INDIANOLA MUNICIPAL UTILITIES

IMU

Electric • Communications • Water

IMU Board of Trustees
March 23, 2015
City Hall Council Chambers
5:30 p.m.

Agenda

1. Roll Call
2. Consent
   - A. Claims
   - B. Minutes
3. Reports
   - A. General Manager
   - B. Director of Finance
   - C. Monthly Financials
   - D. Chairperson
4. Salaries
5. Update on plans to recognize the 125th Anniversary of the Electric Utility
6. Replacement Vehicle for Meter Dept.
7. Change Order #7 for the 2013 Hwy 92 Transmission Relocation Project
8. Dates and format for work sessions on strategic plan action items
9. Other Business
10. Adjourn

IMU Regular Downstairs **2. A.**

Meeting Date: 03/23/2015

Information

Subject

Claims

Information

The March 24, 2015 Claims List will be distributed on Friday, March 20 because there was not a City Council meeting this week.

Financial Impact

N/A

Staff Recommendation

IMU Regular Downstairs **2. B.**
Meeting Date: 03/23/2015

Information

Subject

Minutes

Information

Minutes of the March 9, 2015 Trustee meeting are attached.

Financial Impact

N/A

Staff Recommendation

Attachments

Minutes

BOARD OF TRUSTEE MINUTES
REGULAR SESSION – MARCH 9, 2015

The Board of Trustees met in regular session at 5:30 p.m. on March 9, 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, Pat Reding and Deb White. Absent: Grant Johnson and Jim McClymond.

The consent agenda consisting of the following was 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.

March 2, 2015 claims

February 23, March 2, March 4, 2015 minutes

The Board received the FY 2015 Audited Financial Statements as presented by Arlen Schrum of Shull & Co.

Joanna Crane, Red Rock Area Community Action, spoke to the Board regarding their funding request of $4,000. It was the consensus of the Board to table this request until further information is obtained.

This being the time and place fixed for a public hearing on the matter of the adoption of plans, specifications, form of contract and estimate of cost relative to the 2015 Vehicle Storage Building Project for Indianola Municipal Utilities, Indianola, Iowa, the Chair called for any oral objections to the adoption of the plans, specifications, form of contract and estimate of cost. No oral objections were offered and the Trustee Clerk reported that no written objections had been filed.

Board Member White introduced the following Resolution entitled "RESOLUTION ADOPTING PLANS, SPECIFICATIONS, FORM OF CONTRACT AND ESTIMATE OF COST", and moved that it be adopted. Board Member Hulen seconded the motion to adopt. The roll was called and the vote was, AYES: Hulen, Reding and White. NAYS: None. ABSENT: Johnson and McClymond. Whereupon the Chair declared the following resolution duly adopted:

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

(The complete resolution may be viewed at the City Clerk's Office)

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 Vehicle Storage Building 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
Breiholz Construction Company Des Moines, Iowa	$374,300.00
Boyd Construction LLC Leon, Iowa	$369,900.00

Downing Construction Indianola, Iowa	$371,898.00
Jenson Builders Ltd Des Moines, Iowa	$386,900.00
Septagon Construction Company Grimes, Iowa	$364,900.00

Board member Hulen moved and White seconded to acknowledging bids received and designated Septagon Construction Company, Inc. as the apparent low bidder in an amount of $364,900.00. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

It was moved by White and seconded by Hulen to table award of contract for the 2015 Vehicle Storage Building Project. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

A motion was made by White and seconded by Hulen to authorizing the General Manager to enter in to a general construction contract for the "Y" Street and Hwy 92 Water Main Relocation Project with Vanderpool Construction in an amount of $34,260 subject to City Attorney review. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

Board Member White moved that the form of Tax Exemption Certificate be placed on file and approved. Board Member Hulen seconded the motion and the roll being called thereon, the vote was as follows: AYES: Reding, Hulen and White. NAYS: None. ABSENT: Johnson and McClymond. Whereupon the Chair declared the motion carried unanimously.

Board Member Hulen introduced the following Resolution entitled "A RESOLUTION APPROVING AND AUTHORIZING A FORM OF LOAN AGREEMENT AND AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SECURING THE PAYMENT OF $7,241,000 ELECTRIC REVENUE REFUNDING CAPITAL LOAN NOTES, SERIES 2015, OF THE CITY OF INDIANOLA, STATE OF IOWA, UNDER THE PROVISIONS OF THE CITY CODE OF IOWA, AND PROVIDING FOR A METHOD OF PAYMENT OF THE NOTES ", and moved its adoption. Board Member White seconded the motion to adopt. The roll was called and the vote was: AYES: Reding, Hulen and White. NAYS: None. ABSENT: Johnson and McClymond. Whereupon the Chairperson declared the following Resolution duly adopted:

A RESOLUTION APPROVING AND AUTHORIZING A FORM OF LOAN AGREEMENT AND AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SECURING THE PAYMENT OF $7,241,000 ELECTRIC REVENUE REFUNDING CAPITAL LOAN NOTES, SERIES 2015, OF THE CITY OF INDIANOLA, STATE OF IOWA, UNDER THE PROVISIONS OF THE CITY CODE OF IOWA, AND PROVIDING FOR A METHOD OF PAYMENT OF THE NOTES

(The complete resolution may be viewed at the City Clerk's Office)

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

Pat Reding, Chair

Diana Bowlin, City Clerk

IMU Regular Downstairs **3. A.**

Meeting Date: 03/23/2015

Information

Subject

Administrative News Items

Information

Preliminary news items are attached. Additional updates can be provided at the meeting, given the early release of the preliminary packet.

Financial Impact

N/A

Staff Recommendation

Attachments

News Items

NEWS ITEMS

TO: IMU Trustees
FROM: IMU Administrative Staff
DATE: March 20, 2015

1. **W. Hwy 92 & Y Street:** Dig America has started work and the forecast is favorable. Vanderpool Construction is working at a leak at the sewer plant before moving to the IMU project. Temporary roadways will soon be built after IMU's work is done in early April. IMU is also installing temporary roadway lighting at the intersection

2. **Partners Event:** The Simpson chapter of Enactus, a business/community oriented program, is making preliminary plans to co-host an Indianola STEM (Science, Technology, Engineering, and Math) recognition event on campus on April 23 from 5:00 – 7:00pm. High school and college students, advisors, and teachers/professors will be invited. The Indianola Chamber is also enthused to support attendance if it comes together over the next few weeks.

3. **Beautification Blowout:** The 2015 Beautification Blowout is scheduled for Saturday, April 25th from noon to 2:30 p.m. This is the annual park and trail clean-up organized by the Indianola Sustainability Committee. If you, or a group you may be part of, is interested in volunteering please contact Chris Longer.

4. **MCG Price Increase Letter:** MCG sent out a letter to their customers indicating an average $10/mo. price increase for television packages. This is directly due to price increases by content providers and local TV stations rebroadcast on the MCG network. MCG does intend to meet with IMU Trustees at a May or June meeting, depending on when Trustees are all available to be introduced to them.

5. **Unite Private Networks:** A press release was published in the Business Record about their expansion into several Iowa cities. Indianola is indeed on their list, just not for 2015. They are the group working with Verizon (also not published in the article) that seeks to partner with IMU to provide fiber to micro-tower sites in residential neighborhoods.

6. **FCC Ruling:** The Federal Communications Commission did issue landmark rules pertaining to their new jurisdiction over provision of broadband/internet services. It is a complicated document that industry experts are now interpreting. Early indications are that small providers such as MCG (and thus IMU) may be exempt altogether. It will likely be a topic of conversation to learn more about at this week's Iowa Association of Municipal Utilities' annual gathering of municipal telecom utilities in Des Moines.

