

**REGULAR SESSION –WEDNESDAY, DECEMBER 6, 2023**

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, December 6, 2023 at 6:00 PM. The following Board Members were present: Rose Mulvany Henry, President; Thomas Groneman, Vice President; Jeff Bryant and Mary Gonzales. Robert L. Milan, Secretary attended via Zoom. David Haley attended via Zoom and arrived in person at 6:49 PM.

Also present: William Johnson, General Manager; Angela Lawson, Acting Chief Counsel; Lori Austin, Chief Financial Officer/Chief Administrative Officer; Jeremy Ash, Chief Operating Officer; Jerry Sullivan, Chief Information Officer; Maurice Moss, Executive Director Corporate Compliance; Johnetta Hinson, Executive Director Customer Service; Darrin McNew, Executive Director Electric Operations; Jerin Purtee, Executive Director Electric Supply; Dennis Dumovich, Director of Human Resources; Douglas Bowen, Director Electric Production Operations & Maintenance; Chris Stewart, Director Civil Engineering; Gabriela Freeman, Supervisor Customer Service; Steve Hargis, Supervisor Water Distribution Meters; and Rick Hardman, IT Project Manager.

A video of this meeting is on file at the Board of Public Utilities and can be found on the BPU website, [www.bpu.com](http://www.bpu.com).

Ms. Mulvany Henry called the Board meeting to order at 6:04 PM. She welcomed all that were listening to or viewing the meeting. She informed all that the meeting was being recorded including video and audio. During the public comment section, those attending in person, wishing to speak, should use the sign-up sheet at the entry and provide their name and address. Public comments were limited to five minutes and should be addressed to the Board. Members of the public who wished to speak to the Board using Zoom needed to use the Raise Hand feature at the bottom of the application or window to signal that they wish to address the board during the public comment section. Members of the public connected by phone only, needed to press \*9 to indicate they wished to address the Board in the public comment section. No confidential information should be shared, including, account information. Staff would not provide individual account information during an open meeting. As always, the public could also email or call the BPU with any concerns. She informed that all participants were to act respectfully to each other. Personal attacks or accusations would not be tolerated. All concerns would be directed to the Board only, they would then determine staff involvement. If side discussion was necessary, it was to be conducted outside of the Board room to avoid interfering with presenters or other attendees. If any rules are breached during this meeting, the attendee was subject to removal. Ms. Mulvany Henry introduced herself and the other Board Members along with the General Manager, and Legal Counsel.

Roll call was taken and all Board members were present.

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**Item #3 – Approval of Agenda**

Ms. Mulvany Henry moved to amended the Agenda to delete the approval of the Work and Regular Session Minutes of November 15, 2023 and move them to the December 20<sup>th</sup> Regular Session meeting for approval. A motion was made to approve the Agenda as amended, by Mr. Groneman, seconded by Mr. Bryant, and unanimously carried.

**Item #4– Public Comments**

There were no visitors wishing to speak.

**Item #5– General Manager / Staff Reports**

- i. *October 2023 Financials:* Ms. Lori Austin, Chief Financial Officer/Chief Administrative Officer, presented the October 2023 Financials to the Board. (See attached PowerPoint.)

Ms. Austin and Mr. Johnson responded to questions and comments from the Board.

A motion was made to approve the October 2023 Financials as presented, by Mr. Groneman, seconded by Mr. Bryant, and unanimously carried.

- ii. *Customer Service Quarterly Report:* Ms. Johnetta Hinson, Executive Director Customer Service, introduced Ms. Gabriela Freeman, Supervisor Customer Service, to present the quarterly Customer Service report to the Board. The report compared current statistics to previous data that included; average wait and talk times, survey questions and responses, and the number of delinquent accounts. Call escalations and customer issues were also discussed. (See attached PowerPoint.)

Ms. Freeman, Ms. Hinson and Mr. Johnson responded to questions and comments from the Board.

- iii. *Board Rules of Procedures- Resolution #5291:* Mr. Johnson presented Resolution 5291 to the Board for approval. (See attached.)

A motion was made to approve the updated Board Rules of Procedures Policy, Resolution 5291, by Mr. Bryant, seconded by Mr. Haley, and unanimously carried.

- iv. *Miscellaneous Comments:* Mr. Johnson had no comments.

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**Item #6 – Board Comments**

Mr. Haley provided a printed copy of his comments and asked that it be included within the Minutes. (See attached exhibit.) He also thanked Ms. Hinson and Ms. Freeman for their presentation.

Mr. Groneman had no comments.

Mr. Milan congratulated and thanked Customer Service on their outstanding report.

Mr. Bryant thanked Ms. Hinson and Ms. Freeman for their presentation and for the work they are doing alongside the Policy Committee. He also expressed his thoughts on the Boards compensation.

Ms. Gonzales thanked staff for the budget information presented on December 4<sup>th</sup> and also thanked Ms. Freeman and Ms. Hinson for their presentation.

Ms. Mulvany Henry echoed other Board members in thanking staff for their presentations. She also thanked staff specifically for their professionalism and patience in working through the Customer Service Policy with the Policy Committee.

**Item #7 – Executive Session**

Ms. Angela Lawson, Acting Chief Counsel proposed a motion for adoption as followed:

“I move that after taking a five minute break the Board go into Executive Session for 20 minutes discuss confidential matters related to employment of the general manager, a personnel matter of nonelected personnel as justified under the exception in the Kansas Open Meetings Act; and that the General Manager William Johnson and Acting Chief Counsel Angela Lawson, be present to participate in the discussion, all others to be dismissed from the room and electronic and telephonic transmissions cease, and that we reconvene in open session returning to both electronic and telephonic broadcasting at 7:30 PM to either take action in an open session or to adjourn.”

A motion was made by Mr. Bryant, seconded by Mr. Haley and carried unanimously.

At 7:30 PM the meeting returned to Open Session.

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A motion was made to extend the Executive Session for five minutes by Mr. Bryant, seconded by Ms. Mulvany Henry. Roll call was taken.

Ms. Mulvany Henry – yes

Mr. Bryant – yes

Ms. Gonzales – yes

Mr. Groneman – yes

Mr. Haley – no

The motion carried.

At 7:36 PM the meeting returned to Open Session.

**Item #8 – Adjourn**

At 7:36 PM a motion to adjourn was made by Mr. Bryant, seconded by Ms. Mulvany Henry. Roll call was taken.

Ms. Mulvany Henry – yes

Mr. Bryant – yes

Ms. Gonzales – yes

Mr. Groneman – no

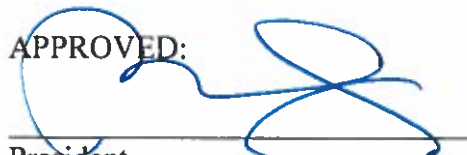
Mr. Haley – yes

The motion carried, the meeting was adjourned.

ATTEST:

  
Secretary

APPROVED:

  
President

BPU BOARD MEETING. December 6<sup>th</sup>, 2023.

Board Comments. – David Haley (District 2 @ Large)

PRES. Mulvaney-Henry; BPU Board Members; GM Bill Johnson; BPU Staff; Legal Counsel; UG RESIDENTS

My BOARD COMMENTS (to incorporate into this meeting's MINUTES) only recap verbal observations of purpose and of accomplishments and aspirations that were *spoken* at our last REGULAR meeting (November 1<sup>st</sup>, 2023) and available between the 1 hour 11 and 1 hour 15 minutes marks on YouTube.

