

601 S. Jefferson Street, SW, Suite 110, Roanoke, VA 24011
Frank M. Smith, II, President & CEO
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BOARD MEMBERS:
Kevin Boggess, City of Salem
Tom Gates, Roanoke County
Gary Larrowe, Botetourt County
Mike McEvoy, Citizen
Sherman Stovall, City of Roanoke

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Roanoke Valley Broadband Authority Meeting

Friday, September 15, 2017 at 9:00 a.m.*

**Roanoke Valley Broadband Authority office, Suite 110 (Coulter Building)
601 S. Jefferson Street, SW, Roanoke, VA 24011**

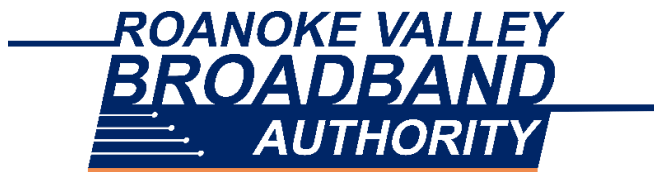
****Note Time Change of September 2017 Meeting***

AGENDA

1. **Call to Order, Roll Call, Introductions** *Chairman Boggess*
2. **Approval of the July 21, 2017 Minutes, pp. 2-5** *Chairman Boggess*
3. **Treasurer's Report** *Olivia Dooley, Treasurer & CFO*
 - Acceptance of the Financial Reports (Ending 7-31-2017 and 8-31-2017), p. 6-7
 - FY 2018 Budget Update, p. 8
4. **Project Update** *Frank Smith, President & CEO*
5. **Other Business** *Chairman Boggess*
 - Proposed Upcoming Meeting Schedule
 - Cancellation of the October 20, 2017 Meeting
 - Next Scheduled Meeting Date -- Friday, November 17, 2017 at 8:30 a.m.
6. **Adjournment**

REMINDER

**Following the board meeting, the Broadband Authority will hold an
Office Ribbon Cutting and Open House Celebration at 10:00 a.m.
We hope you can join us.**



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MINUTES

The July Board Meeting of the Roanoke Valley Broadband Authority was held on Friday, July 21, 2017 at 8:30 a.m. at the Roanoke Valley Broadband Authority office located at 601 S. Jefferson Street, Suite 110, Roanoke, VA.

1. CALL TO ORDER, WELCOME AND ROLL CALL

Chairman Boggess called the meeting to order at 8:30 a.m. In the absence of the Broadband Secretary and Assistant Secretary, Chairman Boggess asked Jackie Pace to call the roll. Ms. Pace reported that a quorum was present.

Roanoke Valley Broadband Authority Board Members: *Present:* Kevin Boggess, City of Salem; Tom Gates, Roanoke County; Gary Larrowe, Botetourt County; and Mike McEvoy, Citizen. *Absent:* Sherman Stovall, City of Roanoke.

OTHERS/GUESTS IN ATTENDANCE

Broadband Authority Staff: Olivia Dooley, Treasurer and CFO; Devashish Sinha, Intern; and Frank Smith, President and CEO.

Roanoke Valley-Alleghany Regional Commission Staff: Jackie Pace.

Guests: Laura Carini, City of Roanoke; Sam Darby, Glenn Feldmann Darby & Goodlatte; Jennifer Eddy, Eddy Communications; Rob Ledger, City of Roanoke; Granger Macfarlane, Citizen; Brian McConnell, Citizen; Beth Sherman, Cox Business; and Mike Yates, City of Roanoke.

2. APPROVAL OF THE MAY 19, 2017 MINUTES

The May 19, 2017 Minutes of the Roanoke Valley Broadband Authority Board Meeting were distributed earlier.

ROANOKE VALLEY BROADBAND AUTHORITY ACTION:

Vice Chairman McEvoy moved approval of the May 19, 2017 Minutes of the Roanoke Valley Broadband Authority, as presented. The motion was seconded by Mr. Larrowe and carried.

3. DISTRIBUTION OF FINANCIAL REPORTS (ENDING MAY 31, 2017 and JUNE 30, 2017)

The Financial Reports, ending May 31, 2017 and June 30, 2017, were distributed earlier in the agenda packet.

