

BOARD INFORMATION PACKET



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

Regular Meeting of

June 22, 2022



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Board of Public Utilities
Kansas City, Kansas

BOARD AGENDA

Regular Session
June 22, 2022 – 6:00 P.M.

- I. Call to Order
- II. Roll Call
 - _____ David Haley, 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 8, 2022
- V. Approval of the Minutes of the Regular Session of June 8, 2022
- VI. Public Comments
- VII. Community Guests
 - i. 2020 Leadership
- VIII. General Manager / Staff Reports
 - i. Human Resources Quarterly Update
 - ii. APPA Community Service Award
 - iii. Miscellaneous Comments
- IX. Board Comments
- X. Adjourn

Approval of Minutes
Work Session 6-8-22
Agenda Item #IV

WORK SESSION MINUTES – WEDNESDAY, JUNE 8, 2022

STATE OF KANSAS)
) SS
CITY OF KANSAS CITY)

The Board of Public Utilities of Kansas City, Kansas (aka BPU, We, Us, Our) met in Work Session on Wednesday, June 8, 2022 at 5:00 P.M. The following Board Members were present: Mary Gonzales, President; Rose Mulvany Henry, Vice President; Thomas Groneman, Secretary; Robert L. Milan, Jeff Bryant and David Haley.

Also present: William Johnson, General Manager; Angela Lawson, Deputy Chief Counsel; Lori Austin, Chief Financial Officer/Chief Administrative Officer; Johnetta Hinson, Executive Director Customer Service; Steve Green, Executive Director Water Operations; Dong Quach, Executive Director Electric Production; Jerin Purtee, Executive Director Electric Supply; Maurice Moss, Executive Director Corporate Compliance; David Mehlhaff, Chief Communications Officer; Dennis Dumovich, Director of Human Resources; Mark Masloski, Meter Data Management System Analyst; Darren McNew, Director Electric Transmission & Substation; and Robert Kamp, IT Project Manager.

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

Ms. Gonzales called the meeting to order at 5:00 P.M.

Roll call was taken, all Board Members were present with the exception of Mr. Haley, who arrived at 5:04 P.M. and Mr. Milan who arrived at 5:09 P.M.

Item #3 – Approval of Agenda

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

Item #4 – Board Update/GM Update

Mr. Groneman had attended the Unified Government (UG) Public Works and Safety Committee meeting. He said there was nothing of relevance that pertained to the utility to report.

Item #5 – Cold Weather Rule

Ms. Mulvany Henry inquired about requested data as well as what data had been sought regarding the Cold Weather Rule.

WORK SESSION MINUTES – WEDNESDAY, JUNE 8, 2022

STATE OF KANSAS)
) SS
CITY OF KANSAS CITY)

Mr. Bryant explained what information had been used at the meeting. He also asked that the topic be on the next Work Session agenda. He then reviewed the current policy and a proposed option. The option would be to change the policy to read that electricity would not be disconnected if the forecasted temperature would be at or below 32 degrees in the next 24-hour period. (See attached.)

Mr. Bryant requested that if anyone had any further suggestions to bring it to the next Work Session and it would be included in the discussion.

Ms. Mulvany Henry requested data that showed, the proposed new policy versus current, versus KCC to look and see how it differed between modifications.

Item #6 – Risk Management Overview

Mr. Maurice Moss, Executive Director Corporate Compliance, gave the Board an overview of BPU’s evolving Enterprise Risk Management and how it would be implemented throughout the utility. (See attached.)

Mr. Moss answered questions from the Board.

Item #7 – Adjourn

A motion was made to adjourn the Work Session at 5:58 P.M. by Mr. Bryant, seconded by Ms. Mulvany Henry, and unanimously carried.

ATTEST:

APPROVED:

Secretary

President

Current Policy:

During summer months, on any day when the National Weather service forecasts the Weather Rule: temperature will rise above 95 degrees Fahrenheit, or the heat index will rise above 105 degrees Fahrenheit, KCBPU will not disconnect electric service for non-payment of bills.

During the period of November 1st through March 31st, KCBPU will not disconnect Residential electric customers for non-payment of bills when the National Weather Service forecasts the temperature will remain at or below 32 degrees Fahrenheit for 24 hours. KCBPU will check the weather forecasts daily between 8:00 AM and 9:00 AM. Water service can be disconnected at any time.

To avoid being disconnected, the customer must contact KCBPU to check eligibility and establish a payment arrangement. Please refer to Payment Arrangement section for additional requirements.

Option:

During summer months, on any day when the National Weather service forecasts the Weather Rule: temperature will rise above 95 degrees Fahrenheit, or the heat index will rise above 105 degrees Fahrenheit, KCBPU will not disconnect electric service for non-payment of bills.

During the period of November 1st through March 31st, KCBPU will not disconnect Residential electric customers for non-payment of bills when the National Weather Service forecasts the temperature will ~~remain be~~ at or below 32 degrees Fahrenheit ~~for in the next~~ 24 hours. KCBPU will check the weather forecasts daily between 8:00 AM and 9:00 AM. Water service can be disconnected at any time.

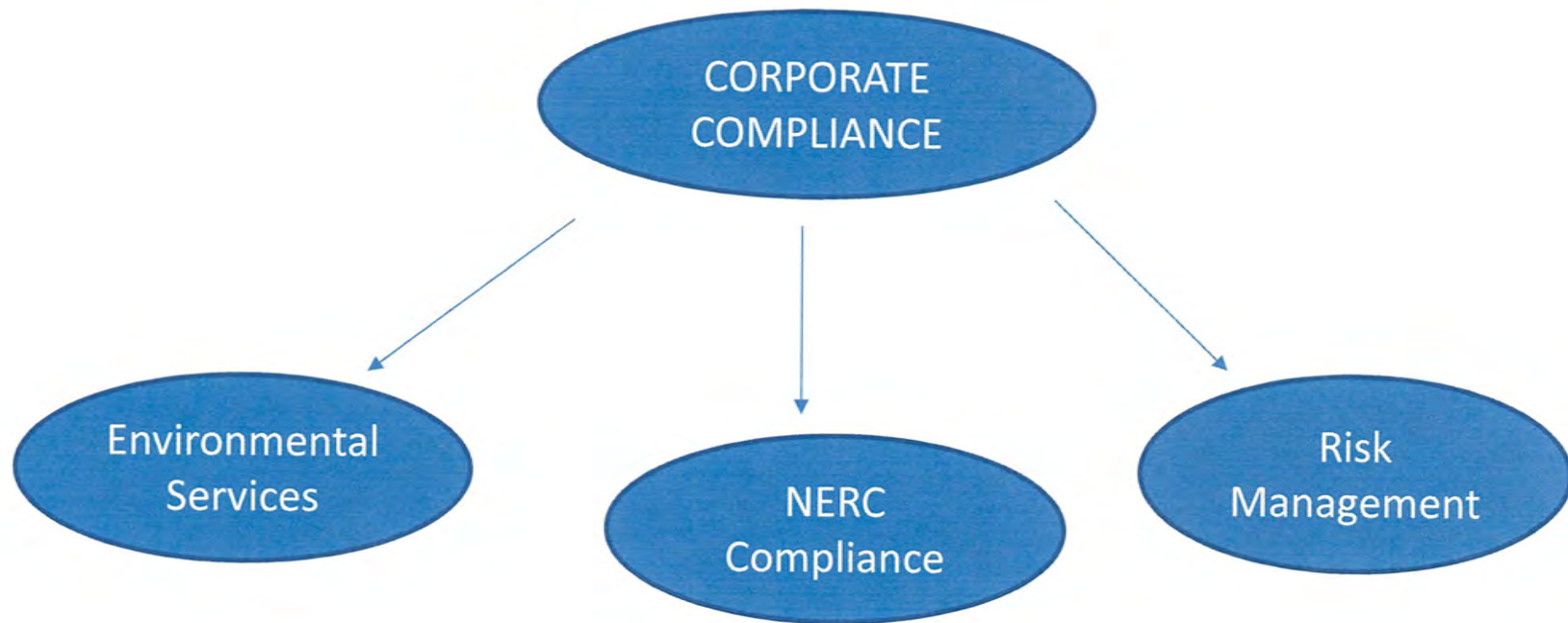
To avoid being disconnected, the customer must contact KCBPU to check eligibility and establish a payment arrangement. Please refer to Payment Arrangement section for additional requirements.

Enterprise Risk Management Overview

June 08, 2022

Overview

- What is Risk Management?
- What are the differences between Risk Management and Enterprise Risk Management?
- Implementation Overview
- Questions?





Time &
Activities



Audit

Past
*Do we do as
we say?*

Compliance

Present
*Are we in
compliance?*

Risk

Future
*What can go
wrong?*

Time &
Activities



Definition of Risk Management

Risk management is the continuing process to **identify, analyze, evaluate, and treat** loss exposures and monitor risk control and financial resources to mitigate the adverse effects of loss.



Risk Management Definition

- BPU utilizes Nearman Unit 1 to hedge against energy market spikes; so long as Nearman continues to run during high load times, BPU is hedged from market spikes.
 - Coal deliveries
 - Environmental Regulations
 - Significant outages
 - Natural Disaster
- BPU has a declining load and increasing costs without a formal plan to diversify revenue.
- BPU competes for IT employees with companies that are located across the US. However, the IT workforce is not bound by geographic location.

Risk Management Definition

To address Risk, we use the following:

➤ **Avoidance**

- ✓ Prohibiting speculative buying and selling of energy projects

➤ **Mitigation**

- ✓ Emergency water sales agreement

➤ **Transfer**

- ✓ Require contractors completing work on property to carry liability insurance.

➤ **Acceptance**

- ✓ Sole source contractors with potential red flags

What is Enterprise Risk Management?



