

***CANBY UTILITY  
REGULAR BOARD MEETING  
JULY 8, 2014  
7:00 P.M.***

**AGENDA**

- I. CALL TO ORDER
- II. AGENDA
  - Additions, Deletions or Corrections to the Meeting Agenda
- III. CONSENT AGENDA
  - Approval of July 8, 2014 Agenda
  - Approval of Regular Board Meeting Minutes of June 24, 2014
  - Approval of Write-Offs
  - Approval of Payment of Water and Electric Bills
- IV. CITIZEN INPUT ON NON-AGENDA ITEMS
- V. RECOMMENDATION Authorize Signing Columbia Bank's Safe Deposit Box Resolution – Carol Sullivan, Finance Manager (pp. 1-3)
- VI. STAFF REPORTS
  - Operations Superintendent:
    - Quarterly Reliability Report
  - Finance Manager:
    - Customer Service Supervisor Job Performance Evaluation
  - Customer Service Supervisor:
    - Quarterly Customer Account Aging Report (pp. 4-6)
  - General Manager Updates:
    - Board Planning Calendar (pp. 7-8)
    - Columbia River Treaty Update
    - Oregon Municipal Electric Utilities Association Audit
- VII. ADJOURN

**CANBY UTILITY**  
**REGULAR BOARD MEETING MINUTES**  
**JUNE 24, 2014**

PRESENT: Chairman Cornelius; Members Wagner, Maxwell, Potter and Daniels;  
Matt Michel, General Manager; and Barbara Benson, Board Secretary

ALSO PRESENT: Carol Sullivan, Finance Manager; Sue Arthur, Purchasing Agent; Larry Hepler, Operations Superintendent; Dee Anne Wunder, Customer Service Supervisor; Tim Dale, City Liaison (arrived at 7:31 p.m.); and Doug Quan (arrived at 8:05 p.m.)

Chairman Cornelius called the Regular Board Meeting to order at 7:01 p.m.

Chairman Cornelius presented the meeting agenda for consideration. He asked for any additions, deletions or corrections to the meeting agenda. Matt Michel, General Manager, requested to add a report regarding contractor and former employee Jim Brands, who recently passed away.

Chairman Cornelius presented the consent agenda for approval. Member Wagner made the \*MOTION to Approve the Consent Agenda, Consisting of the Amended Meeting Agenda and Regular Meeting Minutes of June 10, 2014. Member Potter seconded, and the motion passed unanimously.

Chairman Cornelius asked for citizen input on non-agenda items and there was none.

Chairman Cornelius mentioned that David Doughman, Board Attorney, usually attends the Board's regular meetings; however, recently he has not been attending due to the nature of the agenda topics not requiring advice from legal counsel. Moving forward, David will attend meetings when asked, which will save the utility in legal expenses for his attendance when not necessary.

Carol Sullivan, Finance Manager, presented the recommended operating and capital electric fund and water fund budgets. She reviewed the changes that have been made since presenting the proposed budgets. These changes for the electric fund included beginning cash balance adjustment of \$255,369; moving dollars identified for software hosting to the capital budget and purchasing a virtual server. For the water fund, if the server cost exceeds the budgeted amount then a 4" water meter will be cut from the capital budget. Personnel costs increased due to progress in labor negotiations, which resulted in the color copier machines and two of the three 4" meter replacements being cut from the capital budget. Carol reviewed the Cash & Reserves summary changes from the proposed budgets. Based on the effect of the changes made with increased labor costs and decreased capital projects, the year-end reserve balance for electric had an increase of \$266,179 and water had an increase of \$2,823.

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Member Maxwell made the \*MOTION to Approve the Fiscal Year 2015 Electric Operating and Capital Budgets. Member Daniels seconded the motion and the roll call ballot was as follows: Member Potter, aye; Member Wagner, aye; Member Maxwell, aye; Member Daniels, aye; and Chairman Cornelius, aye. The motion passed 5 to 0.

