

MINUTES FOR NOVEMBER 7, 2016
BOARD OF CHEROKEE COUNTY COMMISSIONERS
CHEROKEE COUNTY, KANSAS

CONVENE

Chairman Myers called the regular session of the Cherokee County Board of Commissioners (The Board), to order and led all in attendance in the Pledge of Allegiance at 9:00 AM on Monday, November 7, 2016 in the Commission Room, #109 of the Cherokee County Courthouse located at 110 W Maple St., Columbus, Kansas. Commissioners Robert Myers, Pat Collins, Charles Napier, County Counselor Barbara Wright and County Clerk Rodney Edmondson were present.

Members of the press present: Larry Hiatt, Machel Smith, and Jordan Zabel

A motion was made by Commissioner Napier to approve the Minutes of the October 31, 2016 BOCC meeting. The motion was seconded by Commissioner Myers. The motion carried 2-0 with Commissioner Collins abstaining.

Leonard Vanatta - County Road Supervisor
Louis Schreiner - County Lot Supervisor

He appeared before the Board on routine county road business. Commissioner Napier stated that he didn't feel that stop signs are needed at NW 20th St. & Liberty Rd. The Board accepted his recommendation and did not move forward on the resolution as presented last week. Louis reported that the guttering has been repaired on the shop building at the lot.

A motion was made by Commissioner Collins to enter an Executive Session with the Board, Counselor Wright, Leonard Vanatta, and Louis Schreiner for the purpose of Non-Elected Personnel for a period of 10 minutes. The motion was seconded by Commissioner Napier. The motion carried 3-0 at 9:27 AM.

The meeting reconvened at 9:37 AM.

Treasurer Juanita Hodgson presented budget and fund balance reports for the Board to review. County General is in the black and a transfer will not be needed to meet payroll and accounts payable this morning. She stated that the Board needs to keep an eye on the Employee Benefit Fund, as its running low as well.

A motion was made by Commissioner Myers that any employee that has overtime on this payroll, with the exception of the Election Department, due to the upcoming election, to be given comp. time and to have that time taken by November 25th. The motion was seconded by Commissioner Napier. The motion carried 3-0.

The Board asked Deana to get with Treasurer Hodgson and to review the Accounts Payable report to see what payables could be held for two weeks without incurring late fees and to bring a list for the Board to review.

A motion was made by Commissioner Napier to take a 10 minute recess. The motion was seconded by Commissioner Myers. The motion carried 3-0 at 10:15 AM.

The meeting reconvened at 10:25 AM.

A motion was made by Commissioner Napier to approve the payment of the following Accounts Payable items; 93222, 93271, 93242, 93244, 93309, 93243, 93307, 93251, 93296, 93288, and 93283, as those items get discounts for early payment or will incur late fees if not paid. The remainder of the items on the A/P report will be placed on the report in two weeks. The motion was seconded by Commissioner Myers. The motion carried 3-0.

Brent Hillier - Benefit Health Advisor

He appeared before the Board to review the quotes for the 2017 renewal of the County's Employee Health Insurance Plan. He reported that after the last meeting he worked with the stop loss carrier and the administrator of the plan regarding the costs, knowing that the County has financial concerns. He has negotiated a renewal price that takes \$46,000 off of the \$70,000 increase. That would result in a \$24,000 to \$25,000 increase for Stop Loss and Administration fees for 2017.

The Board discussed with Brian ways to get increased participation in the wellness program by assessing costs for non-participation. Brian stated that 20% of the cost of a single policy can be assessed as a penalty to the employee for not participating in the program.

A motion was made by Commissioner Myers that if an employee doesn't participate in the health screens, that those employee's insurance premiums will receive an increase equivalent to 10% of the single rate. The motion was seconded by Commissioner Napier. The motion carried 3-0.

The Board discussed options for tobacco use. Brian stated that the wellness screens will test for tobacco use. He stated that tobacco use is rated very heavy in the wellness scores. Preventative methods for tobacco users are covered at 100%. The Board decided to add Chantix to the list of preventative treatment for tobacco use. The Board also decided to review the option of adding a premium increase for tobacco use next year after the wellness screening.

