INDIANOLA MUNICIPAL UTILITIES

IMU

Electric • Communications • Water

IMU Board of Trustees
January 26, 2015
City Hall Council Chambers
5:30 p.m.

Agenda

1. Roll Call
2. Consent
    A. Claims
    B. Minutes
    C. Salaries
3. Reports
    A. Chairperson
    B. Economic Development
    C. Monthly Financials
    D. General Manager
4. Award Contract for Filter Building (Old Water Plant) Demolition
5. 2015 W. Hwy 92 and Y Street Intersection Relocation Project
    A. Project Update
    B. Public Hearing on plans, specifications, form of contract, and estimate of cost
    C. Resolution Adopting Plans, Specifications, Form of Contract, and Estimate of Cost
    D. Receive Bids
    E. Resolution Making Award of Construction Contract
    F. Any other items thereto.
6. FY 2016 Budget

A. Highlights of Parameters and Drafts

B. Set February 23, 2015 as the date of a Public Hearing

7. Other Business

8. Adjourn

IMU Regular Downstairs **2. A.**

Meeting Date: 01/26/2015

Information

Subject

Claims

Information

The January 20, 2015 Claims List was distributed via e-mail this past Friday.

Financial Impact

N/A

Staff Recommendation

IMU Regular Downstairs **2. B.**

Meeting Date: 01/26/2015

Information

Subject

Minutes

Information

Minutes of the January 12, 2015 meeting are attached to this agenda item.

Financial Impact

N/A

Staff Recommendation

Attachments

Minutes

BOARD OF TRUSTEE MINUTES
REGULAR SESSION – JANUARY 12, 2015

The Board of Trustees met in regular session at 5:30 p.m. on January 12, 2015 in the City Hall Council Chambers. Chairperson Pat Reding called the meeting to order and on roll call the following members were present: Heather Hulen, Grant Johnson, Jim McClymond (via phone), Pat Reding and Deb White.

The consent agenda consisting of the following was approved on a motion by Johnson and seconded by White. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

December 22, 2014 minutes

January 5, 2015 claims

Todd Kielkopf, General Manager, presented the Quarterly Performance Report.

The Certificate of Deposit Account Registry Service (CDARS) and Insured Cash Sweep (ICS) Deposit Placement Agreement with City State Bank were approved on a motion by White and seconded by Hulen. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

The Supplemental Contract for the 2014 West Iowa Avenue Water Main Project with Vanderpool Construction in an amount of $552.50 for restoration was approved on a motion by Johnson and seconded by White. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

It was moved by Hulen and seconded by White to approve the Certificate of Completion with Vanderpool Construction for the 2014 West Iowa Water Main Project. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

A motion was made by Johnson and seconded by Hulen to approve the Certificate of Substantial Completion with Michels Power for the 2013 Hwy 92 Transmission Relocation Project. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

The Board discussed the Electric Utility Capital Projects including estimated project costs for underground conversion areas, priorities for vehicles, equipment, line replacements, etc.

General Manager Todd Kielkopf updated the Board regarding the West Highway 92 Distribution Relocation Project.

Meeting adjourned on a motion by Johnson and seconded by Hulen.

Pat Reding, Chairperson Diana Bowlin, City Clerk

IMU Regular Downstairs **2. C.**

Meeting Date: 01/26/2015

Information

Subject

Salaries

Information

Garry Cunningham, Water Operator I, Range 21-2 at $22.053/hr. ($45,871/yr) excluding longevity pay.

Garry currently works in the Street Dept. for the City of Indianola. This fills the Water Dept. vacancy due to Rodney Prickett's recent retirement. We welcome Garry to the IMU team!

Financial Impact

N/A

Staff Recommendation

IMU Regular Downstairs **3. B.**

Meeting Date: 01/26/2015

Information

Subject

Economic Development

Information

Jason White, Executive Director of WCEDC, will attend and present a report. IMU contributes $2,500 annually to WCEDC and Jason takes a proactive approach to periodically reporting to contributing entities.

Todd Kielkopf, IMU General Manager, participates as a board member and on the WCEDC Business, Retention, and Expansion Committee and can provide supplemental information on that group's upcoming activities. It is comprised of WCEDC staff, Simpson staff, staff from each of the 3 Chamber of Commerce offices in Warren Co., and others.

Financial Impact

N/A

Staff Recommendation

IMU Regular Downstairs **3. C.**

Meeting Date: 01/26/2015

Information

Subject

Financials

Information

Financial Impact

N/A

Staff Recommendation

Attachments

Financials

IMU Monthly Financial Reports

Notes & Comments

1. Total Cash Flow from all activities the on Treasurer's Report was +$888,085.21. However, the timing of paying the wholesale energy bill resulted in none paid in December and 2 paid in January. Therefore, staff has modified the variance report to reflect that December wholesale electric plus transmission expense of $607,689.95. This results in a positive cash flow of $280,395.26. Most if this positive cash flow was due to a combination of capital project reimbursements received and monies retained for principal + semi-annual interest payments. Cash flow from operations was negligible.

2. Electric kWh sales (page 5) graph over the past 12 months shows a return to historical trends. The period still contains a colder winter (in 2014) than what should be expected for the coming 12 months. Water consumption (page 6) has also returned to historical averages following 2 dry years where watering lawns was more prevalent than average.

3. The Electric Gross Margin (page 7) is slightly higher than the seasonally-adjusted budget, due to slightly lower wholesale power costs per kWh, which will reverse with new winter rates effective November 2014. This is in addition to the $265,000 customer charge in both February & March of 2015 being imposed by MEAN to recoup IMU's share of its $6 million of losses during its April 2014 – March 2015 fiscal year.

   From an IMU cash flow perspective, $320,000 is available by the Water Utility again pre-paying its note to the Electric Utility. The net difference for both utilities is reflected on this report within their respective "Designated for Future Projects" category. Remaining Electric Utility reserves above policy targets are committed to capital projects.

4. Using the cash-based + depreciation model, FYTD Electric Utility Net Income (page 8) was a loss of $557,190. This is near budget expectations; however it does also include almost $136,000 of unexpected transmission system storm damage pole replacements. Staff met with auditors, with the consensus being to capitalize (vs. expensing) these replacements both now and in the future. An adjusting entry transferring these expenses to the capital fund will be made in January.

   This improves debt service coverage to a more-respectable 1.0x including PILOT payments and 1.7x for bond covenant (excludes PILOT payments). Furthermore, staff was contacted by financial advisors that it is likely that IMU can profitably refinance its callable debt in advance of the 2017 call date, which will help ease near-term debt service coverage concerns.

5. The Water Utility (pages 7 & 12) is not meeting budget expectations in terms of Net Income and Cash Flow due to declining sales due to mild weather. Reserves are well above targets though, primarily due to the timing of capital projects. Fund balances available today are scheduled to be expended over the next two years on proactive capital projects, break-even operations, and loan payments. There is ample time to adjust projects to meet reduced revenue expectations going forward.

6. The Communications Utility (page 15) and Admin. Fund (page 16) cash flows are essentially fairly close to the post-budget operating targets. Funds to improve the PoP building and a splicing trailer are in the budget, but won't be expended until plans are better established. Administrative expenses are projected to end the fiscal year at budgeted amounts.

