



**KPP**  
ENERGY

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COMMUNITY OWNED **POWER**

**ANNUAL REPORT**

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2022  
ANNUAL  
REPORT



# Management Message

"If everyone is moving forward together,  
then success takes care of itself" - Henry Ford

## MOVING FORWARD TOGETHER



Colin Hansen, CEO / General Manager and Scott Glaves, KPP Board President

**STRENGTH THROUGH JOINT ACTION** is the key to moving our communities forward together.

Since the advent of KPP in 2005, our mission has remained constant – providing reliable and affordable energy to our member communities. While the service and expertise that members count on from KPP Energy continues to expand and grow with each passing year, we must and do remain laser-focused on those two founding principles of affordability and reliability.

Doing so is not always easy. Or comfortable. 2022 was a year of volatile and elevated energy costs due to numerous situations including rampant inflation and the impact of rising natural gas prices from the war in Ukraine. Members felt the impact of severe supply change issues and we faced another winter storm – Winter Storm Elliott – as 2022 rolled to an end.

Through it all, KPP’s investments in power supply and transmission projects created significant value and savings for member communities. KPP resources performed well in 2022 and helped to significantly mitigate the high energy costs seen by consumers all over the world.

KPP continues to pursue projects that are beneficial to the membership. In 2022, we saw full commercial operation of the Kingman Cunningham substation that brought substantial benefits to KPP and the City of Kingman. These were the first transmission assets constructed and owned by KPP.

Also in 2022, KPP took full advantage of the Solomon Energy Storage Center, the agency’s battery storage facility in member-city Minneapolis that is offered into the Southwest Power Pool (SPP) integrated market and provides voltage control in Minneapolis.



Numerous other projects were initiated or continued development in 2022, including the Marion distribution system rebuild, Waterville substation, Mulvane substation, numerous AMI projects and more.

Meanwhile, KPP continues to conduct due diligence and move forward on the Walnut Energy Center. This 54 megawatt (MW) dual-fuel fired power plant to be located in Winfield will be the largest KPP project to date. There are many hurdles to clear before Walnut can come to fruition, but we are making great progress.

KPP Energy offers a variety of beneficial services to members, from comprehensive rate studies and financial and budgeting assistance to electric distribution studies, grant funding initiatives and small scale solar projects.

KPP continued its strong financial performance. Operating reserves remained high, ending the year with 159.8 days of cash on hand. That strong financial position was reflected in reaffirmed credit ratings of A3 from Moody’s and A- from Fitch Ratings.

As we look forward to 2023, we anticipate the lowest KPP base rates since 2014. In addition, we look forward to retiring the Winter Storm Uri surcharge in 2023. These two steps will provide significant rate decreases to KPP members.

Moving forward, KPP will maintain a steady focus on our key priorities of providing affordable and reliable power supply, maintaining financial stability, and providing value to member communities. All while remaining, at our core, member-focused and mission-driven.

Thank you to our members for their continued support and commitment to public power. We look forward to another successful year ahead.

**COLIN HANSEN**  
CEO / General Manager

**SCOTT GLAVES**  
KPP Board President

# KPP Board of Directors



*Scott Graves,  
KPP Board President  
Clay Center, Superintendent of Utilities*

Scott Graves has served as Superintendent of Utilities for the Clay Center Public Utilities Commission (CCPUC) since April of 2017. Scott started with CCPUC in 2005 as an Apprentice Lineman. He holds a Bachelor of Science degree from Kansas State University in Criminology/Sociology and an Associate degree from Manhattan Area Technical College in Electric Power and Distribution. Scott enjoys spending time with his family, hunting, and fishing. He and his wife Amy, have two children, Brigham and Brady.



*Jason Newberry,  
KPP 1st Vice President  
Wellington, Assistant City Manager for Utilities & IT*

Jason Newberry is a native of Wellington and has worked for the city in various roles for over 20 years. He is currently serving as Assistant City Manager for Utilities and IT. Jason received his Master of Public Administration degree from Wichita State University and takes great pride in serving the public with a passion for local government. Jason enjoys spending time with his family, hunting, and fishing. Jason and his wife Whitney, have two children, Baylee and Easton.



*Lou Thurston,  
KPP 2nd Vice-President  
Hillsboro, Mayor*

Lou Thurston is a native Kansan. He received a degree in Public Affairs from Emporia State University. Early in his career he served in the City Manager's office in Emporia. Lou currently is employed in the label and packaging industry as an Account Executive for Grace Label, Inc. in Hillsboro. Lou has served the community of Hillsboro for many years, including 14 years as a board member on the Hillsboro Development Corporation and currently serving a third term as Mayor of Hillsboro. Lou enjoys traveling and following his grandkids' sporting endeavors. Lou and his wife Lori, have two children, five grandchildren, and four great-grandchildren.



*John Wheeler,  
KPP Board Secretary  
Marion, Former City Council Member*

John Wheeler was elected to the KPP Board of Directors in 2018. He has served on Marion's Planning & Zoning Committee for four years and on the Airport Advisory Board for four years. John has been in the lumber industry for over 23 years. He started his career in Idaho during college, transferred to Northern Illinois, and currently works at The Building Center in Marion. John and his wife Megan, have three children, Morgan, Aspen, and Gunnar.



*Gus Collins,  
KPP Board Member  
Winfield, Director of Utilities*

Gus Collins has been the Director of Utilities for the City of Winfield since August 2014. A native of Emporia, Gus earned a Bachelor of Science degree in Business from Emporia State University. Prior to accepting the position in Winfield, Gus served as City Manager of Wellington for eight years. Gus has over 36 years of local government experience. Gus has served on the KPP Board for six years and as the President of the Board for 2020 and 2021. Gus enjoys golfing, hunting, fishing, and time with family.



*Greg Graffman,  
KPP Board Member  
Kingman, City Manager*

Greg Graffman has been the City Manager for the City of Kingman since September 2017 and maintains a small legal practice in Kingman. Greg earned his Bachelor of Science degree in Secondary Education from Oklahoma State University, a Master of Education degree from the University of Southern Mississippi, and a Juris Doctorate from Washburn University. He taught speech, debate, and forensics at Haven High School for ten years before law school. After law school, Greg moved to Kingman in 2003. He was the City Attorney prior to accepting the City Manager position. Greg enjoys time with family, cooking, watching sports, and all things Oklahoma State.



