

City of Neodesha Quarterly Report

Quarter 1, 2026

Prepared for the Community



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City Administrator Letter

City of Neodesha Quarterly Administrator Update

Dear Residents,

As we move through the first quarter of 2026, I would like to take a moment to provide an update on several important projects, operational highlights, and ongoing initiatives within the City of Neodesha.

This quarter has been marked by steady progress across multiple areas, including infrastructure, utilities, public safety coordination, and community development. One of the most significant accomplishments has been securing \$750,000 in Community Development Block Grant (CDBG) funding for the Granby Street project. In addition, we have submitted an Economic Development Administration (EDA) application and continue working closely with state and federal partners to strengthen our position for additional funding opportunities.

Our partnership efforts have also expanded this quarter. The City successfully launched the joint Neodesha-Labette EMS Board, where I currently serve as Chair. This collaboration will help improve emergency services and coordination throughout the region. We are also actively participating in regional initiatives, including the Stay Strong Live Long Coalition, and working with KDOT on potential future grant-funded curb extension improvements.

From a utilities standpoint, we have taken steps to improve efficiency and reduce costs. KMEA and Encore Energy will now assist with our electrical and natural gas adjustment calculations, replacing services previously provided by Priority Power. These changes are expected to save the City approximately \$12,000 annually while improving consistency and oversight.

Our utility teams have also remained responsive to operational needs. A power outage in February was resolved quickly by staff, with only minor damage reported and repaired promptly. Additionally, we have invested in new equipment, including a bucket truck, and are evaluating upgrades to key infrastructure such as the sewer lift station.

Infrastructure and maintenance projects continue to be a priority. Staff are addressing roadway improvements, drainage planning on Fir Street, sidewalk expansion options, and repainting of traffic markings. We are also coordinating with contractors and insurance providers on inspections and storm-related claims for City facilities.

Community engagement and quality-of-life initiatives have also remained a focus. The City participated in Employee Appreciation Day, supported training opportunities for staff, and is preparing to take part in the upcoming school "Touch-a-Truck" event. We are also continuing to improve public communication, including sharing utility information and commission highlights with residents.

Parks and recreation efforts are ongoing, with repairs underway on the pond fountain to ensure it is operational for upcoming events. Planning is also beginning for improvements at Riverwalk Park through future grant opportunities. As soccer season begins, staff have worked to ensure fields are fully equipped, and we are actively evaluating solutions to address increased parking demand due to program growth.

Looking ahead, we are continuing preparation for the 2027 budget, exploring future CDBG grant opportunities, and working to strengthen partnerships with service providers within Neodesha to ensure fast and reliable service.

Overall, this quarter reflects strong momentum for the City of Neodesha. Through careful planning, regional collaboration, and a continued focus on efficiency and service, we are working to position our community for long-term success.

As always, we appreciate the support of our residents, staff, and community partners.