FINANCIAL REPORT

MONTH OF DECEMBER, 2014

FUND	Beginning Balance	Monies Received	Monies Disbursed	Transfer In	Transfer Out	Clerk's Balance	% of Total
001 General Government	1,222,881.12	64,035.90	161,195.29	111,200.01	2,352.07	1,234,569.67	
011 Police	486,677.52	48,074.72	174,345.78	42,196.64	309.00	402,294.10	
015 Fire	260,897.19	14,883.84	46,371.84	4,335.47	24.72	233,719.94	
016 Ambulance	282,116.92	88,185.57	70,055.70	2,292.69	5,572.66	296,966.82	
041 Library	41,887.02	10,622.21	32,706.36	3,306.84	61.80	23,047.91	
042 Park & Recreation	520,520.30	42,839.07	63,639.42	8,004.50	123.60	507,600.85	
045 Memorial Pool	-79,892.54	7,701.91	552.90	0.00	0.00	-72,743.53	
071 General Fund Deb Service	86,332.26	2,854.35	4,397.50	0.00	0.00	84,789.11	
099 Franchise Fees-MEC	271,381.53	0.00	0.00	0.00	0.00	271,381.53	
GENERAL FUND SUB-TOTAL	**3,092,801.32**	**279,197.57**	**553,264.79**	**171,336.15**	**8,443.85**	**2,981,626.40**	
110 Road Use Tax (Streets)	982,898.14	111,022.29	68,807.37	0.00	15,142.70	1,009,970.36	
112 Trust & Agency	0.00	36,219.47	0.00	0.00	36,219.47	0.00	
115 YMCA Maintenance Obligations	26,410.80	0.00	0.00	0.00	0.00	26,410.80	
125 TIF--Downtown	292,603.44	19,406.20	0.00	0.00	3,794.49	308,215.15	
126 TIF--East Hwy 92	0.00	0.00	0.00	0.00	0.00	0.00	
127 TIF--Hillcrest/Industrial Park	437,168.78	15,315.38	0.00	0.00	116,705.00	335,779.16	
141 Library Special Revenue	42,179.94	2,469.33	391.99	0.00	0.00	44,257.28	
142 Park & Rec Special Revenue	125,289.13	733.65	8,135.46	0.00	0.00	117,887.32	
160 Downtown Revolving Loan	105,556.85	0.00	0.00	0.00	0.00	105,556.85	
161 Downtown Business Inc Program	25,721.22	0.00	18,829.19	0.00	0.00	6,892.03	
177 Police Forfeiture	19,830.07	0.00	0.00	0.00	0.00	19,830.07	
190 Vehicle Reserve	101,409.09	11,851.79	29,148.10	1,666.67	0.00	85,779.45	
199 Police Retirement	107,120.51	156.85	0.00	0.00	1,041.67	106,235.69	
SPECIAL REVENUES SUB-TOTAL	**2,266,187.97**	**197,174.96**	**125,312.11**	**1,666.67**	**172,903.33**	**2,166,814.16**	
200 **DEBT SERVICE (SUB-TOTAL)**	**2,421,280.06**	**41,338.55**	**213,540.22**	**181,274.48**	**0.00**	**2,430,352.87**	
301 Capital Projects (General)	665,353.57	15,005.09	0.00	0.00	0.00	680,358.66	
321 Capital Projects (Streets)	-2,033,112.96	677,765.29	28,406.64	0.00	0.00	-1,383,754.31	
344 Community Athletic Facility	7,715.88	11.32	940.95	0.00	0.00	6,786.25	
353 Community ReDevelopment (D&D)	-24,101.99	24,481.92	0.00	0.00	0.00	379.93	
CAPITAL PROJECTS SUB-TOTAL	**-1,384,145.50**	**717,263.62**	**29,347.59**	**0.00**	**0.00**	**-696,229.47**	
610 Sewer	191,993.14	0.00	97,584.95	140,600.00	34,901.03	200,107.16	
650 Stormwater Utility	343,750.76	17,127.89	0.00	0.00	5,158.33	355,720.32	
670 Recycling	67,439.31	18,635.64	15,281.18	0.00	1,441.67	69,352.10	
710 Sewer Capital Projects	827,208.72	328,380.83	4,203.00	0.00	239,483.33	911,903.22	
771 Sewer Reserve	114,238.70	0.00	0.00	0.00	0.00	114,238.70	
781 Sewer Plant Improvement	327,989.20	0.00	0.00	2,083.33	0.00	330,072.53	
791 Sewer Revenue Bonds	532,723.36	0.00	174,003.50	61,016.67	0.00	419,736.53	
820 Health Insurance	1,026,308.59	103,509.40	109,099.17	0.00	0.00	1,020,718.82	
830 Health Reimbursement Account	275,425.52	0.00	13,002.69	0.00	0.00	262,422.83	
840 Flex/STD	222,477.06	2,323.06	2,074.56	1,375.05	0.00	224,100.61	
850 Liability Insurance Reserve--City	36,652.57	52.28	0.00	0.00	0.00	36,704.85	
CITY UTILITY & IS SUB-TOTAL	**3,966,206.93**	**470,029.10**	**415,249.05**	**205,075.05**	**280,984.36**	**3,945,077.67**	
TOTAL CITY FUNDS	**10,362,330.78**	1,705,003.80	1,336,713.76	559,352.35	462,331.54	**10,827,641.63**	**54%**
TOTAL IMU FUNDS	**8,333,461.06**	1,480,406.47	505,300.45	175,941.68	272,962.49	**9,211,546.27**	**46%**
GRAND TOTAL CITY & IMU	**18,695,791.84**	3,185,410.27	1,842,014.21	735,294.03	735,294.03	**20,039,187.90**	
Cross Check Total						20,039,187.90	

Investments

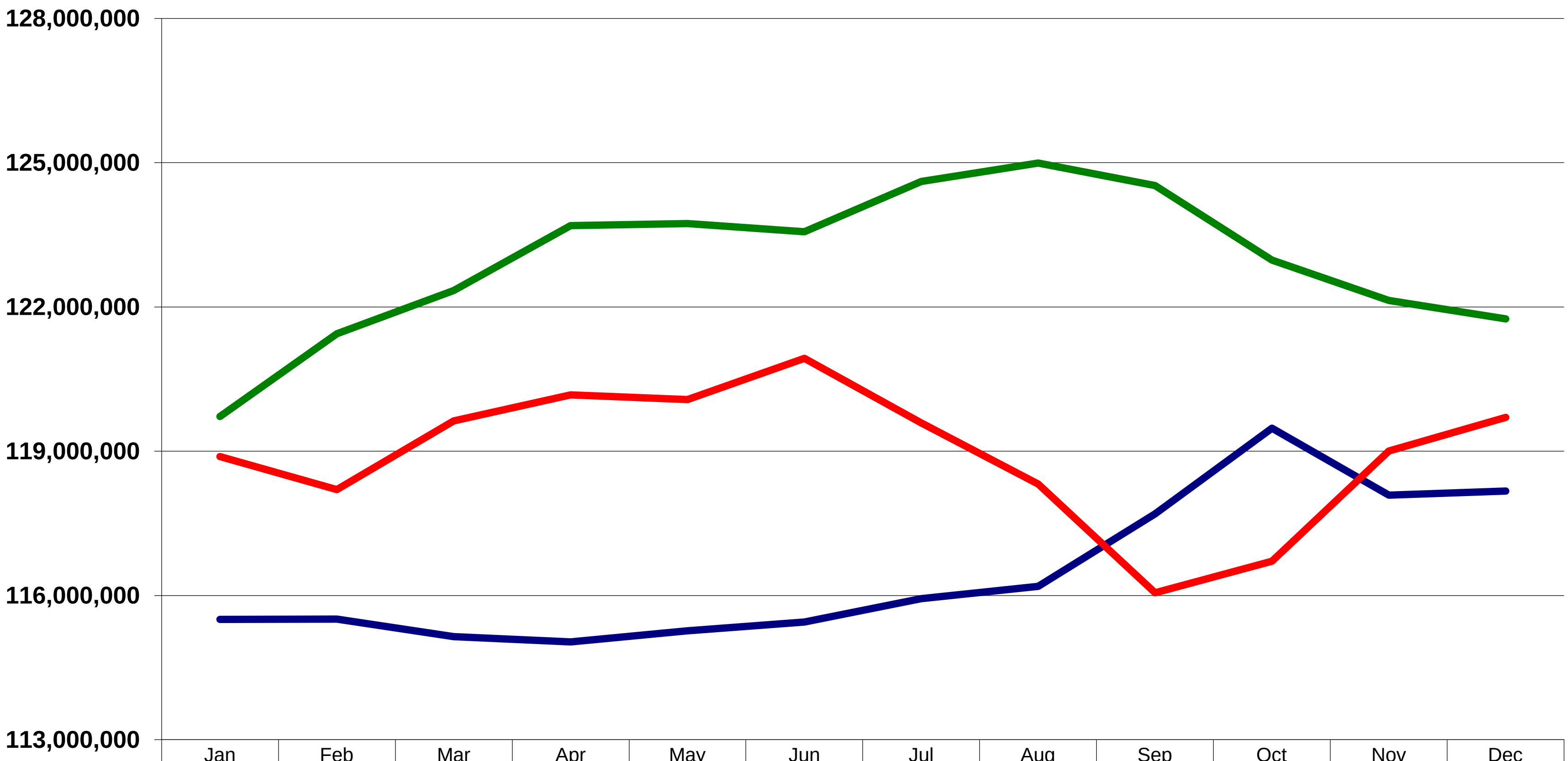
Bankers Trust	$	14,268,572.21	2.13%
Iowa Public Agency Inv. Trust	$	111,111.24	0.010%
Payroll Account, City State Bank	$	-	Earnings Credit
Checking Account, City State Bank	$	245,275.12	Earnings Credit
Checking & Payroll Account, Community Bank	$	230.67	
Sweep Account, City State Bank	$	5,435,938.84	0.35%
BANK BALANCE		**20,061,128.08**	