Enterprise Risk Management

- A **structured, consistent, and continuous** risk management process that is applied across the entire organization
- **Identifies, assesses, prioritizes,** and manages the internal and external risks that impact the organization
- Driven by a **decision-support process** that is aligned with the management and execution of **strategic objectives**
- Enhanced by the assignment of roles and responsibilities, **reporting and communication**, policies and procedures, and **adoption of a risk-based culture**

Enterprise Risk Management

Traditional

- Insurable
- One-Dimensional
- Manages one-by-one
- Siloed Approach
- Reactive & Sporadic
- Disjointed Activities
- Risk Adverse

Enterprise

- Non-Insurable
- Multi-Dimensional
- Manages relations of risk
- Holistic Approach
- Proactive & Continuous
- Embedded in Culture
- Risk Taking

Why implement ERM?

External forces

- Complexity of the industry
- Increasing diversity of business lines and services
- Increasing number of regulations
- Increase in extreme weather
- Additional marketplace competition

Why implement ERM?

Internal forces

- Fragmented or “silo” risk management efforts
- Lack of aggregation of common risks and reporting
- Lack of attention to how risks are correlated
- Lack of risk prioritization and budgeting

Why implement ERM?

Similar utilities with Board adopted Enterprise Risk Management and Risk Management departments.

- **Lansing Board of Water Light** (100,000 electric and 58,000 water)
- **Lincoln Electric System** (128,000 electric)
- **Eugene Water and Electric Board** (93,000 electric and 107,000 water)
- **City Utilities of Springfield, Mo** (118,000 electric; 82,000 water and 84,000 gas)

What is the implementation plan?





Lp.	The main of risks	Owner of risk	Reason/cause	Effect	Risk assessment			Risk response strategy	Cost of strategy
					Probability	Impact	Level of risk		
Designing risk									
1	Lack of acceptance by Investor of design proposals	Investor	Delays in approval	Increase in costs due to the suspension of work of the design team	5-40%	50thous.-500thous.	Low	Market observation, alternative designing solutions	0
2	Delays and difficulties in obtaining opinions and permits	Investor	Delay of designing work, unknown scope of design	Disturbed designing process	5-40%	500thous.-2milions	Medium	Earlier diagnosis of the situation in local authorities offices, organization of meetings preceding designing process	50thous.
3	Conflict among designing team members	Designer office	Insufficient flow of information among team members	Disturbed designing process	0-5%	50thous.-500thous.	Low	Response of a team leader to all form of conflicts - mediation in a team	15thous.
4	Too optimistic assessment of employee workload	Designer office	Approval of unrealistic deadlines for individual work	Delay of designing work	5-40%	50thous.-500thous.	Low	Proposing for employees to work overtime or ordering of part of work to another designing team	120thous.
5	Incorrect information from investor/lack of clear guidelines	Investor	Design may be issued with duplicate error or detected error can generate timing constraints	Verification of errors will increase costs and increase time due to the development of the next revision of design	40-70%	2-5 milions	High	Application to investor for extension of time to complete a design due to additional circumstances	20thous.
6	Staff do not have sufficient knowledge about the subject of design	Designer office	Errors in design	Verification of errors will increase time due to the repeated checks of designing work	5-40%	2-5 milions	Medium	Designing team leader strengthens control over work, providing for employees consultation with an expert	65thous.
Time risk									
7	Acceptance of unrealistic deadlines in contract	Designer office	Faulty contractual provisions	Deterioration of design quality of failure to meet the deadline	40-70%	2-5 milions	High	Employment of new employees or ordering part of work to another party during a contract	105thous.
Budget risk									
8	Underestimation of design budget	Investor	Budget may not be sufficient to carry out designing tasks	Deterioration of design quality	40-70%	2-5 milions	High	Limiting scope of design to necessary minimum	40thous.

Timeline



Summary

- Risk Management removes silo-based decision making
- Risk Management becomes embedded in key processes such as strategic, budgeting and project planning
- Evaluate risk priorities and allocate resources strategically
- Develop a common and consistent approach to addressing risk across the institution
- Practice proactivity rather than reactivity

Questions?



Approval of Minutes
Regular Session 6-8-22
Agenda Item #V

STATE OF KANSAS)
CITY OF KANSAS CITY) SS

Also present: William Johnson, General Manager; Angela Lawson, Deputy Chief Counsel; Lori Austin, Chief Financial Officer/Chief Administrative Officer; Johnetta Hinson, Executive Director Customer Service; Steve Green, Executive Director Water Operations; Dong Quach, Executive Director Electric Production; Jerin Purtee, Executive Director Electric Supply; Maurice Moss, Executive Director Corporate Compliance; David Mehlhaff, Chief Communications Officer; Dennis Dumovich, Director of Human Resources; Mark Masloski, Meter Data Management System Analyst; Darren McNew, Director Electric Transmission & Substation; Robert Kamp, IT Project Manager and Tierra Johnson, Acting Supervisor Cash Operations.

Ms. Gonzales called the Board meeting to order at 6:01 P.M. She welcomed all that were listening to or viewing the meeting. She stated that the Board felt it was necessary to offer the use of technology for staff as well as for the general public. During the public comment section, members of the public who wished to speak to the Board using Zoom needed to use the Raise Hand feature at the bottom of the application or window to signal that they wish to address the board during the public comment section. Members of the public connected by phone only, needed to press *9 to indicate they wished to address the Board in the public comment section. Staff would assist those attending in person. During the public comment section of the agenda, community members would be asked to provide their name and address and had five minutes to speak. As always, the public could also email or call the BPU with any concerns. The agenda and presentations could be found on the BPU website or if they were using Zoom they would appear on their screen. Ms. Gonzales introduced herself and the other Board Members along with the General Manager, and Legal Counsel.

Item #3 – Approval of Agenda

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REGULAR SESSION –WEDNESDAY, JUNE 8, 2022

STATE OF KANSAS)
) SS
CITY OF KANSAS CITY)

Item #4– Approval of Work Session Minutes of May 18, 2022

A motion was made to approve the minutes of the Work Session of May 18, 2022, by Ms. Mulvany Henry, seconded by Mr. Bryant, and unanimously carried.

Item #5– Approval of Regular Session Minutes of May 18, 2022

A motion was made to approve the minutes of the Regular Session of May 18, 2022, by Mr. Groneman, seconded by Ms. Mulvany Henry, and unanimously carried.

Item #6 – Public Comments

Mr. W.D. Young, 2602 N. Hallock St, addressed the Board regarding a surge protector on his house that he was being charged for and wanted to know how many other customers had a surge protector on their houses.

Item #6 – Turner Community Connection

Ms. Chandra Ward and Ms. Barbara Kill spoke about the Neighborhood Business Revitalization group in the Turner area and the various programs they use to serve their community. (See attached.)

Ms. Ward and Ms. Kill responded to comments from the Board.

Item #7 – General Manager / Staff Reports

- i. *Customer Service Quarterly Update:* Tierra Johnson, Acting Supervisor of Cash Operations, presented the Customer Service Cash Operations review to the Board. It included an overview of the department’s goals and procedures in managing customer transactions. She also reviewed the various agency assistance programs available to customers. (See attached PowerPoint).

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

- ii. *April 2022 Financials:* Ms. Lori Austin, Chief Financial Officer/Chief Administrative Officer, gave a PowerPoint presentation reviewing the financials for April 2022 with the Board. (See attached.)

REGULAR SESSION –WEDNESDAY, JUNE 8, 2022

STATE OF KANSAS)
) SS
CITY OF KANSAS CITY)

Ms. Austin answered questions from the Board.

A motion was made to approve the April 2022 Financials as presented by Mr. Bryant, seconded by Ms. Mulvany Henry, and unanimously carried.

iii. *Approval of Preliminary Financials already presented:*

A motion was made to approve the 4th Quarter 2021 Financials, January 2022 Financials, February 2022 Financials, and the 1st Quarter 2022 Financials (all of which had previously been presented), by Mr. Bryant, seconded by Mr. Milan, and unanimously carried.

Ms. Austin reported that BPU had received the Certificate of Achievement Award in Financial Reporting for the 2020 Financials and thanked her team for all of their hard work. She was also pleased to report that it was the 40th year in a row that BPU had received this award.

iv. *Miscellaneous Comments;* Mr. Johnson updated the Board on the coal delivery situation. As of June 5th, BPU had received three coal deliveries and were expecting another delivery on June 10.

Ms. Mulvany Henry made inquiries about the timeline of the coal shortage situation.

Mr. Dong Quach, Executive Director Electric Production, and Mr. Johnson responded to questions from the Board.

Mr. Johnson also reported on Unified Government (UG) Government Efficiency taskforce meeting he had attended. The taskforce requested to see the BPU budget, the BPU Organization Chart, and the Strategic Plan. Mr. Johnson and staff would be giving a summary version of the BPU budget to the taskforce in the near future.

He also said that Mayor Gardner was putting together an Economic Development team in addition to the taskforce that included; BPU, UG, Wyandotte Economic Development Council (WYEDC), KCK Chamber and Local Initiatives Support Corporation (LISC). This group would meet every other month and their objective would be to look at the UG process for Economic Development so that the right groups are at the table at the right time.

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Mr. Johnson reported that the UG/BPU joint meeting had been moved from June to July. Mr. Johnson attended the Fairfax Industrial Association (FIA) Board meeting. He discussed having APPA Hometown Connections conduct a future workshop with the Board. He also updated the Board on the status of live broadcasting the Board meetings. They were working through some back ordered equipment obstacles at this time. He explained that the equipment they were bringing in needed to be compatible with what BPU currently had. He would keep the Board informed.

Mr. Haley asked if procedures would be in place before the live broadcasting was implemented.

Mr. Johnson said that there would be an orientation to walk the Board through the preparation of going live.

Item #8 – Board Comments

Mr. Haley thanked everyone for the evening's presentations. He also was appreciative of the Cold Weather rule discussion. He expressed his concern about what nonprofit organizations were being charged for certain connections. He also commented about UG charges on the BPU bill and the possibility of dual billing that would show BPU consumption charges, and another bill that would show the UG charges that BPU was collecting. He proposed having a resolution that stated the Board's desire to see a bifurcation of the bills.