7. **Summercrest Hills Plat 5:** Staff is reviewing revisions that will accommodate the planned sale of several lots north and east of the YMCA. Rough estimates for developer-paid costs to install electric along what will be IMU's northern territory boarder with MEC are being put together. There may be some policy-level issues to address once discussions progress.

IMU Regular Downstairs **3. C.**

Meeting Date: 03/23/2015

Information

Subject

Financials

Information

Financial reports are attached.

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 +$410,651.19. This was mainly due to the timing of reimbursements for past capital project expenses and deposits into debt service sinking funds.

2. Electric kWh sales (page 5) graph over the past 12 months shows a return to historical trends, accounting for some growth due to newer buildings constructed the past two years. 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 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 are paid starting in February. 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. Those surcharges will be paid in April and May.

   The debt service coverage ratio will not be accurate due to the refunding. Coverage on an accrual basis will now be ample this fiscal year, however.

   From an IMU cash flow perspective, $320,000 is budgeted for the Water Utility to again pre-pay its note to the Electric Utility. The net difference (customer charge and loan prepayment) 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 and operating losses.

4. Using the cash-based + depreciation model, FYTD Electric Utility Net Income (page 8) was a loss of $407,531.

5. The Water Utility (pages 7 & 12) is generally meeting budget expectations in terms of Net Income. Reserves remain above targets. Fund balances available today are scheduled to be expended over the next two years on proactive capital projects, break-even operations, and loan payments.

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 near budgeted amounts.

FINANCIAL REPORT
MONTH OF FEBRUARY, 2015

FUND	Beginning Balance	Monies Received	Monies Disbursed	Transfer In	Transfer Out	Clerk's Balance	% of Total
001 General Government	1,177,162.55	41,059.16	186,934.23	111,200.01	8,463.18	1,134,024.31	
011 Police	196,118.49	8,362.79	176,877.07	26,242.87	309.00	53,538.08	
015 Fire	202,723.89	2,287.92	32,830.17	551.71	24.72	172,708.63	
016 Ambulance	270,277.26	55,091.93	78,625.07	291.76	5,572.66	241,463.22	
041 Library	-14,617.25	2,779.93	34,275.61	420.81	61.80	-45,753.92	
042 Park & Recreation	432,262.39	22,924.16	74,363.06	1,018.61	123.60	381,718.50	
045 Memorial Pool	-72,021.01	584.70	5,475.17	0.00	0.00	-76,911.48	
071 General Fund Deb Service	86,052.35	363.23	0.00	0.00	0.00	86,415.58	
099 Franchise Fees-MEC	307,275.54	0.00	0.00	0.00	0.00	307,275.54	
GENERAL FUND SUB-TOTAL	**2,585,234.21**	**133,453.82**	**589,380.38**	**139,725.77**	**14,554.96**	**2,254,478.46**	
110 Road Use Tax (Streets)	1,048,209.44	130,107.24	77,979.20	0.00	15,158.15	1,085,179.33	
112 Trust & Agency	0.00	4,609.09	0.00	0.00	4,609.09	0.00	
115 YMCA Maintenance Obligations	67,773.41	0.00	1,620.00	6,111.11	0.00	72,264.52	
125 TIF--Downtown	313,671.04	2,819.06	0.00	0.00	0.00	316,490.10	
126 TIF--East Hwy 92	0.00	0.00	0.00	0.00	0.00	0.00	
127 TIF--Hillcrest/Industrial Park	346,404.36	57,087.01	0.00	0.00	0.00	403,491.37	
141 Library Special Revenue	46,333.05	631.25	3,389.59	0.00	0.00	43,574.71	
142 Park & Rec Special Revenue	116,921.93	429.95	33.50	0.00	0.00	117,318.38	
160 Downtown Revolving Loan	105,556.85	4,790.75	0.00	0.00	0.00	110,347.60	
161 Downtown Business Inc Program	4,418.36	0.00	0.00	0.00	0.00	4,418.36	
177 Police Forfeiture	19,830.07	0.00	0.00	0.00	0.00	19,830.07	
190 Vehicle Reserve	83,188.98	0.00	0.00	1,666.67	0.00	84,855.65	
199 Police Retirement	105,357.88	130.92	0.00	0.00	1,041.67	104,447.13	
SPECIAL REVENUES SUB-TOTAL	**2,257,665.37**	**200,605.27**	**83,022.29**	**7,777.78**	**20,808.91**	**2,362,217.22**	
200 **DEBT SERVICE (SUB-TOTAL)**	**2,505,920.58**	**7,504.58**	**0.00**	**60,774.99**	**0.00**	**2,574,200.15**	
301 Capital Projects (General)	686,999.42	1,909.47	0.00	0.00	0.00	688,908.89	
321 Capital Projects (Streets)	-2,304,633.13	538.00	3,028.00	0.00	0.00	-2,307,123.13	
344 Community Athletic Facility	6,708.48	8.39	40.00	0.00	0.00	6,676.87	
353 Community ReDevelopment (D&D)	351.49	167.48	4,745.00	0.00	0.00	-4,226.03	
CAPITAL PROJECTS SUB-TOTAL	**-1,610,573.74**	**2,623.34**	**7,813.00**	**0.00**	**0.00**	**-1,615,763.40**	
610 Sewer	172,911.14	0.00	95,779.07	140,600.00	34,901.03	182,831.04	
650 Stormwater Utility	367,586.63	16,770.05	0.00	0.00	5,158.33	379,198.35	
670 Recycling	70,344.60	17,928.28	15,455.10	0.00	1,441.67	71,376.11	
710 Sewer Capital Projects	884,942.98	255,264.63	2,819.00	0.00	239,483.33	897,905.28	
771 Sewer Reserve	114,238.70	0.00	0.00	0.00	0.00	114,238.70	
781 Sewer Plant Improvement	332,155.86	0.00	0.00	2,083.33	0.00	334,239.19	
791 Sewer Revenue Bonds	480,753.20	0.00	0.00	61,016.67	0.00	541,769.87	
820 Health Insurance	1,017,750.66	104,393.94	88,207.17	0.00	0.00	1,033,937.43	
830 Health Reimbursement Account	262,422.83	0.00	6,799.57	0.00	0.00	255,623.26	
840 Flex/STD	227,435.93	2,025.40	1,722.12	1,390.50	0.00	229,129.71	
850 Liability Insurance Reserve--City	36,504.13	44.45	0.00	0.00	0.00	36,548.58	
CITY UTILITY & IS SUB-TOTAL	**3,967,046.66**	**396,426.75**	**210,782.03**	**205,090.50**	**280,984.36**	**4,076,797.52**	
TOTAL CITY FUNDS	**9,705,293.08**	740,613.76	890,997.70	413,369.04	316,348.23	**9,651,929.95**	**52%**
TOTAL IMU FUNDS	**8,555,085.01**	1,596,890.78	1,089,218.78	175,941.68	272,962.49	**8,965,736.20**	**48%**
GRAND TOTAL CITY & IMU	**18,260,378.09**	2,337,504.54	1,980,216.48	589,310.72	589,310.72	**18,617,666.15**	
Cross Check Total						18,617,666.15	

