

UTILITY COMMITTEE MEETING

PACKET

DECEMBER 13, 2023

CITY OF SALEM UTILITY COMMITTEE

MINUTES OF MEETING

September 13, 2023

The City of Salem Utility Committee meeting was called to order by Utility Committee Chairman and West Ward Alderman, Kyle Williams. The following individuals were present: Catherine Dent, John Hambacker, Harold Hamilton, Nathan Kinsey, Rick Letchworth, and David Weiss.

Recognition for their attendance was given to City Administrator, Sally Burbridge; Finance Director, Stacy Houston; Director of Public Works, Mark Nash; and Chris McGuirt, from the utility department. Reports and financials for utility usage were presented by Stacy Houston, Financial Director for the City of Salem, and the minutes of the August 9, 2023, meeting of the utility committee were approved.

John Hambacker inquired about the number of transformers on poles and if they were performing and if not, could they be taken down. Mark Nash stated that some transformers had been removed and rebuilt.

John Hambacker also remarked on the need for some kind of notification regarding peak alerts and noted that in other cities there are speaker systems telling everyone when there was a peak alert. The City system is set up only for one siren sound (tornado) and Joe Chase stated he was working on a proposal with the City Administrator on a new system regarding an alert.

City Administrator, Sally Burbridge, spoke on the Execeleron program and stated work has been done to make sure payments are routed to the specific banks, etc. She noted that in the next few weeks, the city will be moving to launch two pieces of the billing system (online payments and 24/7 automated phone system) and there is a cost for these systems. Work is still progressing on emailing utility bills and Encode is hoping to deploy this system soon.

Sally also told those in attendance she will be attending the MPUA annual conference September 27, 2023, and will also be representing the city at the MMMPEP committee meeting in November.

The water testing quote of \$3691 per well that was given at the last meeting was brought before the committee. The water has been exceptional but there has been some residue that may provide discoloration. The committee was asked if they wanted to pursue additional water testing and no motion was made to do so.

The Board of Aldermen asked committee members to meet in closed session in a privileged consultation with an attorney regarding the cost of utilities for individuals outside the city limits. This meeting would follow the Board of Aldermen meeting September 26, 2023. Members of the committee agreed to meet.

The meeting was then opened to questions and comments from those persons in attendance who do not serve on the committee.

The committee heard from Frank Rauhe on his installation of solar panels and net metering, and individuals concerned about the trash service and recycling. Debbie Murphy stated she was tired of fees going up and down and that the City should look at cuts that might help with this situation. Lisa French asked for an explanation about kilowatt hours and charges and expressed her distaste in the 4% COLA increase for the City coming from the electric fund. French also wanted to know why the city was buying wire for McDonalds and it was explained that McDonalds was reimbursing the city for the wire.

With no other business occurring, a motion was made by Catherine Dent and seconded by John Hambacker that the meeting close. Motion carried.

The next meeting of the City Utility Committee will be October 11 at 6:15 at the Community Center at the Armory.

Prepared by: Catherine Dent

Utility Committee

Staff Summary Report

MEETING DATE:	December 13, 2023
AGENDA ITEM:	Service Line Warranty Program
ACTION REQUESTED BY:	City Administrator
ACTION REQUESTED:	Presentation and Discussion of the Service Line Warranty Program
SUMMARY BY:	Sally Burbridge

PROJECT DESCRIPTION / FACTS

This program covers SERVICE LINES owned by the home/building owner.

The Service Line Warranty program offers coverage in instances of line leaks and breakages when on the homeowner's side of the meter. Residents may purchase coverage directly from HomeServe in the amounts listed on pg 2 of the NLC Staff Report.

Some quick calculations:

If all three lines of coverage were purchased at a rate of \$23.49/month and this person had one instance per line where a repair was needed (water, sewer and in-home) that maxed out the coverage at \$8,500, \$8,500 and \$3,000 respectively per occurrence (\$20,000 of line repair). It would take a person almost 71 years of paying \$23.49/month to actually pay in \$20,000 to the program.

$\$23.49 \times 12 \text{ months} = \$281.88/\text{year} \times 71 \text{ years} = \$20,013.48$

If a resident wanted to only do water line protection at \$5.75/month, they would pay for 123 years to pay in the equivalent of the \$8,500 coverage for one occurrence.

$\$5.75 \times 12 \text{ months} = \$69/\text{year} \times 123 \text{ years} = \$8,487$

There are unlimited calls with a max of \$8,500 per occurrence for exterior water and sewer lines, or \$3,000 per occurrence for in-home plumbing issues.

PROCUREMENT

N/A

FISCAL IMPACTS

None to the City

SUPPORT DOCUMENTS:	NLCSLWP Why Offer MO State Presentation NLC Service Line Program Staff Report State League Endorsement Letter – Missouri Royalty 3 Product Agreement
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NLC Service Line Warranty Program

WHY SHOULD OUR CITY offer this program?



Because aging infrastructure impacts private lines, too.

Nationwide a water main breaks every two minutes. The same elements that cause those failures also exist on your residents' private lines: age of lines, deteriorating pipe material, freezing and thawing, and ground shifting.

This program provides an optional — proactive — solution to a problem that is bound to strike your residents at some point in time.



Homeowners believe service line repairs are the municipality's responsibility.

When private service lines break or leak, many homeowners call the municipality first and are often surprised — and frustrated — to learn that the municipality can't help.

Educational marketing about homeowners' responsibility for service lines is a key component of the program.



An unexpected repair expense can be hard on a budget — and peace of mind.

Studies show that most Americans do not have enough savings to cover an emergency repair cost that could be from hundreds to as much as \$3,500 or more. In addition, many can be overwhelmed by having to find a trustworthy contractor.

The program provides affordable repair plans backed by vetted, local-area contractors, keeping dollars in the local economy.

For more information call:
1-866-974-4801 or visit
watersolutions.homeserve.com

Or scan here
to learn more:



**NLC Service Line
Warranty Program**

by
 **HomeServe**

Program Highlights



- ▲ The only utility line warranty program endorsed by the National League of Cities (NLC) and multiple state leagues
- ▲ Educates homeowners about their lateral line responsibilities
- ▲ Program handles all resident communications, service delivery and administration at no cost to the municipality
- ▲ Provides ongoing revenue stream to the municipality
- ▲ Reduces calls from residents to the municipality for lateral water and sewer line issues
- ▲ 24/7/365 bilingual customer service
- ▲ All repairs performed to city code by local-area, licensed contractors, keeping money in the local economy
- ▲ All materials sent to residents are pre-approved by the municipality

HomeServe has:

- ▲ **Over 1,200** municipal, utility and association partners across North America.
- ▲ **4.8 out of 5 stars*** customer satisfaction rating.
- ▲ Performed over **2.2 million repairs** over the last three years, saving customers over **\$1.1 billion.**

* Customers surveyed after receiving service between 7/1/2022 - 2/31/2022.



Scan here to
learn more:



**NLC Service Line
Warranty Program**





NLC Service Line Warranty Program: Benefits to Cities & Residents



NLC Service Line
Warranty Program

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WHY CHOOSE UTILITY SERVICE PARTNERS?



EXPERIENCE
Offering services
for over 18 years



REPUTATION
98% customer
satisfaction



PARTNERSHIP
Endorsed by National
League of Cities and MO
Municipal League



**BBB Torch Award for
Marketplace Ethics**
Trust • Performance • Integrity
2013 Winner
Western Pennsylvania Better Business Bureau®



"These awards underscore one of the primary reasons the National League of Cities selected USP as a partner. The organization's exemplary record of customer service and transparency is what has driven the success of this partnership over the years."



Clarence Anthony
Executive Director
National League of Cities



NLC Service Line
Warranty Program

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AGING INFRASTRUCTURE IS PROBLEMATIC FOR CITIES & HOMEOWNERS



- In Missouri, infrastructure upgrades over the next 20 years are estimated at \$8.9 billion for drinking water
- Lateral lines are subjected to the same elements as public lines -ground shifting, fluctuating temperatures, tree root penetration, corrosion and more
- Failed lines waste thousands of gallons of water and present an environmental hazard
- Common homeowner misconceptions the municipality is responsible for maintenance of the water and sewer lines on their property or repairs are covered by their homeowner's policy



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NLC Service Line
Warranty Program

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NLC SERVICE LINE WARRANTY PROGRAM BENEFITS



- Only Service Line Program Endorsed by the National League of Cities and a Preferred Partner of the Missouri Municipal League
- No cost for the City to participate
- Ongoing Revenue Stream for the Municipalities
- Educates homeowners about their lateral line responsibilities
- Free Public Awareness Campaign
- Peace of Mind - with one toll-free call a reputable plumber is dispatched
- All repairs performed to code by local licensed contractors
- Contractors undergo rigorous vetting process to ensure quality service



NLC Service Line
Warranty Program

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NLC SERVICE LINE WARRANTY PROGRAM AND WHAT IT COVERS



SEWER/SEPTIC LATERAL
COVERAGE



WATER/WELL LINE
COVERAGE

Homeowner repair protection for leaking, clogged or broken water and sewer lines from the point of utility connection to the home exterior

Coverage includes:

- Educating homeowners about their service line responsibilities
- Up to \$8,500 coverage per repair incident
- Includes coverage for thawing of frozen external water lines
- No annual or lifetime limits, deductibles, service fees, forms, or paperwork
- 24/7/365 availability
- Repairs made only by licensed, local contractors
- Affordable rates and multiple payment methods



NLC Service Line
Warranty Program

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NLC SERVICE LINE WARRANTY PROGRAM AND WHAT IT COVERS



INTERIOR PLUMBING
AND DRAINAGE

Homeowner repair protection for in-home water supply lines and in-home sewer lines and all drain lines connected to the main sewer stack that are broken or leaking inside the home after the point of entry

Coverage includes:


- Up to \$3,000 coverage per repair incident.
- Repair of clogged toilets
- Includes coverage for broken or leaking water, sewer, or drain lines under the slab or basement floor
- No annual or lifetime limits, deductibles, service fees, forms, or paperwork
- 24/7/365 availability
- Repairs made only by licensed, local contractors
- Affordable rates and multiple payment methods



NLC Service Line
Warranty Program

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MARKETING APPROACH

- No Public Funds are used in marketing, distribution, or administration of the program.
 - Only market by direct mail, no telemarketing
 - Would never mail without your review and approval of marketing material before each and every campaign
 - Limited mailing campaigns per year
 - Consumer friendly marketing
 - Always voluntary for the homeowner
- 
- Consumers can enroll one of three ways:
 - Calling into our toll free number that is provided on the mailing;
 - Returning the bottom of the letter to us in the self addressed stamped envelope provided
 - Visiting our consumer website www.slwofa.com at any time



NLC Service Line
Warranty Program

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SOLUTIONS FOR MUNICIPALITIES AND THEIR HOMEOWNERS



- Endorsed by the Missouri Municipal League
- More than 1000 municipal and utility partnerships
- Currently serving over 4 million customers
- Saved customers over \$454 million in repair costs over the past 3 years
- Consistent customer satisfaction rating of 98%
- 9 of every 10 customers surveyed have recommended the program to friends, family and neighbors



NLC Service Line
Warranty Program

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44 Missouri Partners and Customer Data

• Adrian	• Kimberling City	• Sunset Hills
• Airport Drive	• Kirksville	• Town and Country
• Bella Villa	• La Monte	• University City
• Billings	• Lake Tapawingo	• Waynesville
• Cameron	• Lawson	• Willard
• Calhoun	• Lebanon	• Winchester
• Canton	• Lexington	• Wellington
• Centertown	• Moberly	• Wellston
• Clarksdale	• Monett	• Wellsville
• Diggins	• Monroe City	
• Edgerton	• Moscow Mills	
• Grandview	• Norwood Court	
• Hurley (also leak)	• Odessa	
• Jonesburg	• Osage Beach	
• Joplin	• Pine Lawn	
• Kansas City	• Pleasant Hill	
	• Potosi	
	• Raytown	



This program has saved Missouri residents over \$10 million in repair costs



NLC Service Line Warranty Program

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For more information contact...

Emilie Zalfini
Director, Regional Water Team
724-749-1060
EZalfini@UtilitySP.net



NLC Service Line Warranty Program

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RECOMMENDATION: It is recommended that the council authorize their designee to enter into the royalty Marketing agreement with Utility Service Partners, Inc. (USP) a HomeServe Company for an initial term of three (3) years, subject to review.

BACKGROUND: The National League of Cities (NLC) Service Line Warranty Program, offered by Utility Service Partners, a HomeServe Company, was conceived in partnership with the National League of Cities to educate property owners about their service line responsibilities and to help residents avoid the out-of-pocket expense for unanticipated and potentially costly service line repairs and replacements. Our program, the only one of its kind endorsed by the NLC, will help Salem to achieve its goals by:

- Providing homeowners affordable protection against significant and unexpected costs to remedy leaking/broken/ clogged water lines, sewer lines, and in-home plumbing lines.
- Ensuring the delivery of timely, high-quality repair services in adherence to all applicable codes.
- Providing exemplary service that reflects positively on the municipality.
- The program generates an ongoing, sustainable source of revenue for partner municipalities and stimulates the local economy by using fully vetted local contractors to complete the repairs.
- The municipality will receive a royalty of \$0.50 per product per month for the duration of the program.

COVERAGE: NLC Service Line Warranty Program offers three complete and separate voluntary programs. There is never a service fee/deductible or annual or lifetime limit. Residents can cancel the warranties at any time.

Exterior Water Service Line: Includes service to locate, excavate and repair/replace a leaking exterior water service line. Covered repairs include, but are not limited to leaks, breaks, corrosion, blockages, root intrusion, and other types of damage (such as from freezing) that impair or limit the intended function of the system. Includes thawing of frozen water lines. Includes restoration of ground surface features after excavation for service line repair, including filling, raking, reseeding, reinstallation of existing soft landscaping and shrubbery, and patching of paved surfaces.

Exterior Sewer Service Line: Includes services to locate, excavate and repair/replace a leaking exterior sewer service line. Covered repairs include, but are not limited to leaks, breaks, corrosion, blockages (due to fats, oils and grease), root intrusion, and other types of damage (such as from freezing) that impair or limit the intended function of the system. Includes restoration of ground surface features after excavation for service line repair, including filling, raking, reseeding, reinstallation of existing soft landscaping and shrubbery, and patching of paved surfaces.

Internal Plumbing and Drainage: Coverage includes the emergency breakdown costs of repairing or replacing interior water, sewer, and drainage pipe materials, valves and other plumbing-related material, including unblocking, repair and replacement. Repair of clogged toilets.

Product	Monthly	Annual Coverage Limit	Annual Service Calls/Per Call Coverage	Royalty for the Municipality
External Water Line	\$5.75	Unlimited	Unlimited Calls \$8,500 Per Call	\$0.50 per contract per month
External Sewer Line	\$7.75	Unlimited	Unlimited Calls \$8,500 Per Call	\$0.50 per contract per month
In-Home Plumbing	\$9.99	Unlimited	Unlimited Calls \$3,000 Per Call	\$0.50 per contract per month

IMPLEMENTATION: The NLC Service Line Program will utilize the utility logo to brand the materials used to educate utility customers about our repair service plans. Program marketing literature clearly discloses that the Program and the utility are separate entities and that the program is voluntary for residents. The NLC Service Line Warranty Program will create all marketing materials with input from the municipality and will submit all marketing/communications materials to the municipality for final approval before each campaign.

No mailing/customer data is required. Residents can choose to enroll via mail, phone, or web. We bill customers directly. Customers can cancel at any time. No minimum enrollments required.

FINANCIAL IMPACT: No cost to the municipality to participate.

The municipality would receive \$0.50 per product per month royalty.



Dear Member:

The Missouri Municipal League is pleased to continue its endorsement of the National League of Cities (NLC) Service Line Warranty Program, administered by Utility Service Partners (USP). Offered at no cost to League members, the NLC Service Line Warranty Program educates homeowners about their service line responsibilities and offers affordable protection from unanticipated service line repair costs. Homeowners in participating cities and towns are eligible to purchase low-cost repair service plans for broken or leaking outside water and sewer lines, covering up to \$8,500 per occurrence.

Benefits to residents and municipalities include:

- Educates homeowners and reduces local officials' frustration;
- No cost for Missouri cities and towns to participate;
- Affordable rates for residents;
- Increases citizen satisfaction.

Important features of the program:

1. USP pays for the repairs, not your residents;
2. Customers are provided with a 24/7/365 repair hotline staffed with live agents;
3. All repairs performed to local code by rigorously vetted, licensed and insured local contractors;
4. USP is responsible for all aspects of the program, including marketing, billing, customer service, and performing all repairs.

33 Missouri municipalities currently offer the program, which has saved Missouri homeowners over \$4 million in repair costs over the past three years. The League has chosen to endorse USP, a HomeServe company, because of its outstanding national reputation. USP is a BBB Accredited Business with an A+ rating, and they maintain a customer satisfaction rating exceeding 98%. This is the only protection program endorsed by the National League of Cities and multiple state municipal leagues.

The Missouri Municipal League is here to assure the program works for Missouri cities and towns who participate. We encourage you to consider joining over 500 U.S. cities in adopting the NLC Service Line Warranty Program for your municipality.

