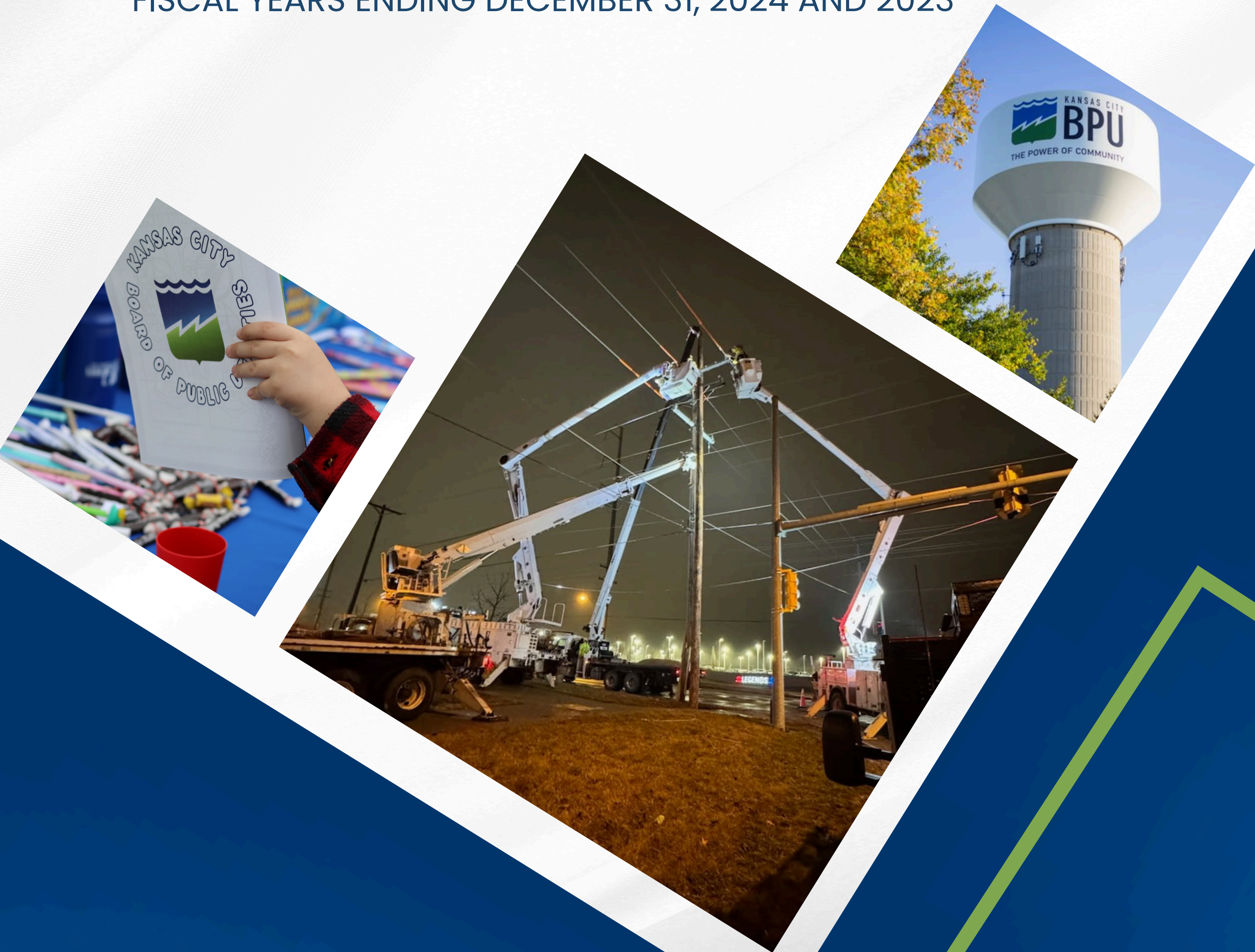




ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEARS ENDING DECEMBER 31, 2024 AND 2023



KANSAS CITY BOARD OF PUBLIC UTILITIES

540 Minnesota Avenue
Kansas City, Kansas 66101

*An enterprise fund of the Unified Government of
Wyandotte County, Kansas
Prepared by the Office of Accounting*

KANSAS CITY BOARD OF PUBLIC UTILITIES
Kansas City, Kansas



Annual Comprehensive Financial Report
For fiscal years ended December 31, 2024 and 2023

Board of Directors

President and District 2	Thomas “Tom” Groneman
Vice President and Member-at-Large	David Haley
Secretary and District 1	Stevie Wakes, Sr.
District 3	Brett Parker
Member-at-Large	Mary Gonzales
Member-at-Large	Rose Mulvany Henry

General Manager, William “Bill” Johnson

Prepared by:

Office of Accounting and Office of Corporate Communications

An Enterprise Fund of the:

United Government of Wyandotte County | Kansas City, Kansas

Kansas City Board of Public Utilities
Annual Comprehensive Financial Report
For the Fiscal Years Ended December 31, 2024 and 2023

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INTRODUCTORY SECTION



April 21, 2025

To the Ratepayers and Board of Directors of the Kansas City Board of Public Utilities:

The Charter Ordinance of the Unified Government of Wyandotte County/Kansas City, Kansas, requires that the Kansas City Board of Public Utilities (BPU) publish an Annual Comprehensive Financial Report (ACFR) within six months of the close of each fiscal year. This report fulfills that requirement for the fiscal year ended December 31, 2024, and is presented in conformity with Generally Accepted Accounting Principles (GAAP). A certified public accounting firm has independently audited the report.

This ACFR represents management's responsibility for BPU's financial integrity, including the accuracy, completeness, and fairness of the information. To the best of our knowledge, this report provides a complete and reliable account of BPU's financial condition and results of operations. Disclosures are included to enhance understanding of the financial statements.

FORVIS MAZARS, LLP conducted the independent audit of BPU's financial statements. The objective of the audit was to provide reasonable assurance that the financial statements are free from material misstatement. This process included reviewing financial data on a test basis, assessing accounting principles, evaluating significant estimates, and overall presentation. FORVIS MAZARS, LLP issued an unmodified ("clean") opinion, stating that BPU's financial statements fairly represent its financial position, results of operations, and cash flows per GAAP. The auditor's report appears in the financial section of this report.

GAAP requires the inclusion of a Management's Discussion and Analysis (MD&A), which offers narrative context and analysis to accompany the financial statements. This Letter of Transmittal complements the MD&A and should be read in conjunction.

PROFILE

The Kansas City Board of Public Utilities (BPU) operates both electric and water utilities and is, by statute and charter ordinance, under the operational control of its Board of Directors. While the Unified Government of Wyandotte County/Kansas City, Kansas, retains the authority to incur debt on behalf of BPU, state law grants BPU exclusive control over the day-to-day operations of its utility systems.

As of year-end 2024, BPU served approximately 67,000 electric and 53,000 water customers.

Electric Utility Operations

BPU owns and operates two active electric generating stations and maintains a 17% ownership interest in a combined-cycle power generation facility. Additionally, the utility has seven long-term power purchase agreements to meet capacity and energy needs for its retail customers.

Generating Stations

- Nearman Creek Power Station consists of a coal-fired steam unit (operational since 1981) and a combustion turbine unit (CT4), which was in service in 2006 and operates on natural gas or No. 2 fuel oil.
- Quindaro Power Station includes two peaking combustion turbines (CT2 and CT3), initially commissioned in 1969 and 1977. In 2019, BPU decommissioned Units 1 and 2 due to inefficiency. Those assets were recorded as a regulatory asset valued at \$73.6 million and are being amortized through 2040.

Joint Ownership

In 2012, BPU acquired a 17% undivided interest in the Dogwood Generating Facility, a natural gas-fired combined-cycle plant. BPU's share of output is approximately 110 megawatts (MW) and includes proportional operating and capital costs responsibilities.

Transmission and Distribution

BPU's electric grid includes:

- 68.13 miles of 161 kilovolts (kV) transmission lines.
- 49.75 miles of 69 kV transmission lines.
- Over 954 miles of overhead and 237 miles of underground distribution lines.
- 26 electric distribution substations and two transmission substations.
- The utility is interconnected with Evergy, Inc.

Southwest Power Pool Participation

BPU is a member of Southwest Power Pool (SPP), a regional transmission organization based in Little Rock, Arkansas. SPP facilitates the reliable, cost-effective movement of electricity across its multi-state footprint. As the balancing authority, SPP optimizes energy dispatch and enhances system stability, particularly during emergencies.

Renewable and Purchased Power

BPU maintains seven renewable energy purchase agreements, including:

- Wind energy from Cimarron Bend, Smoky Hills, and Alexander Wind Farms.
- Hydropower from Bowersock Mills & Power Company, the only hydro project in Kansas.
- Landfill gas from Oak Grove Power Producers in Arcadia, Kansas.
- Solar energy from a 1 MW community solar project at the Nearman site (in partnership with MC Power).
- BPU also receives 38.6 MW of hydroelectric capacity from the Southwestern Power Administration (SPA) and 5 MW from the Western Area Power Administration (WAPA).

Water Utility Operations

The Kansas City Board of Public Utilities provides water service to approximately 53,000 customers across a service area covering approximately 152 square miles. This service area includes most of Kansas City, Kansas, and portions of Edwardsville, Bonner Springs, southern Leavenworth County, and northern Johnson County, Kansas.

Water Supply and Treatment

BPU utilizes the Nearman Water Treatment Plant (NWTP), a state-of-the-art facility that can pump up to 72 million gallons daily (MGD). The system includes:

- One primary water treatment facility.
- Three major pump stations.
- Two of the nation's largest horizontal collector wells.
- Approximately 1,000 miles of water pipelines.

Distribution System

The water distribution network is designed to support high-volume industrial use and residential service. It includes:

- Nearly 80 miles of primary and trunk mains (24" – 48" diameter).
- Roughly 920 miles of secondary distribution mains.
- Approximately 20 million gallons of stored water capacity in elevated storage tanks and ground-level reservoirs.
- Three booster-pumping stations that regulate pressure across multiple elevation zones.

Infrastructure Investment and Maintenance

BPU continually evaluates and upgrades its water system to maintain regulatory compliance, optimize pressure zones, and ensure redundancy for critical industrial and commercial corridors. The utility employs a multi-year capital improvement plan to prioritize replacing aging infrastructure and address system growth.

ECONOMIC CONDITIONS

The Unified Government prioritizes economic development and reinvestment in key commercial and industrial zones. Major projects contributing to the region's growth include:

Legends/Village West Development

A 1,600-acre site near Interstates 70 and 435 continues to anchor regional tourism and retail. The Kansas Speedway opened with over \$280 million in STAR Bond-financed investments and remains a key destination with 82,000 grandstand seats and luxury suites. Surrounding attractions include:

- Bass Pro Shops
- Nebraska Furniture Mart
- Great Wolf Lodge and Resort
- Hollywood Casino
- Children's Mercy Park (*Sporting Kansas City*)
- Legends Field (*Kansas City Monarchs*)

Youth and Sports Complexes

The Compass Minerals Soccer National Training and Coaching Development Center, opened in 2018, supports elite performance training and youth development.

The Homefield multi-sport athletic complex continues to expand, including Homefield Outdoor and the Youth Baseball Complex. A 250-room Margaritaville Resort is expected to open in 2025. Plans for additional venues include:

- Big Shots Golf
- An indoor sports and concert arena.
- The Atlas 9 Art Museum

Industrial Expansion

- General Motors: An estimated \$390 million toward retooling for supported production and assembly of the Bolt Electric Vehicle (EV) at the Fairfax Plant.
- Amazon: Two fulfillment centers, including a 1.08 million-square-foot facility on Leavenworth Road, employ over 5,000 workers on 134 acres.
- Marvin Windows and Doors: A 400,000 square-foot plant with an estimated \$76.5 million investment aiming for a 600-person workforce by 2028.
- Urban Outfitters: A 1 million square foot distribution and fulfillment center, representing up to a \$400 million investment, began operations in 2022 and is expected to support up to 2,000 jobs.
- Turner Logistics Industrial Park: Developed after nearly a \$13.8 million interchange improvement, the 2.7 million square foot industrial park features seven buildings and approximately 1,800 new jobs.

LONG-TERM FINANCIAL PLANNING

The Kansas City Board of Public Utilities (BPU) continues to take a strategic approach to planning and investing in its infrastructure to meet the community's current and future needs. The utility leverages long-term capital planning to ensure that system reliability, regulatory compliance, and service expectations remain sustainable.

BPU utilizes a five-year Capital Improvement Program (CIP) to identify and prioritize electric and water utility projects. These projects are planned based on system condition, capacity requirements, safety, and growth projections. The plan is reviewed and updated annually to reflect available financial resources, external funding opportunities, and emerging operational priorities.

Electric Utility Capital Plan

BPU's electric utility capital improvement plan outlines an estimated \$214 million in projects focused on generation, transmission, and distribution system upgrades. Projects are scheduled over a multi-year horizon and are designed to:

- Enhance system reliability and redundancy.
- Replace aging infrastructure.
- Support new commercial and industrial loads.
- Comply with federal and state reliability and safety standards.

Water Utility Capital Plan

The water utility's capital improvement plan identifies approximately \$127 million in long-term investments to upgrade aging water mains, treatment infrastructure, and pumping systems.

The plan supports:

- Improved service reliability.
- Replacement of vulnerable or undersized lines
- Compliance with public health regulations.
- Enhanced resiliency for high-demand and emergency situations.

CASH MANAGEMENT AND INVESTMENT POLICY

BPU maintains a conservative and disciplined approach to cash management. The utility's primary objectives in managing public funds are to preserve capital, ensure liquidity, and maximize investment returns within the boundaries of state statutes and internal policy guidelines.

BPU's cash management policy encourages the timely investment of all funds not required for immediate expenditure. Investments are made per Kansas statutes governing the management of public funds and the utility's internally adopted investment policy, which is reviewed periodically by the Board of Directors.

Key principles of the policy include:

- *Safety*: Safeguarding principal is the foremost objective.
- *Liquidity*: Ensuring sufficient cash flow to meet obligations.
- *Yield*: Attaining a market rate of return on investments, consistent with the parameters of safety and liquidity.

Funds are managed through a combination of internal oversight and third-party custodial relationships. Executive leadership and the board review monthly and quarterly reporting. Investment practices and holdings are audited annually as part of the independent financial audit process.

INTERNAL CONTROL

The BPU's management is responsible for establishing and maintaining internal controls that safeguard the utility's assets, ensure the integrity of financial records, and support the preparation of financial statements per Generally Accepted Accounting Principles (GAAP).

BPU's internal control framework is intended to provide reasonable, rather than absolute, assurance that these objectives are achieved. This distinction acknowledges two core principles:

1. The cost of implementing a control should not exceed the expected benefit.
2. Evaluating costs and benefits requires management's judgment and estimation.

Key objectives of BPU's internal control system include:

- Protecting assets from loss, theft, or misuse.
- Promoting operational efficiency.
- Ensuring accurate and timely financial reporting.
- Supporting compliance with laws, regulations, and internal policies.

Internal controls are evaluated regularly through management oversight, independent audits, and compliance reviews. Findings are used to strengthen the system and ensure accountability throughout the organization.

MAJOR INITIATIVES

BPU continues to invest in infrastructure and system improvements to enhance service reliability, support regional growth, and modernize aging utility assets.

In 2024, BPU advanced key capital projects across the electric and water systems to strengthen resiliency, improve efficiency, and support long-term sustainability.

Electric Utility Projects

- **Speaker Substation Replacement – Muncie Area**
BPU has begun a significant upgrade of the Speaker Substation. This multi-year project will improve capacity and reliability for the surrounding neighborhoods. Construction is scheduled to be completed by 2027.
- **Urban Outfitters Load Support – Speedway Area**
To support growing commercial load near the Kansas Speedway, BPU is building out additional overhead distribution infrastructure. This work is expected to be completed by 2026.
- **Distribution Pole Inspection and Replacement Program**
BPU launched a multi-year inspection program to assess and replace aging distribution poles across its territory. Initiated in 2022, the program will continue through 2027, with phased evaluations and replacements in all service areas.

Water Utility Projects

- **Argentine Reservoir Replacement (7MG)**
Construction of a new 7-million-gallon reservoir in the Argentine area neared project completion in 2024. Once in service, the facility will provide additional water storage and a critical backup supply for the Fairfax Industrial District.
- **Emergency Power Resiliency – Nearman Water Treatment Plant**
BPU secured \$3.7 million in FEMA grant funding to install an emergency generator at the Nearman Water Treatment Plant. This \$8.1 million project will enhance resiliency and ensure uninterrupted water treatment during grid outages. Completion is expected by 2026.
- **Water Main Replacement Program**
In partnership with the Environmental Protection Agency (EPA) and the Kansas Department of Health and Environment (KDHE), BPU began an aggressive program to replace 3–5 miles of aging water mains annually. A \$10 million federal grant and a KDHE water supply loan are helping finance these replacements over the next several years.

GFOA CERTIFICATE OF ACHIEVEMENT AWARD

The Kansas City Board of Public Utilities received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended December 31, 2023. This marked the 43rd consecutive year BPU earned this distinction.

A report must be clearly written, well-organized, and fully compliant with Generally Accepted Accounting Principles (GAAP) and all applicable legal requirements to qualify.


ACKNOWLEDGEMENTS

The preparation of this Annual Comprehensive Financial Report (ACFR) reflects the commitment of many individuals across the Kansas City Board of Public Utilities. Their professionalism and attention to detail ensure that the financial statements presented here are accurate, complete, and transparent.

We extend our sincere appreciation to the Accounting Division for their work in compiling the financial data and ensuring compliance with applicable reporting standards. We also thank the Office of Corporate Communications for its coordination and support in preparing the President's and General Manager's messages and ensuring clarity in public-facing content.

Finally, we thank the Board of Directors and the executive leadership team for their continued guidance and commitment to fiscal responsibility and public service.

Respectfully submitted,



Andrew Ferris
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Kansas City Board of Public Utilities
Kansas**

For its Annual Comprehensive
Financial Report

For the Fiscal Year Ended

December 31, 2023

Christopher P. Morill

Executive Director/CEO

BOARD OF DIRECTORS, PRESIDENT'S MESSAGE

BPU has proudly provided electric and water services for Wyandotte County for over a century. As a community-owned, not-for-profit utility, we aim to deliver safe, reliable, and affordable services that enhance the quality of life for all we serve.

In 2024, BPU continued to invest in infrastructure, strengthen customer relationships, support our community, and ensure strong leadership in general management. We remain focused on transparency, operational excellence, and solutions that benefit today's customers and future generations.

Highlights from the year included:

- Customer Assistance
In partnership with the United Way of Greater Kansas City, BPU provided nearly \$500,000 in utility assistance. Since the program's inception, more than \$2.0 million has been distributed.
- Energy Efficiency and Education
BPU hosted the 2024 Energy Forum in Kansas City, spotlighting innovations in solar energy, electric vehicles, and conservation strategies for community leaders and customers alike.
- Supplier and Local Investment Support
BPU awarded approximately 2,350 contracts totaling nearly \$24 million to Wyandotte County-owned businesses.
- Sustainable Energy Progress
By year-end, nearly 50% our energy portfolio came from renewable sources, including wind, solar, hydro, and landfill gas, reflecting our commitment to environmental responsibility.
- Water Quality and Safety
Our laboratory conducted over 41,800 tests on 8,700+ samples, ensuring more than billion gallons of drinking water met all health standards.
- Community Engagement and Philanthropy
BPU supported numerous local events and charitable causes through corporate giving, employee donations and volunteer service.
- Public Safety Outreach
We continued digital outreach, classroom education, and facility tours.
- Workforce Development
BPU emphasized employee training, skills development, and recruiting to strengthen BPU's future workforce.
- Leadership Transition
Following a national search, the Board of Directors unanimously appointed Jeremy Ash General Manager, succeeding William "Bill" Johnson upon his retirement in late 2024.

Through every initiative, BPU remains anchored in its mission — to provide dependable service at the lowest possible cost while advancing the well-being of Wyandotte County. I am proud of our team's work in 2024 and confident in our continued progress in the years ahead.

Respectfully,



Thomas "Tom" Groneman
Kansas City Board of Public Utilities, 2024 Board President
April 21, 2025

BOARD OF DIRECTORS | 2024

The Board of Directors comprises six members, three elected at-large and three elected by district. Every two years, three members are elected for four-year terms. The Board chooses a president, vice president, and secretary from its membership. The Board meets twice a month, on the first and third Wednesdays. Members receive a monthly salary of \$950. The Unified Government of Wyandotte County, Kansas's treasurer is the board's ex-officio treasurer. The Board hires a General Manager, who serves as BPU's chief executive officer, and administers the utility's day-to-day operations.



Thomas "Tom" Groneman

President

District 2

Elected 2013 | Re-elected: 2017, 2021

A lifelong Wyandotte County resident, Tom Groneman brings decades of public service experience to the BPU Board. He holds a degree in Business and Economics from Bethany College and served in the U.S. Navy as a Vietnamese linguist. After his military service, he was appointed Register of Deeds, serving seven consecutive terms. In 2003, he was named Director of Alcoholic Beverage Control for the State of Kansas. Mr. Groneman served as BPU Board President from 2016 to 2017, returning to the role in 2024.



David Haley

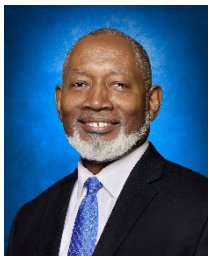
Vice President

Member-at-Large

Elected 2021

David Haley is a long-serving Kansas legislator, first elected to the House in 1994 and the Senate in 2000. He holds degrees from Morehouse College and the Howard University School of Law. Mr. Haley has served on key legislative committees, including Judiciary, Public Health, Ethics, and Taxation.

He is active in the National Black Caucus of State Legislators and works in public affairs and real estate development.



Stevie Wakes, Sr.

Secretary
District 1
Elected 2023

Stevie Wakes, Sr., was elected to the BPU Board in 2023 and served as Board Secretary in 2024. He is the longtime pastor of Olivet Institutional Baptist Church and a respected community advocate with over thirty years of leadership in Kansas City, Kansas. His public service includes past roles with the KCK NAACP, the Unified Government's Northeast Development Plan, and the Dotte Leads leadership initiative.

Mr. Wakes holds Religion, Spanish Education, Divinity, and Business Administration degrees. He has taught in public schools and is fluent in Spanish.



Brett Parker

District 3
Elected 2023

Brett Parker was elected to the BPU Board in 2023. A former Kansas State Representative, he has spent his career advocating for public education and community development. Mr. Parker currently works for the Kansas National Education Association, supporting teachers throughout Kansas City.

He holds a B.A. in Secondary Education from the University of Missouri-Kansas City and previously taught English as a second language in the Olathe School District.



Mary Gonzales

Member-at-Large
Elected 2001 | Re-elected: 2005, 2009, 2013, 2017, 2021

Mary Gonzales is a retired educator who served for over 30 years in the Piper School District. She has been an active leader on the BPU Board since 2001, previously holding the roles of President, Vice President, and Secretary.

In addition to her Board service, she is engaged with multiple civic and industry organizations, including the American Public Power Association (APPA), the American Water Works Association (AWWA), and Leadership 2000. Ms. Gonzales holds degrees in Education, and Curriculum and Instruction; she continues to support numerous community development and education initiatives throughout Wyandotte County.



Rose Mulvany Henry

Member-at-Large

Elected 2019 | Re-elected: 2023

Rose Mulvany Henry is an experienced attorney and regulatory executive with over 30 years of service in the utilities and telecommunications sectors. She is Vice President of Regulatory and Legislative Affairs at Metronet, a national fiber infrastructure provider.

As a lifelong resident of Kansas City, Kansas, Ms. Mulvany Henry has held all officer roles on the BPU Board, including President, Vice President, and Secretary. She earned her B.A. in English from the University of Kansas and her Juris Doctor from Washburn University School of Law. She is licensed to practice in Kansas.

GENERAL MANAGER'S MESSAGE

Since 1909, the BPU has remained committed to delivering safe, reliable, and affordable electric and water services to the people of Wyandotte County. Today, BPU serves more than 67,000 electric and 53,000 water customers across residential, commercial, and industrial sectors.

As a community-owned municipal utility, our operations are driven by service, not profit. In 2024, we continued to uphold the values that define us — accountability, transparency, innovation, and a deep sense of public responsibility. Through strategic investments, cost containment, and a forward-looking approach, BPU remained financially stable while meeting the community's evolving needs.

Key accomplishments in 2024 included:

- Maintaining a Stable Financial Position
BPU reduced its annual budget from \$495 million in 2016 to \$392.4 million in 2024, nearly a 21% decrease, despite inflation, workforce investments, and infrastructure upgrades.
- Ensuring Fiscal Sustainability
The utility maintained strong cash reserves, debt coverage, and credit ratings, earning an 'A' and 'Stable Outlook' from Fitch Ratings and S&P Global, and an 'A2' from Moody's. BPU also received the GFOA Award for Excellence in Financial Reporting for the 43rd consecutive year.
- Capital Infrastructure Investments
BPU advanced multiple capital projects, including:
 - Approximately \$5.4 million in upgrades to the Nearman Power Plant.
 - Nearly \$5.0 million in aging water main replacements.
 - An estimated \$4.2 million for overhead transformer replacements.
 - Over \$3.0 million toward the Argentine 7MG Reservoir project.
- Recognition and Awards
BPU's website earned national honors from APPA and the American Business Awards, while individual staff were recognized with top honors from KMEA, AWWA, and the Black Achievers Society.
- Community Engagement and Youth Development
The 2024 BPU Charity Golf Tournament raised over \$60,000 for local children's charities, while our Summer Youth Program supported job skills development for youth across nine nonprofits.
- Process and Performance Improvements
BPU advanced operational efficiency through technology adoption, enterprise benchmarking, and the implementation of utility-wide performance standards.

Throughout the year, our team remained focused on the fundamentals: dependable service, fiscal accountability, and a commitment to public value. Looking ahead, we will continue to:

1. Meet system demand through resilient production and delivery.
2. Expand renewable energy integration.
3. Improve accessibility through flexible payment options.
4. Leverage technology to enhance service and efficiency.
5. Promote conservation and responsible resource use.
6. Maintain full compliance with regulatory obligations.

BPU's employees take pride in the essential services we provide — and in our role as neighbors, partners, and stewards of this community. We remain dedicated to serving Wyandotte County with integrity, innovation, and respect.

Respectfully,

A handwritten signature in black ink, appearing to read 'J. Ash'.