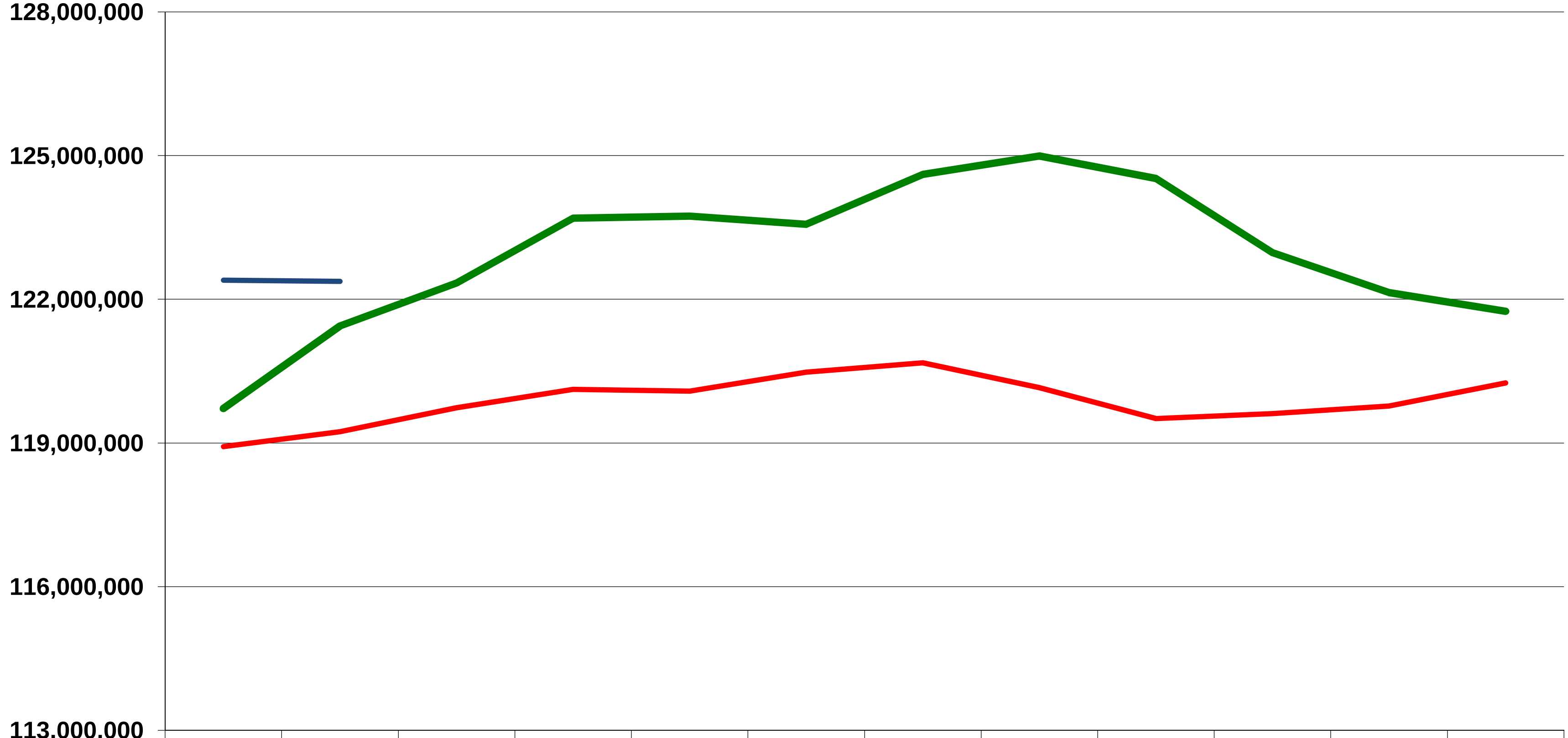
Investments			
Bankers Trust	$	14,318,636.43	2.09%
Iowa Public Agency Inv. Trust	$	111,113.12	0.010%
Payroll Account, City State Bank	$	-	Earnings Credit
Checking Account, City State Bank	$	242,320.59	Earnings Credit
Checking & Payroll Account, Community Bank	$	-	
Sweep Account, City State Bank	$	3,966,690.07	0.35%
BANK BALANCE		**18,638,760.21**	

Clerk's Balance	18,617,666.15
Plus Outstanding Checks	69,966.61
Unreconcilable Item	
Less Outstanding Deposits	-48,872.55
	18,638,760.21

600 Water	423,966.21	197,888.29	99,448.41	0.00	115,959.38	406,446.71
620 IMU Administration	66,316.88	0.00	43,065.00	84,375.00	30,053.47	77,573.41
625 Revolving Economic Development	104,168.45	128.45	0.00	0.00	0.00	104,296.90
626 USDA RLF	225,000.00	0.00	0.00	0.00	0.00	225,000.00
630 Electric	2,041,101.51	1,074,702.05	839,428.51	22,566.67	119,491.31	2,179,450.41
640 Fiber/Communications	292,519.93	23,947.76	18,456.47	0.00	7,458.33	290,552.89
700 Water Capital Projects	859,910.37	0.00	60,570.42	35,991.67	0.00	835,331.62
730 Electric Capital Projects	2,636,108.39	273,974.16	58,249.97	-58,333.33	0.00	2,793,499.25
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	48,614.68	0.00	0.00	23,150.00	0.00	71,764.68
793 Electric Revenue Bonds	500,941.73	0.00	0.00	68,191.67	0.00	569,133.40
855 Liability Insurance Reserve--IMU	-40,254.49	26,250.07	-30,000.00	0.00	0.00	15,995.58
IMU SUB-TOTAL	**8,555,085.01**	**1,596,890.78**	**1,089,218.78**	**175,941.68**	**272,962.49**	**8,965,736.20**

INTEREST DISTRIBUTION	**INTEREST INCOME**	**% OF TOTAL**	**CALYTD**	**FYTD**
Electric Funds	$ 9,667.72	39.14%	$ 20,436.06	$ 82,685.90
Water Funds	$ 1,924.34	7.79%	$ 4,249.99	$ 18,025.62
Sewer Funds	$ 2,028.12	8.21%	$ 4,589.48	$ 15,253.71
Police Retirement	$ 130.92	0.53%	$ 294.78	$ 1,051.73
Community Redevelopment	$ 2.47	0.01%	$ 12,930.30	$ 2.61
All other	$ 10,949.28	44.32%	$ 10,949.28	$ 92,666.78
TOTAL	$ 24,702.85	100.00%	$ 53,449.89	$ 209,686.35

