

**Regular Meeting of the Board of Directors of the
Eastern Shore Broadband Authority
September 26th, 2024
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. Cyber Assessment status**
 - c. BEAD status**
- 7. New Business**
 - a. Authorization to open new bank account for grant**
 - b. Budget Amendment**
 - c. Revision to ESVBA Employee Handbook**
- 8. Treasurers Report**
- 9. Board Comments**
- 10. Optional Closed Session**
 - a. Contracted Revenue** (Section 2.2-3711 Paragraph 33) ⁽¹⁾
- 11. Adjournment**

Next Board Regular Meeting: November 21st, 2024

1. 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.

2. 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.

MINUTES

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

July 25, 2024

Board members in attendance were: Elaine Meil, John Reiter, Charles Kolakowski, Kelvin Pettit, and Mike Mason

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

Members of the public attending were: None

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

AGENDA ADOPTION

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

PUBLIC COMMENT

None

REVIEW OF MINUTES

Ms. Meil moved to approve the Annual Board Meeting Minutes and the Regular Board Meeting Minutes from May. Mr. Kolakowski seconded. Mr. Mason 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 4111 active residential customers. He stated

that there are 84 customers in service in Harborton, 33 in Bobtown, 225 in Church Neck, 71 in Sanford, 48 on Cheapside, 4 on Cobbs Station, 108 in Accomac, 12 in Townsend, 706 in Greenbackville, 85 in Atlantic, 82 in Wattsville/Horntown, 157 in Oak Hall, 120 in Hallwood, 91 in Painter/Quinby, 118 in Eastville, 174 in Nassawadox, 9 in Oyster, 375 in Exmore, 132 in Belle Haven, 40 in Cheriton, 51 in Wachapreague, 509 in Onancock, 424 in Cape Charles, 210 in Parksley, 4 in Nocks Landing, 51 in Saxis, 52 on Chincoteague, and 136 on Tangier.

3. WISP EVPL Program- Mr. Bridgham informed the BOD that there are still 59 sites are in service.
4. Microcommunity Program- There are 42 communities that are in service.
5. USDA Bailey Neck & Mt Nebo CDF- As of 5/16, the ESVBA is clear of their part 106 review and expect to move to the final review and contract phase.
6. USDA Custis Neck & Locustville CDF- The ESVBA was awarded \$286K to service the Custis Neck and Locustville communities.
7. Assistance Programs- Mr. Bridgham presented a report showing details for all of the assistance programs.

OLD BUSINESS

- a. VATI FY22 Report – Mr. Bridgham provided a report for the board on the VATI update. He stated that 11 areas are fully complete.
- b. Cyber Assessment Status– Mr. Bridgham gave a report on the Cyber Assessment this far. The company has done internal and external testing and have not found any major issues. The draft report should be received in August, and the final reports to follow.
- c. BEAD Status- Mr. Bridgham gave an update on the status for BEAD and reviewed the requirements.

TREASURER'S REPORT

None

BOARD COMMENTS

None

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 Mr. Kolakowski, seconded by Mr. Mason. The following board members were present: Mr. Reiter, Ms. Meil, Mr. Mason, Mr. Pettit, and Mr. Kolakowski, and voted affirmative.

After closed session, the Chair reconvened the meeting. Motion was made by Ms. Meil, 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, Mr. Pettit, and Mr. Kolakowski, and voted affirmative.

Ms. Meil motioned to increase the Executive Director's salary by 3%. Mr. Mason seconded. Motion passed unopposed.

ADJOURNMENT

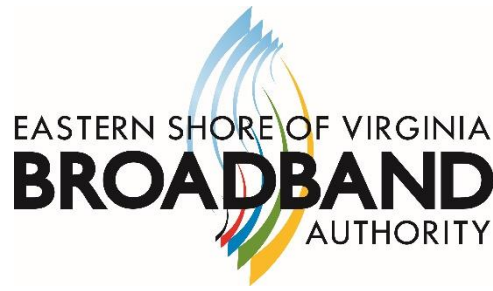
Ms. Meil moved to adjourn at 3:00pm.

