INDIANOLA MUNICIPAL UTILITIES

IMU

Electric • Network Services • Water

IMU Board of Trustees
September 14, 2015
City Hall Council Chambers
6:00 p.m.

Agenda

1. Roll Call

2. Public Comments

3. Recess Into an Exempt Session Under Iowa Code, Chapter 20.17(3) to Discuss Union Negotiations

4. Consent

    A. September 8, 2015 Claims

    B. August 24, 31, and September 3, 2015 Minutes

    C. Salaries, Continuation of Temporary Reassignment of Duties

5. Reports

    A. News Items

    B. Treasurer Report, Doug Shull

    C. Financials, Chris DesPlanques

    D. Electric, Mike Metcalf

    E. Water, Lou Elbert

    F. Network Services, Mike Metcalf

    G. Fiber Marketing, Mahaska Communications Group (MCG)

6. Quarterly Write-Offs to State Offset Program

7. Red Rock Community Action Program LIHEAP Vendor Agreement

8. Possible Motion for Choosing an Executive Search Firm for the General Manager Hiring

9. Other Business

10. Adjourn

Information

Subject

Recess Into an Exempt Session Under Iowa Code, Chapter 20.17(3) to Discuss Union Negotiations

Information

Labor Attorney, Jim Hanks and Human Resources Director, RoxAnne Hunerdosse will present information pertaining to the status of negotiations and seek input and general direction.

Financial Impact

N/A

Staff Recommendation

IMU Regular Downstairs **4. A.**

Meeting Date: 09/14/2015

Information

Subject

Claims on the computer printout for September 8, 2015.

Information

This list was distributed via email Friday, September 4th and is included in this packet for your approval.

Financial Impact

N/A

Staff Recommendation

Simple motion to approve is in order.

Attachments

September 8, 2015 Claims

Vendor Name	GL Account Number	Description	Invoice Date	Net Invoice Amount
WATER OPERATING FUND				
ACCO UNLIMITED CORP.	600-8110-65010	LIQUID CHLORINATING	08/17/2015	1,587.32
ADVANCED AUTO PARTS	600-8160-65072	ARMOR ALL CLEANING WIPES	08/18/2015	8.82
CHEMTREAT INC	600-8110-65010	CHEMICALS	08/14/2015	1,236.90
CHUMBLEY & JONES OIL	600-8150-65072	FUEL	08/28/2015	7.04
CITY OF INDIANOLA - UTILITY	600-8110-63710	UTILITIES	08/31/2015	19,897.71
DUST PROS JANITORIAL	600-8120-64090	MONTHLY CLEANING (JULY) - WATER DEPT	08/21/2015	180.00
DUST PROS JANITORIAL	600-8120-64090	JANITORIAL SUPPLIES	08/21/2015	131.28
HACH COMPANY	600-8110-65012	LAB SUPPLIES	08/17/2015	576.67
HALLETT MATERIALS	600-8150-63453	FILL SAND	08/22/2015	114.40
IMWCA	600-8180-61599	WORKERS COMP INSTALL	08/01/2015	843.00
IOWA SECTION AWWA	600-8110-62100	ANNUAL DUES	08/28/2015	214.00
KEYSTONE LABORATORIES IN	600-8110-64990	WATER ANALYSIS	07/30/2015	233.80
MARTIN MARIETTA MATERIALS	600-8150-63453	PEA GRAVEL	08/20/2015	168.65
MUNICIPAL ENERGY AGENCY	600-8110-63710	PURCHASED POWER - JULY (WELL KWH &	08/11/2015	615.77
O'REILLY AUTO PARTS	600-8160-65072	VALVE TOOL, CAPS AND CORES	08/25/2015	2.81
SHULL SCHRUM MCCLAFLIN &	600-8190-64010	AUDIT SERVICES	08/31/2015	700.00
THEISEN'S	600-8120-65070	BATTERY/ALL PURPOSE CEMENT	08/15/2015	93.78
THEISEN'S	600-8120-63100	THREADED STEEL ROD, BOLTS, NUT & WA	08/21/2015	18.61
THEISEN'S	600-8150-65072	GLASS CLEANERS & BATTERY	08/29/2015	97.46
U.S. CELLULAR	600-8110-63730	CELL PHONE - 4	08/12/2015	170.10
UNUM LIFE INSURANCE CO OF	600-8180-61550	LIFE, AD&D AND LTD INSURANCE	09/03/2015	145.78
UNUM LIFE INSURANCE CO OF	600-8180-61550	LIFE, AD&D AND LTD INSURANCE	09/03/2015	148.44
VESSCO INC	600-8120-63410	MATERIALS	08/10/2015	216.98
WAL-MART STORES INC.	600-8110-65070	BINDERS/SUPPLIES	08/16/2015	22.41
WEST DES MOINES WATER W	600-8150-63453	BACTEE SAMPLE	08/18/2015	15.00
Total WATER OPERATING FUND:				27,446.73
IMU ADMINISTRATION FUND				
911 ETC INC	620-8090-63730	911 MONTHLY ACCESS CHARGE	08/31/2015	25.83
BOB'S CUSTOM TROPHIES	620-8090-64990	NAME PLATE	08/20/2015	8.50
BRICK GENTRY P.C.	620-8090-64110	LEGAL SERVICES	08/25/2015	195.00
IMWCA	620-8080-61599	WORKERS COMP INSTALL	08/01/2015	452.00
INTEGRIVAULT	620-8090-64990	OFFSITE BACKUP - AUGUST	08/01/2015	250.00
IOWA ASSOC OF MUN UTILITIE	620-8092-64990	SAFETY CONSULTATION - JULY	07/31/2015	240.00
IOWA ONE CALL	620-8090-63730	EL-LOCATING NOTIFICATION/240 TICKETS	08/10/2015	216.00
IOWA ONE CALL	620-8090-63730	WA-LOCATING NOTIFICATION/242 TICKETS	08/10/2015	217.80
KLOOTWYK, MICHELLE	620-8080-61440	CHELLE AND JOHN GYM MEMBERSHIP - AU	08/03/2015	25.00
LEADER, THE	620-8090-64020	2015 FAIR/BALLOON AD	08/12/2015	49.00
RECORD-HERALD & INDIANOL	620-8090-64020	EL SUPERINTENDENT AD, INDIANOLA COM	08/02/2015	622.00
SHULL SCHRUM MCCLAFLIN &	620-8090-64010	AUDIT SERVICES	08/31/2015	1,900.00
SHULL, DOUG	620-8090-64990	TREASURER CONTRACT	08/24/2015	83.34
U.S. BANK	620-8090-67240	APPLE STORE - iANNOTATE PDF FOR ROZG	08/06/2015	9.99
UNUM LIFE INSURANCE CO OF	620-8080-61550	LIFE, AD&D AND LTD INSURANCE	09/03/2015	181.70
UNUM LIFE INSURANCE CO OF	620-8080-61550	LIFE, AD&D AND LTD INSURANCE	09/03/2015	148.82
Total IMU ADMINISTRATION FUND:				4,624.98
ELECTRIC OPERATING FUND				
AGRILAND FS INC	630-8220-65072	TORDON FOR PLANT	08/01/2015	19.29
ASPEN EQUIPMENT	630-8260-63320	REPAIRS TO UNIT #30	08/19/2015	1,100.61
CITY OF INDIANOLA - REBATE	630-8290-67306	A/C REBATE	08/13/2015	100.00
CITY OF INDIANOLA - REBATE	630-8290-67306	A/C REBATE	07/22/2015	200.00
CITY OF INDIANOLA - REBATE	630-8290-67306	A/C REBATE	07/07/2015	100.00
CITY OF INDIANOLA - REBATE	630-8290-67306	A/C REBATE	07/10/2015	100.00
CNM OUTDOOR EQUIPMENT	630-8250-65072	SHARPEN CAHIN ON CHAINSAW UNIT 28	08/21/2015	8.48
DUST PROS JANITORIAL	630-8220-64090	MONTHLY CLEANING (JULY) - ADMIN & ELE	08/21/2015	1,929.20