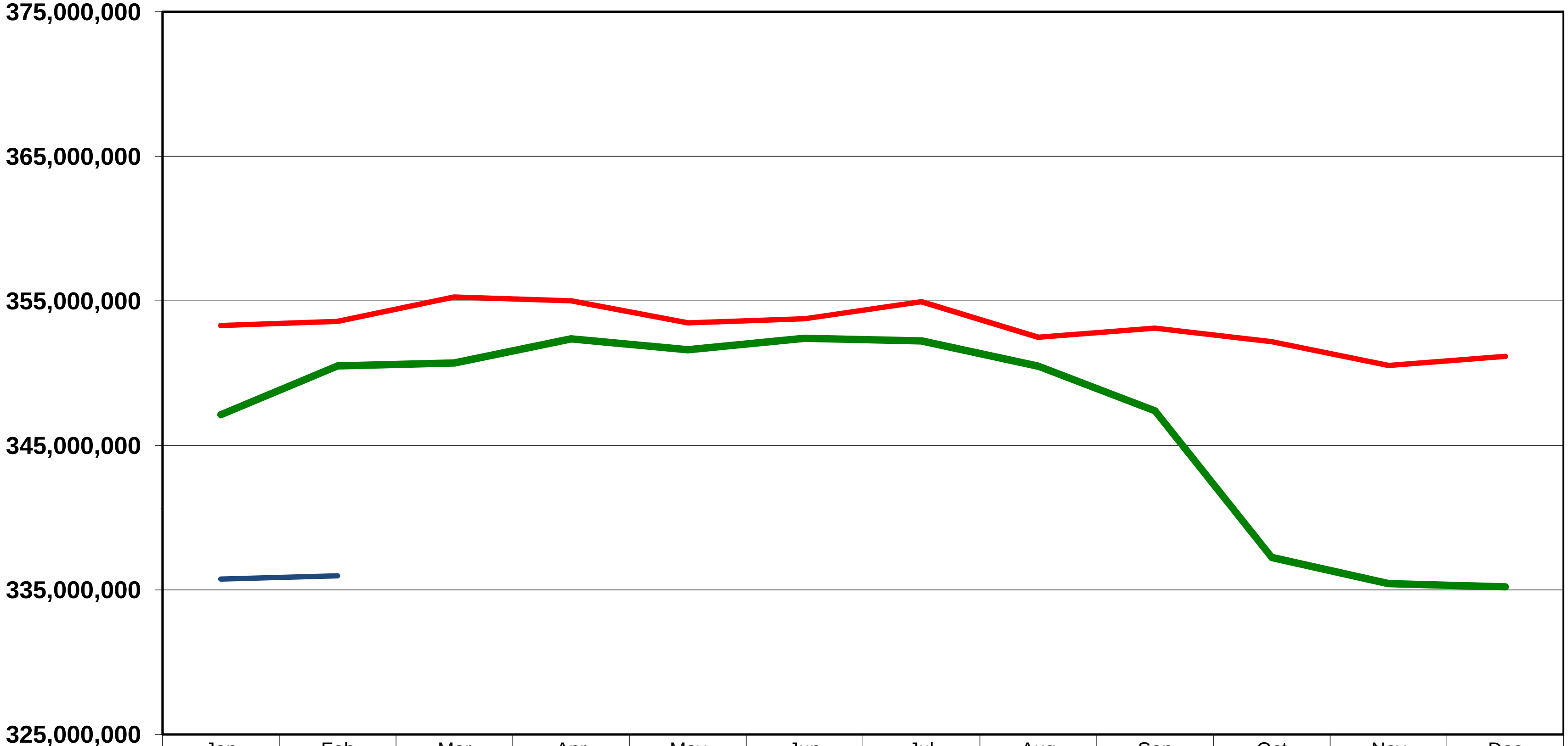
KWH's Sold
(kWh's sold based on a rolling 12 month total)



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2011-13 EL Avg	118,924,568	119,235,471	119,735,749	120,120,599	120,080,918	120,478,361	120,676,474	120,158,492	119,509,568	119,614,448	119,770,576	120,256,408
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
2015	122,395,950	122,376,363										

2011-13 EL Avg 2014 2015

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



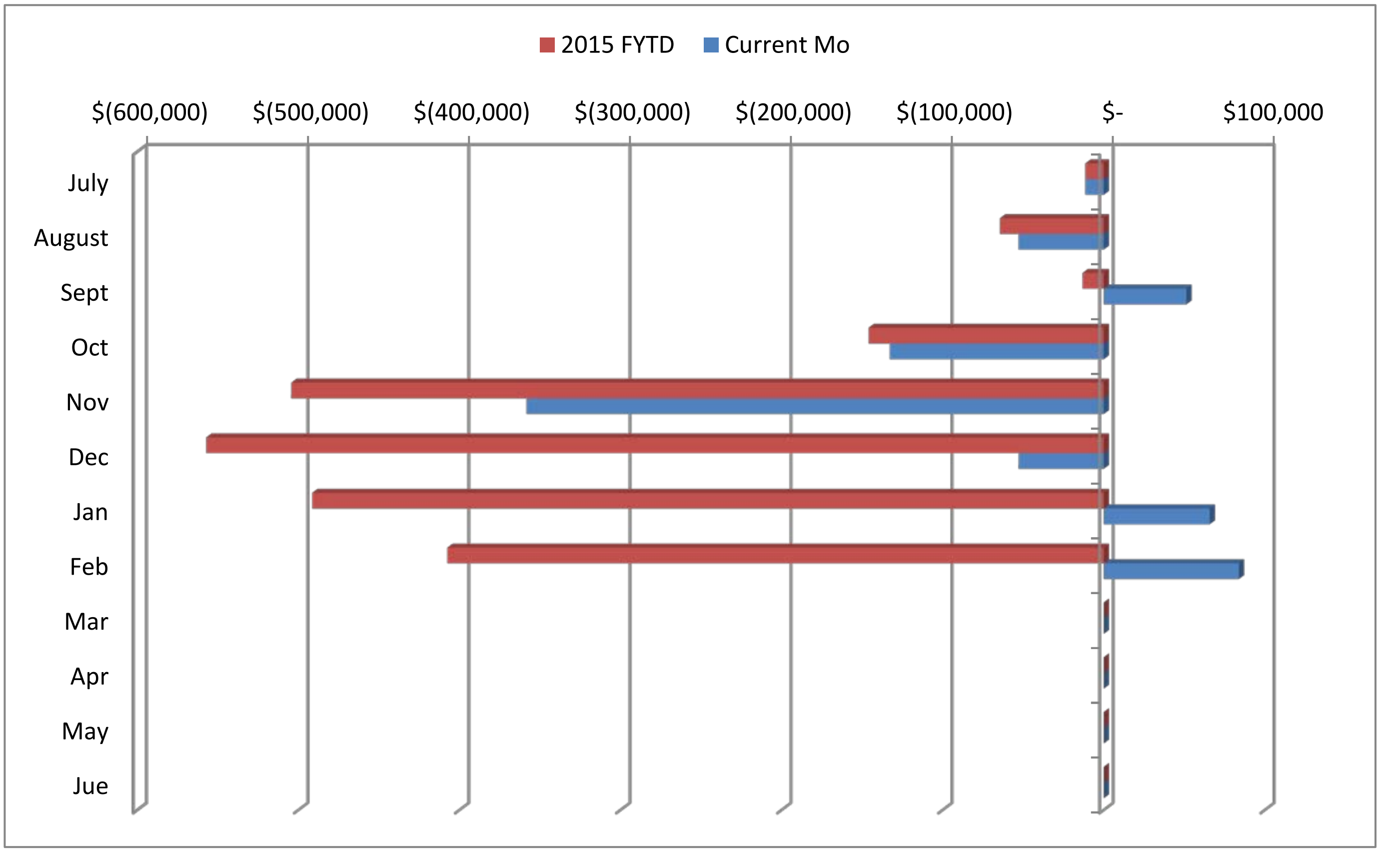
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2011-13 WA Avg	353,286,500	353,585,613	355,262,170	354,990,367	353,467,567	353,758,810	354,945,533	352,488,900	353,105,840	352,175,773	350,528,957	351,157,697
2014	347,116,769	350,493,280	350,702,914	352,367,788	351,619,538	352,415,905	352,218,550	350,478,950	347,394,680	337,247,260	335,441,120	335,212,610
2015	335,757,080	335,982,370										