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

Presiding Officer

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Leah Hoopes, Secretary



Status Report

September 2024

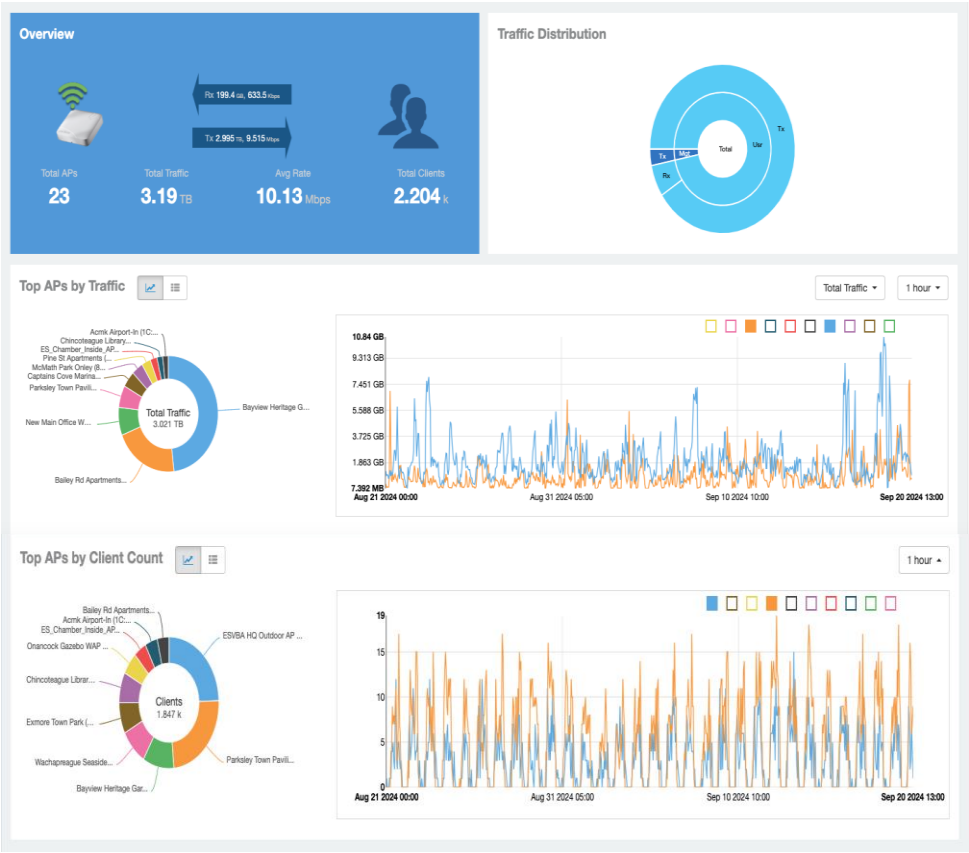
Status Report Topics

1. WiFi Hotspots
2. Residential Broadband
3. WISP EVPL Program
4. Microcommunity Program
5. USDA Grants
 - a. Bailey Neck & Mt. Nebo CDF
 - b. Custis Neck & Locustville
6. Assistance Programs

WIFI Hotspots

- 27 of 28 WiFi Hotspots online. Ebenezer Church is still offline.

ESVBA Wifi Hotspot Report, September 2024

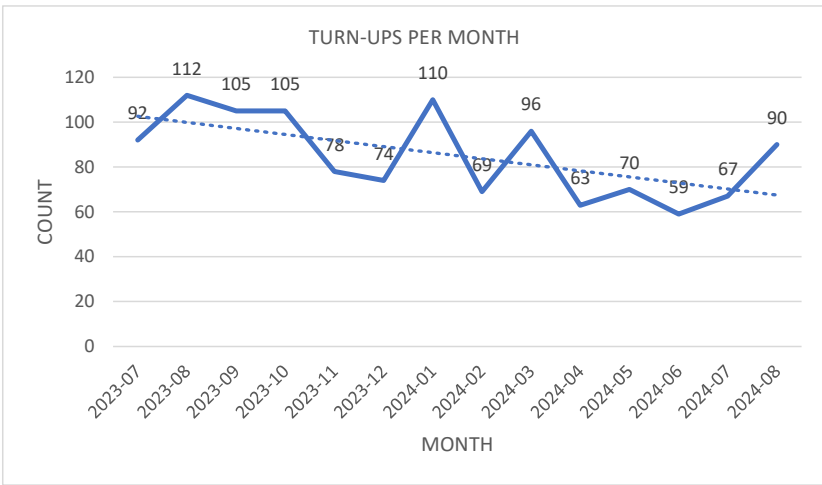
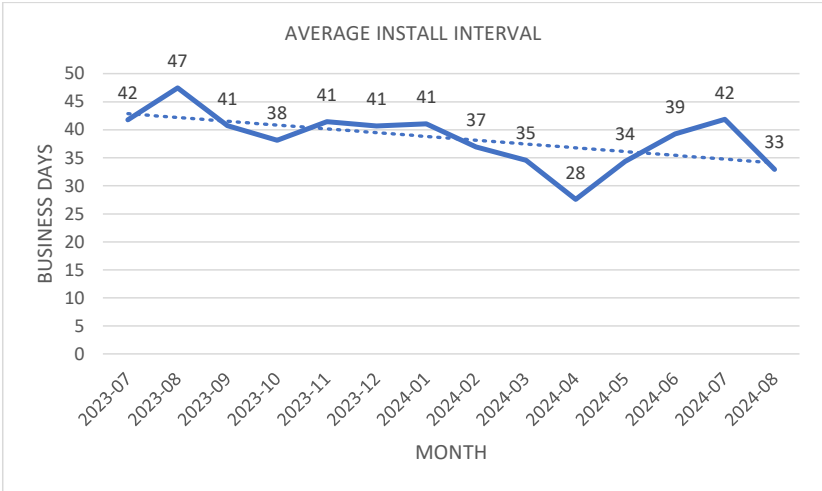