Vendor Name	GL Account Number	Description	Invoice Date	Net Invoice Amount
DUST PROS JANITORIAL	630-8220-64090	JANITORIAL SUPPLIES - ADMIN	08/21/2015	24.54
DUST PROS JANITORIAL	630-8220-64090	JANITORIAL SUPPLIES - ELECTRIC	08/21/2015	44.33
EDWARDS, NATHAN	630-8280-61440	WELLNESS JULY & AUG 2015	08/26/2015	50.00
ELECTRICAL ENG & EQUIP	630-8225-63410	MATERIAL FOR TURBINE #7	08/19/2015	27.87
GREGG'S AUTOMOTIVE	630-8260-63320	2014 EQUINOX OIL CHANGE	08/18/2015	27.51
IMWCA	630-8280-61599	WORKERS COMP INSTALL	08/01/2015	1,676.00
IOWA ASSOC OF MUN UTILITIE	630-8240-62300	JULY SAFETY CONSULTATION - ELECTRIC	07/31/2015	440.00
MC COY HARDWARE INC	630-8250-65072	HARDWARE AND 50 PACK SCREWS	07/22/2015	31.49
MC MASTER-CARR SUPPLY CO	630-8220-65072	DANGER TAG AND RECHARGEABLE BATTE	08/12/2015	96.60
MID AMERICAN ENERGY CO.	630-8210-63710	80950-24015 PLANT GAS 7/22/15 - 8/19/15	08/20/2015	55.00
MID AMERICAN ENERGY CO.	630-8240-63710	52180-25018 LINE SHOP GAS (O THERMS)	08/20/2015	10.00
MID AMERICAN ENERGY CO.	630-8210-63710	52390-25019 BOILER GAS (910 THERMS)	08/19/2015	451.83
MID AMERICAN ENERGY CO.	630-8210-63710	07991-36014 WEST SUB (O KWH)	08/13/2015	10.00
MUNICIPAL ENERGY AGENCY	630-8230-63991	PURCHASED POWER - JULY (NET ELECTRI	08/11/2015	849,059.66
MUNICIPAL ENERGY AGENCY	630-8230-63992	TRANSMISSION/ADJUSTMENT - JULY	08/11/2015	119,239.82
MUNICIPAL ENERGY AGENCY	630-8230-63990	LANDFILL GAS ATRIBUTES - JULY	08/11/2015	13,260.00
MUNICIPAL ENERGY AGENCY	630-8200-45629	20% 69KV 30.9 CREDIT/ADMIN FEE - JULY	08/11/2015	7,492.00-
MUNICIPAL ENERGY AGENCY	630-8230-63991	IND TRANS SYSTEM OPERATOR CHARGE	08/07/2015	5,141.54
NAPA AUTO PARTS	630-8250-65072	REPLACEMENT HAOSE FOR VAC	08/12/2015	70.72
NAPA AUTO PARTS	630-8250-65072	HOSE AND FITTINGS	08/12/2015	68.52
NAPA AUTO PARTS	630-8260-65072	OIL AND FUEL FILTERS FOR UNIT 29	08/18/2015	124.05
NAPA AUTO PARTS	630-8260-65072	AIR FILTER UNIT 29	08/18/2015	103.84
OXFORD TREE SERVICE	630-8250-63453	1600 W EUCLID - TREE REMOVAL	08/05/2015	625.00
PIERCE BROTHERS REPAIR	630-8220-65072	EXTENTIONS FOR REEL TRAILER	07/14/2015	167.48
PIERCE BROTHERS REPAIR	630-8220-65072	WELD ALUMINUM PARTS	07/24/2015	40.28
SHULL SCHRUM MCCLAFLIN &	630-8290-64010	AUDIT SERVICES	08/31/2015	700.00
SKARSHAUG TESTING LABORA	630-8240-65500	PRIMARY MIT PROTECTORS FOR JASON	08/07/2015	49.32
THEISEN'S	630-8250-65072	TOOL & REPLACEMENT END FOR BATTERY	08/11/2015	28.60
THEISEN'S	630-8220-65072	BATTERIES	08/14/2015	10.58
THEISEN'S	630-8260-65072	PLUG FOR VAC-TRON	08/19/2015	5.29
U.S. BANK	630-8225-63410	ECHO ELECTRIC SUPPLY - BREAKER FOR T	08/06/2015	976.62
U.S. CELLULAR	630-8240-63730	CELL PHONE - 11	08/12/2015	473.62
UNUM LIFE INSURANCE CO OF	630-8280-61550	LIFE, AD&D AND LTD INSURANCE	09/03/2015	369.53
UNUM LIFE INSURANCE CO OF	630-8280-61550	LIFE, AD&D AND LTD INSURANCE	09/03/2015	408.40
VERMEER SALES & SERVICE	630-8250-65072	NOZZLE FOR VAC	08/12/2015	342.00
VERMEER SALES & SERVICE	630-8250-65072	PARTS FOR VAC	08/19/2015	445.52
WARREN COUNTY OIL	630-8260-65072	FC-INVOICE #K2081	07/31/2015	58.59
Total ELECTRIC OPERATING FUND:				990,779.73
FIBER/COMMUNICATIONS FUND				
IOWA ONE CALL	640-8550-64990	FIBER - LOCATING NOTIFICATION/171 TICK	08/10/2015	153.90
Total FIBER/COMMUNICATIONS FUND:				153.90
WATER CAPITAL PROJECTS FUND				
HD SUPPLY WATERWORKS	700-8100-67406	CREDIT	04/29/2015	7,000.00-
HD SUPPLY WATERWORKS	700-8100-67906	MATERIALS	08/07/2015	106.12
HD SUPPLY WATERWORKS	700-8100-67906	MATERIALS	08/13/2015	178.05
HD SUPPLY WATERWORKS	700-8100-67906	MATERIALS	08/13/2015	1,295.00
HD SUPPLY WATERWORKS	700-8100-67906	PVC PIPE	08/18/2015	110.00
VEENSTRA & KIMM	700-8100-67406	2015 IOWA AVENUE WATER MAIN PROJECT	08/21/2015	993.63
Total WATER CAPITAL PROJECTS FUND:				4,317.20-
ELECTRIC CAPITAL PROJECTS FUND				
HOFFMAN COMMUNICATIONS	730-8200-67303	400 SOUTH 8TH CT DEVELOPMENT	08/19/2015	8,550.00
METERING & TECHNOLOGY SO	730-8200-67906	9S & 6S METERS	08/19/2015	3,235.76

Vendor Name	GL Account Number	Description	Invoice Date	Net Invoice Amount
MUNICIPAL ENERGY AGENCY	730-8200-45629	80% 69KV 30.9 CREDIT/ADMIN FEE - JULY	08/11/2015	29,967.99-
POWER & TEL	730-8200-67906	UPS BATTERY BACK UP	08/18/2015	829.41
TERRY-DURIN CO.	730-8200-67906	PLOYCRETE HANDHOLES	08/12/2015	1,414.27
VANDERPOOL PLUMBING	730-8200-67604	1302 N 6TH	08/13/2015	166.08
WESCO	730-8200-67906	RED AND ORANGE LOCATE PAINT	08/04/2015	197.41
WESCO	730-8200-67906	HEAT SHRINK TUBES	08/04/2015	88.78
WESCO	730-8200-67906	3 KV ARREST RISER GRADE	08/10/2015	360.93
WESCO	730-8200-67906	BARE ALUM TIE WIRE 150W N/C BULBS	08/11/2015	415.31
WESCO	730-8200-67906	BLACK TAPE C-NECK INSULATORS	08/11/2015	461.97
WESCO	730-8200-67906	WIRE	08/14/2015	1,248.65
WESCO	730-8200-67906	SMALL WOOD ARM BRACE	08/14/2015	51.09
WESCO	730-8200-67906	12/2 ROMEX WIRE	08/18/2015	360.40
WESCO	730-8200-67906	LOCK OUT/TG OUT HOLD TAGS	08/18/2015	598.90
Total ELECTRIC CAPITAL PROJECTS FUND:				11,989.03-
CASH ALLOCATION FUND				
THOMPSON, ELISABETH	999-0000-11005	REFUND CREDIT ON ACCT.	08/17/2015	278.92
Total CASH ALLOCATION FUND:				278.92
Grand Totals:				1,006,978.03

Board of Trustees: ____

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IMU Regular Downstairs **4. B.**
Meeting Date: 09/14/2015

Information

Subject
In your packet are the August 24, 31, and September 3, 2015 minutes for your approval.

