



COUNTY COMMISSION

Monday, April 4, 2016

5:00 PM Following Public Building Commission Meeting
Ellis County Administrative Center – Commission Room

Order of Business

I. Opening

- A. Call to Order
- B. Pledge of Allegiance
- C. Clerk Calls the Roll
- D. Order of Business
Consideration of Amendments

II. Prior Minutes

March 14 and March 21

Special Road Tour Meeting March 21, 2016

III. Consent Agenda

- A. Approval of Employee Status Changes as presented
- B. Approval of Refunding Warrants as presented
- C. Approval of Tax Roll Adjustments as presented
- D. Approval of Escape Tax Orders as presented

- E. Approval of Adds and Abates as presented
 - F. Approval of Accounts Payable and Payroll as presented
-
- IV. Issues from Persons Not on the Order of Business
 - V. Proclamation of National County Government Month (County Administrator Phillip Smith-Hanes) [Enclosure](#)
 - VI. Buckeye Wind Project – Escrow Account (County Administrator Phillip Smith-Hanes) [Enclosure](#)
 - VII. Burn Ban (Rural Fire Director Darin Myers) [Enclosure](#)
 - VIII. Letter Agreement with Adams, Brown, Bearn & Ball for Budget Preparation Consulting (County Administrator Phillip Smith-Hanes) [Enclosure](#)
 - IX. Commission Budget Planning Session (County Administrator Phillip Smith-Hanes) [Enclosure](#)
 - X. County Counselor Reports (County Counselor Bill Jeter)
 - XI. County Administrator Report (County Administrator Phillip Smith-Hanes)
 - XII. County Commission Reports
 - XIII. Executive Session
 - XIV. Adjournment

ELLIS COUNTY
AGENDA ITEM COVER SHEET
COMMISSION AGENDA DATE: 4-4-16

TOPIC:

Proclamation of National County Government Month

ACTION REQUESTED:

Approve and sign the attached proclamation and authorize the County Administrator to issue a press release.

DISCUSSION:

April is National County Government Month. While Ellis County has celebrated the month with a proclamation in the past, this does not appear to have occurred in recent years. This year's theme is "safe and secure counties," highlighting not only public safety services but also health and economic security.

FINANCIAL IMPACT:

There is no cost to the proclamation. This highlights services the County provides through the normal budgeting process.

PRESENTED BY:

County Administrator Phillip Smith-Hanes

REVIEWED BY COUNTY ADMINISTRATOR:

Yes No N/A

REVIEWED BY COUNTY COUNSELOR:

Yes No N/A

ATTACHMENTS:

Proclamation



PROCLAMATION

WHEREAS, the nation’s 3,069 counties serving more than 300 million Americans provide essential services to create healthy, safe, vibrant and economically resilient communities; and

WHEREAS, Ellis County and all counties take pride in our responsibility to protect and enhance the health, well-being and safety of our residents in efficient and cost-effective ways; and

WHEREAS, each year since 1991 counties across the country have taken an opportunity to actively promote programs and services to the public we serve through National County Government Month; and

WHEREAS, this year’s theme for National County Government Month is “Safe and Secure Counties,” focusing on the role counties have in strengthening the safety and security of our communities; and

WHEREAS, in order to remain healthy, vibrant, safe, and economically competitive, America’s counties provide public health, justice, emergency management and economic services that play a key role in everything from residents’ daily health to disaster response; and

WHEREAS, Ellis County helps maintain safety and security in our community through services that include our Health Department, the Sheriff’s Office, support for the Courts system, the County Attorney’s Office, Emergency Management, Emergency Medical Services, and Rural Fire;

NOW, THEREFORE, BE IT RESOLVED THAT the Ellis County Board of Commissioners does hereby proclaim April 2016 as National County Government Month and encourages all county officials, employees, schools and residents to acknowledge the contribution of county government to maintaining a safe and secure community.

ELLIS COUNTY
AGENDA ITEM COVER SHEET
COMMISSION AGENDA DATE: 4-4-16

TOPIC:

Escrow Termination and Release of Escrow Account for Buckeye Wind Energy LLC

ACTION REQUESTED:

Approve the termination of escrow and release of the escrow account and sign the attached letter.

DISCUSSION:

On November 25, 2013, the County Commission approved a road maintenance agreement with Buckeye Wind Energy LLC "pertaining to Buckeye Wind's use of Ellis County roads and rights of way during the construction" of a wind energy farm in the County. Subsequently, on December 11, 2013, the County and Buckeye Wind established an escrow account with U.S. Bank National Association "to hold funds as collateral for the obligations of Buckeye Wind" under the road maintenance agreement. On March 3, 2016, Buckeye Wind requested that the escrow account be terminated due to the completion of construction. Public Works staff has examined the culvert and bridges and consulted with two outside engineering firms that assisted the County during construction. Staff has no objection to the termination and release.

FINANCIAL IMPACT:

Since Buckeye Wind appears to have met its obligations under the maintenance agreement, termination and release should have no financial impact to the County.

PRESENTED BY:

County Administrator Phillip Smith-Hanes

REVIEWED BY COUNTY ADMINISTRATOR:

Yes No N/A

REVIEWED BY COUNTY COUNSELOR OUTSIDE ATTORNEY:

Yes No N/A

ATTACHMENTS:

Draft Letter

Original Agreement, dated December 11, 2013



Ellis County Commission

718 Main Street/PO Box 720

Hays, Kansas 67601

Phone: 785-628-9410

Georgina Thomas
U.S. Bank National Association
633 W. 5th Street, 24th floor
Los Angeles, CA 90071

RE: Escrow Termination and Release of Escrow Account# 207262000

Dear Georgina:

The Board of County of Ellis ("County") and Buckeye Wind Energy LLC ("Developer") are parties to that certain Escrow Agreement dated December 11, 2013 (the "Escrow Agreement") for escrow account number 207262000 (the "Escrow Account") with U.S. Bank National Association (the "Agent").

County and Developer hereby agree that the final completion of the construction phase of the project has occurred. Pursuant to Section 14 of the Escrow Agreement, the parties agree to terminate the escrow account and direct the Agent to release all funds from escrow to Developer according to the payment instructions set forth in Section 14.

The Board of County of Ellis:

By: _____
Name: Dean F. Haselhorst, Commission Chair

The Board of County of Ellis:

By: _____
Name: Barbara K. Wasinger, Commissioner

The Board of County of Ellis:

By: _____
Name: Marcy L. McClelland, Commissioner

Buckeye Wind Energy LLC

By: _____
Name:

ESCROW AGREEMENT

Pursuant to this escrow agreement dated December 11, 2013 (the "Escrow Agreement"), the undersigned escrow parties (the "Parties") hereby establish escrow account number 2072102000 (the "Account") with U.S. Bank National Association, a national banking association which conducts business in Kansas (the "Agent"), to be maintained and administered for the purposes described in Schedule I attached hereto in accordance with the following terms and conditions:

The funds and/or property described on Schedule I attached hereto and incorporated herein (the "Assets") will be deposited in the Account upon delivery thereof to the Agent, in the manner and at the time(s) specified in the said Schedule I. The Agent is hereby authorized and directed by each of the Parties, as their escrow agent, to hold, deal with and dispose of the Assets as provided in the instructions set forth in Schedule II attached hereto and incorporated herein. In the event of a conflict between this Escrow Agreement and Schedules I and II, the terms and conditions of Schedules I and II shall control.

1. **Agent's Duties.** Agent's duties and responsibilities shall be limited to those expressly set forth in this Escrow Agreement, and Agent shall not be subject to, or obligated to recognize, any other agreement between any or all of the Parties or any other persons even though reference thereto may be made herein; provided, however, this Escrow Agreement may be amended at any time or times by an instrument in writing signed by all the Parties hereto. Agent shall not be subject to or obligated to recognize any notice, direction, or instruction of any or all of the Parties hereto or of any other person, except as expressly provided for and authorized in Schedule II and in performing any duties under this Escrow Agreement, Agent shall not be liable to any Party for consequential damages, (including, without limitation lost profits) losses, or expenses, except for gross negligence or willful misconduct on the part of the Agent.