Jeremy Ash
Kansas City Board of Public Utilities, General Manager
April 21, 2025

GENERAL MANAGER | 2024



William "Bill" A. Johnson

General Manager

Retired | December 31, 2024

William A. Johnson has served the Kansas City Board of Public Utilities (BPU) for nearly 45 years, rising from an entry-level position to its General Manager. He earned his MBA from Ottawa University in 2007.

Before becoming General Manager, Mr. Johnson led BPU's Electric Operations & Technology Division, overseeing electric transmission and distribution, engineering, IT, telecommunications, and fleet operations. Throughout his career, he has led the modernization of BPU's electric infrastructure and implemented enterprise-wide technologies to enhance utility performance and customer service.

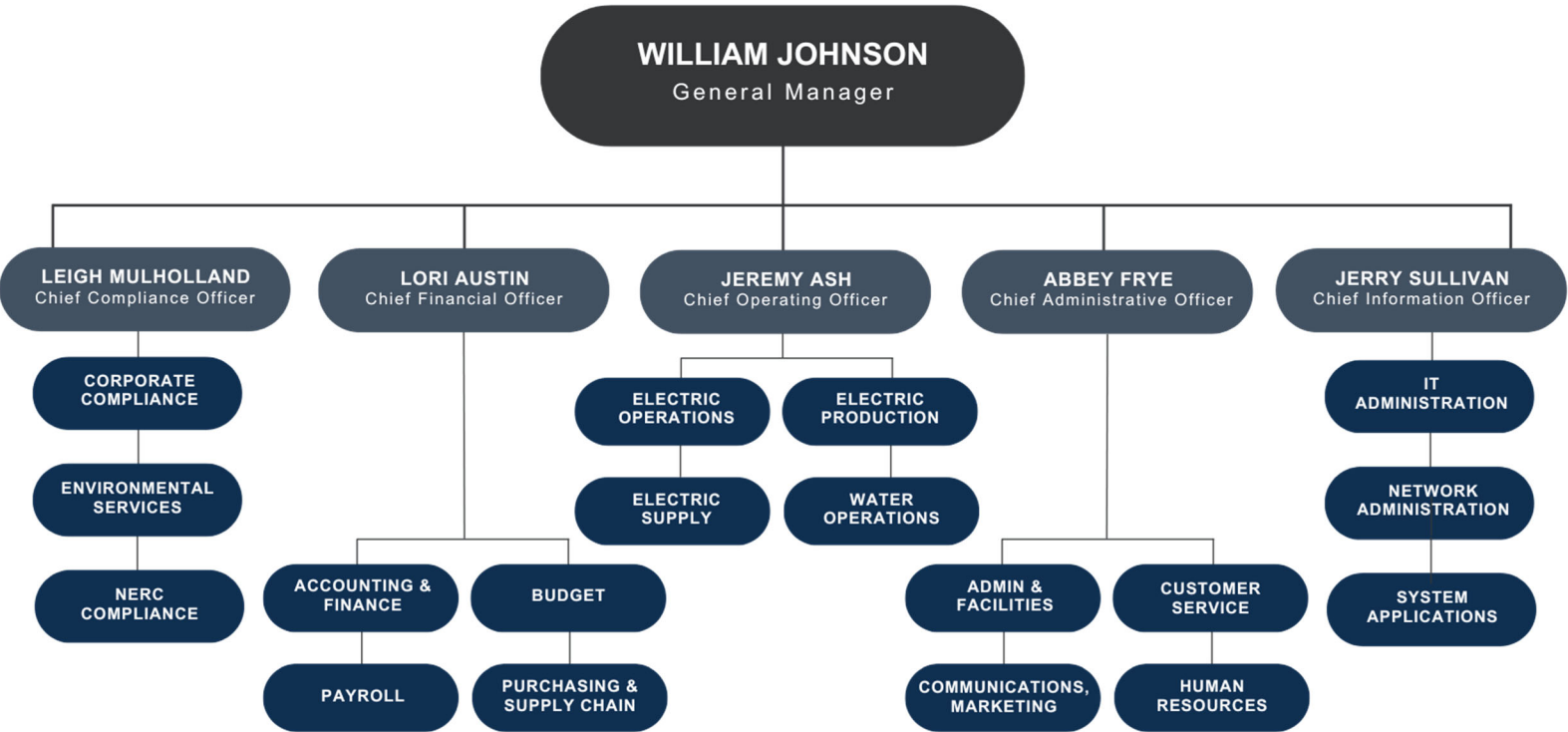
He is a past President of Kansas Municipal Utilities and the Kansas-Missouri chapter of the American Association of Blacks in Energy. He currently serves on the Kansas City, Kansas United Way board and has previously served on the Boys & Girls Club board.

Mr. Johnson is also an active member of the American Public Power Association (APPA) and the Rocky Mountain Electric League (RMEL). His service has been recognized with several honors, including the *Black Achievers Award* and the *Black Man of Distinction Award*.

EXECUTIVES BY DEPARTMENT - ORGANIZATIONAL CHART | 2024



ORGANIZATIONAL CHART



FINANCIAL SECTION



Independent Auditor's Report

The Board of Directors
Board of Public Utilities
Kansas City, Kansas

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Board of Public Utilities of Kansas City, Kansas (the BPU), an enterprise fund of the Unified Government of Wyandotte County/Kansas City, Kansas, as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the BPU's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the BPU, as of December 31, 2024 and 2023, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS); the *Kansas Municipal Audit and Accounting Guide* (the Guide); and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the BPU, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in *Note 1* to the financial statements, the financial statements present only the BPU and do not purport to, and do not, present the financial position of the Unified Government of Wyandotte County and Kansas City, Kansas as of December 31, 2024 and 2023, the changes in its financial position, or, where applicable, its cash flows thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the BPU's ability to continue as a going concern for one year after the date that the financial statements are issued, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the BPU's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the BPU's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension and other postemployment information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Combining Statements are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Combining Statements are fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the Introductory and Statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2025, on our consideration of the BPU's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the BPU's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the BPU's internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Kansas City, Missouri
June 18, 2025**



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Board of Public Utilities
Management's Discussion and Analysis
December 31, 2024 and 2023
(Unaudited)

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Board of Public Utilities of Kansas City, Kansas's (BPU) financial statements. The BPU's financial statements comprise two components: 1) financial statements and 2) notes to the financial statements. Other required supplementary information is provided in addition to the financial statements.

Financial Statements

The financial statements are designed to provide readers with a broad overview of the BPU's finances in a manner similar to a private-sector business.

The statement of net position presents information on BPU's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between these reported as net position. Over time, increases/decreases in net position may serve as a useful indicator of whether the financial position of the BPU is improving/deteriorating.

The statement of revenues, expenses and changes in net position presents information showing how BPU's net position changed during the most recent fiscal year. All changes in net position are reported as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses reported in this statement for some items will only result in cash flows in future fiscal periods (for example, uncollected payments-in-lieu of taxes and earned but unused vacation leave).

Notes to the Financial Statements

The notes provide additional information essential to a full understanding of the data provided in the financial statements.

Other Information

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information concerning the BPU's progress in funding its obligation to provide pension and postretirement benefits to its employees.

The combining statements for the BPU's electric and water utilities are presented immediately following the required supplemental information.

The BPU is an administrative agency of the Unified Government of Wyandotte County/Kansas City, Kansas (Unified Government).

The electric and water departments are reflected as an enterprise fund on the Unified Government's financial statements consisting of the statement of net position; statement of revenues, expenses and changes in net position; and statement of cash flows. This management's discussion and analysis of the BPU's financial report presents the discussion and analysis of the BPU's financial performance for the years ended December 31, 2024 and 2023 with selected comparative information of the year ended December 31, 2022. This analysis should be read in conjunction with the financial statements and notes thereto.

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The following tables summarize the financial condition and operations of the BPU as of December 31, 2024, 2023 and 2022 and for each of the years then ended:

Statements of Net Position Summary

	2024	2023	2022
Assets and deferred outflows of resources:			
Current assets	\$ 187,436,812	\$ 170,432,921	\$ 169,411,971
Capital assets, net	1,094,799,864	1,086,654,209	1,076,701,899
Other noncurrent assets	66,791,837	72,007,665	102,532,815
Total assets	1,349,028,513	1,329,094,795	1,348,646,685
Deferred outflows of resources	70,797,924	99,871,953	45,488,357
Total assets and deferred outflows of resources	\$ <u>1,419,826,437</u>	\$ <u>1,428,966,748</u>	\$ <u>1,394,135,042</u>
Liabilities, deferred inflows of resources, and net position:			
Current liabilities	\$ 91,192,211	\$ 88,472,581	\$ 93,845,110
Noncurrent liabilities	589,359,975	629,085,311	649,039,876
Total liabilities	680,552,186	717,557,892	742,884,986
Deferred inflows of resources	78,903,194	106,362,020	82,980,183
Net position:			
Net investment in capital assets	522,028,793	483,152,546	451,012,342
Restricted	21,664,943	21,680,060	45,992,834
Unrestricted	116,677,321	100,214,230	71,264,697
Total net position	660,371,057	605,046,836	568,269,873
Total liabilities, deferred inflows of resources and net position	\$ <u>1,419,826,437</u>	\$ <u>1,428,966,748</u>	\$ <u>1,394,135,042</u>

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(Unaudited)

Statements of Revenues, Expenses and Changes in Net Position Summary

	2024	2023	2022
Operating revenues:			
Residential	\$ 116,256,098	\$ 112,688,308	\$ 110,391,146
Commercial	131,548,658	131,762,550	126,967,366
Industrial	56,564,074	56,993,332	57,733,185
Other	29,570,828	30,487,020	40,445,684
Energy rate component recovery	—	(14,781,274)	12,468,276
Payment-in-lieu of taxes	38,502,792	38,197,843	37,073,894
Total operating revenues	<u>372,442,450</u>	<u>355,347,779</u>	<u>385,079,551</u>
Operating expenses:			
Fuel	32,247,380	32,678,912	55,754,914
Purchased power	60,711,242	55,620,242	67,452,166
Production	45,321,744	46,727,402	42,442,507
Transmission and distribution	52,180,096	45,403,709	46,245,007
General and administrative	31,602,745	39,367,400	26,629,022
Depreciation and amortization	44,578,014	44,245,899	41,253,137
Total operating expenses	<u>266,641,221</u>	<u>264,043,564</u>	<u>279,776,753</u>
Operating income	<u>105,801,229</u>	<u>91,304,215</u>	<u>105,302,798</u>
Nonoperating income (expense):			
Interest expense	(19,868,804)	(20,813,086)	(22,029,289)
Payment-in-lieu of taxes	(38,502,792)	(38,197,843)	(37,073,894)
Other	5,438,577	3,909,269	1,787,862
Total nonoperating expense, net	<u>(52,933,019)</u>	<u>(55,101,660)</u>	<u>(57,315,321)</u>
Contributions and transfers:			
Contributions from developers and others	2,456,011	574,408	1,362,312
Change in net position	55,324,221	36,776,963	49,349,789
Net position, beginning of year	605,046,836	568,269,873	518,920,084
Net position, end of year	<u>\$ 660,371,057</u>	<u>\$ 605,046,836</u>	<u>\$ 568,269,873</u>
Total revenue	\$ 380,337,038	\$ 359,831,456	\$ 388,229,725
Total expense	325,012,817	323,054,493	338,879,936

Financial Highlights

2024 Compared to 2023

- Net capital assets increased by \$8.1 million in 2024. The increase is attributed to additions associated with electric and water transmission and distribution assets, as well as additions to general plant assets.
- Debt service coverage ratio for 2024 increased to 3.01 times in comparison with 2.67 for the year ended 2023.
- The net pension liability for 2024 decreased to \$8.4 million compared to \$20.4 million as of December 31, 2023. See footnote 9 for further details.
- Deferred outflows of resources decreased by \$29.1 million, primarily due to a \$28.6 million decrease in deferred outflows of resources - pension.

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- Deferred inflows of resources decreased by \$27.5 million, primarily due to a \$26.8 million decrease in the deferred inflow of resources - pension.
- Net position increased by \$55.3 million during 2024.

In 2024, the BPU's operating revenues were approximately \$372.4 million, with the Electric Utility recognizing revenues of \$314.7 million and the Water Utility recognizing revenues of \$57.7 million. The average number of customer accounts remained stable from the prior year.

The BPU's total operating revenue increased by approximately \$17.1 million to \$372.4 million in 2024. The Electric Utility experienced increased electric sales by \$14.4 million compared to 2023. The Water Utility experienced an increase of \$2.7 million in water sales compared to 2023. In comparison to the 2024 budgeted revenue, overall, the BPU collected 102% of the projected Energy and Water sales and 100% of total operating revenue.

Operating expenses for 2024 and 2023 were approximately \$266.6 million and \$264.0 million, respectively. The Electric Utility represented \$227.4 million and \$226.3 million for 2024 and 2023, respectively, while the Water Utility represented \$39.2 million and \$37.7 million for 2024 and 2023 in operating expenses, respectively. The largest components of operating expenses are fuel, purchased power and production expense. Overall, in 2024, fuel, purchased power and electric production costs totaled \$138.2 million which is \$3.2 million more than 2023. The BPU's power supply mix for fiscal years 2024 and 2023 was 16% and 17% coal, 65% and 63% net power purchases, 11% and 13% gas, and 8% and 7% oil, respectively.

2023 Compared to 2022

- Net capital assets increased by \$10.0 million in 2023. The increase is attributed to additions associated with electric and water transmission and distribution assets, as well as additions to general plant assets.
- Debt service coverage ratio for 2023 decreased to 2.67 times in comparison with 2.83 for the year ended 2022.
- The net pension asset of \$23.3 million as of December 31, 2022 became a net pension liability of \$20.4 million as of December 31, 2023. See footnote 9 for further details.
- Deferred outflows of resources increased by \$54.4 million due to the pension.
- Deferred inflows of resources increased by \$14.1 million due to the pension.
- Total other postemployment benefit liability decreased \$16.4 million primarily due to changes in Tier II participants benefits, changes in claim cost and aging assumptions, and changes in the discount rate.
- Net position increased by \$36.8 million during 2023.

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In 2023, the BPU's operating revenues were approximately \$355.3 million, with the Electric Utility recognizing revenues of \$300.3 million and the Water Utility recognizing revenues of \$55 million. The average number of customer accounts remained stable from the prior year.

The BPU's total operating revenue decreased by approximately \$29.7 million to \$355.3 million in 2023. The Electric Utility experienced decreased electric sales of \$31.9 million compared to 2022. The Water Utility experienced an increase of \$2.2 million in water sales compared to 2022. In comparison to the 2023 budgeted revenue, overall, the BPU collected 105% of the projected Energy and Water sales and 103% of total operating revenue.

Operating expenses for 2023 and 2022 were approximately \$264 million and \$279.8 million, respectively. The Electric Utility represented \$226.3 million and \$244.1 million for 2023 and 2022, respectively, while the Water Utility represented \$37.7 million and \$35.7 million for 2023 and 2022 in operating expenses, respectively. The largest components of operating expenses are fuel, purchased power and production expense. Overall, in 2023, fuel, purchased power and electric production costs totaled \$135 million which is \$30.7 million less than 2022. The BPU's power supply mix for fiscal years 2023 and 2022 was 17% and 22% coal, 63% and 55% net power purchases, 13% and 16% gas, and 7% and 7% oil, respectively.

Capital Assets

2024 Compared to 2023

Net capital assets increased by \$8.1 million in 2024. Capital asset additions were offset by approximately \$44.6 million of depreciation and amortization expense.

Refer to *Note 5* to the financial statements for additional information.

2023 Compared to 2022

Net capital assets increased by \$9.9 million in 2023. Capital asset additions were offset by approximately \$44.2 million of depreciation and amortization expense.

Refer to *Note 5* to the financial statements for additional information.

Debt Administration

2024 Compared to 2023

Noncurrent liabilities outstanding as of December 31, 2024 and 2023 were \$589.4 million and \$629.1 million, respectively.

The BPU maintains a debt ratio that is consistent with the current provisions in the bond indenture document. This debt service ratio is a measure of the adequacy of cash to pay debt service and is the minimum amount necessary to prevent bond default. The BPU must maintain debt coverage of 1.2. The coverage requirement imposed by the bond indenture is that operating revenues be at least 120% of the maximum annual debt service.

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The BPU also has a mandatory provision in its bond indentures for a debt service trigger when debt coverage is 1.3 times or below the annual debt service payment amounts.

As of December 31, 2024, and 2023, the BPU had debt coverage of 3.01 times and 2.67 times, respectively.

In 2024, the BPU's utility system bonds for both electric and water debt are rated A from both Fitch and Standard & Poor's Rating Services and A2 from Moody's Investors Service. The interest rate on the BPU's outstanding debt ranges from 0.69% to 5.00%. Interest on debt expense for 2024 and 2023 was \$19.9 million and \$20.8 million, respectively.

Refer to *Note 6* to the financial statements for additional information.

2023 Compared to 2022

Noncurrent liabilities outstanding as of December 31, 2023 and 2022 were \$629.1 million and \$649.0 million, respectively.

The BPU maintains a debt ratio that is consistent with the current provisions in the bond indenture document. This debt service ratio is a measure of the adequacy of cash to pay debt service and is the minimum amount necessary to prevent bond default. The BPU must maintain debt coverage of 1.2. The coverage requirement imposed by the bond indenture is that operating revenues be at least 120% of the maximum annual debt service.

The BPU also has a mandatory provision in its bond indentures for a debt service trigger when debt coverage is 1.3 times or below the annual debt service payment amounts.

As of December 31, 2023, and 2022, the BPU had debt coverage of 2.67 times and 2.83 times, respectively.

In 2023, the BPU's utility system bonds for both electric and water debt are rated A from both Fitch and Standard & Poor's Rating Services and A2 from Moody's Investors Service. The interest rate on the BPU's outstanding debt ranges from 0.69% to 5.00%. Interest on debt expense for 2023 and 2022 was \$20.8 million and \$22.0 million, respectively.

Refer to *Note 6* to the financial statements for additional information.

Board of Public Utilities
Statements of Net Position
December 31, 2024 and 2023

Assets and Deferred Outflows of Resources	2024	2023
Current assets:		
Cash and cash equivalents	\$ 76,936,523	\$ 58,201,905
Cash and cash equivalents – restricted	11,613,834	11,631,834
Investments – restricted	16,078,019	16,074,039
Accounts receivable – customers and other	31,140,819	31,556,543
Accounts receivable – unbilled	16,198,486	15,600,860
Allowance for doubtful accounts	(644,458)	(90,429)
Inventories	32,246,578	33,554,953
Prepayments and other current assets	3,867,011	3,903,216
Total current assets	<u>187,436,812</u>	<u>170,432,921</u>
Noncurrent assets:		
Capital assets:		
Property, plant, and equipment	2,033,046,391	1,991,135,201
Less accumulated depreciation	<u>(1,019,934,582)</u>	<u>(979,137,870)</u>
Plant in service, net	1,013,111,809	1,011,997,331
Construction work in progress	<u>81,688,055</u>	<u>74,656,878</u>
Capital assets, net	<u>1,094,799,864</u>	<u>1,086,654,209</u>
Restricted assets:		
Cash and cash equivalents	<u>1,500,000</u>	<u>1,500,000</u>
Total restricted assets	1,500,000	1,500,000
System development costs, net	899,294	534,701
Regulatory assets	55,170,852	58,848,909
Lease receivable	<u>9,221,691</u>	<u>11,124,055</u>
Total noncurrent assets	<u>1,161,591,701</u>	<u>1,158,661,874</u>
Total assets	<u>1,349,028,513</u>	<u>1,329,094,795</u>
Deferred outflows of resources:		
Deferred loss on bond refunding	3,805,388	4,146,832
Deferred outflows - pension	66,591,983	95,239,344
Deferred Outflows - other postemployment benefits	<u>400,553</u>	<u>485,777</u>
Total deferred outflows of resources	<u>70,797,924</u>	<u>99,871,953</u>
Total assets and deferred outflows of resources	<u>\$ 1,419,826,437</u>	<u>\$ 1,428,966,748</u>

Board of Public Utilities

Statements of Net Position

December 31, 2024 and 2023

Liabilities, Deferred Inflows of Resources, and Net Position	2024	2023
Liabilities:		
Current liabilities:		
Current maturities of revenue bonds	\$ 29,275,000	\$ 28,560,000
Current maturities of government loans	3,271,155	3,858,293
Accrued interest	6,237,809	6,474,073
Customer deposits	7,526,910	7,525,813
Accounts payable	27,458,186	25,009,678
Payroll and payroll taxes	3,249,981	1,445,518
Accrued claims payable	646,326	713,917
Workers compensation	808,840	2,203,305
Public liability reserve	1,338,852	693,477
Other accrued liabilities	8,228,659	8,536,830
Payment-in-lieu of taxes	2,918,958	2,820,324
Construction contract retainage payable	231,535	631,353
Total current liabilities	<u>91,192,211</u>	<u>88,472,581</u>
Noncurrent liabilities:		
Long-term debt – revenue bonds	512,958,370	544,013,570
Government loans	29,311,328	29,016,654
Total long-term debt	<u>542,269,698</u>	<u>573,030,224</u>
Total other postemployment benefit liability	26,579,927	27,140,938
Compensated absences	12,111,701	8,557,800
Net pension liability	8,398,649	20,356,349
Total noncurrent liabilities	<u>589,359,975</u>	<u>629,085,311</u>
Total liabilities	<u>680,552,186</u>	<u>717,557,892</u>
Deferred inflows of resources:		
Deferred gain on bond refunding	553,798	646,068
Recovery fuel purchased power	9,658,617	4,087,528
Deferred inflows - pension	45,751,410	72,548,670
Deferred inflows - OPEB	12,142,436	16,303,908
Deferred inflows - leases	10,796,933	12,775,846
Total deferred inflows of resources	<u>78,903,194</u>	<u>106,362,020</u>
Net position:		
Net investment in capital assets	522,028,793	483,152,546
Restricted - debt service	20,164,943	20,180,060
Restricted - improvement and emergency fund	1,500,000	1,500,000
Unrestricted	116,677,321	100,214,230
Total net position	<u>660,371,057</u>	<u>605,046,836</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 1,419,826,437</u>	<u>\$ 1,428,966,748</u>

Board of Public Utilities
Statements of Revenues, Expenses and Changes in Net Position
Years Ended December 31, 2024 and 2023

	2024	2023
Operating revenues:		
Residential	\$ 116,256,098	\$ 112,688,308
Commercial	131,548,658	131,762,550
Industrial	56,564,074	56,993,332
Other	29,570,828	30,487,020
Energy rate component recovery	—	(14,781,274)
Payment-in-lieu of taxes	38,502,792	38,197,843
Total operating revenues	<u>372,442,450</u>	<u>355,347,779</u>
Operating expenses:		
Fuel	32,247,380	32,678,912
Purchased power	60,711,242	55,620,242
Production	45,321,744	46,727,402
Transmission and distribution	52,180,096	45,403,709
General and administrative	31,602,745	39,367,400
Depreciation and amortization	44,578,014	44,245,899
Total operating expenses	<u>266,641,221</u>	<u>264,043,564</u>
Operating income	<u>105,801,229</u>	<u>91,304,215</u>
Nonoperating revenues (expenses):		
Interest expense	(19,868,804)	(20,813,086)
Payment-in-lieu of taxes	(38,502,792)	(38,197,843)
Other	5,438,577	3,909,269
Total nonoperating expenses, net	<u>(52,933,019)</u>	<u>(55,101,660)</u>
Income before contributions and transfers	52,868,210	36,202,555
Contributions and transfers:		
Contributions from developers and others	2,456,011	574,408
Change in net position	55,324,221	36,776,963
Net position, beginning of year	605,046,836	568,269,873
Net position, end of year	<u>\$ 660,371,057</u>	<u>\$ 605,046,836</u>

Board of Public Utilities

Statements of Cash Flows

Years Ended December 31, 2024 and 2023

	2024	2023
Cash flows from operating activities:		
Receipts from customers	\$ 372,814,577	\$ 354,575,242
Receipts from customers on behalf of Unified Government	70,725,131	66,118,625
Payments to suppliers	(161,557,832)	(151,482,987)
Payments to Unified Government	(68,805,678)	(65,052,157)
Payments to employees	(65,766,213)	(64,560,715)
Net cash provided by operating activities	<u>147,409,985</u>	<u>139,598,008</u>
Cash flows used in noncapital financing activities – payment-in-lieu of taxes	(38,404,158)	(38,419,144)
Cash flows from capital and related financing activities:		
Purchases of property, plant, and equipment	(48,034,611)	(51,877,686)
Proceeds from government loans	3,756,323	9,115,057
Principal payments received on lease receivables	1,902,364	1,891,958
Interest payments received on lease receivables	76,549	72,450
System development costs	(634,027)	(306,159)
Payments on revenue bonds	(28,560,000)	(27,500,000)
Payments on government loans	(4,048,787)	(3,126,123)
Interest paid on utility system debt	(20,105,068)	(21,167,174)
Net cash used in capital and related financing activities	<u>(95,647,257)</u>	<u>(92,897,677)</u>
Cash flows from investing activities:		
Purchases of investments	(48,883,980)	(28,623,452)
Proceeds from sales and maturities of investments	48,880,000	48,937,000
Interest received	5,362,028	4,099,145
Net cash provided by investing activities	<u>5,358,048</u>	<u>24,412,693</u>
Net increase in cash and cash equivalents	18,716,618	32,693,880
Cash and cash equivalents, beginning of year	71,333,739	38,639,859
Cash and cash equivalents, end of year	<u>\$ 90,050,357</u>	<u>\$ 71,333,739</u>
Components of cash and cash equivalents at end of fiscal year:		
Restricted	\$ 13,113,834	\$ 13,131,834
Unrestricted	76,936,523	58,201,905
	<u>\$ 90,050,357</u>	<u>\$ 71,333,739</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 105,801,229	\$ 91,304,215
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	44,578,014	44,245,899
Changes in noncash assets and noncash liabilities:		
Accounts receivable – customers and other, net	372,127	1,186,607
Inventories	1,308,375	(3,090,109)
Prepayments and other current assets	(127,497)	(164,480)
Customer deposits	1,097	209,244
Accounts payable	2,395,812	(5,146,335)
Payroll and payroll-related liabilities	5,358,364	184,467
Accrued claims payable	(816,681)	336,095
Other accrued liabilities	(308,173)	229,556
Deferred fuel costs and deferred purchased power	5,571,089	18,868,802
Construction contract payable	-	372,586
Deferred outflows - pension	(26,797,260)	14,100,581
Deferred inflows - pension	28,647,361	(54,757,973)
Net pension (asset)/liability	(11,957,700)	43,624,240
Total other postemployment benefit liability	(561,011)	(16,443,283)
Deferred outflows - other postemployment benefits	85,224	(485,777)
Deferred inflows - other postemployment benefits	(4,161,472)	7,264,910
Deferred inflows - leases	(1,978,913)	(1,978,911)
Other noncurrent assets, net	-	(262,326)
Net cash provided by operating activities	<u>\$ 147,409,985</u>	<u>\$ 139,598,008</u>
Supplemental noncash disclosure:		
Contributions of capital assets from developers	\$ 2,456,011	\$ 574,408
Capital assets in accounts payable	1,206,808	1,553,930

Board of Public Utilities

Notes to Financial Statements

December 31, 2024 and 2023

Note 1: Summary of Significant Accounting Policies

Description of Business

The Board of Public Utilities of Kansas City, Kansas (the BPU) consists of the municipal electric and water utility, which provide services to approximately 67,000 electric and 53,000 water customers.