# KPP Board of Directors Continued



*Tim Johnson,  
KPP Board Member  
Augusta, Director of Public Utilities*

Tim Johnson is the Director of Public Utilities in Augusta. With almost 30 years of experience in local government, Tim has served in numerous cities roles throughout Kansas in areas of city management, budget and finance, community development, and water and wastewater utility administration. Tim earned a Bachelor of Arts degree and a Master of Public Administration degree from Wichita State University. He also earned a Master of Arts degree from Gonzaga University in Organizational Leadership. Tim and his wife Brenda enjoy spending time with their four children and nine grandchildren, working in their yard, and traveling.



*Chris Komarek,  
KPP Board Member  
Ellinwood, City Administrator*

Chris Komarek has served as City Administrator in Ellinwood since 2016 and has been employed by the city for more than four decades. Chris attended Barton County Community College and completed the Paramedic Program. Additionally, for 36 years, Chris worked in the city's electrical distribution department – nine years as its Superintendent. Chris recently retired from the volunteer fire department after serving for 40 years, 26 years as Fire Chief. Chris and his wife Alexandra enjoy traveling and have two boys and six grandchildren.



*Rex Reynolds,  
KPP Board Member  
Mount Hope, Former City Council Member*

Rex Reynolds is currently the Executive Vice President at Legacy Bank in Wichita. Rex is familiar and well respected in west Sedgwick County where he has spent over 30 years in banking. Rex received a Bachelor of Science Degree in Marketing from Emporia State University in 1982. Rex has been a member of the KPP Board of Directors since 2016 and a former member of the Mount Hope City Council where he served as the Electric Commissioner for most of that time. He also participates and supports many community initiatives and activities in Mount Hope. Rex and his wife Renee, have three children and one grandchild.



*Burlington Mayor Stan Luke  
presented with the APPA Spence  
Vanderlinden Public Official Award*



KPP Members and Staff are **Nationally Recognized Leaders** in Public Power.



*Augusta Director of Public Utilities Tim Johnson  
presented with the APPA Public Power Manager Certificate*





**VISION STATEMENT**  
KPP will provide outstanding services and exceed the future requirements, expectations and needs of its member utility customers and communities.

WE ARE  
ALL PART  
OF THE TEAM



<p><b>Colin Hansen</b> <i>CEO / General Manager</i></p>	<p><b>Larry Holloway</b> <i>Assistant General Manager / Operations</i></p>	<p><b>Vickie Matney</b> <i>Controller</i></p>
<p><b>Ivan Seward</b> <i>Senior Accountant</i></p>	<p><b>James Ging</b> <i>Director of Engineering Services</i></p>	<p><b>Brooke Carroll</b> <i>Director of Administrative Services</i></p>
<p><b>Linda Joplin</b> <i>Administrative Assistant</i></p>	<p><b>Delaney Hirst</b> <i>Accounting Intern</i></p>	<p><b>J.T. Klaus</b> <i>KPP General Counsel, Triplett Woolf Garretson, LLC</i></p>



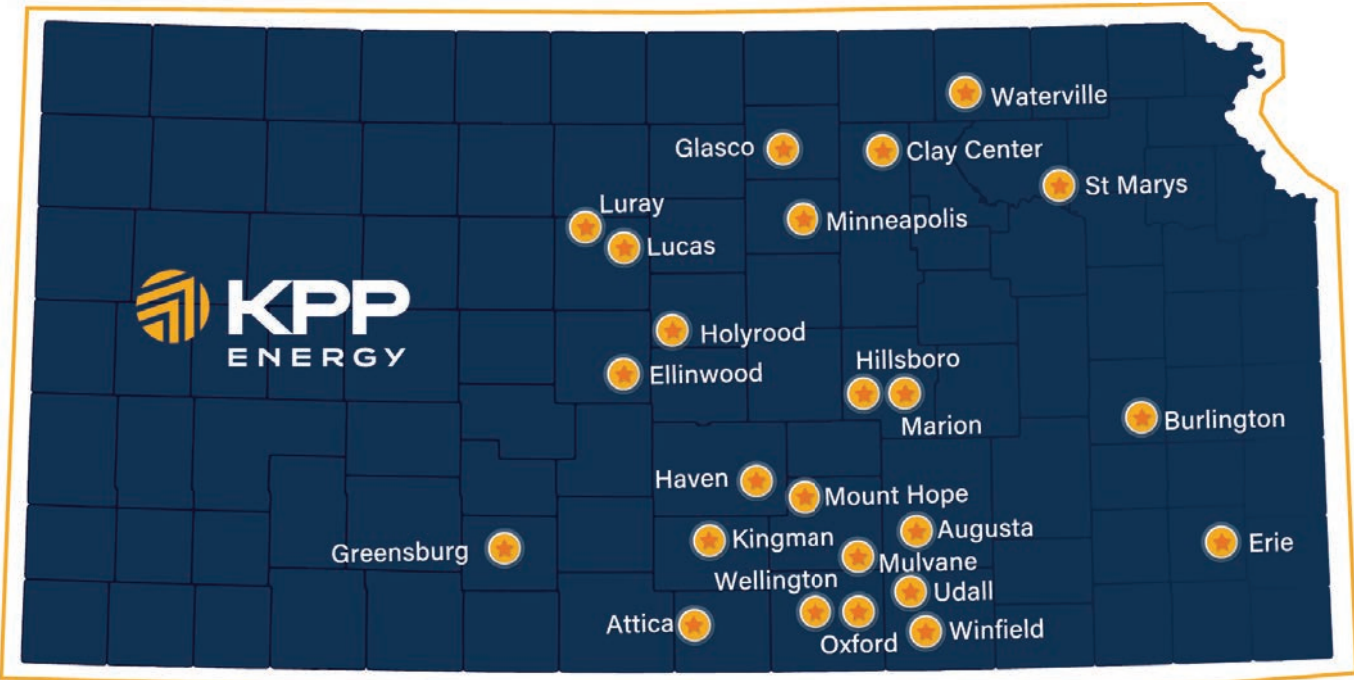
# Member Cities

# Member Cities Map

## MEMBER INFORMATION

Generating Members	Population	2022 Peak Load (kW)
Winfield	11,947	59,491
Wellington	7,504	25,855
Augusta	9,342	22,882
Clay Center PUC	3,989	15,701
Kingman	2,906	11,625
Mulvane	7,385	11,204
Burlington	2,560	9,233
Ellinwood	1,969	5,637
Minneapolis	1,933	5,583
Erie	1,085	3,431
Oxford	981	2,633