2. **Court Orders or Process.** The Parties hereby stipulate that the District Court of Ellis County, Kansas shall have exclusive jurisdiction with regard to any controversy which may arise between the Parties to this Escrow Agreement, or with any other Party, concerning the subject matter of this Escrow Agreement, its terms or conditions. If any such matter arises Agent will not be required to determine the controversy or to take any action regarding it. Agent may hold all documents and funds and may wait for settlement of any such controversy by final appropriate legal proceedings or other means as, in Agent's discretion, Agent may require, so long as such action is consistent with the instructions set forth in Schedule II. In such event, Agent will not be liable for interest or damage except to the extent adjudicated by such court. Agent is authorized, in its sole discretion, to comply with orders issued or process entered by the District Court of Ellis County, Kansas with respect to the Account, the Assets, or this Escrow Agreement, without determination by the Agent of such court's jurisdiction in the matter. If any Assets are at any time attached, garnished, or levied upon under any order of said court, or in case the payment, assignment, transfer, conveyance, or delivery of any such property shall be stayed or enjoined by any order of said court, or in case any order, judgment, or decree shall be made or entered by said court affecting such property or any part thereof, then in any such events

Agent is authorized, in its sole discretion, to rely upon and comply with any such order, writ, judgment, or decree which it is advised by legal counsel of its own choosing is binding upon it; and if Agent complies with any such order, writ, judgment, or decree, it shall not be liable to any of the Parties or to any person, firm, or corporation by reason of such compliance even though such order, writ, judgment, or decree may be subsequently reversed, modified, annulled, set aside, or vacated.

3. **Agent's Actions and Reliance.** Agent shall not be personally liable for any act taken or omitted by it hereunder if reasonably taken or omitted by it and in the exercise of its own reasonable judgment. Agent shall also be fully protected in relying upon any written notice, instruction, direction, certificate, or document which it reasonably believes to be genuine. The foregoing exclusions of liability shall not apply to the negligence or intentional misconduct of Agent.

4. **Collections.** Unless otherwise specifically indicated in Schedule II, Agent shall proceed as soon as practicable to collect any checks, interest due, matured principal, or other collection items with respect to Assets at any time deposited in the Account. All such collections shall be subject to the usual collection procedures regarding items received by Agent for deposit or collection. Agent shall not be responsible for any collection with respect to Account Assets if Agent is not registered as record owner thereof or otherwise is not entitled to request or receive payment thereof as a matter of legal or contractual right. All collection payments shall be deposited to the Account, except as otherwise provided in Schedule II. Agent shall not be required or have a duty to notify anyone of any payment or maturity under the terms of any instrument, security, or obligation deposited in the Account, nor to take any legal action to enforce payment of any check, instrument, or other security deposited in the Account. The Account is a safekeeping escrow account, and no interest shall be paid by Agent on any money deposited or held therein, except as provided in Section 6 hereof.

5. **Agent Responsibility.** Agent undertakes to perform such duties as are specifically set forth in this Agreement and shall have no duty under any other agreement or document, and no implied covenants or obligations shall be read into this Agreement against the Agent. The Agent shall have no liability under and no duty to inquire as to the provisions of any agreement (including the Road Upgrade and Maintenance Agreement) other than this Agreement. Agent shall not be responsible or liable for the sufficiency or accuracy of the form, execution, validity, or genuineness of documents, instruments, or securities now or hereafter deposited in the Account, or of any endorsement thereon, or for any lack of endorsement thereon, or for any description therein. Registered ownership of or other legal title to Assets deposited in the Account shall be maintained in the name of Agent, or its nominee, only if expressly provided in Schedule II. Agent may maintain qualifying Assets in a Federal Reserve Bank or in any registered clearing agency (including without limitation, the Depository Trust Company) as Agent may select, and may register such deposited Assets in the name of Agent or its agent or nominee on the records of such Federal Reserve Bank or such registered clearing agency or a nominee of either. Agent shall not be responsible or liable in any respect on account of the identity, authority, or right of the persons executing or delivering or purporting to execute or deliver any such document, security, or endorsement or this Escrow Agreement. The foregoing

exclusions of responsibilities and liabilities shall not apply to the negligence or intentional misconduct of Agent.

6. **Investments.** All monies held in the Account shall be invested by Agent in its name or its nominee's name, in such instruments or securities and at the written direction of such Party or other person, as expressly authorized in Schedule II. Such Party shall furnish the Agent with written instructions to sell securities (including shares or units in any money market mutual funds) to make any payments from the Account as provided hereunder. If no such instructions are received, Agent is authorized to sell any such securities held in the Account as necessary pursuant to the purpose set forth on Schedule I. All accrued interest shall become part of the Assets. Agent shall not be responsible for the selection, quality, or maturity of such investments, or for the timely reinvestment of interest or maturity proceeds thereof except as provided in the immediately following paragraph.

In the absence of duly authorized and complete directions regarding investment of cash held in the Account, Agent shall automatically invest and reinvest the same in units of the money market mutual funds identified on Schedule III attached hereto and incorporated herein, which funds may be managed by an affiliate of the Agent.

The Parties acknowledge and agree that the Agent is authorized to invest from or through its trust department or U.S. Bank National Association or any other bank affiliated with Agent through common control by U.S. Bancorp.

7. **Notices/Directions to Agent.** Notices and directions to Agent from the Parties, or from other persons authorized to give such notice or directions as expressly set forth in Schedule II, shall be in writing and signed by an authorized representative as identified pursuant to Schedule II, and shall not be deemed to be given until actually received by Agent's employee or officer who administers the Account. Agent shall not be responsible or liable for the authenticity or accuracy of notices or directions properly given hereunder if the written form and execution thereof on its face purports to satisfy the requirements applicable thereto as set forth in Schedule II, as determined by Agent reasonably without additional confirmation or investigation. The foregoing exclusions of responsibilities and liabilities shall not apply to the negligence or intentional misconduct of Agent.

8. **Books and Records.** Agent shall maintain books and records regarding its administration of the Account, and the deposit, investment, collections, and disbursement or transfer of Assets, shall retain copies of all written notices and directions sent or received by it in the performance of its duties hereunder, and shall afford each Party reasonable access, during regular business hours, to review and make photocopies (at the Party's cost) of the same.

9. **Disputes among Parties and/or Third Parties.** In the event Agent is notified of any dispute, disagreement, or legal action between or among any of the Parties, and/or any third parties, relating to or arising in connection with the Account, the Assets, or the performance the Agent's duties under this Escrow Agreement, the Agent shall be authorized and entitled, subject to Section 2 hereof, to suspend further performance hereunder, to retain and hold the Assets then in the Account and take no further action with respect thereto (so long as such failure to act is consistent with Schedule II) until the matter has been fully resolved, as evidenced by written

notification signed by all Parties and any other parties to such dispute, disagreement, or legal action.

10. Notice by Agent. Any notices which Agent is required or desires to give hereunder to any of the Parties shall be in writing and may be given by mailing the same to the address indicated below for such Party (or to such other address as said Party may have theretofore substituted therefore by written notification to Agent), by United States certified or registered mail, postage prepaid. For all purposes hereof any notice so mailed shall be as effectual as though served upon the person of the Party to whom it was mailed at the time it is deposited in the United States mail by Agent whether or not such undersigned thereafter actually receives such notice. Whenever under the terms hereof the time for Agent's giving a notice or performing an act falls upon a Saturday, Sunday, or holiday, such time shall be extended to the next business day.

11. Legal Counsel. If Agent becomes involved in litigation on account of being escrow agent hereunder or on account of having received property subject hereto, then its out-of-pocket costs, expenses, and reasonable attorney's fees shall be paid by the party that does not prevail in the litigation. The foregoing shall not apply to the extent Agent is found to be negligent or have acted with intentional misconduct.

12. Agent Compensation. Agent shall be paid a fee for its services by the Developer as set forth on Schedule IV attached hereto and incorporated herein. If Agent's fees, or reasonable out-of-pocket costs or expense, provided for herein, are not promptly paid, Agent shall have the right to sell such portion of the Assets held in the Account as necessary and reimburse itself therefor from the proceeds of such sale or from the cash held in the Account. In the event that the conditions of this Escrow Agreement are not promptly fulfilled, or if Agent, upon request of the Parties, renders any service not provided for in this Escrow Agreement, or if the Parties request a substantial modification of its terms, or if any controversy arises that is not caused by Agent, or if Agent is made a party to, or intervenes in any litigation pertaining to this escrow or its subject matter and the litigation is not related to the Agent's actions, Agent shall be reasonably compensated for such reasonable and extraordinary services and reimbursed for all reasonable out-of-pocket costs, attorney's fees, and expenses occasioned by such default, delay, controversy, or litigation and Agent shall have the right to retain all documents and/or other things of value at any time held by Agent in this escrow until such compensation, fees, costs, and expenses are paid, which payment may be made from the Assets if not paid within forty-five (45) days after billing. Buckeye Wind Energy, LLC its successors and assigns agrees to indemnify and hold Agent harmless against any and all reasonable out-of-pocket losses, claims, damages, liabilities, and expenses, including reasonable costs of investigation, counsel fees, and disbursements that may be imposed on Agent or incurred by Agent in connection with the performance of his/her duties under this Escrow Agreement, including but not limited to any litigation arising from this Escrow Agreement or involving its subject matter to the extent that Agent was not negligent or acted with intentional misconduct. Agent shall have a first lien on the Assets and papers held under this Escrow Agreement for such compensation and expenses.