Under Charter Ordinance of the Unified Government of Wyandotte County, Kansas City, Kansas (the Unified Government), the BPU is an administrative agency of the Unified Government and, as such, is a part of the Unified Government's primary government. However, the BPU's operational and administrative control is under a six-member elected board of directors (the Board). The accompanying financial statements represent the combination of only those operations related to the Unified Government's electric and water utility. The financial statements do not purport to and do not present the financial position of the Unified Government

Basis of Accounting

The BPU accounts for the water and electric utility as an enterprise fund. Significant interdepartmental accounts, including interdepartmental sales, have been eliminated. The BPU uses the economic resources measurement focus and accrual basis of accounting under which revenues are recognized when earned and expenses are recorded when liabilities are incurred. The BPU's accounting policies conform to the requirements for regulated operations. In accordance with these rules, certain costs or credits may be recorded as deferred charges or credits when it is probable that future rates established by the Board permit recovery of specific costs or require these credits to be returned to ratepayers. The BPU applies the provisions of GASB Accounting Standards Codification Section Re10, *Regulated Operations*, as appropriate.

Revenues and expenses are classified as either operating or nonoperating. Operating revenues and expenses generally result from providing services in connection with ongoing operations. Operating revenues include activities that have characteristics of exchange transactions, including charges for services. Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as grants, subsidies and investment income. Operating expenses include the cost of service, payroll, administrative expenses, contractual services and depreciation. All expenses not meeting the above criteria are classified as nonoperating.

Estimates and Assumptions

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant items subject to such estimates and assumptions include the useful lives of capital assets; allowances for doubtful accounts, and inventory; employee benefit obligations, environmental liabilities and other contingencies.

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Revenue Recognition

Operating revenues are recognized when electric and water services are delivered to customers. Payment-in-lieu of taxes represents amounts billed and collected by the BPU on behalf of the Unified Government. The BPU remits all such amounts to the Unified Government.

Meters are read and bills are rendered on a cycle basis. Unbilled revenue represents services delivered to customers and not billed at the end of a period. Management accrues estimated delivered amounts each period.

Operating revenues reported in the statements of revenues, expenses and changes in net position are shown net of discounts and estimated allowances for doubtful accounts.

Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased. Current restricted assets are assets that are scheduled to be disbursed within the year.

Capital Assets

Capital assets are stated at cost to acquire or cost to construct. These costs include payroll-related costs, including pensions and other fringe benefits. For depreciable assets that are retired due to circumstances other than impairment, the net book value of assets retired plus the cost of removal, less salvage, is charged against accumulated depreciation with no gain or loss recognized. Per the financial reporting requirements of GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*, any losses associated with capital asset impairments will be charged as a non-operating expense. Repairs and maintenance are charged to maintenance expense. Contributions from developers and others are stated at acquisition value at the date donated. Currently, the BPU has a capitalization threshold of \$5,000 for plant assets.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until that time. The BPU has three items that meet the criterion for reporting as deferred outflows on the statement of net position, the deferred charge on bond refunding, the changes in assumptions in the pension plan, and contributions made to retirement and other postemployment benefit plans subsequent to the measurement date. A deferred charge on refunding results from the difference in the carrying value of refunded debt. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The changes in assumptions in the pension plan are recognized in pension expense over the average working lifetime of all plan participants, beginning in the current reporting period. These amounts are described in detail in *Note 9*.

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In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue and/or contra expense) until that time. The BPU will report certain changes in assumptions relating to the OPEB plan, difference between expected actual expense in the pension and OPEB plans, difference between expected and actual earnings in the pension plan, deferred charge on refunding, recovery fuel purchased power, and leases as deferred inflows of resources on the statement of net position.

Depreciation

The BPU depreciates plant and equipment on a composite basis over their estimated useful lives on a straight-line basis.

	Composite Rates	Useful Lives (in years)
Production plant	2.57%–4.00%	25–39
Transmission and distribution	1.63%–6.67%	15–61
General plant	2.00%–7.75%	13–50

Accounts Receivable

An estimate is made for the provision for uncollectible accounts based on an analysis of the aged accounts receivable and historical write-offs, net of recoveries. Additional amounts may be included based upon management's evaluation of customer credit risks. Allowances for doubtful accounts totaled (\$644) and (\$90) thousand at December 31, 2024 and 2023, respectively.

Inventories

Inventories are stated at cost and consist of the following:

	2024	2023
Fuel	\$ 9,623,111	\$ 12,189,611
Material and supplies	22,623,467	21,365,342
Total	<u>\$ 32,246,578</u>	<u>\$ 33,554,953</u>

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Investments

Investments consist of deposits, repurchase agreements, certificates of deposit, money market funds, and U.S. Agencies securities, which are recorded at estimated fair value as determined by market prices. Certain repurchase agreements that meet the definition of a participating interest earning investment contract per GASB 72, with a remaining maturity of less than one year at the time of purchase are carried at amortized cost. The BPU's investment policies are governed by the BPU's Charter Ordinance, management policies, and statutes established by the State of Kansas. Securities are held by the BPU's safekeeping agent. Cash deposits are held with banks insured by Federal Deposit Insurance Corporation (FDIC) and acceptable collateral is maintained for amounts above FDIC limits, equal to or greater than 102% of the funds deposited at all times.

Brushy Creek Coal Company and Liberty Coal Company

The BPU holds an indirect 50% interest in Brushy Creek Coal Company (BCCC) and a 50% indirect interest in Liberty Coal Company (Liberty). The other 50% interest in both BCCC and Liberty is indirectly owned by the City of Sikeston, Missouri (Sikeston). BCCC was the owner and operator of a coal mine and related equipment located in Illinois. BCCC discontinued mining operations in 1997. BCCC did not have material operations during the years ended December 31, 2024 and 2023. Upon cessation of operations at BCCC, the BPU became contractually responsible for 50% of asset retirement obligations and for 50% of certain postretirement benefits to mine workers. At December 31, 2024 and 2023, the BPU has recorded an estimated liability of \$646,000 and \$714,000, respectively, within accrued claims payable for its estimated remaining share of these obligations. Funding provided for these obligations was \$240,000 in 2024 and 2023.

The amounts recorded for the BPU's portion of the asset retirement obligation and the miners' benefits require significant judgment and involve a number of estimates. The BPU has recorded its estimated obligations for each of these items using information currently available to management. These estimates could change significantly over time.

Customer Deposits

Customer deposits are moneys that have been collected from customers that are held by the BPU until the customer either terminates their service or the customer is in good credit standing with the BPU for 12 months. The funds are held in an interest-bearing account; after 12 months, the deposit, plus interest, is credited back to the customer.

Debt Issuance Costs

Debt issuance costs are expensed as incurred with the exception that bond insurance premiums are capitalized and amortized over the life of the bonds.

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Pensions

The net pension liability is calculated as the difference between the actuarially calculated value of the projected benefit payments attributed to past periods of service and the plans' fiduciary net position. The total pension expense is comprised of the service cost or actuarial present value of projected benefit payments attributed to the valuation year, interest on the total pension liability, plan administrative expenses, current year benefit changes, and other changes in plan fiduciary net position less employee contributions and projected earnings on plan investments. Additionally, the total pension expense includes the annual recognition of outflows and inflows of resources due to pension assets and liabilities.

For purposes of measuring the net pension liability, deferred outflows of resources related to pensions, pension expense, and information about the fiduciary net position of the Retirement Pension Plan for Employees of the Board of Public Utilities of Kansas City, Kansas (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources related to OPEB and OPEB expense have been determined on the same basis as they are for the OPEB Plan. For this purpose, benefit payments are funded on a pay-as-you-go basis. The BPU funds on a cash basis as benefits are paid. No assets have been segregated and restricted to provide for postretirement benefits. Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. The following timeframes are used for the year ended December 31, 2024:

- Valuation Date January 1, 2024
- Measurement Date December 31, 2024
- Measurement Period January 1, 2024 to December 31, 2024

For the year ended December 31, 2023:

- Valuation Date January 1, 2024
- Measurement Date December 31, 2023
- Measurement Period January 1, 2023 to December 31, 2023

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Vacation and Sick Leave

The BPU adopted GASB 101, *Compensated Absences*, during 2024. For further information, see the Accounting Pronouncements – Adopted in 2024 paragraph within *Note 1*. Under the terms of the BPU’s personnel policy, employees are granted vacation and sick leave. In the event of termination, an employee is paid for accumulated vacation days. Employees may carry over, from year to year, a maximum of 120 hours of vacation hours for bargaining unit employees and 120 hours for non-bargaining employees. The liability for accumulated vacation of \$1,904,540 and \$1,887,500 includes current vacation of \$202,461 and \$136,460 at December 31, 2024 and 2023, respectively, which is included in reserve for compensated absences and payroll and payroll tax liabilities in the accompanying statements of net position. Sick leave can be accrued up to 1,760 hours. Employees who resign with at least 15 years of service are paid for 75% of accumulated sick leave. All employees are paid for accumulated sick leave upon retirement or death. The liability for accrued sick leave of \$11,653,347 and \$7,352,600 includes current sick leave of \$1,243,725 and \$545,800 at December 31, 2024 and 2023, respectively, which is included in reserve for compensated absences and payroll and payroll taxes in the accompanying statements of net position.

	2024		
	Beginning Balance	Additions/ (Reductions)	Ending Balance
Sick leave	\$ 7,352,600	\$ 4,300,747	\$ 11,653,347
Vacation	1,887,500	17,040	1,904,540

	2023		
	Beginning Balance	Additions/ (Reductions)	Ending Balance
Sick leave	\$ 7,043,400	\$ 309,200	\$ 7,352,600
Vacation	1,700,500	187,000	1,887,500

Net Position

In the financial statements, net position is displayed in three components as follows:

- Net investment in capital assets – This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- Restricted – This consists of net positions that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, it is generally the BPU’s policy to use restricted resources first, then unrestricted resources as they are needed.
- Unrestricted – This consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

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Accounting Pronouncements – Adopted in 2024

GASB Statement 100, *Accounting Changes and Error Corrections* – an Amendment of GASB Statement No. 62. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this statement are effective for fiscal years beginning after June 15, 2023 which is the fiscal year beginning January 1, 2024. The implementation of GASB Statement No. 100 had no effect on the financial statements.

GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this statement are effective for fiscal years beginning after December 15, 2023 which is the fiscal year beginning January 1, 2024. The implementation of GASB Statement No. 101 resulted in an increase of the liability of accrued sick leave of \$4.3 million at December 31, 2024. The impact of GASB Statement No. 101 was deemed immaterial to the 2023 financial statements and there is no effect recognized at December 31, 2023. For further information on compensated absences, see the Vacation and Sick Leave paragraph within *Note 1*.

New Accounting Pronouncements - Not Yet Effective

This report does not incorporate GASB Statement No. 102, *Certain Risk Disclosures*, GASB Statement No. 103, *Financial Reporting Model Improvements* and GASB Statement No. 104, *Disclosure of Certain Capital Assets*. The BPU will adopt and implement these statements at the required time. The BPU's management has not yet determined the effect the statements will have on the BPU's financial statements.

Reclassifications

Certain reclassifications have been made to the 2023 net position classifications within the financial statements to conform to the 2024 financial statement presentation. These reclassifications had no effect on net earnings.

Note 2: Cash and Investments

Kansas state statutes authorize the BPU, with certain restrictions, to invest in open accounts, time deposits, certificates of deposit, U.S. Treasury notes and U.S. agency notes. All deposits with banks are collateralized at 102% of market value, as required by the BPU's Cash and Investment Policy and Kansas state statute, less insured amounts.

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Notes to Financial Statements

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The following represents the BPU's total cash and investments at December 31, 2024 and 2023:

	2024	2023
Cash and certificates of deposit (CDs)	\$ 645,322	\$ 346,349
Repurchase agreements	85,318,112	66,881,368
U.S. Agencies	16,078,019	16,074,039
Money market funds	4,086,923	4,106,022
Total cash and investments	<u>\$ 106,128,376</u>	<u>\$ 87,407,778</u>

Cash and investments are included in the following statement of net position accounts at December 31, 2024 and 2023:

	2024	2023
Current assets:		
Cash and cash equivalents	\$ 76,936,523	\$ 58,201,905
Cash and cash equivalents – restricted	11,613,834	11,631,834
Investments – restricted	16,078,019	16,074,039
Noncurrent restricted assets:		
Cash and cash equivalents	1,500,000	1,500,000
	<u>\$ 106,128,376</u>	<u>\$ 87,407,778</u>

Deposits and Investments

The BPU maintains a cash and investment program to pay for operating and capital requirements, as well as, for debt service requirements. The investment program consists of deposits, repurchase agreements, certificates of deposit and U.S. Treasury securities. Other investments using U.S. agency and money market fund securities for the debt service program are managed by the bond trustee. Nearly all maturities of securities were less than one year. At December 31, 2024 and 2023, the bank balance and certificates of deposit were \$645,322 and \$346,349, respectively, which were covered by federal depository insurance or collateral held in safekeeping in the BPU's name.

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Notes to Financial Statements

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The fair values, as determined by market prices, of the BPU's cash and investments at December 31, 2024 are as follows:

Investment Type	Fair Value	Investment Maturities	
		Less than 6 Months	6–12 Months
Cash and CDs	\$ 645,322	\$ 645,322	\$ -
Repurchase agreements	85,318,112	85,318,112	-
U.S.Agencies	16,078,019	6,273,994	9,804,025
Money market funds	4,086,923	4,086,923	-
Total	<u>\$ 106,128,376</u>	<u>\$ 96,324,351</u>	<u>\$ 9,804,025</u>

The fair values, as determined by market prices, of the BPU's cash and investments at December 31, 2023 are as follows:

Investment Type	Fair Value	Investment Maturities	
		Less than 6 Months	6–12 Months
Cash and CDs	\$ 346,349	\$ 346,349	\$ -
Repurchase agreements	66,881,368	66,881,368	-
U.S.Treasuries and U.S.Agencies	16,074,039	6,478,889	9,595,150
Money market funds	4,106,022	4,106,022	-
Total	<u>\$ 87,407,778</u>	<u>\$ 77,812,628</u>	<u>\$ 9,595,150</u>

Investment Policy

The BPU has an investment policy that regulates investments in securities that have objectives of safety of principal, liquidity with all investments in U.S. dollars, and investment returns optimized within the constraints of safety and liquidity. Eligible securities are specific to Kansas state statutes and the BPU's bond indenture agreements. All securities owned by the BPU are in conformance with the investment policy.

Credit Risk

Credit risk is the risk that an entity will not be able to honor its commitments in the event of liquidation. The BPU's investment policy states that the investment portfolio be designed and managed in accordance with the responsibility of ensuring the public's trust and is consistent with state and local laws. Two investment objectives that the BPU strives for are safety and liquidity. Investments are made so as to minimize the potential for realized losses arising from changes in fair value or issuer default. Sufficient liquidity is also maintained in order to meet the anticipated cash needs of the utility. The BPU manages credit risk by requiring all investments meet the investment guidelines as established by the State of Kansas as described in K.S.A. 12-1675 and 10-131. These statutes require all investments be in (a) U.S. Treasury securities; (b) U.S. agency securities; (c) Money Market Mutual Funds; (d) Repurchase Agreement securities; (e) and any

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external investment pools and be the highest rated by nationally recognized rating agencies. All of the BPU's securities including money market mutual funds are AAA rated by Moody's. Any bank deposits and certificates of deposit are fully collateralized by the FDIC or other qualifying securities. All securities held by the BPU meet the credit quality objective.

Custody Risk

Custody risk is the risk that, in the event of the failure of the counterparty to a transaction, an entity will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The BPU believes it has no custodial risk. All securities are registered in the name of the BPU and held by a third-party safekeeping agent. Investments in money market mutual funds are not exposed to custodial risk because their existence is not evidenced by securities that exist in physical or book entry form.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The BPU manages credit risk by requiring all investments meet the investment guidelines as established by the state of Kansas in K.S.A. 12-1675 and 10-131 and diversifying investment holdings to avoid high concentration of any one security issuer. The BPU has a concentration of credit risk where it holds more than 5% of its investment portfolio in any one security issuer other than U.S. Treasury securities and in investment pools.

The following U.S. agency securities held in safekeeping by the BPU's bond trustee are in excess of 5% of total investments as of December 31, 2024:

Issuer	Amount	Total Portfolio
Federal Home Loan Bank	\$ 16,078,019	15.15%

The following U.S. agency securities held in safekeeping by the BPU's bond trustee are in excess of 5% of total investments as of December 31, 2023:

Issuer	Amount	Percentage of Total Portfolio
Federal Home Loan Bank	\$ 16,074,039	18.39%

Interest Rate Risk

Interest rate risk is the risk that the fair value of the BPU's investments will decrease as a result of the increase in interest rates. The BPU investment policy requires the minimization of the risk of fair value change. This is accomplished by structuring the investment portfolio so that fixed income securities mature to meet cash requirements for debt service and other disbursement requirements for ongoing operations and by keeping maturities short.

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Derivatives

The BPU has not used derivative instruments historically. Contracts containing derivatives, such as coal procurement and other commodity purchase contracts are routinely evaluated and amounts purchased have been used by the BPU in producing power and qualify as normal purchases.

Non-restricted Designated Assets

Certain cash and investment amounts have been designated by Board policy for specific purposes as follows:

	2024	2023
Economic development fund	\$ 200,000	\$ —
Capital debt reduction	6,290,000	6,290,000
Reserve - public liability	1,000,000	1,000,000
Reserve - workers' comp	1,100,000	1,100,000
Rate stabilization fund	9,156,273	9,156,273
System development reserve	12,861,866	12,320,368
ERC Reserve	7,500,000	1,500,000
Total	<u>\$ 38,108,139</u>	<u>\$ 31,366,641</u>

Note 3: Restricted Assets

Restricted assets were held in the following funds at December 31, 2024 and 2023:

	2024	2023
Debt service fund	\$ 20,164,943	\$ 20,180,060
Customer deposits	7,526,910	7,525,813
Improvement and emergency fund	1,500,000	1,500,000
Total restricted assets	<u>\$ 29,191,853</u>	<u>\$ 29,205,873</u>

The BPU is permitted to invest funds in specified types of investments in accordance with its investment policy until the time such funds are required to be disbursed for their designated purposes.

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Note 4: Dogwood Energy Facility (Dogwood)

BPU owns an undivided 17% interest in the assets of the Dogwood Energy Facility (Dogwood), a natural gas-fired combined cycle generating plant located in Pleasant Hill, Missouri in Cass County, Missouri, operated by Dogwood Energy, LLC. In addition to the BPU, Kansas Power Pool (KPP), Missouri Joint Municipal Electric Utility Commission (MJMEUC) and the City of Independence, Missouri also own 10.3%, 16.4% and 12.3%, respectively, of the Dogwood Energy Facility. Dogwood Energy, LLC maintains the remaining ownership (44.0%) in the facility.

The BPU's portion of the 630 megawatt (MW) rated capability of Dogwood is approximately 110 megawatts (MW). Generation from Dogwood and operating expenses incurred by Dogwood are allocated to the BPU based on the 17% ownership interest. The BPU's proportionate share of their plant operating expenses is included in the corresponding operating expenses in the statement of net position. In addition, the BPU is required to provide its share of financing for any capital additions to Dogwood. During 2024 and 2023, the BPU's portion of fuel expense was \$7,094,485 and \$8,520,091, respectively, and its portion of operating and maintenance expense was \$4,343,173 and \$4,546,801, respectively. The BPU also receives a portion of the wholesale sales generated by the Dogwood plant. The BPU received \$12,250,182 and \$16,069,884 during 2024 and 2023, respectively, in wholesale sales from Dogwood. These amounts are included in the accompanying statements of revenues, expenses and changes in net position.

The BPU applied proportionate consolidation rules to record its undivided ownership interest in this facility. The BPU's investment includes an acquisition adjustment of \$34.8 million, which is presented as property, plant, and equipment and amortized over the estimated life of the plant (29.1 years). The BPU paid 15 years of Payment-in-Lieu of Taxes (PILOT) to Cass County, Missouri in the amount of \$2.5 million. This was recorded as a prepayment and is being amortized until 2028.

The BPU Board of Directors has approved the recovery of amounts invested in this facility, including the acquisition adjustments in current rates.

Information relative to the BPU's ownership interest in Dogwood as of December 31, 2024 and 2023, is shown in the table below. These amounts are included in the 2024 and 2023 Capital Assets table in *Note 5*.

Facility (type)	Percent Ownership	Net MW	Plant in Service	Accumulated Depreciation	CWIP
2024					
Dogwood (combined cycle)	17%	110	\$ 46,356,819	\$ 16,073,367	\$ 3,550,024
2023					
Dogwood (combined cycle)	17%	110	\$ 46,303,778	\$ 14,522,907	\$ 2,209,687

The BPU has an operating agreement with Dogwood Energy, LLC, which provides for a management committee comprising one representative and an alternate from each participant. Dogwood Power Management, LLC, the project management company, controls the operating and maintenance decisions of Dogwood in its role as operator. The BPU and other participating

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entities have joint approval rights for the annual business plan, the annual budget and material changes to the budget.

Note 5: Capital Assets

Capital asset activity for the year ended December 31, 2024 is as follows:

	Beginning Balance	Additions	Retirements	Transfers/ Adjustments	Ending Balance
Electric:					
Production plant	\$ 844,919,631	\$ 8,301,465	\$ —	\$ (1,201,133)	\$ 852,019,963
Transmission and distribution	543,591,085	19,972,316	—	12,834	563,576,235
General plant	158,518,995	4,030,560	—	15,893	162,565,448
Total electric	1,547,029,711	32,304,341	—	(1,172,406)	1,578,161,646
Water:					
Production plant	145,065,359	484,734	—	—	145,550,093
Transmission and distribution	243,410,958	8,005,209	—	102,543	251,518,710
General plant	55,629,173	2,179,329	—	7,440	57,815,942
Total water	444,105,490	10,669,272	—	109,983	454,884,745
Property, plant, and equipment	1,991,135,201	42,973,613	—	(1,062,423)	2,033,046,391
Construction work in progress – not depreciable	74,656,878	50,144,161	(43,112,990)	6	81,688,055
Total capital assets	2,065,792,079	93,117,774	(43,112,990)	(1,062,417)	2,114,734,446
Less accumulated depreciation:					
Electric:					
Production plant	434,795,897	18,732,632	—	—	453,528,529
Transmission and distribution	265,998,539	8,390,855	—	10	274,389,404
General plant	98,897,969	5,178,827	—	961	104,077,757
Total electric	799,692,405	32,302,314	—	971	831,995,690
Water:					
Production plant	78,412,413	2,987,649	—	—	81,400,062
Transmission and distribution	64,271,746	3,985,784	—	—	68,257,530
General plant	36,761,306	1,519,754	—	240	38,281,300
Total water	179,445,465	8,493,187	—	240	187,938,892
Combined total	979,137,870	40,795,501	—	1,211	1,019,934,582
Capital assets, net	\$ 1,086,654,209	\$ 52,322,273	\$ (43,112,990)	\$ (1,063,628)	\$ 1,094,799,864

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Capital asset activity for the year ended December 31, 2023 is as follows:

	Beginning Balance	Additions	Retirements	Transfers/ Adjustments	Ending Balance
Electric:					
Production plant	\$ 837,916,537	\$ 8,203,412	\$ —	\$ (1,200,318)	\$ 844,919,631
Transmission and distribution	507,288,834	36,837,010	—	(534,759)	543,591,085
General plant	152,516,590	5,997,416	(3,037)	8,026	158,518,995
Total electric	1,497,721,961	51,037,838	(3,037)	(1,727,051)	1,547,029,711
Water:					
Production plant	143,837,028	1,263,751	—	(35,420)	145,065,359
Transmission and distribution	235,078,452	8,345,596	—	(13,090)	243,410,958
General plant	53,706,941	1,919,990	(1,364)	3,606	55,629,173
Total water	432,622,421	11,529,337	(1,364)	(44,904)	444,105,490
Property, plant, and equipment	1,930,344,382	62,567,175	(4,401)	(1,771,955)	1,991,135,201
Construction work in progress – not depreciable	85,755,856	50,897,375	(61,996,353)	—	74,656,878
Total capital assets	2,016,100,238	113,464,550	(62,000,754)	(1,771,955)	2,065,792,079
Less accumulated depreciation:					
Electric:					
Production plant	416,127,258	18,668,639	—	—	434,795,897
Transmission and distribution	258,199,942	7,798,597	—	—	265,998,539
General plant	93,998,619	4,899,092	—	258	98,897,969
Total electric	768,325,819	31,366,328	—	258	799,692,405
Water:					
Production plant	75,377,738	3,034,823	—	(148)	78,412,413
Transmission and distribution	60,341,442	3,930,342	—	(38)	64,271,746
General plant	35,353,339	1,407,903	—	64	36,761,306
Total water	171,072,519	8,373,068	—	(122)	179,445,465
Combined total	939,398,338	39,739,396	—	136	979,137,870
Capital assets, net	\$ 1,076,701,900	\$ 73,725,154	\$ (62,000,754)	\$ (1,772,091)	\$ 1,086,654,209

As discussed in *Note 4*, on December 18, 2012, the BPU acquired an undivided 17% interest in the assets of the Dogwood Energy Facility. The BPU's portion of the Dogwood investment included an acquisition adjustment of \$34.8 million. This amount is included in the Electric Production Plant. The BPU is amortizing the acquisition adjustment over 29.1 years. The amount amortized in 2024 and 2023 is \$1,201,133 and is included in the Electric Production Plant Adjustments in the 2024 and 2023 tables, respectively.