2011-13 WA Avg 2014 2015

2015 February — IMU Financial Report Summary

		FYTD ACTUAL		FYTD BUD/RE-EST		VARIANCE
Electric Utility:						
Gross Margin	$	1,622,519	$	1,495,700	$	126,819
Cash-based Net Income (incl. Depr.)	$	(407,531)	$	(608,400)	$	200,869
Net O&M + Capital Funds Cash Flow	$	(78,114)	$	(466,400)	$	388,286
Ending O&M and Capital Fund Balances	$	4,972,950	$	4,584,600		
Less-						
Designated for Future Projects		210,000		-		
Reserve Targets		3,969,000		3,969,000		
Over/(Under)	$	793,950	$	615,600	$	178,350
Debt Service Coverage Ratio w/o PILOT		1.27		0.90		
Water Utility:						
Cash-based Net Income (incl. Depr.)	$	238,272	$	221,300	$	16,972
Net O&M + Capital Funds Cash Flow	$	(64,539)	$	(87,600)	$	23,061
Ending O&M and Capital Fund Balances	$	1,241,778	$	1,218,700		
Less-						
Designated for Future Projects		320,000		-		-
Reserve Targets		686,600		686,600		-
Over/(Under)	$	235,178	$	532,100	$	(296,922)
Debt Service Coverage Ratio w/o PILOT		1.40		1.36		
Communications Utility:						
Net Cash Flow	$	(42,718)	$	(110,900)	$	68,182
Ending Fund Balances	$	290,553	$	222,400	$	-
Less-						
Designated for Future Projects		-		-		-
Reserve Targets		157,200		157,200		-
Over/(Under)	$	133,353	$	65,200	$	68,153
Commercial Customers		110		133		-23
Residential Customers		303		300		3
Administrative Fund:						
Net Cash Flow	$	77,573	$	48,200	$	26,299

EL - Combined		FYTD ACTUAL		FYTD BUD/RE-EST		VARIANCE
Revenue:						
Sales of Electricity & Peaking	$	8,399,166	$	8,525,800	$	(126,634)
Sales Taxes	$	148,385		185,900		(37,515)
Other	$	928,113		927,600		513
Total O&M Revenue	**$**	**9,475,664**		**9,639,300**		**(163,636)**
Expenditures:						
Purchased Energy & Fuel	$	6,391,914	$	6,645,400	$	(253,486)
Salaries	$	583,544		571,500		12,044
Benefits	$	277,053		289,800		(12,747)
Materials, Suppl. & Contracts	$	396,850		358,800		38,050
Sales Taxes & Use Taxes	$	152,574		189,500		(36,926)
PILOT	$	384,733		384,700		33
Debt Service - Interest Only	$	185,533		185,600		(67)
Overhead, Admin & EE	$	708,108		768,100		(59,992)
Depreciation (Est)	$	912,300		912,300		-
Total O&M Expenses	**$**	**9,992,609**		**10,305,700**		**(313,091)**
Net Income (Operating & Other)	**$**	**(516,945)**		**(666,400)**		**149,455**
Capital Activities:						
Major Maintenance via Capital Fund	$	(37,374)	$	(102,500)	$	65,126
Capital Contributions (Fiber)	$	134,121		132,700		1,421
Capital Contributions (Electric)	$	12,667		27,800		(15,133)
Net Income	**$**	**(407,531)**		**(608,400)**		**200,869**
Cash Flow:						
Net Income + Depreciation	$	504,769	$	303,900	$	200,869
Water Loan Principal	$	152,533		152,500		33
Debt Service Principal	$	(360,000)		(360,000)		-
Debt Service Reserve Change	$	-		-		-
Capital Contributions (Developers)	$	1,752,881		83,300		1,669,581
Proceeds from Debt Issues	$	-		-		-
Capital Projects	$	(2,128,298)		(646,100)		(1,482,198)
Designated for Future Projects	$	-		-		-
Net Cash Flow	**$**	**(78,114)**	**$**	**(466,400)**	**$**	**388,286**



	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	$ (491,415)	$ 65,775	$ (124,895)	$ (80,204)
Feb	$ (407,531)	$ 83,884	$ (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	$ 8,399,166	$ 8,525,800	$ (126,634)
Sales Taxes	$ 148,385	185,900	(37,515)
Other	$ 379,489	344,700	34,789
Fund Revenue	**$ 8,927,040**	**$ 9,056,400**	**$ (129,360)**
Expenditures:			
Purchased Energy & Fuel	$ 6,391,914	$ 6,645,400	$ (253,486)
Salaries	$ 583,544	571,500	12,044
Benefits	$ 277,053	289,800	(12,747)
Materials, Suppl. & Contracts	$ 396,850	358,800	38,050
Sales Taxes & Use Taxes	$ 152,574	189,500	(36,926)
PILOT	$ 384,733	384,700	33
Debt Service	$ 545,533	545,600	(67)
Overhead, Admin & EE	$ 708,108	768,100	(59,992)
Fund Expenditures	**$ 9,440,309**	**$ 9,753,400**	**$ (313,091)**
O&M Activities Cash Flow:	**$ (513,269)**	**$ (697,000)**	**$ 183,731**
Capital Fund Transfer (Out) In	$ 619,200	$ 619,200	$ (0)
O&M Fund Cash Flow:	**$ 105,931**	**$ (77,800)**	**$ 183,731**
Ending Fund Balances:	**$ 2,179,450**	**$ 1,995,700**	
17% Reserve Target	**$ 2,118,600**	**$ 2,118,600**	
Over/Under Reserve Target	**$ 60,850**	**$ (122,900)**	**$ 183,750**

730 - EL CAP Fund	FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:			
Capital Contributions (Fiber)	$ 134,121	$ 132,700	$ 1,421
Capital Contributions (Electric)	$ 50,670	111,100	(60,430)
Capital Contributions (Reimb)	$ 1,714,878	-	1,714,878
Water Loan Principal	$ 152,533	152,500	33
Proceeds from Debt	$ -	-	-
Other	$ 548,624	582,900	(34,276)
Fund Revenue	**$ 2,600,827**	**$ 979,200**	**$ 1,621,627**
Expenditures:			
Major Maintenance (Est.)	$ 37,374	$ 102,500	$ (65,126)
Vehicles	$ -	200,000	(200,000)
Relocations & Conversions	$ 2,104,351	138,600	1,965,751
New Developments & Line Repl	$ 43,042	92,000	(48,958)
Network Services	$ 171,541	220,500	(48,959)
Other/Stock (Out) In	$ (190,637)	(5,000)	(185,637)
Fund Expenditures	**$ 2,165,672**	**$ 748,600**	**$ 1,417,072**
Capital Activities Cash Flow:			
Capital Fund Transfer (Out) In	$ (619,200)	$ (619,200)	$ 0
Designated for Future Projects	$ -	-	-
Capital Fund Cash Flow:	**$ (184,045)**	**$ (388,600)**	**$ 204,555**
Ending Fund Balances:	**$ 2,793,499**	**$ 2,588,900**	
Reserve Target	**$ 1,850,400**	**$ 1,850,400**	
Designated for Future Projects	**$ 210,000**		
Over/Under Reserve Target	**$ 733,099**	**$ 738,500**	**$ (5,401)**