13. Agent Resignation. It is understood that Agent reserves the right to resign at any time by giving written notice of its resignation, specifying the effective date thereof (not to be less than thirty (30) days), to the Parties. Within thirty (30) days after receiving the aforesaid

notice, the Parties agree to appoint a successor escrow agent to which Agent may transfer the Assets then held in the Account, less its unpaid fees, costs, and expenses. If a successor escrow agent has not been appointed and has not accepted such appointment by the end of thirty-day (30 day) period, Agent may apply to a court of competent jurisdiction for the appointment of a successor escrow agent, and the reasonable out-of-pocket costs, expense, and reasonable attorney's fees which Agent incurs in connection with such a proceeding shall be paid from the Assets if not paid within forty-five (45) days after billing.

14. **Escrow Termination.** This Escrow Agreement shall terminate upon final completion of the construction phase of the project, unless further extended by written modification to this Escrow Agreement by the Parties, at which time the Assets then held in the Account including interest, if any, less Agent's unpaid fees, costs, and expenses shall be distributed to: Buckeye Wind Energy LLC, a Delaware limited liability company with its offices at 1 South Wacker Drive, Suite 1900, Chicago, IL 60606 or its successors in interest.

15. **Governing Law.** This Escrow Agreement shall be construed, enforced, and administered in accordance with the laws of the State of Kansas.

16. **Automatic Succession.** Any company into which the Agent may be merged or with which it may be consolidated, or any company to whom Agent may transfer a substantial amount of its escrow business shall be the successor to the Agent without the execution or filing of any paper or any further act of the Parties, save notice by the Agent, anything herein to the contrary notwithstanding.

17. **Tax Reporting.** The Agent shall have no responsibility for the tax consequences of the Escrow Agreement. The Agent hereby advises each party to this escrow to consult with independent legal counsel concerning the tax ramifications of this transaction. The foregoing exclusions of responsibilities and liabilities shall not apply to the negligence or intentional misconduct of Agent.

18. **Facsimile.** The Escrow Agreement may be executed in any number of counterparts, each of which shall be deemed to be one and the same instrument. The exchange of copies of this Escrow Agreement and of signature pages by facsimile transmission shall constitute effective execution and delivery of this Escrow Agreement as to the parties and may be used in lieu of the original Escrow Agreement for all purposes. Signature of the Parties transmitted by facsimile shall be deemed to be their original signatures for all purposes.

19. **Patriot Act.** To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust, or other legal entity Agent will ask for documentation to verify its formation and existence as a legal entity. Agent may also ask to see financial statements, licenses, identification, and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

20. **Security Advice Waiver Language.** The Parties hereto acknowledge that, in accordance with regulation of the Comptroller of the Currency, they have the right to receive

brokerage confirmations of security transactions as they occur. The Parties hereto specifically waive such notification to the extent permitted by law and acknowledge that Buckeye Wind Energy LLC will receive periodic cash transactions statements, which will detail all investment transactions.

IN WITNESS WHEREOF, the undersigned Escrow Parties have affixed their signatures and hereby adopt as part of this instrument Schedules I, II, III, and IV which are incorporated by reference.

ESCROW PARTIES

The Board of County of Ellis:

Agent:

Title: Commissioner

U.S. Bank National Association:

By: *Suede Holmgren*
Printed Name: SWEDE HOLMGREN

Title: Commissioner

By: _____
Georgina Thomas, Assistant Vice
President

By: *Barbara K. Wasinger*
Printed Name: Barbara K. Wasinger

The Company:

Title: Commissioner

Buckeye Wind Energy LLC

By: _____
Printed Name: _____

_____, its Vice President

ATTEST:

By: *Donna J. Meskus*
County Clerk



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ESCROW PARTIES

The Board of County of Ellis:

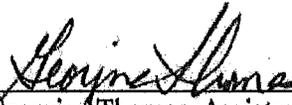
Agent:

Title: Commissioner

U.S. Bank National Association:

By: _____
Printed Name: _____

Title: Commissioner

By: 
Georgina Thomas, Assistant Vice
President

By: _____
Printed Name: _____

Title: Commissioner

The Company:

Buckeye Wind Energy LLC

By: _____
Printed Name: _____

_____, its Vice President

ATTEST:

By: _____
County Clerk

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IN WITNESS WHEREOF, the undersigned Escrow Parties have affixed their signatures and hereby adopt as part of this instrument Schedules I, II, III, and IV which are incorporated by reference.

ESCROW PARTIES

The Board of County of Ellis:

Agent:

Title: Commissioner

U.S. Bank National Association:

By: _____
Printed Name: _____

Title: Commissioner

By: _____
Georgina Thomas, Assistant Vice
President

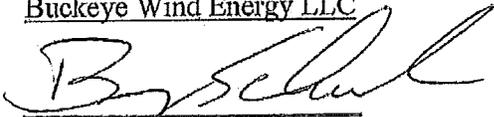
By: _____
Printed Name: _____

Title: Commissioner

The Company:

Buckeye Wind Energy LLC

By: _____
Printed Name: _____


Bryan Schuele, its Vice President
Vice President

ATTEST:

By: _____
County Clerk



SCHEDULE I

Purpose of the Account: The Account is being set up to hold funds as collateral for the obligations of Buckeye Wind Energy LLC, a Delaware limited liability company pursuant to that certain Road Maintenance Agreement (the "Road Agreement") dated 11/25, 2013 by and among the Board of County Commissioners of Ellis County, Kansas (the "County") and Buckeye Wind Energy LLC (the "Developer").

Assets: One hundred thousand dollars (\$100,000.00) deposited with the Agent by Buckeye Wind Energy LLC, a Delaware limited liability company ("Buckeye Wind Energy") prior to the commencement of construction pursuant to Section 9 of the Road Agreement. As set forth in the Road Agreement, Buckeye Wind Energy shall maintain and replenish the Escrow Account in the event the County is reimbursed from the Escrow Account for its reasonably incurred costs

SCHEDULE II

The funds shall be paid into the Account by Buckeye Wind Energy LLC to the Agent according to the wiring instructions below:

U.S. Bank, N.A.

ABA# 091000022

Acct# 180121167365

Ref: Ellis County/Buckeye Wind Escrow 2013

Attn: Georgina Thomas/Maria Bui

Draw Requests: The County may submit a draw request in the form attached hereto as Exhibit A to Schedule II on the Assets to Agent for a portion of the Assets, which request shall be simultaneously delivered to Buckeye Wind Energy LLC at the address provided herein (the "Draw Request"). Agent need not inquire into or verify such draw request.

Notice Addresses

If to the Board of County of Ellis:

Address: P.O. Box 720

Address: 1204 Fort St.

ATTN: Greg Sund, County Administrator

Facsimile: N/A

Telephone: 705.621.4219

E-mail: gsund@elliscc.net

If to Buckeye Wind Energy LLC:

Address: 19 Wacker Dr.

Address: Suite 1900

ATTN: Allison Sand

Facsimile: 312.224.1444

Telephone: 312.582.1444

E-mail: asand@inenergyllc.com

If to the Agent: U.S. Bank National Association

633 W. 5th Street, 24th floor

Los Angeles, CA 90071

ATTN: Georgina Thomas

Telephone: (213)615-6001

Facsimile: (213)615-6199

Email: georgina.thomas@usbank.com

Exhibit A to Schedule II

Form of Draw Request

Attn: Georgina Thomas
US Bank, National Association
633 W. 5th St., 24th Floor
Los Angeles, CA 90071

Buckeye Wind Energy LLC
c/o Invenergy LLC
1 S Wacker Dr., Suite 1900
Chicago, IL 60606

Ladies and Gentlemen:

I/We hereby certify the following statements in this letter and hereby submit a request for a draw on the funds (the "Assets") held in that certain Escrow Agreement dated December _____, 2013 with U.S. Bank National Association (the "Escrow Agreement") in the amount of U.S. \$ • ("this Disbursement") pursuant to my/our rights set forth in that certain Road Maintenance Agreement dated _____, 2013 (the "Road Agreement") by and among the Board of County Commissioners of Ellis County, Kansas (the "County") and Buckeye Wind Energy LLC. Any capitalized term used but not defined herein shall have the meaning given to such term in the Road Agreement.