Non-Generating Members	Population	2022 Peak Load (kW)
Hillsboro	2,834	7,573
St. Marys	2,636	6,328
Marion	1,923	5,416
Haven	1,196	3,811
Greensburg	791	3,260
Lucas	391	1,909
Mount Hope	800	1,896
Attica	620	1,797
Udall	689	1,685
Waterville	639	1,452
Glasco	453	1,115
Holyrood	422	1,089
Luray	184	766





# WHOLESALE POWER COST & RELIABILITY

## WHOLESALE POWER COSTS

Affordable power supply is the foundation upon which KPP is built. Cost-effective wholesale power supply costs through joint action enable KPP members to effectively and efficiently serve their residential customers, attract and retain businesses, and power our communities.

## RELIABILITY

A reliable electric grid is critical to the economic vitality and well-being of KPP member communities. Reliability takes many forms – from the Southwest Power Pool grid to the local distribution system. Together with affordability and sustainability, reliability remains the primary focus of KPP Energy.

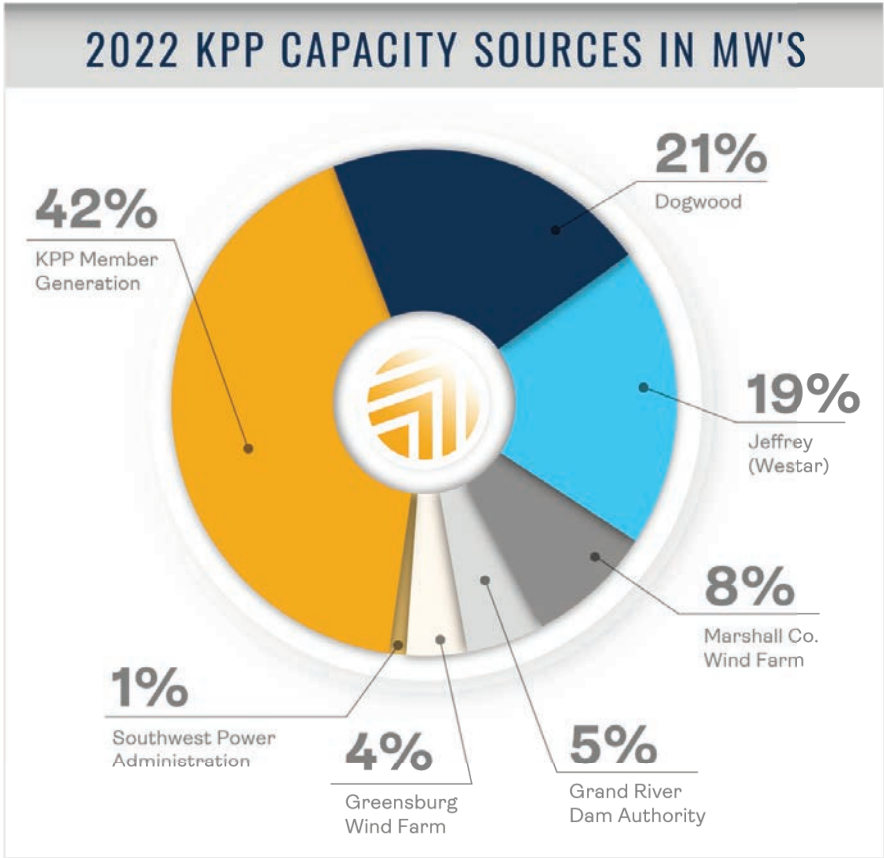




# Energy Resources

## GENERATION RESOURCES:

KPP members are served by resources obtained by either pooling members’ purchase power contracts, utilizing member’s generation, or directly by KPP purchase power agreements, such as the Greensburg Wind Farm Purchase Power Agreement, Marshall Co. Windfarm Purchase Power Agreement, or KPP owned resources, such as KPP’s ownership share of the Dogwood Combined-Cycle Plant.



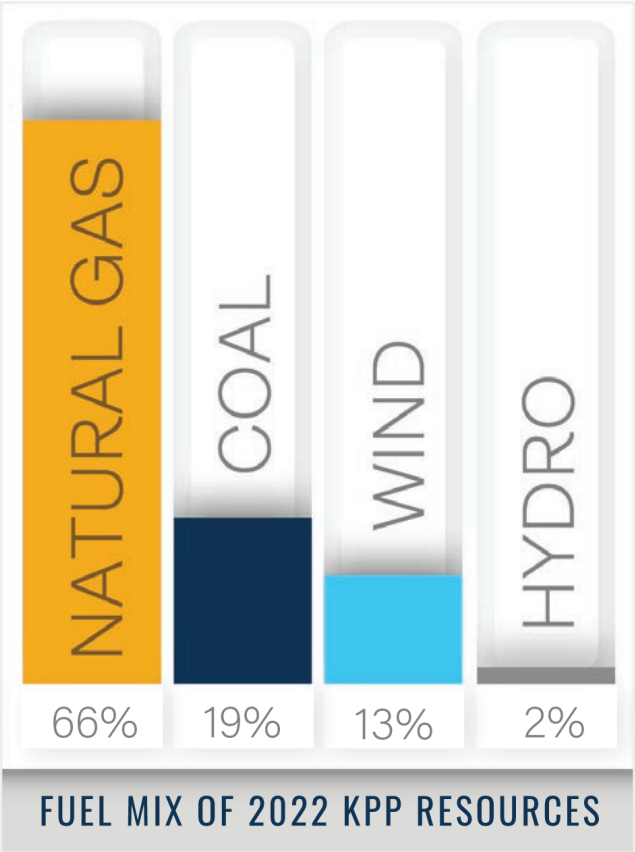
## CAPACITY RESOURCES CHART

The Capacity Resources chart illustrates the demonstrated deliverable capacity of KPP’s generation resources and the percentage of KPP’s total capacity each resource represents.