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Note 6: Long-Term Debt

The BPU's indebtedness as of December 31, 2024 consists of the following obligations:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due in One Year
Revenue bonds:					
2014	\$ 104,195,000	\$ —	\$ (3,020,000)	\$ 101,175,000	\$ 3,150,000
2016A	108,825,000	—	(2,870,000)	105,955,000	3,015,000
2016B refunding	35,405,000	—	(2,535,000)	32,870,000	2,665,000
2016C	56,265,000	—	(1,360,000)	54,905,000	1,425,000
2020A	15,535,000	—	(1,495,000)	14,040,000	1,555,000
2020B	218,725,000	—	(17,280,000)	201,445,000	17,465,000
	<u>538,950,000</u>	<u>—</u>	<u>(28,560,000)</u>	<u>510,390,000</u>	<u>29,275,000</u>
Unamortized premium	33,623,570	—	(1,780,200)	31,843,370	—
	<u>572,573,570</u>	<u>—</u>	<u>(30,340,200)</u>	<u>542,233,370</u>	<u>29,275,000</u>
Total revenue bonds	572,573,570	—	(30,340,200)	542,233,370	29,275,000
Government loans – Unified KCK	3,133,765	—	(388,242)	2,745,523	400,833
Government loans – KDHE	29,741,182	3,756,323	(3,660,545)	29,836,960	2,870,322
	<u>\$ 605,448,517</u>	<u>\$ 3,756,323</u>	<u>\$ (34,388,987)</u>	<u>\$ 574,815,853</u>	<u>\$ 32,546,155</u>

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The BPU's indebtedness as of December 31, 2023 consists of the following obligations:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due in One Year
Revenue bonds:					
2014	\$ 119,140,000	\$ —	\$ (14,945,000)	\$ 104,195,000	\$ 3,020,000
2016A	111,560,000	—	(2,735,000)	108,825,000	2,870,000
2016B refunding	37,325,000	—	(1,920,000)	35,405,000	2,535,000
2016C	56,265,000	—	—	56,265,000	1,360,000
2020A	16,035,000	—	(500,000)	15,535,000	1,495,000
2020B	226,125,000	—	(7,400,000)	218,725,000	17,280,000
	<u>566,450,000</u>	<u>—</u>	<u>(27,500,000)</u>	<u>538,950,000</u>	<u>28,560,000</u>
Unamortized premium	<u>35,403,768</u>	<u>—</u>	<u>(1,780,198)</u>	<u>33,623,570</u>	<u>—</u>
Total revenue bonds	601,853,768	—	(29,280,198)	572,573,570	28,560,000
Government loans – Unified KCK	3,506,917	—	(373,152)	3,133,765	388,242
Government loans – KDHE	<u>23,379,096</u>	<u>9,215,130</u>	<u>(2,853,044)</u>	<u>29,741,182</u>	<u>3,470,051</u>
	<u>\$ 628,739,781</u>	<u>\$ 9,215,130</u>	<u>\$ (32,506,394)</u>	<u>\$ 605,448,517</u>	<u>\$ 32,418,293</u>

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Notes to Financial Statements
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Details of utility system revenue bonds outstanding at December 31, 2024 and 2023 are as follows:

Revenue Bonds	Interest Rate	Original Amount	Maturity	2024	2023
2014	3.00-5.00	190,620,000	09-01-2044	\$ 101,175,000	\$ 104,195,000
2016A	3.00-5.00	114,165,000	09-01-2045	105,955,000	108,825,000
2016B Refunding	3.25-5.00	42,545,000	09-01-2034	32,870,000	35,405,000
2016C	5.00	56,265,000	09-01-2046	54,905,000	56,265,000
2020A	3.00	17,010,000	09-01-2045	14,040,000	15,535,000
2020B	0.69-2.55	231,535,000	09-01-2037	201,445,000	218,725,000
Subtotal				510,390,000	538,950,000
Current maturities				(29,275,000)	(28,560,000)
Unamortized premium				31,843,370	33,623,570
Total utility system revenue bonds, excluding current maturities				\$ 512,958,370	\$ 544,013,570

Interest on portions of the outstanding utility system revenue bonds is payable on a semiannual basis. As of December 31, 2024, and 2023, the BPU was in compliance with all required debt covenant ratios.

The debt service to maturity on the outstanding revenue bonds as of December 31, 2024 is as follows:

Bond year(s) ending December 31:	Principal	Interest (including accreted)
2025	\$ 29,275,000	\$ 18,713,426
2026	30,050,000	17,935,888
2027	30,910,000	17,073,155
2028	31,825,000	16,160,260
2029	32,810,000	15,176,263
2030–2034	156,805,000	60,764,578
2035–2039	95,415,000	36,695,976
2040–2044	87,135,000	17,319,250
2045–2046	16,165,000	995,800
	<u>\$ 510,390,000</u>	<u>\$ 200,834,596</u>

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The utility system revenue bond indebtedness requires special reserves and accounts as follows:

Account	Authorized Expenditure
Debt service and reserve	Paying current principal and interest on bonds
Construction	Acquiring, constructing and installing capital improvements
Improvement and emergency	Financing major renewals, repairs, and replacements, and extraordinary or unforeseen expenditures

The utility system revenue bond debt service and reserve account is held in escrow in a bank acting as trustee for the BPU. The utility system revenue bond indentures also provide for a bond reserve account to be held by the trustee for the future payments of principal and interest in the event that the net revenues of the utility system are less than or equal to 130% of the maximum annual debt service on the bonds. All amounts are reported on the accompanying statements of net position as restricted assets.

The current indentures also require the BPU to establish utility rates and collect fees sufficient to pay the operating, maintenance, and debt service costs of the utilities; to maintain the accounts listed above; and to provide net operating income, before depreciation and payment-in-lieu of taxes, of at least 120% of the maximum annual debt service due on the outstanding bonds. All of the BPU's utility plant facilities are pledged under the terms of the indentures.

Total indebtedness also includes government loans, which represent the amounts borrowed from Kansas Department of Health and Environment for the purpose of Water capital improvements to be repaid in installments over 31 years ending 2054. Governmental loans also include a \$4.56 million loan with the Unified Government of Wyandotte County and Kansas City, Kansas, for improvements to the radio tower system as well as a loan with the Unified Government in 2020 for the Leavenworth Road Improvements Project of \$1.455 million.

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Notes to Financial Statements

December 31, 2024 and 2023

The debt service to maturity on the outstanding government loans as of December 31, 2024 is as follows:

Bond year(s) ending December 31:	Principal	Interest (including accrued)
2025	\$ 3,271,155	\$ 562,778
2026	2,647,001	414,857
2027	2,403,330	353,708
2028	2,145,755	354,886
2029	2,005,943	357,355
2030–2034	8,957,771	1,213,467
2035–2039	3,763,693	555,487
2040–2044	2,123,947	364,345
2045–2049	2,797,594	223,445
2050–2054	2,466,294	71,612
	<u>\$ 32,582,483</u>	<u>\$ 4,471,940</u>

In August 2021, the BPU entered into a Kansas Public Water Supply loan fund agreement, for which the amount is not to exceed \$25.0 million. In August 2022, the loan was amended and increased to \$39.5 million. The projects to be funded by this loan consist of construction of ground water storage at Argentine Pump Station, construction of a water transmission main from 90th and Parallel to I-435 and France Family drive, electrical improvements at the Nearman Water Treatment Plant, Parallel Pump Station and Milan Pump Station, and replacement of deteriorated water lines throughout the distribution system. As of December 31, 2024, the BPU has drawn down \$14.9 million of the loan.

The BPU has pledged specific revenue streams to secure the repayment of certain outstanding debt issuances. The corresponding debt issuances are for utility system revenue bonds and the purpose of the debt is for utility improvements. The following table lists those revenues, the amount and term of pledge remaining, the current year principal and interest on the debt, the amount of pledged revenue recognized during the current fiscal year, and the approximate percentage of the revenue stream that has been committed:

Type revenue pledged	Amount of pledge	Term of commitment	Percentage of revenue pledged	Principal and interest for the year ended 2024	Pledged revenue recognized for the year ended 2024
Electric and water operating revenue	\$ 711,224,596	Through 2046	12.7%	\$ 47,982,218	\$ 57,578,662

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Note 7: Regulatory Assets and Regulatory Deferred Inflows

The BPU is subject to the provisions of GASB Codification Section Re10, *Regulated Operations*, and has recorded assets and deferred inflows on its statements of net position resulting from the effects of the rate-making process, which would not be recorded under U.S. generally accepted accounting principles for nonregulated entities. Regulatory assets represent costs incurred that have been deferred because future recovery in customer rates is probable. Deferred inflows generally represent probable future reductions in revenue or refunds to customers. Management regularly assesses whether regulatory assets and deferred inflows are probable of future recovery or refund. If recovery or refund of regulatory assets or deferred inflows is not approved by the BPU Board of Directors, which is authorized to approve rates charged to customers or is no longer deemed probable, these regulatory assets or deferred inflows are recognized in the current period results of operations. Additionally, these factors could result in an impairment of utility plant assets if the cost of the assets could not be expected to be recovered in customer rates. Regulatory assets and deferred inflows as of December 31, 2024 and 2023 are as follows:

	Amortization Ending	2024	2023
Regulatory assets:			
Recovery of Quindaro Power Station Units	2040	\$ 55,170,852	\$ 58,848,909
Deferred inflows:			
Recovery fuel purchased power	2025	\$ 9,658,617	\$ 4,087,528

A regulatory asset has been approved by the Board of Directors to recover through rates the costs related to the Quindaro Power Station units closing. The remaining net book value was recorded as a regulatory asset in 2020. The remaining costs of these assets will be accelerated and amortized over a 20-year period.

The BPU has an energy adjustment rate rider (ERC). Estimated retail tariffs are set to recover estimated fuel costs such as coal, natural gas, and purchased power. The ERC allows differences between these estimates and actual fuel and purchased power costs to be deferred as a regulatory asset or a deferred inflow depending on the nature of the variance between estimated and actual costs incurred.

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Note 8: Payment-in-Lieu of Taxes (PILOT) and Community Contributions

The BPU is exempt from federal and state income taxes and local property taxes because it is an administrative agency of the Unified Government. However, the BPU is required by a Charter Ordinance to pay a percentage of gross operating revenues to the Unified Government. The Charter Ordinance established a range of 5.0% – 12.0%. The payment-in-lieu of tax was established at 11.9% in 2024 and 2023, which amounted to \$38,502,792 and \$38,197,843, respectively. The PILOT is billed and collected by the BPU by a supplemental rate rider.

In addition to these payments to the Unified Government, the BPU also contributes services to the Unified Government, such as electricity, water, street lighting, fire hydrant services, traffic signals, billing and collection of the Unified Government sewer, storm water and trash fees at no charge. These service contributions amounted to \$13,783,856 and \$12,206,849 or 4.13% and 3.68% of total operating revenue, for 2024 and 2023, respectively. Expenses associated with these service contributions are recorded in the relevant operating expense caption on the statements of revenues, expenses and changes in net position.

Note 9: Commitments and Contingencies

Power Purchase and Sales Agreements

On December 21, 2006, the BPU entered into a Renewable Energy Purchase Agreement with TradeWind Energy to receive 25% of the energy output of Phase 1 of the Smoky Hills Wind Farm. This contract is a 20-year fixed price contract for 25% of the output of 100.8 MW of turbines as well as the Renewable Energy Credits associated with the output. The wind farm, which was built approximately 25 miles west of Salina, Kansas in Lincoln and Ellsworth Counties, began commercial operation in January 2008. Total power purchased under this agreement was \$2,845,533 and \$3,208,389 in 2024 and 2023, respectively.

On November 3, 2010, the BPU entered into an agreement with Lawrence, Kansas based Bowersock Mills and Power Company to purchase 7 MW of hydroelectric power over the next 25 years, providing additional renewable energy resources to the BPU's existing power generating mix. Total power purchased under this agreement was \$2,437,290 and \$2,155,603 in 2024 and 2023, respectively.

In December 2013, the BPU completed negotiations with OwnEnergy Inc., a developer of mid-sized wind projects, for the purchase of 25 megawatts of energy generated by wind turbines. The wind farm is located south of Alexander, Kansas in Rush County. Construction began in December 2013, and ties into the Southwest Power Pool (SPP) Midwest Energy transmission system. The contract between the BPU and OwnEnergy Inc. is a 20-year renewable energy Purchase Power Agreement (PPA). The wind farm was completed in 2015 with commercial production beginning in December 2015. Total power purchased under this agreement was \$2,909,819 and \$2,949,393 in 2024 and 2023, respectively.

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The BPU has contracts with the Southwestern Power Administration (“SPA”) entitling the BPU to annually purchase 38.6 MW of hydroelectric peaking capacity. These contracts provide the BPU with hydro allocations until July 1, 2035. The BPU counts the full SPA capacity as a firm supply resource, reducing the need for additional capacity purchases and delaying the need for additional firm generation or other firm purchase power agreements. The energy available from this capacity is equal to 1,200 hours per MW of capacity per year, the scheduling of such energy being at the BPU’s discretion (with certain minimum and maximum monthly and seasonal limitations). Total power purchased under this agreement was \$2,834,525 and \$2,834,615 in 2024 and 2023, respectively. The BPU also has an allotment of 5 MW of hydroelectric power from the Western Area Power Administration (“WAPA”) until September 30, 2024. Total power purchased under this agreement was \$545,290 and \$346,005 in 2024 and 2023, respectively.

In January 2016, the BPU completed negotiations with TradeWind Energy Inc., a renewable energy developer, for the purchase of 200 megawatts of energy generated by wind turbines. Construction began on the wind farm in 2016 with commercial operations beginning in April of 2017. The facility is located just south of Minneola, Kansas and ties into the Southwest Power Pool (SPP) in the Sunflower Energy transmission system. The contract between the BPU and the Cimarron Bend Wind Project, LLC. is a 20-year renewable energy Purchase Power Agreement (PPA). Total power purchased under this agreement was \$16,617,931 and \$16,226,486 in 2024 and 2023, respectively.

In November 2016, the BPU finalized an agreement with MC Power, a solar developer, for the purchase of a 1 megawatt alternating current solar photovoltaic facility to be located at the Kansas City Board of Public Utilities Nearman Creek Power facility in Kansas City, Kansas. The contract between the BPU and MCP-KCBPU, LLC is a 25-year renewable energy Purchase Power Agreement (PPA) with commercial operations beginning in September of 2017. The project is intended to serve as a community solar project whereas the BPU customers can license panels within the project to reduce their overall monthly electric expenses, while supporting greener initiatives. Total power purchased under this agreement was \$151,014 and \$146,347 in 2024 and 2023, respectively.

The BPU has determined these purchase contracts to be excluded from the scope of GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, as these are normal purchase contracts.

Coal Contracts

The BPU purchases coal for Nearman generating stations through contracts with Western Fuels Association (WFA) and affiliates. WFA, in turn, contracts with coal producers and railroads to meet its coal supply and delivery commitments to the BPU. The BPU is required to pay all costs incurred by WFA in acquiring and delivering the coal as well as a management fee.

Coal delivery to Nearman is contracted between WFA and Union Pacific Railroad which is effective until December 31, 2024. The delivery cost is established from a base price and is adjusted by indices set out in the contract.

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The Union Pacific Railroad contract requires a minimum shipment of 400,000 tons resulting in an approximately \$14,000,000 minimum annual coal purchase. The coal purchase contract is an all requirements contract and maintains the same pricing for any additional coal required.

The BPU purchased approximately 340,685 and 607,819 tons of coal for approximately \$11,822,000 and \$21,211,000 for the Nearman Station in 2024 and 2023, respectively.

The BPU has determined these coal contracts to be excluded from the scope of GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, as these are normal purchase contracts.

Retirement Plan

Plan Description

The Retirement Pension Plan for the Board of Public Utilities of Kansas City, Kansas (the “Plan”) is a contributory, single-employer defined benefit pension plan administered by the Board of Pension Trustees of the Retirement Pension Plan of the Board of Public Utilities of Kansas City, Kansas (“the Board”) of Pension Trustees.

The Plan is governed by Kansas State statutes, which provide for the establishment of a Board of Pension Trustees and provides authorization for the Plan to take control and custody of all assets, property and funds presently held, controlled and in the possession of the Plan’s Board of Pension Trustees. The Plan was established and may be amended only by the Board of Pension Trustees. The Board of Pension Trustees is represented equally by three management seats, appointed by the General Manager, and three non-management seats elected by the BPU members. The Plan membership includes all persons employed by the BPU on a regular, permanent basis.

Separate, stand-alone financial statements of the Plan can be obtained from the Pension Administrator, in care of the Human Resources Department of the BPU, 540 Minnesota Avenue, Kansas City, KS 66101.

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Notes to Financial Statements

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Benefits Provided

The primary benefits provided by the Plan are retirement benefits. However, the Plan also provides ancillary benefits in the event of pre-retirement death, disability, or termination of employment prior to meeting the eligibility requirements to retire. An employee of the BPU is eligible for coverage at the time of employment as a regular, permanent BPU employee. An employee remains a Member of the Plan as long as they continue employment with the BPU. Vesting is achieved upon the completion of five years of service. For Tier 1 members, retirement is at age 55, regardless of service. Benefits are calculated using the compensation for the three highest years of service within the last 10 years of service, multiplied by the total years of service and the formula factor of 1.80%, plus final average salary multiplied by the total years of service prior to January 1, 2004 and the formula factor of 0.40%. Benefits vest after five years of service. For Tier 2 members, retirement is at age 65, with five years of service or age 60, with 30 years of service. Benefits are calculated using the compensation for the member's entire career, multiplied by the formula factor of 1.50%. Benefits vest after five years of service.

Cost of Living Adjustment (COLA)

The COLA is an automatic, simple 3% for members who retired before January 1, 1993. The COLA is not automatic, but discretionary for members who retired on or after January 1, 1993. The COLA can vary from 0% to 3% of the previous year's pension as determined by the Pension Board every year. If, on the first January 1 following benefit commencement, benefits have been received for less than a full calendar year, the increase is a fraction of the determined increase equal to the ratio of number of monthly benefit payments received divided by 12.

Employees Covered by Benefit Terms

The data required regarding the membership of the Plan was furnished by the Pension Administrator of the Plan. The following table summarizes the membership of the Plan as of December 31, 2023 and 2022, the respective measurement dates.

	<u>2023</u>	<u>2022</u>
Inactive Members or Beneficiaries Currently Receiving Benefits	818	810
Disabled Members	9	10
Inactive Members Entitled To But Not Yet Receiving Benefits	29	27
Active Members	<u>481</u>	<u>483</u>
Total	<u><u>1,337</u></u>	<u><u>1,330</u></u>

Contributions

Benefit and contribution provisions are established by and may only be amended by the Pension Board of Trustees. Contribution rates are determined annually by the Pension Board of Trustees. The BPU contributes a fixed contribution rate, equal to that of the members, currently 8.50% of pensionable earnings as of December 31, 2024 and 2023.

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December 31, 2024 and 2023

For the years ended December 31, 2024 and 2023, BPU contributed \$5,189,710 and \$4,676,426, respectively, to the Plan.

Net Pension Liability/Asset

The total pension liability used to calculate the net pension liability/(asset) was determined by actuarial valuations as of January 1, 2023 and 2022 and rolled forward to the respective measurement dates as applicable. As of December 31, 2024, the Plan reported a net pension liability of \$8,398,649. As of December 31, 2023, the Plan reported a net pension liability of \$20,356,349.

Actuarial Assumptions

The total pension liability/asset based on the January 1, 2023 and 2022 actuarial valuations was determined using the following key actuarial assumptions for 2023 and 2022 and other inputs:

	January 1, 2023 Valuation	January 1, 2022 Valuation
Price inflation	2.35 percent	2.35 percent
Salary inflation	3.1 - 6.1 percent	3.1 - 6.1 percent
Long-term rate of return, net of investment expenses; and including inflation rate assumption	6.75 percent	6.75 percent

January 1, 2023 Valuation

Cost of living adjustment: Retired before January 1, 1993: 3.0% in all years. Retired on/after January 1, 1993: 0.00% through 2031, and 3.0% for 2032 and later.

Mortality: Pre-retirement mortality rates were based on the Pub-2010 General Employees Median Mortality Table with generational mortality projections using Scale MP-2021. Post-retirement mortality rates for healthy retirees were based on the Pub-2010 General Retirees Median Mortality Table with generational mortality projections using Scale MP-2021.

The actuarial assumptions used in the 2023 valuation are based on the results of an assumption review completed in 2024.

January 1, 2022 Valuation

Cost of living adjustment: Retired before January 1, 1993: 3.0% in all years. Retired on/after January 1, 1993: 0.00% through 2032, and 3.0% for 2033 and later.

Mortality: Pre-retirement mortality rates were based on the Pub-2010 General Employees Median Mortality Table with generational mortality projections using Scale MP-2020. Post-retirement mortality rates were based on the Pub-2010 General Retirees Median Mortality Table with generational mortality projections using Scale MP-2020.

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The actuarial assumptions used in the 2022 valuation are based on the results of an assumption review completed in 2021.

The long-term expected rate of return on pension plan investments is reviewed as part of the regular experience study prepared for the Plan. The results of the most recent experience study were presented in 2024. Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and an analysis in which best-estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation), along with estimates of variability and correlations for each asset class, were developed by the Plan's investment consultant. These ranges were combined to develop the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by some investment consultants are often intended for use over a 10-year investment horizon and are not always useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The investment consultant for the Board of Public Utilities, at the time the Experience Study was completed, provided capital market assumptions for a 50-year period and those were used as part of the analysis. The long-term rate of return assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class used for the 2024 assumption review, as provided by the Plan's investment consultant at that time, Asset Consulting Group, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Large Cap Equity	17.5 %	7.2 %
Domestic Small Cap Equity	17.5	8.6
International Developed Equity	20.0	8.3
Long/Short Equity	5.0	5.6
Core Plus Bonds	26.0	2.9
Core Real Estate	7.0	6.5
Opportunistic Added Real Estate	7.0	8.0
	<u>100.0 %</u>	

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Discount Rate

The discount rate used to measure the total pension liability at December 31, 2023 was 6.75%. The discount rate used to measure the total pension liability at December 31, 2022 was 6.75%. The projection of cash flows used to determine the discount rate assumed the plan contributions from members and the BPU will be made at the current contribution rates as determined annually by the Pension Board in effect on the measurement date:

- i. Employee contribution rate: 8.5% of annual compensation
- ii. The BPU contribution rate: Same as member contributions (8.5% of annual compensation)
- iii. Administrative expenses for the current and future years were assumed to be 1% of the current member's proportionate share of covered payroll.

Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments of 6.75% was applied to all periods of projected benefit payments to determine the total pension liability, within the January 1, 2023 valuation.

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Changes in the Net Pension (Asset) Liability

Changes in the total pension liability, plan fiduciary net position and the net pension liability (asset) are:

	Increases (Decreases)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at January 1, 2024	\$ 524,328,573	\$ 503,972,224	\$ 20,356,349
Changes for the year:			
Service cost	7,114,743	-	7,114,743
Interest on total pension liability	34,229,652	-	34,229,652
Difference between expected and actual experience	(305,478)	-	(305,478)
Changes of assumptions	12,078,488	-	12,078,488
Employer contributions	-	4,676,426	(4,676,426)
Employee contributions	-	4,676,426	(4,676,426)
Net investment income	-	56,263,485	(56,263,485)
Benefit payments, including member refunds	(35,016,999)	(35,016,999)	-
Administrative expenses	-	(541,232)	541,232
Net changes	18,100,406	30,058,106	(11,957,700)
Balances at December 31, 2024	\$ 542,428,979	\$ 534,030,330	\$ 8,398,649

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	Increases (Decreases)		
	Total	Plan	Net Pension
	Pension	Fiduciary	Liability
	Liability	Net Position	(Asset)
	(a)	(b)	(a) - (b)
Balances at January 1, 2023	\$ 604,481,627	\$ 627,749,518	\$ (23,267,891)
Changes for the year:			
Service cost	7,782,315	-	7,782,315
Interest on total pension liability	39,647,110	-	39,647,110
Difference between expected and actual experience	182,840	-	182,840
Changes of assumptions	(92,962,988)	-	(92,962,988)
Employer contributions	-	4,533,603	(4,533,603)
Employee contributions	-	4,533,603	(4,533,603)
Net investment income	-	(97,471,031)	97,471,031
Benefit payments, including member refunds	(34,802,331)	(34,802,331)	-
Administrative expenses	-	(571,138)	571,138
Net changes	(80,153,054)	(123,777,294)	43,624,240
Balances at December 31, 2023	<u>\$ 524,328,573</u>	<u>\$ 503,972,224</u>	<u>\$ 20,356,349</u>

Within the January 1, 2023 valuation, the following changes were applied to the actuarial assumption and method:

- The assumed COLA for post January 1, 1993 retirees was changed from 0% through 2032 and 3% thereafter to 0% through 2031 and 3% thereafter, TPL purposes only.

The following changes were reflected in the January 1, 2023 valuation for GASB purposes but are first reflected in the January 1, 2024 funding valuation:

- The mortality improvement scale was updated to scale MP-2021.
- Retirement rates were adjusted to better reflect actual experience.
- Termination rates were adjusted to better reflect actual experience.
- The merit salary increase assumption was increased for members with more than five years of service.
- The administrative expense assumption was increased from 0.7% to 1.00% of pay.

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Notes to Financial Statements

December 31, 2024 and 2023

Within the January 1, 2022 valuation, the following changes were applied to the actuarial assumption and method:

- The assumed COLA for post January 1, 1993 retirees for the current Measurement Date is 0% through 2032 and 3% thereafter rather than the assumption of 1.9% for 2022, 2.5% for 2023 and 3%, for TPL purposes only.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability (asset) of the Plan, calculated using a discount rate of 6.75%, as well as the Plan's net pension liability (asset) calculated using a discount rate that is 1-percentage point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate.

	2024		
	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net pension liability (asset)	\$73,598,243	\$8,398,649	(\$45,967,267)

The following presents the net pension liability (asset) of the Plan, calculated using a discount rate of 6.75%, as well as the Plan's net pension liability (asset) calculated using a discount rate that is 1-percentage point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate.

