



**CHURCHILL COUNTY COMMISSIONERS  
CC COMMUNICATIONS MANAGEMENT  
CHURCHILL COUNTY, NEVADA**

899 South Maine Street  
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Contact Person: Shelly Bunyard, Administrative Assistant  
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**\*\*\*\*NOTICE OF PUBLIC MEETING\*\*\*\***

**AGENDA**  
*PLEASE POST*

**PLACE OF MEETING:** Churchill County Administrative Building, Commission Chambers,  
155 North Taylor Street, **Suite 102**,  
Fallon, Nevada

**DATE & TIME:** March 26, 2025 at 2:00 PM

**TYPE OF MEETING:** **BUDGET WORKSHOP**, CC Communications Management  
Meeting

If you wish to make public comment, you may provide them at the meeting or via email, no later than 4:30 PM the day before the meeting, to [shelly.bunyard@cccomm.co](mailto:shelly.bunyard@cccomm.co).

**Notes:**

- I. These meetings are subject to the provisions of Nevada Open Meeting Law (NRS Chapter 241). Except as otherwise provided for by law, these meetings are open and public.***
- II. Action will be taken on all Agenda items, unless otherwise noted.***
- III. The Agenda is a tentative schedule. The CC Communications Management Board may act upon Agenda items in a different order than is stated in this notice – so as to affect the people’s business in the most efficient manner possible.***





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**Pamela D. Moore, Deputy Clerk to the Board**

*Endnotes:*

**Disclosures:**

*\*CC Communications is an equal opportunity provider and employer.*

**Accommodations/Nondiscrimination:**

*\*Notice to Persons with Disabilities: Members of the public who are disabled and require special assistance or accommodations at the meeting are requested to notify the CC Communications Executive Office in writing at P.O. Box 1390, Fallon, NV 89407 (Attn: Shelly Bunyard), or by calling 775-423-7171 ext. 1215 at least two days in advance.*

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1. Mail: U.S. Department of Agriculture  
Office of the Assistant Secretary for Civil Rights  
1400 Independence Avenue, SW  
Washington, D.C. 20250-9410;
2. Fax: (202)690-7442; or
3. Email: [program.intake@usda.gov](mailto:program.intake@usda.gov).

**Procedures:**

*\*The public meetings may be conducted according to rules of parliamentary procedure.*

*\*Persons providing public comment will be asked to state their name for the record.*

*\*The CC Communications Management Board reserves the right to restrict participation by*

*persons in the public meeting where the conduct of such persons is willfully disruptive to the people's business.*

*\*All supporting materials for this Agenda, previous Agendas, or Minutes are available by requesting a copy from the CC Communications Office, 775-423-7171 ext. 1215. During the meeting, there will be one copy available for public inspection. Additional copies are available by making the request from the CC Communications Office. You are entitled to one copy of the supporting materials free of charge.*



CC Communications  
Agenda Report

Date Submitted: March 12, 2025

Agenda Item #: New Business - A  
Meeting Date Requested: March 26, 2025

To: Board of Churchill County Commissioners  
From: Jamie Hyde, Chief Financial Officer  
Subject Title: Consideration and possible action re: Presentation of the 2025 - 2026 Fiscal Year Budget Workshop

Type of Action Requested: None; Informational Only

Does this action require a Business Impact Statement? No

Recommend Board Action: None; informational only.

Discussion: Presentation to the Board of the 2025 - 2026 Budget Workshop, Powerpoint presentation is attached.

Alternatives: N/A

Fiscal Impact: Budget for 2025 - 2026

Explanation of Impact: N/A

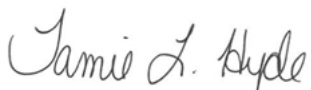
Funding Source: 2025 - 2026

Prepared By: Shelly Bunyard, Administrative Assistant

Reviewed By:

  
\_\_\_\_\_  
Mark Feest, General Manager

Date: March 19, 2025

  
\_\_\_\_\_  
Jamie Hyde, Chief Financial Officer

Date: March 19, 2025

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**Board Action Taken:**

**Motion:** \_\_\_\_\_

1) None Aye: 0  
2) None Nay: 0

*Sully Binyard*

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(Vote Recorded By)

The submission of this agenda report by county officials is not intended, necessarily, to reflect agreement as to a particular course of action to be taken by the board; rather, the submission hereof is intended, merely, to signify completion of all appropriate review processes in readiness of the matter for consideration and action by the board.