Information

Financial Impact
N/A

Staff Recommendation
Simple motion to approve is in order.

Attachments

August 24, 2015 Minutes
August 31, 2015 Minutes
September 3, 2015 Minutes

BOARD OF TRUSTEE MINUTES
REGULAR SESSION – AUGUST 24, 2015

Mayor Kelly Shaw administered the oath of office to Adam Voigts.

The Board of Trustees met in regular session at 5:30 p.m. on August 24, 2015 in the City Hall Council Chambers. Co-Chairperson Deb White called the meeting to order and on roll call the following members were present: Heather Hulen, Mike Rozga, Adam Voigts and Deb White. Absent: Jim McClymond.

The consent agenda consisting of the following was approved on a motion by Hulen and seconded by Rozga. Question was called for and on voice vote Co-Chair White declared the motion carried unanimously.

August 17, 2015 claims and July 2015 receipts

August 3, 2015 minutes

<u>Salary:</u> Garry Cunningham, Water Operator 1, from Range 21-2 $46,171/year to Range 21-2 1/2 $47,089/year effective August 9, 2015

The following resolution entitled, "RESOLUTION CONFIRMING AUTHORIZATION OF TEMPORARY INCREASE IN EMPLOYEE PAY" was approved on a motion by Rozga and seconded by Hulen. On roll call the vote was, AYES: Voigts, Hulen, White and Rozga. NAYS: None. ABSENT: McClymond. Whereupon Co-Chair White declared the motion carried unanimously and the following resolution duly adopted.

RESOLUTION NO. 161
RESOLUTION CONFIRMING AUTHORIZATION OF TEMPORARY
INCREASE IN EMPLOYEE PAY

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

The July 2015 Treasurer's report was approved on a motion by Hulen and seconded by Voigts. Question was called for and on voice vote Co-Chair White declared the motion carried unanimously.

Financial Director Chris Des Planques presented the July 2015 financial report.

Interim Electric Superintendent Mike Metcalf presented the electric department report.

Water Superintendent Lou Elbert presented the water department report.

The Network Services Department report was presented by Interim Electric Superintendent Mike Metcalf.

Mike Metcalf presented the quarterly safety report.

A public hearing on the plans, specifications, form of contract and estimate of cost for the 2016 Vehicle Storage Building was held. There were no objections either oral or written. Kelly Shaw, 101 Phillip Place, asked if funds to construct this building had been budgeted. Staff reported money for this project had been placed in the capital improvement budget. Co-Chair White announced that no bids had been received on August 12, 2015 for the 2016 Vehicle Storage Building. Voigts moved and Hulen seconded to strike the following items from the IMU Board of Trustee Agenda.

- Resolution adopting plans, specifications, form of contract and estimate of cost
- Resolution making award of construction contract

- Resolution approving construction contract and bond

Question was called for and on voice vote Co-Chair White declared the motion carried unanimously.

A motion was made by Rozga and seconded by Voigts to approve the 2013 Hwy 92 Relocation Reimbursement Agreement Addendum #2. Question was called for and on voice vote Co-Chair White declared the motion carried unanimously.

It was moved by Hulen and seconded by Rozga to approve the bid from Saft America Inc. in an amount of $12,152.41 for the Turbine #7 Battery Bank and authorized staff to request an additional full year warranty (twenty-year warranty=3-year full warranty and 17 year pro-rated). Question was called for and on voice vote Co-Chair White declared the motion carried unanimously.

The Board discussed the Executive Search Firm Proposals for the General Manager hiring process. It was the consensus of the Board to attend the City Council interviewing process on August 31, 2015 and to authorize staff to receive information from IAMU and APPA organizations regarding their executive search process.

Meeting adjourned on a motion by Voigts and seconded by Rozga.

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Deb White, Co-Chair Diana Bowlin, City Clerk

BOARD OF TRUSTEE MINUTES
SPECIAL SESSION – AUGUST 31, 2015

The Board of Trustees met in special session at 6:00 p.m. on August 31, 2015 in the City Hall Council Chambers. Co-Chairperson Deb White called the meeting to order and on roll call the following members were present: Heather Hulen, Jim McClymond, Mike Rozga, and Deb White. Absent: Adam Voigts.

Also present were Mayor Kelly Shaw and City Council members Greg Marchant, Eric Mathieu, John Parker Jr., Pam Pepper, Brad Ross and Greta Southall.

Board member Adam Voigts arrived at the meeting.

The Board of Trustees, Mayor and City Council members meet to interview the following four executive search firms for the General Manager's and City Manager's position.

The Mercer Group Inc.
Santa Fe, NM

Waters & Company
Addison, TX

Colin Baenziger & Associates
Daytona Beach Shores, FL

Strategic Government Resources
Keller, TX

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

Deb White, Co-Chair

Diana Bowlin, City Clerk

BOARD OF TRUSTEE MINUTES
SPECIAL SESSION – SEPTEMBER 3, 2015

The Board of Trustees met in special session at 5:30 p.m. on September 3, 2015 in the City Hall Council Chambers. Co-Chairperson Deb White called the meeting to order and on roll call the following members were present: Heather Hulen, Jim McClymond, Mike Rozga, Adam Voigts and Deb White.

The Board of Trustees members meet to interview Troy DeJoode, Executive Director of the Iowa Association of Municipal Utilities, as an executive search firm for the General Manager's position.

A motion was made by Voigts and seconded by Hulen to approve hiring Troy DeJoode, of the Iowa Association of Municipal Utilities, as the executive search firm for the General Manager's position subject to negotiating better terms than offered. Question was called for and on voice vote Co-Chair White declared the motion carried unanimously.

Board member McClymond updated the Board on the City of Waverly Broadband system.

The Board discussed agenda items for the upcoming joint meeting with the City Council on September 14, 2015 including Home Based Iowa, Broadband and Economic Development.

Meeting adjourned on a motion by Voigts and seconded by Rozga.

Deb White, Co-Chair

Diana Bowlin, City Clerk

IMU Regular Downstairs **4. C.**

Meeting Date: 09/14/2015

Information

Subject

Salaries, Continuation of Temporary Reassignment of Duties

Information

In February of this year, the board approved the following temporary reassignment of duties and appropriate compensation:

Jason Henle, Line Mechanic, from $57,483/year plus longevity to Temporary Crew Chief, at $63,034/year plus longevity. Jason has assumed the duties of a two-person crew leader as well as apprentice training responsibilities. This arrangement has allowed Crew Chief Greg Brangers to assume resident review and owner's inspection duties on the Y Street and Hwy 92 projects at his current wage, which has solved numerous problems in the field and provided excellent customer service by being on-site much more than what would be feasible under a contracted service.

This arrangement was approved for the time period of February 22, 2015 through September 5, 2015. With all of the delays throughout the summer, the Hwy 92 project is still ongoing and therefore the need for the reassignment of duties still exists.

Financial Impact

N/A

Staff Recommendation

Interim Electric Superintendent Mike Metcalf is recommending the continuation of this arrangement until the certificate of final completion for the Hwy 92 project is approved by the board. Since there was a negotiated cost of living adjustment for this position in June, the Temporary Crew Chief salary is now $64,767/year plus longevity and would stay in effect until the project is completed.

