

The Utility Board of Trustees of Laurens, Iowa met in regular session at the Municipal Building, 272 N. Third Street, Laurens, Iowa, at 4:00 p.m. on the above date. Present were Trustees Richard Main, Jerry Runneberg, and Ben Storms. Also present were General Manager Chad Cleveland and Scott Hermanson of RSM.

Motion by Trustee Storms and seconded by Trustee Runneberg to approve the agenda for the June 28, 2022 regular meeting. Ayes: All. Nays: None. Motion carried.

Scott Hermanson of RSM went over their analysis of our internal network and their proposal for us to provide managed IT services. No specific action was taken. Mr. Hermanson left the meeting at 5:35 p.m.

Motion by Trustee Runneberg and seconded by Trustee Storms to approve the minutes of the May 26, 2022 Board meeting. Ayes: All. Nays: None. Motion carried.

Motion by Trustee Storms and seconded by Trustee Runneberg to approve the summary of receipts for May 2022 in the amount of \$399,259.29 and the list of expenses for May 2022 in the amount of \$559,105.74. Ayes: All. Nays: None. Motion carried.

Summary of Receipts

A/R – Electric	\$ 274,706.97
A/R – Communications	\$ 68,539.78
Merchandise/Services – Electric	\$ 650.00
Merchandise/Services – Communications	\$ 76.00
Carrier Access Fees – Communications	\$ 4,478.29
Write-Off Recovery – Electric	\$ 181.00
Investment Interest Earned – Electric	\$ 4,020.29
Deposits – Electric	\$ 994.56
Deposits – Internet	\$ 99.00
Deposits – Cable TV	\$ 32.00
Marathon Energy Sales – Electric	\$ 6,796.00
Tower Lease – Communications	\$ 3,300.00
Attachment H Revenues – Electric	\$ 23,059.48
NIMECA Renewable Energy Credits – Electric	\$ 12,220.80
Miscellaneous – Telephone	\$ 11.00
Miscellaneous – Cable TV	\$ 64.12
Office Phones – Electric	\$ 30.00
Total Cash Receipts	\$ 399,259.29

Electric Receipts	\$ 322,659.10
Communications Receipts	\$ 76,600.19
Total Cash Receipts	\$ 399,259.29

List of Expenses

A & M Laundry	Dust Mops & Mats	\$ 85.28
Advanced Control Systems	SCADA System Support	\$ 1,237.02
AFLAC	Employee Contributions	\$ 299.84
Ahlers & Cooney	Legal Services	\$ 215.00
Albert City Rec Board	Advertising – Summer Ball	\$ 100.00
Alliant Energy	Natural Gas	\$ 352.40
Associate Partners	DADNS Annual Provisioning	\$ 250.00
Aureon	CALEA/SS7/Switching/Transport	\$ 603.28
Avesis	Group Vision Insurance	\$ 100.43
Big 10 Network	Programming Fees	\$ 514.93

