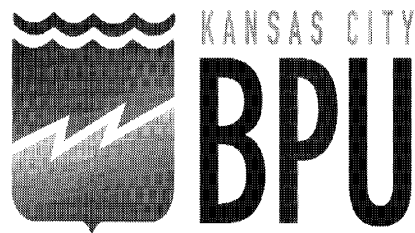


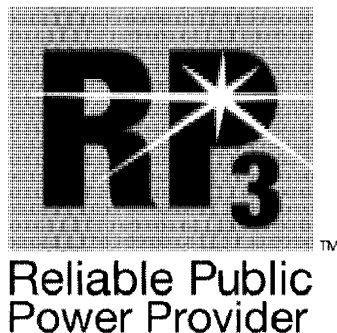
# **BOARD INFORMATION PACKET**



**Board of Public Utilities  
Kansas City, Kansas**

**Regular Meeting of**

**June 16, 2021**



**Gold Award  
for  
Competitiveness  
Achievement**



# **Table of Contents**

## **June 16, 2021**

**Agenda Item #III.....Approval of Agenda**

**Agenda Item #IV.....Approval of the Minutes of the Work Session of June 2, 2021**

**Agenda Item #V.....Approval of the Minutes of the Regular Session of June 2, 2021**

**Agenda Item #VII.....General Manager / Staff Reports**





Board of Public Utilities  
Kansas City, Kansas

**BOARD AGENDA**

Regular Session  
June 16, 2021 – 6:00 P.M.

- I. Call to Order
- II. Roll Call
  - \_\_\_\_\_ Ryan Eidson, At Large, Position 2
  - \_\_\_\_\_ Tom Groneman, District 2
  - \_\_\_\_\_ Robert L. Milan, Sr., District 1
  - \_\_\_\_\_ Jeff Bryant, District 3
  - \_\_\_\_\_ Mary L. Gonzales, At Large, Position 1
  - \_\_\_\_\_ Rose Mulvany Henry, At Large, Position 3
- III. Approval of Agenda
- IV. Approval of the Minutes of the Work Session of June 2, 2021
- V. Approval of the Minutes of the Regular Session of June 2, 2021
- VI. Public Comments
- VII. General Manager / Staff Reports
  - i. COVID-19 Update
  - ii. KERA Program Update
  - iii. Doing Business with BPU / Local Vendors
  - iv. Waiving Water Fees East of I-635 – Resolution # 5261
  - v. Infill Housing – Resolution # 5262
  - vi. Miscellaneous Comments
- VIII. Board Comments
- IX. Adjourn

**Approval of Minutes**  
**Work Session 6-2-21**  
Agenda Item #IV

## WORK SESSION MINUTES – WEDNESDAY, JUNE 2, 2021

STATE OF KANSAS            )  
  ) SS  
CITY OF KANSAS CITY    )

The Board of Public Utilities of Kansas City, Kansas (aka BPU, We, Us, Our) met remotely in Work Session on Wednesday, June 2, 2021 at 5:00 P.M. The following Board Members were on the teleconference: Robert L. Milan, President; Mary Gonzales, Vice President; Rose Mulvany Henry, Secretary; Jeff Bryant, Thomas Groneman, and Ryan Eidson.

Also on teleconference: William Johnson, General Manager; Angela Lawson, Deputy Chief Counsel; Lori Austin, Chief Financial Officer/Chief Administrative Officer; Jeremy Ash, Executive Director Electric Operations; Steve Green, Executive Director Water Operations; Johnetta Hinson, Executive Director Customer Service; Dong Quach, Executive Director Electric Production; Jerry Sullivan, Chief Information Officer; Jerry Ohmes, Executive Director Electric Supply; Robert Kamp, IT Project Manager; Dennis Dumovich, Director Human Resources, and Patrice Townsend, Director Utility Services.

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

Mr. Milan called the meeting to order at 5:00 P.M.

Roll call was taken, and all Board Members were present.

### **Item #3 – Approval of Agenda**

A motion was made to approve the Agenda by Mr. Bryant, seconded by Mr. Eidson and unanimously carried.

### **Item #4 – Board Updates / GM Updates**

There were no updates.

### **Item #5 – Infill Housing Program**

Mr. David Alvey, Mayor/CEO of the Unified Government, furnished a PowerPoint presentation which gave the Board information regarding vacant parcels and effects of redlining east of I- 635 along with the benefits of bringing new construction to the area. (see attached)

**WORK SESSION MINUTES – WEDNESDAY, JUNE 2, 2021**

STATE OF KANSAS            )  
  ) SS  
CITY OF KANSAS CITY    )

**Item #6 – Waiving Water Fees East of I-635**

Mr. Johnson gave the Board information regarding Resolution 5261, authorizing the waiving of water fees east of I-635 until December 31, 2023 or until certain conditions were met. He also gave information regarding Resolution 5262, authorizing the waiving of certain fees in support of the Unified Government Infill Housing Program.

Mr. Johnson answered questions from the Board.

**Item #7 – Board Discussion on Customer Matters**

Ms. Louise Lynch communicated with the Board regarding her request for a meeting.

**Item #8 – Adjourn**

A motion was made to adjourn the Work Session at 6:01 P.M. by Mr. Groneman, seconded by Ms. Mulvany Henry and carried unanimously.

ATTEST:

