INDIANOLA MUNICIPAL UTILITIES

IMU

Electric • Communications • Water

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

Agenda

1. Roll Call
2. Consent
   A. Claims
   B. Minutes
   C. Salaries
   D. Strike item from preliminary agenda
3. Reports
   A. Administrative News Items
   B. Director of Finance
   C. Chairperson
   D. Safety Officer
   E. Monthly Financials
4. FY 2016 Salary Resolution
5. Administratively Reduce and Set Cost of Power Adjustment
6. Other Business
7. Adjourn

IMU Regular Downstairs **2. A.**
Meeting Date: 05/26/2015

Information

Subject

Claims

Information

The May 18, 2015 Claims List was distributed previously.

Financial Impact

N/A

Staff Recommendation

IMU Regular Downstairs **2. B.**

Meeting Date: 05/26/2015

Information

Subject

Minutes

Information

Minutes of the May 11, 2015 meeting are attached to this agenda item.

Financial Impact

N/A

Staff Recommendation

Attachments

Minutes

BOARD OF TRUSTEE MINUTES
REGULAR SESSION – MAY 11, 2015

The Board of Trustees met in regular session at 5:30 p.m. on May 11, 2015 in the City Hall Conference Room. 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) and Pat Reding. Absent: Deb White. Also present were: City Clerk Diana Bowlin. Finance Director Chris Des Planques, Water Superintendent Lou Elbert, Human Resource Director RoxAnne Hunerdosse, General Manager Todd Kielkopf, Office Manager Chelle Klootwyk, Program Coordinator Chris Longer, Electric Superintendent Bob Miller, Technical Services Coordinator Mike Metcalf, IT Director Kurt Ripperger.

The consent agenda consisting of the following was discussed. It was the consensus of the Board to amend Item "C" of the consent agenda by changing the public hearing date to June 22, 2015 on an amended Cost of Power Adjustment (COPA) Policy effective October 1, 2015. The consent agenda as amended was approved on a motion by McClymond and seconded by Hulen. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

May 4, 2015 claims

April 27, 2015 minutes

Set June 22, 2015 at 5:30 p.m. as a public hearing date to consider an amendment to the Cost of Power Adjustment (COPA) Policy effective October 1, 2015

It was the consensus of the Board to proceed with an agenda item at the scheduled May 26, 2015 meeting that aligns the Cost of Power Adjustment (COPA) for the July – September 2015 billing quarter to an increase of $.0015/kWh from the previous quarter, or a COPA rate of $.0054/kWh, based on actual costs and recoveries during preceding periods.

The Board discussed the Strategic Plan including review of the administrative positions and received feedback from Superintendents and the General Manager on their respective operations.

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

Pat Reding, Chair

Diana Bowlin, City Clerk

IMU Regular Downstairs **2. C.**

Meeting Date: 05/26/2015

Information

Subject

Salaries

Information

The IMU General Manager has compiling information related to temporary assignments of duties and responsibilities that will be needed for the Electric Utility to cover the absence of the Electric Supt. starting June 5, 2015.

Mike Metcalf, Technical Svcs. Coordinator, assumes primary oversight of most departmental functions, excluding generation.

Greg Brangers, Crew Chief currently working primarily on on construction projects, is being assigned additional duties that ensures crews have the daily resources needed to complete workflow activities.

A team-based approach will be taken for generation leadership and administrative activities, led by the IMU General Manager. Crew members, engineers, contractors, the Technical Svcs. Coordinator, administrative staff and other industry professionals are all valuable resources that will be made available to support the Lead Generation Operator.

The recommended temporary compensation for the assignment of temporary duties is as follows:

Greg Brangers, 5% of hourly wage
Mike Metcalf, 10% of hourly wage

While it has been a somewhat rare occurrence in the past, these amounts are approximately those given in similar circumstances and very likely understate the valued workload being undertaken.

Numerically, the changeover in fiscal year complicates the approval of rates of pay.

Mike Metcalf will increase $299.91/bi-weekly pay period effective June 5, 2015 through June 27, 2015. Then will increase by $308.15/bi-weekly pay period until the responsibilities are no longer being assumed.

Greg Brangers will increase from $30.747/hr. with longevity to $32.274/hr. with longevity effective June 5, 2015 through June 27, 2015. Then will earn $33.149/hr. until additional duties are no longer assigned.

Minutes will note that these compensation rates supersede those in the FY 2016 salary resolution, until such time as responsibilities and duties provide for the reversion of compensation to that in the resolution.

Financial Impact

N/A

Staff Recommendation

IMU Regular Downstairs **2. D.**

Meeting Date: 05/26/2015

Information

Subject

Strike item from preliminary agenda

Information

Since Trustees set June 22, 2015 as the date for a public hearing on the Cost of Power Adjustment policy at their last meeting, it is recommended that Trustees formally acknowledge striking the public hearing originally contemplated for this May 26, 2015 meeting. A notice had been published in anticipation of addressing it at this meeting.

Financial Impact

N/A

Staff Recommendation

IMU Regular Downstairs **3. D.**
Meeting Date: 05/26/2015

Information

Subject

Safety Officer

Information

Safety Officer Mike Metcalf will present the attached reports.

Financial Impact

N/A

Staff Recommendation

Attachments

Electric and Water Report
Network Services Report

QUARTERLY SAFETY REPORT
Water and Electric
January 1, 2015 To March 31, 2015

Water Department:

Safety trainings held.	3
Safety training attendance.	100%
Safety committee meetings held.	3
Safety committee attendance.	100%
Unsafe working conditions reported.	0
Tailgate meetings held.	2
Work zones setup.	7
Lockout/Tagouts performed.	0
Confined spaces entered.	0
Excavations entered.	8
Accidents reported.	0
Accidents investigated.	0
Safety awards given.	5
2015 Incident Rate	0.00

Near misses and/or accidents.

None

Supervisor comments

Employees are being verbally recognized for working safely.

Tailgate Meeting Topics
- Perscription Drug Abuse
- Safety Eye Wear

Days Since Last OSHA Recordable Accident – 405

Electric Department:

Safety trainings held.	3
Safety training attendance.	80%
Safety committee meetings held.	3
Safety committee attendance.	100%
Unsafe working conditions reported.	0
Tailgate meetings held.	2
Work zones setup.	0
Lockout/Tagouts performed.	8
Confined spaces entered.	0
Excavations entered.	0
Accidents reported.	3
Accidents investigated.	3
Safety awards given.	10
2015 Incident Rate	6.08

Near misses and/or accidents.