Clerk's Balance	20,039,187.90
Plus Outstanding Checks	36,052.96
Unreconcilable Item	
Less Outstanding Deposits	-14,112.78
	20,061,128.08

600 Water	417,510.73	231,293.45	90,373.45	0.00	115,959.38	442,471.35
620 IMU Administration	69,724.28	0.00	44,651.92	84,375.00	30,053.47	79,393.89
625 Revolving Economic Development	103,856.40	151.05	0.00	0.00	0.00	104,007.45
626 USDA RLF	225,000.00	0.00	0.00	0.00	0.00	225,000.00
630 Electric	1,913,831.98	939,272.30	203,037.21	22,566.67	119,491.31	2,553,142.43
640 Fiber/Communications	301,745.27	23,967.92	18,638.80	0.00	7,458.33	299,616.06
700 Water Capital Projects	882,751.29	0.00	35,896.55	35,991.67	0.00	882,846.41
730 Electric Capital Projects	2,681,113.51	285,701.42	98,064.52	-58,333.33	0.00	2,810,417.08
740 Fiber/Comm Capital Projects	0.00	0.00	0.00	0.00	0.00	0.00
770 Water Reserve	135,000.00	0.00	0.00	0.00	0.00	135,000.00
773 Electric Reserve	979,000.00	0.00	0.00	0.00	0.00	979,000.00
780 Water Capital Improvement	75,000.00	0.00	0.00	0.00	0.00	75,000.00
783 Electric Improvement	207,691.35	0.00	0.00	0.00	0.00	207,691.35
790 Water Revenue Bonds	2,314.68	0.00	0.00	23,150.00	0.00	25,464.68
793 Electric Revenue Bonds	364,558.39	0.00	0.00	68,191.67	0.00	432,750.06
855 Liability Insurance Reserve--IMU	-25,636.82	20.33	14,638.00	0.00	0.00	-40,254.49
IMU SUB-TOTAL	**8,333,461.06**	**1,480,406.47**	**505,300.45**	**175,941.68**	**272,962.49**	**9,211,546.27**

INTEREST DISTRIBUTION	INTEREST INCOME	% OF TOTAL	CALYTD	FYTD
Electric Funds	$ 10,707.60	36.86%	$ 112,171.64	$ 62,249.84
Water Funds	$ 2,547.56	8.77%	$ 26,537.35	$ 13,775.63
Sewer Funds	$ 2,167.02	7.46%	$ 18,049.90	$ 10,664.23
Police Retirement	$ 156.85	0.54%	$ 1,492.51	$ 756.95
Community Redevelopment	$ -	0.00%	$ 500.26	$ 0.14
All other	$ 13,469.48	46.37%	$ 132,780.34	$ 68,789.67
TOTAL	$ 29,048.51	100.00%	$ 291,532.00	$ 156,236.46

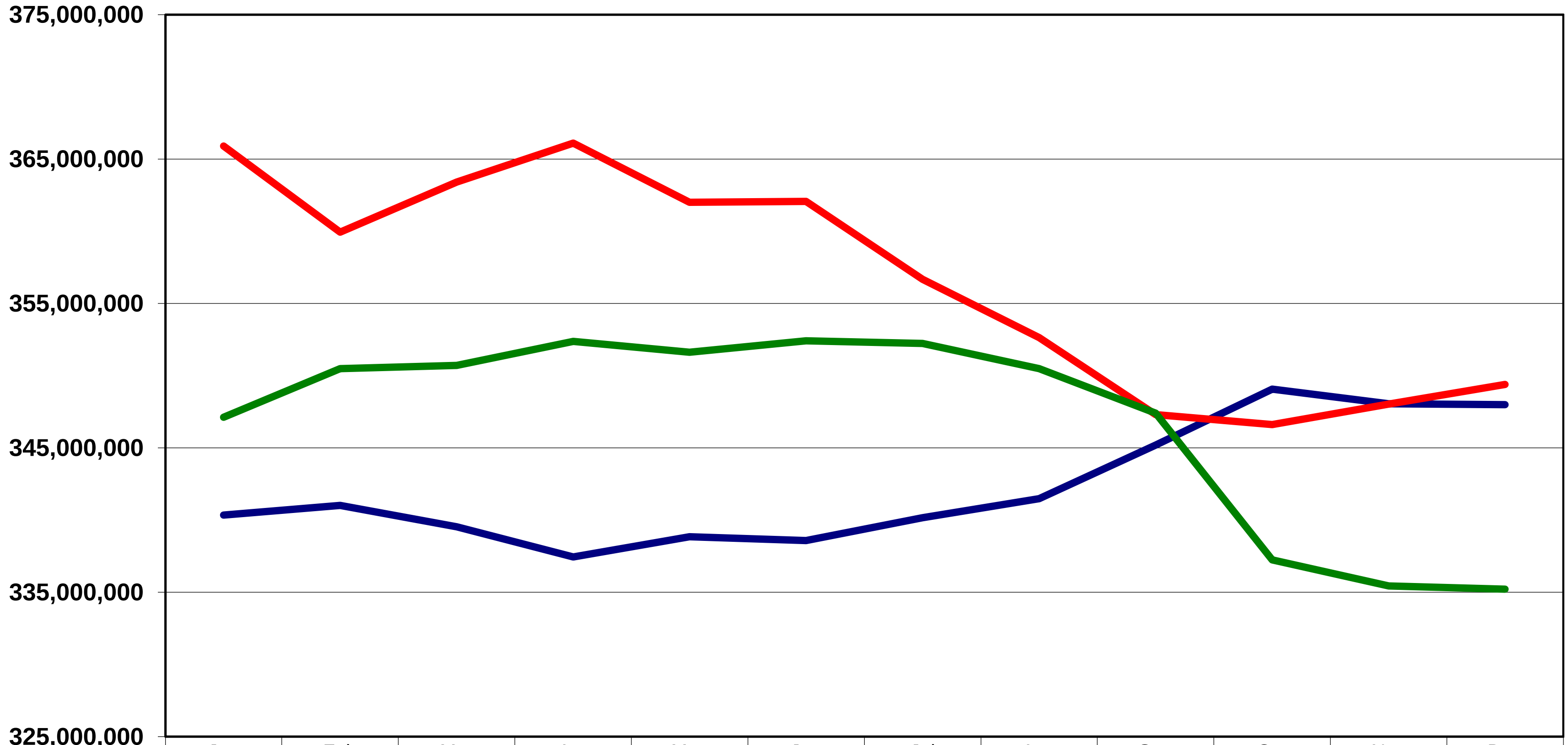
KWH's Sold
(kWh's sold based on a rolling 12 month total)



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2010-12 EL Avg	115,504,571	115,510,191	115,146,374	115,035,112	115,264,081	115,450,035	115,932,776	116,191,990	117,696,056	119,480,253	118,086,537	118,170,412
2013	118,891,021	118,202,221	119,631,688	120,171,895	120,076,507	120,932,710	119,588,591	118,315,752	116,056,744	116,714,088	119,004,031	119,704,377
2014	119,720,292	121,443,815	122,342,355	123,691,451	123,736,172	123,563,289	124,608,723	124,993,820	124,523,643	122,976,192	122,136,978	121,750,716

2010-12 EL Avg   2013   2014

Gallons Sold
(Gallons sold based on a rolling 12 month total)