APPROVED:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President



# ***KCK MOMENTUM***

Adding Housing and Residents

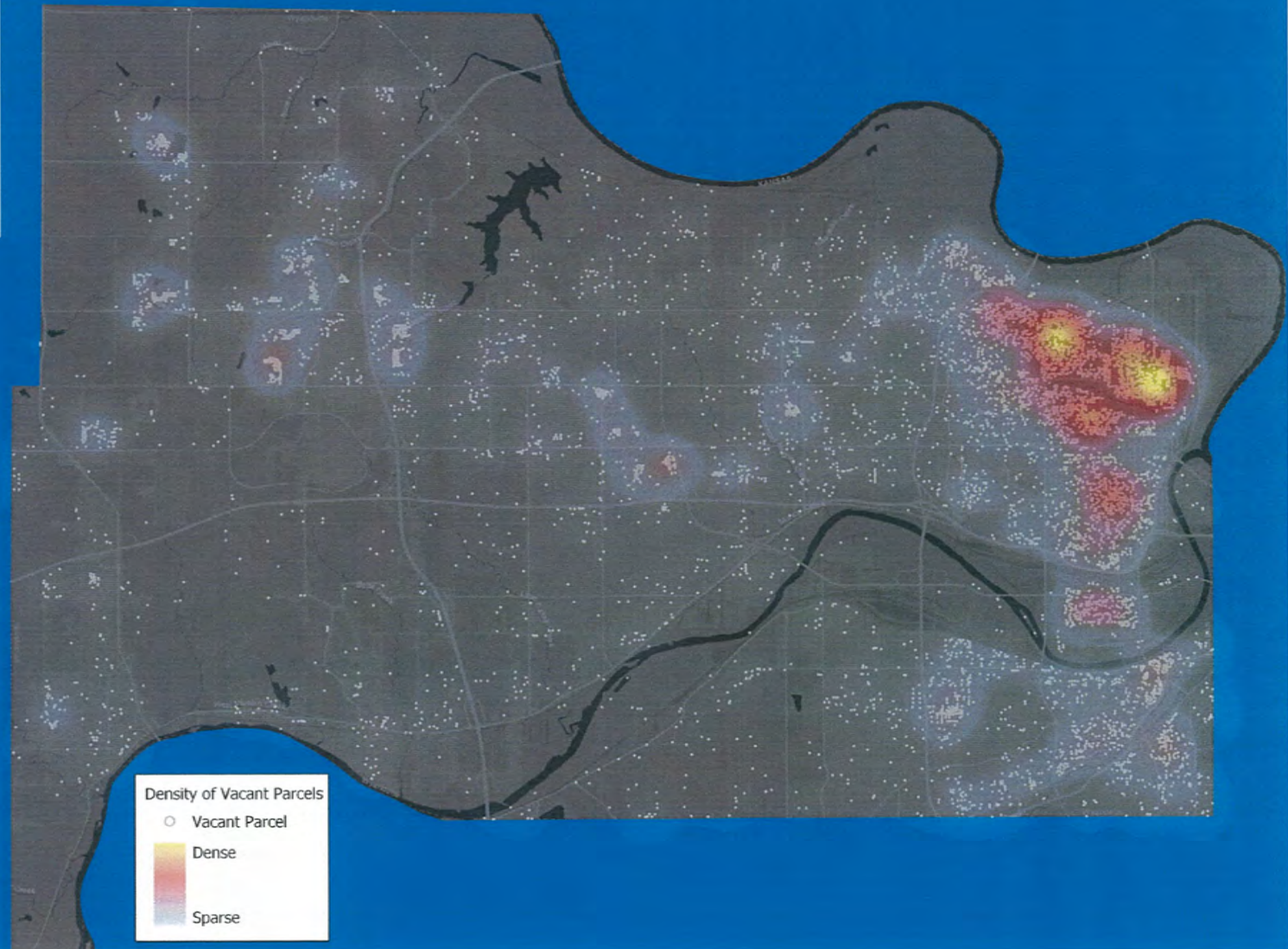


# VACANT PARCELS AND EFFECTS OF REDLINING

# VACANT STRUCTURES AND LOTS

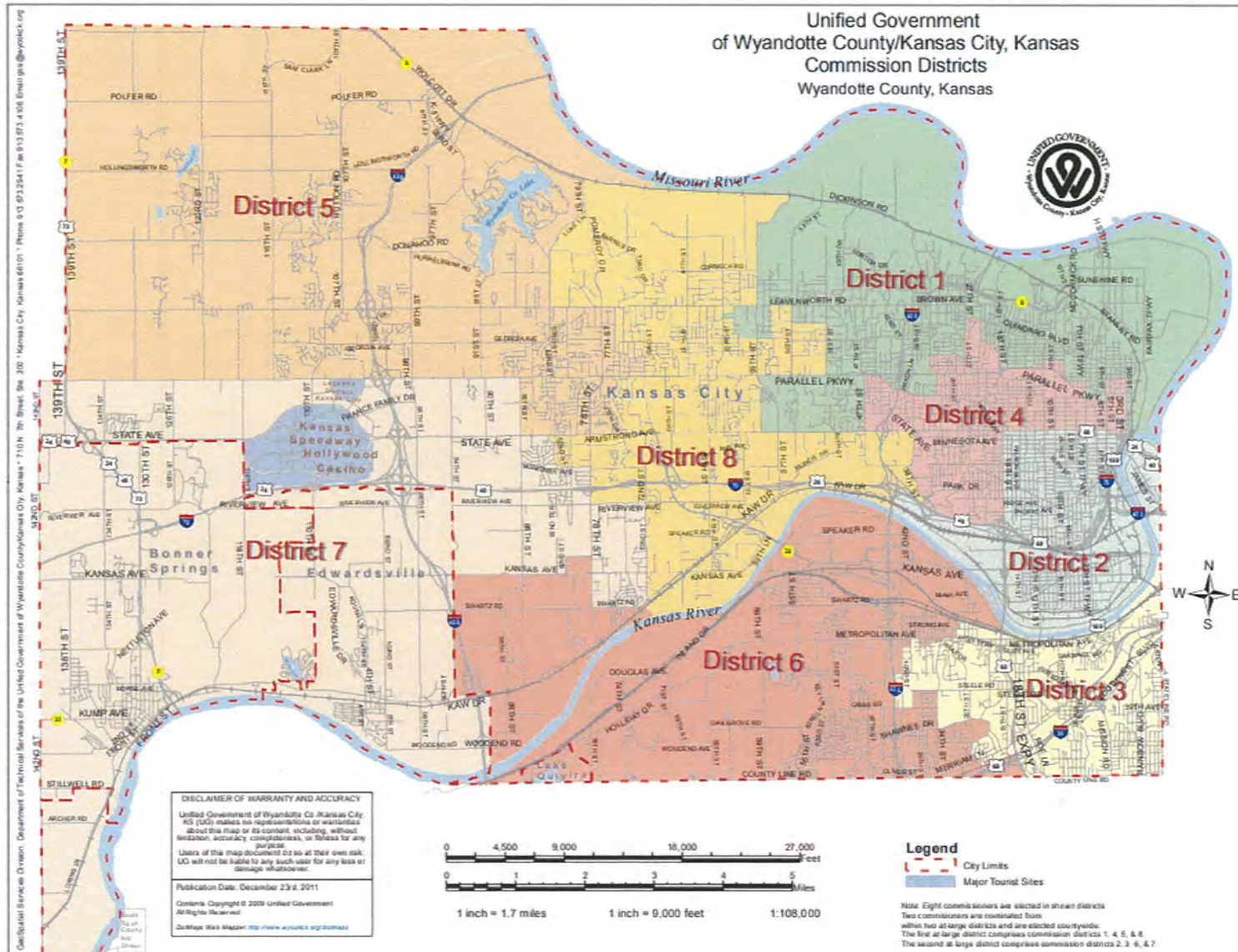
LOTS  
DECREASE  
VALUE OF  
PROPERTIES  
WITHIN 500FT

**6.5%**





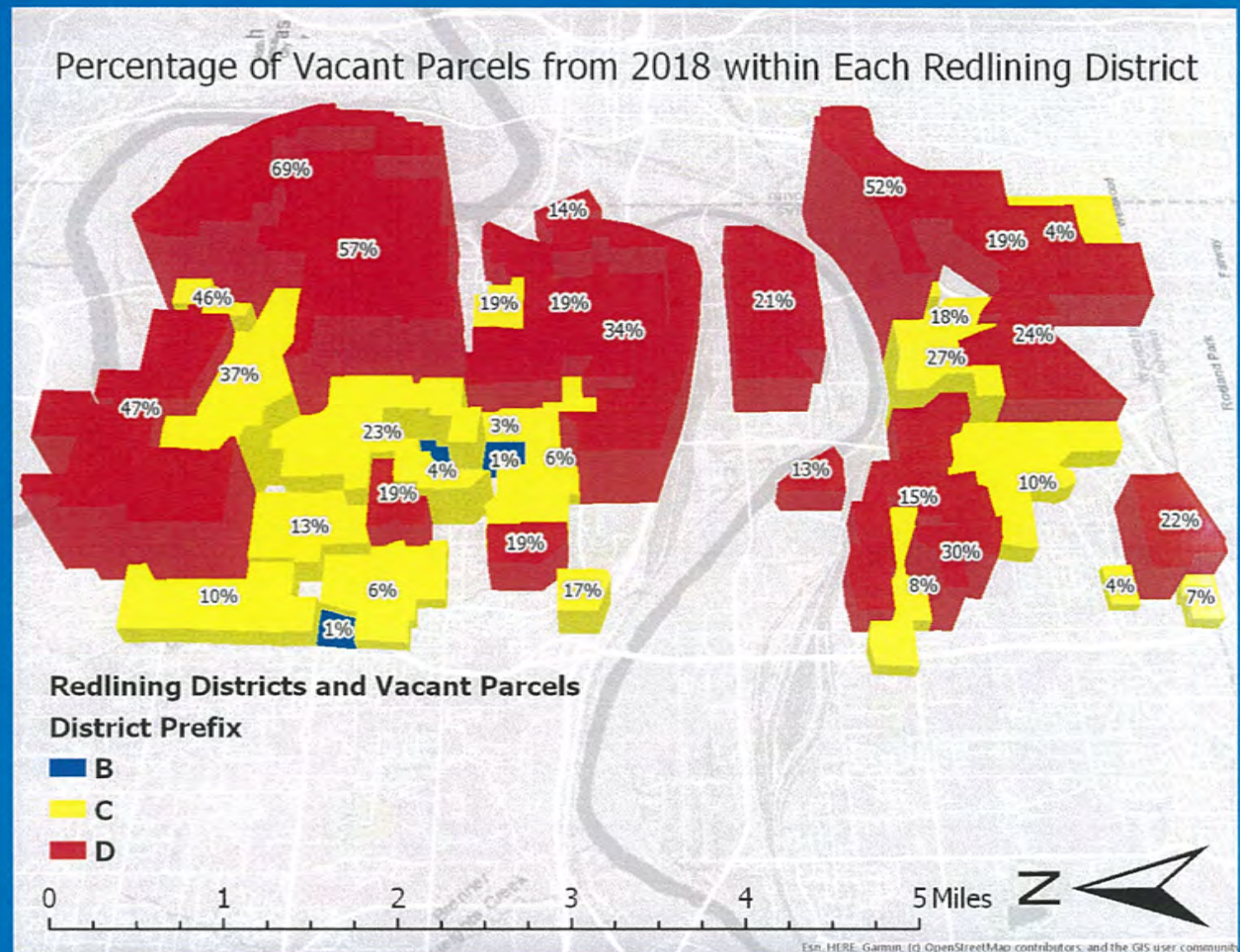
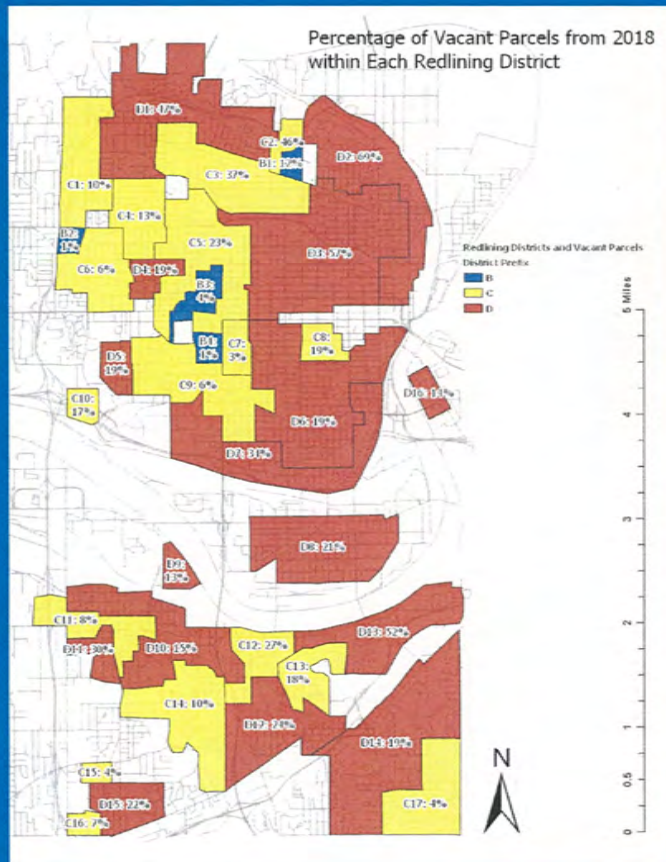
Unified Government  
of Wyandotte County/Kansas City, Kansas  
Commission Districts  
Wyandotte County, Kansas