Chairman Boggess reported that the overage in "Travel" was primarily due to trips to and from Richmond (General Assembly) earlier in the year concerning House Bill 2108.

Frank Smith reported on the "Office Expenses" overage, noting it was a one-time cost due to moving into the new broadband office during March of 2017.

Mr. Smith also reported that the Broadband Authority is ahead of the Service Revenue goal for fiscal year 2016/2017. The Authority finished 26% ahead of plan for Service Contracts.

ROANOKE VALLEY BROADBAND AUTHORITY ACTION:

Vice Chairman McEvoy moved acceptance of the Financial Reports, ending May 31, 2017 and June 30, 2017, as presented. The motion was seconded by Mr. Gates and carried.

4. PROJECT UPDATE

- Phase II is on budget and on time. Targeting August 7 as the Substantial Completion date. USC will have 30 days for a "punch list" to be completed by September 7, 2017.
- Two telecom shelters were installed on July 20 -- one in Salem on Cook Drive and the other at the South Roanoke County Library. Both are heavy concrete structures built to sustain 125 mph winds.
- The Broadband Authority will hold an Open House and Office Ribbon Cutting on Friday, September 15, 2017 from 10 to Noon.
- The Board will be provided a draft Human Resources Manual for consideration for review at the September Boarding meeting. The goal is to have final approval of the Human Resources Manual at the November 2017 Board meeting.
- The Broadband Authority's Industry Advisory Group (IAG) has met twice and discussion focused on:
 - Examination of a joint GIS effort. Jim Bandy, Broadband staff, will be creating a smaller user group for that effort.
 - Regarding the fibers that are assigned to the various localities, the IAG will begin looking at various methods to "swap" fibers amongst themselves to allow best use of the assets.
 - The IAG is considering developing a "Fiber Basics 101 Class" for local government staffs to discuss routing and connection best practices.

- Conduit installation is scheduled to be completed by the end of July or early August. USC started blowing fiber into the conduit last week. Matt Miller, with the Regional Commission staff, has been providing updates to the locates. Mr. Smith also serves on the VA 811 Miss Utility Board of Directors.

5. REQUEST FOR A CLOSED MEETING PURSUANT TO VA. CODE 2.2-3711 A.1.

Motion was made by Vice Chairman McEvoy and seconded by Mr. Larrowe to convene a closed meeting on the subject of the annual review and employment contract of the Broadband Authority's President & CEO Frank Smith (pursuant to Section 2.2-3711 A.1. of the Code of Virginia, 1950, As Amended, to discuss personnel matters). The motion was adopted and carried by a vote of 4 to 0. The Roanoke Valley Broadband Authority went into a closed meeting at 8:43 a.m.

6. END CLOSED MEETING AND RECONVENE REGULAR MEETING

Motion was made by Vice Chairman McEvoy and seconded by Mr. Larrowe that the Broadband Authority end the closed meeting and return to its regular meeting. The motion was adopted and carried by a vote of 4 to 0. The Roanoke Valley Broadband Authority ended the closed meeting and returned to its regular meeting at 9:26 a.m.

7. RESOLUTION OF CERTIFICATION OF CLOSED MEETING

Motion was made by Vice Chairman McEvoy, seconded by Mr. Larrowe and carried, to adopt the following certification resolution:

CERTIFICATION OF CLOSED MEETING

WHEREAS, the Roanoke Valley Broadband Authority has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by the Roanoke Valley Broadband Authority that such closed meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED, that the Roanoke Valley Broadband Authority hereby certifies that, to the best of each member's knowledge: (1) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting which this certification resolution applies; and (2) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Roanoke Valley Broadband Authority.

The motion was adopted by a Roll Call vote of 4 to 0 as follows:

Member & Vote

Mr. Boggess – Yes

Mr. Gates – Yes

Mr. Larrowe – Yes
Mr. McEvoy – Yes
Mr. Stovall – Absent

8. **OTHER BUSINESS**

Members discussed if a Broadband Authority Board Meeting would be held in August.