	2023		
	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net pension liability (asset)	\$82,034,538	\$20,356,349	(\$30,998,689)

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Notes to Financial Statements

December 31, 2024 and 2023

Pension Expense

For the fiscal years ended December 31, 2024 and 2023, the BPU recognized pension expense of (\$4,917,890) and \$7,643,275, respectively. Annual pension expense consists of service cost, interest and administrative expenses on pension liability less employee contributions and projected earnings on pension plan investments. The difference between actual and expected earnings is recorded as a deferred outflow/inflow of resources recognized in pension expense over a five-year period.

Deferred Outflows/Inflows of Resources related to Pensions

In accordance with GASB Statement Nos. 67 and 68, the BPU recognizes differences between actual and expected experience with regard to economic or demographic factors, changes of assumptions about future economic or demographic factors, the difference between actual and expected investment returns, changes in proportion, and contributions subsequent to the measurement date as deferred outflow/inflows of resources.

As of December 31, 2024, the BPU reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 87,362	\$ 1,333,064
Changes of assumptions	12,933,222	44,418,346
Net difference between projected and actual earnings on pension plan investments	48,381,689	—
Contributions subsequent to the measurement date	5,189,710	—
Total	<u>\$ 66,591,983</u>	<u>\$ 45,751,410</u>

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Notes to Financial Statements
December 31, 2024 and 2023

As of December 31, 2023, the BPU reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 135,101	\$ 3,858,004
Changes of assumptions	18,243,222	68,690,666
Net difference between projected and actual earnings on pension plan investments	72,184,595	—
Contributions subsequent to the measurement date	4,676,426	—
Total	<u>\$ 95,239,344</u>	<u>\$ 72,548,670</u>

The amount reported as deferred outflows of resources as of December 31, 2024, resulting from contributions subsequent to the measurement date of \$5,189,710, will reduce the net pension liability for the year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expenses as follows:

Year Ended December 31:

2025	\$ (8,170,430)
2026	1,228,720
2027	25,747,237
2028	<u>(3,154,664)</u>
	<u>\$ 15,650,863</u>

Other Postemployment Benefits

Plan Description

The BPU provides certain postemployment health care and life insurance benefits to eligible retirees and their dependents in accordance with provisions established by the BPU's Board of Directors. The plan is a single-employer defined-benefit healthcare plan administered by the BPU. The BPU currently determines the eligibility, benefits provided, and changes to those provisions applicable to eligible retirees. The OPEB plan does not issue separate financial statements. Employees are given a 90-day window to retire with medical coverage at ages 55 and above with seven consecutive years of service.

Board of Public Utilities

Notes to Financial Statements

December 31, 2024 and 2023

Benefits Policy

The post retirement benefit plan is a comprehensive major medical plan with a \$100 deductible per individual or \$200 per family. For individuals, the plan pays 80% of the next \$12,500 of allowable charges and 100% thereafter for the remainder of that calendar year. For families, the plan pays 80% of the next \$25,000 of allowable charges and 100% thereafter for the remainder of that calendar year. The plan has a lifetime benefit maximum of \$750,000. Benefits cease at the first of the month that the retired employee attains age 65 or death. Spouse benefits end at the first of the month that the retired employee attains age 65, the end of the month of the retiree's death, or on the date of the spouse's death. Retirees are not required to contribute toward the cost of the postretirement benefits.

Funding Policy

The contribution requirements of plan members and the BPU are established and can be amended by the BPU's Board. The required contribution is based on a pay-as-you-go financing requirement. For the years ended December 31, 2024 and 2023, the BPU paid \$2,488,227 and \$2,212,671, respectively, for retirees medical. GASB Statement 75 does not require funding of the OPEB liability, and the BPU has chosen not to fund it. The BPU funds on a cash basis as benefits are paid. No assets have been segregated and restricted to provide for postretirement benefits nor are any assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. A schedule of funding progress is included as required supplementary information.

Employees Covered by Benefit Terms

As of January 1, 2024 (the actuarial valuation date), the OPEB plan membership consisted of the following:

Number of Participants	
Retirees (with medical coverage)	106
Retiree Spouses (with medical coverage)	<u>68</u>
Total	<u>174</u>

Total OPEB Liability

2024

The total OPEB liability of \$26,579,927 at December 31, 2024 was measured as of December 31, 2023, and was determined by an actuarial valuation as of January 1, 2024.

The total OPEB liability in the January 1, 2024 actuarial valuation was determined using the following actuarial assumptions:

Discount rate:	4.12% per annum based on the S&P Municipal Bond 20 Year High Grade Rate Index
Salary increases:	2.50% per annum

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Notes to Financial Statements

December 31, 2024 and 2023

Healthcare cost trend rate: Medical: 7.00% graded uniformly to 4.50% over 10 years.

Mortality rates were based on the Pub-2010 Amount Weighted Mortality Table base rates projected generationally with scale MP-2021.

The actuarial cost method was Entry Age Normal Level Percent of Salary.

2023

The total OPEB liability of \$27,140,938 at December 31, 2023 was measured as of December 31, 2023, and was determined by an actuarial valuation as of January 1, 2024.

The total OPEB liability in the January 1, 2024 actuarial valuation was determined using the following actuarial assumptions:

Discount rate: 4.12% per annum based on the S&P Municipal Bond 20 Year High Grade Rate Index

Salary increases: 2.50% per annum

Healthcare cost trend rate: Medical: 7.00% graded uniformly to 4.50% over 10 years.

Mortality rates were based on the Pub-2010 Amount Weighted Mortality Table base rates projected generationally with scale MP-2021.

The actuarial cost method was Entry Age Normal Level Percent of Salary.

Changes in Total OPEB Liability

	2024	2023
Balance at January 1	\$ 27,140,938	\$ 43,584,221
Service costs	826,226	2,671,292
Interest costs	1,100,990	1,020,372
Plan Change	-	(7,066,895)
Experience losses	-	571,001
Changes of assumptions	-	(11,426,382)
Benefits payments	(2,488,227)	(2,212,671)
Net change	(561,011)	(16,443,283)
Balance at December 31	\$ 26,579,927	\$ 27,140,938

Board of Public Utilities

Notes to Financial Statements

December 31, 2024 and 2023

Sensitivity of Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following represents the total OPEB liability for 2024 and 2023, calculated using the stated health care cost trend assumption, as well as what the OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage-point lower or 1 percentage-point higher than the assumed trend rate:

Healthcare Cost Trend Rates 2024			
	1% Decrease	Current	1% Increase
	6% decreasing to 3.5% over 10 years	7% decreasing to 4.5% over 10 years	8% decreasing to 5.5% over 10 years
Total OPEB Liability - 2024	\$ 24,222,139	\$ 26,579,927	\$ 29,281,717

Healthcare Cost Trend Rates 2023			
	1% Decrease	Current	1% Increase
	6% decreasing to 3.5% over 10 years	7% decreasing to 4.5% over 10 years	8% decreasing to 5.5% over 10 years
Total OPEB Liability - 2023	\$ 24,974,655	\$ 27,140,938	\$ 29,617,706

Sensitivity of Total OPEB Liability to Changes in the Discount Rate

The following represents the total OEPB liability for 2024 and 2023, calculated using the stated discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate:

Discount Rate 2024			
	1% Decrease	Current	1% Increase
	(3.12%)	(4.12%)	(5.12%)
Total OPEB Liability-2024	\$ 28,351,477	\$ 26,579,927	\$ 24,920,705

Discount Rate 2023			
	1% Decrease	Current	1% Increase
	(3.12%)	(4.12%)	(5.12%)
Total OPEB Liability-2023	\$ 28,959,540	\$ 27,140,938	\$ 25,442,625

Board of Public Utilities

Notes to Financial Statements

December 31, 2024 and 2023

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The BPU recognized OPEB expense of (\$2,149,032) and (\$7,451,479) in 2024 and 2023, respectively.

The BPU recognized deferred inflows of resources related to OPEB of \$12,142,436 and \$16,303,908 in 2024 and 2023, respectively. The BPU recognized deferred outflows of resources related to OPEB of \$400,553 and \$485,777 in 2024 and 2023, respectively. See below for the sources as of December 31, 2024:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 400,553	\$ 12,142,436
Total	\$ 400,553	\$ 12,142,436

The amounts reported as deferred inflows of resources related to OPEB will be recognized in expense as follows:

Year Ended December 31:

2025	\$ (3,653,473)
2026	(3,230,706)
2027	(2,103,353)
2028	(1,620,206)
2029	(1,134,145)
	<u>\$ (11,741,883)</u>

Risk Management

The BPU is exposed to various risks of loss related to tort claims; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The BPU is self-insured for workers' compensation, healthcare, certain general liability claims and a portion of the automobile and small vehicle fleet.

The BPU is responsible for the first \$750,000 of a workers' compensation claim per employee/per occurrence and workers' compensation claims greater than \$750,000 and up to \$35,000,000 per employee/per occurrence are fully insured. At December 31, 2024 and 2023, an asset of \$1,100,000 is within current assets-cash and cash equivalents and a liability of approximately \$809,000 and \$2,203,000 as of December 31, 2024 and 2023 is within current liabilities-workers' compensation reserve in the statements of net position. Claims for worker's compensation in 2024 and 2023 were \$830,000 and \$511,000, respectively.

Board of Public Utilities

Notes to Financial Statements

December 31, 2024 and 2023

At December 31, 2024 and 2023, an asset of \$1,000,000 is within current assets-cash and cash equivalents and a liability of approximately \$1,339,000 and \$693,000 as of December 31, 2024 and 2023 is within current liabilities-public liability in the statements of net position. Public liability and healthcare claims paid were approximately \$16,965,000 and \$16,176,000 as of December 31, 2024 and 2023, respectively.

The BPU is essentially 100% self-insured for healthcare claims and is responsible for the first \$500,000 of general liability and automobile insurance claims. In addition, any general liability or automobile claims greater than \$35,000,000 are the responsibility of the BPU. Settlements did not exceed insurance coverage for the past three years. At December 31, 2024 and 2023, the BPU has established a liability of approximately \$2,148,000 and \$2,897,000, respectively, for workers' compensation, public liability and healthcare reserves which is based on estimates of the amounts needed to pay prior and current year claims. The liability is based on the requirement that a liability for claims incurred prior to the statement of net position date be recorded if information related to such claims is available prior to the issuance of the financial statements and the amount of loss can be reasonably estimated. The total amount of claims and judgments is expected to become due within one year.

Changes in the workers' compensation, public liability, and healthcare reserves for 2024, 2023 and 2022 are as follows:

	2024	2023	2022
Beginning accruals	\$ 2,897,000	\$ 2,481,000	\$ 2,193,000
Additional accruals	17,046,000	17,103,000	12,515,000
Charges for claim payments	(17,795,000)	(16,687,000)	(12,227,000)
Ending accruals	<u>\$ 2,148,000</u>	<u>\$ 2,897,000</u>	<u>\$ 2,481,000</u>

Environmental Compliance

The BPU is subject to substantial regulation of air emissions and control equipment, as well as water, waste, remediation and disposal issues related to operation of its electric generating utilities under federal, state and local environmental laws and regulations. In the last 15 years, federal, state and local agencies have continued to issue regulations applicable to electric generating utilities. The BPU participates in the rulemaking process, including providing comments on rules to assist the agency in identifying areas for improvement and challenging rules, if necessary. The BPU also continues to review and evaluate regulations and implement changes to its processes, if necessary, to maintain compliance.

Board of Public Utilities

Notes to Financial Statements

December 31, 2024 and 2023

Other Legal Matters

In the normal course of business, the BPU is subject to various lawsuits, actions, proceedings, claims and other matters asserted under laws and regulations. Management believes the amounts provided in the financial statements, as prescribed by U.S. generally accepted accounting principles, are adequate in light of the probable and estimable contingencies. However, there can be no assurances that the actual amounts required to satisfy alleged liabilities from various legal proceedings, claims and other matters, and to comply with applicable laws and regulations, will not exceed the amounts reflected in the BPU's financial statements. As such, costs, if any, that may be incurred in excess of those amounts provided as of December 31, 2024 and 2023 cannot be reasonably determined.

Note 10: Principal Customers

Electric and water charges to the BPU's six largest retail customers expressed as a percentage of total operating revenues for the years ended December 31, 2024 and 2023 were as follows:

	2024	2023
Principal retail customers:		
General Motors Corporation	3.8%	3.7%
Certainteed Corp	3.7%	3.7%
Johnson County WaterDistrict # 1	2.7%	2.9%
Griffin Wheel Co	2.3%	2.3%
Univ of KS Hosp Auth	2.2%	2.3%
Owens Corning Sales, LLC	2.2%	2.2%
Total principal retail customers	<u>16.9%</u>	<u>17.1%</u>

Note 11: Disclosures About Fair Value of Assets and Liabilities

The BPU categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The BPU has the following recurring fair value measurements:

- Federal agency securities of \$16,078,019 and \$16,074,039 as of December 31, 2024 and 2023, respectively, are valued using quoted prices for similar assets, quoted prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets (Level 2 inputs).

Board of Public Utilities
Notes to Financial Statements
December 31, 2024 and 2023

- Money market funds of \$4,086,923 and \$4,106,022 as of December 31, 2024 and 2023, respectively, are valued using quoted market prices (Level 1 inputs)

Note 12: Leases

The BPU leases, as a lessor, various tower and pole attachment space to various telecommunication companies, the terms at which expires through 2031. During the years ended December 31, 2024 and 2023, the BPU recognized revenue of approximately \$1,948,000 and \$1,207,000 under the agreements, respectively.

Board of Public Utilities
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Fiscal Years Ended December 31,
(Unaudited)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service cost	\$ 7,114,743	\$ 7,782,315	\$ 7,850,152	\$ 7,280,467	\$ 7,289,384	\$ 7,201,941	\$ 7,440,404	\$ 7,297,782	\$ 7,339,629	\$ 7,560,923
Interest on total pension liability	34,229,652	39,647,110	38,865,663	38,648,801	37,017,215	38,047,652	37,460,630	36,679,579	38,033,409	36,958,326
Diff between expected and actual experience	(305,478)	182,840	(2,509,295)	(8,333,009)	(2,307,726)	(7,318,385)	(10,311,840)	(14,572,637)	(9,622,386)	-
Assumption changes	12,078,488	(92,962,988)	1,666,254	56,495,556	13,177,439	13,089,347	5,161,410	12,331,048	(21,130,167)	-
Benefit payments, including member refunds	(35,016,999)	(34,802,331)	(33,805,491)	(33,386,080)	(33,456,312)	(32,627,516)	(32,206,227)	(31,747,866)	(31,346,590)	(30,832,788)
Net change in total pension liability	18,100,406	(80,153,054)	12,067,283	60,705,735	21,720,000	18,393,039	7,544,377	9,987,906	(16,726,105)	13,686,761
Total pension liability, beginning	524,328,573	604,481,627	592,414,344	531,708,609	509,988,609	491,595,570	484,051,193	474,063,287	490,789,392	477,102,631
Total pension liability, ending (a)	\$ 542,428,979	\$ 524,328,573	\$ 604,481,627	\$ 592,414,344	\$ 531,708,609	\$ 509,988,609	\$ 491,595,570	\$ 484,051,193	\$ 474,063,287	\$ 490,789,392
Plan Fiduciary Net Position										
Employer contributions	\$ 4,676,426	\$ 4,533,603	\$ 4,547,136	\$ 4,491,136	\$ 4,349,056	\$ 4,398,226	\$ 4,250,560	\$ 4,252,025	\$ 4,172,968	\$ 4,278,318
Employee contributions	4,676,426	4,533,603	4,547,136	4,491,136	4,349,056	4,398,226	4,250,560	4,252,025	4,172,968	4,278,318
Net investment income	56,263,485	(97,471,031)	61,147,813	77,987,680	86,777,876	(12,362,654)	74,677,580	27,612,362	3,875,505	27,423,709
Benefit payments, including member refunds	(35,016,999)	(34,802,331)	(33,805,491)	(33,386,080)	(33,456,312)	(32,627,516)	(32,206,227)	(31,747,866)	(31,346,590)	(30,832,788)
Administrative expenses	(541,232)	(571,138)	(739,852)	(445,527)	(472,986)	(550,640)	(461,577)	(371,417)	(332,625)	(338,801)
Net change in plan fiduciary net position	30,058,106	(123,777,294)	35,696,742	53,138,345	61,546,690	(36,744,358)	50,510,896	3,997,129	(19,457,774)	4,808,756
Plan fiduciary net position, beginning	503,972,224	627,749,518	592,052,776	538,914,431	477,367,740	514,112,098	463,601,202	459,604,073	479,061,847	474,253,091
Plan fiduciary net position, ending (b)	\$ 534,030,330	\$ 503,972,224	\$ 627,749,518	\$ 592,052,776	\$ 538,914,430	\$ 477,367,740	\$ 514,112,098	\$ 463,601,202	\$ 459,604,073	\$ 479,061,847
Net pension liability, ending (a) - (b)	\$ 8,398,649	\$ 20,356,349	\$ (23,267,891)	\$ 361,568	\$ (7,205,821)	\$ 32,620,869	\$ (22,516,528)	\$ 20,449,991	\$ 14,459,214	\$ 11,727,545
Fiduciary net position as a percentage of the total pension liability	98.45%	96.12%	103.85%	99.94%	101.36%	93.60%	104.58%	95.78%	96.95%	97.61%
Covered payroll	\$ 55,016,776	\$ 53,336,502	\$ 53,495,722	\$ 52,836,899	\$ 52,494,578	\$ 51,909,688	\$ 50,272,605	\$ 50,070,440	\$ 50,400,000	\$ 49,091,000
Net pension liability as a percentage of covered payroll	15.27%	38.17%	-43.49%	0.68%	-13.73%	62.84%	-44.79%	40.84%	28.69%	23.89%

Board of Public Utilities
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Fiscal Years Ended December 31,
(Unaudited)

Changes of actuarial assumptions and methods:

- In 2024, the assumed COLA for post January 1, 1993 retirees was changed from 0% through 2032 and 3% thereafter to 0% through 2031 and 3% thereafter, for TPL purposes only.
- In 2024, the mortality improvement scale was updated to scale MP-2021.
- In 2024, the retirement and termination rates were adjusted to better reflect actual experience.
- In 2024, the merit salary increase assumption was increased for members with more than five years of service.
- In 2024, the administrative expense assumption was increased from 0.7% of pay to 1% of pay.
- In 2023, the assumed COLA for post January 1, 1993 retirees was changed from 1.9% for 2022, 2.5% for 2023, and 3% thereafter to 0% through 2032 and 3% thereafter, for TPL purposes only.
- In 2022, the assumed COLA for post January 1, 1993 retirees was changed from 1% through 2022 and 3% thereafter to 1.9% for 2022, 2.5% for 2023, and 3% thereafter, for TPL purposes only.
- In 2021, the assumed COLA for post January 1, 1993 retirees was changed from 1% through 2020 and 3% thereafter to 1% through 2022 and 3% thereafter, for TPL purposes only.
- In 2021, the inflation assumption was decreased from 2.60 to 2.35%.
- In 2021, the investment return assumption was decreased from 7.5% to 6.75%.
- In 2021, the general wage growth assumption was decreased from 3.35% to 3.10%.
- In 2021, the covered payroll growth assumption was decreased from 3.25% to 3.00%.
- In 2021, the interest crediting rate assumption for contribution account balances was decreased from 3.5% to 3.35%.

Board of Public Utilities
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Fiscal Years Ended December 31,
(Unaudited)

- In 2021, the mortality assumption was changed to the Pub-2010 General Median Mortality Tables with future mortality improvements modeled using Scale MP-2020.
- In 2021, the individual salary increase assumption was modified to reflect the lower general wage increase assumption of 3.10%. In addition, the merit salary increase assumption was changed to a service-based table.
- In 2021, the asset smoothing method was modified to use a closed 5-year smoothing period instead of a closed 8-year period. The corridor was eliminated.
- In 2020, the assumed COLA for post January 1, 1993 retirees was changed from 1% through 2022 and 3% thereafter to 1% through 2020 and 3% thereafter, for TPL purposes only.
- In 2019, the inflation assumption was decreased from 3.10% to 2.60%.
- In 2019, the investment return assumption was decreased from 8.0% to 7.5%.
- In 2019, the general wage growth assumption was decreased from 4.0% to 3.35%.
- In 2019, the covered payroll growth assumption was decreased from 4.0% to 3.25%.
- In 2019, the interest crediting rate assumption for contribution account balances was decreased from 4.0% to 3.5%.
- In 2019, the mortality assumption was changed to the RP-2014 Blue Collar Mortality Table with future mortality improvements modeled using Scale MP-2017.
- In 2019, retirement rates were adjusted to better reflect actual experience.
- In 2019, termination rates were changed from age-based, sex-distinct assumption to a service-based, unisex assumption.

Board of Public Utilities
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Fiscal Years Ended December 31,
(Unaudited)

- In 2019, the individual salary increase assumption was modified to reflect the lower general wage increase assumption of 3.35%. In addition, the merit salary increase assumption was adjusted to reflect higher salary increases at younger ages.
- In 2019, the administration expense assumption was increased from 0.60% of pay to 0.70% of pay.
- In 2019, the amortization method for the unfunded actuarial liability (UAL) was changed to a “layered” amortization approach. The UAL as of January 1, 2019 will continue to be amortized according to the current schedule. New amortization bases will be created on each subsequent valuation date equal to the difference between the actual and expected UAL, with payments calculated using a closed 20-year period as a level-percent of payroll. A new amortization base will also be created when actuarial assumptions are changed or the benefit structure is modified. An appropriate period will be determined by the Board for these events, after discussion with the actuary.
- In 2018, the assumed COLA for post January 1, 1993 retirees was changed from 1% through 2022 and 3% thereafter to 1% through 2021 and 3% thereafter, for TPL purposes only.
- In 2017, the assumed COLA for post January 1, 1993 retirees was changed from 1% through 2025 and 3% thereafter to 1% through 2022 and 3% thereafter for TPL purposes only.
- In 2016, the assumed COLA for post January 1, 1993 retirees was changed from 1% through 2020 and 3% thereafter to 1% through 2025 and 3% thereafter for TPL purposes only.

Board of Public Utilities
Required Supplementary Information
Schedule of Employer 10 Year Contributions
December 31,
(Dollar amounts in thousands)
(Unaudited)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 7,040	\$ 6,690	\$ 6,256	\$ 8,030	\$ 4,084	\$ 5,561	\$ 6,458	\$ 5,781	\$ 7,263	\$ 7,428
Actual employer contributions	5,190	4,676	4,534	4,547	4,491	4,462	4,398	4,251	4,252	4,173
Contribution deficiency (excess)	\$ 1,850	\$ 2,014	\$ 1,723	\$ 3,483	\$ (407)	\$ 1,099	\$ 2,060	\$ 1,530	\$ 3,011	\$ 3,255
Covered payroll	\$ 61,055	\$ 55,017	\$ 53,337	\$ 53,496	\$ 52,837	\$ 52,494	\$ 51,910	\$ 50,273	\$ 50,070	\$ 49,091
Contribution as a percentage of covered payroll	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.47%	8.46%	8.49%	8.50%

Board of Public Utilities
Required Supplementary Information
Schedule of Employer 10 Year Contributions
December 31,
(Dollar amounts in thousands)
(Unaudited)

Notes to Required Supplementary Information for Contributions

The following actuarial methods and assumptions were used to determine the actuarially determined contribution reported in the most recent actuarial valuation (January 1, 2024):

Actuarial cost method	Entry age normal cost
Amortization method	Level percent of payroll, closed
Remaining amortization period	Layered bases ranging from 15-20 years remaining. New bases are amortized over a closed 20-year period.
Asset valuation method	5-year smoothed market
Inflation	2.35%
Salary increases	3.10 to 6.10%
Investment rate of return	6.75%
Cost-of-living adjustments	3.00%

Changes of benefits and funding tiers: In 2010, The Pension Board Trustees adopted a new plan design for members hired on or after January 1, 2010. The new plan is a career average defined benefit plan. The Pension Board Trustees increased the member contribution rate from 5.50% to 8.50%. This also increased the BPU's matching contribution rate.

Board of Public Utilities
Required Supplementary Information
Schedule of Changes in Total OPEB Liability and Related Ratios
Fiscal Years Ended December 31,
(Unaudited)

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service cost	\$ 826,226	\$ 2,671,292	\$ 2,606,139	\$ 2,978,629	\$ 2,864,066	\$ 2,777,950	\$ 2,689,238
Interest on total OPEB liability	1,100,990	1,020,372	994,983	1,631,759	1,531,224	1,677,527	1,617,127
Changes of benefit terms	-	(7,066,895)	-	-	-	-	-
Experience losses (gains)	-	571,001	-	(8,065,304)	-	(294,584)	-
Changes of assumptions	-	(11,426,382)	-	(2,080,843)	-	(5,201,435)	-
Benefit Payments/Refunds	(2,488,227)	(2,212,671)	(2,873,127)	(2,533,557)	(3,765,029)	(3,651,823)	(3,825,597)
Net change in total OPEB liability	(561,011)	(16,443,283)	727,995	(8,069,316)	630,261	(4,692,365)	480,768
Total OPEB liability, beginning	27,140,938	43,584,221	42,856,226	50,925,542	50,295,281	54,987,646	54,506,878
Total OPEB liability, ending	<u>\$ 26,579,927</u>	<u>\$ 27,140,938</u>	<u>\$ 43,584,221</u>	<u>\$ 42,856,226</u>	<u>\$ 50,925,542</u>	<u>\$ 50,295,281</u>	<u>\$ 54,987,646</u>
 Covered employee payroll	 \$ 47,843,725	 \$ 46,676,805	 \$ 44,821,400	 \$ 43,728,195	 \$ 48,912,628	 \$ 47,719,637	 \$ 48,709,400
 Total OPEB liability as a percentage of covered employee payroll	 55.56%	 58.15%	 97.24%	 98.01%	 104.12%	 105.40%	 112.89%

Notes to Schedule:

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75 to pay related benefits.

Changes of benefit terms: There were no changes of benefit terms in 2024.

Changes of benefit assumptions: There were no changes of benefit assumptions in 2024.

Board of Public Utilities
Required Supplementary Information
Schedule of Changes in Total OPEB Liability and Related Ratios
Fiscal Years Ended December 31,
(Unaudited)

Changes of plan provisions, actuarial assumptions and actuarial methods: There were no changes of plan provisions, actuarial assumptions and actuarial methods in 2024.