# Redlining and Vacancy

<https://arcg.is/1Ho1yH>



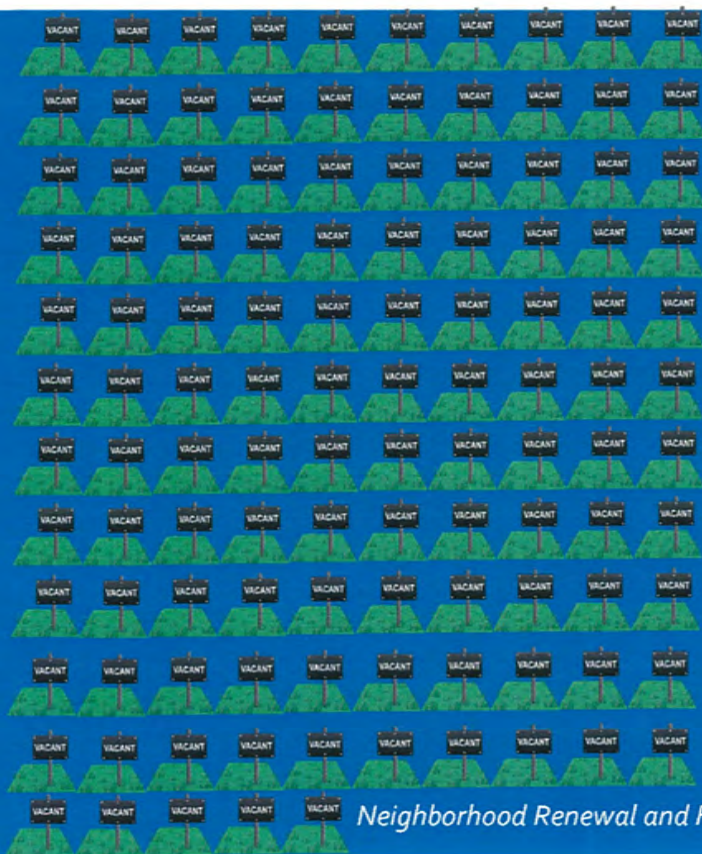


# VACANT LOTS NEEDED TO EQUAL THE REVENUE FROM ONE HOUSE

115  
Vacant lots

=

1  
New Home



*Neighborhood Renewal and Fiscal Stewardship*

## LAND BANK NEW CONSTRUCTION PROJECTS

Single Family Homes

**78**

Multi Family

**9**

Garages

**7**

Commercial

**7**

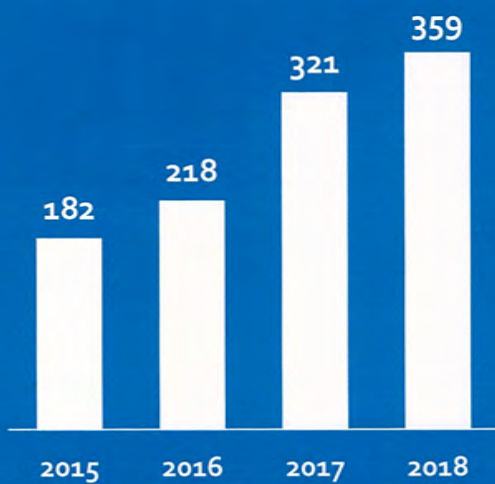
Potential Increase in  
Appraised Value

**\$18 Million**





## Complete Remodels Since 2015



Complete Remodels  
2019

2019 Remodels  
**461**

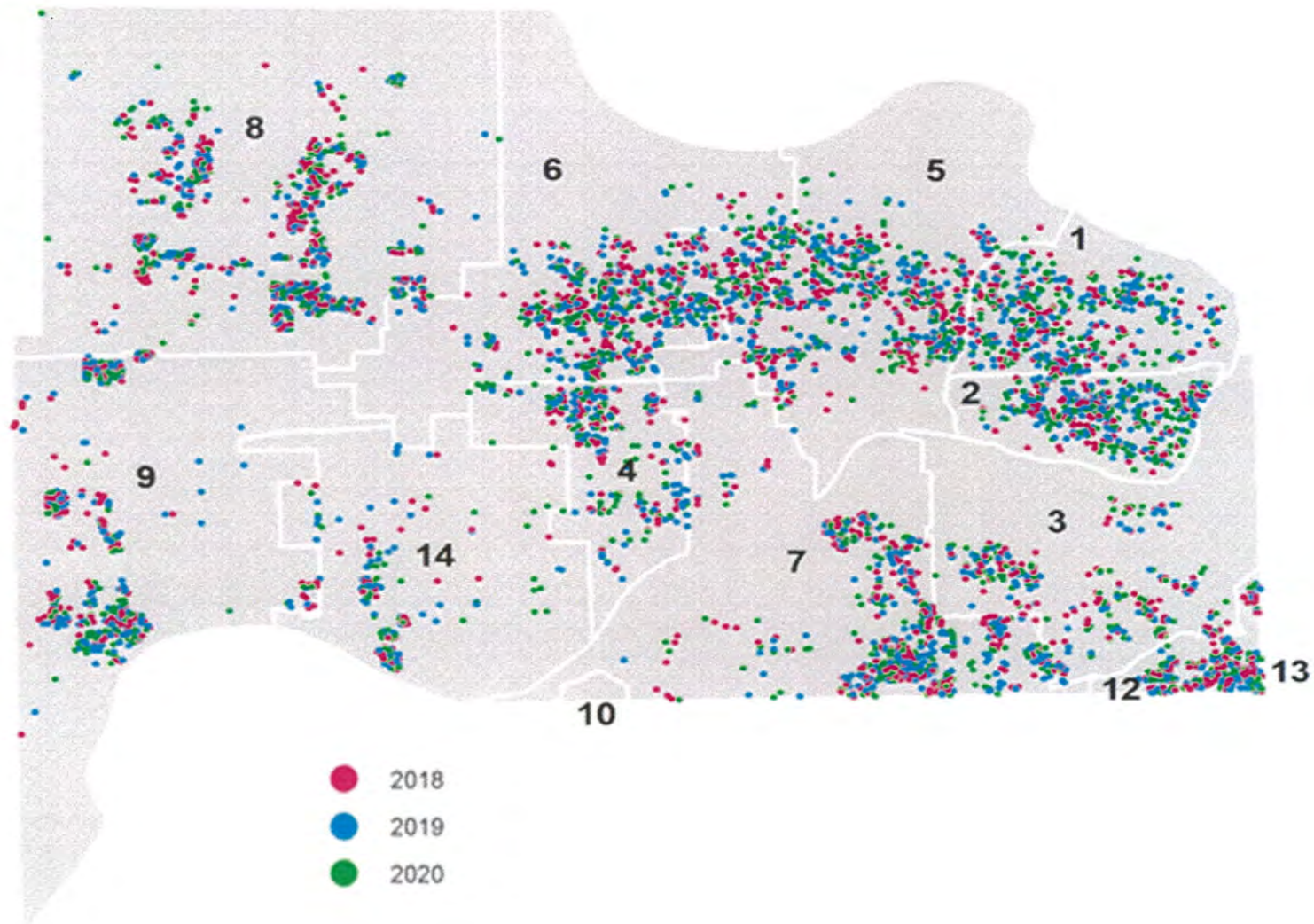




## Home Sales

Unified Government

