688	\$283,433
62200 - Sales and Marketing:Marketing and Promotions	\$0	\$16,620	\$16,620
62300 - Sales and Marketing:Marketing Materials	\$0	\$562	\$562
63100 - Travel and Meetings:Conference, Convention, Meeting	\$0	\$150	\$150
63200 - Travel and Meetings:Mileage/Tolls Reimbursement	\$210	\$121	\$331
63400 - Travel and Meetings:Meals & Entertainment	\$0	\$2,511	\$2,511
63500 - Travel and Meetings:Other Travel	\$675	-\$675	\$0
64100 - Advertising Expenses	\$18	\$0	\$18
64200 - Bank Charges & Fees	\$2,884	\$3,273	\$6,158
64280 - VATI Grant FY22 Special Construction	\$4,300	\$0	\$4,300
64300 - Dues, Subscriptions, Books	\$1,204	\$0	\$1,204
64320 - Dumpster/Trash Removal	\$226	\$226	\$452
64350 - Interest Expense	\$82,695	\$0	\$82,695
64370 - Janitorial Services	\$600	\$695	\$1,295
64400 - Office Supplies & Expense	\$509	\$1,269	\$1,778
64420 - Printing and Copying	\$82	\$632	\$714
64450 - Postage, Mailing & Shipping	\$347	\$280	\$627

64460 - Office IT Hardware/Software	\$13,469	\$1,084	\$14,554
64480 - Rent or Lease Payments	\$5,100	\$0	\$5,100
64490 - Office Utilities	\$326	\$0	\$326
64630 - Staff Development	\$0	\$20	\$20
64700 - Taxes	\$213	\$213	\$427
64750 - Telephone & Telecommunications	\$570	\$573	\$1,144
64760 - Mobile Phones	\$0	\$280	\$280
65200 - Professional Services:Legal Fees	\$443	\$59	\$502
67300 - Vehicle Fuel	\$4,722	\$1,611	\$6,333
67400 - Vehicle & Equip Maintenance & Repair Expenses	\$2,926	\$398	\$3,324
68100 - Physical Plant Maintenance/Agreements/Warranties/Software	\$6,396	\$3,374	\$9,771
68200 - Physical Plant Permits & Fees	\$1,406	\$150	\$1,556
68300 - Physical Plant Repairs	\$27,005	\$15,397	\$42,402
68330 - Physical Plant/Inventory Disposed Items	\$0	\$2,164	\$2,164
68400 - Physical Plant Tools & Safety Equipment	\$471	\$302	\$773
68500 - Physical Plant Shipping Freight & Delivery	\$3,368	\$9,419	\$12,787
Total - Expense	\$279,911	\$224,396	\$504,307
Net Income	\$168,657	\$232,724	\$401,381

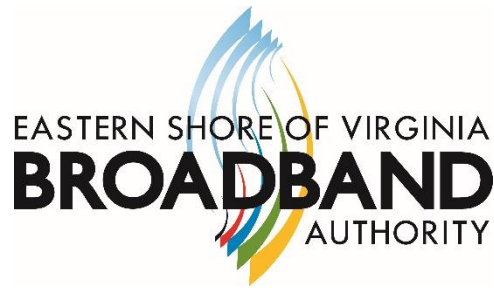
Eastern Shore of Virginia Broadband Authority
Board Balance Sheet
End of Dec 2022