Changes of plan provisions, actuarial assumptions and actuarial methods in 2023:

- The discount rate increased from 2.26% from 4.12%.
- Retiree medical eligibility was updated for Tier II participants. Tier II participants are now eligible for retiree medical benefits if they retire after reaching age 60 with 20 years of service. Previously all participants were eligible for retiree medical benefits if they retired after reaching age 55 with 7 years if service.
- The medical trend was updated to 7.00% graded uniformly to 4.50% over 10 years.

Changes of plan provisions, actuarial assumptions and actuarial methods: There were no changes of plan provisions, actuarial assumptions and actuarial methods in 2022.

Changes of plan provisions, actuarial assumptions and actuarial methods in 2021:

- The discount rate decreased to 2.26% from 3.10%.
- The mortality improvement rates were updated to the PUB-2010 Amount Weighted Mortality Table base rates with scale MP-2021.
- The medical trend was updated to 7.50% graded uniformly to 4.50% over 13 years.

Changes of plan provisions, actuarial assumptions and actuarial methods in 2019:

- The discount rate increased to 3.10% from 3.03%.
- The mortality improvement rates were updated to use MP2019, compared to MP2017.

Board of Public Utilities
Required Supplementary Information
Schedule of Changes in Total OPEB Liability and Related Ratios
Fiscal Years Ended December 31,
(Unaudited)

- The medical trend was updated to follow the Getzen model after a three-year transition period starting at 7.25% and decreasing uniformly to 6.50%.
- The medical aging factors were updated to adjust for age and gender and are assumed to follow the Yamamoto aging assumptions.

This schedule is intended to show information for 10 years. Additional years will be included as they become available. This information is presented as of the measurement date, which is the same as each of the years presented above.

Board of Public Utilities

Combining Statements of Net Position

December 31, 2024 and 2023

Assets and Deferred Outflows of Resources	Electric		Water		Total Utility	
	2024	2023	2024	2023	2024	2023
Current assets:						
Cash and cash equivalents	\$ 56,511,296	\$ 38,058,155	\$ 20,425,227	\$ 20,143,750	\$ 76,936,523	\$ 58,201,905
Cash and cash equivalents – restricted	9,819,009	9,797,586	1,794,825	1,834,248	11,613,834	11,631,834
Investments – restricted	14,205,644	14,202,426	1,872,375	1,871,613	16,078,019	16,074,039
Accounts receivable – customers and other	27,209,841	27,669,850	3,930,978	3,886,693	31,140,819	31,556,543
Accounts receivable – unbilled	13,204,405	12,737,456	2,994,081	2,863,404	16,198,486	15,600,860
Allowance for doubtful accounts	(557,121)	(54,676)	(87,337)	(35,753)	(644,458)	(90,429)
Inventories	28,659,707	30,271,805	3,586,871	3,283,148	32,246,578	33,554,953
Prepayments and other current assets	3,787,700	3,818,176	79,311	85,040	3,867,011	3,903,216
Total current assets	<u>152,840,481</u>	<u>136,500,778</u>	<u>34,596,331</u>	<u>33,932,143</u>	<u>187,436,812</u>	<u>170,432,921</u>
Noncurrent assets:						
Property, plant, and equipment	1,578,441,059	1,547,029,711	454,605,332	444,105,490	2,033,046,391	1,991,135,201
Less accumulated depreciation	<u>(832,025,913)</u>	<u>(799,692,405)</u>	<u>(187,908,669)</u>	<u>(179,445,465)</u>	<u>(1,019,934,582)</u>	<u>(979,137,870)</u>
Plant in service, net	746,415,146	747,337,306	266,696,663	264,660,025	1,013,111,809	1,011,997,331
Construction work in progress	45,600,578	46,691,194	36,087,477	27,965,684	81,688,055	74,656,878
Capital assets, net	<u>792,015,724</u>	<u>794,028,500</u>	<u>302,784,140</u>	<u>292,625,709</u>	<u>1,094,799,864</u>	<u>1,086,654,209</u>
Restricted assets:						
Cash and cash equivalents	1,350,000	1,350,000	150,000	150,000	1,500,000	1,500,000
Total restricted assets	<u>1,350,000</u>	<u>1,350,000</u>	<u>150,000</u>	<u>150,000</u>	<u>1,500,000</u>	<u>1,500,000</u>
System development costs	856,710	471,701	42,584	63,000	899,294	534,701
Regulatory assets	55,170,852	58,848,909	—	—	55,170,852	58,848,909
Lease Receivable	<u>9,221,691</u>	<u>11,124,055</u>	<u>—</u>	<u>—</u>	<u>9,221,691</u>	<u>11,124,055</u>
Total noncurrent assets	<u>858,614,977</u>	<u>865,823,165</u>	<u>302,976,724</u>	<u>292,838,709</u>	<u>1,161,591,701</u>	<u>1,158,661,874</u>
Total assets	<u>1,011,455,458</u>	<u>1,002,323,943</u>	<u>337,573,055</u>	<u>326,770,852</u>	<u>1,349,028,513</u>	<u>1,329,094,795</u>
Deferred outflows of resources:						
Deferred loss on bond refunding	3,309,403	3,609,871	495,985	536,961	3,805,388	4,146,832
Deferred outflow - Pension	53,252,517	76,170,406	13,339,466	19,068,938	66,591,983	95,239,344
Deferred outflow - OPEB	<u>320,442</u>	<u>388,622</u>	<u>80,111</u>	<u>97,155</u>	<u>400,553</u>	<u>485,777</u>
Total deferred outflow of resources	<u>56,882,362</u>	<u>80,168,899</u>	<u>13,915,562</u>	<u>19,703,054</u>	<u>70,797,924</u>	<u>99,871,953</u>
Total assets and deferred outflows of resources	<u>\$ 1,068,337,820</u>	<u>\$ 1,082,492,842</u>	<u>\$ 351,488,617</u>	<u>\$ 346,473,906</u>	<u>\$ 1,419,826,437</u>	<u>\$ 1,428,966,748</u>

Board of Public Utilities

Combining Statements of Net Position

December 31, 2024 and 2023

Liabilities, Deferred Inflows of Resources, and Net Position	Electric		Water		Total Utility	
	2024	2023	2024	2023	2024	2023
Liabilities:						
Current liabilities:						
Current maturities of revenue bonds	\$ 24,481,750	\$ 23,848,250	\$ 4,793,250	\$ 4,711,750	\$ 29,275,000	\$ 28,560,000
Current maturities of government loans	251,966	243,816	3,019,189	3,614,477	3,271,155	3,858,293
Accrued interest	5,972,190	6,185,812	265,619	288,261	6,237,809	6,474,073
Customer deposits	6,201,814	6,159,317	1,325,096	1,366,496	7,526,910	7,525,813
Accounts payable	21,671,586	21,353,989	5,786,600	3,655,689	27,458,186	25,009,678
Payroll and payroll taxes	2,831,596	282,434	418,385	1,163,084	3,249,981	1,445,518
Accrued claims payable	646,326	713,917	—	—	646,326	713,917
Workers compensation reserve	620,631	1,713,214	188,209	490,091	808,840	2,203,305
Public liability reserve	1,069,018	478,780	269,834	214,697	1,338,852	693,477
Other accrued liabilities	8,216,213	8,524,899	12,446	11,931	8,228,659	8,536,830
Payment-in-lieu of taxes	2,451,284	2,382,513	467,674	437,811	2,918,958	2,820,324
Construction Contract Retainage Payable Current	—	—	231,535	631,353	231,535	631,353
Interdepartmental balances	(41,147,760)	(39,966,389)	41,147,760	39,966,389	—	—
Total current liabilities	33,266,614	31,920,552	57,925,597	56,552,029	91,192,211	88,472,581
Noncurrent liabilities:						
Long-term debt – revenue bonds	477,579,832	503,708,507	35,378,538	40,305,063	512,958,370	544,013,570
Government loans	1,788,227	2,040,193	27,523,101	26,976,461	29,311,328	29,016,654
Total long-term debt	479,368,059	505,748,700	62,901,639	67,281,524	542,269,698	573,030,224
Total other postemployment benefit liability	21,263,942	21,712,750	5,315,985	5,428,188	26,579,927	27,140,938
Reserve for compensated absences	8,246,794	7,070,381	3,864,907	1,487,419	12,111,701	8,557,800
Net pension liability	6,718,919	16,285,079	1,679,730	4,071,270	8,398,649	20,356,349
Noncurrent liabilities	515,597,714	550,816,910	73,762,261	78,268,401	589,359,975	629,085,311
Total liabilities	548,864,328	582,737,462	131,687,858	134,820,430	680,552,186	717,557,892
Deferred inflows of resources:						
Deferred gain on bond refundings	436,640	508,588	117,158	137,480	553,798	646,068
Recovery fuel purchased power	9,658,617	4,087,528	—	—	9,658,617	4,087,528
Deferred Inflow - Pension	36,601,128	58,038,937	9,150,282	14,509,733	45,751,410	72,548,670
Deferred Inflow - OPEB	9,713,949	13,043,126	2,428,487	3,260,782	12,142,436	16,303,908
Deferred Inflow - Leases	10,796,933	12,775,846	—	—	10,796,933	12,775,846
Total deferred inflows of resources	67,207,267	88,454,025	11,695,927	17,907,995	78,903,194	106,362,020
Net position:						
Net investment in capital assets	290,467,638	266,714,764	231,561,155	216,437,782	522,028,793	483,152,546
Restricted - debt service	17,822,838	17,840,695	2,342,105	2,339,365	20,164,943	20,180,060
Restricted - improvement and emergency fund	1,350,000	1,350,000	150,000	150,000	1,500,000	1,500,000
Unrestricted	142,625,749	125,395,896	(25,948,428)	(25,181,666)	116,677,321	100,214,230
Total net position	452,266,225	411,301,355	208,104,832	193,745,481	660,371,057	605,046,836
Total liabilities, deferred inflows of resources & net position	\$ 1,068,337,820	\$ 1,082,492,842	\$ 351,488,617	\$ 346,473,906	\$ 1,419,826,437	\$ 1,428,966,748

Board of Public Utilities
Combining Statements of Revenues, Expenses and Change in Net Position
Years Ended December 31, 2024 and 2023

	Electric		Water		Total Utility	
	2024	2023	2024	2023	2024	2023
Operating revenues:						
Residential	\$ 89,256,044	\$ 86,932,769	\$ 27,000,054	\$ 25,755,539	\$ 116,256,098	\$ 112,688,308
Commercial	117,803,488	119,268,738	13,745,170	12,493,812	131,548,658	131,762,550
Industrial	49,886,089	50,745,888	6,677,985	6,247,444	56,564,074	56,993,332
Other	25,223,225	25,676,479	4,347,603	4,810,541	29,570,828	30,487,020
Energy rate component recovery	—	(14,781,274)	—	—	—	(14,781,274)
Payment-in-lieu of taxes	32,518,772	32,471,745	5,984,020	5,726,098	38,502,792	38,197,843
Total operating revenues	<u>314,687,618</u>	<u>300,314,345</u>	<u>57,754,832</u>	<u>55,033,434</u>	<u>372,442,450</u>	<u>355,347,779</u>
Operating expenses:						
Fuel	32,247,380	32,678,912	—	—	32,247,380	32,678,912
Purchased power	60,711,242	55,620,242	—	—	60,711,242	55,620,242
Production	38,322,370	40,894,606	6,999,374	5,832,796	45,321,744	46,727,402
Transmission and distribution	36,282,198	31,206,641	15,897,898	14,197,068	52,180,096	45,403,709
General and administrative	23,663,102	30,115,891	7,939,643	9,251,509	31,602,745	39,367,400
Depreciation and amortization	36,174,015	35,796,198	8,403,999	8,449,701	44,578,014	44,245,899
Total operating expenses	<u>227,400,307</u>	<u>226,312,490</u>	<u>39,240,914</u>	<u>37,731,074</u>	<u>266,641,221</u>	<u>264,043,564</u>
Operating income	<u>87,287,311</u>	<u>74,001,855</u>	<u>18,513,918</u>	<u>17,302,360</u>	<u>105,801,229</u>	<u>91,304,215</u>
Nonoperating income (expense):						
Interest expense	(18,422,388)	(19,217,070)	(1,446,416)	(1,596,016)	(19,868,804)	(20,813,086)
Payment-in-lieu of taxes	(32,518,772)	(32,471,745)	(5,984,020)	(5,726,098)	(38,502,792)	(38,197,843)
Other	4,618,719	3,219,684	819,858	689,585	5,438,577	3,909,269
Total nonoperating expense, net	<u>(46,322,441)</u>	<u>(48,469,131)</u>	<u>(6,610,578)</u>	<u>(6,632,529)</u>	<u>(52,933,019)</u>	<u>(55,101,660)</u>
Income before contributions and transfers	<u>40,964,870</u>	<u>25,532,724</u>	<u>11,903,340</u>	<u>10,669,831</u>	<u>52,868,210</u>	<u>36,202,555</u>
Contributions and transfers:						
Contributions from developers and others	—	—	2,456,011	574,408	2,456,011	574,408
Change in net position	<u>40,964,870</u>	<u>25,532,724</u>	<u>14,359,351</u>	<u>11,244,239</u>	<u>55,324,221</u>	<u>36,776,963</u>
Net Position, Beginning of Year	<u>411,301,355</u>	<u>385,768,631</u>	<u>193,745,481</u>	<u>182,501,242</u>	<u>605,046,836</u>	<u>568,269,873</u>
Net Position, End of year	<u>\$ 452,266,225</u>	<u>\$ 411,301,355</u>	<u>\$ 208,104,832</u>	<u>\$ 193,745,481</u>	<u>\$ 660,371,057</u>	<u>\$ 605,046,836</u>

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

The Board of Directors
Board of Public Utilities
Kansas City, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the Board of Public Utilities of Kansas City, Kansas (the BPU), which comprise the BPU's statement of net position as of December 31, 2024, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 18, 2025, which contained an "Emphasis of Matter" paragraph regarding presentation of only the BPU financial statements.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the BPU's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the BPU's internal control. Accordingly, we do not express an opinion on the effectiveness of the BPU's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the BPU's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Forvis Mazars, LLP

**Kansas City, Missouri
June 18, 2025**



Statistical Section (Unaudited)

This part of the annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the utility's overall financial health.

<i>Contents</i>	<i>Page</i>
<u>Financial Trends</u>	84
These schedules contain trend information to help the reader understand how the utility's financial performance and well-being have changed over time.	
<u>Revenue Capacity</u>	87
These schedules contain information to help the reader assess the utility's most significant local revenue source.	
<u>Debt Capacity</u>	90
These schedules present information to help the reader assess the affordability of the utility's current levels of outstanding debt and the utility's ability to issue additional debt in the future.	
<u>Demographic and Economic Information</u>	94
These schedules offer demographic and economic indicators to help the reader understand how the information in the utility's financial activities takes place.	
<u>Operating Information</u>	100
These schedules contain service and infrastructure data to help the readers understand how the information in the utility's financial report relates to the services the utility provides and the activities it performs.	

Financial Trends



Net Position By Component

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net Investment in Capital Assets:										
Capital assets, net of depreciation	\$ 937,144,580	\$ 1,056,866,885	\$ 1,085,876,104	\$ 1,106,310,690	\$ 1,128,250,318	\$ 1,069,848,798	\$ 1,072,433,104	\$ 1,076,701,900	\$ 1,086,654,209	\$ 1,094,799,864
Bonds and notes payable:										
Principal, long term	(523,972,467)	(611,647,461)	(645,044,993)	(640,847,083)	(635,790,263)	(620,231,173)	(595,110,716)	(572,831,752)	(544,013,570)	(512,958,370)
Government Loans	(31,193,378)	(31,425,644)	(32,076,338)	(31,553,635)	(31,086,167)	(28,058,177)	(24,932,056)	(23,659,817)	(29,016,654)	(29,311,328)
Capital Leases	(2,261,192)	(1,003,499)	-	-	-	-	-	-	-	-
Principal, current	(19,340,000)	(19,995,000)	(20,735,000)	(23,885,000)	(24,700,000)	(25,395,000)	(26,360,000)	(27,500,000)	(28,560,000)	(29,275,000)
Government Loans, current	(2,081,722)	(2,650,896)	(2,734,035)	(2,821,191)	(2,935,102)	(3,372,052)	(3,126,122)	(3,226,196)	(3,858,293)	(3,271,155)
Capital Leases, current	(1,551,182)	(1,257,694)	(1,003,499)	-	-	-	-	-	-	-
Retainage Liability	-	(17,645,683)	(1,020,187)	(1,949,083)	(1,753,890)	(1,346,228)	(240,796)	(258,767)	(631,353)	-
Capital Assets in Accounts Payable								(2,481,673)	(922,557)	(1,206,808)
Deferred Outflow of Resources	12,226,051	14,478,732	12,990,591	11,502,447	10,014,303	7,246,003	6,126,495	5,006,986	4,146,832	3,805,388
Deferred Inflow of Resources						(922,878)	(830,608)	(738,339)	(646,068)	(553,798)
Total Net Investment in Capital Assets:	\$ 368,970,690	\$ 385,719,740	\$ 396,252,643	\$ 416,757,145	\$ 441,999,199	\$ 397,769,293	\$ 427,959,301	\$ 451,012,342	\$ 483,152,546	\$ 522,028,793
Restricted Net Position (A)										
Bond covenant requirements	\$ 53,414,286	\$ 140,494,752	\$ 84,472,520	\$ 62,681,627	\$ 39,646,700	\$ 33,880,894	\$ 31,117,638	\$ 24,246,959	\$ 21,680,060	\$ 21,664,943
Bond proceeds designated for project construction (B)	(31,487,584)	(117,521,257)	(60,256,043)	(37,436,271)	(14,660,410)	(11,542,992)	(8,523,250)	(1,522,016)	-	-
Bond principal unspent	-	-	-	-	-	-	-	-	-	-
Funds segregated under City Ordinance due to	4,103,492	4,118,734	5,449,008	6,733,792	6,965,610	7,351,651	7,179,201	7,316,569	7,525,813	7,526,912
Liability for customer deposits	(4,103,492)	(4,194,474)	(5,449,008)	(6,733,792)	(6,965,610)	(7,351,651)	(7,179,201)	(7,316,569)	(7,525,813)	(7,526,912)
Net Pension Asset	-	-	-	22,516,528	-	7,205,822	-	23,267,891	-	-
Total Restricted Net Position	\$ 21,926,702	\$ 22,897,755	\$ 24,216,477	\$ 47,761,884	\$ 24,986,290	\$ 29,543,724	\$ 22,594,388	\$ 45,992,834	\$ 21,680,060	\$ 21,664,943
Unrestricted Net Position										
Other designated funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve funds	-	-	-	-	-	-	-	-	-	-
Funds held for future improvements	-	-	-	-	-	-	-	-	-	-
Project construction accounts	-	-	-	-	-	-	-	-	-	-
Unrestricted - Other	53,521,776	36,556,998	38,174,218	(11,935,046)	1,786,661	56,761,319	68,366,393	71,264,697	100,214,230	116,677,321
Total Unrestricted Net Position	\$ 53,521,776	\$ 36,556,998	\$ 38,174,218	\$ (11,935,046)	\$ 1,786,661	\$ 56,761,319	\$ 68,366,393	\$ 71,264,697	\$ 100,214,230	\$ 116,677,321
Total Net Position	\$ 444,419,168	\$ 445,174,493	\$ 458,643,338	\$ 452,583,983	\$ 468,772,150	\$ 484,074,336	\$ 518,920,082	\$ 568,269,873	\$ 605,046,836	\$ 660,371,057

Footnote A

Per Question 95 of "Guide to Implementation of GASB Statement 34 on Basic Financial Statements - and Management's Discussion and Analysis - For State and Local Governments" (Implementation Guide), restricted Net Position should be reported when constraints placed on net asset use are either:

- a. Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments.
- b. Imposed by law through constitutional provisions or enabling legislation.

The basic concept is that restrictions are not unilaterally established by the reporting government itself, and cannot be removed without the consent of those imposing the restrictions or through formal due process.

Footnote B

Per the Implementation Guide, if there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds should not be included in the "calculation of net investment in capital assets. The unspent portion of the debt would be included in the calculation of Net Position restricted for capital projects.

Combined Operating Statements
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Operating Revenues										
Residential	\$ 86,380,759	\$ 89,793,663	\$ 96,264,382	\$ 106,047,470	\$ 99,988,671	\$ 99,892,366	\$ 98,837,029	\$ 110,391,146	\$ 112,688,308	\$ 116,256,098
Commercial	101,468,567	101,480,393	113,608,013	118,435,681	112,966,497	107,334,998	104,869,840	126,967,366	131,762,550	131,548,658
Industrial	50,923,573	50,595,037	54,653,921	57,246,465	55,539,127	52,532,940	45,213,319	57,733,185	56,993,332	56,564,074
Other	35,805,009	28,665,489	20,278,405	38,572,604	34,554,724	25,444,107	66,416,519	40,445,684	30,487,020	29,570,828
Deferred Energy Rate Component	(2,112,487)	171,983	(171,983)	-	-	-	2,312,998	12,468,276	(14,781,274)	-
Payment-in-lieu of taxes	30,658,851	30,336,724	32,673,555	35,490,480	34,116,534	32,687,316	31,715,220	37,073,894	38,197,843	38,502,792
Total Operating Revenues	303,124,272	301,043,289	317,306,293	355,792,700	337,165,553	317,891,727	349,364,925	385,079,551	355,347,779	372,442,450
Operating Expenses										
Production	(1) 118,860,432	127,789,644	135,704,266	146,034,208	135,534,744	129,396,973	145,848,723	165,649,587	135,026,556	138,280,366
Transmission & Distribution	47,304,341	47,459,564	45,780,972	48,593,280	52,260,989	45,129,256	46,294,841	46,245,007	45,403,709	52,180,096
General and Administrative	35,096,181	34,997,762	32,584,960	24,375,263	34,962,802	31,199,100	29,722,913	26,629,022	39,367,400	31,602,745
Depreciation & Amortization	47,538,375	36,436,756	31,608,943	36,110,255	35,835,585	37,473,399	39,056,593	41,253,137	44,245,899	44,578,014
Total Operating Expense	248,799,329	246,683,726	245,679,141	255,113,006	258,594,120	243,198,728	260,923,070	279,776,753	264,043,564	266,641,221
Operating Income	54,324,943	54,359,563	71,627,152	100,679,694	78,571,433	74,692,999	88,441,855	105,302,798	91,304,215	105,801,229
Interest Income/(Expense)	(2) (23,725,356)	(23,497,562)	(25,705,028)	(26,484,517)	(28,593,656)	(27,778,968)	(22,833,328)	(20,241,428)	(16,903,817)	(14,430,227)
Payment-in-lieu of taxes	(30,658,851)	(30,336,724)	(32,673,555)	(35,490,480)	(34,116,534)	(32,687,316)	(31,715,220)	(37,073,894)	(38,197,843)	(38,502,792)
Nonoperating Income/(Expense)	(54,384,206)	(53,834,286)	(58,378,583)	(61,974,997)	(62,710,190)	(60,466,284)	(54,548,548)	(57,315,322)	(55,101,660)	(52,933,019)
Income/Loss	(59,263)	525,277	13,248,569	38,704,697	15,861,243	14,226,715	33,893,307	47,987,476	36,202,555	52,868,210
Contributions	951,950	230,046	220,273	-	326,924	1,075,471	952,442	1,362,312	574,408	2,456,011
Change In Net Position	\$ 892,687	\$ 755,323	\$ 13,468,842	\$ 38,704,697	\$ 16,188,167	\$ 15,302,186	\$ 34,845,749	\$ 49,349,788	\$ 36,776,963	\$ 55,324,221

Footnotes:

- (1) Includes fuel, purchased power and production.
(2) Includes other non operating income.