Residential Broadband

Residential Report as of 9/20/2024

Area	Date Opened	# of Servicable Homes (5/15/23)	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	284	85	29.93%	0	0.00%	29.93%	0	0.00%
Bobtown/Pungoteague/Keller	Mar-17	1048	33	3.15%	0	0.00%	3.15%	0	0.00%
Church Neck	Mar-17	352	225	63.92%	3	0.85%	64.77%	0	0.00%
Accomac	Dec-17	736	109	14.81%	0	0.00%	14.81%	0	0.00%
Cheapside	Dec-17	467	48	10.28%	0	0.00%	10.28%	1	0.21%
Cobbs Station	Dec-17	150	4	2.67%	0	0.00%	2.67%	0	0.00%
Sanford	Dec-17	481	70	14.55%	0	0.00%	14.55%	0	0.00%
Greenbackville	Jan-18	891	721	80.92%	10	1.12%	82.04%	2	0.22%
Townsend/Latimer Siding	Jan-18	337	12	3.56%	0	0.00%	3.56%	2	0.59%
Atlantic	Mar-18	475	92	19.37%	5	1.05%	20.42%	0	0.00%
Wattsville-Horntown	Mar-18	523	80	15.30%	0	0.00%	15.30%	1	0.19%
Hallwood	May-18	1183	120	10.14%	3	0.25%	10.40%	0	0.00%
Oak Hall	May-18	454	165	36.34%	4	0.88%	37.22%	0	0.00%
Eastville	Jun-18	618	116	18.77%	2	0.32%	19.09%	0	0.00%
Quinby/Painter	Jun-18	528	94	17.80%	5	0.95%	18.75%	0	0.00%
Nassawadox	Aug-18	710	180	25.35%	5	0.70%	26.06%	1	0.14%
Oyster	Aug-18	84	9	10.71%	0	0.00%	10.71%	0	0.00%
Belle Haven	Sep-18	775	137	17.68%	5	0.65%	18.32%	0	0.00%
Exmore	Sep-18	1816	387	21.31%	7	0.39%	21.70%	0	0.00%
Cheriton	Oct-18	435	40	9.20%	1	0.23%	9.43%	0	0.00%
Wachapreague	Oct-18	305	53	17.38%	0	0.00%	17.38%	0	0.00%
Cape Charles	Nov-18	1232	440	35.71%	10	0.81%	36.53%	1	0.08%
Onancock	Nov-18	2174	521	23.97%	7	0.32%	24.29%	0	0.00%
Chincoteague	Jan-19	5109	60	1.17%	6	0.12%	1.29%	1	0.02%
Nocks Landing	Jan-19	168	4	2.38%	0	0.00%	2.38%	0	0.00%
Parksley	Jan-19	1576	209	13.26%	3	0.19%	13.45%	1	0.06%
Saxis	May-20	249	51	20.48%	0	0.00%	20.48%	0	0.00%
Tangier	May-21	338	137	40.53%	5	1.48%	42.01%	1	0.30%

Totals: 23,498 4,202 81 11



WISP EVPL Program

- Fifty-nine (59) sites in service and operational, no change.

Microcommunity Program

- There now 42 microcommunities in-service and operational, no change.

USDA Bailey Neck & Mt. Nebo CDF

- We are still awaiting USDA's revision of contract.

USDA Custis Neck & Locustville CDF

- The ESVBA received notice that we with the help of Congresswoman Kiggans, the ESVBA was awarded \$286,000 in Congressionally Directed Funding to help provide service for those in the Custis Neck & Locustville communities. There is no change at this point.

Assistance Programs

ESVBA Assistance Programs Report

September-24

ESVBA Installation Assistance Program (IAP)

Active in 2021 and funded with \$189k

Number of subs enrolled:	135
Total funding from program:	\$ 39,365
Average Assistance / Sub:	\$ 291.59

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:	8
Total funding from program:	\$ 63,355
Average Assistance / Sub:	\$ 7,919

ESVBA VATI FY22 Special Assistance

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

Number of subs enrolled:	226
Total funding from program:	\$ 952,020
Average Assistance / Sub:	\$ 4,212

