

INDIANOLA MUNICIPAL UTILITIES



Electric • Network Services • Water

**IMU Board of Trustees of the  
Electric, Water and Communications Utilities  
July 25, 2016  
City Hall Council Chambers  
5:30 p.m.**

**Agenda**

1. Call to Order
2. Roll Call
3. Public Comments
4. Consent Agenda
  - A. Claims Lists for June 29th, July 5th and July 18th, 2016
  - B. Minutes from the June 21, June 27 and July 18, 2016 Board of Trustee Meetings
  - C. June 2016 Treasurer and Financial Reports
5. Electric Utility Action Items
  - A. Electric Generation Department Restructure
  - B. Annual IMPACT Community Action Program Vendor Agreement
6. Electric Utility Informational Items
7. Water Utility Informational Items
8. Communications Utility Action Items
  - A. Consider Revised Proposal from Magellan Advisors for the Broadband Implementation Plan
  - B. Consider Revised DA Davidson Placement Agent Engagement Letter

9. Communications Utility Informational Items
10. Other Business
  - A. Discuss August Meeting Dates
  - B. Insurance Committee Meeting Update
11. Adjourn

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**Information**

**Subject**

Claims Lists for June 29th, July 5th and July 18th, 2016

**Information**

The claims lists for June 29th, July 5th and July 18th, 2016 are attached for formal approval.

**Financial Impact**

N/A

**Staff Recommendation**

Simple motion is in order.

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**Attachments**

APPROVAL OF CLAIMS - IMU 06-29-16

APPROVAL OF CLAIMS - IMU 07-05-16

APPROVAL OF CLAIMS - IMU 07-18-16

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Vendor Name	GL Account Number	Description	Invoice Date	Net Invoice Amount
<b>WATER OPERATING FUND</b>				
ACCO UNLIMITED CORP.	600-8110-65010	LIQUID CHLORINATING	06/20/2016	1,373.55
DUST PROS JANITORIAL	600-8120-64090	MONTHLY CLEANING (JUNE) - WATER DEPT	06/21/2016	180.00
DUST PROS JANITORIAL	600-8120-64090	GALLON SOAP & AIR FILTERS	06/21/2016	143.26
ELECTRICAL ENG & EQUIP	600-8120-63410	WELL 10	06/15/2016	315.84
KEYSTONE LABORATORIES IN	600-8110-64990	WATER ANALYSIS	06/21/2016	39.00
MOFFITT TRENCHING LLC	600-8150-63453	FIX LEAK 912 CAROLINE TERR	06/16/2016	875.00
STATE HYGENIC LABORATORY	600-8110-64990	BACTEE SAMPLES	05/31/2016	187.50
TITAN MACHINERY	600-8160-63320	LATCH	06/13/2016	15.42
U.S. CELLULAR	600-8110-63730	CELL PHONE - 4	06/12/2016	181.28
Total WATER OPERATING FUND:				3,310.85
<b>ELECTRIC OPERATING FUND</b>				
IOWA ASSOC OF MUN UTILITIE	630-8240-62300	APPRENTICESHIP PROGRAM FEES, HUGHES	06/10/2016	667.50
U.S. CELLULAR	630-8240-63730	CELL PHONE - 11	06/12/2016	504.27
Total ELECTRIC OPERATING FUND:				1,171.77
<b>WATER CAPITAL PROJECTS FUND</b>				
HD SUPPLY WATERWORKS	700-8100-67906	MATERIALS	06/13/2016	474.21
METERING & TECHNOLOGY SO	700-8100-67905	METERS	06/16/2016	6,088.71
Total WATER CAPITAL PROJECTS FUND:				6,562.92
Grand Totals:				11,045.54

Board of Trustees: \_\_\_\_\_  
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Vendor Name	GL Account Number	Description	Invoice Date	Net Invoice Amount
<b>WATER OPERATING FUND</b>				
D.A. DAVIDSON & CO.	600-8190-64990	G.O. ISSUES/WATER REV ISSUES	06/23/2016	500.00
IA COMMUNITIES ASSURANCE	600-8180-64082	LIABILITY	06/30/2016	3,920.00
IA COMMUNITIES ASSURANCE	600-8180-64081	AUTO	06/30/2016	2,226.00
IA COMMUNITIES ASSURANCE	600-8180-64083	PROPERTY	06/30/2016	11,047.00
IMWCA	600-8180-61599	DEPOSIT 2016-17	06/01/2016	2,323.00
MUNICIPAL ENERGY AGENCY	600-8110-63710	PURCHASED POWER - MAY (WELL KWH & TRANS)	05/24/2016	128.31
VESSCO INC	600-8120-63410	C12 INJECTOR	06/20/2016	327.05
WEINMAN INSURANCE SERVIC	600-8180-64084	MACHINERY & EQUIPMENT COVERAGE - CINCINNATI INSURAN	05/26/2016	2,909.00
Total WATER OPERATING FUND:				23,380.36
<b>IMU ADMINISTRATION FUND</b>				
911 ETC INC	620-8090-63730	911 ANNUAL MEMBERSHIP FEE	06/28/2016	64.58
IA COMMUNITIES ASSURANCE	620-8080-64082	LIABILITY	06/30/2016	3,067.00
IMWCA	620-8080-61599	DEPOSIT 2016-17	06/01/2016	961.00
INFOMAX OFFICE SYSTEMS IN	620-8090-64990	LEASE - JULY	06/22/2016	218.37
INFOMAX OFFICE SYSTEMS IN	620-8090-64990	OVERAGE CHARGES (301)	06/21/2016	23.61
INFOMAX OFFICE SYSTEMS IN	620-8090-64990	SAVIN - IMAGING UNIT CONTRACT	06/21/2016	64.55
NOLASOFT DEVELOPMENT	620-8090-64990	2016 3RD QTR WEBSITE HOSTING	06/17/2016	120.00
SHULL, DOUG	620-8090-64990	TREASURER CONTRACT	06/28/2016	83.34
Total IMU ADMINISTRATION FUND:				4,602.45
<b>ELECTRIC OPERATING FUND</b>				
ASPEN EQUIPMENT	630-8250-64200	INSPECTION OF NEEDED REPAIR ON SAW	06/10/2016	158.66
CCP INDUSTRIES INC.	630-8250-65072	TOWELS FOR LINE SHOP	06/17/2016	208.36
CHAPMAN METERING	630-8250-65072	ELECTRIC METER EQUIPMENT - WPC	06/07/2016	870.79
CHAPMAN METERING	630-8250-64200	TESTING - WPC	06/07/2016	212.00
CHAPMAN METERING	630-8250-64200	SINGLE PHASE FIELD TEST & EQUIPMENT REPAIR	06/14/2016	50.62
CITY OF INDIANOLA - REBATE	630-8290-67306	A/C REBATE	06/27/2016	100.00
CITY OF INDIANOLA - REBATE	630-8290-67306	A/C REBATE	05/26/2016	100.00
CITY OF INDIANOLA - REBATE	630-8290-67306	A/C REBATE	05/25/2016	200.00
CITY OF INDIANOLA - REBATE	630-8290-67306	COMMERCIAL LIGHTING	06/22/2016	528.00
CITY OF INDIANOLA - REBATE	630-8290-67306	A/C REBATE	06/13/2016	200.00
CITY OF INDIANOLA - REBATE	630-8290-67306	HEAT PUMP	06/08/2016	500.00
CITY OF INDIANOLA - REBATE	630-8290-67306	COMMERCIAL LIGHTING	06/23/2016	960.00
CITY OF INDIANOLA - REBATE	630-8290-67306	A/C REBATE	06/24/2016	100.00
CITY OF INDIANOLA - REBATE	630-8290-67306	A/C REBATE	06/03/2016	100.00
CITY OF INDIANOLA - REBATE	630-8290-67306	A/C REBATE	06/09/2016	150.00
CITY OF INDIANOLA - REBATE	630-8290-67306	A/C REBATE	06/14/2016	100.00
CITY OF INDIANOLA - REBATE	630-8290-67306	A/C REBATE	06/11/2016	200.00
CITY OF INDIANOLA - REBATE	630-8290-67306	A/C REBATE	04/25/2016	100.00
D.A. DAVIDSON & CO.	630-8290-64990	G.O. ISSUES/ELECTRIC REV ISSUES	06/23/2016	500.00
DUST PROS JANITORIAL	630-8220-64090	MONTHLY CLEANING (JUNE) - ADMIN & ELECTRIC DEPT	06/21/2016	1,568.80
DUST PROS JANITORIAL	630-8220-64090	JANITORIAL SUPPLIES - LINE SHOP - ROLL TOWELS	06/21/2016	36.39
DUST PROS JANITORIAL	630-8220-64090	JANITORIAL SUPPLIES - LINE SHOP - PULL TOWELS & TOILET	06/21/2016	96.99
IA COMMUNITIES ASSURANCE	630-8280-64081	AUTO	06/30/2016	7,528.00
IA COMMUNITIES ASSURANCE	630-8280-64083	PROPERTY	06/30/2016	43,908.00
IA COMMUNITIES ASSURANCE	630-8280-64082	LIABILITY	06/30/2016	10,130.00
IMWCA	630-8280-61599	DEPOSIT 2016-17	06/01/2016	4,058.00
IOWA DIV OF LABOR SERVICE	630-8220-64200	BOILER INSPECTION - AJAX 1993	06/17/2016	40.00
MID AMERICAN ENERGY CO.	630-8210-63710	80950-24015 PLANT GAS 5/20/16 - 6/21/16	06/23/2016	55.39
MID AMERICAN ENERGY CO.	630-8240-63710	52180-25018 LINE SHOP GAS (0 THERMS)	06/21/2016	10.39
MID AMERICAN ENERGY CO.	630-8210-63710	52390-25019 BOILER GAS (630 THERMS)	06/22/2016	319.05
MID AMERICAN ENERGY CO.	630-8210-63710	07991-36014 WEST SUB (0 KWH)	06/20/2016	10.00
MUNICIPAL ENERGY AGENCY	630-8230-63990	LANDFILL GAS ATRIBUTES - MAY	05/24/2016	13,260.00
MUNICIPAL ENERGY AGENCY	630-8230-63992	TRANSMISSION/ADJUSTMENT - MAY	05/24/2016	44,804.66

Vendor Name	GL Account Number	Description	Invoice Date	Net Invoice Amount
MUNICIPAL ENERGY AGENCY	630-8230-63991	PURCHASED POWER - MAY (NET ELECTRIC)	05/24/2016	700,494.51
MUNICIPAL ENERGY AGENCY	630-8200-45629	20% 69KV 30.9 CREDIT/ADMIN FEE - MAY	05/24/2016	7,492.00-
MUNICIPAL ENERGY AGENCY	630-8230-63991	IND TRANS SYSTEM OPERATOR CHARGE	06/07/2016	5,141.54
SKARSHAUG TESTING LABORA	630-8240-65500	TESTING PRIMARY GLOVES - MAY 2016	06/14/2016	178.36
VERMEER SALES & SERVICE	630-8250-65072	GLASS DOOR & TRIM	06/16/2016	501.00
W.C. COMM. ACTION CENTER	630-8290-66990	PROJECT SHARE	06/30/2016	165.00
WEINMAN INSURANCE SERVIC	630-8280-64084	MACHINERY & EQUIPMENT COVERAGE - CINCINNATI INSURAN	05/26/2016	43,307.00
WESCO	630-8250-65072	PADLOCK FOR LOCKOUT/TAGOUT	06/10/2016	25.63
<b>Total ELECTRIC OPERATING FUND:</b>				<b>873,485.14</b>
<b>ELECTRIC CAPITAL PROJECTS FUND</b>				
ELECTRICAL ENG & EQUIP	730-8200-67906	PVC BELL ENDS 5" FOR SUB STATION	06/06/2016	12.56
ELECTRICAL ENG & EQUIP	730-8200-67906	4" X 10' SCH 40 PIPE	06/14/2016	202.26
KRIZ-DAVIS COMPANY	730-8200-67906	HAND HOLES FOR HWY 92	06/17/2016	638.97
KRIZ-DAVIS COMPANY	730-8200-67906	2' SWEEPS FOR SUMMERCREST	06/17/2016	37.71
MUNICIPAL ENERGY AGENCY	730-8200-45629	80% 69KV 30.9 CREDIT/ADMIN FEE - MAY	05/24/2016	29,967.99-
POWER & TEL	730-8200-67906	NEW STYLE FIBER DROP	06/10/2016	413.51
POWER & TEL	730-8200-67906	200' FIBER DROPS	06/20/2016	1,091.38
POWER & TEL	730-8200-67906	SYSTEM 48V CONTROLLER	06/17/2016	429.01
WESCO	730-8200-67906	500 SPLICE FOR WEST SIDE SUB	06/14/2016	2,793.10
WESCO	730-8200-67906	69 KV 42 IN TRMNTN	06/14/2016	2,245.08
WESCO	730-8200-67906	5/8" X 24" MACHINE BOLTS	06/14/2016	93.55
WESCO	730-8200-67906	#2 URD TRIPLEX WIRE & 4/0 OKINITE	06/17/2016	9,680.98
WESCO	730-8200-67906	10 KV ARREST - RISER	06/17/2016	315.35
WESCO	730-8200-67906	500 CU WIRE FOR WEST SIDE SUB	06/17/2016	2,416.27
<b>Total ELECTRIC CAPITAL PROJECTS FUND:</b>				<b>9,598.26-</b>
<b>Grand Totals:</b>				<b>891,869.69</b>

Board of Trustees: \_\_\_\_\_  
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Vendor Name	GL Account Number	Description	Invoice Date	Net Invoice Amount
<b>WATER OPERATING FUND</b>				
CHEMTREAT INC	600-8110-65010	CHEMICALS	06/21/2016	1,236.90
CITY OF INDIANOLA - UTILITY	600-8110-63710	MAY UTILITIES	06/30/2016	9,879.24
CR SERVICES	600-8120-65070	SUPPLIES	07/07/2016	39.96
CUNNINGHAM, GARRY	600-8110-62300	TRAINING MATERIALS	07/13/2016	150.00
DES MOINES AREA COMM COL	600-8110-62300	ANKENY WATER CONFERENCE	06/30/2016	125.00
DUFF, JOHN	600-8180-64180	REFUND CONNECTION FEE	07/01/2016	.90
DUFF, JOHN	600-8190-66990	REFUND CONNECTION FEE	07/01/2016	15.00
IOWA DEPT OF NATURAL RES	600-8110-62100	ANNUAL WATER SUPPLY FEE	07/12/2016	1,716.92
JMK LAWNCARE	600-8110-64990	JUNE MOWING CONTRACT - WATER	06/30/2016	1,075.00
REXCO EQUIPMENT INC	600-8120-63410	TRENCH BOX REPAIR	06/29/2016	319.79
SORENSEN, ANGELA	600-8180-64180	CONN FEE PD 7/1/16	07/11/2016	.90
SORENSEN, ANGELA	600-8190-66990	CONN FEE PD 7/1/16	07/11/2016	15.00
STATE HYGENIC LABORATORY	600-8110-64990	BACTEE SAMPLES	06/30/2016	187.50
STERNQUIST CONST. INC.	600-8150-63453	CRUSHED CONCRETE	07/05/2016	172.64
UNUM LIFE INSURANCE CO OF	600-8180-61550	LIFE, AD&D AND LTD INSURANCE	07/14/2016	97.05
VERIZON WIRELESS	600-8110-63730	WIRELESS FOR LAPTOP	06/26/2016	40.03
WARREN COUNTY ENGINEER	600-8160-65050	FUEL DISTRIBUTION	07/07/2016	623.22
WASTE MANAGEMENT OF IOW	600-8120-64090	TRASH - JULY 2016	07/01/2016	96.23
Total WATER OPERATING FUND:				15,791.28
<b>IMU ADMINISTRATION FUND</b>				
911 ETC INC	620-8090-63730	911 MONTHLY ACCESS CHARGE	06/28/2016	26.05
DUFF, JOHN	620-8000-66990	REFUND CONNECTION FEE	07/01/2016	15.00
DUFF, JOHN	620-8090-64180	REFUND CONNECTION FEE	07/01/2016	.90
IOWA ONE CALL	620-8090-63730	EL-LOCATING NOTIFICATION/224 TICKETS	07/07/2016	201.60
IOWA ONE CALL	620-8090-63730	WA-LOCATING NOTIFICATION/231 TICKETS	07/07/2016	207.90
KLOOTWYK, MICHELLE	620-8090-63730	MOBILE DEVICE ALLOWANCE	07/01/2016	25.00
LONGER, CHRIS	620-8090-63730	MOBILE DEVICE ALLOWANCE	07/01/2016	50.00
MAHASKA COMMUNICATION G	620-8090-63730	INTERNET	07/01/2016	22.00
MAHASKA COMMUNICATION G	620-8090-63730	TELEPHONE	07/01/2016	160.43
MAHASKA COMMUNICATION G	620-8090-63730	INTERNET	07/01/2016	7.60
MAHASKA COMMUNICATION G	620-8090-63730	TELEPHONE	07/01/2016	94.13
METCALF, MIKE	620-8090-63730	MOBILE DEVICE ALLOWANCE	07/01/2016	75.00
RECORD-HERALD & INDIANOL	620-8090-64020	BT MIN 05	06/26/2016	157.63
RECORD-HERALD & INDIANOL	620-8090-64020	NOTICE STOP BOX	06/26/2016	33.26
SORENSEN, ANGELA	620-8000-66990	CONN FEE PD 7/1/16	07/11/2016	15.00
SORENSEN, ANGELA	620-8090-64180	CONN FEE PD 7/1/16	07/11/2016	.90
STANGEL, ROBERT	620-8090-63730	MOBILE DEVICE ALLOWANCE	07/01/2016	75.00
VERIZON WIRELESS	620-8090-63730	WIRELESS FOR SERVICE CREW LAPTOPS	06/26/2016	240.08
VERIZON WIRELESS	620-8090-63730	WIRELESS FOR SPARE LAPTOP	06/26/2016	20.00
Total IMU ADMINISTRATION FUND:				1,427.48
<b>ELECTRIC OPERATING FUND</b>				
CASUAL RAGS	630-8210-65500	BALL CAPS FOR GENERATION DEPT	07/08/2016	124.91
CASUAL RAGS	630-8240-65500	BALL CAPS FOR ELECTRIC DEPT	07/08/2016	253.59
CINTAS CORPORATION	630-8250-65072	1ST AID SUPPLIES	06/24/2016	182.45
CITY OF INDIANOLA - REBATE	630-8290-67306	A/C REBATE	05/27/2016	100.00
CITY OF INDIANOLA - REBATE	630-8290-67306	ATTIC INSULATION	05/11/2016	1,075.00
CITY OF INDIANOLA - REBATE	630-8290-67306	ATTIC INSULATION	05/11/2016	2,125.00
CITY OF INDIANOLA - REBATE	630-8290-67306	A/C REBATE	06/07/2016	200.00
CITY OF INDIANOLA - REBATE	630-8290-67306	A/C REBATE	06/02/2016	200.00
CITY OF INDIANOLA - REBATE	630-8290-67306	COMMERCIAL LIGHTING	06/02/2016	240.00
CITY OF INDIANOLA - REBATE	630-8290-67306	COMMERCIAL LIGHTING	07/01/2016	200.00
CITY OF INDIANOLA - UTILITY	630-8210-63710	05/03/16 - 6/02/16 (17-17102-01)	06/30/2016	1,863.79
EDWARDS, NATHAN	630-8280-61440	WELLNESS JUNE-JULY 2016	07/10/2016	50.00