Mr. Groneman thanked everyone for the informative presentations at the Work and Regular sessions. He congratulated Ms. Austin and her team on their recognition. He was happy to see a coal train on the tracks the other day when he was driving down I-70.

Mr. Milan thanked staff for their presentations. He also spoke about attending a meeting of Churches United for Justice, whose objectives were to look at affordable housing and crime east of I-635 and possible funding available.

Mr. Bryant thanked Ms. Johnson for coming and presenting to the Board. He also thanked Mr. Moss, Executive Director Corporate Compliance, for his Risk Management Overview presentation and asked, if a risk was identified and put on a risk register, would it trigger implementation of a mitigation plan for that risk. He also asked if Mr. Moss tracked the stages of other utilities who had implemented such plans.

REGULAR SESSION –WEDNESDAY, JUNE 8, 2022

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Mr. Moss said that it would trigger a course of action. He also stated that through the American Public Power Association (APPA), he did have knowledge of other utilities implementations and steps, and also had relationships with other utilities in which implementation and steps were shared.

Mr. Bryant also wanted to congratulate Ms. Austin on the recognition received.

Ms. Mulvany Henry asked if there were any electric car charging station in our area.

Mr. Johnson said there were none owned by BPU. BPU was currently looking into what state and federal dollars might be available to start a program and was also going to explore possibly partnering with other entities.

Ms. Gonzales thanked Mr. Scott Paulson, Supervisor Vegetation Management, for the tree trimming done in our area, which had resulted in low numbers of outages during the last storms. She also appreciated the information put out regarding available COVID tests.

She congratulated Ms. Austin and the Accounting department on the award received, and thanked everyone for the evening's presentations.

Mr. Milan and the Board expressed their deepest condolences to Ms. Jenny Burley-Krenzer on the passing of her husband, Joel.

Item #9 – Adjourn

A motion was made to adjourn at 8:25 P.M. by Mr. Bryant, seconded by Ms. Mulvany Henry, and unanimously carried.

ATTEST:

Secretary

APPROVED:

President



Turner Community Connection

What is Turner Community Connection Inc?

An organization that is working to create a better quality of life for the Turner area community through community-based problem solving, neighborhood-oriented services and public/private cooperation

What do we hope to achieve?

Turner Community Connection Inc. exists to improve the quality of life in the Turner area of southern Wyandotte County by building long-term residency, encouraging neighborhood renovation and preservation of homes, supporting properly-managed growth and business development, enhancing safety and security, promoting volunteer activism, combating community deterioration and building community by partnering neighbors, business, church, schools, civic organizations and government in a common cause.

A few of our Annual Accomplishments:

- Provide 4 renewable college/trade school \$500 scholarships to Turner residents each year.
- Host an annual neighborhood clean-up – Donuts & Dumpsters every spring.
- Train and placed 18 – 20 youth each summer with jobs in partnership with the BPU summer youth program.

We also continually:

- Serve free meals at the Annual Outreach Dinner held at Turner Recreation Center
- Assist low income and elderly families with minor repairs including house painting, wheelchair ramps, fence line and yard clean ups and many other types of repairs.
- Work with the Police and Codes Department to reduce blight and crime
- Host Holiday Parties for Seniors at our neighborhood senior living facility that includes a wrapped gift and poinsettia for each resident plus Santa, lunch and many other prizes.
- Partner with Turner Recreation for various community events that has touched the lives of approximately 1,000 children annually.
- Offer numerous trainings and informative program meetings for all residents and business in the Turner area.
- We are responsible for the holiday lights that are placed along 55th Street in the old part of Turner.
- Partner Hand in Hand to provide Christmas Dinners for students and families in the Turner District enrolled in their program.

Customer Service

Cash Operations Review

June 8, 2022

Cash Operations

Our overall goal is to effectively manage the timely and accurate processing of electronic and manual payments, deposit all funds, reconcile the bank statements and provide an excellent customer service experience.

- Process payments on accounts via Cash, Check, Credit/Debt Card, Money Order, and Cashier's Check
- Process Dishonored or Returned Items
- Balance Cash Drawers
- Cancel NSF Disconnects
- Process and Balance Electronic A/R Files
- Research and verify payment history

Cash Operations

Payment Methods

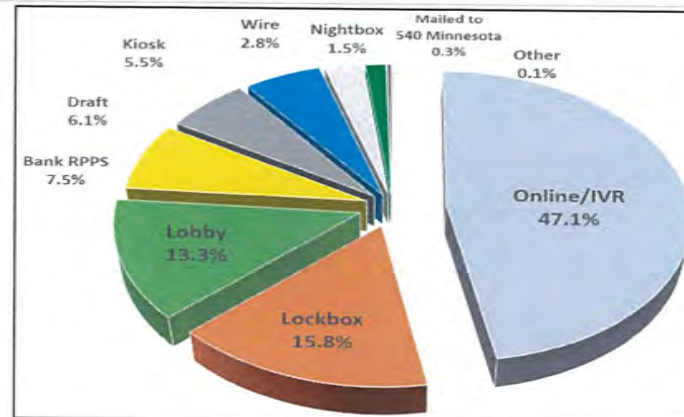
- Online and IVR
- Kiosk
- Nightbox
- UMB Lockbox
- RPPS - Payments made through a third party
- Mail Payments - 540 Minnesota
- Agency
- Bank Draft
- ACH - Wire
- Lobby (Closed in March 2020 due to COVID)



Cash Operations - Pre-COVID

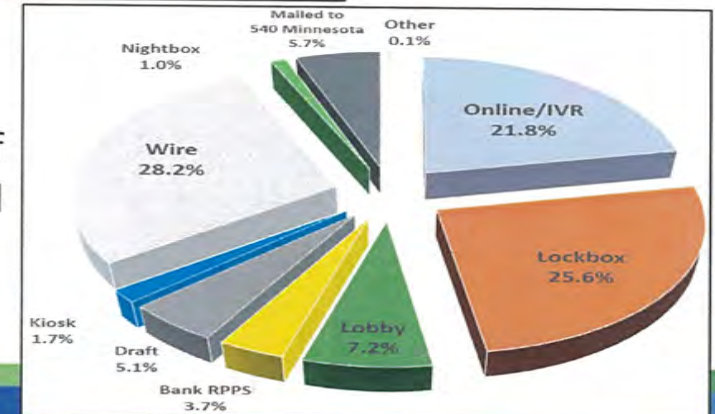
Payment Methods

- Around \$32 Million was handled through the various payment channels monthly
- Payments made online and thru the IVR accounted for almost half the transactions and ~22% of all money collected
- Payments made in the lobby accounted for almost 15% of all transactions & over 7% of money collected (approx. 9,000 -11,000 customers per month)



Percent of
Payment
Transactions

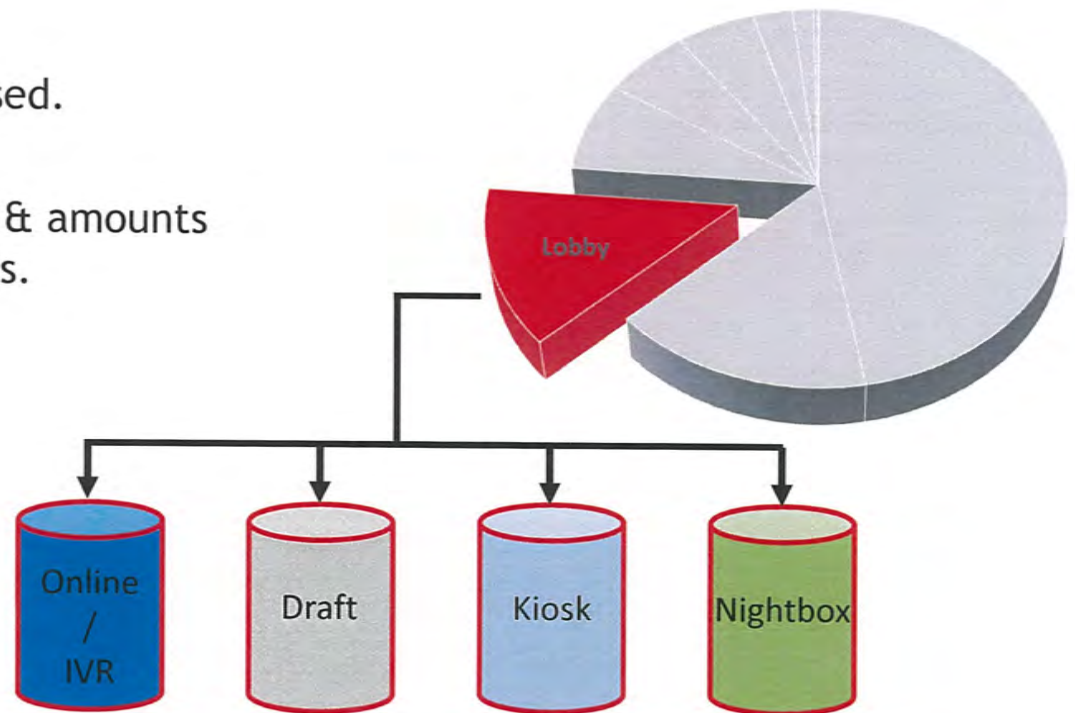
Percent of
Money Collected



Cash Operations - COVID

COVID Impact

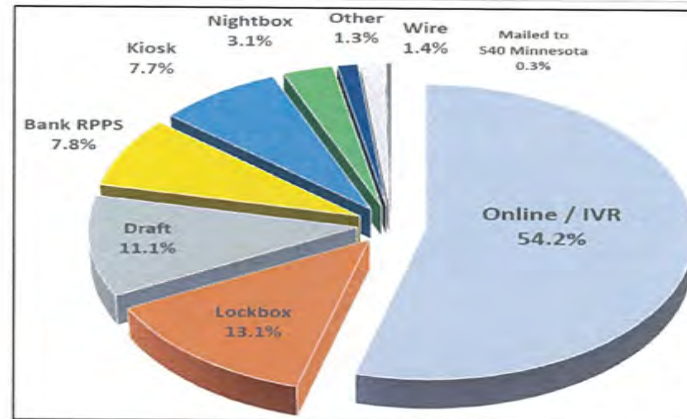
- During COVID, the Lobby was closed.
- The impact of those transactions & amounts were shifted to different channels.
- Most of the shift went to:
 - Online / IVR
 - Draft
 - Kiosk
 - Nightbox