A motion was made by Commissioner Myers to include colonoscopies to be paid at 100% for routine, diagnostic, and preventative under the health plan. The motion was seconded by Commissioner Napier. The motion carried 3-0.

The Board discussed options to reduce the cost of the health insurance plan to the County. It was mentioned that the plan hasn't changed since 2010 for the employee costs including premiums or deductibles, while the County has absorbed the increases. The Board discussed options of increase premiums, deductibles, or both and the cost savings of each. The Board also discussed the option of exempting County Commissioners from the health plan.

A motion was made by Commissioner Myers to increase health premiums by \$40 per month on a single plan, and \$20 for each of the three dependent plans. Commissioner Napier stated that he would hate to see an increase to the employees. The motion died for lack of a second.

A motion was made by Commissioner Myers to increase the single deductible from \$250 to \$750 per month. The motion died for lack of a second.

A motion was made by Commissioner Napier to increase the employee premium \$20 per month for all tiers of the health insurance. The motion was seconded by Commissioner Myers. The motion carried 3-0.

The Board signed the health insurance renewal documents as presented by Brian Hillier.

In review, Brian stated that the health insurance plan would be changed to reflect the addition of all colonoscopies at 100% payment, increase the employee premium for all tiers by \$20 per month, a 10% increase in rate for non-participation in the wellness screenings, and to add Chantix for tobacco use.

Clerk Edmondson presented three sealed bids from local banks containing proposals for providing funds to the County to cover a potential shortfall in revenue. The following bids were opened and read by Commissioner Myers.

Exchange Bank: Lease Purchase Agreement secured by County equipment to provide a \$300,000 to \$800,000 line of credit at 1.89% interest for up to 12 months. A single payment at the end of 12 months and can be paid off early. Fees would be \$100 origination fee and title perfection fees of \$11.50 for each title

Labette Bank: \$800,000 lease purchase with a rate of \$3.95% due in one year. Multiple advances would be allowed with the balance due at the end of a one year period.

American Bank: Lease-Purchase Agreement up to \$800,000 with fixed rate of 2.54% with multiple advances as needed. \$800,000 will be payable up to 18 months with quarterly interest payments. The Final payment will be in the 2018 budget. The proposal expired December 12, 2016.

All three bids would require County equipment or vehicles to be used as collateral. The quotes require a letter from County Counsel that the loan doesn't violate the Cash Basis Law. Exchange Bank stated that once the letter is received from counsel, the agreement would be completed in one week since it has been approved already. American Bank stated that theirs has been approved and authorized and could be completed in 10 days, maybe less.

A motion was made by Commissioner Myers to enter an Executive Session with the Board and Counselor Wright for purpose of Attorney/Client Privilege for a period of 10 minutes. The motion was seconded by Commissioner Napier. The motion carried 3-0 at 11:48 AM.

The meeting reconvened at 11:58 AM.

No action was taken during the Executive Session.

Commissioner Myers stated that the Board needs to take time to review each bid and will make a decision next Monday.

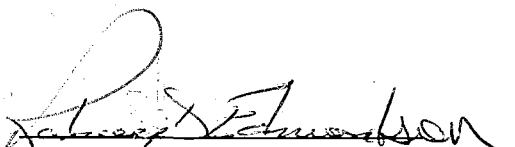
Sheriff Groves appeared before the Board asking for clarification on the comp time decision made earlier. He stated that in order to give his employees comp time, he has to have someone else cover that shift which would result in more overtime. Otherwise he will have to decrease patrol coverage. The Board asked him to do what he can and report back next week. He stated that he will try to use part time officer if he can. He stated that he did have one employee leave and won't replace them until next year.

Assistant County Attorney Conard appeared asking for clarification on using Diversion Application Funds for future payroll. Commissioner Myers stated that all funds are on the table right now to meet payroll for the rest of the year. Conard provided details on how those funds are generated and he asked that they not be relied on for payroll next year. The Board stated that it was a short term use of funds for this year.