As illustrated, KPP’s generation resources have a diverse fuel mix. SPP requires KPP to maintain, operate, and offer into the SPP Integrated Market (IM) generation capacity equal to at least 115% of KPP’s peak load. Listed wind resources (Greensburg and Marshall) are a combined name plate capacity of 37.5 MW with an SPP accredited capacity of 6 MW toward KPP’s capacity requirements. The actual dispatch of KPP capacity resources depends on the need of the SPP market. All KPP resources, even those that are used infrequently, serve to not only meet SPP capacity requirements, but also as a hedge to protect KPP’s members from spikes in market prices. As illustration shows, the majority of KPP resources use natural gas as a fuel.

## FUEL MIX CHART

The Fuel Mix Chart illustrates the percentage of each type of fuel used by KPP’s capacity resources. The use of coal as a fuel has begun to decrease across the nation as coal units are being shut down or converted to natural gas. KPP continues its contract with Evergy’s Jeffrey Energy Center, which is coal-fired. This contract expires in December 2022. KPP’s 10.3% ownership of the Dogwood combined cycle plant represents a growing trend to utilize efficient natural gas units for their ability to quickly ramp up, down, and dispatch into an increasingly volatile energy market. KPP member resources consist of both natural gas and dual fuel units. These units provide flexibility in times of natural gas shortages.



## TRANSMISSION RESOURCES

When KPP was founded, its members realized the benefits of firm transmission resources. Starting in 2009, all KPP members benefited from KPP’s firm Network Integrated Transmission Service (NITS) in the SPP. This has become increasingly important today because of the SPP Integrated market. In structured electric markets, such as SPP’s IM, firm transmission rights allow users to benefit from their generation resources while controlling exposure to congestion costs between resources and loads.

## WHOLESALE RATES

In 2022 KPP overall cost were roughly 8% over the forecasted budgeted cost. 2022 was a challenging year to forecast with uncertainties in the gas market forecast. This resulted in higher than forecasted Transmission cost, Capacity Cost and Energy cost. KPP experienced a 2% decrease in energy sales from forecasted at just over 866 GWh and a .6% decrease from forecast in capacity peaking at 205.5 MW in July. The correction made by the KPP Board to recover the 2021 Winter Storm Uri remained in effect for 2022 also elevating the KPP wholesale rate.

# THE VALUE OF PUBLIC POWER

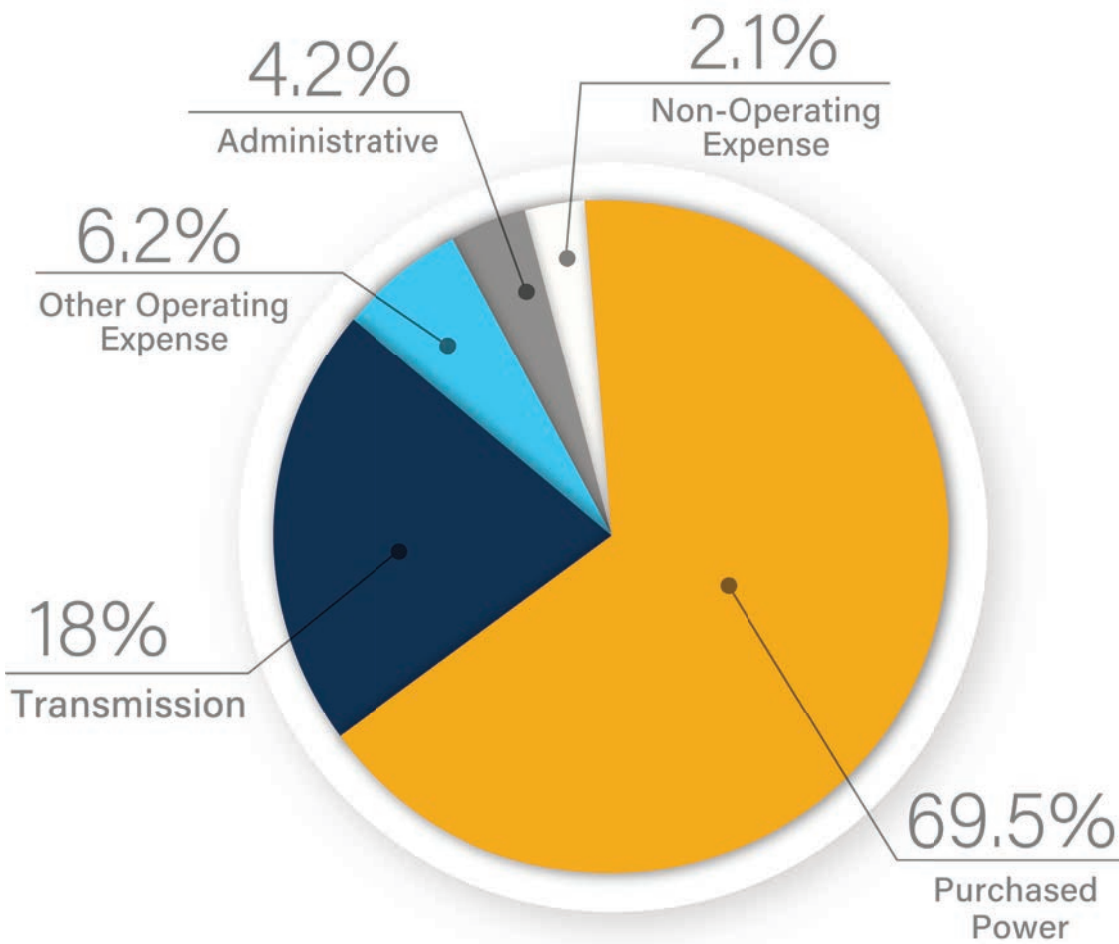
Through Joint Action, KPP Energy supports 24 Kansas municipal electric utilities providing more than just electricity to their customers. A public power utility provides a long-term value to its community and citizens. The benefits are diverse including rate stability, support for jobs, policies that are in line with community priorities, and financial support for local government functions. Joint action agencies allow public power utilities to join forces to take advantage of economies of scale and shared services to boost efficiency.





