

Oberlin City Council meeting
5:00 pm
July 19, 2018



AGENDA
CITY COUNCIL MEETING
Gateway 1 & 2 – Oberlin, Kansas
July 19, 2018
5:00 PM

Meeting Called to Order – Acting Mayor Brandon Oien

ROLL CALL of the Members of the City Council and determination of quorum.
Oien____ Marchello _____ Lohofener____ Garner _____ Gawith _____

ABSENT: Mayor Ladd Wendelin

PLEDGE OF ALLEGIANCE to the Flag

PUBLIC COMMENT

- Oral Communications from the Audience

CONSENT AGENDA: Discussion and possible action by motion to approve the following items and or reports:

- Approval of minutes of previous meetings
- Appropriation Ordinance (Payment of Bills)
Motion_____ Second_____

ADMINISTRATORS REPORT

1. Next Council Meeting August 2, 2018
2. City Car
3. Airport Update
4. Hail Storm Update
5. Playground Equipment
6. FEMA Update
7. Partner with other City Entities

OLD BUSINESS

1. Hall Street Bid Opening Results – David Sporn
2. Lagoon Bid Opening – Chris Miller
3. Budget

New Business

1. Energy Study – Rose Kane
2. Stop Sign at Ash & East
3. Pavement Cutting Permit Fees – David Sporn

EXECUTIVE Sessions

1. Executive Session on matters deemed privileged in attorney-client relationship.

REPORTS OF OTHER OFFICERS, BOARDS AND COMMITTEES

- Mayors Report
- Public Works Department - Report Available for Discussion
- Treasurers Report - Cash Flow Statement Available for Discussion
- Police Report – Report Available for Discussion
- Board Reports – EDC 6-11-18 and 7-9-18 Minutes
- Other Reports

ADJOURNMENT

- Action – Motion to Adjourn
Motion_____ Second_____

REGULAR COUNCIL MEETING – July 05, 2018 – GATEWAY – 5:00 P.M. - UNAPPROVED

CALL TO ORDER – Mayor Ladd Wendelin called the meeting to order at 5:00 pm and the Pledge of Allegiance to the Flag was recited.

Roll Call of the Members of the City Council - Brandon Oien, Deb Lohofener and Jim Marchello by phone. Majority of the Body Present. Jim physically entered the meeting room about 10 minutes after the meeting had been called to order. He remained in attendance by phone up to that point.

Absent: Jim Garner and Scott Gawith

Others Present - City Administrator Halley Roberson, City Attorney Steve Hirsch, City Treasurer Steve Zodrow, Police Chief Brad Burmaster, Airport Manager Brice Meitl, Faith Meitl with the Oberlin Herald, County Road Supervisor, Seth Lohofener, Dan Castle, Roger & Nancy Robinson, Intern Kenneth McBride, Ruth Miesner and Marilyn Black.

PROCLAMATIONS - None

PUBLIC COMMENT - None

APPOINTMENTS - None

CONSENT AGENDA

Approval of minutes of June 21, 2018 regular council meeting and the approval of bills.

Oien moved, second by Marchello to approve the Consent Agenda. Vote 2 to 1 with Lohofener voting nay. **Motion carried.**

NEW BUSINESS

Oberlin-Decatur Economic Development Quarterly Appropriation – After some discussion between the Council members, Oien moved, second by Lohofener to approve issuing the \$10,650 Quarterly Appropriation to the Oberlin-Decatur Economic Development Commission. Vote 2 to 1 with Marchello voting nay. **Motion carried.**

Public Hearing Pertaining to Vacation of a Portion of Coldren Street - Mayor Wendelin adjourned the regular council meeting at 5:15 pm and opened up the public hearing pertaining to the vacating a portion of Coldren Street. He explained that the purpose of the hearing is to decide on a request from Roger and Nancy Robinson to vacate 10 feet of the South side of the Coldren Street right of way between Wolf and Elk Avenues. They need the vacation in order to comply with the 25 foot set-back rule in the City's Zoning Ordinance in order to construct a garage on their property. This portion of Coldren Street is currently unpaved with no current plan to pave the street in the future.

Mayor Wendelin yielded the floor to Dan Castle. Mr. Castle explained he is the adjacent property owner to both the Robinsons and Coldren Street. He stated he believes the 25ft set-back rule is a good rule as it provides order in the construction of buildings in town and guarantees there is good visibility around intersections and the City's utility, street and alleyway right of ways do not get infringed upon. He stated many years ago, the City made several street and alleyway vacations which later came to cause problems with utility service access. He also informed the Council many years back, someone constructed a structure on the North side of Coldren ignoring the required 25ft set-back and already infringes upon the street right of way on the North side of Coldren in the same section the Robinsons are

now wanting to have 10ft vacated on the South side which will make the right of way even narrower still. Council Member Marchello asked to see a diagram of the proposed garage construction. The Robinsons want to construct a 24ft x 30ft garage on the North side of their property. Upon looking at the diagram, Marchello noted there seemed to be plenty of open space on the lot to construct a garage of that size without needing the street vacation. Mr. Robinson then spoke up and stated what you can't see in the diagram is the property runs downhill from the North side of the property going South. If he constructs the structure too close to the existing garage it will make the water drainage problems on the property worse than they already are. Making it an extension of the existing garage will require extensive dirt work. The property is more level on the North end. Mr. Castle then asked the Council that if they grant the vacation will the additional property added to his property increase his property taxes. Attorney Hirsch said the answer is yes. Castle didn't think it was fair that he should have to pay higher property taxes in the future just because his neighbor wants to construct a garage too close to the street right of way. Council Member Oien then queried Hirsch if there was any way to do the vacation without increasing adjacent property owner's property taxes. Hirsch replied it would be possible if the vacation was only for the 10 feet adjacent to the Robinson's property. Marchello stated he is pleased the Robinsons are going through the proper procedures to get permission to building their garage, but would really like to see some additional information such as photos and/or a survey so he can be sure the vacation is actually necessary. Councilwoman Lohofener didn't feel it is necessary to have the Robinsons go through the expense of obtaining a survey.

Lohofener moved, second by Oien to approve Ordinance No. 903 vacating the South ten feet of the West half block of Coldren Street right of way between Elk and Wolf Avenues. Vote 2 to 1 with Marchello voting nay. **Motion carried.**

Mayor Wendelin then closed the public hearing at 5:45 pm.

Mayor Wendelin called the regular city council meeting back into session.

Administrator's Report – Administrator Roberson reported the next regular council meeting is scheduled for July 19, 2018. She attended an EDC meeting which included a discussion by the group about the issues discussed at the last Council meeting. She felt that the discussion went very well and that the group was receptive to the Council proposed changes. She then reported that she had been approached by the owner of the new business that was constructed in the industrial area to discuss the over \$7,000 bill he had received for transformers and establishment of electric service at the facility. This was not an anticipated expense. The EDC had requested the City build the new water main with a cost share with the new owner but electrical service was never discussed. The service is outside of the City limits. One issue raised is if he pays for these items, does he then own them and is he responsible for insuring them and replacing them in the future? Is he responsible for maintaining them? The Council decided to table any decision on this matter until more information could be obtained on how similar situations have been handled and how other electric service providers handle such situations. Roberson reported insurance claims for property damaged by the recent hail storm are nearing completion and some items have been settled. Big items such as the Gateway roof are still on ongoing. She announced that the MMA fall event has now been set for October 13th and the new Cattle Expo is set for December 3rd through December 5th. This event will be similar to the Cover Your Acres except this one will focus on cattle ranching. She reported the FEMA power generation appeal is still ongoing. The library has reported they need the handicap door replaced and that the repair will be under the amount budgeted for library repairs for 2018. She also reported that the lifeguards had held their annual pool party. They did it early this year to accommodate a senior lifeguard who is leaving before the season is over.

OLD BUSINESS

Marks Street Reduced Speed Limit - Administrator Roberson reported her research has revealed a traffic study will be necessary should the Council decide they wish to make the current 15 mph speed limit in the 100 block of South Marks Avenue permanent. She reminded the Council the Police Chief has the authority to make a 90 day temporary change without changing any current ordinances. The Council feels the 90 day window is sufficient and took no further action.

NEW BUSINESS – Continued

Library Barn Art - Administrator Roberson informed the Council Kem Bryan has made a request to hang barn art on the public library building. The piece of art was specifically made for the library. Lohoefer moved, second by Oien to allow Kem to hang the piece of barn art on the public library building. **Motion carried.**

Open Burn Permit – County Road Supervisor Seth Lohoefer explained to the Council there is a garden waste disposal area within the County compost site. The type of waste dumped in the garden waste area does not compost very well and usually requires burning in order to dispose of it. The compost site is within the City Limits so any burning at the site falls under the City's burn ordinance. The ordinance allows an exception to the ordinance for the City to burn at the tree disposal site. He is asking for a similar exception for burning at the compost site.

Oien moved, second by Marchello to amend the City's burn ordinance to allow for an exception for burning at the compost site. **Motion carried.**

City Car Replacement – Roberson reported that the city car damaged by the hail storm was totaled by the insurance company and the city has received \$5,395 in exchange for the car. She is asking for permission to purchase a replacement with a spending authority not to exceed \$10,000. Oien moved, second by Marchello to waive the City's procurement policy and allow the City Administrator to purchase a car for the City not to exceed \$10,000. **Motion carried.**

Executive Session – The Mayor called for a 5 minute Executive Session to discuss an item pursuant to the Attorney/Client privilege, K.S.A. 75-4319(b). To include the mayor, administrator, city attorney and the Council starting at 6:20 p.m. Marchello moved, second by Lohoefer. **Motion carried.**

Council resumed regular session at 6:25 p.m. No action to be taken.

Mayor Wendelin then turned the floor over to Treasurer Zodrow for the 2019 Budget Presentation.

Zodrow started by explaining the general structure of the budget and which funds actually effect the tax mill levy and which ones do not. He also explained that the purpose of the budget is twofold. One is to inform the public the maximum amount the City intends to spend on each of the budgeted functions and the other is to establish the level of taxes that are needed to support those maximum expenditures. The City can always spend less, but can only exceed the maximum established budget in very limited circumstances. The Budget is also the financial plan for the City in meeting its overall goals and objectives. The draft budget presented falls within the maximum tax levy that the City can levy without having to go to a general election in order to raise taxes. Some of the highlights of this budget are:

- \$25k pool for Administrator to use for merit pay increases in 2019.
- New Project Manager Position with the costs split 55% to General, 35% to Gateway Civic Center and 10% to Tourism & Convention.
- Allowance for two Journeymen and one apprentice in the Electric Department.
- Open position in Water Department to accommodate for the anticipated retirement of the current department head.
- \$25k for a newer pickup for the Street Department.
- \$25k for new patrol car to keep up with current patrol car rotation.
- \$10k for new City car.
- \$28k for new transformers for the West Loop.
- \$20k for the last of the new switches needed for the power plant and transfer station.
- \$150k for Street Project in 2018.
- \$150k for Electric Distribution Replacement projects in 2018 and 2019.
- \$5.5k for codification of ordinances.
- \$5k transfer from Cemetery/Parks to Multi-Capital Outlay to start reserving for chip and reseal of road at Sappa Park.

- Arts & Humanities, Utility Rebates, EDC Appropriations have all been left at current level of funding.

This presentation is for information purposes only so that the Council can be prepared for budget discussions at the next council meeting. He then answered a few general questions about the budget from the Council Members.

Mayor Wendelin then made an announcement that he was putting the public on notice that enforcement will be strong on the issue of motorist traveling down flooded streets. The waves created by those traveling down flooded streets causes very costly water damage for the homeowners living along those flooded streets. Police Chief Burmaster stated the problem with enforcing this law is that the police can't be everywhere after a storm plus the deep waters prevent them from taking pursuit of violators. He stated that citizens can make complaints regarding the violation. Having video, time of infraction and a tag number are all helpful in being able for the police to actually issue a citation and defend it in court.