In connection with this Disbursement, by signing below, I/we hereby certify, represent and warrant that:

A) Buckeye Wind Energy LLC has failed to make a payment required under the Road Agreement and I/we are entitled to draw upon the Assets to reimburse me/ourselves for such payment;

B) I/We have given written notice of such failure to pay to Buckeye Wind Energy LLC in accordance with the terms of the Escrow Agreement and Road Agreement and Buckeye Wind Energy LLC has failed to cure such failure or dispute such failure to pay within the time period set forth in the Escrow Agreement, or Road Agreement, as the case may be;

A AND B ABOVE ARE ATTESTED TO BY ME/US AS OF THIS _____ DAY OF _____, 20[]].

Signature of Ellis County

SCHEDULE III

U.S. BANK NATIONAL ASSOCIATION MONEY MARKET ACCOUNT AUTHORIZATION FORM DESCRIPTION AND TERMS

The U.S. Bank Money Market account is a U.S. Bank National Association ("U.S. Bank") interest-bearing money market deposit account designed to meet the needs of U.S. Bank's Corporate Trust Services Escrow Group and other Corporate Trust customers of U.S. Bank. Selection of this investment includes authorization to place funds on deposit and invest with U.S. Bank.

U.S. Bank uses the daily balance method to calculate interest on this account (actual/365 or 366). This method applies a daily periodic rate to the principal balance in the account each day. Interest is accrued daily and credited monthly to the account. Interest rates are determined at U.S. Bank's discretion, and may be tiered by customer deposit amount.

The owner of the account is U.S. Bank as Agent for its trust customers. U.S. Bank's trust department performs all account deposits and withdrawals. Deposit accounts are FDIC Insured per depositor, as determined under FDIC Regulations, up to applicable FDIC limits.

AUTOMATIC AUTHORIZATION

In the absence of specific written direction to the contrary, U.S. Bank is hereby directed to invest and reinvest proceeds and other available moneys in the U.S. Bank Money Market Account. The U.S. Bank Money Market Account is a permitted investment under the operative documents and this authorization is the permanent direction for investment of the moneys until notified in writing of alternate instructions

Schedule IV
Escrow Agent Fees

Acceptance Fee	\$1000
Annual Administration Fee	\$1200

Agent's fees are payable by Company upon execution of the Escrow Agreement and receipt of the amount to be deposited in escrow.

ROAD MAINTENANCE AGREEMENT

THIS ROAD MAINTENANCE AGREEMENT (this "Agreement") is made as of the 25th day of November, 2013, by and between Buckeye Wind Energy LLC, a Delaware limited liability company ("Buckeye Wind"), and the Board of County Commissioners of Ellis County, Kansas ("County") (collectively, Buckeye Wind and County are sometimes referred to as the "Parties").

RECITALS:

- A. Buckeye Wind desires to evaluate, develop and construct a wind-powered electrical generating facility together with all necessary distribution, transmission, and access needs located in Ellis County (the "Project" or "Projects").
- B. As part of its development efforts, Buckeye Wind filed an application on behalf of the Project's property owners with the Ellis County Zoning Administrator for a Conditional Use Permit (the "CUP").
- C. On June 10, 2013, the Board of County Commissioners of Ellis County approved County Resolution 2013-18 authorizing the CUP.
- D. Although the CUP does not include specific contingencies, limitations, and restrictions, pertaining to Buckeye Wind's use of Ellis County roads and rights of way during the construction and operation of the Project, the Parties agree that it is in the best interest of each to memorialize the rights, obligations, and responsibilities of the Parties with respect to Buckeye Wind's use of Ellis County roads and rights-of-way during construction and operation of the Project.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual promises, covenants, and agreements contained herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties to this Agreement hereby stipulate and agree as follows:

1. **Permit for Use of Rights-of-Way.**

- a. Application for Permit. The parties anticipate and acknowledge that in connection with the construction, operation and maintenance of electric collection and interconnection transmission lines, conductors, cables and other equipment appurtenant thereto (collectively, the "Facilities"), Buckeye Wind will apply for one or more permits to use County rights-of-way. Specifically, it is anticipated that Buckeye Wind will construct overhead transmission lines perpendicular to the right-of-way, plus or minus 20 degrees, at the following locations: Buckeye Road between 200th Avenue and Hyacinth Avenue, Hyacinth Avenue between Buckeye Road and Locust Grove Road, Locust Grove Road at the Hyacinth intersection, Hopewell Road at the 210th Avenue intersection, and Emmeram Road at the 210th Avenue intersection (all at an angle within 20 degrees); and Feedlot Road at the intersection of 220th Avenue

(at an angle greater than 20 degrees). All such locations are shown in the site plan layout and transportation plan map, a true and correct copy of which is attached hereto as Exhibit "A," and incorporated herein by reference. It is further anticipated that all other right-of-way crossings will be by underground borings perpendicular to the rights-of-way, plus or minus 20 degrees. All underground borings across any right-of-way shall commence and terminate outside of the right-of-way. No boring shall be made across a right-of-way at the intersection of rights of way. Buckeye Wind shall apply for permits to cross and use the County's rights-of-way pursuant to the procedure and application attached hereto as Exhibit "B." Permits will be considered in accordance with the usual and customary criteria utilized by the County and will not be unreasonably denied.

b. Ownership. The Facilities installed pursuant to this Agreement shall remain the property of Buckeye Wind. Notwithstanding the foregoing, Buckeye Wind shall have the right to sell, assign, or lease portions of its Facilities to other parties and, in that event, such other parties shall, with Buckeye Wind, have the right, in the manner and to the same extent above, to operate the Facilities in, along, under, and across said rights-of-way. Buckeye Wind shall, at all times and at its sole cost and expense, maintain the Facilities in good condition and repair, ordinary wear and tear excepted.

c. Termination. In the event the Project is terminated by Buckeye Wind, Buckeye Wind shall remove all the Facilities in, along, and across certain rights of way owned by Ellis County and situated in Ellis County, to a depth of four (4) feet below the surface of the ground, within eight (8) months from the cessation of commercial operation of the Facilities and subject to the requirements of the Decommissioning Agreement dated November 25, 2013, between the parties. If Buckeye Wind fails to remove any of the Facilities within the required time period, such Facilities shall be considered abandoned by Buckeye Wind and Ellis County may remove these Facilities from the property and dispose of them in its sole discretion without notice or liability to Buckeye Wind. If Ellis County incurs costs to decommission and remove any of the Facilities, Buckeye Wind hereby agrees to indemnify Ellis County for such net costs and agrees to reimburse Ellis County for those amounts reasonably incurred, within sixty (60) days of receipt of adequate documentation of the costs.

2. Obligations of Buckeye Wind.

a. Roads. Buckeye Wind shall, prior to the use of any road within Ellis County, obtain the approval of the Public Works Department for local paths and restrictions on roads or bridges, which approval will not be unreasonably withheld. At Buckeye Wind's expense, Buckeye Wind shall contract with Ellis County, or where Ellis County is unable or unavailable to perform on a commercially competitive basis, then with qualified contractors, to repair any damage to the County's roads due to any cause connected with the Project ("Road Repair Operations"). In the event a hazardous road condition exists that is not promptly corrected by Buckeye Wind, the Public Works Department may make emergency road repairs or order emergency road repairs to be performed by qualified contractors, and Buckeye Wind shall promptly reimburse Ellis County for reasonable emergency road repair costs. Except in the case of

emergency road repair, Buckeye Wind shall notify the Public Works Department forty-eight (48) hours in advance of any road repair project and/or the closing or partial closing of any road in connection with the road repair project. Weather permitting, the final Road Repair Obligations shall be completed to the reasonable satisfaction of the Public Works Department within six (6) months after the completion of construction of the Project, or as soon thereafter as weather conditions permit. Road repair shall include restoration of original configuration of ditches, slopes, embankments or fills within the right-of-way unless special circumstances dictate otherwise, and specific approval has been requested by Buckeye Wind and granted by the Public Works Department. In the event it becomes necessary to remove or displace any traffic control device along the transportation routes, the same shall be reinstalled by Buckeye Wind at their original locations and restored to their original condition. Immediately upon completion of the reinstallation of any traffic control device, the Public Works Department will be notified and given an opportunity to inspect and approve the same. All materials and construction methods shall be equal to or better than the standards established by AASHTO for "utilities within highway right of way." All warning and work zone signs shall comply with the "Uniform Manual for Traffic Control Devices." Road closures shall only be allowed when consistent with the submitted and pre-approved work plan and only after notification to Ellis County Emergency Services in person or by telephone at 785-625-1060.