Financial Row	Amount
ASSETS	
Current Assets	
Bank	
10010 - General Operating Account - BB&T (0720)	(\$634,061.43)
10020 - Capital Expansion Account - BB&T (0747)	\$630,265.37
10030 - Equipment Accrual - BB&T (0739)	\$715,728.55
10160 - Annual Accrual - BB&T (7622) Savings Acct	\$1,234,836.20
10165 - Expansion Proceeds BB&T Savings Acct (0070)	\$15,566.54
10180 - Merchant Services - BB&T (8016)	\$18,318.18
10990 - Petty Cash	\$150.00
Total Bank	\$1,980,803.41
Accounts Receivable	
11000 - Accounts Receivable	\$261,693.01
11010 - Reserve for Bad Debt	(\$81,035.34)
Total Accounts Receivable	\$180,657.67
Other Current Asset	
11900 - Undeposited Funds	\$7,076.54
13100 - Inventory Asset	\$2,998,435.07
15000 - Plant in Service	\$20,592.56
Total Other Current Asset	\$3,026,104.17
Total Current Assets	\$5,187,565.25
Fixed Assets	
14100 - General Furniture Fixtures	\$60,828.40
14199 - Accumulated Depreciation - Furniture	(\$22,898.65)
14200 - Equipment:Computers, Printers, Equip, Software	\$106,180.80
14299 - Accumulated Depreciation - Equipment	(\$109,458.40)
15010 - Physical Plant Structure	\$25,252,590.00
15020 - Physical Plant Electronics	\$4,588,380.23
15040 - Physical Plant Towers	\$178,656.12
15050 - Physical Plant Mobile - (Mobile Carriers & Generators)	\$100,546.32
15060 - Physical Plant Huts	\$187,497.91
15070 - Physical Plant Tools & Equipment	\$31,008.62
15098 - Accumulated Depreciation - Plant In Service	(\$7,938,015.15)
15100 - Physical Plant Network & Software	\$22,281.96
15199 - Accumulated Depreciation - Software	(\$64,303.09)
15200 - Vehicles & Equipment	\$798,490.67
15299 - Accumulated Depreciation - Vehicles	(\$358,428.36)
16000 - Railway Easement	\$250,000.00
17000 - Land	\$10,000.00
Total Fixed Assets	\$23,093,357.38
Total ASSETS	\$28,280,922.63
Liabilities & Equity	
Current Liabilities	
Accounts Payable	
20000 - Accounts Payable	\$577,119.32
20050 - Accrued Interest Payable	\$270.00
Total Accounts Payable	\$577,389.32

Financial Row	Amount
Credit Card	
21010 - BB&T Visa 5701 LH	\$3,666.04
21030 - BB&T Visa 5340 RB	\$2,721.71
21040 - BB&T Visa 7215 TE	\$3,697.94
21060 - BB&T Visa 5625 KB	\$284.06
Total Credit Card	\$10,369.75
Other Current Liability	
20010 - Accrued Purchases	\$14,550.14
24010 - Direct Deposit Liabilities:USAC Reimbursements Deposits	\$18,771.07
24050 - USAC Prepaid	(\$39,072.30)
25000 - ESVBA Installation Assistance Program	(\$19,515.00)
26100 - USAC Tax Payable	\$63,967.51
26200 - Va Communications Tax	(\$15,879.56)
Total Other Current Liability	\$22,821.86
Total Current Liabilities	\$610,580.93
Long Term Liabilities	
27500 - BB&T Loan for Expansion	\$3,261,000.00
27600 - Grant Match Funds	\$2,227,760.00
28000 - Deferred Income	\$174,426.16
Total Long Term Liabilities	\$5,663,186.16
Equity	
Retained Earnings	\$20,141,039.73
Net Income	\$1,866,115.81
Total Equity	\$22,007,155.54
Total Liabilities & Equity	\$28,280,922.63

Eastern Shore of Virginia Broadband Authority
Board Cash Flow Statement
Nov 2022, Dec 2022

Financial Row	Nov 2022	Dec 2022
	Amount	Amount
Operating Activities		
Net Income	\$168,657.10	\$232,724.18
Adjustments to Net Income		
Accounts Receivable	(\$52,142.26)	\$198,714.92
Inventory Asset	(\$612,948.37)	(\$228,504.94)
Accounts Payable	(\$820,348.90)	(\$209,717.29)
Sales Tax Payable	\$2,400.80	\$2,400.80
Other Current Liabilities	\$270,798.91	\$201,812.21
Total Adjustments to Net Income	(\$1,212,239.82)	(\$35,294.30)
Total Operating Activities	(\$1,043,582.72)	\$197,429.88
Investing Activities		
Fixed Asset	(\$420,428.65)	(\$676,299.34)
Total Investing Activities	(\$420,428.65)	(\$676,299.34)
Financing Activities		
Long Term Liabilities	(\$465,050.76)	(\$1,050.76)
Total Financing Activities	(\$465,050.76)	(\$1,050.76)
Net Change in Cash for Period	(\$1,929,062.13)	(\$479,920.22)
Cash at Beginning of Period	\$4,396,862.30	\$2,467,800.17
Cash at End of Period	\$2,467,800.17	\$1,987,879.95



VATI FY22 Status Jan '23

Construction Update

AREA 1- Greenbackville/ Capt Cove

- Phase 3 backbone with fiber pulls has been completed and most splicing complete, a few side legs that are remaining have been given to splicing contractor, services available to subscribers.
- Underground Starting on Phase 4 this week. Aqua has told EST to not start on Blackbeard due to high water table and having problems with locating water/sewer. Hoping that once Navigator and Meridian are complete, that they can transition directly to Blackbeard.