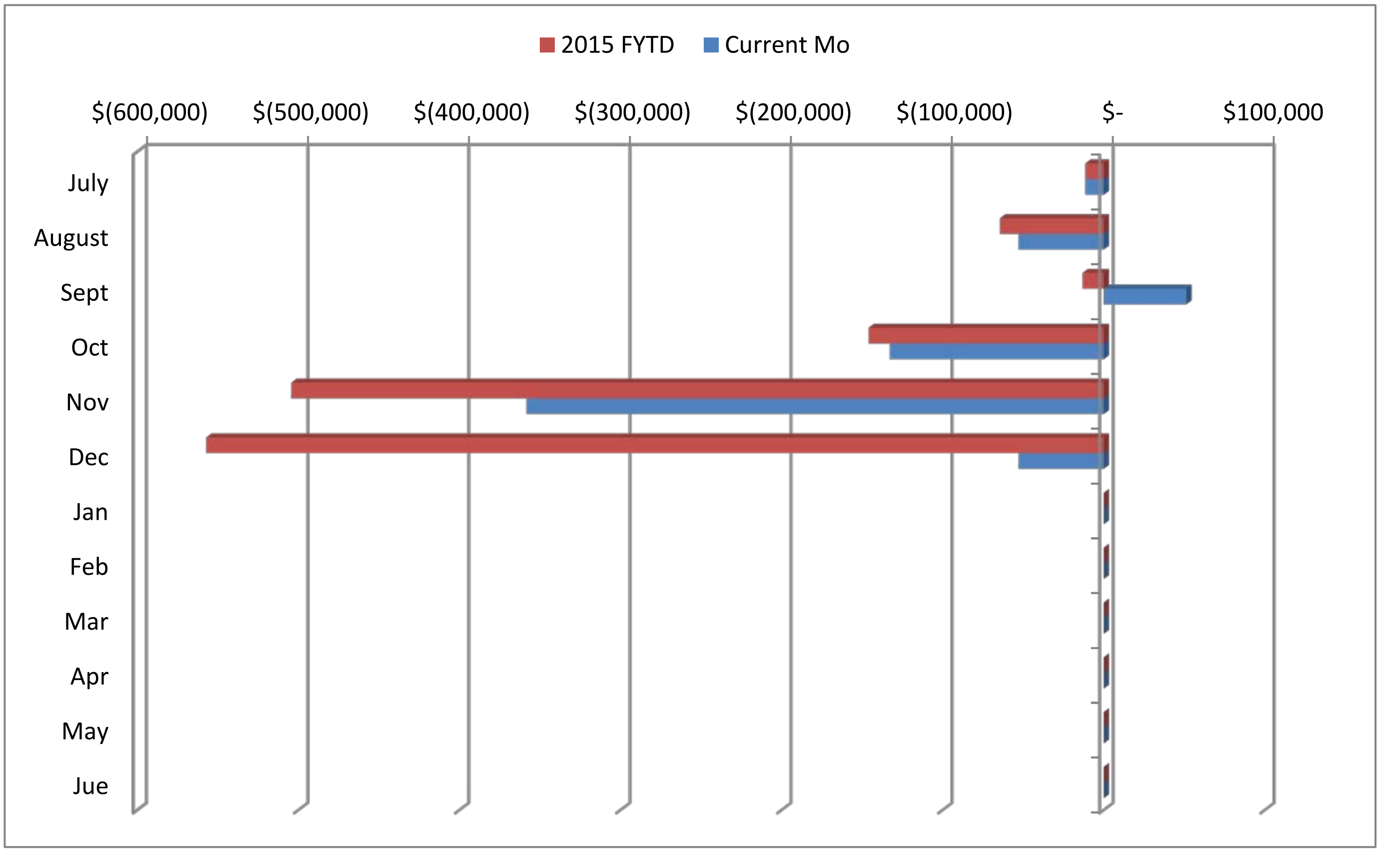
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2010-12 WA Avg	340,342,990	341,005,490	339,539,389	337,453,792	338,839,263	338,574,698	340,162,998	341,474,254	345,182,293	349,066,685	348,054,010	347,985,339
2013	365,895,631	359,942,960	363,394,396	366,100,603	362,000,442	362,055,593	356,662,419	352,641,949	347,305,723	346,600,567	348,031,082	349,385,924
2014	347,116,769	350,493,280	350,702,914	352,367,788	351,619,538	352,415,905	352,218,550	350,478,950	347,394,680	337,247,260	335,441,120	335,212,610

2010-12 WA Avg 2013 2014

2014 December — IMU Financial Report Summary

	FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Electric Utility:			
Gross Margin	$ 1,146,639	$ 968,700	$ 177,939
Cash-based Net Income (incl. Depr.)	$ (557,190)	$ (569,900)	$ 12,710
Net O&M + Capital Funds Cash Flow	$ (277,145)	$ (432,700)	$ 155,555
Ending O&M and Capital Fund Balances	$ 4,755,870	$ 4,600,300	
Less-			
Designated for Future Projects	210,000	-	
Reserve Targets	3,969,000	3,969,000	
Over/(Under)	$ 576,870	$ 631,300	$ (54,430)
Debt Service Coverage Ratio w/o PILOT	0.65	0.62	
Water Utility:			
Cash-based Net Income (incl. Depr.)	$ 197,634	$ 200,300	$ (2,666)
Net O&M + Capital Funds Cash Flow	$ 951	$ (70,400)	$ 71,351
Ending O&M and Capital Fund Balances	$ 1,325,318	$ 1,254,000	
Less-			
Designated for Future Projects	320,000	-	-
Reserve Targets	686,600	686,600	-
Over/(Under)	$ 318,718	$ 567,400	$ (248,682)
Debt Service Coverage Ratio w/o PILOT	1.45	1.46	
Communications Utility:			
Net Cash Flow	$ (33,655)	$ (83,100)	$ 49,445
Ending Fund Balances	$ 299,616	$ 250,200	$ -
Less-			
Designated for Future Projects	-	-	-
Reserve Targets	157,200	157,200	-
Over/(Under)	$ 142,416	$ 93,000	$ 49,416
Commercial Customers	109	131	-22
Residential Customers	267	280	-13
Administrative Fund:			
Net Cash Flow	$ 79,394	$ 59,100	$ 17,219

EL - Combined		FYTD ACTUAL		FYTD BUD/RE-EST		VARIANCE
Revenue:						
Sales of Electricity & Peaking	$	6,549,147	$	6,724,100	$	(174,953)
Sales Taxes	$	116,930		146,600		(29,670)
Other	$	677,355		695,800		(18,445)
Total O&M Revenue	**$**	**7,343,432**		**7,566,500**		**(223,068)**
Expenditures:						
Purchased Energy & Fuel	$	5,113,957	$	5,466,800	$	(352,843)
Salaries	$	421,752		412,900		8,852
Benefits	$	211,891		217,000		(5,109)
Materials, Suppl. & Contracts	$	420,777		269,100		151,677
Sales Taxes & Use Taxes	$	119,204		149,500		(30,296)
PILOT	$	288,550		288,600		(50)
Debt Service - Interest Only	$	139,150		139,200		(50)
Overhead, Admin & EE	$	576,007		594,500		(18,493)
Depreciation (Est)	$	684,200		684,200		-
Total O&M Expenses	**$**	**7,975,489**		**8,221,800**		**(246,311)**
Net Income (Operating & Other)	**$**	**(632,056)**		**(655,300)**		**23,244**
Capital Activities:						
Major Maintenance via Capital Fund	$	(37,374)	$	(35,000)	$	(2,374)
Capital Contributions (Fiber)	$	99,717		99,500		217
Capital Contributions (Electric)	$	12,523		20,900		(8,377)
Net Income	**$**	**(557,190)**		**(569,900)**		**12,710**
Cash Flow:						
Net Income + Depreciation	$	127,010	$	114,300	$	12,710
Water Loan Principal	$	114,400		114,400		-
Debt Service Principal	$	(270,000)		(270,000)		-
Debt Service Reserve Change	$	-		-		-
Capital Contributions (Developers)	$	1,404,661		62,500		1,342,161
Proceeds from Debt Issues	$	-		-		-
Capital Projects	$	(1,653,215)		(453,900)		(1,199,315)
Designated for Future Projects	$	-		-		-
Net Cash Flow	**$**	**(277,145)**	**$**	**(432,700)**	**$**	**155,555**



