



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

**899 South Maine Street  
Mailing Address PO Box 1390  
Fallon, Nevada 89407  
(775) 423-7171 Ext. 1215  
Fax: (775) 423-0317**

**Contact Person: Shelly Bunyard, Administrative Assistant  
E-mail: [shelly.bunyard@cccomm.co](mailto:shelly.bunyard@cccomm.co)**

**\*\*\*\*NOTICE OF PUBLIC MEETING\*\*\*\***

**AGENDA**  
**PLEASE POST**

**PLACE OF MEETING:** Churchill County Administrative Building, Commission Chambers,  
155 North Taylor Street Suite 145, Fallon, Nevada

**DATE & TIME:** April 3, 2025 at 1:45 PM

**TYPE OF MEETING:** Regularly Scheduled 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.***
- IV. In the interest of time, the CC Communications Management Board reserves the right to impose uniform time limits upon matters devoted to public comment.***
- V. Any statement made by a member of the CC Communications Management Board during the public meeting is absolutely privileged.***
- VI. All persons participating in the meetings are put on notice that an audio and video***

*recording is made of these meetings.*

**AGENDA:**

1. **Call to Order.**
2. **Public Comment.**
3. **Verification of Posting of Agenda.**
4. **Consideration and possible action re: Approval of Agenda as submitted or revised.**
5. **Consideration and possible action re: Approval of Minutes of the meeting held on:**
  - A. March 6, 2025
6. **New Business.**
  - A. Consideration and possible action re: Approval of the 2025 - 2026 Budget for CC Communications - Telephone Fund, CC Communications - Long-Distance Fund, CC Communications - Broadband Funds and CC Communications CAP - Servicing Outside Churchill County Fund.
7. **Reports: General Manager Report.**
8. **Affidavit of Posting:**
9. **Public Comment.**
10. **Adjournment.**

STATE OF NEVADA       )  
                                      : ss.  
County of Churchill     )

*I, **Shelly Bunyard, Administrative Assistant**, do hereby affirm that I posted, or caused to be posted, a copy of this notice of public meeting, on or before the **28th day of March, 2025** between the hours of **1 pm and 5 pm**, at the following locations in Churchill County, Nevada:*

1. *Churchill County Administration Building, 155 N. Taylor St., Fallon, NV;*
2. *The CC Communications Website @ [www.cccomm.info](http://www.cccomm.info);*
3. *The State of Nevada Website @ <https://notice.nv.gov/>.*



---

***Shelly Bunyard, Administrative Assistant***

***Shelly Bunyard, Administrative Assistant***, who was subscribed and sworn to before me this

March 28, 2025



---

**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.*

*\*In accordance with federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its agencies, offices, employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies or complaint filing deadlines vary by program or incident. Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible agency [(775)423-4092] or USDA's TARGET Center at (202)720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800)877-8339. Additionally, program information may be available in languages other than English. To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at: [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the Complaint Form, call (866)632-9992. Submit your completed form or letter to USDA by:*

- 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.*



## **MINUTES OF THE CC COMMUNICATIONS MANAGEMENT**

**155 N. Taylor St., Fallon, NV 89406**

**March 6, 2025**

### **Call to Order:**

The regular meeting of the CC Communications was called to order at 1:56 PM on March 6, 2025.

**PRESENT:** Commissioner Matt Hyde  
Commissioner Eric Blakey  
Commissioner Myles Getto  
General Manager Mark Feest  
Chief Financial Officer Jamie Hyde  
Administrative Assistant Shelly Bunyard

**ABSENT:**

### **Public Comment:**

Chairman Matt Hyde asked if there was any public comment but there was none.

### **Verification of Posting of Agenda:**

It was verified by Shelly Bunyard, Administrative Assistant, that the Agenda for this meeting was posted on the 28th day of February, 2025 between the hours of 1 pm and 5 pm at all of the locations listed on the Agenda, in accordance with NRS 241.