# 2025 Budget Workshop

2025-2026

Budget Overview

# Agenda

CC Communications

Made up of four companies:

Telephone

Broadband

Long Distance

CAP



**Budget Process**



**Challenges/Accomplishments**



**Revenue Forecasts**



**Financial Overview & Capital Budget**



**Projects and Actions**



## 2025-2026 Budget Process

- ◆ Development of the FY 25-26 budget used incremental budgeting.
- ◆ The Revenue budget is based on target market characteristics, strategic goals, and changes to the regulatory regime. The projections in the FY 2026 budget are primarily driven by the continued implementation of the Consumer Only Broadband Loop (CBOL) support mechanism, Competitive deployments, the evolution of the communications industry, customer preferences, and general economic conditions.
- ◆ Development of the Capital budget consisted of group and individual department collaboration to determine project needs and prioritization consistent with long term strategy of the company. Long term strategy includes identifying end of life assets and determining a replacement schedule.

# Primary Challenges

- ◆ Inflation
  - ◆ YoY 2.89%
  - ◆ 32.2% increase over last decade
  - ◆ 27.5% inflation since 2017
- ◆ Downward Pricing Pressure
  - ◆ YoY 9.4% decrease
  - ◆ Real BPI-Speed prices decrease 59.9% over last decade
  - ◆ 21.4% price decrease since 2017
- ◆ Attrition

# Significant Factors Impacting Budget Process Overall (1)

- ◆ CLEC revenue opportunities
- ◆ Downward pricing pressure and relentless competitor marketing continues to erode profitability.
- ◆ Customer preferences
- ◆ Transport Network and Business Product Catalogue
- ◆ Grant Projects



# Significant Factors Impacting Budget Process Overall (2)

- ◆ Capital requirements for out of area Broadband projects
- ◆ Capital spend for Fixed Wireless Solutions
- ◆ Changes to the Regional long-haul landscape
- ◆ Staffing requirements
- ◆ Cash flow

# Significant Factors Impacting Network Evolution

- ◆ Competition and Downward pricing pressures
- ◆ Redundancy and Reliability
- ◆ Staffing requirements

# Accomplishments (1)

- ◆ Approximately 37% complete with SCA Grant
- ◆ IPTV wind-up within acceptable range for customer attrition
- ◆ FTTH in Churchill County transitioned to internal crews
- ◆ Agreement with Storey County for FTTH Deployment

# Accomplishments (2)

- ◆ Successful test of Tarana Wireless – ready for addition to services
- ◆ Physical Deployment of C15
- ◆ Physical Deployment of Ribbon Transport Gear
- ◆ Migration of North route to Ribbon

# Benchmarks (1)

- ◆ EBITDA
- ◆ EBITDA Less USF
- ◆ Revenue per employee
- ◆ Payroll as Percentage of Revenue
- ◆ Revenue/BB Subscriber
- ◆ CAPEX as % of Revenue



# Benchmarks (2)

	Benchmark	23/24	Annualized 24/25	Budget 25/26
<b>EBITDA</b>	39.9%	37.1%	42%	47%
<b>EBITDA Less USF</b>	2.6%	4.7%	8.7%	16%
<b>Rev/Employee</b>	\$440,415	\$479,465	\$540,519	\$556,780
<b>Rev/BB Sub</b>	\$3,360	\$3,673	\$3,683	\$3,767
<b>Payroll % of Rev</b>	28.1%	27.5%	26.1%	26.04%
<b>CAPEX % of Rev</b>	24%	19%	24.2%	32.1%

# Actions (1)

- ◆ Enhancing the broadband customer experience (CX)
- ◆ Reducing trouble ticket impact
  - Example
- ◆ Increasing capacity through Capital projects
  - Redundancy
  - Reliability

# Actions (2)

- ◆ Enhance Business Catalogue and Sales
  - Developing and Maximizing fiber assets outside of Churchill County
- ◆ Growth opportunities in other counties through grant partnership
  - Storey County
  - Yerington Paiute Tribe

## Capital Expense

### Estimated Current Fiscal Year 24/25

- TEL: \$ 1,866,302
- Broadband: \$ 270,428
- CAP: \$ 4,338,842

### Budgeted Fiscal Year 25/26

- TEL: \$ 1,573,347
- Broadband: \$ 571,094
- CAP: \$ 5,906,906

# Capital Projects (1)

- ◆ Churchill County
  - 221 FTTH
  - 740 Tarana
- ◆ Network Upgrades
  - Reliability and Redundancy
    - ◆ TDM Circuit Emulation
    - ◆ VSP Replacement
    - ◆ DHCP, IPv4 transition and Firewall

# Capital Projects (2)

## ◆ Storey County

– Virginia City in progress

◆ ETA = Quarter 2 FY 25/26

◆ Target Annual Revenue = \$315,000

– Virginia City Highlands

◆ ETA = Quarter 2 FY 26/27

◆ Target Annual Revenue = \$565,000

# Capital Projects (3)

## ◆ SCA

- 37% complete
- Tract 400 complete
- Tract 300 in-progress
- Target 1300 - 1600 homes in 25/26
- Target 57% - 63% complete in 25/26