- Arc Flash – Near Miss
- Injury to ribs due to pulling underground elbows. – OSHA Recordable
- Vehicle backing accident.

Supervisor comments

Employees are being verbally recognized for working safely.

Tailgate Meeting Topics
- Storm Season Safety
- Switching Procedures
- Using Proper Tools For The Job

Days Since Last OSHA Recordable Accident - 31

QUARTERLY SAFETY REPORT
Network Services / Metering
January 1, 2015 To March 31, 2015

Network Services Department:

Safety trainings held.	3
Safety training attendance.	100%
Safety committee meetings held.	3
Safety committee attendance.	100%
Unsafe working conditions reported.	0
Tailgate meetings held.	2
Work zones setup.	0
Lockout/Tagouts performed.	0
Confined spaces entered.	0
Excavations entered.	0
Accidents reported.	1
Accidents investigated.	1
Safety awards given.	3
2015 Incident Rate	0.00

Near misses and/or accidents.

Vehicle accident due to icy road conditions. No injuries but vehicle was a loss and had to be replaced.

Supervisor comments

Employees are being verbally recognized for working safely.

Tailgate Meeting Topics
- Meter Socket Safety
- Winter Driving

Days Since Last OSHA Recordable Accident – 912

IMU Regular Downstairs **3. E.**

Meeting Date: 05/26/2015

Information

Subject

Financials

Information

Monthly financial reports are attached to this agenda item.

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 +$451,971. This was primarily due to having paid a 2nd wholesale power bill ($887,178 net amount of the second bill in the month) in March, with none recorded in April. Also, a $318,303 payment for the refinanced Electric Revenue bond payment was forwarded to the paying agent. So in all, operational net cash was only slightly negative for the month.

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) remains higher than the seasonally-adjusted budget. The budget targets accrual-based debt service coverage. Normally, the difference between cash-based and accrual-based gross is not meaningful. However the transition to the new MEAN rate structure has higher costs earlier in IMU's fiscal year that will show only on accrual-based reports. So cash-based gross margin and net income will be slightly elevated.

   Electric fund balances, with the $320,000 pre-payment of the Water Utility note to the Electric Utility less remaining Electric capital project commitments, are slightly ahead of budget.

4. Using the cash-based + depreciation model, FYTD Electric Utility Net Income (page 8) was a loss of $552,274.

5. The Water Utility (pages 7 & 12) is generally meeting budget expectations in terms of Net Income. Total reserves remain at targeted levels. Adjusting entries will be made between its funds once the loan pre-payment is made.

6. The Communications Utility (page 15) and Admin. Fund (page 16) cash flows are essentially fairly close to the post-budget operating targets. Administrative expenses are projected to end the fiscal year near re-estimated amounts.