### **Consideration and possible action re: Approval of Agenda as submitted or revised:**

Commissioner Myles Getto made a motion to approve the Agenda as submitted. Commissioner Eric Blakey seconded the motion, which carried by unanimous vote.

### **Consideration and possible action re: Approval of Minutes of the meeting held on:**

#### **A- February 6, 2025**

Commissioner Eric Blakey made a motion to approve the minutes of the meeting held on February 6, 2025 as submitted. Commissioner Myles Getto seconded the motion, which carried by unanimous vote.

### **New Business:**

#### **A- Consideration and possible action re: CC Communications 4th Quarter Write Offs for FY 2023/2024 in the amount of \$7,360.85.**

Jamie Hyde, CC Communications. We are asking for approval for the 4<sup>th</sup> Quarter Fiscal Year Write Offs for FY 2023 – 2024 as submitted.

Commissioner Myles Getto made a motion to approve the CC Communications 4th Quarter Write Offs for FY 2023/2024. Commissioner Eric Blakey seconded the motion, which carried by unanimous vote.

#### **B- Consideration and possible action re: adoption of updated CC Communications organization chart.**

Mark Feest, CC Communications. You should have the attached chart in your packet. The chart is really reflective of how things are operationally currently and have been for some time. The

updates show the positions that are authorized and were in the past budget. Due to recent upcoming retirements, promotions, and hiring will result in one budgeted position remaining unfilled. With the recent departures, we were able to reorganize the chart to show how the work flows currently.

Commissioner Eric Blakey made a motion to approve the updated CC Communications organizational chart. Commissioner Myles Getto seconded the motion, which carried by unanimous vote.

**C- Consideration and possible action regarding project updates: transport network, FPST, Yerington, Storey County, Spring Creek/NTIA, and C15 (Switch).**

Mark Feest, CC Communications. This item doesn't require any action at all unless there is something in this item that you want to give me some formal direction as a board.

The transport network upgrade is the Ribbon gear that was put out to bid last year and funded. It connects us from Fallon to Reno, Reno to TRIC, TRIC to Las Vegas. All of that equipment is installed at this time. The route between Fallon, Reno and TRIC is up and passing traffic. We have run into a problem in the Beatty area. We have a Monday morning call with consultants to discuss what the next steps are to take to figure out this problem. They keep receiving errors in this area. They have changed out testing equipment, lasers and quite a bit of other equipment to try to find this packet loss error. The network has two different functions, one is at one layer your going end to end and the other layer you're dropping off in between. The layer that goes end to end is working. The layer that is dropping off at different locations is having packet losses in the Beatty area. Currently, it doesn't indicate to us that we will be off of our timeline of having everything migrated by the beginning of May. We are having a meeting with everyone to determine what the next step should be.

**Fallon Paiute Shoshone Tribe**

Joe Sanford and I believe that they have all the documents turned into them and they will approve it at their next council meeting. It was the attachments to the agreements that needed to be straightened out. They do have a 6-month plan approved that will allow us to purchase equipment under the grant. We are not going to make any purchase orders until they sign these other agreements. Once the council approves the construction and service agreement, then the environmental assessment will start.

**Yerington**

All of the agreements have been signed for quite some time. The EAS is in progress and is now being reviewed by NTIA. Once the EAS is approved, construction can begin. In this case for this grant, we will start ordering equipment now.

**Storey County**

Virginia City is about 10% completed. We are going to wait until we are about 80% completed before we start hooking up customers. From then on, we will be on a rolling basis going into Virginia Highlands and the rest of Storey County.

#### Spring Creek/NTIA

Tract 400 is complete. Currently, one third of the area is complete. We are working on Tract 300 with an anticipated completion date of October 2025. NTIA has a site visit scheduled for March 24-25<sup>th</sup> in Elko. We have previously gone through a desk audit that was not in person but was a day scheduled for conference calls with an agenda. The agenda said at 10:30 am, we're discussing this topic. Whatever item that was discussed at 10:00 am, and if we were finished in 15 minutes, we would have to go off the call and wait until 10:30 am for the next item on the agenda. In this meeting, we will be going through a desk audit in the morning and then in the afternoon they will be doing a field inspection of randomly selected deployed equipment. This is to make sure that we are not just reporting we're doing the work but that the equipment is physically there.

