

# QLife Network

## QualityLife Intergovernmental Agency

### AGENDA

<b>QLife Regular Board Meeting</b>
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**Thursday, April 23, 2015, Following Budget Meeting  
The Dalles City Hall, 313 Court Street  
2<sup>nd</sup> Floor Conference Room**

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Approval of March 26, 2015 Board Minutes
5. Financial Reports
  - a. March Financial Reports
  - b. List of Disbursements since Last Meeting
6. Reports
  - a. Aristo Operational Management Report – John Amery
  - b. Next Steps Strategic Business Plan Review – Nolan Young
7. Next Meeting Dates:

Regular Board Meeting, May 28, 2015 Noon
8. Adjourn

# QLife Network

## QualityLife Intergovernmental Agency

### MINUTES

#### QLife Regular Board Meeting

Thursday, March 26, 2015, Noon  
The Dalles City Hall, 313 Court Street  
2<sup>nd</sup> Floor Conference Room

#### Call to Order

The meeting was called to order at approximately 12:08 p.m. by Vice President Spatz.

In attendance: Scott Hege, Brian Ahier, Dan Spatz

Board Absent: Taner Elliott, Erick Larson

Staff: Nolan Young, Keith Mobley, John Amery, Izetta Grossman

Visitors: Gary Rains, and from Windwave: Pat Lauritsen, Bruce Monroe and Blake Lawrence.

#### Approval of Agenda

Spatz amended the agenda to remove election of officers and add to Discussion 7B: Wasco Broadband  
It was moved by Ahier and seconded by Hege to approve the agenda as amended. Motion carried, 2 absent.

#### Approval of Minutes

Spatz identified clerical error. It was moved by Hege and seconded by Ahier to approve the minutes of the March 26, 2015 board meeting with noted correction. The motion carried unanimously, 2 absent.

#### Financial Reports

Young reviewed the financial reports, explaining that the costs of fiber repair due to the house fire on 4<sup>th</sup> Street had exceeded the line item. This was an unanticipated cost. Hege noted that the line item in Capital 601 Revenue is connected to the income from reimbursements for line extensions and is opportunity drive.

Young noted that the budget meeting would be on April 23; during that meeting capital improvement numbers will be soft until the board completes the Strategic Business Plan.

**12:14 President Larson arrived and the meeting was handed over to him.**

#### Presentation/Discussion:

Larson turned the floor to Windwave representatives Pat Lauritsen, Bruce Monroe and Blake Lawrence who discussed the history of their company and ways they would like to work with QLife. Windwave's parent company is Inland Development – a non-profit was started 11 years ago, serves NE Oregon providing broadband to government, schools and hospitals in underserved rural communities. Windwave was started as a for profit arm that currently ends in Arlington. Much like QLife the basis was to provide economic development opportunities in small towns with no fiber. Three years ago began working on a fiber line to The Dalles/Bonneville; permitting complete, except for Wasco County Planning; the plan is all underground.

In response to a question Pat said they are not interested in competing with QLife, or ISP's, want to build vault close to Big Eddy to connect to other carriers. Currently south to Burns – North to Portland: middle, last and back haul and help others install fiber. Plan is to stay inside Oregon due to regulatory requirements. Their goal is to obtain cross roads here.

Pat said that dark fiber can be used up fairly quickly, where lit fiber gives more opportunities. Young reminded the Board that lit fiber changes QLife's business plan and should be considered during the Strategic Business Plan discussions.

Pat said that Windwave does it all, build, engineer and installation. In response to a question Pat said employees aren't required to live in a particular city; they train up talent, house and feed crews on site during construction, and currently they employ 21 people. Pat said they would like to partner with QLife and help rural areas anyway possible.

Reports

Aristo Operational Management Report – Amery reported the new guidelines for tree trimming are being implemented.

South Wasco Broadband Report – Mobley reported that MCEDD through Regional Solutions obtained the \$500,000 grant from the State for improving broadband in south county with funds available July 1. Mobley handed out a proposal from LSN, which had a total cost of \$690,746 against the \$500,000 grant, leaving \$190,746 for LSN and QLife to work out details of cost sharing. It was moved by Ahier and seconded by Spatz to direct QLife staff and council to continue to negotiate a business model for the South Wasco County Broadband project with LSN, and bring back to the board for consideration.