Cleveland, Chad	Meeting Expenses	\$	218.79
Community First Broadcasting	Radio Advertising	\$	52.50
Community State Bank	Service Charges	\$	126.63
Consortia Consulting	Consulting Contract	\$	975.00
Customers	Deposit/Closed Account Refunds	\$	1,119.56
Department of Energy	WAPA Power Bill	\$	27,011.35
Display Systems International	Scrolling Guide Fees	\$	165.76
Employee Benefit Systems	Self-Funding – Administration	\$	120.00
Employee Benefit Systems	Self-Funding – Claims	\$	91.36
Fiserv	Credit Card Processing Fees	\$	88.95
Goldfield Telecom	FTTP Project Materials	\$	20,528.49
Gray Media Group	Programming Fees	\$	1,868.60
Graybar Electric	FTTP Project Materials	\$	2,849.80
Hearst Television	Programming Fees	\$	1,685.73
Horsetech	UPS Shipping Fees	\$	16.73
ICMA RC	Employee Contributions	\$	1,500.00
Internal Revenue Service	Payroll Taxes	\$	12,707.52
Interstate TRS Fund	TRS Fund Assessment	\$	178.62
Iowa Department of Revenue	Sales Tax	\$	6,495.78
Iowa Department of Revenue	State Withholding	\$	2,167.00
Iowa Public Employees Retirement System	IPERS Contributions	\$	8,227.13
Justice Fire & Safety	Fire Ext Inspection/Maintenance	\$	575.50
Laurens, City of	Utility Billing	\$	86,996.63
Laurens Food Pride	Cleaning Supplies	\$	77.55
Laurens House of Print	Paper	\$	62.06
Laurens Municipal Power & Communications	Communications Bill	\$	72.72
Laurens Municipal Utilities	Utility Bill	\$	96.43
Laurens Plumbing	Supplies	\$	18.03
Laurens Sun	Publications/Advertising	\$	63.00
Long Lines	Communication Services	\$	9,099.51
Lumen Access Billing	Access Fees	\$	1,103.85
Lumen Lexcis	Directory Listings	\$	36.45
Merchant Bankcard	Credit Card Processing Fees	\$	892.15
MidAmerican Energy	Neal 4 Operations	\$	17,000.00
Midwest Liquid Systems	Underground Tank Maintenance	\$	4,144.21
Midwest Spray Team	Vegetation Control	\$	3,492.00
MP Nexlevel LLC	FTTP Project Pay Request #10	\$	41,664.13
MP Nexlevel LLC	FTTP Project Pay Request #11	\$	94,788.54
National Cable Television Cooperative	Programming Fees	\$	15,879.01
Nexstar Broadcasting	Programming Fees	\$	1,672.85
NIMECA	Power Bill	\$	60,114.16
Oakhill Consulting	FTTP Project Engineering	\$	816.00
Office Elements	Office Supplies	\$	243.64
Payroll	Salaried, Hourly & Overtime	\$	35,798.19
Petroleum Marketers Mutual Insurance	Underground Fuel Tank Insurance	\$	788.00
PLIC-SBD Grand Island	Life/Disability Insurance	\$	1,516.82
Pocahontas Hospital	Services – Drug Testing	\$	34.75
Pop Media	Programming Fees	\$	44.31
Postmaster	Utility Billing Postage	\$	329.77
Pro Cooperative	Fuel	\$	479.23
R&D Industries	Network Support	\$	1,033.87
Richardson's Service	Vehicle Maintenance	\$	72.76
RSM US LLP	Network Assessment	\$	12,965.94
Secure Shred Solutions	Paper Shredding	\$	25.00
Spencer Municipal Utilities	Fiber Lease	\$	450.00
Spencer Municipal Utilities	FTTP Project Materials	\$	959.00

Terril Telephone Cooperative	FTTP Project Materials	\$ 103.50
The Zone	Advertising – Senior Banners	\$ 120.00
T.P. Anderson & Company	Audit Services	\$ 5,000.00
UMB Bank	Bond Interest Payment	\$ 53,712.50
Upper Des Moines Opportunity Inc.	Energy Assistance Refunds	\$ 2,083.22
US Card Systems	Credit Card Terminal Lease	\$ 29.95
Verizon	Wireless Phone Service	\$ 207.12
Wellmark Blue Cross Blue Shield	Group Health Insurance	\$ 11,686.06
Zcorum	Cable Modem Provisioning	\$ 803.85
	<u>Total Expenses</u>	\$ 559,105.74

Electric Expenses	\$ 486,158.44
Communications Expenses	\$ 72,947.30
Total Expenses	\$ 559,105.74

Trustees reviewed the Utility Funds Report, Balance Sheet, and Income Statement for May 2022. No specific action was taken.

Fiber-To-The-Premise Project Update: All underground work should be completed by the end of June. A majority of the fiber splicing and testing is completed. We look forward to testing the system in July and start moving customers over to the new fiber system in August.