Chairman Cornelius asked about the emergency water treatment capital project. Board members have suggested to him that they wanted to know more about the need for it and how it would be used and maintained. Larry Hepler, Operations Superintendent, stated that this option would guarantee water in an emergency situation should we not be able to access our Molalla River source. The equipment would be designated for emergency use only now, but perhaps could be reclassified to use in production capacity in the future. Matt explained the difference between emergency use and production capacity, which relates to a designated well. This device would be a treatment apparatus that can be moved to any well in an emergency situation. Matt stated that this device would not be used for water production in the event of a spill in the river because in those instances the water intakes would be shut down to allow any contaminants to pass and stored water from reservoirs would be used. The apparatus would primarily be used in a seismic event where temporary water would be needed. Larry stated that the apparatus would be able to treat 250 gallons of potable water per minute depending on the well's production. The prime site for this apparatus is a well located at Baker Prairie Middle School and he explained the reasons why. Member Potter asked about the treatment of wells and quality of the water for treatment. Larry shared the test results for the Baker Prairie well. The only quality concern noted is it is higher in hydrogen sulfide, which Larry explained is treatable using chlorine and contact time. Discussion ensued about potential distribution of the water to the community and access to wells in an emergency. The equipment would consist of two 20' shipping containers, four large daisy-chained plumbed poly water tanks to allow for chlorine contact time, a 5hp pressure pump and a trailer-mounted propane generator to supply power. The only maintenance would be periodically running the generator and pump testing.

Member Maxwell made the \*MOTION to Approve the Fiscal Year 2015 Water Operating and Capital Budgets. Member Daniels seconded the motion and the roll call ballot was as follows: Member Potter, aye; Member Wagner, aye; Member Maxwell, aye; Member Daniels, aye; and Chairman Cornelius, aye. The motion passed 5 to 0.

Chairman Cornelius noted that the next agenda item did not have a cover memo that gave background on the topic. He requested staff include, as a standard procedure, cover memos on most agenda items, acknowledging that some staff report items do not necessitate a need to provide background information.

Matt Michel, General Manager, stated that Canby Utility's workers compensation program is provided by the Special Districts Association of Oregon (SDAO), a membership organization. SDAO's legal counsel advised them to clarify their lines of authority in how they operate because their operations have been combined. This housekeeping issue is being addressed by their creation of two separate entities: one for the Trust and another for the Board. SDAO members are required to sign a resolution in order to participate in their workers compensation

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insurance trust programs by July 1. Barb Benson, Board Secretary, noted that Scott Gustafson, our insurance agent of record, wanted to commend staff for their efforts to work safely and to let the Board know that Canby Utility's workers compensation rates dropped this year due to reduced claims. This reduced claim experience is a reflection on the successful safety program. Member Daniels made the \*MOTION to Adopt Resolution No. 273, a Resolution Authorizing an Intergovernmental Agreement between the Canby Utility Board and the Special Districts Insurance Services Trust. Member Potter seconded the motion and the roll call ballot was as follows: Member Potter, aye; Member Wagner, aye; Member Maxwell, aye; Member Daniels, aye; and Chairman Cornelius, aye. The motion passed 5 to 0.

Larry Hepler, Operations Superintendent, gave an update on the residential backflow program. A survey by the water crew members found 725 installed testable backflow devices, of which only 10 are being testing and reported annually. In addition, there are approximately 2,200 residential properties that should have testable backflow devices but do not. The remaining 1,250 residences in Canby either did not need a backflow device or it could not be determined if they existed or were needed. In August, Larry plans to provide an informational presentation to the Board on backflow prevention and the program roll-out. Larry stated that in September, one-third of our customers, located in the northeast part of town, will receive backflow device testing requirement letters. The second group of mailings will be in January for customers in the northwest part of Canby. The final mailing will be in May for customers in the south part of Canby. The August/September Reporter newsletter will provide information about the backflow program and devices. The devices need to be tested by a state certified backflow tester or plumber. Chairman Cornelius asked about the state requirements for testing and Larry explained that the law strongly encourages the testing of residential devices; however, it is up to the local water supplier to enforce the requirements. Member Potter recommended that our outreach materials clearly communicate which type of devices are required to be tested since a double check and RP device requires testing but a properly installed vacuum breaker system does not. Member Wagner suggested staff monitor website activity to see how customers are using the website for backflow information.