Marchello moved, second by Lohofener to adjourn. **Motion carried.**

Meeting adjourned at 7:00 p.m.

City Clerk

Mayor



2 LOCATIONS TO SERVE YOU BETTER, COLORADO AND KANSAS

July 10, 2018

City of Oberlin, Kansas
 1 Morgan Drive
 Oberlin, KS 67749

Attn: Halley Roberson

Re: Hall Street Improvements- Bid B Hot Mix Asphalt

- | | |
|--|--------------|
| 1.) <u>Asphalt Removal -3,439 S.Y.</u> | |
| Option - Loader Removal \$1.61/S.Y. | \$ 5,536.79 |
| Option - Milling Removal \$2.70/S.Y. | \$ 9,285.30 |
| 2.) <u>Dirt Excavation -96 C.Y./Inch</u> | |
| 4" Asphalt = 384 C.Y. \$11.70/C.Y. | \$ 4,492.80 |
| 6" Asphalt = 576 C.Y. \$11.70/C.Y. | \$ 6,739.20 |
| 3.) <u>Scarify, Compact and Finish Grade -3,439 S.Y.</u> | |
| 3,439 S.Y. Scarify Compact and Finish Grade \$1.75/S.Y. | \$ 6,018.25 |
| 3a.) <u>Option- 8" Subgrade Modification -3,439 S.Y.</u> | |
| 3,439 S.Y. 8" Subgrade modification \$7.86/S.Y. | \$ 27,030.54 |
| *Deduct scarify, compact and finish grade with this option | |
| 4.) <u>Asphalt Pavement- 190 Tons/ Inch</u> | |
| 4" Asphalt = 760 Tons \$87.20/Ton | \$ 66,272.00 |
| 6" Asphalt = 1,140 Tons \$87.20/Ton | \$ 99,408.00 |
| 5.) Traffic Control | \$ 2,160.00 |
| 6.) Mobilization | \$ 6,650.00 |

Total 4" Asphalt Street	\$ 91,129.84
Option- milling instead of loader removal will add:	\$ 3,748.51
Option- 8" subgrade modification will add:	\$ 21,012.29
Total 4" Asphalt Pavement With All Options _____	\$115,890.64

Total 6" Asphalt Street	\$ 126,512.24
Option- milling Instead of loader removal will add:	\$ 3,748.51
Total 6" Asphalt Pavement With Options _____	\$ 130,260.75

7.) <u>Concrete Curb, Gutter and Driveway Pans</u>	
316 L.F. Concrete Curb and Gutter \$53.00/L.F.	\$ 16,748.00
240 S.Y. Concrete Driveway \$62.00/S.Y.	\$ 14,880.00
Mobilization	\$ 1,500.00
Total Concrete Curb, Gutter and Driveway Pans: _____	\$ 33,128.00

8.) Muck Excavation- as necessary _____	\$ 22.38/C.Y.
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2 LOCATIONS TO SERVE YOU BETTER, COLORADO AND KANSAS

The section to be worked is Hall Street from Highway 83, thru Waldo Street. The intersection of Elk Street is excluded. The concrete flowline areas marked in white paint will be removed and replaced, this work will be completed prior to any other street work. The existing asphalt surface will be removed. Asphalt can be removed in chunks with a loader or can be milled. The dirt subgrade will be removed and graded to the desired thickness of asphalt. The dirt subgrade will be scarified and compacted. Asphalt pavement will then be installed. Traffic will be controlled by closing the streets to thru traffic. Barricades and cones will be used.

All material removed from the project will be dumped at location within city limits and will become property of the city. If wet subgrade is found the cubic yard price given in this quote will be charged to remove, replace and re-compact subgrade material. The city will provide the material to replace the excavated muck material.

The Street project in completed in 2015 was constructed with 6" of asphalt pavement. 4" and 6" of asphalt are priced in this quote. If the added durability of 6" pavement is necessary, a subgrade modification can be used with 4" section of asphalt. The subgrade modification and thinner asphalt section would provide the added durability of 6" pavement at a lower cost.

A subgrade modification would consist of mixing 4" of the existing dirt subgrade and 4" of the millings from the project with fly ash and water. This process will harden the dirt subgrade and thus reinforce the asphalt pavement section above. The fly ash is mixed in at 8% by weight. Scarifying and re-compacting would not be necessary with this option.

Please Note the Following:

- Taxes are not included in the pricing. The city will need to provide a project exemption.
- The concrete and asphalt work can be separated.

If you have any questions, please do not hesitate to call me at 719-348-5383 or my cell 719-350-0843.

Thank you,
Casey Pace

Estimator

The Future of Your Utility

Positioning Your Community to Succeed in a Sellout Evaluation



The Future of Your Utility

Positioning Your Community to Succeed in a Sellout Evaluation

Report written and prepared by LeAnne Sinclair and Ursula Schryver

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MORE INFORMATION

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The Future of Your Utility

Positioning Your Community to Succeed in a Sellout Evaluation



The American Public Power Association is the voice of not-for-profit, community-owned utilities that power 2,000 towns and cities nationwide. We represent public power before the federal government to protect the interests of the more than 49 million people that public power utilities serve, and the 93,000 people they employ. Our association advocates and advises on electricity policy, technology, trends, training, and operations. Our members strengthen their communities by providing superior service, engaging citizens, and instilling pride in community-owned power.

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The Future of Your Utility

Positioning Your Community to Succeed in a Sellout Evaluation

Despite the many changes in the electric industry, public power utilities have remained true to their fundamental commitment to their customer-owners: to serve. Public power utilities¹ offer competitive rates, high reliability, local control, public accountability and responsive customer service to the communities they serve.

As the electric industry continues to evolve, utility priorities now include investing in aging infrastructure and new technology; changing or diversifying the utility's power supply portfolio, including using renewable resources and increasing energy efficiency and demand response; protecting the environment; and responding to changing customer expectations. Electric utilities also have obligations to ensure the reliability and security of the transmission grid and other electric infrastructure. As they face these challenges, public power utilities' close relationships with their customers allow them to set a course that best serves their communities' interests.

The public power business model is based on the tenets of local control, not-for-profit operations, low-cost delivery of service, and an ultimate focus on the needs of customers. This model has long been successful. But fiscal pressures on local government, the expansion of traditional competitors, and the existence of new market entrants may lead to debate on whether your community should continue to own and operate its own utility.

The best defense against a sellout attempt is to make sure your utility is well run, and that your customers and stakeholders understand the value they receive from owning a public power utility. Long before the future of your utility comes into question, you should determine the strengths and weaknesses of your utility, identify potential warning signs and develop a communication campaign to build positive goodwill within your community.

If a sellout attempt or buyout offer emerges, you may be called upon to decide if the utility should be sold or leased and, if so, at what price. The sale of such a valuable asset, which reflects the investments of its past and present customer-owners over many years, is a complex issue and deserves careful consideration.

Whether a buyout offer comes from a prospective new owner or the notion of selling your utility is raised by a local policymaker, the reasons for selling a valuable community asset should be clearly understood and carefully examined, and the community needs to be kept fully informed of the formal process for considering such a sale and the citizens' role in the ultimate decision. The sale of a public power utility is a drastic measure and those who propose selling should be required to demonstrate clearly how the community would benefit from the change.

Many public power utilities have been providing reliable, responsive, low-cost service for more than a hundred years. Public power utilities provide value beyond privately owned utilities because they are community-owned, locally controlled and operate on a not-for-profit basis. Because of these long-term, important contributions to customers and the community, there must be compelling reasons—beyond the short-term cash value of the assets—to give up those benefits.

This manual will help you work through the major issues in understanding the value of your community-owned utility, and the importance of running your utility effectively. It will help you identify warning signs that your utility may become a target of a sellout attempt, and provide you with tools to make an informed evaluation on the retention or sale of your utility. However, because of the magnitude of this important decision, this analysis may require a more thorough evaluation by city or utility staff and their accountants, valuation experts, lawyers, engineers or other consultants.

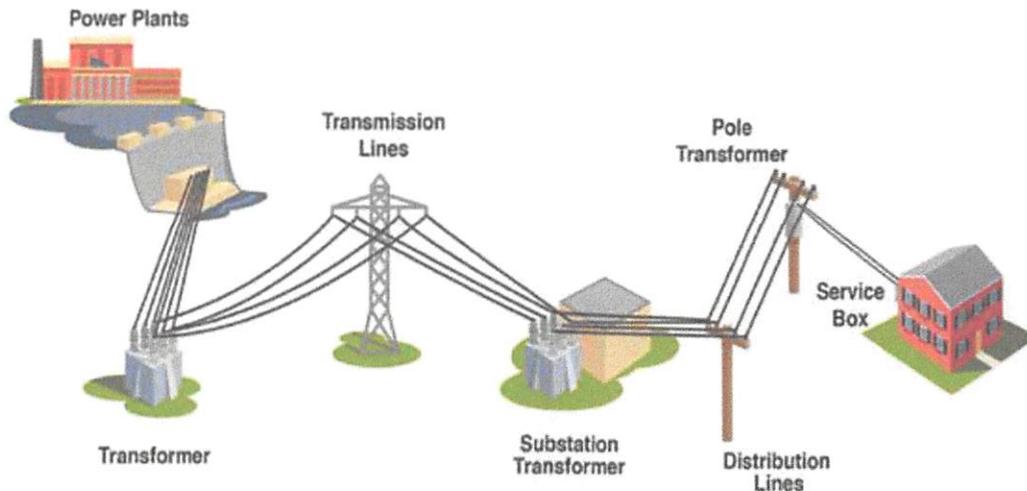
¹ This guide uses the terms "public power utility," "consumer-owned utility," "community-owned utility," "publicly owned utility" and "municipal utility" interchangeably in referring to local government-owned electric utilities of all varieties.

Who is in charge of public power utilities?

Public power utilities are owned by and accountable to the people they serve. Citizens have a direct and powerful voice in utility decisions and policies, both at the ballot box and in open meetings where business is conducted.

The governance structure for each utility varies. Some are governed by the city council; others are controlled by an independent utility board whose members may be elected or appointed by the mayor and city council.

Where does the power come from?



Electric utilities have three core functions:

- Generation of electricity;
- Transmission of electricity; and
- Distribution of electricity to customers.

Most public power utilities are distribution-only, meaning they do not own and operate their own power plants and bulk transmission. Instead, these utilities purchase power and transmission services at wholesale to distribute to their customers. Many distribution-only utilities purchase power and transmission from joint action agencies.

Together, public power utilities and joint action agencies generate two-thirds of the electricity they distribute to their customers. The rest of the electricity they distribute is purchased from investor-owned and cooperative utilities, independent generators and federal power agencies.

Overall, public power utilities and joint action agencies own 10 percent of electricity generation and transmission in the United States and 16 percent of all electricity distribution.

Public Power's Share of the U.S. Electricity Market³



10%
OF GENERATION



10%
OF TRANSMISSION



15%
OF DISTRIBUTION

³ Energy Information Administration Form EIA-860, 2017 (2015 data).



Chapter 2

The Benefits of Public Power

Public power utilities are community-owned, locally controlled and operated on a not-for-profit basis. Each utility is a little different, depending on population, geography, structure, and the community's values and goals. This ability to tailor operations and services to the local community is the foundation of public power's success.

A public power utility provides long-term value to its community and citizens. The benefits are manifold, including (to name a few) rate stability, support for jobs, policies that are in line with community priorities and financial support for local government functions. To examine these benefits, it is helpful to consider them in broad categories: local control, reliable customer service, affordable rates and economic development.

Why does local control matter?