Since *any* member of the Public can have five minutes for Comment, I opt to limit mine here to but four.

FIRST. This is a great utility; a venerable asset to our municipal government and I join you all in the preservation and enhancement of this century old plus KCK Jewel. Thanks primarily to patient tutelage of senior staff, I've learned a lot in my nearly two years here including: our major contribution to Southwest Power Pool (SPP); our nationally enviable, renewable-generated portfolio (nearing 50%) and that only a third of the load is residential (those that elect us to here) while the majority is industrial / commercial.

SINCE at BPU, advocacies have been to try and tweak a long established and held belief that policies and procedures here are uniform and in the mutual interest of our perceptions by both the public and utility. I am pleased that we now have improved access and transparency, with audio-visual recordings, of all Board meetings and the public may participate in our meetings in person and/or by phone or online! Further, we've eased disconnections of services pursuant to a more compassionate "cold weather" consideration. And my idea to see the costs for consumption of power and water completely separated from the taxes (PILOT, trash, stormwater, etc.) the Unified Government requires the utility to collect has caught on and is being considered by the UG Commission! Implementation of separate billings (and staggering penalties for non-payment of each) will circumvent my often-introduced legislative bill to cap ALL municipal "charges" on any utility's bill at 15% of the current consumption bill. Finally, instead of reintroducing and pursuing state legislation that simply allows comparison of Kansas Corporation Commission (KCC) decisions to, arguably, better govern BPU consumer equity, since this Board and BPU staff has now implemented both a Policy Review Committee (which just met again today) as well as a Community Engagement Committee, I feel we might be in a better position to assure the public we can reform this public-relation beleaguered institution ourselves. And I am encouraged that administration, augmenting my long-held advocacy to utilize our dormant power plants (specifically Quindaro and Kaw), is currently soliciting requests for proposals as well as allowing tours by interested parties to ultimately lease, or perhaps even purchase, which will supplement our overall revenues.

But as I wrap up these Comments on my first near mid-term's satisfaction, there are unheard or unanswered pleas that I, a citizen (or residential)-based representative on this Board who thinks first of our ratepayers and tries to reflect the majority of their views, feel need be addressed. Although I *did not support the recently enacted rate increases nor the large staff payroll increases that came before the Board for vote*, I will not lobby to reduce either on any subsequent configuration of this Board. Those horrendous ships, both against the outspoken will of the people I serve, have sailed, again against my vote here. But several more changes should be supported and consumed by this relatively unjustified largesse. First, the Board pay is inadequate and should be raised. After twenty years of no change in compensation as well as yearly increases to staff pay, an independent commission should evaluate and, I

predict, implement a salary more compensable to this and future Boards to insure a broader range of our citizens can run, be elected to and serve without too great a financial hardship or sacrifice. Further, our new existing revenues should restore a human-interactive, face-to-face "lobby" customer service immediately. The pleas I hear constantly from across the spectrum are clear. It is necessary and appropriate that we show humanity and some compassion for those who prefer personal interaction to resolve an issue. Many customers have limited ability to navigate online or even through the phone. Our security personnel have been left dozens of times every day to give directions to hapless customers at the kiosk out front. Further, our Board members should be given direct access to funding resolutions if contacted by a customer. These more immediate resolutions will cut down on the expensive, time-consuming bureaucracy of going through highest paid staff to resolve often low dollar matters. Naturally, a review of Board resolutions will be transparent and accountable for ethical considerations to remain. If we are truly going to be a more effective, user-friendly and prouder PUBLIC utility, I hope we might consider these and other advocacies to be found within the bloat of our existing Budget; all three of the afore-listed can be accomplished for less than an advertised salary cost for ONE new staff position (C.A.O.) Again, I join in the pride of this stellar utility and earnestly hope we all can change long held perspectives and move together in the united goal to change our often tarnished image and, ultimately, find ways to serve Wyandotte County, Kansans better who must rely on the BPU for power and water.

Thank you.

DBH.

# **October 2023 Financial Results**

## **December 6, 2023**

## 2023 Billed kWh (YTD Jan - October)

Electric	(CY) 2023 YTD	(PY) 2022 YTD	
Residential	511,508,300	513,988,623	↓
Commercial	853,613,187	842,441,254	↑
Industrial	404,072,634	450,485,454	↓
	1,769,194,121	1,806,915,331	↓ -2.1%

Commercial usage was above 2022 levels and Residential, Industrial and Total were below 2022 levels

Residential – Down .5%    Commercial – Up 1%    Industrial – Down 10%



## 2023 Billed CCF's (YTD Jan - October)







Water	(CY) 2023 YTD	(PY) 2022 YTD	
Residential	3,007,351	2,928,708	Residential and Commercial were above 2022 levels while Industrial was slightly below 2022 levels
Commercial	2,382,194	2,273,993	
Industrial	1,559,403	1,599,445	
	<b>6,948,948</b>	<b>6,802,146</b>	<b>2.2%</b>

Residential – Up 3%

Commercial – Up 5%

Industrial – Down 3%

## Revenues – October 2023

	(CY) 2023 October	(PY) 2022 October		Budget 2023 October	(CY) 2023 October	
Electric	\$ 24.742	\$ 25.889		\$ 24.227	\$ 24.742	
Water	5.290	4.690		4.742	5.290	
Combined	\$ 30.032	\$ 30.579		\$ 28.969	\$ 30.032	 3.7%

### ***Actual Compared to 2023 Budget***

Electric – Up 5%

Water – Up 12%

Combined – Up 4%

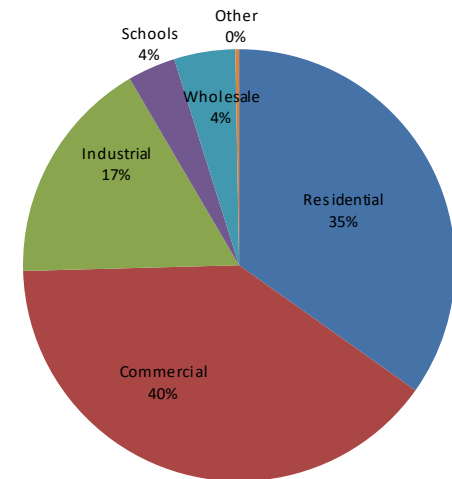
## Revenues – 2023 YTD

	(CY) 2023 YTD	(PY) 2022 YTD		Budget 2023 YTD	(CY) 2023 YTD	
Electric	\$ 277.364	\$ 271.701	↑	\$ 265.367	\$ 277.364	↑
Water	47.029	44.855		44.893	47.029	
Combined	\$ 324.393	\$ 316.556	↑ 2.5%	\$ 310.260	\$ 324.393	↑ 4.6%

\*\*Dollars in millions

### Variance – YTD comparing Budget to Actual for 2023

<u>Electric:</u>	<i>Up 5%</i>	<u>Water:</u>	<i>Up 5%</i>
Residential	\$ 4.0M	Residential	\$962K
Commercial	\$ 11.5M	Commercial	\$1.0M
Industrial	(\$ 882K)	Industrial	\$220K
Schools	\$ 1.1M	Wholesale	\$181K
Wholesale	(\$4.3M)		



## Operating Expenses – October 2023

	(CY) 2023 October	(PY) 2022 October		Budget 2023 October	(CY) 2023 October	
Electric	\$ 18.592	\$ 19.378	↓	\$ 19.056	\$ 18.592	↓
Water	3.492	3.124	↑	3.260	3.492	↑
Combined	\$ 22.084	\$ 22.502	↓	\$ 22.316	\$ 22.084	↓ -1.0%

