STATE OF KANSAS)
(SS)
(CITY OF KANSAS CITY)

The Board of Public Utilities of Kansas City, Kansas (aka BPU, We, Us, Our) met in Regular Session on Wednesday, January 15, 2020 at 6:00 P.M. The following Board Members were present: Ryan Eidson, President; Robert L. Milan, Vice President; Mary Gonzales, Secretary; Jeff Bryant, Rose Mulvany Henry and Thomas Groneman.

Also present: William Johnson, General Manager; Angela Lawson, Deputy Chief Counsel; Lori Austin, Chief Financial Officer; Jim Epp, Executive Director Water; Jerry Ohmes, Executive Director Electric Supply; Johnetta Hinson, Executive Director Customer Service; Jeff Bridgland, Chief Information Officer; Dong Quach, Executive Director Electric Production; and Darrick Spears, Superintendent Distribution-Overhead.

A tape of this meeting is on file at the Board of Public Utilities.

Mr. Eidson called the Board Meeting to order at 6:00 P.M.

Roll call was taken and all Board Members were present.

Motion was made to approve the Agenda by Mr. Bryant, seconded by Mr. Milan, and carried.

Motion was made to approve the Minutes of the Regular Session of January 8, 2020 by Mr. Groneman, seconded by Ms. Gonzales, and carried.

<u>Item #5 - Customer Comments</u>

Faith Rivera, 4736 Leavenworth Rd. She requested that the BPU Board Meetings be recorded for the community and felt it was important.

Cristina Acosta, 618 Vale St. She had concerns about water main and ground repair issues resulting from a water main project and installation of water meters. She asked for the Board to create more transparency with the Unified Government (UG) and the residents.

Mr. Johnson apologized for any inconvenience Ms. Acosta received while they were working on the project and gave her Mr. Epp's name as a contact.

Ms. Acosta thanked Mr. Johnson and stated the communication was lacking and frustrating.

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Item #6 - Election of Officers

Ms. Lawson presented the Election of Officers Charter.

Mr. Eidson announced the vote for the office of President for the term of January 2020 to January 2021.

Motion was made to nominate Ryan Eidson as President by Mr. Groneman, seconded by Ms. Gonzales.

Motion was made to close nominations by Mr. Bryant, seconded by Mr. Groneman, and carried unanimously.

Roll call was taken on the vote for Mr. Eidson for President and he was elected unanimously.

Mr. Eidson announced the vote for the office of Vice President for the term of January 2020 to January 2021.

Motion was made to nominate Robert Milan as Vice President by Mr. Bryant, seconded by Mr. Groneman.

Motion was made to close nominations by Mr. Bryant, seconded by Ms. Gonzales, and carried unanimously.

Roll call was taken on the vote for Mr. Milan for Vice President and he was elected unanimously.

Mr. Eidson announced the vote for the appointment of Secretary for the term of January 2020 to January 2021.

Motion was made to appoint Mary Gonzales as Secretary by Mr. Bryant, seconded by Mr. Milan.

Motion was made to close nominations by Mr. Bryant, seconded by Mr. Groneman, and carried unanimously.

Roll call was taken on the vote for appointment of Ms. Gonzales for Secretary, and she was appointed unanimously.

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Item #7 - November 2019 Financials - Lori Austin

Ms. Austin presented the November 2019 Financials (see attached).

Motion was made to approve the November 2019 Monthly Financials by Mr. Bryant, seconded by Ms. Gonzales, carried.

<u>Item #8 – Linemen Certificates</u>

Mr. Spears reported on the Linemen Apprentice Program that three graduates completed in the fall of 2019. He was very proud and presented Patrick Gardner, Jake Janes, and Jeremy Long with their certificates.

Mr. Johnson commented on the importance of growing their own lineman and was pleased that BPU could offer the apprenticeship training. He commented on how the younger lineman had a greater interest in the American Public Power Association (APPA) Lineman's Rodeo and the International Rodeo.

Item #9 - Board Comments

Mr. Groneman congratulated the new lineman journeymen and reported on his attendance at the APPA Rodeo last year.

Mr. Milan echoed the congratulations.

Mr. Bryant echoed the congratulations and was impressed with their skills.

Ms. Gonzales expressed her appreciation to the linemen and hoped they would stay at BPU, and congratulated the new Board Officers.