Next Meeting Dates: April 23, 2015 Noon Budget Committee followed by the Regular Board Meeting.

Adjourn

The meeting was adjourned at 1:10 pm

Respectfully submitted:

Izetta Grossman, Secretary

Witness:

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Brian Ahier, Sec/Tres for the Board

TO: Qlife Board  
 Nolan Young, City Manager

FR: Kate Mast, Finance Director

RE: Financial Report for QLIFE – **March 2015**

**BANKING:**

QLife monies are deposited into a separate bank checking account. QLife also has a Local Government Investment Pool (LGIP) account where funds excess funds are maintained in order to earn some interest.

The information below is a comparison of budget to actual revenues and expenditures for the month just ended by fund. This information is not audited, but is reviewed by the Finance Department for clarity and budget compliance.

75% of the year has passed.

Each fund exceptions narrative has four possible paragraphs; 1 - is the beginning balance, 2 - is new revenues, 3 - is expenditures and 4 - if present, is budget changes.

**Operations (600):**

**BUDGET COMPARISONS**

	<u>July 1, 2014 to March 31, 2015</u>			
	<b>Budget</b>	<b>Actual</b>	<b>Percentage</b>	
Beginning Balance	\$ 138,143	\$ 180,966	131.0%	* see below
Revenues	\$ 680,619	\$ 480,044	70.5%	
Expenditures	\$ 435,857	\$ 139,635	32.0%	
Transfers to Capital/Debt Fund	\$ 382,905	\$ 323,057	84.4%	
Cash at Month End	\$ 164,675.78			

Exceptions:

- 1) Beginning Balance: \* *The Beginning Balance figures used here have been audited.*
- 2) Revenues: User fees are at 74% of budget.
- 3) Expenditures:
  - a. The extra transfer amount was to pay off the Columbia Bank Loan in July.
  - b. The Memberships/Dues/ Subscriptions line item has been overspent by \$54.93 because QLife paid dues to Special Districts Association of Oregon (SDAO).
- 4) Budget Changes: No budget changes have been made to this fund this fiscal year.

**CAPITAL (601):**

**BUDGET COMPARISONS**

	<u>July 1, 2014 to March 31, 2015</u>			
	<b>Budget</b>	<b>Actual</b>	<b>Percentage</b>	
Beginning Balance	\$ 183,796	\$ 183,319	99.7%	* see below
Transfers In	\$ 382,905	\$ 323,057	84.4%	
Revenues	\$ 30,000	\$ 9,297	31.0%	
M&S / Capital Outlay / Other	\$ 463,913	\$ 49,398	10.7%	
Debt Expenditures	\$ 132,788	\$ 129,663	97.6%	
Cash at Month End	\$ 334,395.60			

Exceptions:

- 1) Beginning Balance: \* *The Beginning Balance figures used here have been audited.*
- 2) Revenues:
- 3) Expenditures: The Columbia Bank Loan was paid in full as of July 9, 2014.
- 4) Budget Changes: No budget changes have been made to this fund this fiscal year.