**Actual Compared to 2023 Budget**

Electric – Down 2%

Water - Up 7%

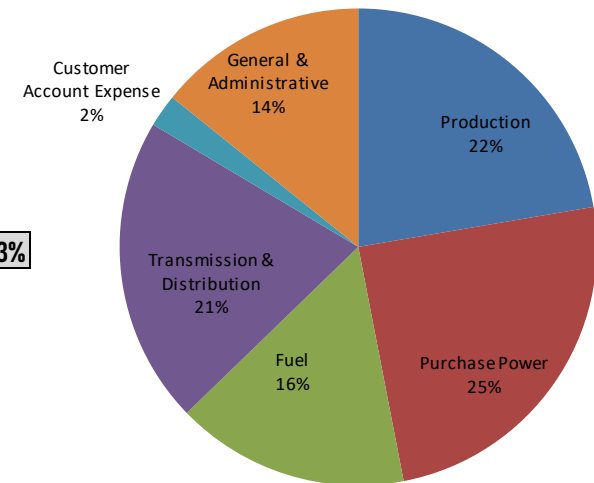
## Operating Expenses – 2023 YTD

	(CY) 2023 YTD	(PY) 2022 YTD		Budget 2023 YTD	(CY) 2023 YTD	
Electric	\$ 206.937	\$ 206.993		\$ 199.677	\$ 206.937	
Water	31.883	30.563		33.819	31.883	
<b>Combined</b>	<b>\$ 238.820</b>	<b>\$ 237.556</b>	<b>0.5%</b>	<b>\$ 233.496</b>	<b>\$ 238.820</b>	<b>2.3%</b>

\*\*Dollars in millions

### **Actual Compared to 2023 Budget**

- Electric – Up 4%
- Water - Down 6%
- Combined – Up 2%



2022 ERC Under Recovery of the ERC has been fully amortized as of June 2023 - \$14,781,274

# Financial Results

## Operating Expenses – 2023 YTD less Depreciation

	(CY) 2023 YTD	(PY) 2022 YTD		Budget 2023 YTD	(CY) 2023 YTD	
Electric	\$ 177.462	\$ 179.898		\$ 170.892	\$ 177.462	↑
Water	24.883	23.667		26.867	24.883	↓
Combined	\$ 202.345	\$ 203.565	-0.6%	\$ 197.759	\$ 202.345	↑ 2.3%

\*\*Dollars in millions

Variance – YTD comparing Budget to Actual 2023

### Electric:

Purchased Power \$600K  
 Fuel (\$7.5M)  
 Production \$3.5M  
 T&D (\$2.7M)  
 G&A (\$1.6M)

### Water:

Production (\$ 1.1M)  
 T&D (\$457K)  
 G&A (\$328K)

## Change in Net Position – October 2023

	(CY) 2023 October	(PY) 2022 October
Electric	\$ 2.334	\$ 2.438
Water	1.240	1.097
<b>Combined</b>	<b>\$ 3.574</b>	<b>\$ 3.535</b>

Budget 2023 October	(CY) 2023 October
\$ 1.361	\$ 2.334
0.999	1.240
<b>\$ 2.360</b>	<b>\$ 3.574</b>



\*\*Dollars in millions

## Change in Net Position – 2023 YTD

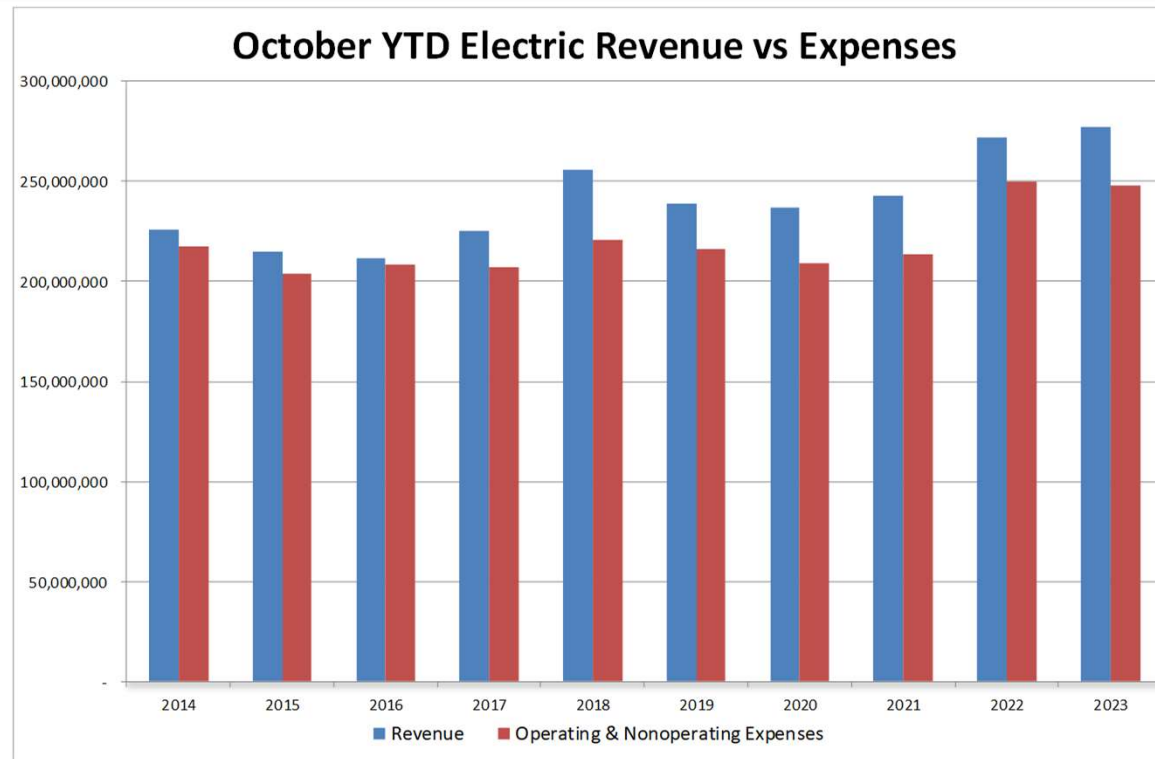
	(CY) 2023 YTD	(PY) 2022 YTD	Budget 2023 YTD	(CY) 2023 YTD
Electric	\$ 29.294	\$ 22.195	\$ 25.073	\$ 29.294
Water	10.060	8.832	5.659	10.060
Combined	\$ 39.354	\$ 31.027	\$ 30.732	\$ 39.354