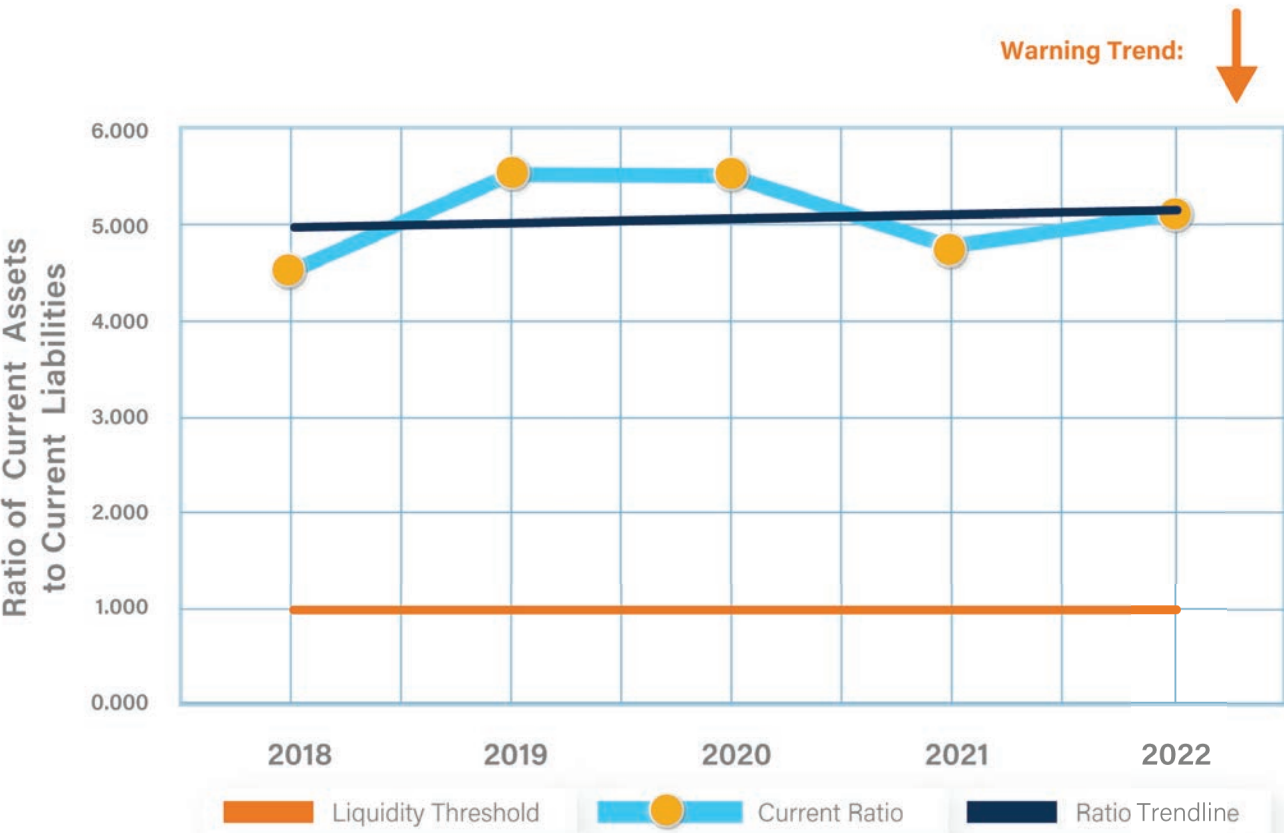
Financial  
Highlights

**KPP ACTUAL EXPENSES:** By far the greatest share of KPP’s expenses in 2022 were related to the procurement of wholesale energy, capacity, and transmission on behalf of its 24-member municipal utilities at 87.6%. KPP and Dogwood Administrative expenses were 4.2%. While Dogwood operating expenses and depreciation made up the bulk of other operating expenses, interest expense on debt constituted most of the non-operating expense.