Cash Operations - Today

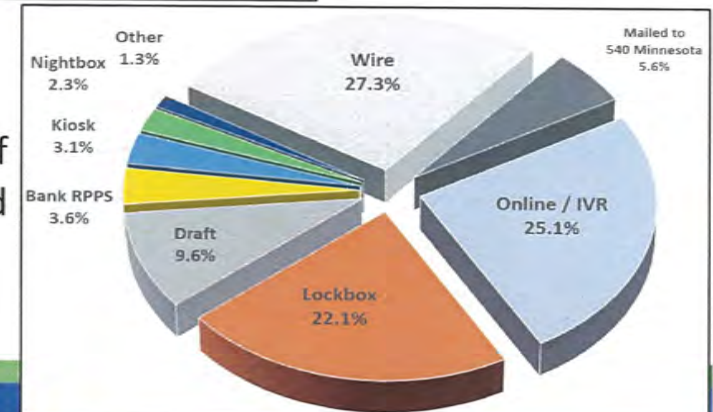
Payment Methods

- Around \$32 Million is still handled through these channels monthly
- Amount paid channel changes:
Online / IVR has increased ~3.5%
Draft is up ~4.5%
Kiosk has increased ~1.5%
Nightbox is up ~1%
- Transaction channel changes:
Online / IVR is up ~7%
Draft is up ~5%
Kiosk has increased ~2%
Nightbox has increased ~1.5%



Percent of
Payment
Transactions

Percent of
Money Collected





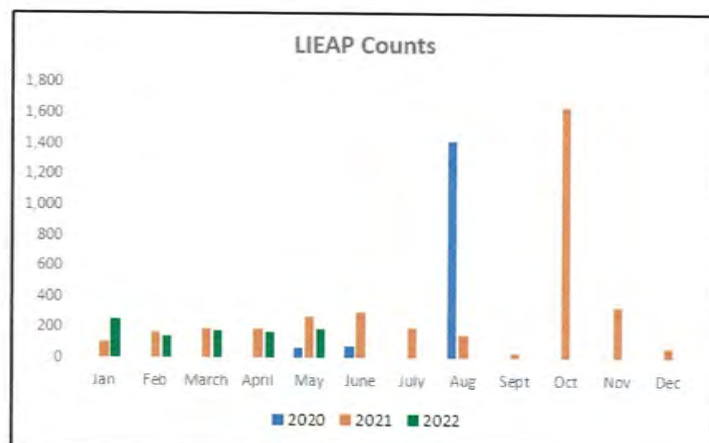
Agency Assistance

Agencies work with BPU to determine how much assistance is needed on past due bills. Payments (checks) received are applied manually by Cash Operations to the specified accounts.

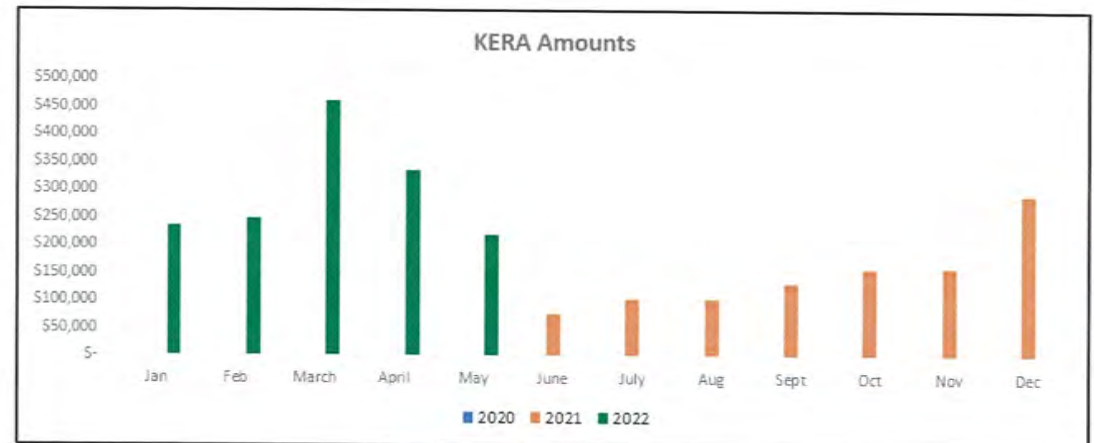
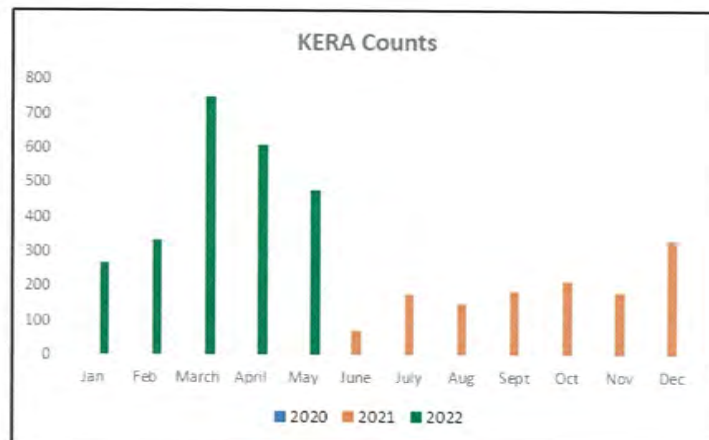
A few agency programs include:

- **LIEAP** - Low Income Energy Assistance Program; Assists with paying on the Electric portion of the BPU bill.
- **KERA** - Kansas Emergency Rental Assistance; Assists with the utilities, rent & internet. Program began in May 2021.
- **EWAP** - Emergency Water Assistance Program; Assists customer's with the Water portion of the BPU bill. New in past 2-3 months.
- **KHAF** - Kansas Homeowner Assistance Fund; Assists homeowners with their mortgage, property taxes and utilities. New in past 2-3 months.

In the past, LIEAP only provided payments once or twice a year. Since COVID, more funds have been made available. We are receiving payments every month, almost daily.



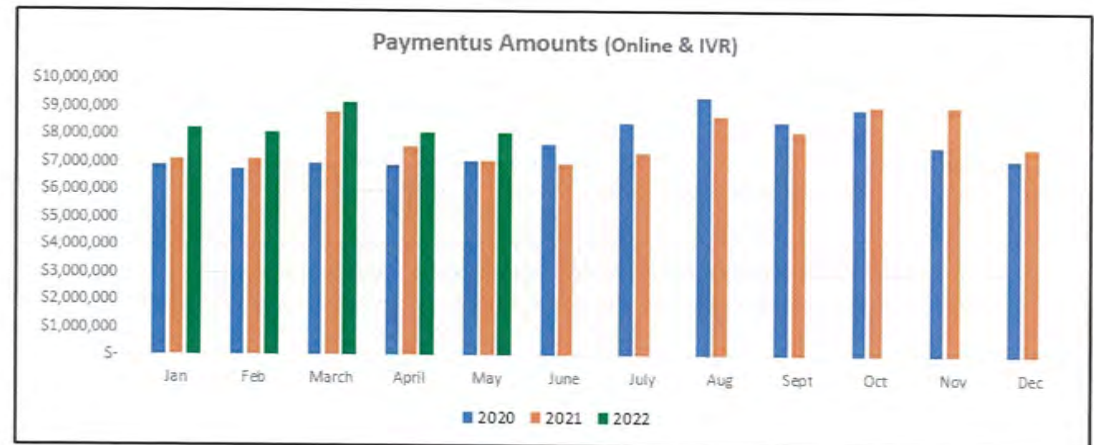
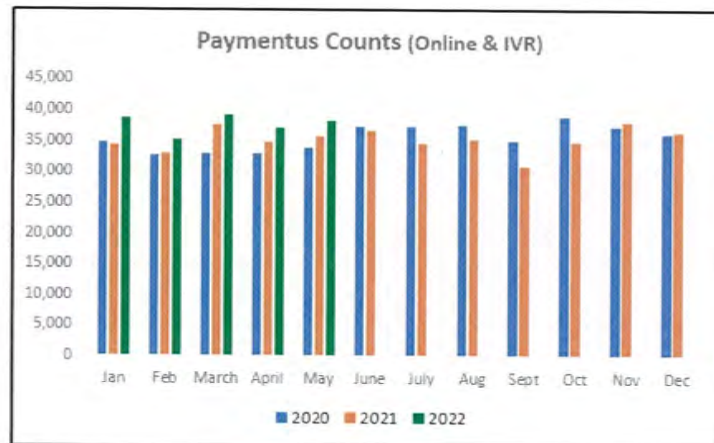
KERA began in May 2021 with the first payments arriving in June 2021. We saw an increase thru March 2022 but count & amount numbers have been decreasing lately.



Online / IVR Payments

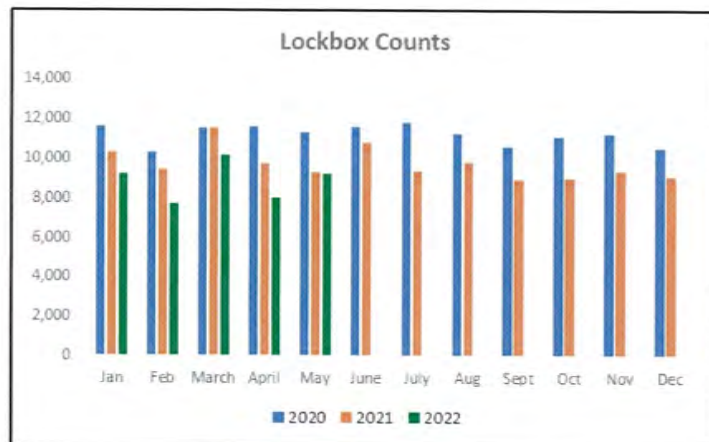
Online / IVR Payments are handled via Paymentus.