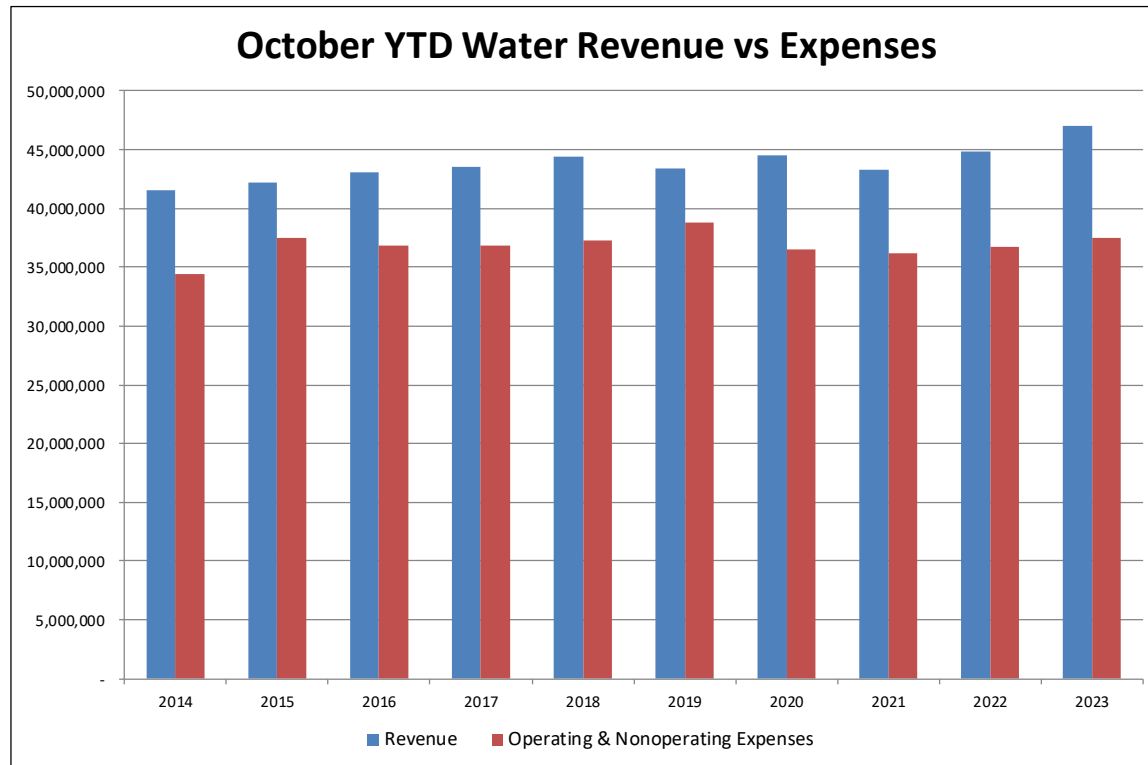
\*\*Dollars in millions



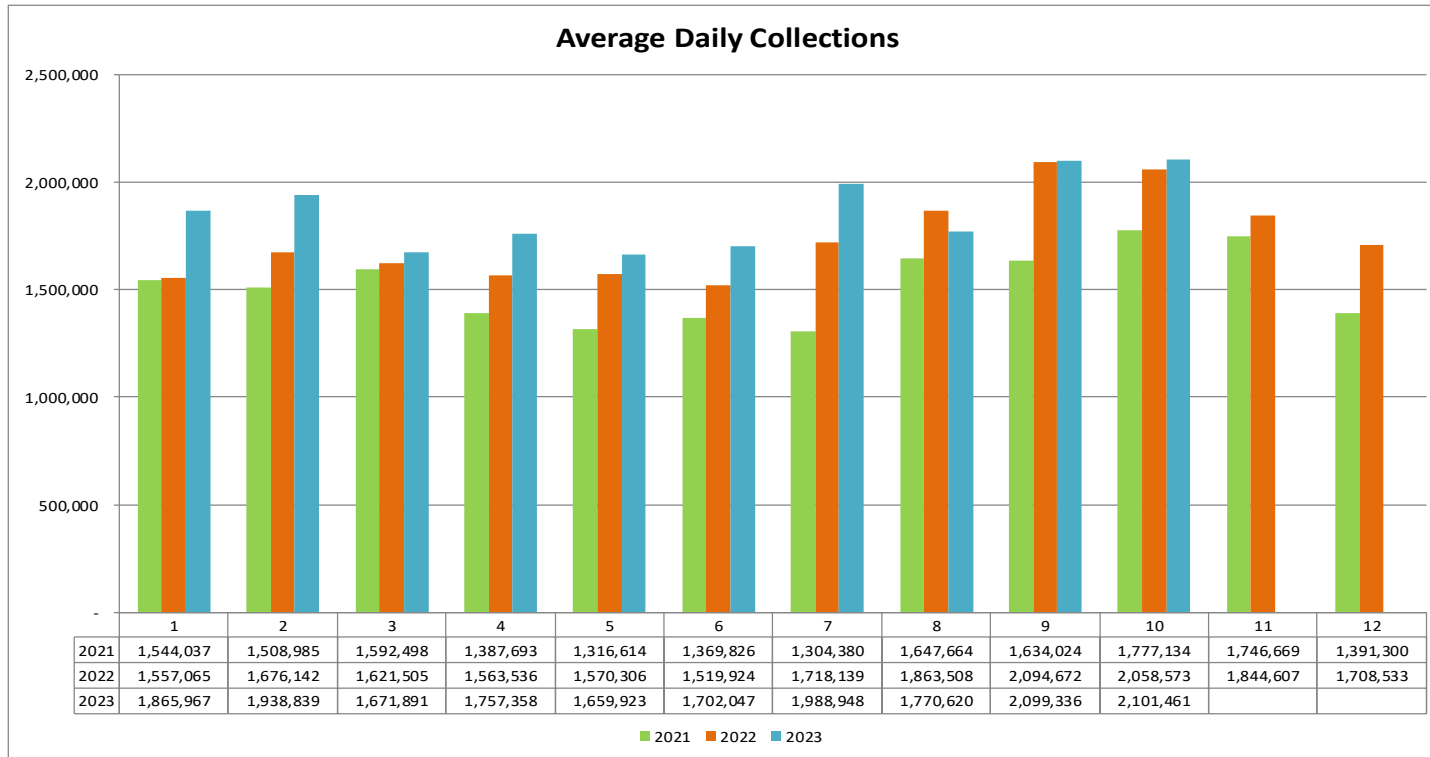
# Financial Results – 10 Year Trend



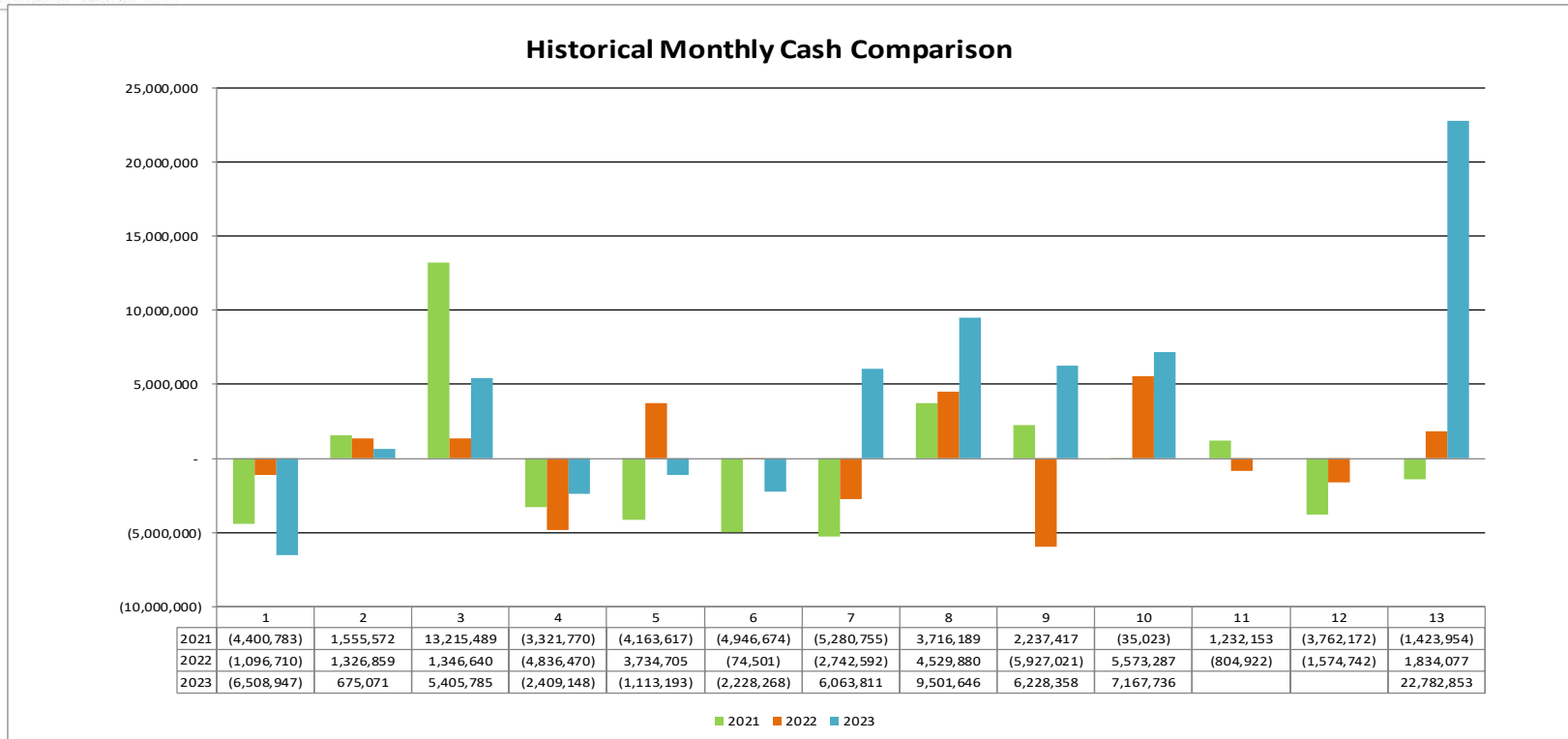
# Financial Results – 10 Year Trend