Sincerely,

Dan Ross
Executive Director
Missouri Municipal League

MARKETING AGREEMENT

This MARKETING AGREEMENT (“**Agreement**”) is entered into by and between the City of Salem, Missouri (“**City**”), and Utility Service Partners Private Label, Inc. d/b/a Service Line Warranties of America (“**Company**”), herein collectively referred to singularly as “**Party**” and collectively as the “**Parties**”. This Agreement shall be effective on the last signature date set forth below (“**Effective Date**”).

RECITALS:

WHEREAS, sewer and water line laterals between the mainlines and the connection on residential private property are owned by individual residential property owners residing in the City (“**Property Owner**”); and

WHEREAS, City desires to offer Property Owners the opportunity, but not the obligation, to purchase a service plan and other similar products set forth in Exhibit A or as otherwise agreed in writing from time-to-time by the Parties (each, a “**Product**” and collectively, the “**Products**”); and

WHEREAS, Company, a subsidiary of HomeServe USA Corp., is the administrator of the National League of Cities Service Line Warranty Program and has agreed to make the Products available to Property Owners subject to the terms and conditions contained herein; and

NOW, THEREFORE, in consideration of the foregoing recitals, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and with the intent to be legally bound hereby, the Parties agree as follows:

1. **Purpose.** City hereby grants to Company the right to offer and market the Products to Property Owners subject to the terms and conditions herein.

2. **City Obligations.**

A. Grant of License. City hereby grants to Company a non-exclusive license (“**License**”) to use City's branding (“**Marks**”), on marketing materials in accordance with Exhibit A to be sent to Property Owners from time to time, and to be used in advertising (including on the Company's website), all at Company's sole cost and expense and subject to City's prior review and approval, which will not be unreasonably conditioned, delayed, or withheld. Company's use of the Marks in accordance with this Agreement will not infringe any other party's rights. In the event that City extends a similar license to a competitor of Company during the Term and any Renewal Term of this Agreement, the City shall provide thirty (30) days' notice prior to such grant of license and Company may immediately terminate this Agreement.

B. **Property Owner Data.** If City elects to do so, City may provide Company with Property Owner Data for use by Company in furtherance of the advertisement, marketing, and sale of the Products. Any name, service address, postal address, and any other appropriate or necessary data for Property Owners in City is defined as “**Property Owner Data**”. Property Owners Data shall be and remain City’s property. For any Property Owner Data provided by City to Company, City warrants that Property Owner Data has been and will be collected in compliance with all laws, statutes, treaties, rules, codes, ordinances, regulations, permits, official guidelines, judgments, orders and interpretations (“**Applicable Laws**”); and City is permitted by Applicable Laws and by any applicable privacy policy to provide Property Owner Data to Company and to permit Company to use Property Owner Data for the purposes of this Agreement. A Property Owner who has purchased a Product is a member (“**Member**”) and, following such purchase, all data in Company’s control or possession relating to Members is Company’s property.

3. **Term.** The term of this Agreement (“**Initial Term**”) shall be for three (3) years from the Effective Date. The Agreement will automatically renew for additional one (1) year terms (each a “**Renewal Term**”, and collectively with the Initial Term, the “**Term**”) unless one of the Parties gives the other written notice at least ninety (90) days prior to end of the Initial Term or of a Renewal Term that the Party does not intend to renew this Agreement. In the event that Company is in material breach of this Agreement, the City may terminate this Agreement thirty (30) days after giving written notice to Company of such breach, if said breach is not cured during said thirty (30) day period. Company will be permitted to complete any marketing initiative initiated prior to termination of this Agreement after which time, neither Party will have any further obligations to the other and this Agreement will terminate.

4. **Consideration.** As consideration for such license, Company will pay to City a License Fee of as set forth in Exhibit A (“**License Fee**”) during the Term of this Agreement. The first payment shall be due by January 30th of the year following the conclusion of the first year of the Term. Succeeding License Fee payments shall be made on an annual basis throughout the Term, due and payable on January 30th of the succeeding year. City agrees to provide a completed Form W-9 to Company in order to facilitate proper payment of the License Fee. City will have the right, at its sole expense, to conduct an audit, upon reasonable notice and during normal business hours, of Company's books and records pertaining to any fees due under this Agreement while this Agreement is in effect and for one (1) year after any termination of this Agreement.

5. **Confidentiality.** Each party will treat all non-public, confidential and trade secret information received from the other party as confidential, and such party shall not disclose or use such information in a manner contrary to the purposes of this Agreement. Notwithstanding the foregoing, the City shall not be liable for any disclosure of confidential information that is required to be disclosed under any applicable public records act or under court order. City shall provide notice to Company prior to any such disclosure.

6. **Code Change.** The Parties understand that the pricing of the Products and compensation provided for in this Agreement are based upon the currently applicable City, municipal or similar codes. In the event Company discovers a code change, Company shall have the ability to reassess the pricing of this Agreement.

7. **Indemnification.** Each Party (the “**Indemnifying Party**”) hereby agrees to protect, indemnify, and hold the other Party, its officers, employees, contractors, subcontractors, and agents (collectively or individually, “**Indemnatee**”) harmless from and against any and all third party claims, damages, losses, expenses, suits, actions, decrees, judgments, awards, reasonable attorneys' fees and court costs (individually or collectively, “**Claim**”), which an Indemnatee may suffer or which may be sought against or are recovered or obtainable from an Indemnatee, as a result of or arising out of any breach of this Agreement by the Indemnifying Party, or any negligent or fraudulent act or omission of the Indemnifying Party or its officers, employees, contractors, subcontractors, or agents in the performance of this Agreement; provided that the applicable Indemnatee notifies the Indemnifying Party of any such Claim within a time that does not prejudice the ability of the Indemnifying Party to defend against such Claim. Any Indemnatee hereunder may participate in its, his, or her own defense, but will be responsible for all costs incurred, including reasonable attorneys' fees, in connection with such participation in such defense.

8. **Notice.** Any notice required to be given hereunder shall be deemed to have been given when notice is (i) received by the Party to whom it is directed by personal service, (ii) sent by electronic mail (provided confirmation of receipt is provided by the receiving Party), or (iii) deposited as registered or certified mail, return receipt requested, with the United States Postal Service, addressed as follows:

To: City:
ATTN: Sally Burbridge
City of Salem
400 N Iron
Salem, MO 65560
Email: cityadministrator@salemмо.com
Phone: (573) 729-4811

To: Company:
ATTN: Chief Growth Officer
Utility Service Partners Private Label, Inc.
601 Merritt 7, 6th Floor
Norwalk, CT 06851
Phone: (866) 974-4801

9. **Modifications or Amendments/Entire Agreement.** Except for the list of available Products under the Agreement, which may be amended from time to time by the Parties in writing and without signature, any and all of the representations and obligations of the Parties are contained herein, and no modification, waiver or amendment of this Agreement or of any of its conditions or provisions shall be binding upon a Party unless in writing signed by that Party.

10. **Assignment.** Neither Party may assign its rights or delegate its duties under this Agreement without the prior written consent of the other Party unless such assignment or delegation is to an affiliate or to an acquirer of all or substantially all of the assets of the transferor.

11. **Counterparts/Electronic Delivery; No Third Party Beneficiary.** This Agreement may be executed in counterparts, all such counterparts will constitute the same contract and the signature of any Party to any counterpart will be deemed a signature to, and may be appended to, any other counterpart. Executed copies hereof may be delivered by email and upon receipt will be deemed originals and binding upon the Parties hereto, regardless of whether originals are delivered thereafter. Nothing expressed or implied in this Agreement is intended, or should be construed, to confer upon or give any person or entity not a party to this agreement any third- party beneficiary rights, interests, or remedies under or by reason of any term, provision, condition, undertaking, warranty, representation, or agreement contained in this Agreement.

12. **Choice of Law/Attorney Fees.** The Parties shall maintain compliance with all Applicable Laws with respect to its obligations under this Agreement. The governing law shall be the laws of the State of Missouri, without regard to the choice of law principles of the forum state. THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE ANY RIGHT THAT MAY EXIST TO HAVE A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED UPON OR ARISING OUT OF, UNDER, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT.

13. **Incorporation of Recitals and Exhibits.** The above Recitals and Exhibit A attached hereto are incorporated by this reference and expressly made part of this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the day and year first written below.

CITY OF SALEM

Name:

Title:

Date:

UTILITY SERVICE PARTNERS PRIVATE LABEL, INC.

Name: Michael Backus

Title: Chief Growth Officer

Date:

Exhibit A
NLC Service Line Warranty Program
City of Salem
Term Sheet
November 14, 2023

- I. Initial Term. Three Years.
- II. License Fee. \$0.50 per Product for each month that a Product is in force for a Property Owner (and for which payment is received by Company), aggregated and paid annually, for:
 - A. Use of City logo and name on letterhead, advertising, signature line, and marketing materials.
- III. Products.
 - A. External water service line plan (initially, \$5.75 per month)
 - B. External sewer/septic line plan (initially, \$7.75 per month)
 - C. Interior plumbing and drainage plan (initially, \$9.99 per month)

Pricing does not include taxes. Company may adjust the foregoing Product fees; provided, that any such monthly fee adjustment shall not exceed \$0.50 in any 12-month period. If such adjustment shall exceed \$0.50, both Parties must agree in writing.
- IV. Scope of Coverage.
 - A. External water service line plan:
 - i. Covers Property Owner responsibility: From the meter to the external wall of the home.
 - ii. Covers thawing of frozen external water lines.
 - iii. Covers well service lines if applicable.
 - B. External sewer/septic line plan:
 - i. Covers Property Owner responsibility: From the external wall of the home to the sewer main.
 - ii. Covers septic lines if applicable.
 - C. Interior plumbing and drainage plan:
 - i. Covers water supply pipes and drainage pipes within the interior of the home.
- V. Marketing Campaigns. Company shall have the right to conduct up to three campaigns per year (each campaign consists of two mailings) and such other channels as may be mutually agreed. Initially, Company anticipates offering the interior plumbing and drainage plan Product via in-bound phone or web only.

Utility Committee

Staff Summary Report

MEETING DATE:	December 13, 2023
AGENDA ITEM:	Servline (Bill Protection) Program
ACTION REQUESTED BY:	City Administrator
ACTION REQUESTED:	Presentation and Discussion of the Servline Program
SUMMARY BY:	Sally Burbridge

PROJECT DESCRIPTION / FACTS

This program covers large Water/Sewer Bills which are the result of a water line leak on the home/building owner's side of the line.

The ServLine program offers coverage for large water/sewer bills that are the result of line leaks and breakages on the homeowner's side of the meter. Participation may be optional or mandatory (must be decided prior to starting program) and the premium is collected through the City as an additional charge on utility bills.

This program offers protection for residents from having large bills to pay off that are likely to end up on a contract. It also protects the City as there will not be as many outstanding contracts and bills due to line leaks.

Some quick calculations:

If the \$1,000 limit of protection is chosen for a residence and let's assume it is mandatory so there is a 10% discount (\$1.80/month). At this rate it will take a person 46 years to pay in an equivalent amount to the \$1,000 in coverage

$$\$1.80 \times 12 \text{ months} = \$21.60/\text{year} \times 46 \text{ years} = \$993.60$$

If the \$2,500 limit of protection is chosen for a residence and let's assume it is mandatory so there is a 10% discount (\$2.12/month). At this rate it will take a person 98 years to pay in an equivalent amount to the \$2,500 in coverage

$$\$2.12 \times 12 \text{ months} = \$25.44/\text{year} \times 98 \text{ years} = \$2,493.12$$

There is one claim per year (12 month period) with a max of \$2,500 per occurrence for bill protection.

PROCUREMENT

N/A

FISCAL IMPACTS

Could reduce the number contracts and past due bills.

SUPPORT DOCUMENTS:	ServLine Brochure ServLine Leak Protection Presentation ServLine Claims Process ServLine Staff Report ServLine Proposal
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Offering utilities and their customers ongoing protection from the high costs of customer water leaks



Overview

Aging infrastructure is causing more and more water leaks each year. Customer water leaks can negatively impact utility budgets, efficiency and customer perception. When a customer receives an abnormally high water bill resulting from a leaking pipe or fixture, the utility is not responsible but, in many cases, will partially adjust the bill. However, the portion the resident must cover can still be beyond their means, leaving them with a long payment plan and a feeling of dissatisfaction with the water utility.

The ServLine Leak Protection Program is a win-win for water utilities and their customers. Designed to protect all qualifying customers from this potentially costly expense, ServLine also helps water utilities recapture lost revenue and bad debt associated with customer water leaks. Additionally, the program unburdens the utility from the stress, effort and time involved in the administration of the leak adjustment process.

An affiliate partner of the National Rural Water Association and numerous State Rural Water Associations, ServLine helps utilities lower costs while enhancing customer peace of mind and satisfaction.

Serving your local community



HomeServe has:



900+
Partners



4 Million+
Customers



7 Million+
Service Contracts



1.3 Million
Repairs performed
in the past three years



\$454 Million
in repair costs saved by
customers in the past
three years

www.servline.com



Frequently Asked Questions

Who else offers this type of program?

Currently ServLine is the only company in the country offering this as an insurance-backed program that is vetted and partnered with the National Rural Water Association and multiple state associations. The program has paid 100% of claims that have met the utility's leak guidelines.

Why is this an opt-out program?

There was concern that a portion of the customer base would miss the notice information, so an opt-out approach prevents those customers from "falling through the cracks" and facing an unexpected and expensive charge.

Will this cause more work for utility staff?

Once implemented, the program will simplify the utility staff's workload and should decrease the amount of time and effort spent on leak adjustments. There is setup and training that takes place during the launch process. However, a ServLine team personally guides the staff through this process and will continue to be a resource to the utility staff after launch.

How do customers respond to the program?

Across the nation, we have over a 96% participation rate because most customers appreciate the robust benefit and peace of mind it provides for a small charge.

"I was, at first, skeptical about the monthly cost and wisdom of purchasing ServLine. Then I had one of those unfortunate incidents of corrosion eating through a fitting just downline of my meter. As soon as I received the first high water bill, I located the leak and repaired it. The claim process was as expected as to required information, and payment was fast. I have had several of these water line breaks over the years in various places. I believe ServLine is a great answer to cost containment for water loss beyond my control."

Castalian Springs-Bethpage
Water Utility Customer



Make a Difference in Your Community

To learn more about the ServLine Leak Protection Program, visit www.servline.com or call **866-974-4801**.

Quick Facts

The ServLine Leak Protection Program provides numerous benefits to utilities and their customers.

Benefits to customers:

Financial Protection

- Up to \$2,500 in protection from excess water bill
- No deductible

Better Experience

- Seamless processing of claims
- Staff to ensure customer satisfaction

Increased Awareness

- Materials sent to residents about responsibility
- Questions answered by ServLine
- Peace of mind that unexpected expenses will be fully covered

Benefits to utilities:

Costs

- Customers' excess bills get paid up to \$2,500 by ServLine
- Utility recaptures lost revenue from adjustments and bad debts

Administration

- Staff workload is reduced and becomes simplified and consistent

Customer Satisfaction

- Public relations improved
- Greater satisfaction with utility

About

HomeServe is a leading provider of repair service programs with over 4 million customers in North America and over 900 municipal and utility partners. HomeServe, an A+ Better Business Bureau-rated company, is dedicated to providing best-in-class services and an exceptional customer experience.



Insurance for the ServLine program is issued to utilities and placed through HomeServe USA Repair Management Corp. (HSRM), a licensed insurance agency. In California, HSRM does business as HomeServe NA Insurance Services (California License # 0F79326). ServLine® is a registered trademark of HomeServe.




A UNIQUE SOLUTION TO A COMMON PROBLEM:



SERVLINE LEAK PROTECTION PROGRAM


By HomeServe

1



EPA FINDINGS ON RESIDENTIAL CUSTOMER WATER LEAKS

- Lost water on the residential side *alone* is estimated at approximately 1.3 trillion gallons of water per year on average
- EPA is encouraging utilities to implement water loss control programs
- 880,000 miles of aging pipes have been in service for decades, and are only getting older
- Approximately 237,600 breaks per year on average
- EPA is now urging utilities to make aging infrastructure and line repairs a priority



2



LEAKS CAN HURT THE CUSTOMERS AND THE UTILITY

Every Utility has a leak adjustment policy.
- Even if it's to make the customer pay in full. -

- Unexpected cost & inconvenience – many customers can't afford
- Customers often look to City/Utility for guidance and help – leads to stressful phone calls to utility staff
- Frustration can lead to public relations difficulties – the blame game
- Utility often forced into a bank role – keeping track of who owes, how much, and creating payment plans
- Possible bad debt for your utility
- Time - Utility staff and often board members or elected officials

Want to find a solution without adding stress or financial responsibility to the utility?

3



A BETTER WAY: LEAK PROTECTION PROGRAM

We pay high water and sewer bills caused by customer leaks.