b. Emergency Services. To the extent Buckeye Wind's construction or operation of the Project results in an increase in expenses for emergency services provided by Ellis County (e.g. increased emergency personnel training and equipment), Buckeye Wind agrees to pay directly to the County its allocable share of such increased expenses as determined in good faith by the parties hereto, referencing documentation supporting such increase in expenses.

c. Transportation Route Consultation. The parties acknowledge by their respective approvals of this Agreement that the County has approved the transportation routes to be used by Buckeye Wind; that Buckeye Wind has prepared a map, and the County has received said map, indicating the routes to be used in the construction and maintenance of the Project; and that a true and correct copy of said map is attached hereto as Exhibit "A" and incorporated herein by reference. Only approved transportation routes shall be used for construction activities, including but not limited to the delivery of equipment and materials to the Project site. Buckeye Wind shall limit unnecessary traffic interference or restrictions by prohibiting subsidiary staging of construction vehicles, including daily parking of equipment and personal vehicles on the road right-of-way.

d. Facilities Relocation. If at any time during its use of the Ellis County rights-of-way, Ellis County determines in its reasonable judgment that it is necessary to relocate the Facilities for purposes of public safety, Buckeye Wind agrees to pay for all reasonable expenses necessary for the relocation. No facilities relocation shall be made without the prior approval of the Public Works Department.

e. Heavy Vehicles. Buckeye Wind shall advise the Public Works Department as early as practicable prior to the commencement of any heavily laden vehicles and/or equipment transit over Ellis County's public roads, and in the event the Public Works Department identifies a concern regarding the load-bearing capacity of any road or structure, the same shall not be used for the transportation of any heavily laden vehicles or equipment until the safety concerns have been alleviated.

3. Obligations of Ellis County.

a. Ellis County agrees to make the Ellis County Public Works Director or his designee available to perform his obligations as set forth herein. Ellis County shall give timely notification to Buckeye Wind of any conditions which come to their attention and may give rise to a Road Repair Obligation or which would constitute a "hazardous road condition" as described in Paragraph 2a above. In consideration of said Director's availability, Buckeye Wind shall pay the County an administrative fee of \$5,025.00 per month effective upon commencement of Project construction and continuing on a monthly basis thereafter until the Project's commercial operation date defined as the date upon which the Project begins delivering electricity on a commercial basis, i.e., in quantities and for periods greater than required for testing.

b. Within forty-five (45) calendar days of submittal of the Site Layout Plan or any subsequent revisions, the County agrees to review and in writing either approve or disapprove with comments the proposed Project site access road entrances, such approval not to be unreasonably withheld, conditioned or delayed.

c. Within forty-five (45) calendar days of submittal of engineered drawings of crossing locations, work, and improvement design for Project collection facilities' crossings of the County's rights-of-way, the County agrees to review and in writing either approve or disapprove with comments such drawings, such approval not to be unreasonably withheld, conditioned or delayed. Upon such approval and conditioned only upon receipt of the normal permit fee and any required permit application, the County will cause all necessary permits, within the control of the County, to be issued to allow Buckeye Wind, its successors and assigns to install construct, operate, repair, replace, remove, inspect, and perpetually maintain Project collection facilities crossing under or over the rights-of-way within the Project boundary (and no further permit or easement, from the County, shall be necessary for such purpose. Other permits or consent, outside of the control of the County, may or may not be required.) Any terms and/or condition set forth in the form permit application that do not conflict with the terms and conditions set forth herein shall remain in full force and effect. In the case of a conflict between terms and conditions on the form permit and this Agreement, this Agreement shall control.

d. Within forty-five (45) calendar days of submittal of engineered drawings of driveways for Project access roads, the County agrees to review and in writing either approve or disapprove with comments such drawings, such approval not to be unreasonably withheld, conditioned or delayed. Upon such approval and following receipt of the normal permit fee, the County will cause all necessary permits, within its control, to be issued, if any.

- e. Within forty-five (45) calendar days of submittal of any required transportation impact analysis and a principal road upgrade schedule, as necessary, or any subsequent revisions, the County agrees to review and in writing either approve or disapprove with comments the proposed Project road impacts, such approval not to be unreasonably withheld, conditioned or delayed.
4. **Cooperation.** Buckeye Wind and the County agree to communicate and cooperate in good faith concerning the safe implementation of the Project and preventing or correcting any hazardous road condition that may be created by the Project.
 5. **Engineer.** If necessary to determine appropriate and safe routes, the County may consult with a qualified and certified engineer regarding load pass or restrictions. Buckeye Wind shall reimburse County for all reasonable out-of-pocket expenses and fees incurred by County for such consultation.
 6. **Temporary Access.** Buckeye Wind shall promptly notify the Public Works Department if it shall be necessary to construct or partially construct any temporary access on County roads in order to construct the Project, and Buckeye Wind shall further agree to return such access to its original status unless otherwise agreed upon in writing by the parties.
 7. **Indemnification.** Buckeye Wind agrees to defend, indemnify, and hold harmless Ellis County and its commissioners, trustees, administrators, employees, and representatives (collectively the "Indemnified Party") against any and all losses, damages, claims, expenses, and liabilities for physical damage to the property of Ellis County and for physical injury to any person, including reasonable attorneys' fees, to the extent same is a result of any activities or operations of Buckeye Wind, its agents and employees on the property of the County. Furthermore, Buckeye Wind agrees to defend, indemnify, and hold harmless the Indemnified Party from any third party claims arising out of terms and conditions of this Agreement. This indemnification obligation shall survive the termination of this Agreement.
 8. **Insurance.** Buckeye Wind shall at all times during construction and operation of the Project, carry: (i) Worker's Compensation insurance in accordance with the laws of the State of Kansas and Employer's Liability insurance, (ii) Commercial General Liability insurance with minimum limits of \$5,000,000 per occurrence, and (iii) Automobile Liability insurance with minimum limits of \$5,000,000 per occurrence. Certificates of insurance will be provided to County upon written request to Buckeye Wind. All insurance required by this paragraph shall name County as an additional insured.
 9. **Escrow Account.** Prior to the commencement of Project construction, Buckeye Wind shall deliver to a qualified escrow agent, which shall be a bank with trust powers active and in good standing with the Secretary of State of Kansas and authorized to transact such business in Kansas, a payment of One Hundred Thousand Dollars (\$100,000) ("Escrow Account") to be held in escrow in order to ensure its compliance with all of the requirements of this Agreement. During the construction phase of the Project, Buckeye Wind shall maintain and

replenish the Escrow Account in the event the County is reimbursed from the Escrow Account for its reasonably incurred costs for repairs to public roads to the extent such roads are materially damaged as a direct result of Project construction equipment or vehicles and such roads are not repaired in a timely manner by Buckeye Wind.

10. **Compliance with Laws.** Buckeye Wind shall at all times comply with all federal, state, and local laws, statutes, ordinances, rules, regulations, judgments, and other valid orders of any governmental authority with respect to Buckeye Wind's activities associated with the Project and shall obtain all permits, licenses, and orders required to conduct any and all such activities.
11. **Entire Agreement.** It is mutually understood and agreed that this Agreement constitutes the entire agreement between the Parties hereto and supersedes any and all prior oral or written understandings, representations, or statements, and that no understandings, representatives, or statements, verbal or written, have been made which modify, amend, qualify, or affect the terms of this Agreement. This Agreement may not be amended except in a writing executed by both Parties.
12. **Default.** Any failure by a party to this Agreement to perform a material obligation hereunder which is not remedied within thirty (30) days after receipt by the defaulting party of written notice of such failure shall be deemed a default under this Agreement and, in such case, the non-defaulting party shall be entitled to pursue any remedies available at law or in equity and allow the non-defaulting party to terminate this Agreement. Notwithstanding the foregoing, so long as the defaulting party has initiated and is diligently working to effect a cure, the defaulting party's cure period shall extend for a time period reasonably sufficient for the default to be remedied.
13. **Relationship of the Parties.** The duties, obligations, and liabilities of each of the parties are intended to be several and not joint or collective. This Agreement shall not be interpreted or constructed to create an association, joint venture, fiduciary relationship, or partnership between the parties hereto or to impose any partnership obligation or liability or any trust or agency obligation or relationship upon either party. The parties hereto shall not have any right, power, or authority to enter into any agreement or undertaking for, or act on behalf of, or to act or be an agent or representative of, or otherwise to bind, the other party.
14. **Successors and Assigns.** This Agreement shall inure to the benefit of and shall be binding upon the Parties hereto, their respective successors, assignees and legal representatives.
 - (i) **Assignment Requiring Consent.** This Agreement may not be assigned without the written consent of the other Parties and such consent shall not be unreasonably withheld, conditioned or delayed.
 - (ii) **Permitted Assignment.** Notwithstanding subparagraph (i) above, Buckeye Wind shall be entitled to assign this Agreement, in whole or in part, without the prior written consent of the County to any affiliate of Buckeye Wind or to any person or entity providing financing to Buckeye Wind or any such affiliate or any collateral agent or security trustee acting on behalf of any such person or entity (each a "Permitted Assignment"). Any such assignment that is a collateral assignment for financing purposes will not relieve Buckeye Wind of its obligations under this Agreement. In the event of a Permitted Assignment, Buckeye Wind shall, prior to such assignment, provide written notice to the

County of the name, address, entity type and state of incorporation of the assignee, as well as the name and address of the assignee's registered agent in the State of Kansas. It is understood, however, that any assignee shall be bound by the terms and conditions contained within this Agreement.