Sue Arthur, Purchasing Agent, reported on the final Knights Bridge substation project cost. The work order is being closed out. She highlighted the video surveillance and crew labor has been updated. The project came in at \$392,915 over budget, which was primarily due to the unbudgeted PGE power transfer costs. She noted the remaining cost overrun was \$181,985, which was a small percentage for a \$2.25 million project. Chairman Cornelius asked if there were lessons learned from this project. Sue responded that she feels that in the future, engineers should provide updated project cost estimates just prior to starting the project. For the substation project, the estimates were determined two years prior to the start of the project, which costs were lower at that time due to the economy. Chairman Cornelius thanked Sue for her contributions to the project reporting.

Matt Michel, General Manager, reported on the Willamette River point of diversion for Canby Utility's water rights permit. He showed maps illustrating options for the point of diversion, new treatment plant and raw water pipeline routes. Matt spoke with the engineering and water rights

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consultants regarding moving the point of diversion and he shared their views. Canby Utility's attorneys would engage in conversation with the State about moving the point of delivery prior to engaging engineers. Discussion ensued regarding timing of when various steps would occur with regards to engaging the State, the next water rate study and developing site options in the next fiscal year budget.

Matt Michel, General Manager, reported that Veolia's project manager for our water treatment plan, Brian Hutchins, has relocated to the Bay area in California. Matt noted that he and Larry Hepler, Operations Superintendent met with Veolia to discuss the transition. Dean Harvey, who is a current operator at the plant, has replaced Brian as our designated Direct Responsible Charge. Howard Hamilton and Patrick Udeh are covering in Brian's place for the interim.

Matt Michel, General Manager, reported that former employee and current Efficiency Services Group contractor Jim Brands has passed away and services will be held on June 25 at the Canby Alliance Church. Jim worked for Canby Utility for 14 years and also worked for the Northwest Public Power Association before becoming involved with Efficiency Services Group.

Member Daniels made the \*MOTION to Adjourn the Meeting. Member Potter seconded, and the motion passed unanimously.

There being no further business, the meeting was adjourned at 8:12 p.m.

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Bob Cornelius, Chairman

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Robert Maxwell, Member

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Gary Potter, Member

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Walt Daniels, Member

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Todd Wagner, Member

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Barbara Benson, Board Secretary



## MEMORANDUM

July 2, 2014

TO: Chairperson Cornelius, Member Wagner, Member Maxwell, Member Potter and Member Daniels

FROM: Carol Sullivan, Finance Manager

SUBJECT: Columbia Bank Safe Deposit Box Resolution

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Recommendation: Authorize Board Secretary to sign Columbia Bank's safe deposit box resolution, giving customer service representative Sergio Avalos authorization to access Canby Utility's safe deposit box.

Background: Canby Utility maintains a safe deposit box at Columbia Bank to provide a secure, off-site location for critical computer/server back-up tapes. Designated office staff have authority to access the safe deposit box to exchange tapes on a routine basis. The current list of employees with access includes three employees in customer service, their supervisor and myself. The next step is to establish authorization for another customer service representative, Sergio Avalos, in the event he needs access to exchange back-up tapes.

Columbia Bank requires the Board approve their resolution and authorize the Board Secretary sign a document certifying this process has been completed.

Attached for your review are the Bank's resolution, rules and regulations applicable to safe deposit boxes.

I will answer any questions the Board may have during the regular board meeting.

## Safe Deposit Box Resolution

DATE 07/02/2014	BRANCH 1066
BOX NUMBER 07/02/2014	ACCOUNT TITLE Canby Utility Board

TO:  <b>Columbia Bank</b> 1301 S. A Street Tacoma, WA 98402	FROM: (Name & Address of Business Entity)  Canby Utility Board  154 NW 1st Ave  Canby, OR 97013  Tax ID Number: 93-0607845
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Check One

Corp.  
  Partnership  
  LLP  
  LLC  
  Sole Prop.  
 Assoc.  
 Native American Tribe

The undersigned representative of the Business Entity named above, acting for and on behalf of the Business Entity, does hereby certify to Columbia State Bank ("Bank") that he/she is the Secretary/Assistant Secretary, or Member/Manger, or General Partner, or Owner of the above named Business Entity, and that the following is a full and true copy of resolutions in full force and effect adopted by the governing body of the Business Entity according to the Articles of Incorporation, Bylaws, Certificate, operating agreement or other applicable legal documents of the Business Entity