- Customer's excess water bills get paid
- Utility recaptures lost revenue from adjustments and bad debts
- Staff workload is reduced, becomes simplified, and consistent
- Public Relations are improved
- Community has peace of mind and is financially stronger
- Works in separately, but in conjunction with optional line protection program

WE HELP UTILITIES PROTECT THEIR CUSTOMERS AND THEMSELVES BY INSURING THEIR LEAK ADJUSTMENT POLICY

4




LEAK PROTECTION: HOW IT WORKS


- Customizable Rate, Policy & Guidelines based on what best fits your needs
- Residential & small Commercial protections available – Utility sets limit
 - Choose from \$500, \$1,000 or \$2,500 (covers 2 consecutive billing cycles every 12 months)
- Customer continues to pay standard bill & Utility is reimbursed for overages
 - Utility is the insured, customer is a participant
- Educational material sent out prior to program implementation
 - Insert in bill, plus optional additional materials to get the word out
- Potential for additional revenue stream
- Leak coverage is included in water bill, Utility chooses how
 - Include program cost into the base water/sewer rate, making it mandatory for all customers
 - * This option offers a small discount on rates
 - List program cost as a separate line item
 - * Discount available when combining water & sewer
 - * This allows homeowners to opt out at no cost over the first year



5




WHY ENROLL IN LEAK PROTECTION?




EXPERIENCE

7 years proven track record
of customer & utility
satisfaction



REPUTATION

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PARTNERSHIPS


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A 995' / \$: /54 9

“It has been a win/win for our customers and the utility. It has saved both the utility and customers thousands of dollars. The process has been easy and efficient with claims being handled promptly.”

“The program provides great savings of both money and time dealing with leak adjustments, as well as providing greater benefit to our customers. It's a win/win!”

“It has already been a blessing even during the very first month being on board! Our first month with the program was the worst on record for leaks in a month. After only one paid premium, customers have gotten hundreds of dollars in help. They are very quick to respond to a customers request and even faster in sending payment. Also, everyone from the program has been very friendly and helpful.”

6




SERVLIN

For more information contact...

Emilie Zalfini
Director, Southern Region Water Team
724-749-1060
Emilie.Zalfini@HomeServeUSA.com

Or go to: servline.com



SERVLIN LEAK PROTECTION PROGRAM
By HomeServe

SAVING WATER, HELPING PEOPLE.

CLAIMS PROCESS



ServLine offers both leak protection and line protection. The claims process for each is simple and straightforward and depicted in the charts below.

LEAK PROTECTION



LINE PROTECTION



For more info visit
www.servline.com

Insurance for the ServLine program is issued to utilities and placed through HomeServe USA Repair Management Corp. (HSRM), a licensed insurance agency. In California, HSRM does business as HomeServe NA Insurance Services (California License # 0F79326). ServLine® is a registered trademark of HomeServe.

RECOMMENDATION: It is recommended that Council authorize their designee to implement the ServLine Leak Protection Program by HomeServe with optional Service Line Protection Plans.

BACKGROUND: ServLine by HomeServe is endorsed by the National Rural Water Association and is designed to help cover the excess cost of customers' high water and/or sewer bills due to a leak. This program will help Salem to achieve its goals by:

- Providing homeowners with affordable protection to cover the cost of a high water and/or sewer bill caused by a leak within their home or service line responsibility.
- Allowing the utility to customize and set coverage options and details for customers.
- Helping the utility to recoup financial losses or bad debts due to water loss, while avoiding the administration of payment plans.
- Providing standardized protection for high water/sewer bills, which can help to avoid unexpected expenses and assist with the auditing process because it provides a similar expectation year after year.
- Saving staff from stress, effort, and time involved in speaking with customers looking for help with high water bills.
- Providing exemplary service on a recorded phone line that ensures a positive customer experience and reflects positively on the utility.

COVERAGE: The standard policy option of ServLine by HomeServe provides:

- Benefit Frequency: 1 claim/12 months, covering 2 consecutive billing cycles.
- Benefit Qualifier: To qualify for an adjustment, the leak must cause the customers' bill to be at least 2x the average.
- Standard Covered Benefits: Leaks on customers' lateral lines and in-home plumbing. Dripping/leaking faucets, running toilets/commodores, water heaters.
- Utility Sets Protection Limit: choose from \$500, \$1000, or \$2500 per claim.
- Utility Decides Coverage details.
- Utility can offer Water Coverage alone or Water and Sewer.
- Both Residential and Commercial coverage available.

PRICING AND OPTIONS:

Limit of Protection (Per Claim) WATER ONLY	Residential Rate	Commercial Rate Single Occupancy	Commercial Rate Multiple Occupancy	Master Metered Habitational (Residential)
\$500	\$1.75	\$4.70	\$9.40	\$2.50 per unit
\$1,000	\$2.00	\$5.60	\$11.20	\$2.50 per unit
\$2,500	\$2.35	\$6.50	\$13.00	\$2.50 per unit

Limit of Protection (Per Claim) SEWER	Residential Rate	Commercial Rate Single Occupancy	Commercial Rate Multiple Occupancy	Master Metered Habitational (Residential)
\$500	\$1.75	\$4.70	\$9.40	\$2.50 per unit
\$1,000	\$2.00	\$5.60	\$11.20	\$2.50 per unit
\$2,500	\$2.35	\$6.50	\$13.00	\$2.50 per unit

****All prices shown are discounted by 10% if coverage is mandatory**

IMPLEMENTATION: Utility selects coverage details, limits, and effective date. A “training” call is held with City/Utility staff. ServLine provides notice via bill inserts at least 30-60 days prior to program launch.

Unless made mandatory, customers can cancel coverage prior to start or at any time after. Customers who cancel within the first 12 months and haven’t filed a claim can request a refund of any premiums paid.

ServLine staff helps to setup program billing as line item (or incorporate into base rate if mandatory) on customers’ water/sewer bill. Monthly reporting is done to ensure correct customer coverage.

ServLine handles claims calls, claims process, customer service, and payments. Customer shows proof of repair, and ServLine reimburses the utility up to the covered amount for anything over the customer’s monthly average bill, usually within 10-20 days. The utility credits the customer’s bill back to the monthly average without financial loss.

FINANCIAL IMPACT: No cost to the utility to participate. ServLine covers any additional expenses, like postage. The utility can add additional administrative fees to rates to include supplemental revenue.

The utility is no longer at risk of lost revenue or bad debt if a customer experiences a leak.



PROPOSAL

SERVLINE UTILITIES PROTECTION

We pay for high water bills caused by customer leaks

HOMESERVE USA
7134 Lee Highway, Chattanooga, TN 37421
1 (866) 974-4801, info@servline.com, www.servline.com

Prepared For

CITY OF SALEM

400 N Iron
Salem, MO 65560

Proposal Issued: November 14, 2023

Proposal Valid:
30 Days from Issue Date

This proposal shows the premiums for the general coverage described, but in no way changes or affects any terms, conditions or exclusions of policies as actually issued. Premiums shown are based on information furnished to the company. Insurance for the ServLine program is issued to utilities and placed through HomeServe Insurance Agency Corp., a licensed Insurance agency. ServLine is a registered trademark.

EXECUTIVE SUMMARY – UTILITY & COMMUNITY PROTECTION

CITY OF SALEM

We understand that you are tirelessly working to improve and supply the best overall product while also often thanklessly striving to offer excellent customer service.

DESPITE ALL YOUR EFFORT – CUSTOMER LEAKS STILL CAUSE

- Financial Strain
 - Administrative *and* Customer Burden
 - Issues to Undermine Public Perception
-

MEET SERVLIN BY HOMESERVE

ServLine is a full-service customer leak solution. We pay for high water bills caused by customer leaks by insuring the Utility. More specifically, by insuring the Leak Protection Program and then administering it on your behalf.

- Financial Assistance
- Administrative Support & Customer Relief
- Public Relations Credibility



PROTECTION PLANS PRICING SNAPSHOT

LEAK PROTECTION PLANS PRICING

WATER LEAK PROTECTION

Limit	Residential	Commercial Single-Occupancy	Commercial Multiple-Occupancy
\$500	\$ 1.75	\$ 4.70	\$ 9.40
\$1,000	\$ 2.00	\$ 5.60	\$ 11.20
\$2,500	\$ 2.35	\$ 6.50	\$ 13.00

SEWER LEAK PROTECTION

Limit	Residential	Commercial Single-Occupancy	Commercial Multiple-Occupancy
\$500	\$ 1.75	\$ 4.70	\$ 9.40
\$1,000	\$ 2.00	\$ 5.60	\$ 11.20
\$2,500	\$ 2.35	\$ 6.50	\$ 13.00

PROGRAM COMPARISON SIDE BY SIDE – LAP & LPP

COMPARISON TERMS

- LAP: Leak Adjustment Policy
- LPP: Leak Protection Program
- Frequency: Determined by the number of times an adjustment can be filed in a given time
- Qualifications: Determined by whether or not there is a limit that must be met prior to allowing for an adjustment
- Benefits are reflective of your current Leak Adjustment Policy & data
- Benefits are determined by how customer leaks are being adjusted. Unprovided benefits will not be covered

CITY OF SALEM - CURRENT LAP

BENEFIT FREQUENCY

No Written Leak Adjustment Policy
No Billing Cycle Allowance Stated

BENEFIT QUALIFIER

No Written Leak Adjustment Policy

ADDITIONAL COVERED BENEFITS

No Benefit Exceptions

SERVLINE LEAK PROTECTION PROGRAM (LPP)

BENEFIT FREQUENCY

1 Occurrence/ 12-month
2 Consecutive billing cycles allowed per occurrence
Ex. 1 billing cycle (month bill), 2 billing cycles (months)

BENEFIT QUALIFIER

2X Average Bill

ADDITIONAL COVERED BENEFITS

Dripping/ Leaking Faucets
Running Toilets/ Commodes
Water Heaters



PROPOSED SAMPLE LEAK PROTECTION PROGRAM POLICY (LPP)

CITY OF SALEM

PROPOSED SAMPLE LEAK PROTECTION PROGRAM POLICY

City of Salem is changing our Leak Adjustment Policy effective DATE 1, 2023.

The following are qualifications for leak adjustments for the City of Salem:

1. It is the customer's responsibility to keep their plumbing system in good working order.
2. No customer shall receive more than one (1) leak adjustment that could incorporate a maximum of two (2) billing cycles during any twelve (12) month period.
3. To qualify for a leak adjustment, the eligible plumbing leak must generate a minimum additional charge of at least two (2) times the average of the past twelve (12) months' bills.
4. Adjustments on water bills will NOT be made on the following:
 - a. Residential Customers who do not have their own water meter.
 - b. *Commercial or Industrial Customers. (OPTIONAL)*
 - c. Premises left or abandoned without reasonable care for the plumbing system.
 - d. Leaks on irrigation systems or irrigation lines, leaks in water features such as fountains, etc., leaks on any water lines coming off the primary water service line, plumbing leaks in any structure other than the primary residence.
 - e. Negligent acts such as leaving water running.
 - f. Excess water charges not directly resulting from a qualifying plumbing leak.
 - g. Filling of swimming pools or leaks in swimming pools.
 - h. Watering of lawns or gardens.
 - i. *Master-metered multi-habitational accounts. (OPTIONAL)*
5. In the event of a qualifying leak adjustment, the customer will be responsible for paying their average bill. The average bill will be calculated using the previous twelve (12) months' bills, excluding the high bills pertaining to the qualifying leak. The leak adjustment amount will be reimbursed up to City of Salem's chosen protection limit less the customer's average bill.
6. The City of Salem shall not be obligated to make adjustments of any bills not submitted for adjustment within ninety (90) days from the billing date.
7. Customers must present proof that a leak has been repaired before an adjustment will be made. (i.e. copy of invoice for materials or bill from plumber)
8. In any case where a customer might incur a leak before there is three (3) months of average usage, an adjustment will not be made until they have established three (3) months of average usage.
9. Any enrolled customer may decline to participate in our ServLine Leak Protection Program by calling Phone Number. Any customer declining to participate in the program will be responsible for the full amount of their water bill with no adjustments being made. Our new City of Salem ServLine Program is the only way qualifying leak adjustments will be made for leaks occurring after DATE 1, 2023.



LEAK PROTECTION PROGRAM

Imagine what you could do if you were paid for every customer's high water bill – and no longer had to manage their frustration over having to pay for it.



WATER LEAK PROTECTION

Limit of Protection	Residential Monthly Rate	Commercial Monthly Rate Single-Occupancy	Commercial Monthly Rate Multiple-Occupancy
\$500 (Per Occurrence)	\$ 1.75	\$ 4.70	\$ 9.40
\$1,000 (Per Occurrence)	\$ 2.00	\$ 5.60	\$ 11.20
\$2,500 (Per Occurrence)	\$ 2.35	\$ 6.50	\$ 13.00

Deductible	Waived
Reporting Conditions	Customer Schedule
Reporting & Adjustment Period	Monthly

Special Terms and Conditions

- Coverage will be designed to reflect City of Salem's Leak Protection Guidelines and eligibility established with ServLine.
- Master Metered Habitational (Residential Only) \$2.50 per unit
 - Limit Applies to Property Only and does not apply to units directly.
- Charges will be applied to the customers' utility bill.
- Limit of protection to be selected by the Utility.

Note: Discount on rates if the above coverages are offered by electing to include in your base rate rather than on the utility bill.



SEWER LEAK PROTECTION

Limit of Protection	Residential Monthly Rate	Commercial Monthly Rate Single-Occupancy	Commercial Monthly Rate Multiple-Occupancy
\$500 (Per Occurrence)	\$ 1.75	\$ 4.70	\$ 9.40
\$1,000 (Per Occurrence)	\$ 2.00	\$ 5.60	\$ 11.20
\$2,500 (Per Occurrence)	\$ 2.35	\$ 6.50	\$ 13.00

Deductible	Waived
Reporting Conditions	Customer Schedule
Reporting & Adjustment Period	Monthly

Special Terms and Conditions

- Coverage will be designed to reflect City of Salem's Leak Protection Guidelines and eligibility established with ServLine.
- Master Metered Habitational (Residential Only) \$2.50 per unit
 - Limit Applies to Property Only and does not apply to units directly.
- Charges will be applied to the customers' utility bill.
- Limit of protection to be selected by the Utility.

Note: Discount on rates if the above coverages are offered by electing to include in your base rate rather than on the utility bill.





APPENDIX



LEAK PROTECTION PROGRAM DEFINITIONS

- **Water Leak Protection**

Water Leak Protection covers excess water bills caused by a qualifying leak on the customer's side of the meter/point of responsibility. Developed in cooperation with ServLine and set according to the Utility's newly established Leak Protection Guidelines.

- **Sewer Leak Protection**

Sewer Leak Protection covers excess sewer bills in the event of a qualifying leak at the customer's point of responsibility. Developed in cooperation with ServLine and set according to the Utility's newly established Leak Protection Guidelines.

- **Residential**

Residential is defined as 2" meters or less with a single residential unit occupied as a residency. A qualifying unit must have a single meter to which it can be accounted for independently.

- **Commercial**

Commercial is defined as 2" meters or less with business or agricultural occupancy excluding master-metered habitational. A qualifying unit must have a single meter to which it can be accounted for independently.

Single Occupancy - Building has one business occupying space.

Multiple Occupancy - Building has more than one business occupying space.

- **Master-Metered Habitational**

Multi-Unit residential property with a master-meter measuring usage for all units.

- **Farms**

Residential Farm: Any farm that is a hobby or that does not derive additional income. There is no Agriculture meter or separate metered structures on the property and meets residential definition of the insurance company.

Commercial Farm: Any Farm that has an Agriculture meter/meter that services barns, cattle troughs, or other structures. Any Farm who derives income from the activities of the farm.

- **Rates w/ Data**

The rates furnished in this Proposal are determined by the data you have provided. It is mutually understood that the data produced, along with your explanation of how to interpret what is included in your data is done so in good faith and is complete and true to the best of your knowledge. All other factors have been determined in partnership with ServLine.

- **Leak Protection Program**

The ServLine Leak Protection Program enhances your current Leak Adjustment Policy and acts as a superseding document which will overlay your existing policy with the given enhancements. All qualifying customer leaks would adhere first to your ServLine Leak Protection Program and then would be addressed by your existing Leak Adjustment Policy. As a recommendation - Your Leak Adjustment Policy would be updated to address unqualifying leaks rather than qualifying customers who choose to decline protection.

SUMMARY FOR LEAK PROTECTION PROGRAM

BILLING

Agency

Monthly Reporting

PROJECT SCOPE & PROCESS

- Approval of ServLine
- Program Implementation
- Utility Staff Training
- Announcement Materials
- Setup and Integration
- ServLine Administers Leak Protection Program
- ServLine Handles Claims, Payments and Customer Service

TERMS AND CONDITIONS

Terms and conditions outlined in the quote may differ from the specifications submitted; please review the specific coverage part for details on coverage and exclusions.

Average claims payment is between 10 - 20 Days.

Claims volume is due to change with seasons or other unforeseen events.

Pricing does not include taxes.

Reports & Premium due by the 15th of the month following a reporting period.

Example: Participating customers for month of January would be due no later than February 15th.

Premium payments include all participating customers and are not dependent on customer payment to the utility nor pending claims payments.

This quote is valid for thirty (30) days from the date of this letter.

All rates are per participating customer per month.