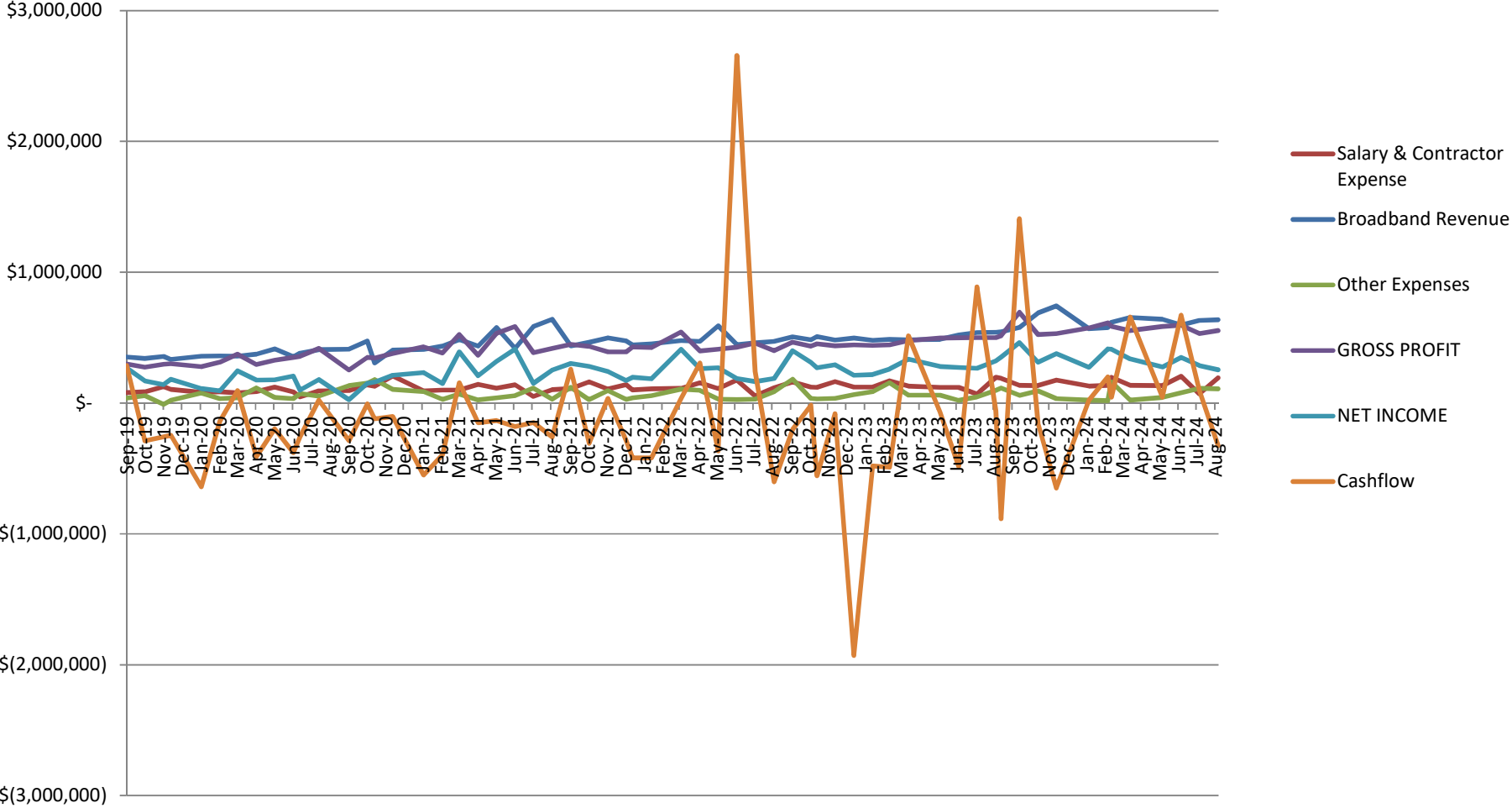
FCC ACP Program *

Number of subs enrolled:	163
Previous month's savings	\$ 4,890

Total # of ESVBA Subscribers Assisted:	532
Total Assistive Funding Rendered:	\$ 1,054,740

* FCC ACP Program has sunset and users are no longer going to receive the benefit