Each month of 2022 has seen the highest counts & amounts over the past three years.



Lockbox Payments

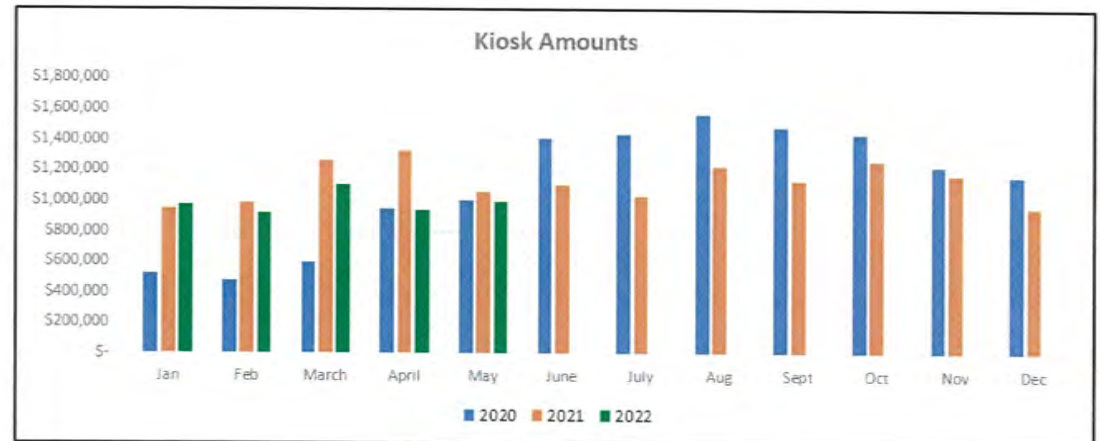
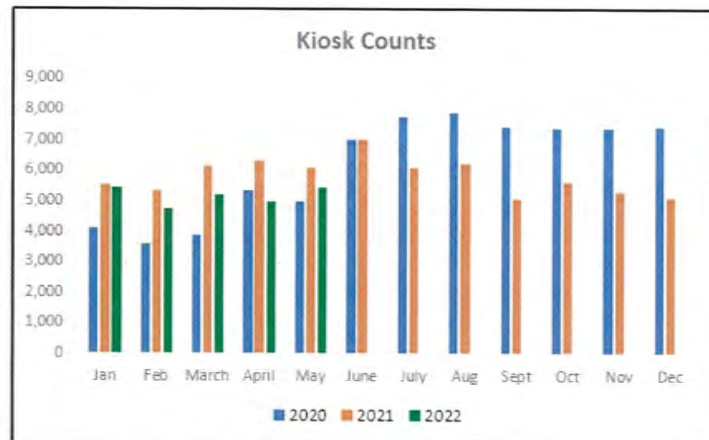
Lockbox Payments are mailed to the PO Box displayed on the bill. Payments made thru the lockbox have been decreasing year-over-year.



Kiosk Payments

Kiosk Payments are handled via US Payments.

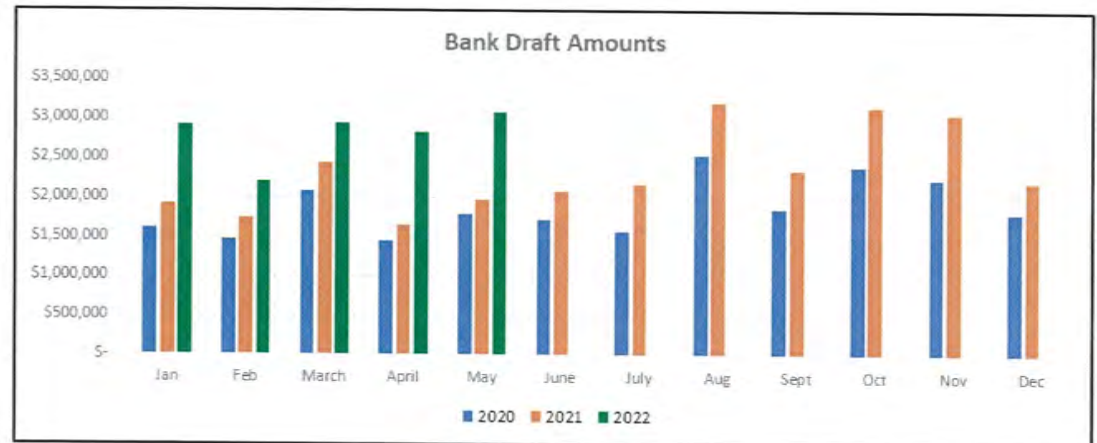
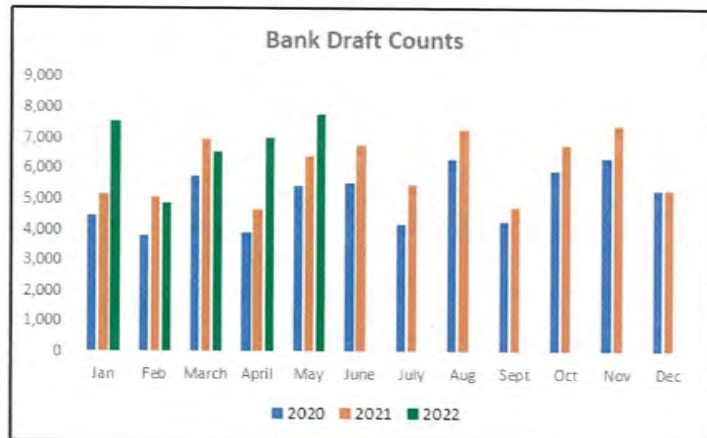
There was a decent increase in Kiosk payments/amounts once the lobby closed. That increase has come down to a more consistent level.



Bank Draft Payments

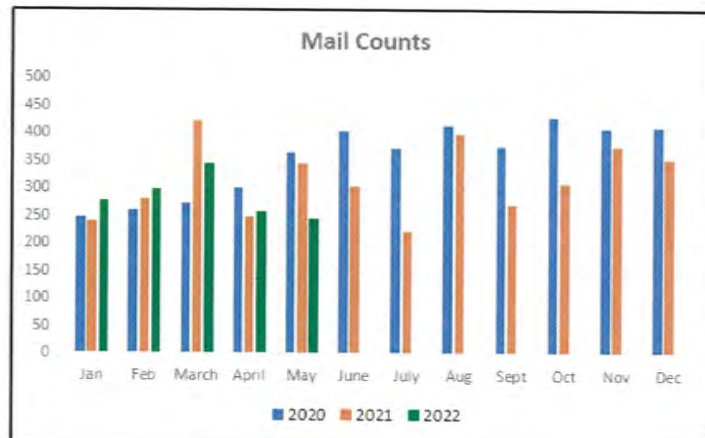
Draft Payments are payments automatically drafted from customer bank accounts.

Draft payments have been increasing over the past couple years with 2022 seeing the highest amounts in each month.



Mail Payments

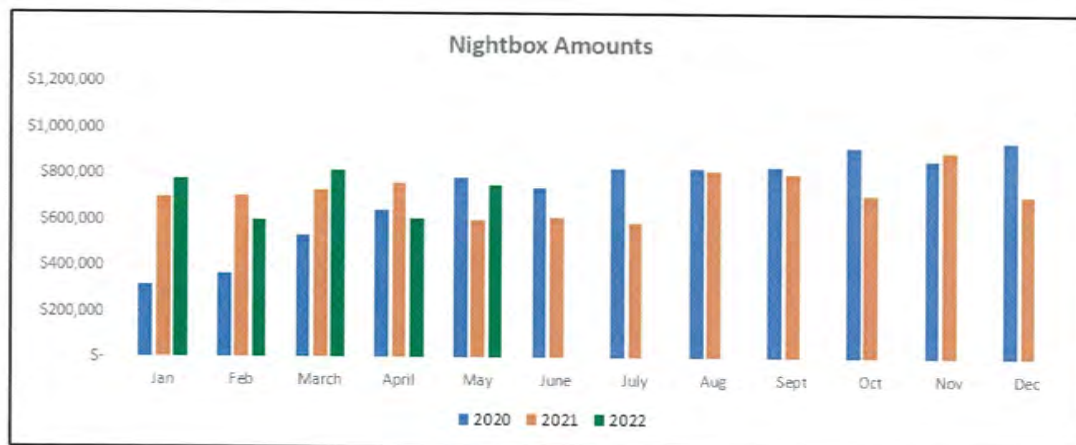
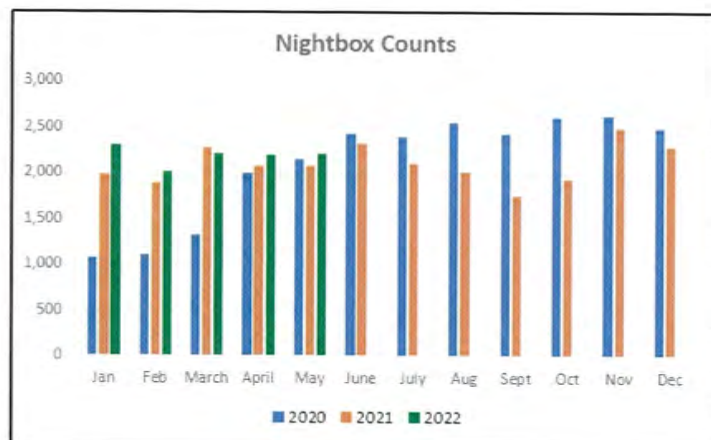
Mail Payments are payments mailed to 540 Minnesota Avenue. Mailed payments haven't seen a big increase or decrease. The amounts are rather consistent over the past three years.