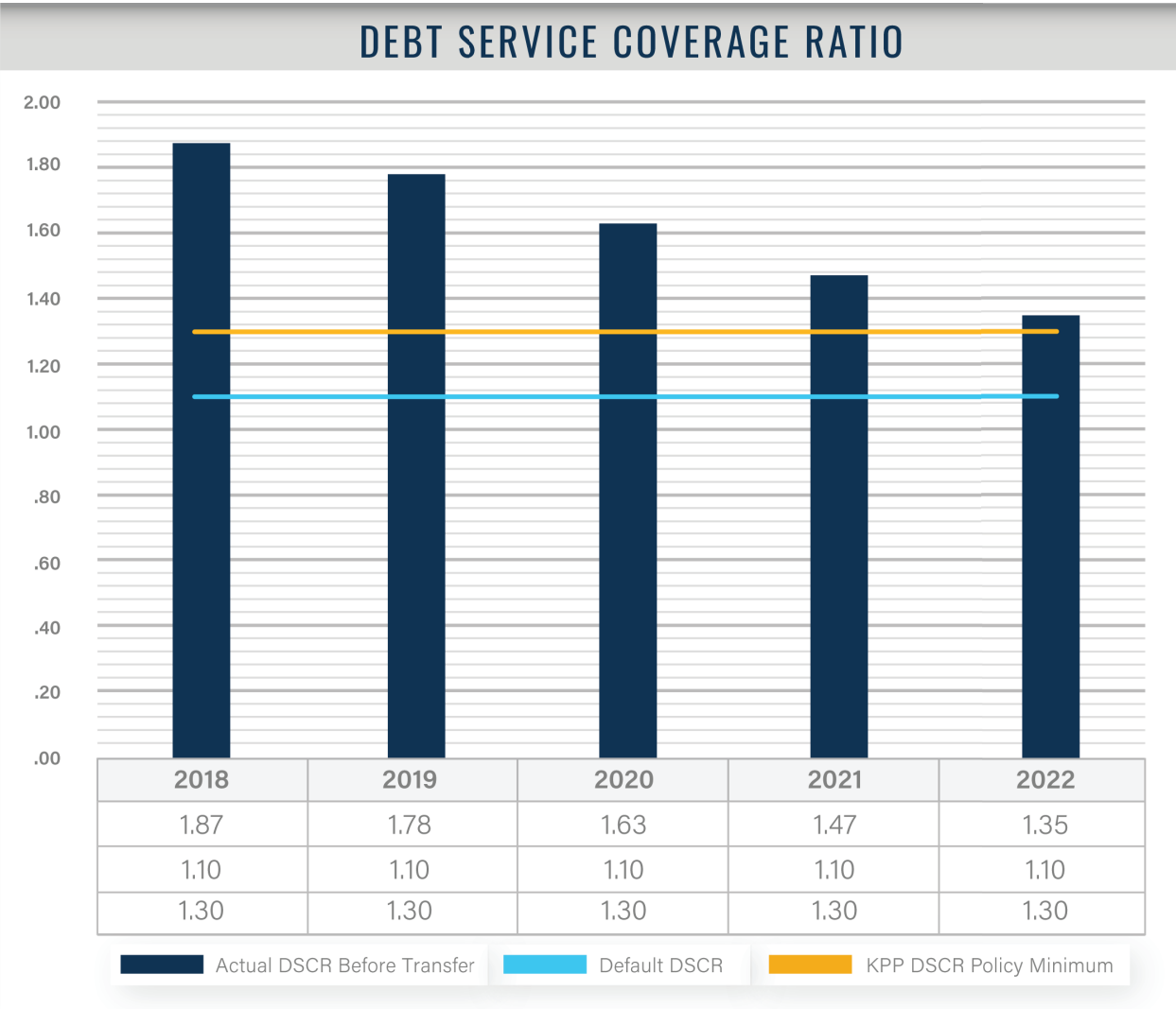
**KPP LIQUIDITY:** Liquidity is the measure of KPP’s ability to use cash or cash equivalents to pay short-term debt. The ratio used to illustrate liquidity is the ratio of current assets to current liabilities, or Current Ratio. A Current ratio of 1.0 or above indicates that KPP can cover 100% of its short-term debt for a period of twelve months with accessible resources. A Current Ratio of 1.5 or higher is indicative of a financially healthy organization. The chart also includes a trendline that shows the linear direction of the annual ratios. KPP’s trendline continues above 4.5, which suggests a very financially healthy organization.