	2015 FYTD	Current Mo	2014 FYTD*	Current Mo*
July	$ (11,428)	$ (11,428)	$ (104,177)	$ (104,177)
August	$ (64,417)	$ (52,989)	$ (29,431)	$ 74,745
Sept	$ (13,170)	$ 51,247	$ 126,633	$ 156,064
Oct	$ (146,012)	$ (132,842)	$ 252,324	$ 125,691
Nov	$ (504,384)	$ (358,372)	$ (84,706)	$ (337,030)
Dec	$ (557,190)	$ (52,806)	$ (44,691)	$ 40,015
Jan	$ -	$ -	$ (124,895)	$ (80,204)
Feb	$ -	$ -	$ (27,272)	$ 97,623
Mar	$ -	$ -	$ (48,555)	$ (21,283)
Apr	$ -	$ -	$ 83,249	$ 131,804
May	$ -	$ -	$ 91,881	$ 8,633
Jue	$ -	$ -	$ 190,770	$ 98,889

*Tracking purposes only

630 - EL O&M Fund	FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:			
Sales of Electricity & Peaking	$ 6,549,147	$ 6,724,100	$ (174,953)
Sales Taxes	$ 116,930	146,600	(29,670)
Other	$ 302,744	258,600	44,144
Fund Revenue	**$ 6,968,821**	**$ 7,129,300**	**$ (160,479)**
Expenditures:			
Purchased Energy & Fuel	$ 5,113,957	$ 5,466,800	$ (352,843)
Salaries	$ 421,752	412,900	8,852
Benefits	$ 211,891	217,000	(5,109)
Materials, Suppl. & Contracts	$ 420,777	269,100	151,677
Sales Taxes & Use Taxes	$ 119,204	149,500	(30,296)
PILOT	$ 288,550	288,600	(50)
Debt Service	$ 409,150	409,200	(50)
Overhead, Admin & EE	$ 576,007	594,500	(18,493)
Fund Expenditures	**$ 7,561,289**	**$ 7,807,600**	**$ (246,311)**
O&M Activities Cash Flow:	**$ (592,467)**	**$ (678,300)**	**$ 85,833**
Capital Fund Transfer (Out) In	$ 464,400	$ 464,400	$ (0)
O&M Fund Cash Flow:	**$ (128,067)**	**$ (213,900)**	**$ 85,833**
Ending Fund Balances:	**$ 1,945,452**	**$ 1,859,600**	
17% Reserve Target	**$ 2,118,600**	**$ 2,118,600**	
Over/Under Reserve Target	**$ (173,148)**	**$ (259,000)**	**$ 85,852**

730 - EL CAP Fund	FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:			
Capital Contributions (Fiber)	$ 99,717	$ 99,500	$ 217
Capital Contributions (Electric)	$ 50,091	83,400	(33,309)
Capital Contributions (Reimb)	$ 1,367,093	-	1,367,093
Water Loan Principal	$ 114,400	114,400	-
Proceeds from Debt	$ -	-	-
Other	$ 374,611	437,200	(62,589)
Fund Revenue	**$ 2,005,912**	**$ 734,500**	**$ 1,271,412**
Expenditures:			
Major Maintenance (Est.)	$ 37,374	$ 35,000	$ 2,374
Vehicles	$ -	100,000	(100,000)
Relocations & Conversions	$ 1,616,409	118,600	1,497,809
New Developments & Line Repl	$ 41,286	69,000	(27,714)
Network Services	$ 133,372	173,800	(40,428)
Other/Stock (Out) In	$ (137,851)	(7,500)	(130,351)
Fund Expenditures	**$ 1,690,589**	**$ 488,900**	**$ 1,201,689**
Capital Activities Cash Flow:			
Capital Fund Transfer (Out) In	$ (464,400)	$ (464,400)	$ 0
Designated for Future Projects	$ -	-	-
Capital Fund Cash Flow:	**$ (149,077)**	**$ (218,800)**	**$ 69,723**
Ending Fund Balances:	**$ 2,810,417**	**$ 2,740,700**	
Reserve Target	**$ 1,850,400**	**$ 1,850,400**	
Designated for Future Projects	**$ 210,000**		
Over/Under Reserve Target	**$ 750,017**	**$ 890,300**	**$ (140,283)**

WA - Combined		FYTD ACTUAL		FYTD BUD/RE-EST		VARIANCE
Revenue:						
Sales of Water	$	1,143,958	$	1,163,200	$	(19,242)
Sales Taxes	$	60,468		69,800		(9,332)
Other	$	86,065		70,600		15,465
Total O&M Revenue	**$**	**1,290,491**	**$**	**1,303,600**	**$**	**(13,109)**
Expenditures:						
Salaries	$	195,036	$	202,900	$	(7,864)
Benefits	$	85,043		97,200		(12,157)
Materials, Suppl. & Contracts	$	196,214		179,300		16,914
Sales Taxes & Use Taxes	$	62,094		73,200		(11,106)
PILOT	$	34,150		34,200		(50)
Debt Service - Interest Only	$	33,650		33,600		50
Overhead, Admin & EE	$	120,996		112,900		8,096
Depreciation (Est)	$	292,500		292,500		-
Total O&M Expenses	**$**	**1,019,683**	**$**	**1,025,800**	**$**	**(6,117)**
Net Income (Operating & Other)	**$**	**270,807**	**$**	**277,800**	**$**	**(6,993)**
Capital Activities:						
Major Maintenance via Capital Fund	$	(73,173)	$	(77,500)	$	4,327
Net Income	**$**	**197,634**	**$**	**200,300**	**$**	**(2,666)**
Cash Flow:						
Net Income + Depreciation	$	490,134	$	492,800	$	(2,666)
Debt Service Principal	$	(326,900)		(326,900)		-
Sale of Land - Payment	$	20,000		20,000		-
Debt Service Reserve Change	$	-		-		-
Capital Projects	$	(182,284)		(256,300)		74,016
Designated for Future Projects	$	-		-		-
Net Cash Flow	**$**	**951**	**$**	**(70,400)**	**$**	**71,351**

600 - WA O&M Fund	FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:			
Sales of Water	$ 1,143,958	$ 1,163,200	$ (19,242)
Sales Taxes	$ 60,468	69,800	(9,332)
Other	$ 86,065	70,600	15,465
Fund Revenue	**$ 1,290,491**	**$ 1,303,600**	**$ (13,109)**
Expenditures:			
Salaries	$ 195,036	$ 202,900	$ (7,864)
Benefits	$ 85,043	97,200	(12,157)
Materials, Suppl. & Contracts	$ 196,214	179,300	16,914
Sales Taxes & Use Taxes	$ 62,094	73,200	(11,106)
PILOT	$ 34,150	34,200	(50)
Debt Service	$ 360,550	360,500	50
Overhead & Admin	$ 120,996	112,900	8,096
Fund Expenditures	**$ 1,054,083**	**$ 1,060,200**	**$ (6,117)**
O&M Activities Cash Flow:	**$ 236,407**	**$ 243,400**	**$ (6,993)**
Capital Fund Transfer (Out) In	$ (215,950)	$ (216,000)	$ 50
Debt Service Reserve Change	$ -	-	-
O&M Fund Cash Flow:	**$ 20,457**	**$ 27,400**	**$ (6,943)**
Ending Fund Balances:	**$ 442,471**	**$ 449,400**	
17% Reserve Target	**$ 205,800**	**$ 205,800**	
Over/Under Reserve Target	**$ 236,671**	**$ 243,600**	**$ (6,929)**