Larry Hiatt asked the Board to consider participating again this year in his annual Veterans Day edition of the newspaper. The Board gave their approval.

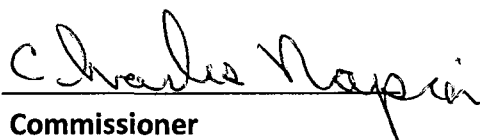
Commissioner Napier made a motion to adjourn until the next meeting set for Monday, November 14, 2016 at 9:00 AM. The motion was seconded by Commissioner Myers. The motion carried 3-0 at 12:12 PM.

ATTEST: Resolved and ordered this 14th day of November, 2016


Cherokee County Clerk

Commissioner


Commissioner


Commissioner

BUDGET BALANCES 2016							
COUNTY GENERAL	Beginning Budget	BUDGET AVAIL.		NOV A/P	NOV P/R	AFTER NOV ISSUE	%
Commissioners	\$ 85,000.00	\$ 13,860.41		\$ 220.00	\$ 3,093.46	\$ 10,546.95	12.41%
County Clerk	\$ 125,000.00	\$ 23,911.68		\$ 280.50	\$ 4,600.75	\$ 19,030.43	15.22%
County Treasurer	\$ 94,000.00	\$ 25,313.14		\$ -	\$ 8,539.96	\$ 16,773.18	17.84%
County Attorney	\$ 277,970.00	\$ 63,573.71		\$ 25.50	\$ 9,784.00	\$ 53,764.21	19.34%
Register of Deeds	\$ 95,360.00	\$ 21,029.94		\$ -	\$ 3,379.25	\$ 17,650.69	18.51%
County Counselor	\$ 28,000.00	\$ 5,359.46		\$ -	\$ 1,071.36	\$ 4,288.10	15.31%
Sheriff Dept	\$ 1,225,000.00	\$ 249,105.76		\$ 4,250.38	\$ 39,652.96	\$ 205,202.42	16.75%
District Court	\$ 268,800.00	\$ 78,031.73		\$ 10,918.67	\$ 1,661.65	\$ 65,451.41	24.35%
Courthouse	\$ 475,000.00	\$ 130,088.16		\$ 23,543.18	\$ 1,445.54	\$ 105,099.44	22.13%
Emergency Prep	\$ 82,450.00	\$ (4,124.70)		\$ -	\$ 3,709.22	\$ (7,833.92)	-9.50%
Human Resources	\$ 42,920.00	\$ 11,131.36		\$ -	\$ 1,474.40	\$ 9,656.96	22.50%
Planning Comm	\$ -	\$ -		\$ -	\$ -	\$ -	0.00%
Recreation	\$ 11,000.00	\$ 7,075.00		\$ -	\$ -	\$ 7,075.00	64.32%
Jail	\$ 948,000.00	\$ 157,355.65		\$ 9,251.92	\$ 18,863.63	\$ 129,240.10	13.63%
Computer Prog	\$ 65,000.00	\$ 557.17		\$ -	\$ -	\$ 557.17	0.86%
Jury Cost	\$ 9,693.00	\$ (1,174.48)		\$ -	\$ -	\$ (1,174.48)	-12.12%
Juvenile Dentention	\$ 96,546.00	\$ 30,536.05		\$ -	\$ -	\$ 30,536.05	31.63%
Geneology Society	\$ 8,000.00	\$ -		\$ -	\$ -	\$ -	0.00%
Emergency 911	\$ 63,479.00	\$ 16,849.55		\$ -	\$ 2,132.45	\$ 14,717.10	23.18%
Jail JOP Reserve	\$ 616,443.00	\$ 616,443.00		\$ -	\$ -	\$ 616,443.00	100.00%
Gis Info	\$ 29,078.00	\$ 15,396.54		\$ 652.50	\$ -	\$ 14,744.04	50.71%
USD 493	\$ 50,000.00	\$ -		\$ -	\$ -	\$ -	0.00%
ROZ	\$ 6,000.00	\$ 437.50		\$ -	\$ -	\$ 437.50	7.29%
Mental Health Truancy	\$ 2,500.00	\$ 2,500.00		\$ -	\$ -	\$ 2,500.00	0.00%
Economic Development	\$ 198,855.00	\$ 113,748.23		\$ 685.80	\$ 2,680.00	\$ 110,382.43	55.51%
Grand Jury	\$ 50,000.00	\$ 20,280.78		\$ -	\$ -	\$ 20,280.78	40.56%
Capital Lease	\$ -	\$ -		\$ -	\$ -	\$ -	0.00%
Capital Lease File Server	\$ -	\$ -		\$ -	\$ -	\$ -	0.00%
Dept Office Supply	\$ 100,000.00	\$ 70,349.19		\$ 11,709.59	\$ -	\$ 58,639.60	58.64%
Total County General	\$ 5,054,094.00	\$ 1,667,634.83		\$ 61,538.04	\$ 102,088.63	\$ 1,504,008.16	29.76%