Resolved:

- 1 That the sole proprietor or governing body of the Business Entity has received, duly considered, and approved of a copy of the Bank's rules and regulations applicable to Safe Deposit Boxes.
- 2 That the individuals listed on the reverse side of the form or any of them has the right of access to any safe deposit box now or hereafter rented in the name of the Business Entity, including, without limitation, the right to remove the contents, the right to appoint any deputy or licensee therefor, and the right to exchange or surrender the safe deposit box, cancel the authority of any deputy or licensee so appointed, and the right generally to represent the Business Entity in all matters related to the safe deposit box.
- 3 That the Business Entity shall promptly notify the Bank of any amendment, modification, or revision of this Resolution or of the list of individual to whom the authority described in the preceding paragraph has been granted. Until rescinded in writing by the Business Entity and the acknowledgement in writing of such rescission by the Bank, the Bank shall have the right to rely upon this Resolution as conclusive evidence of the authority of such persons with respect to such safe deposit box.
- 4 That the undersigned representative of the Business Entity personally certifies to the Bank that he/she is hereby authorized and instructed to furnish to the Bank a certified copy of this Resolution and, whenever any change in Authorized Users is made, to certify the Resolution effecting such change to the Bank.

Authorized Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_ Title: \_\_\_\_\_

<b>Close Safe Deposit Box</b>	
I (We) have removed all contents and hereby relinquish all rights and possession and control of safe deposit box number _____ and return _____ keys (a fee may be charged fo lost keys).	
Renter Signature _____	Date _____
<b>Attendant's Verification</b>	
I have verified that all contents have been removed and that _____ keys have been returned:	
Attendant Signature _____	Date _____

## **Rules and Regulations Governing Safe Deposit Boxes**

These Rules and Regulations contain the terms and conditions upon which Columbia State Bank (herein called the "Bank") rents its safe deposit boxes. Each person or entity (herein called the "renter") renting, alone or jointly with another renter, a safe deposit box (herein called "box") agrees to these Rules and Regulations by signing the signature card for the box.

1. Each renter shall have unrestricted access to the box, except as specified below, whenever the Bank's vault is open for such business. Each renter also has the right to appoint agents who shall have unrestricted access to the box. Each renter may terminate the appointment of any agent by written notice to the Bank. Agent appointments are subject to approval of the Bank as to form.
2. Renter agrees to pay Bank periodic rent at the start of each future period of its use of the box at the rate then in effect, and to pay the Bank all charges assessed to cover the Bank's costs and expenses incurred due to renter's use or misuse, or failure to surrender the box and all its keys. The Bank may deny access to the box if such rent and charges are unpaid.
3. Renters shall not store liquids or property of an illegal, dangerous or offensive nature in the box and assume all risks arising from the nature of any property stored in the box. Each renter agrees to indemnify the Bank against all claims of other customers or third parties, including the Bank's costs and expenses incurred, arising from the improper use of the box by the renter(s).
4. The death of a renter shall not limit access to the box by each other renter, but will terminate the authority of any agent appointed solely by the deceased renter.
5. If circumstances arise which cause the Bank reasonably to fear that it may become liable to any person or subject to any penalty if access is permitted to the box, or if the right of access of one renter or agent is disputed by another renter or agent, the bank may deny access to all persons as long as such possibility of liability or penalty of such dispute continues or until the Bank is indemnified to its satisfaction against liability in the matter. Each renter agrees to indemnify the Bank against all costs and expenses, including attorney's fees, incurred by it due to any such claim or liability or penalty of such dispute relating to the box. The Bank may, but need not, require the consent of each renter before permitting any renter or agent not presenting a box key to have access to the box by drilling the lock or similar means.
6. The Bank is authorized, without notice to any renter, to follow any directive concerning the box from any government official or law enforcement officer, so long as the directive reasonably appears to the Bank (without legal consultation) to be valid and enforceable, including directives to allow such officials to remove the contents of the box.
7. The Bank reserves the right, upon reasonable notice to the renter, to terminate renter's rental of the box or to assign the Bank's rights and responsibilities to any financial institution that may purchase the building in which the box is located. In the event of such termination by the bank, any unearned portion of rent will be refunded upon renter's surrender of the box and all keys.
8. Should the renter fail to empty and surrender the box upon termination of the box lease, or fail to pay rent when due, the Bank is authorized to follow any procedure permitted by law for the disposing of the contents of abandoned safe deposit boxes. The Bank may be reimbursed any expenses incurred by it in opening the box and disposing of its contents from the proceeds of any sale of such contents.
9. The Bank may grant the same access to the box to any person reasonably appearing to the bank (without legal consultation) to be a judicially appointed representative of the renter (or deceased renter) as the renter would have had directly, without having to notify any other renter.
10. The Bank may, but need not, permit access to a box, upon the death of a sole renter, to any attorney presenting a box key in order to search for, in the presence of a Bank representative, a will or similar document and may permit the attorney to copy or to remove any such document found.
11. Renter agrees to promptly report to the Bank if any key to the box is missing or broken and agrees not to make any duplicates of the key.
12. The Bank will exercise ordinary care to guard the box and to prevent access thereto by unauthorized persons but beyond this will not be liable or responsible for the contents of any box.
13. Any amendment by the Bank to these Rules and Regulations which is publicly displayed and available at the office where the box is located shall apply when the box lease is renewed by subsequent payment of rent. These Rules and Regulations shall be binding upon the heirs, representatives and successors of each renter.