15. **Notices.** Notices, requests, demands, and other communications shall be sent to the following addresses:

If to Buckeye Wind Energy LLC:

Buckeye Wind Energy LLC
In care of INVENERGY WIND DEVELOPMENT LLC
One South Wacker Drive
Suite 1900
Chicago, IL 60606

If to Ellis County:

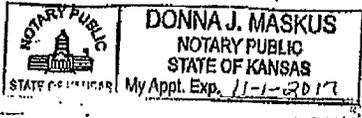
Ellis County Clerk
P.O. Box 720
Hays, KS 67601

16. **Relevant Law.** Any and all disputes arising under this Agreement and/or relating to the actual development and/or construction of the Project shall be resolved pursuant to the laws of the State of Kansas.
17. **Disputes.** Should a dispute arise between the Parties in determining whether withdrawals from the Escrow Account are warranted or whether hazardous road conditions exist as defined in Section 2a, such determination shall be made by an independent road engineer licensed in Kansas and selected by the mutual agreement of the Parties (the "Independent Engineer"). Compensation for work performed by the Independent Engineer shall be shared equally by the Parties.
18. **Waiver of Breach.** No waiver of a breach of this Agreement shall be deemed a waiver of any subsequent breach.
19. **Severability.** If any provision of this Agreement shall be held by a court of competent jurisdiction to be contrary to public policy or unenforceable for any reason, such finding shall not invalidate any other provision of this Agreement and such provision shall be replaced with a suitable and equitable provision in order to carry out, so far as may be valid and enforceable, the extent of such provision that has been found to be contrary to public policy or unenforceable.
19. **Binding Effect.** This Agreement shall bind the assigns and successors of the respective parties hereto to the same full degree and extent as the parties themselves are hereby bound.

STATE OF KANSAS)
) ss.
COUNTY OF ELLIS)

The foregoing instrument was acknowledged before me this 25th day of November, 2013 by Swede Holmgren, Commissioner.

Swede Holmgren



Donna J. Maskus
Notary Public for Swede Holmgren
My commission expires: 11-1-2017

STATE OF KANSAS)
) ss.
COUNTY OF ELLIS)

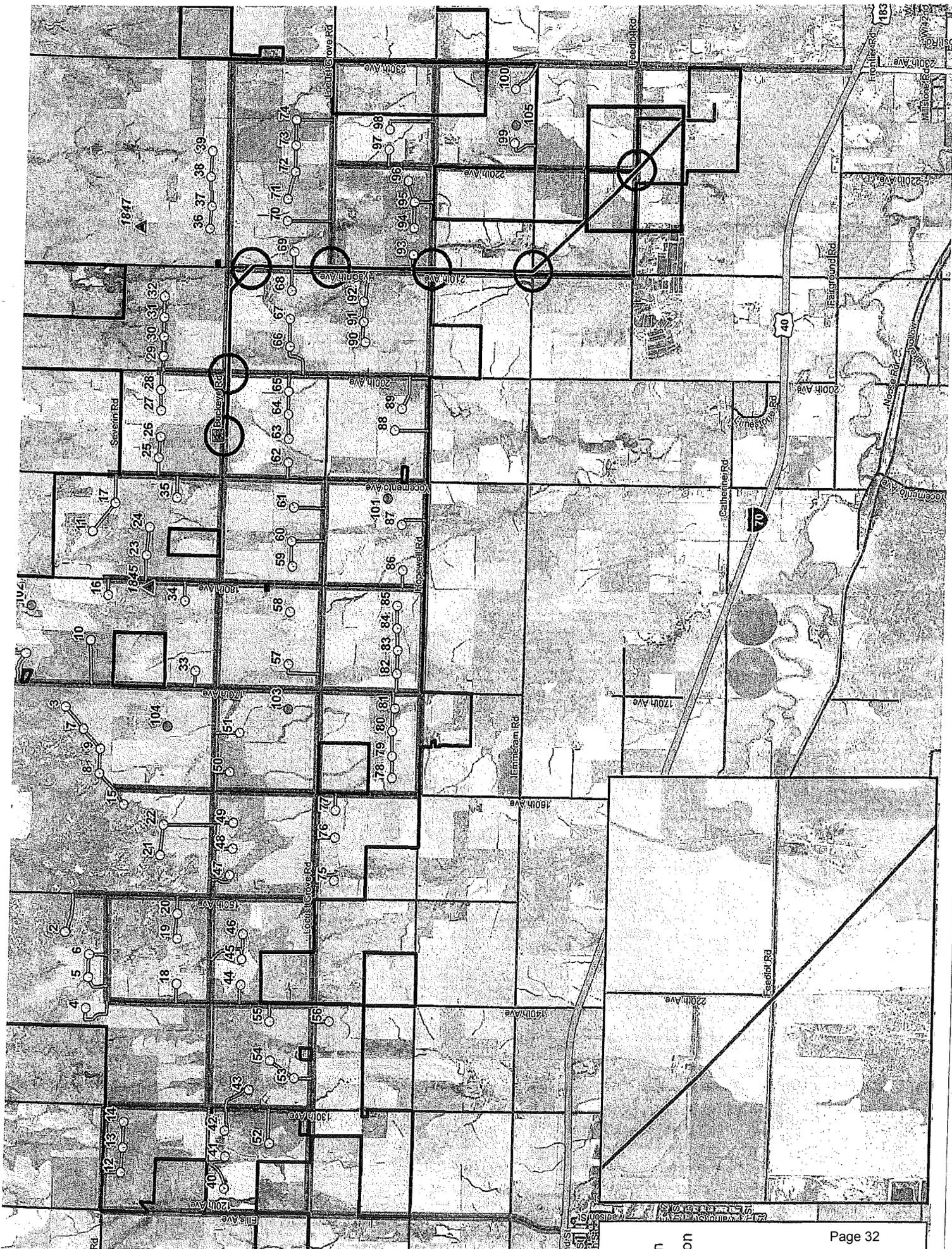
The foregoing instrument was acknowledged before me this 25th day of November, 2013 by Barbara K. Wasinger, Commissioner.



Donna J. Maskus
Notary Public for Barbara K. Wasinger
My commission expires: 11-1-2017

Exhibit A

(on following page)



ELLIS COUNTY
AGENDA ITEM COVER SHEET
COMMISSION AGENDA DATE: APRIL 4th, 2016

TOPIC:

Discussion on the implementation of a burn ban.

ACTION REQUESTED:

Approval to move forward of notifying county residents of the implementation of a county wide burn ban effective April 11th, 2016 until further notice.

DISCUSSION:

The Ellis County Fire Chief will draft a new 2016 county resolution for approval by the Ellis County Commissioners, implementing a county wide burn ban effective April 11th. Due to the projected dry weather and drought conditions, it is in the best interest of the county residents to start the burn ban.

In the future, if significant rainfall totals accumulate, the burn ban could be temporarily lifted to allow burning for a short time. However, it creates confusion and controversy to implement and lift burn ban and should be limited.

FINANCIAL IMPACT:

There are no financial concerns or impacts of this decision. However, by not implementing a burn ban, firefighting expenses can increase due to wildland fires. Also costs could be incurred by Ellis county residents with the loss of crops and property.

PRESENTED BY:

Darin Myers, Ellis County Fire Chief

REVIEWED BY COUNTY ADMINISTRATOR:

Yes No N/A

REVIEWED BY COUNTY COUNSELOR:

Yes No N/A

ATTACHMENTS:

None

ELLIS COUNTY
AGENDA ITEM COVER SHEET
COMMISSION AGENDA DATE: 4-4-16

TOPIC:

Letter Agreement with Adams, Brown, Beran & Ball for Budget Preparation Consulting

ACTION REQUESTED:

Approve the attached engagement letter and authorize the Chair to sign.