Simple motion to approve is in order.

IMU Regular Downstairs **5. A.**
Meeting Date: 09/14/2015

Information

Subject
News Items

Information
Attached are notable news items for the week of September 8-12. Questions can be addressed by staff during their respective reports.

Financial Impact
N/A

Staff Recommendation

Attachments

News Items

NEWS ITEMS

TO: IMU Trustees
FROM: IMU Administrative Staff
DATE: September 11, 2015

1. **Water Main Issues:** Customer in the 800-900 blocks of North C Street have been experiencing discolored water recently due to the age of the water main that serves that area. Superintendent Lou Elbert has spoken with each customer and is in the process of determining a course of action, which will most likely be to replace that section of main. Until then, water crews continue to flush hydrants in that area which temporarily fixes the issue.

2. **Hwy 92 Electric Facility Damage:** A contractor working on the West 92 Hwy Project hit a conduit with our newly installed primary feeder cable in it. This facility hasn't been turned over to IMU as it is not yet energized. Watts Electric (IMU contractor) has been informed that they will need to make the repairs and bill the contractor who hit it. IMU will need to supply some materials to make the repair and Watts will reimburse us.

3. **Pole Damage:** An IMU transmission pole caught on fire this past weekend at the corner of R63 and Inwood Street. It appears to have been caused by lightning. The damage will require us to replace the structure and so staff is working on getting estimates from contractors.

4. **MEC Stakeholders Meeting:** Mike Metcalf attended MidAmerican Energy's local area transmission planning and stakeholders meeting this past week in Ankeny. The purpose of the meeting was to inform transmission owners of MEC's plans to make changes to their transmission system that could affect other utilities that are connected to them. None of the changes are expected to affect IMU's transmission system at this time.

IMU Regular Downstairs **5. B.**

Meeting Date: 09/14/2015

Information

Subject

Treasurer Report, Doug Shull

Information

The August 2015 Report is attached.

Financial Impact

N/A

Staff Recommendation

Attachments

August 2015 Treasurer Report

FINANCIAL REPORT
MONTH OF AUGUST, 2015

FUND	Beginning Balance	Monies Received	Monies Disbursed	Transfer In	Transfer Out	Clerk's Balance	% of Total
001 General Government	1,125,334.19	76,384.60	145,721.55	117,985.93	2,768.73	1,171,214.44	
011 Police	214,834.25	460.46	167,259.93	24,875.00	324.45	72,585.33	
015 Fire	272,026.64	8,861.92	34,426.19	0.00	24.72	246,437.65	
016 Ambulance	294,815.81	76,537.48	74,543.81	0.00	5,572.66	291,236.82	
041 Library	-40,045.38	1,524.90	53,598.95	0.00	61.80	-92,181.23	
042 Park & Recreation	378,388.14	24,532.52	92,173.25	0.00	123.60	310,623.81	
045 Memorial Pool	-54,350.54	16,703.58	27,327.25	0.00	0.00	-64,974.21	
071 General Fund Deb Service	55,904.59	0.00	0.00	0.00	0.00	55,904.59	
099 Franchise Fees-MEC	386,085.70	0.00	0.00	0.00	0.00	386,085.70	
GENERAL FUND SUB-TOTAL	**2,632,993.40**	**205,005.46**	**595,050.93**	**142,860.93**	**8,875.96**	**2,376,932.90**	
110 Road Use Tax (Streets)	1,136,108.08	204,912.94	79,746.60	0.00	15,866.48	1,245,407.94	
112 Trust & Agency	0.00	0.00	0.00	0.00	0.00	0.00	
115 YMCA Maintenance Obligations	93,081.46	0.00	0.00	0.00	0.00	93,081.46	
125 TIF--Downtown	390,209.60	0.00	0.00	0.00	0.00	390,209.60	
126 TIF--East Hwy 92	15,780.80	0.00	0.00	0.00	0.00	15,780.80	
127 TIF--Hillcrest/Industrial Park	80,417.38	0.00	0.00	0.00	0.00	80,417.38	
141 Library Special Revenue	34,918.83	1,337.28	686.02	0.00	0.00	35,570.09	
142 Park & Rec Special Revenue	136,391.12	2,502.87	3,763.28	0.00	0.00	135,130.71	
160 Downtown Revolving Loan	64,094.33	2,105.76	0.00	0.00	0.00	66,200.09	
161 Downtown Business Inc Program	63,855.63	0.00	603.31	0.00	0.00	63,252.32	
177 Police Forfeiture	19,830.07	0.00	0.00	0.00	0.00	19,830.07	
190 Vehicle Reserve	68,187.72	0.00	0.00	2,083.33	0.00	70,271.05	
199 Police Retirement	99,962.87	127.84	0.00	0.00	1,041.67	99,049.04	
SPECIAL REVENUES SUB-TOTAL	**2,202,837.89**	**210,986.69**	**84,799.21**	**2,083.33**	**16,908.15**	**2,314,200.55**	
200 DEBT SERVICE (SUB-TOTAL)	**1,333,794.90**	**0.00**	**0.00**	**51,600.00**	**0.00**	**1,385,394.90**	
301 Capital Projects (General)	101,989.73	0.00	0.00	0.00	0.00	101,989.73	
321 Capital Projects (Streets)	-152,748.55	475.00	200.00	0.00	0.00	-152,473.55	
344 Community Athletic Facility	5,728.89	7.58	873.75	0.00	0.00	4,862.72	
353 Community ReDevelopment (D&D)	-43,589.89	0.00	0.00	0.00	0.00	-43,589.89	
CAPITAL PROJECTS SUB-TOTAL	**-88,619.82**	**482.58**	**1,073.75**	**0.00**	**0.00**	**-89,210.99**	
610 Sewer	288,343.54	0.00	81,872.98	143,725.00	35,935.59	314,259.97	
650 Stormwater Utility	438,741.39	16,727.62	0.00	0.00	5,116.67	450,352.34	
670 Recycling	77,686.60	18,253.11	15,492.80	0.00	1,508.33	78,938.58	
710 Sewer Capital Projects	252,844.66	249,667.60	15,845.65	0.00	231,466.67	255,199.94	
771 Sewer Reserve	114,238.70	0.00	0.00	0.00	0.00	114,238.70	
781 Sewer Plant Improvement	344,655.84	0.00	0.00	2,083.33	0.00	346,739.17	
791 Sewer Revenue Bonds	324,036.19	0.00	0.00	58,791.67	0.00	382,827.86	
820 Health Insurance	963,283.79	119,488.92	101,807.36	0.00	0.00	980,965.35	
830 Health Reimbursement Account	333,215.16	0.00	14,509.74	0.00	0.00	318,705.42	
840 Flex/STD	213,318.15	1,975.40	4,949.50	1,375.05	0.00	211,719.10	
850 Liability Insurance Reserve--City	36,557.70	45.50	440.11	0.00	0.00	36,163.09	
CITY UTILITY & IS SUB-TOTAL	**3,386,921.72**	**406,158.15**	**234,918.14**	**205,975.05**	**274,027.26**	**3,490,109.52**	
TOTAL CITY FUNDS	**9,467,928.09**	822,632.88	915,842.03	402,519.31	299,811.37	**9,477,426.88**	56%
TOTAL IMU FUNDS	**6,460,818.23**	1,800,318.18	846,966.85	183,166.68	285,874.62	**7,311,461.62**	44%
GRAND TOTAL CITY & IMU	**15,928,746.32**	2,622,951.06	1,762,808.88	585,685.99	585,685.99	**16,788,888.50**	
Cross Check Total						16,788,888.50	