### **Important Information About Procedures for Opening a New Safe Deposit Box**

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account or Safe Deposit Box.

What this means to you: When you open a Safe Deposit Box, we will ask for your name, address, date of birth and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

By requesting to open a Safe Deposit Box with the Bank, or by agreeing to be a signer on a Safe Deposit Box or obtaining any other server from us, you (and, if acting in a representative capacity, individually or for such entity) agree that we may obtain credit reporting agencies, and/or by any other means. We may do so at the time you open the Safe Deposit Box, at any time while your Safe Deposit Box is open or after your Safe Deposit Box is closed if you owe us any amounts related to your Safe Deposit Box.





MEMORANDUM

July 3, 2014

TO: Chairman Cornelius, Member Wagner, Member Maxwell, Member Potter, and Member Daniels

FR: Dee Anne Stockton, Customer Service Supervisor

RE: Quarterly Customer Account Agings Report

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The attached customer account aging report shows the lifecycle of customer billed amounts over a rolling 13-month period. The electric fund and water fund are listed separately.

The agings report is a key indicator of our customers' financial health to pay their utility bill and, as a direct result, Canby Utility's financial health. The last column showing the percentage of total ("% of Total") for accounts Past Due Over 91 Days indicates how effective our collections efforts have been by the end of the month.

Here's how to read the agings report:

The first column "Current Balance" is the amount currently due on bills, including credits, as of the last day of the month.

For example, \$375,513.41 is owed as of June 30, 2014. We bill in three cycles (one cycle each for the first three Fridays) and this amount generally, but not always, represents the second- and third-cycle bills that are due and not past due. As such, it's normal to have upwards of 70% of our bills unpaid yet current because over 2/3rds of our customers' bills are not due by month's end.

The second column "% of Total" is the ratio of the Current Balance to the Total Balance due for the month.

For example, in June 2014, 75.3368% of the total electric billed amount is due. By comparing this percentage to the June 2013 percentage (71.1252%) on the electric fund bottom row, it can be seen that there was less due last June (71% < 75%). Less money due means more bill revenue came in last June than this June.

The third column "Past Due 1-30 days" is the total billed amount past due 1-30 days. The adjacent "% of Total" column is the ratio of the Past Due 1-30 Days balance to the Total Balance due for the month.

For example, in June 2014, 22.2668% of the total electric billed amount is 1-30 days past due. During this timeframe, Canby Utility makes several contacts with a customer to make payment

arrangements. First, a delinquency letter gives 2 weeks to pay, then a doorhanger notice gives 5 days to pay, and finally, if necessary, a phone call is made prior to sending out a serviceman to disconnect. All these efforts drive down the amount past due for the next aging period, the Past Due 31-60 Days column.

The fifth column, “Past Due 31-60 Days,” and its accompanying “% of Total” column show the results of our front office collections efforts. For June 2014, only 1.8886% of the total customer amounts are past due 31-60 days.