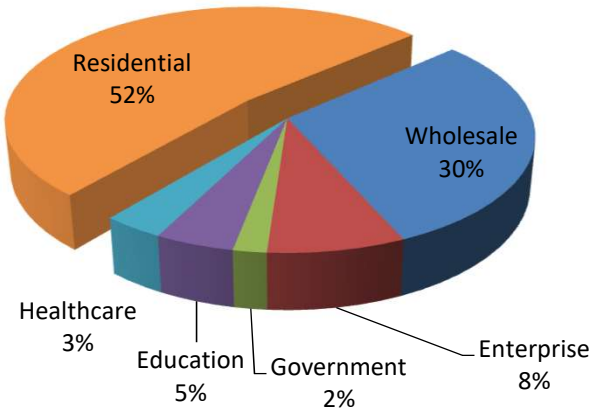
Sept '19 to Aug '24 Financials



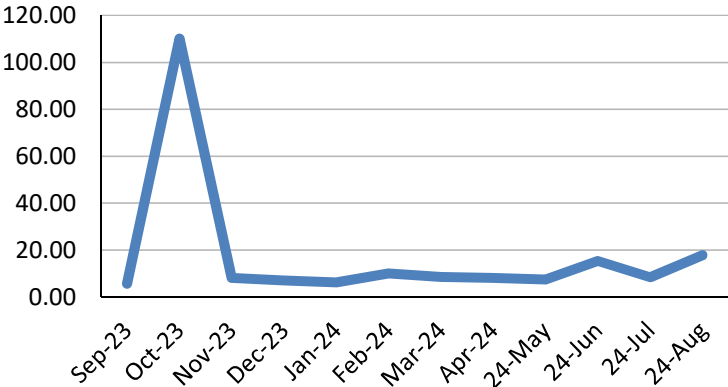
ESVBA Dashboard - Sept 2024

Financial Data

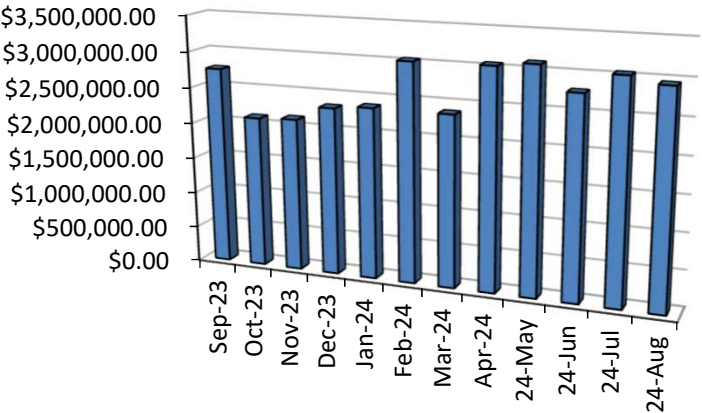
Revenue by Sector as of Aug 2024



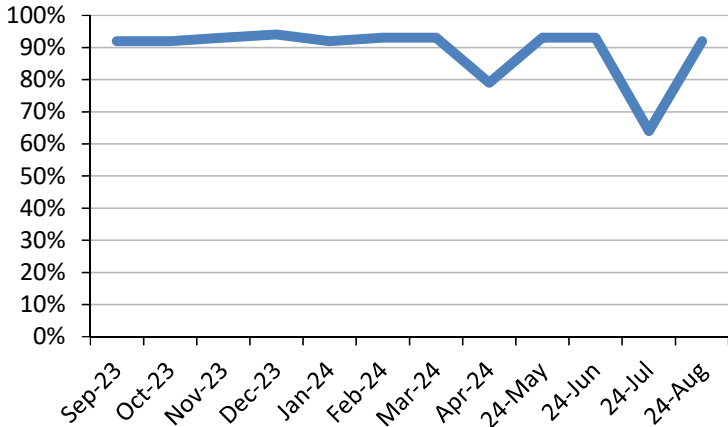
Quick Ratio



Cash & Cash Equivalents

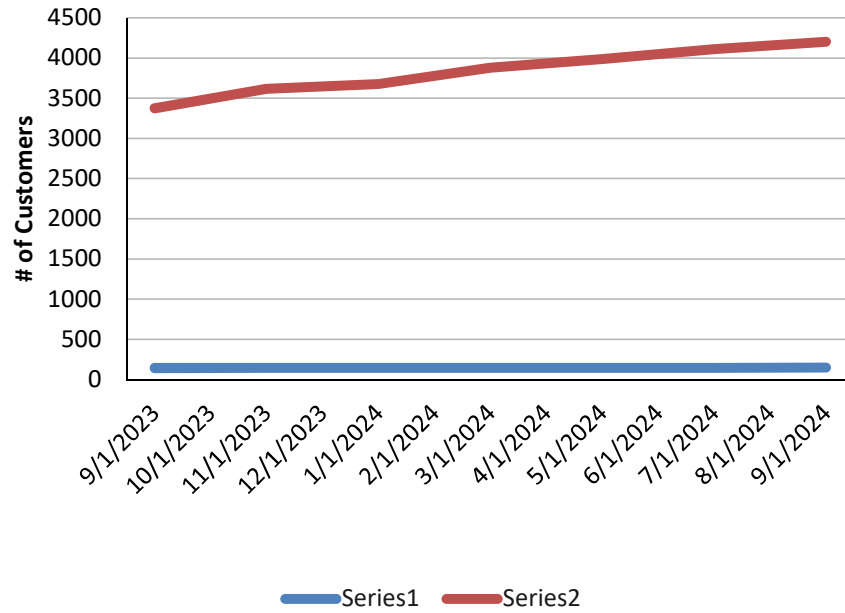


GROSS PROFIT MARGIN

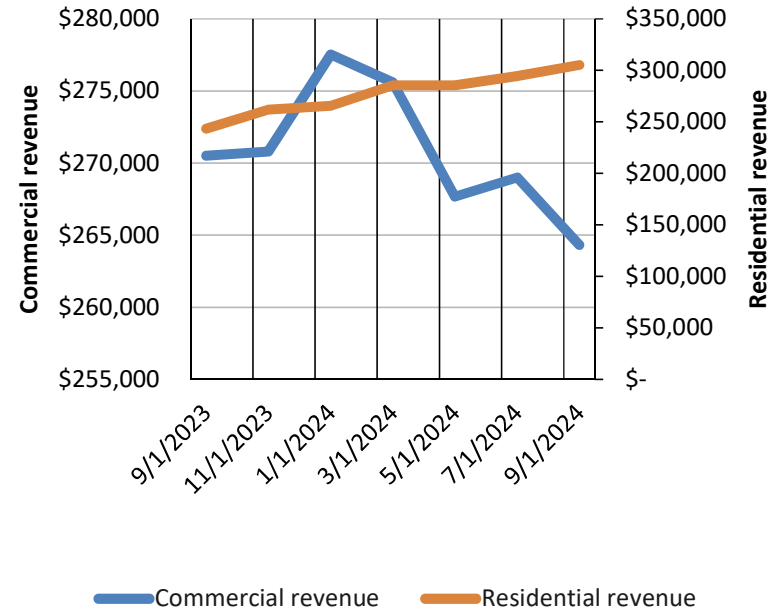


Customer Base

Customer Mix



Commercial vs. Residential Revenues



Eastern Shore of Virginia Broadband Authority
Board Income Statement
Jul 2024, Aug 2024