Vendor Name	GL Account Number	Description	Invoice Date	Net Invoice Amount
IOWA ASSOC OF MUN UTILITIE	630-8240-62300	APPRENTICESHIP PROGRAM, YEAR 3, SCHRIER	06/29/2016	1,050.00
JMK LAWN CARE	630-8250-64990	MAY MOWING CONTRACT - ELECTRIC	06/30/2016	775.00
KRIZ-DAVIS COMPANY	630-8260-65072	UNIT 31 SHOTGUN W/INTERNAL ROD 6'6"	06/24/2016	246.97
PIERCE BROTHERS REPAIR	630-8255-65072	WEST SIDE SUBSTATION	06/06/2016	903.12
PIERCE BROTHERS REPAIR	630-8255-65072	WEST SIDE SUBSTATION 69 LINE	06/16/2016	40.28
SOUTH CENTRAL IOWA LANDFI	630-8250-65072	CONSTRUCTION DEBRIS	07/01/2016	50.00
THOMPSON ENVIRONMENTAL	630-8210-64900	PROFESSIONAL SERVICES AND TITLE V FEES IMU	06/30/2016	286.88
TREASURER STATE OF IOWA	630-8280-64181	2ND QTR 2016 USE TAX	07/01/2016	1,121.00
UNUM LIFE INSURANCE CO OF	630-8280-61550	LIFE, AD&D AND LTD INSURANCE	07/14/2016	250.20
VERMEER SALES & SERVICE	630-8250-65072	GLASS DOOR REPAIR - INCORRECT AMOUNT BILL	07/01/2016	412.24
VERMEER SALES & SERVICE	630-8250-65072	CREDIT FOR PREVIOUSLY ISSUED INVOICE - INCORRECT	07/01/2016	412.24
VERMEER SALES & SERVICE	630-8250-65072	GLASS DOOR REPAIR	07/06/2016	629.54
WARREN COUNTY ENGINEER	630-8260-65050	FUEL DISTRIBUTION	07/07/2016	1,367.08
WIEGERT DISPOSAL CO.	630-8220-64090	WASTE PICKUP - JUNE 2016	07/01/2016	110.00
Total ELECTRIC OPERATING FUND:				13,444.81
<b>FIBER/COMMUNICATIONS FUND</b>				
CITY OF INDIANOLA - UTILITY	640-8550-63464	05/05/16 - 6/02/16 (96-00001-01)	06/30/2016	761.98
IOWA ONE CALL	640-8550-64990	FIBER-LOCATING NOTIFICATION/149 TICKETS	07/07/2016	134.10
UNUM LIFE INSURANCE CO OF	640-8590-61550	LIFE, AD&D AND LTD INSURANCE	07/14/2016	6.95
Total FIBER/COMMUNICATIONS FUND:				903.03
<b>WATER CAPITAL PROJECTS FUND</b>				
DEERY BROTHERS CHEVROLE	700-8100-67100	2016 1 TON CHEVY	07/05/2016	29,968.00
HD SUPPLY WATERWORKS	700-8100-67906	MATERIALS	06/30/2016	375.00
HD SUPPLY WATERWORKS	700-8100-67906	MATERIALS	07/07/2016	1,269.86
HD SUPPLY WATERWORKS	700-8100-67906	MATERIALS	07/06/2016	337.62
Total WATER CAPITAL PROJECTS FUND:				31,950.48
<b>ELECTRIC CAPITAL PROJECTS FUND</b>				
CR SERVICES	730-8200-67906	MEDIUM AND LARGE GLOVES (LEATHER)	06/27/2016	211.81
KRIZ-DAVIS COMPANY	730-8200-67906	SOCKETS 13 TERM	06/24/2016	698.54
KRIZ-DAVIS COMPANY	730-8200-67906	500:5 CT	06/24/2016	632.18
KRIZ-DAVIS COMPANY	730-8200-67906	150 WATT BULBS - 12 NO CHARGE	06/24/2016	352.98
TERRY-DURIN CO.	730-8200-67906	LED 72 WATT STREET LIGHTS	06/28/2016	1,941.92
TERRY-DURIN CO.	730-8200-67906	2" DUCT COUPLINGS	06/28/2016	384.25
TERRY-DURIN CO.	730-8200-67906	108 WATT LED LIGHTS HWY 92	07/05/2016	5,526.84
WESCO	730-8200-67906	OVERHEAD LINE PARTS	06/21/2016	288.69
WESCO	730-8200-67906	1/0 ELBOWS 7 164FT FEED THRU	06/23/2016	842.75
WESCO	730-8200-67906	STAND OFF PLUG 15KV BLKBRN	06/24/2016	846.41
WESCO	730-8200-67906	1/0 SZ/CU SPLIT BOLTS	06/27/2016	125.13
WESCO	730-8200-67906	DEADEND SHOES	06/27/2016	251.75
WESCO	730-8200-67906	DUMMY CAPS/HTAPS	06/27/2016	722.07
WESCO	730-8200-67906	4/0 ELBOWS	06/27/2016	409.43
WESCO	730-8200-67906	#2 TRI PLEX URD TO REPLACE DAMAGED REEL	06/27/2016	687.94
Total ELECTRIC CAPITAL PROJECTS FUND:				13,922.69
<b>CASH ALLOCATION FUND</b>				
HICKS, CLIFFORD	999-0000-11005	REFUND CREDIT ON ACCT	07/07/2016	39.85
Total CASH ALLOCATION FUND:				39.85
Grand Totals:				77,479.62

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Vendor Name	GL Account Number	Description	Invoice Date	Net Invoice Amount
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Board of Trustees: \_\_\_\_\_

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**IMU Regular Downstairs**

**4. B.**

**Meeting Date:** 07/25/2016

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**Information**

**Subject**

Minutes from the June 21, June 27 and July 18, 2016 Board of Trustee Meetings

**Information**

The minutes from the June 21, June 27 and July 18, 2016 Board of Trustee Meetings are attached for formal approval.

**Financial Impact**

N/A

**Staff Recommendation**

Simple motion is in order.

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**Attachments**

IMU 062116 Minutes

IMU 160627Minutes

IMU 160718Minutes

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BOARD OF TRUSTEE MINUTES  
STUDY SESSION – JUNE 21, 2016

The Board of Trustees met in a study session at 3:00 p.m. on June 21, 2016 in the City Hall Training Room. Those in attendance were Chairperson Deb White, Lesley Forbush, Jim McClymond, Mike Rozga and Adam Voigts.

The Board received an overview of preliminary financial analysis by Magellan Advisors for the Fiber to the Home Feasibility Study.

Lesley Forbush left the meeting.

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

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Deb White, Chair

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Diana Bowlin, City Clerk

BOARD OF TRUSTEE MINUTES  
REGULAR SESSION – JUNE 27, 2016

The Board of Trustees met in regular session at 5:30 p.m. on June 27, 2016 in the City Hall Council Chambers. Chairperson Deb White called the meeting to order and on roll call the following members were present: Lesley Forbush, Jim McClymond, Mike Rozga, Adam Voigts and Deb White.

The May 23, 2016 minutes were amended as follows:

Electric, Water and Communications Utility Combined Action Items

It was moved by Voigts and seconded by McClymond to approve the FY 2016/17 benefit plan (Health, Dental, Vision, Long Term Disability, Life, AD&D, Restore Portal and HRA Administration). Question was called for and on voice vote the Chairperson declared the motion carried unanimously

Electric Utility Action Item

Max Miller, 510 North Buxton, spoke to the Board regarding the 2009 Underground Conversion Project at the Maple Terrace Condominiums. Mr. Miller stated the electrical lines were bored under the sidewalk in June of 2010 and after time the sidewalk needs repaired. The Association requested IMU repair the sidewalks. It was moved by McClymond and seconded by Voigts to deny this request as it is written in the Electric Service Guide that any work performed by the Utility on customer-owned facilities shall be warranted from defect for a period not to exceed one year. This project was substantially completed on June 14, 2010. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

It was moved by McClymond and seconded by Voigts to approve a 2.25% cost of living adjustment for administrative employees and adopt A Resolution Setting The Salaries For Appointed Officers and Employees of the Indianola Municipal Utilities For The Period Beginning June 26, 2016 (The complete resolution may be viewed at the City Clerk's Office)effective June 26, 2016. On voice vote the vote was, AYES: Forbush, Voigts, White, Rozga and McClymond. NAYS: None. Whereupon the Chairperson declared the motion carried unanimously and the following resolution duly adopted.

RESOLUTION SETTING THE SALARIES FOR APPOINTED  
OFFICERS AND EMPLOYEES OF THE INDIANOLA MUNICIPAL UTILITIES  
FOR THE PERIOD BEGINNING JUNE 26, 2016

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

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

June 6 and 20, 2016 claims

May 23, 2016 minutes

The May 2016 Treasurer's report and budget variance report

Quarterly write-offs to the State Offset Program in an amount of \$15,888.23 for electric and \$3,869.38 for water utility bills

Continued on Page 194

BOARD OF TRUSTEE MINUTES  
REGULAR SESSION – JUNE 27, 2016 (Continued)

Salaries – Justin Brand, Water Operator II, from \$50,092/year to \$52,094/year plus longevity effective June 26, 2016

Electric, Water and Communications Combined Action Items

The following resolution entitled, “RESOLUTION APPROVING LIABILITY, AUTO, PROPERTY, WORKER’S COMPENSATION AND MACHINERY & EQUIPMENT REPLACEMENT INSURANCE FOR FY 16/17” was approved on a motion by McClymond and seconded by Voigts. On roll call the vote was, AYES: Forbush, Voigts, White, Rozga and McClymond. NAYS: None. Whereupon the Chairperson declared the motion carried unanimously and the following resolution duly adopted.

RESOLUTION NO. 168  
RESOLUTION APPROVING LIABILITY, AUTO, PROPERTY, WORKER’S COMPENSATION  
AND MACHINERY & EQUIPMENT REPLACEMENT INSURANCE FOR FY 16/17

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

Board member Voigts moved and Rozga seconded to approve the following resolution entitled, “RESOLUTION APPROVING SERVICES AGREEMENT WITH HOLMES MURPHY & ASSOCIATES FOR THE INDIANOLA MUNICIPAL UTILITY INSURANCE BROKER”. On roll call the vote was, AYES: White, Rozga, McClymond, Forbush and Voigts. NAYS: None. Whereupon the Chairperson declared the motion carried and the following resolution duly adopted.

RESOLUTION NO. 169  
RESOLUTION APPROVING SERVICES AGREEMENT WITH HOLMES MURPHY &  
ASSOCIATES FOR THE INDIANOLA MUNICIPAL UTILITY INSURANCE BROKER

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

Electric Utility Action Items

It was moved by Voigts and seconded by McClymond to approve the following resolution entitled, “RESOLUTION DETERMING PROPERTY TO BE SURPLUS AND AUTHORIZING SALE OF PROPERTY”. On roll call the vote was, AYES: White, Rozga, McClymond, Forbush and Voigts. NAYS: None. Whereupon the Chairperson declared the motion carried unanimously and the following resolution duly adopted.

RESOLUTION NO. 170  
RESOLUTION DETERMING PROPERTY TO BE SURPLUS AND  
AUTHORIZING SALE OF PROPERTY

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

The purchase of an electric transformer moisture removal unit, (SDMyers DryMax800) in an amount of \$36,194 plus tax from SDMyers of Tallmadge, Ohio was approved on a motion by Voigts and seconded by McClymond. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

BOARD OF TRUSTEE MINUTES  
REGULAR SESSION – JUNE 27, 2016 (Continued)

Mike Metcalf, Electric Superintendent, reported on the Electric Utility Information Items.

Water Utility Action Items

The following project acceptance and maintenance bonds were approved on a motion by McClymond and seconded by Voigts. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

Vanderpool Construction – Summercrest Hills Plat 5, East Scenic Valley Avenue and North Sixth Street Water Main – four year maintenance and repair bond – in an amount of \$43,909. Includes 638 linear feet of 8" PVC C-900, 12 ea of 1" copper services, 1 ea of 8" MJ gate valve, box, 2 ea of fire hydrant assemblies, 1 ea of relocated fire hydrants

Vanderpool Construction – Summercrest Hills Plat 4, East Scenic Valley Avenue and North Sixth Street Water Main – four year maintenance and repair bond – in an amount of \$152,302. Includes 391 linear feet of 12" PVC C-900, 1,580 linear feet of 8" PVC C-900, 6 ea of 6" PVC services, 2 ea of 8" MJ gate valve, box, 1 ea of 12" MJ gate valve, box, 3 ea of fire hydrant assemblies, 3 ea of relocated fire hydrants

Lou Elbert, Water Superintendent, reported on the Water Utility Informational items.

Communications Utility Informational Items

Scott Moehnke and Kyle Hollifield of Magellan Advisors presented the feasibility study for the expansion of the IMU fiber network system and informed the Board that the final report was being proofed and would be submitted later in the week. The study included:

- Broadband Demand Drivers, Trends, Technology
- Benefits of Fiber
- Fiber Impact on Home Values
- The Local Government's Role
- Survey data – residential
- Survey comments – residential
- Survey data- business
- Model options
- Proposed Build Out Zones
- Capital Cost Estimates – Network
- Staffing
- Payback Metrics
- Proposed Build Out Timeline

Residents spoke in favor of moving forward with the business plan, implementation plan, design and engineering.

A motion was made by Rozga and seconded by McClymond to accept the report. Rozga and McClymond withdrew their motions due to Magellan Advisors are in the process of proofing the final feasibility report and they would be submitted the report to the IMU staff later in the week. It was the consensus of the Board to authorize staff to investigate the steps in the next process.

Continued on Page 196

BOARD OF TRUSTEE MINUTES  
REGULAR SESSION – JUNE 27, 2016 (Continued)

Meeting adjourned on a motion by McClymond and seconded by Forbush.