ROANOKE VALLEY BROADBAND AUTHORITY ACTION:

Vice Chairman McEvoy moved that the August 18, 2017 Broadband Authority Board Meeting be cancelled. The motion was seconded by Mr. Larrowe and carried.

The meeting was adjourned at 9:30 a.m.

Kevin Boggess, Chairman
Roanoke Valley Broadband Authority

Jackie Pace
Recording Secretary

Roanoke Valley Broadband Authority
FY 2018 Operations Statement
For the Month Ended July 31, 2017

	FY 2018 Budget	July 2017	FY 17/18 Year to Date	Percent Budget
Broadband Revenues				
Contributed Capital	\$981,594	\$659,396	\$659,396	67%
Service Revenue	310,000	14,721	14,721	5%
Total Broadband Operating Revenues	\$1,291,594	\$674,117	\$674,117	52%
Broadband Operation & Maintenance Expenses				
Personnel Costs	\$510,922	\$37	\$37	0%
Network Operations	325,450	11,768	11,768	4%
Brand Management	52,000	-	-	0%
Legal Fees	30,000	-	-	0%
Office Expenses	48,800	6,766	6,766	14%
Richmond Message Management		-	-	0%
Travel	16,000	264	264	2%
Total BB Operation & Maintenance Expenses	\$983,172	\$18,835	\$18,835	2%
Income from Operations	\$308,422	\$655,282	\$655,282	
Non-Operating Revenues				
Contributed Capital - Debt Service	\$1,054,397	\$0	\$0	0%
Interest Income		-	-	0%
Installations		-	-	0%
Liquidated Damages		-	-	0%
Other Income		-	-	0%
Subtotal Non-Operating Revenues	\$1,054,397	\$0	\$0	0%
Non-Operating Expenses				
Interest Expense	(\$204,397)	\$0	\$0	0%
Subtotal Non-Operating Expenses	(\$204,397)	\$0	\$0	0%
Total Non-Operating Revenues & Expenses	850,000	0	0	0%
Net Income (Loss) from Operations	\$1,158,422	\$655,282	\$655,282	57%
Principal Payment on Long-Term Debt	\$850,000	\$0	\$0	0%
Capital Projects	258,422	823	823	
Reserves	50,000	-	-	
Net Income (Loss)	\$0	\$654,459	\$654,459	

Roanoke Valley Broadband Authority
FY 2018 Operations Statement
For the Month Ended August 31, 2017

	FY 2018 Budget	August 2017	FY 17/18 Year to Date	Percent Budget
Broadband Revenues				
Contributed Capital	\$981,594	\$327,198	\$986,594	101%
Service Revenue	310,000	17,221	31,942	10%
Total Broadband Operating Revenues	\$1,291,594	\$344,419	\$1,018,536	79%
Broadband Operation & Maintenance Expenses				
Personnel Costs	\$510,922	\$34,532	\$34,569	7%
Network Operations	325,450	17,188	28,954	9%
Brand Management	52,000	-	-	0%
Legal Fees	30,000	1,125	1,125	4%
Office Expenses	48,800	10,906	17,670	36%
Richmond Message Management		-	-	0%
Travel	16,000	357	622	4%
Total BB Operation & Maintenance Expenses	\$983,172	\$64,108	\$82,940	8%
Income from Operations	\$308,422	\$280,311	\$935,596	
Non-Operating Revenues				
Contributed Capital - Debt Service	\$1,054,397	\$954,848	\$954,848	91%
Interest Income		17	17	0%
Installations		8,715	8,715	0%
Liquidated Damages		-	-	0%
Other Income		-	-	0%
Subtotal Non-Operating Revenues	\$1,054,397	\$963,580	\$963,580	91%
Non-Operating Expenses				
Interest Expense	(\$204,397)	\$0	\$0	0%
Subtotal Non-Operating Expenses	(\$204,397)	\$0	\$0	0%
Total Non-Operating Revenues & Expenses	850,000	963,580	963,580	113%
Net Income (Loss) from Operations	\$1,158,422	\$1,243,891	\$1,899,176	164%
Principal Payment on Long-Term Debt	\$850,000	\$0	\$0	0%
Capital Projects	258,422	4,720	5,542	
Reserves	50,000	-	-	
Net Income (Loss)	\$0	\$1,239,171	\$1,893,634	