# Financial Results



# Financial Results



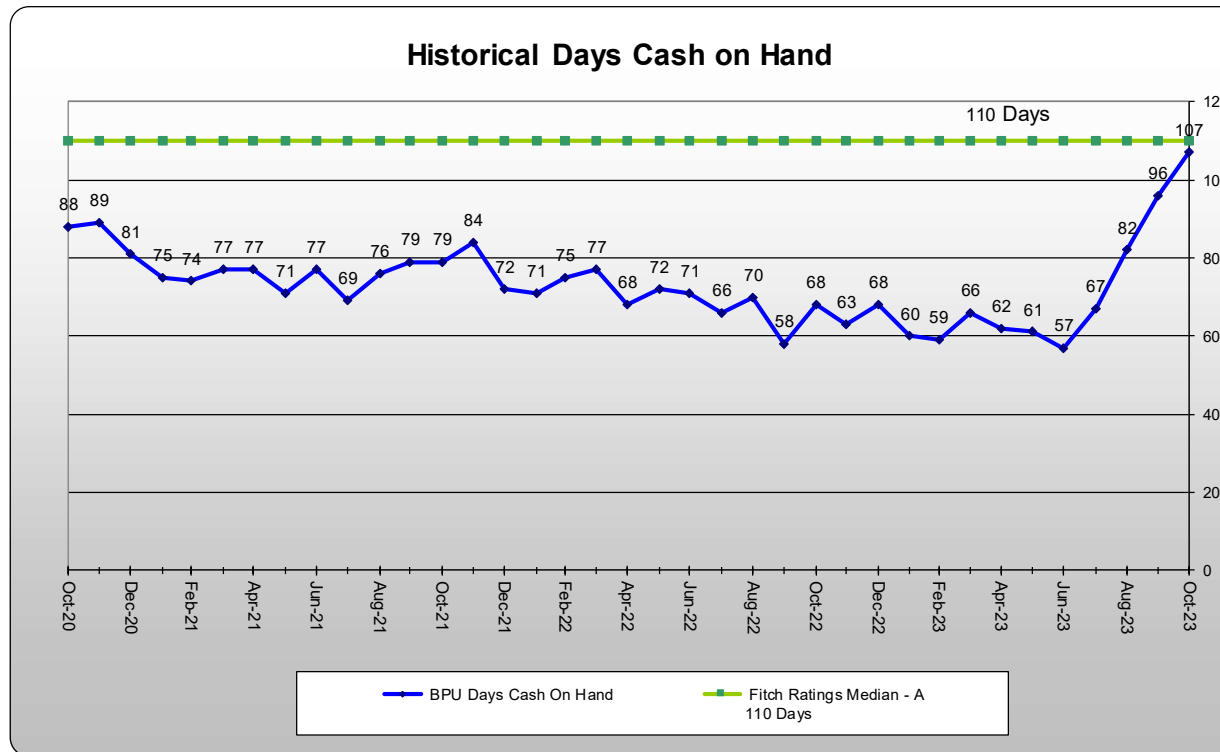
## Cash Position

	(CY) 2023 October	(PY) 2022 October	2023 September
Combined (E&W) Days Cash-on-Hand	\$ 66.16 107	\$ 47.00 68	\$ 59.12 96