THANK YOU

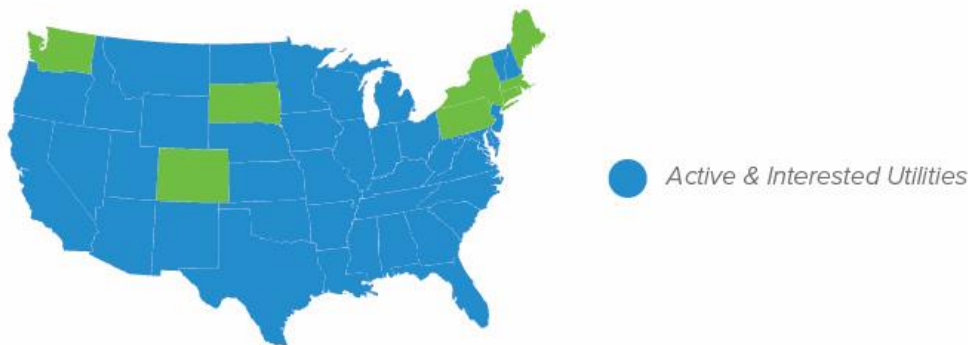
Thank you for your interest in becoming a valuable client of ServLine. We exist to make your Utility stronger and help you achieve your goals. One of our chief goals is to serve you and to earn the privilege of being one of your favorite service providers. The ServLine team is always looking to establish long-term meaningful relationships with the opportunity to serve your Utility and your customers with integrity and excellence.

DISCLAIMER

This proposal shows the premiums for the general coverage described, but in no way changes or affects any terms, conditions or exclusions of policies as actually issued. Premiums shown are based on information furnished to the company.

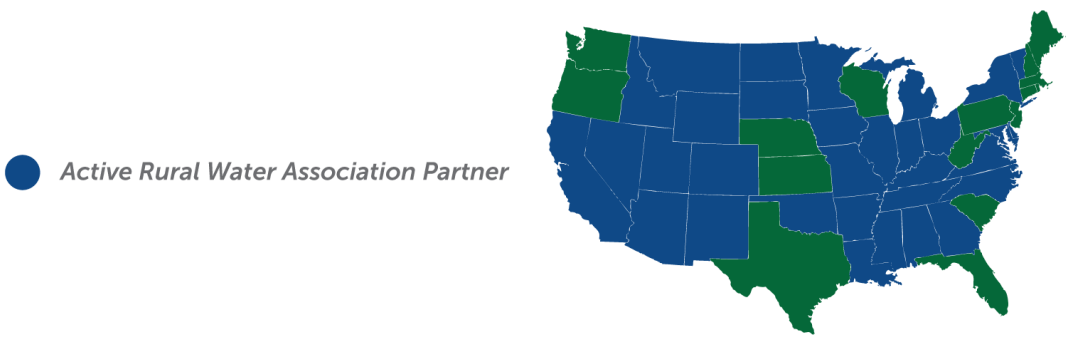


CLIENTS & PARTNERS



ASSOCIATION PARTNERS INCLUDE

National Rural Water Association (NRWA), Tennessee Association of Utility Districts (TAUD), Georgia Rural Water Association (GRWA), North Carolina Rural Water Association (NCRWA), Alabama Rural Water Association (ARWA), Alliance of Indiana Rural Water Association (AIRWA), Illinois Rural Water Association (IRWA), Iowa Rural Water Association (IRWA), Rural Water Association of Arizona (RWAA), Arkansas Rural Water Association (ARWA), California Rural Water Association (CRWA), Michigan Rural Water Association (MRWA), Delaware Rural Water Association (DRWA), Kentucky Rural Water Association (KRWA), Maryland Rural Water Association (MRWA), New Mexico Rural Water Association (NMRWA), Mississippi Rural Water Association (MRWA), Ohio Rural Water Association (ORWA), Virginia Rural Water Association (VRWA), Rural Water Association of Utah (RWAU), Idaho Rural Water Association (IRWA), New York Rural Water Association (NYRWA), (Nevada Rural Water Association (NvRWA), Montana Rural Water Systems (MRWS), Louisiana Rural Water Association (LRWA).



INSURANCE PROVIDERS INCLUDE

Hanover Insurance Company, Virginia Surety Company, Inc.



THANK YOU



UTILITY USAGE & REVENUE						
	2021-2022 ACTUAL	2022-2023 ACTUAL	2022-2023 JULY-NOV	2023-2024 YTD	2023-2024 BUDGETED	Percent of Budget
Electric Consumption Sold	52,787,837	52,732,043	22,072,713	21,395,824		
Electric Sales Rev.	\$ 5,388,796	\$ 7,105,213	2,868,701	\$ 3,029,282	\$ 7,111,608	43%
Availability Fee	\$ -	\$ 314,205		\$ 118,680		
Electric Revenue Collected	\$ 5,309,157	\$ 6,950,178		\$ 2,951,946		
Water Consumption Sold	133,720,064	149,352,518	63,336,533	54,256,307		
Water Sales Rev.	\$ 839,084	\$ 975,956	\$ 409,114	\$ 355,956	\$ 906,470	39%
Base Rate		\$ 160,272		\$ 65,748		
Water Revenues Collected	\$ 882,471	\$ 930,781		\$ 358,663		
Sewer Consumption Sold	121,145,016	128,052,344	54,471,389	48,806,242		
Sewer Sales Rev.	\$ 777,868	\$ 1,087,415	\$ 385,235	461,584	\$ 1,179,027	39%
Base Rate		\$ 153,834		\$ 63,642		
Sewer Revenues Collected	\$ 832,558	\$ 1,008,308		\$ 463,100		

**As of 11/30/2023 (Pending Transfers & Adjustments)

501-ELECTRIC FUND SUMMARY

	2021-2022	2022-2023	YTD		YTD	
	ACTUAL	ACTUAL	2022-2023	2023-2024	2023-2024	% OF
			JULY-NOV	BUDGET	THRU 11/30/23	BUDGET
<u>REVENUES</u>						
Total Sales Tax	\$ 181,709	\$ 239,425	\$ 103,881	198,783	105,945	0.53
Total Permits/Licenses/Fees	\$ 367	\$ 426	\$ 439	150	112	0.75
Total Charges for Services	\$ 5,467,541	\$ 7,139,031	\$ 2,913,449	7,132,836	3,070,976	0.43
Total Miscellaneous	\$ 3,754	\$ 62,706	\$ 1,761	2,500	33,433	13.37
RESERVES FROM PRIOR YEAR	\$ -	\$ -	\$ -	-	-	
TOTAL REVENUES	\$ 5,653,370	\$ 7,441,588	\$ 3,019,531	7,334,269	3,210,466	0.44
<u>EXPENDITURES</u>						
Total Personnel	\$ 523,282	\$ 465,090	\$ 208,768	551,637	197,433	0.36
Total Supplies	\$ 39,568	\$ 25,350	\$ 4,226	32,600	6,809	0.21
Total Maintenance	\$ 115,081	\$ 91,702	\$ 10,687	113,000	27,227	0.24
Total Miscellaneous	\$ 261,069	\$ 316,171	\$ 130,072	393,970	135,771	0.34
Total Utilities	\$ 4,140,529	\$ 4,429,037	\$ 1,973,957	4,891,350	1,917,875	0.39
Total Cap Improvements	\$ 218,980	\$ 209,738	\$ 132,836	189,400	118,640	0.63
TOTAL EXPENDITURES	\$ 5,298,510	\$ 5,537,087	\$ 2,460,545	6,171,957	2,403,755	
REVENUES OVER/(UNDER) EXPENDITURES	\$ 354,860	\$ 1,904,501	\$ 558,986	1,162,312	806,711	
OTHER SOURCES	\$ 350,000	\$ -	\$ -	-	-	
OTHER USES	\$ 638,510	\$ 1,480,000	\$ -	1,144,926	-	
(UNDER) EXPENDITURES & OTHER USES	\$ 66,350	\$ 424,501	\$ 558,986	17,386	806,711	

	2021-2022 ACTUAL	2022-2023 ACTUAL	YTD 2022-2023 JULY-NOV	2023-2024 BUDGET	YTD 2023-2024 THRU 11/30/23	% OF BUDGET
501-ELECTRIC FUND DETAILS						
REVENUES						
SALES TAX						
SALES TAX-UTILITIES	181,709	239,425	103,881	198,783	105,945	
Total Sales Tax	\$ 181,709	\$ 239,425	\$ 103,881	198,783	105,945	0.53
PERMITS/LICENSES/FEEES						
30% CREDIT BUREAU FEE	210	204	327	-	(39)	
INSUFFICIENT CHECK CHARGE	158	222	113	150	152	
Total Permits/Licenses/Fees	\$ 367	\$ 426	\$ 439	150	112	0.75
CHARGES FOR SERVICES						
SALE OF ELECTRIC	5,388,796	7,025,709	2,868,701	7,111,608	3,032,173	0.43
ELECTRIC DISCOUNTS APPLIED	(22,939)	(26,990)	(10,310)	(31,243)	(12,009)	0.38
AMP REVENUE	17,822	(19,254)	(4,112)	(25,000)	-	-
RECONNECTS	11,913	7,817	2,800	5,000	3,205	0.64
PENALTY FEES-ELECTRIC	71,886	111,479	39,871	40,000	38,023	0.95
SERVICES CHARGES	63	-	-	50	-	-
PROCESSING FEES	-	10,408	-	25,000	9,509	0.38
RENTS & ROYALTIES	-	13,362	-	7,421	-	-
SALE OF FIXED ASSETS	-	16,500	16,500	-	76	
Total Charges for Services	\$ 5,467,541	\$ 7,139,031	\$ 2,913,449	7,132,836	3,070,976	0.43
MISCELLANEOUS						
MISCELLANEOUS	3,730	36,168	1,010	1,500	17,332	11.55
COBRA INSURANCE REIMBURSEMENT	-	-	-	-	-	-
SUPER NOW INTEREST	24	26,539	751	1,000	16,101	16.10
DIVIDENDS	-	-	-	-	-	
Total Miscellaneous	\$ 3,754	\$ 62,706	\$ 1,761	2,500	33,433	13.37
RESERVES FROM PRIOR YEAR	\$ -	\$ -	\$ -	-	-	

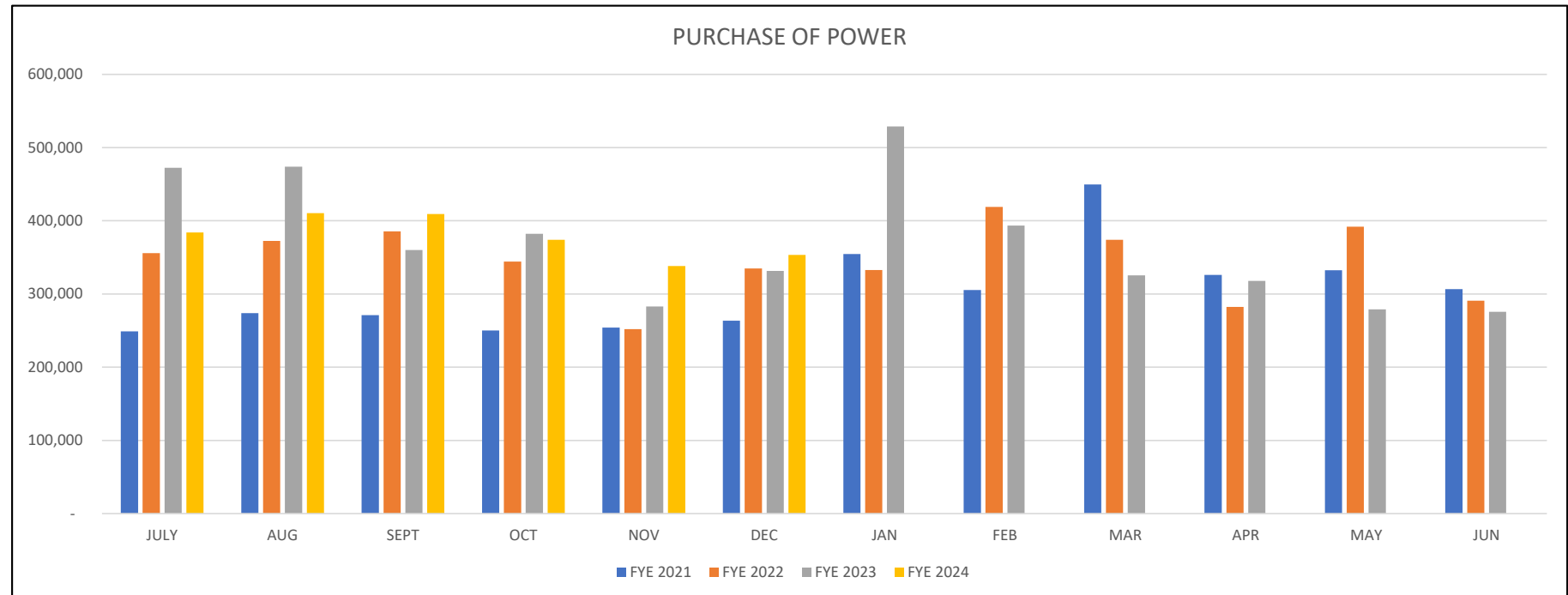
	2021-2022 ACTUAL	2022-2023 ACTUAL	YTD 2022-2023 JULY-NOV	2023-2024 BUDGET	YTD 2023-2024 THRU 11/30/23	% OF BUDGET
TOTAL REVENUES	\$ 5,653,370	\$ 7,441,588	\$ 3,019,531	7,334,269	3,210,466	0.44
EXPENDITURES						
Personnel						
SUPERVISION	66,184	59,607	22,683	69,120	26,881	0.39
OPERATING	254,269	209,688	97,263	250,200	83,371	0.33
CLERICAL	63,638	58,714	24,167	61,816	25,824	0.42
PUBLIC WORKS DIRECTOR	16,188	16,636	6,866	18,553	6,710	0.36
OVERTIME	1,137	2,898	2,263	5,200	1,206	0.23
OVERTIME-CLERICAL	-	-	-	-	-	-
FICA	30,397	26,327	11,374	32,391	10,925	0.34
UNEMPLOYMENT	480	491	20	1,236	39	0.03
WORKERS COMPENSATION	13,339	12,056	12,056	15,000	5,379	0.36
HEALTH INSURANCE	32,917	37,011	13,968	44,764	17,860	0.40
SHORT-TERM DISABILITY				1,436	768	0.53
LIFE INSURANCE	458	467	174	500	159	0.32
RETIREMENT	44,276	41,194	17,934	51,421	18,312	0
Total Personnel	\$ 523,282	\$ 465,090	\$ 208,768	551,637	197,433	0.36
SUPPLIES						
CHEMICAL SUPPLIES	-	199	199	500	-	-
COMPUTER SUPPLIES	957	98	98	1,000	-	-
GENERAL SUPPLIES	80	-	-	100	86	0.86
JANITORIAL SUPPLIES	253	183	132	500	-	-
OFFICE SUPPLIES	31,756	16,394	2,169	23,000	6,528	0.28
TOOLS	6,522	8,476	1,628	7,500	195	0.03
Total Supplies	\$ 39,568	\$ 25,350	\$ 4,226	32,600	6,809	0.21
MAINTENANCE						
BUILDING MAINTENANCE	870	1,457	1,122	3,500	70	0.02
EQUIPMENT MAINTENANCE	107,530	86,744	9,068	90,000	26,757	0.30
LIGHTING MAINTENANCE	6,208	3,350	-	15,000	-	-

	2021-2022	2022-2023	YTD		YTD	
	ACTUAL	ACTUAL	2022-2023	2023-2024	2023-2024	% OF
			JULY-NOV	BUDGET	THRU 11/30/23	BUDGET
<i>PUBLIC GROUNDS MAINTENANCE</i>	474	(229)	245	500	-	-
<i>VEHICLE MAINTENANCE</i>	(1)	381	252	4,000	401	0
Total Maintenance	\$ 115,081	\$ 91,702	\$ 10,687	113,000	27,227	0.24
MISCELLANEOUS						
<i>ADVERTISING</i>	458	67	-	200	-	-
<i>EQUIPMENT HIRE</i>	-	-	-	1,000	(4)	(0.00)
<i>BOOKS & PERIODICALS</i>	-	-	-	-	-	-
<i>FUEL-MOTOR VEHICLES</i>	11,613	13,084	5,538	16,200	4,352	0.27
<i>GENERAL INSURANCE</i>	6,808	7,239	7,239	7,963	8,012	1.01
<i>MEMBERSHIPS</i>	1,317	1,414	213	1,500	-	-
<i>MISCELLANEOUS</i>	10,649	1,534	102	2,500	-	-
<i>RENT</i>	160	-	-	100	350	3.50
<i>SALES TAX PAYABLE</i>	181,688	224,300	87,254	212,035	92,145	0.43
<i>TRAVEL</i>	-	861	-	2,500	-	-
<i>SAFETY & TRAINING</i>	285	6,615	1,107	8,000	287	0.04
<i>SPECIAL SERVICES</i>	9,714	18,565	10,016	35,700	742	0.02
<i>STATE AUDIT</i>	-	-	-	-	-	-
<i>COMPUTER SOFTWARE</i>	-	-	-	53,800	15,328	0.28
<i>CREDIT CARD SERVICE CHARGES</i>	34,795	37,315	16,442	47,372	12,998	0.27
<i>WEARING APPAREL</i>	3,550	4,708	2,140	5,000	1,639	0.33
<i>CHARGE BACK ITEM FEE</i>	32	468	21	100	(78)	(0.78)
<i>BAD DEBT</i>	-	-	-	-	-	-
Total Miscellaneous	\$ 261,069	\$ 316,171	\$ 130,072	393,970	135,771	0.34
UTILITIES						
<i>UTILITIES-ELECTRIC</i>	1,355	1,300	542	1,456	542	0.37
<i>UTILITIES-PURCHASE OF POWER</i>	4,135,284	4,423,590	1,971,643	4,884,189	1,915,572	0.39
<i>UTILITIES-WATER</i>	63	26	-	420	30	0.07
<i>UTILITIES-TELEPHONE</i>	3,828	4,120	1,772	5,285	1,731	0.33
Total Utilities	\$ 4,140,529	\$ 4,429,037	\$ 1,973,957	4,891,350	1,917,875	0.39