The next four columns repeat this reporting pattern of past-due-balance and corresponding %-of-total for three more categories: “Past Due 61-90 Days”, and “Past Due Over 91 Days”.

The second to last column, “% of Total” for “Past Due Over 91 Days,” represents amounts that either: (a) have payment arrangements or (b) have balances under \$50 that are written off and not sent to collection or (c) have balances over \$50 that staff will request the Board’s authorization to write-off and send to our collection service.

The final column “Total Balance” is the total billed amount due for the month.

I will answer any questions the Board may have at the meeting.

Customer Account Agings - Prior 13 Months

Category/ Date	Current Balance	% of Total	Past Due 1 - 30 Days	% of Total	Past Due 31 - 60 Days	% of Total	Past Due 61 - 90 Days	% of Total	Past Due Over 91 Days	% of Total	Total Balance
Electric:											
JUNE 2014	\$ 375,513.41	75.3368%	\$ 110,987.81	22.2668%	\$ 9,413.81	1.8886%	\$ 1,797.99	0.3607%	\$ 733.29	0.1471%	\$ 498,446.31
MAY 2014	\$ 416,131.45	73.7450%	\$ 130,745.30	23.1701%	\$ 14,688.79	2.6031%	\$ 2,186.96	0.3876%	\$ 532.16	0.0943%	\$ 564,284.66
APR 2014	\$ 372,568.75	77.9749%	\$ 90,287.54	18.8963%	\$ 11,447.46	2.3958%	\$ 2,660.14	0.5567%	\$ 841.90	0.1762%	\$ 477,805.79
MAR 2014	\$ 442,542.62	77.6430%	\$ 113,570.24	19.9256%	\$ 12,453.02	2.1849%	\$ 563.52	0.0989%	\$ 841.80	0.1477%	\$ 569,971.20
FEB 2014	\$ 540,122.79	76.6431%	\$ 152,201.43	21.5973%	\$ 11,102.83	1.5755%	\$ 720.84	0.1023%	\$ 576.84	0.0819%	\$ 704,724.73
JAN 2014	\$ 583,995.19	74.8213%	\$ 176,710.16	22.6400%	\$ 17,822.78	2.2834%	\$ 1,306.42	0.1674%	\$ 685.83	0.0879%	\$ 780,520.38
DEC 2013	\$ 518,806.77	80.5229%	\$ 110,929.15	17.2171%	\$ 9,423.38	1.4626%	\$ 3,803.28	0.5903%	\$ 1,334.95	0.2072%	\$ 644,297.53
NOV 2013	\$ 454,188.74	74.1166%	\$ 143,569.55	23.4283%	\$ 12,578.82	2.0527%	\$ 1,539.19	0.2512%	\$ 926.45	0.1512%	\$ 612,802.75
OCT 2013	\$ 331,652.98	78.8567%	\$ 77,041.08	18.3180%	\$ 9,730.70	2.3137%	\$ 1,574.91	0.3745%	\$ 577.27	0.1373%	\$ 420,576.94
SEPT 2013	\$ 365,000.18	78.1207%	\$ 91,979.40	19.6863%	\$ 8,782.28	1.8797%	\$ 1,136.98	0.2433%	\$ 327.14	0.0700%	\$ 467,225.98
Aug 2013	\$ 414,393.26	73.9734%	\$ 130,083.33	23.2212%	\$ 13,891.04	2.4797%	\$ 1,371.73	0.2449%	\$ 452.89	0.0808%	\$ 560,192.25
JULY 2013	\$ 345,425.14	80.0356%	\$ 75,362.09	17.4615%	\$ 8,710.60	2.0183%	\$ 1,753.67	0.4063%	\$ 338.01	0.0783%	\$ 431,589.51
JUNE 2013	\$ 366,977.54	71.1252%	\$ 135,237.78	26.2109%	\$ 11,824.15	2.2917%	\$ 1,541.14	0.2987%	\$ 379.57	0.0736%	\$ 515,960.18
Water:											
JUNE 2014	\$ 112,167.46	83.4535%	\$ 20,479.18	15.2367%	\$ 1,640.60	1.2206%	\$ 73.58	0.0547%	\$ 46.34	0.0345%	\$ 134,407.16
MAY 2014	\$ 91,127.46	79.5705%	\$ 20,895.62	18.2456%	\$ 2,361.49	2.0620%	\$ 76.10	0.0664%	\$ 63.57	0.0555%	\$ 114,524.24
APR 2014	\$ 61,214.59	80.2069%	\$ 13,548.96	17.7526%	\$ 1,215.66	1.5928%	\$ 228.30	0.2991%	\$ 113.34	0.1485%	\$ 76,320.85
MAR 2014	\$ 67,836.44	80.6140%	\$ 14,721.64	17.4946%	\$ 1,388.03	1.6495%	\$ 93.79	0.1115%	\$ 109.83	0.1305%	\$ 84,149.73
FEB 2014	\$ 79,436.42	75.9779%	\$ 22,316.17	21.3446%	\$ 1,947.51	1.8627%	\$ 606.96	0.5805%	\$ 244.95	0.2343%	\$ 104,552.01
JAN 2014	\$ 79,959.04	76.8744%	\$ 18,763.79	18.0399%	\$ 4,383.62	4.2145%	\$ 346.98	0.3336%	\$ 559.17	0.5376%	\$ 104,012.60
DEC 2013	\$ 67,918.41	74.2634%	\$ 19,296.35	21.0990%	\$ 2,049.66	2.2411%	\$ 1,755.30	1.9193%	\$ 436.34	0.4771%	\$ 91,456.06
NOV 2013	\$ 83,036.74	75.9437%	\$ 20,978.51	19.1865%	\$ 4,506.72	4.1218%	\$ 604.71	0.5531%	\$ 213.18	0.1950%	\$ 109,339.86
OCT 2013	\$ 63,713.83	74.9974%	\$ 18,348.20	21.5976%	\$ 2,449.25	2.8830%	\$ 373.29	0.4394%	\$ 70.12	0.0825%	\$ 84,954.69
SEPT 2013	\$ 117,470.85	73.8450%	\$ 36,265.42	22.7973%	\$ 4,490.87	2.8231%	\$ 217.58	0.1368%	\$ 632.79	0.3978%	\$ 159,077.51
AUG 2013	\$ 185,282.54	75.8977%	\$ 53,958.21	22.1030%	\$ 4,102.66	1.6806%	\$ 123.46	0.0506%	\$ 654.69	0.2682%	\$ 244,121.56
JULY 2013	\$ 116,226.56	78.2300%	\$ 29,766.32	20.0352%	\$ 1,873.66	1.2611%	\$ 56.80	0.0382%	\$ 646.91	0.4354%	\$ 148,570.25
JUNE 2013	\$ 103,640.94	72.1949%	\$ 35,820.69	24.9522%	\$ 3,154.10	2.1971%	\$ 275.05	0.1916%	\$ 666.45	0.4642%	\$ 143,557.23