- Increased transparency and accountability gives customers more say in how the utility is run—and ensures the utility is working for the community's best interest
- Support for local government, through direct financial contributions and in-kind contributions, means lower taxes, more robust community services, and the community is a better place to live
- Efficient operations, through integration with other municipal operations, reinforces the support for local government
- The utility can support local priorities, reflecting the values and choices of the community

Local Control

Public power is distinctly different from the investor-owned utility sector and even rural electric cooperatives because utilities are fully accountable to their customers. Public power is about serving the local community. Local control affords public power communities five distinct advantages: accountability and transparency in governance; financial support for the local government; more efficient municipal operations; the ability to tailor utility policies, programs and practices to serve the priorities of the local community; and the value of ownership.

Accountability and Transparency

Public power utilities are governed and regulated by the city council or county commissioners or an independent utility board whose members may be elected or appointed by local officials. This means customers have more say in the policies and practices of the electric utility.

Citizens participate in the governance of the utility at the ballot box and through participating in city council and utility board meetings, public hearings, citizen advisory committees and other public forums. Utility business is conducted in the open, subject to open meetings, public records laws and local scrutiny. Citizens have access to planning alternatives, cost estimates, performance and other reports. Customers know how and why decisions are made.

When citizens have concerns, they can call their elected officials; in many public power towns, customers can simply speak directly to the utility's general manager. If a citizen disapproves of the way the utility is run, he can vote the elected officials out of office—or she can run for office to take on a more direct role in the utility's future.

In contrast, customers of a private utility have little, if any, influence over or access to the company's CEO or



A rare kind of accountability

"But it surely also helps that Norwich Public Utilities' general manager, 12 linemen and five commissioners live in the community, drive the local roads, see the overhanging branches and bump into their customers at the Norwichtown Mall. That's a rare kind of accountability."

"The Troubling Connecticut Power Failure,"
The New York Times, November 3, 2011.

other top officers or board members. The typical investor-owned utility has a large service territory and will likely have its headquarters located far away; board meetings are conducted in private, and decisions are made behind closed doors. While the boards of rural electric cooperatives are elected by their member-owners, turnout for electric cooperative board elections is low (even compared to off-year and municipal elections), suggesting cooperative members may feel disengaged from their utility or do not understand their rights and responsibilities in its governance.⁵

Public power utilities also face a special kind of accountability, unparalleled in almost any other business: their friends and neighbors. In an era of globalization, public power utilities stand out because every employee is a member of the community. From the lineworkers to the general manager, all utility employees take pride in their work because they know their customers are their family, friends and neighbors.

Supporting Local Government

Public power utilities provide a direct benefit to their communities in the form of payments and contributions to state and local government. The total value of the contributions made by publicly owned utilities often comes in many forms and is not always easily recognized. In addition to payments that resemble property taxes, payments in lieu of taxes and transfers to the general fund, many utilities make in-kind contributions in the form of free or reduced-cost services provided to states and cities.

The level of support and how these benefits are returned to the community is a local decision—another advantage of local control. For example, some public power utilities make transfers to the city's general fund in an amount equal to the property taxes that would have been paid by an investor-owned utility. Others set the amount as a percentage of electric revenue or as a charge per kilowatt-hour of electricity sold. Some cities take advantage of synergies between municipal departments and use electric employees to install temporary lighting, perform electrical repairs or tree trimming services for other departments, or provide technical expertise.

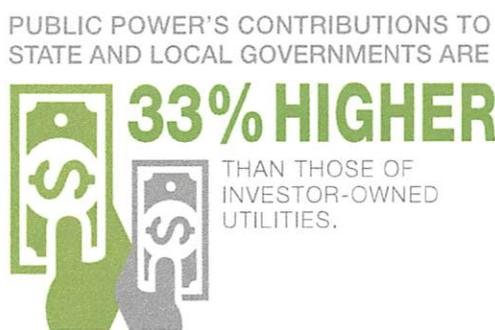
Quantifying public power's financial support

Public power utilities make greater financial contributions to state and local governments than investor-owned utilities.

The American Public Power Association regularly analyzes payments and contributions to state and local government based on surveys of public power utilities and data submitted by investor-owned utilities to the federal government. The results consistently show that, on average, the payments and contributions made by public power utilities are greater.

In the most recent year for which data are available, the median amount contributed by public power utilities was 5.6 percent of electric operating revenues. Over the same period, investor-owned utilities paid a median of 4.2 percent of electric operating revenues in taxes and fees to state and local governments.

When all taxes, tax equivalents and other contributions to state and local government are considered, public power's contributions, as a percent of electric operating revenues, were 33 percent higher than those of investor-owned utilities.⁶



⁵ Institute for Local Self-Reliance, "Just How Democractic are Rural Electric Cooperatives?" January 13, 2016.

⁶ American Public Power Association, 2017-2018 Directory & Statistical Report, "Public Power Gives Back: Payments and Contributions by Public Power Utilities to State and Local Governments," 2017 (2014 data). Read the full report in Appendix B.

In-kind contributions

Beyond direct financial contributions, public power utilities may support their local government and community in many ways. These may include:

- Free or discounted electricity or other services to the local government, including streetlights, municipal buildings, water or sewer treatment facilities and traffic signals
- Installing temporary lighting for special events
- Maintaining streetlights, traffic signals or stadium lights
- Electric repair or maintenance for other city departments
- Rewiring municipal buildings
- Tree trimming for other departments
- Reading water meters
- Putting up city signs or banners
- Providing technical expertise (e.g., engineering studies)
- Providing free building space
- Hanging banners and holiday lights
- Sharing electric department vehicles and equipment with other municipal departments

The myth about franchise fees



Private utilities may pay a franchise fees to the local government in exchange for the right to operate exclusively in the community. However, these franchise fees are almost always passed on directly to the customers. Instead of being a new revenue source for the community, it is no different than any other tax or fee on a customer's utility bill:

"Many years ago investor-owned utilities began to add the annual franchise fee they were required to pay the city to the rates they charged their customers in the community. Instead of treating the franchise fee as a legitimate expense, a cost of doing business in the community, the investor-owned utility simply incorporated its franchise fee into its rates and passed the costs along to ratepayers. Consumers ended up paying the investor-owned utility's franchise fee instead of sharing in its profits. This practice of including the franchise fee in rates continues to this day in most communities."⁷

⁷"Renegotiating a Municipal Franchise," Paul Hughes, Environmental Services Inc., July 2002.

Efficient Operations

Public power utilities keep costs down through local scrutiny of operations. They use strategic partnerships and joint action with other public power agencies to obtain the advantages of size in wholesale supply matters without taking on the disadvantages of merging into larger, more bureaucratic institutions.

Electricity distribution, unlike large-scale generation and high-voltage transmission, is local, and public power utilities find that their smaller size can be an advantage in electricity distribution. A public power utility's headquarters and operations are located near the utility's customers. Distribution lineworkers are very familiar with the utility's service territory—and thus likely to be more responsive to outages. Utility managers and customer service representatives are fellow citizens. Oversight is provided by a local governing body, which keeps the utility focused on reliability, price and service.

Municipal utilities can also create new efficiencies in local government. Some utility operations may overlap with other services the municipality is already providing; when these can be combined, the result is a leaner, more efficient operation that benefits everyone. For example, a city providing multiple utility services (electric, water, wastewater, natural gas and telecommunications services) may combine billing and metering operations and share a 24-hour emergency call center. Other examples of efficiencies that may be achieved include:

- Integration of municipal operations (e.g., shared office space for multiple city services)
- Shared personnel (e.g., human resources department that serves the city and utility)
- Lower per-person administrative costs for municipal employee benefits
- Town may avoid short-term borrowing costs due to cash flow from electric revenues

Local Priorities

When the community owns the utility, the community controls the utility's priorities. Decisions about pricing electricity, building power plants, purchasing wholesale power and service policies are made locally and reflect the values and choices of the community.

By participating in the utility governance process, citizens exercise their voice on big questions the utility may face, including:

- investments in local infrastructure—system maintenance and upgrades

- energy conservation and energy efficiency
- energy resources—renewable energy, coal, natural gas, or other sources
- environmental stewardship—pollution prevention, investing in cleaner technologies
- customer service policies—assistance to low-income customers, service extension policies
- system aesthetics and design—choosing whether to underground electric lines for community beautification or enhanced reliability

- utility finances—setting electric rates, level of financial support for the local government

Public power utilities emphasize long-term community goals and can direct utility resources accordingly, by implementing programs and timetables to achieve goals. Without local utility ownership, the community is disenfranchised, with no input on these decisions.



CASE STUDY:

Continued public ownership of utility allows community to pursue local priorities

GREENSBURG, KANSAS • 2007

LESSON LEARNED:

- *Local control over the future of the utility is a powerful benefit of owning a municipal electric utility. The utility should work together with the city to promote local priorities.*

In May 2007, an EF-5 tornado struck Greensburg, Kansas—destroying or severely damaging 95 percent of the city, leaving 90 percent of its 1,400 citizens homeless, and wiping out the town’s entire electric system. With the survival of the town very much in question, a neighboring cooperative utility offered to help rebuild the electric system, with the understanding that they would be allowed to purchase the system from the town.

Meanwhile, city leaders began formulating a plan to rebuild the entire town as sustainable, energy-efficient and “green.” The “Green in Greensburg” idea caught on; the community decided it should rebuild its town from the ground up as a model green community, powered by 100 percent renewable energy. However, this would not be possible if the cooperative took over ownership of the utility.

The city hired a consulting firm to assess the advantages, disadvantages and risks associated with selling or keeping the utility. The study recommended that the city retain ownership of its electric system and city leaders agreed.⁸

In the end, the most important factors in Greensburg’s decision were the utility’s contributions to the city and the community’s desire to control its energy destiny. Because it was able to make its own choice about its generation source, the city achieved its goal of 100 percent renewable energy and is not concerned about current and potential future regulations on coal and natural gas.

⁸Thomas A. Wind, Wind Utility Consulting, and Lynn Billman, National Renewable Energy Laboratory, “Greensburg Municipal Electric Utility Business Strategy: Analysis of Greensburg Municipal Utility Business Strategies to Become Green,” January 15, 2008.

Ownership

Public power communities receive another benefit: ownership itself. Ownership of the utility means local management and control over decisions involving investments, operations, maintenance, power supply choices and customer programs.

More than that, though, there are some options and choices available only to an owner—including asset leverage, equity borrowing, ratemaking authority, and control over future streams of income for the utility and the community.



"It has everything to do with the philosophy of whether the city wants to be sharecroppers or landowners. Do you want to own your home or rent?"

Ken Cotton, City Attorney, Wagner, South Dakota, "Wagner OKs Municipal Power," *Press & Dakotan*, December 5, 2007.

Reliable Customer Service

Public power utilities are highly responsive to customers' needs and concerns, typically getting high marks for customer satisfaction because their first and only purpose is to provide efficient, reliable service to the customers in their communities. Reliable customer service takes three forms for public power utilities: a focus on overall system reliability; quick restoration of power after an outage; and making excellent customer service a priority.

Reliability

Public power utilities have a strong record of focusing on core electric operations and delivering a reliable power supply. Because of their connection to customers, public power utilities are motivated to maintain the community's assets to keep their local electric system operating continuously and efficiently. Maintaining the highest caliber of electric service is one of the core facets of a public power utility's business model.

Reliability, from a systems engineering perspective, is the ability of an electric system to perform its functions under normal and extreme circumstances. In the United States, customers expect to have power at all times. But every utility experiences some power outages as a result of severe weather or natural disasters, interference from wildlife or overgrown vegetation, equipment failures, or even a car crashing into a utility pole. Realistically, a utility can make power available between 99.9 and 99.999 percent of the time.