Investments				
Bankers Trust	$ 13,965,333.41	2.04%	Clerk's Balance	16,788,888.50
Iowa Public Agency Inv. Trust	$ 111,118.61	0.010%	Plus Outstanding Checks	128,769.57
Payroll Account, City State Bank	$ -	Earnings Credit		
Checking Account, City State Bank	$ 225,676.84	Earnings Credit	Oustanding Deposit	-45,123.68
Checking & Payroll Account, Community Bank	$ -			
Sweep Account, City State Bank	$ 2,570,405.53	0.04%		
BANK BALANCE	**16,872,534.39**			**16,872,534.39**

600 Water	54,514.56	196,059.38	77,301.37	0.00	118,051.04	55,221.53
620 IMU Administration	55,566.94	0.00	48,541.19	88,350.00	31,245.13	64,130.62
625 Revolving Economic Development	105,025.81	132.18	0.00	0.00	0.00	105,157.99
626 USDA RLF	225,000.00	0.00	0.00	0.00	0.00	225,000.00
630 Electric	1,235,721.92	1,252,193.20	282,318.23	22,566.67	126,767.52	2,101,396.04
640 Fiber/Communications	311,112.34	28,747.19	36,362.04	0.00	9,810.93	293,686.56
700 Water Capital Projects	956,358.57	0.00	2,080.57	35,991.67	0.00	990,269.67
730 Electric Capital Projects	2,757,043.04	323,166.73	400,363.45	-58,333.33	0.00	2,621,512.99
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	183,767.18	0.00	0.00	22,925.00	0.00	206,692.18
793 Electric Revenue Bonds	350,628.29	0.00	0.00	71,666.67	0.00	422,294.96
855 Liability Insurance Reserve--IMU	16,079.58	19.50	0.00	0.00	0.00	16,099.08
IMU SUB-TOTAL	6,460,818.23	1,800,318.18	846,966.85	183,166.68	285,874.62	7,311,461.62

INTEREST DISTRIBUTION	INTEREST INCOME	% OF TOTAL	CALYTD	FYTD
Electric Funds	$ 7,626.17	35.20%	$ 72,783.62	$ 15,624.42
Water Funds	$ 1,770.29	8.17%	$ 16,910.45	$ 4,057.98
Sewer Funds	$ 1,239.42	5.72%	$ 17,322.68	$ 3,521.32
Police Retirement	$ 127.84	0.59%	$ 1,146.71	$ 269.73
Community Redevelopment	$ -	0.00%	$ 12,930.95	$ -
All other	$ 10,904.56	50.32%	$ 87,954.19	$ 27,153.00
TOTAL	$ 21,668.28	100.00%	$ 209,048.60	$ 50,626.45

IMU Regular Downstairs **5. C.**
Meeting Date: 09/14/2015

Information

Subject
Financials, Chris DesPlanques

Information
Attached are the August revenue and expenditure reports and variance report.

Financial Impact
N/A

Staff Recommendation
Simple motion to approve is in order.

Attachments

August 2015 O&M Reports
August 2015 Capital Reports
August 2015 Variance Report

CITY OF INDIANOLA IA
FUND SUMMARY
FOR THE 2 MONTHS ENDING AUGUST 31, 2015

WATER OPERATING FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	VARIANCE	PCNT
REVENUE					
WATER	196,059.38	387,286.80	2,429,900.00	2,042,613.20	15.9
TOTAL FUND REVENUE	196,059.38	387,286.80	2,429,900.00	2,042,613.20	15.9
EXPENDITURES					
PLANT OPERATIONS	40,980.84	92,371.41	550,700.00	458,328.59	16.8
PLANT MAINTENANCE	1,129.11	1,211.73	39,500.00	38,288.27	3.1
WATER DISTRIBUTION	16,970.31	35,136.57	248,300.00	213,163.43	14.2
FLEET/VEHICLES	1,156.76	2,476.31	19,000.00	16,523.69	13.0
METER READING	839.38	2,120.21	13,200.00	11,079.79	16.1
OVERHEAD	16,169.03	61,031.79	256,700.00	195,668.21	23.8
ADMIN/GENERAL	148.64	148.64	1,500.00	1,351.36	9.9
IMU TRANSFERS	112,141.67	240,783.34	1,345,700.00	1,104,916.66	17.9
CITY TRANSFERS	5,816.67	11,633.34	69,800.00	58,166.66	16.7
TOTAL FUND EXPENDITURES	195,352.41	446,913.34	2,544,400.00	2,097,486.66	17.6
NET REVENUE OVER EXPENDITURES	706.97	(59,626.54)	(114,500.00)	(54,873.46)	(52.1)

CITY OF INDIANOLA IA
FUND SUMMARY
FOR THE 2 MONTHS ENDING AUGUST 31, 2015

IMU ADMINISTRATION FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	VARIANCE	PCNT
REVENUE					
IMU ADMINISTRATION	88,350.00	263,550.00	1,060,700.00	797,150.00	24.9
TOTAL FUND REVENUE	88,350.00	263,550.00	1,060,700.00	797,150.00	24.9
EXPENDITURES					
OVERHEAD	5,114.94	20,215.60	82,600.00	62,384.40	24.5
ADMIN/GENERAL	28,849.03	85,346.55	436,000.00	350,653.45	19.6
IMU ADMIN--GM	10,679.02	27,070.57	152,300.00	125,229.43	17.8
IMU ADMIN--SAFETY	3,960.00	4,420.00	15,500.00	11,080.00	28.5
CITY TRANSFERS	31,183.33	62,366.66	374,300.00	311,933.34	16.7
TOTAL FUND EXPENDITURES	79,786.32	199,419.38	1,060,700.00	861,280.62	18.8
NET REVENUE OVER EXPENDITURES	8,563.68	64,130.62	.00	(64,130.62)	.0

CITY OF INDIANOLA IA
FUND SUMMARY
FOR THE 2 MONTHS ENDING AUGUST 31, 2015

ELECTRIC OPERATING FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	VARIANCE	PCNT
REVENUE					
ELECTRIC	1,274,759.87	2,319,803.47	13,680,700.00	11,360,896.53	17.0
TOTAL FUND REVENUE	1,274,759.87	2,319,803.47	13,680,700.00	11,360,896.53	17.0
EXPENDITURES					
PLANT OPERATIONS	10,009.31	22,792.56	141,300.00	118,507.44	16.1
PLANT MAINTENANCE	12,342.88	22,796.11	142,100.00	119,303.89	16.0
TURBINES	46,180.72	46,180.72	80,000.00	33,819.28	57.7
PURCHASED ENERGY	.00	1,596,715.32	9,855,000.00	8,258,284.68	16.2
DISTRIBUTION OPERATIONS	1,427.87	2,342.37	137,000.00	134,657.63	1.7
DISTRIBUTION MAINTENANCE	77,836.49	163,727.44	992,000.00	828,272.56	16.5
TRANSMISSION	89,390.08	90,800.55	13,100.00	(77,700.55)	693.1
FLEET/VEHICLES	2,428.48	6,744.28	75,000.00	68,255.72	9.0
METER READING	3,357.46	8,480.81	49,700.00	41,219.19	17.1
OVERHEAD	36,385.20	195,704.65	593,000.00	397,295.35	33.0
ADMIN/GENERAL	3,160.59	4,861.59	62,000.00	57,138.41	7.8
IMU TRANSFER	75,866.67	214,266.67	910,400.00	696,133.33	23.5
CITY TRANSFERS & PILOT	50,700.00	101,400.00	608,400.00	507,000.00	16.7
ECONOMIC DEVELOPMENT TRANSFE	.00	.00	35,000.00	35,000.00	.0
TOTAL FUND EXPENDITURES	409,085.75	2,476,813.07	13,694,000.00	11,217,186.93	18.1
NET REVENUE OVER EXPENDITURES	865,674.12	(157,009.60)	(13,300.00)	143,709.60	(1180.