	2021-2022 ACTUAL	2022-2023 ACTUAL	YTD 2022-2023 JULY-NOV	2023-2024 BUDGET	YTD 2023-2024 THRU 11/30/23	% OF BUDGET
CAPITAL IMPROVEMENTS						
CAPITAL OUTLAY-TRANSFORMERS	19,551	30,817	30,817	-	(4)	-
CAPITAL OUTLAY-POLES	26,426	-	-	-	-	-
CAPITAL OUTLAY- ELECTRIC TRUCK	-	-	-	-	-	-
CAPITAL IMPROVEMENT-2 SHOP BAY	-	-	-	-	-	-
LED LIGHT UPGRADE-4TH STREET	-	19,225	-	-	-	-
TRACATOR W/LOADER	-	-	-	-	-	-
F550 W/DUMP BED	-	-	-	-	-	-
DIGGER TRUCK	-	14,514	-	57,600	23,607	0.41
DIGGER TRUCK RENTAL	73,500	42,000	21,000	-	-	-
BUCKET TRUCK	-	2,862	-	30,300	12,560	0.41
VACUUM TRUCK	-	-	-	-	-	-
GIS MAPPING	-	-	-	-	-	-
SCENIC RIVER PLAZA PROJECT	-	-	-	-	-	-
GRAPPLE	0	-	-	-	-	-
1/2 COP PAYMENT NOVEMBER	79,338	81,019	81,019	82,500	82,476	1.00
1/2 COP PAYMENT MAY	20,165	19,301	-	19,000	-	-
Total Cap Improvements	\$ 218,980	\$ 209,738	\$ 132,836	189,400	118,640	0.63
TOTAL EXPENDITURES	\$ 5,298,510	\$ 5,537,087	\$ 2,460,545	6,171,957	2,403,755	
REVENUES OVER/(UNDER) EXPENDITURES	\$ 354,860	\$ 1,904,501	\$ 558,986	1,162,312	806,711	
OTHER SOURCES	\$ 350,000	\$ -	\$ -	-	-	
OTHER USES	\$ 638,510	\$ 1,480,000	\$ -	1,144,926	-	
(UNDER) EXPENDITURES & OTHER USES	\$ 66,350	\$ 424,501	\$ 558,986	17,386	806,711	

	2021-2022 ACTUAL	2022-2023 ACTUAL	YTD 2022-2023 JULY-NOV	2023-2024 BUDGET	YTD 2023-2024 THRU 11/30/23	% OF BUDGET
503-ELECTRIC RESERVE FUND						
REVENUES						
CHARGES FOR SERVICE						
SALE OF FIXED ASSETS	-	-	-	-	-	
Total Charges for Service	\$ -	\$ -	\$ -	-	-	
MISCELLANEOUS						
SUPER NOW INTEREST	151	4,377	61	200	15,586	
CD INTEREST	-	-	-	-	-	
Total Miscellaneous	\$ 151	\$ 4,377	\$ 61	200	15,586	
RESERVES FROM PRIOR YEAR	\$ -	\$ -	\$ -	-	-	
TOTAL REVENUES	\$ 151	\$ 4,377	\$ 61	200	15,586	
(UNDER) EXPENDITURES & OTHER USES	\$ 151	\$ 4,377	\$ 61	200	15,586	
EXPENDITURES						
CAPITAL IMPROVEMENTS						
CAPITAL OUTLAY-TRANSFORMERS				30,000	3,660	
CAPITAL OUTLAY-POLES				25,000	-	
HYDROVAC TRUCK				47,500	-	
Total Cap Improvements				102,500	3,660	
TOTAL EXPENDITURES				102,500	3,660	
OTHER SOURCES	\$ -	\$ 730,000	\$ -	544,926	-	
OTHER USES	\$ 350,000	\$ -	\$ -	-	-	
(UNDER) EXPENDITURES & OTHER USES	\$ (349,849)	\$ 734,377	\$ 61	442,626	11,926	

	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
FYE 2021	249,064	273,688	271,141	250,180	254,147	263,367	354,698	305,477	449,750	326,037	332,511	306,679
FYE 2022	355,791	372,348	385,469	344,122	251,881	334,754	332,872	418,886	374,160	282,379	391,851	290,772
FYE 2023	472,392	474,004	360,098	382,275	282,875	331,624	528,787	393,307	325,565	317,806	279,129	275,729
FYE 2024	384,031	410,302	409,137	373,977	338,125	353,298						



510-WATER FUND SUMMARY

	2021-2022	2022-2023	YTD		YTD	
	ACTUAL	ACTUAL	2022-2023	2023-2024	2023-2024	% OF
			JULY-NOV	BUDGET	THRU 11/30/23	BUDGET
<u>REVENUES</u>						
Total Sales Tax	\$ 13,699	\$ 14,108	\$ 5,964	13,597	6,506	
Total Other	\$ -	\$ -	\$ -	-	-	
Total Charges for Services	\$ 904,626	\$ 918,597	\$ 425,281	929,770	368,512	0.40
Total Miscellaneous	\$ 249	\$ 19,951	\$ 1,689	2,600	17,089	6.57
RESERVES FROM PRIOR YEAR	\$ -	\$ -	\$ -	-	-	
TOTAL REVENUES	\$ 918,573	\$ 952,656	\$ 432,935	945,967	392,107	0.41
<u>EXPENDITURES</u>						
Total Personnel	\$ 417,042	\$ 346,844	\$ 170,127	389,494	148,756	0.38
Total Supplies	\$ 8,683	\$ 10,066	\$ 3,616	14,250	4,351	0.31
Total Maintenance	\$ 106,938	\$ 91,854	\$ 22,587	109,900	17,504	0.16
Total Miscellaneous	\$ 58,017	\$ 64,024	\$ 41,524	89,920	51,324	0.57
Total Utilities	\$ 119,832	\$ 169,332	\$ 75,799	165,264	71,484	0.43
Total Cap Improvements	\$ 112,585	\$ 147,858	\$ 101,425	135,411	95,690	
TOTAL EXPENDITURES	\$ 823,097	\$ 829,977	\$ 415,078	904,239	389,109	
(UNDER) EXPENDITURES & OTHER USES	\$ 95,476	\$ 122,679	\$ 17,857	41,728	2,998	
OTHER SOURCES	\$ -	\$ -	\$ -	-	-	
OTHER USES	\$ -	\$ -	\$ -	41,155	-	
(UNDER) EXPENDITURES & OTHER USES	\$ 95,476	\$ 122,679	\$ 17,857	573	2,998	

	2021-2022 ACTUAL	2022-2023 ACTUAL	YTD 2022-2023 JULY-NOV	2023-2024 BUDGET	YTD 2023-2024 THRU 11/30/23	% OF BUDGET
<u>510-WATER FUND DETAILS</u>						
<u>REVENUES</u>						
SALES TAX						
SALES TAX-UTILITIES	13,699	14,108	5,964	13,597	6,506	0.48
Total Sales Tax	\$ 13,699	\$ 14,108	\$ 5,964	13,597	6,506	
OTHER						
RURAL SEWER GRANT	-	-	-	-	-	-
Total Other	\$ -	\$ -	\$ -	-	-	
CHARGES FOR SERVICES						
WATER SALES	839,084	875,341	409,114	906,470	355,956	0.39
WATER SOLD @ PLANT	5,414	4,215	1,536	2,500	1,677	0.67
RECONNECTS	9,469	5,913	2,563	2,500	2,750	1.10
PENALTY FEES-WATER	36,429	17,204	10,039	5,000	5,591	1.12
CONNECTIONS-WATER	4,035	2,030	2,030	2,500	2,030	0.81
PRIMACY FEE-WATER	9,607	12,794	-	9,500	508	0.05
SERVICE CHARGES	88	50	-	100	-	-
WATER TOWER RENTAL	-	-	-	1,200	-	-
SALE OF FIXED ASSETS	500	1,050	-	-	-	-
Total Charges for Services	\$ 904,626	\$ 918,597	\$ 425,281	929,770	368,512	0.40
MISCELLANEOUS						
MISCELLANEOUS	-	162	-	600	2,332	3.89
SUPER NOW INTEREST	249	19,789	1,689	2,000	14,757	7.38
RENT-HEARTLAND METAL	-	-	-	-	-	-
Total Miscellaneous	\$ 249	\$ 19,951	\$ 1,689	2,600	17,089	6.57
RESERVES FROM PRIOR YEAR	-	-	-	-	-	
TOTAL REVENUES	\$ 918,573	\$ 952,656	\$ 432,935	945,967	392,107	0.41

	2021-2022	2022-2023	YTD		YTD	
	ACTUAL	ACTUAL	2022-2023	2023-2024	2023-2024	% OF
			JULY-NOV	BUDGET	THRU 11/30/23	BUDGET
EXPENDITURES						
Personnel						
SUPERVISION	32,690	31,174	12,088	37,498	14,027	0.37
OPERATING	217,786	167,908	83,757	175,200	67,757	0.39
CLERICAL	35,896	38,688	16,512	41,600	16,144	0.39
PUBLIC WORKS DIRECTOR	16,188	16,636	6,866	18,553	6,710	0.36
OVERTIME	7,132	3,828	2,536	6,458	178	0.03
OVERTIME-CLERICAL	-	-	-	535	-	-
FICA	23,918	20,282	9,114	22,388	7,990	0.36
UNEMPLOYMENT	496	318	21	969	94	0.10
WORKERS COMPENSATION	12,559	10,602	10,602	14,100	7,199	0.51
HEALTH INSURANCE	38,247	25,038	10,668	35,172	15,721	0.45
SHORT-TERM DISABILITY				1,126	579	0.51
LIFE INSURANCE	411	282	118	355	123	0.35
RETIREMENT	31,720	32,088	17,845	35,540	12,234	0.34
Total Personnel	\$ 417,042	\$ 346,844	\$ 170,127	389,494	148,756	0.38
SUPPLIES						
CHEMICAL SUPPLIES	3,748	2,477	2,477	5,500	1,487	0.27
COMPUTER SUPPLIES	300	-	-	400	-	-
GENERAL SUPPLIES	142	-	-	150	46	0.30
JANITORIAL SUPPLIES	237	290	136	400	99	0.25
OFFICE SUPPLIES	2,128	2,224	979	2,800	1,558	0.56
TOOLS	2,129	5,075	24	5,000	1,161	0.23
Total Supplies	\$ 8,683	\$ 10,066	\$ 3,616	14,250	4,351	0.31
MAINTENANCE						
BUILDING MAINTENANCE	2,639	132	9	2,000	-	-
EQUIPMENT MAINTENANCE	100,942	85,018	22,211	100,000	15,403	0.15
PUBLIC GROUND MAINTENANCE	275	1,331	-	400	-	-
STREET MAINTENANCE	1,494	2,925	-	4,500	-	-
REPAIR TOWER & FENCE	-	-	-	-	-	-

	2021-2022	2022-2023	YTD		YTD	
	ACTUAL	ACTUAL	2022-2023	2023-2024	2023-2024	% OF
			JULY-NOV	BUDGET	THRU 11/30/23	BUDGET
<i>VEHICLE MAINTENANCE</i>	1,590	2,448	367	3,000	2,101	0.70
<i>AMI METER UPGRADES</i>	-	-	-	-	-	-
Total Maintenance	\$ 106,938	\$ 91,854	\$ 22,587	109,900	17,504	0.16
MISCELLANEOUS						
<i>ADVERTISING</i>	1,163	1,359	-	800	-	-
<i>BOOKS & PERIODICALS</i>	-	-	-	-	-	-
<i>FUEL-MOTOR VEHICLE</i>	11,123	11,367	6,290	14,720	4,137	0.28
<i>GENERAL INSURANCE</i>	9,531	10,135	10,135	11,600	11,217	0.97
<i>MEMBERSHIPS</i>	2,483	2,350	-	2,500	-	-
<i>MISCELLANEOUS</i>	31	244	216	300	-	-
<i>RENT</i>	520	-	-	1,000	-	-
<i>TRAVEL</i>	5,774	4,208	2,577	4,000	924	0.23
<i>SAFETY EQUIPMENT</i>	3,027	590	119	2,000	119	0.06
<i>SPECIAL SERVICES</i>	12,876	20,456	10,498	15,900	6,385	0.40
<i>STATE AUDIT</i>	-	-	-	-	-	-
<i>WEARING APPAREL</i>	4,437	2,631	1,003	3,500	953	0.27
<i>PRIMACY FEE</i>	7,050	10,685	10,685	10,800	12,512	1.16
<i>BAD DEBT</i>	-	-	-	-	-	-
<i>COMPUTER SOFTWARE</i>	-	-	-	22,800	15,078	0.66
Total Miscellaneous	\$ 58,017	\$ 64,024	\$ 41,524	89,920	51,324	0.57
UTILITIES						
<i>UTILITIES-ELECTRIC</i>	115,377	162,078	72,975	157,300	68,466	0.44
<i>UTILITIES-SEWER</i>	431	1,530	504	1,500	514	0.34
<i>UTILITIES-WATER</i>	349	1,266	513	1,494	368	0.25
<i>UTILITIES-TELEPHONE</i>	3,676	4,457	1,806	4,970	2,136	0.43
Total Utilities	\$ 119,832	\$ 169,332	\$ 75,799	165,264	71,484	0.43
CAPITAL IMPROVEMENTS						
<i>GIS MAPPING</i>	-	-	-	-	-	-
<i>1/2 COP PAYMENT MAY</i>	20,165	19,301	-	20,911	-	-

	2021-2022	2022-2023	YTD 2022-2023 JULY-NOV	2023-2024 BUDGET	YTD 2023-2024 THRU 11/30/23	% OF BUDGET
	ACTUAL	ACTUAL				
1/2 COP PAYMENT NOVEMBER	79,338	81,019	81,019	82,500	82,476	1.00
CENTER ST WATER LINE REPLACEME	200	-	-	-	-	
CAPITAL OUTLAY-WELL #8	-	-	-	-	-	
New Service Truck/van		17,800	-	-	-	
HIGHWAY 19 SOUTH EXTENSION	-	-	-	-	-	
WATER ENGINEERING FEES	975	9,332	-	20,000	1,273	0.06
BACKHOE LEASE	11,907	11,907	11,907	12,000	11,941	1.00
Fencing	-	-	-	-	-	
NEW WELL DESIGN	-	8,500	8,500	-	-	
NEW WELL CONSTRUCTION	-	-	-	-	-	
NEW WELL CONSTRUCTION ADMIN	-	-	-	-	-	
RECONDITION 2 RETENTION TANKS	-	-	-	-	-	
DIAPHRAGM PUMP	-	-	-	-	-	
Total Cap Improvements	\$ 112,585	\$ 147,858	\$ 101,425	135,411	95,690	
TOTAL EXPENDITURES	\$ 823,097	\$ 829,977	\$ 415,078	904,239	389,109	
(UNDER) EXPENDITURES & OTHER USES	\$ 95,476	\$ 122,679	\$ 17,857	41,728	2,998	
OTHER SOURCES	\$ -	\$ -	\$ -	-	-	
OTHER USES	\$ -	\$ -	\$ -	41,155	-	
(UNDER) EXPENDITURES & OTHER USES	\$ 95,476	\$ 122,679	\$ 17,857	573	2,998	

	2021-2022 ACTUAL	2022-2023 ACTUAL	YTD 2022-2023 JULY-NOV	2023-2024 BUDGET	YTD 2023-2024 THRU 11/30/23	% OF BUDGET
<u>512-WATER RESERVE</u>						
<u>REVENUES</u>						
OTHER						
WATER GRANT FUND				778,000	31,083	
Total Other	\$ -	\$ -	\$ -	778,000	31,083	
MISCELLANEOUS						
SUPER NOW INTEREST	614	20,482	2,181	549	14,650	
CD INTEREST	-	-	-	-	-	
OTHER INCOME-CD TO CHECKING	-	-	-	-	-	
Total Miscellaneous	\$ 614	\$ 20,482	\$ 2,181	549	14,650	
RESERVES FROM PRIOR YEAR	\$ -	\$ -	\$ -	210,140	-	
TOTAL REVENUES	\$ 614	\$ 20,482	\$ 2,181	988,689	45,733	
<u>EXPENDITURES</u>						
MISCELLANEOUS						
MISCELLANEOUS	-	-	-	-	-	
Total Miscellaneous	\$ -	\$ -	\$ -	-	-	
CAPITAL IMPROVEMENTS						
PAINT INSIDE TOWER-IND PARK	-	-	-	-	-	
PAINT OUTSIDE TOWER-IND PARK	-	-	-	-	-	
CENTER ST WATER LINE REPLACEME	-	-	-	60,000	-	
FENCING	-	-	-	40,000	-	
LEAD-SERVICE LINE INVENTORY	-	-	-	180,000	-	
NEW WELL DESIGN	-	-	-	634,343	31,400	
NEW WELL CONSTRUCTION	-	-	-	-	-	
RECONDITION 2 RETENTION TANKS	-	-	-	68,000	-	
HYDROVAC TRUCK	-	-	-	47,500	-	
Total Cap Improvements	\$ -	\$ -	\$ -	1,029,843	31,400	