Motion by Trustee Runneberg and seconded by Trustee Storms to approve Pay Request #12 in the amount of \$98,663.16 for the work completed on the Laurens 2021 Electric Improvements/Fiber-To-The-Premise Project by MP Nexlevel, LLC. Ayes: All. Nays: None. Motion carried.

Motion by Trustee Storms and seconded by Trustee Runneberg to approve the FTTP Project Installation Agreement with Mid-America Communications II, LLC. Ayes: All. Nays: None. Motion carried.

Motion by Trustee Storms and seconded by Trustee Runneberg to approve the FTTP Project Installation Agreement with Clanton Creek Communications, LLC. Ayes: All. Nays: None. Motion carried.

Board Trustee Storms introduced the following Resolution entitled "RESOLUTION AUTHORIZING TRANSFER OF SURPLUS FUNDS FROM THE LAURENS MUNICIPAL ELECTRIC UTILITY TO THE CITY OF LAURENS" and moved that the same be adopted. Board Trustee Runneberg seconded the motion to adopt. The roll was called, and the vote was,

AYES: Main, Runneberg and Storms NAYS: None

Whereupon the Chairman declared the resolution duly adopted as follows:

**RESOLUTION AUTHORIZING TRANSFER OF SURPLUS FROM THE
LAURENS MUNICIPAL ELECTRIC UTILITY TO THE CITY OF LAURENS**

WHEREAS, Section 384.89 City Code of Iowa provides that the governing body of a City Utility may under certain circumstances transfer surplus funds on hand to any other fund of the City in accordance with any rules promulgated by the City Finance Committee if the transfer is also approved by the City Council; and

WHEREAS, this Board hereby determines, based on Rule 2.5(5) of the rules promulgated by the City Finance Committee in accordance with Section 384.89, Code of Iowa, that the Electric Utility currently has a balance of \$4,456,052, and has on hand available surplus funds of \$1,983,609, after making all deposits into all funds required by the terms, covenants, conditions and provisions of outstanding revenue bonds, pledge orders, and other obligations which are payable from the revenues of the

Electric Utility in accordance with Section 384.89, as shown on the Electric Fund surplus calculation attached hereto as Exhibit 1 and by this reference incorporated herein; and

WHEREAS, all the requirements, terms, covenants, conditions and provisions of the proceedings and resolutions authorizing the issuance of outstanding electric revenue bonds and pledge orders have been complied with; and

WHEREAS, this Board finds that a transfer of the Surplus does not and will not conflict with any of the requirements, terms, covenants, conditions, or provisions of any resolution authorizing the issuance of revenue bonds, pledge orders or other obligations which are payable from the revenues of the Electric Utility; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE MUNICIPAL ELECTRIC UTILITY OF THE CITY OF LAURENS, IOWA:

Section 1. Pursuant to and in accordance with Section 384.89, Code of Iowa, and Rule 2.5(5) of the rules promulgated by the City Finance Committee, the Electric Utility has surplus funds available for transfer.

Section 2. That after investigation not more than \$30,000.00 now on hand is declared to be surplus funds of the electric utility and are not required for current utility operations.

Section 3. Upon investigation, it is found to be necessary, advisable, and in the best interest of the electric utility and its customers that \$30,000.00 be transferred to the City for its use as the City Council shall deem appropriate.

Section 4. In accordance with Section 384.89, Code of Iowa, this transfer is subject to approval by the City Council.

PASSED AND APPROVED this 28th day of June 2022.