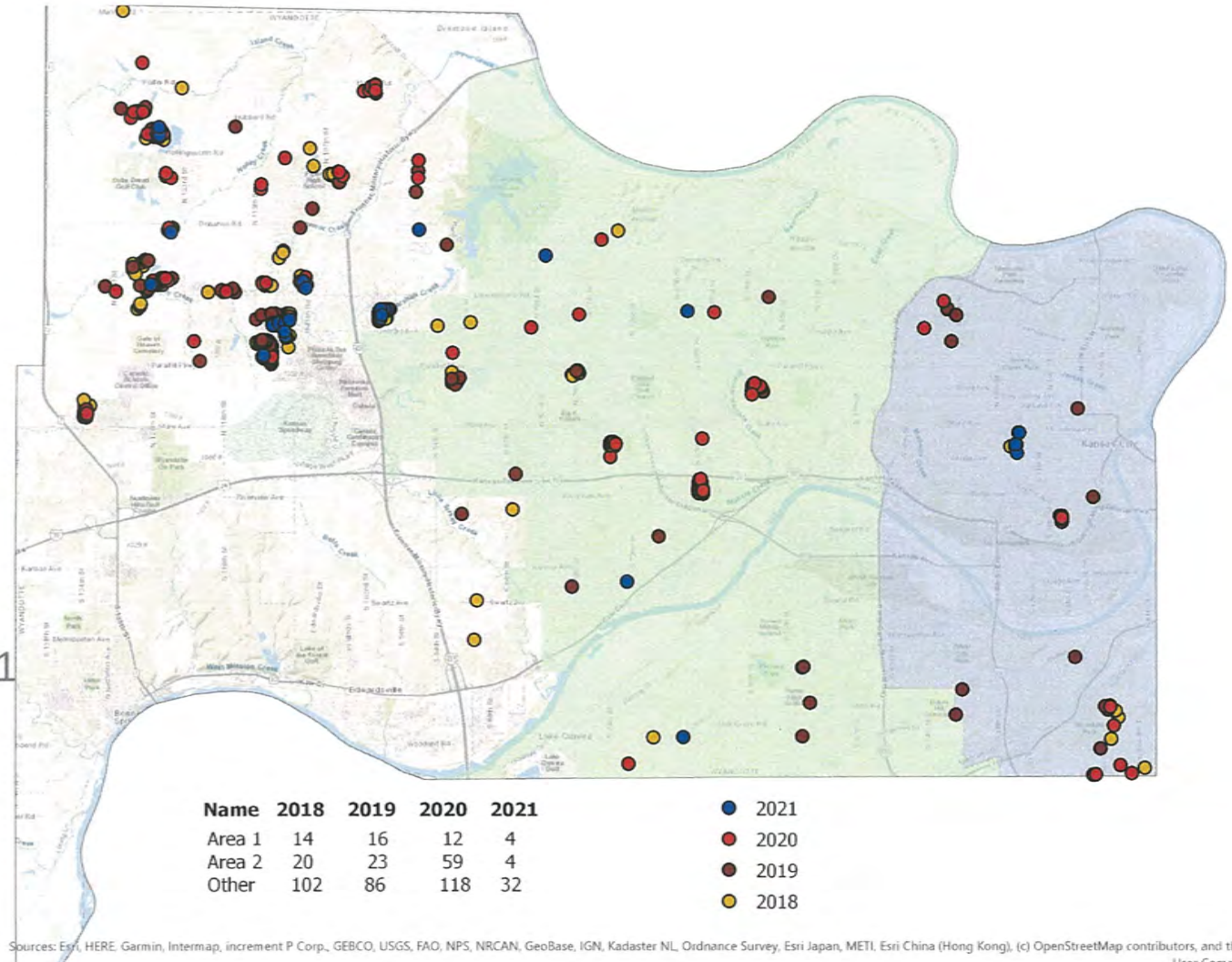
2018-2020



## Single Family Homes

Unified Government

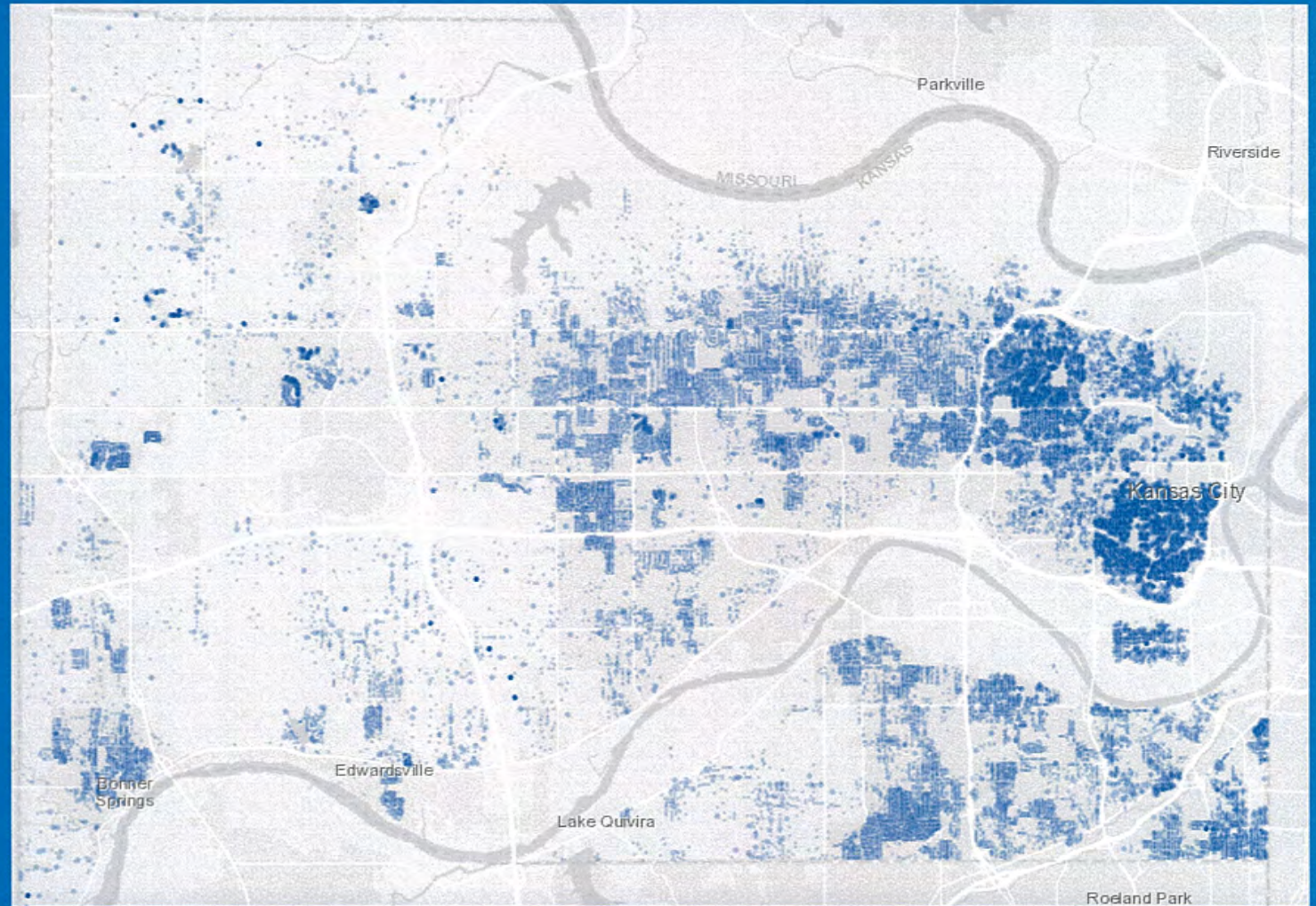
## Building Permits 2018-2021





# INCREASING COMMUNITY VALUES

RESIDENTIAL  
2019-2020



<b>Median Valid Single Family Sale Price</b>				
Sale Year	ComD 1	ComD 2	ComD 3	ComD 4
2016	\$75,000	\$59,500	\$112,000	\$61,975
2017	\$84,400	\$70,000	\$124,250	\$67,500
2018	\$84,500	\$79,500	\$130,000	\$84,950
2019	\$98,250	\$79,300	\$140,500	\$95,000
2020	\$104,000	\$100,000	\$152,500	\$103,500
<b>2016-2020% Cng</b>	<b>39%</b>	<b>68%</b>	<b>36%</b>	<b>67%</b>