City of The Dalles

FUND 600 QUALITYLIFE AGENCY FUND

ACCOUNT	DESCRIPTION	***** ESTIMATED	***** CURRENT ACTUAL	***** %REV	***** ESTIMATED	***** YEAR-TO-DATE ACTUAL	***** %REV	ANNUAL ESTIMATE	UNREALIZED BALANCE
300	BEGINNING BALANCE								
300 00 00		11,511	.00		103,599	180,965.86	175	138,143	42,822.86-
300 **		11,511	.00		103,599	180,965.86	175	138,143	42,822.86-
300 ***	BEGINNING BALANCE	11,511	.00		103,599	180,965.86		138,143	42,822.86-
340	CHARGES FOR SERVICES								
344	UTILITY SERVICES								
10 00	UTILITY SERVICE CHARGES	52,305	55,215.00	106	470,745	463,710.00	99	627,669	163,959.00
15 00	LSN CREDITS	0	.00		0	.00		0	.00
20 00	CONNECT CHARGES	187	900.00	481	1,683	2,250.00	134	2,250	.00
344 **	UTILITY SERVICES	52,492	56,115.00	107	472,428	465,960.00	99	629,919	163,959.00
340 ***	CHARGES FOR SERVICES	52,492	56,115.00		472,428	465,960.00		629,919	163,959.00
360	OTHER REVENUES								
361	INTEREST REVENUES								
00 00	INTEREST REVENUES	41	164.76	402	369	895.37	243	500	395.37-
361 **	INTEREST REVENUES	41	164.76	402	369	895.37	243	500	395.37-
369	OTHER MISC REVENUES								
00 00	OTHER MISC REVENUES	16	.00		144	113.50	79	200	86.50
20 00	E-RATE REIMBURSEMENT	4,166	.00		37,494	13,075.20	35	50,000	36,924.80
369 **	OTHER MISC REVENUES	4,182	.00		37,638	13,188.70	35	50,200	37,011.30
360 ***	OTHER REVENUES	4,223	164.76		38,007	14,084.07		50,700	36,615.93
390	OTHER FINANCING SOURCES								
392	SALE OF FIXED ASSETS								
00 00	SALE OF FIXED ASSETS	0	.00		0	.00		0	.00
392 **	SALE OF FIXED ASSETS	0	.00		0	.00		0	.00
390 ***	OTHER FINANCING SOURCES	0	.00		0	.00		0	.00
FUND TOTAL	QUALITYLIFE AGENCY FUND	68,226	56,279.76		614,034	661,009.93		818,762	157,752.07



FUND 600 QUALITYLIFE AGENCY FUND		DEPT/DIV 9500 OTHER USES/		*****CURRENT*****		*****YEAR-TO-DATE*****		*****		ANNUAL		UNENCUMB.		%	
BA	ELE OBJ	ACCOUNT	DESCRIPTION	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	BUDGET	BALANCE	BALANCE	EDGT	EDGT
SUB	SUB														
60			OLIFE FUND												
600			OTHER USES												
	05		OTHER												
	81	91	OLIFE CAPITAL FUND	31908	29923.82	94	287172	323057.38	113	.00	382905	59847.62	84		
	83	10	ESD E-RATE	4166	.00	0	37494	13075.20	35	.00	50000	36924.80	26		
	05	**	OTHER	36074	29923.82	83	324666	336132.58	104	.00	432905	96772.42	78		
	06		CONTINGENCY / UAFB												
	88	00	CONTINGENCY	2466	.00	0	22194	.00	0	.00	29600	29600.00	0		
	89	00	UNAPROPRIATED ENDING BAL	4566	.00	0	41094	.00	0	.00	54800	54800.00	0		
	06	**	CONTINGENCY / UAFB	7032	.00	0	63288	.00	0	.00	84400	84400.00	0		
600	**	**	OTHER USES	43106	29923.82	69	387954	336132.58	87	.00	517305	181172.42	65		
60	**	**	OLIFE FUND	43106	29923.82	69	387954	336132.58	87	.00	517305	181172.42	65		
DIV	9500	TOTAL	*****	43106	29923.82	69	387954	336132.58	87	.00	517305	181172.42	65		
DEPT	95	TOTAL	*****	43106	29923.82	69	387954	336132.58	87	.00	517305	181172.42	65		
FUND	600	TOTAL	*****	68215	35754.46	52	613935	462692.40	75	.00	818762	356069.60	57		