FINANCIAL REPORT
MONTH OF APRIL, 2015

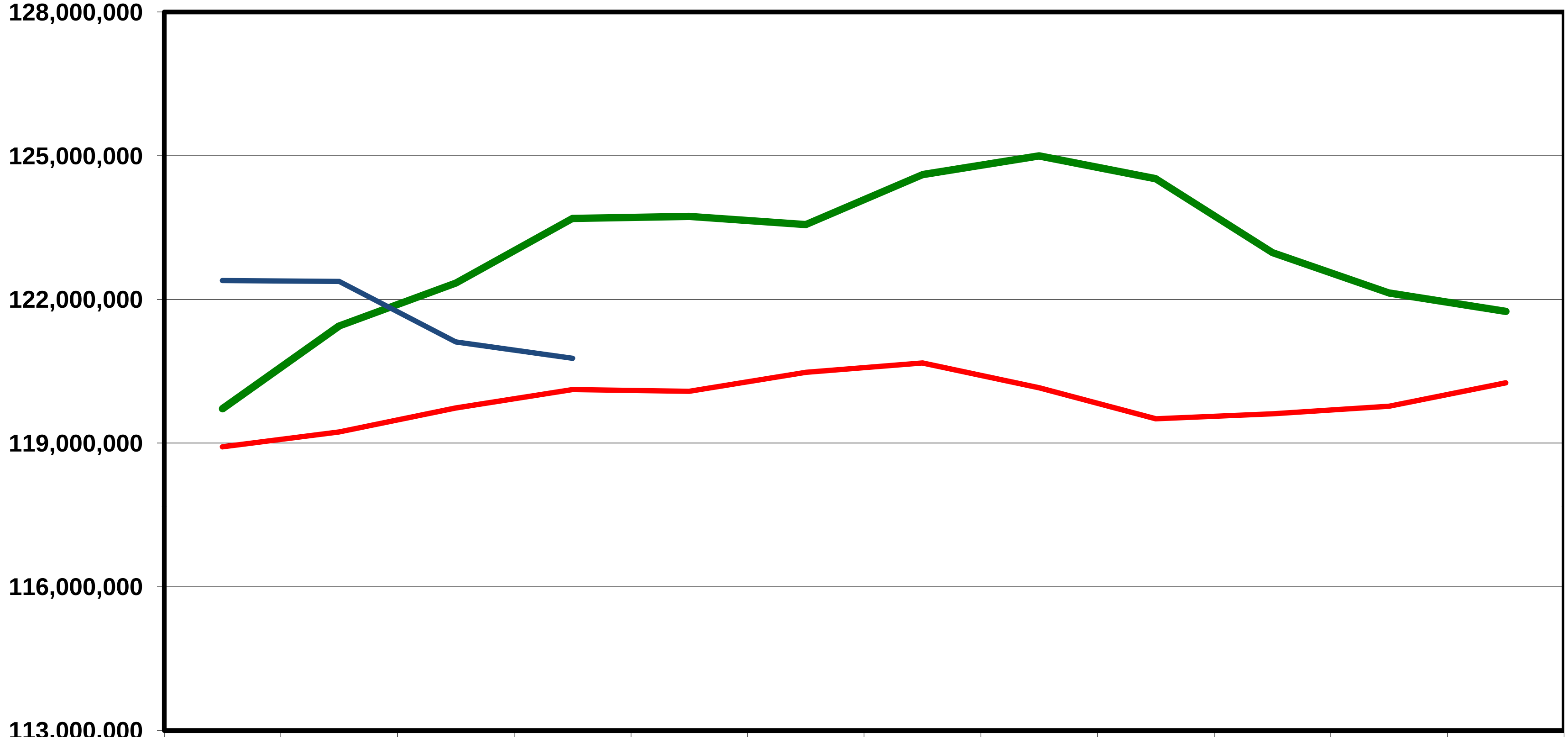
FUND	Beginning Balance	Monies Received	Monies Disbursed	Transfer In	Transfer Out	Clerk's Balance	% of Total
001 General Government	1,145,330.63	60,699.11	142,775.33	111,200.01	8,463.18	1,165,991.24	
011 Police	-35,115.88	606,587.90	159,588.40	261,823.18	1,149.45	672,557.35	
015 Fire	162,577.44	175,313.63	30,961.91	56,424.43	24.72	363,328.87	
016 Ambulance	226,132.23	162,169.08	62,244.79	29,838.48	5,572.66	350,322.34	
041 Library	-70,548.89	150,409.59	36,460.10	43,037.18	61.80	86,375.98	
042 Park & Recreation	361,737.93	319,025.12	98,228.23	104,175.43	123.60	686,586.65	
045 Memorial Pool	-76,064.91	44,466.18	2,633.02	0.00	0.00	-34,231.75	
071 General Fund Deb Service	88,559.87	37,148.25	0.00	0.00	0.00	125,708.12	
099 Franchise Fees-MEC	307,275.54	60,848.02	0.00	0.00	0.00	368,123.56	
GENERAL FUND SUB-TOTAL	**2,109,883.96**	**1,616,666.88**	**532,891.78**	**606,498.71**	**15,395.41**	**3,784,762.36**	
110 Road Use Tax (Streets)	1,131,161.88	106,249.82	69,957.32	0.00	17,342.70	1,150,111.68	
112 Trust & Agency	0.00	471,382.03	0.00	0.00	471,382.03	0.00	
115 YMCA Maintenance Obligations	74,748.13	0.00	0.00	6,111.11	0.00	80,859.24	
125 TIF--Downtown	325,314.71	92,856.00	0.00	0.00	0.00	418,170.71	
126 TIF--East Hwy 92	0.00	12,684.16	0.00	0.00	0.00	12,684.16	
127 TIF--Hillcrest/Industrial Park	411,037.28	380,289.05	0.00	0.00	0.00	791,326.33	
141 Library Special Revenue	42,602.35	3,661.61	9,071.77	0.00	0.00	37,192.19	
142 Park & Rec Special Revenue	118,414.72	6,738.86	82.00	0.00	0.00	125,071.58	
160 Downtown Revolving Loan	110,347.60	0.00	0.00	0.00	0.00	110,347.60	
161 Downtown Business Inc Program	5,884.65	0.00	884.97	0.00	0.00	4,999.68	
177 Police Forfeiture	19,830.07	0.00	0.00	0.00	0.00	19,830.07	
190 Vehicle Reserve	86,522.32	0.00	0.00	1,666.67	0.00	88,188.99	
199 Police Retirement	103,603.88	95.99	0.00	0.00	1,041.67	102,658.20	
SPECIAL REVENUES SUB-TOTAL	**2,429,467.59**	**1,073,957.52**	**79,996.06**	**7,777.78**	**489,766.40**	**2,941,440.43**	
200 **DEBT SERVICE (SUB-TOTAL)**	**2,656,984.74**	**395,432.78**	**0.00**	**60,774.99**	**0.00**	**3,113,192.51**	
301 Capital Projects (General)	700,181.26	298,309.25	0.00	0.00	0.00	998,490.51	
321 Capital Projects (Streets)	-1,297,566.90	0.00	1,808.00	0.00	0.00	-1,299,374.90	
344 Community Athletic Facility	6,649.52	6.17	40.00	0.00	0.00	6,615.69	
353 Community ReDevelopment (D&D)	-32,895.14	0.00	544.75	0.00	0.00	-33,439.89	
CAPITAL PROJECTS SUB-TOTAL	**-623,631.26**	**298,315.42**	**2,392.75**	**0.00**	**0.00**	**-327,708.59**	
610 Sewer	201,995.11	0.00	82,480.24	140,600.00	34,901.03	225,213.84	
650 Stormwater Utility	392,278.01	16,881.33	0.00	0.00	5,158.33	404,001.01	
670 Recycling	73,070.23	18,859.06	15,466.70	0.00	1,441.67	75,020.92	
710 Sewer Capital Projects	732,052.80	239,882.68	162,906.50	0.00	239,483.33	569,545.65	
771 Sewer Reserve	114,238.70	0.00	0.00	0.00	0.00	114,238.70	
781 Sewer Plant Improvement	336,322.52	0.00	0.00	2,083.33	0.00	338,405.85	
791 Sewer Revenue Bonds	602,786.54	0.00	0.00	61,016.67	0.00	663,803.21	
820 Health Insurance	1,033,492.08	105,174.96	125,272.96	0.00	0.00	1,013,394.08	
830 Health Reimbursement Account	243,493.92	0.00	0.00	3,025.00	0.00	246,518.92	
840 Flex/STD	228,203.46	2,025.40	7,858.40	1,390.50	0.00	223,760.96	
850 Liability Insurance Reserve--City	36,617.00	34.28	0.00	0.00	0.00	36,651.28	
CITY UTILITY & IS SUB-TOTAL	**3,994,550.37**	**382,857.71**	**393,984.80**	**208,115.50**	**280,984.36**	**3,910,554.42**	
TOTAL CITY FUNDS	**10,567,255.40**	3,767,230.31	1,009,265.39	883,166.98	786,146.17	**13,422,241.13**	**64%**
TOTAL IMU FUNDS	**6,967,989.03**	1,281,509.45	732,517.61	157,894.81	254,915.62	**7,419,960.06**	**36%**
GRAND TOTAL CITY & IMU	**17,535,244.43**	5,048,739.76	1,741,783.00	1,041,061.79	1,041,061.79	**20,842,201.19**	
Cross Check Total						20,842,201.19	