# INFILL HOUSING ON VACANT LOTS

New Homes  
18,000

Increase in Appraised Value  
\$3.5 Billion

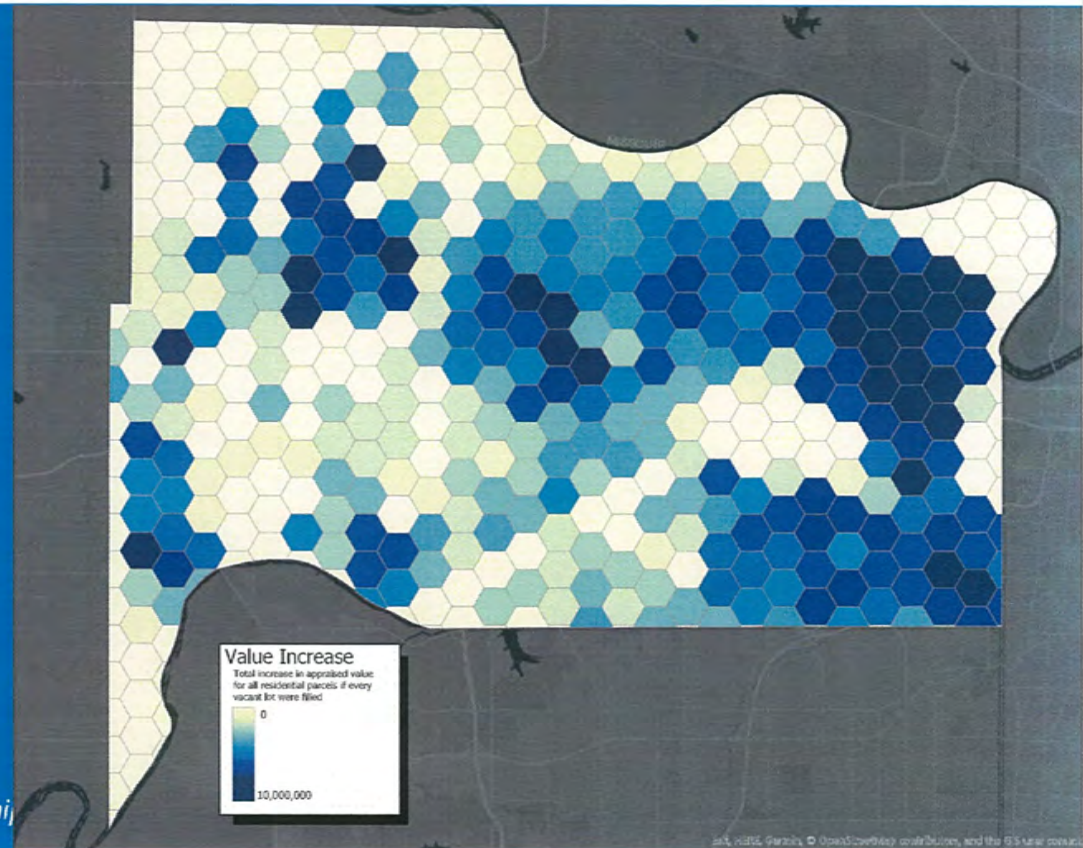
Population Increase  
48,960

BPU Pilot Increase  
\$4.3 Million

Sales Tax Increase  
\$15.7 Million

**Total Tax Increase**  
**\$51 Million**

*Neighborhood Renewal and Fiscal Stewardship*



# INFILL HOUSING CAN BE DONE!

Waterway Park Redevelopment Shows How

# WATERWAY PARK INFILL HOUSING

New Homes since 2004

77

New residents

209

Appraised Value Increase

\$11.7 Million





# FILL REMAINING VACANT LOTS AROUND WATERWAY PARK

Available lots

**61**

Population Increase

**166**

Sales Tax Increase

**\$53,000**

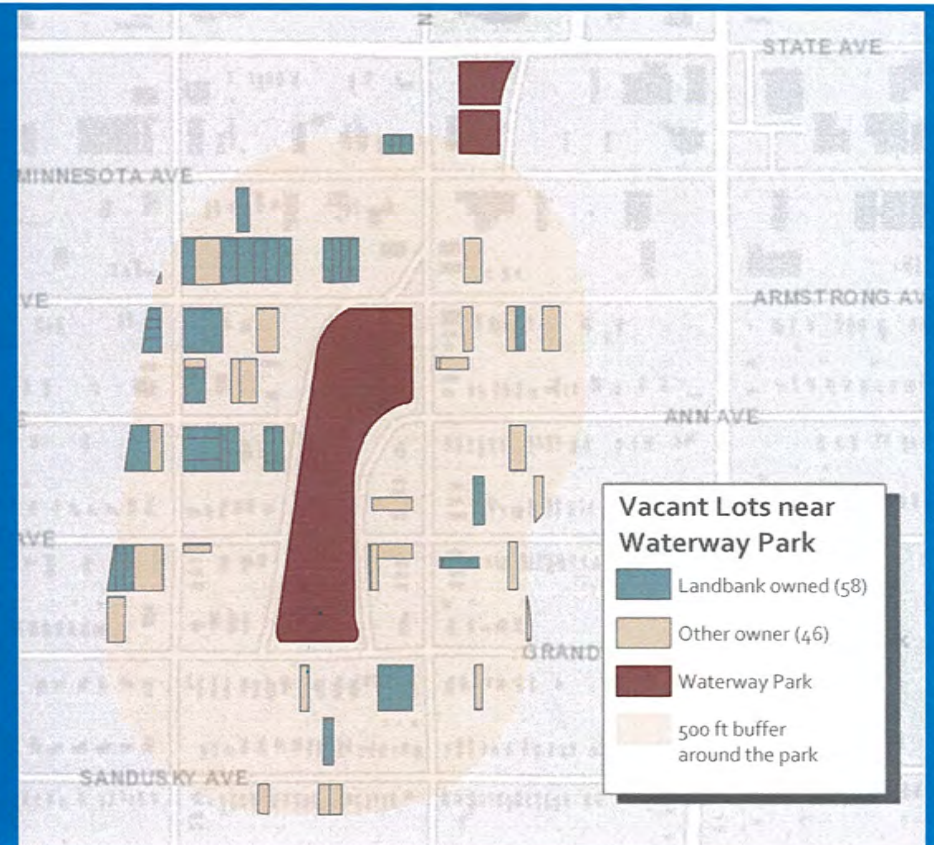
BPU Pilot Increase

**\$15,000**

**Annual Tax Revenue Increase**

**\$130,000**

*Neighborhood Renewal and Fiscal Stewardship*





# 1,000

---

NEW HOUSING UNITS  
in the next five years

**Approval of Minutes**  
**Regular Session 6-2-21**  
Agenda Item #V

## REGULAR SESSION –WEDNESDAY, JUNE 2, 2021

STATE OF KANSAS       )  
  ) SS  
CITY OF KANSAS CITY)

The Board of Public Utilities of Kansas City, Kansas (aka BPU, We, Us, Our) met remotely in Regular Session on Wednesday, June 2, 2021 at 6:00 P.M. The following Board Members were on the teleconference: Robert L. Milan, President; Mary Gonzales, Vice President; Rose Mulvany Henry, Secretary; Jeff Bryant, Thomas Groneman, and Ryan Eidson.

Also on teleconference: William Johnson, General Manager; Angela Lawson, Deputy Chief Counsel; Lori Austin, Chief Financial Officer/Chief Administrative Officer; Steve Green, Executive Director Water Operations; Jeremy Ash, Executive Director Electric Operations; Johnetta Hinson, Executive Director Customer Service; Dong Quach, Executive Director Electric Production; Jerry Ohmes, Executive Director Electric Supply; Jerry Sullivan, Chief Information Officer; David Mehlhaff, Chief Communications Officer; Dennis Dumovich, Director of Human Resources; Robert Kamp, IT Project Manager; and Patrice Townsend, Director Utility Services.

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

Mr. Milan called the Board Meeting to order at 6:02 P.M. He welcomed all that were listening or viewing the meeting. He stated the COVID-19 pandemic had made it necessary to conduct the meeting using technology for staff as well as for the general public. Those wishing to offer comments during the Public Comments section could click on the raised hand feature at the bottom of the application or window or press Star 9 and be connected by phone. As always, the public could email or call the BPU with any concerns. The Agenda could be found on the BPU website. If they were using Zoom, it would appear on their screen. Mr. Milan introduced himself and the other Board Members along with the General Manager, and Legal Counsel.

Roll call was taken and all Board Members were present via teleconference.

### **Item #3 – Approval of Agenda**

A motion was made to approve the Agenda by Mr. Bryant, seconded by Ms. Gonzales, and unanimously carried.

### **Item #4 – Approval of Regular Session Minutes**

A motion was made to approve the minutes of the Regular Session of May 19, 2021 by Mr. Eidson, seconded by Ms. Mulvany Henry, and unanimously carried.

## REGULAR SESSION –WEDNESDAY, JUNE 2, 2021

STATE OF KANSAS        )  
                                      ) SS  
CITY OF KANSAS CITY)

### **Item #5 – Public Comments**

Ms. Louise Lynch, 737 Miami Ave., spoke about the devices on the DME list given to Build Power Moka. She also commented on disconnects.

Mr. Ty Gorman, 2843 Parkwood Blvd., spoke about disconnects and the KERA program. He also spoke on Build Power Moka's submission of middle ground policies and research on moratoriums as well as hot weather policies.

Ms. Emily Wolfe, 4449 Booth St. expressed her support of the issues with KERA and the DME policies.

### **Item #7 – General Manager / Staff Reports**

- i. *COVID-19 Update:* Mr. Johnson, gave an update on company COVID-19 matters.

Ms. Johnetta Hinson, Executive Director Customer Service, provided an update on information received from the KERA program. To date, 315 applications have been received and had been flagged to not be disconnected, as their applications were being processed by KERA. Ms. Lori Austin, Chief Financial Officer/Chief Administrative Officer, added that according to the representative from KERA, customers having trouble filling out the application were being sent to designated community partners who could help them.

Ms. Austin and Ms. Hinson answered questions from the Board.

Ms. Hinson also spoke about a vaccine voucher program being discussed. The voucher would go towards a utility payment.

There was discussion to ensure the awareness of the community partners that KERA utilized to help the customer in need of help with the application process. Those partners were, the Economic Opportunity Foundation and Harvest America Corporation.

- ii. *Finance Items:* Ms. Austin and Jacob Holman, BKD, LLP refreshed the Board with a brief overview of the audit discussed at the previous Board meeting (see attached).

**REGULAR SESSION –WEDNESDAY, JUNE 2, 2021**

STATE OF KANSAS        )  
                                      ) SS  
CITY OF KANSAS CITY)

Ms. Austin asked for approval of Resolution #5264, approving the over recovery of the Energy Rate Component (ERC) for the 3<sup>rd</sup> and 4<sup>th</sup> quarter of 2020 in the amount of \$11.7 million which would be recognized over the first and second quarters of 2021.

A motion was made to approve Resolution #5264, for the Energy Rate Component Over Recovery, by Ms. Gonzales, seconded by Mr. Bryant, and unanimously carried.

Ms. Austin asked for approval of Resolution #5263, the 2020 Annual Audit Financial Report.