Financial Row	Jul 2024 Amount	Aug 2024 Amount	Total Amount
Income			
40000 - Broadband Income			
Education Income	\$24,523	\$24,523	\$49,046
Enterprise Income	\$45,499	\$42,687	\$88,187
Government Income	\$10,385	\$10,369	\$20,755
Medical Income	\$20,637	\$19,029	\$39,666
Other Income	\$3,369	\$1,681	\$5,050
Residential Income	\$285,774	\$286,421	\$572,195
Wholesale Income	\$169,526	\$164,066	\$333,592
Total - 40000 - Broadband Income	\$559,714	\$548,776	\$1,108,491
40900 - Installation Income			
Enterprise Income	\$1,000	\$250	\$1,250
Government Income	\$250	\$0	\$250
Other Income	\$0	\$1,920	\$1,920
Residential Income	\$70,150	\$38,000	\$108,150
Wholesale Income	\$1,051	\$1,051	\$2,102
Total - 40900 - Installation Income	\$72,451	\$41,221	\$113,672
46400 - Other Income			
Other Income	\$1,802	\$299	\$2,102
Residential Income	\$0	-\$100	-\$100
Wholesale Income	\$150	\$150	\$300
Total - 46400 - Other Income	\$1,952	\$349	\$2,302
46410 - Grant Reimbursement			
Other Income	\$0	\$1,139,016	\$1,139,016
Total - 46410 - Grant Reimbursement	\$0	\$1,139,016	\$1,139,016
46460 - Interest Income			
Other Income	\$2,166	\$2,185	\$4,351
Total - 46460 - Interest Income	\$2,166	\$2,185	\$4,351
Total - Income	\$636,284	\$1,731,547	\$2,367,831
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	\$27,583	\$27,583	\$55,166
50400 - Cost of Goods Sold:Utility Locates	\$652	\$620	\$1,272
50500 - Cost of Goods Sold:Pole Attachments	\$185,601	\$0	\$185,601
50600 - Cost of Goods Sold:3rd Party Transport	\$3,899	\$3,899	\$7,798
51010 - Cost of Goods Sold:Collocation/Hut Expense:Utilities	\$3,348	\$4,317	\$7,666
51020 - Cost of Goods Sold:Collocation/Hut Expense:Phone, Communic.	\$165	\$165	\$330
51030 - Cost of Goods Sold:Collocation/Hut Expense:Fuel	\$80	\$68	\$148
51090 - Cost of Goods Sold:Collocation/Hut Expense:Maintenance	\$673	\$1,311	\$1,983
Total - Cost Of Sales	\$228,678	\$44,642	\$273,320
Gross Profit	\$407,606	\$1,686,905	\$2,094,511
Expense			
61200 - Payroll Expenses:Wages & Benefits	\$69,820	\$0	\$69,820
62200 - Sales and Marketing:Marketing and Promotions	\$25,420	\$2,245	\$27,665
62300 - Sales and Marketing:Marketing Materials	\$103	\$50	\$153
63100 - Travel and Meetings:Conference, Convention, Meeting	\$1,200	\$0	\$1,200
63200 - Travel and Meetings:Mileage/Tolls Reimbursement	\$352	\$620	\$972
63400 - Travel and Meetings:Meals & Entertainment	\$887	\$182	\$1,068
63500 - Travel and Meetings:Other Travel	\$4,322	\$0	\$4,322
64200 - Bank Charges & Fees	\$4,931	\$5,492	\$10,423
64225 - Collection Agency Expense	\$516	\$969	\$1,485
64280 - VATI Grant FY22 Special Construction	\$46,750	\$24,800	\$71,550
64320 - Dumpster/Trash Removal	\$298	\$298	\$596
64360 - Insurance - Liability, D and O	\$4,977	\$0	\$4,977
64370 - Janitorial Services	\$1,375	\$0	\$1,375

64400 - Office Supplies & Expense	\$1,461	\$5,646	\$7,108
64420 - Printing and Copying	\$791	\$495	\$1,286
64450 - Postage, Mailing & Shipping	\$496	\$300	\$796
64460 - Office IT Hardware/Software	\$6,655	\$1,181	\$7,835
64470 - Office Maintenance & Repair	\$4,200	\$24,858	\$29,058
64480 - Rent or Lease Payments	\$3,250	\$3,250	\$6,500
64490 - Office Utilities	\$80	\$80	\$159
64630 - Staff Development	\$0	\$459	\$459
64700 - Taxes	\$735	\$371	\$1,106
64750 - Telephone & Telecommunications	\$585	\$585	\$1,171
64760 - Mobile Phones	\$0	\$640	\$640
65200 - Professional Services:Legal Fees	\$122	\$358	\$480
65300 - Professional Services: Business Development	\$0	\$1,040	\$1,040
67200 - Vehicle Equipment	\$38	\$38	\$76
67300 - Vehicle Fuel	\$2,985	\$3,486	\$6,472
67400 - Vehicle & Equip Maintenance & Repair Expenses	\$4,945	-\$5,990	-\$1,045
68000 - Physical Plant & Electrical Maintenance	\$0	\$410	\$410
68100 - Physical Plant Maintenance/Agreements/Warranties/Software	\$372	\$0	\$372
68200 - Physical Plant Permits & Fees	\$410	\$0	\$410
68300 - Physical Plant Repairs	\$16,513	\$11,315	\$27,828
68330 - Physical Plant/Inventory Disposed Items	\$0	\$119	\$119
68400 - Physical Plant Tools & Safety Equipment	\$2,235	\$4,055	\$6,290
68500 - Physical Plant Shipping Freight & Delivery	\$4,494	\$1,898	\$6,392
Total - Expense	\$211,318	\$89,248	\$300,566
Net Income	\$196,288	\$1,597,657	\$1,793,945

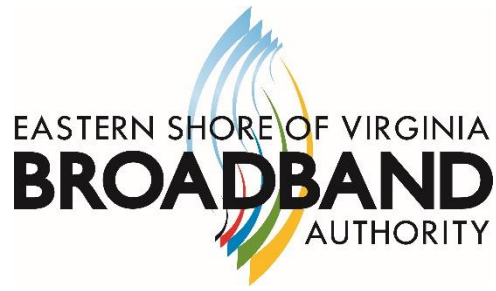
Eastern Shore of Virginia Broadband Authority
Board Balance Sheet
End of Aug 2024