Investments				
Bankers Trust	$ 14,366,486.88	2.12%	Clerk's Balance	20,842,201.19
Iowa Public Agency Inv. Trust	$ 111,114.91	0.010%	Plus Outstanding Checks	523,795.87
Payroll Account, City State Bank	$ -	Earnings Credit		
Checking Account, City State Bank	$ 247,828.75	Earnings Credit	Oustanding Deposit	-17,195.67
Checking & Payroll Account, Community Bank	$ -			
Sweep Account, City State Bank	$ 6,623,370.85	0.35%		
BANK BALANCE	**21,348,801.39**			**21,348,801.39**

600 Water	396,028.01	185,384.30	66,863.05	0.00	115,959.38	398,589.88
620 IMU Administration	77,405.74	500.00	43,095.97	84,375.00	30,053.47	89,131.30
625 Revolving Economic Development	104,491.91	95.99	0.00	0.00	0.00	104,587.90
626 USDA RLF	225,000.00	0.00	0.00	0.00	0.00	225,000.00
630 Electric	1,357,546.74	974,231.63	156,981.63	22,566.67	101,444.44	2,095,918.97
640 Fiber/Communications	285,786.95	26,333.29	19,555.75	0.00	7,458.33	285,106.16
700 Water Capital Projects	857,734.28	2,013.50	102,691.95	35,991.67	0.00	793,047.50
730 Electric Capital Projects	2,906,115.59	83,074.01	25,025.62	-58,333.33	0.00	2,905,830.65
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	0.00	0.00	0.00	0.00	0.00	0.00
780 Water Capital Improvement	75,000.00	0.00	0.00	0.00	0.00	75,000.00
783 Electric Improvement	0.00	0.00	0.00	0.00	0.00	0.00
790 Water Revenue Bonds	94,914.68	0.00	0.00	23,150.00	0.00	118,064.68
793 Electric Revenue Bonds	436,969.55	9,861.31	318,303.64	50,144.80	0.00	178,672.02
855 Liability Insurance Reserve--IMU	15,995.58	15.42	0.00	0.00	0.00	16,011.00
IMU SUB-TOTAL	**6,967,989.03**	**1,281,509.45**	**732,517.61**	**157,894.81**	**254,915.62**	**7,419,960.06**

INTEREST DISTRIBUTION	**INTEREST INCOME**	**% OF TOTAL**	**CALYTD**	**FYTD**
Electric Funds	$ 6,995.53	40.81%	$ 40,928.45	$ 103,178.29
Water Funds	$ 1,402.06	8.18%	$ 8,542.93	$ 22,318.56
Sewer Funds	$ 1,599.17	9.33%	$ 9,284.80	$ 19,949.03
Police Retirement	$ 95.98	0.56%	$ 589.19	$ 1,346.14
Community Redevelopment	$ -	0.00%	$ 12,930.95	$ 3.26
All other	$ 7,047.30	41.12%	$ 32,525.22	$ 114,242.72
TOTAL	$ 17,140.04	100.00%	$ 104,801.54	$ 261,038.00

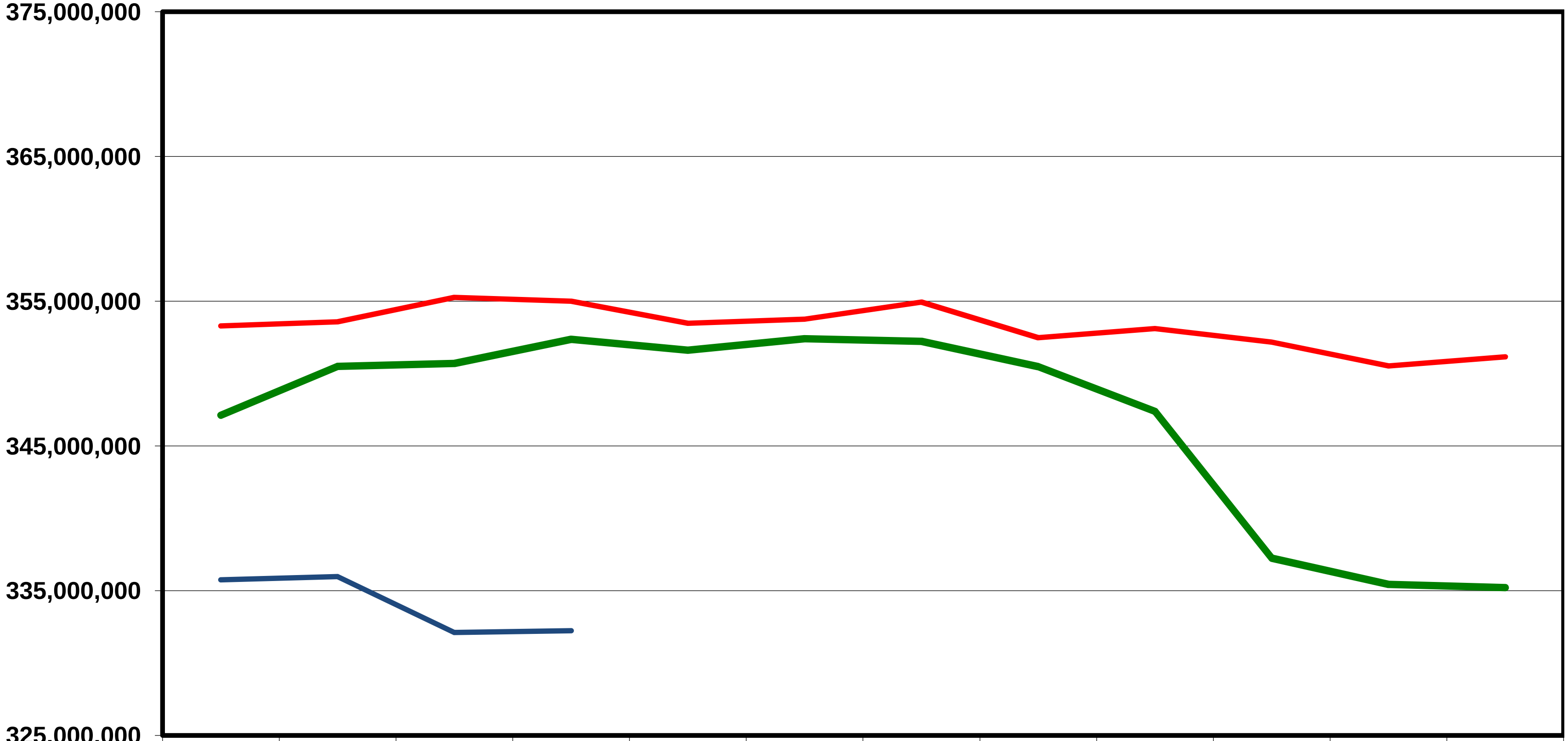
KWH's Sold
(kWh's sold based on a rolling 12 month total)