WA - Combined		FYTD ACTUAL		FYTD BUD/RE-EST		VARIANCE
Revenue:						
Sales of Water	$	1,478,900	$	1,489,700	$	(10,800)
Sales Taxes	$	78,545		89,400		(10,855)
Other	$	111,629		94,100		17,529
Total O&M Revenue	**$**	**1,669,075**	**$**	**1,673,200**	**$**	**(4,125)**
Expenditures:						
Salaries	$	268,397	$	280,800	$	(12,404)
Benefits	$	110,721		129,800		(19,079)
Materials, Suppl. & Contracts	$	261,519		239,000		22,519
Sales Taxes & Use Taxes	$	80,312		92,700		(12,388)
PILOT	$	45,533		45,500		33
Debt Service - Interest Only	$	44,833		44,900		(67)
Overhead, Admin & EE	$	149,494		145,900		3,594
Depreciation (Est)	$	390,000		390,000		-
Total O&M Expenses	**$**	**1,350,809**	**$**	**1,368,600**	**$**	**(17,791)**
Net Income (Operating & Other)	**$**	**318,266**	**$**	**304,600**	**$**	**13,666**
Capital Activities:						
Major Maintenance via Capital Fund	$	(79,994)	$	(83,300)	$	3,306
Net Income	**$**	**238,272**	**$**	**221,300**	**$**	**16,972**
Cash Flow:						
Net Income + Depreciation	$	628,272	$	611,300	$	16,972
Debt Service Principal	$	(435,900)		(435,900)		-
Sale of Land - Payment	$	20,000		20,000		-
Debt Service Reserve Change	$	-		-		-
Capital Projects	$	(276,911)		(283,000)		6,089
Designated for Future Projects	$	-		-		-
Net Cash Flow	**$**	**(64,539)**	**$**	**(87,600)**	**$**	**23,061**

600 - WA O&M Fund	FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:			
Sales of Water	$ 1,478,900	$ 1,489,700	$ (10,800)
Sales Taxes	$ 78,545	89,400	(10,855)
Other	$ 111,629	94,100	17,529
Fund Revenue	**$ 1,669,075**	**$ 1,673,200**	**$ (4,125)**
Expenditures:			
Salaries	$ 268,397	$ 280,800	$ (12,404)
Benefits	$ 110,721	129,800	(19,079)
Materials, Suppl. & Contracts	$ 261,519	239,000	22,519
Sales Taxes & Use Taxes	$ 80,312	92,700	(12,388)
PILOT	$ 45,533	45,500	33
Debt Service	$ 480,733	480,800	(67)
Overhead & Admin	$ 149,494	145,900	3,594
Fund Expenditures	**$ 1,396,709**	**$ 1,414,500**	**$ (17,791)**
O&M Activities Cash Flow:	**$ 272,366**	**$ 258,700**	**$ 13,666**
Capital Fund Transfer (Out) In	$ (287,933)	$ (287,900)	$ (33)
Debt Service Reserve Change	$ -	-	-
O&M Fund Cash Flow:	**$ (15,567)**	**$ (29,200)**	**$ 13,633**
Ending Fund Balances:	**$ 406,447**	**$ 392,800**	
17% Reserve Target	**$ 205,800**	**$ 205,800**	
Over/Under Reserve Target	**$ 200,647**	**$ 187,000**	**$ 13,647**

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.)	$ 79,994	$ 83,300	$ (3,306)
Vehicles	$ 39,625	26,700	12,925
Water Towers	$ -	-	-
Plant	$ 135,177	200,000	(64,823)
Water Mains	$ 104,609	56,300	48,309
Other	$ (2,500)	-	(2,500)
Fund Expenditures	**$ 356,905**	**$ 366,300**	**$ (9,395)**
Capital Activities Cash Flow:			
Capital Fund Transfer (Out) In	$ 287,933	$ 287,900	$ 33
Designated for Future Projects	$ -	-	-
Capital Fund Cash Flow:	**$ (48,971)**	**$ (58,400)**	**$ 9,429**
Ending Fund Balances:	**$ 835,332**	**$ 825,900**	**$ 9,432**
Reserve Target	**$ 480,800**	**$ 480,800**	**$ -**
Designated for Future Projects	**$ 320,000**	**-**	**320,000**
Over/Under Reserve Target	**$ 34,532**	**$ 345,100**	**$ (310,568)**

640 - NS O&M Fund	FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:			
Fiber License Payments	$ 178,867	$ 204,300	$ (25,433)
Other	$ 12,207	3,300	8,907
Fund Revenue	**$ 191,074**	**$ 207,600**	**$ (16,526)**
Expenditures:			
Salaries	$ 7,561	$ 7,300	$ 261
Benefits	$ 1,236	1,200	36
Materials, Suppl. & Contracts	$ 138,328	243,700	(105,372)
Overhead, Admin & EE	$ 86,666	66,300	20,366
Fund Expenditures	**$ 233,792**	**$ 318,500**	**$ (84,708)**
O&M Activities Cash Flow:	**$ (42,718)**	**$ (110,900)**	**$ 68,182**
Electric CIAC (Out) In	$ -	$ -	$ -
O&M Fund Cash Flow:	**$ (42,718)**	**$ (110,900)**	**$ 68,182**
Ending Fund Balances:	**$ 290,553**	**$ 222,400**	
FY Ending Balance Target	**$ 157,200**	**$ 157,200**	
Designated for Future Projects	**$ -**	**-**	
Over/Under Reserve Target	**$ 133,353**	**$ 65,200**	**$ 68,153**

620 - ADM O&M Fund		FYTD ACTUAL		FYTD BUD/RE-EST		VARIANCE
Revenue:						
IMU Transfers In	$	745,875	$	742,900	$	2,975
City Transfers In	$	12,000		12,000		-
Refund/Reimbursement	$	3,074		-		-
Fund Revenue	**$**	**760,949**	**$**	**754,900**	**$**	**2,975**
Expenditures:						
Salaries	$	218,594	$	219,600	$	(1,006)
Benefits	$	99,992		109,300		(9,308)
Materials, Suppl. & Contracts	$	121,290		134,800		(13,510)
Overhead, Admin, Shared Staff	$	243,501		243,000		501
Fund Expenditures	**$**	**683,376**	**$**	**706,700**	**$**	**(23,324)**
O&M Fund Cash Flow:	**$**	**77,573**	**$**	**48,200**	**$**	**26,299**

IMU Regular Downstairs **4.**

Meeting Date: 03/23/2015

Information

Subject

Salaries

Information

Amend the FY 2014-15 Salary Resolution to reflect a change in compensation for Todd Kielkopf, IMU General Manager, from $117,000 to $119,340 effective March 1, 2015.

Financial Impact

N/A

Staff Recommendation

Information

Subject

Update on plans to recognize the 125th Anniversary of the Electric Utility

Information

Staff has been discussing options on how to modestly recognize the 125th anniversary of public power in Indianola.

Chelle Klootwyk will attend thee meeting and provide details about a proposed Tuesday, October 6, 2015 event that coincides with the national Public Power Week (see attached).

The event would consist of a panel discussion by current & former Trustees, employees, and other notable stakeholders to be held at Simpson College. A public reception would follow. Trustees could schedule a formal meeting prior to the event, also, and avoid meeting the following week.

This event replaces the annual customer appreciation lunch typically held in the line shop.

City of Indianola staff member Kurt Ripperger, Chelle, and others are also working to produce a retrospective video about the electric utility to show at the reception. The panel discussion will be filmed also, with highlights spliced in after the event. The complete video can then play on the IMU web site and Channel 2 on the MCG network.

Other recognition efforts include articles in the quarterly Indianola magazine and replacement banners on the light poles outside the IMU Administrative Office on Buxton.

Additional input by Trustees is welcome.

Financial Impact

N/A

Staff Recommendation

Attachments

Event Outline

Event Guide

Event	Details
Founders Forum Tuesday 10/6/15 4 pm— 5 pm	• Invitation Only › Current and retired employees › Current and former Board Members › Local Public Officials › Partners of IMU • Simpson Hubbell Hall, South Half • Light Ohordorves and refreshments • Video Presentation of IMU History • Panel Discussion of 8— 10 former Board Members › Pre-Scripted Highlights from their tenure • Video Production of Panel Discussion for tie in with history video
Meet & Greet Reception Tuesday 10/6/15 5:00 pm— 6:30 pm	• Public Reception › Record Herald Advertisement › Chamber Business List Distribution • Simpson Hubbell Hall, North Half • Cake & Refreshments • Video Viewing of IMU History • Public and Business able to meet and talk with Trustees and Employees

Information

Subject

Replacement Vehicle for Meter Dept.