CITY OF INDIANOLA IA
FUND SUMMARY
FOR THE 2 MONTHS ENDING AUGUST 31, 2015

FIBER/COMMUNICATIONS FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	VARIANCE	PCNT
REVENUE					
FIBER/COMMUNICATIONS	28,747.19	52,831.41	357,000.00	304,168.59	14.8
TOTAL FUND REVENUE	28,747.19	52,831.41	357,000.00	304,168.59	14.8
EXPENDITURES					
DEPARTMENT 8299	.00	.00	35,000.00	35,000.00	.0
FIBER/COMMUNICATIONS	36,362.04	39,384.37	310,900.00	271,515.63	12.7
IMU TRANSFER	9,810.93	25,444.27	93,800.00	68,355.73	27.1
TOTAL FUND EXPENDITURES	46,172.97	64,828.64	439,700.00	374,871.36	14.7
NET REVENUE OVER EXPENDITURES	(17,425.78)	(11,997.23)	(82,700.00)	(70,702.77)	(14.5)

CITY OF INDIANOLA IA
REVENUES/EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 2 MONTHS ENDING AUGUST 31, 2015

WATER CAPITAL PROJECTS FUND

		PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEARNED	PCNT
	WATER CAPITAL PROJECTS					
700-8100-48000	SALE OF LAND/ALLEYS	.00	.00	20,000.00	20,000.00	.0
700-8100-49900	TRANSFER IN--WATER IMPROVE	35,991.67	71,983.34	431,900.00	359,916.66	16.7
	TOTAL WATER CAPITAL PROJECTS	35,991.67	71,983.34	451,900.00	379,916.66	15.9
	TOTAL FUND REVENUE	35,991.67	71,983.34	451,900.00	379,916.66	15.9
	WATER CAPITAL PROJECTS					
700-8100-67402	WATER TOWERS	.00	875.00	130,000.00	129,125.00	.7
700-8100-67403	WELL MAINTENANCE	.00	.00	100,000.00	100,000.00	.0
700-8100-67405	VALVES/HYDRANT REPLACEMENT	.00	.00	15,000.00	15,000.00	.0
700-8100-67406	WATER MAINS	419.20	869.17	225,000.00	224,130.83	.4
700-8100-67905	METERS (NON-RADIO READ)	3,726.87	3,726.87	30,000.00	26,273.13	12.4
700-8100-67906	MATERIALS--STOCK/INVENTORY	(2,065.50)	(2,065.50)	.00	2,065.50	.0
	TOTAL WATER CAPITAL PROJECTS	2,080.57	3,405.54	500,000.00	496,594.46	.7
	TOTAL FUND EXPENDITURES	2,080.57	3,405.54	500,000.00	496,594.46	.7
	NET REVENUE OVER EXPENDITURES	33,911.10	68,577.80	(48,100.00)	(116,677.80)	142.6

CITY OF INDIANOLA IA
REVENUES/EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 2 MONTHS ENDING AUGUST 31, 2015

ELECTRIC CAPITAL PROJECTS FUND

		PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEARNED	PCNT
	ELECTRIC CAPITAL PROJECTS					
730-8200-45629	MISO TRANSMISSION REVENUE	.00	69,464.20	426,000.00	356,535.80	16.3
730-8200-45632	PEAK CAPACITY CONTRACT	29,600.00	59,200.00	355,200.00	296,000.00	16.7
730-8200-45633	SUBSTATION CAPACITY	5,928.00	5,928.00	71,100.00	65,172.00	8.3
730-8200-45638	ELECTRIC INSTALL FEE	.00	.00	166,700.00	166,700.00	.0
730-8200-45853	FIBER SERVICE INSTALLATIONS	33,994.01	33,994.01	231,000.00	197,005.99	14.7
730-8200-47100	REFUNDS/REIMBURSEMENTS	253,644.72	275,343.16	.00	(275,343.16)	.0
730-8200-49793	TRANSFER IN--ELECTRIC REV IMPR	(58,333.33)	(116,666.66)	(700,000.00)	(583,333.34)	(16.7)
	TOTAL ELECTRIC CAPITAL PROJECT	264,833.40	327,262.71	550,000.00	222,737.29	59.5
	TOTAL FUND REVENUE	264,833.40	327,262.71	550,000.00	222,737.29	59.5
	ELECTRIC CAPITAL PROJECTS					
730-8200-67100	VEHICLES	.00	.00	200,000.00	200,000.00	.0
730-8200-67245	SPECIALIZED EQUIPMENT	.00	.00	115,000.00	115,000.00	.0
730-8200-67303	BORING--CUSTOMER PAID	.00	.00	35,000.00	35,000.00	.0
730-8200-67304	ELECTRIC MATERIALS--CUSTOMER P	6,211.68	6,211.68	100,000.00	93,788.32	6.2
730-8200-67305	TRANSMISSION & WIND INVENTORY	.00	.00	70,000.00	70,000.00	.0
730-8200-67307	PROJECT 700	.00	.00	3,000.00	3,000.00	.0
730-8200-67311	LINE CONSTRUCTION	.00	.00	60,000.00	60,000.00	.0
730-8200-67601	COMMUNICATION SYSTEM CONSTR	593.71	5,990.48	225,000.00	219,009.52	2.7
730-8200-67603	FIBER DROPS (SERVICE LINES)	2,057.98	7,537.35	.00	(7,537.35)	.0
730-8200-67604	ONTS (EQUIPMENT ON BUILDINGS)	2,475.99	5,997.39	.00	(5,997.39)	.0
730-8200-67900	CAPITAL PROJECT EXPENSE	.00	.00	35,000.00	35,000.00	.0
730-8200-67901	FINANCIAL SYSTEM	.00	.00	100,000.00	100,000.00	.0
730-8200-67903	HWY 92 W 69KV RELOCATION	317,261.87	406,507.81	.00	(406,507.81)	.0
730-8200-67904	RADIO READ METERS	.00	.00	10,000.00	10,000.00	.0
730-8200-67905	HWY 92 WEST RELOCATION-IDOT	77,136.85	77,136.85	.00	(77,136.85)	.0
730-8200-67906	MATERIALS--STOCK/INVENTORY	(15,204.63)	(66,629.63)	.00	66,629.63	.0
730-8200-67908	HWY 92/Y ST RELOCATION PROJECT	9,830.00	9,830.00	.00	(9,830.00)	.0
	TOTAL ELECTRIC CAPITAL PROJECT	400,363.45	452,581.93	953,000.00	500,418.07	47.5
	TOTAL FUND EXPENDITURES	400,363.45	452,581.93	953,000.00	500,418.07	47.5
	NET REVENUE OVER EXPENDITURES	(135,530.05)	(125,319.22)	(403,000.00)	(277,680.78)	(31.1)

August 2015 Budget Variance Report
2015-16 Fiscal Year

Revenues and Expenditures

	YTD Actual	YTD Budget	% YTD Budget		MTD Actual	Month Budget	% Monthly Budget
Electric Utility							
Revenue	$ 2,319,803	$ 2,280,117	101.7%		$ 1,274,760	$ 1,140,058	111.8%
O&M Expenses (less capital txfr)	(2,476,813)	(2,282,333)	108.5%		(409,086)	(1,141,167)	35.8%
Capital Expenses	(452,582)	(158,833)	284.9%		(400,363)	(79,417)	504.1%
Net	**$ (609,592)**	**$ (161,049)**			**$ 465,311**	**$ (80,525)**	
Water Utility							
Revenue	$ 387,287	$ 404,983	95.6%		$ 196,059	$ 202,492	96.8%
O&M Expenses (less capital txfr)	(446,913)	(424,067)	105.4%		(195,352)	(212,033)	92.1%
Capital Expenses	(3,406)	(83,333)	4.1%		(2,081)	(41,667)	5.0%
Net	**$ (63,032)**	**$ (102,417)**			**$ (1,374)**	**$ (51,208)**	
Communications Utility							
Revenue	$ 52,831	$ 59,500	88.8%		$ 28,747	$ 29,750	96.6%
O&M Expenses	(64,829)	(73,283)	88.5%		(46,173)	(36,642)	126.0%
Net	**$ (11,997)**	**$ (13,783)**			**$ (17,426)**	**$ (6,892)**	