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2011-13 EL Avg	118,924,56	119,235,47	119,735,74	120,120,59	120,080,91	120,478,36	120,676,47	120,158,49	119,509,56	119,614,44	119,770,57	120,256,40
2014	119,720,29	121,443,81	122,342,35	123,691,45	123,736,17	123,563,28	124,608,72	124,993,82	124,523,64	122,976,19	122,136,97	121,750,71
2015	122,395,95	122,376,36	121,110,70	120,770,69								

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	332,114,980	332,229,530								

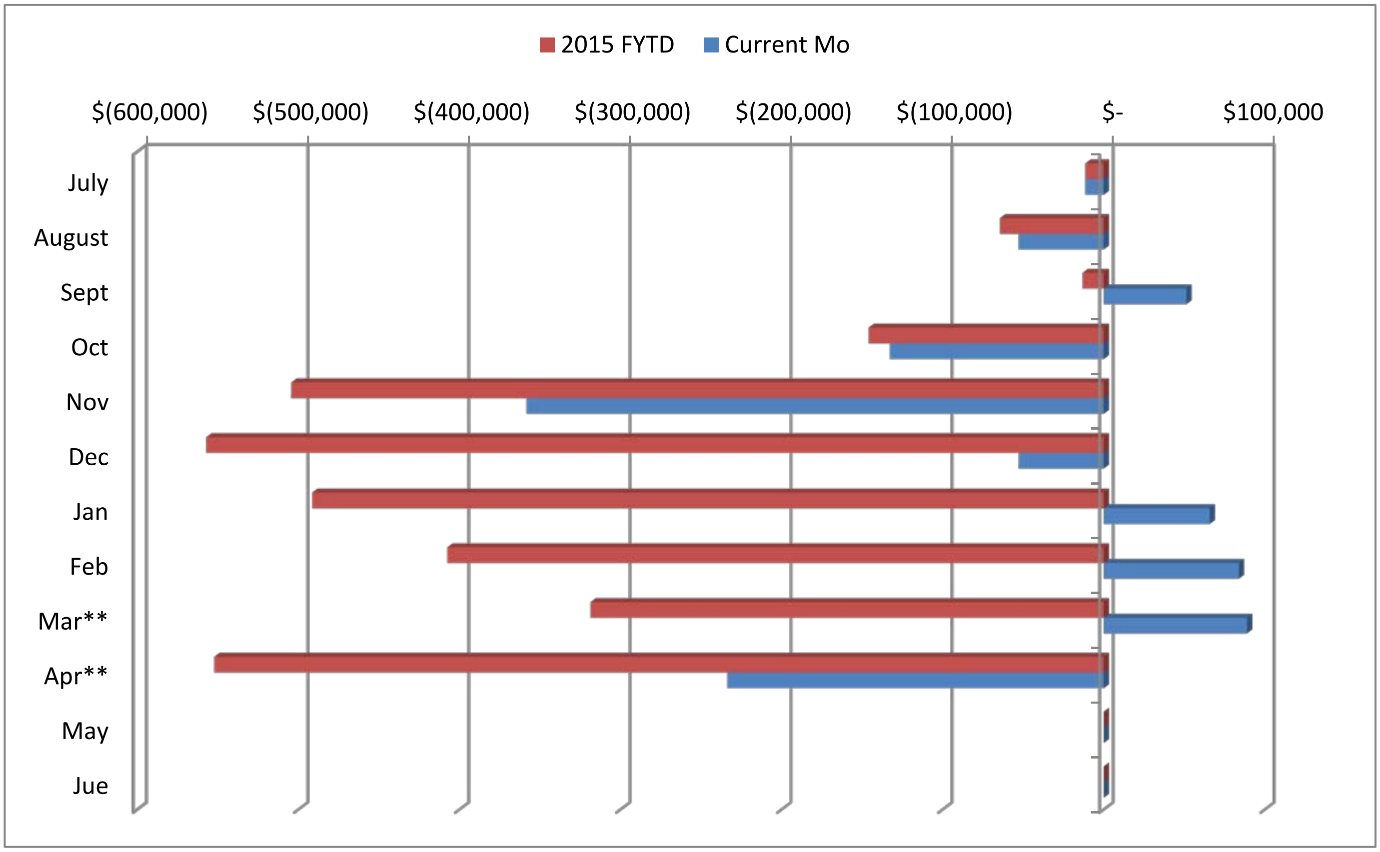
2011-13 WA Avg 2014 2015

2015 April IMU Financial Report Summary

		FYTD ACTUAL		FYTD BUD/RE-EST		VARIANCE
Electric Utility:						
Gross Margin	$	1,801,848	$	1,379,200	$	422,648
Cash-based Net Income (incl. Depr.)	$	(552,274)	$	(878,400)	$	326,126
Net O&M + Capital Funds Cash Flow	$	(31,264)	$	(346,400)	$	315,136
Ending O&M and Capital Fund Balances	$	5,001,750	$	4,686,600		
Less-						
Designated for Future Projects		160,000		-		
Reserve Targets		4,011,500		4,011,500		
Over/(Under)	$	830,250	$	675,100	$	155,150
Debt Service Coverage Ratio w/o PILOT		4.05		3.99		
Water Utility:						
Cash-based Net Income (incl. Depr.)	$	317,091	$	263,200	$	53,891
Net O&M + Capital Funds Cash Flow	$	(114,680)	$	(453,500)	$	338,820
Ending O&M and Capital Fund Balances	$	1,209,687	$	870,900		
Less-						
Designated for Future Projects		320,000		-		-
Reserve Targets		682,800		682,800		-
Over/(Under)	$	206,887	$	188,100	$	18,787
Debt Service Coverage Ratio w/o PILOT		1.42		0.92		
Communications Utility:						
Net Cash Flow	$	(48,165)	$	(56,900)	$	8,735
Ending Fund Balances	$	285,106	$	276,400	$	-
Less-						
Designated for Future Projects		-		-		-
Reserve Targets		299,200		299,200		-
Over/(Under)	$	(14,094)	$	(22,800)	$	8,706
Commercial Customers		111		135		-24
Residential Customers		297		320		-23
Administrative Fund:						
Net Cash Flow	$	89,131	$	56,500	$	32,631