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Deb White, Chair

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Diana Bowlin, City Clerk

BOARD OF TRUSTEE MINUTES  
AD HOC SESSION – JULY 18, 2016

The Board of Trustees met in regular session at 5:30 p.m. on July 18, 2016 in the City Hall Conference Room. Chairperson Deb White called the meeting to order and on roll call the following members were present: Lesley Forbush, Jim McClymond, Mike Rozga and Deb White. Adam Voigts participated via conference call.

It was moved by Rozga and seconded by McClymond to approve the request from the Red, White and You Movement for an in-kind donation of labor and equipment, values at \$300, to dig a 6x8' hole that is needed to support a new 70' flag pole at the Indianola Community Schools football stadium. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

Communications Utility Action Items

It was moved by McClymond and seconded by Rozga to accept the Magellan Advisors Broadband Feasibility Study Report. Board member Forbush raised a question regarding the 40% take rate that the model is built upon. Steve Nadel, IMU Bond Attorney, reiterated the importance of the board fully understanding the assumptions used in the modeling and who is responsible for the outcome of those assumptions. After further discussion, question was called for and on voice vote the Chairperson declared the motion carried unanimously.

It was moved by McClymond, and seconded by Forbush, to fully engage Magellan Advisors in the development of a business plan in the amount not-to-exceed \$35,000, that is needed to begin seeking funding for the project. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

It was the consensus of the Board that Magellan present a second proposal for the implementation plan that reflects more of a consultant type approach rather than a full engagement approach. The Board and Staff agreed there is opportunity for resource sharing on this piece of the project and so Magellan agreed to prepare a second proposal for this phase that is based on an hourly rate.

It was consensus of the Board that the network design proposal not be approved in order for Staff to further investigate local engineering firms to complete this piece of the project. Magellan's proposal includes the services of Mi-Tech, a telecommunications design firm based in Fond du Lac, WI with a branch in Cedar Rapids, IA.

It was the consensus of the Board to table the DA Davison Placement Agent Engagement Letter until the July 25, 2016 Trustee Meeting.

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

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Deb White, Chair

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Diana Bowlin, City Clerk

**Meeting Date:** 07/25/2016

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**Information**

**Subject**

June 2016 Treasurer and Financial Reports

**Information**

Attached to this item are the revenue and expense reports for June 2016. Also attached is the June Treasurer Report that will be presented by Doug Shull.

**Financial Impact**

N/A

**Staff Recommendation**

Simple motion is in order.

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**Attachments**

June 2016 Operating Reports

June 2016 Capital Reports

June 2016 Treasurer Report

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CITY OF INDIANOLA IA  
REVENUES/EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING JUNE 30, 2016

WATER OPERATING FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEARNED	PCNT
<u>WATER</u>					
600-8100-43000 INTEREST	1,437.06	21,805.01	25,000.00	3,194.99	87.2
600-8100-43100 RENT--LAND & FACILITIES	.00	3,150.00	3,100.00 (	50.00)	101.6
600-8100-43400 LEASE--UTILITY	3,225.00	37,200.00	38,000.00	800.00	97.9
600-8100-45001 ADMINISTRATIVE FEE--WATER	1,537.28	19,824.29	20,000.00	175.71	99.1
600-8100-45150 FIRE SERVICE FEES	.00	9,848.45	8,500.00 (	1,348.45)	115.9
600-8100-45400 CONNECTION FEE	2,145.00	27,161.00	20,000.00 (	7,161.00)	135.8
600-8100-45450 COLLECTION SERVICE RECOVERY	105.55	105.55	.00 (	105.55)	.0
600-8100-45600 WATER SALES	177,825.91	2,122,090.08	2,154,100.00	32,009.92	98.5
600-8100-45601 CONSTRUCTION WATER	175.00	1,890.00	1,000.00 (	890.00)	189.0
600-8100-45602 WATER METER FEES	2,440.00	36,710.00	20,000.00 (	16,710.00)	183.6
600-8100-45603 OTHER WATER FEES	1,908.09	18,855.21	11,000.00 (	7,855.21)	171.4
600-8100-46600 SPECIAL ASSESSMENT--WATER	.00	2,590.00	.00 (	2,590.00)	.0
600-8100-47100 REFUNDS/REIMBURSEMENTS	.00	1,635.78	.00 (	1,635.78)	.0
600-8100-47400 MISC SALES (COPIES/SCRAP/ETC)	.00	926.60	.00 (	926.60)	.0
600-8100-48900 SALES TAX	9,183.43	112,619.82	129,200.00	16,580.18	87.2
<b>TOTAL WATER</b>	<b>199,982.32</b>	<b>2,416,411.79</b>	<b>2,429,900.00</b>	<b>13,488.21</b>	<b>99.4</b>
<b>TOTAL FUND REVENUE</b>	<b>199,982.32</b>	<b>2,416,411.79</b>	<b>2,429,900.00</b>	<b>13,488.21</b>	<b>99.4</b>
 <u>PLANT OPERATIONS</u>					
600-8110-60170 SALARY/WAGES--OPERATIONAL	11,910.18	165,935.66	153,700.00 (	12,235.66)	108.0
600-8110-60180 SALARY/WAGES--SUPERINTENDENT	6,719.84	89,000.97	84,300.00 (	4,700.97)	105.6
600-8110-61100 FICA	2,230.94	20,305.77	18,300.00 (	2,005.77)	111.0
600-8110-61300 IPERS	2,605.59	31,785.03	21,300.00 (	10,485.03)	149.2
600-8110-61420 DEFERRED COMP--457	540.00	7,680.00	6,600.00 (	1,080.00)	116.4
600-8110-61810 UNIFORMS/CLOTHING ALLOWANCE	.00	1,425.67	2,000.00	574.33	71.3
600-8110-62100 MEMBERSHIP DUES/SUBSCRIPTIONS	.00	2,413.39	3,000.00	586.61	80.5
600-8110-62300 EDUCATION/TRAINING	241.76	5,561.45	7,000.00	1,438.55	79.5
600-8110-63710 UTILITIES	15,167.35	151,931.88	155,000.00	3,068.12	98.0
600-8110-63730 TELEPHONE	391.46	2,349.02	3,000.00	650.98	78.3
600-8110-64900 MISC CONSULTING	.00	.00	500.00	500.00	.0
600-8110-64990 MISC CONTRACTUAL	1,274.00	9,805.78	12,000.00	2,194.22	81.7
600-8110-65010 CHEMICALS	13,103.63	60,329.71	65,000.00	4,670.29	92.8
600-8110-65012 LAB SUPPLIES/REAGENTS	457.52	3,533.51	5,000.00	1,466.49	70.7
600-8110-65070 MATERIALS/SUPPLIES	.00	659.11	1,000.00	340.89	65.9
600-8110-65082 FREIGHT	.00	.00	12,000.00	12,000.00	.0
600-8110-65500 PERSONAL PROTECTIVE EQUIPMEN	.00	68.95	1,000.00	931.05	6.9
<b>TOTAL PLANT OPERATIONS</b>	<b>54,642.27</b>	<b>552,785.90</b>	<b>550,700.00 (</b>	<b>2,085.90)</b>	<b>100.4</b>

CITY OF INDIANOLA IA  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING JUNE 30, 2016

WATER OPERATING FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEXPENDED	PCNT
<u>PLANT MAINTENANCE</u>					
600-8120-63100	REPAIR/MAINT--BLDG/GROUNDS	.00	1,453.23	2,500.00	1,046.77 58.1
600-8120-63410	REPAIR/MAINT--EQUIPMENT	629.27	13,410.71	30,000.00	16,589.29 44.7
600-8120-64090	JANITORIAL SERVICES	581.92	3,815.81	3,000.00 (	815.81) 127.2
600-8120-65070	MATERIALS/SUPPLIES	82.67	1,004.60	4,000.00	2,995.40 25.1
	TOTAL PLANT MAINTENANCE	1,293.86	19,684.35	39,500.00	19,815.65 49.8
<u>WATER DISTRIBUTION</u>					
600-8150-60150	SALARY/WAGES--MAINTENANCE	10,547.83	148,514.85	153,700.00	5,185.15 96.6
600-8150-61100	FICA	.00	6,238.07	11,800.00	5,561.93 52.9
600-8150-61300	IPERS	.00	8,551.26	13,800.00	5,248.74 62.0
600-8150-63453	REPAIR/MAINT--SYSTEM	1,135.00	20,631.47	40,000.00	19,368.53 51.6
600-8150-64070	ENGINEERING	.00	.00	1,000.00	1,000.00 .0
600-8150-64900	MISC CONSULTING	.00	.00	3,000.00	3,000.00 .0
600-8150-65072	MATERIALS/SUPPLIES--MAINTENANC	715.60	17,095.15	25,000.00	7,904.85 68.4
	TOTAL WATER DISTRIBUTION	12,398.43	201,030.80	248,300.00	47,269.20 81.0
<u>FLEET/VEHICLES</u>					
600-8160-63320	REPAIR/MAINT--VEHICLES	2,990.17	5,396.61	2,500.00 (	2,896.61) 215.9
600-8160-65050	VEHICLE OPERATING SUPPLIES	517.52	6,900.20	15,000.00	8,099.80 46.0
600-8160-65072	MATERIALS/SUPPLIES--MAINTENANC	.00	321.48	1,500.00	1,178.52 21.4
	TOTAL FLEET/VEHICLES	3,507.69	12,618.29	19,000.00	6,381.71 66.4
<u>METER READING</u>					
600-8170-60165	SALARY/WAGES--METER READ/REPA	724.91	9,534.89	10,000.00	465.11 95.4
600-8170-61100	FICA	54.82	726.62	800.00	73.38 90.8
600-8170-61300	IPERS	64.73	849.17	900.00	50.83 94.4
600-8170-64990	MISC CONTRACTUAL (ITRON)	558.94	2,200.38	1,500.00 (	700.38) 146.7
	TOTAL METER READING	1,403.40	13,311.06	13,200.00 (	111.06) 100.8

CITY OF INDIANOLA IA  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING JUNE 30, 2016

WATER OPERATING FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEXPENDED	PCNT
<u>OVERHEAD</u>					
600-8180-61430	.00	99.00	100.00	1.00	99.0
600-8180-61440	100.00	1,550.00	1,000.00	( 550.00)	155.0
600-8180-61500	7,821.00	119,005.50	85,200.00	( 33,805.50)	139.7
600-8180-61550	.00	1,331.80	1,300.00	( 31.80)	102.5
600-8180-61599	.00	7,868.00	10,000.00	2,132.00	78.7
600-8180-64081	.00	2,204.00	2,400.00	196.00	91.8
600-8180-64082	.00	4,152.00	5,000.00	848.00	83.0
600-8180-64083	.00	11,120.00	10,000.00	( 1,120.00)	111.2
600-8180-64084	.00	2,909.00	3,000.00	91.00	97.0
600-8180-64121	.00	159.00	200.00	41.00	79.5
600-8180-64180	8,923.74	112,039.03	129,200.00	17,160.97	86.7
600-8180-69550	92.70	1,112.40	1,200.00	87.60	92.7
600-8180-69825	.00	7,800.00	8,100.00	300.00	96.3
<b>TOTAL OVERHEAD</b>	<b>16,937.44</b>	<b>271,349.73</b>	<b>256,700.00</b>	<b>( 14,649.73)</b>	<b>105.7</b>
<u>ADMIN/GENERAL</u>					
600-8190-64990	.00	594.56	1,000.00	405.44	59.5
600-8190-66990	.00	1,529.75	500.00	( 1,029.75)	306.0
<b>TOTAL ADMIN/GENERAL</b>	<b>.00</b>	<b>2,124.31</b>	<b>1,500.00</b>	<b>( 624.31)</b>	<b>141.6</b>
<u>IMU TRANSFERS</u>					
600-8197-69880	( 5,350.09)	192,649.91	198,000.00	5,350.09	97.3
600-8197-69900	72,716.67	872,600.04	872,600.00	( .04)	100.0
600-8197-69910	22,925.00	275,100.00	275,100.00	.00	100.0
<b>TOTAL IMU TRANSFERS</b>	<b>90,291.58</b>	<b>1,340,349.95</b>	<b>1,345,700.00</b>	<b>5,350.05</b>	<b>99.6</b>
<u>CITY TRANSFERS</u>					
600-8198-69101	5,816.67	69,800.04	69,800.00	( .04)	100.0
<b>TOTAL CITY TRANSFERS</b>	<b>5,816.67</b>	<b>69,800.04</b>	<b>69,800.00</b>	<b>( .04)</b>	<b>100.0</b>
<b>TOTAL FUND EXPENDITURES</b>	<b>186,291.34</b>	<b>2,483,054.43</b>	<b>2,544,400.00</b>	<b>61,345.57</b>	<b>97.6</b>
<b>NET REVENUE OVER EXPENDITURES</b>	<b>13,690.98</b>	<b>( 66,642.64)</b>	<b>( 114,500.00)</b>	<b>( 47,857.36)</b>	<b>( 58.2)</b>

CITY OF INDIANOLA IA  
REVENUES/EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING JUNE 30, 2016

IMU ADMINISTRATION FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEARNED	PCNT
<u>IMU ADMINISTRATION</u>					
620-8000-49880 TRANSFER IN--IMU ADMINISTRATIO	( 31,464.61)	1,010,735.39	1,042,200.00	31,464.61	97.0
620-8000-49882 TRANSFER IN--SAFETY	1,500.00	18,000.00	18,500.00	500.00	97.3
TOTAL IMU ADMINISTRATION	( 29,964.61)	1,028,735.39	1,060,700.00	31,964.61	97.0
TOTAL FUND REVENUE	( 29,964.61)	1,028,735.39	1,060,700.00	31,964.61	97.0
<u>IMU ADMINISTRATION</u>					
620-8000-66990 REFUND/REIMBURSEMENT	.00	15.00	.00	( 15.00)	.0
TOTAL IMU ADMINISTRATION	.00	15.00	.00	( 15.00)	.0
<u>OVERHEAD</u>					
620-8080-61430 EMPLOYEE ASSISTANCE PROGRAM	.00	66.00	100.00	34.00	66.0
620-8080-61440 WELLNESS PROGRAM	150.00	1,185.00	1,500.00	315.00	79.0
620-8080-61500 HEALTH INSURANCE	3,910.50	49,533.00	63,000.00	13,467.00	78.6
620-8080-61501 DENTAL INSURANCE	370.14	4,410.84	.00	( 4,410.84)	.0
620-8080-61502 VISION INSURANCE	21.36	324.04	.00	( 324.04)	.0
620-8080-61550 LIFE INSURANCE/ADD/LTD	.00	1,052.86	1,300.00	247.14	81.0
620-8080-61599 WORKERS' COMP INSURANCE	.00	4,219.00	5,500.00	1,281.00	76.7
620-8080-64082 INSURANCE--GENERAL LIABILITY	.00	3,515.76	5,000.00	1,484.24	70.3
620-8080-69550 TRANSFER OUT--STD	46.35	602.55	1,000.00	397.45	60.3
620-8080-69825 TRANSFER OUT HRA	.00	6,175.00	5,200.00	( 975.00)	118.8
TOTAL OVERHEAD	4,498.35	71,084.05	82,600.00	11,515.95	86.1

CITY OF INDIANOLA IA  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING JUNE 30, 2016

