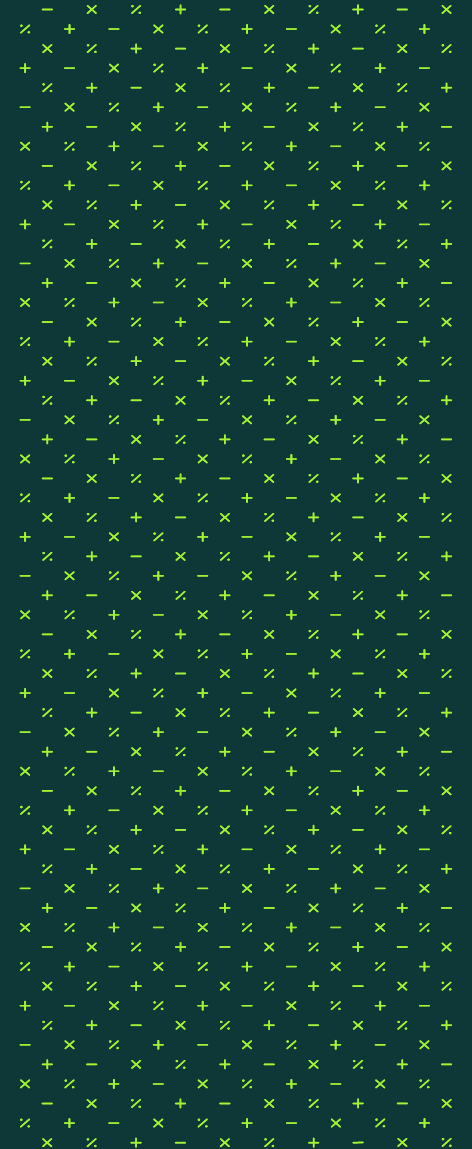




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NTTA Tribal Broadband Summit “Building a Tribal SMART Broadband Network” Business Planning & Feasibility

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September 2022



Agenda Items

- National Tribal Telecommunications Association (NTTA)
- Stages of Business Planning
- Financial Analysis
- Sustainability Funding



NTTA



- NTTA is comprised of the following Tribal telecom providers:
 - Primary Members: Gila River Telecommunications, Inc.; Mescalero Apache Telecom, Inc.; Fort Mojave Telecommunications, Inc.; San Carlos Apache Telecommunications Utility, Inc.; Siyeh Communications; Hopi Telecommunications, Inc.; Cheyenne River Sioux Telephone Authority; Tohono O’odham Utility Authority; Saddleback Communications; Warm Springs Telecom; Nez Perce Tribe; Sacred Wind Communications; Mohawk Networks; Yukon-Kuskokwim Delta Tribal Broadband Consortium
 - Numerous Associate Members
- Mission is to be the national voice for Indian Country as it relates to telecommunication issues and policy
- Well versed and active: many members with some in existence since the 1950’s



NTTA



- NTTA stays apprised of current policy initiatives as it relates to Tribal telecommunications:
 - Federal Universal Service Fund program
 - Lifeline
 - Tribal-based USF funding
 - Advocacy in Washington D.C.
 - Senate Indian Affairs Committee
 - Testimony
 - Numerous congressional and FCC meetings
 - Congressional appropriations/NTIA
 - Mapping
 - Training/Tribal Summits
 - Tribal libraries/E-Rate
 - 2.5 Ghz Spectrum Offering/Sustainability Funding
- Great resource for Tribal broadband & telecommunications!



Stages of Business Planning

- Develop your vision
- Talk to the experts
- Determine identity
- Perform feasibility analysis



Develop Vision

- “Go Solo”
 - More risk but more to gain
 - Ultimate in promoting self-determination
- Partnering/Consortium
 - Work with incumbent??
 - Partner with other Tribes? (geographic proximity; more later on this)
- Wireline vs. Wireless
- Long term goals for Community



Talk to the Experts

- Subject matter experts in the same business field
- Engineers
- Equipment vendors
- Consultants
- Attorneys