	<u>Beginning Budget</u>	<u>BUDGET AVAIL.</u>		<u>NOV A/P</u>	<u>NOV P/R</u>	<u>AFTER NOV ISSUE</u>	<u>%</u>
Equipment Reserve	\$ -	\$ -		\$ -			0.00%
Technology Fund	\$ -	\$ -		\$ -	\$ -	\$ -	0.00%
Treasurer Technology Fund	\$ -	\$ -		\$ -	\$ -	\$ -	0.00%
Clerk Technology Fund	\$ -	\$ -		\$ -	\$ -	\$ -	0.00%
Rd & Bridg	\$ 3,500,000.00	\$ 706,470.52		\$ 14,791.02	\$ 48,852.61	\$ 642,826.89	18.37%
Ex Counc	\$ 204,302.00	\$ -		\$ -	\$ -	\$ -	0.00%
Noxious Weed	\$ 66,333.00	\$ 13,701.65		\$ 109.14	\$ 1,154.80	\$ 12,437.71	18.75%
Health &Wic	\$ 657,733.00	\$ 526,468.90		\$ 9,539.04	\$ 15,771.74	\$ 501,158.12	76.19%
Fair	\$ 12,000.00	\$ 3,000.00		\$ -	\$ -	\$ 3,000.00	25.00%
Direct Elect	\$ 163,950.00	\$ 47,571.42		\$ 12,050.01	\$ 2,403.63	\$ 33,117.78	20.20%
Comm College	\$ -	\$ -		\$ -	\$ -	\$ -	0.00%
Soil Conservation	\$ 25,000.00	\$ -		\$ -	\$ -	\$ -	0.00%
Special Bridge	\$ -	\$ -		\$ -	\$ 886.91	\$ -	0.00%
Mental Health	\$ 111,457.00	\$ -		\$ -	\$ -	\$ -	0.00%
Mental Retard.	\$ 111,457.00	\$ -		\$ -	\$ -	\$ -	0.00%
Ambulance	\$ 607,584.00	\$ 101,264.10		\$ 50,631.99	\$ -	\$ 50,632.11	8.33%
Cherokee County 911	\$ 444,227.00	\$ -		\$ 30.00	\$ -	\$ -	0.00%
Appraiser	\$ 327,403.00	\$ 86,604.47		\$ -	\$ 7,362.00	\$ 79,242.47	24.20%
County Bldg.	\$ -	\$ -		\$ -	\$ -	\$ -	0.00%
Employee Bene	\$ 3,242,409.00	\$ 604,978.71		\$ -	\$ -	\$ 604,978.71	18.66%
Elderly	\$ 20,000.00	\$ 11,607.47		\$ 432.89	\$ -	\$ 11,174.58	55.87%
Landfill	\$ -	\$ -		\$ -	\$ -	\$ -	0.00%
Sewer Dist #1	\$ 155,617.00	\$ 52,022.03		\$ 775.44	\$ 1,006.60	\$ 50,239.99	32.28%
Concealed	\$ -	\$ -		\$ -	\$ -	\$ -	0.00%
Spider	\$ -	\$ -		\$ -	\$ -	\$ -	0.00%
No Fund Warrants	\$ -	\$ -		\$ -	\$ -	\$ -	0.00%
Prosecuting Attoreney Training	\$ -	\$ -		\$ -	\$ -	\$ -	0.00%
Co Attorney Spec Law Enforc	\$ -	\$ -		\$ -	\$ -	\$ -	0.00%
Special Park	\$ -	\$ -		\$ -	\$ -	\$ -	
Special Alcohol	\$ -	\$ -		\$ -	\$ -	\$ -	0.00%
Tourism	\$ -	\$ -		\$ 1,623.15	\$ -	\$ -	0.00%
Spec Law	\$ -	\$ -		\$ -	\$ -	\$ -	0.00%
Drug Tax Stamp Fund	\$ -	\$ -				\$ -	0.00%
Total		\$ -		\$ 151,520.72	\$ 179,526.92		