IMU ADMINISTRATION FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEXPENDED	PCNT
<u>ADMIN/GENERAL</u>					
620-8090-60110 SALARIES--ADMINISTRATION	5,092.80	117,336.95	148,600.00	31,263.05	79.0
620-8090-60130 SALARIES--CLERICAL	2,992.64	41,898.84	44,300.00	2,401.16	94.6
620-8090-60165 SALARY-METER READERS	866.34	11,635.10	11,400.00	( 235.10)	102.1
620-8090-60190 SALARIES--TRUSTEES	1,500.00	5,250.00	5,000.00	( 250.00)	105.0
620-8090-61100 FICA	800.69	13,525.55	16,000.00	2,474.45	84.5
620-8090-61300 IPERS	933.35	15,565.17	18,700.00	3,134.83	83.2
620-8090-61420 DEFERRED COMP--457	250.00	4,137.50	5,100.00	962.50	81.1
620-8090-62100 MEMBERSHIP DUES/SUBSCRIPTIONS	3,960.00	61,787.14	53,000.00	( 8,787.14)	116.6
620-8090-62300 EDUCATION/TRAINING	.00	582.96	5,000.00	4,417.04	11.7
620-8090-62700 MILEAGE	.00	.00	500.00	500.00	.0
620-8090-63730 TELEPHONE	1,937.68	14,762.45	10,000.00	( 4,762.45)	147.6
620-8090-64010 AUDITS	.00	11,525.00	15,000.00	3,475.00	76.8
620-8090-64020 ADVERTISING & LEGAL NOTICES	203.55	6,256.10	5,000.00	( 1,256.10)	125.1
620-8090-64110 LEGAL SERVICE FEES	235.00	19,036.33	22,000.00	2,963.67	86.5
620-8090-64120 MEDICAL/PHYSICALS/IMMUNIZATION	.00	.00	500.00	500.00	.0
620-8090-64140 PRINTING	.00	1,379.89	5,000.00	3,620.11	27.6
620-8090-64180 SALES TAX	.00	.90	100.00	99.10	.9
620-8090-64190 COMPUTER/TECHNOLOGY SERVICE	.00	294.00	500.00	206.00	58.8
620-8090-64500 FINANCIAL MANAGEMENT SERVICES	.00	4,376.50	5,000.00	623.50	87.5
620-8090-64900 MISC CONSULTING SERVICES	.00	17,284.50	5,000.00	( 12,284.50)	345.7
620-8090-64990 MISC CONTRACTUAL	2,734.04	40,390.88	35,000.00	( 5,390.88)	115.4
620-8090-65070 MATERIALS/SUPPLIES	545.91	5,622.08	10,000.00	4,377.92	56.2
620-8090-65077 MATERIALS/SUPPLIES--PROMOTION	.00	605.00	2,000.00	1,395.00	30.3
620-8090-65080 POSTAGE	19.51	890.72	2,500.00	1,609.28	35.6
620-8090-65990 MISCELLANEOUS	.00	1,186.87	800.00	( 386.87)	148.4
620-8090-67240 COMPUTER HARDWARE/SOFTWARE	.00	3,133.84	10,000.00	6,866.16	31.3
<b>TOTAL ADMIN/GENERAL</b>	<b>22,071.51</b>	<b>398,464.27</b>	<b>436,000.00</b>	<b>37,535.73</b>	<b>91.4</b>
<u>IMU ADMIN--GM</u>					
620-8091-60110 SALARY/WAGES--ADMINISTRATION	8,938.38	145,783.36	121,500.00	( 24,283.36)	120.0
620-8091-61100 FICA	689.34	10,902.89	9,300.00	( 1,602.89)	117.2
620-8091-61300 IPERS	789.96	7,393.00	10,900.00	3,507.00	67.8
620-8091-61420 DEFERRED COMP--457	175.00	1,437.51	3,100.00	1,662.49	46.4
620-8091-62300 EDUCATION/TRAINING	214.96	1,506.49	4,500.00	2,993.51	33.5
620-8091-62700 MILEAGE	467.64	1,248.48	3,000.00	1,751.52	41.6
<b>TOTAL IMU ADMIN--GM</b>	<b>11,275.28</b>	<b>168,271.73</b>	<b>152,300.00</b>	<b>( 15,971.73)</b>	<b>110.5</b>

CITY OF INDIANOLA IA  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING JUNE 30, 2016

IMU ADMINISTRATION FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEXPENDED	PCNT
<u>IMU ADMIN--SAFETY</u>					
620-8092-64142	MAPS/PRINTS	1,600.00	7,000.00	6,000.00 ( 1,000.00)	116.7
620-8092-64990	MISC CONTRACTUAL	3,331.17	9,482.18	6,500.00 ( 2,982.18)	145.9
620-8092-65078	MATERIALS/SUPPLIES--SAFETY	.00	40.00	500.00 460.00	8.0
620-8092-65990	MISCELLANEOUS	.00	.00	500.00 500.00	.0
620-8092-67245	SPECIALIZED EQUIPMENT	.00	178.20	2,000.00 1,821.80	8.9
	TOTAL IMU ADMIN--SAFETY	4,931.17	16,700.38	15,500.00 ( 1,200.38)	107.7
<u>CITY TRANSFERS</u>					
620-8098-69620	TRANSFER OUT CITY CLERK'S OFFI	25,108.33	301,299.96	301,300.00 .04	100.0
620-8098-69621	TRANSFER OUT-INFO & TECH	3,691.67	44,300.04	44,400.00 99.96	99.8
620-8098-69880	TRANSFER OUT IMU-HR	2,383.33	28,599.96	28,600.00 .04	100.0
	TOTAL CITY TRANSFERS	31,183.33	374,199.96	374,300.00 100.04	100.0
	TOTAL FUND EXPENDITURES	73,959.64	1,028,735.39	1,060,700.00 31,964.61	97.0
	NET REVENUE OVER EXPENDITURES	( 103,924.25)	.00	.00 .00	.0

CITY OF INDIANOLA IA  
REVENUES/EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING JUNE 30, 2016

ELECTRIC OPERATING FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEARNED	PCNT
<u>ELECTRIC</u>					
630-8200-40650	.00	32,090.00	33,000.00	910.00	97.2
630-8200-43000	5,688.32	83,125.97	110,000.00	26,874.03	75.6
630-8200-44250	.00	88,694.24	.00	( 88,694.24)	.0
630-8200-45001	1,657.13	23,666.20	22,000.00	( 1,666.20)	107.6
630-8200-45400	2,325.90	27,681.59	25,000.00	( 2,681.59)	110.7
630-8200-45405	5,387.87	57,184.63	45,000.00	( 12,184.63)	127.1
630-8200-45450	36.08	122.46	300.00	177.54	40.8
630-8200-45550	330.00	2,430.00	2,500.00	70.00	97.2
630-8200-45629	7,741.73	93,405.43	90,000.00	( 3,405.43)	103.8
630-8200-45630	848,655.85	12,550,342.48	12,660,000.00	109,657.52	99.1
630-8200-45631	.00	33,565.75	43,000.00	9,434.25	78.1
630-8200-45632	7,400.00	88,800.05	88,800.00	( .05)	100.0
630-8200-45633	.00	14,835.00	17,800.00	2,965.00	83.3
630-8200-45634	10,753.00	28,153.00	2,500.00	( 25,653.00)	1126.1
630-8200-45635	245.00	1,400.00	1,000.00	( 400.00)	140.0
630-8200-45636	700.00	18,900.00	5,000.00	( 13,900.00)	378.0
630-8200-45637	( 41.54)	65.56	.00	( 65.56)	.0
630-8200-45639	1,373.13	16,241.28	15,000.00	( 1,241.28)	108.3
630-8200-47100	632.59	6,452.66	.00	( 6,452.66)	.0
630-8200-47106	15.00	180.00	.00	( 180.00)	.0
630-8200-47400	236.50	7,566.34	10,000.00	2,433.66	75.7
630-8200-48900	14,075.95	214,067.90	239,000.00	24,932.10	89.6
630-8200-49900	22,566.67	270,800.04	270,800.00	( .04)	100.0
<b>TOTAL ELECTRIC</b>	<b>929,779.18</b>	<b>13,659,770.58</b>	<b>13,680,700.00</b>	<b>20,929.42</b>	<b>99.9</b>
<b>TOTAL FUND REVENUE</b>	<b>929,779.18</b>	<b>13,659,770.58</b>	<b>13,680,700.00</b>	<b>20,929.42</b>	<b>99.9</b>
<u>PLANT OPERATIONS</u>					
630-8210-60170	5,006.89	65,363.32	61,900.00	( 3,463.32)	105.6
630-8210-61100	750.77	9,863.74	9,000.00	( 863.74)	109.6
630-8210-61300	894.24	11,763.73	10,500.00	( 1,263.73)	112.0
630-8210-61420	75.00	900.00	1,800.00	900.00	50.0
630-8210-61810	.00	550.00	600.00	50.00	91.7
630-8210-62300	.00	.00	1,500.00	1,500.00	.0
630-8210-63710	2,271.99	33,708.50	42,000.00	8,291.50	80.3
630-8210-64070	.00	.00	2,500.00	2,500.00	.0
630-8210-64900	328.81	1,381.82	2,500.00	1,118.18	55.3
630-8210-65010	.00	7,431.69	3,000.00	( 4,431.69)	247.7
630-8210-65049	.00	8,066.50	5,000.00	( 3,066.50)	161.3
630-8210-65500	.00	.00	1,000.00	1,000.00	.0
<b>TOTAL PLANT OPERATIONS</b>	<b>9,327.70</b>	<b>139,029.30</b>	<b>141,300.00</b>	<b>2,270.70</b>	<b>98.4</b>

CITY OF INDIANOLA IA  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING JUNE 30, 2016

ELECTRIC OPERATING FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEXPENDED	PCNT
<u>PLANT MAINTENANCE</u>					
630-8220-60150	SALARY/WAGES--MAINTENANCE	4,506.19	58,827.21	55,600.00 (	3,227.21) 105.8
630-8220-63100	REPAIR/MAINT--BLDG/GROUNDS	197.81	8,333.22	20,000.00	11,666.78 41.7
630-8220-63410	REPAIR/MAINT--EQUIPMENT	913.43	7,476.37	10,000.00	2,523.63 74.8
630-8220-64090	JANITORIAL SERVICES	1,678.80	25,285.15	27,500.00	2,214.85 92.0
630-8220-64200	INSPECTIONS/TESTING	.00	3,587.07	4,000.00	412.93 89.7
630-8220-65072	MATERIALS/SUPPLIES--MAINTENANC	462.84	20,392.76	25,000.00	4,607.24 81.6
	TOTAL PLANT MAINTENANCE	7,759.07	123,901.78	142,100.00	18,198.22 87.2
<u>TURBINES</u>					
630-8225-63410	REPAIR/MAINT--EQUIPMENT	1,927.39	47,598.95	25,000.00 (	22,598.95) 190.4
630-8225-64990	MISC CONTRACTUAL	.00	.00	5,000.00	5,000.00 .0
630-8225-65049	FUEL	10,437.57	91,538.81	50,000.00 (	41,538.81) 183.1
	TOTAL TURBINES	12,364.96	139,137.76	80,000.00 (	59,137.76) 173.9
<u>PURCHASED ENERGY</u>					
630-8230-63990	RENEWABLE ENERGY PURCHASED	13,260.00	159,120.00	263,800.00	104,680.00 60.3
630-8230-63991	ELECTRIC ENERGY PURCHASED (BU	680,367.14	8,995,963.16	8,886,200.00 (	109,763.16) 101.2
630-8230-63992	TRANSMISSION FEES	41,400.40	732,918.68	705,000.00 (	27,918.68) 104.0
	TOTAL PURCHASED ENERGY	735,027.54	9,888,001.84	9,855,000.00 (	33,001.84) 100.3
<u>DISTRIBUTION OPERATIONS</u>					
630-8240-60180	SALARY/WAGES--SUPERINTENDENT	6,213.77	35,647.37	84,800.00	49,152.63 42.0
630-8240-61100	FICA	505.54	2,805.67	6,500.00	3,694.33 43.2
630-8240-61300	IPERS	584.10	3,212.55	7,600.00	4,387.45 42.3
630-8240-61420	DEFERRED COMP--457	250.00	137.50	2,100.00	1,962.50 6.6
630-8240-61810	UNIFORMS/CLOTHING ALLOWANCE	.00	2,750.00	3,000.00	250.00 91.7
630-8240-62300	EDUCATION/TRAINING	1,049.65	10,987.22	12,000.00	1,012.78 91.6
630-8240-63710	UTILITIES	55.39	1,729.47	5,000.00	3,270.53 34.6
630-8240-63730	TELEPHONE	978.00	5,859.98	4,000.00 (	1,859.98) 146.5
630-8240-64070	ENGINEERING	.00	.00	2,500.00	2,500.00 .0
630-8240-64900	MISC CONSULTING SERVICES	328.81	328.81	2,500.00	2,171.19 13.2
630-8240-65500	PERSONAL PROTECTIVE EQUIPMEN	8,957.74	15,930.97	5,000.00 (	10,930.97) 318.6
630-8240-65990	MISCELLANEOUS	.00	1,068.00	2,000.00	932.00 53.4
	TOTAL DISTRIBUTION OPERATIONS	18,923.00	80,457.54	137,000.00	56,542.46 58.7

CITY OF INDIANOLA IA  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING JUNE 30, 2016

ELECTRIC OPERATING FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEXPENDED	PCNT
<u>DISTRIBUTION MAINTENANCE</u>					
630-8250-60150 SALARY/WAGES--MAINTENANCE	45,411.73	583,437.55	598,700.00	15,262.45	97.5
630-8250-61100 FICA	3,463.22	44,807.01	45,800.00	992.99	97.8
630-8250-61300 IPERS	4,055.29	51,952.69	53,500.00	1,547.31	97.1
630-8250-61420 DEFERRED COMP--457	505.00	8,685.00	9,000.00	315.00	96.5
630-8250-63423 REPAIR/MAINT--STREET LIGHTS	1,196.94	30,079.74	25,000.00	( 5,079.74)	120.3
630-8250-63453 REPAIR/MAINT--SYSTEM	5,030.04	11,225.38	30,000.00	18,774.62	37.4
630-8250-64151 EQUIPMENT RENTAL	.00	.00	5,000.00	5,000.00	.0
630-8250-64200 INSPECTIONS/TESTING	.00	25,881.89	20,000.00	( 5,881.89)	129.4
630-8250-64750 BORING	15,742.00	15,742.00	30,000.00	14,258.00	52.5
630-8250-64990 MISC CONTRACTUAL	620.00	18,807.51	25,000.00	6,192.49	75.2
630-8250-65072 MATERIALS/SUPPLIES--MAINTENANC	25,735.16	137,895.72	150,000.00	12,104.28	91.9
<b>TOTAL DISTRIBUTION MAINTENANCE</b>	<b>101,759.38</b>	<b>928,514.49</b>	<b>992,000.00</b>	<b>63,485.51</b>	<b>93.6</b>
<u>TRANSMISSION</u>					
630-8255-60150 SALARY/WAGES--MAINTENANCE	827.73	6,863.49	10,700.00	3,836.51	64.1
630-8255-61100 FICA	.00	.00	900.00	900.00	.0
630-8255-61300 IPERS	.00	.00	1,000.00	1,000.00	.0
630-8255-63100 REPAIR/MAINT--BLDG/GROUNDS	.00	90,976.47	.00	( 90,976.47)	.0
630-8255-65072 MATERIALS/SUPPLIES-MAINTENANC	.00	723.00	.00	( 723.00)	.0
630-8255-65990 MISCELLANEOUS	.00	862.00	500.00	( 362.00)	172.4
<b>TOTAL TRANSMISSION</b>	<b>827.73</b>	<b>99,424.96</b>	<b>13,100.00</b>	<b>( 86,324.96)</b>	<b>759.0</b>
<u>FLEET/VEHICLES</u>					
630-8260-63320 REPAIR/MAINT--VEHICLES	601.90	45,348.21	35,000.00	( 10,348.21)	129.6
630-8260-65050 VEHICLE OPERATING SUPPLIES	( 29,698.03)	15,675.35	35,000.00	19,324.65	44.8
630-8260-65072 MATERIALS/SUPPLIES--MAINTENANC	766.73	9,848.11	5,000.00	( 4,848.11)	197.0
<b>TOTAL FLEET/VEHICLES</b>	<b>( 28,329.40)</b>	<b>70,871.67</b>	<b>75,000.00</b>	<b>4,128.33</b>	<b>94.5</b>
<u>METER READING</u>					
630-8270-60165 SALARY/WAGES--METER READ/REPA	2,899.53	38,139.00	38,400.00	261.00	99.3
630-8270-61100 FICA	219.32	2,906.61	3,000.00	93.39	96.9
630-8270-61300 IPERS	258.93	3,396.85	3,500.00	103.15	97.1
630-8270-61810 UNIFORMS/CLOTHING ALLOWANCE	.00	741.78	1,000.00	258.22	74.2
630-8270-64020 ADVERTISING & LEGAL NOTICES	.00	.00	800.00	800.00	.0
630-8270-64990 MISC CONTRACTUAL	558.94	2,200.38	3,000.00	799.62	73.4
<b>TOTAL METER READING</b>	<b>3,936.72</b>	<b>47,384.62</b>	<b>49,700.00</b>	<b>2,315.38</b>	<b>95.3</b>

CITY OF INDIANOLA IA  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING JUNE 30, 2016