A motion was made to approve Resolution #5263, Annual 2020 Financial Audit, by Mr. Groneman, seconded by Mr. Bryant, and unanimously carried.

- iii. *April 2021 Financials:* Lori Austin, Chief Financial Officer/Chief Administrative Officer, presented the preliminary April 2021 Financials with a PowerPoint presentation (see attached).
- iv. *Waiving Water Fees East of I-635 – Resolution #5261-* Mr. Johnson said that this item would be moved to the next Board meeting.
- v. *Infill Housing – Resolution #5262 -* Mr. Johnson said that this item would be moved to the next Board meeting.
- vi. *Miscellaneous Comments:* Mr. Johnson thanked staff for continuing to watch expenses post pandemic. Seeing signs of things improving made him optimistic about the rest of the year. He also said we would continue work with the State on the KERA program and other assistance programs to keep those applicants connected as they worked through the process.

Mr. Groneman spoke about how important it was to work with customers and organizations on getting the assistance the customer needed so that in the end we could all come out ahead.

Mr. Eidson asked Mr. Johnson to report to the Board on how many people had reached out to the Board about issues with the KERA program that weren't correlating with the State's lists.

**REGULAR SESSION –WEDNESDAY, JUNE 2, 2021**

STATE OF KANSAS        )  
                                      ) SS  
CITY OF KANSAS CITY)

**Item #8 – Board Comments**

Mr. Eidson asked for a labor negotiation update.

Mr. Johnson said that they had received a counter proposal from the union that was being reviewed.

Mr. Groneman had no additional comments.

Mr. Bryant spoke about one of the key duties of the Board, to ensure the utility was financially stable and able to maintain adequate reliability of services. He asked that staff report on what the cost would be to put another moratorium on shut-offs in place, and how that could impact other rate payers.

Ms. Gonzales had no comments.

Ms. Mulvany Henry spoke about her request at an earlier meeting for an extension for customers that the utility was aware had applied for KERA, and it sounded to her that we were not disconnecting customers we knew about. She echoed interested in receiving the information requested by Mr. Bryant.

Mr. Milan commented on Ms. Lynch's request to each Board Member regarding a future meeting and asked for information before he would make a decision on that request.

**Item #10 – Adjourn**

A motion was made to adjourn the Regular Session at 7:08 P.M. by Mr. Eidson, seconded by Mr. Bryant, and unanimously carried.

ATTEST:

APPROVED:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President



# BKD National Public Sector Group

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The Board of Public Utilities of Kansas City, Kansas  
for the year ended December 31, 2020

**BKD**  
CPAs & Advisors

# BKD Audit Personnel & Roles



**Rachel Dwiggins**  
Client Relationship Partner  
816.489.4033  
rdwiggins@bkd.com



**Jacob Holman**  
Lead Audit Director  
816.489.4291  
jholman@bkd.com



**Kelsey Darnell**  
Project Manager & Audit In-charge  
816.489.4260  
kdarnell@bkd.com



# Audit Approach

## › Financial reporting

- U.S. Generally Accepted Accounting Principles

## › Auditing standards

- Auditing standards generally accepted in the United States of America
- Government Auditing Standards
- Kansas Municipal Audit and Accounting Guide

# Areas of Audit Emphasis

- › Communicated during planning

Risk Area	Results
Management override of controls	No matters are reportable.
Improper revenue recognition	No matters are reportable.

# Management Judgments & Accounting Estimates

- › Allowance for doubtful accounts
- › Deferred costs of revenues, including amortization periods
- › Accrued liabilities
- › Composite rate depreciation methods
- › Net pension liability
- › Other post-employment benefits

# Required Communications

Area	Comments
Significant Accounting Policies	Described in Note 1 of the financial statements. GASB 83 was adopted during fiscal year 2020.
Alternative Accounting Treatments	<ul style="list-style-type: none"><li>Accounting for the costs related to the Quindaro Units 1 and 2 as a regulatory asset</li></ul>
Financial Statement Disclosures	No matters are reportable.
Auditor's Judgments About the Quality of the Utility's Accounting Policies	No matters are reportable.



# Required Communications – Cont.

Area	Comments
Audit Adjustments	<p>Proposed audit adjustments recorded:</p> <ul style="list-style-type: none"><li>• To record certain contract retainage payable</li></ul> <p>Proposed audit adjustments not recorded:</p> <ul style="list-style-type: none"><li>• Prior year turnaround effect of variance in accounts receivable aging</li><li>• Prior year turnaround effect for payroll and related tax accrual</li><li>• Prior year turnaround effect of reduction to workers compensation accrual</li><li>• Reclass PILOT from non-operating expense to transfer expense</li><li>• Record correction to unbilled revenue</li></ul>

# On Our Radar – Upcoming Standards

- › GASB Statement No. 87, *Leases* (GASB 87)
  - Effective for financial statements for fiscal years beginning after June 15, 2021





# Questions?

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**BKD**  
CPAs & Advisors





# Thank You!

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**BKD**  
CPAs & Advisors



**RESOLUTION NO: 5264**

**A RESOLUTION APPROVING THE OVER RECOVERY OF THE  
ENERGY RATE COMPONENT (ERC) FOR THE 3<sup>RD</sup> AND 4<sup>TH</sup>  
QUARTER OF 2020 IN THE AMOUNT OF \$11.7 MILLION WHICH  
WILL BE RECOGNIZED OVER THE FIRST AND SECOND  
QUARTERS OF 2021.**

**WHEREAS**, the Kansas City Board of Public Utilities an administrative agency of the Unified Government of Wyandotte County/Kansas City, Kansas ("**KCBPU**") **adopted** the Energy Rate Component Rate Rider in a rate hearing which provides for a reconciliation adjustment for over and under recoveries, and


**WHEREAS**, the KCBPU had an over recovery in the 3<sup>rd</sup> and 4<sup>th</sup> quarters of 2020 in the amount of \$11.7 million, and wishes to amortize it over the 1<sup>st</sup> and 2<sup>nd</sup> quarter of 2021.

**NOW, THEREFORE, BE IT RESOLVED AND ORDAINED BY THE  
GOVERNING BODY OF THE KCBPU:**

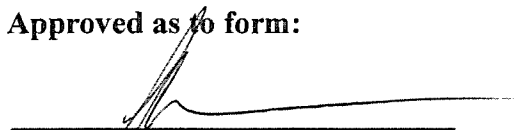
The over recovery of the Energy Rate Component for the 3<sup>rd</sup> and 4<sup>th</sup> quarter of 2020 shall be recognized in the amount of \$11.7 million and shall be amortized over the 1<sup>st</sup> and 2<sup>nd</sup> quarter of 2021.

**ADOPTED BY THE GOVERNING BODY OF THE KCBPU  
THIS 2nd DAY OF JUNE, 2021.**

  
Robert Milan, Board President

Attest:   
Rose Mulvaney Henry, Board Secretary

Approved as to form:

  
KCBPU Legal Counsel

**RESOLUTION NO: 5263**

**RESOLUTION AUTHORIZING THE ADOPTION OF THE 2020 AUDITED FINANCIAL STATEMENTS AND SCHEDULES**

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF PUBLIC UTILITIES OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS:**

Whereas, the 2020 Audited Financial Statements and Schedules has been presented to the Board of the Kansas City Board of Public Utilities an administrative agency of the Unified Government of Wyandotte County/Kansas City, Kansas; and

Whereas, the Board has reviewed said Statements and Schedules as audited by BKD, LLP; and

Whereas, the Board wishes to adopt the 2020 Audited Financial Statements and Schedules.

Therefore, the Board hereby adopts the 2020 Audited Financial Statements and Schedules.

**ADOPTED** by the Board of Directors of the Board of Public Utilities of the Unified Government of Wyandotte County/Kansas City, Kansas, this 2<sup>nd</sup> day of June, 2021.

**BOARD OF PUBLIC UTILITIES**

By: Robert Milan  
Robert Milan, Board President

Attest: Rose Mulvany Henry  
732C225A5806456  
ROSE MULVANY HENRY, Board Secretary

# **April 2021 Preliminary Financial Results**

**June 2, 2021**

## Financial Results

### 2021 Billed kWh (YTD Jan – Apr)

Electric	(CY) 2021 YTD	(PY) 2020 YTD	
Residential	188,256,757	175,096,255	
Commercial	296,911,158	290,602,010	
Industrial	150,416,436	169,218,628	
	635,584,351	634,916,893	0.1%

Lower usage in 2021 Industrial compared to 2020 due to slowdown of businesses  
 Residential usage increased over 2020 as a result colder weather especially in February  
 Residential – Up 7.5%      Commercial – Up 2%      Industrial – Down 11%

# Financial Results

## 2021 Billed CCF's (YTD Jan – Apr)

Water	(CY) 2021 YTD	(PY) 2020 YTD	
Residential	1,088,755	1,070,136	
Commercial	717,959	734,426	
Industrial	555,319	636,351	
	2,362,033	2,440,913	-3.2%

Slightly lower usage compared to 2020 due to business slowdowns as a result of COVID-19