Revenue Capacity



ELECTRIC UTILITY SYSTEMS SALES

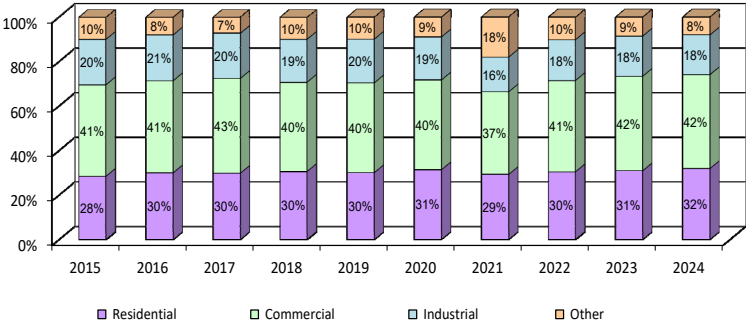
Residential							Commercial						
	Dollars/\$s	(Kwh)	Customers	Average kWh	Average Monthly kWh	Average Sales /\$s		Dollars/\$s	(Kwh)	Customers	Average kWh	Average Monthly kWh	Average Sales /\$s
2015	\$ 62,913,435	553,722,235	57,138	9,691	808	\$ 1,101.08	\$	90,640,767	971,810,982	6,946	139,909	11,659	\$ 13,049.35
2016	\$ 65,823,214	578,784,449	57,952	9,987	832	\$ 1,135.82	\$	90,335,199	976,063,357	6,836	142,783	11,899	\$ 13,214.63
2017	\$ 72,054,974	565,191,151	58,432	9,673	806	\$ 1,233.14	\$	102,217,692	963,303,327	6,826	141,123	11,760	\$ 14,974.76
2018	\$ 81,811,709	615,850,423	58,556	10,517	876	\$ 1,397.15	\$	106,882,111	1,031,359,796	6,837	150,850	12,571	\$ 15,632.90
2019	\$ 75,952,160	585,778,805	58,907	9,944	829	\$ 1,289.36	\$	101,781,643	964,951,084	6,799	141,925	11,827	\$ 14,970.09
2020	\$ 75,024,142	582,140,237	59,493	9,785	815	\$ 1,261.06	\$	96,258,037	907,606,621	6,833	132,827	11,069	\$ 14,087.23
2021	\$ 74,240,513	598,542,538	59,786	10,011	834	\$ 1,241.77	\$	93,894,764	958,610,707	6,901	138,909	11,576	\$ 13,605.96
2022	\$ 85,641,891	602,404,017	60,117	10,021	835	\$ 1,424.59	\$	115,324,995	1,001,706,441	6,943	144,276	12,023	\$ 16,610.25
2023	\$ 86,932,769	604,322,700	60,864	9,929	827	\$ 1,428.31	\$	119,268,737	1,008,455,871	7,241	139,270	11,606	\$ 16,471.31
2024	\$ 89,256,044	565,762,035	62,131	9,106	759	\$ 1,436.58	\$	117,803,488	981,605,710	6,905	142,159	11,847	\$ 17,060.61

Industrial						Other							
	Dollars/\$s	(Kwh)	Customers	Average kWh	Average Monthly kWh	Average Sales /\$s		Dollars/\$s	(Kwh)	Customers	Average kWh	Average Monthly kWh	Average Sales /\$s
2015	\$ 45,014,967	622,671,779	88	7,075,816	589,651	\$ 511,533.72	\$	21,934,068	352,047,700	195	1,805,373	150,448	\$ 112,482.40
2016	\$ 44,967,833	599,924,592	87	6,895,685	574,640	\$ 516,871.64	\$	17,322,688	355,559,247	197	1,804,869	150,406	\$ 87,932.43
2017	\$ 48,680,080	558,582,767	83	6,729,913	560,826	\$ 586,506.99	\$	17,131,916	265,561,130	175	1,517,492	126,458	\$ 97,896.66
2018	\$ 51,385,553	594,719,707	83	7,165,298	597,108	\$ 619,103.05	\$	26,472,362	432,377,270	178	2,429,086	202,424	\$ 148,721.13
2019	\$ 49,601,656	569,703,684	84	6,782,187	565,182	\$ 590,495.90	\$	25,071,583	496,463,564	165	3,008,870	250,739	\$ 151,948.99
2020	\$ 46,214,139	513,639,581	84	6,114,757	509,563	\$ 550,168.32	\$	21,282,792	416,611,395	177	2,353,737	196,145	\$ 120,241.76
2021	\$ 39,501,911	467,110,055	83	5,627,832	468,986	\$ 475,926.64	\$	45,483,852	394,880,324	168	2,350,478	195,873	\$ 270,737.21
2022	\$ 51,528,923	539,367,635	82	6,577,654	548,138	\$ 628,401.50	\$	28,792,457	399,715,268	165	2,422,517	201,876	\$ 174,499.74
2023	\$ 50,745,888	484,415,775	79	6,131,845	510,987	\$ 642,353.01	\$	24,111,394	539,770,449	166	3,251,629	270,969	\$ 145,249.36
2024	\$ 49,886,089	504,119,609	80	6,301,495	525,125	\$ 623,576.11	\$	22,359,325	436,360,926	167	2,612,940	217,745	\$ 133,888.17

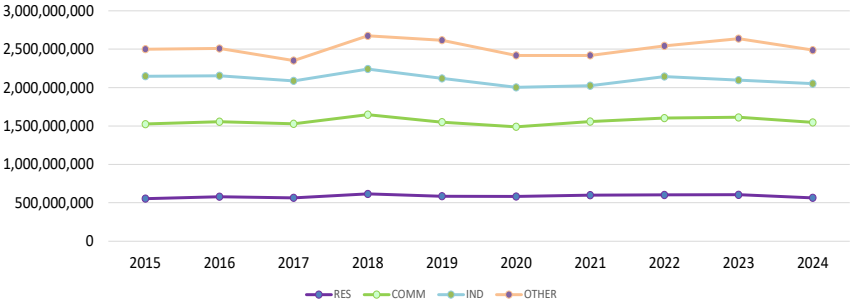
*Other includes Schools, Wholesale Sales, Highway Lighting and Public Authorities

	Total					
	Dollars/\$s	(Kwh)	Customers	Average kWh	Average Monthly kWh	Average Sales /\$s
2015	\$ 220,503,237	2,500,252,696	64,367	38,844	3,237	3,426
2016	\$ 218,448,934	2,510,331,645	65,072	38,578	3,215	3,357
2017	\$ 240,084,662	2,352,638,375	65,516	35,909	2,992	3,665
2018	\$ 266,551,735	2,674,307,196	65,654	40,733	3,394	4,060
2019	\$ 252,407,042	2,616,897,137	65,955	39,677	3,306	3,827
2020	\$ 238,779,110	2,419,997,834	66,587	36,343	3,029	3,586
2021	\$ 253,121,040	2,419,143,624	66,938	36,140	3,012	3,781
2022	\$ 281,288,266	2,543,193,361	67,307	37,785	3,149	4,179
2023	\$ 281,058,788	2,636,964,795	68,350	38,580	3,215	4,112
2024	\$ 279,304,946	2,487,848,280	69,283	35,908	2,992	4,031

Percentage of Electric Utility Sales
(2015-2024)



KWH by Class
(2015-2024)

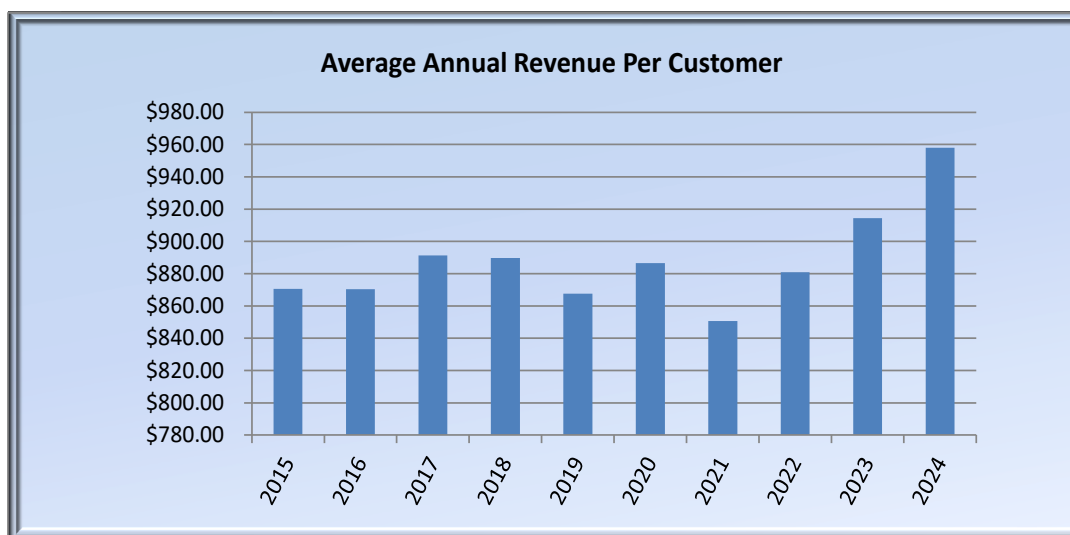


Water Sales

Last Ten Fiscal Years

Fiscal Year	Gallons Pumped	Gallons Sold	Operating Revenue	Average Number of Customers	Average Revenue Per Customer
2015	10,335,230,000	6,377,958,000	\$ 44,451,047	51,060	\$870.56
2016	10,621,330,000	6,473,999,000	\$ 44,588,234	51,232	\$870.32
2017	10,446,880,000	6,405,780,000	\$ 46,063,465	51,683	\$891.27
2018	10,935,800,000	6,917,117,000	\$ 46,190,960	51,923	\$889.60
2019	11,157,640,000	6,738,982,000	\$ 45,528,747	52,484	\$867.48
2020	10,731,940,000	6,668,798,000	\$ 47,016,561	53,034	\$886.54
2021	10,655,090,000	5,975,827,000	\$ 45,528,120	53,528	\$850.55
2022	11,183,920,000	6,222,138,000	\$ 47,304,722	53,695	\$880.99
2023	10,833,710,000	6,238,928,000	\$ 49,307,337	53,921	\$914.44
2024	11,007,850,000	6,209,467,000	\$ 51,770,812	54,040	\$958.01

NOTE: Gallons sold excludes internal BPU department use and water services provided to the Unified Government of Wyandotte County/Kansas City, Kansas.



Debt Capacity



Utility System Revenue Bonded Indebtedness

Last Ten Fiscal Years

Fiscal Year	Gross Revenue (1)	Operating Expenses (2)	Current Year Net Revenue Available for Debt Service	Maximum Outstanding Annual Debt Service (3)	Debt Service					
					Principal (3)	Interest (3)	Total (3)	Coverage (4)	Percentage of Personal Income (5)	Per Capita (5)
2015	\$ 304,013,043	\$ 201,260,954	\$ 102,752,089	\$ 50,117,164	563,060,100	322,942,821	886,002,921	2.03	9.3%	\$ 3,735
2016	\$ 300,906,787	\$ 210,246,970	\$ 90,659,817	\$ 58,791,060	714,361,539	463,204,520	1,177,566,059	1.57	15.3%	\$ 4,763
2017	\$ 319,335,382	\$ 214,070,198	\$ 105,265,184	\$ 58,791,060	695,100,373	431,129,444	1,126,229,817	1.78	14.4%	\$ 4,609
2018	\$ 358,352,708	\$ 219,002,751	\$ 139,349,957	\$ 58,791,060	670,929,825	398,585,911	1,069,515,736	2.36	13.5%	\$ 4,455
2019	\$ 339,997,594	\$ 222,758,535	\$ 117,239,059	\$ 58,864,282	649,691,269	367,453,580	1,017,144,849	2.04	12.6%	\$ 4,287
2020	\$ 318,032,730	\$ 205,725,330	\$ 112,307,400	\$ 52,293,942	649,635,229	289,966,738	939,601,967	2.15	12.1%	\$ 4,167
2021	\$ 347,712,960	\$ 219,553,479	\$ 128,159,481	\$ 52,206,664	645,868,177	270,382,978	916,251,155	2.45	10.4%	\$ 3,888
2022	\$ 374,524,978	\$ 226,055,340	\$ 148,469,638	\$ 52,424,285	630,882,055	250,342,691	881,224,746	2.83	9.2%	\$ 3,793
2023	\$ 374,307,895	\$ 234,578,938	\$ 139,728,957	\$ 52,424,285	600,155,859	229,248,028	829,403,887	2.67	9.2%	\$ 3,663
2024	\$ 378,206,204	\$ 222,063,204	\$ 156,143,000	\$ 51,836,048	567,737,566	209,242,036	776,979,602	3.01	0.0%	\$ 3,393

NOTE: The most restrictive bond ordinance provides for historical net revenue coverage at 120 percent of the Maximum Outstanding Annual Debt Service.

(1) Total operating revenues, interest on investments, other interest and income (excluding Construction Fund) and other.

(2) Total operating expenses exclusive of depreciation and amortization.

(3) The maximum outstanding annual debt service and debt service includes the payments required for the government loans.

(4) Current Year Net Revenue Available for Debt Service divided by Maximum Outstanding Annual Debt Service

(5) Population and personal income data can be found in the Deomographic Schedule.

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY / KANSAS CITY, KANSAS
RATIOS OF OUTSTANDING DEBT
Last Ten Fiscal Years

Fiscal Year	Revenue Bonds	Capital Leases	Revolving Loan	Total Debt ⁽¹⁾	Percentage of Personal Income ⁽²⁾	Per Capita ⁽²⁾
2015	574,800,051	3,812,374	33,275,100	611,887,525	9.3%	\$ 3,735
2016	749,163,718	2,261,193	34,076,540	785,501,451	15.3%	\$ 4,763
2017	726,036,036	1,003,499	34,810,371	761,849,906	14.4%	\$ 4,609
2018	702,168,354	-	34,374,826	736,543,180	13.5%	\$ 4,455
2019	675,150,673	-	34,021,269	709,171,942	12.6%	\$ 4,287
2020	657,169,165	-	31,430,229	688,599,394	12.1%	\$ 4,167
2021	629,993,966	-	28,058,178	658,052,144	10.4%	\$ 3,888
2022	601,853,768	-	26,886,013	628,739,781	9.2%	\$ 3,793
2023	572,573,570	-	32,874,947	605,448,517	9.2%	\$ 3,663
2024	542,233,371	-	32,582,482	574,815,853	8.4%	\$ 3,393

(1) Details regarding outstanding debt can be found in the notes to the financial statements.

(2) Population and personal income data can be found in the Deomographic Schedule.

Debt per Customer

Last Ten Fiscal Years

Year	Total Electric				
	Principal	Interest	Total	Customers	Debt / Customer
2015	13,374,647	23,175,436	36,550,083	64,367	568
2016	13,132,257	21,674,172	34,806,429	65,072	535
2017	15,109,395	27,432,979	42,542,374	65,516	649
2018	15,668,083	28,121,516	43,789,600	65,654	667
2019	18,633,362	27,551,597	46,184,963	65,955	700
2020	19,194,875	26,699,303	45,894,183	66,587	689
2021	19,160,972	21,280,549	40,441,521	66,938	604
2022	19,455,446	20,448,297	39,903,743	67,307	593
2023	20,572,165	19,503,552	40,075,717	68,350	586
2024	24,092,066	18,636,010	42,728,076	69,283	617
Total	197,389,680	266,047,734	463,437,424	66,091	583

Year	Total Water				
	Principal	Interest	Total	Customers	Debt / Customer
2015	6,528,435	5,080,064	11,608,499	51,060	227
2016	7,183,067	4,648,256	11,831,323	51,232	231
2017	7,536,501	4,645,095	12,181,596	51,683	236
2018	7,800,952	4,419,018	12,219,971	51,923	235
2019	8,153,737	4,105,635	12,259,372	52,484	234
2020	8,440,227	3,790,867	12,231,094	53,034	231
2021	9,606,080	2,246,340	11,852,421	53,528	221
2022	10,030,676	1,879,003	11,909,679	53,695	222
2023	10,154,031	1,591,111	11,745,142	53,921	218
2024	8,326,227	1,369,982	9,696,209	54,040	179
Total	92,448,886	43,239,562	135,688,448	52,243	216

Year	Total Combined				
	Principal	Interest	Total	Customers	Debt / Customer
2015	19,903,082	28,255,500	48,158,582	115,427	417
2016	20,315,324	26,322,428	46,637,752	116,304	401
2017	22,645,896	32,078,074	54,723,970	117,199	467
2018	23,469,036	32,540,535	56,009,570	117,577	476
2019	26,787,099	31,657,231	58,444,335	118,439	493
2020	27,635,102	30,490,170	58,125,277	119,621	486
2021	28,767,052	23,526,890	52,293,942	120,466	434
2022	29,486,122	22,327,300	51,813,422	121,002	428
2023	30,726,196	21,094,663	51,820,860	122,271	424
2024	32,418,293	20,005,992	52,424,285	123,323	425
Total	289,838,567	309,287,296	599,125,872	118,333	421

Demographic and Economic Information

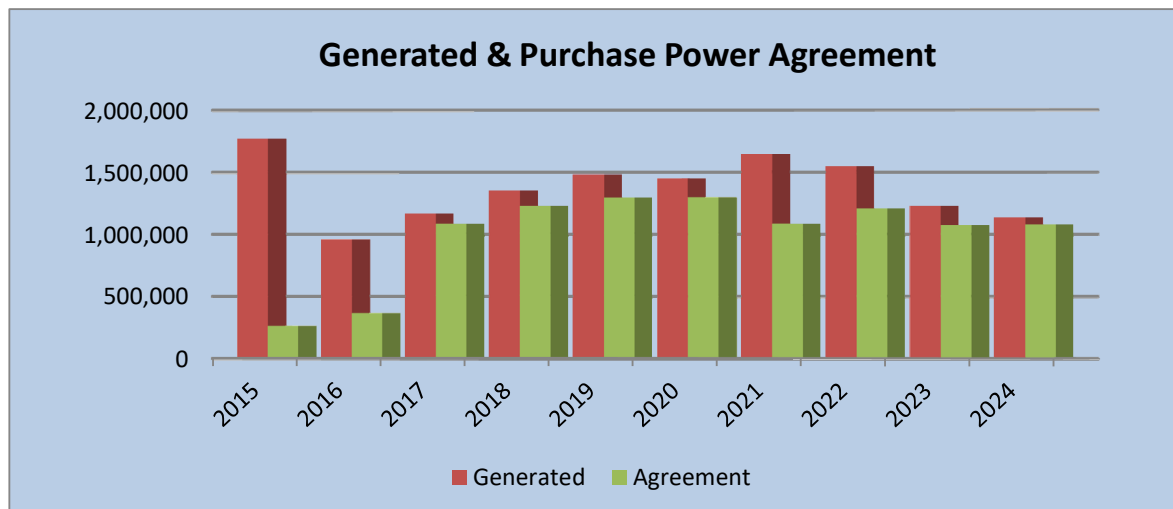


Electric Load Statistics in Megawatts

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Generated</u>	<u>Purchase Power Agreement</u>	<u>Market Purchases/(Sales)</u>	<u>Total Load</u>	<u>System Peak</u>	<u>Maximum Net Capability</u>
2015	1,767,688	257,821	382,733	2,408,242	485	718
2016	954,458	360,986	1,116,577	2,432,021	480	718
2017	1,164,228	1,083,830	104,101	2,352,158	494	726
2018	1,350,390	1,224,246	(39,637)	2,534,999	496	726
2019	1,478,032	1,292,993	(363,824)	2,407,201	483	580
2020	1,444,815	1,295,707	(467,177)	2,273,346	443	580
2021	1,644,248	1,084,048	(414,118)	2,314,178	464	588
2022	1,546,652	1,204,501	(290,981)	2,460,173	485	822
2023	1,224,116	1,072,917	59,756	2,356,789	481	822
2024	1,132,013	1,076,134	160,031	2,368,178	474	822

- NOTES:**
- Generated amounts include BPU's owned generating assets less system usage.
 - BPU's portion of Dogwood's generation is included in the generated amounts.
 - Purchase power agreements (PPA) represent renewable energy generated outside BPU's service territory and sold directly through the Southwest Power Pool.
 - Total load is the amount of power supplied to BPU's retail and borderline customers.



PRINCIPAL CUSTOMERS

Ten Year History

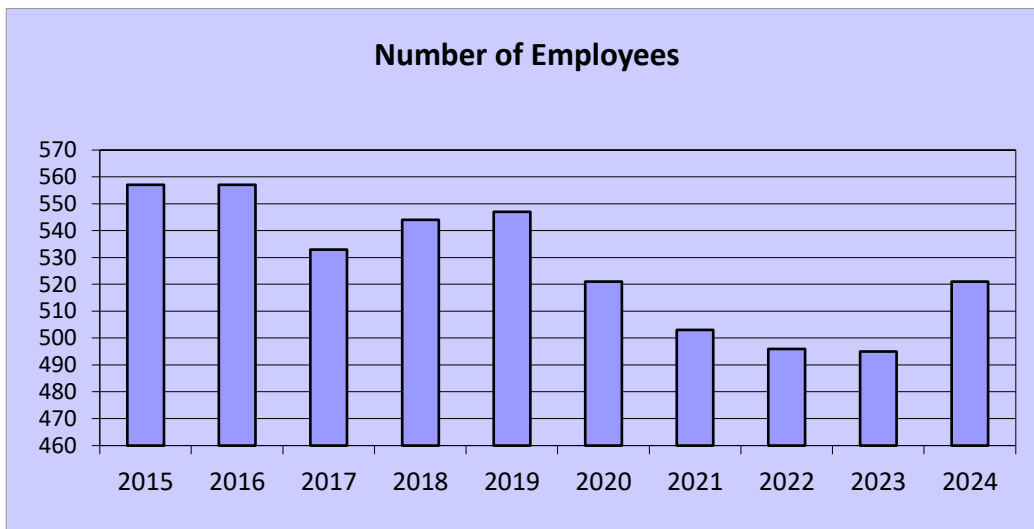
<u>2015</u>	<u>Revenue</u>	<u>2016</u>	<u>Revenue</u>
General Motor's (Auto Production)	\$ 14,149,360	General Motor's (Auto Production)	\$ 12,137,710
Griffin Wheel (Railroad Wheels)	\$ 6,847,075	CertainTeed Corp. (Insulation)	\$ 9,374,453
CertainTeed Corp. (Insulation)	\$ 6,584,360	Griffin Wheel (Railroad Wheels)	\$ 5,705,991
Owens Corning Fiberglass (Insulation)	\$ 5,622,261	Univ. of Kansas Hospital Authority (Hospital)	\$ 4,909,834
Univ. of Kansas Hospital Authority (Hospital)	\$ 5,135,283	WaterOne of Johnson County (Water Utility)	\$ 4,896,004
WaterOne of Johnson County (Water Utility)	\$ 4,637,054	Owens Corning Fiberglass (Insulation)	\$ 4,825,533
Univ. of Kansas Medical Center (Hospital)	\$ 4,406,627	Procter & Gamble Co. (Cleaning Products)	\$ 4,356,090
Procter & Gamble Co. (Cleaning Products)	\$ 4,373,082	Univ. of Kansas Medical Center (Hospital)	\$ 4,265,334
P Q Corporation (Chemicals Manufacturer)	\$ 2,430,849	P Q Corporation (Chemicals Manufacturer)	\$ 2,670,974
Hillshire Brands (Food Manufacturer)	\$ 2,274,983	GNB Battery (Battery Manufacturer)	\$ 2,312,000
<u>2017</u>	<u>Revenue</u>	<u>2018</u>	<u>Revenue</u>
General Motor's (Auto Production)	\$ 10,945,178	General Motor's (Auto Production)	\$ 12,542,607
CertainTeed Corp. (Insulation)	\$ 10,726,179	CertainTeed Corp. (Insulation)	\$ 11,253,924
Griffin Wheel (Railroad Wheels)	\$ 6,656,822	Griffin Wheel (Railroad Wheels)	\$ 7,823,039
Univ. of Kansas Hospital Authority (Hospital)	\$ 6,631,641	WaterOne of Johnson County (Water Utility)	\$ 6,892,251
Owens Corning Fiberglass (Insulation)	\$ 5,777,506	Univ. of Kansas Hospital Authority (Hospital)	\$ 6,426,046
WaterOne of Johnson County (Water Utility)	\$ 5,752,958	Owens Corning Fiberglass (Insulation)	\$ 6,183,292
Univ. of Kansas Medical Center (Hospital)	\$ 4,801,206	Procter & Gamble Co. (Cleaning Products)	\$ 4,961,457
Procter & Gamble Co. (Cleaning Products)	\$ 4,677,147	Univ. of Kansas Medical Center (Hospital)	\$ 4,959,198
P Q Corporation (Chemicals Manufacturer)	\$ 2,935,005	P Q Corporation (Chemicals Manufacturer)	\$ 3,065,642
GNB Battery (Battery Manufacturer)	\$ 2,823,661	Keebler Company (Food Manufacturer)	\$ 2,812,566
<u>2019</u>	<u>Revenue</u>	<u>2020</u>	<u>Revenue</u>
General Motor's (Auto Production)	\$ 13,401,776	General Motor's (Auto Production)	\$ 12,295,126
CertainTeed Corp. (Insulation)	\$ 13,085,501	CertainTeed Corp. (Insulation)	\$ 12,287,073
Griffin Wheel (Railroad Wheels)	\$ 8,545,022	WaterOne of Johnson County (Water Utility)	\$ 7,614,250
WaterOne of Johnson County (Water Utility)	\$ 7,364,110	Griffin Wheel (Railroad Wheels)	\$ 7,311,151
Univ. of Kansas Hospital Authority (Hospital)	\$ 7,151,463	Univ. of Kansas Hospital Authority (Hospital)	\$ 7,094,013
Owens Corning Fiberglass (Insulation)	\$ 6,327,404	Univ. of Kansas Medical Center (Hospital)	\$ 4,836,499
Procter & Gamble Co. (Cleaning Products)	\$ 5,441,844	Procter & Gamble Co. (Cleaning Products)	\$ 4,306,739
Univ. of Kansas Medical Center (Hospital)	\$ 5,343,639	Owens Corning Fiberglass (Insulation)	\$ 4,132,337
P Q Corporation (Chemicals Manufacturer)	\$ 3,709,720	P Q Corporation (Chemicals Manufacturer)	\$ 3,326,773
Keebler Company (Food Manufacturer)	\$ 3,063,239	Keebler Company (Food Manufacturer)	\$ 3,133,673
<u>2021</u>	<u>Revenue</u>	<u>2022</u>	<u>Revenue</u>
General Motor's (Auto Production)	\$ 9,991,138	General Motor's (Auto Production)	\$ 12,158,411
CertainTeed Corp. (Insulation)	\$ 7,060,713	CertainTeed Corp. (Insulation)	\$ 11,837,863
WaterOne of Johnson County (Water Utility)	\$ 6,555,503	WaterOne of Johnson County (Water Utility)	\$ 8,700,581
Griffin Wheel (Railroad Wheels)	\$ 6,316,777	Univ. of Kansas Hospital Authority (Hospital)	\$ 7,772,842
Univ. of Kansas Hospital Authority (Hospital)	\$ 5,995,176	Griffin Wheel (Railroad Wheels)	\$ 7,553,727
Univ. of Kansas Medical Center (Hospital)	\$ 5,558,762	Owens Corning Fiberglass (Insulation)	\$ 7,111,759
Procter & Gamble Co. (Cleaning Products)	\$ 3,313,535	Univ. of Kansas Medical Center (School / Hospital)	\$ 4,186,940
Owens Corning Fiberglass (Insulation)	\$ 3,086,009	Procter & Gamble Co. (Cleaning Products)	\$ 3,822,879
P Q Corporation (Chemicals Manufacturer)	\$ 2,516,314	Ecovyst Catalyst Technologies (Chemicals Manufacturer)	\$ 3,675,380
Keebler Company (Food Manufacturer)	\$ 2,449,382	Stryten Energy (Energy Storage)	\$ 3,092,291
<u>2023</u>	<u>Revenue</u>	<u>2024</u>	<u>Revenue</u>
General Motor's (Auto Production)	\$ 12,279,142	General Motor's (Auto Production)	\$ 12,563,068
CertainTeed Corp. (Insulation)	\$ 12,220,131	CertainTeed Corp. (Insulation)	\$ 12,511,253
WaterOne of Johnson County (Water Utility)	\$ 9,661,278	WaterOne of Johnson County (Water Utility)	\$ 9,080,699
Griffin Wheel (Railroad Wheels)	\$ 7,738,929	Griffin Wheel (Railroad Wheels)	\$ 7,783,841
Univ. of Kansas Hospital Authority (Hospital)	\$ 7,694,289	Univ. of Kansas Hospital Authority (Hospital)	\$ 7,463,916
Owens Corning Fiberglass (Insulation)	\$ 7,442,764	Owens Corning Fiberglass (Insulation)	\$ 7,206,953
Univ. of Kansas Medical Center (School / Hospital)	\$ 4,571,094	Univ. of Kansas Medical Center (School / Hospital)	\$ 4,573,024
Ecovyst Catalyst Technologies (Chemicals Manufacturer)	\$ 3,716,596	Ecovyst Catalyst Technologies (Chemicals Manufacturer)	\$ 3,571,296
Advantage Metals Recycling, LLC (Metal Recycling)	\$ 3,670,497	Amazon.com.KSDC, LLC (Online Retail)	\$ 3,208,782
Amazon.com.KSDC, LLC (Online Retail)	\$ 3,274,373	Stryten Energy (Energy Storage)	\$ 3,127,719

Employee Data

Last Ten Fiscal Year

Fiscal Year	Salaries	Employee Benefits and Payroll Taxes (1)	Total Salary And Benefits (2)	Number of Employees As of December 31, (3)
2015	\$ 49,616,092	\$ 26,999,213	\$ 69,373,164	557
2016	\$ 50,386,498	\$ 26,829,378	\$ 69,763,315	557
2017	\$ 50,446,956	\$ 28,680,273	\$ 71,303,334	533
2018	\$ 52,109,160	\$ 28,343,762	\$ 72,511,843	544
2019	\$ 53,032,489	\$ 31,404,739	\$ 76,496,149	547
2020	\$ 53,567,578	\$ 30,616,356	\$ 76,169,739	521
2021	\$ 54,185,156	\$ 29,014,127	\$ 75,185,088	503
2022	\$ 54,088,777	\$ 32,259,431	\$ 77,672,675	496
2023	\$ 55,677,976	\$ 29,014,127	\$ 76,016,570	495
2024	\$ 61,771,725	\$ 35,926,690	\$ 88,190,878	521

- (1) Includes compensated absences that are also included in salaries
 (2) Excludes paid time not worked.
 (3) Excludes temporary employees and employees on long-term disability.