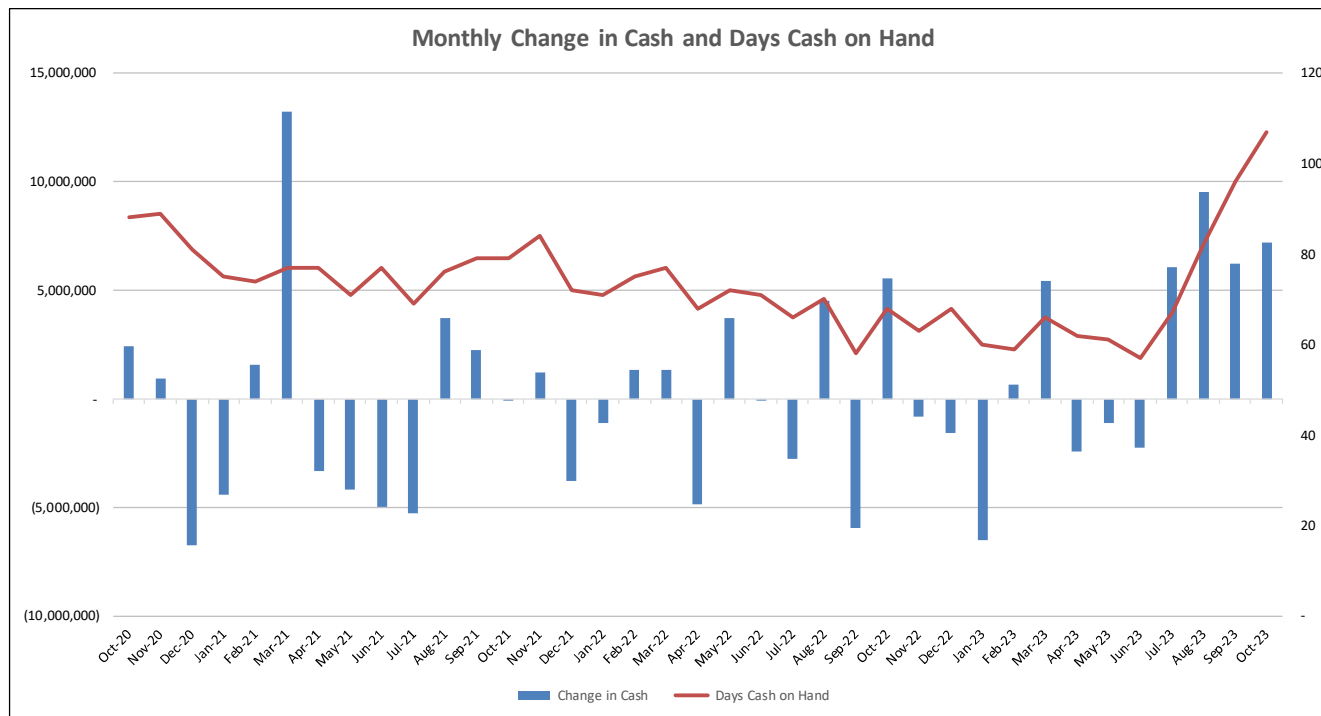
\*\*Dollars in millions

**1 Day = Approximately \$600K-\$625K**  
(Based on 12 month rolling average of expenses)

# Financial Results



# Financial Results



## Balance Sheet: Notables

	(CY) 2023 October	(PY) 2022 October
Fuel Inventory	\$ 9.402	\$ 6.809
Bond Dollars 2016C (Elec T&D)	\$ 0.231	\$ 0.713
Bond Dollars 2020A (Elec)	\$ 0.836	\$ 0.802

\*\*Dollars in millions



## Capital Spending

	(CY) 2023 YTD	(PY) 2022 YTD	2023 Budget	
Electric	\$ 20.98	\$ 17.35	\$ 30.67	
Water	11.52	7.77	24.71	
Common	3.29	2.92	5.20	
<b>Total YTD Capital</b>	<b>\$ 35.79</b>	<b>\$ 28.04</b>	<b>\$ 60.58</b>	<b>Remaining 41%</b>

### Major projects in 2023:

\*\*Dollars in millions

- Fisher UG Feeders - \$3.0M
- Annual Underground - \$1.6M
- Annual Overhead - \$1.4M
- Distribution Pole Inspect/Replace - \$1.1M
- IT Meter Data Management Upgrade – \$520K
- Water Sys Imp, Valves & Leaks - \$2.2M
- Argentine 7 MG Tank Replacement - \$5.4M

## Debt Coverage

Financial Guideline Target  
2.0 times with PILOT

### Debt Coverage with PILOT

	(CY) 2023 October	(PY) 2022 October
Electric	2.96	2.30
Water	2.32	1.99
Combined	3.05	2.43

### Debt Coverage w/o PILOT

Financial Guideline Target  
1.6 times without PILOT

	(CY) 2023 October	(PY) 2022 October
Electric	2.23	1.61
Water	1.83	1.53
Combined	2.32	1.74



# Customer Service Dashboard

November 15, 2023

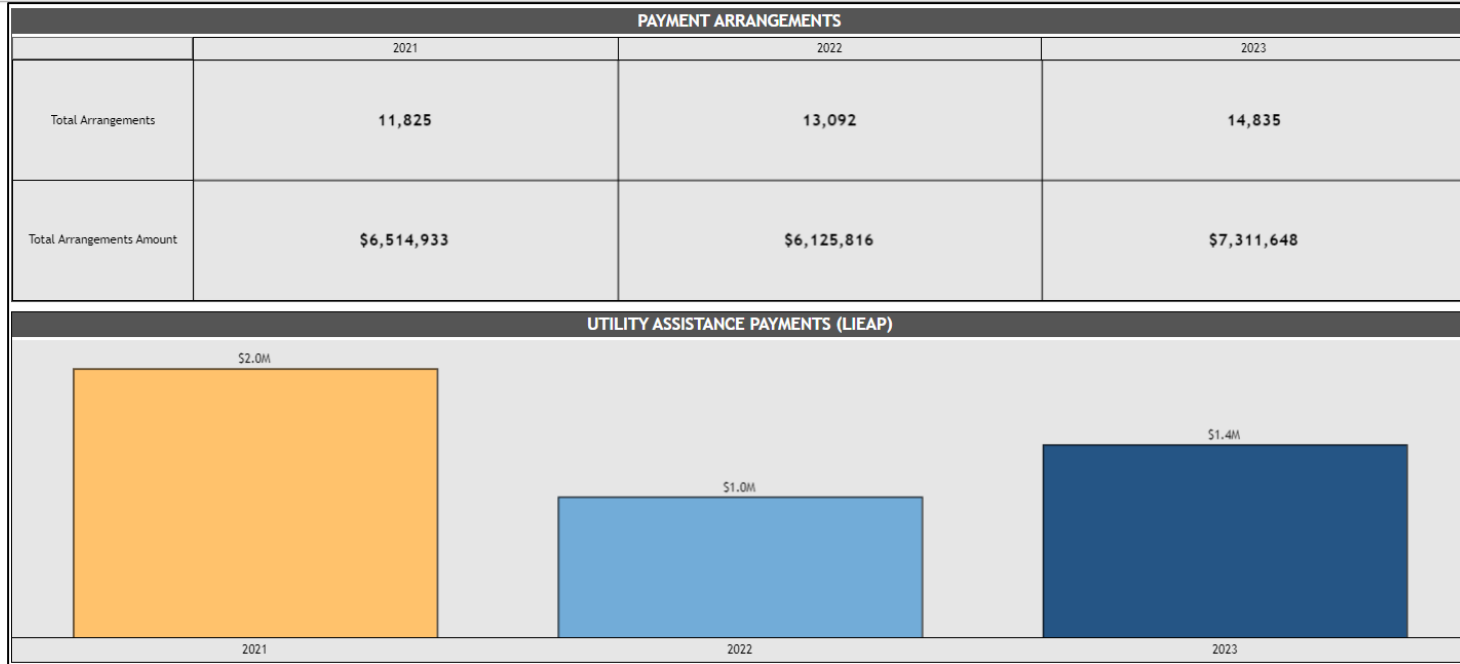
## Reporting Categories:

- Accounts
- Financial Assistance
- Delinquent Accounts
- Call Metrics
- Survey Responses