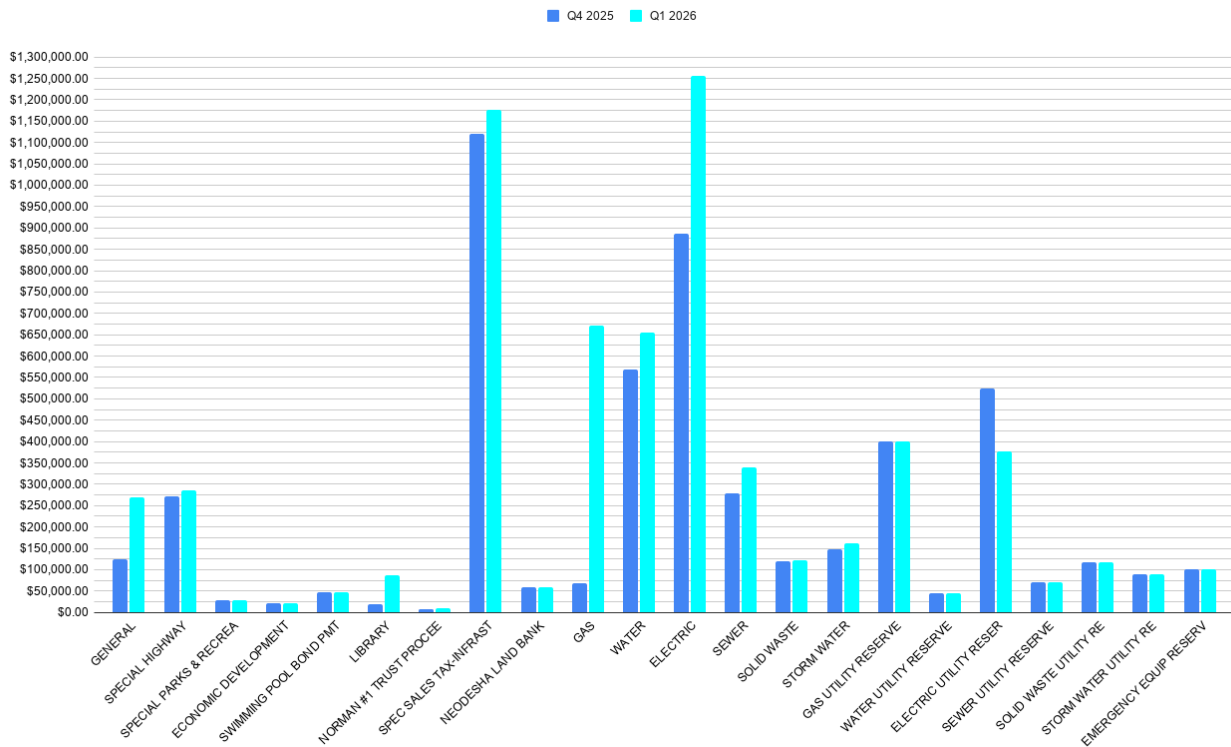
Sincerely,



Brogan Jones M.P.A.
City Administrator
City of Neodesha



Financial Report & Summary



The chart illustrates a comparison of fund balances between the fourth quarter of 2025 and the first quarter of 2026 across various city departments and utilities. While several funds show increases at the start of 2026, these changes are largely attributable to year-end 2025 expenditures and comparatively lower spending early in the new year. For example, in major funds such as Electric, the difference between late 2025 and early 2026 is primarily due to significant expenses at the end of 2025 that temporarily reduced balances, creating the appearance of a larger increase in the new quarter. The Electric, Gas, and Water funds continue to represent the largest balances overall, with expected fluctuations tied to operational costs and timing of expenditures. Infrastructure-related funds, including the Special Sales Tax and Sewer funds, show moderate variation, while most utility reserve accounts remain relatively stable. The Electric Utility Reserve reflects a decrease compared to the previous quarter. Smaller funds, such as Economic Development and Parks and Recreation, experienced only minimal change. Overall, the chart reflects typical timing-related variations rather than significant long-term growth, and these figures should be interpreted with that context in mind.

Department Reports

City Clerk/City Hall

The City has successfully completed the first quarter of 2026, with several positive developments underway. Tanna is doing an excellent job transitioning into her role as Utility Billing Supervisor/City Treasurer, and Allyson has been a great addition at the front desk as Cashier/Court Clerk. The annual audit was completed smoothly in early March with no issues, and work has begun on the 2027 budget in collaboration with Department Heads. Stephanie, Rhonda, and Tanna are also making good progress in the mini MPA course at WSU. While challenges continue with utility billing due to postal routing changes through Kansas City, the City has taken proactive steps to provide residents with alternative ways to access and pay their bills. Minor concerns regarding the discontinuation of pennies have largely subsided following public communication efforts. As spring begins, we look forward to improved weather and easing pressures on utility usage and community concerns.

Police Department

The Nedesha Police Department continues to make steady progress during the first quarter of 2026. Although the quarter is still ongoing, officers have already made over 20 arrests, completed more than 86 reports, and issued over 147 warnings and citations. The department has been actively working on its budget, successfully sold a motorcycle seized in a drug case through Purple Wave, and secured two grants. Officers have completed their annual C-POST firearms qualifications and are continuing their professional development through ongoing training. The department also welcomed Officer James Williams back from the academy. Additionally, officers have maintained regular weekly court appearances.

Fire Department

During the first quarter, the department responded to a total of 26 calls for service, with 8 calls in January, 7 in February, and 11 in March. Training remained a priority throughout the quarter, with volunteers completing a combined 20 hours of training, while the Fire Chief completed an additional 40 hours of advanced training. The department currently maintains a roster of 14 volunteer members who continue to support operations and emergency response efforts.