EL - Combined		FYTD ACTUAL		FYTD BUD/RE-EST		VARIANCE
Revenue:						
Sales of Electricity & Peaking	$	10,286,637	$	10,151,000	$	135,637
Sales Taxes	$	178,663		203,700		(25,037)
Other	$	1,175,540		1,106,400		69,140
Total O&M Revenue	**$**	**11,640,840**		**11,461,100**		**179,740**
Expenditures:						
Purchased Energy & Fuel	$	8,003,872	$	8,290,900	$	(287,028)
Salaries	$	713,502		696,700		16,802
Benefits	$	331,933		345,200		(13,267)
Materials, Suppl. & Contracts	$	482,677		449,400		33,277
Sales Taxes & Use Taxes	$	184,143		208,000		(23,857)
PILOT	$	480,917		480,900		17
Debt Service - Interest Only	$	213,523		112,800		100,723
Overhead, Admin & EE	$	843,074		827,700		15,374
Depreciation (Est)	$	1,107,100		1,107,100		-
Total O&M Expenses	**$**	**12,360,741**		**12,518,700**		**(157,959)**
Net Income (Operating & Other)	**$**	**(719,901)**		**(1,057,600)**		**337,699**
Capital Activities:						
Major Maintenance via Capital Fund	$	(21,300)	$	(21,300)	$	-
Capital Contributions (Fiber)	$	168,986		165,800		3,186
Capital Contributions (Electric)	$	19,941		34,700		(14,759)
Net Income	**$**	**(552,274)**		**(878,400)**		**326,126**
Cash Flow:						
Net Income + Depreciation	$	554,826	$	228,700	$	326,126
Water Loan Principal	$	171,634		462,300		(290,666)
Debt Service Principal	$	(250,000)		(250,000)		-
Debt Service Reserve Change	$	(182,300)		(192,300)		10,000
Capital Contributions (Developers)	$	1,857,952		1,806,500		51,452
Proceeds from Debt Issues	$	-		-		-
Capital Projects	$	(2,183,376)		(2,401,600)		218,224
Designated for Future Projects	$	-		-		-
Net Cash Flow	**$**	**(31,264)**	**$**	**(346,400)**	**$**	**315,136**

EL Combined Net Income History



	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**	$ (318,629)	$ 88,902	$ (48,555)	$ (21,283)
Apr**	$ (552,274)	$ (233,645)	$ 83,249	$ 131,804
May	$ -	$ -	$ 91,881	$ 8,633
Jue	$ -	$ -	$ 190,770	$ 98,889

*Tracking purposes only

**Adjusted for 2nd wholesale power bill paid in March and due in April

630 - EL O&M Fund	FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:			
Sales of Electricity & Peaking	$ 10,286,637	$ 10,151,000	$ 135,637
Sales Taxes	$ 178,663	203,700	(25,037)
Other	$ 488,073	434,800	53,273
Fund Revenue	**$ 10,953,373**	**$ 10,789,500**	**$ 163,873**
Expenditures:			
Purchased Energy & Fuel	$ 8,003,872	$ 8,290,900	$ (287,028)
Salaries	$ 713,502	696,700	16,802
Benefits	$ 331,933	345,200	(13,267)
Materials, Suppl. & Contracts	$ 482,677	449,400	33,277
Sales Taxes & Use Taxes	$ 184,143	208,000	(23,857)
PILOT	$ 480,917	480,900	17
Debt Service	$ 463,523	362,800	100,723
Overhead, Admin & EE	$ 843,074	827,700	15,374
Fund Expenditures	**$ 11,503,641**	**$ 11,661,600**	**$ (157,959)**
O&M Activities Cash Flow:	**$ (550,268)**	**$ (872,100)**	**$ 321,832**
Capital Fund Transfer (Out) In	$ 754,967	$ 1,045,600	$ (290,633)
Bond Reserve Transfer (Out)	$ (182,300)	$ (192,300)	$ 10,000
O&M Fund Cash Flow:	**$ 22,399**	**$ (18,800)**	**$ 41,199**
Ending Fund Balances:	**$ 2,095,919**	**$ 2,054,700**	
17% Reserve Target	**$ 2,234,200**	**$ 2,234,200**	
Over/Under Reserve Target	**$ (138,281)**	**$ (179,500)**	**$ 41,219**

730 - EL CAP Fund	FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:			
Capital Contributions (Fiber)	$ 168,986	$ 165,800	$ 3,186
Capital Contributions (Electric)	$ 79,764	138,900	(59,136)
Capital Contributions (Reimb)	$ 1,798,129	1,702,300	95,829
Water Loan Principal	$ 171,634	462,300	(290,666)
Proceeds from Debt	$ -	-	-
Other	$ 687,467	671,600	15,867
Fund Revenue	**$ 2,905,979**	**$ 3,140,900**	**$ (234,921)**
Expenditures:			
Major Maintenance (Est.)	$ 21,300	$ 21,300	$ -
Vehicles	$ 11,857	-	11,857
Relocations & Conversions	$ 2,145,645	2,237,300	(91,655)
New Developments & Line Repl	$ 62,050	180,000	(117,950)
Network Services	$ 202,991	233,300	(30,309)
Other/Stock (Out) In	$ (239,168)	(249,000)	9,832
Fund Expenditures	**$ 2,204,676**	**$ 2,422,900**	**$ (218,224)**
Capital Activities Cash Flow:			
Capital Fund Transfer (Out) In	$ (754,967)	$ (1,045,600)	$ 290,633
Designated for Future Projects	$ -	-	-
Capital Fund Cash Flow:	**$ (53,664)**	**$ (327,600)**	**$ 273,936**
Ending Fund Balances:	**$ 2,905,831**	**$ 2,631,900**	
Reserve Target	**$ 1,777,300**	**$ 1,777,300**	
Designated for Future Projects	**$ 160,000**		
Over/Under Reserve Target	**$ 968,531**	**$ 854,600**	**$ 113,931**