KPP Liquidity: Current Assets / Current Liabilities



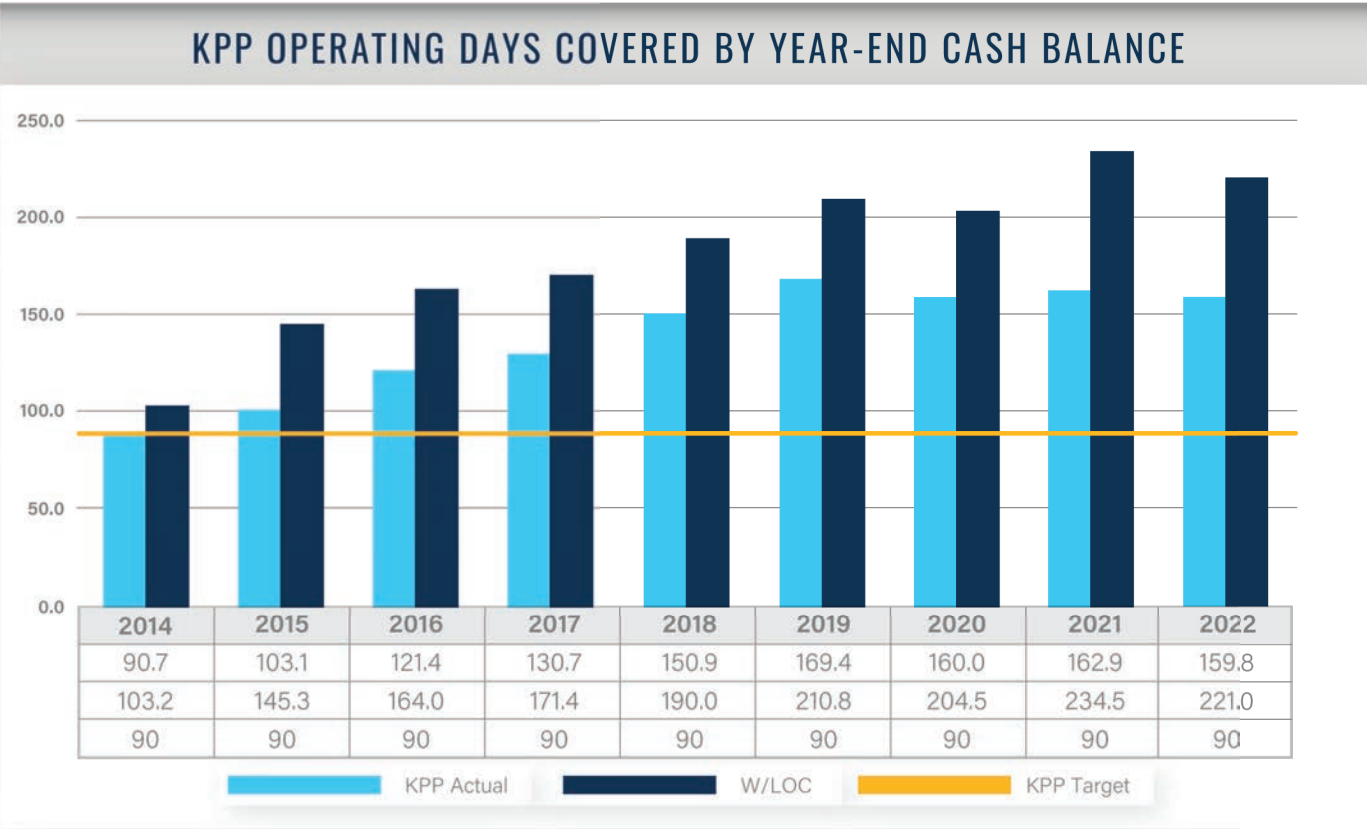
# Financial Highlights Continued

**KPP DEBT SERVICE COVERAGE RATIO:** KPP’s bond covenants require that it maintain a ratio of funds available for debt service to annual debt service payment of at least 1.10 to avoid bond default (Default DSCR on chart). Beginning in 2016, the bond rating agencies expect KPP to maintain a ratio of 1.30 to sustain its favorable investment grade bond ratings (KPP DSCR Policy Minimum on chart). The chart below illustrates that KPP, through financial policies approved by the Board of Directors, has met and exceeded its bond requirements. Any funds remaining above the 1.30 ratio are available to the Board of Directors for transfer into KPP’s emergency stabilization fund to be used for extraordinary, unanticipated expenses. The chart illustrates the actual DSCR before transfer to the Emergency Stabilization Fund (Actual DSCR Before Transfer on chart).



**KPP EXPENSE DAYS COVERED BY UNRESTRICTED CASH:**

In 2012, the KPP Board of Directors approved a policy to maintain a minimum unrestricted cash balance of no less than 90 days of operating expenses. This chart illustrates the progress KPP has made in the past ten years to meet and exceed this financial objective, which is also important for sustaining KPP’s bond rating. From 2014 to 2021, KPP maintained a \$6 million line of credit with a rated bank. During 2021, in connection with the February 2021 extreme cold weather event and related financial impacts, the KPP passed a Debt Resolution to increase the line of credit to \$12 million. The navy column in the chart shows the effect of the line of credit on expense days covered on top of KPP’s cash reserves.





Audit Report - Balance Sheets

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	2022	2021
<b>Current Assets</b>		
Cash	\$ 24,206,014	\$ 21,276,574
Cash, board-designated for emergency stabilization	7,084,719	6,026,409
Cash and cash equivalents, restricted	250,537	250,582
	<u>31,541,270</u>	<u>27,553,565</u>
Investments, restricted	10,271,023	14,914,518
Accounts receivable	7,211,578	5,554,270
Prepaid expenses and other	3,321,073	3,169,136
Materials and supplies	422,721	415,600
	<u>52,767,665</u>	<u>51,607,089</u>
<b>Capital Assets, Net of Accumulated Depreciation</b>	<u>43,288,989</u>	<u>40,263,230</u>
<b>Other Assets</b>	<u>326,863</u>	<u>435,488</u>
<b>Regulatory Assets</b>		
Costs recoverable from future billings	812,148	1,004,088
Unrecovered development costs	3,732,929	3,695,620
	<u>4,545,077</u>	<u>4,699,708</u>
Total regulatory assets	<u>4,545,077</u>	<u>4,699,708</u>
Total assets	<u>100,928,594</u>	<u>97,005,515</u>
<b>Deferred Outflows of Resources</b>		
Deferred loss on refunding	1,073,745	1,311,683
Deferred power costs	4,684,006	12,352,290
Pensions	329,139	198,361
	<u>6,086,890</u>	<u>13,862,334</u>
Total deferred outflows of resources	<u>6,086,890</u>	<u>13,862,334</u>
Total assets and deferred outflows of resources	<u>\$ 107,015,484</u>	<u>\$ 110,867,849</u>

Audit Report - Balance Sheets

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

	2022	2021
<b>Current Liabilities</b>		
Current portion of bonds payable and state of Kansas loan	\$ 5,485,734	\$ 6,819,874
Accounts payable	105,587	32,920
Accounts payable – power bills	3,426,503	3,002,822
Accrued expenses	1,157,558	629,894
Accrued interest	139,835	452,271
	<u>10,315,217</u>	<u>10,937,781</u>
Total current liabilities	<u>10,315,217</u>	<u>10,937,781</u>
<b>Long-Term Debt</b>		
Revenue bonds payable	43,630,000	47,715,000
State of Kansas loan	3,543,697	9,371,645
Unamortized bond premiums and discounts, net	2,751,409	3,166,050
	<u>49,925,106</u>	<u>60,252,695</u>
Total long-term debt	<u>49,925,106</u>	<u>60,252,695</u>
<b>Net Pension Liability</b>	<u>896,829</u>	<u>514,201</u>
Total liabilities	<u>61,137,152</u>	<u>71,704,677</u>
<b>Deferred Inflows of Resources</b>		
Emergency stabilization fund	12,787,000	12,337,000
Pensions	50,076	259,611
	<u>12,837,076</u>	<u>12,596,611</u>
Total deferred inflows of resources	<u>12,837,076</u>	<u>12,596,611</u>
<b>Net Position</b>		
Net investment in capital assets	3,215,918	4,240,885
Restricted – expendable for debt services	4,301,948	1,596,664
Unrestricted	25,523,390	20,729,012
	<u>33,041,256</u>	<u>26,566,561</u>
Total net position	<u>33,041,256</u>	<u>26,566,561</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 107,015,484</u>	<u>\$ 110,867,849</u>

Audit Report STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	2022	2021
<b>Operating Revenues</b>	<u>\$ 80,141,308</u>	<u>\$ 67,916,133</u>
<b>Operating Expenses</b>		
Purchased power	50,978,726	40,688,522
Transmission expense	13,150,849	13,711,474
Dogwood operating costs	1,813,600	1,710,762
Amortization of unrecovered development costs	538,056	520,511
Depreciation	<u>2,171,132</u>	<u>1,865,021</u>
Total operating expenses	<u>68,652,363</u>	<u>58,496,290</u>
<b>Administrative and General Expenses</b>		
Salaries and benefits	1,355,951	1,173,381
Legal expenses	189,315	182,474
Consulting fees	84,423	90,930
Outside services	347,785	405,973
Insurance	225,613	177,487
Dues and memberships	221,175	218,078
Miscellaneous	463,233	437,922
Rent	62,110	60,834
Payment in lieu of taxes	<u>108,625</u>	<u>108,625</u>
Total administrative and general expenses	<u>3,058,230</u>	<u>2,855,704</u>
<b>Operating Income</b>	<u>8,430,715</u>	<u>6,564,139</u>
<b>Nonoperating Revenues (Expenses)</b>		
Investment and interest income	237,595	28,739
Interest expense on debt	(2,036,848)	(1,937,278)
Amortization of bond premiums and discounts, net	414,641	225,099
Net costs recoverable	<u>(121,408)</u>	<u>(107,560)</u>
Total nonoperating revenues (expenses)	<u>(1,506,020)</u>	<u>(1,791,000)</u>
<b>Deferred Inflows of Resources – Emergency Stabilization</b>	<u>(450,000)</u>	<u>(1,000,000)</u>
<b>Change in Net Position</b>	6,474,695	3,773,139
<b>Net Position, Beginning of Year</b>	<u>26,566,561</u>	<u>22,793,422</u>
<b>Net Position, End of Year</b>	<u>\$ 33,041,256</u>	<u>\$ 26,566,561</u>