Area 3- Sanford/Saxis

- Currently working on Bullbeggar rd, Holland rd, pitts creek rd.
- Starting the underground on Miles rd Monday 1/16/23

Area 5- Hacksneck/Harborton

- Approximately 50% of Area 5 aerial and underground construction is completed and spliced. (8miles)
- Linemen working on Craddock Neck Rd and Scarboroughs neck rd. Wet ground slowing construction due to causing a lot of ruts on the easement crossings, but almost complete. Underground pathways delayed due to standing water (Mason's Beach, Smith Farm).

Area 11- Seaview

- Underground has started the conduit pathways on Narrow Channel, Freedom Ln, Forrest Ln, Island View Ln. Handholes and fiber pulls to follow.

Area 12- Capeville

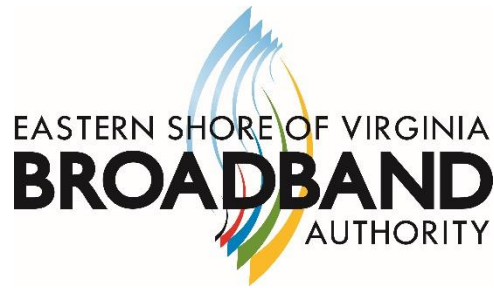
- Underground has done the conduit pathways on Edwins Farm Rd (needs bore across 13), Jacobia Ln, Holly Dale Dr, Old Plantation Farm Rd, Plantation Rd, Plantation Creek Ln, and Cape Drive. Handholes and fiber pulls to follow

Area 13- Arlington, Sandhill, Cheapside

- Underground has placed conduits and are working on setting handholes for Deer Run Pl and Blueberry,
- Fiber has been pulled on Allure, Edgewater Farm, and Pond Drain.

Area 14- Kiptopeke

- Aerial and underground construction 100% complete.
- Bulk Splicing 75% complete. There is one splitter that was incorrectly spliced in the past that has to be respliced.
- Completed post construction QC. Clean up work has been given to Sugar and he has gotten 75% complete with the clean-up work.



Subscriber Update

The ESVBA had constructed 434,246ft (~82miles) of usable fiber in the VATI FY22 area. There is more constructed but we won't report it until it is spliced and quality checked. This footage has provided for coverage of 3,126 (1,898 in Accomack and 1,228 in Northampton) homes that now currently have broadband coverage. In this same area, we currently have 369 active subscribers (224 in Accomack and 145 in Northampton) that are in-service and using the network.

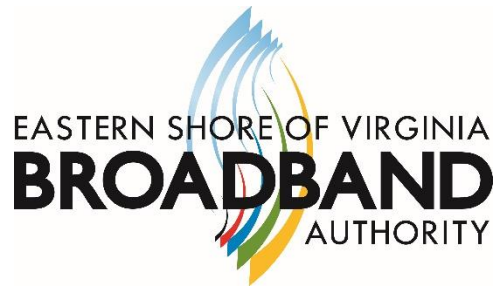
Financial Update

As of the beginning of January, the ESVBA had expended \$1,740,293 in funds that have been remitted to the state. Of that, we expect to receive back \$1,566,263 due to a 10% retainage that the state requires for the project. We are expecting this amount to be received on or before 2/13/2023.

The ESVBA has cumulatively expended \$2,906,968 of funds on construction between construction match and new build costs.

The ESVBA has ordered \$2.33M in hardware for construction (fiber, conduit, hardware, handholds) and has received and paid for \$1.62M of this.

As referenced in the Status Report, the ESVBA has helped 11 subscribers get enrolled for service under the VATI Special Assistance program where we saved subscribers \$38,000 using the Special Assistance funding.



- Subject:** Consider increasing the line of credit that is available to the ESVBA
- Key Points:**
- The ESVBA currently has a \$750,000 line of credit that has an interest rate of 7.25% that allows for interest only payable monthly until the principal is due 5/5/2024; it is a revolving line of credit.
- We have increased our Inventory between VATI materials as well as deepening our own stores to keep ahead of industry shortages. June of 2022 our inventory asset was \$1.64M and as of 1/20/23 it is \$3.02M
- The ESVBA is also carrying costs for the construction of projects that are reimbursable but have yet to be reimbursed. This includes over half of the construction in Vacluse, as well as will be carrying the costs for the latest grant for Mt. Nebo and Bailey Neck when that project is underway.
- Lastly, with the VATI project, we will always be at least 4-months behind from when bills are received until the remittances are received. Additionally, DHCD has a 10% retainage of the project which will not be released until the project closeout.
- Suggested action:** The staff recommends that the board authorize the Executive Director to increase the ESVBA's line of credit from \$750,000 to \$2,000,000 to ensure liquidity to support the ESVBA's ongoing operations as well as supporting the financial burden during the VATI FY22 project.