FUND BALANCES 11/03/2016					
FUND	FUND #	Balance 2016	November A/P	November P/R	BALANCE
<u>County No-Fund Warrants</u>	<u>99</u>	\$ -	\$ -	\$ -	\$ -
<u>CO GEN</u>	<u>100</u>	\$ 188,123.33	\$ 61,538.04	\$ 102,088.63	\$ 24,496.66
<u>County Equipment Reserve</u>	<u>102</u>	\$ 99,956.86	\$ -	\$ -	\$ 99,956.86
<u>TECHNOLOGY FUND</u>	<u>103</u>	\$ 30,973.23	\$ -	\$ -	\$ 30,973.23
<u>Treasurer Technology Fund</u>	<u>104</u>	\$ 5,625.12	\$ -	\$ -	\$ 5,625.12
<u>Clerk Technology Fund</u>	<u>106</u>	\$ 7,217.31	\$ -	\$ -	\$ 7,217.31
<u>STATE LINE ROAD PROJECT</u>	<u>105</u>	\$ 260.97	\$ -	\$ -	\$ 260.97
<u>Jail Salestax</u>	<u>107</u>	\$ 584,573.43	\$ -	\$ -	\$ 584,573.43
<u>Law Enforcement Center</u>	<u>108</u>	\$ -	\$ -	\$ -	\$ -
<u>RD BRIDGE</u>	<u>110</u>	\$ 1,534,664.51	\$ 14,791.02	\$ 48,852.61	\$ 1,471,020.88
<u>EX COUNCIL</u>	<u>120</u>	\$ 30,321.14	\$ -	\$ -	\$ 30,321.14
<u>NOXIOUS WEED</u>	<u>130</u>	\$ 25,413.97	\$ 109.14	\$ 1,154.80	\$ 24,150.03
<u>SEVERE WEATHER EQUIPMENT</u>	<u>135</u>	\$ -	\$ -	\$ -	\$ -
<u>HEALTH</u>	<u>140</u>	\$ 1,278,760.91	\$ 9,539.04	\$ 15,771.74	\$ 1,253,450.13
<u>Clean Up Illegal Dump</u>	<u>142</u>	\$ -	\$ -	\$ -	\$ -
<u>TRI CO WIC</u>	<u>145</u>	\$ -	\$ -	\$ -	\$ -
<u>FAIR</u>	<u>150</u>	\$ 3,718.52	\$ -	\$ -	\$ 3,718.52
<u>ELECTION</u>	<u>160</u>	\$ 70,004.42	\$ 12,050.01	\$ 2,403.63	\$ 55,550.78
<u>COMM COLLEGE</u>	<u>170</u>	\$ 2,028.62	\$ -	\$ -	\$ 2,028.62
<u>SOIL CONSERV</u>	<u>180</u>	\$ 3,657.77	\$ -	\$ -	\$ 3,657.77
<u>SPECIAL BRIDGE</u>	<u>190</u>	\$ 455,602.36	\$ -	\$ 886.91	\$ 454,715.45
<u>MENTAL HEALTH</u>	<u>200</u>	\$ 16,691.56	\$ -	\$ -	\$ 16,691.56
<u>MENTAL RETARD</u>	<u>210</u>	\$ 16,683.24	\$ -	\$ -	\$ 16,683.24
<u>FAM LIFE CENTER BOND & INT</u>	<u>216</u>	\$ -	\$ -	\$ -	\$ -
<u>AMBULANCE</u>	<u>220</u>	\$ 184,761.23	\$ 50,631.99	\$ -	\$ 134,129.24
<u>CHEROKEE COUNTY 911</u>	<u>224</u>	\$ 283,406.00	\$ 30.00	\$ -	\$ 283,376.00
<u>FEMA PUBLIC ASSISTANCE GRANT</u>	<u>227</u>	\$ -	\$ -	\$ -	\$ -
<u>APPRAISAL</u>	<u>230</u>	\$ 109,658.54	\$ -	\$ 7,362.00	\$ 102,296.54
<u>COUNTY BLDG</u>	<u>250</u>	\$ -	\$ -	\$ -	\$ -
<u>EMPL. BENE</u>	<u>260</u>	\$ 33,309.06	\$ -	\$ -	\$ 33,309.06
<u>PAYROLL W/HOLD</u>	<u>265</u>	\$ 35.03	\$ -	\$ -	\$ 35.03
<u>SPECIAL (TORT) LIABILITY</u>	<u>290</u>	\$ -	\$ -	\$ -	\$ -
<u>ELDERLY</u>	<u>300</u>	\$ 15,764.05	\$ 432.89	\$ -	\$ 15,331.16
<u>DESIGNATED DV & SA PROSEC</u>	<u>301</u>	\$ -	\$ -	\$ -	\$ -
<u>CDBG-Grant Family Life</u>	<u>302</u>	\$ -	\$ -	\$ -	\$ -
<u>08LEPC PLAN/TRAIN GRANT</u>	<u>303</u>	\$ -	\$ -	\$ -	\$ -
<u>SPIDER PROGRAM</u>	<u>304</u>	\$ 11,712.61	\$ -	\$ -	\$ 11,712.61