Audit Report STATEMENTS OF CASH FLOWS

	2022	2021
<b>Operating Activities</b>		
Receipts from members	\$ 78,484,000	\$ 68,333,458
Payments to suppliers	(59,511,845)	(71,104,568)
Payments to employees	<u>(1,310,216)</u>	<u>(1,192,879)</u>
Net cash provided by (used in) operating activities	<u>17,661,939</u>	<u>(3,963,989)</u>
<b>Noncapital Financing Activities</b>		
Principal payments on noncapital bonds	(610,000)	(780,000)
Proceeds from issuance of noncapital debt	-	18,000,000
Principal payments on noncapital debt	(7,672,088)	(5,383,481)
Payments of issuance costs on noncapital bonds	-	(66,488)
Proceeds from discounts of noncapital debt	-	301,943
Proceeds from revolving line of credit	-	6,000,000
Payments on revolving line of credit	-	(6,000,000)
Interest payments on line of credit and noncapital debt	(25,639)	(40,860)
Interest payments on noncapital bonds	<u>(147,600)</u>	<u>(168,089)</u>
Net cash provided by (used in) noncapital financing activities	<u>(8,455,327)</u>	<u>11,863,025</u>
<b>Capital and Related Financing Activities</b>		
Capital expenditures	(5,196,891)	(4,758,525)
Proceeds from issuance of revenue bonds	-	14,570,000
Payments of issuance costs on revenue bonds	-	(439,533)
Proceeds from discounts of capital debt	-	2,650,224
Principal payments on revenue bonds	(2,965,000)	(2,250,000)
Interest payments on revenue bonds	<u>(1,938,106)</u>	<u>(1,185,871)</u>
Net cash provided by (used in) capital and related financing activities	<u>(10,099,997)</u>	<u>8,586,295</u>
<b>Investing Activities</b>		
Interest and investment income	237,595	28,739
Proceeds from sales and maturities of investments	24,003,391	10,430,762
Purchases of investments	<u>(19,359,896)</u>	<u>(21,105,546)</u>
Net cash provided by (used in) investing activities	<u>4,881,090</u>	<u>(10,646,045)</u>
<b>Increase in Cash and Cash Equivalents</b>	3,987,705	5,839,286
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>27,553,565</u>	<u>21,714,279</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 31,541,270</u>	<u>\$ 27,553,565</u>





**MISSION STATEMENT**

KPP serves each of its community-owned members by providing cost-effective and reliable public power and services through collaboration and innovation.

**Reconciliation of Operating Income to Net Cash Provided by (Used in)**

	2022	2021
<b>Operating Activities</b>		
Operating income	\$ 8,430,715	\$ 6,564,139
Depreciation and amortization	2,709,188	2,385,532
Amortization of payment in lieu of taxes	108,625	108,625
Net pension liability	382,628	(329,464)
Changes in		
Accounts receivable	(1,657,308)	417,325
Accounts payable and accrued expenses	1,024,012	409,371
Deferred inflows of resources	(209,535)	232,180
Deferred outflows of resources	7,537,505	(12,280,999)
Prepaid expenses and other current assets	(88,526)	(821,146)
Unrecovered development costs	(575,365)	(649,552)
Net cash provided by (used in) operating activities	\$ 17,661,939	\$ (3,963,989)

**Noncash Capital and Financing and Noncapital Financing Activities**

Advance refunding of Series 2012A, Series 2012B, Series 2021C, and Series 2013A bonds through issuance of Series 2021B and Series 2021C bonds in a trusted escrow account		
Proceeds received from Series 2021B and Series 2021C bonds issuance less costs to issue	\$ -	\$ 8,375,000
Retirement of certain Series 2012A, Series 2012B, Series 2012C, and Series 2013A bonds	\$ -	\$ (8,700,000)
Deferred outflows of resources from advance refunding	\$ -	\$ 459,104





## KPP Members Celebrate PUBLIC POWER WEEK



On October 7th, it was officially announced that Hillsboro excelled beyond other KPP Members to become the holder of the newly renovated KPP Traveling Trophy. Colin Hansen and Brooke Carroll presented the trophy and check at the October 18th City Council meeting. Recognition must also be given to other KPP Members who worked extremely hard as well to participate in the Public Power Week Championship. The City of Augusta came in at second place followed by the City of Lucas at third. There were points on the board for Attica, Ellinwood, Glasco, Greensburg, Kingman, Luray, Marion, Mulvane, St. Marys, Udall, Wellington, and Winfield.

Members got highly creative in how they chose to celebrate public power week. The City of Augusta coordinated with the local grade school kids to write “Thank You” notes to the Augusta utility crew. They also awarded Marc Cain as the “Public Power Employee of the Week.” The City of Lucas held two different customer drawings. One drawing was for an electric scooter and the other was for a programable thermostat. The City of Glasco provided cupcakes to the community store to recognize Public Power Week. The City of St. Marys made it a point to discuss Public Power Week with customers that came in during the week and presented a picture of Daisy the City Kitty caught “thanking God for public power to help keep her cat tree warm.” KPP is very pleased in the participation with this year’s competition.





KPP Members Celebrate PUBLIC POWER WEEK