Nightbox Payments

Nightbox Payments are payments physically dropped off at 540 Minnesota Avenue.

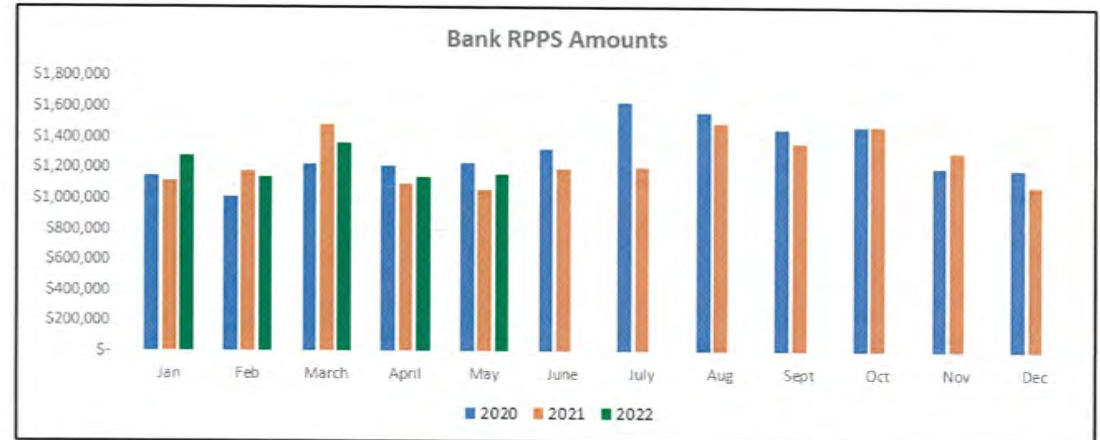
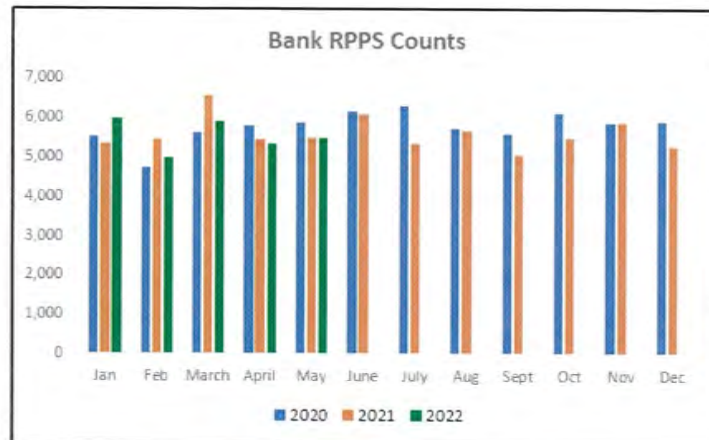
Nightbox payment counts and amounts both increased once the lobby closed and have stayed at that level.



Bank RPPS Payments

Bank RPPS Payments are payments submitted electronically (online) usually thru a customers bank or other 3rd parties.

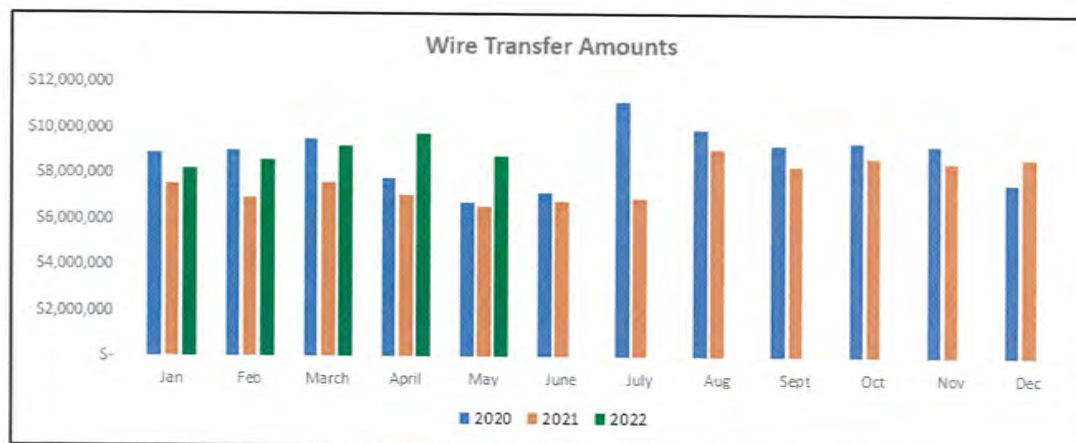
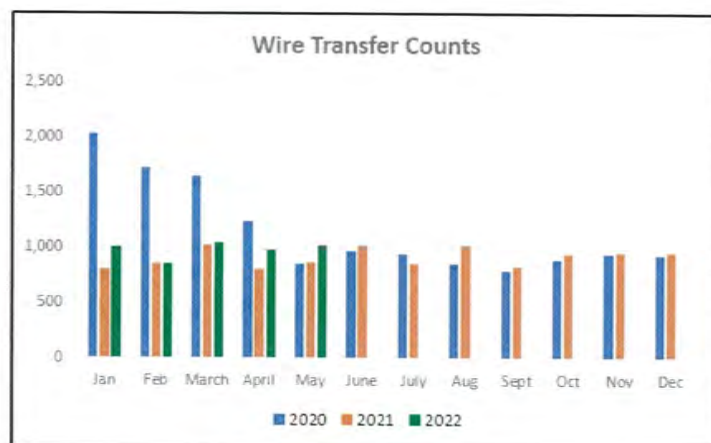
Payments thru RPPS have continued monthly ups and downs.



ACH/Wire Transfer Payments

ACH/Wire Payments are payments submitted thru a wire transfer.

Wire payments decreased once COVID started and have stayed lower. The amounts haven't changed much despite the lower counts.



*Thank
you*

April, 2022 Financial Results

June 8, 2022

Financial Results

2022 Billed kWh (YTD Jan - Apr)

Electric	(CY) 2022 YTD	(PY) 2021 YTD	
Residential	183,921,906	188,256,757	
Commercial	305,236,931	296,911,158	
Industrial	168,207,165	150,416,436	
	657,366,002	635,584,351	3.4%

Residential – Down 2% Commercial – Up 3% Industrial – Up 12%

Financial Results

2022 Billed CCF's (YTD Jan - Apr)

Water	(CY) 2022 YTD	(PY) 2021 YTD	
Residential	1,060,415	1,088,755	
Commercial	745,153	717,959	
Industrial	582,717	555,319	
	2,388,285	2,362,033	1.1%

Residential – Down 3%

Commercial – Up 4%

Industrial - Up 5%

Financial Results

Revenues – April 2022

	(CY) 2022 April	(PY) 2021 April		Budget 2022 April	(CY) 2022 April	
Electric	\$ 20.237	\$ 17.696		\$ 20.728	\$ 20.237	
Water	3.832	3.883		4.070	3.832	
Combined	\$ 24.069	\$ 21.579	11.5%	\$ 24.798	\$ 24.069	-2.9%

Actual Compared to 2022 Budget

Electric - Down 2%

Water – Down 6%

Financial Results

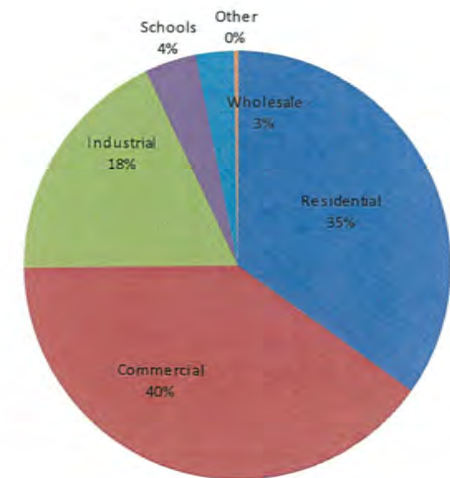
Revenues – 2022 YTD

	(CY) 2022 YTD	(PY) 2021 YTD		Budget 2022 YTD	(CY) 2022 YTD	
Electric	\$ 93.631	\$ 104.264		\$ 89.441	\$ 93.631	
Water	15.928	15.645		16.265	15.928	
Combined	\$ 109.559	\$ 119.909	-8.6%	\$ 105.706	\$ 109.559	3.6%

**Dollars in millions

Variance – YTD comparing Budget to Actual for 2022

<u>Electric:</u>	<i>Up 5%</i>	<u>Water:</u>	<i>Down 2%</i>
Residential	(\$502K)	Residential	(\$77K)
Commercial	\$2.7M	Commercial	(\$25K)
Industrial	\$999K	Industrial	(\$71K)
Schools	(\$ 33K)	Wholesale	(\$30K)
Wholesale	\$315K		



Financial Results

Operating Expenses – April 2022

	(CY) 2022 April	(PY) 2021 April		Budget 2022 April	(CY) 2022 April	
Electric	\$ 17.994	\$ 14.822		\$ 17.241	\$ 17.994	
Water	3.025	3.181		3.257	3.025	
Combined	\$ 21.019	\$ 18.003	16.8%	\$ 20.498	\$ 21.019	2.5%

Actual Compared to 2022 Budget

Electric – Up 4%

Water - Down 7%

Financial Results

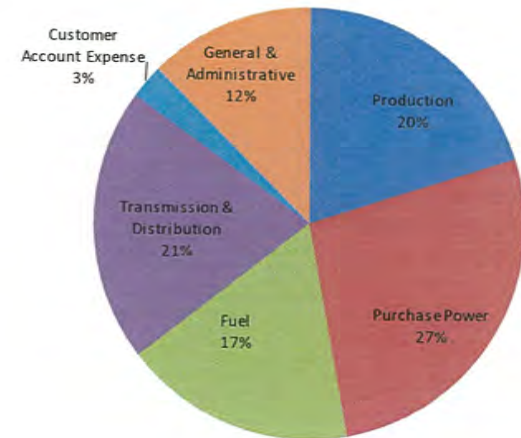
Operating Expenses – 2022 YTD (Total)