WA - Combined		FYTD ACTUAL		FYTD BUD/RE-EST		VARIANCE
Revenue:						
Sales of Water	$	1,808,519	$	1,809,400	$	(881)
Sales Taxes	$	96,043		100,800		(4,757)
Other	$	132,822		133,800		(978)
Total O&M Revenue	**$**	**2,037,383**	**$**	**2,044,000**	**$**	**(6,617)**
Expenditures:						
Salaries	$	324,945	$	349,300	$	(24,355)
Benefits	$	131,436		145,800		(14,364)
Materials, Suppl. & Contracts	$	311,695		336,500		(24,805)
Sales Taxes & Use Taxes	$	97,201		103,600		(6,399)
PILOT	$	56,917		56,900		17
Debt Service - Interest Only	$	59,000		59,000		-
Overhead, Admin & EE	$	177,781		165,500		12,281
Depreciation (Est)	$	479,200		479,200		-
Total O&M Expenses	**$**	**1,638,174**	**$**	**1,695,800**	**$**	**(57,626)**
Net Income (Operating & Other)	**$**	**399,209**	**$**	**348,200**	**$**	**51,009**
Capital Activities:						
Major Maintenance via Capital Fund	$	(82,118)	$	(85,000)	$	2,882
Net Income	**$**	**317,091**	**$**	**263,200**	**$**	**53,891**
Cash Flow:						
Net Income + Depreciation	$	796,291	$	742,400	$	53,891
Debt Service Principal	$	(541,917)		(810,300)		268,383
Sale of Land - Payment	$	20,000		20,000		-
Debt Service Reserve Change	$	-		-		-
Capital Projects	$	(389,054)		(405,600)		16,546
Designated for Future Projects	$	-		-		-
Net Cash Flow	**$**	**(114,680)**	**$**	**(453,500)**	**$**	**338,820**

600 - WA O&M Fund		FYTD ACTUAL		FYTD BUD/RE-EST		VARIANCE
Revenue:						
Sales of Water	$	1,808,519	$	1,809,400	$	(881)
Sales Taxes	$	96,043		100,800		(4,757)
Other	$	132,822		133,800		(978)
Fund Revenue	**$**	**2,037,383**	**$**	**2,044,000**	**$**	**(6,617)**
Expenditures:						
Salaries	$	324,945	$	349,300	$	(24,355)
Benefits	$	131,436		145,800		(14,364)
Materials, Suppl. & Contracts	$	311,695		336,500		(24,805)
Sales Taxes & Use Taxes	$	97,201		103,600		(6,399)
PILOT	$	56,917		56,900		17
Debt Service	$	600,917		869,300		(268,383)
Overhead & Admin	$	177,781		165,500		12,281
Fund Expenditures	**$**	**1,700,891**	**$**	**2,026,900**	**$**	**(326,009)**
O&M Activities Cash Flow:	**$**	**336,493**	**$**	**17,100**	**$**	**319,393**
Capital Fund Transfer (Out) In	$	(359,917)	$	(359,900)	$	(17)
Debt Service Reserve Change	$	-		-		-
O&M Fund Cash Flow:	**$**	**(23,424)**	**$**	**(342,800)**	**$**	**319,376**
Ending Fund Balances:	**$**	**398,590**	**$**	**79,200**		
17% Reserve Target	**$**	**212,300**	**$**	**212,300**		
Over/Under Reserve Target	**$**	**186,290**	**$**	**(133,100)**	**$**	**319,390**

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.)	$ 82,118	$ 85,000	$ (2,882)
Vehicles	$ 50,404	33,300	17,104
Water Towers	$ -	-	-
Plant	$ 186,806	252,300	(65,494)
Water Mains	$ 156,359	120,000	36,359
Other	$ (4,514)	-	(4,514)
Fund Expenditures	**$ 471,172**	**$ 490,600**	**$ (19,428)**
Capital Activities Cash Flow:			
Capital Fund Transfer (Out) In	$ 359,917	$ 359,900	$ 17
Designated for Future Projects	$ -	-	-
Capital Fund Cash Flow:	**$ (91,256)**	**$ (110,700)**	**$ 19,444**
Ending Fund Balances:	**$ 811,098**	**$ 791,700**	**$ 19,398**
Reserve Target	**$ 470,500**	**$ 470,500**	**$ -**
Designated for Future Projects	**$ 320,000**	**-**	**320,000**
Over/Under Reserve Target	**$ 20,598**	**$ 321,200**	**$ (300,603)**

640 - NS O&M Fund

		FYTD ACTUAL		FYTD BUD/RE-EST		VARIANCE
Revenue:						
Fiber License Payments	$	228,531	$	241,700	$	(13,169)
Other	$	13,022		4,200		8,822
Fund Revenue	**$**	**241,553**	**$**	**245,900**	**$**	**(4,347)**
Expenditures:						
Salaries	$	9,303	$	9,000	$	303
Benefits	$	1,522		1,600		(78)
Materials, Suppl. & Contracts	$	174,810		187,900		(13,090)
Overhead, Admin & EE	$	104,083		104,300		(217)
Fund Expenditures	**$**	**289,718**	**$**	**302,800**	**$**	**(13,082)**
O&M Activities Cash Flow:	**$**	**(48,165)**	**$**	**(56,900)**	**$**	**8,735**
Electric CIAC (Out) In	$	-	$	-	$	-
O&M Fund Cash Flow:	**$**	**(48,165)**	**$**	**(56,900)**	**$**	**8,735**
Ending Fund Balances:	**$**	**285,106**	**$**	**276,400**		
FY Ending Balance Target	**$**	**299,200**	**$**	**299,200**		
Designated for Future Projects	**$**	**-**		**-**		
Over/Under Reserve Target	**$**	**(14,094)**	**$**	**(22,800)**	**$**	**8,706**

620 - ADM O&M Fund		FYTD ACTUAL		FYTD BUD/RE-EST		VARIANCE
Revenue:						
IMU Transfers In	$	911,625	$	913,500	$	(1,875)
City Transfers In	$	15,000		15,000		-
Refund/Reimbursement	$	3,574		3,000		574
Fund Revenue	**$**	**930,199**	**$**	**931,500**	**$**	**(1,301)**
Expenditures:						
Salaries	$	268,148	$	270,900	$	(2,752)
Benefits	$	119,859		127,500		(7,641)
Materials, Suppl. & Contracts	$	149,561		172,900		(23,339)
Overhead, Admin, Shared Staff	$	303,500		303,700		(200)
Fund Expenditures	**$**	**841,068**	**$**	**875,000**	**$**	**(33,932)**
O&M Fund Cash Flow:	**$**	**89,131**	**$**	**56,500**	**$**	**32,631**

IMU Regular Downstairs **4.**

Meeting Date: 05/26/2015

Information

Subject

FY 2016 Salary Resolution

Information

The FY 2016 Salary Resolution is attached.