Financial Row	Amount
ASSETS	
Current Assets	
Bank	
10010 - General Operating Account - BB&T (0720)	\$1,095,774.78
10020 - Capital Expansion Account - BB&T (0747)	\$746,230.56
10030 - Equipment Accrual - BB&T (0739)	\$601,924.91
10160 - Annual Accrual - BB&T (7622) Savings Acct	\$383,394.21
10165 - Expansion Proceeds BB&T Savings Acct (0070)	\$2,569.55
10180 - Merchant Services - BB&T (8016)	\$92,117.80
10990 - Petty Cash	\$150.00
Total Bank	\$2,922,161.81
Accounts Receivable	
11000 - Accounts Receivable	\$2,666,701.13
11010 - Reserve for Bad Debt	(\$143,658.20)
Total Accounts Receivable	\$2,523,042.93
Other Current Asset	
11900 - Undeposited Funds	\$25,809.32
11920 - Customer overpayments	(\$117,140.43)
13100 - Inventory Asset	\$1,611,216.43
15000 - Plant in Service	\$33,304.93
Total Other Current Asset	\$1,553,190.25
Total Current Assets	\$6,998,394.99
Fixed Assets	
14100 - General Furniture Fixtures	\$42,727.66
14199 - Accumulated Depreciation - Furniture	(\$30,830.25)
14200 - Equipment:Computers, Printers, Equip, Software	\$164,209.28
14299 - Accumulated Depreciation - Equipment	(\$216,417.44)
15010 - Physical Plant Structure	\$35,598,077.42
15020 - Physical Plant Electronics	\$4,928,888.42
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	\$47,981.73
15098 - Accumulated Depreciation - Plant In Service	(\$10,564,868.51)
15100 - Physical Plant Network & Software	\$22,281.96
15199 - Accumulated Depreciation - Software	(\$64,303.09)
15200 - Vehicles & Equipment	\$1,037,483.84
15299 - Accumulated Depreciation - Vehicles	(\$410,308.52)
16000 - Railway Easement	\$250,000.00
17000 - Land	\$10,000.00
Total Fixed Assets	\$31,281,622.85
Other Assets	
15001 - GASB 87 leased assets	\$473,948.00
15002 - Accumulated Depreciation-GASB 87 leased assets	(\$110,879.72)
Total Other Assets	\$363,068.28
Total ASSETS	\$38,643,086.12
Liabilities & Equity	

Financial Row	Amount
Current Liabilities	
Accounts Payable	
20000 - Accounts Payable	\$309,286.87
20050 - Accrued Interest Payable	\$3,589.33
Total Accounts Payable	\$312,876.20
Credit Card	
21010 - BB&T Visa 5701 LH	\$1,355.12
21030 - BB&T Visa 5340 RB	\$1,417.59
21040 - BB&T Visa 7215 TE	\$617.15
21060 - BB&T Visa 5625 KB	\$1,421.27
Total Credit Card	\$4,811.13
Other Current Liability	
20010 - Accrued Purchases	(\$60,056.26)
24010 - Direct Deposit Liabilities:USAC Reimbursements Deposits	\$39,226.37
25000 - ESVBA Installation Assistance Program	(\$38,215.00)
26100 - USAC Tax Payable	\$16,981.83
26200 - Va Communications Tax	(\$15,095.22)
Total Other Current Liability	(\$57,158.28)
Total Current Liabilities	\$260,529.05
Long Term Liabilities	
27500 - BB&T Loan for Expansion	\$2,776,000.00
27700 - GASB 87 lease liability	\$362,066.03
28000 - Deferred Income	\$262,703.48
Total Long Term Liabilities	\$3,400,769.51
Equity	
Retained Earnings	\$33,187,842.65
Net Income	\$1,793,944.91
Total Equity	\$34,981,787.56
Total Liabilities & Equity	\$38,643,086.12

Eastern Shore of Virginia Broadband Authority
Board Cash Flow Statement
Jul 2024, Aug 2024

Financial Row	Jul 2024	Aug 2024
	Amount	Amount
Operating Activities		
Net Income	\$196,287.83	\$1,597,657.08
Adjustments to Net Income		
Accounts Receivable	\$67,323.04	(\$1,249,252.98)
Inventory Asset	\$25,370.58	(\$61,010.17)
Accounts Payable	\$138,856.66	(\$168,410.83)
Sales Tax Payable	(\$4,107.56)	(\$4,563.52)
Other Current Liabilities	\$619.67	\$1,370.22
Total Adjustments to Net Income	\$228,062.39	(\$1,481,867.28)
Total Operating Activities	\$424,350.22	\$115,789.80
Investing Activities		
Fixed Asset	(\$163,174.70)	(\$204,901.65)
Total Investing Activities	(\$163,174.70)	(\$204,901.65)
Financing Activities		
Long Term Liabilities	(\$1,050.76)	(\$1,050.76)
Total Financing Activities	(\$1,050.76)	(\$1,050.76)
Net Change in Cash for Period	\$260,124.76	(\$90,162.61)
Cash at Beginning of Period	\$2,778,008.98	\$3,038,133.74
Cash at End of Period	\$3,038,133.74	\$2,947,971.13



VATI Update 9/20/24

Area 1

- All of the original design in Captain's Cove has been fully constructed and spliced minus Red Hills Rd. ANEC is complete and we are working with one homeowner about an easement as well as Captains Cove to get the path in place.

Area 2

- 100% completion

Area 3

- 100% completion

Area 4

- 100% completion

Area 5

- 100% completion

Area 6

- 100% completion

Area 7

- 100% completion

Area 8

- Remaining locations in active construction:
 - Stanley Mobil Home Park – No contact to get easements

Area 9

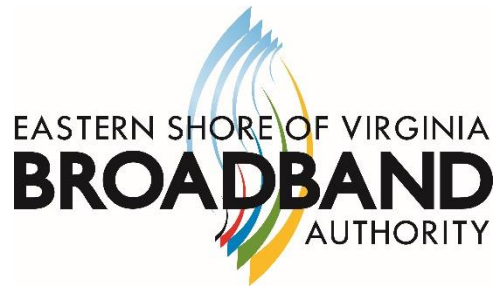
- 100% completion

Area 10

- 100% completion

Area 11

- Remaining locations in active construction:



- Bayview Circle- No easement

Area 12

- 100% completion

Area 13

- 100% completion

Area 14

- 100% completion

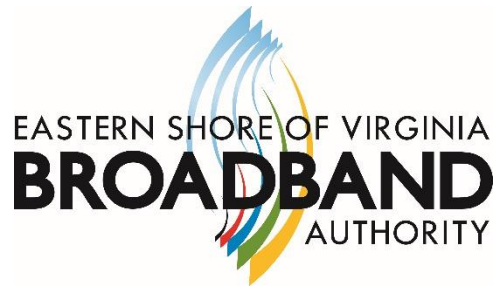
Overall the project is 97% complete build.

