

# City of Ozark Missouri Legal Department



P.O. Box 295  
Ozark, Missouri 65721

Fax 417-581-0695  
Phone 417-581-4651

June 13, 2017

**FILED**

JUN 19 2017

Attn: Mr. Morris L. Woodruff, Secretary  
Missouri Public Service Commission  
200 Madison St.  
P.O. Box 360  
Jefferson City, MO 65102-0360

Missouri Public  
Service Commission

RE: Application for Approval of Transfer of Assets – Finley Valley Water Company

Dear Mr. Woodruff:

The Public Funding Corporation of the City of Ozark owned the Finley Valley Water Company in Christian County, Missouri. Enclosed is its application for approval of the transfer of the system to the City of Ozark, Missouri.

Attached as an exhibit to the application is a copy of the original Lease Agreement requiring the transfer of the assets to the City after completion of all of the loan payments.

I will be representing the Public Funding Corporation of the City of Ozark as well as the City of Ozark. My direct telephone number is (417) 581-4651.

If you have any questions concerning this response, please do not hesitate to contact my office.

Very Truly Yours:

A handwritten signature in black ink that reads "David V. Collignon". The signature is written in a cursive style with a large, stylized "D" and "C".

David V. Collignon  
City Attorney

DVC/encl.

FILED

JUN 19 2017

BEFORE THE PUBLIC SERVICE COMMISSION OF

THE STATE OF MISSOURI

Missouri Public  
Service Commission

IN THE MATTER OF APPLICATION OF )  
THE PUBLIC FUNDING CORPORATION )  
OF THE CITY OF OZARK, MISSOURI )  
TO SELL ITS WATER SYSTEM LOCATED )  
IN CHRISTIAN CPOUNTY TO THE CITY OF )  
OZARK, MISSOURI )

Case No. \_\_\_\_\_

APPLICATION

COMES NOW THE PUBLIC FUNDING CORPORATION OF THE CITY OF OZARK, MISSOURI, a Missouri not-for-profit business corporation organized and existing under and by virtue of the laws of the State of Missouri, and in support of its application pursuant to Section 393.190 R.S.Mo. (2016), states as follows:

1. The Public Funding Corporation of the City of Ozark, Missouri (Seller) was the owner of a certain privately owned water system located in Ozark, Christian County, Missouri. Its principal office is P.O. Box 295, Ozark, Missouri 65721. A copy of Seller's certificate of good standing issued by the Secretary of State of the State of Missouri is attached hereto, marked "Exhibit A" and incorporated herein by reference.
2. City of Ozark ("Buyer") is a fourth class City operating pursuant to Missouri law. Its address is P.O. Box 295, Ozark, Missouri 65721.
3. Correspondence, communications, orders and decisions for the Applicant is as follows:  
L. Elise Crain, President, The Public Funding Corporation of the City of Ozark, C/O David V. Collignon, City Attorney, P.O. Box 295, Ozark, Missouri 65721-0295; Tele: (417) 581-2407; FAX (417) 581-0695; email [dcollignon@ozarkmissouri.org](mailto:dcollignon@ozarkmissouri.org).
4. On or about the 21<sup>st</sup> day of June 1995 Seller and Buyer, a not-for-profit corporation established to benefit and carry out the public purposes of the Buyer by acquiring and financing real estate and personal property for public purposes, filed an application with the Public Service Commission requesting the transfer of the "Finley Valley Water Company" ("FVWC") to the Seller as a financing arm of Buyer. The Commission found that the Seller was, in essence, the alter ego of the Buyer. The Commission further found that the owner of the FVWC had health problems that disallowed him from continuing to operate the system. On or about December 6, 1995, the Commission entered its Order approving the transfer and sale, ordering the Seller to file its tariff for Commission approval, cancelling the certificate of public convenience and necessity and the tariffs of the FVWC and that the Order was to become effective on January 5, 1996.
5. In the early months of 2003, the Seller began discussions with the Ozark Bank for the re-financing of the existing loan relating to the original acquisition of the FVWC.