Determine Identity

- Incumbent Local Exchange Carrier (ILEC)
 - Requires Tribe to work with incumbent carrier
 - Model-based support
- Internet Service Provider (ISP)
- Competitive Local Exchange Carrier (CLEC)
 - Generally, an application must be filed with state
- Eligible Telecommunications Carrier (ETC)
 - Lifeline



Determine Identity

Partnerships

- Pine Telephone Company/Choctaw Nation
 - Used BTOP grant of \$9.5M to provide broadband service to Choctaw Nation
 - BTOP: Broadband Technology Opportunities Program providing grant funding under Obama administration
- Nez Perce/Inland Cellular
 - Again used \$1.6M BTOP grant to deploy 216 miles of wireless infrastructure to connect numerous anchor institutions with broadband service
- Northwest Open Access Network (NoaNet)
 - Received two large BTOP grants in 2010 (\$84M and \$54M)
 - Partnered with Kalispel Indian Community; Lower Elwha Tribal Community; Yakama Nation
 - Deployed over 2,300 miles of fiber optic cable



Determine Identity

Partnerships

- San Carlos Apache & White Mountain Apache Tribe
 - First round of TBCP appropriations



Determine Identity

- **Consortiums**
 - North Central New Mexico Economic Development District
 - Regional consortium formed by Pueblo of Pojoaque, Santa Clara Pueblo, Tesuque Pueblo, Ohkay Owingeh partnering with local governments
 - \$10.6M BTOP grant
 - 136 miles of fiber optic cable across the region
 - Connected 110 anchor institutions across the four partnering lands
- Who has received funding?
- Have you been in discussions with a broadband provider?



Perform Feasibility Analysis

- Who is your competition?
- Financial analysis (discussed in more detail later)
- Funding
 - Current NTIA funding “once in a lifetime opportunity”
 - Determine areas to be served
 - Mapping
 - Congressional & FCC mandates (i.e. buildout obligations, speeds)
- Staffing
 - Central office personnel; outside plant personnel; combination techs; customer services representatives; marketing personnel; manager; accounting personnel



Financial Analysis

- Must be performed early in the process
- Complete set of financial statements is absolutely critical when developing a business plan
 - Current NTIA funding “once in a lifetime opportunity”
 - Determine areas to be served
 - Balance sheet
 - Income statement
 - Statement of cash flows
- Five to ten-year forecast should always accompany a business plan
- Criteria exist that will guide you during the planning process (next slide)



Financial Analysis

Metrics to think about when considering the viability of a financial forecast

- Cost
 - Network/plant
 - Ongoing operations, maintenance, sustaining the network
- Demand
 - Market surveys and analysis
- Pricing
 - Industry tariffs
 - Competition



Sustainability

- What happens after networks are built?
 - Based on USAC data, an average annual cost per line of carriers serving Tribal lands is \$2,587 versus \$1,631 on non-Tribal lands
- Recent White Paper
- Operating cost analysis



Operating Cost Analysis

Locations	1000				
	Labor	Benefits	Other Exp	Total	
Plant Specific	278,020	169,940	638,570	\$ 1,086,530	
Plant Nonspecific	108,860	57,390	81,080	\$ 247,330	
Depreciation	-	-	1,424,710	\$ 1,424,710	
Marketing & Cust. Service	90,750	45,870	89,430	\$ 226,050	
General & Administration	360,340	127,670	315,830	\$ 803,840	
Grand Totals	\$ 837,970	\$ 400,870	\$ 2,549,620	\$ 3,788,460	



Challenges in Tribal Areas

- Closing the digital divide

- FCC defines “broadband” as service providing at least 25/3 mbps (today...things are changing)

FCC 2021 Broadband Progress Report

**Deployment (Millions) of Fixed Terrestrial 25/3 Mbps and Mobile 4G LTE
with a Minimum Advertised Speed of 5/1 Mbps**

Area	2015		2016		2017		2018		2019	
	Pop.	%	Pop.	%	Pop.	%	Pop.	%	Pop.	%
United States	287.387	89.7%	295.853	91.7%	304.216	93.4%	308.811	94.4%	313.579	95.5%
Rural Areas	37.840	60.8%	42.182	67.0%	46.731	73.3%	49.981	77.5%	53.686	82.4%
Urban Areas	249.547	96.7%	253.671	97.7%	257.485	98.3%	258.830	98.5%	259.892	98.8%
Tribal Lands	2.258	57.0%	2.491	62.4%	2.722	67.8%	2.914	72.1%	3.196	78.9%
Pop. Evaluated	320.289	100.0%	322.518	100.7%	325.716	100.0%	327.167	100.0%	328.210	100.0%