	2021-2022 ACTUAL	2022-2023 ACTUAL	YTD 2022-2023 JULY-NOV	2023-2024 BUDGET	YTD 2023-2024 THRU 11/30/23	% OF BUDGET
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	1,029,843	31,400	
(UNDER) EXPENDITURES & OTHER USES	\$ 614	\$ 20,482	\$ 2,181	(41,155)	14,333	
OTHER SOURCES	\$ -	\$ -	\$ -	41,155	-	
OTHER USES	\$ -	\$ -	\$ -	-	-	
(UNDER) EXPENDITURES & OTHER USES	\$ 614	\$ 20,482	\$ 2,181	(0)	14,333	

520-SEWER FUND SUMMARY

	2021-2022	2022-2023	YTD		YTD	
	ACTUAL	ACTUAL	2022-2023	2023-2024	2023-2024	% OF
			JULY-NOV	BUDGET	THRU 11/30/23	BUDGET
<u>REVENUES</u>						
Total Permits/Licenses/Fees	\$ -	\$ -	\$ -	-	-	
Total Other	\$ 25,000	\$ -	\$ -	-	-	
Total Charges for Services	\$ 826,269	\$ 1,049,582	\$ 392,896	1,190,427	470,920	0.40
Total Miscellaneous	\$ 1,075	\$ 22,917	\$ 1,352	3,200	4,916	1.54
RESERVES FROM PRIOR YEAR	\$ -	\$ -	\$ -	-	-	
TOTAL REVENUES	\$ 852,344	\$ 1,072,499	\$ 394,249	1,193,627	475,836	0.40
<u>EXPENDITURES</u>						
Total Personnel	\$ 316,512	\$ 318,703	\$ 146,447	327,049	122,472	0.37
Total Supplies	\$ 17,717	\$ 6,899	\$ 674	10,100	5,659	0.56
Total Maintenance	\$ 50,964	\$ 61,558	\$ 11,985	74,000	32,789	0.44
Total Miscellaneous	\$ 89,957	\$ 123,592	\$ 41,705	149,506	73,020	0.49
Total Utilities	\$ 112,580	\$ 162,359	\$ 63,271	188,216	72,449	0.38
Total Cap Improvements	\$ 504,046	\$ 302,299	\$ 244,395	305,790	247,428	0.81
TOTAL EXPENDITURES	\$ 1,091,777	\$ 975,410	\$ 508,476	1,054,661	553,817	
REVENUE OVER/(UNDER) EXPENDITURES	\$ (239,433)	\$ 97,089	\$ (114,228)	138,966	(77,981)	
OTHER SOURCES	\$ 195,000	\$ -	\$ -	-	-	
OTHER USES	\$ 14,000	\$ -	\$ -	67,408	-	
(UNDER) EXPENDITURES & OTHER USES	\$ (58,433)	\$ 97,089	\$ (114,228)	71,557	(77,981)	

	2021-2022 ACTUAL	2022-2023 ACTUAL	YTD 2022-2023 JULY-NOV	2023-2024 BUDGET	YTD 2023-2024 THRU 11/30/23	% OF BUDGET
<u>520-SEWER FUND DETAILS</u>						
<u>REVENUES</u>						
PERMITS/LICENSES/FEES						
SEWER INSPECTIONS	-	-	-	-	-	-
Total Permits/Licenses/Fees	\$ -	\$ -	\$ -	-	-	
OTHER						
RURAL SEWER GRANT	25,000	-	-	-	-	-
Total Other	\$ 25,000	\$ -	\$ -	-	-	
CHARGES FOR SERVICES						
SEWER RECEIPTS	777,868	1,016,956	385,235	1,179,027	461,693	0.39
RECONNECTS	-	-	-	-	-	-
PENALTY FEES-SEWER	43,297	20,346	7,661	8,000	7,691	0.96
CONNECTIONS-SEWER	2,086	-	-	500	1,536	3.07
PRIMACY FEES-SEWER	3,018	2,981	-	2,900	-	-
SERVICE CHARGES	-	-	-	-	-	-
SALE OF FIXED ASSETS	-	9,300	-	-	-	-
Total Charges for Services	\$ 826,269	\$ 1,049,582	\$ 392,896	1,190,427	470,920	0.40
MISCELLANEOUS						
MISCELLANEOUS	1,075	19,418	1,352	3,200	1,300	0.41
SUPER NOW INTEREST	-	3,499	-	-	3,616	-
CD INTEREST	-	-	-	-	-	-
COP INTEREST INCOME	-	-	-	-	-	-
Total Miscellaneous	\$ 1,075	\$ 22,917	\$ 1,352	3,200	4,916	1.54
RESERVES FROM PRIOR YEAR	\$ -	\$ -	\$ -	-	-	
TOTAL REVENUES	\$ 852,344	\$ 1,072,499	\$ 394,249	1,193,627	475,836	0.40

	2021-2022	2022-2023	YTD		YTD	
	ACTUAL	ACTUAL	2022-2023	2023-2024	2023-2024	% OF
			JULY-NOV	BUDGET	THRU 11/30/23	BUDGET
EXPENDITURES						
Personnel						
SUPERVISION	32,962	35,365	16,279	37,440	13,762	0.37
OPERATING	147,816	144,307	65,812	136,800	46,031	0.34
CLERICAL	35,940	38,420	16,346	40,560	16,067	0.40
PUBLIC WORKS DIRECTOR	16,188	16,636	6,866	18,553	6,710	0.36
OVERTIME	9,195	5,370	3,118	6,215	3,375	0.54
OVERTIME-CLERICAL	-	-	-	535	-	-
FICA	18,218	16,652	8,199	19,208	6,583	0.34
UNEMPLOYMENT	419	312	26	431	27	0.06
WORKERS COMPENSATION	6,238	6,179	6,179	6,811	5,862	0.86
HEALTH INSURANCE	25,219	28,178	10,455	28,777	12,523	0.44
SHORT-TERM DISABILITY				923	459	0.50
LIFE INSURANCE	239	310	118	302	99	0.33
RETIREMENT	24,076	26,974	13,049	30,493	10,974	0.36
Total Personnel	\$ 316,512	\$ 318,703	\$ 146,447	327,049	122,472	0.37
SUPPLIES						
CHEMICAL SUPPLIES	2,371	1,037	51	2,000	1,320	0.66
COMPUTER SUPPLIES	235	-	-	500	-	-
GENERAL SUPPLIES	224	-	-	100	46	0.46
JANITORIAL SUPPLIES	308	386	171	500	285	0.57
LAB SUPPLIES	5,842	374	74	3,000	418	0.14
OFFICE SUPPLIES	3,403	2,176	378	2,000	1,450	0.73
TOOLS	5,334	2,926	-	2,000	2,141	1.07
Total Supplies	\$ 17,717	\$ 6,899	\$ 674	10,100	5,659	0.56
MAINTENANCE						
BUILDING MAINTENANCE	1,653	-	-	2,000	2,526	1.26
EQUIPMENT MAINTENANCE	46,674	60,487	11,934	68,000	29,176	0.43
PUBLIC GROUNDS MAINTENANCE	151	-	-	300	6	0.02
STREET MAINTENANCE	1,488	-	-	2,500	-	-

	2021-2022	2022-2023	YTD		YTD	
	ACTUAL	ACTUAL	2022-2023	2023-2024	2023-2024	% OF
			JULY-NOV	BUDGET	THRU 11/30/23	BUDGET
<i>VEHICLE MAINTENANCE</i>	1,000	1,071	51	1,200	1,081	0.90
<i>SEWER GRANT REIMB EXPENSES</i>	-	-	-	-	-	-
Total Maintenance	\$ 50,964	\$ 61,558	\$ 11,985	74,000	32,789	0.44
MISCELLANEOUS						
<i>ADVERTISING</i>	308	33	33	600	35	0.06
<i>FUEL</i>	4,760	6,257	4,509	8,034	1,091	0.14
<i>GENERAL INSURANCE</i>	11,028	11,583	11,583	12,741	12,819	1.01
<i>MEMBERSHIPS</i>	2,662	2,166	-	2,500	118	0.05
<i>MISCELLANEOUS</i>	588	-	-	600	58	0.10
<i>TRAVEL</i>	4,014	1,623	341	3,500	562	0.16
<i>SAFETY & TRAINING</i>	8,186	5,904	1,984	4,000	3,136	0.78
<i>SPECIAL SERVICES</i>	53,122	90,916	22,048	89,200	39,118	0.44
<i>STATE AUDIT</i>	-	-	-	-	-	-
<i>WEARING APPAREL</i>	2,394	2,395	1,207	2,530	1,007	0.40
<i>PRIMACY FEE</i>	2,895	2,715	-	3,000	-	-
<i>BAD DEBT</i>	-	-	-	-	-	-
<i>Exceleron</i>	-	-	-	22,800	15,077	0.66
Total Miscellaneous	\$ 89,957	\$ 123,592	\$ 41,705	149,506	73,020	0.49
UTILITIES						
<i>UTILITIES-ELECTRIC</i>	107,901	154,814	60,136	178,592	66,941	0.37
<i>UTILITIES-SEWER</i>	1,560	2,853	1,263	3,535	2,602	0.74
<i>UTILITIES-WATER</i>	1,464	2,225	1,206	2,794	1,665	0.60
<i>UTILITIES-TELEPHONE</i>	1,656	2,466	666	3,295	1,242	0.38
Total Utilities	\$ 112,580	\$ 162,359	\$ 63,271	188,216	72,449	0.38
CAPITAL IMPROVEMENTS						
<i>INTEREST EXPENSE-COP 2017</i>	-	-	-	-	-	-
<i>1/2 COP PAYMENT NOVEMBER</i>	238,014	243,056	243,056	243,056	247,428	1.02
<i>1/2 COP PAYMENT MAY</i>	60,496	57,904	-	62,734	-	-
<i>One Ton Hoist</i>	-	1,339	1,339	-	-	-

	2021-2022 ACTUAL	2022-2023 ACTUAL	YTD 2022-2023 JULY-NOV	2023-2024 BUDGET	YTD 2023-2024 THRU 11/30/23	% OF BUDGET
<i>SLUDGE BLANKET SCADA MONITORS</i>	32,250	-	-	-	-	-
Total Cap Improvements	\$ 504,046	\$ 302,299	\$ 244,395	305,790	247,428	0.81
TOTAL EXPENDITURES	\$ 1,091,777	\$ 975,410	\$ 508,476	1,054,661	553,817	
REVENUE OVER/(UNDER) EXPENDITURES	\$ (239,433)	\$ 97,089	\$ (114,228)	138,966	(77,981)	
OTHER SOURCES	\$ 195,000	\$ -	\$ -	-	-	
OTHER USES	\$ 14,000	\$ -	\$ -	67,408	-	
(UNDER) EXPENDITURES & OTHER USES	\$ (58,433)	\$ 97,089	\$ (114,228)	71,557	(77,981)	

	2021-2022 ACTUAL	2022-2023 ACTUAL	YTD 2022-2023 JULY-NOV	2023-2024 BUDGET	YTD 2023-2024 THRU 11/30/23	% OF BUDGET
<u>522-SEWER RESERVE FUND</u>						
<u>REVENUES</u>						
OTHER						
SEWER GRANT	-	-	-	892,000	19,604	0.02
Total Other	\$ -	\$ -	\$ -	892,000	19,604	0.02
MISCELLANEOUS						
SUPER NOW INTEREST	94	3,134	334	84	1,961	23.35
Total Miscellaneous	\$ 94	\$ 3,134	\$ 334	84	1,961	23.35
RESERVES FROM PRIOR YEAR	\$ -	\$ -	\$ -	11,363	-	-
TOTAL REVENUES	\$ 94	\$ 3,134	\$ 334	903,447	21,565	0.02
<u>EXPENDITURES</u>						
CAPITAL IMPROVEMENTS						
CAPITAL IMP-MANHOLE RELINING				-	-	-
BONE BRAKE SEWER MAIN PROJECT				-	-	-
I/I EVALUATION- ENGINEERING FEES				72,850	-	-
SEWER UPGRADES- Phase 2				850,505	79,200	0.09
HYDROVAC TRUCK				47,500	-	-
Total Cap Improvements	\$ -	\$ -	\$ -	970,855	79,200	
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	970,855	79,200	
REVENUE OVER/(UNDER) EXPENDITURES	\$ 94	\$ 3,134	\$ 334	(67,408)	(57,635)	
OTHER SOURCES	\$ 14,000	\$ -	\$ -	67,408	-	
OTHER USES						
(UNDER) EXPENDITURES & OTHER USES	\$ 14,094	\$ 3,134	\$ 334	0	(57,635)	

FISCAL YEAR 2023-2024 ACTUALS (as of 10/31/2023)

SUMMARY OF REVENUES & EXPENSES

<u>Fund</u>	<u>Beginning Bal</u>	<u>Revenues</u>	<u>Expenses</u>	<u>Xfers In</u>	<u>Xfers Out</u>	<u>Ending Balance</u>
501-ELECTRIC FUND	412,442	3,210,466	2,403,755	-	-	1,219,152
502-ELECTRIC D & R FUND	78,151	1,621				79,772
503-ELECTRIC RESERVE FUND	753,598	15,586	3,660	-	-	765,524
510-WATER FUND	736,051	392,107	389,109	-	-	739,049
511-WATER D & R FUND	210,299	4,362	-		-	214,661
512-WATER RESERVE	710,131	45,733	31,400	-	-	724,464
520-SEWER FUND	181,488	475,836	553,817	-	-	103,507
521-SEWER D & R	181,294	3,761	-	-	-	185,055
522-SEWER RESERVE FUND	108,672	21,565	79,200	-		51,037
TOTAL ALL FUNDS	3,372,125	4,171,037	3,460,941	-	-	4,082,221

**As of 11/30/2023 (Pending Transfers & Adjustments)

2022-2023 SUMMARY- COST OF POWER (rolling 12 months)														
2022-2023	2022	2022	2022	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023
	October	November	December	January	February	March	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	
CAPACITY														
Peak Demand (MW)	7.5	9.1	7.5	10.9	10.3	8.9	6.8	8.7	12.3	12	12.7	10	8.7	
Day	18	17	27	30	1	13	6	31	29	28	21	4	2	
Hour	9	8	11	18	9	10	9	17	17	16	16	15	17	
Demand Costs														
Billed Demand (kW)	12,900	12,900	13,900	13,900	13,900	13,900	13,900	13,900	13,900	13,900	13,900	13,900	13,900	
Wholesale Demand Charge (\$/kW)	9.3795	11.4912	9.7794	9.0919	10.4211	9.5566	9.6892	11.1092	10.5085	11.2721	10.6562	11.3036	11.2028	
Wholesale Demand Costs (\$)	\$ 120,995.15	\$ 148,236.43	\$ 135,933.31	\$ 126,377.19	\$ 144,853.21	\$ 132,836.82	\$ 134,680.38	\$ 154,418.13	\$ 146,068.26	\$ 156,681.55	\$ 148,120.78	\$ 157,119.58	\$ 155,718.86	
ENERGY														
Energy Costs														
Billed Energy & Losses (/kWh)	3,958,679	4,824,202	6,236,709	5,813,203	4,872,780	5,008,563	3,825,250	4,129,130	4,859,833	5,666,185	5,611,401	4,314,026	4,025,768	63,145,729
Billed Energy & Losses (\$/kWh)	0.024332	0.028717	0.047635	0.027870	0.026290	0.021994	0.018773	0.022811	0.027868	0.028896	0.032717	0.026197	0.022997	
Wholesale Energy Costs (\$)	\$96,322.58	\$138,536.61	\$297,085.63	\$162,013.97	\$128,105.39	\$110,158.33	\$71,811.42	\$94,189.58	\$135,433.83	\$163,730.08	\$183,588.21	\$113,014.54	\$92,580.59	
POWER														
Wholesale Capacity & Energy Costs (\$)	\$217,317.73	\$286,773.04	\$433,018.95	\$288,391.16	\$272,958.59	\$242,995.16	\$206,491.80	\$248,607.71	\$281,502.09	\$320,411.63	\$331,708.98	\$270,134.12	\$248,299.45	
All-in Costs (\$/kWh)	0.054897	0.059445	0.069431	0.049610	0.056017	0.048516	0.053981	0.060208	0.057924	0.056548	0.059113	0.062618	0.061678	
(does not include local transmission)														
LOCAL TRANSMISSION														
Peak (KW)	7,468.1	7,468.1	13,943.6	10,901.4	10,302.1	8,930.8	8,770.6	8,770.6	12,261.0	12,053.2	12,696.2	10,057.9	8,685.7	
Transmission Rate (\$/kW)	4.98	4.98	4.98	4.98	4.98	4.98	5.02	5.02	5.02	5.02	5.02	5.02	5.02	
Total Transmission Cost (\$)	\$37,191.14	\$37,191.14	\$69,439.13	\$54,288.97	\$51,304.46	\$44,475.38	\$44,028.41	\$44,028.41	\$61,550.22	\$60,507.06	\$63,734.92	\$50,490.66	\$43,602.21	
FEBRUARY RELIEF														
Relief Payment	\$19,572.57	\$19,572.57	\$19,572.57	\$19,572.57	\$19,572.57	\$19,572.57	\$19,572.57	\$19,572.57	\$19,572.57	\$19,572.57	\$19,572.57	\$19,572.57	\$19,572.57	
Sikeston and AECI True-Up				\$7,060.51	\$0.00	\$0.00	\$0.00					\$21,485.77	\$0.00	
Reserve Funding										\$13,967.00	\$13,967.00	\$13,967.00	\$13,967.00	
TOTAL BILLED TO CITY	\$274,081.44	\$343,536.75	\$522,030.64	\$369,313.21	\$343,835.62	\$307,043.11	\$270,092.78	\$312,208.70	\$362,624.88	\$414,458.27	\$428,983.48	\$375,650.12	\$325,441.24	4,649,300
All-in Costs (\$/kWh)	\$0.069236	\$0.071211	\$0.083703	\$0.063530	\$0.070563	\$0.061304	\$0.070608	\$0.075611	\$0.074617	\$0.073146	\$0.076449	\$0.087076	\$0.080840	\$0.073628
Change from prior year	0.1239	(0.0456)	0.3948	(0.0486)	0.1248	(0.0472)	(0.1621)	0.1139	(0.1688)	0.0233	0.0537	0.1474	0.1676	5.072%