Professional development and community engagement were also key focuses during this period. The Fire Chief attended the Chief 101 class in Salina, Kansas on January 17–18, served as a guest speaker at the Nedesha Rotary luncheon on February 10, and completed Fire Officer I training in Chanute from March 9–13. On March 25, all members successfully passed mask fit testing for Self-Contained Breathing Apparatus (SCBA), ensuring continued safety and compliance. Looking ahead, scheduled activities include ladder testing for all

ground ladders and the tower on April 8, as well as participation in the “Touch a Truck” event at Heller School on April 21 at 5:00 PM.

Public Works Department

The City of Neodesha Public Works Department continues to enhance operations across its divisions with recent equipment investments, including a new Bobcat skid steer for Public Works, an LZ-30 Sensit gas detector to support the Gas Department, and two 72-inch Hustler mowers for Public Facilities. With mowing season in full swing, crews are maintaining approximately 85 acres throughout the community. Team members also attended the annual KRWA conference in Wichita to stay current on water system updates, regulations, and industry standards. In addition, plans are underway to replace the drinking fountain at Barney’s South with a new ADA-compliant unit featuring a bottle filler, with delivery expected in mid-June.

Water Production

Michael attended the KRWA Conference in late March, where he explored new products at the vendor trade show and participated in seminars to earn continuing education credits toward the renewal of his Class I water license. Beginning in late February, staff-initiated cleaning and preparation of the pool for its upcoming painting project. Throughout March, the contractor worked on multiple occasions to prepare and complete the painting, finishing the project by March 25. The Riverwalk Driving Range reopened in mid-March. Looking ahead, water plant staff will focus on preparing the pool for its opening over Memorial Day weekend. Additionally, beginning May 4, the department plans to initiate a free chlorine burn of the water system, during which hydrants will be flushed throughout town, ideally in coordination with the Fire Department’s hydrant testing.

Electric Department

The Neodesha Electrical Department continues to prioritize system reliability and long-term infrastructure improvements. Crews recently replaced 15 poles and upgraded the alley corridor between S. 5th and S. 11th Streets (between Ohio and Mill Streets) from 2400V to 12.2kV service, enhancing capacity and efficiency. The department also completed tap changer maintenance on the south transformer in Substation #5, performed right-of-way trimming, and conducted comprehensive equipment servicing in January to ensure the system is fully prepared for the spring and summer demand seasons.

Economic Development

Sales activity on McCartney Lane continues, with three additional homes now occupied and connected to utility services, leaving only two homes remaining for sale. The City also successfully transferred its second Kansas Department of Commerce Moderate Income Housing (MIH) grant to the Carolina duplex project, resulting in a \$114,204 disbursement to Griffith Homes. Those units are now fully occupied, and community interest continues to

grow, including increased inquiries through the MakeMyMove campaign. An AARP grant application has also been submitted to support participation in the “Living Local” community initiative.

Meetings have also been held with local industry leaders and KMEA representatives to address winter energy cost increases and provide broader context on statewide trends. Monthly Economic Development Committee meetings have seen reduced attendance, and efforts are underway to improve engagement moving forward.

Staff continue to coordinate with Casey’s General Store and KDOT regarding site access near the intersection of Highways 75 and 400. Marketing efforts are ongoing for the former Sands Level & Tool building, and additional properties—including the former WCH and Golden Keys Nursing Home—have been added to the state’s reclaimed municipal buildings program. The City remains active in regional initiatives such as the Wilson County Stay Strong Coalition and is pursuing a \$50,000 Healthy Pathways grant for Riverwalk Park improvements. The Neodesha Historical Museum also opened for the season on April 3, and the “Night at the Museum” event was successfully held in February, with proceeds supporting maintenance of the Chapel in the Woods.

Court

During the first quarter of 2026, the Neodesha Municipal Court managed a total of 67 active cases, reflecting a steady level of activity within the local judicial system. Over this period, the court collected \$4,828.50 in revenue, alongside an additional \$5,345.00 received, demonstrating consistent financial intake from fines, fees, and related sources. These figures highlight the court’s ongoing role in maintaining community standards while contributing to municipal operations through collected revenues.

Upcoming Events

City-

City Commission meetings are held on the second and fourth Wednesdays of each month at 4:00 p.m., and the public is encouraged to attend. The City will also participate in the annual Touch-a-Truck event on April 21, offering a hands-on experience with city equipment and departments. Community-wide garage sales will take place May 1–3, and the annual Independence Day fireworks show is scheduled for July 5, 2026. In addition, the Riverwalk Park Driving Range is now open for the season.