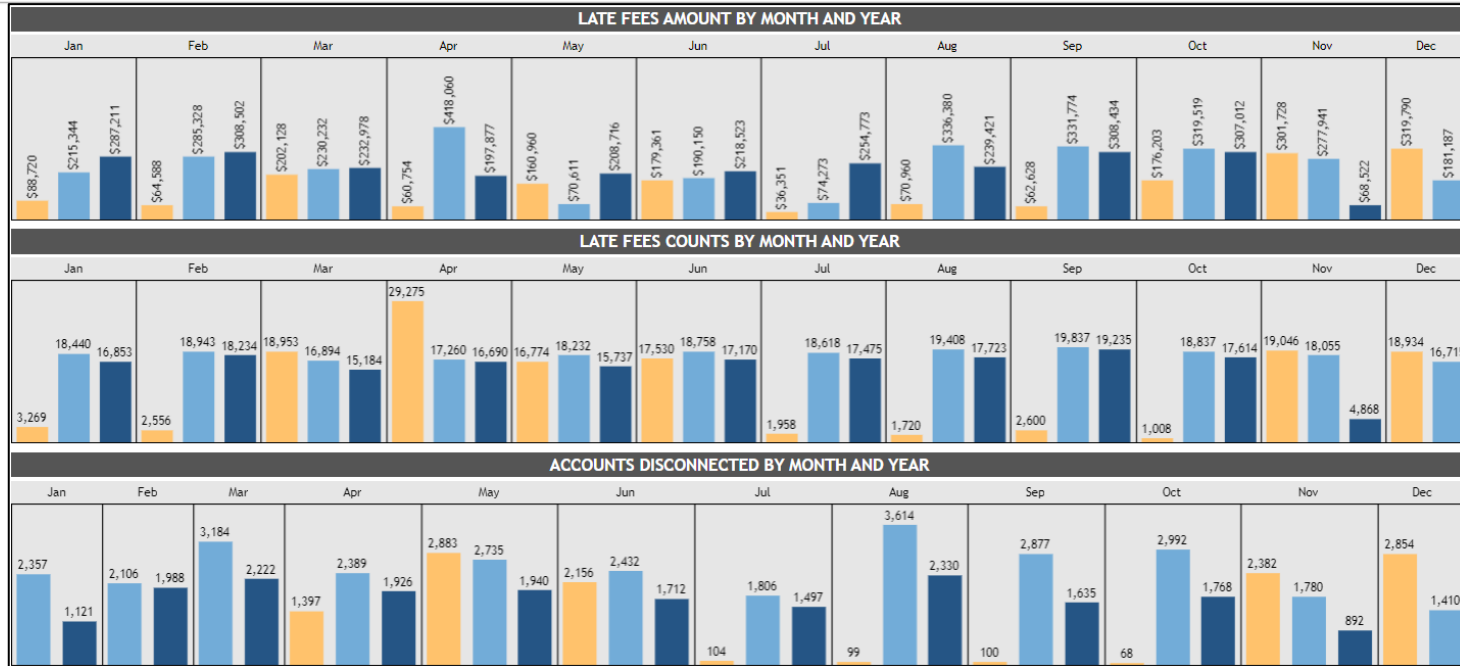
- Higher paperless billing signups correlate to a focus of asking on telephone interactions.
- New Net Meter Accounts thru October 2023 is double the volume for all of 2021.

# Financial Assistance



- The number of Payment Arrangements continues to increase year-over-year.
- Smaller amount of LIEAP assistance in 2022 as other programs were providing assistance.

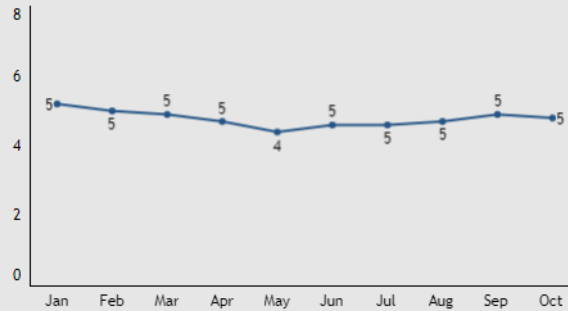
# Delinquent Accounts



- Late Fees are averaging ~\$250,000/month. In 2023, the number of accounts assessed late fees is down ~1,400/mo.
- Disconnects have decreased in 2023 with a correlation to text messaging.

# Call Metrics

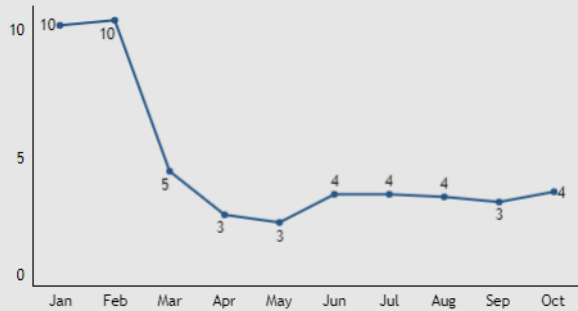
AVG. TALK TIME - 5 mins



CALL BACK IN QUEUE - 6,341



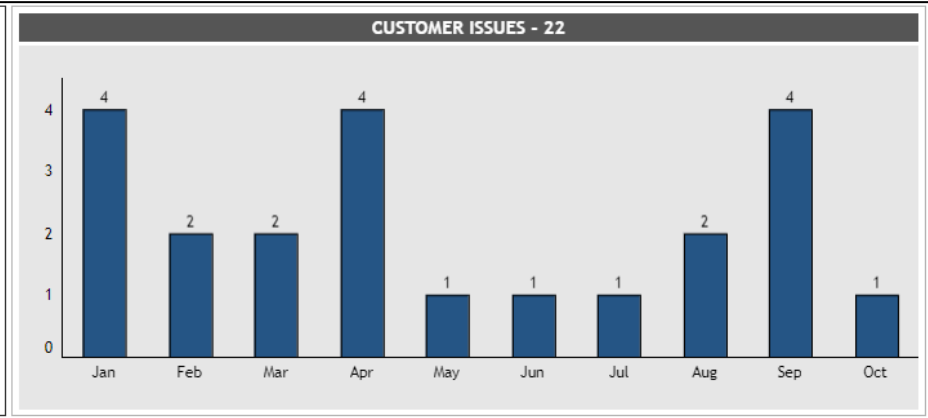
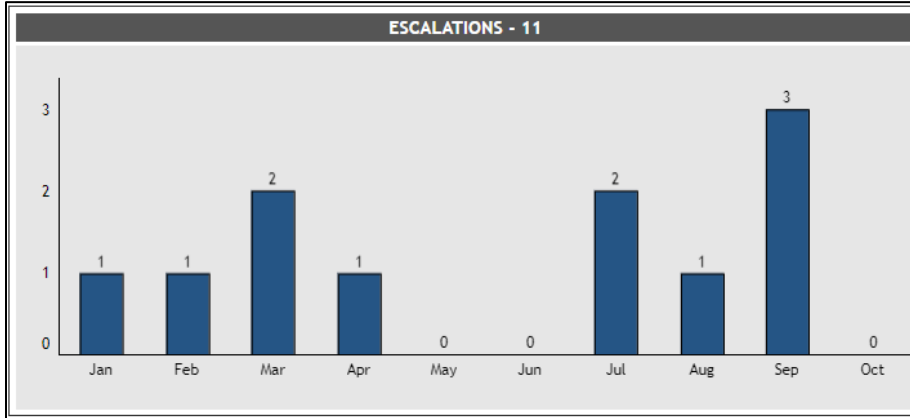
AVG. WAIT TIME - 5 mins



- Average Talk Time remains consistent at 5 minutes.
- Call Back in Queue turned on February 1, 2023.
- Average Wait Time was high to start 2023 but is now staying around 4 minutes.

