

Finance Committee of the E911 Service Board

Meeting Minutes

November 4, 2011
10:00 AM - CESC

Members Present:	David Von Moll, Chairman John Knapp, Jr.	Lt. Col. Robert Kemmler Pat Shumate
Members Absent:		
Grant Committee Present:	Sheriff Danny Diggs Bob Layman Shannon Williams Mike Goetz	Lt. Greg Staylor Bill Agee Alan Weese
Staff Present:	Dorothy Spears-Dean, Coordinator Steve Marzolf, ISP Director	Lewis Cassada, Program Manager Terry Mayo, Administrative Assistant Lisa Nicholson, Program Manager

Note: An audio conference bridge was provided to allow the public to listen to the proceedings if they were unable to attend in person. No roll call was taken of the bridge participants.

1. CALL TO ORDER

Chairman David Von Moll called the meeting to order at 10:00 AM. The Chairman welcomed everyone to the meeting.

2. APPROVAL OF THE MINUTES FROM October 7, 2011

Chairman David Von Moll asked for changes/additions to the October 7, 2011 minutes, and there were none. Mr. Knapp made a motion to approve the Minutes of their September 6th meeting. Mr. Shumate seconded the motion. Chairman Von Moll called for the vote, and the vote passed unanimous; **4-0-0**.

3. CASH MANAGEMENT AND RESERVE BALANCE POLICY

Mr. Marzolf provided the Committee with two spreadsheets showing the ideal monthly cash flow for the Wireless E-911 Fund and the reality for the remainder of FY2012 based on the current financial conditions and obligations to the Fund. The Committee discussed the implications of both. Mr. Marzolf advised the Committee that the biggest challenge to determining cash flow was the PSAP grant payments and CMRS payment since both can be somewhat unpredictable in timing. Mr. Marzolf then presented his findings on whether the existing legislation was sufficient for the Board to implement a reserve balance policy. Based on advice from Counsel and his research, he advised that the existing legislation, which allows the Board to carry grant funds into the next fiscal year

for “an identified funding need in the next fiscal year,” was probably sufficient to allow the creation of a reserve balance. However, he recommended that a legislative change would still be the best way to proceed to make sure all stakeholders were aware of the Board’s intent to create a reserve balance policy. The Committee concurred with this recommendation and requested staff to draft an appropriate legislative change for the Board to consider at their next meeting.

4. PSAP GRANT PROGRAM DISCUSSION

Chairman Von Moll welcomed the PSAP Grant Committee to the joint meeting and said that the Finance Committee had requested the meeting to discuss several fiscal policies to ensure that they did not have unintended consequences to the PSAP Grant program. The two committees discussed the following issues at length:

- Curtail or eliminate extension requests – The committees agreed that to the extent possible grant extensions should be limited and that significant progress needs to be demonstrated to warrant the extension. If a grant extension is warranted, it should reflect the amount of time actually needed to complete the project (not necessarily a full year, but could be longer) and only one extension should be granted. The committees also felt the two-year grant cycle should greatly reduce the need for extensions.
- Adhering to grant closeout timing – The committees agreed that any PSAP seeking a new grant needs to be up to date with all of the documentation of existing grants.
- State contracts for procurement – The committees asked staff to review the FY2013 PSAP grant submission to determine if there are any opportunities for statewide procurements that would leverage the Commonwealth’s buying power. If available, the Board may want to consider making use of a statewide contract a requirement for the grant award or limiting the amount of funding provided to the level available on the statewide contract.
- Adhere to PSAP funding formula for grant eligibility – The committees agreed that any PSAP seeking a new grant needs to be up to date with all true-up information to be submitted.
- Timely baseline closeout and grant eligibility – After reviewing the current grant guidelines, the committees agreed that there was already sufficient language in the guidelines to address this issue.
- Voluntary/non-voluntary turn back of funds – The committees agreed that voluntary turn back of funding needed to be accepted anytime throughout the year and not wait until the end of the fiscal year. Similarly, non-voluntary turn back of funding could occur at anytime throughout the year, but would usually occur at the end of the grant period if an extension is not granted. However, the committees as staff to monitor project progress throughout the year and bring any in trouble of not completing by the end of the grant period to the PSAP Grant Committee for review.
- Supplanting Policy – The committees discussed the issue of supplanting at length and ultimately decided not to recommend any changes to the guidelines for supplanting.
- Grant Cash Policy (reimbursement vs. upfront payment) – Due to the large amounts of grant funding currently held by localities, the committees agreed that the PSAP Grant Program should be changed to a reimbursement grant rather than providing the funding to the PSAP up-front. Though there was some concern about the impact on a small localities ability to pay the cost and be reimbursed,