USD 461-

USD 461 will host its *Touch-a-Truck* event on April 21 and Annual Alumni activities on June 13. For a full list of school events and updates, please visit:

www.neodesha.k12.ks.us/events.

Chamber-

The Chamber will host *Sidewalk Sales* on April 25–26, followed by *Hometown Days* on June 13–14. They are also supporting the community-wide garage sales scheduled for May 1–3.

Museum-

The museum is now open for the season. Hours of operation are Fridays from 10:00 a.m. to 5:00 p.m. and Saturdays from 9:00 a.m. to 12:00 p.m.

FAQ'S

How do I pay my bill?

Residents may conveniently view and pay utility bills online through Payment Service Network or by visiting www.neodesha.org to create an account. Payments may also be made in person at City Hall using cash, check, or credit card, or by utilizing the secure drop box located just outside the front entrance.

What is the fuel adjustment charge for electric and gas services?

Fuel adjustments are used by the City to recover costs associated with purchasing and delivering electricity and natural gas to Neodesha residents. These charges reflect fluctuations in market prices and operational costs and are passed through without markup.

Electric Fuel Adjustment (ECA):

The electric fuel adjustment is based primarily on three major cost components: the cost to purchase power, transmission costs (the cost to deliver electricity to the city), and capacity costs (payments associated with maintaining generation resources such as the 4th and Tank generators). Additional minor factors include distribution losses and other related expenses. Together, these adjustments account for less than 20% of a typical electric bill.

Example (for illustration purposes only):

If total power-related costs equal \$320,000 and total usage is 3,000,000 kWh, the adjusted cost would be \$0.1067 per kWh. After subtracting the City's base cost of \$0.045 per kWh, the resulting fuel adjustment would be \$0.0616 per kWh.

Gas Fuel Adjustment:

The gas fuel adjustment operates similarly and is driven primarily by the cost of purchasing natural gas, transportation costs, and storage withdrawals. Additional smaller factors include storage injection costs and system losses.

Example (for illustration purposes only):

If total gas-related costs equal \$265,000 and total consumption is 380,000 CCF, the adjusted cost would be \$0.0697 per CCF. After subtracting the City's base cost of \$0.040 per CCF, the resulting fuel adjustment would be \$0.0297 per CCF.

When does the city operate the Neodesha Generation Center?

These generators restore Neodesha's ability to produce electricity locally for the first time in more than 20 years, marking a major step forward in strengthening the City's energy independence and reliability. By adding local generation, the City can reduce reliance on external suppliers, better manage energy costs, and maintain a dependable backup power source during outages and periods of grid instability. The decision to bring the generators

online will be based on the expected duration of an outage. Because it takes approximately 30 to 45 minutes to fully start up the generation center and begin producing power, the City will typically deploy the generators in situations where power is anticipated to be unavailable for longer than that timeframe. This ensures the system is used efficiently and only when it will provide a clear benefit to residents. While the generators cannot restore service to areas where local distribution lines are physically damaged until repairs are completed, they significantly improve the City's ability to respond to broader supply disruptions and extreme weather events. In many cases, once operational, they allow power to be restored much more quickly than waiting on external sources. Overall, this investment enhances service reliability, helps shield the community from volatile energy markets, and ensures Neodesha is better prepared to maintain power for its residents when it is needed most.

Why haven't I received my bill?

This is a question we have received frequently following recent changes within the U.S. Postal Service. The City of Neodesha processes and mails all utility bills the last business day of each month once billing is complete. However, due to changes in postal operations, our mail is now routed through Kansas City for processing before delivery. This has resulted in delays, with some customers receiving their bills after the due date.

The City has communicated with postal representatives regarding this issue; however, these changes are outside of our control. While we are hopeful that delivery times will improve overtime, the City does not have the ability to alter current postal procedures.

If you have not received your utility bill by the 10th of the month, we encourage you to contact City Hall. Staff can provide your balance over the phone or print a copy of your bill for you in person. We understand this situation is frustrating and appreciate your patience as we work to assist residents in minimizing any inconvenience.

What do the abbreviations on my bill mean?

- GS - Gas
- FA - Fuel Adjustment (same abbreviation for both gas and electric)
- WA - Water
- EL - Electric
- SC - Sewer Charge
- SW - Solid Waste (trash)
- ST - Storm Water
- WP - Water Protection Fee
- HL - Highlighter
- TX - Sales Tax