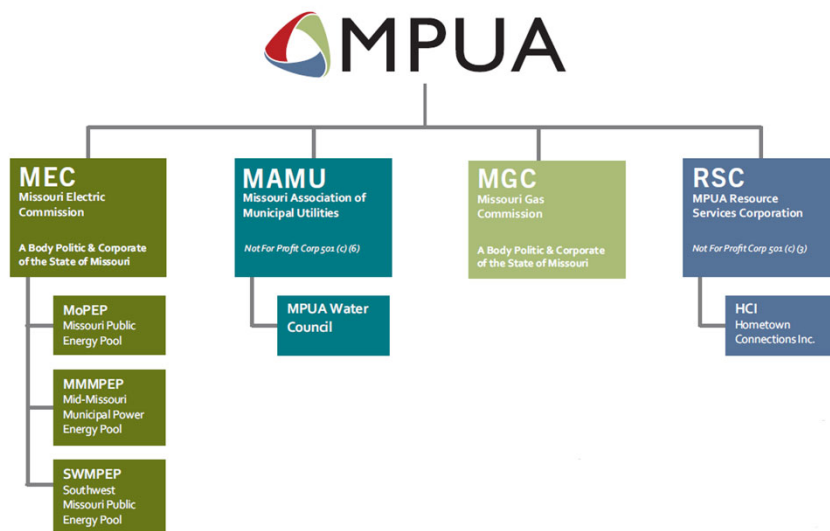
Consent

MMMPEP Committee
approval of minutes from
June 29, 2023

3



Updates/Reports: MPUA/MMMPEP Overview



4



Updates/Reports: MPUA/MMMPEP Overview

- MMMPEP history
 - 12 members signed original 5-year contract starting May 2013
 - Added Mountain View in 2016
 - 10-year contract started in June 2018
 - Replaced contract with long-term contract in 2022
 - New contract allows MEC to acquire ownership interest and/or long-term capacity on MMMPEP's behalf
 - Added Winona in 2023

5



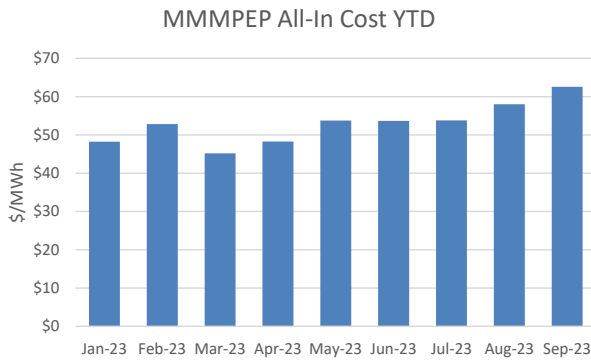
Updates/Reports: MPUA/MMMPEP Overview

- Current generating resources
 - AECI PPA (ends May 2026)
 - Sikeston PPA (ends May 2026)
 - SIGC Capacity PPA (ends May 2028)
 - Plum PPA (ends May 2028, working on converting to ownership)
 - Dogwood PPA (converts to ownership June 2024)
- Future options: Solar, Grain Belt

6



Updates/Reports: Operations



- Reserve collection starting in July 2023
- Sikeston operation in SPP market
- Unit operations update
- Natural gas prepay discussion

7



Updates/Reports: Demand-Side Resources

- Utility Demand Voltage Regulation (DVR) pilot
 - Costs: Software installed/configured to monitor and adjust distribution voltage (while maintaining minimum acceptable voltages)
 - Benefit: Targeted peak reduction up to 3%, helps defer capacity additions and reduces energy needs during peak high price hours (Benefit as much as 11x cost)
 - Eligibility: Need to monitor voltage at different parts of system
 - Cost allocation? How to distribute savings between participating member and pool

8



Updates/Reports: Demand-Side Resources

- Smart Thermostat Program
 - Costs: Software cost, cost per thermostat (even in BYOT), incentive cost, marketing, M&V cost, communication
 - Benefit: Can be dispatched during peak event for demand and energy savings, potential EE savings from programable function; software may be applied to EVs and water heaters; smart thermostats already in homes are eligible
 - Eligibility: Customers with smart thermostat and Wifi (AMI not necessary); savings will depend on heating/cooling system present
 - Cost allocation? How to distribute savings between participating member and pool
 - Program design can limit benefit (opt-out), # of events
 - Pairs well with Residential TOU rate

9



Updates/Reports: Solar Grant Update

- OCED grant application submitted, targeting local solar installations
 - Initial draft includes 20 MW in MMMPEP cities
 - Asking for 80% grant
 - Expected Selection Notifications: Nov 2023
 - If awarded, will need to begin work immediately on reissuing RFP and siting

10



Updates/Reports: Rate Studies

- BHMG working to finalize outstanding MMMPEP rate studies
- Please contact MPUA or BHMG if you need help with any data requests to complete the rate study

11



Action Items: MMMPEP Resolution 02-2023

- Approval of Acquisition ownership interest in Plum Point
 - Contingent upon acceptable asset purchase agreement, financing, and termination of existing PPA
- Designation as Resource Obligation
- Transmission arrangements for additional capacity

12



Action Items: PURPA PPA Language

- Template PPA for use between MEC and Qualifying Facility in full requirements member city
 - Outlines terms for MEC to purchase output from QF
- Looking for recommendation to MEC to approve template language

13



Action Items: PURPA PPA Language

- Term: Not intended for more than five years
- Environmental Attributes stay with Seller
- Requires Interconnection and Operating Agreement between Seller and City
- MEC purchases all Capacity and Energy from Project
- Price for energy equal to avoided LMP (market price), capacity valued at 5-year average capacity market price for accredited volume
 - Administrative Charge
- Seller responsible for metering equipment

14

Chapter 110. Mayor and Board of Aldermen

Article III. Mayor

Section 110.410. Mayor To Appoint Standing Committees.

[R.O. 2011 §2-50; Ord. No. 2472 §1(21.255), 8-25-1980]

The Mayor shall have the power to appoint the following committees which shall be standing committees: Finance, Utility, Community Services, and Capital Programs. Each committee shall consist of at least two (2) members of the Board of Aldermen, with one (1) such member named as its Chairman. The Mayor shall serve as ex officio member of each committee without the right to vote. Such committees shall serve the function of long-range planning for the City of Salem; budget preparation for Board approval; and such other duties as might be assigned to them by the Mayor or Board of Aldermen. Such committees shall have the power to call upon all City employees for information in their investigations and planning as well as from the private sector. The committees shall be appointed at a meeting following the annual municipal election and the members thereof shall serve for a term of one (1) year. Such committees shall be responsible for the following areas, which are not exclusive:

Finance:	Preparation of budget annually; audits; tax collection and levies; bond proposals; salaries and classification of City employees.
Utility:	Operation of all utility services; rate structures; street construction, maintenance and repair; conservation programs; long-range utility policy making.
Community Services:	Sanitation operation; police services; use of City property; parks and recreation.
Capital Improvement Programs:	Prepare all capital improvement programs for the City; Federal and State grant processing; downtown renovation programs; priority assessment of all capital improvement projects.

Utility Committee

Staff Summary Report

MEETING DATE:	December 13, 2023
AGENDA ITEM:	Utility Deposits

ACTION REQUESTED BY:	City Administrator
ACTION REQUESTED:	Review and Amend the Utility Deposit Code
SUMMARY BY:	Sally Burbridge

PROJECT DESCRIPTION / FACTS

The current Utility Deposit amounts were set in 2009 and no longer represent adequate amounts to cover a last month's bill in most cases. Deposits today are counted on to cover a last month's bill as well as serving to help recoup owed amounts when customers walk-out on utility bills.

I recommend that we shift from a flat deposit amount that is the same for everyone to a 1/12 (one-twelfth) of the past year's utility bills for the new service address. This will make sure that the deposit collected reflects the actual utility usages for that location. While individual usage of utilities cannot be calculated in advance, the general condition of the home (insulation, windows, drafts, etc) will determine a large portion of the utility usage for that location.

PROCUREMENT

N/A

FISCAL IMPACTS

Will result in a better recoupment of walk-out utility bills, therefore requiring less to be turned over to collections or becoming written-off bad debts.

SUPPORT DOCUMENTS:	Utility Deposit Code
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City of Salem, MO
Tuesday, November 21, 2023

Chapter 700. General Provisions

ARTICLE I. In General

Section 700.030. Utility Deposits.

[R.O. 2011 §29-3; Ord. No. 2888 §1, 8-4-1997; Ord. No. 3172 §1, 7-6-2009]

A. The City of Salem shall require a utility deposit for all new utility accounts and reconnected accounts except as provided in Subsections (2) and (3) below:

1.

Residential electric	\$125.00
Residential water	\$50.00
Commercial electric	\$150.00
Commercial water	\$50.00
Multiple utility accounts	\$500.00
Sanitation	\$25.00
2. A utility customer will not be required to post a utility deposit if the customer has a credit history with the City of Salem for a period of twelve (12) consecutive months immediately prior to applying for utility services and the customer has not had any utility service disconnected for non-payment on more than one (1) occasion within the twelve (12) consecutive months immediately prior to application for services.
3. A customer will not be required to post a utility deposit if the customer's deceased spouse had a credit history with the City of Salem for a period of twelve (12) consecutive months immediately prior to applying for utility services and the deceased spouse did not have any utility service disconnected for non-payment on more than one (1) occasion within the twelve (12) consecutive months immediately prior to application for services.
4. The City will not pay interest on deposits.
5. Deposits will be refunded upon closing of the utility account.
6. Deposits shall be applied to overdue accounts and any remaining amount shall be refunded to customer upon closing of the account.

Utility Committee

Staff Summary Report

MEETING DATE:	December 13, 2023
AGENDA ITEM:	Utility Collections

ACTION REQUESTED BY:	City Administrator
ACTION REQUESTED:	Discussion and Approval of Collections Agency
SUMMARY BY:	Sally Burbridge

PROJECT DESCRIPTION / FACTS

Online Utility Exchange performs soft Credit Checks for new account applicants (a soft check does not deduct from your score as heavily as a hard credit check). Staff do not actually see a person's credit report, but instead are given a RED, YELLOW or GREEN light indicating the range the customer's score falls-in as an indicator of risk that they will walk out on the account leaving an unpaid utility bill. Staff would then use this indicator to determine the amount of the utility deposit to be charged to the potential customer. GREEN would indicate a standard deposit. Yellow would indicate 1.5 X a standard deposit and RED would indicate 2 X a standard deposit.

It is important to note that at the point a customer walks out on a bill, there is generally more than one month due. They owe last month's bill and have incurred almost an entire additional month of usage before disconnection. Using this type of system will help reduce the cost to the city and ultimately to our paying customers by recouping more of that up front when the account is opened.

Steelville and Trenton MO use Online Utility Exchange to screen customers.

PROCUREMENT

N/A

FISCAL IMPACTS

Will result in a better recoupment of walk-out utility bills, therefore requiring less to be turned over to collections or becoming written-off bad debts.

SUPPORT DOCUMENTS:	Aging Utility Accounts Receivable by Year Utility Collections Proposal
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Proposal for:

City of Salem

Providing
Applicant Risk Assessment,
Identity Verification

Submitted by:

Shane Burger
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Winterville, NC 28590
Direct Line 252-754-3284
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ABOUT ONLINE

The company that is now ONLINE Information Services, Inc. started as a small merchant credit bureau located in downtown Greenville, NC, in the 1950's. Over time, it changed names from Southeastern Credit Bureaus to Eastern North Carolina Credit Bureaus and several partners came and went. Officially, ONLINE Information Services was formed on August 23, 1989, and the current shareholders have remained in place since November of 1986. ONLINE made a drastic shift in our focus 20 years ago from being a local credit bureau and collection agency serving a wide variety of clients to concentrating on working with municipal and utility providers to eliminate their bad debt.

ONLINE operates one corporate location where all our services are provided to our clients located in Winterville, North Carolina. ONLINE does not outsource any of our services, this means that ONLINE has total control over the level of service our clients receive.

ONLINE is currently a member of the American Collectors Association (ACA) and our President currently sits on the board of the North Carolina Collectors Association which is directly affiliated with the ACA. ONLINE is also a member of the Consumer Data Industry Association. Being members of these two key industry associations shows ONLINE's commitment to making sure we remain at the fore front of federal, state, and local regulation when it pertains to providing collection and credit reporting services to our clients.

CLIENTS

ONLINE Information Services currently serves approximately 5500 clients in its credit screening and risk assessment services. In addition ONLINE serves an additional 800 clients in its collection agency division, ONLINE Collections. The Utility Exchange and the Rental Exchange provide utilities and property management clients with risk assessment services. While ONLINE strives to lower our clients write offs through providing these services ONLINE is able to locate debtors through this network and collect from them when others are still looking for them.

OVERVIEW OF SERVICES

ONLINE uses a proprietary scoring module that is based on the applicant's Experian File One credit score and then applies ONLINE's own modeling based on our own data and the applicant's past utility payment history. It is 99% accurate in predicting the likelihood of a consumer paying their utility bill two years into the future.

Keep in mind that a good portion of credit bureau scoring models are heavily weighted because of medical bills and other unpaid bills that have little to do with whether the applicant will default on their bill to your company.

Our job is to identify those consumers who apply for service and tell you how much deposit, if any, you need to charge that applicant to reduce or eliminate the risk of you losing money through a charge-off to bad debt.

ONLINE Utility Exchange prioritizes unpaid utility bills in our scoring model and that sets us apart is our deposit decision feature. ONLINE has millions of unpaid utility bills that are not reported anywhere else plus all of those reported to Experian. We are able to score every adult American. If an applicant has an unpaid utility bill, we force a maximum deposit on those particular applicants. This allows our clients to protect themselves from these utility non-payers.

The ONLINE Utility Exchange report offers your company a "total solution" to eliminating bad debt at the point of application and changes the dynamics of your relationship with your customers.

The SSN Verification section is designed to identify fraud and identity theft at the point of application. System wide:

- 70% of all applicants apply using a social security number that is the applicant's correct social security number;
- 20% apply with a name variation like the one above;
- 5% are committing identity fraud
- 3% are using a deceased or non-issued SSN
- 1% are using a SSN that belongs to someone below the age of 18
- 1% of applicants have no file

This report also returns all CRA (credit reporting agency) Red Flag Rule alerts that are required by the FCRA to be Red Flag compliant as Additional Alerts.

Our deposit decisions allow you to mitigate your risk of doing business with those who pose the greatest risk for non-payment, while allowing you to treat your best customers with the respect they deserve. The Utility Exchange shifts the burden of bad debt off of the shoulders of your honest customers by reducing or eliminating deposits for those honest customers. You can quickly identify the marginal and bad applicants and charge smaller to applicants who pose a small risk and your worst applicants a significant deposit – most charge those two times the average monthly usage for that address. These deposit decisions are completely customizable and can return anything you wish – i.e. either a multiple or an amount.

These two sections combined - fraud detection and charging an appropriate risk-based deposit - eliminate as much as 75% of your charged-off bad debt at the point of application. We have found across our entire customer base that 15% of bad debt is eliminated by eliminating application fraud – including identity theft. The remaining portion is reduced significantly because you shift your bad debt to the bad guys.

The final section, Exchange Results and Other Unpaid Utilities tells you whether this applicant pays their utility bills. We pull the Exchange Results from our other Exchange members, so you would get all of the charged-off accounts from all Utility Exchange Members returned in this section. Obviously, not everybody uses our product – at least not yet – so we scrape any unpaid utility bills off of the credit file and return those bills for you. The great thing here is that if your applicant owes another utility, the deposit decision is automatically pushed to require a maximum deposit.