the committees discussed that most localities are familiar with this type of arrangement and can manage it. Additionally, disbursement of the funds can be made on the invoice so funding can likely be transfer to the locality for the invoice to be paid on time.

The PSAP Grant Committee will take the above discussion and incorporate the necessary changes into a FY2013 PSAP Grant Guideline Addendum for consideration by the full Board at their January meeting when they will also be considering approval of the FY2013 grant requests.

5. OLD BUSINESS:

There was no old business to come before the committee.

6. NEW BUSINESS

NEXT MEETING OF THE FINANCE COMMITTEE

Mr. Marzolf advises the Committee that he would not be able to attend the next regularly meeting, which was scheduled for December 2, 2011. The Committee discussed whether to hold the meeting and decided to cancel that meeting. The next meeting is scheduled for January 6, 2012.

7. PUBLIC COMMENT

There was no additional public committee from those present at the meeting site or on the audio conference.

8. ADJOURNMENT OF THE MEETING

Chairman Von Moll adjourned the meeting of the Committee at 2:07 PM.

Respectfully Submitted:

Steve Marzolf

(Date)

Ideal Monthly Revenue Projections/Cashflow

Projected Revenue	\$ 51,600,000
Appropriations (Off-the-top)	\$ 12,184,309
Distributed to the PSAPs	\$ 23,649,415
Available for PSAP Grants	\$ 3,941,569
Available for CMRS Cost Recovery	\$ 3,824,707
Compensation Board Funding	\$ 8,000,000

Date	Description	Amount
July 5	Taxation Revenue Payment - June	\$ 4,300,000
	PSAP Payment - June	\$ 1,970,785
	VSP Payment - June	\$ 308,333
	Commendation Board - June	\$ 666,667
	Wireless Billing Agreements	\$ 333,333
	VGIN - June	\$ 145,833
	PSC Division - June	\$ 227,859
	July Total Expenses	\$ 3,652,810
July 31	Fund Balance	\$ 647,190
August 5	Taxation Revenue Payment - July	\$ 4,300,000
	PSAP Payment - July	\$ 1,970,785
	VSP Payment - July	\$ 308,333
	Commendation Board - July	\$ 666,667
	Wireless Billing Agreements	\$ 333,333
	VGIN - July	\$ 145,833
	PSC Division - July	\$ 227,859
	August Total Expenses	\$ 3,652,810
August 31	Fund Balance	\$ 1,294,379
September 5	Taxation Revenue Payment - August	\$ 4,300,000
	PSAP Payment - August	\$ 1,970,785
	VSP Payment - August	\$ 308,333
	Commendation Board - August	\$ 666,667
	Wireless Billing Agreements	\$ 333,333
	VGIN - August	\$ 145,833
	PSC Division - August	\$ 227,859
	September Total Expenses	\$ 3,652,810
September 30	Fund Balance	\$ 1,941,569
October 5	Taxation Revenue Payment - September	\$ 4,300,000
	PSAP Payment - September	\$ 1,970,785
	VSP Payment - September	\$ 308,333
	Commendation Board - September	\$ 666,667
	Wireless Billing Agreements	\$ 333,333
	VGIN - September	\$ 145,833
	PSC Division - September	\$ 227,859
	October Total Expenses	\$ 3,652,810
October 31	Fund Balance	\$ 2,588,759
November 5	Taxation Revenue Payment - October	\$ 4,300,000
	PSAP Payment - October	\$ 1,970,785
	VSP Payment - October	\$ 308,333
	Commendation Board - October	\$ 666,667
	Wireless Billing Agreements	\$ 333,333
	VGIN - October	\$ 145,833
	PSC Division - October	\$ 227,859
	November Total Expenses	\$ 3,652,810
November 30	Fund Balance	\$ 3,235,948
December 5	Taxation Revenue Payment - November	\$ 4,300,000
	PSAP Payment - November	\$ 1,970,785
	VSP Payment - November	\$ 308,333
	Commendation Board - November	\$ 666,667