	(CY) 2022 YTD	(PY) 2021 YTD		Budget 2022 YTD	(CY) 2022 YTD	
Electric	\$ 70.880	\$ 71.546		\$ 68.328	\$ 70.880	
Water	11.932	11.790		13.111	11.932	
Combined	\$ 82.812	\$ 83.336	-0.6%	\$ 81.439	\$ 82.812	1.7%

**Dollars in millions

Actual Compared to 2022 Budget

- Electric - Up 4%
- Water - Down 9%



Amortized 1/6th of the 2021 ERC Under Recovery in April 2022 - \$385,500

Financial Results

Operating Expenses – 2022 YTD less Depreciation

	(CY) 2022 YTD	(PY) 2021 YTD		Budget 2022 YTD	(CY) 2022 YTD	
Electric	\$ 60.642	\$ 61.357		\$ 57.522	\$ 60.642	
Water	9.187	9.003		10.302	9.187	
Combined	\$ 69.829	\$ 70.360	-0.8%	\$ 67.824	\$ 69.829	3.0%

**Dollars in millions

Variance – YTD comparing Budget to Actual 2022

Electric:

Purchased Power	\$2.9M
Fuel	\$2.8M
Production	\$136K
T&D	(\$2.7M)
G&A	(\$1.5M)

Water:

Production	(\$428K)
T&D	(\$224K)
G&A	(\$437K)

Financial Results

Change in Net Position – April 2022

	(CY) 2022 April	(PY) 2021 April
Electric	\$ (1.683)	\$ (0.647)
Water	0.284	0.254
Combined	\$ (1.399)	\$ (0.393)

Budget 2022 April	(CY) 2022 April
\$ (0.222)	\$ (1.683)
0.328	0.284
\$ 0.106	\$ (1.399)

**Dollars in millions

Financial Results

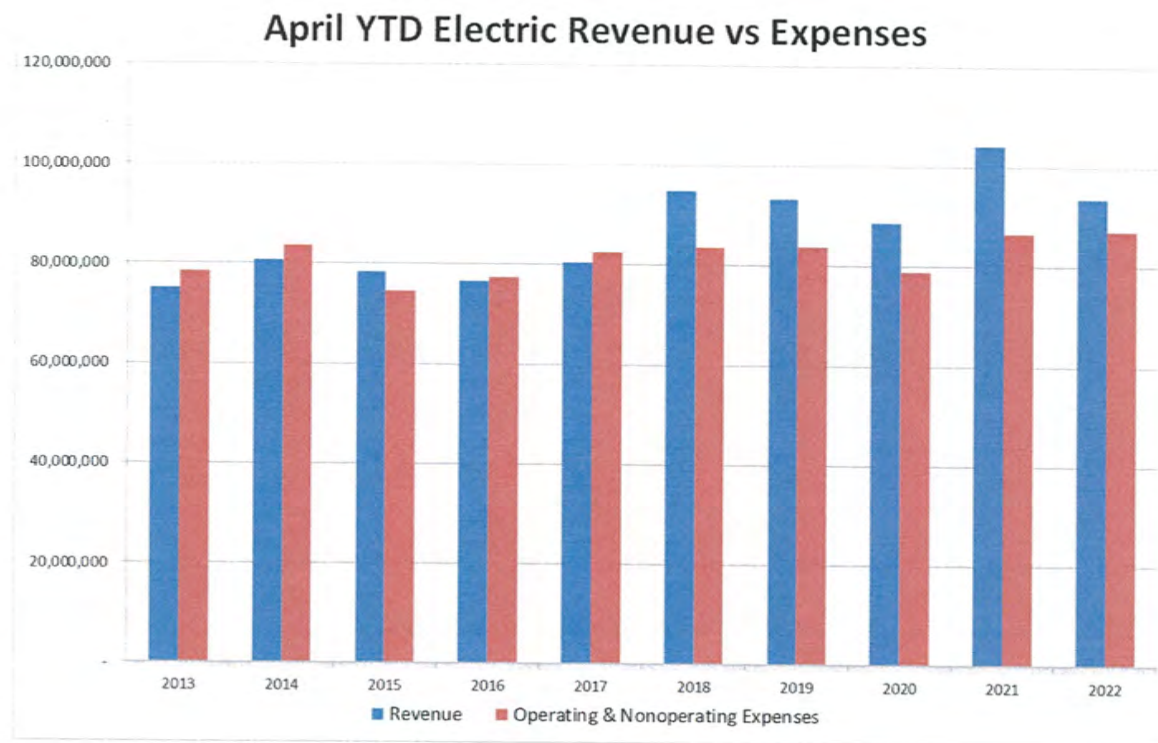
Change in Net Position – 2022 YTD

	(CY) 2022 YTD	(PY) 2021 YTD
Electric	\$ 6.529	\$ 17.472
Water	2.016	1.633
Combined	\$ 8.545	\$ 19.105

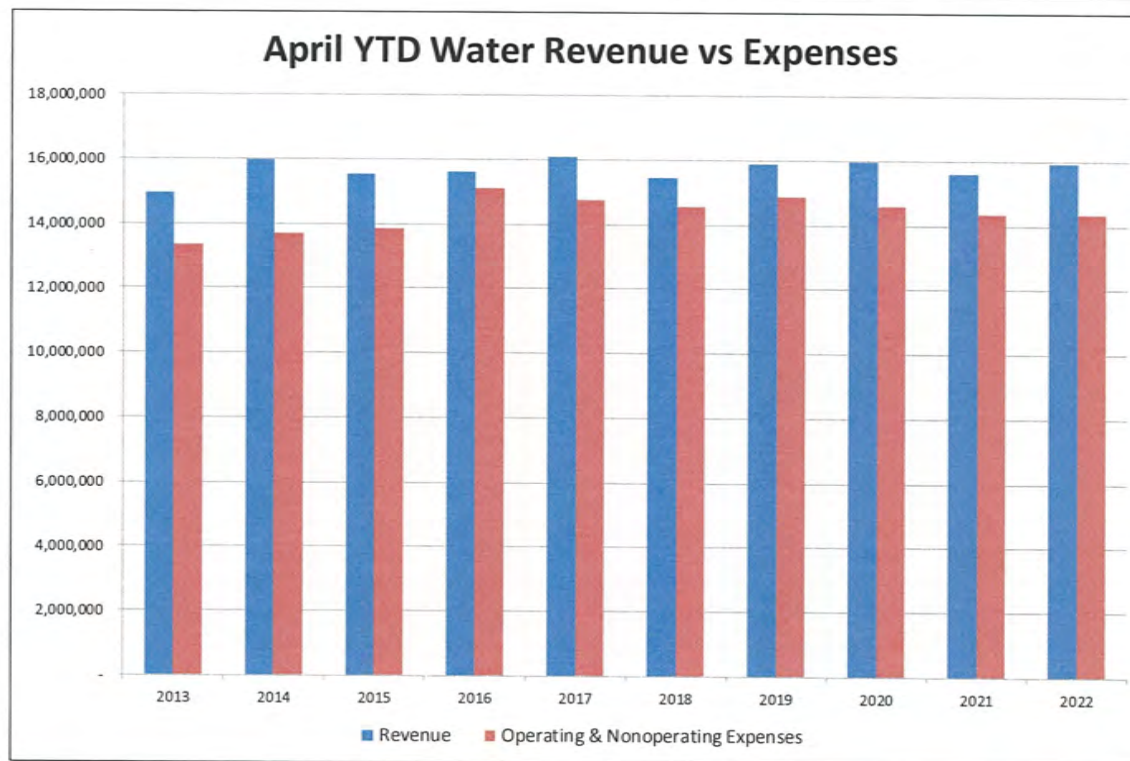
Budget 2022 YTD	(CY) 2022 YTD
\$ 5.582	\$ 6.529
0.921	2.016
\$ 6.503	\$ 8.545