CC Communications and Elko County are working on submitting an extension request based upon delayed start, which was primarily the administrative issues at NTIA. We were actually in the first group of seven companies that were awarded the NTIA BIP grant, and they literally hadn't processed any of the processed procedures paperwork in the federal register. We could not start the project because they didn't have the administrative portion of the grant available to us. We have spoken with NTIA about this all along and it is required to get an extension. We don't anticipate any issues with the extension. We have already provided them with the new timeline and expect that to go through.

#### C15 (Switch)

The C15 is a soft switch for voice traffic. It is completely installed, and we are in preparation for cutover. We anticipate the cutover occurring in late March. We have spoken to the Sheriff's Department and will have further discussions with them. Our biggest concern is 911. We do not anticipate an outage of more than ten minutes. We will actually migrate other customers first to see if there are any problems with other customers before we try to migrate 911. We have an outside consulting firm that is helping us with the cutover. They will be available as well as the vendor at the time we are doing the cutover.

#### Informational Only

#### **D- Consideration and possible action re: 2025-2026 Budget progress: general status, FTE's, revenues, OPEX, challenges, and CAPEX.**

Mark Feest, CC Communications. Again, no action is needed for this item unless you wanted to provide me some different direction as a board.

#### 2025-2026 Budget progress:

We are working on getting the first budget hearing scheduled.

Jamie Hyde, CC Communications. We have not.

Mark Feest, CC Communications. We will have to have the tentative budget to the county by April 4, 2025, and then the final budget to the county on May 12, 2025.

We will be down one full time equivalent year over year. There will be one less budgeted. Again, that position will still be open.

## Revenues

Exiting the IPTV business results in a reduction in revenue of approximately \$1.2 million. Revenue from the traditional telephone service will continue to decline. Downward pricing pressures for broadband services will have a negative impact on revenues. All that in total, revenue from new and expanding markets is projected to make up for these losses and result in relatively flat overall revenue year over year.

## OPEX

COLA, PERS, and insurance increases will continue to drive expenses, and we will continue to attempt to account for these through other expense reduction in other areas. We will see big expense reductions from the fact we are no longer in IPTV. As noted, when we sought to leave IPTV, while we were going to lose that \$1.2 million revenue, we were losing money from each one of those customers. There will be an offset there.

Demands for redundancy have increased expenses in FY 2024-2025 and will continue in 2025-2026. Now that broadband is really our main product, there is the need to have redundancy and higher bandwidth connections. Part of our transport gear Ribbon upgrade was to allow us to add in, 100 GB transports links. 100 GB transport links cost more than 10 GB transport links. We will continue to see costs to ensure we have redundancy to be a driver of operating expenses increases.

Customer acquisition costs and customer retention costs will continue to move upwards in the competitive environment.

Past and continued reduction in staffing levels, enabled by improved network design and trouble ticket rates. For example, we are trending at about a ½ percent of trouble tickets per month for a number of customers. So far, this month we have had one truck roll in Fallon and two truck rolls in Elko total for all of our trouble tickets. When considering that, everything else is being resolved in the office. This is a big expense reduction not having to truck roll people. That is a place we are hoping to and continuing to contain cost increases to offset those expense increases at this time.

Inflation across all inputs to producing services will continue to be a challenge. It's not only the general inflation we have, but we have some industry specific inflation due to the \$42.5 billion dollar BEAD program. It means everyone is ordering more equipment and supplies.

## Profit Transfer Hiatus

Current iterations indicate that a profit transfer (transfer in addition to the PILT) can be made in the amount of \$850,000 in FY 2025-2026. I have discussed this with the County Manager.