Residential – Up 1.75%      Commercial – Down 2%      Industrial - Down 13%

# Financial Results

## Revenues – April 2021

\*\*Dollars in millions

	(CY) 2021 April	(PY) 2020 April		Budget 2021 April	(CY) 2021 April	
Electric	\$ 17.696	\$ 18.835		\$ 19.305	\$ 17.696	
Water	3.883	3.833		4.072	3.883	
Combined	\$ 21.579	\$ 22.668	-4.8%	\$ 23.377	\$ 21.579	-7.7%

### *Actual Compared to 2021 Budget*

Electric down 8%

Water down 5%

Recognized ERC Over Collection for 3<sup>rd</sup>/4<sup>th</sup> Quarter of 2020 of \$11.7 million (\$1.9 million a month).  
This is being recognized as revenue and amortized over the next 6 months (Jan-Jun 2021)

# Financial Results

## Revenues – 2021 YTD

	(CY) 2021 YTD	(PY) 2020 YTD		Budget 2021 YTD	(CY) 2021 YTD	
Electric	\$ 104.264	\$ 88.759		\$ 81.559	\$ 104.264	
Water	15.645	15.978		16.270	15.645	
Combined	\$ 119.909	\$ 104.737	14.5%	\$ 97.829	\$ 119.909	22.6%

\*\*Dollars in millions

### Variance – YTD comparing Budget to Actual for 2021

Electric: *Up 28%*

Residential **(\$278K)**

Commercial **(\$815K)**

Industrial **(\$1.4M)**

Schools **\$280K**

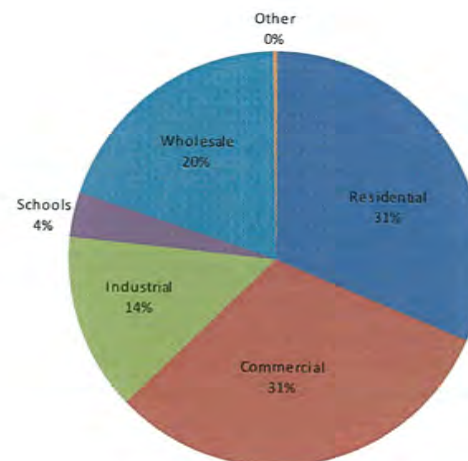
Wholesale **\$18M**

Water: *Down 4%*

Residential **\$25K**

Commercial **(\$175K)**

Industrial **(\$242K)**



Recognized \$7.7M deferral of revenue YTD from the 2020 ERC in 2021



# Financial Results

## Operating Expenses – April 2021

	(CY) 2021 April	(PY) 2020 April		Budget 2021 April	(CY) 2021 April	
Electric	\$ 14.822	\$ 15.292		\$ 17.214	\$ 14.822	
Water	3.181	2.792		3.275	3.181	
Combined	\$ 18.003	\$ 18.084	-0.4%	\$ 20.489	\$ 18.003	-12.1%

\*\*Dollars in millions

### Variance – Comparing Budget to Actual for 2021

#### Electric – Down 14%

Production	- 17% down
Purchased Power	- .5% down
Fuel	- 70% down
T&D	- 6% down
G &A	- 4% down

#### Water – down 3%

Production	- 19% down
T&D	- .25% up
G &A	- 5% down

# Financial Results

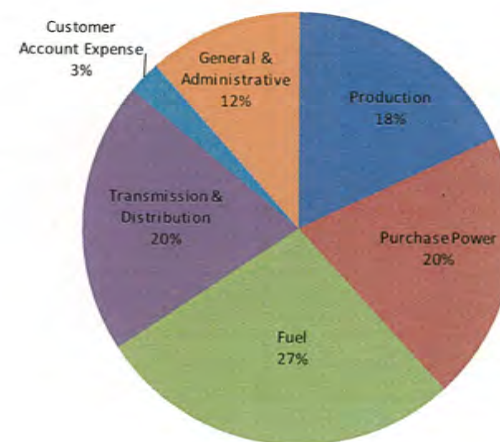
## Operating Expenses – 2021 YTD (Total)

	(CY) 2021 YTD	(PY) 2020 YTD		Budget 2021 YTD	(CY) 2021 YTD	
Electric	\$ 71.546	\$ 61.836		\$ 66.967	\$ 71.546	
Water	11.790	11.638		12.890	11.790	
Combined	\$ 83.336	\$ 73.474	13.4%	\$ 79.857	\$ 83.336	4.4%

\*\*Dollars in millions

### Actual Compared to 2021 Budget

- Electric up 7%
- Water down 9%



# Financial Results

## Operating Expenses – 2021 YTD less Depreciation

	(CY) 2021 YTD	(PY) 2020 YTD		Budget 2021 YTD	(CY) 2021 YTD	
Electric	\$ 61.357	\$ 52.666		\$ 57.081	\$ 61.357	
Water	9.003	9.054		10.245	9.003	
Combined	\$ 70.360	\$ 61.720	14.0%	\$ 67.326	\$ 70.360	4.5%

\*\*Dollars in millions

Variance – YTD comparing Budget to Actual 2021

### Electric:

Purchased Power	(\$1.1M)
Fuel	\$10.3M
Production	(\$1.4M)
T&D	(\$1.8M)
G&A	(\$1.6M)

### Water:

Production	(\$400K)
T&D	(\$310K)
G&A	(\$463K)



# Financial Results

## Change in Net Position – April 2021

	(CY) 2021 April	(PY) 2020 April
Electric	\$ (0.647)	\$ (0.567)
Water	0.254	0.376
Combined	\$ (0.393)	\$ (0.191)

Budget 2021 April	(CY) 2021 April
\$ (1.509)	\$ (0.647)
0.303	0.254
\$ (1.206)	\$ (0.393)

\*\*Dollars in millions

# Financial Results

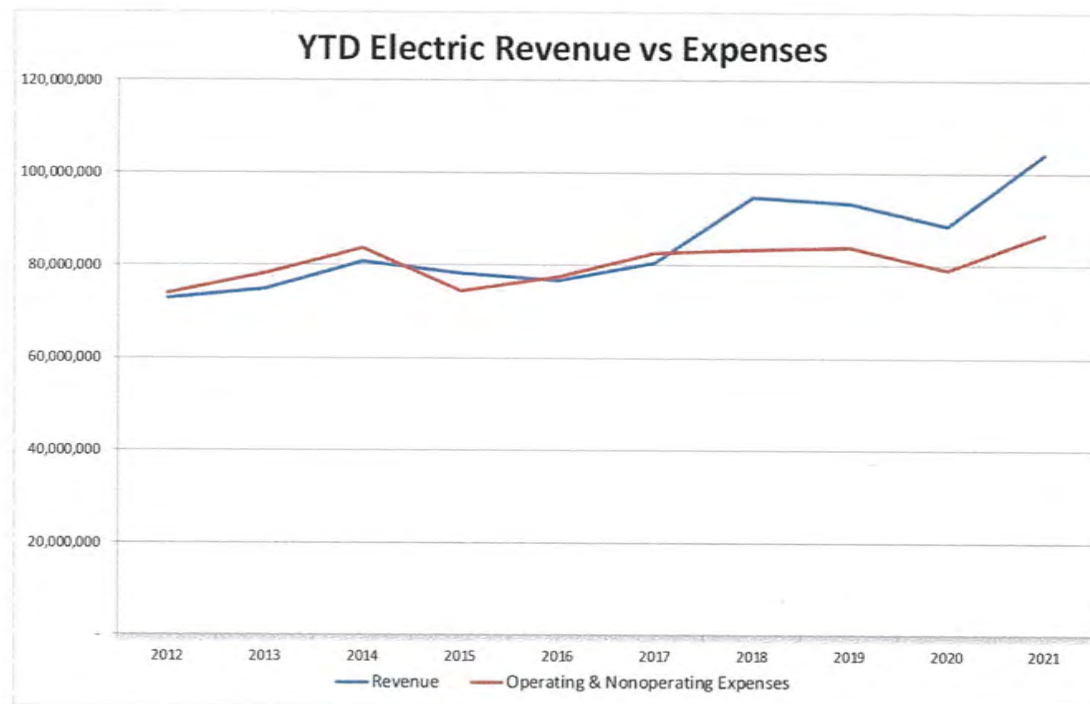
## Change in Net Position – 2021 YTD

	(CY) 2021 YTD	(PY) 2020 YTD
Electric	\$ 17.472	\$ 9.808
Water	1.633	1.389
Combined	\$ 19.105	\$ 11.197

Budget 2021 YTD	(CY) 2021 YTD
\$ (0.333)	\$ 17.472
1.057	1.633
\$ 0.724	\$ 19.105