Total O&M and Capital Expenditures

	YTD Actual	Annual Budget	% Total Budget	vs.
Electric Utility	$ 2,929,395	$ 14,647,000	20.0%	16.7%
Water Utility	450,319	3,044,400	14.8%	16.7%
Communications Utility	64,829	439,700	14.7%	16.7%
Administrative Fund	199,419	1,060,700	18.8%	16.7%
Total	**$ 3,643,962**	**$ 19,191,800**	**19.0%**	**16.7%**

Fund Balances

	Actual	Budget Target	Actual % of Target		Reserve Target	Actual % of Reserve Target
Electric Utility	$ 4,722,909	$ 3,909,500	120.8%		$ 4,110,600	114.9%
Water Utility	1,045,491	648,400	161.2%		697,900	149.8%
Communications Utility	293,687	218,200	134.6%		218,200	134.6%
Total	**$ 6,062,087**	**$ 4,776,100**	**126.9%**		**$ 5,026,700**	**120.6%**

IMU Regular Downstairs **5. G.**

Meeting Date: 09/14/2015

Information

Subject

Fiber Marketing, Mahaska Communications Group (MCG)

Information

Attached to this agenda item is an outline for discussion, current Indianola take rate information, past marketing efforts and planned marketing efforts for the remainder of 2015. Steve Burnett, MCG Sales and Marketing Manager and Frank Hansen, MCG General Manager will be in attendance.

Financial Impact

N/A

Staff Recommendation

Attachments

MCG Discussion Points

Indianola Take Rate 2015-August

Mktg Indianola Past Year

Marketing in Indianola Remainder of 2015

MCG Discussion Points – IMU Board Meeting

September 14th, 2015

1. Where are we today?
    a. Take rate timeline
    b. Take rate comparison in Oskaloosa
2. How did we get here?
    a. Phase 1 (2006) – business community
        i. Target of 50 businesses
        ii. Reached 90 end of 2012
    b. IMU expanded fiber network in 2012 to include 25% of Indianola residential market
    c. Has take rate been what we expected? No. Why?
        i. MCG did not have the proper Sales/Mktg structure
            1. -added Sales/Mktg leadership
            2. -replaced sales representative
            3. -hired outside marketing firm
        ii. Difficult to market using traditional methods - not cost effective only serving 25% of community – very low value for marketing dollars spent.
            1. For this reason, many do not know who MCG is
        iii. Support is a differentiator for us – not cost effective to have staff dedicated to Indianola market
    d. 30% of current serving area is MDU's
        i. Traditionally not a strong customer base for MCG
    e. Marketing efforts over the past year
    f. Welcome thoughts from IMU Board
3. Where do we go from here?
    a. MCG Marketing plan remainder of 2015
    b. We strongly feel success hinges on a build out plan for the rest of Indianola
    c. MCG ready to commit marketing dollars and staff to Indianola if a plan is put in place and implemented
    d. Welcome thoughts from IMU Board

Take Rate - Indianola

8/31/2015 fh

Original Customers 90 Businesses

Customer Take Rate Past 3 Yrs

	YE 2012	YE 2013	YE 2014	8/31/2015
Business	94	109	109	109
Residential	38	144	269	315
Totals	132	253	378	424
Yr to Yr Residential Increase		279%	87%	17%

Current Take Rate in New Areas

	SE	N Howard	Totals
Premises Passed	1612	108	1720
Customers	296	14	310
Take Rate	18%	13%	18%
To Note: Apartments	505		
	29%	of total residential customers	

Oskaloosa Comparison

Started build in 2003 in limited areas, completed majority end of 2005

	2004	2005	2006	2007
Premises Passed	3200	5500	5570	5872
Customers Passed	500	1565	2669	3073
Take Rate	16%	28%	48%	52%
Yr to Yr Increase		213%	71%	15%

Marketing in Indianola - Past Year

Best Kept Secret campaign – May, June, and July 2014
- Letter sent, then 2 post cards 2 weeks & 4 weeks after letter
- Repeated the above steps 2 more times
- Mailed to current service area non-customers at the time – 1179 homes

Refer a Friend Program (MCG for you & Me) – July, August & September 2014
- Developed a refer a friend program to market to our existing customers
- Mailed them a letter and 2 postcards to make them aware of the program
- Made the program available on our website

Build my Neighborhood campaign/program – August & September 2014
- Developed a website landing page for people to go to in order to let us know they are interested in having service/plotted on map.
- Used print ads, postcards and other mediums to get the word out to customers
- Put it on the Indianola page of our website; receive traffic often to this day

You Deserve the Best Campaign – November, December, and January 2015
- Developed campaign originally for the North Howard addition
- After we mailed it to the new service area, we mailed to all our service area.
- Followed the same letter, postcard, postcard schedule for this campaign.
- During this campaign, we decided to announce that Gig would be available in January.

Gig is Coming – marketing and PR – January, February, March 2015
- Updated website with Gig materials
- Print ads for Gig announcement
- Press release for papers
- Press release for chamber newsletter
- Door to door information to all homes in our service area – to announce Gig and offer service to non-customers.

You are in the Top 5% campaign – May, June, and July 2015
- Letter will be sent, then 2 post cards 2 weeks & 4 weeks after letter
- Repeat the above steps 2 more times
- Mail to current service area non-customers at the time – 1179 homes

Love Campaign – August, September, and October 2015

- Developed campaign targeted at current service area non-customers
- Letter will be sent, then 2 post cards 2 weeks & 4 weeks after letter
- Repeat the above steps 2 more times
- Mail to current service area non-customers at the time – 1179 homes
- Potentially insert ad in community wide shopper.

Various other more community wide marketing

- Chamber ads/sponsorship
- Sponsorship of the Chamber Golf Tournament
- Balloon festival
- Indianola Holiday Parade participant
- Indianola High School Homecoming Parade participant
- MCG signage in new customer's yards
- Signage on vehicles
- Met with Iowa Realty group to introduce referral program
- Currently introducing a promotion of 2 free months internet to MDU customers

Business sales activity – Eddie and Steve

Marketing in Indianola the remainder of 2015

Refer a Friend Program (MCG for you & Me) – Repeat messaging

- Repeat the refer a friend program to our existing customers
- Mail them a letter and 2 postcards to make them aware of the program
- Insert message each of the remaining quarters in 2015.

Build my Neighborhood campaign/program – Sunset Knolls Additions

- Develop a door hanger introducing MCG benefits with Gigabit educational piece. Point those interested to a website as we did with North Howard.
- Plotted address's on a map for visual
- Put it on the Indianola page of our website

Holiday Promotion to be determined

Information

Subject

Quarterly Write-Offs to State Offset Program

Information

Attached are the 2nd Quarter (April-June) 2015 uncollected electric and water billings that will be sent to the state offset program. The state places unpaid accounts on file and collects amounts from any source due to the account holder, such as a state income tax refund or gambling winnings. The program has proven to be more successful and less costly than a collections agency.

The amounts of $20,233.15 for the Electric Utility and $4,715.02 for the Water Utility are a percentage of 2nd Quarter billings and are both slightly below-average than last years' write-off amounts for the same time period.

Financial Impact

N/A

Staff Recommendation

Simple motion approving the transfer of accounts in the presented amounts to the state offset program is in order.