## Cash

Cash projections will be down as we continue to build out Spring Creek/Elko and pursue a few small projects inside and outside the ILEC territory. Over the last couple of years, we have increased the amount of cash we have. This should not be an issue in the near term. Retention

of the \$850,000 we had the hiatus on is reasonable to bring back as an additional transfer in addition to the PILT.

### Challenges

We have a lot of challenges similar to the County. The PERS increase. While the stock market has suddenly has not been good, it is scary to think how good the stock market has been and PERS still wasn't generating enough revenue to keep that contribution rate flat. As with the County on a going forward basis, it is a big deal we have to be concerned about. We have had one truck roll in Fallon, within the last 6 days. That is the way we control FTE, which is our only opportunity to control how much we're paying into PERS. We continue to look for these opportunities. We have gotten to the point that just to cover vacation, sick leave and lunch, there isn't really a reduction opportunity from FTE's.

### Health Insurance

We expect a health insurance increase.

There is continuing downward pricing pressure

### Customer acquisition costs

#### Anticipated broad economic conditions

- persistent inflation for nondiscretionary spending. I think in many cases broadband is nondiscretionary spending. People will fall back to using other lower costs methods and maybe want to see a lower cost in their internet bill.
- contraction of consumer spending

### CAPEX

Our CAPEX will be focused continuing with Spring Creek.

- Targeted City of Elko FTTP – Currently in Elko, we are not taking any jobs, where we are taking a whole area. If we have a targeted business or business opportunity, we are doing a line extension out to them. We have a spreadsheet that sales have to fill out. They get information on what it will cost to extend the line and to get an agreement. That gives us the rate of return for revenue projections that are acceptable. That is still under capital expenses that will come out and use cash.

The Tarana Fixed Wireless Access deployment will be in the CAPEX budget.

Small Churchill County FTTH. This project will 100% be completed by in-house crews for the little spots that remain for FTTH. We are down to less than 400 customers who are currently on copper and receiving internet from us.

Storey County is a grant funded by Storey County. You will see the money that comes in from them on our cash, and then you will see it go back out.

Fallon Paiute Shoshone Tribal grant is again 100% grant based. We pay the money and then we are reimbursed.

Yerington Paiute Tribe is the same as the Fallon Paiute Shoshone Tribal grant.

We have an update with the Te Moak grant. I received a call from ITCN and NTIA. The Te Moak is ready to sign all of the agreements. They now have a different board since the last time we met with them. That board will need to have a board meeting to make sure there are no questions. The consultant from ITCN who works with them, advised it has cleared the hurdles. It will be a fairly quick project, because the Te Moak tribal property sits completely surrounded by the City of Elko where we are already providing FTTH. We will just be extending into their area.

Walker River Paiute Tribe continues to be on hold. They will have to apply for an extension themselves. They are the ones holding the project up. Two issues arose that held up the project. One issue was they started a water project and didn't want us to do construction at the same time as this project. The other issue is they are all under individual allotments. Every single member of the tribe who has an allotment has to sign off on a grant of easement. That has become a big problem and I'm not sure if this project will ever start. They literally have to go to every person to sign. If they give up, the switch will be to do all Tarana in that area. We will have to amend the budget with NTIA and get approval from them. The budget will be lower. That is the current fallback position.

Informational Only

**Reports: General Manager Report:**

1. Human Resources

- a. Retirements
- b. Promotions
- c. New hires
- d. Intern summer plans
- e. Company dinner

2. Business Development

- a. New Hire
- b. Product Development Focus
  - i. Layer 3
  - ii. VoIP phone systems
  - iii. EIS
  - iv. DIA
  - v. FWA
  - vi. Mobile/Cellular

3. Network Planning

- a. JSI Audit
- b. Core redesign/Upgrades
  - i. Migrate subscriber traffic from a NAT design to using CC Communication public IP addresses directly assigned to subscribers.
  - ii. Migrate to new DHCP+ servers

- iii. Eliminate the use of the firewalls for subscriber traffic.
- iv. Increase the core to edge bandwidth to 100 Gb.
- v. Add edge routing redundancy
- vi. Implement 2<sup>nd</sup> 100 Gb route (one is up, the other remains as four 10 Gb links).
- vii. Prepare for IPV6

Chairman Matt Hyde asked if there were any questions or comments from the Commissioners, but there was none.