**Dollars in millions

Financial Results – 10 Year Trend

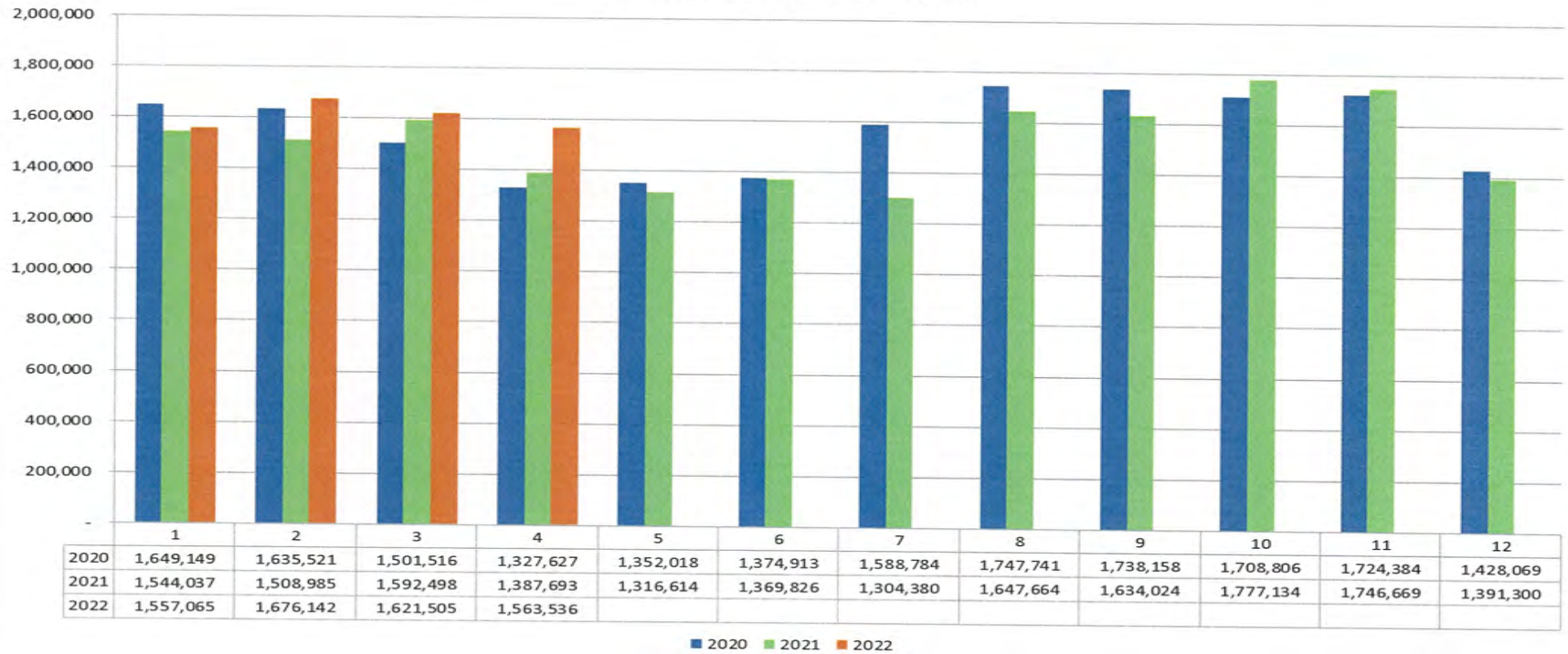


Financial Results – 10 Year Trend



Financial Results

Average Daily Collections



Financial Results

Historical Monthly Cash Comparison



Financial Results

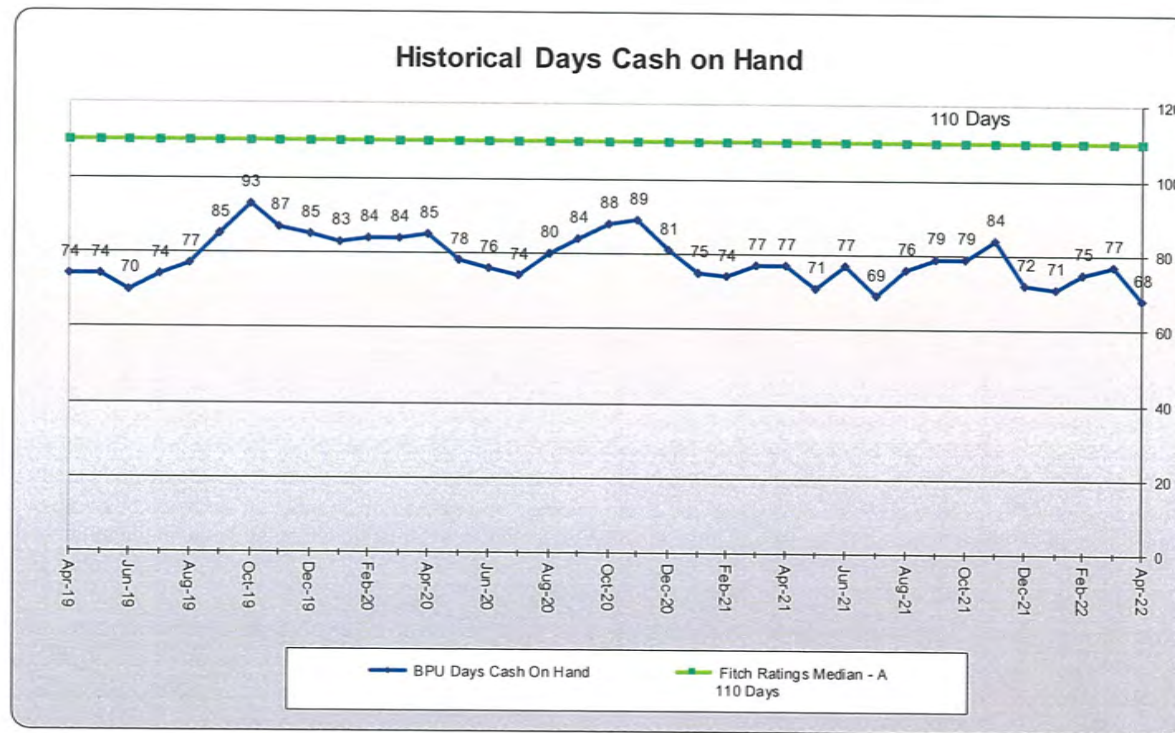
Cash Position

	(CY) 2022 April	(PY) 2021 April	2022 March
Combined (E&W)	\$ 41.20	\$ 45.26	\$ 45.71
Days Cash-on-Hand	68	77	77

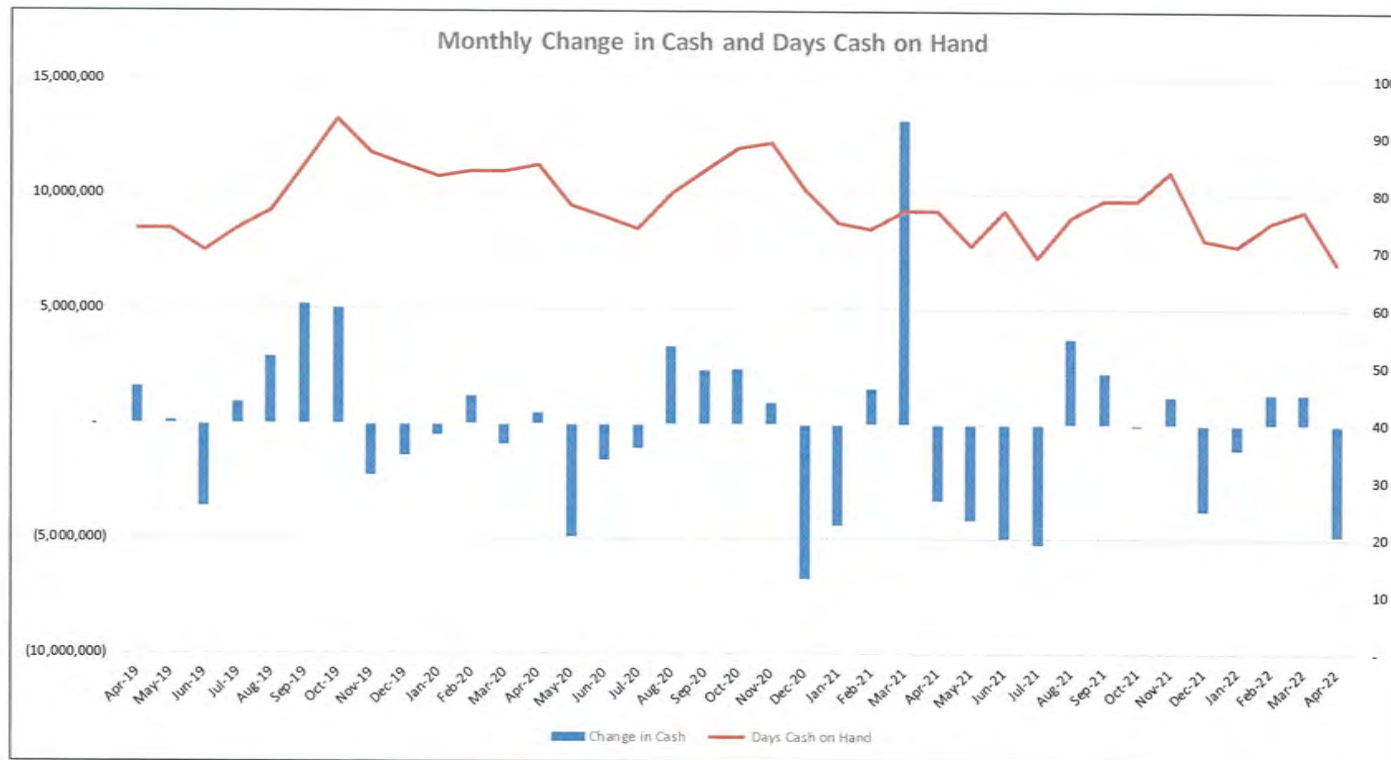
1 Day = Approximately \$550K-\$600K

**Dollars in millions

Financial Results



Financial Results



Financial Results

Balance Sheet: Notables

	(CY) 2022 April	(PY) 2021 April
Fuel Inventory	\$ 4.162	\$ 5.648
Bond Dollars 2016C (Elec T&D)	\$ 0.709	\$ 1.543
Bond Dollars 2020A (Elec)	\$ 0.797	\$ 8.200

**Dollars in millions

Financial Results

Capital Spending

	(CY) 2022 YTD	(PY) 2021 YTD	2022 Budget	
Electric	\$ 6.00	\$ 3.76	\$ 28.09	
Water	2.15	1.54	22.28	
Common	0.86	1.26	5.82	
Total YTD Capital	\$ 9.00	\$ 6.57	\$ 56.19	Remaining 84%

**Dollars in millions

Major projects in 2022:

Elect Ops Facility Improvements - \$194K
 Piper OH Feeders - \$913K
 Fisher UG Feeders - \$2.0M
 Annual Underground - \$1.2M
 NC Fire Protection Upgrade - \$502K
 Water Leak, Valve, System Imp. - \$564K
 Water Transmission Imp. - \$558K

Financial Results

Debt Coverage

Debt Coverage with PILOT

	(CY) 2022 April	(PY) 2021 April
Electric	2.12	2.09
Water	1.95	2.07
Combined	2.27	2.26

Debt Coverage w/o PILOT

	(CY) 2022 April	(PY) 2021 April
Electric	1.50	1.49
Water	1.49	1.61
Combined	1.63	1.65

Financial Guideline Target 1.6 to 2.1 times with PILOT