Ms. Mulvaney Henry echoed all the comments, was in awe of the linemen, and congratulated the new Board Officers.

Mr. Eidson congratulated and thanked the linemen, thanked Ms. Austin and Go Chiefs.

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Item #10 - General Manager Comments

Mr. Johnson congratulated all the new Board Officers. He reminded everyone about the Operation Wildlife Eagle Days on January 18, and 19th 2020, the Kansas Municipal Utilities (KMU) Day at the Capital on January 29, 2020, and January 19, 2020 was Mr. Milan's birthday.

Motion was made to adjourn the meeting at 6:35 P.M. by Mr. Bryant, seconded by Ms. Gonzales, and carried.

ATTEST:

Secretary

APPROVED

President



November 2019 Financial Results

January 15, 2020



2019 Billed kWh (YTD Jan - Nov)

Electric	(CY) 2019 YTD	(PY) 2018 YTD	
Residential	538,401,627	564,312,545	
Commercial	890,026,704	951,915,071	
Industrial	523,350,509	547,293,909	
	1,951,778,840	2,063,521,525	-5.4%

Lower usage in 2019 compared to 2018 due to weather



2019 Billed CCFs (YTD Jan - Nov)

	Water	(CY) 2019 YTD	(PY) 2018 YTD	riy la
TOTAL STATE	Residential	3,143,541	3,234,943	
	Commercial	2,465,986	2,566,997	
	Industrial	1,807,504	1,933,693	W2 11
	100	7,417,031	7,735,633	-4.1%

Lower usage compared to 2018 due to very wet spring and summer



Revenues - November 2019

No. of the last	(CY) 2019 November	(PY) 2018 November		dget 2019 vember	1000000	Y) 2019 vember	
\$	18.842	\$ 20.394	7.0	\$ 20.380	\$	18.842	
39	4.030	4.040		4.139		4.030	
\$	22.872	\$ 24.434	-6.4%	\$ 24.519	\$	22.872	-6.7%

^{**}Dollars in millions



Revenues - 2019 YTD

Electric Water Combined

(CY) 2019 YTD	Is.	(PY) 2018 YTD		Bu	dget 2019 YTD	(CY) 2019 YTD	
\$ 257.332	\$	276,233		\$	254.762	\$	257.332	
47.492		48.477			47.713		47.492	
\$ 304.824	\$	324.710	-6.1%	\$	302.475	\$	304.824	0.8%

Variance - YTD comparing Budget to Actual for 2019

Electric:

Residential (\$3.2M)

Commercial \$160K

Industrial (\$ 9K)

Water:

Residential (\$146K)

Commercial (\$343K)

Industrial \$150K

^{**}Dollars in millions



Operating Expenses – November 2019

(CY) 2019 (PY) 2018 November November			dget 2019 ovember	30,40	Y) 2019 vember	Dane.	
\$ 14.792	\$	13.891		\$ 17.696	\$	14.792	
2944		2.858		3.212		2.944	
\$ 17.736	\$	16.749	5.9%	\$ 20.908	\$	17.736	-15.2%

^{**}Dollars in millions



Operating Expenses – 2019 YTD

36	(CY) 2019 YTD	90	(PY) 2018 YTD		Bu	dget 2019 YTD	(CY) 2019 YTD	
\$	185.885 33.979	\$	190.083 32.536		\$	202.769 34.022	\$	185.885 33.979	
\$	219.864	\$	222.619	-1.2%	\$	236.791	\$	219.864	-7.1%

^{**}Dollars in millions



Operating Expenses – 2019 YTD minus Depreciation

Electric Water Combined

100	(CY) 2019 YTD		(PY) 2018 YTD	a 50	Bu	dget 2019 YTD	(1	CY) 2019 YTD	
\$	160,210	\$	164.790		\$	177.835	\$	160.210	
	26.829	ď.	25.207			26.707	Ť	26.829	
\$	187.039	\$	189.997	-1.6%	\$	204.542	\$	187.039	-8.6%

Variance - YTD comparing Budget to Actual 2019

Electric:

Purchased Power (\$14.5M)

Fuel \$1.6M

Production (\$3.6M)

T&D \$7155K Water.