Chairman Matt Hyde. When we look at this, technology keeps changing and changing and it goes completely against downward pricing. Right? It completely goes against downward pricing, and you constantly have to change this stuff and it's just a battle. I don't understand the battle, why people want to go and give it away. I don't know how they sustain themselves, I guess that is what I'm saying. Some places can file a Chapter 11 and restructure and move on. Those are things that we need to be looking at moving forward. There are other things that I have talked to Mark about away from here that I've learned in DC. It's a competitive world but you have to do these things to stay competitive.

**Affidavit of Posting:**

**Public Comment:**

Chairman Matt Hyde asked if there was any public comment but there was none.

**Adjournment:**

The meeting was adjourned at 2.29 p.m.

APPROVED: \_\_\_\_\_  
Matt Hyde, Chairman

APPROVED: \_\_\_\_\_  
Eric Blakey, Vice Chairman

APPROVED: \_\_\_\_\_  
Myles Getto, Commissioner

  
Shelly Bunyard, Administrative Assistant

  
Mark Feest, General Manager/CEO



## CC Communications Agenda Report

**Date Submitted:** March 26, 2025

**Agenda Item #:** New Business - A

**Meeting Date Requested:** April 3, 2025

**To:** Board of Churchill County Commissioners

**From:** Jamie Hyde, Chief Financial Officer

**Subject Title:** Consideration and possible action re: Approval of the 2025 - 2026 Budget for CC Communications - Telephone Fund, CC Communications - Long-Distance Fund, CC Communications - Broadband Funds and CC Communications CAP - Servicing Outside Churchill County Fund.

**Type of Action Requested:** Accept

**Does this action require a Business Impact Statement?** No

**Recommend Board Action:** motion to approve the 2025 - 2026 Budget for CC Communications - Telephone Fund, CC Communications - Long-Distance Fund, CC Communications - Broadband Fund and CC Communications CAP - Servicing Outside Churchill County Fund with the addition of \$55,000 to benefits per the direction of the board at the March 26, 2025, Budget Hearing Meeting.

**Discussion:** On March 26, 2025 CC Communications presented the 2025 - 2026 FY Budget to the Board and now management is asking for approval of the 2025 - 2026 FY Budget with an additional \$55,000 added to expenses to account for the increase in health insurance when CC Communications is added to the County's plan.

**Alternatives:**

**Fiscal Impact:**

**Explanation of Impact:**

**Funding Source:** Budget for 2025 - 2026 FY

**Prepared By:** Shelly Bunyard, Administrative Assistant

**Reviewed By:**

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

Date: March 28, 2025



*Jamie L. Hyde*

Jamie Hyde, Chief Financial Officer

Date: March 28, 2025

**Board Action Taken:**

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

1)	None	<u>Aye: 0</u>
2)	None	<u>Nay: 0</u>

*Sully Bamyard*

(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.