City of The Dalles

FUND 601 QLFIFE CAPITAL FUND

ACCOUNT	DESCRIPTION	***** ESTIMATED	***** CURRENT ACTUAL	***** %REV	***** ESTIMATED	***** YEAR-TO-DATE ACTUAL	***** %REV	***** ANNUAL ESTIMATE	***** UNREALIZED BALANCE
300	BEGINNING BALANCE								
300 00 00		15,316	.00		137,844	183,319.40	133	183,796	476.60
300 **		15,316	.00		137,844	183,319.40	133	183,796	476.60
300 ***	BEGINNING BALANCE	15,316	.00		137,844	183,319.40		183,796	476.60
330	INTERGOVERNMENTAL REVENUE								
331 90 00	FEDERAL REVENUES	0	.00		0	.00		0	.00
331 **	FEDERAL REVENUES	0	.00		0	.00		0	.00
330 ***	INTERGOVERNMENTAL REVENUE	0	.00		0	.00		0	.00
340	CHARGES FOR SERVICES								
344 20 00	UTILITY SERVICES	2,500	917.50	37	22,500	9,296.40	41	30,000	20,703.60
344 **	UTILITY SERVICES	2,500	917.50	37	22,500	9,296.40	41	30,000	20,703.60
340 ***	CHARGES FOR SERVICES	2,500	917.50		22,500	9,296.40		30,000	20,703.60
360	OTHER REVENUES								
369 00 00	OTHER MISC REVENUES	0	.00		0	.00		0	.00
10 00	ENTERPRISE ZONE PAYMENT	0	.00		0	.00		0	.00
369 **	OTHER MISC REVENUES	0	.00		0	.00		0	.00
360 ***	OTHER REVENUES	0	.00		0	.00		0	.00
390	OTHER FINANCING SOURCES								
391 40 00	OPERATING TRANSFERS IN	0	.00		0	.00		0	.00
90 01	IF PMT FROM OTHER FUNDS	31,908	29,923.82	94	287,172	323,057.38	113	382,905	59,847.62
391 **	OPERATING TRANSFERS IN	31,908	29,923.82	94	287,172	323,057.38	113	382,905	59,847.62
393 10 00	PROCEEDS- LT LIABILITIES	0	.00		0	.00		0	.00
393 **	PROCEEDS- LT LIABILITIES	0	.00		0	.00		0	.00
390 ***	OTHER FINANCING SOURCES	31,908	29,923.82		287,172	323,057.38		382,905	59,847.62
	FUND TOTAL QLFIFE CAPITAL FUND	49,724	30,841.32		447,516	515,673.18		596,701	81,027.82

FUND 601 QLIIFE CAPITAL FUND		DEPT/DIV 6000 QLIIFE/		*****CURRENT*****		*****YEAR-TO-DATE*****		*****		*****	
SUB	DESCRIPTION	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	ANNUAL BUDGET	UNENCUMB. BALANCE	% BDGT
66	EXPENSE-ACCOUNT										
660	FINANCIAL OPERATIONS										
02	MATERIALS & SERVICES										
34	10 ENGINEERING SERVICES	916	562.50	61	8244	4531.25	55	.00	11000	6468.75	41
70	CUSTOMER CONNECT COSTS	333	.00	0	2997	1016.37	34	.00	4000	2983.63	25
43	86 LINES MNTNCE & SUPPLIES	666	.00	0	5994	.00	0	.00	8000	8000.00	0
57	10 PERMIT	0	.00	0	0	.00	0	.00	0	.00	0
02	** MATERIALS & SERVICES	1915	562.50	29	17235	5547.62	32	.00	23000	17452.38	24
03	CAPITAL OUTLAY										
72	20 BUILDINGS	0	.00	0	0	.00	0	.00	0	.00	0
74	20 TELECOMMUNICATIONS EQUIP	0	.00	0	0	.00	0	.00	0	.00	0
76	10 PRIMARY	15342	.00	0	138078	2483.15	2	.00	184113	181629.85	1
20	SECONDARY	4166	1864.96	45	37494	41366.75	110	.00	50000	8633.25	83
30	POLE MAKE READY COSTS	416	.00	0	3744	.00	0	.00	5000	5000.00	0
03	** CAPITAL OUTLAY	19924	1864.96	9	179316	43849.90	25	.00	239113	195263.10	18
04	DEBT SERVICE										
79	50 LOAN PRINCIPAL PAYMENTS	10785	.00	0	97065	128957.48	133	.00	129425	467.52	100
51	CRB PRINCIPAL PAYMENTS	0	.00	0	0	.00	0	.00	0	.00	0
60	LOAN INTEREST PAYMENTS	280	.00	0	2520	705.83	28	.00	3363	2657.17	21
90	LOAN RESERVE-FUT DEBT PAY	0	.00	0	0	.00	0	.00	0	.00	0
04	** DEBT SERVICE	11065	.00	0	99585	129663.31	130	.00	132788	3124.69	98
660	** FINANCIAL OPERATIONS	32904	2427.46	7	296136	179060.83	61	.00	394901	215840.17	45
66	** EXPENSE-ACCOUNT	32904	2427.46	7	296136	179060.83	61	.00	394901	215840.17	45
DIV	6000 TOTAL *****										
DEPT	60 TOTAL *****										
	QLIIFE	32904	2427.46	7	296136	179060.83	61	.00	394901	215840.17	45