## MEMORANDUM

July 2, 2014

TO: Chairman Cornelius, Member Wagner, Member Maxwell, Member Potter, and Member Daniels

FROM: Matt Michel, General Manager

SUBJECT: Proposed Board Agenda Planning Calendar for Fiscal Year 2015

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ACTION: Consensus on a general outline for Fiscal Year 2015 Board agenda matters.

Attached is a proposed agenda planning calendar for the fiscal year starting July 1<sup>st</sup>. Within each month, the listed agenda item will be addressed in either the first or second Board meeting of that month. I seek Board input on the timing of upcoming agenda matters and input on additional matters to be calendared throughout the current fiscal year.

BACKGROUND: Briefly, the calendar contains regular quarterly updates to keep the Board advised on financial and reserves performance, electric system reliability, general manager external meetings, and customer account aging trends. Collectively, these quarterly updates are performance indicators for the organization.

Also on the calendar are annually recurring agenda items such as the audit, electing a chairperson, reports on management team performance evaluations, a 401(k) report, and the budget process.

Unique for this year, there is the management team compensation study in the fall and a water rate case in the spring. The compensation study occurs after labor negotiations are completed as directed by the Board's Procedure 405. The water rate case is needed to establish rates as of June 1, 2015.

At the meeting, I can facilitate the Board's discussion of the calendar and answer questions.