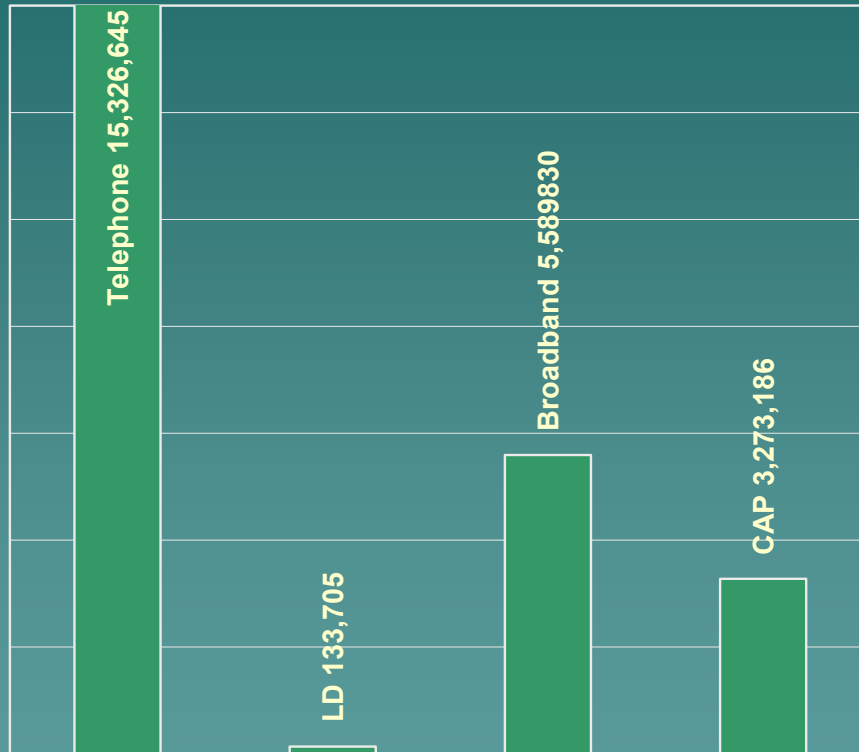
## 2024-2025 Annualized - 2025-2026 Budget All Companies

	<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

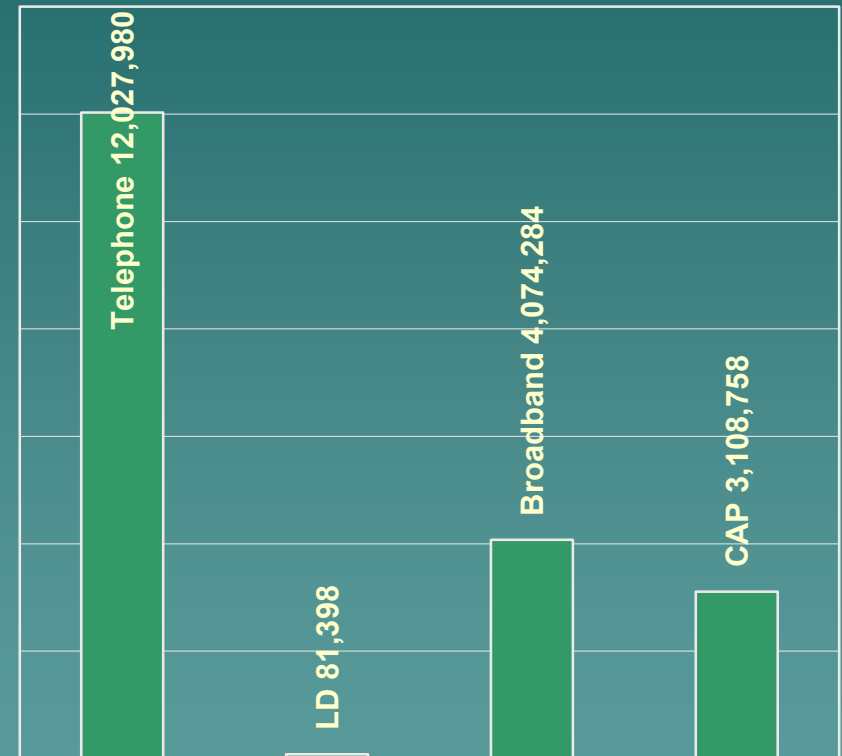
- Revenue Bond principal payments are not reflected in Expenses