UNIFIED GOVERNMENT OF WYANDOTTE COUNTY / KANSAS CITY, KANSAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

<u>Year</u>	<u>County Population ¹</u>	<u>Personal Income ² (thousands of dollars)</u>	<u>Per Capita ² Personal Income</u>	<u>County-wide Public School Enrollment ³</u>	<u>Unemployment Rate</u>
2015	163,832	\$6,574,820	\$40,242	30,414	6.0%
2016	164,934	\$5,141,826	\$31,273	30,826	5.5%
2017	165,313	\$5,303,254	\$32,085	31,578	5.2%
2018	165,324	\$5,435,835	\$32,663	31,436	4.8%
2019	165,429	\$5,623,400	\$33,900	32,353	4.3%
2020	165,265	\$5,670,813	\$34,107	31,376	7.8%
2021	169,245	\$6,340,465	\$38,329	32,091	4.7%
2022	165,746	\$6,823,748	\$40,892	30,895	3.5%
2023	165,281	\$6,588,644	\$39,931	31,564	3.4%
2024	169,418	\$6,872,319	\$41,590	31,928	4.3%

Sources and Notes:

¹ U.S. Dept of Commerce, Bureau of Census, Local Population Estimates; non-decennial Census figures are time-series data updated annually with release of annual population estimate. Note, the 2020 population number is from the decennial Census count.

² Personal Income and Per Capita Personal Income per U.S. Bureau of Economic Analysis. Most recent year is an estimate based on trends.

³ School enrollment of Kansas City, Kansas #500, Turner #202, Piper #203, Bonner Springs #204 and parochial schools in Wyandotte County.

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY / KANSAS CITY, KANSAS
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

	Fiscal Year 2024			Fiscal Year 2015		
	Employees in County (Employment Range)	Rank	Percentage of Total County Employment	Employees in County (Employment Range)	Rank	Percentage of Total County Employment
Kansas University Health Systems	8500+	1	8.94%	5000+	1	6.44%
University of Kansas Medical Center	3500-3999	2	4.09%	3000-4000	2	3.90%
Kansas City, KS School District #500	3000-3499	3	3.59%	2500-4000	4	3.65%
United Parcel Service	2500-2999	4	2.94%	-	-	-
Amazon Fullfillment Center	2500-2999	5	2.63%	-	-	-
Unified Government of Wyandotte Co/KCK	2000-2499	6	2.49%	1000-2499	7	2.52%
Associated Wholesale Grocers	2000-2499	7	2.39%	1000-2499	8	1.28%
General Motors Corporation	2000-2499	8	2.30%	3500-4000	3	3.47%
Burlington Norther Santa Fe	2000-2499	9	2.10%	2500-4000	5	2.69%
URBN Outfitters	1000-1499	10	1.47%	-	-	-
Cerner	-	-	-	1000-2499	6	2.69%
Providence Medican Center	-	-	-	1000-2499	9	1.27%
Nebraska Furniture Mart	-	-	-	1000-2499	10	0.97%
	31,347		32.94%	26,892		28.88%

Source: Unified Government Finance Department, Research Division.

Operating Information



Electric Rates
2013 thru 2024

	Jan-13		Mar-17		Dec-18		Aug-23		Jul-24	
	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter
Residential										
Rate Code 100										
Customer Charge	\$ 16.00	\$ 16.00	\$ 19.00	\$ 19.00	\$ 22.00	\$ 22.00	\$ 24.00	\$ 24.00	\$ 26.00	\$ 26.00
Energy Charge:										
First 1,000 kWh	0.07240	0.05610	0.06406	0.06406	0.06466	0.06466	0.06911	0.06911	0.06923	0.06850
Next 1,000 kWh	0.08480	0.05430	0.06406	0.06406	0.06466	0.06466	0.06911	0.03750	0.06923	0.03800
All Additional kWh	0.10630	0.05430	0.06406	0.06406	0.06466	0.06466	0.06911	0.03750	0.06923	0.03800
Residential Electric Heating										
Rate Code 101 (Started Jan-2011, Ended Jul-2023)										
Customer Charge	16.00	16.00	19.00	19.00	22.00	22.00	NA	NA	NA	NA
Energy Charge:										
First 1,000 kWh	0.07240	0.05610	0.06406	0.06406	0.06466	0.06466	NA	NA	NA	NA
Next 1,000 kWh	0.08480	0.03960	0.06406	0.03906	0.06466	0.03966	NA	NA	NA	NA
All Additional kWh	0.10630	0.03400	0.06406	0.03906	0.06466	0.03966	NA	NA	NA	NA
Small General Service										
Rate Code 200										
Customer Charge	30.00	30.00	35.00	35.00	40.00	40.00	42.00	42.00	44.00	44.00
Energy Charge:										
First 3,500 kWh	0.08570	0.07450	0.04677	0.04677	0.04733	0.04733	0.04746	0.04746	0.04771	0.04771
All Additional kWh	0.03610	0.02480	0.04677	0.04677	0.04733	0.04733	0.04746	0.04746	0.04771	0.04771
Facilities Charge:										
Secondary Service	2.71	2.71	3.26	3.26	3.30	3.30	3.38	3.38	3.45	3.45
Primary Service	2.14	2.14	2.62	2.62	2.65	2.65	2.74	2.74	2.80	2.80
Demand Charge:										
First 10 kW	No Charge	No Charge	No Charge	No Charge	No Charge	No Charge	No Charge	No Charge	No Charge	No Charge
All Additional kW	7.33	7.33	5.50	5.50	5.57	5.57	5.75	5.75	5.90	5.90
*Metering Adjustment:										
Primary	-2.00%	-2.00%	-2.00%	-2.00%	-2.00%	-2.00%	-2.00%	-2.00%	-2.00%	-2.00%
Secondary	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Customers without Demand Meters										
All kWh	0.1026	0.0947	0.09280	0.09280	0.08846	0.08846	0.08850	0.08850	0.08850	0.08850
Small General Service Electric Heating										
Rate Code 201 (Started Mar-2017)										
Customer Charge			35.00	35.00	40.00	40.00	42.00	42.00	44.00	44.00
Energy Charge:										
First 3,500 kWh			0.04677	0.04677	0.04733	0.04733	0.04746	0.04746	0.04771	0.04771
All Additional kWh			0.04677	0.02677	0.04733	0.02709	0.04746	0.02712	0.04771	0.02712
Facilities Charge:										
Secondary Service			3.26	3.26	3.30	3.30	3.38	3.38	3.45	3.45
Primary Service			2.62	2.62	2.65	2.65	2.74	2.74	2.80	2.80
Demand Charge:										
First 10 kW			No Charge	No Charge	No Charge	No Charge	No Charge	No Charge	No Charge	No Charge
All Additional kW			5.50	5.50	5.57	5.57	5.75	5.75	5.90	5.90
*Metering Adjustment:										
Primary			-2.00%	-2.00%	-2.00%	-2.00%	-2.00%	-2.00%	-2.00%	-2.00%
Secondary			NA	NA	NA	NA	NA	NA	NA	NA

*Metering Adjustment:

For years 2013-Current when a meter is installed which does not compensate for transformer losses, the customer's metered kWh and kW is adjusted according to the percentages.

Notes:

Source: Board of Public Utilities approved rate tariffs.

Rate Component Information Available for 2013-2023

Years represented are for years with rate tariff adjustments.

Electric Rates

2013 thru 2024

	Jan-13		Mar-17		Dec-18		Aug-23		Jul-24	
	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter
Medium General Service Rate										
Rate Code 250 (Started Jan-2011)										
Customer Charge	65.00	65.00	75.00	75.00	85.00	85.00	90.00	90.00	95.00	95.00
Energy Charge:										
First 300 kWh per kW	0.04950	0.03850	0.03637	0.03637	0.03724	0.03724	0.03739	0.03739	0.03751	0.03751
All Additional kWh	0.01650	0.01430	0.02137	0.02137	0.02188	0.02188	0.02201	0.02201	0.02216	0.02216
Facilities Charge:										
Secondary Service	3.26	3.26	4.02	4.02	4.11	4.11	4.22	4.22	4.34	4.34
Primary Service	2.58	2.58	3.46	3.46	3.54	3.54	3.65	3.65	3.75	3.75
Demand Charge:										
All Additional kW	7.21	7.21	6.50	6.50	6.66	6.66	6.88	6.88	7.10	7.10
*Metering Adjustment:										
Primary	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Secondary	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Medium General Service Rate Electric Heating										
Rate Code 251 (Started Mar-2017)										
Customer Charge			75.00	75.00	85.00	85.00	90.00	90.00	95.00	95.00
Energy Charge:										
First 300 kWh per kW			0.03637	0.03637	0.03724	0.03724	0.03739	0.03739	0.03751	0.03751
All Additional kWh			0.02137	0.01137	0.02188	0.01164	0.02201	0.01177	0.02216	0.01177
Facilities Charge:										
Secondary Service			4.02	4.02	4.11	4.11	4.22	4.22	4.34	4.34
Primary Service			3.46	3.46	3.54	3.54	3.65	3.65	3.75	3.75
Demand Charge:										
All Additional kW			6.50	6.50	6.66	6.66	6.88	6.88	7.10	7.10
*Metering Adjustment:										
Primary			NA	NA	NA	NA	NA	NA	NA	NA
Secondary			2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Large General Service Rate										
Rate Code 300										
Customer Charge	140.00	140.00	155.00	155.00	170.00	170.00	180.00	180.00	190.00	190.00
Energy Charge:										
First 300 kWh per kW	0.04360	0.03340	0.03540	0.03540	0.03636	0.03636	0.03661	0.03661	0.03679	0.03679
All Additional kWh	0.01460	0.01460	0.01540	0.01540	0.01582	0.01582	0.01591	0.01591	0.01595	0.01595
Facilities Charge:										
Secondary Service	3.3	3.3	4.02	4.02	4.13	4.13	4.26	4.26	4.38	4.38
Primary Service	2.62	2.62	3.46	3.46	3.56	3.56	3.68	3.68	3.8	3.8
Demand Charge:										
All Additional kW	8.43	8.43	8.43	8.43	8.66	8.66	8.9	8.9	9.18	9.18
*Metering Adjustment:										
Secondary	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Primary	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

*Metering Adjustment:

For years 2013-Current when a meter is installed which does not compensate for transformer losses, the customer's metered kWh and kW is adjusted according to the percentages.

Notes:

Source: Board of Public Utilities approved rate tariffs.

Rate Component Information Available for 2013-2023

Years represented are for years with rate tariff adjustments.

Electric Rates
2013 thru 2024

	Jan-13		Mar-17		Dec-18		Aug-23		Jul-24	
	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter
Large General Service Rate Electric Heating										
Rate Code 301 (Started Mar-2017)										
Customer Charge			155.00	155.00	170.00	170.00	180.00	180.00	190.00	190.00
Energy Charge:										
First 300 kWh per kW			0.03540	0.03540	0.03636	0.03636	0.03661	0.03661	0.03679	0.03679
All Additional kWh			0.00540	0.00540	0.00555	0.00555	0.01591	0.00555	0.01595	0.00555
Facilities Charge:										
Secondary Service			4.02	4.02	4.13	4.13	4.26	4.26	4.38	4.38
Primary Service			3.46	3.46	3.56	3.56	3.68	3.68	3.8	3.8
Demand Charge:										
All Additional kW			8.43	8.43	8.66	8.66	8.9	8.9	9.18	9.18
*Metering Adjustment:										
Secondary			2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Primary			NA	NA	NA	NA	NA	NA	NA	NA
Large Power Service Rate										
Rate Code 400										
Customer Charge	300.00	300.00	350.00	350.00	400.00	400.00	420.00	420.00	440.00	440.00
Energy Charge:										
First 300 kWh per kW	0.02490	0.02260	0.02081	0.02081	0.02183	0.02183	0.02211	0.02211	0.02211	0.02211
All Additional kWh	0.01190	0.01080	0.01050	0.01050	0.01101	0.01101	0.01099	0.01099	0.01089	0.01089
Facilities Charge:										
Secondary Service	2.83	2.83	3.24	3.24	3.40	3.40	3.50	3.50	3.60	3.60
Primary Service	2.25	2.25	2.75	2.75	2.88	2.88	2.95	2.95	3.04	3.04
Substation Service	0.85	0.85	0.95	0.95	1.00	1.00	1.03	1.03	1.06	1.06
Demand Charge:										
All Additional kW	9.26	9.26	9.26	9.26	9.71	9.71	9.90	9.90	10.20	10.20
*Metering Adjustment:										
Primary	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Secondary	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Substation Service	-2.8%	-2.8%	-2.8%	-2.8%	-2.8%	-2.8%	-2.8%	-2.8%	-2.8%	-2.8%
Transmission	-3.3%	-3.3%	-3.3%	-3.3%	-3.3%	-3.3%	-3.3%	-3.3%	-3.3%	-3.3%
Large Power Service Rate Electric Heating										
Rate Code 401 (Started Mar-2017)										
Customer Charge			350.00	350.00	400.00	400.00	420.00	420.00	440.00	440.00
Energy Charge:										
First 300 kWh per kW			0.02081	0.02081	0.02183	0.02183	0.02211	0.02211	0.02211	0.02211
All Additional kWh			0.01050	0.00550	0.01101	0.00577	0.01099	0.00360	0.01089	0.00363
Facilities Charge:										
Secondary Service			3.24	3.24	3.40	3.40	3.50	3.50	3.60	3.60
Primary Service			2.75	2.75	2.88	2.88	2.95	2.95	3.04	3.04
Substation Service			0.95	0.95	1.00	1.00	1.03	1.03	1.06	1.06
Demand Charge:										
All Additional kW			6.95	6.95	8.56	8.56	9.90	9.90	10.20	10.20
*Metering Adjustment:										
Primary			NA	NA	NA	NA	NA	NA	NA	NA
Secondary			2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Substation Service			-2.8%	-2.8%	-2.8%	-2.8%	-2.8%	-2.8%	-2.8%	-2.8%
Transmission			-3.3%	-3.3%	-3.3%	-3.3%	-3.3%	-3.3%	-3.3%	-3.3%

*Metering Adjustment:

For years 2013-Current when a meter is installed which does not compensate for transformer losses, the customer's metered kWh and kW is adjusted according to the percentages.

Notes:

Source: Board of Public Utilities approved rate tariffs.

Rate Component Information Available for 2013-2023

Years represented are for years with rate tariff adjustments.

Electric Rates
2013 thru 2024

	Jan-13		Mar-17		Dec-18		Aug-23		Jul-24		
	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	
Large Power High Load Factor											
Rate Code 450 (Started Mar-2017)											
Customer Charge			350.00	350.00	400.00	400.00	420.00	420.00	440.00	440.00	
Facilities Charge:											
Secondary Service			3.24	3.24	3.40	3.40	3.50	3.50	3.60	3.60	
Primary Service			2.75	2.75	2.88	2.88	2.95	2.95	3.04	3.04	
Substation Service			0.95	0.95	1.00	1.00	1.03	1.03	1.06	1.06	
Demand Charge:											
All Additional kW			17.50	17.50	17.93	17.93	18.11	18.11	18.29	18.29	
*Metering Adjustment:											
Primary			NA	NA	NA	NA	NA	NA	NA	NA	
Secondary			2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
Substation Service			-2.8%	-2.8%	-2.8%	-2.8%	-2.8%	-2.8%	-2.8%	-2.8%	
Transmission			-3.3%	-3.3%	-3.3%	-3.3%	-3.3%	-3.3%	-3.3%	-3.3%	
Average Monthly Residential kWh	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
	808	832	806	876	829	815	834	835	827	759	
Average Energy Rate Component (ERC)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
	0.03139	0.02939	0.03539	0.03340	0.03270	0.03200	0.02647	0.04071	0.04498	0.04242	
Environmental Surcharge (ESC)	2015	2016	Jan-Feb 2017	Mar-Dec 2017	2018	2019	2020	2021	2022	2023	2024
Rate Code 100 (kWh)	0.00304	0.00444	0.00664	0.00899	0.01000	0.00902	0.00892	0.00857	0.01006	0.01094	0.01253
Rate Code 200 (kWh)	0.00443	0.00656	0.00973	0.01128	0.01134	0.01039	0.01034	0.01010	0.01214	0.01310	0.01377
Rate Code 250 (kW)	1.19839	1.70924	2.61501	3.98803	3.92962	3.71095	3.67398	3.29417	3.93938	4.30671	4.40141
Rate Code 300 (kW)	1.19839	1.70924	2.61501	2.14008	3.77993	3.42465	3.55253	3.20436	3.82812	4.28721	4.38660
Rate Code 400 (kW)	1.50282	2.03925	2.90730	3.69120	4.11948	3.81418	3.73724	3.15847	3.66200	4.06433	3.40609
Rate Code USD500 (kWh)	0.00382	0.00535	0.00841	0.01125	0.01063	0.01041	0.01005	0.00843	0.00982	0.01055	0.01312

*Metering Adjustment:

For years 2013-Current when a meter is installed which does not compensate for transformer losses, the customer's metered kWh and kW is adjusted according to the percentages.

Notes:

Source: Board of Public Utilities approved rate tariffs.

Rate Component Information Available for 2013-2024

Years represented are for years with rate tariff adjustments.

Water Rates
2013 thru 2024

	Jan-13	Aug-23	Jul-24
Meter Size			
Monthly Customer Access Charge			
5/8"	\$ 19.35	\$ 19.35	\$ 19.35
3/4"	23.55	24.05	24.55
1"	29.35	30.65	32.00
1.5"	46.00	49.40	53.00
2"	62.60	68.00	73.90
3"	136.00	150.50	166.50
4"	219.00	243.50	271.00
6"	427.00	477.00	533.00
8"	635.00	711.00	796.00
10"	843.00	944.00	1,057.00
12" and Larger	967.00	1,083.00	1,213.00
Monthly Minimum Bill			
5/8"	19.74	19.77	19.81
3/4"	41.83	43.88	46.03
1"	58.22	61.97	65.92
1.5"	101.77	109.91	118.49
2"	150.51	163.40	177.12
3"	289.51	317.10	346.72
4"	465.99	511.56	560.94
6"	916.71	1,008.50	1,107.84
8"	1,451.07	1,596.72	1,753.92
10"	2,067.43	2,272.94	2,494.24
12" and Larger	2,488.27	2,734.12	2,998.67
CCF Units			
Per Month			
0 to 7	3.890	4.220	4.570
8 to 160	3.280	3.560	3.850
161 to 2000	3.280	3.560	3.850
2001 to 8000	3.030	3.290	3.560
All over 8000	3.030	3.290	3.560
Private Fire Protection Rates			
2"	7.97	7.97	7.97
4"	20.44	20.44	20.44
6"	49.86	49.86	49.86
8"	100.21	100.21	100.21
10"	175.95	175.95	175.95
12" and Larger	281.10	281.10	281.10
Hydrant Daily Fee		1.5	1.5

Notes:

Source: Board of Public Utilities approved rate tariffs.

Years represented are for years with rate tariff adjustments.

Capital Operating Indicators

LAST 10 FISCAL YEARS

Water System:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Miles of Water Mains	966.85	967.74	970.14	966.64	963.94	959.84	957	1,001	1,001	1,003
Number of New Service Taps	187	205	311	257	185	167	166	158	113	119
Max. Day Pumped (Gallons)	36,390,000	40,590,000	38,890,000	29,570,000	42,090,000	43,470,000	36,860,000	38,170,000	41,650,000	40,010,000
Min. Day Pumped (Gallons)	22,230,000	23,720,000	23,680,000	24,960,000	25,130,000	24,180,000	23,390,000	24,820,000	23,450,000	23,360,000
Max. Rate (MGD)	54	54	54	54	54	54	54	54	54	54
Water Main Breaks	499	444	481	602	528	376	419	476	453	468
Avg daily consumption (gallons)	28,251,482	29,098,630	28,612,843	30,046,990	30,475,805	29,322,263	29,100,678	30,746,230	29,715,484	30,076,114

Staffing by Division

2015 - 2024 Budget

Department	2015 Approved	2016 Approved	2017 Approved	2018 Approved	2019 Approved	2020 Approved	2021 Approved	2022 Approved	2023 Approved	2024 Approved
1000 ES Administration	4	4	4	4	4	4	5	5	1	1
1600 Electric System Control	25	24	24	24	24	24	23	23	23	23
Total Electric Supply	29	28	28	28	28	28	28	28	24	24
1100 EP Administration	7	7	9	8	6	6	4	4	4	4
1101 Maintenance and Planning	2	2	2	2	2	1	1	1	1	1
1103 EP Engineers Common	5	5	4	4	5	7	8	8	8	8
1301 EP Maintenance-Quindaro	20	15	14	13	9	0	0	0	0	0
1302 EP Operations-Quindaro	38	29	23	21	17	5	0	0	0	0
1303 EP Engineering - Quindaro	3	3	3	3	1	0	0	0	0	0
1401 EP Maintenance-Nearman	20	22	26	27	27	29	29	31	30	29
1402 EP Operations-Nearman	35	35	38	39	40	48	46	41	39	41
1403 EP Engineering - Nearman	2	2	2	2	1	0	0	0	0	0
1500 Common Plant Maintenance	35	35	33	33	32	30	30	17	15	13
Total Electric Production	167	155	154	152	140	126	118	102	97	96
1900 EO Administration	2	2	2	2	2	2	2	2	2	2
2000 EO Planning	4	2	2	2	3	3	5	2	2	2
2100 EO Transmission	85	82	81	81	80	78	78	78	78	78
2200 EO Substation / Relay	13	13	14	14	15	15	15	17	17	16
2300 Telecommunications	8	8	8	8	8	8	8	8	8	8
2500 EO Grounds / Claims	1	2	2	2	2	2	2	2	2	2
2600 EO Fleet Maintenance	23	21	21	21	21	21	21	20	20	20
2700 EO Electrical Engineering	25	23	22	22	22	21	19	17	16	16
2800 EO Elec Meters & Services	23	23	22	20	20	20	20	19	19	20
2900 EO Traffic Signal	5	4	4	4	4	4	4	4	4	4
Total Electric Operations & Technology	189	180	178	176	177	174	174	169	168	168
6800 Corporate Compliance	0	0	0	0	0	0	0	1	1	1
6900 Nerc Compliance	3	3	4	4	4	4	4	4	4	4
1700 Environmental Services	5	5	4	4	5	5	6	6	6	6
1701 Environmental Air Quality	3	3	3	3	3	3	3	3	3	3
Total Corporate Compliance	11	11	11	11	12	12	13	14	14	14
3700 Water Meters/Services	24	26	25	26	23	22	22	22	22	18
3900 Maintenance Nearman	7	7	6	7	7	7	7	7	7	8
4000 Process Administration	3	3	3	2	2	2	2	2	3	3
4100 Laboratory	9	8	8	8	8	8	7	7	5	5
4200 WO Mains	39	37	38	37	40	39	39	37	37	29
4300 Water Services Operations	0	0	0	0	0	0	0	0	0	12
4400 WP Support Services	4	4	5	5	5	5	5	5	5	5
4500 Water Administration	1	1	1	1	1	1	1	1	1	1
4600 Water Civil Engineering	16	15	15	15	15	15	15	15	16	16
4800 Operations Nearman	8	7	8	8	9	9	10	10	11	10
Total Water	111	108	109	109	110	108	108	108	107	107
5000 Customer Relations	15	17	17	17	17	17	17	17	17	17
5100 Cash Operations	8	8	8	8	8	8	7	4	4	5
5200 Collections	15	14	14	12	12	12	11	10	10	9
5800 CS Administration	6	6	6	6	6	6	6	6	6	6
6200 Customer Accounting	8	8	8	8	8	8	8	7	7	7
Total Customer Service	52	53	53	51	51	51	49	44	44	44
2410 IT Administration	1	1	1	1	2	2	1	1	1	4
2420 Desktop	9	11	11	12	12	12	12	12	14	14
2430 Applications	15	14	16	17	17	17	18	18	18	15
Total Information Technology	25	26	28	30	31	31	31	31	33	33
6100 Accounting	18	16	16	16	16	16	16	14	14	13
6300 Purchasing	5	5	5	5	5	5	5	5	6	6
6400 Stores	23	22	22	22	22	21	20	20	19	18
6500 Financial Planning	0	0	0	0	0	0	0	0	4	4
7000 General Managers Office	5	4	3	3	3	3	3	3	4	5
7100 Marketing & Corporate Communications	4	3	3	2	3	3	6	6	3	2
7900 Utility Svcs	3	3	3	3	3	3	0	0	3	3
8600 Administrative Services	3	3	3	3	3	3	3	3	3	3
8700 Image Processing	8	7	7	7	7	7	7	7	7	7
9000 Facilities	0	0	0	0	0	0	0	0	0	0
7400 Human Resources	10	9	9	9	9	9	9	9	9	9
Total Administrative	79	72	71	70	71	70	69	67	72	70
Overall Total Number Of Approved Positions	663	633	632	627	620	600	590	563	559	556



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