There are many ways that electric utilities measure their reliability. Two of the most common:

- System Average Interruptible Duration Index (SAIDI) – measures the average length of time, in minutes, that each utility customer was without power during a year
- System Average Interruptible Frequency Index (SAIFI) – measures the average number of outages that each customer experiences during a year

Recent data show that public power utilities demonstrate higher reliability than the national average by any standard – frequency or length of outages, with or without major event disruptions (MED).

National Reliability Metrics⁹

	 RURAL ELECTRIC COOPERATIVES	 INVESTOR-OWNED UTILITIES	 PUBLIC POWER UTILITIES	ALL
AVERAGE OF SAIDI - with MED	430.98	282.72	117.73	314.26 minutes
AVERAGE OF SAIDI - without MED	163.13	132.92	54.73	128.62 minutes
AVERAGE OF SAIFI - with MED	2.00	1.43	1.26	1.66 interruptions
AVERAGE OF SAIFI - without MED	1.54	1.15	0.97	1.30 interruptions

⁹ National reliability metrics (IEEE standard), average of SAIDI and SAIFI, with and without Major Event Disruptions. From Energy Information Administration, form 861, 2017 (2016 data).

The data show that without including “major events” (such as hurricanes or winter ice storms), customers served by investor-owned utilities experienced an average of 2 hours and 12 minutes without power each year. Cooperative utility customers were without power even more: on average, they experienced 2 hours and 43 minutes of outages. Public power customers, on the other hand, experienced less than one hour without power. When major event disruptions are included, these numbers become even more pronounced in favor of public power.

Accountability promotes reliability

Public power utilities make business decisions every day that result in reliable electric service. The elected officials who oversee public power utilities are accountable to voters, who are also the utilities’ ratepayers. In contrast, board

members of an investor-owned utility are accountable to shareholders; they are judged not on their ability to provide low-cost, reliable power or excellent service, but on their ability to maximize profits for the investor-owned utility or its holding company and to pay a quarterly dividend to shareholders.

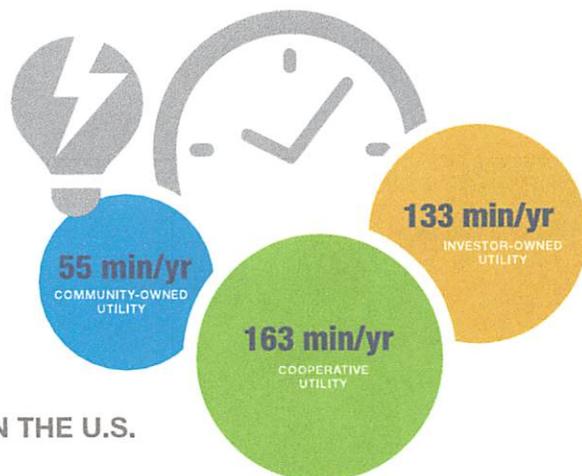
In pursuit of short-term profits, investor-owned utilities may implement cost-cutting measures that ultimately affect reliability. For example, extensive reductions in the number of employees, maintenance expenses, or tree-trimming programs can result in longer and more frequent outages. This issue was highlighted in 2011 when Connecticut Light & Power experienced extensive outages after two storms. In an article about the outages, *The New York Times* reported that the utility had cut its maintenance spending by 26 percent between 2008 and 2010.¹⁰

What makes public power so reliable?

- Focus on core utility operations—knowing your purpose and doing it superbly
- Increased accountability to local officials, friends and neighbors
- Accountability to customers, not shareholders, means there is no incentive to implement cost-cutting measures that ultimately affect reliability
- Crews live and work in the community, so they can respond faster to restore power after an outage
- Public power towns always have priority restoration; they don’t have to wait for limited crews to restore power to other parts of the service territory first
- Local crews become more familiar with the power system and can identify reliability issues more quickly
- Mutual aid agreements allow utilities to tap into the national network of public power utilities for assistance in restoring power after a major event

Outage Restoration

Many public power utilities have outage prevention programs, the most common of which are tree-trimming services. Other outage prevention programs include wildlife management (animal/squirrel guards); routine inspection and maintenance of distribution lines; other vegetation maintenance; thermographic circuit inspections; lightning arresters; reviewing poor-performing circuits; and converting overhead wires to underground.



AVERAGE OUTAGE TIME IN THE U.S.

¹⁰ “The Troubling Connecticut Power Failure,” Rob Cox, *The New York Times*, November 3, 2011.

joint action agencies, the agencies have evolved to provide a wide range of shared services to help public power utilities keep costs down while providing the highest level of service to their customers.

Today, many joint action agencies plan and implement energy-efficiency and demand-side management programs for their members. Some agencies hire “circuit riders,” individuals who work on-site for member utilities one or two days a week, then spend another part of the week at other member utilities. For example: WPPI Energy in Sun Prairie, Wisconsin, hires energy services specialists who fulfill this role. American Municipal Power in Columbus, Ohio, has tree-trimming crews that support member needs. The arrangement enables the agency and its members to recruit and hire highly qualified personnel whom cities individually may not be able to afford.

In places where significant state-level regulation of publicly owned electric utilities remains in effect, joint action agencies like Vermont Public Power Supply Authority offer significant regulatory and legislative services to support member utilities.

Among other services, many agencies support their members in economic development, rate design, fuel purchasing, training, telecommunications, lobbying, information technology, engineering, project management, finance and equipment testing. Local public power utilities pool their resources, working together to achieve substantial savings for their communities.

Joint action agencies allow public power utilities to join forces to take advantage of economies of scale and shared services to boost efficiency. They are a lifeline for public power utilities that want to retain the benefits of owning and operating their own electric utility while not losing out on the economic advantages of a larger organization. The agencies facilitate the best of both worlds—small and large—for their members and their customers.

Local Economic Development

Public power utilities are an integral part of the economic development of their communities, working closely with new and existing businesses to provide the highest levels of reliability, customer service and development assistance.

Public power utilities are local and are invested in the success of the customers and communities they serve.

A public power utility spurs development in the local economy as a local employer operating in the community, and through the benefits that the utility affords the community. In some public power communities, the utility may also directly support the town’s economic development efforts.

Hometown Jobs and Business

Public power utilities benefit their communities by providing employment opportunities for local residents. The local utility is headquartered in town and creates local jobs for customer service representatives, lineworkers, engineers, mechanics and administrators. Kids growing up in public power communities can find a career right in their hometown. Each dollar of a public power employee’s paycheck circulates through the local economy an estimated four to five times.

More than just being a local employer, public power utilities also support the local economy as a business operating in the community. Utilities may implement policies to “buy local” and support local businesses whenever practical, including purchasing materials and services from local companies and using local financial institutions for their business operations.



EVERY DOLLAR PAID TO A PUBLIC POWER EMPLOYEE CIRCULATES THROUGH THE LOCAL ECONOMY 4 TO 5 TIMES.

Stimulating the Economy

Public power utilities are good for the local economy. Lower electricity prices allow consumers to spend more money

on other goods and services, in addition to attracting business and industry to the community. Local dollars stay at home in public power communities. They are not sent to companies and shareholders out of the city, state, or in some cases, country.

Investments made in the utility and its infrastructure also support the local economy. By meeting the interrelated needs of residential, business and industrial customers, a public power utility makes the community a more pleasant place to live and allows it to compete more successfully in attracting business and employment. For instance, utility investments to improve power quality and service reliability make the community more attractive to businesses that may locate or expand there.

The contributions utilities make to the local government, whether in the form of payments in lieu of taxes, transfers to the general fund, or other in-kind contributions to the local government, also help the community economically. Because public power utilities typically make greater financial contributions to the local government than investor-owned or cooperative utilities, these benefits may be felt more strongly in a public power town.

Direct financial contributions provide real, tangible benefits to the community, helping to pay for police officers and firefighters, teachers and schools, the municipal library and parks, road repairs and other city services. In-kind contributions—free or discounted services provided to the local government and other operational efficiencies—save money for the local government.

The financial contributions made by public power utilities give the community a choice: to collect less in local tax revenue to support its services; or to increase the number (or improve the quality) of services it provides. The community and local economy benefit either way: from more money staying in citizens' pockets, or from the enhanced municipal services.

Technological Leadership

Many public power utilities take a leadership role in preparing their communities for the future by pursuing new technologies as an integral part of community growth. They serve as information sources in a variety of technology fields such as environmental stewardship, high-speed internet capability, safety and community technology development.

Some public power communities offer telecommunication services because private companies may not offer them to smaller towns at competitive prices. Access to high-speed broadband encourages economic development.

How does public power help the local economy?



- Local employment
- Utility patronizes local businesses
- Lower rates means more money in customers' pockets
- Not-for-profit means money isn't sent to distant shareholders
- Investment in infrastructure and reliability helps other businesses in the community
- Contributions to local government allow more robust public services without raising taxes
- Technological investments can help support community economic growth
- Utility key accounts and economic development programs help business in the community

Economic Development Programs

Public power utilities are logical partners in economic development. A locally controlled utility is part of a public service community team that cooperates on public works projects, downtown renovations, extension policies, business development, industrial parks and energy-efficiency programs. The utility has an inherent interest in promoting the community's well-being and prosperity.

A 2015 survey indicated that the most important thing an electric utility can do to attract business to the community is offer high reliability and competitive prices.¹⁹ While public power excels in both these areas, many public power utilities go beyond, working with city officials to promote economic development.

¹⁹ "Building Community: Economic Development Best Practices," Greenville Utilities Commission and East Carolina University, 2016. Data from APPA Economic Development National Survey, 2015.



Chapter 3

Preventing a Sellout Attempt from Emerging

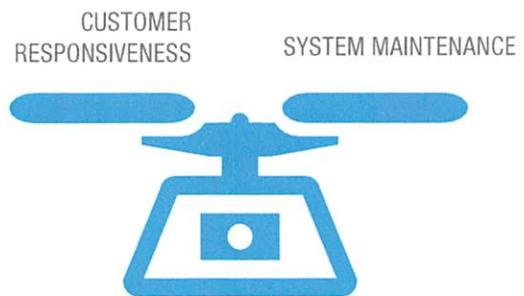
The best defense against a sellout attempt is a well-run utility and customer-owners who understand the value of public power ownership.

One survey examined the history of public power utilities in Minnesota over 100 years, looking at why some public power communities sold their utility, and what happened in other communities that evaluated selling and chose to retain public ownership. The report found:

The overriding conclusion from reading the accounts of these past buyout discussions is that there is no silver bullet or sophisticated public relations effort that prevented the sales of these municipal electric utilities. Municipals that consistently do a good job by responding to their customers and maintaining their systems have very little to fear from the buyout threat.²⁰

Before a buyout offer or the idea of a sellout ever emerges, run your utility as effectively as possible. Identify your utility's strengths and weaknesses and recognize the warning signs that a buyout offer or sellout campaign may emerge. Follow through on plans to mitigate those problems and develop a communication campaign to build knowledge and goodwill in your community. If you face a sellout or buyout attempt, it is vital that citizens understand the value and benefits the community receives from your utility.

Lessening Buyout Threats



Operating a Successful Public Power Utility

Public power utilities offer competitive rates, high reliability, local control, public ownership and accountability, and responsive customer service to the communities they serve.

While public power utilities vary—in size, structure, resources, customer composition, community priorities and more—several key areas are important to public power's success. The relative importance of each of these areas will vary from utility to utility, and will likely evolve over time to meet changing needs, so it is important to reevaluate your utility's operations and strategies regularly to ensure they align with your community's short- and long-term goals.

²⁰ "A Brief History of the Sales of Municipal Electric Utilities in Minnesota," Minnesota Municipal Utilities Association, 2011.