Information

As per last week's news items, the Metering Dept. vehicle was involved in a one-car accident, with no injuries, due to ice on the roadway. It was a 2005 Trailblazer with rear-wheel drive (4x4 was not engaged, not that it would prevent an accident on ice), which ICAP is totaling more because of its age and condition. Insurance proceeds after deductible is about $4,000.

A replacement vehicle needs purchased as soon as possible, as employees are using a service truck instead of a more fuel-efficient and convenient mode of transportation.

Staff is recommending purchasing another small SUV under the state bid contract. IMU currently has an all wheel drive Equinox in the fleet and have been pleased with its wintertime performance. The state bid contract is a process by which the State of Iowa bids out items such as vehicles and is typically the lowest cost available. Staff did research other options, also, which were higher in price.

Staff is requesting authorization to purchase a Chevy Equinox at a cost from Karl Chevrolet (state bid vendor) at a cost not to exceed $21,500 plus tax and destination charges. The cost will be split between the 3 utilities (electric, water & telecom).

Financial Impact

N/A

Staff Recommendation

Simple motion approving the purchase is in order.

IMU Regular Downstairs **7.**

Meeting Date: 03/23/2015

Information

Subject

Consider change order #7 in an amount of $19,078.06 for the 2013 Hwy 92 Transmission Relocation Project - revised contract amount $961,937.06

Information

In your packet is change order #7 from Michels Powers in an amount of $19,078.06 for the 2013 Hwy 92 Transmission Relocation Project. This covers all of the items that were identified during the close-out of the project and include the following. The anchor costs will be mostly paid by IDOT.

Revisions to MEC design at location 129-billed 100% to MEC	$5,387.20
Extra trips to MEC storeroom to pick up materials-billed 100% to MEC	$1,300.00
Additional manhole covers-100% IMU cost	$600.00
Additional costs to accommodate MEC backfeed and fuse issues-billed 100% to MEC	$7,853.66
Additional anchor extensions to obtain specified torque values 30 extension @ $131.24/each-transmission construction costs	$3,937.20
TOTAL	$19,078.06

Simple motion is in order.

Financial Impact

N/A

Staff Recommendation

Attachments

Change Order

P&E ENGINEERING CO.
POWER SYSTEMS ANALYSIS AND DESIGN

Allan R. Powers, P.E. Richard D. Kline, P.E.
Timothy G. Ernst, P.E.

245 S. 5th St., PO Box 620, Carlisle, IA 50047
p.515-989-3083 f 515-989-3138 pe@peengr.com

CHANGE ORDER NO. 7

Owner: Indianola Municipal Utilities
Contractor: Michels Power, a division of Michels Corporation
Project: 2013 Hwy 92 Transmission Relocation Project
Date March 18, 2015

Original Contract Amount		$	815,283.00
Previous Change	CO1	$	8,500.00
Order Adjustments	CO2	$	-
	CO3	$	(6,750.00)
	CO4	$	28,472.00
	CO5	$	31,350.00
	CO6	$	66,004.00
	Total	$	127,576.00
Amount of this Change Order		$	19,078.06
Current Value of Contract		$	961,937.06

Items included in this Change Order

Item	Description		Amount
1	Revisions to MEC design at Location 129	$	5,387.20
2	Extra trips to MEC storeroom to pick up materials	$	1,300.00
3	Additional manhole covers	$	600.00
4	Additional costs to accommodate MEC backfeed and fuse issues	$	7,853.66
5	Additional anchor extensions to obtain specified torque values 30 extensions @ $131.24/ea)	$	3,937.20
	Total Value of Change Order	$	19,078.06

Recommended for Approval

Allan Powers

Allan Powers, PE
P & E Engineering Co.

Date 3/18/2015

Approved

For Indianola Municipal Utilities

Date

Accepted by Contractor

For Michels Power, a division of Michels Corporation

Date

Information

Subject

Dates and format for work sessions on strategic plan action items

Information

Trustees and staff have both indicated a desire to hold a series of work sessions on strategic plan (see attached) action items.

The concept is to discuss one or two items in-depth, both as an orientation about how a particular topic can be effectively addressed given available resources and to provide input to IMU staff.

The meeting format would be informal, with the goal of lasting about an hour or so. They would be still be posted public meetings, but not televised as per Trustee direction. They may or may not be held at City Hall, but a reasonable publicly accessible location is required.

Monday evenings are possible, as are other days of the week if there are conflicts.

IMU management personnel would attend and it would be beneficial if all Trustees could attend in person. Scheduling may be a challenge and so the more proactive scheduling discussed at this meeting, the more likely that full attendance is possible.

The meeting series would start in April, with the goal of one per month.

Financial Impact

N/A

Staff Recommendation

Attachments

Plan

Indianola Municipal Utilities

Strategic Plan,
Service Objectives,
& Operating Strategies

(FY 2015 – 2017 edition)

Fall 2014 - Version 4

INDIANOLA MISSION STATEMENT

The City of Indianola and the Indianola Municipal Utilities will cooperatively provide essential, high-quality, and cost-effective services that give opportunities for residents to pursue the highest possible quality of life.

We Value…

A dedicated, creative, professional, and skilled workforce including appointed and elected officials that possess integrity and perform their duty in an ethical and impartial manner;

A safe and efficient workplace and community;

Attaining a high level of customer service;

Sustainable service delivery based on research and foresight;

Protection and responsible use of natural resources;

Affordable rates that balances needs in the community;

Working as partners within our community and with other entities;

Fairly and consistently imposing and applying regulatory actions;

Providing equal access to resources that benefit people's lives;

Citizens that are knowledgeable and engaged in our community.

EXECUTIVE SUMMARY

The purpose of this Strategic Plan is to identify areas in which the Indianola Municipal Utilities (IMU) can both build upon traditional strengths while also taking advantage of new opportunities over the next 3 fiscal years.

It is a comprehensive planning resource for policymakers and staff of Indianola Municipal Utilities. The intent is for policymakers to periodically provide direction on:

1. Purpose
2. Services that define our roles
3. Objectives that guide our delivery of services
4. Strategies that fit within overall objectives
5. Goals for improving each strategy

Management staff provides input on the above items plus:

1. An implementation plan and benchmarks
2. Task management
3. Proposed budgets, financial analysis, and rates

For this planning cycle, Core Services are consistent with those contained in previous plans.

The Strategic Analysis (page 4) contained in this Executive Summary compiles Trustees' and management staff's assessment of the organization's operating environment to provide those Core Services. The analysis identifies:

1. Traditional strengths of IMU.
2. Activities that can improve those traditional strengths without being detrimental to capitalizing on new opportunities.
3. New opportunities arising in the electric, water, communications industries.
4. Activities that can help IMU capitalize on new opportunities and be complimentary to traditional organizational strengths.

Using the Strategic Analysis, Trustees and staff developed 10 Action Items (page 5) that impact the broader organization in the areas of:

- Personnel/staffing
- Infrastructure
- Financial resources
- Customer service
- Community support

These Action Items are then placed into the detailed plan as Strategies or Goals for individual Core Services (page 6) and marked as priorities (*). Additional steps and milestones are also noted within the detailed plan.

No planning system is complete without a method to determine progress, successes, and warning signs of impending challenges. IMU uses a quarterly performance report with indicators to communicate these.