DISCUSSION:

Prior to the creation of the County Administrator position, the accounting firm of Adams, Brown, Beran & Ball (ABBB) assisted Ellis County with preparation of the annual budget. ABBB performs this service for a number of other counties in western Kansas. Due to the vacancy in the County Administrator position last summer, ABBB was again called upon to assist the County in this manner. To provide continuity in the budgeting process, the new County Administrator proposes to continue engaging the services of ABBB – although at a reduced level – for the preparation of the 2017 budget. ABBB is amenable to providing this level of service and has provided the attached engagement letter.

FINANCIAL IMPACT:

The cost of the agreement will not exceed \$10,000, which will be paid from the Administrator's budget. There are sufficient savings from the vacancy in the position during the months of January and February to cover this cost.

PRESENTED BY:

County Administrator Phillip Smith-Hanes

REVIEWED BY COUNTY ADMINISTRATOR:

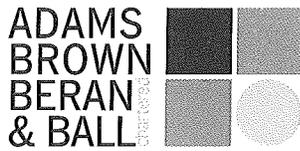
Yes No N/A

REVIEWED BY COUNTY COUNSELOR:

Yes No N/A

ATTACHMENTS:

Letter from ABBB Dated March 28, 2016



Phone (785)628-3046 ■ Fax (785)628-3089 ■ www.abbb.com

718 Main ■ Suite 224

P.O. Box 1186 ■ Hays, Kansas 67601

Certified
Public
Accountants

March 28, 2016

To the County Commission
Ellis County, Kansas
718 Main
Hays, Kansas 67601

This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide.

We will perform the following services:

1. We will assist the County Administrator in the preparation of the 2017 budget.
2. We will also provide such additional accounting services as necessary to obtain sufficient accounting records from which to prepare the budget.

We will offer suggestions and consultation regarding your budget, but the accuracy and suitability of the budget remains with you.

Our engagement cannot be relied upon to disclose errors, fraud, or illegal acts. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement.

Our fee for these services will not exceed \$10,000. It is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagements as described in this letter, please sign the enclosed copy and return it to us.

Adams, Brown, Beran & Ball, Chartered

ADAMS, BROWN, BERAN & BALL, CHTD.
Certified Public Accountants

Acknowledged:
Ellis County, Kansas

ELLIS COUNTY
AGENDA ITEM COVER SHEET
COMMISSION AGENDA DATE: 4-4-16

TOPIC:

Commission Budget Planning Session

ACTION REQUESTED:

Provide direction to the County Administrator on priorities for development of the 2017 Ellis County budget and direct the County Administrator to communicate those priorities to department heads, elected officials and outside agencies that receive County appropriations.

DISCUSSION:

Per the County's budget policy, the annual process for development of the succeeding calendar year budget is to begin with a planning session at which the County Administrator receives "direction and priorities for development of the following year budget." In accordance with the schedule approved by the Commission on March 14, tonight is the first opportunity for providing direction to staff on budget development.

FINANCIAL IMPACT:

There is no cost associated with articulating the Commission's priorities. The annual County budget process provides funding for various programs and services of importance to the community.

PRESENTED BY:

County Administrator Phillip Smith-Hanes

REVIEWED BY COUNTY ADMINISTRATOR:

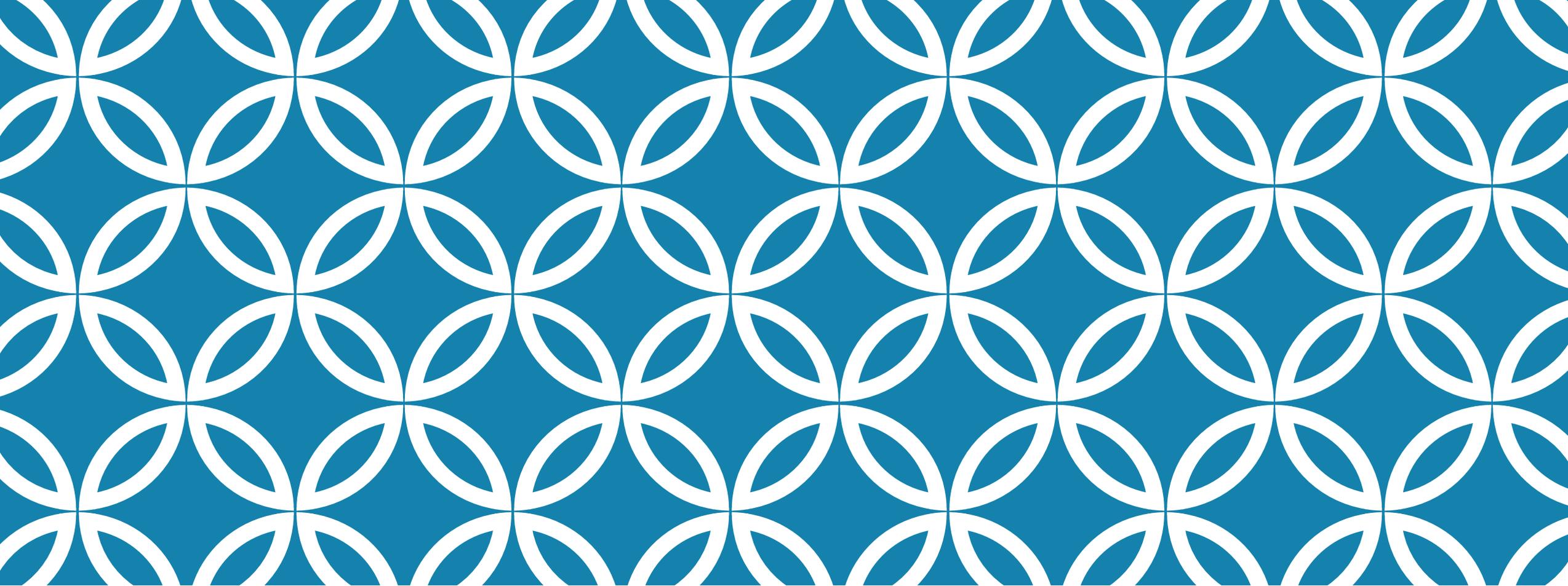
Yes No N/A

REVIEWED BY COUNTY COUNSELOR:

Yes No N/A

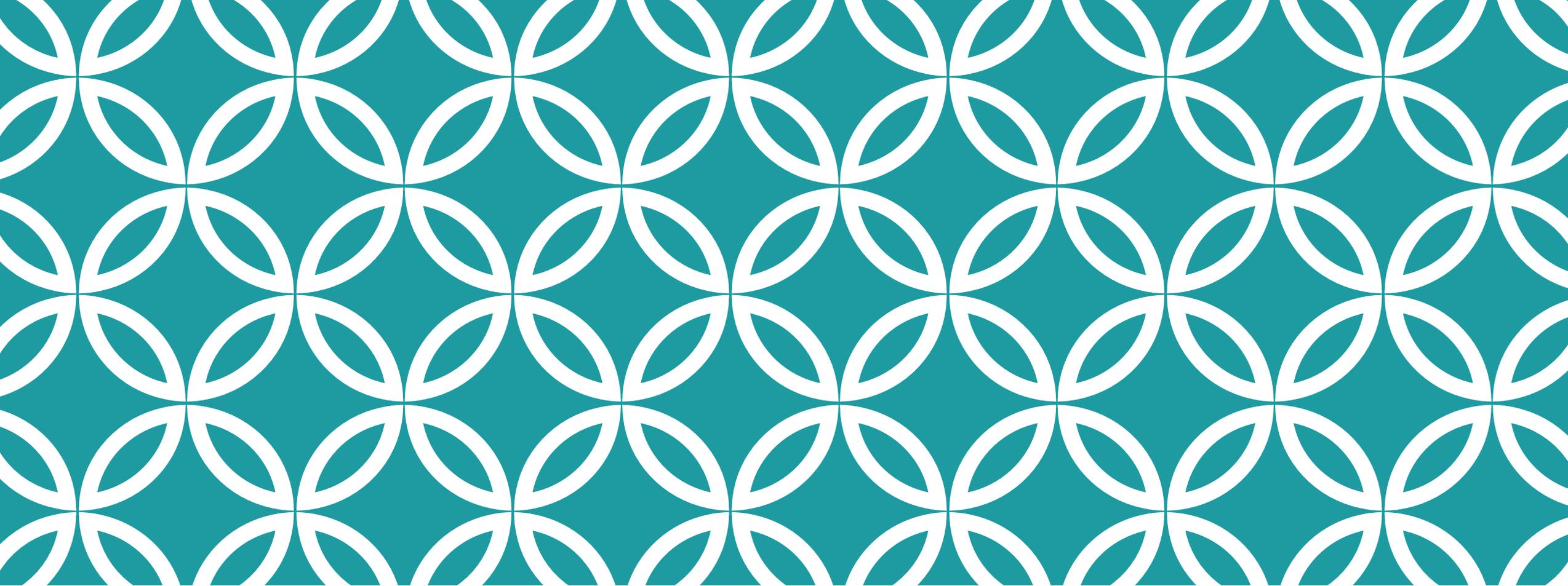
ATTACHMENTS:

PowerPoint slides – 2017 County Budget: Commission Priorities



2017 COUNTY BUDGET: COMMISSION PRIORITIES

April 4, 2016



BUDGETS ARE A POLICY DECISION

Conflicting Desires
Fiscal Realities
Community Vision

CONFLICTING DESIRES

What we want

Streamline operations

Run the County more like a business

Increase efficiencies

Position Ellis County as a regional hub

May be at odds with other values

Treat people well

Take care of road issues

Bring people together

Look for places to cut back

FISCAL REALITIES

“Bad budget”

Negative but as yet unknown oil industry impacts

State legislative changes (tax lid, revenue cuts)

Desire to maintain tax rates

But...