<u>FUND</u>	<u>FUND #</u>	<u>Balance 2016</u>	<u>November A/P</u>	<u>November P/R</u>	<u>BALANCE</u>
<u>E/P GRANT</u>	<u>306</u>	\$ -			\$ -
<u>COPS GRANT</u>	<u>307</u>	\$ -			\$ -
<u>JUVENILE BLOCK GRANT</u>	<u>309</u>	\$ -	\$ -		\$ -
<u>LANDFILL</u>	<u>310</u>	\$ 1,270.00	\$ -		\$ 1,270.00
<u>REMODEL GRANT</u>	<u>313</u>	\$ -			\$ -
<u>INVESTIGATOR GRANT</u>	<u>314</u>	\$ -			\$ -
<u>GALENA MINE CLOSURE</u>	<u>317</u>	\$ -			\$ -
<u>EMERG SHELTT GRANT</u>	<u>338</u>	\$ -			\$ -
<u>SEWER DIST #1 BOND & INT</u>	<u>320</u>	\$ 5,542.84			\$ 5,542.84
<u>SEWER DIST #1 OPER & MAINT</u>	<u>330</u>	\$ 26,017.05	\$ 775.44	\$ 1,006.60	\$ 24,235.01
<u>SHELTERED WORKSHOP BD & IN</u>	<u>340</u>	\$ -			\$ -
<u>SPECIAL HIGHWAY IMPROVEMT</u>	<u>360</u>	\$ 1,264.20			\$ 1,264.20
<u>SPECIAL ROAD MACHINERY</u>	<u>370</u>	\$ 100.00			\$ 100.00
<u>COUNTY BOND & INTEREST</u>	<u>390</u>	\$ -			\$ -
<u>PROS ATTORN TRAIN</u>	<u>410</u>	\$ 2,123.79			\$ 2,123.79
<u>ELECTRONIC MONITORING</u>	<u>412</u>	\$ 910.00			\$ 910.00
<u>ATTORNEY APPLICATION FEE</u>	<u>413</u>	\$ 20,570.13			\$ 20,570.13
<u>DIVERSION SUPERVISION FEE</u>	<u>414</u>	\$ 5.00			\$ 5.00
<u>ADMINISTRATION FEE BAD CKS</u>	<u>415</u>	\$ 88.81			\$ 88.81
<u>SPECIAL PARKS & RECREATION</u>	<u>430</u>	\$ (653.37)			\$ (653.37)
<u>SPEC ALCOHOL</u>	<u>440</u>	\$ -	\$ -		\$ -
<u>TOURISM</u>	<u>450</u>	\$ 1,595.15	\$ 1,623.15		\$ (28.00)
<u>VINS</u>	<u>460</u>	\$ 16,310.15			\$ 16,310.15
<u>INFORMATION NETWORK OF KS</u>	<u>465</u>	\$ -			\$ -
<u>BANKRUPTCY FUND</u>	<u>470</u>	\$ 1,865.21			\$ 1,865.21
<u>CONCEALED WEAPON APPS</u>	<u>489</u>	\$ 17,861.60			\$ 17,861.60
<u>SPECIAL LAW ENFORC TRUST</u>	<u>490</u>	\$ 32,595.80	\$ -		\$ 32,595.80
<u>DRUG TAX STAMP FUND</u>	<u>491</u>	\$ 2,323.25			\$ 2,323.25
<u>CO ATTY SPEC LAW ENFORC</u>	<u>492</u>	\$ 628.56			\$ 628.56
<u>Drug Forfeiture Fund</u>	<u>493</u>	\$ 1,080.06			\$ 1,080.06
<u>Justice Assistance Grant</u>	<u>494</u>	\$ -			\$ -
<u>DRUG FREE GRANT 91-03</u>	<u>495</u>	\$ -			\$ -
<u>RURAL WATER #8 GRANT</u>	<u>505</u>	\$ 246.00			\$ 246.00
<u>FLOOD PURCHASE AGREEMENT</u>	<u>513</u>	\$ -			\$ -
<u>FLOOD BUYOUT PROG 1997</u>	<u>517</u>	\$ -			\$ -
<u>SIREN</u>					\$ -
<u>NSP</u>	<u>353</u>	\$ -			\$ -
			\$ 151,520.72	\$ 179,526.92	