Subscriber Update

The ESVBA had constructed 1,658,705ft (~314miles) of usable fiber in the VATI FY22 area. This footage has provided for coverage of 9,330 (4,496 in Accomack and 4,834 in Northampton) homes that now currently have broadband coverage. In this same area, we currently have 1,388 active subscribers (934 in Accomack and 454 in Northampton) that are in-service and using the network.

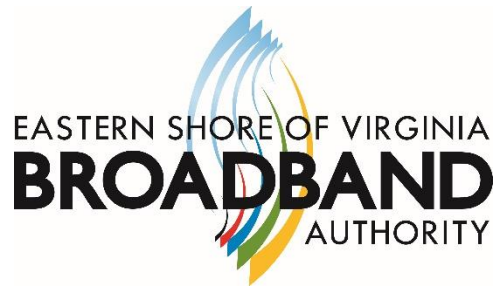
Financial Update

As of July, the ESVBA had expended \$10,183,921 in funds that have been remitted to the state. Of that, we have received \$6,307,328 due to a 10% retainage that the state requires for the project and we have not received our April remittance. We have expended a total of \$8,662,811 in the project and the difference is project match.



Cybersecurity Audit Status Update 9/23/24

- External Penetration testing – Completed – No issues noted
- Internal Penetration testing (Non-credentialed) – Completed – No major issues noted
- Internal Policy review – Complete
- Internal Penetration testing (Credentialed) – Complete
- Wireless Scanning (both private and guest) – Complete
- Applications (authenticated application vulnerability scanning and penetration testing) – Complete Database Assessment (4 database servers) – Complete Brute Force Attack (check for weak passwords) – Complete
- Social Engineering (Phone and E-mail) – Complete
- Informal final draft report discussion in normal weekly meeting, Monday 9/30 4pm
- Any issues we have in the final report can be sent to them week of 9/30-10/3
- Final tentative teams meeting 10/4



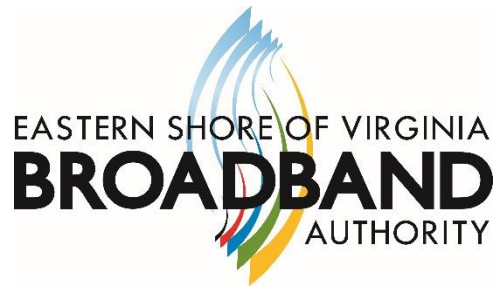
RE: September 2024 Budget Amendment

Request: The current Northbound link for our Internet connectivity is hitting 65% utilization and we anticipate this link getting to the 80% utilization level by the end of the FY. Additionally, the current link is designed at 10Gbps without room for expansion. We have identified an upgrade path that will reduce our current Internet cost-per-megabit by expanding to a 20Gbps link over a 100Gbps circuit. This would allow us to support growth as well as having spare capacity to move smaller circuits over and more opportunities for other circuits. To support this, we would need 100Gbps equipment in Ashburn and in Wallops to support these circuits but overall would reduce our Internet and COGS on our Northbound path.

The FY25 budget included a line item in the capital budget for \$550,000 for replacement of ESVBA Core routers. This item was discussed and approved as part of FY25 however, the ESVBA requested an extension of VATI22 to include the expenses as part of its VATI project as a qualified expense.

Funding requested: \$165,000 added to the capital budget to purchase transport gear to Northern Virginia.

Funding Source: Deallocation of the \$550,000 that was designated for replacement core routers since the funding will be from the VATI project.



RE: Revision to ESVBA Employee Handbook

Concern: In the revision of the ESVBA Employee Handbook that was adopted in December of 2022, the Jury Service Leave was set as:

“If an employee is summoned to report for jury duty, they will be granted a leave of absence without pay when the employee notifies and submits a copy of the original summons for jury duty to their supervisor or manager. The ESVBA reserves the right to request that they seek to be excused from or request postponement of jury service if the absence from work would create a hardship to the ESVBA. ”

This policy took away privileges that the ESVBA staff had under the previous policy. We recommend that the board adopts a change to the handbook that replaces the aforementioned paragraph with:

Before Jury Service Leave is granted, the employee must submit a copy of the official summons for jury duty to the department head prior to the beginning date of such service. Any employee appearing in court either as a defendant or plaintiff in a case is not eligible for Jury Service Leave.

An employee granted court leave is compensated at the regular rate of pay during court appearances for a maximum of 8 non-consecutive days during any summons. Any compensation for jury duty as well as for witness service may be retained by the employee.

Employees summoned by a court for the purpose of qualifying for jury duty are entitled to Jury Service Leave for the actual period of absence, whether or not they are selected to serve. If the employee's presence is required for less than a full workday, the employee is required to contact their supervisor concerning return to work. Any employee who fails to contact their supervisor risks the loss of pay for that day.

An employee taking court leave is entitled to regular compensation for work missed because of such leave; however, hours paid as Jury Service Leave are not counted as hours worked when calculating overtime.