Annually adopting this resolution authorizes the issuance of the bi-weekly payroll and associated benefits to IMU employees.

Wages actually paid are then published at the end of the year.

Any changes to salaries or temporary adjustments are adopted throughout the fiscal year and noted in meeting minutes.

Except for Trustees and the General Manager, amounts listed in the resolution have been adjusted 2.7% to reflect the across-the-board increase as negotiated in the union contract. This has historically been extended to management employees on the CE wage scale.

Financial Impact

N/A

Staff Recommendation

Roll call vote approving the FY 2016 Salary Resolution as presented is in order.

Attachments

Resolution

A RESOLUTION SETTING THE SALARIES FOR APPOINTED OFFICERS AND EMPLOYEES OF THE INDIANOLA MUNICIPAL UTILITIES FOR THE PERIOD BEGINNING JUNE 28, 2015

Section 1. The following persons and positions named shall be paid the salaries or wages indicated, and the Finance Director is authorized to issue warrants, less legally required or authorized deductions from the amounts set out below, on a biweekly basis, and make such contributions to I.P.E.R.S. and Social Security or other purposes as required by law or authorization of the Trustees, all subject to audit and review by the Board of Trustees:

EMP #	NAME	RANGE	ANNUAL	LONGEVITY	*HOURLY	ICMA
929	Pat Reding		$1,000			
942	Deb White		$1,000			
938	Grant Johnson		$1,000			
941	Heather Hulen		$1,000			
	Jim McClymond		$1,000			
38	Todd Kielkopf		$117,000		$56.250	$3,100
439	Lou Elbert	CE 11 -9	$84,262		$40.511	$2,100
373	Mike Metcalf	CE 11 - 7	$80,120		$38.519	$2,100
47	Chris Longer	CE 9 - 7	$66,359		$31.903	$2,100
420	Michelle Klootwyk	CE 6 -1	$42,665	$300	$20.656	$900
103	Mike Metz	R 24 - 5	$58,597	$300	$28.316	$900
388	Rodney Goodrich	R 27 - 6+	$65,287	$400	$31.580	$900
477	Ben Hildreth	R 26 - 2	$58,138	$300	$28.095	$900
391	Tim Hommer	R 27 - 6+	$65,287	$400	$31.580	$900
393	Randy Eaton	R 26 - 6	$59,064	$400	$28.588	$900
377	Eric Lane	R 19 -4	$45,049	$0	$21.658	$900
370	Jason Henle	R 27 - 6+	$65,287	$350	$31.556	$900
364	John Kmet (Part Time)	R 19 - 4	$28,155	$0.15	$21.808	
369	Dan Llewellyn	R 26 - 6	$59,064	$250	$28.516	$900
381	Nathan Edwards	R 25 - 5	$61,081	$350	$29.534	$900
446	Greg Brangers	R 27 - 6+	$65,287	$400	$31.580	$900
375	Stephen Clingman	R 26 - 2	$48,594	$250	$23.483	$900
374	Tyler Offenburger	R 26 - 6	$59,064	$250	$28.516	$900
709	Jeremy Cross	R 19-4	$45,408	$0	$21.831	$900
89	Brian Hommer	R 24 - 5	$58,597	$400	$28.364	$900
366	Rodney Powers	R 24 - 5	$58,597	$300	$28.316	$900
70	Garry Cunningham	R 21- 2	$45,871	$300	$22.198	$900
458	Justin Brand	R 21 - 3	$47,707	$0	$22.936	$900
453	Greg Dittmer	R 24 - 5	$58,597	$300	$28.316	$900

*Includes Longevity

Section 2. Employees will also receive the following benefits:

1. Continuation of the Wellness Program
2. Continuation of the Employee Assistance Program

Section 3. IMU agrees to provide to all permanent full-time union employees longevity pay. The salary table shown represents the annual pay that employees shall receive for continuous years of service.

YEARS	ANNUAL PAY
0-4	$0
5-9	$250
10-14	$300
15-19	$350
20+	$400

Section 4. Short Term Disability - Weekly benefit to $450.

Section 5. IMU will pay 96% of the premium for single health/drug insurance coverage and 91% of the difference between the premium for single health/drug and the premium for family health/drug insurance each year of the agreement.

Information

Subject

Administratively Set Cost of Power Adjustment

Information

The rate resolution currently in effect provides for Trustees to administratively set the Cost of Power adjustment. This done under the authorities delegated in the April 24, 2015 amended Cost of Power Adjustment policy.

Trustees provided direction at the last meeting for staff to draft an agenda item that delays implementing the amended policy (see minutes) until after the public hearing on June 22, 2015. Trustees can do this by administratively setting the cost of power adjustment for the quarter starting with bills dated July 1, 2015 by determining that:

1. Cumulative unrecovered wholesale power and transmission costs would otherwise result of an adjustment of $.0069/kWh as calculated under the policy; and
2. It is in the public's best interest to set the rate at the lower amount of $.0054/kWh for this quarter.

This action results in an adjustment that is the same increase that would have been permitted had the policy not been amended in April, as the current quarter's rate is $.0039/kWh. And remain on track to meet the debt covenant requirement that rates provide adequate debt service coverage in FY 2016.

There is a higher risk that fund balances will end FY 2016 or FY 2017 below 100 days operating cash, however FY 2015 is likely to end somewhat higher than target.

A public notice announcing this rate has been released, with more notifications forthcoming. Minutes of this action will also be published. Once set, this information is provided to the Clerk's Office for the calculation of bills.

Trustees will hold a public hearing on June 22, 2015 on the amended policy, which if this agenda item is approved will now not impact bills until October 1, 2015 at the earliest. Staff will be preparing and releasing information on the trend of deferred wholesale power and transmission costs prior to and for that meeting.

Financial Impact

N/A

Staff Recommendation

Simple motion administratively reducing and setting the cost of power adjustment for bills dated July 1, 2015 - September 1, 2015 is in order.