Next, the applicant is handed an adverse action letter that prints right at your office. That Adverse Action letter takes your CSR out of any dispute about the adverse action (charging a higher deposit). If that consumer or any consumer owes your utility money, it shows up and that triggers a psychological flag that raises the value of that unpaid bill in that consumer's mind.

Finally, the demographic data: i.e. name, address, social, phones, place of employment, and any other data you enter into your application screen, is scraped as it is submitted to pull your Utility Exchange file and that demographic data is then systematically compared to charged-off bad debt in our system at our collection agency and those accounts are then called and their past-due amounts collected.

Commercial and business applicants can be screen through three options from our website: 1) an Experian Intelliscore report returns a score on the likelihood of that business paying you; 2) a full Business Report returns a full commercial credit report on that business, 3) a combined report combines the power of both. We also recommend using the normal Utility Exchange Report for screening sole proprietorships, partnerships and LLC's. All this is available through our web portal.

“The Total Solution”

The ONLINE Utility Exchange prevents bad debt at the point of service application

ONLINE Information Services, Inc. operates both the ONLINE Utility Exchange and ONLINE Collections. Through the ONLINE Utility Exchange our members are able to assess the risk of providing service to a new applicant thus taking an accurate deposit at the point of application preventing a bad debt from ever occurring. The Exchange provides an ID Verification, Deposit Decision, and the Utility Exchange Data. Due to changes in the Fair Credit Reporting Act and the additional responsibilities of utilities with regard to the new Red Flag Rules our clients are able to leverage their use of the ONLINE Utility Exchange to be in compliance.

Allows members to track non-payers and require an increased deposit based on the fact that the applicant does not pay their utility bills specifically

Accurately assesses the risk of doing business with the new service applicant

Verifies new service applicant is providing the correct identity information

Pricing Structure

Name	Price
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ONLINE Utility Exchange Report ONLINE Utility Exchange Report (Includes Identity Verification, Deposit Decision, and Utility Exchange Hits)	\$3.15
Regulatory Compliance Recovery Fee Charged per credit transaction	\$0.22
Monthly Access Fee	\$30.00
<input type="checkbox"/> Adverse Action/Score Disclosure Letter Service	\$2.55



Utility Committee

Staff Summary Report

MEETING DATE:	December 13, 2023
AGENDA ITEM:	Utility Collections
ACTION REQUESTED BY:	City Administrator
ACTION REQUESTED:	Recommend Change in Collections Agency
SUMMARY BY:	Sally Burbridge

PROJECT DESCRIPTION / FACTS

The City currently is using Consumer Adjustment Company Inc. as a collection agency for past due utility accounts and we do occasionally receive checks from them for collection on accounts. Consumer Adjustment Company Inc. charges 30% to the customer for collection of accounts. Below is the City Code related to use of a collection agency.

Section 700.040 **Collection Account Fees.**

[R.O. 2011 §29-4; Ord. No. 3173 §§1 — 3, 7-6-2009]

A. After a customer's account with the City of Salem, Missouri is past due more than ninety (90) days, the account may be sent to a collection agency for collection purposes authorized by law including, but not limited to, the pursuit of litigation for collection purposes.

B. The customer shall be responsible for all collection fees and costs including attorney fees, expenses of litigation, court costs and interest and penalties on the past due account.

C. The Mayor is hereby authorized upon approval of the Board of Aldermen of the City of Salem to contract with a collection agency to pursue collection of customer accounts of the City of Salem, Missouri.

Unfortunately, the last submittal of past due accounts to the collection agency was done Oct-Nov of 2018. There is no documentation as to why this was not kept up at that point. Again, no documentation, but apparently a list was prepared for submittal to the collection agency in early 2021 and I am guessing due to COVID and the AMI conversion issues it was determined not to turn the past due accounts over to collections. This leaves us with a backlog of past due accounts that need to be turned over to collections.

Staff will begin submitting to a collection agency in January 2024, but I ask that you consider this recommendation to switch from Consumer Adjustment Company Inc. to Online Collections for the following reasons.

Assuming the Utility Committee is on board with the pre-screening of customers for deposits as discussed earlier in this agenda, I recommend switching over to Online Utility Exchange for collection of past due accounts. It makes sense to use the same company for both services and given the additional database and capabilities of Online Exchange, I believe we may stand to recoup more funds in a timelier manner than with our current collection agency who will only receive updates once a month from the big 3 credit reporting agencies.

Online Collections was created originally as a utility specific collections agency and specialized in this type of account collections. They are also offering the same 30% fees to customers that our current agency is charging.

PROCUREMENT

N/A

FISCAL IMPACTS

Getting past due accounts submitted to a collection agency on a timely basis will result in a better overall collection rate for all city utilities.

SUPPORT DOCUMENTS:	Aging Accounts Receivables by Year Utility Collections Proposal – Online Collections
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AGING AR

	2016-2018	2019	2020	2021	2022	Thru July 2023	TOTAL
ELECTRIC	143,918.21	57,530.56	83,345.73	288,511.37	143,576.13	129,167.00	846,049.00
WATER	20,704.42	11,939.17	16,919.36	72,134.00	17,394.70	10,121.49	149,213.14
SEWER	17,178.17	9,278.68	11,031.14	60,695.66	15,022.77	11,069.28	124,275.70
TRASH	4,282.68	1,772.69	3,725.00	12,011.18	2,320.91	1,141.63	
	186,083.48	80,521.10	115,021.23	433,352.21	178,314.51	151,499.40	1,144,791.93



PO Box 1489
Winterville, NC 28590
(866) 630-6400

Proposal for Providing Collection Services for City of Salem



Prepared by:

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National Account Executive

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Executive Summary

ONLINE Information Services, Inc. appreciates the opportunity to submit this proposal for consideration as a collection agency for the City of Salem in the primary, secondary, and/or tertiary tiers. ONLINE has significant Collections depth and experience in the Utility industry, with almost 30 years of Utility collections activity, over 700 Utility collection clients, and clients located in all 50 states. Our client base includes over 300 municipalities, as well as several major national utilities, giving ONLINE unparalleled expertise in the business of utility collections. Our state-of-the-art technology, our highly trained and dedicated Utility collections and customer service staff, Utility specialization program, and proprietary Exchange Advantage database, housing the most current contact information anywhere, has enabled ONLINE to outperform our competitors in the Utility space, time and time again.

ONLINE is committed to exceeding your expectations. We deliver comprehensive, customized, cost-effective programs designed to deliver positive results to our clients. We are confident that we can assist the City of Salem in achieving your collection goals.

COMMITMENT TO QUALITY SERVICE

Your customers are vital to your organization. ONLINE realizes that fact and treats everyone we come into contact with as we would want to be treated. We will always hold ourselves to the highest possible standards when recovering your company's receivables.

Over the years, we have learned that no two Utilities are the same, so we offer customized solutions tailor-made to have the greatest impact on your bottom line and are guaranteed to be easy to implement. We devote our resources and specialized staff to get you up and running quickly and easily.

Finally, we believe that open, frequent communication is the key to ensuring successful outcomes for the City of Salem. ONLINE's understanding of and performance in Utility receivables and collections leads the industry, but our strongest attribute is the knowledge that our success is a by-product of your success. We take great pride in serving our clients and are firmly committed to your success.

OUR TECHNOLOGY—SECOND-TO-NONE

ONLINE utilizes the most effective software and hardware tools available in the industry for eliminating bad debt. We invest in the latest and best products in predictive dialing technology,

information systems, advanced networking capabilities, and much more. We also have significant experience in working with multiple Middleware providers.

OUR STAFF—HIGHLY TRAINED AND RESPONSIVE

Implementing the best technological resources ensures that we provide you with the best receivables management, but our people make the difference.

Our 90 +-member staff is dedicated to eliminating bad debt for the City of Salem. Our management team possesses decades of collective Utility expertise and experience that translates into industry-leading results for your organization.

To make sure that we are on the cutting-edge of industry trends, our professionals are active in:

American Collectors Association

Consumer Data Industry Association

Various credit reporting and consumer data associations

With our employee training methodology consistently recognized as one of the best in the business, and widely copied by agencies throughout the country, you can rest assured that the staff here at ONLINE is well prepared to serve you.

Introduction

ONLINE is pleased to provide this proposal to you outlining our capabilities. The intent of the following proposal is to outline the scope and deliverables of collection services for your accounts. It is our understanding that your objective is to determine which Collection Agencies you should retain to collect your past due receivables.

ONLINE has extensive experience and a proven record of accomplishment in performing exactly the type of collection services that are requested. ONLINE has been in the Collections business for almost 60 years and has over 25 years of utility collections experience. ONLINE currently provides its unique ONLINE Utility Exchange and ONLINE Collection Services to thousands of satisfied clients nationwide. As one large investor-owned utility states in their ONLINE audit summary, "ONLINE maintains an excellent collection strategy that utilizes collector experience, technology, and industry knowledge as a foundation to promote a strong recovery environment."

ONLINE is Unique in the Utility Collection Industry

The Exchange Advantage

ONLINE is unique in the collections industry because we have proprietary capabilities, developed from [years of experience working in just three industries: utilities, property management and healthcare. As a result of providing point of application ID verification and risk assessment solutions, as well as collection services to these types of clients, we leverage our internal databases to capture information on debtors which is not available to any other company. Because we have over 1,000 utility clients and over 4,000 property management clients (i.e., apartment complexes, etc.) in the U.S. utilizing our application and risk assessment solutions, our internal databases yield powerful information on debtors.

For example, when a customer leaves a utility company and moves to another location, we often immediately capture the individual's updated contact information from one of our property management or other utility clients when the applicant's information is passed through our system. This new contact information is not typically available to, or published by the large credit reporting bureaus normally for at least six months. This means that the new contact information (address/ phone#) is not available to any other agency at that time through their normal skip tracing process. We then deliver this updated debtor information to our collection services business for follow up and prioritized collection action. This entire process is called our "**Exchange Advantage**," which represents a competitive advantage for ONLINE, and a significant potential collection "lift" for you.

How the Exchange Advantage Works

Through the Exchange, we currently update addresses on 29% of accounts referred. This means that at a collection agency that does not have ONLINE's demographic database, 29% of the first notices would go to a wrong address and collection efforts might cease at that point. ONLINE's ability to update the debtor's information before the first notice assures you that more debtors will be contacted. This process enables ONLINE to consistently outperform other agencies.

1. Accounts are typically referred with outdated or incorrect contact information:

Debtor | Aux. Debtor |

Demographic
 JODY | KIMBERLY A
 10 PARKER ROAD
 ASHLAND | MA 01721
 SSN 887-70-0366 | B/A Y | Business N

Rem
 Bank/Rem | Remark IDATA 03-07
 Work TECH SUPPORT
 License | DOB: |

Spouse TIMOTHY JO
 Score |

Phones
 Home (508) 123-4567 | Work | Spouse Work |

Current Account: 1234 5678 EMC \$450.00 | Command: |

Account Summary | Account | History |

Client
 1234 | EMC | Phone 850111222 | Client Acct No. 12345678 | Client Info

Balances
 AR \$450.00
 PB \$0.00
 AI \$0.00
 CC \$0.00
 AF \$0.00
 OC \$0.00
 OV \$0.00
 Int \$0.00
 Total \$450.00

Dates
 DOR MM/DD/YY
 DOS MM/DD/YY
 DLP MM/DD/YY
 JD 999999

Account # 1948375 | **Int Code** 0 | S | 103
 For 10 Parker Road
 Rem ASHLAND MA 01721
 Fwd For/To | **Status** SKP

Collector 98 | **S/L #** 00
Clerk # TE | **Type** 3
Doc CD 0 | **C.F.** D
LLS PDC
B.C. 00

Patient Name |
DOB |
Pin Number 55676

Aux:
 Ed. Trk.
 Action Matrix

2. Your debtor applies for utility service or a lease at one of our nationwide Exchange Members using current contact information:

ONLINE UTILITY ADMIN | Report # 12345678

JODY, KIMBERLY A
 887700366 | SSN Search
 7029 N FISK CT
 KANSAS CITY, MO 64511
 PHONE: 8165551212
 Reported DOB: 03/25/1959

[Print Report](#)
[Print Adverse Letter](#)

ON LINE
 UTILITY EXCHANGE

3. ONLINE receives your debtor's updated information in real time and contacts them the same day to achieve payment in full:

The screenshot displays the ONLINE Collections software interface. The top section is titled "Debtor" and contains fields for demographic information, contact details, and account information. A red circle highlights the debtor's name (JODY), address (7029 N FISK CT), city (KANSAS CITY), state (MO 64151), and SSN (887-70-0366). Another red circle highlights the home phone number (816) 555-1212. The bottom section shows account details, including the current account number (1234 5678 EMC \$450.00) and a balance summary table. A large red "PAID" stamp is overlaid on the bottom right of the form.

Demographic		Rem		Spouse	
JODY	KIMBERLY A	Bank/Rem		TIMOTHY JO	
7029 N FISK CT		Remark	IDATA 03-07	Score	
		Work	TECH SUPPORT	DOB	
KANSAS CITY	MO 64151	License			
SSN 887-70-0366	B/A N Business N	Phones	Home (816) 555-1212	Work	Spouse Work

Current Account: 1234 5678 EMC \$450.00 Command:

Account Summary Account History

Balances		Dates		Account #		Int Code	
AR	\$450.00	DOR	MM/DD/YY	1948375	0	S	103
PB	\$0.00	DOS	MM/DD/YY	For	10 Parker Road		
AI	\$0.00	DLP	MM/DD/YY	Rem	ASHLAND MA 01721		
CC	\$0.00	JD	999999	Fwd For/To	Status PIF		
AF	\$0.00	Collector	98	S/L #	00		
OC	\$0.00	Clerk #	TE	Type	3		
OV	\$0.00	Doc CD	0	C.F.	D		
Int	\$0.00	LLS	PDC	Patient No			
Total	\$0.00	B.C.	00	DOB			

Ed. Trk. Action Matrix

Our Comprehensive Utility Specialization Program

In addition to our proprietary Exchange Advantage program, ONLINE has developed a unique Utility Specialization Program. Specifically, a dedicated team of collectors is assigned to our utility collection portfolios and works only utility accounts—no bank card, medical, retail, etc. Training materials are designed to address utility debtor potential objections, which enables our collectors to effectively resolve the outstanding balance in a positive manner. In order to optimize internal resources to maximize recoveries, utility specific work flows insure the maximum level of contact is made on a portfolio. In addition, we have a multi-staged skip-tracing process. First, immediately upon placement from a client, we pass collection accounts through our ONLINE Exchange Advantage process (i.e., proprietary database). This initial step enables ONLINE to update 29% of the addresses on new client referrals. This means that ONLINE's initial validation letter to the debtor is actually getting to the debtor 29% more often than the initial letters sent by other agencies. Then, we utilize a "waterfall" skip-trace process, using external sources as needed.

Finally, ONLINE offers the following additional resources and capabilities to achieve superior collection performance:

- **An excellent labor pool for hiring** – ONLINE's close proximity to East Carolina University and several large call centers gives us access to well-qualified applicants. Average tenure for our Collections team is over two years.
- **Significant infrastructure capacity to accommodate your accounts** – Our state-of-the-art facility and resources mean ONLINE has the capability to absorb large increases in business volume, while still providing the level of service and results our existing clients expect. We recently processed 400,000 new accounts from a new client into our system in a two week period, without experiencing any degradation in collection activity.
- **DebtNext Middleware Experience** – ONLINE has extensive experience and familiarity with the multiple middleware platforms, including DebtNext. Ability to implement quickly and efficiently, with continued post implementation benefits from established automated processes.
- **Superior technology infrastructure and resource expertise** – Boasting cutting-edge collections technology backed by our expertise in data transfer and process automation, ONLINE delivers creative and impactful solutions to your bad debt challenges.
- **Strict compliance procedures with all Federal, State and PUC regulations** – ONLINE prides itself on our compliance record, and a large portion of our initial and ongoing staff training effort is dedicated to these important regulations.
- **Strict compliance with client work standards and expectations** – ONLINE works diligently to ensure client accounts are worked according to standards established during implementation and adjusted appropriately throughout the relationship as needs change.
- **Rigid security standards** – As part of its commitment to security, ONLINE maintains compliance with the SSAE18 Data Security Standard, undergoing annual third-party audits to ensure our clients' sensitive data and our internal systems remain secure.

ONLINE would be honored to become one of your agency partners. In summary, we have the ability and capacity, in both financial and infrastructure assets, backed by 25+ years of success in Utility collections, to be the top performing agency for your organization. Our clients will speak to the high level of integrity, character, and performance of ONLINE over many years of relationships. We will work with you through technology, innovation and resources to develop the collection methodology that will optimize recovery results for you.

We certify that we are in compliance with all applicable laws regarding competitive bidding practices and debt collection and credit reporting.

Proposed Collections Commission Rates

Collection Services	Contingency Commission Rate
Primary Placements Accounts under 12 months old from Date of Service and/or have never been placed with another collection agency.	30%
Secondary Placements Accounts over 12 months old from Date of Service and/or have previously been placed with another collection agency.	30%