ELECTRIC OPERATING FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEXPENDED	PCNT
<u>OVERHEAD</u>					
630-8280-61430	.00	231.00	400.00	169.00	57.8
630-8280-61440	90.00	1,635.00	500.00	( 1,135.00)	327.0
630-8280-61500	14,100.90	164,414.25	195,400.00	30,985.75	84.1
630-8280-61550	.00	2,918.17	3,000.00	81.83	97.3
630-8280-61599	.00	15,643.00	20,000.00	4,357.00	78.2
630-8280-64081	.00	7,644.00	8,000.00	356.00	95.6
630-8280-64082	.00	10,193.00	10,000.00	( 193.00)	101.9
630-8280-64083	.00	43,654.00	45,000.00	1,346.00	97.0
630-8280-64084	.00	43,307.00	45,000.00	1,693.00	96.2
630-8280-64121	280.00	1,150.00	2,000.00	850.00	57.5
630-8280-64180	14,183.14	214,967.11	239,000.00	24,032.89	89.9
630-8280-64181	.00	2,296.00	5,000.00	2,704.00	45.9
630-8280-69550	200.85	2,394.75	2,800.00	405.25	85.5
630-8280-69825	.00	19,383.00	16,900.00	( 2,483.00)	114.7
<b>TOTAL OVERHEAD</b>	<b>28,854.89</b>	<b>529,830.28</b>	<b>593,000.00</b>	<b>63,169.72</b>	<b>89.4</b>
<u>ADMIN/GENERAL</u>					
630-8290-64900	.00	15,500.00	6,000.00	( 9,500.00)	258.3
630-8290-64990	.00	320.00	3,000.00	2,680.00	10.7
630-8290-66990	.00	165.00	2,000.00	1,835.00	8.3
630-8290-67240	.00	.00	1,000.00	1,000.00	.0
630-8290-67306	1,550.00	41,529.96	50,000.00	8,470.04	83.1
<b>TOTAL ADMIN/GENERAL</b>	<b>1,550.00</b>	<b>57,514.96</b>	<b>62,000.00</b>	<b>4,485.04</b>	<b>92.8</b>
<u>IMU TRANSFER</u>					
630-8297-69713	50,144.80	838,478.17	860,000.00	21,521.83	97.5
630-8297-69753	.00	( 233,333.32)	( 700,000.00)	( 466,666.68)	( 33.3)
630-8297-69880	( 23,282.86)	727,117.10	750,400.00	23,282.90	96.9
<b>TOTAL IMU TRANSFER</b>	<b>26,861.94</b>	<b>1,332,261.95</b>	<b>910,400.00</b>	<b>( 421,861.95)</b>	<b>146.3</b>
<u>CITY TRANSFERS &amp; PILOT</u>					
630-8298-69101	48,091.66	605,791.66	608,400.00	2,608.34	99.6
<b>TOTAL CITY TRANSFERS &amp; PILOT</b>	<b>48,091.66</b>	<b>605,791.66</b>	<b>608,400.00</b>	<b>2,608.34</b>	<b>99.6</b>

CITY OF INDIANOLA IA  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 12 MONTHS ENDING JUNE 30, 2016

ELECTRIC OPERATING FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEXPENDED	PCNT
<u>ECONOMIC DEVELOPMENT TRANSFE</u>					
630-8299-64850 SPONSORSHIP/SUPPORT	.00	1,500.00	35,000.00	33,500.00	4.3
TOTAL ECONOMIC DEVELOPMENT T	.00	1,500.00	35,000.00	33,500.00	4.3
TOTAL FUND EXPENDITURES	966,955.19	14,043,622.81	13,694,000.00	( 349,622.81)	102.6
NET REVENUE OVER EXPENDITURES	( 37,176.01)	( 383,852.23)	( 13,300.00)	370,552.23	(2886.

CITY OF INDIANOLA IA  
REVENUES/EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING JUNE 30, 2016

FIBER/COMMUNICATIONS FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEARNED	PCNT
<u>FIBER/COMMUNICATIONS</u>					
640-8550-40650	COMMUNICATIONS FRANCHISE FEES	.00	8,532.30	.00 ( 8,532.30)	.0
640-8550-43000	INTEREST	283.16	4,588.73	5,000.00	411.27 91.8
640-8550-43400	LEASE--UTILITY	31,221.76	324,231.07	352,000.00	27,768.93 92.1
640-8550-47100	REFUNDS/REIMBURSEMENTS	.00	11,839.06	.00 ( 11,839.06)	.0
	TOTAL FIBER/COMMUNICATIONS	31,504.92	349,191.16	357,000.00	7,808.84 97.8
	TOTAL FUND REVENUE	31,504.92	349,191.16	357,000.00	7,808.84 97.8
640-8299-64850	SPONSORSHIP/SUPPORT	.00	.00	35,000.00	35,000.00 .0
	TOTAL DEPARTMENT 8299	.00	.00	35,000.00	35,000.00 .0
<u>FIBER/COMMUNICATIONS</u>					
640-8550-60165	SALARY METER READERS	866.34	11,635.10	11,400.00 ( 235.10)	102.1
640-8550-61100	FICA-CITY CONTRIBUTION	64.78	877.23	900.00	22.77 97.5
640-8550-61300	IPERS CONTRIBUTION	77.36	1,025.79	1,100.00	74.21 93.3
640-8550-63464	REPAIR/MAINT--FIBER	4,803.55	24,231.38	15,000.00 ( 9,231.38)	161.5
640-8550-64110	LEGAL SERVICE FEES	.00	2,499.50	5,000.00	2,500.50 50.0
640-8550-64150	EXPENSES-LEASES	18,986.75	212,817.63	231,000.00	18,182.37 92.1
640-8550-64900	MISC CONSULTING	15,537.20	39,941.67	2,500.00 ( 37,441.67)	1597.7
640-8550-64990	MISC CONTRACTUAL	261.00	2,035.80	4,000.00	1,964.20 50.9
640-8550-67100	VEHICLES	.00	.00	40,000.00	40,000.00 .0
	TOTAL FIBER/COMMUNICATIONS	40,596.98	295,064.10	310,900.00	15,835.90 94.9
<u>IMU TRANSFER</u>					
640-8597-69650	TRANSFER OUT FRANCHISE FEES	.00	8,532.30	.00 ( 8,532.30)	.0
640-8597-69880	TRANSFER OUT--IMU ADMINISTRATI	( 2,831.66)	90,968.38	93,800.00	2,831.62 97.0
	TOTAL IMU TRANSFER	( 2,831.66)	99,500.68	93,800.00 ( 5,700.68)	106.1
	TOTAL FUND EXPENDITURES	37,765.32	394,564.78	439,700.00	45,135.22 89.7
	NET REVENUE OVER EXPENDITURES	( 6,260.40)	( 45,373.62)	( 82,700.00)	( 37,326.38) ( 54.9)

CITY OF INDIANOLA IA  
REVENUES/EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING JUNE 30, 2016

WATER CAPITAL PROJECTS FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEARNED	PCNT
<u>WATER CAPITAL PROJECTS</u>					
700-8100-47100	REFUNDS/REIMBURSEMENTS	.00	4,107.87	.00 (	4,107.87) .0
700-8100-48000	SALE OF LAND/ALLEYS	.00	20,000.00	20,000.00	.00 100.0
700-8100-49900	TRANSFER IN--WATER IMPROVE	35,991.67	431,900.04	431,900.00 (	.04) 100.0
	TOTAL WATER CAPITAL PROJECTS	35,991.67	456,007.91	451,900.00 (	4,107.91) 100.9
	TOTAL FUND REVENUE	35,991.67	456,007.91	451,900.00 (	4,107.91) 100.9
<u>WATER CAPITAL PROJECTS</u>					
700-8100-67402	WATER TOWERS	.00	19,881.14	130,000.00	110,118.86 15.3
700-8100-67403	WELL MAINTENANCE	106,837.50	106,837.50	100,000.00 (	6,837.50) 106.8
700-8100-67405	VALVES/HYDRANT REPLACEMENT	.00	4,288.49	15,000.00	10,711.51 28.6
700-8100-67406	WATER MAINS	19,711.44	214,438.30	225,000.00	10,561.70 95.3
700-8100-67905	METERS (NON-RADIO READ)	7,414.82	45,415.88	30,000.00 (	15,415.88) 151.4
700-8100-67906	MATERIALS--STOCK/INVENTORY	375.21	( 2,043.08)	.00	2,043.08 .0
	TOTAL WATER CAPITAL PROJECTS	134,338.97	388,818.23	500,000.00	111,181.77 77.8
	TOTAL FUND EXPENDITURES	134,338.97	388,818.23	500,000.00	111,181.77 77.8
	NET REVENUE OVER EXPENDITURES	( 98,347.30)	67,189.68	( 48,100.00) (	115,289.68) 139.7

CITY OF INDIANOLA IA  
REVENUES/EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING JUNE 30, 2016

ELECTRIC CAPITAL PROJECTS FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEARNED	PCNT
<u>ELECTRIC CAPITAL PROJECTS</u>					
730-8200-45629	MISO TRANSMISSION REVENUE	31,169.26	383,345.83	426,000.00	42,654.17 90.0
730-8200-45632	PEAK CAPACITY CONTRACT	29,600.00	355,200.00	355,200.00	.00 100.0
730-8200-45633	SUBSTATION CAPACITY	.00	59,280.00	71,100.00	11,820.00 83.4
730-8200-45638	ELECTRIC INSTALL FEE	20,522.65	119,874.57	166,700.00	46,825.43 71.9
730-8200-45853	FIBER SERVICE INSTALLATIONS	18,986.75	212,817.63	231,000.00	18,182.37 92.1
730-8200-47100	REFUNDS/REIMBURSEMENTS	.00	706,780.97	530,000.00	( 176,780.97) 133.4
730-8200-49793	TRANSFER IN--ELECTRIC REV IMPR	.00	( 233,333.32)	( 700,000.00)	( 466,666.68) ( 33.3)
	TOTAL ELECTRIC CAPITAL PROJECT	100,278.66	1,603,965.68	1,080,000.00	( 523,965.68) 148.5
	TOTAL FUND REVENUE	100,278.66	1,603,965.68	1,080,000.00	( 523,965.68) 148.5
<u>ELECTRIC CAPITAL PROJECTS</u>					
730-8200-67100	VEHICLES	36,699.74	36,699.74	200,000.00	163,300.26 18.4
730-8200-67245	SPECIALIZED EQUIPMENT	.00	.00	115,000.00	115,000.00 .0
730-8200-67303	BORING--CUSTOMER PAID	9,400.00	24,147.00	35,000.00	10,853.00 69.0
730-8200-67304	ELECTRIC MATERIALS--CUSTOMER P	47,105.81	76,139.16	100,000.00	23,860.84 76.1
730-8200-67305	TRANSMISSION & WIND INVENTORY	.00	6,600.00	70,000.00	63,400.00 9.4
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	723.93	117,263.12	225,000.00	107,736.88 52.1
730-8200-67602	POP EQUIPMENT	.00	156.83	.00	( 156.83) .0
730-8200-67603	FIBER DROPS (SERVICE LINES)	12,628.11	74,368.70	.00	( 74,368.70) .0
730-8200-67604	ONTS (EQUIPMENT ON BUILDINGS)	4,411.22	52,517.40	.00	( 52,517.40) .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	.00	867,983.86	968,000.00	100,016.14 89.7
730-8200-67904	RADIO READ METERS	.00	.00	10,000.00	10,000.00 .0
730-8200-67905	HWY 92 WEST RELOCATION-IDOT	.00	77,136.85	.00	( 77,136.85) .0
730-8200-67906	MATERIALS--STOCK/INVENTORY	( 63,728.61)	( 234,039.80)	.00	234,039.80 .0
730-8200-67908	HWY 92/Y ST RELOCATION PROJECT	.00	9,830.00	.00	( 9,830.00) .0
	TOTAL ELECTRIC CAPITAL PROJECT	47,240.20	1,108,802.86	1,921,000.00	812,197.14 57.7
	TOTAL FUND EXPENDITURES	47,240.20	1,108,802.86	1,921,000.00	812,197.14 57.7
	NET REVENUE OVER EXPENDITURES	53,038.46	495,162.82	( 841,000.00)	( 1,336,162.82) 58.9

**FINANCIAL REPORT  
MONTH OF JUNE, 2016**

FUND	Beginning Balance	Monies Received	Monies Disbursed	Transfer In	Transfer Out	Clerk's Balance	% of Total
001 General Government	1,710,194.94	61,981.52	177,008.32	113,383.33	102,768.73	1,605,782.74	
011 Police	978,441.51	17,616.38	198,957.44	31,529.70	309.00	828,321.15	
015 Fire	573,442.79	7,395.25	48,126.06	1,198.16	24.72	533,885.42	
016 Ambulance	350,769.12	53,658.50	79,300.28	632.61	5,572.66	320,187.29	
041 Library	72,664.79	3,931.59	34,193.39	1,261.87	61.80	43,603.06	
042 Park & Recreation	539,724.05	62,881.97	125,371.90	1,429.52	108.15	478,555.49	
045 Memorial Pool	-1,373.41	55,259.49	28,141.70	0.00	0.00	25,744.38	
071 General Fund Deb Service	54,114.99	635.32	0.00	0.00	0.00	54,750.31	
099 Franchise Fees-MEC	476,911.18	0.00	0.00	0.00	0.00	476,911.18	
<b>GENERAL FUND SUB-TOTAL</b>	<b>4,754,889.96</b>	<b>263,360.02</b>	<b>691,099.09</b>	<b>149,435.19</b>	<b>108,845.06</b>	<b>4,367,741.02</b>	
110 Road Use Tax (Streets)	1,370,342.90	167,890.83	297,148.52	0.00	15,866.48	1,225,218.73	
112 Trust & Agency	0.00	11,176.86	0.00	0.00	11,176.86	0.00	
115 YMCA Maintenance Obligations	85,566.46	0.00	0.00	100,000.00	0.00	185,566.46	
125 TIF--Downtown	606,229.39	7,913.20	0.00	1,271,206.24	935,420.75	949,928.08	
126 TIF--East Hwy 92	0.00	0.00	0.00	0.00	0.00	0.00	
127 TIF--Hillcrest/Industrial Park	1,271,206.24	0.00	0.00	0.00	1,271,206.24	0.00	
141 Library Special Revenue	36,337.17	2,689.16	1,834.46	0.00	0.00	37,191.87	
142 Park & Rec Special Revenue	137,258.26	3,916.01	422.69	0.00	0.00	140,751.58	
160 Downtown Revolving Loan	149,711.06	0.00	0.00	0.00	0.00	149,711.06	
161 Downtown Business Inc Program	31,644.31	2,062.50	991.60	0.00	0.00	32,715.21	
177 Police Forfeiture	19,830.07	0.00	0.00	0.00	0.00	19,830.07	
190 Vehicle Reserve	65,268.28	0.00	0.00	2,083.33	0.00	67,351.61	
199 Police Retirement	90,817.96	94.39	0.00	0.00	1,041.67	89,870.68	
<b>SPECIAL REVENUES SUB-TOTAL</b>	<b>3,864,212.10</b>	<b>195,742.95</b>	<b>300,397.27</b>	<b>1,373,289.57</b>	<b>2,234,712.00</b>	<b>2,898,135.35</b>	
<b>200 DEBT SERVICE (SUB-TOTAL)</b>	<b>214,963.27</b>	<b>8,025.70</b>	<b>100.00</b>	<b>987,020.75</b>	<b>0.00</b>	<b>1,209,909.72</b>	
301 Capital Projects (General)	392,090.78	14,100.97	0.00	0.00	0.00	406,191.75	
321 Capital Projects (Streets)	8,475.96	118,233.00	545.39	0.00	0.00	126,163.57	
344 Community Athletic Facility	3,179.87	3.31	581.87	0.00	0.00	2,601.31	
353 Community ReDevelopment (D&D)	-52,194.89	0.00	0.00	0.00	0.00	-52,194.89	
<b>CAPITAL PROJECTS SUB-TOTAL</b>	<b>351,551.72</b>	<b>132,337.28</b>	<b>1,127.26</b>	<b>0.00</b>	<b>0.00</b>	<b>482,761.74</b>	
610 Sewer	576,614.57	0.00	94,708.66	143,725.00	35,935.59	589,695.32	
650 Stormwater Utility	554,373.75	16,883.12	64,007.61	0.00	5,116.67	502,132.59	
670 Recycling	89,220.29	18,605.56	15,984.06	0.00	1,508.33	90,333.46	
710 Sewer Capital Projects	423,957.77	247,940.22	25,871.75	0.00	231,466.67	414,559.57	
771 Sewer Reserve	114,238.70	0.00	0.00	0.00	0.00	114,238.70	
781 Sewer Plant Improvement	365,489.14	0.00	0.00	2,083.33	0.00	367,572.47	
791 Sewer Revenue Bonds	770,214.66	0.00	527,143.53	58,791.67	0.00	301,862.80	
820 Health Insurance	691,672.75	107,034.76	108,305.17	0.00	0.00	690,402.34	
830 Health Reimbursement Account	252,620.65	0.00	9,081.43	0.00	0.00	243,539.22	
840 Flex/STD	202,747.95	2,745.58	2,114.01	1,328.70	0.00	204,708.22	
850 Liability Insurance Reserve--City	27,349.90	446.32	0.00	0.00	0.00	27,796.22	
<b>CITY UTILITY &amp; IS SUB-TOTAL</b>	<b>4,068,500.13</b>	<b>393,655.56</b>	<b>847,216.22</b>	<b>205,928.70</b>	<b>274,027.26</b>	<b>3,546,840.91</b>	
<b>TOTAL CITY FUNDS</b>	<b>13,254,117.18</b>	<b>993,121.51</b>	<b>1,839,939.84</b>	<b>2,715,674.21</b>	<b>2,617,584.32</b>	<b>12,505,388.74</b>	<b>63%</b>
<b>TOTAL IMU FUNDS</b>	<b>7,565,971.05</b>	<b>1,239,132.92</b>	<b>1,246,797.24</b>	<b>101,663.53</b>	<b>199,753.42</b>	<b>7,460,216.84</b>	<b>37%</b>
<b>GRAND TOTAL CITY &amp; IMU</b>	<b>20,820,088.23</b>	<b>2,232,254.43</b>	<b>3,086,737.08</b>	<b>2,817,337.74</b>	<b>2,817,337.74</b>	<b>19,965,605.58</b>	
Cross Check Total						19,965,605.58	
<b>Investments</b>						Clerk's Balance	19,965,605.58
Bankers Trust	\$ 17,189,148.11	1.62%				Plus Outstanding Checks	279,233.99
Iowa Public Agency Inv. Trust	\$ 111,138.30	0.035%				Oustanding Deposit	-15,679.56
Payroll Account, City State Bank	\$ -	Earnings Credit					
Checking Account, City State Bank	\$ 241,556.82	Earnings Credit					
Checking & Payroll Account, Community Bank	\$ -						
Sweep Account, City State Bank	\$ 2,684,518.40	0.40%					
Wells Fargo	\$ 2,798.38						
<b>BANK BALANCE</b>	<b>20,229,160.01</b>						<b>20,229,160.01</b>