Attachments

2015 2nd Quarter Writeoffs

Historical Write-offs

Jun-15

		Electric	%	Water	%
June	2013	$ 23,778.95	1.02%	$ 5,616.54	1.17%
September	2013	$ 22,223.60	0.68%	$ 4,456.19	0.71%
December	2013	$ 23,783.45	0.78%	$ 2,920.64	0.45%
March	2014	$ 20,913.08	0.77%	$ 5,165.68	1.00%
June	2014	$ 33,050.77	1.39%	$ 7,955.09	1.63%
September	2014	$ 16,911.80	0.51%	$ 3,830.77	0.64%
December	2014	$ 29,854.24	1.06%	$ 4,875.11	0.86%
March	2015	$ 14,545.47	0.55%	$ 3,829.29	0.77%
June	2015	$ 20,233.15	0.86%	$ 4,715.02	0.92%
Average for Qtr			1.09%		1.24%
Average for Report			0.85%		0.91%

IMU Regular Downstairs **7.**
Meeting Date: 09/14/2015

Information

Subject

Red Rock Community Action Program LIHEAP Vendor Agreement

Information

Under the attached agreement, Red Rock Area Community Action Program (RRACAP) serves as IMU's vendor for the Low-Income Home Energy Assistance Program (LIHEAP) for the coming year. This has been a long-standing arrangement that is beneficial in that RRACAP determines eligibility for federal assistance for IMU's electric customers without Clerk's Office staff being tied up with eligibility and federal requirements. RRACAP serves residents in five counties and attains economies of scale throughout the process.

Financial Impact

N/A

Staff Recommendation

Simple motion to approve is in order.

Attachments

RRACAP Vendor Agreement

VENDOR AGREEMENT
FY 2016 LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM

The following agreement is made between the local community action agency (local agency) administering the Low-Income Home Energy Assistance Program and:

Vendor: Indianola Municipal Utility UVC: 2153 Address: PO Box 299 Indianola IA 50125 Phone #: 515-961-9410 Fax #: Contact: Mary Zimmerman Email:	Red Rock Area Community Action Program, Inc. 3226 University Ave –Des Moines, IA 50311 Phone: 515-274-1334 Anne Bacon, Executive Director LIHEAP Phone: 515-274-9665

All provisions of this agreement are subject to the availability of federal funds. Information regarding applicants and beneficiaries under this program must remain confidential subject only to the limited release of information by the vendor to the state of Iowa as provided for in clause ten below. All vendors shall abide by the following provisions for the current Low-Income Home Energy Assistance Program.

1. The local agency will notify the vendor in writing of those households that have applied for Low-Income Home Energy Assistance. The local agency will notify the vendor on a weekly basis of those households that have been approved for either the Energy Assistance or Weatherization Assistance Programs.

2. Eligible households on whose behalf payments are made are third-party beneficiaries under this agreement. Therefore, all payments accepted by the vendor made by the local agency on behalf of an approved household must be applied as credit to that household's current energy account. **Regular LIHEAP benefits received may not be used to pay for home energy costs incurred prior to the start of the heating season in which payment was made. If the eligible household resides in the vendor's customary service area, the vendor cannot refuse to provide fuel that is paid for by the regular LIHEAP benefit unless an unsafe condition would result or the tank is owned by another vendor. Exceptions to the requirement for delivery by a vendor may be approved by the local agency, in consultation with the vendor, for circumstances that make delivery impossible and/or impractical, such as inclement weather, lack of available product, or other extenuating circumstances documented by the vendor.**

3. Any payment not accepted by the vendor must be returned to the local agency within 5 working days of its receipt. Any duplicate payment for a household or an account must be reported to the local agency within 5 working days.

4. The energy supplier will charge the approved household in its normal billing process the difference, if any, between the actual cost of the home energy and the amount of the payment made by the local agency.

5. The eligible household will not be treated adversely from other households because of receiving assistance under the Low-Income Home Energy Assistance Program. The energy supplier agrees not to discriminate either in cost of goods supplied or services provided, against the eligible household on whose behalf payments are made.

6. Incidental home energy costs such as charges for delivery, routine services, and reconnections may be paid with funds from this program. A price list of routine services that are normal and customary must be attached to this agreement (i.e., pressure check, safety / leak seek test, regulator replacement, after hour / same day / non-routine delivery, and other). Expenses for security deposits or tank rental/leasing will not be paid with funds from this program.

7. Within 30 days of the vendor's receipt of payment, the vendor will provide to the local agency a receipt for the amount of payment received, the date of the receipt, and the household name, address, and account number for which payment was made.

8. Payments received by vendors for households participating in a budget billing or level-payment plan shall be applied to such level payment account in the full amount of the level payment bill, with any remaining assistance being applied toward future level payment bills until exhausted. A level payment amount shall not be adjusted nor shall a recipient be requested or required to withdraw from a level payment plan due to receipt of program assistance. Program assistance shall not be applied toward reducing any account balance in favor of the utility, which is in excess of accrued level payments.

SIGNATURE REQUIRED ON PAGE 2

9. If a household terminates its account or changes vendors prior to termination of this agreement, the vendor shall contact the local subgrantee within 30 days to reconcile the existing account and to determine the distribution of any remaining funds. No funds paid under this program may be returned directly to any client without written authorization from the agency.

10. Energy suppliers will assist the state in collecting data concerning information on home energy consumption, amount and cost of fuels used for households eligible for LIHEAP assistance, payment history, or such other data as the state determines is reasonably necessary. Books, records, and other evidence pertaining to costs incurred and prices charged under this agreement, for the purpose of audit and/or examinations required for the proper administration of the program must be kept during the period of this agreement and for three (3) years thereafter.

11. The State of Iowa reserves the right to monitor the use of funds by the participating vendor in order to evaluate compliance with the provisions of this agreement.

12. **The deliverable fuel vendors agree to accept the $500 minimum LIHEAP benefit for deliverable fuel customers as meeting their requirement for minimum delivery.** The delivery must be made within 48 business hours after order by the agency with no additional charges. In the event of an emergency requiring delivery in less than 48 business hours, empty tank, etc., the vendors' customary charges will apply. Vendor agrees to accept local agency payment guarantees by phone, fax, or email for emergency fills of deliverable fuels and upon such notification make delivery.

13. Vendor may require a new customer to complete an account application, including a customer credit check, as a condition of delivery of propane paid for with LIHEAP funds. The results of a credit check cannot be the basis for refusal of delivery paid for by LIHEAP funds.

14. Vendor should make an effort to offer LIHEAP customers a payment plan for any balance due on their account and consider continued provision of fuel to the LIHEAP customer who maintains their payment plan.

15. This agreement does not require the vendor to extend credit to a LIHEAP customer and the vendor at its discretion may refuse delivery of additional fuel if the LIHEAP customer's benefit is exhausted or there is no other means for payment for the fuel.

16. The local agency and vendor will collaborate and to the extent practicable attempt to ensure the customer has continuous access to home heating.

17. The local agency and vendor will encourage regular monthly payments from households, including use of budget billing.

18. This agreement is effective when signed by the vendor and shall terminate on September 30, 2016. The termination of this agreement shall not discharge any obligation owed by either party to the other or to an eligible household if such obligation was incurred during the effective period of the agreement.

19. The local agency may terminate this agreement upon written notice for the breach by the vendor of any material term, condition or provision of this agreement. Either the agency or the vendor may terminate this agreement by giving the other party at least thirty (30) days written notice.

20. Upon termination of the agreement by either party or upon expiration of the agreement, the vendor shall within five business days remit to the local agency any unexpended funds paid to the vendor. The vendor shall provide a full accounting of the funds subject to this agreement within 30 days of termination or expiration of the agreement.

SIGNED:

____

Vendor Authorizing Signature

____

Date

RETURN TO:

Shannon Bills
Energy Manager

3226 University Ave
Des Moines, IA 50311

Date: 8/26/15

LIHEAP Phone: 515-274-9665

Information

Subject

Possible Motion for Choosing an Executive Search Firm for the General Manager Hiring Process

Information

The Board has completed interviews with four executive search firms and Troy DeJoode, Executive Director for the Iowa Association of Municipal Utilities (IAMU).

Financial Impact

N/A

Staff Recommendation

If the Board so chooses, simple motion to approve is in order.