DETAIL BUDGET REPORT BY CATEGORY  
 75% OF YEAR LAPSED

FUND 601 OLIFE CAPITAL FUND		DEPT/DIV 9500 OTHER USES/		*****CURRENT*****		*****YEAR-TO-DATE*****		*****		*****	
BA ELE OBJ	ACCOUNT	BUDGET	ACTUAL	\$EXP	BUDGET	ACTUAL	\$EXP	ENCUMBR.	ANNUAL BUDGET	UNENCUMB. BALANCE	% BDGT
SUB SUB	DESCRIPTION										
60	OLIFE FUND										
600	OTHER USES										
05	OTHER										
84 15	RSRV FOR SYS IMPROVEMENTS	11666	.00	0	104994	.00	0	.00	140000	140000.00	0
05 **	OTHER	11666	.00	0	104994	.00	0	.00	140000	140000.00	0
600 **	OTHER USES	11666	.00	0	104994	.00	0	.00	140000	140000.00	0
60 **	OLIFE FUND	11666	.00	0	104994	.00	0	.00	140000	140000.00	0
66	EXPENSE-ACCOUNT										
660	FINANCIAL OPERATIONS										
06	CONTINGENCY / UAFB										
88 00	CONTINGENCY	5150	.00	0	46350	.00	0	.00	61800	61800.00	0
89 00	UNAPPROPRIATED ENDING BAL	0	.00	0	0	.00	0	.00	0	.00	0
06 **	CONTINGENCY / UAFB	5150	.00	0	46350	.00	0	.00	61800	61800.00	0
660 **	FINANCIAL OPERATIONS	5150	.00	0	46350	.00	0	.00	61800	61800.00	0
66 **	EXPENSE-ACCOUNT	5150	.00	0	46350	.00	0	.00	61800	61800.00	0
DIV 9500	TOTAL *****										
		16816	.00	0	151344	.00	0	.00	201800	201800.00	0
DEPT 95	TOTAL *****										
	OTHER USES	16816	.00	0	151344	.00	0	.00	201800	201800.00	0
FUND 601	TOTAL *****										
	OLIFE CAPITAL FUND	49720	2427.46	5	447480	179060.83	40	.00	596701	417640.17	30
GRAND	TOTAL *****	117935	38181.92	32	1061415	641753.23	61	.00	1415463	773709.77	45

**QLIFE - LISTING OF FINANCIAL TRANSACTIONS**

FUND: **OPERATING 600**

FISCAL YEAR: 2014-15

PERIOD DETAIL FROM: 3/18/2015 TO: 4/15/2015

Revenue: Billed as of **3/20/2015** 52,982.50

QLife Monthly Billings BILLING DONE ON THE 20TH

TOTAL: **52,982.50**

CODE	Expenditures:		
600.6000.660.34.30	Aristo	monthly retainer	2,000.00
600.6000.660.53.30	Gorge.net	Phone	35.15
600.6000.660.34.10	Commstructures	Engineering	888.75
600.6000.660.34.10	Commstructures	NESC	487.50
600.6000.660.58.10	Anzac	Lunch	108.00
600.6000.660.41.40	NWCPUD	Electric	45.69
600.6000.660.69.70	City of The Dalles	ROW	1,656.45

TOTAL: **5,221.54**

FUND: **CAPITAL 601**

FISCAL YEAR: 2014-15

PERIOD DETAIL FROM: 3/18/2015 TO: 4/15/2015

Revenue:

TOTAL:

CODE	Expenditures:		
601.6000.660.76.20	Doug Jenkins Electric	Pass thru Gorge.net	947.46

TOTAL: **947.46**

Aristo Networks LLC  
Technical Management Report  
By  
John Amery  
4/16/2015

Items of Discussion:

- Monitoring Server's drive storage is corrupted. We have lost some customer usage history, however no impact to customer's services.
- Researching high levels of CPU usage on core infrastructure
- Current projects working on include:
  - Documentation project / Audit
    - We are combining the annual audit of South West fiber with the new Documentation project (an audit of all cases to include additional tracking within documentation)
  - Tree trimming project