# Capital Projects (4)

## ◆ Tarana

### – Churchill County

- ◆ Address remaining copper locations that are uneconomical to reach with FTTH
- ◆ Create wireless redundant last mile network
- ◆ Measure demand for redundant middle mile network product



# Capital Projects (5)

- ◆ Tarana Test Bed Deployment
  - CLEC
    - ◆ Cost Target = \$1,800 per customer
      - Not per location as with fiber
    - ◆ Revenue Target
      - \$105,000
    - ◆ Finalize location
      - Dependent upon tower and backhaul

# Capital Projects (6)

- ◆ Tribal Grants
  - YPT
    - ◆ EAS at NTIA
  - FPST
    - ◆ Final Agreements?
    - ◆ EAS
    - ◆ 6- Month Plan

## 2024-2025 Annualized Compared to Budget - Telephone

<i>(in millions)</i>	<b>2024-25 Annualized</b>	<b>2025-26 Budget</b>
Revenues - regulated / deregulated	\$15,326,645	\$15,026,735
Expenses - regulated / deregulated	\$12,027,980	\$13,025,020
Net Income(Loss)	\$3,298,665	\$2,001,715
Capital	\$1,866,302	\$1,573,347
PILT	\$473,686	\$476,734
Total Net Assets	\$41,609,037	\$43,610,752

- Net Income based upon additional transfer of profit eliminated from "Expenses-regulated / deregulated" for 24-25 and returned for budget year 25-26.

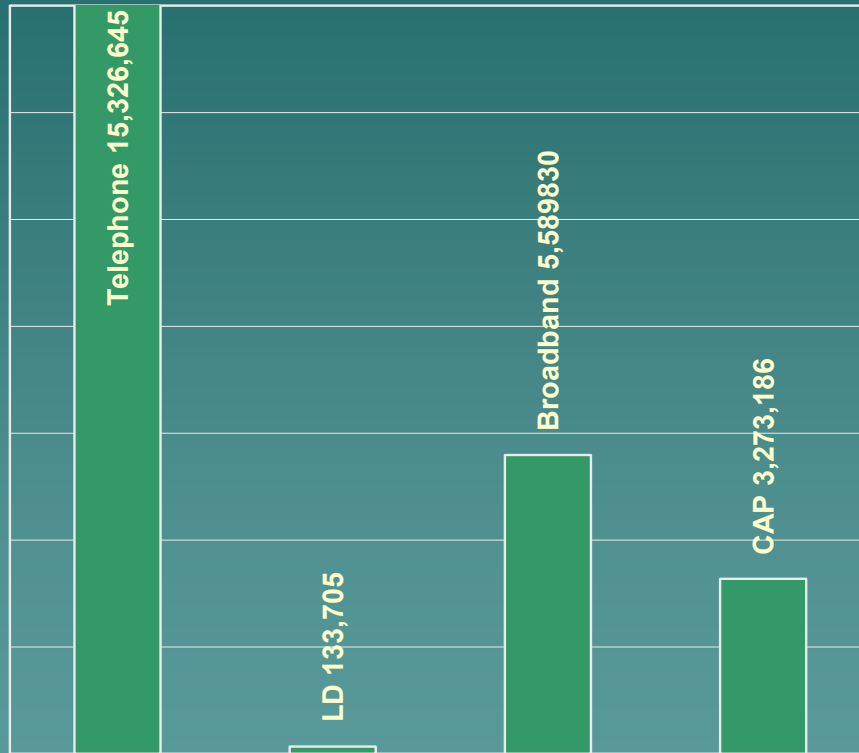
## 2024-2025 Annualized - 2025-2026 Budget All Companies

	<b>2024-25 Annualized</b>	<b>2025-26 Budget</b>
Revenues	\$24,323,366	\$25,339,235
Expenses	\$19,292,420	\$19,506,050
Net Income	\$5,030,946	\$5,833,185
Capital Projects	\$6,475,572	\$8,051,347