	Wireless Billing Agreements	\$ 333,333
	VGIN - November	\$ 145,833
	PSC Division - November	\$ 227,859
	December Total Expenses	\$ 3,652,810
December 31	Fund Balance	\$ 3,883,138
January 5	Taxation Revenue Payment - December	\$ 4,300,000
	PSAP Payment - December	\$ 1,970,785
	VSP Payment - December	\$ 308,333
	Commendation Board - December	\$ 666,667
	Wireless Billing Agreements	\$ 333,333
	VGIN - December	\$ 145,833
	PSC Division - December	\$ 227,859
	January Total Expenses	\$ 3,652,810
January 31	Fund Balance	\$ 4,530,328
February 5	Taxation Revenue Payment - January	\$ 4,300,000
	PSAP Payment - January	\$ 1,970,785
	VSP Payment - January	\$ 308,333
	Commendation Board - January	\$ 666,667
	Wireless Billing Agreements	\$ 333,333
	VGIN - January	\$ 145,833
	PSC Division - January	\$ 227,859
	February Total Expenses	\$ 3,652,810
February 29	Fund Balance	\$ 5,177,517
March 5	Taxation Revenue Payment - February	\$ 4,300,000
	PSAP Payment - February	\$ 1,970,785
	VSP Payment - February	\$ 308,333
	Commendation Board - February	\$ 666,667
	Wireless Billing Agreements	\$ 333,333
	VGIN - February	\$ 145,833
	PSC Division - February	\$ 227,859
	March Total Expenses	\$ 3,652,810
March 31	Fund Balance	\$ 5,824,707
April 5	Taxation Revenue Payment - March	\$ 4,300,000
	PSAP Payment - March	\$ 1,970,785
	VSP Payment - March	\$ 308,333
	Commendation Board - March	\$ 666,667
	Wireless Billing Agreements	\$ 333,333
	VGIN - March	\$ 145,833
	PSC Division - March	\$ 227,859
	April Total Expenses	\$ 3,652,810
April 30	Fund Balance	\$ 6,471,897
May 5	Taxation Revenue Payment - April	\$ 4,300,000
	PSAP Payment - April	\$ 1,970,785
	VSP Payment - April	\$ 308,333
	Commendation Board - April	\$ 666,667
	Wireless Billing Agreements	\$ 333,333
	VGIN - April	\$ 145,833
	PSC Division - April	\$ 227,859
	May Total Expenses	\$ 3,652,810
May 31	Fund Balance	\$ 7,119,086
June 5	Taxation Revenue Payment - May	\$ 4,300,000
	PSAP Payment - May	\$ 1,970,785
	VSP Payment - May	\$ 308,333
	Commendation Board - May	\$ 666,667
	Wireless Billing Agreements	\$ 333,333
	VGIN - May	\$ 145,833
	PSC Division - May	\$ 227,859
	Total Expenses	\$ 3,652,810
June 30	Fund Balance	\$ 7,766,276

FY2012 Revenue Projections and Cashflow

Projected Revenue	\$ 51,600,000
Appropriations (Off-the-top)	\$ 12,184,309
Distributed to the PSAPs	\$ 23,649,415
Available for PSAP Grants	\$ 3,941,569
Available for CMRS Cost Recovery	\$ 3,824,707
Compensation Board Funding	\$ 8,000,000