600 Water	34,590.45	199,998.22	90,090.39	0.00	96,200.95	48,297.33
620 IMU Administration	103,924.25	0.00	42,729.96	-29,964.61	31,229.68	0.00
625 Revolving Economic Development	106,841.72	108.55	0.00	0.00	0.00	106,950.27
626 USDA RLF	300,000.00	0.00	0.00	0.00	0.00	300,000.00
630 Electric	1,911,729.42	907,228.41	891,800.74	22,566.67	75,154.45	1,874,569.31
640 Fiber/Communications	266,570.57	31,504.92	40,596.98	0.00	-2,831.66	260,310.17
700 Water Capital Projects	1,087,228.85	0.00	134,338.97	35,991.67	0.00	988,881.55
730 Electric Capital Projects	3,188,956.57	100,278.66	47,240.20	0.00	0.00	3,241,995.03
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	137,457.18	0.00	0.00	22,925.00	0.00	160,382.18
793 Electric Revenue Bonds	203,828.99	0.00	0.00	50,144.80	0.00	253,973.79
855 Liability Insurance Reserve--IMU	14,843.05	14.16	0.00	0.00	0.00	14,857.21
<b>IMU SUB-TOTAL</b>	<b>7,565,971.05</b>	<b>1,239,132.92</b>	<b>1,246,797.24</b>	<b>101,663.53</b>	<b>199,753.42</b>	<b>7,460,216.84</b>

<b>INTEREST DISTRIBUTION</b>	<b>INTEREST</b>			
	<b>INCOME</b>	<b>% OF TOTAL</b>	<b>CALYTD</b>	<b>FYTD</b>
Electric Funds	\$ 6,094.19	25.83%	\$ 42,921.13	\$ 90,147.34
Water Funds	\$ 1,437.06	6.09%	\$ 9,277.18	\$ 21,680.84
Sewer Funds	\$ 1,838.22	7.79%	\$ 11,560.31	\$ 21,206.13
Police Retirement	\$ 94.39	0.40%	\$ 679.35	\$ 1,508.06
Community Redevelopment	\$ -	0.00%	\$ -	\$ -
All other	\$ 14,133.24	59.89%	\$ 82,508.20	\$ 156,566.20
<b>TOTAL</b>	<b>\$ 23,597.10</b>	<b>100.00%</b>	<b>\$ 146,946.17</b>	<b>\$ 291,108.57</b>

Meeting Date: 07/25/2016

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**Information**

**Subject**

Electric Generation Department Restructure

**Information**

IMU management and bargaining unit have been working together to solve a current on-call/cross training challenge that exists in the generation department. The proposed solution involves combining the individual job responsibilities of the meter reader, inventory specialist and generation operator duties to become department responsibilities of the generation department that would be shared amongst all employees within the department. This structure facilitates a better cross training environment and addresses the on-call challenges previously faced by the department. This change represents no change to the current FTE count within the organization but does represent an adjustment to the union pay scale appendix and revised job descriptions.

The formal memo of understanding between IMU and the electric bargaining unit and other supporting documentation will be provided at the meeting for the Board's consideration.

**Financial Impact**

N/A

**Staff Recommendation**

Simple motion is in order

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**Attachments**

*No file(s) attached.*

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**Meeting Date:** 07/25/2016

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**Information**

**Subject**

Annual IMPACT Community Action Program Vendor Agreement

**Information**

Under the attached agreement, IMPACT 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 IMPACT determines eligibility for federal assistance for IMU's electric customers without Clerk's Office staff being tied up with eligibility and federal requirements. IMPACT serves residents in five counties and attains economies of scale throughout the process.

**Financial Impact**

N/A

**Staff Recommendation**

Simple motion is in order.

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**Attachments**

FY17 Energy Assistance Vendor Agreement

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July 11<sup>th</sup>, 2016

Dear Vendor:

We will begin taking applications for the upcoming Low-Income Home Energy Assistance Program (LIHEAP) on October 1, 2016, for households with a member either 60 years of age or older or a member which is disabled. All other households may apply starting November 1, 2016.

Please sign the enclosed Vendor Agreement and return to IMPACT no later than October 1, 2016. If you are a deliverable fuel vendor, you must also fill out the required Routine Service Price Listing and return this form with your signed vendor agreement.

Thank you for your participation in the Low-Income Home Energy Assistance Program this past heating season. We are looking forward to working with your company in the upcoming months with the new LIHEAP year.

If you have any questions regarding the vendor agreement or the deliverable fuel Routine Service Price Listing, please call me at the number below.

Sincerely,

A handwritten signature in black ink that reads "Chris Hallinan". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Chris Hallinan,  
Energy Manager, IMPACT

LIHEAP Phone: 515-274-9665  
Email: [challinan@impactcap.org](mailto:challinan@impactcap.org)

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, 2017. 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

Chris Hallinan,  
Energy Manager/IMPACT

Date: 07/11/2016  
LIHEAP Phone: 515-274-9665

3226 University Ave  
Des Moines IA 50311

ATTACHMENT C

JUL 15 2016

**VENDOR AGREEMENT  
FFY 2017 LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM**

The following agreement is made between the local community action agency (local agency) administering the **INDIANOLA, IOWA** 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:

IMPACT Community Action Partnership, 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**

**Information**

**Subject**

Consider Revised Proposal from Magellan Advisors for the Broadband Implementation Plan

**Information**

It was the consensus of the Board that Magellan present a second proposal for the broadband implementation plan that reflects more of a consultant based approach rather than a full engagement approach. This revised proposal was not available at the time of this writing and so Trustees will receive it via email ASAP on Monday, July 25th.

**Financial Impact**

N/A

**Staff Recommendation**

Simple motion is in order.

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**Attachments**

2016 FTTH Feasibility Study\IMU Phase II Broadband Project Proposal

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# Proposal

## Phase II

# Broadband Project Business Plan

Prepared For:

Rob Strangel  
Indianola Municipal Utilities

Prepared By:

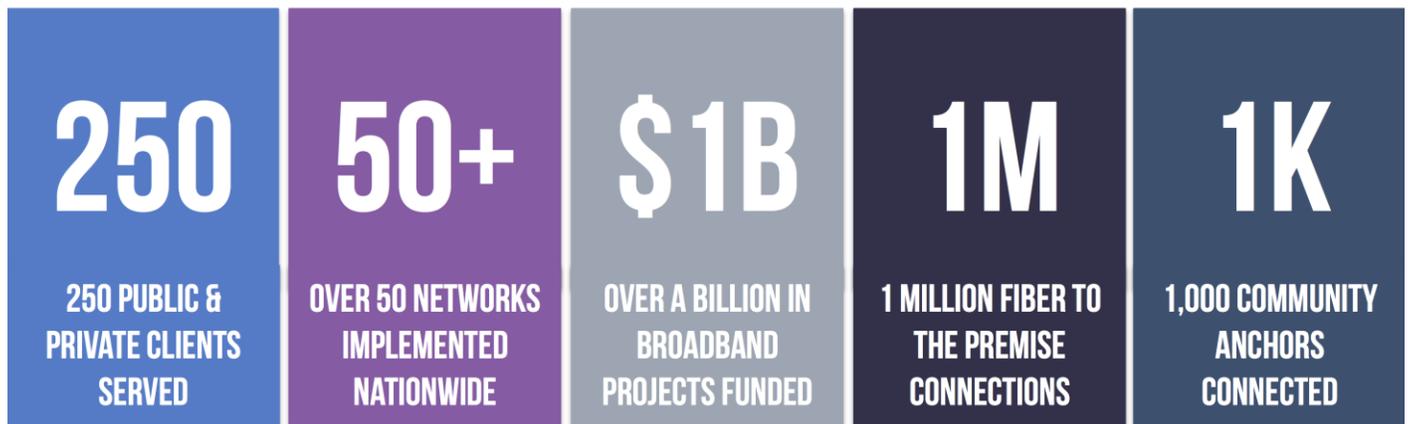
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999 18th Street, Suite 3000  
Denver, CO 80202

# Overview of Magellan Advisors

Magellan Advisors is the leading broadband consulting firm, providing broadband planning and implementation services for public utilities, government organizations and service providers across the United States and internationally. We assist providers, cities, counties, states and public utilities leverage their strengths to plan, deploy and manage fiber and wireless broadband networks, enabling their communities to thrive in the digital economy. We embrace the needs of communities to enhance economic development, improve education, expand healthcare and position themselves in the digital domain. We believe that broadband is a critical element to achieving these goals and our services position public and private organizations with effective strategies to expand broadband, customized to their individual needs.

## Proven Process. Proven Results.

Magellan helps more communities achieve their broadband goals.



Our combination of unmatched broadband, telecom, business and operational experience creates actionable strategies that communities use to realize their broadband objectives. We have lead the planning, funding, construction and management of over 50 fiber-to-the-premise networks passing over 1 million homes and connecting more than 1,000 schools, hospitals, government offices and community organizations. Our work has resulted in over \$1 billion in new broadband investments nationwide. Magellan has helped more communities successfully plan, implement and manage gigabit broadband networks than any other firm in the market.

# Portfolio of Services

Magellan is the only firm that provides comprehensive broadband planning, implementation and project management services, enabling our clients with a turnkey consulting partner that helps them through every step of the process. Our project teams are comprised of professionals with significant operational experience in the broadband, public utility, local government and information technology sectors. Unlike many consulting firms, we have deep business and operational expertise planning, building and managing networks, skills that are paramount to helping our clients plan and implement their own broadband networks and create effective partnerships. Our consultants develop real-world, actionable strategies that organizations can rely on to support the development of their broadband initiatives. No other firm in the industry has these combined capabilities.

## Make Gigabit a Reality in Your Community

**Magellan enables communities to plan, implement and manage Gigabit Broadband**



**FEASIBILITY  
STUDIES**



**BROADBAND  
ENGINEERING**



**BUSINESS MODELS  
& PARTNERSHIPS**



**FINANCING  
& GRANTS**



**PROJECT  
MANAGEMENT**

Magellan uses a customized approach in every project based on the needs of our clients and their communities. We develop innovative solutions that allow public and private organizations to best utilize their strengths to expand broadband. Magellan is at the forefront of public-private partnership development, working to negotiate and forge these partnerships between public organizations and private broadband providers. Conquering broadband issues often takes the participation of multiple parties that are aligned around common goals. Magellan helps communities recruit innovative providers and form strategic partnerships that benefit providers and the communities they serve.

## Feasibility Studies

Magellan helps public organizations and broadband operators determine reasonable expectations for deploying fiber to the premise networks. We develop comprehensive feasibility studies that assess the current broadband environment and determine the opportunities to deploy advanced broadband networks. Our feasibility studies are real world tested and based on the latest broadband industry trends that provide strategic direction for communities to achieve their broadband goals.

- Community Needs Assessments
- Market Analysis & Current Environment
- Network Analysis & Inventory
- Business Models & Financial Planning
- Design & Engineering
- Opportunity, Risk & Benefit Analysis

## Broadband Engineering

Our broadband design and engineering services provide the latest technical designs for fiber-to-the-premise, backbone, metro and long-haul networks. Our wireless design and engineering services develop effective fixed wireless, microwave and Wi-Fi networks to cover the most challenging terrain. Our services cover all aspects of broadband design and engineering, from outside plant fiber and wireless, to equipment, to services and content, to BSS/OSS and systems integration.

- FTTH, FTTP, Metro & Long-Haul Fiber
- Fixed Wireless, Microwave & Wi-Fi
- GPON, Active Ethernet & WDM
- Routing, Switching & MPLS
- Internet, Voice & Video Integration
- BSS/OSS & Network Management Systems

## Business Models & Partnerships

Magellan is on the forefront of emerging business models and partnership development within the broadband industry. We successfully plan, negotiate and execute partnership agreements between public organizations and private operators, leveraging the strengths of each organization to benefit the community. We have a stellar record of recruiting broadband providers to local communities and helping these organizations make their communities Gigabit Ready.

- Dark Fiber, Open Access, Triple Play
- Feasibility Analysis of Business Models
- Public-Private Partnership Development
- Partner Recruitment & RFQs
- Advocacy & Negotiation in Partnerships
- Opportunity, Risk & Benefit Analysis

## Financing & Grants

Magellan provides extensive financial planning services for organizations looking to invest in advanced broadband networks. Our extensive financial plans help government organizations and private operators understand the opportunities and risks and the most feasible financial strategies to achieve their goals. Our plans are investment ready and are routinely used to support funding with bond underwriters, banks, private equity firms and grant programs. Magellan also maintains a portfolio of financing partners and grant programs that we bring to communities to help them acquire funding.

- Investment-Ready Financial Plans
- Funding Development
- Partner Recruitment
- Broadband Grant Writing & Management
- FCC, E-Rate, CAF & State Programs
- Economic Development Grant Programs

## Project Management

Magellan helps operators, utilities and government organizations implement next-generation networks. We provide turnkey project management services that enable these organizations to maintain resources that cover every aspect of deploying broadband networks, from fiber and wireless network deployment, to equipment and content integration, to marketing and sales, to operations and management. Magellan provides the only turnkey solution that enables these organizations to deploy their networks in a timely manner and launch their networks with the confidence to achieve the best results in their communities.

- Procurement & Contract Negotiation
- Construction Management
- Network Commissioning & Certification
- Content Acquisition & Agreements
- Sales, Marketing & Business Development
- Business & Operations Management

## Additional Services

Magellan provides a wide range of supplementary services in information technology and security, smart city planning and networking technology fields. Many of our services complement one another, allowing Magellan to provide a one-stop-shop for our clients' full range of broadband, smart city, IT and security needs. Magellan's experts lead the industry in planning and deploying the latest technology solutions to meet a wide range of business needs. As the Internet of Things transitions from concept to reality, Magellan helps its clients adapt to the rapidly changing world and prepare communities to thrive in the digital domain.

- Information Technology
- Smart City Consulting
- Public Safety CJIS Consulting
- Utility Security & SCADA Consulting
- PCI Compliance & Implementation
- Information Security Consulting

# Key Principals



## John Honker – President & CEO

John is a seasoned broadband and telecom executive with 20 years experience across public and private sectors. His first 10 years were spent with Columbus Networks planning and managing broadband networks across 20 countries in the Americas region. Under his leadership, Columbus' Internet Services grew from \$0 to \$100 million in annual revenue over 7 years. As a key founder of Magellan, John has managed over 100 public and private broadband projects across the US and abroad. Other engagements included the development of the City of Riverside, CA's fiber business model, the City of Baltimore's citywide fiber strategies and Missoula's next-generation fiber plan. John holds an MBA in Finance and Management from the University of Miami and a BA in Philosophy from Stetson University.