Production (\$1.0K)

D3T \$1.7M G&A

(\$708K)

^{**}Dollars in millions



Change in Net Position - November 2019

Ē	(CY) 2019 November		(PY) 2018 November		lget 2019 vember	The state of	Y) 2019 vember	The same
\$	(0.060)	\$	2.329		\$ (1.405)	\$	(0.060)	
	0.476	Ė	0.592		0.340		0.476	
\$	0.416	\$	2,921	-85.8%	\$ (1.065)	\$	0.416	-139.1%

^{**}Dollars in millions



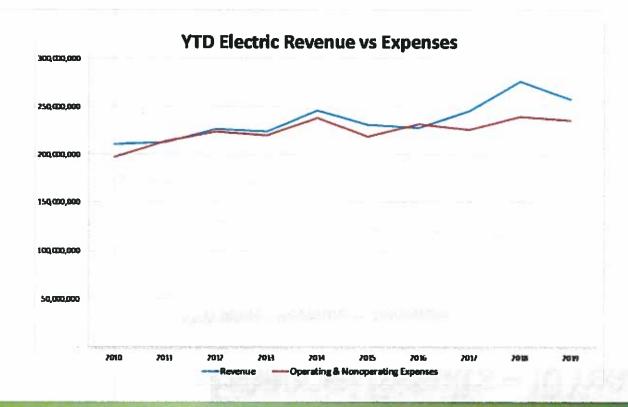
Change in Net Position - 2019 YTD

((CY) 2019 YTD		(PY) 2018 YTD	- 8º 01	Buc	lget 2019 YTD	(0	Y) 2019 YTD	12,5
\$	22.105	\$	37.245		\$	3.433	\$	22.105	1
	5.429	Ċ.	7.635			5.971		5.429	
\$	27.534	\$	44.880	-38.6%	\$	9.404	\$	27.534	192.8%

^{**}Dollars in millions

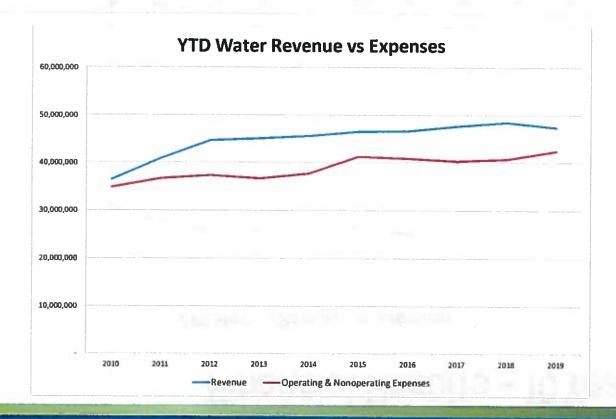


Financial Results - 10 Year Trend





Financial Results - 10 Year Trend





Cash Position

	Y) 2019 vember	(PY) 2018 November	2019 October		
Combined (E&W) Days Cash-on-Hand	\$ 51.63 87	\$ 43.63 72	\$	54.59 93	

1 Day = \$450K

^{**}Dollars in millions



Balance Sheet: Notables

	(CY) 2019 November			(PY) 2018 November
Fuel Inventory	\$	5.527	\$	6.329
Bond Dollars 2016A (AQC)	\$		\$	6.041
Bond Dollars 2016C (Elec T&D)	\$	22.333	\$	32.767

**Dollars in millions



Capital Spending

Electric	
Water	
Common	
Total YTD Capital	

(CY) 2019		(PY) 2018	
YTD	100	YTD	
35.96	\$	35.96	
5.13		9.83	
0.33		0.29	
41.42	\$	46.08	
	35.96 5.13 0.33	35.96 \$ 5.13 0.33	

2019 Budget			
\$	54.99		
	8.99		
	0.88		
\$	64.86	Remaining	36%

Major projects in 2019:

Rosedale Project - \$13.9M

N1 Remote Chain - Bottom Ash - \$1.3M

Nearman 316B Project - \$2.6M

Nearman Structure - \$1.1M (insurance reimbursement-Jan 2020)

Water Leak, Valve, System Imp. - \$1.7M

^{**}Dollars in millions



Debt Coverage

Debt Coverage with PILOT

	(CY) 2019 November	(PY) 2018 November
Electric	2.09	2.21
Water _	1.87	2.07
Combined	2.08	2.22

Debt Coverage w/o PILOT

	(CY) 2019	(PY) 2018	
	November	November	
Electric	1.48	1.58	
Water _	1.43	1.64	
Combined	1.50	1.62	

Financial Guideline Target 1.6 to 2.1 times with PILOT