Growth in assessed valuation

Depletion reserve carry-forward

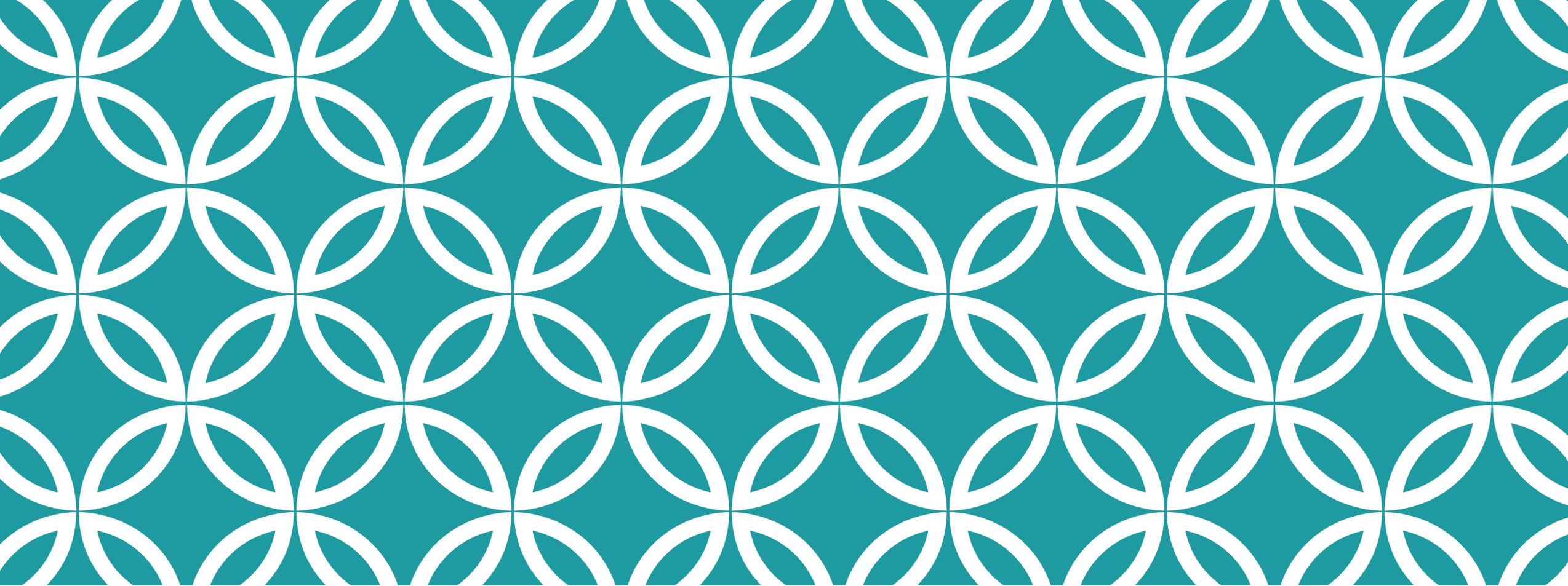
Buckeye Wind PILOT

Budget Stabilization Account

COMMUNITY VISION

How do we ensure that the decisions we make today do not impact our ability to have the services we want/need into the future?

- Need to constrain ongoing costs
- Lack of funds for one-time investments
- Cuts to subsidies
- Retaining high-quality employees (pay, training, resources to do job)
- Savings for repairs/replacement of key infrastructure (buildings, roads, fleet, technology)
- Quality of life (economic development, mental health)



THE NITTY-GRITTY

Commission Direction
The Numbers
Flexibility for Staff

COMMISSION DIRECTION

2014:

- Water
- Safe community
- Economic development
- PTO management
- Asset management
- Cost of health insurance

2015:

- Cut back more in the future
- 5% cut in 2017

THE NUMBERS

General Fund budget for 2016:
\$22,547,921

- 5% = \$1,127,396.05

Ad valorem tax for 2016: \$13,569,391

- 1% = \$135,693.91

Reserve for 2017 Expense: \$1,554,000

General Fund budget excluding salaries
& benefits: \$10,485,118

- 5% = \$524,255.90

County Clerk budget for 2016:
\$309,197

- 5% = \$15,459.85

Total of all lines except salaries:
\$14,000

Salaries represent 95.47% of total
budget

Office has 5 total staff (1 elected)

FLEXIBILITY FOR STAFF

What is the target number for cuts?

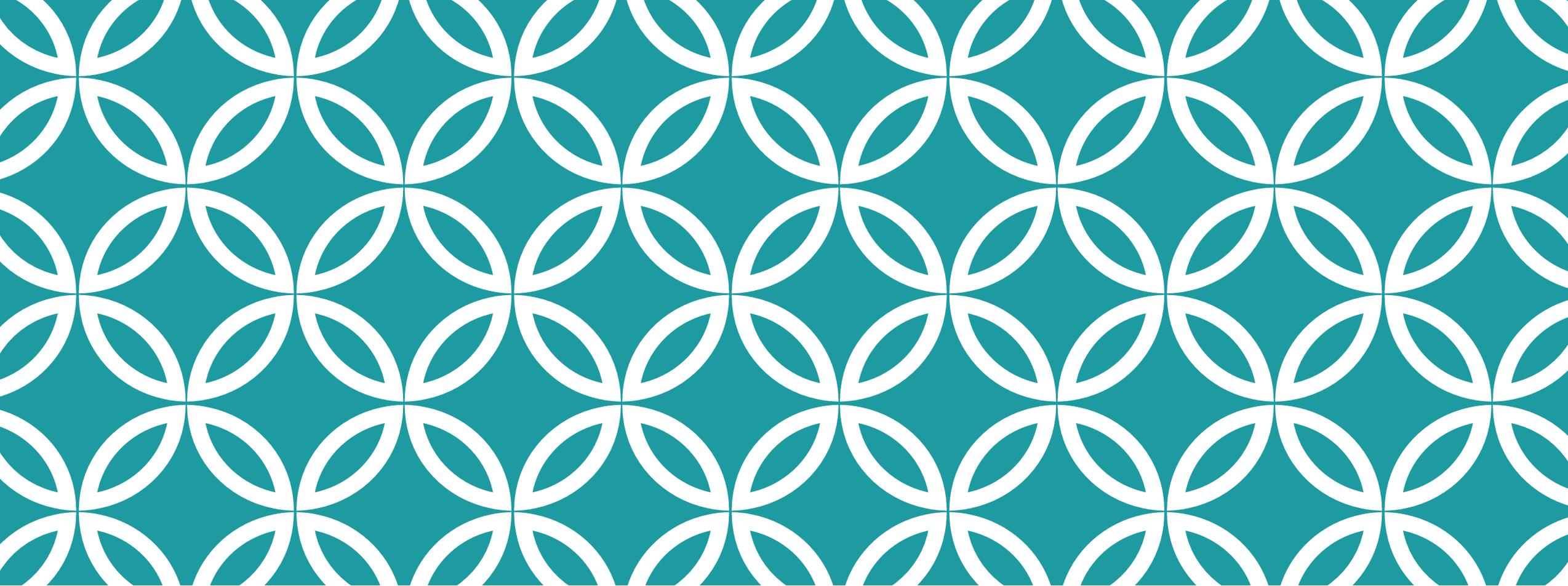
Can new revenues (non-property tax) be used to hit cut number?

Total across all departments (horse trading) vs. per department?

Can growth in AV be used to hit cut number, or should it be reserved for potential salary and capital investments?

Should we work to avoid position eliminations, or is everything on the table?

What about regional collaborations?



DISCUSSION/QUESTIONS