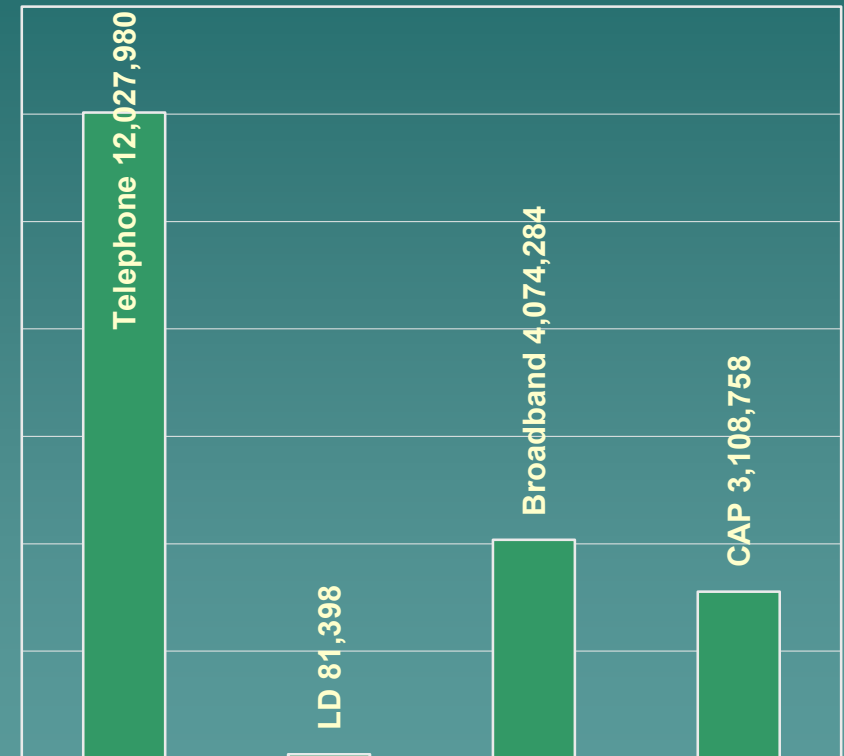
- Revenue Bond principal payments are not reflected in Expenses

# Estimated Income Current Budget Year 2024 – 2025

Net Revenues



Net Expenses



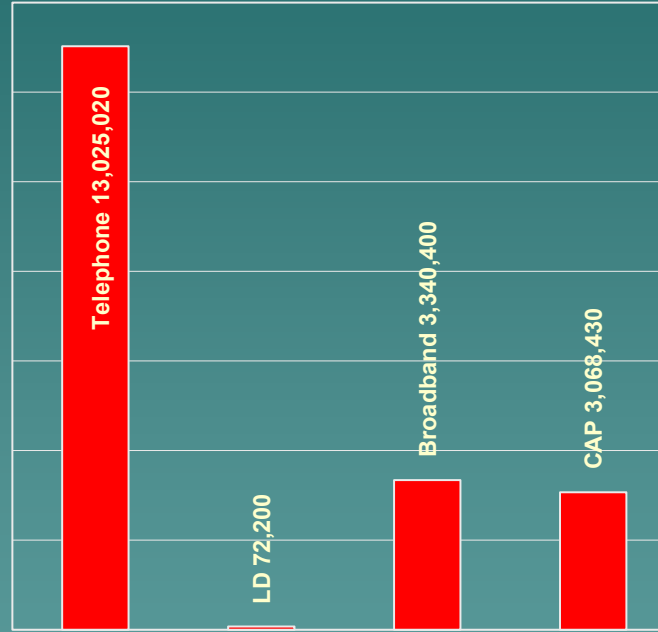
• **Estimated Combined NET Income for June 30, 2025**  
**\$5,030,946**

# Net Income Projections Budget Year 2025 – 2026

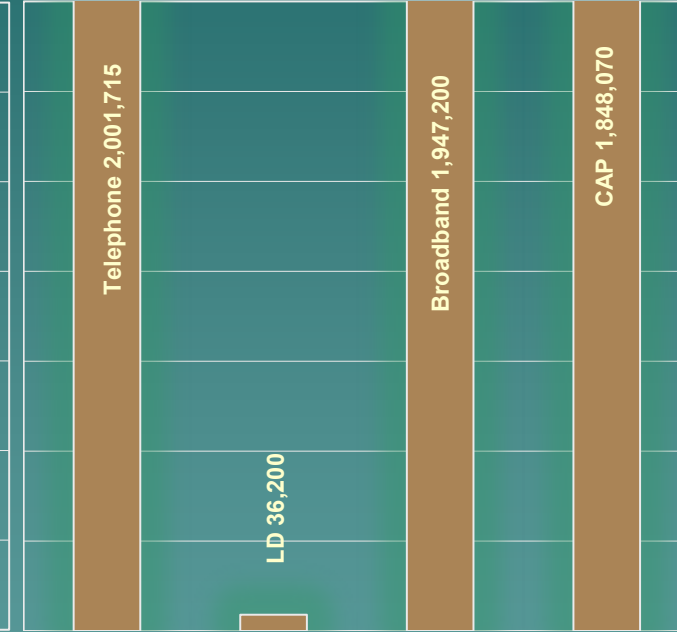
Net Revenues



Net Expenses



Net Income



•Estimated Combined NET Income for 2025-2026

**\$5,833,185**

## Summary

- ◆ Action to address downward pricing pressure and market share erosion
  - Reliability/Redundancy
  - Customer Experience
  - Wireless Offering
- ◆ Focus on Broadband outside the County in Capital Expenditures
- ◆ Enhance Business Product Catalogue and Sales
- ◆ Continue to benchmark financial performance and staff utilization

# Questions?

