



INDEPENDENCE

★ MISSOURI ★

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“The present is not an isolated speck of time. These are the harvest hours of history. The good or evil of the present, the wisdom or folly of present actions, will reproduce themselves a thousand fold in the future.”

Priority 1: Year-End Financials/FY 21 Budget

- Regular presentation of financial reports to PUAB
- Development of FY 20-21 Preliminary Budget by 1/31/20
- Develop financial policies consistent with industry best practices

Priority 2: Updated IPL Rate Structure

- Develop and present a rate structure that meets the previous direction of the City Council:
 - 6% rate reduction for all customers
 - Simplified customer classification

Priority 3: Selection of IPL Management Firm

- Six responses to received to Request for Proposals
- Selection Committee has narrowed the list to 3 firms
 - Baker Tilly LLC
 - DKMT Consulting
 - MPUA
- Setting up interviews

Priority 4: Blue Valley Plant Closure

- Staff Reductions
 - Discontinue plant operations by 6/1/20
 - \$3.5 million savings
 - Negotiations underway with IBEW
- Plant Repurposing
 - Execute plant closure
 - Identify repurposing plan
 - Consultant report on repurposing completed
 - Issue Request for Information for potential repurposing concepts

Priority 5: Management Analyst Audit

- August 2019: Management Analyst assigned audit of IPL
 - Immediate finding regarding payroll internal controls
 - City Manager directed to review and report findings to City Council by 2/7/20
 - Report triggered automatic review by City's external auditor. To be completed by March 2020.
- Overtime and standby pay
 - Long-standing area of concern
 - Changes will be implemented in next 30-45 days to ensure consistency in practices along with fair compensation to affected employees.

Priority 6: Future of IPL Production

- Combustion turbines nearing end of useful life
- Need to develop alternative solutions to peak load capacity
- Do have some time to make thoughtful decisions
- City Council adopted resolution at 1/21 meeting directing City Manager to evaluate options and develop recommendations

Priority 7: Municipal Broadband

- Evaluate potential deployment of a municipal broadband network
- Opportunities:
 - Enhance quality of life for Independence residents
 - Business attraction/economic development
 - Enhanced pricing/customer service from private sector
 - Revenue stream to support other basic services
- Much groundwork has been completed; business plan needs to be updated
- Ideal outcome: Public-Private Partnership



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