700 - WA CAP Fund	FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:			
Proceeds from Debt	$ -	$ -	$ -
Other (Sale of Land)	$ 20,000	20,000	-
Fund Revenue	**$ 20,000**	**$ 20,000**	**$ -**
Expenditures:			
Major Maintenance (Est.)	$ 73,173	$ 77,500	$ (4,327)
Vehicles	$ 725	20,000	(19,275)
Water Towers	$ -	-	-
Plant	$ 94,375	180,000	(85,625)
Water Mains	$ 89,685	56,300	33,385
Other	$ (2,500)	-	(2,500)
Fund Expenditures	**$ 255,457**	**$ 333,800**	**$ (78,343)**
Capital Activities Cash Flow:			
Capital Fund Transfer (Out) In	$ 215,950	$ 216,000	$ (50)
Designated for Future Projects	$ -	-	-
Capital Fund Cash Flow:	**$ (19,507)**	**$ (97,800)**	**$ 78,293**
Ending Fund Balances:	**$ 882,846**	**$ 804,600**	**$ 78,246**
Reserve Target	**$ 480,800**	**$ 480,800**	**$ -**
Designated for Future Projects	**$ 320,000**	**-**	**320,000**
Over/Under Reserve Target	**$ 82,046**	**$ 323,800**	**$ (241,754)**

640 - NS O&M Fund

	FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:			
Fiber License Payments	$ 133,217	$ 153,200	$ (19,983)
Other	$ 9,708	2,500	7,208
Fund Revenue	**$ 142,925**	**$ 155,700**	**$ (12,775)**
Expenditures:			
Salaries	$ 5,486	$ 5,300	$ 186
Benefits	$ 894	900	(6)
Materials, Suppl. & Contracts	$ 102,616	182,800	(80,184)
Overhead, Admin & EE	$ 67,584	49,800	17,784
Fund Expenditures	**$ 176,580**	**$ 238,800**	**$ (62,220)**
O&M Activities Cash Flow:	**$ (33,655)**	**$ (83,100)**	**$ 49,445**
Electric CIAC (Out) In	$ -	$ -	$ -
O&M Fund Cash Flow:	**$ (33,655)**	**$ (83,100)**	**$ 49,445**
Ending Fund Balances:	**$ 299,616**	**$ 250,200**	
FY Ending Balance Target	**$ 157,200**	**$ 157,200**	
Designated for Future Projects	**$ -**	**-**	
Over/Under Reserve Target	**$ 142,416**	**$ 93,000**	**$ 49,416**

620 - ADM O&M Fund	FYTD ACTUAL		FYTD BUD/RE-EST		VARIANCE	
Revenue:						
IMU Transfers In	$	580,125	$	577,800	$	2,325
City Transfers In	$	9,000		9,000		-
Refund/Reimbursement	$	3,074		-		-
Fund Revenue	**$**	**592,199**	**$**	**586,800**	**$**	**2,325**
Expenditures:						
Salaries	$	158,329	$	158,700	$	(371)
Benefits	$	75,267		81,900		(6,633)
Materials, Suppl. & Contracts	$	95,724		104,800		(9,076)
Overhead, Admin, Shared Staff	$	183,485		182,300		1,185
Fund Expenditures	**$**	**512,806**	**$**	**527,700**	**$**	**(14,894)**
O&M Fund Cash Flow:	**$**	**79,394**	**$**	**59,100**	**$**	**17,219**

IMU Regular Downstairs **3. D.**

Meeting Date: 01/26/2015

Information

Subject

Administrative News Items

Information

News Items are attached, with highlights to be presented during the meeting.

Financial Impact

N/A

Staff Recommendation

Attachments

News Items

NEWS ITEMS

TO: IMU Trustees
FROM: IMU Administrative Staff
DATE: January 23, 2015

1. **MEAN/Rates:** Major actions approved at this week's wholesale power meetings included both the restructuring of MEAN's rates and adoption of the FY 2015/16 budget.

   The new rate structure places budgeted costs into two main categories vs. one. Fixed costs such as debt service, minimum demand charges under purchased power agreements, and funding MEAN's share of major plant upgrades will be charged to participants (like IMU) as a fixed monthly charge that is set annually by the MEAN board. It is calculated based on each participant's 3-year monthly peak kW usage as % of the total kW. Variable costs are then charged as a single kWh rate. Seasonal kWh rates and base & incremental kWh rates were eliminated.

   An advantage of this (over the prior) structure to IMU is that growth is not penalized as heavily as before, as it is now based on relative growth within the pool. Attaining kWh growth within the same peak kW is highly beneficial. Also, energy efficiency programs will provide year-round benefits vs. only during summer month peaks.

   Also, some risk has shifted from the collective MEAN pool to individual communities that have high customer use concentration, as they are now liable for that load over a rolling 3-year periods regardless of consumption. Indianola has a very low concentration risk.

   From MEAN's financial perspective, this new structure reduces future loss exposure to a 5% reduction in participants' annual load and/or kWhs by approximately 80%. This is because revenue is not dependent on incremental use and rates. And market-based rates collected from excess energy sales are much closer to the rates otherwise paid by participants.

   The MEAN budget and rates were set using this new structure, which will be phased in over time. A phasing bandwidth was set for this fiscal year where no community increases less than 2.1% or more than 14.1%. Variations between communities are primarily due to their ratio of peak kW and kWh. 39 of the 57 communities impacted face consistent higher rate increases than Indianola, yet the measure was adopted on an overwhelmingly positive vote.

   IMU's rate increases 6.6% over the rates & customer charge paid in FY 2015. Next year, projections are for half or less of that as an increase, while many communities will again face near double-digit increases as this structure is phased in. After that, IMU is fully phased in and the remaining communities yet to complete the transition do so over a 2-3 year period. The phasing formula ensures all communities pay their fair share over the full phased schedule, but just not in any one-year period.

   Financial and rate stability appear to be within sight, although the 2-year impact to IMU is higher than some may wish it to be. There is also now more upside potential in that the rate structure is more likely to over-collect than under-collect, which reduces future rate increases. The MEAN Ad-Hoc rate committee (IMU is a member) will continue to meet to guide phasing considerations.

More information and analysis on the budgetary impact to IMU will be available by the February 9 IMU Trustee meeting.

Policy impacts to IMU potentially include re-structuring the Cost of Energy Adjustment, procuring a cost of service study to ensure that rates for each rate class recover both fixed & consumption costs, and developing an economic development rate for new, large-industrial customers. Time of use rates may also have more local value.

2. **MEAN/Officers:** The 3-way election for Board Chair resulted in the election of the current Management Committee Chair, Tom Goulette, City Administrator of West Point, NE. This is Tom's first stint as Board Chair in his many years of service to MEAN.

   The current Vice-Chair (Ron Doggett of Gering, NE) and Secretary/Treasurer (Todd Kielkopf of Indianola) were re-elected to their respective positions. The new Management Committee Chair is Jeff Wells of Fort Morgan, CO. This team works well together on several MEAN committees. All now have seats on the NMPP Energy Joint Operating Committee and will be working with the new Executive Director on strategic issues.

3. **RHT Article/MEAN:** This week, the Indianola RHT published a summary of a presentation Andrew Ross of NMPP Energy gave at a Carlisle City Council Meeting. It was highly similar to one provided in November at the IMU Trustee meeting. He discussed MEAN's challenges and those of both Midwest wholesale energy providers and municipal utilities in general.

4. **Streetlights/The Square:** Installation of the decorative streetlights was completed this week. The clamshell bases are on back-order.

5. **Regulatory Asset Accounting:** Staff is working with auditors on both the FY 2014 and FY 2015 accounting treatment of the Cost of Energy "bank" balance. Generally Accepted Accounting Principles allow the utility to match the deferred revenue to its expense within the same fiscal year for cost of energy-type collection methods. It also reports both an asset (future collections) and liability (future expense) on official financial statements that are an acknowledged future obligation in computing the net value of the system.

   This method maintains debt service coverage compliance during volatile years such as those now being experienced. In prior years, retail rates were proactively increased based on 2-year projections, with increases in revenue matching increased expenses. IMU changed to the quarterly cost of energy adjustment method last spring.

6. **Network Services Connections:** MCG reports a near-record 19 signup requests received so far in January. There have been 9 in the newly-constructed N. Howard area (out of 130+ premises). A good start to the year!

7. **Sustainability Committee:** The committee continues to meet and is reviewing conceptual community-wide plans such as from Fairfield and Simspon College. Committee members are also active in providing input at strategic planning forums being held by the City of Indianola.