November 4, 2016

Cherokee County
Board of County Commissioners
110 W. Maple
Columbus, Kansas 66725

Mr. Chairman, Members of the Board:

Thank you for allowing Exchange State Bank the opportunity to bid on the lease funding for Cherokee County.

Your request indicates the amount of funding needed would be in the amount of \$300,000.00 to \$800,000.00 and that a Line of Credit is preferred. Based on this information Exchange State Bank submits the following bid:

Annual Interest on a one year (12) month closed end Line of Credit would be 1.89%.

A single payment of the entire unpaid balance of principal and interest would be due at maturity. If the entire balance cannot be retired at maturity payment options and terms can be discussed at that time.

There would be no penalty for early payoff of the Lease Purchase Agreement.

Funding of the Lease Purchase Agreement will be secured by County equipment. Titles and ownership documents needed shall be granted to Exchange State Bank as the Lender for lien perfection.

The rates quoted are dependent on written confirmation from the County's General Counsel that this agreement is legal and complies with the state and county Cash Basis Law.

The only fees charged would be a \$100.00 origination fee and title perfection fees of \$11.50 for each title.

GIRARD
108 E. St. John
P.O. Box 187
Girard, KS 66743
620-724-4911

ST. PAUL
408 5th Street
P.O. Box 188
St. Paul, KS 66771
620-449-2225

COLUMBUS
209 N. East Ave.
P.O. Box 461
Columbus, KS 66725
620-429-1873

We would appreciate it if you would please provide the bank with a breakdown of the rates quoted once the contract has been awarded.