# Estimated Income Current Budget Year 2024 – 2025

Net Revenues



Net Expenses

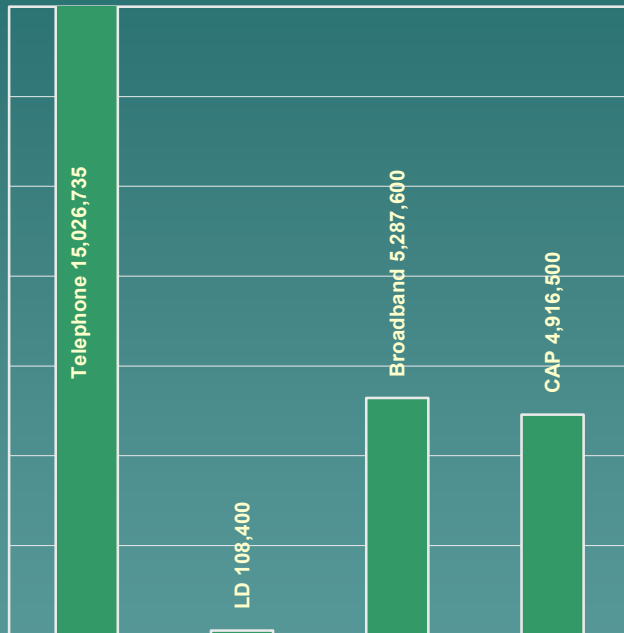


• **Estimated Combined NET Income for June 30, 2025**  
**\$5,030,946**

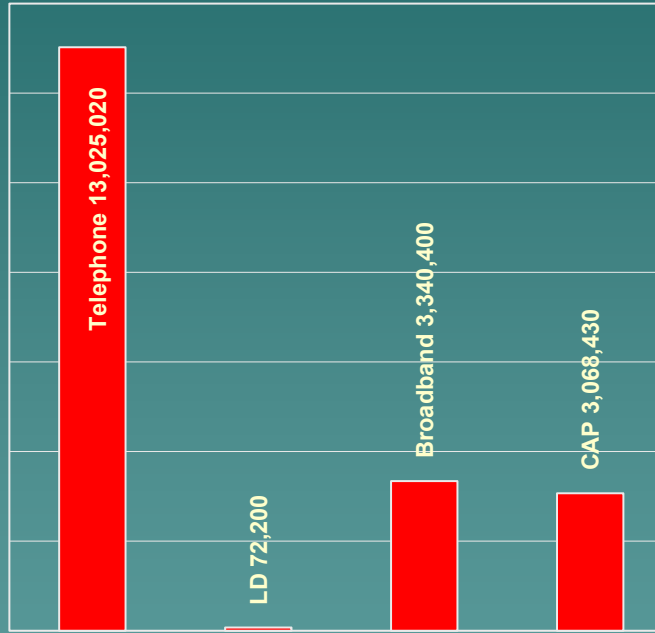


# Net Income Projections Budget Year 2025 – 2026

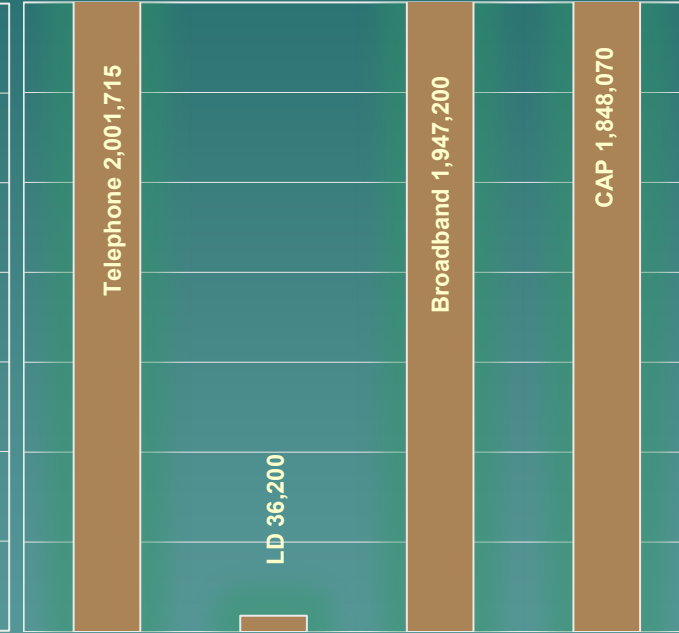
Net Revenues



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?