6. On or about July 1, 2003 Seller entered into the terms of re-financing with Ozark bank and as a part of that re-financing entered into a second long term Lease Agreement with Buyer for the operation of the water system. The termination date for the lease was January 1, 2011. A copy of the Lease Agreement with incorporated schedules is attached hereto, marked "**Exhibit B**" and incorporated herein by reference. The assets of the FVWC are listed as "Schedule 1" to "**Exhibit B**".
7. On January 3, 2011 Seller completed the installment payments for the financing of the FVWC and paid the outstanding note to Ozark Bank. Within the month the assets of the FVWC were duly transferred to the Seller in accordance with Section 6.04 of the Lease Agreement.
8. From June 21, 1995 to the present date, Buyer has continuously operated, maintained and improved the FVW system providing water to the residents of the Finley Valley area.
9. Approval of the transaction is not detrimental to the public interest in that it will simply confirm the status quo. The water service as currently provided will continue as it has for the preceding twenty-two (22) years.
10. Seller does not have any pending action or final unsatisfied judgments or decisions against it within the preceding three (3) years from any state or federal agency or court which involve customer service or rates.
11. No annual reports or assessment fees are overdue.
12. There will be no impact to the tax revenues of the Buyer in that current water rates are those that have been in effect for years. The Finley Valley community is in an unincorporated area of Christian County and that area will not experience any tax impact.

WHEREFORE, Seller respectfully requests an order and decision of this Commission approving the transfer of the assets of The Public Funding Corporation of the City of Ozark as herein described to the City of Ozark a fourth class City of the State of Missouri; authorizing Seller to discontinue providing service in its area and the immediate continuance of service by the Buyer and the release of the supervision and control of the Commission and for such other and further relief as the Commission deems proper to accomplish the purposes of the application.

Respectfully Submitted,  
The Public Funding Corporation of  
the City of Ozark



L. Elise Crain, President

## VERIFICATION

STATE OF MISSOURI     )  
                                      ) ss  
COUNTY OF CHRISTIAN )

I, Chandra Hodges, a notary public, do hereby certify that on this 14<sup>th</sup> day of June 2017, personally appeared before me L. Elise Crain, who, being by me first duly sworn, declared that she is the duly elected President of the Public Funding Corporation of the City of Ozark and that she signed the foregoing document pursuant to a resolution passed by said corporation on May 31, 2017 and that the statements therein contained are true.

  
Notary Public

CHANDRA L. HODGES  
Notary Public - Notary Seal  
STATE OF MISSOURI  
Christian County  
My Commission Expires Feb. 15, 2018  
Commission #14839822





# STATE OF MISSOURI



**John R. Ashcroft**  
**Secretary of State**

**CORPORATION DIVISION**  
**CERTIFICATE OF GOOD STANDING**

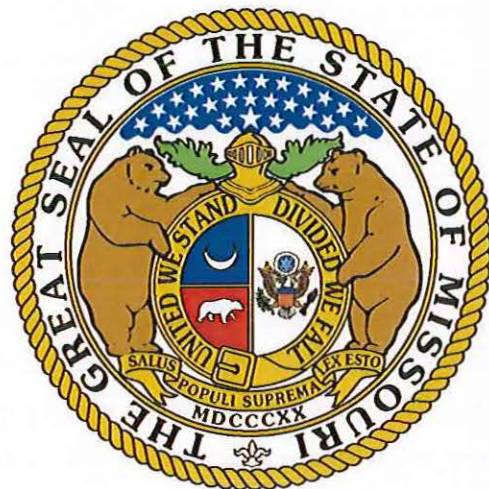
I, JOHN R. ASHCROFT, Secretary of State of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

***THE PUBLIC FUNDING CORPORATION OF THE CITY OF OZARK, MO.***  
***N00045095***

was created under the laws of this State on the 9th day of December, 1991, and is in good standing, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I hereunto set my hand and cause to be affixed the GREAT SEAL of the State of Missouri. Done at the City of Jefferson, this 8th day of June, 2017.

  
Secretary of State



Certification Number: CERT-06082017-0049