CASE STUDY:

Quick action and customer education make the difference

MT. PLEASANT CITY, UTAH • 2016

LESSONS LEARNED:

- *The earlier you can make your case to your customers and stakeholders, the better. Don't wait for sellout proponents to get a foothold in your community.*
- *Public opinion matters. Build goodwill with your customers, and demonstrate your value to them. Local officials are far less likely to proceed if public opinion is for retaining ownership of the utility.*

Mt. Pleasant City, Utah, was facing a budget crisis. Between existing loans and upcoming projects to repair roads and the water and sewer systems, the city needed \$19.5 million for all its infrastructure needs; the city's capital fund had only \$750,000.²¹ The mayor supported selling the electric utility to cover the costs of these needed infrastructure upgrades.

After much pushing from the utility's superintendent, the mayor agreed to hold a city council meeting, where the sole agenda item would be the proposed sale of the utility to Rocky Mountain Power, a neighboring investor-owned utility. The superintendent was influential in getting public support and attendance at the city council meeting; the city chambers were overflowing with standing-room only.

At the meeting, the superintendent emphasized that the utility belonged to the citizens, and focused on the benefits of public power. Key themes were the value of

local control; the utility's high service reliability and quick outage response time; the utility's direct and indirect financial contributions to the municipal government and community; and how the utility supports the local economy.

At the end of the meeting, the mayor took a straw vote of the citizens present to see where public opinion stood. Only four citizens favored continuing to investigate a sale; the rest overwhelmingly voted against any further consideration. So strong was the demonstration of public support for the utility that the issue was set aside and the city continues to own and operate its successful public power utility.

²¹ Ray LaFollette, "Mt. Pleasant considers power department sale," *The Pyramid*, December 15, 2016.

The Threat from Investor-Owned and Cooperative Utilities

In recent years, both investor-owned and cooperative utilities have made aggressive pushes to buy out neighboring public power utilities. While utilities looking to expand may try to portray their motivations as altruistic—looking out for the best interests of your customers—the reasons behind these moves are always economic.

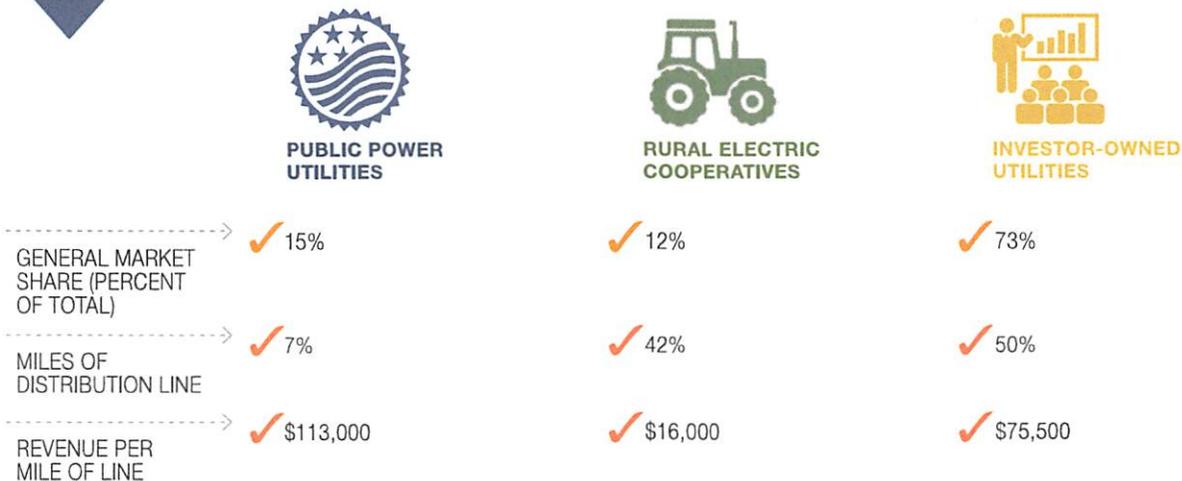
Investor-owned utilities are interested in expanding their customer base to increase profits for shareholders. One investor-owned utility recently proposed a strategy of acquiring municipal utilities at their annual investor conference, as a means of increasing its market share in the state and expanding shareholder earnings.

Electric cooperatives have also been increasingly aggressive in their attempts to buy out public power utilities in recent years. Cooperatives are attracted to public power utilities because they represent a more balanced mix of residential, commercial, and industrial customers and because municipal utility service territories are typically denser.

One cooperative laid out the argument for acquiring municipal utilities: “One of the key disadvantages of electric distribution cooperatives as a whole is that they serve an imbalanced mix of highly rural members, agricultural farm accounts, and limited commercial accounts.”²² The cooperative calculated their load was comprised of 80 percent residential and agricultural customers and 19 percent commercial (including schools, a county wastewater facility, and one small manufacturer), with the balance of their load consisting of security and public streetlighting; the cooperative serves no industrial customers. They conclude that “without the mix of commercial and industrial consumers, and the density of incorporated areas,” it is difficult for the high concentration of residential customers “to generate enough revenue based on kilowatt-hour consumption on a per-capita basis to cover system investments and overhead.”

In terms of customer density, the numbers bear out that, relative to their general market share, electric cooperatives own a significantly higher share of distribution lines in the United States. Public power utilities’ relatively compact service territories mean they typically earn higher revenue per mile of distribution line than other utilities—keeping costs lower for their customers.

Electric Utility Comparisons²³



²² The Evolving Energy Business: Growth by Acquisition, Delaware Electric Cooperative, GC4Q2016 Update.

²³ National Rural Electric Cooperative Association, “America’s Electric Cooperatives: 2017 Fact Sheet,” January 31, 2017 (based on Energy Information Administration 2014 data; density data for IOU and public sector is 2009 data).

ARTICLE 2. CUTTING OF PAVEMENTS, CURBS

- 15-201. **CUTTING PAVEMENT; PERMIT.** It shall be unlawful for any person or persons, company or corporation, to cut pavements or make excavation in the streets, alleys, or other public grounds in this city for any purpose, unless such person, persons, company or corporation first obtain a permit authorizing such excavation, which shall be issued by the city clerk only upon the approval of the city superintendent and for which permit the person, company or corporation asking for the same shall be required to pay a reasonable sum per square yard as determined by the city governing body as liquidated damages to be used for the replacement of the pavement by the city.
- 15-202. **PERMIT: HOW SECURED.** Any person, company or corporation desiring to obtain a permit, shall pay the amount required by section 15-201, to the city clerk, and from him obtain a receipt therefor. All fees collected by the city clerk shall be credited to the street and alley fund of the city, and all expenses of replacing the pavement cut under the provisions of this article shall be charged to the street and alley fund.
- 15-203. **CUTTING CURBS.** It shall hereafter be unlawful for any person, firm or corporation, to make any opening through the curbing on any street or avenue within the city limits, without the written permission of the city superintendent; and it shall be unlawful to cause any damage to such curbing.
- 15-204. **PENALTY.** Every person violating any of the provisions of this article shall, upon conviction thereof, be punished by a fine of not less than \$1 nor more than \$500 or by imprisonment in the jail provided for the use of the city for not more than 30 days, or by both such fine and imprisonment, and for each such violation.

To: Mayor and Oberlin City Council

From: City Foreman David Sporn

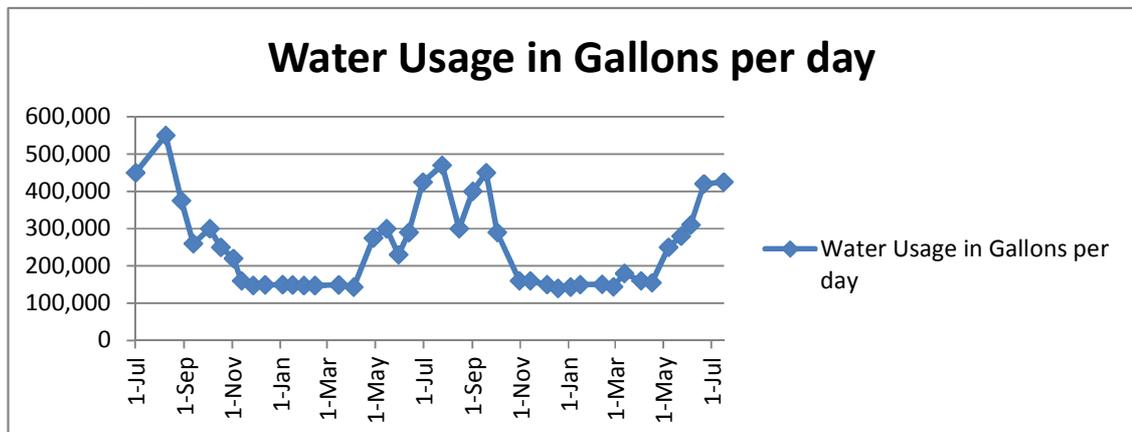
1. The installation of the new city park equipment is scheduled to begin on Sept. 4th of this year.

The process will commence as follows;

- a. Aug 29-31, study and interpret the equipment manuals, make copies of the manual for each piece to disperse as needed
- b. Sept 4, begin removal of existing equipment and call in for a utility locate request
- c. Sept 6-7, equipment engineer here for equipment layout (date unconfirmed at this time)
- d. Sept 10-28, installation-including dig footings, construct each piece of equipment, set, plumb for level, pour cement footings...all separate for each individual portion of equipment
- e. Oct 1-5, install ground cover, decals, and finishing touches

This schedule allows for minor setbacks including daily chores, slight weather, minor utility outages, and meter reading and is based on the majority of all utilities depts. and several volunteers helping. I hope to be ahead of my scheduling dates; however, any major storm or major utility outage or other large unforeseen instance may temporarily prolong the installation process.

2. Utilities crews have been tending to regular duties for this time of the season. Some of those duties include; installing water lines, trimming trees from power lines, painting traffic lines, weed spraying, mowing, repairing streets and gutters, ect.
3. The Gateway 240 volt installation project is scheduled to begin within a week or two. This project is to supply 1 phase, 240 volts for the usage of concert/large equipment. It will generally consist of installing underground primary electrical lines, pouring a small cement slab, setting a transformer, and installing a small amount of interior service. This entire upgrade will be paid for utilizing a grant that has already been received.
4. Water Usage:



All Funds Cash Flow
(Cash Basis)