Strategic Analysis-

Traditional strengths:

Educated, trained and committed stakeholder team that is supportive of new ideas, adaptable to change, and focused on positive outcomes

Local workforce sized to respond to outages and emergencies in a timely manner

Utility plant assets are proactively maintained to provide long-term reliable services with the capacity to meet future needs

Competitive rates and fees built on a relatively conservative and stable financial plan

A commitment to safety

Diverse wholesale sources with relatively predictable long-term cost per unit trends

Brand name associated with quality, community leadership and customer service

Stable economy & consumption patterns

New opportunities to capitalize on:

Ability to attract strategic partners that bring dynamic perspectives & new auxiliary network services that benefit both residential & commercial customers and drive telecom sales growth

Build on IMU's electric and telecom investments as a community differentiating factors highlighting reliability, technology, and sustainability

EPA-mandated generation unit retirements may increase the value of peaking capacity, resulting in funds for priority capital projects

Improving economic viability of customer-owned solar arrays as on-peak resources that reduce demand charges; potential grant-funded study by IAMU how to best integrate solar into local systems

Ways to improve traditional strengths & overcome known challenges:

Hire team-oriented employees with the abilities to implement the utility's strategies and mentor them during the upcoming retirement transition

Train, plan, and equip for unexpected events that disrupt commerce, workforce activities & customers

Review long-term wholesale energy strategies

Consistently reinvest ratepayer funds in projects that proactively counteract decaying infrastructure & facilities based on updated long-term plans

Broader marketing and expansion of the fiber system

Improve customers' experiences, feedback systems through use of more streamlined technologies, new service programs, and positive internal relations

Address cyber security issues to avoid negative perceptions and events

Ways to capitalize on opportunities & overcome potential challenges:

Integrate new media/technology platforms that create public relations synergies between public/utility services, including those provided by private partners

Proactively maintain high customer satisfaction by communicating reliability, programs, and services including sustainability efforts; consistently address IMU's roles on city projects and with service partners

Work with community leaders and metro-area developers on smart growth strategies & policies

Plan how to adapt to regulatory changes, particularly those impacting air quality, carbon footprint, and fluoride tolerance levels

Action Plan-

1. Enhance marketing and customer awareness/outreach to communicate the holistic value of IMU and its services, including community development efforts:
   - Develop local target markets for key messages using a combination of staff, interns, and contracted professionals-
     - o Reliability, Community, Sustainability, and Technology core messages and images
     - o New IMU logo and web site platform
     - o More active in Chamber of Commerce programs
     - o 125th year of Public Power (various activities throughout the year)
   - Better engage Indianola businesses and customers through the IMU Partners Program and Sustainability Committee
     - o Enhance the positioning of Indianola & Simpson College as destinations for innovation and sustainability
     - o Debut of IMU Partners Program (by end of October, 2014)
     - o Enroll new members by December, 2014 (target of 50 by July 2015)
     - o Display members' videos on IMU Channel 2 and streaming site (in December, 2014)
     - o Produce videos on Indianola's innovation and sustainability initiatives
     - o Work with committees and interns (start in October 2014 and ongoing)
   - Deployment strategies using both in-person and multi-platform video-
     - o Press releases, print materials, slide shows, video, and external/newspaper
     - o Conduct routine one-on-one meetings with key accounts of all utilities
     - o Local distribution on Channel 2 and available on streaming site
     - o Co-host and participate in technology and sustainability-related events
     - o Participate within City & other community marketing efforts

2. Develop and adopt viable Capital Improvement Plan (CIP) schedules for each utility and implement budgeted projects annually (IMU Trustees, GM & Dept. Heads):

   - Resolve CenturyLink & Mediacom pole attachment issue/demo pole lines via formal compliance agreements
   - Design & engineering for a target of $5 million in electric, conduit, and fiber to serve the NW quadrant of Indianola. Begin with conceptual designs that are divided into 3 to 4 prioritized sub-areas (April 2015)
   - Transition to spending capital-based revenues & water loan principal payments on asset/facility replacements (eliminate spending these on O&M activities)-
     - o Generation & transformer capacity payments to address future major maintenance at generators/controls & substations
     - o 69kV credits to re-build the transmission line over time
     - o Remove water loan principal payments from the retail rate base by 2020; currently equal to vehicles & major maintenance

   - Pro-active maintenance projects at the Water Plant to prolong its lifespan
   - Engineer and construct prioritized main replacements; alternate between 2 projects in FY 2014 then 1 project the next year, 2 projects the next, etc

- Bolster the IMU/MCG brand and build a wider geographic customer base by tracking neighborhood interest in services to be offered elsewhere in Indianola
- Develop a policy to guide fiber extensions; review options including costs per potential connection, Contributions in Aid of Construction and extended contracts

3. Participate in utility growth planning discussions and activities:
   - Review policymaker's commitment to underground vs. overhead electric system and fiber network given-
     - Cost differentials
     - Expected growth in customer demand for broadband choice
     - Competing capital funding needs between electric system replacements, network extensions, and proactive development
     - Continued preference for annual rate revenue vs. debt financing sources
   - Pursue a 2^{nd} USDA Revolving Loan Fund; target infrastructure loans to property developers, industrial customers, and larger-scale energy efficiency projects
   - Evaluate commercial & industrial electric rate design in conjunction with any structural changes to the pricing of wholesale energy
   - Analyze and report on community engagement collaborations that promote energy efficiency such as Grants to Green and energy efficiency project funding.
   - Plan with MidAmerican on commercial/industrial growth outside of IMU electric territory to ensure long-term capacity will exist on their system when it is needed (and that is partially fed by IMU)

   - Assist with business retention, expansions, and attraction using IMU-matched incentives offered in conjunction with the City of Indianola, WCEDC facilitated-projects, and regionally with the Greater Des Moines Partnership
   - Promote the development of ventures, start-ups, and new opportunities through support of the IMU Partners Program
   - Review how other municipal utilities work to encourage community growth and public engagement
   - Promote the adoption of smart growth strategies and economically viable sustainability policies

4. Enhance plans for staffing levels, development & training (GM & Dept. Heads):
   - Continue hiring plan for the lineman retirement transition (October 2015)
   - Evaluate boring options to extend electric & fiber systems

   - Hire the planned 20 hrs/week PT position for Network Services and IMU Partners support activities (funds were derived from savings incurred following a prior retirement)

   - Develop formal succession & training plan (by June 2016)
   - Improve Workforce Connection as a source for internal staff & crew information

5. Evaluate services shared between the City & IMU to determine if strategic options exist to improve finance, GIS mapping, information technology, safety programs, disaster/recovery and outage reporting (GM & IMU and city departments):
   - Improve the IMU Board's understanding of shared functions, roles of each, and level of involvement in setting expectations
   - Improve the coordination of union negotiations and analyzing employee benefits with City of Indianola policymakers
   - Monthly accrual-based accounting reports.
   - Integrate the use of teleconferencing.
   - Increase the GIS Committee's coordination of add-on software options.
   - Develop hazard mitigation plans and funding options
   - Push notification systems (WINS) for outages and customer notifications
   - Improve Accounting, HR, and OSHA workflow systems
   - Evaluate the value of deploying a "City App"

6. Use technology and programs to improve both the customer experience & information flows throughout the service delivery process, including customer sign-ups, permits, work orders, metering and auditing, etc. (GM & IMU and city departments).
   - Review Service Plans with Clerk's Office to improve the customer experience; review fee structures as needed
   - Establish standardized telephone scripts and phone tree menus to improve transfer and escalation processes
   - Work to find & contract with technology solution providers as needed.

   - Investigate service line insurance options