**Board Planning Calendar**

**FY 2015 PROPOSED**

<p>JULY 2014</p> <ul style="list-style-type: none"> <li>▪ Board Planning Calendar</li> <li>▪ Quarterly Reliability Update</li> <li>▪ Quarterly Customer Account Agings Update</li> <li>▪ Labor Relations/Contract</li> <li>▪ Customer Service Supervisor Evaluation Report</li> </ul> <p>&lt; 2015: Electric Rates Analysis &gt;</p>	<p>JANUARY 2015</p> <ul style="list-style-type: none"> <li>▪ Board Elects Chairperson</li> <li>▪ Quarterly Reliability Update</li> <li>▪ Quarterly Customer Account Agings Update</li> <li>▪ Green Power Donation to City</li> <li>▪ 401(k) Annual Report</li> <li>▪ Share the Warmth Update</li> <li>▪ Strategic Plan: Key Issues Review</li> <li>▪ Purchasing Agent Evaluation Report</li> <li>▪ Admin. &amp; HR Mgr. Evaluation Report</li> <li>▪ Board Planning Calendar Update</li> </ul>
<p>AUGUST 2014</p> <ul style="list-style-type: none"> <li>▪ Quarterly Financials &amp; Reserves Update</li> <li>▪ Quarterly GM Meetings Update</li> <li>▪ Backflow Program Presentation</li> <li>▪ Labor Relations/Contract (continued)</li> <li>▪ Summer Potluck BBQ (_____)</li> </ul> <p>&lt; 2015: Electric Rates Public Hearing; rates effective October 2015 &gt;</p>	<p>FEBRUARY 2015</p> <ul style="list-style-type: none"> <li>▪ Quarterly Financials &amp; Reserves Update</li> <li>▪ Quarterly GM Meetings Report</li> <li>▪ Finance Mgr. Evaluation Report</li> <li>▪ Water Rates Analysis</li> </ul>
<p>SEPTEMBER 2014</p> <ul style="list-style-type: none"> <li>▪ Master Service Fees Cost Index</li> <li>▪ Compensation Plan Procedure Review</li> </ul>	<p>MARCH 2015</p> <ul style="list-style-type: none"> <li>▪ General Manager Evaluation Process</li> <li>▪ Board Training: Utility Financials</li> <li>▪ Water Rates Review</li> </ul> <p>&lt; New Board Member Appointed &gt;</p>
<p>OCTOBER 2014</p> <ul style="list-style-type: none"> <li>▪ Quarterly Reliability Update</li> <li>▪ Quarterly Customer Account Agings Update</li> <li>▪ Water Revenue Forecast</li> </ul>	<p>APRIL 2015</p> <ul style="list-style-type: none"> <li>▪ Quarterly Reliability Update</li> <li>▪ Quarterly Customer Account Agings Update</li> <li>▪ Budget Process</li> <li>▪ General Manager Evaluation (continued)</li> <li>▪ Water Rates Public Hearing; rates effective June 1<sup>st</sup></li> </ul>
<p>NOVEMBER 2014</p> <ul style="list-style-type: none"> <li>▪ Quarterly Financials &amp; Reserves Update</li> <li>▪ Quarterly GM Meetings Update</li> <li>▪ Financial Audit Report</li> <li>▪ Red Flag Report</li> <li>▪ Compensation Plan Report &amp; Update</li> <li>▪ Operations Superintendent Evaluation Report</li> <li>▪ Board Mtgs. Holidays Schedule</li> <li>▪ Employee Recognition Event (_____)</li> </ul>	<p>MAY 2015</p> <ul style="list-style-type: none"> <li>▪ Quarterly Financials &amp; Reserves Update</li> <li>▪ Quarterly GM Meetings Update</li> <li>▪ General Manager Evaluation (continued)</li> <li>▪ Water SDC Index Update</li> </ul>
<p>DECEMBER 2014</p> <ul style="list-style-type: none"> <li>▪ Board Secretary Evaluation</li> </ul>	<p>JUNE 2015</p> <ul style="list-style-type: none"> <li>▪ Recommended Budgets</li> <li>▪ Proposed Budgets</li> <li>▪ APPA Annual Mtg. (Minneapolis)</li> </ul>