## Kyle Hollifield – SVP of Sales & Marketing

Kyle Hollifield is a 25-year veteran of the telecommunications industry and most recently has held the position of Vice President of Business Development and Marketing at Bristol Virginia Utilities Authority (BVU), while managing the FOCUS division providing consulting services to other communities wishing to build or improve high speed broadband networks. Kyle has served on the Board of Directors of The North American Fiber to the Home Council, most recently as Chairman of the Board of Directors. Hollifield also serves as Vice-Chair of Broadband Communities Magazine and has made many presentations on broadband policy and opportunities to the FCC, RUS, NTIA, NATOA, APPA, National League of Cities, Rural Telecom Cooperative, FTTH, Broadband Communities and NCTC.



## Courtney Violette – SVP of Operations

Courtney has led dozens of municipal broadband planning and implementation projects across the country. He is a Certified Fiber-To-The-Home Professional and holds a number of technical certifications in broadband, information technology and information security. Prior to joining Magellan, he spent 6 years as the CIO for the City of Palm Coast. During this time, he planned and built the first true City-owned open-access network in the Southeast. Through his leadership, the network grew to serve government, business, education and healthcare needs across the City, saving these organizations millions of dollars and providing gigabit connectivity to meet the community's needs. Courtney holds a MA in Information Technology Management and a BS in Computer Science from Webster University.



## Jory Wolf – VP of Digital Innovation

Jory joined Magellan after 22 years as CIO of the City of Santa Monica, CA where he launched Santa Monica City Wi-FiSM, which provides free internet services to the public through a network of 32 hot zones and wireless coverage in most major commercial and transit corridors throughout the city. He created Santa Monica City NetSM, a 100 gigabit broadband initiative to support an environment for local businesses to compete in the global economy with cutting edge network solutions. Jory has over 35 years of experience in Information Technology, including broadband, FTTH and Smart City initiatives. Jory and his teams have received over 50 awards for information technology projects during his career and in 2012 he received the CIO Lifetime Achievement Award from the Los Angeles Business Journal.



## Scott Moehnke – Senior Broadband Consultant

Scott is a 30-year veteran of the utility and telecommunications industries specializing in executive and operational management, business development, and information technology. Recently, Scott was Chief Operations Officer at Bristol Virginia Utilities (BVU), a municipal electric company known for being a global pioneer in triple play, and all-fiber broadband. BVU developed one of the first publically owned fiber to the home networks in the United States, which became a model for others to follow in pursuing broadband goals. Prior to joining BVU, Scott established several consulting firms to assist telecom companies in all facets of business operations. He worked with Lafayette Utilities Service as lead project manager for their FTTH deployment. Scott holds a BS in Computer Science from the University of Texas, Austin.



## Eric Ogle – Senior Broadband Consultant

Eric has spent most of his career involved in planning and policy with focus on technology-driven economic development for Appalachian communities. Prior to joining Magellan, Eric spent 13 years as Research Associate with University of Tennessee's Baker Center for Public Policy. Among significant projects, Eric led development of the first two community wireless networks in the Southeast. Eric has project management experience serving as Principal Investigator for corporate and federal sponsors, engaging stakeholders in participatory processes. Eric holds positions in organizations, including a role as Treasurer of the Rural Telecommunication Congress. Prior to UT, Eric held economic development positions with Newport Utilities, the Tennessee Valley Authority, and Cocke County government. Eric holds an MS in Planning and a BS in Business Administration, Marketing and Logistics, all from University of Tennessee at Knoxville.

# Sample Projects

## Riverside, CA – Fiber Business Model

Magellan was retained by Riverside Public Utilities (RPU) to conduct a Fiber Business Model for the expansion of FTTx services. The RPU Fiber Business Model assessed options for expansion of RPU's current Fiber infrastructure in a range of retail and wholesale business model. Magellan performed a thorough analysis of RPU's extensive fiber optic network, along with a thorough needs assessment for the City of Riverside, which analyzed the current level of services throughout the City by incumbent providers, as well as a gap analysis and opportunity assessment. Magellan's plan analyzed various business and financial models for future expansion of the RPU network as a tool to spur economic development in the City of Riverside. The Plan also developed long-term municipal strategies to leverage RPU's fiber network to implement public works, public safety, utility and smart city projects to improve municipal operations and reduce cost.

## City of Baltimore, MD - Fiber Optic Planning Study

Magellan was hired by the City of Baltimore, MD to conduct a comprehensive study on the ways the City could utilize its 3.7 million feet of underground conduit and fiber to expand the availability, affordability, and adoption of broadband services in the community. The project entailed a significant outreach process with the Smarter Cities Task Force to identify, measure, and plan for the needs of every class of community anchor in Baltimore. Magellan was tasked with providing an analysis of how the City's infrastructure and public policy tools could be made more effective to serve the needs of its community. Magellan helped Baltimore evaluate the various options, benefits, risks and costs for use of this infrastructure, along with comprehensive financial and business plans that indicated a range of outcomes for the City. This information will be used by the City officials to make decisions on what steps are most appropriate for Baltimore to take to secure its broadband future.

## City of Columbia, MO – Broadband Feasibility Study

Magellan was retained by the City of Columbia, MO to conduct a comprehensive broadband planning and feasibility study. Magellan helped Columbia, Boone County and the University of Missouri determine the overall broadband needs for its community and develop a plan to meet those needs through the City's extensive fiber optic network. Magellan completed a thorough needs assessment that defined the current environment, market, services, needs, both current and future, and gaps in existing services. We developed a comprehensive plan for build-out of the City's network to meet these needs, using strategic business insight and sound financial planning strategies. Taking advantage of the City's current network, our plan identified opportunities to utilize the existing infrastructure to significantly reduce the build-out costs. Magellan developed a plan to attract competitive service providers to the area with the intent of creating more options for local businesses, more competition and lower prices. The build-out entailed bringing fiber-based broadband services to community anchors across the local area, followed by a buildout to local businesses and finally a potential residential Fiber to the Home build.

# Partial Client List

- Morristown Utility Systems, TN
- Appalachian Electric Cooperative
- Newport Utilities, TN
- Salt River Project
- City of Rancho Cucamonga, CA
- City of West Hollywood, CA
- Rancho Santa Fe, CA
- Riverside Public Utilities, CA
- City of Riverside, CA
- City of Davis, CA
- City of West Sacramento, CA
- City of Woodland, CA
- Yolo County, CA
- City of Bartow, FL
- City of Winter Garden, FL
- City of Clermont, FL
- Seminole County, FL
- Flagler County School District, FL
- City of Manors, FL
- City of Jupiter, FL
- Matawa First Nations, Ontario, CA
- Niobrara County, WY
- City of Fort Morgan, CO
- Port of Whitman County, WA
- City of Hamilton, OH
- City of Ketchum, ID
- City of Missoula, MT
- Missoula County, MT
- Colorado EAGLE-Net
- Arizona GovNET, Inc.
- Columbia County, GA
- City of Hamilton, OH
- City of Winter Haven, FL
- New Zealand Ministry Econ Development
- City of Winter Park, FL
- City of Baltimore, MD
- City of Rock Falls, IL
- North Florida Broadband Authority, FL
- City of Sunrise, FL
- Florida Rural Broadband Alliance, FL
- City of Fort Lauderdale, FL
- Strathcona County, Alberta, Canada
- City of Columbia, MO
- Boone County, MO
- City of Waverly, IA
- City of Palm Coast, FL
- City of Cocoa, FL
- City of Palm Beach Gardens, FL
- City of Ormond Beach, FL
- City of Wellington, FL
- City of Hallandale Beach, FL
- City of Port Orange, FL
- City of Mooresville, NC
- City of Davidson, NC
- City of Walla Walla, WA
- Port of Walla Walla, WA
- City of Lakeland, FL
- Converse County, WY
- Northeast Texas Ed Consortium, TX
- City of Birmingham, AL
- Niagara County, NY
- City of Syracuse, NY
- City of Tuscaloosa, AL
- Orlando Utilities Commission, FL
- Indianola Municipal Utilities, IA
- Chicopee Electric Light, MA
- S. Florida Regional Planning Council
- City of Rancho Cucamonga, CA
- Yuma County, CO
- Vermont Electric Power Company
- City of Sun Valley, ID
- City of Hailey, ID
- City of Winters, CA
- Ulster County, NY
- City of White Pine, TN
- City of Dandridge, TN
- Jefferson City, TN
- City of College Station, TX
- City of Bryan, TX
- City of Bristol, VA
- City of Cornelius, NC
- City of Davenport, IA
- City of El Segundo, CA
- City of Centennial, CO
- City of West Hollywood, CA
- City of Highlands, NC
- Massachusetts Broadband Institute
- State of Vermont
- City of Lake Jackson, TX
- City of Daytona Beach, FL
- City of Hudson, OH
- City of Mont Belvieu, TX
- City of Fort Collins, CO
- University of Florida, PURC
- State of Florida
- Fort Pierce Utilities Authority, FL

# Proposal

The completed Indianola Municipal Utilities (“IMU”) Feasibility Study indicated that the development of a broadband utility is a realistic opportunity for IMU. Analysis of the broadband environment in Indianola found that IMU has a strong opportunity to become a retail residential and business services Internet broadband provider to the community of Indianola. The findings and recommendations of the Broadband Feasibility Study were presented to the IMU Board who recommended that Indianola Municipal Utilities continue with the next steps to develop and implement the broadband utility.

The next steps in the process encompass three main tasks: (1) development of the FTTx Network Engineering Design; (2) creation of the formal Business Plan for the broadband utility; and (3) creation of the overall Implementation Plan.

As requested, the proposal has been structured into three distinct Schedules based on the tasks listed above. IMU may approve one or all sections by signing and returning the Schedule to Magellan.

We thank you for the opportunity to continue our relationship with IMU as your trusted technology consulting partner.

# Schedule A: Formal Network Design

Magellan will create and deliver a formal PE approved network design and RFP for construction of the network. Below is an example of just some of the high-level areas addressed in the design.

## Components:

- **Planning**
  - Node locations (splitter cabinet)
  - Splitter types, fiber types
  - Fiber cut sheets
  - Path creations ( a single fiber per residence)
- **Path Creation**
  - Best possible construction method
  - Field and data base collection
  - Road widths
  - Right-of-way widths
  - Hard points or standing structures within row
  - Construction methods (bore, plow, trench)
  - Handhold and pedestal location
  - Wiring limits for fiber pedestals or MST tails
  - Insure each residence is passed with a single fiber
  - PE Stamp route design and construction practices
- **Permit application and acquisition for DOT, county, and all townships**
  - Right-of-Way research for back lot easements or alley ways (excludes DNR or Wetland permitting)
- **Development of RFP for construction**
  - Final construction totals and materials
  - Fiber splicing and testing specifications
  - Cabinet specifications
  - Final construction methods

## Deliverables

- Formal Network Design
- Formal PE approved network design
- RFP for construction and all associated documentation

## Timeline

- Estimated three to four business-months from Schedule approval

**Pricing**

Magellan’s blended hourly is \$140/hour, exclusive of travel and incidental expenses, which will be billed as incurred. Pricing for the project includes all work completed by Magellan for Indianola Municipal Utilities as stated under this section.

	Unit Cost	Unit Type	Number of Units	Item Cost
<b>Task 1: Formal Network Design</b>				
Underground Design	\$0.97	Ft	244,000.00	236,680.00
As-Builts	\$0.12	Ft	244,000.00	29,280.00
Project Management and Oversight, QA/AC, PE Stamp Delivery	\$140.00	Hr	250.00	35,000.00
			<b>Total:</b>	<b>\$300,960.00</b>

\*\* If additional services are required and agreed upon beyond the scope of Schedule A, Magellan will bill IMU on an hourly basis or provide an additional quote, if requested.

Magellan will submit invoices to the IMU monthly for actual hours billed and actual expenses incurred on the project. Magellan is pleased to provide net 30 terms to IMU on all invoices.

## Schedule A - Signature & Acceptance

Signature of this Schedule by Client warrants that all components of this Schedule are acceptable to the IMU and that the person(s) signing this Schedule has the right, power and authority to execute the Schedule.

Magellan Advisors, LLC  
 A Florida Limited Liability Company  
 999 18<sup>th</sup> Street, Suite 3000  
 Denver, CO 80202

Client

Print Name: **John Honker**

Print Name:

Title: **President & CEO**

Title:

Signature:



Signature:

Date: **July 25, 2016**

Date:

## Schedule B: Broadband Business Plan

The Broadband Business Plan will create a formal statement of the broadband utility's business goals, explanation of why these goals are attainable and strategies to achieving these goals. It will build on findings of the Broadband Feasibility Study to develop a market-ready business plan and financing strategies that contain the following components:

### **Components:**

- **Executive Summary**  
High-level overview of IMU's broadband strategy and the means to achieve it, focused on key organizational, operational and financial requirements for the utility.
- **Broadband Utility Overview**  
Overall mission of IMU's broadband utility and the reasons behind it, focusing on need and long-term benefits of the utility to the community. It also provides information on the structure of IMU, how it will be organized and the regulatory structure of the utility.
- **Products and Services**  
Products and services that IMU will offer and why. It will provide justification for IMU's portfolio citing key analyses from the Broadband Feasibility Study Market Analysis regarding the types of services offered, rate structures and other relevant information in IMU's offerings.
- **Market Analysis**  
Overview of the Indianola broadband and telecommunications market and why IMU has an opportunity to pursue a broadband utility. The market analysis will describe IMU's competitive advantages that uniquely position the utility to become a dominant participant in the Indianola broadband market. It will also include critical market strategies IMU will undertake to gain market share and compete successfully across its products and services.
- **Business Strategy**  
Documentation of IMU's value proposition in the Indianola market and what factors will differentiate IMU from the competition, focused on superior products and services, excellent customer experience and community affiliation. It will provide a go-to-market strategy for IMU that focuses on capturing significant market share early in the project. Key to this strategy will be defining when IMU turns up service in its customer markets and what strategies it uses to prioritize the construction and roll-out of its network.
- **Operations Plan**  
Description of how IMU will operate the broadband utility including customer provisioning, billing, service, support, network operations, outage management and general operations. Operational process will be documented to identify resource requirements. It will also detail the staffing plan for IMU, identify key contractors and the timing to retain these resources. And, it will define the BSS/OSS systems necessary for IMU to operate its utility and integration requirements with other utility and third-party software.
- **Financial Plan**  
Magellan will expand on the initial financial plan developed in the Broadband Feasibility Study to provide an investment-ready funding plan for IMU that includes the required pro-forma financial statements and key financial ratios financiers generally require in broadband utility projects. The financial plan will also include analysis of key cost and revenue drivers and perform sensitivity analysis on the broadband utility

to determine a range of potential financial outcomes. Magellan will work with IMU to target potential funding sources and support IMU in the process of securing funding for the project.

The key to completing a full financial model is to have the design complete from Task 1 Formal Network Design above. Completion of overall business plan is contingent on having final design in order to obtain final fiber information, needed equipment, etc.

- **Implementation Plan**

High-level description of how IMU will implement the broadband utility and deliver services to market. It will include tasks for the technical implementation of IMU’s network, use of new fiber-optic facilities, data center facilities, equipment, services, installation and customer activation. It will call on the FTTH Engineering Design to describe how IMU’s fiber-optic network will integrate with other outside plant facilities, IMU’s headend and service deployment. This function is usually tied into Task 3 Implementation Plan to obtain list of needed tasks.

- **Risk Analysis**

This risk analysis provides an overview of the potential financial and non-financial risks in meeting objectives in the broadband utility. The risk analysis examines the potential issues that may negatively impact the utility, some that are within the utility’s power to control, others that are not. The objectives of the risk analysis are to determine the variables that are highly sensitive to the business and the negative impact that changes to these variables may have on the ability to cover costs and/or pay debt service. This analysis covers key variables including market penetration rates and network construction costs.

## Deliverables

- Broadband Business Plan narrative including all areas listed in “Components” section above.
- Finalized Broadband Financial Plan, including Magellan’s Broadband Financial Sustainability Plan, investment-ready pro-forma financial statements and financial performance analysis with accompanying financial summary

## Timeline

- Estimated four to five business-months from Schedule approval dependent on receiving full network design. If network design exceeds four business months, then plan will be delivered within one business month after receipt of network design.

## Pricing

Magellan’s blended hourly is \$140/hour, exclusive of travel and incidental expenses, which will be billed as incurred. Pricing for the project includes all work completed by Magellan for Indianola Municipal Utilities as stated under this section.