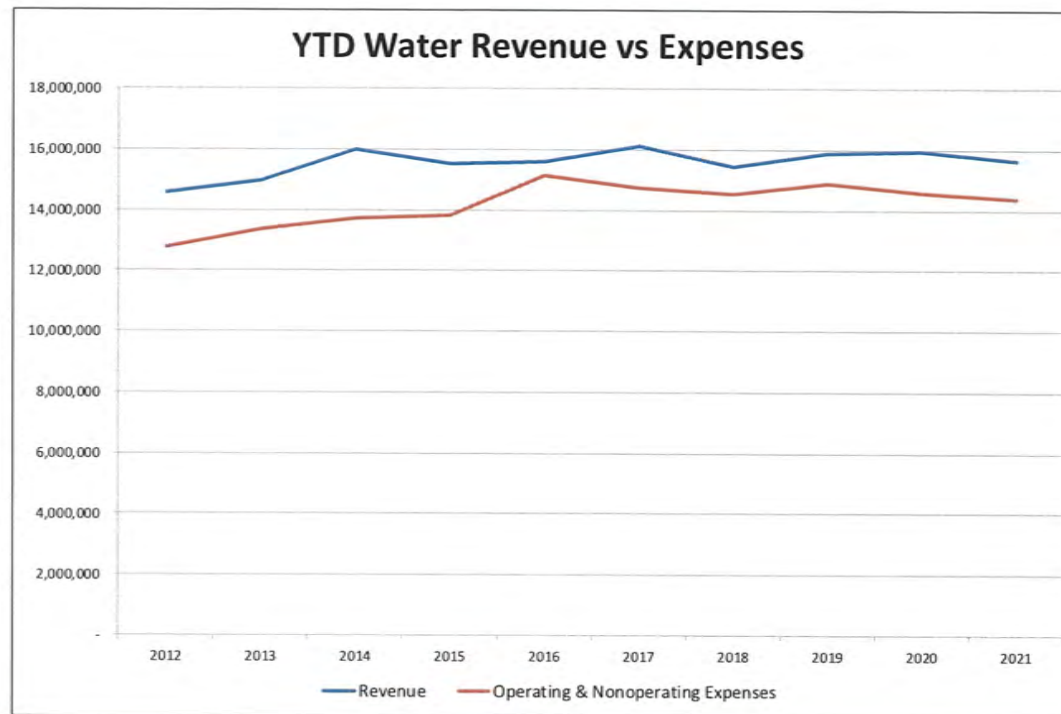
\*\*Dollars in millions

## Financial Results – 10 Year Trend





## Financial Results – 10 Year Trend



# Financial Results

## Cash Position

	(CY) 2021 April	(PY) 2020 April	2021 March
Combined (E&W) Days Cash-on-Hand	\$ 45.26 77	\$ 50.89 85	\$ 45.43 77

1 Day = Approximately \$550K-\$600K

\*\*Dollars in millions

\*\* Established Cash Reserve – Market – waiting to finalize SPP settlements

# Financial Results

## Balance Sheet: Notables

	(CY) 2021 April	(PY) 2020 April
Fuel Inventory	\$ 5.648	\$ 4.764
Bond Dollars 2016C (Elec T&D)	\$ 1.543	\$ 6.463
Bond Dollars 2020A (Elec)	\$ 8.200	\$ -

\*\*Dollars in millions



# Financial Results

## Capital Spending

	(CY) 2021 YTD	(PY) 2020 YTD	2021 Budget	
Electric	\$ 3.76	\$ 5.64	\$ 38.94	
Water	1.54	1.67	12.34	
Common	1.26	0.50	5.91	
Total YTD Capital	\$ 6.57	\$ 7.81	\$ 57.20	Remaining 89%

\*\*Dollars in millions

Major projects in 2021:

Dogwood Capital (BPU's portion) - \$822K  
 New Development - \$570K  
 Transformers (OH & UG) - \$555K  
 Pole Inspection Replacement - \$680K  
 Annual UG & OH Construction - \$600K  
 Water Leak, Valve, System Imp. - \$425K  
 UG/CMIP Water Distribution - \$145K

# Financial Results

## Debt Coverage

### Debt Coverage with PILOT

	(CY) 2021 April	(PY) 2020 April
Electric	2.09	1.99
Water	2.07	1.74
Combined	2.26	1.98

### Debt Coverage w/o PILOT

	(CY) 2021 April	(PY) 2020 April
Electric	1.49	1.40
Water	1.61	1.30
Combined	1.65	1.41

Financial Guideline Target 1.6 to 2.1 times with PILOT





## **RESOLUTION NO: 5261**

### **RESOLUTION AUTHORIZING THE GENERAL MANAGER OF THE KANSAS CITY BOARD OF PUBLIC UTILITIES TO WAIVE WATER FEES EAST OF I-635 UNTIL DECEMBER 31, 2023 IF CERTAIN CONDITIONS ARE MET**

**Whereas**, the Board of Public Utilities an administrative agency of the Unified Government of Wyandotte County/Kansas City (“BPU”), Kansas (operates the Unified Government’s electric and water utilities; and

**Whereas**, the Board of Directors (the Board) of the BPU has determined that it is in the best interest of our community for the BPU to support targeted economic development incentives; and

**Whereas**, the Unified Government has made it a priority encourage development of land bank residential properties and is encouraging residential construction on said properties so they will increase the tax base of the Unified Government; and

**Whereas**, the BPU staff will work within the framework established by this Board action to meet these goals.

**Therefore**, be it resolved by the Board of Directors of the Board of Public Utilities an administrative agency of the Unified Government of Wyandotte County/Kansas City, Kansas:

1) That the General Manager is authorized to waive the System Development and Tap Fees for new single-family residential construction in areas East of I-635 that previously had BPU water service lines in place.

2) The General Manager is hereby directed to update the Board annually on residential development in this area.

3) This resolution shall remain in effect until December 31, 2023.

4) The following requirements must be met in order for the General Manager to authorize waiving the fees:

- a. The residential development must be East of I-635
- b. The residential development property must have been provided residential water service by the BPU prior to its redevelopment.

- c. The redevelopment must be a single-family home or town home requiring a new 5/8-inch meter and owned by an individual. Dwellings that require a meter larger than 5/8 inch will be required to pay the total amount of the established fees.
- d. Existing water line must be of adequate size to provide domestic service and fire protection and front the property.
- e. The developer/owner of the residential development shall fund all improvements (inside and outside the development) that are required for domestic service and fire protection. The BPU shall incur no costs for these improvements.
- f. Waivers do not apply to commercial or industrial customers. Apartment complexes are considered to be commercial customers.

5) Any prior resolutions or Board motions authorizing the waiving of water fees for residential development in this area are now rescinded and terminated.

**ADOPTED** by the Board of Directors of the Board of Public Utilities an administrative agency of the Unified Government of Wyandotte County/Kansas City, Kansas, this 2<sup>nd</sup> day of June, 2021.

**BOARD OF PUBLIC UTILITIES**

By: \_\_\_\_\_  
Robert Milan, Board President

Attest: \_\_\_\_\_  
Rose Mulvany Henry, Board Secretary

## **RESOLUTION NO: 5262**

### **RESOLUTION AUTHORIZING THE WAIVING OF CERTAIN FEES IN SUPPORT OF THE UNIFIED GOVERNMENT INFILL HOUSING PROGRAM**

Whereas, the Board of Public Utilities an administrative agency of the Unified Government of Wyandotte County/Kansas City("BPU"), Kansas (operates the Unified Government's electric and water utilities; and

Whereas, the Board of Directors (the Board) of the BPU has determined that it is in the best interest of our community for the BPU to support targeted economic development incentives; and

Whereas, the Unified Government developed an Infill housing program to support development and increase the tax base of the Unified Government; and

Whereas, the BPU staff will work within the framework established by this Board action to meet these goals.

Therefore, Be it resolved by the Board of Directors of the Board of Public Utilities an administrative agency of the Unified Government of Wyandotte County/Kansas City, Kansas:

- 1) That the General Manager is authorized to provide the program incentives to developers and/or builders in the form of waiving electric and water fees for the Infill Housing Development Program created by the Unified Government.
- 2) The majority of the incentives will be targeted for East of I-635 but will also be available for some areas between I-635 and 78<sup>th</sup> Street.
- 3) BPU Permit and Connection Fees Waived for certain UG Land Bank Lots East of 78<sup>th</sup> Street to be used for residential construction of single-family homes or duplexes. The BPU waivers will be reviewed annually. Below is an example of fees that may be waived:

**BPU Example:**



<u>Type</u>	<u>Average Value</u>
Temporary Electric Service Fee	\$ 500
Overhead Electric Service Drop Allowance	\$ 1,000
Residential Water Tap Fee (3/4" tap)	\$ 300
Water System Development Fee (5/8" meter)	<u>\$ 2,000</u>
<b>Average savings per home</b>	<b>\$ 3,800</b>

4) The landowner or potential landowner will start the process by contacting the BPU water and electric engineering departments and completing a simple form requesting evaluation of the property. The BPU will review the current infrastructure and what makeready work is needed and the BPU will inform the potential customer what incentives will be offered. As properties have different service requirements and makeready costs the BPU is unable to provide a blanket waiver but will consider each property on an individual basis.

5) Any underground electric service will need to be reviewed separately as costs will likely be significantly higher.

6) To qualify the water service will be no larger than 3/4" and the meter size of 5/8".

7) This resolution shall remain in effect until December 31, 2023. The General Manager is hereby directed to update the Board annually on residential development in these areas.

**ADOPTED** by the Board of Directors of the Board of Public Utilities an administrative agency of the Unified Government of Wyandotte County/Kansas City, Kansas, this 2<sup>nd</sup> day of June, 2021.

**BOARD OF PUBLIC UTILITIES**

By: \_\_\_\_\_  
Robert Milan, Board President

Attest: \_\_\_\_\_  
ROSE MULVANY HENRY, Board Secretary