Information

Subject

Award Contract for Filter Building (Old Water Plant) Demolition

Information

Quotes were received from 5 contractors (see attached). Engineers at Veenstra & Kimm (see attached) recommend awarding the contract to P&P Contractors, who offered the lowest quote at $45,950.00.

Financial Impact

N/A

Staff Recommendation

Simple motion awarding the contract for the demolition of the filter building (old water plant) to P&P Contractors in the amount of $45,950 is in order.

Attachments

Bid tab
Recommendation

FILTER BUILDING DEMOLITION
INDIANOLA MUNICIPAL UTILITIES
INDIANOLA, IOWA
BID TABULATION

Demolish the Filter Building located at the previous water treatment plant site including all labor, materials, and equipment necessary for removal and disposal of equipment, piping, etc., demolition and burial of reinforced concrete and masonry walls, disconnecting and abandoning buried utilities, backfilling and grading of the site, and miscellaneous associated work, including cleanup, for the Bid Price of:

P&P Contractors 2687 Homestead Avenue Winterset, Iowa 50273	DeCarlo Demolition 260 NE 44th Avenue Des Moines, Iowa 50313	Iowa Demolition, Inc. 1901 Easton Blvd. Des Moines, Iowa 50316	Peterson Contractors, Inc. 104 Blackhawk Street Reinbeck, Iowa 50669
$45,950.00	$48,910.00	$63,825.00	$72,500.00
Vanderpool Construction, Inc. 1100 North 14th Street Indianola, Iowa 50125			
$184,105.00			

FILTER BUILDING DEMOLITION
INDIANOLA MUNICIPAL UTILITIES
INDIANOLA, IOWA
BID TABULATION

PROFESSIONAL ENGINEER
Forrest S.
Aldrich
No.
12248
LICENSED * IOWA *

I hereby certify that this is a true tabulation of bids received on January 20, 2015 by the Indianola Municipal Utilities, Indianola, Iowa

Forrest Aldrich

Forrest S. Aldrich, P.E
Iowa License No.
My license renewal date is December 31, 2015

VEENSTRA & KIMM, INC.
3000 Westown Parkway • West Des Moines, Iowa 50266-1320
515-225-8000 • 515-225-7848(FAX) • 800-241-8000(WATS)

January 20, 2015

Todd Kielkopf
General Manager
Indianola Municipal Utilities
111 South Buxton
P.O. Box 356
Indianola, IA 50125

INDIANOLA MUNICIPAL UTILITIES
INDIANOLA, IOWA
FILTER BUILDING DEMOLITION
RECOMMENDATION OF AWARD

The Indianola Municipal Utilities received bids until 2:00 P.M., January 20, 2015 for the Filter Building Demolition project. A total of five bids were received as follows:

Contractor	Total Bid
P&P Contractors	$45,950.00
DeCarlo Demolition.	$48,910.00
Iowa Demolition, Inc.	$63,825.00
Peterson Contractors, Inc.	$72,500.00
Vanderpool Construction, Inc.	$184,105.00

The apparent low bid was submitted by P&P Construction, Inc. from Winterset, Iowa in the amount of $45,950.00.

We recommend Indianola Municipal Utilities designate P&P Contractors as the apparent low bidder and award the contract to P&P Contractors in the amount of $45,950.00.

Enclosed is a copy of our tabulation of bids.

If you have any questions or comments concerning the project, please contact us at 225-8000.

VEENSTRA & KIMM, INC.

Forrest S. Aldrich

FSA:jrh
28575
Enclosure

IMU Regular Downstairs **5. A.**
Meeting Date: 01/26/2015

Information

Subject
Project Update

Information
Staff and engineers will provide an update of this and the W. Hwy 92 distribution project in general.

The current status is that the IMU team has reviewed the revised plans and specifications in order to approach Watts Electric with justification for a change order amount. At this time, the plan is to generally construct the project as originally designed and bid, minus work at Y Street and other minimal changes.

The Y Street electric contractor will be approached to provide a change order to their bid (see next agenda items) for the water main relocation. If it is not satisfactory, IMU will seek to procure the water main relocation from another contractor.

The final step will be to resume negotiations with IDOT to re-calculate IMU's reimbursement percentage to account for the Y Street project. IMU's position is that it should be 100% reimbursable given that it is not in IDOT rights of way.

Resolutions pertaining to this project are attached to this agenda item, with actions to be taken as per the following agenda items.

Financial Impact
N/A

Staff Recommendation

Attachments

Resolutions

INDIANOLA MUNICIPAL UTILITIES

PUBLIC IMPROVEMENT CONSTRUCTION DOCUMENTS FOR:

2015 W. HWY. 92 AND Y STREET INTERSECTION RELOCATION PROJECT FOR INDIANOLA MUNICIPAL UTILITIES, INDIANOLA, IOWA.

RESOLUTION ADOPTING PLANS, SPECIFICATIONS,
FORM OF CONTRACT AND ESTIMATE OF COST

WHEREAS, on the _______ day of __________________, 2015, plans, specifications, form of contract and estimate of cost were filed with the City Clerk for the Indianola Municipal Utilities, for certain public improvements described in general as the 2015 W. Hwy. 92 and Y Street Intersection Relocation Project for Indianola Municipal Utilities, Indianola, Iowa, and

WHEREAS, notice of hearing on plans, specifications, form of contract and estimate of costs of the public improvements was published as required by law.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE INDIANOLA MUNICIPAL UTILITIES:

Section 1. The plans, specifications, form of contract and estimate of cost are approved as the plans, specifications, form of contract and estimate of cost for the public improvements described in the preamble of this Resolution.

PASSED AND APPROVED this ______ day of ________________, 2015.

____
PATRICK REDING, Chair

ATTEST:

____
DIANA BOWLIN, City Clerk

The Chair then announced that the City Clerk and the IMU General Manager had opened and tabulated the bids for the public improvements described in general as the 2015 W. Hwy. 92 and Y Street Intersection Relocation Project for Indianola Municipal Utilities, Indianola, Iowa, in accordance with the plans and specifications previously adopted.

The following bids were presented by the City Clerk and the IMU General Manager.

Name and Address of Bidder	Amount of Bid

The City Clerk and the IMU General Manager then recommended that the bid of ____________________________________ in the amount of $_______________be accepted.

Board Member___________________________introduced the following resolution entitled "RESOLUTION MAKING AWARD OF CONSTRUCTION CONTRACT", and moved its adoption. Board Member ___________________ seconded the motion to adopt. The roll was called and the vote was:

AYES:____

NAYS:____

Whereupon, the Chair declared the following Resolution duly adopted:

RESOLUTION MAKING AWARD OF CONSTRUCTION CONTRACT

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE INDIANOLA MUNICIPAL UTILITIES:

Section 1. The bid of__________________________________ in the amount of $_____________for the 2015 W. Hwy. 92 and Y Street Intersection Relocation Project for Indianola Municipal Utilities, Indianola, Iowa, described in the plans and specifications previously adopted by this Board on the_______day of _________________, 2015, is accepted, it being the lowest responsible bid for the work and materials.

Section 2. The IMU General Manager and the City Clerk are directed to execute a contract with the contractor for the construction of the public improvement. The contract not to be binding on the Board of Trustees until approved by the Board.

PASSED AND APPROVED this_______day of________________, 2015.

____
PATRICK REDING, Chair

ATTEST:

____
DIANA BOWLIN, City Clerk

IMU Regular Downstairs **5. B.**

Meeting Date: 01/26/2015

Information

Subject

Public hearing on plans, specifications, form of contract, and estimate of cost.

Information

The Board Chair opens the public hearing, invites comments (including from Trustees) and closes the hearing. No other actions are necessary.

Financial Impact

N/A

Staff Recommendation

IMU Regular Downstairs **5. C.**
Meeting Date: 01/26/2015

Information

Subject

Resolution Adopting Plans, Specifications, Form of Contract, and Estimate of Cost

Information

Financial Impact
N/A

Staff Recommendation
Roll call vote adopting plans, specifications, form of contract, and estimate of cost is in order.

Information

Subject

Receive bids

Information

Two bids were received. Al Powers of P&E Engineering and IMU staff recommend accepting the low bid of $159,894 from Dig America, Inc.

Watts (main W. Hwy 92 distribution relocation contractor) provided the second, highly competitive, bid.