Richard Main
Chairman, Board of Trustees

ATTEST: Chad Cleveland
Secretary, Board of Trustees

EXHIBIT 1 ELECTRIC SURPLUS CALCULATION

Cash balance in the operating account OR the unrestricted net position calculated in accordance with GAAP = \$4,456,052
less, all required transfers to any restricted accounts in accordance with the terms and provisions of any revenue bonds or loan agreements relating to the utility: \$0
plus, net pension liabilities: \$199,908
plus, other postemployment benefits liabilities: \$12,541
plus, pension related deferred inflows of resources: \$20,814
less, pension related deferred outflows of resources: \$58,002
less, the amount of the expenses of disbursements for operating and maintaining the utility or enterprise for the preceding six months: \$2,350,278
less, the amount necessary to make all required transfers to restricted accounts for the succeeding six months: \$297,426
Equals Available Surplus Funds: \$1,983,609

Discussion was held on the pricing of Internet services for our new fiber system. Board Trustee Runneberg introduced the following Resolution entitled "RESOLUTION AMENDING THE RATES CHARGED FOR INTERNET SERVICES OF THE LAURENS MUNICIPAL BROADBAND COMMUNICATIONS UTILITY" and moved that the same be adopted. Board Trustee Storms seconded the motion to adopt. The roll was called, and the vote was,

AYES: Main, Runneberg and Storms NAYS: None

Whereupon the Chairman declared the resolution duly adopted as follows:

RESOLUTION AMENDING THE RATES CHARGED FOR INTERNET SERVICES OF THE LAURENS MUNICIPAL BROADBAND COMMUNICATIONS UTILITY

WHEREAS, pursuant to an election held in the year 1997, the Municipal Broadband Communications Utility in and for the City of Laurens, Pocahontas County, Iowa was established.

WHEREAS, pursuant to an election held in the year 1997, the management and control of the Laurens Municipal Broadband Communications Utility was put in the hands of the Board of Trustees.

WHEREAS, the Board of Trustees may, by resolution, establish, impose, adjust and provide for the collection of rates to be charged for the use of communication services provided by the Laurens Municipal Broadband Communications Utility.

WHEREAS, the Board of Trustees has determined it beneficial for the future of the Laurens Municipal Broadband Communications Utility to replace the original hybrid fiber coaxial cable system with a new state of the art fiber system.

NOW THEREFORE, BE IT RESOLVED by the Board of Trustees of the City of Laurens, Pocahontas County, Iowa that the following rates for internet services shall go into effect on August 1, 2022, and shall be applied as customer services are transitioned over to the new fiber system:

<u>CABLE MODEM SERVICES:</u>	<u>NEW RATES</u>	<u>CURRENT RATES</u>
8 Mbps /1 Mbps	N/A	\$ 38.00 a month
15 Mbps /1 Mbps	N/A	\$ 48.00 a month
30 Mbps /3 Mbps	N/A	\$ 65.00 a month
50 Mbps /5 Mbps	N/A	\$ 85.00 a month
100 Mbps /10 Mbps	N/A	\$125.00 a month
Add a Secure Wireless Network in your home	N/A	\$ 3.00 a month

<u>FIBER SERVICES:</u>	<u>NEW RATES</u>
200 Mbps / 200 Mbps	\$ 58.00 a month
400 Mbps / 400 Mbps	\$ 68.00 a month
800 Mbps / 800 Mbps	\$ 88.00 a month
1,000 Mbps / 1,000 Mbps	\$118.00 a month
Managed Wireless Gateway	Included
Extra Mesh Wi-Fi Units	\$ 10.00 a month
Special Circuits are available	

Cable modem services and rates will no longer be available once a home or business has been transitioned over to the new fiber system.

This resolution shall be effective August 1, 2022 upon approval and publication as provided by law.

Passed and approved this 28th day of June 2022.

Richard Main
Chairman, Board of Trustees

ATTEST: Chad Cleveland
Secretary, Board of Trustees

The Board of Trustees directed the General Manager to provide each customer, upon transition to the new fiber system, with the 1 Gig (1,000 Mbps /1,000 Mbps) bandwidth package at a promotional price and for a promotional period of time.

There being no further business, the Chairman declared the meeting adjourned at 8:20 p.m.

Richard Main
Chairman, Board of Trustees

ATTEST: Chad Cleveland
Secretary, Board of Trustees