Roanoke Valley Broadband Authority
FY 2018 Budget Revision September 15, 2017
Operating Budget Summary

	Fiscal Year 2018 Budget	Revised Fiscal Year 2018 Budget	Variance	Percent Change
Broadband Revenues				
Contributed Capital	\$981,594	\$986,594	\$5,000	1%
Service Revenue	310,000	310,000	-	0%
Total Broadband Operating Revenues	\$1,291,594	\$1,296,594	\$5,000	0%
Broadband Operation & Maintenance Expenses				
Salaries	\$399,660	\$387,874	(\$11,786)	-3%
Fringe Benefits	111,262	115,911	\$4,649	4%
Accounting Package	500	0	(500)	-100%
Advertising	1,000	3,000	2,000	200%
ARIN	0	1,000	1,000	New Line Item
Audit	5,000	9,500	4,500	90%
Bank Fees	300	300	-	0%
Billing System	0	21,500	21,500	New Line Item
Brand Management	52,000	60,000	8,000	15%
Carrier Services	90,000	90,000	-	0%
Computer Fees & Software Services (SaaS)	2,000	6,000	4,000	200%
Conferences	2,000	2,000	-	0%
Contract (Needs Assessment)	0	5,000	5,000	New Line Item
Contract (Network Engineering)	30,000	30,000	-	0%
Contract (RVARC)	30,000	15,000	(15,000)	-50%
Copier Lease	2,400	2,028	(372)	-16%
Dues	2,000	1,500	(500)	-25%
Equipment Warranty Services	36,000	36,000	-	0%
Fiber Management System	0	15,500	15,500	New Line Item
Furniture & Equipment	2,400	2,400	-	0%
Insurance	4,700	5,500	800	17%
Legal Fees	30,000	30,000	-	0%
Locates Va 811	48,000	48,000	-	0%
Maintenance Generator	1,500	1,500	-	0%
Monitoring BRPBS	250	0	(250)	-100%
NOC Services (Monitoring)	36,000	36,000	-	0%
OSP Consulting	0	4,500	4,500	New Line Item
Postage	1,500	1,500	-	0%
Printing	0	1,268	1,268	New Line Item
Recognition	0	2,700	2,700	New Line Item
Rent Co-location Sites	19,600	19,000	(600)	-3%
Rent Office Suite	18,000	18,000	-	0%
Repair & Restoration Network	24,000	24,000	-	0%
Richmond Message Management	0	30,000	30,000	New Line Item
Rke Regional Partnership Commitment	0	2,000	2,000	New Line Item
Security Coulter Building	0	500	500	New Line Item
Security Network (Lock System)	5,000	5,000	-	0%
Storage	0	3,000	3,000	New Line Item
Supplies	4,000	4,000	-	0%
Telephone	5,000	6,500	1,500	30%
Travel	10,000	10,000	-	0%
Training	4,000	4,000	-	0%
Utilities at three huts	5,100	5,100	-	0%
Total Broadband Operation & Maintenance Expenses	\$983,172	\$1,066,581	\$83,409	
Income from Operations	\$308,422	\$230,013	-\$78,409	
Non-Operating Revenues				
Contributed Capital - Debt Service	\$ 1,054,397	\$ 1,054,397	\$ -	
Other Income	0	9,700	9,700	
Subtotal Non-Operating Revenues	\$ 1,054,397	\$ 1,064,097	\$ 9,700	
Non-Operating Expenses				
Interest Expense	\$ (204,397)	\$ (204,397)	\$ -	
Subtotal Non-Operating Expenses	\$ (204,397)	\$ (204,397)	\$ -	
Total Non-Operating Revenues & Expenses	\$50,000	\$59,700	9,700	
Net Income (Loss) from Operations	\$ 1,158,422	\$ 1,089,713	\$ (68,709)	
Principal Payment on Long-Term Debt	\$ 850,000	\$ 850,000	\$ -	
Capital Projects	258,422	189,713	(68,709)	
Reserves	50,000	50,000	-	
Net Income (Loss)	\$ -	\$ -	\$ -	