Date	Description	Amount
July 5	Fund Beginning Balance	\$ 7,712,226
	PSAP Payment - May and June	\$ 4,586,953
	PSAP Grant Payments	\$ 537,983
	CMRS Provider Payments - FY11 Q4	\$ 423,012
	VGIN - Annual	\$ 1,750,000
	PSC Division - July	\$ 82,102
	July Total Expenses	\$ 7,380,050
July 31	Fund Balance	\$ 332,176
August 5	Revenue Received - July	\$ 4,497,065
	PSAP Grant Payments	\$ 1,567,180
	CMRS Provider Payments - FY11 Q4	\$ 207,447
	PSC Division - August	\$ 177,706
	August Total Expenses	\$ 1,952,333
August 31	Fund Balance	\$ 2,876,908
September 22	Taxation Revenue Payment - August	\$ 4,298,393
	PSAP Grant Payments	\$ 324,142
	CMRS Provider Payments - FY11 Q4	\$ 110,798
	Commendation Board - 1st Quarter	\$ 2,000,000
	PSC Division - September	\$ 227,859
	September Total Expenses	\$ 2,662,799
September 30	Fund Balance	\$ 4,512,502
October 23	Taxation Revenue Payment - September	\$ 4,300,000
	PSAP Payment - July/August/September	\$ 6,027,829
	PSAP Grant Payments	???
	CMRS Provider Payments - FY11 Q4	???
	PSC Division - October	\$ 227,859
	October Total Expenses	\$ 6,255,688
October 31	Fund Balance	\$ 2,556,814
November 5	Taxation Revenue Payment - October	\$ 4,300,000
	PSAP Payment - October	\$ 1,970,785
	Wireless Billing Agreements	\$ 3,760,000
	PSC Division - November	\$ 227,859
	November Total Expenses	\$ 5,958,644
November 30	Fund Balance	\$ 898,171
December 5	Taxation Revenue Payment - November	\$ 4,300,000
	PSAP Payment - November	\$ 1,970,785
	PSC Division - December	\$ 227,859
	December Total Expenses	\$ 2,198,644

December 31	Fund Balance	\$ 2,999,527
January 5	Taxation Revenue Payment - December	\$ 4,300,000
	PSAP Payment - December	\$ 1,970,785
	Commendation Board - 2nd Quarter	\$ 2,000,000
	PSC Division - January	\$ 227,859
	January Total Expenses	\$ 4,198,644
January 31	Fund Balance	\$ 3,100,883
February 5	Taxation Revenue Payment - January	\$ 4,300,000
	PSAP Payment - January	\$ 1,970,785
	VSP Payment - 50%	\$ 1,850,000
	Commendation Board - January	\$ 666,667
	PSC Division - February	\$ 227,859
	February Total Expenses	\$ 4,715,310
February 29	Fund Balance	\$ 2,685,573
March 5	Taxation Revenue Payment - February	\$ 4,300,000
	PSAP Payment - February	\$ 1,970,785
	VSP Payment - February	\$ 616,667
	Commendation Board - February	\$ 666,667
	PSC Division - March	\$ 227,859
	March Total Expenses	\$ 3,481,977
March 31	Fund Balance	\$ 3,503,596
April 5	Taxation Revenue Payment - March	\$ 4,300,000
	PSAP Payment - March	\$ 1,970,785
	VSP Payment - March	\$ 308,333
	Commendation Board - March	\$ 666,667
	PSC Division - April	\$ 227,859
	April Total Expenses	\$ 3,173,644
April 30	Fund Balance	\$ 4,629,952
May 5	Taxation Revenue Payment - April	\$ 4,300,000
	PSAP Payment - April	\$ 1,970,785
	VSP Payment - April	\$ 308,333
	Commendation Board - April	\$ 666,667
	PSC Division - May	\$ 227,859
	May Total Expenses	\$ 3,173,644
May 31	Fund Balance	\$ 5,756,309
June 5	Taxation Revenue Payment - May	\$ 4,300,000
	PSAP Payment - May	\$ 1,970,785
	VSP Payment - May	\$ 308,333
	Commendation Board - May	\$ 666,667
	PSC Division - June	\$ 227,859
	June Total Expenses	\$ 3,173,644
June 30	Fund Balance	\$ 6,882,665
July 5	Taxation Revenue Payment - June	\$ 4,300,000
	PSAP Payment - June	\$ 1,970,785
	VSP Payment - June	\$ 308,333
	Commendation Board - June	\$ 666,667
	PSC Division - July	\$ 227,859
	Total Expenses	\$ 3,173,644
July 30	Fund Balance	\$ 8,009,021