Date: 6/30/2018
FY remaining: 51%

Fund	Description	Type	2018 Beginning Cash Balance	2018 YTD Actual Revenue	2018 Budget Revenue	Percent of Budget Remaining	2018 YTD Actual Expenses	2018 Budget Expenses	Percent of Budget Remaining	Current Cash Balance
20	General	B	\$ 79,183	\$ 693,112	\$ 872,175	20.5%	\$ 473,870	\$ 945,885	49.9%	\$ 298,425
21	Police Special	N	\$ 34,123	\$ 45			\$ 1,528			\$ 32,640
22	Airport Project	N	\$ 26,507	\$ 23,360			\$ 11,500			\$ 38,367
23	Airport Operating	B	\$ 6,292	\$ 36,699	\$ 76,548	52.1%	\$ 33,729	\$ 81,718	58.7%	\$ 9,262
24	Cemetery & Parks	B	\$ 56,679	\$ 111,540	\$ 120,593	7.5%	\$ 67,402	\$ 125,742	46.4%	\$ 100,817
25	Playground Equipment	N	\$ 35,010	\$ 22,111			\$ 47,411			\$ 9,710
29	Consolidated Streets	B	\$ 163,249	\$ 154,179	\$ 307,741	49.9%	\$ 87,728	\$ 457,300	80.8%	\$ 229,700
31	Library	B	\$ 1,628	\$ 61,123	\$ 72,808	16.0%	\$ 56,150	\$ 73,003	23.1%	\$ 6,601
33	Hansen Community Grant	N	\$ -	\$ 36,800			\$ -			\$ 36,800
34	Risk Management	N	\$ 100,033	\$ -			\$ 500			\$ 99,533
36	Memorials	N	\$ 5,944	\$ 100			\$ -			\$ 6,044
37	Tourism	B	\$ -	\$ 23,900	\$ 25,000	4.4%	\$ 2,214	\$ 25,000	91.1%	\$ 21,686
42	Airport Memorials	N	\$ 1,385	\$ -			\$ -			\$ 1,385
43	Community Development	B	\$ 11,326	\$ -	\$ -	0.0%	\$ 11,326	\$ 11,326	0.0%	\$ -
44	Pool Operating	B	\$ 291,061	\$ 175,166	\$ 385,700	54.6%	\$ 126,430	\$ 398,980	68.3%	\$ 339,797
45	Pool Donations	N	\$ 8,081	\$ -			\$ -			\$ 8,081
46	Pool Equipment Reserve	N	\$ 125,000	\$ -			\$ -			\$ 125,000
47	Pool Debt Reserve	N	\$ 234,507	\$ 50,000			\$ -			\$ 284,507
51	Multi Yr Capital Outlay	N	\$ 25,098	\$ 7,250			\$ 17,097			\$ 15,251
52	Equipment Fund	N	\$ -	\$ -			\$ -			\$ -
53	Gateway Civic Center	B	\$ 48,248	\$ 86,300	\$ 157,600	45.2%	\$ 87,720	\$ 166,703	47.4%	\$ 46,828
54	Gateway Donation	N	\$ 77,276	\$ 107			\$ -			\$ 77,383
55	Gateway Advance Receipts	N	\$ 1,000	\$ 24,787			\$ 25,187			\$ 600
56	Gateway Events	B	\$ -	\$ 46,756			\$ 43,783			\$ 2,973
60 & 61	Payroll Agency Funds	N	\$ 10,443	\$ 14,124			\$ 24,169			\$ 398
65	Insurance Proceeds Trust	N	\$ 6,807	\$ -			\$ -			\$ 6,807
69	Refuse Collection	B	\$ 13,922	\$ 86,263	\$ 170,000	49.3%	\$ 85,972	\$ 170,000	49.4%	\$ 14,213
70	Electric Utility	B	\$ 632,147	\$ 1,168,928	\$ 2,440,150	52.1%	\$ 1,075,460	\$ 2,269,001	52.6%	\$ 725,615
71	Electric Reserve	N	\$ 951,245	\$ 37,500			\$ -			\$ 988,745
72-74 & 98	Customer Agency Accounts	N	\$ 73,102	\$ 12,083			\$ 6,795			\$ 78,390
80	Sewer Utility	B	\$ 136,398	\$ 152,244	\$ 322,692	52.8%	\$ 129,435	\$ 361,876	64.2%	\$ 159,207
81	Sewer Reserve	N	\$ 973,602	\$ 12,500			\$ -			\$ 986,102
82	Sewer Project	N	\$ -	\$ 27,876			\$ 27,876			\$ -
90	Water Utility	B	\$ 806,917	\$ 322,277	\$ 818,500	60.6%	\$ 513,688	\$ 919,511	44.1%	\$ 615,506
91	Water Reserve	N	\$ 578,579	\$ 75,000			\$ -			\$ 653,579
			\$ 5,514,792	\$ 3,462,130	\$ 5,769,507		\$ 2,956,970	\$ 6,006,045		\$ 6,019,952

DEBT

Year		Description	Rate	Beginning Balance	Loan Proceeds	Principal Payments	Ending Balance	Interest Paid
Issued	Matures							
2004	2026	KDHE Water Pollution	2.770%	\$ 738,868	\$ 27,876	\$ 38,846	\$ 727,898	\$ 10,233
2012	2052	GO Water System Impr	2.125%	\$ 989,280	\$ -	\$ -	\$ 989,280	\$ -
2014	2028	Pool Lease - PBC	0.5% - 3.9%	\$ 1,630,000	\$ -	\$ -	\$ 1,630,000	\$ 24,770
2015	2055	GO Water System Impr A	2.125%	\$ 5,080,198	\$ -	\$ 88,287	\$ 4,991,911	\$ 107,954
2015	2055	Go Water System Impr B	2.750%	\$ 631,539	\$ -	\$ 9,638	\$ 621,901	\$ 17,367
				\$ 9,069,885	\$ 27,876	\$ 136,771	\$ 8,960,990	\$ 160,324

All Funds Cash Flow
(Cash Basis)

Month: June 2018

Fund	Description	Type	Month Beginning Cash Balance	Monthly Revenue	Monthly Expenses	Month Ending Cash Balance
20	General	B	\$ 197,224	\$ 206,923	\$ 105,722	\$ 298,425
21	Police Special	N	\$ 32,632	\$ 8	\$ -	\$ 32,640
22	Airport Project	N	\$ 31,092	\$ 11,775	\$ 4,500	\$ 38,367
23	Airport Operating	B	\$ 9,723	\$ 9,090	\$ 9,551	\$ 9,262
24	Cemetery & Parks	B	\$ 61,865	\$ 52,442	\$ 13,490	\$ 100,817
25	Playground Equipment	N	\$ 9,710	\$ -	\$ -	\$ 9,710
29	Consolidated Streets	B	\$ 123,139	\$ 124,574	\$ 18,013	\$ 229,700
31	Library	B	\$ 1,684	\$ 20,508	\$ 15,591	\$ 6,601
33	Hansen Community Grant	N	\$ 36,800	\$ -	\$ -	\$ 36,800
34	Risk Management	N	\$ 99,533	\$ -	\$ -	\$ 99,533
36	Memorials	N	\$ 6,044	\$ -	\$ -	\$ 6,044
37	Tourism	B	\$ 22,086	\$ -	\$ 400	\$ 21,686
42	Airport Memorials	N	\$ 1,385	\$ -	\$ -	\$ 1,385
43	Community Development	B	\$ -	\$ -	\$ -	\$ -
44	Pool Operating	B	\$ 382,689	\$ 35,490	\$ 78,382	\$ 339,797
45	Pool Donations	N	\$ 8,081	\$ -	\$ -	\$ 8,081
46	Pool Equipment Reserve	N	\$ 125,000	\$ -	\$ -	\$ 125,000
47	Pool Debt Reserve	N	\$ 234,507	\$ 50,000	\$ -	\$ 284,507
51	Multi Yr Capital Outlay	N	\$ 10,131	\$ 6,250	\$ 1,130	\$ 15,251
52	Equipment Fund	N	\$ -	\$ -	\$ -	\$ -
53	Gateway Civic Center	B	\$ 11,120	\$ 46,449	\$ 10,741	\$ 46,828
54	Gateway Donation	N	\$ 77,364	\$ 19	\$ -	\$ 77,383
55	Gateway Advance Receipts	N	\$ 1,050	\$ -	\$ 450	\$ 600
56	Gateway Events	B	\$ 2,973	\$ -	\$ -	\$ 2,973
60 & 61	Payroll Agency Funds	N	\$ 569	\$ 459	\$ 630	\$ 398
65	Insurance Proceeds Trust	N	\$ 6,807	\$ -	\$ -	\$ 6,807
69	Refuse Collection	B	\$ 14,589	\$ 14,213	\$ 14,589	\$ 14,213
70	Electric Utility	B	\$ 911,443	\$ 160,727	\$ 346,555	\$ 725,615
71	Electric Reserve	N	\$ 951,245	\$ 37,500	\$ -	\$ 988,745
72-74 & 98	Customer Agency Accounts	N	\$ 80,419	\$ 2,301	\$ 4,330	\$ 78,390
80	Sewer Utility	B	\$ 156,412	\$ 25,863	\$ 23,068	\$ 159,207
81	Sewer Reserve	N	\$ 973,602	\$ 12,500	\$ -	\$ 986,102
82	Sewer Project	N	\$ (27,944)	\$ 27,876	\$ (68)	\$ -
90	Water Utility	B	\$ 877,880	\$ 65,194	\$ 327,568	\$ 615,506
91	Water Reserve	N	\$ 578,579	\$ 75,000	\$ -	\$ 653,579
			\$ 6,009,433	\$ 985,161	\$ 974,642	\$ 6,019,952

DEBT

Year		Description	Rate	Month Beginning Balance	Monthly Loan Proceeds	Monthly Principal Payments	Month Ending Balance	Monthly Interest Paid
Issued	Matures							
2004	2026	KDHE Water Pollution	2.770%	\$ 700,022	\$ 27,876	\$ -	\$ 727,898	\$ -
2012	2052	GO Water System Impr	2.125%	\$ 989,280	\$ -	\$ -	\$ 989,280	\$ -
2014	2028	Pool Lease - PBC	0.5% - 3.9%	\$ 1,630,000	\$ -	\$ -	\$ 1,630,000	\$ -
2015	2055	GO Water System Impr A	2.125%	\$ 5,080,198	\$ -	\$ 88,287	\$ 4,991,911	\$ 107,954
2015	2055	Go Water System Impr B	2.750%	\$ 631,539	\$ -	\$ 9,638	\$ 621,901	\$ 17,367
				\$ 9,031,039	\$ 27,876	\$ 97,925	\$ 8,960,990	\$ 125,321



OBERLIN POLICE DEPARTMENT

107 W. Commercial

P O Box 237

Oberlin KS. 67749-0237

oberlinpd3@ruraltel.net



MONTHLY ACTIVITY REPORT TO COUNCIL MONTH OF JUNE, 2018

CITY COURT: FINES COLLECTED IN JUNE, 2018 - \$7,428.00 – YTD \$30,013.00

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CITY COURT CASES FILED

4 – SEATBELTS
1 – ILLEGAL TAG
10 – MAXIMUM SPEED LIMITS
1 – NO DRIVER'S LICENSE
1 – FAIL TO YIELD
1 – LEFT OF CENTER .
1 – CRIMINAL TRESPASS
1 - BATTERY
2 – POSSESSION OF MARIJUANA
2 – POSSESSION OF DRUG PARAPHERNALIA
1 – DRIVING UNDER THE INFLUENCE
5 – MISDEMEANOR WARRANT ARRESTS
1 – LEAVE THE SCENE OF AN ACCIDENT
3 – MOTOR VEHICLE LIABILITY INSURANCE

DISTRICT COURT CASES / OTHER FILED

1 – ILLEGAL TAG
1 – NO DRIVER'S LICENSE
1 – IGNITION INTERLOCK DEVICE
1 – DRIVING UNDER THE INFLUENCE
1 – MOTOR VEHICLE LIABILITY INSURANCE
2 – DOMESTIC BATTERY

ANIMAL CONTROL: 1 – DOG AT LARGE

CODE ENFORCEMENT: 1 – HEALTH NUISANCE
1 – TREES AND USE OF LAND

OBERLIN DECATUR AREA ECONOMIC DEV
Balance Sheet - Combined
June 30, 2018

ASSETS

Current Assets

CKG, THE BANK 110100811 - EDC	\$	102,816.25
CKG, FB&T 2102007 - REV LOAN		70,585.99
CKG, FNB 700018779 - SUNFLOWER		16,430.91
FNB SVGS 793221 - SUNFLOWER		6,804.82
SAVINGS, THE BANK - EDC		<u>22,405.57</u>

Total Current Assets \$ 219,043.54

Fixed Assets

LAND & BLDGS	50,437.75
BLDG, 104 S PENN	50,000.00
BLDG, SENIOR CTR/CINEMA/BOWLIN	544,242.49
INSURANCE ON R/E	(21,881.24)
EQUIPMENT	<u>209,690.79</u>