Financial Impact

N/A

Staff Recommendation

Attachments

Bid tab

2015 W. Hwy 92 & "Y" Street
Intersection Relocation Project

Company	Bid
Dig America, Inc St. Cloud, MN	$159,894
Watts Electric Company Waverly, NE	$165,680

IMU Regular Downstairs **5. E.**

Meeting Date: 01/26/2015

Information

Subject

Resolution Making Award of Construction Contract

Information

Financial Impact

N/A

Staff Recommendation

Roll call vote awarding the construction contract to Dig America in the amount of $159,894 is in order.

IMU Regular Downstairs **6. A.**
Meeting Date: 01/26/2015

Information

Subject

Highlights of Parameters and Drafts

Information

The attached budget memo provides high-level information pertaining to the attached preliminary Electric, Water, and Communications operating budget tables.

The full budget packet will also contain capital budget tables, administrative expenses, fund balances, financial ratios, etc.

The goal of this meeting is to establish a high-level understanding of each utility's operating budget parameters. Staff will be able to provide more detailed information at the meeting.

Staff has recently communicated that there are several critical pieces needed to complete the budget process. These include wholesale energy rate discussions/votes occurring yet this week, completing review of IDOT-related projects and reimbursements as soon as possible, obtaining Payment in Lieu of Taxes calculations following preparation of the draft FY 2014 audit reports, and potentially refinancing debt.

The anticipated timeline going forward is-

1. Staff continues to update budget worksheets as information becomes available between now and January 28.
2. Best-estimates are provided to the City of Indianola on January 28 and for publication by February 3, 2015
3. Trustees are sent the detailed budget packet for review at the February 9, 2015 meeting
4. Public hearing on the budget held February 26
5. Budget is amended as needed in July or August of 2015 to reflect changes in operating conditions, policies that impact budgeted projects, and other insights

Financial Impact

N/A

Staff Recommendation

Attachments

Draft Memo
Electric O&M Summary
Water O&M Summary
Telecom O&M Summary

Memo (Draft)

Date: January 20, 2015
To: IMU Trustees
From: IMU General Manager
Re: FY 2015 Re-Estimate and FY 2016 Budgeted Expenses

The following summarizes the tables also attached to the discussion agenda item.

Electric Utility-

1. Anticipate stable staffing levels, hiring as needed to fill retirements
2. Relatively stable operating costs for repairs & maintenance
3. Reduced Administrative expenses in FY 2015 and ongoing due to reduced funding of energy efficiency rebates (based on recent spending trends)
4. Reduced Overhead expenses in FY 2015 due to lower sales tax remissions (due to sales) and lower-than-anticipated insurance premiums (Health, worker's comp & property). Higher expenses in FY 2016 due to 10% increase in health insurance premiums.
5. Stable debt service (minimum goal)
6. $25,000 in economic development funding (not committed to any single entity)

Water Utility-

1. Higher repairs/maintenance at the plant due to lighting strikes; additional funds used for insurance deductible but should return to normal in FY 2016
2. Anticipate stable staffing levels
3. Relatively stable operating costs for operations
4. Reduced Overhead expenses in FY 2015 due to lower-than-anticipated insurance premiums (Health, worker's comp & property). Higher expenses in FY 2016 due to 10% increase in health insurance premiums.
5. Reduction in debt service transfers in FY 2017 net of reserves no longer required due to debt retirement

Telecom Utility-

1. Continued drawdown and use of one-time fund balances to establish community-based programs; fund balances were derived from favorable terms by MCG in 2009 with the intention to use them in this manner
2. Increasing lease payment revenue and offsetting expense to the Electric Utility for use of the system
3. Contingency for a splicing trailer

Electric Utility
Operating Fund Summary

	Auto Calc Formulas	2015 BUDGET	2015 RE-EST	2016	2017	NOTES
630-FUNCT						
8210, 8220	Plant	$ 276,800	$ 295,600	$ 283,400	$ 289,300	Downtown Plant + Operators
8225	Turbines	75,000	75,000	80,000	80,000	Turbine Site
8230	Purchased Energy	-	-	-	-	Purchased Energy + Transmission
8240, 8250	Distribution	1,090,500	1,106,900	1,129,000	1,125,400	Crews + Distribution System
8255	Transmission	12,700	12,900	13,100	13,400	MISO Credit reimbursements
8260	Fleet	75,000	75,000	75,000	75,000	Trucks
8270	Customers	49,500	46,600	49,700	50,900	Meter Reading
8290	Administrative	102,000	62,000	62,000	62,000	Energy Efficiency Program + Misc
8280	Overhead	636,900	568,500	593,000	625,700	Insurances
8297	IMU Transfers	854,200	861,000	868,700	882,300	Debt Service + Net Capital + Admin
8298, 8299	Development	652,100	630,100	35,000	35,000	PILOT, Econ. Dev., in-kind projects
	Total Electric	**$ 3,824,700**	**$ 3,733,600**	**$ 3,188,900**	**$ 3,239,000**	

Water Utility
Operating Fund Summary

600-FUNCT

		2015 BUDGET	2015 RE-EST	2016	2017	NOTES
8110, 8120	Plant	$ 571,400	$ 617,000	$ 590,200	$ 601,200	
8150	Distribution	241,900	254,400	248,300	252,700	
8160	Fleet	18,500	19,000	19,000	19,000	
8170	Customers	14,000	13,000	13,200	13,500	
8190	Administrative	1,600	3,000	1,500	1,500	
8180	Overhead	255,600	223,900	256,700	265,500	
8197	IMU Transfers	1,322,100	1,325,700	1,345,700	1,175,800	Includes those to #620, #700, etc. + debt
8198	Development	68,300	68,300	69,800	71,300	
	Total Water O&M	**$ 2,493,400**	**$ 2,524,300**	**$ 2,544,400**	**$ 2,400,500**	

Communications Utility
Revenue and Expenditures

Telecommunications Detail		2015 BUDGET	2015 RE-EST	2016	2017	NOTES
640-REV						
640-8550-43000	Time Certificate	$ 5,000	$ 5,000	$ 5,000	$ 5,000	
640-8550-43100	Rent-Facilities	-	-	-	-	Network Services Association Payments
640-8550-43400	Comm. Utility Lease	306,400	290,000	352,000	415,000	License payments via MCG
	Total Fiber Revenue	**$ 311,400**	**$ 295,000**	**$ 357,000**	**$ 420,000**	
640-EXP						
640-8299-64850	Sponsorship/Support	$ 10,000	$ 35,000	$ 35,000	$ 35,000	IMU Partners Program
640-8550-60165	*Salary Meter Readers	10,600	10,600	11,400	11,700	25% of Network Associate I
640-8550-61100	FICA - City Contribution	800	900	900	900	7.65%
640-8550-61300	IPERS Contribution	900	1,000	1,100	1,100	8.93%
640-8550-63464	Maintenance & Repair, Fiber	15,000	15,000	15,000	15,000	Maint/Repair of fiber, troubleshooting equip.
640-8550-64070	Engineering	100,000	-	-	-	IMU Partners Room at EMERGE
640-8550-64110	Legal Services	5,000	5,000	5,000	5,000	
640-8550-64150	Expenses - Leases	199,000	199,000	231,000	271,000	To Fund #730-8200-45853; Autocalc formula
640-8550-64900	Misc. Consulting	2,500	2,500	2,500	2,500	
640-8550-64990	Locating	4,000	4,000	4,000	4,000	For locate service AND notification
640-8550-67100	Vehicles	40,000	-	40,000	-	Splicing trailer (Contingency)
640-8597-69880	Transfer - Administration	89,500	89,500	94,500	99,500	To Fund #620-8000-49880; Autocalc formula
	Total Fiber Expense	**$ 477,300**	**$ 362,500**	**$ 440,400**	**$ 445,700**	

IMU Regular Downstairs **6. B.**

Meeting Date: 01/26/2015

Information

Subject

Set February 23, 2015 as the date of a Public Hearing

Information

Financial Impact

N/A

Staff Recommendation

Simple motion setting February 23, 2015 as the date of a Public Hearing on the FY 2016 Indianola Municipal Utilities budget is in order.