Thank you again for the opportunity to serve Cherokee County. If you have any questions or I can be of further assistance in this matter please call me at (620) 429-1873.

Sincerely,

A handwritten signature in black ink that reads "Peter J. Hutley V.P." The signature is written in a cursive style with a large initial "P" and "H".

Peter Hutley,
Vice President
Exchange State Bank

Member FDIC



Labette Bank

We're Flexible!
www.labettebank.com

November 4, 2016

Cherokee County Commissioners
Columbus, KS 66725

Dear Commissioners:

Labette Bank would propose an \$800,000.00 lease purchase with a rate of 3.95% due in one year. We would do multiple advances with the balance due at the end of a one year period. Lease purchase would need to be collateralized with sufficient Cherokee County construction and maintenance equipment and or county vehicles. Documents would be prepared for our approval by the County's attorneys. If you have any questions, please contact me at 620-429-1100.

Sincerely,

Ron Holmes
Branch Manager

RH/pc

Altamont
Main Bank- 4th & Huston
Altamont, KS 67330
(620) 784-5311

McCune
601 Main
McCune, KS 66753
(620) 632-4267

Cherokee
104 W. 400 Hwy.
Cherokee, KS 66724
(620) 457-8000

Oswego
424 Commercial
Oswego, KS 67356
(620) 795-2121

Columbus
101 E. Maple St.
Columbus, KS 66725
(620) 429-1100

Parsons
2121 Main • 32nd & Main
Parsons, KS 67357
(620) 421-2265

Frontenac
242 E. McKay
Frontenac, KS 66763
(620) 231-9280

Pittsburg
2805 N. Broadway
Pittsburg, KS 66762
(620) 230-0300

LaCygne
501 Market
LaCygne, KS 66040
(913) 757-4545

Pleasanton
911 S. Main
Pleasanton, KS 66075
(913) 352-6202



American Bank

1201 MILITARY AVE
POST OFFICE BOX 597

BAXTER SPRINGS, KANSAS 66713

TELEPHONE: 620-856-2301
FAX: 620-856-2330

November 4, 2016

Commissioners of Cherokee County
Columbus, Kansas 66725

Gentlemen:

Thank you for the opportunity to be of service to the governing body and citizens of Cherokee County. American Bank prides itself on being "Customer Oriented and Community Involved".

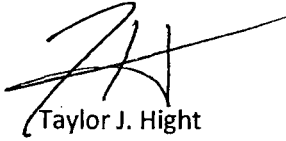
Based upon the recent request to augment the general fund of the County, we provide you with the following proposal.

- 1) Signed Lease-Purchase agreement with the County for a purchase price not to exceed \$800,000. This agreement will call for multiple advances, as needed by the County, to be deposited into the General Fund. Interest will accrue on the unpaid balance of the lease.
- 2) This bid is contingent upon purchasing non-titled equipment, i.e., road graders, etc., in an amount sufficient to the bank, to provide ample value of the lease-purchase agreement. The bank reserves the right to internally value such equipment and request, at our sole discretion, the amount and total value of equipment being purchased.
- 3) The purchase price of \$800,000 will be due in a single maturity within 18 months of the purchase date. Interest payments will be due quarterly. There is no pre-payment penalty. The option of a lengthened term is to help facilitate budgeting repayment in 2018 and minimize the burden of repayment in the 2017 budget that was already approved.
- 4) The rate of interest on the lease purchase will be a fixed interest rate of 2.54%.
- 5) Based upon the short time frame to submit a bid for this transaction, and the unique structure of a lease purchase agreement on already owned equipment, the Bank reserves the right to further research, to our satisfaction, the legality of this transaction based upon the stringent guidelines placed upon municipalities and their ability to contract.

6) This proposal expires December 12, 2016.

Thank you again for your consideration. If you have any questions or concerns, do not hesitate to contact us.

Sincerely,

A handwritten signature in black ink, appearing to be 'TJH', with a long horizontal stroke extending to the right.

Taylor J. Hight
President & COO