Total Fixed Assets 832,489.79

Other Assets

N/R REVOLVING LOAN #1	7,236.64
N/R REVOLVING LOAN #2	3,139.88
N/R REVOLVING LOAN #3	25,009.28
N/R REVOLVING LOAN #5	10,206.85
N/R REVOLVING LOAN #6	1,225.58
N/R REVOLVING LOAN #7	12,640.18
N/R LAND SALE	<u>1.19</u>

Total Other Assets 59,459.60

Total Assets \$ 1,110,992.93

OBERLIN DECATUR AREA ECONOMIC DEV
Balance Sheet - Combined
June 30, 2018

LIABILITIES AND EQUITY

Current Liabilities

Long Term Liabilities

N/P, FB&T - SUNFLOWER REC	19,492.71
N/P, THE BANK - SUNFLOWER	104,429.87
N/P KS CENT FOR ENT #1	2,605.81
N/P KS CENTER FOR ENT #2	<u>15,197.98</u>

Total Long Term Liabilities 141,726.37

Equity

NET WORTH	952,751.81
Current Income (Loss)	<u>16,514.75</u>

Total Equity 969,266.56

Total Liabilities & Equity \$ 1,110,992.93

OBERLIN DECATUR AREA ECONOMIC DEV
Income Statement - Combined
For the Period Ended June 30, 2018

	<u>6 Months Total</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>
Revenue							
CONTRIBUTIONS, GIFTS, GR	\$ 1,620.00	\$ 585.00	\$ 50.00	\$ 612.00	\$ 173.00	\$ 180.00	\$ 20.00
SALES	62,542.86	13,980.35	9,128.35	8,434.45	10,655.03	14,025.00	6,319.68
CREDIT CARD SALES	24,912.05	5,683.65	4,857.90	5,906.30	5,424.70	0.00	3,039.50
DECATUR CO TAX DRAW	19,269.02	15,057.00	0.00	0.00	2,212.02	0.00	2,000.00
CITY OF OBERLIN	21,300.00	10,650.00	0.00	0.00	10,650.00	0.00	0.00
RENTAL INCOME	8,318.00	1,575.00	925.00	1,500.00	1,225.00	1,475.00	1,618.00
CHAMBER OF COMMERCE	6,000.00	0.00	0.00	0.00	6,000.00	0.00	0.00
ADVERTISING INCOME	2,280.25	537.50	0.00	500.00	637.00	250.00	355.75
INTEREST INCOME	1,400.56	256.26	262.55	194.95	281.92	156.52	248.36
MISCELLANEOUS INCOME	(1,471.06)	0.00	0.00	0.00	(1,471.06)	0.00	0.00
GIFT CERTIFICATES	1,866.00	0.00	170.00	395.00	210.00	994.00	97.00
Total Revenue	148,037.68	48,324.76	15,393.80	17,542.70	35,997.61	17,080.52	13,698.29
Cost of Sales							
PURCHASES	44,618.99	8,166.16	6,545.20	8,261.14	7,959.97	6,560.90	7,125.62
Total Cost of Sales	44,618.99	8,166.16	6,545.20	8,261.14	7,959.97	6,560.90	7,125.62
Gross Profit	103,418.69	40,158.60	8,848.60	9,281.56	28,037.64	10,519.62	6,572.67
Operating Expenses							
ACCOUNTING & LEGAL	1,981.59	546.59	365.00	540.00	0.00	255.00	275.00
ADVERTISING	275.00	0.00	0.00	0.00	50.00	225.00	0.00
CONTRACT LABOR	2,342.34	325.00	425.00	375.00	332.84	350.00	534.50
GRANTS PAID OUT	50.00	0.00	0.00	0.00	0.00	0.00	50.00
DUES FEES SUBS	2,108.24	159.04	1,515.24	67.24	27.24	67.24	272.24
INSURANCE	5,256.45	(1,262.74)	1,464.81	1,719.78	405.00	1,464.78	1,464.82
INTEREST/BANK CHGS	3,339.49	581.42	596.17	481.79	624.65	512.22	543.24
PROPERTY TAXES	4,498.38	0.00	0.00	0.00	0.00	4,498.38	0.00
REPAIRS	6,804.52	239.80	605.62	521.88	5,272.32	95.44	69.46
SALES TAX	7,865.29	1,569.67	1,460.40	1,148.59	1,536.41	1,022.73	1,127.49
WAGES	26,013.63	3,894.83	4,164.73	3,647.53	4,953.63	4,122.70	5,230.21
OFFICE SUPPLIES	20.00	0.00	20.00	0.00	0.00	0.00	0.00
PAYROLL TAXES	7,470.28	1,585.81	1,066.64	1,096.81	1,083.73	1,550.11	1,087.18
PHONE	1,105.00	183.00	184.00	182.00	188.00	182.00	186.00
CREDIT CARD FEES	1,488.52	281.30	240.84	242.85	304.69	223.09	195.75
SUPPLIES	3,397.93	456.05	131.43	288.54	2,148.92	249.47	123.52
UTILITIES	12,832.28	2,436.96	1,991.78	2,533.22	2,185.50	2,127.99	1,556.83
OTHER, MISC	55.00	0.00	0.00	0.00	55.00	0.00	0.00
Total Operating Expenses	86,903.94	10,996.73	14,231.66	12,845.23	19,167.93	16,946.15	12,716.24
Net Income (Loss)	\$ 16,514.75	\$ 29,161.87	\$ (5,383.06)	\$ (3,563.67)	\$ 8,869.71	\$ (6,426.53)	\$ (6,143.57)

PRINCIPAL LOAN (\$5493.26)
TOTAL 11021.49

OBERLIN DECATUR AREA ECONOMIC DEV
Income Statement - Economic Development
For the Period Ended June 30, 2018

	<u>6 Months Total</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>
Revenue							
DECATUR CO TAX DRAW	\$ 19,269.02	\$ 15,057.00	\$ 0.00	\$ 0.00	\$ 2,212.02	\$ 0.00	\$ 2,000.00
CITY OF OBERLIN	21,300.00	10,650.00	0.00	0.00	10,650.00	0.00	0.00
RENTAL INCOME	8,100.00	1,575.00	925.00	1,500.00	1,225.00	1,425.00	1,450.00
CHAMBER OF COMMERCE	6,000.00	0.00	0.00	0.00	6,000.00	0.00	0.00
INTEREST INCOME	<u>1,387.62</u>	<u>254.21</u>	<u>260.57</u>	<u>192.44</u>	<u>279.68</u>	<u>154.80</u>	<u>245.92</u>
Total Revenue	56,056.64	27,536.21	1,185.57	1,692.44	20,366.70	1,579.80	3,695.92
Cost of Sales							
Gross Profit	56,056.64	27,536.21	1,185.57	1,692.44	20,366.70	1,579.80	3,695.92
Operating Expenses							
ACCOUNTING & LEGAL	1,981.59	546.59	365.00	540.00	0.00	255.00	275.00
ADVERTISING	225.00	0.00	0.00	0.00	0.00	225.00	0.00
CONTRACT LABOR	609.50	75.00	75.00	75.00	0.00	100.00	284.50
GRANTS PAID OUT	50.00	0.00	0.00	0.00	0.00	0.00	50.00
DUES FEES SUBS	1,703.24	159.04	1,355.24	67.24	27.24	67.24	27.24
INSURANCE	2,688.71	358.20	481.39	481.36	405.00	481.36	481.40
PROPERTY TAXES	1,829.77	0.00	0.00	0.00	0.00	1,829.77	0.00
REPAIRS	677.14	0.00	153.69	447.17	0.00	76.28	0.00
WAGES	16,579.13	2,486.25	2,493.56	2,564.27	2,742.13	2,564.82	3,728.10
OFFICE SUPPLIES	20.00	0.00	20.00	0.00	0.00	0.00	0.00
PAYROLL TAXES	5,467.92	1,168.09	803.44	796.21	807.54	1,086.95	805.69
PHONE	559.00	92.00	93.00	91.00	97.00	91.00	95.00
SUPPLIES	1,394.98	40.09	117.26	98.86	1,021.03	117.74	0.00
UTILITIES	6,868.82	1,422.75	871.22	1,475.49	1,255.11	1,163.58	680.67
OTHER, MISC	<u>55.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>55.00</u>	<u>0.00</u>	<u>0.00</u>
Total Operating Expenses	<u>40,709.80</u>	<u>6,348.01</u>	<u>6,828.80</u>	<u>6,636.60</u>	<u>6,410.05</u>	<u>8,058.74</u>	<u>6,427.60</u>
Net Income (Loss)	<u>\$ 15,346.84</u>	<u>\$ 21,188.20</u>	<u>\$ (5,643.23)</u>	<u>\$ (4,944.16)</u>	<u>\$ 13,956.65</u>	<u>\$ (6,478.94)</u>	<u>\$ (2,731.68)</u>

OBERLIN DECATUR AREA ECONOMIC DEV
Income Statement - Bowling Alley
For the Period Ended June 30, 2018

	<u>6 Months Total</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>
Revenue							
CONTRIBUTIONS, GIFTS, GR SALES	\$ 20.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 20.00
SALES	44,221.61	9,451.85	7,177.10	5,826.95	7,857.03	9,961.00	3,947.68
CREDIT CARD SALES	24,912.05	5,683.65	4,857.90	5,906.30	5,424.70	0.00	3,039.50
ADVERTISING REVENUE	500.00	0.00	0.00	250.00	0.00	250.00	0.00
INTEREST INCOME	11.92	1.03	1.98	2.51	2.24	1.72	2.44
GIFT CERTIFICATES	946.90	0.00	71.10	278.05	150.40	350.35	97.00
Total Revenue	70,612.48	15,136.53	12,108.08	12,263.81	13,434.37	10,563.07	7,106.62
Cost of Sales							
PURCHASES	33,337.15	5,405.08	4,957.62	6,361.02	5,877.41	4,991.77	5,744.25
Total Cost of Sales	33,337.15	5,405.08	4,957.62	6,361.02	5,877.41	4,991.77	5,744.25
Gross Profit	37,275.33	9,731.45	7,150.46	5,902.79	7,556.96	5,571.30	1,362.37
Operating Expenses							
ADVERTISING	25.00	0.00	0.00	0.00	25.00	0.00	0.00
CONTRACT LABOR	866.42	125.00	175.00	150.00	166.42	125.00	125.00
DUES FEES SUBS	282.50	0.00	160.00	0.00	0.00	0.00	122.50
INSURANCE	1,411.37	(810.47)	491.71	746.71	0.00	491.71	491.71
INTEREST/BANK CHGS	1,669.75	290.70	298.09	240.90	312.33	256.11	271.62
PROPERTY TAXES	1,334.31	0.00	0.00	0.00	0.00	1,334.31	0.00
REPAIRS	1,438.68	239.80	309.14	0.00	835.85	19.16	34.73
SALES TAX	6,212.81	1,234.09	1,086.49	987.48	1,300.47	812.35	791.93
WAGES	9,005.07	1,367.02	1,601.91	1,083.26	2,093.75	1,460.92	1,398.21
PAYROLL TAXES	1,928.73	404.75	254.91	289.16	264.14	450.35	265.42
PHONE	546.00	91.00	91.00	91.00	91.00	91.00	91.00
CREDIT CARD FEES	1,488.52	281.30	240.84	242.85	304.69	223.09	195.75
SUPPLIES	1,289.00	381.98	7.09	88.85	629.19	78.37	103.52
UTILITIES	3,679.91	593.11	680.84	665.52	578.29	626.10	536.05
Total Operating Expenses	31,178.07	4,198.28	5,397.02	4,585.73	6,601.13	5,968.47	4,427.44
Net Income (Loss)	\$ 6,097.26	\$ 5,533.17	\$ 1,753.44	\$ 1,317.06	\$ 955.83	\$ (397.17)	\$ (3,065.07)
PRINCIPAL LOAN	(\$2746.63)						
TOTAL	3350.63						