	Hours	Hourly Rate	Total
Task 2: Business Plan	250	\$140.00	\$35,000.00

\*\* If additional services are required and agreed upon beyond the scope of schedule B, Magellan will bill IMU on an hourly basis or provide an additional quote, if requested.

Magellan will submit invoices to the IMU monthly for actual hours billed and actual expenses incurred on the project. Magellan is pleased to provide net 30 terms to IMU on all invoices.

## Schedule B - Signature & Acceptance

Signature of this Schedule by Client warrants that all components of this Schedule are acceptable to the IMU and that the person(s) signing this Schedule has the right, power and authority to execute the Schedule.

Magellan Advisors, LLC  
A Florida Limited Liability Company  
999 18<sup>th</sup> Street, Suite 3000  
Denver, CO 80202

Client

Print Name: **John Honker**

Print Name:

Title: **President & CEO**

Title:

Signature:



Signature:

Date: **July 25, 2016**

Date:

# Schedule C: Implementation Plan

Magellan will create a formal in-depth implementation plan detailing the tasks, subtasks, and associated timelines necessary to implement the business plan's goals and objectives. The plan is the roadmap for a successful completion of the subsequent actual physical implementation of the project. Below is an example of just some of the high-level areas addressed in the plan. Each area will have numerous subtasks further defining the steps necessary for completion of the task.

## Components

- Legal requirements for Iowa broadband utilities
- State and federal regulatory requirements and filings
- Creation of a stand-alone broadband utility, if desired
- Develop necessary operational contracts (e.g. Master Service Agreements, SLA's, etc.)
- Data center (headend) and office space design and renovations
- Network equipment selection, configuration, and testing
- Software selection, setup and implementation (OSS/BSS, Provisioning, Network Monitoring, etc.)
- Accounting setup, processes, and readiness (chart of accounts, collections, etc.)
- Resource hiring and training per staffing plan
- Wholesale Internet provider selection and implementation
- Network buildout contractor(s) selection, buildout oversight, testing
- Product and services definitions
- Marketing and sales
- Customer and trouble support process setup
- Billing configuration and test
- Operational processes and procedures (e.g. data redundancy; internal network, etc.)
- System and network maintenance schedules and monitoring
- Web portal presence
- Reporting
- Disaster recovery process
- Select pilot clients for beta test cycle
- Network and beta testing
- Final rollout
- Timeline for each area based on network buildout schedule

## Deliverables

- Detailed Implementation Plan.

## Timeline

- Implementation Plan will be created, where possible, in parallel with the Business Plan. It is estimated that plan will be completed within one business-month post Business Plan completion.

**Pricing**

Magellan’s blended hourly is \$140/hour, exclusive of travel and incidental expenses, which will be billed as incurred. Pricing for the project includes all work completed by Magellan for Indianola Municipal Utilities as stated under this section.

	Hours	Hourly Rate	Total
<b>Task 3: Implementation Plan</b>	<b>320</b>	<b>\$140.00</b>	<b>\$44,800.00</b>

\*\* If additional services are required and agreed upon beyond the scope of schedule C, Magellan will bill IMU on an hourly basis or provide an additional quote, if requested.

Magellan will submit invoices to the IMU monthly for actual hours billed and actual expenses incurred on the project. Magellan is pleased to provide net 30 terms to IMU on all invoices.

## Schedule C - Signature & Acceptance

Signature of this Schedule by Client warrants that all components of this Schedule are acceptable to the IMU and that the person(s) signing this Schedule has the right, power and authority to execute the Schedule.

Magellan Advisors, LLC  
 A Florida Limited Liability Company  
 999 18<sup>th</sup> Street, Suite 3000  
 Denver, CO 80202

Client

Print Name: **John Honker**

Print Name:

Title: **President & CEO**

Title:

Signature:



Signature:

Date: **July 25, 2016**

Date:

**Meeting Date:** 07/25/2016

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**Information**

**Subject**

Consider Revised DA Davidson Placement Agent Engagement Letter

**Information**

Per the Boards direction, General Manager Rob Stangel contacted Michael Maloney with DA Davidson regarding the 2% agent fee initially proposed for financial services pertaining to the expansion of the fiber network system. Attached is a revised engagement letter from Mr. Maloney and a lower, 1.5% fee is now being proposed.

**Financial Impact**

N/A

**Staff Recommendation**

Simple motion is in order.

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**Attachments**

Placement Agent Engagement Letter 07-21-16

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July 21, 2016

Mr. Rob Stangel  
General Manager  
Indianola Municipal Utilities  
110 N 1st St  
Indianola IA 50125

Re: Placement Agent Engagement Letter

Mr. Stangel:

On behalf of D.A. Davidson & Co. (“we” or “Davidson”), we wish to thank you for the opportunity to serve as placement agent for Indianola Municipal Utilities (“you” or the “Issuer”) on its proposed offering and issuance of approximately \$11,500,000 Communication Utility Revenue Capital Loan Notes, Series 2016 and \$4,500,000 Subordinate (Working Capital) Communications Utility Revenue Capital Loan Notes (the “Securities” or “Loan(s)” or “Notes”). In compliance with Municipal Securities Rulemaking Board (“MSRB”) Rule G-23, this letter will confirm the terms of our engagement.

1. Services to be Provided by Davidson. The Issuer hereby engages Davidson to serve as placement agent of the proposed offering and issuance of the Loan(s), and in such capacity Davidson agrees to provide the following services:

- Review and evaluate the proposed terms of the offering and the Loan(s)
- Develop a marketing plan for the offering, including identification of potential investors
- Assist in the preparation of the offering documents
- Contact potential investors, provide them with offering-related information, respond to their inquiries and, if requested, coordinate their due diligence sessions
- Consult with bond counsel and other service providers about the offering and the terms of the Loan(s)
- Inform the Issuer of the marketing and offering process
- Negotiate the pricing, including the interest rate, and other terms of the Loan(s)
- Plan and arrange for the closing and settlement of the issuance and the delivery of the Loan(s)
- Such other usual and customary placement services as may be requested by the Issuer

In addition, at the Issuer's request, Davidson may provide incidental advisory services, including advice as to the structure, timing, terms and other matters concerning the issuance of the Loan(s).

Davidson is required to make the following disclosure pursuant to Municipal Securities Rulemaking Board ("MSRB") Rule G-23: Davidson will be providing such advisory services in its capacity as underwriter and not as a municipal advisor to the Issuer. As placement agent, Davidson's primary role is to arrange for the placement of the Securities in an arm's length commercial transaction between the Issuer and Davidson. Davidson has financial and other interests that differ from those of the Issuer.

As placement agent, Davidson will not be required to purchase the Loan(s) or to find one or more buyers of the Loan(s), but rather to use its reasonable best efforts to sell the Loan(s) to one or more buyers.

In addition, the Issuer acknowledges receipt of certain regulatory disclosures as required by the MSRB that are attached to this agreement as Exhibit A. Issuer further acknowledges that Davidson may be required to supplement or make additional disclosures as may be necessary as the specific terms of the transaction progress.

2. Fees and Expenses. Davidson's proposed placement agent fee/spread is not to exceed 1.50% of the principal amount of the Securities issued. The Issuer shall be responsible for paying or reimbursing Davidson for all other costs of issuance, including without limitation, bond counsel, placement agent's counsel (if any) and ratings agency fees and expenses (if any), and all other expenses incident to the performance of the Issuer's obligations under the proposed offering.

3. Term and Termination. The term of this engagement shall extend from the date of this letter to the closing of the offering of the Securities.

4. Miscellaneous. This letter shall be governed and construed in accordance with the laws of the State of Iowa. This Agreement may not be amended or modified except by means of a written instrument executed by both parties hereto. This Agreement may not be assigned by either party without the prior written consent of the other party.

If there is any aspect of this Agreement that you believe requires further clarification, please do not hesitate to contact us. If the foregoing is consistent with your understanding of our engagement, please sign and return the enclosed copy of this letter.

Again, we thank you for the opportunity to assist you with your proposed financing and the confidence you have placed in us.

Very truly yours,

D.A.DAVIDSON & CO.

By:

A handwritten signature in cursive script that reads "Michael P. Maloney Jr.".

Title: Senior Vice President – Public Finance

Accepted this \_\_\_ day of \_\_\_\_\_, 2016

INDIANOLA MUNICIPAL UTILITIES

By: \_\_\_\_\_

Title: \_\_\_\_\_

## EXHIBIT A

D.A. Davidson & Co. (hereinafter referred to as “Davidson” or “placement agent”) intends/proposes to serve as a placement agent, and not as a financial advisor or municipal advisor, in connection with the issuance of the Loan(s).

As part of our services as placement agent, Davidson may provide advice concerning the structure, timing, terms, and other similar matters concerning the issuance of the Loan(s).

### Disclosures Concerning the Placement Agent’s Role:

- (i) MSRB Rule G-17 requires a placement agent to deal fairly at all times with both municipal issuers and investors.
- (ii) The placement agent has a duty to place the Loan(s) from the Issuer at a fair and reasonable price, but must balance that duty with their duty to sell the Loan(s) to investors at prices that are fair and reasonable.

### Disclosures Concerning the Placement Agent’s Compensation:

As placement agent, Davidson will be compensated by a fee that has been set forth in the engagement letter. Payment or receipt of the placement fee will be contingent on the closing of the transaction and the amount of the fee may be based, in whole or in part, on a percentage of the principal amount of the Loan(s). While this form of compensation is customary in the municipal securities market, it presents a conflict of interest since the placement agent may have an incentive to recommend to the Issuer a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

### Additional Conflicts Disclosure:

Davidson has not identified any additional potential or actual material conflicts that require disclosure.

### Disclosures Concerning Complex Municipal Securities Financing:

Since Davidson has recommended to the Issuer a financing structure that may be a “complex municipal securities financing” for purposes of MSRB G-17, the following is a description of the material financial characteristics of that financing structure as well as the material financial risks of the financing that are known to us and reasonably foreseeable at this time.

#### Risk Disclosures Pursuant to MSRB Rule G-17 - Fixed Rate Bonds

The following is a general description of the financial characteristics and security structures of fixed rate municipal bonds (“Fixed Rate Bonds”), as well as a general description of certain financial risks that you should consider before deciding whether to issue Fixed Rate Bonds.

### **Financial Characteristics**

*Maturity and Interest.* Fixed Rate Bonds are interest-bearing debt securities issued by state and local governments, political subdivisions and agencies and authorities. Maturity dates for Fixed Rate Bonds

are fixed at the time of issuance and may include serial maturities (specified principal amounts are payable on the same date in each year until final maturity) or one or more term maturities (specified principal amounts are payable on each term maturity date) or a combination of serial and term maturities. The final maturity date typically will range between 10 and 30 years from the date of issuance. Interest on the Fixed Rate Bonds typically is paid semiannually at a stated fixed rate or rates for each maturity date.

**Redemption.** Fixed Rate Bonds may be subject to optional redemption, which allows you, at your option, to redeem some or all of the bonds on a date prior to scheduled maturity, such as in connection with the issuance of refunding bonds to take advantage of lower interest rates.

Fixed Rate Bonds will be subject to optional redemption only after the passage of a specified period of time, often approximately ten years from the date of issuance, and upon payment of the redemption price set forth in the bonds, which may include a redemption premium. You will be required to send out a notice of optional redemption to the holders of the bonds, usually not less than 30 days prior to the redemption date. Fixed Rate Bonds with term maturity dates also may be subject to mandatory sinking fund redemption, which requires you to redeem specified principal amounts of the bonds annually in advance of the term maturity date. The mandatory sinking fund redemption price is 100% of the principal amount of the bonds to be redeemed.

### **Security**

Payment of principal of and interest on a municipal security, including Fixed Rate Bonds, may be backed by various types of pledges and forms of security, some of which are described below.

**Revenue Bonds.** “Revenue bonds” are debt securities that are payable only from a specific source or sources of revenues. Revenue bonds are not a pledge of your full faith and credit and you are obligated to pay principal and interest on your revenue bonds only from the revenue source(s) specifically pledged to the bonds. Revenue bonds do not permit the bondholders to compel you to impose a tax levy for payment of debt service. Pledged revenues may be derived from operation of the financed project or system, grants or excise or other specified taxes. Generally, subject to state law or local charter requirements, you are not required to obtain voter approval prior to issuance of revenue bonds. If the specified source(s) of revenue become inadequate, a default in payment of principal or interest may occur. Various types of pledges of revenue may be used to secure interest and principal payments on revenue bonds. The nature of these pledges may differ widely based on state law, the type of issuer, the type of revenue stream and other factors.

The description above regarding “Security” is only a brief summary of certain possible security provisions for the bonds and is not intended as legal advice. You should consult with your bond counsel and Financial Advisor for further information regarding the security for the bonds.

### **Financial Risk Considerations**

Certain risks may arise in connection with your issuance of Fixed Rate Bonds, including some or all of the following:

*Issuer Default Risk.* You may be in default if the funds pledged to secure your bonds are not sufficient to pay debt service on the bonds when due. The consequences of a default may be serious for you and, depending on applicable state law and the terms of the authorizing documents, the holders of the bonds, the trustee and any credit support provider may be able to exercise a range of available remedies against you. For example, if the bonds are secured by a general obligation pledge, you may be ordered by a court to raise taxes. Other budgetary adjustments also may be necessary to enable you to provide sufficient funds to pay debt service on the bonds. If the bonds are revenue bonds, you may be required to take steps to increase the available revenues that are pledged as security for the bonds. A default may negatively impact your credit ratings and may effectively limit your ability to publicly offer bonds or other securities at market interest rate levels. Further, if you are unable to provide sufficient funds to remedy the default, subject to applicable state law and the terms of the authorizing documents, you may find it necessary to consider available alternatives under state law, including (for some issuers) state-mandated receivership or bankruptcy. A default also may occur if you are unable to comply with covenants or other provisions agreed to in connection with the issuance of the bonds.

This description is only a brief summary of issues relating to defaults and is not intended as legal advice. You should consult with your bond counsel for further information regarding defaults and remedies.

*Redemption Risk.* Your ability to redeem the bonds prior to maturity may be limited, depending on the terms of any optional redemption provisions. In the event that interest rates decline, you may be unable to take advantage of the lower interest rates to reduce debt service.

*Refinancing Risk.* If your financing plan contemplates refinancing some or all of the bonds at maturity (for example, if you have term maturities or if you choose a shorter final maturity than might otherwise be permitted under the applicable federal tax rules), market conditions or changes in law may limit or prevent you from refinancing those bonds when required. Further, limitations in the federal tax rules on advance refunding of bonds (an advance refunding of bonds occurs when tax-exempt bonds are refunded more than 90 days prior to the date on which those bonds may be retired) may restrict your ability to refund the bonds to take advantage of lower interest rates.

*Reinvestment Risk.* You may have proceeds of the bonds to invest prior to the time that you are able to spend those proceeds for the authorized purpose. Depending on market conditions, you may not be able to invest those proceeds at or near the rate of interest that you are paying on the bonds, which is referred to as “negative arbitrage”.

*Tax Compliance Risk.* The issuance of tax-exempt bonds is subject to a number of requirements under the United States Internal Revenue Code, as enforced by the Internal Revenue Service (IRS). You must take certain steps and make certain representations prior to the issuance of tax-exempt bonds. You also must covenant to take certain additional actions after issuance of the tax-exempt bonds. A breach of your representations or your failure to comply with certain tax-related covenants may cause the interest on the bonds to become taxable retroactively to the date of issuance of the bonds, which may result in an increase in the interest rate that you pay on the bonds or the mandatory redemption of the bonds. The IRS also may audit you or your bonds, in some cases on a random basis and in other cases targeted to specific types of bond issues or tax concerns. If the bonds are declared taxable, or if you are subject to

audit, the market price of your bonds may be adversely affected. Further, your ability to issue other tax-exempt bonds also may be limited.

This description of tax compliance risks is not intended as legal advice and you should consult with your bond counsel regarding tax implications of issuing the bonds.

If you or any other Issuer officials have any questions or concerns about these disclosures, please make those questions or concerns known immediately to the undersigned. In addition, you should consult with the Issuer's own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate.

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**Information**

**Subject**

Discuss August Meeting Dates

**Information**

Given the number of items coming up pertaining to the fiber expansion project and the timeline in which the next steps must occur, Staff is proposing two meetings in August. Proposed dates are August 8th and 22nd at 5:30 p.m. in the Council Chambers.

**Financial Impact**

N/A

**Staff Recommendation**

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**Attachments**

*No file(s) attached.*

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**Information**

**Subject**

Insurance Committee Meeting Update

**Information**

Staff will provide a brief update from the first Health Insurance Committee meeting.

**Financial Impact**

N/A

**Staff Recommendation**

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**Attachments**

*No file(s) attached.*

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