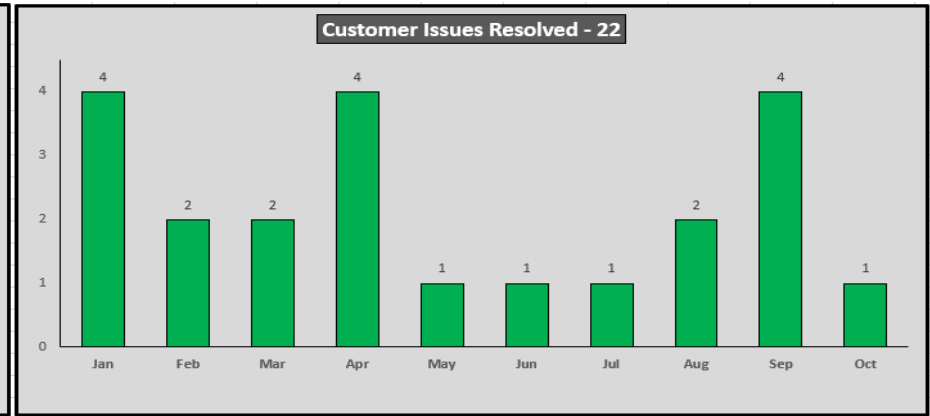
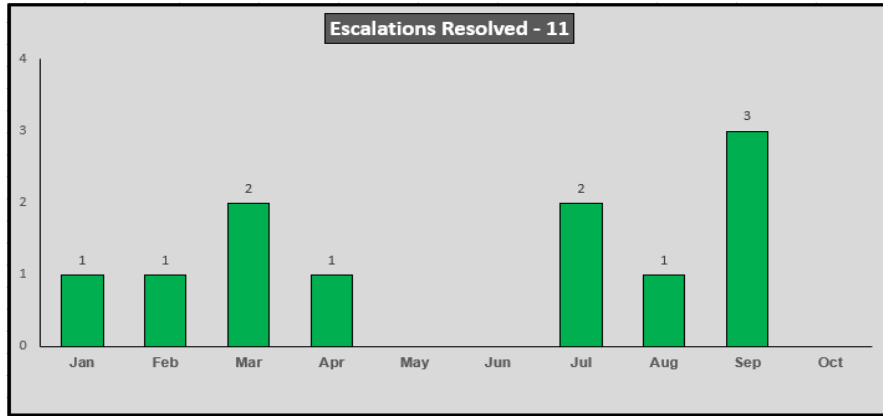


# Call Metrics



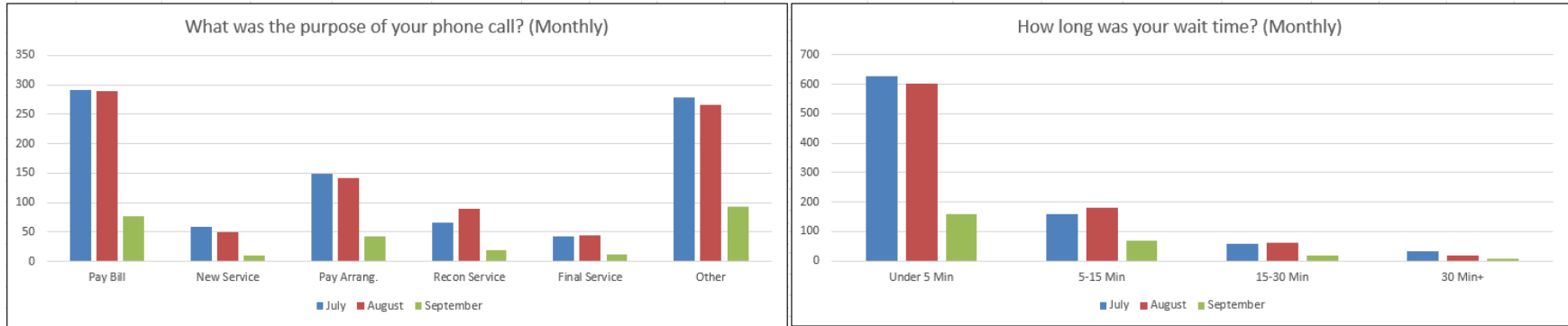
- Escalations are calls from the telephone reps escalated to the supervisor.
- Customer issues are calls handled by the Customer Service Supervisor. These calls are passed on from the General Managers office or the UG.

# Call Metrics - Resolution



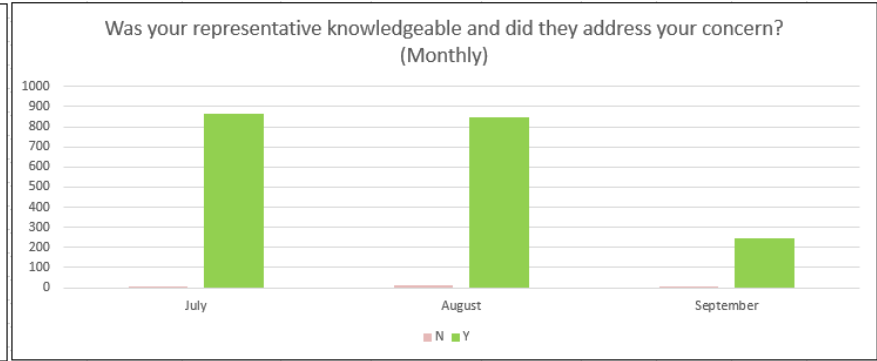
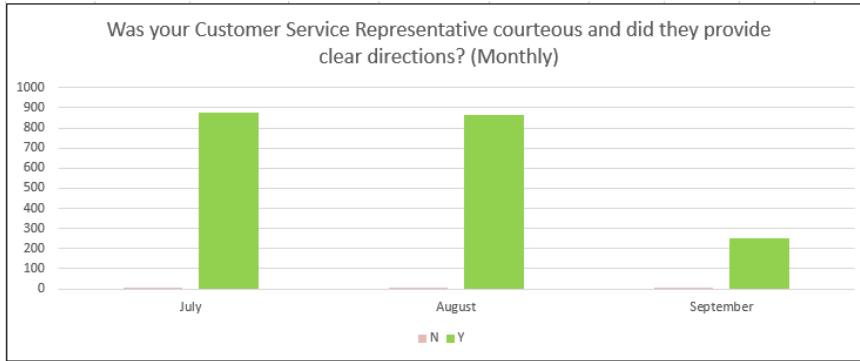
– All Escalations and Customer Issues were resolved by Customer Service

# Survey Responses



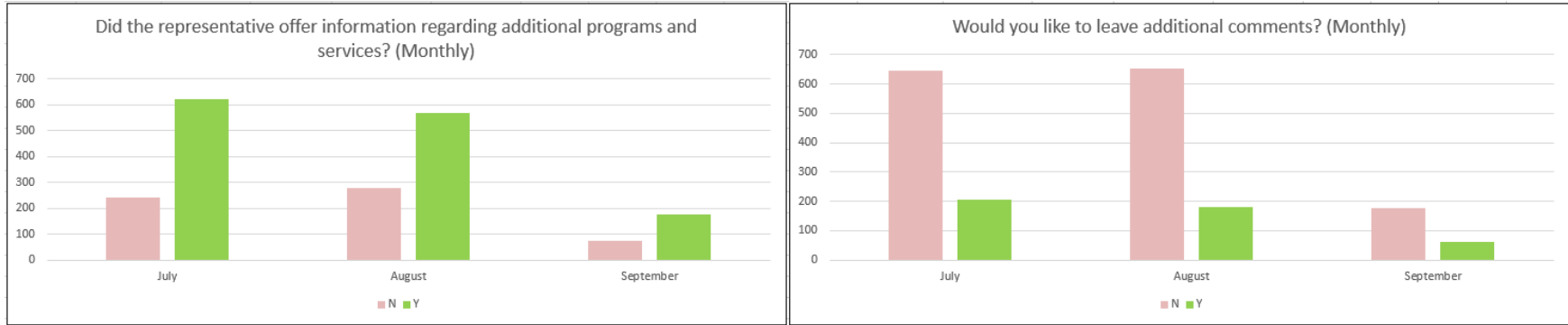
- Most calls focused on Bill Payment, Payment Arrangements and Other.
- 70% of respondents reported under five minutes of wait time. 20% reported 5-15 minutes of wait time.

# Survey Responses



- Over 99% of all surveys said the rep was courteous and provided clear directions.
- ~99% of respondents stated their rep was knowledgeable and their concern was addressed.

# Survey Responses



- 70% of all surveys said the rep offered information regarding additional programs & services.
- Over 75% of respondents did not want to leave comments.

*Thank  
you*