Challenges in Tribal Areas

FCC 2021
Broadband
Progress Report

**Deployment (Millions) on Tribal Lands of Fixed Terrestrial 25/3 Mbps and Mobile 4G LTE
with a Minimum Advertised Speed of 5/1 Mbps**

	2015		2016		2017		2018		2019	
	Pop.	%	Pop.	%	Pop.	%	Pop.	%	Pop.	%
Tribal Lands	2.258	57.0%	2.491	62.4%	2.722	67.8%	2.914	72.1%	3.196	78.9%
Rural Areas	0.614	30.1%	0.780	37.8%	0.954	45.7%	1.114	52.9%	1.364	64.5%
Urban Areas	1.644	85.6%	1.711	88.8%	1.768	91.6%	1.799	93.1%	1.831	94.5%
Alaskan Villages	0.110	42.7%	0.135	51.5%	0.151	57.0%	0.176	65.9%	0.185	69.3%
Rural Areas	0.039	23.7%	0.061	36.2%	0.073	42.4%	0.093	54.1%	0.102	59.3%
Urban Areas	0.071	76.7%	0.074	79.0%	0.079	83.3%	0.083	87.3%	0.083	87.5%
Hawaiian Home Lands	0.030	88.9%	0.030	88.6%	0.030	89.4%	0.030	89.1%	0.032	93.1%
Rural Areas	0.002	43.9%	0.002	43.5%	0.003	47.7%	0.003	47.8%	0.004	64.6%
Urban Areas	0.027	98.0%	0.027	98.0%	0.027	98.2%	0.027	98.2%	0.028	99.5%
Lower 48 States	0.452	41.5%	0.508	46.1%	0.595	53.3%	0.638	56.5%	0.758	66.8%
Rural Areas	0.207	28.4%	0.239	32.3%	0.311	41.3%	0.344	45.1%	0.434	56.5%
Urban Areas	0.245	67.8%	0.270	74.1%	0.284	78.1%	0.293	80.2%	0.324	88.4%
Tribal Statistical Areas	1.666	64.5%	1.818	70.2%	1.946	74.8%	2.070	79.4%	2.221	84.9%
Rural Areas	0.365	32.0%	0.478	41.5%	0.567	49.0%	0.674	57.9%	0.824	70.5%
Urban Areas	1.301	90.3%	1.341	93.0%	1.378	95.4%	1.396	96.6%	1.397	96.5%
Pop. Evaluated	3.964	100.0%	3.991	100.0%	4.017	100.0%	4.039	100.0%	4.052	100.0%



Empowering Quotes

“In the middle of every difficulty lies opportunity”

– *Albert Einstein*

“If you don’t like the road you’re walking, start paving another one”

– *Dolly Parton*

“If you can’t fly then run, if you can’t run then walk, if you can’t walk then crawl, but whatever you do you have to keep moving forward”

– *Martin Luther King, Jr.*

“Go confidently in the direction of your dreams. Live the life you have imagined”

– *Henry Thoreau*





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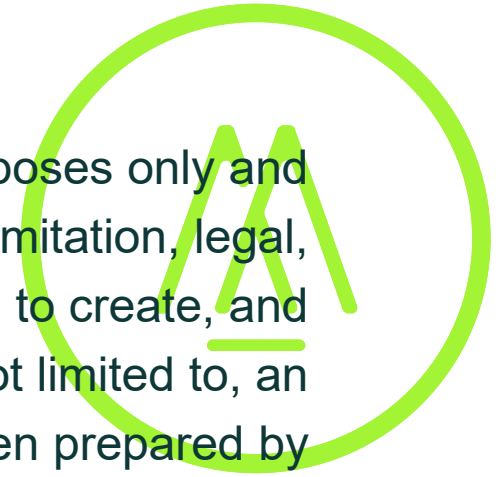
Thank You!



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