OBERLIN DECATUR AREA ECONOMIC DEV
Income Statement - Theater
For the Period Ended June 30, 2018

	<u>6 Months Total</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>
Revenue							
CONTRIBUTIONS, GIFTS, GR	\$ 1,600.00	\$ 585.00	\$ 50.00	\$ 612.00	\$ 173.00	\$ 180.00	\$ 0.00
SALES	18,321.25	4,528.50	1,951.25	2,607.50	2,798.00	4,064.00	2,372.00
RENT INCOME	218.00	0.00	0.00	0.00	0.00	50.00	168.00
ADVERTISING REVENUE	1,780.25	537.50	0.00	250.00	637.00	0.00	355.75
INTEREST INCOME	1.02	1.02	0.00	0.00	0.00	0.00	0.00
MISCELLANEOUS INCOME	(1,471.06)	0.00	0.00	0.00	(1,471.06)	0.00	0.00
GIFT CERTIFICATES	919.10	0.00	98.90	116.95	59.60	643.65	0.00
Total Revenue	21,368.56	5,652.02	2,100.15	3,586.45	2,196.54	4,937.65	2,895.75
Cost of Sales							
PURCHASES	11,281.84	2,761.08	1,587.58	1,900.12	2,082.56	1,569.13	1,381.37
Total Cost of Sales	11,281.84	2,761.08	1,587.58	1,900.12	2,082.56	1,569.13	1,381.37
Gross Profit	10,086.72	2,890.94	512.57	1,686.33	113.98	3,368.52	1,514.38
Operating Expenses							
ADVERTISING	25.00	0.00	0.00	0.00	25.00	0.00	0.00
CONTRACT LABOR	866.42	125.00	175.00	150.00	166.42	125.00	125.00
DUES FEES SUBS	122.50	0.00	0.00	0.00	0.00	0.00	122.50
INSURANCE	1,156.37	(810.47)	491.71	491.71	0.00	491.71	491.71
INTEREST/BANK CHGS	1,669.74	290.72	298.08	240.89	312.32	256.11	271.62
PROPERTY TAXES	1,334.30	0.00	0.00	0.00	0.00	1,334.30	0.00
REPAIRS	4,688.70	0.00	142.79	74.71	4,436.47	0.00	34.73
SALES TAX	1,652.48	335.58	373.91	161.11	235.94	210.38	335.56
WAGES	429.43	41.56	69.26	0.00	117.75	96.96	103.90
PAYROLL TAXES	73.63	12.97	8.29	11.44	12.05	12.81	16.07
SUPPLIES	713.95	33.98	7.08	100.83	498.70	53.36	20.00
UTILITIES	2,283.55	421.10	439.72	392.21	352.10	338.31	340.11
Total Operating Expenses	15,016.07	450.44	2,005.84	1,622.90	6,156.75	2,918.94	1,861.20
Net Income (Loss)	\$ (4,929.35)	\$ 2,440.50	\$ (1,493.27)	\$ 63.43	\$ (6,042.77)	\$ 449.58	\$ (346.82)

PRINCIPAL LOAN (\$2746.63)

TOTAL (\$7675.98)

**Oberlin-Decatur County Economic Development
Meeting Minutes
June 11, 2018**

Members Present	Mark Starr, Chairman; Jackie Neff, Treasurer; Matt Ostmeyer; John Sater; Lisa Votapka
Members Present Via Teleconference	Danielle Wasson, Secretary
Members Absent	Ken Badsky, Vice-Chairman
Guests Present	Shayla Williby, EDC Marketing Director; Lad Wendelin, Mayor of Oberlin; Brad Marcuson, Decatur Co. Commissioner; Deb Loehfner, Oberlin City Council Member; Halley Roberson, Oberlin City Administrator
Call to Order	Meeting called to order at 5:34 pm.
Consent Agenda	Matt moved to approve items noted on the consent agenda; John seconded the motion. Motion carried by unanimous vote.
Loan Payment Information	Loan #1 is now 8 months past due. The land sale will be taken care of this week.
Public Comment	Jay Smith discussed with the board the idea of having a single website available to assist individuals, both local and from out of the area, in finding area businesses along with ratings and reviews of those businesses. All members agreed that a business directory would be helpful; this is something the Chamber of Commerce has worked on in the past but all felt it was important to include all businesses, not just Chamber members.
Dentist Contract, Updates	Dr. Teel has provided a list of services that he could perform in our area. He and his family would really like to make this move but have been met with hurdles to obtain funding for equipment. Shayla has spoken with the Decatur Community Health Foundation as a possible source of funding. She also reported that she will submit application to other foundations.
Housing Lots and Land Acquisition	Shayla said that the land that had previously been offered to EDC is no longer available. However, there are other areas that show potential for development, both commercially and residentially. As there are many open or blighted lots in town, these could be good potential spots for housing development. Also, Lisa mentioned that Dale Votapka had left ground north of Pizza Hut and Napa for the expansion of Main Street and commercial development. Mark said this would be an excellent area of expansion that could be included in the city limits; he suggested a meeting with Cheryl Votapka, Dale's widow, to discuss this option.
Part-time Bowling Alley Help	Tasha approached Mark about getting some more help at the bowling alley. With her growing accounting businesses, she is getting burnt out with running both businesses. She is willing to stay on as manager but would like to have a less active, hands-on role. Oberlin is the only community with a bowling alley on Highway 36 in western Kansas.
Strategic Planning	Mark has been developing some goals for the EDC's strategic plan. He will email these out to all board members for their review.
Coping in North Side of Building	The coping on the north side of the BEE Building needs repaired as soon as possible. There is mold growing on the windows in the EDC office. Shayla has been unable to locate the estimate provided by Brent Stallman. Once she is able to locate his estimate, she will forward a copy to all board members.
Insurance Adjuster	The insurance adjuster has been on-site to review the damages from the May hail storm. Replacement costs of \$38,638 has been estimated between the BEE Building, the theater, the bowling alley, and the dental clinic. Shayla will send copies of his reports to the board members. The USDA loan on the theater and bowling alley requires repair to the damaged areas. The air conditioning systems on the BEE Building was badly damaged, with five of the seven units being destroyed. Once repair bids are received, a special meeting will be scheduled to approve bids.
Essential Need	Shayla emphasized that it is crucial to the EDC, the City of Oberlin and Decatur County that the entities work together for the good of the community. Specifically, she mentioned that the in-fighting was a key factor to the 9 Line business opting to go to another community.

**Oberlin-Decatur County Economic Development
Meeting Minutes
June 11, 2018**

City Funding	<p>Much discussion was held concerning EDC funding from the City of Oberlin. The City would like to see more balanced funding for the EDC between the City and the County. The City of Oberlin currently provides twice the amount of funding as the County provides. Brad said the county funding is tied to a mill levy, which could not be adjusted without a vote. Funding could come from other sources and Brad will discuss this with the other county commissioners.</p> <p>Members of City government would like to see the EDC provide more cooperation with the City, which would hopefully equate to more dollars for the City.</p>
Adjournment	<p>Matt moved to adjourn the meeting; Lisa seconded the motion. Motion passed by unanimous vote. The next meeting is scheduled for Monday, July 9th at 5:30 pm at the BEE Building.</p>

Respectfully Submitted,

Danielle Wasson
Secretary

**Oberlin-Decatur County Economic Development
Meeting Minutes
July 9, 2018**

Members Present	Mark Starr, Chairman; Ken Badsky, Vice-Chairman; Danielle Wasson, Secretary; Jackie Neff, Treasurer; Matt Ostmeyer; John Sater; Lisa Votapka
Guests Present	Shayla Williby, EDC Marketing Director; Deb Loehefner, Oberlin City Council Member; Halley Roberson, Oberlin City Administrator (arrived at 6:20 pm)
Call to Order	Meeting called to order at 5:31 pm.
Consent Agenda	Ken moved to approve items noted on the consent agenda; John seconded the motion. Motion carried by unanimous vote.
Loan Payment Information	<p>Loan #1 made a \$1,000 payment last month. Jackie applied that payment to the borrower's Kansas Center for Entrepreneurship loan #1. Borrower is now 7 months past due on Loan #1 and 5 months past due on KSCFE Loan #1.</p> <p>The land loan still sits at \$1.19, she is awaiting finalization on her divorce.</p>
Property Insurance	<p>Mark had emailed out all of the bids received for repair to damages caused by the hail storm in May. The insurance adjuster raised his total on the air conditioner units to match the cost quoted by R&M Service Center. Mark also reported that Kevin Brown from Sappa Valley Construction has completed his quote for repair of the rec center but it has not yet been received by Tasha. Once the bid is received, Mark will email a copy out to all board members. The only funds EDC should have to pay is up to the amount of the deductible, which is \$2,500 for the whole policy.</p> <p>Ken moved to approve the following bids: R&M Service Center-BEE Building air conditioning units Aquashield-BEE Building Gutters and downspouts Aquashield-Dental office roof</p> <p>Jackie seconded the motion. Motion carried by unanimous board vote.</p>
EDC City Funding	Shayla received a list of questions to address for the City, regarding EDC activities. She and Mark will work on a report addressing the questions posed. The Budget for the City should be done the beginning of August; the next City Council meeting is July 19. Mark said he would be in attendance.
Dentist Update	Shayla reported that both funds from the Decatur Co. Health Foundation have approved \$15,000 each toward Dr. Teel's purchase of dental equipment and renovation of the dental office. First National Bank has also committed some funds to assist Dr. Teel and his family with moving expenses. Shayla will finish the Hansen grant application on Wednesday for submission, and John will speak to Rotary concerning the possibility of a donation from the organization or from members individually. The idea of soliciting donations from the public was discussed. Dr. Teel and his family plan to be in Oberlin during the week of the Decatur Co. Fair.
Land Acquisition	Mark hopes to have a meeting with Cheryl Votapka in the next month or two concerning acquisition of the ground north of Pizza Hut and Napa for commercial development.
Housing Development	Mark showed board members a map of some ground currently owned by the City that could serve as a location for housing development. Halley said that the south portion of the property has three waster water lagoons and the City plans for a fourth lagoon and wetlands, to begin construction in October. At this point, there is not access to city services on this site. Other options for potential housing developments discussed included Cookson Hills and Sappa Park, and possibly an area for development of "tiny homes".. The board will continue to explore these options and look forward to partnering with the City to improve and increase housing options in Oberlin.

**Oberlin-Decatur County Economic Development
Meeting Minutes
July 9, 2018**

Bowling Alley Credit/Debit Machine	Mark stated that the Square system has been installed and is up and running at the rec center. Tasha told him the system is easy to use.
Potential Renter	Shayla has been approached by a potential renter who would like to do acrylic and gel nails and eyelash extension in an office in the BEE Building. The concern is the fumes/smell that may come from the nails. All members agreed that this should be approached on a trial basis first, to see how bad the fumes and smell is. All board members agreed to a one to two month trial with the renter with a contract stipulation that she find a portable air purification system to reduce the fumes emitted to the rest of the building.
South Office Glass	The glass in the south office has been broken, Ken said it appears to have been broken accidentally. Shayla received a quote from Glass Express in McCook for \$528.57. Ken moved to approve the expenditure; Jackie Seconded the motion. Motion carried by unanimous board vote.
Other Business	Matt said he has spoken with his neighbor and she is interested in starting a bakery. Shayla asked that Matt send her to the office to discuss funding options.
Adjournment	Jackie moved to adjourn the meeting; Ken seconded the motion. Motion passed by unanimous vote, with adjournment at 6:56 pm. The next meeting is scheduled for Monday, August 13 th at 5:30 pm at the BEE Building.

Respectfully Submitted,

Danielle Wasson
Secretary