



Public Utility Advisory Board

February 19, 2026 2:30 PM,

Independence Utilities Center - 17221 E. 23rd St. So.

ROLL CALL

CITIZEN COMMENTS/QUESTIONS ON IPL PROPOSED GOVERNANCE CHANGES

Speakers must be residents of Independence, state their name & address for the record, abide by a 5-minute timeframe for comments & questions, make all remarks to the PUAB as a body & not to an individual member or staff, refrain from personal, impertinent or slanderous remarks & boisterous behavior.

REPORTS

1. Finance & Administration
 - a. Questions on Utility Financial Reports — December 2025
2. Municipal Services
3. IPL
 - a. Update on AMI Program Manager
 - b. Update on Independence Power Partners
 - c. IPL Statistical Charts - December 2025
4. Interim City Manager
 - a. Update on IPL Governance
 - b. Update on Move to IMC & Demo of Old City Hall

BOARD MEMBER COMMENTS

NEXT MEETING DATE - MARCH 19, 2026

ADJOURNMENT

CITY OF INDEPENDENCE, MISSOURI
 Budgetary Comparison Schedule
 Power and Light
 For the period ended December 31, 2025

	Budgeted Amounts		Actual Amounts	Variance with Amended Budget	Percent Actual 50.00% of Year	Percent From Budget	Prior Year
	Original	Amended					12/31/2024 Actual Amounts
Operating Revenues:							
Charges for Services	\$ 149,540,000	149,540,000	78,903,510	(70,636,490)	52.76%	2.76%	83,485,382
Penalties	1,000,000	1,000,000	747,018	(252,982)	74.70%	24.70%	878,909
Connection Charges	13,000	13,000	3,607	(9,393)	27.75%	-22.25%	3,620
Miscellaneous	—	—	23,484	23,484	0.00%	-50.00%	2,152
Temporary Service	1,000	1,000	800	(200)	80.00%	30.00%	700
Rental Income	295,000	295,000	294,788	(212)	99.93%	49.93%	24,531
Transmission Wheeling	6,500,000	6,500,000	3,172,033	(3,327,967)	48.80%	-1.20%	3,101,578
Total Operating Revenues	157,349,000	157,349,000	83,145,240	(74,203,760)	52.84%	2.84%	87,496,872
Operating Expenses:							
Personnel Services	34,620,298	34,120,298	15,178,289	18,942,009	44.48%	-5.52%	14,020,973
Retiree Benefits	1,650,000	1,650,000	731,323	918,677	44.32%	-5.68%	741,092
Other Services	34,949,215	35,851,815	19,112,517	16,739,298	53.31%	3.31%	15,472,164
Supplies	70,761,150	70,261,150	35,551,964	34,709,186	50.60%	0.60%	34,565,571
Capital Projects	—	—	—	—	0.00%	-50.00%	—
Capital Operating	1,437,100	1,534,500	160,082	1,374,418	10.43%	-39.57%	30,542
Debt Service	8,634,000	8,634,000	2,358,370	6,275,630	27.31%	-22.69%	2,451,478
Other Expenses	100,000	100,000	—	100,000	0.00%	-50.00%	—
Total Operating Expenses	152,151,763	152,151,763	73,092,545	79,059,218	48.04%	-1.96%	67,281,820
Nonoperating Revenues (Expenses):							
Investment Income	500,000	500,000	1,970,756	1,470,756	394.15%	344.15%	1,603,211
Interfund Charges for Support Services	3,836,700	3,836,700	1,960,052	(1,876,648)	51.09%	1.09%	1,103,320
Miscellaneous Revenue (Expense)	350,000	350,000	170,805	(179,195)	48.80%	-1.20%	215,501
Total Nonoperating Revenue (Expenses)	4,686,700	4,686,700	4,101,613	(585,087)	87.52%	37.52%	2,922,032
Income (Loss) Before Transfers	9,883,937	9,883,937	14,154,308	4,270,371	143.21%	93.21%	23,137,084
Capital Contributions	—	—	—	—	0.00%	-50.00%	—
Transfers Out – Utility Payments In Lieu of Taxes	(14,601,000)	(14,601,000)	(8,304,083)	(6,296,917)	56.87%	6.87%	(8,641,370)
Transfers In	—	—	—	—	0.00%	-50.00%	—
Transfers Out - Capital Projects	(24,399,000)	(24,399,000)	(2,089,088)	(22,309,912)	8.56%	-41.44%	(1,731,663)
Total Transfers	(39,000,000)	(39,000,000)	(10,393,171)	(28,606,829)	26.65%	-23.35%	(10,373,033)
Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses, Budget Basis	\$ (29,116,063)	(29,116,063)	3,761,137	32,877,200			12,764,051
Beginning Available Resources			92,516,698				67,942,410
Prior Period Adjustment			—				—
Year-End Investment Market Value Adjustment			—				—
Ending Available Resources			<u>96,277,835</u>				<u>80,706,461</u>
Revenue Risk			5,300,000				5,300,000
Capital Reserve			3,000,000				3,000,000
Expense Risk			18,700,000				18,700,000
Working Capital			25,500,000				25,500,000
Targeted Reserve Level			<u>52,500,000</u>				<u>52,500,000</u>
Total Non-Restricted Resources Available			\$ <u>43,777,835</u>				<u>28,206,461</u>

CITY OF INDEPENDENCE, MISSOURI
 Budgetary Comparison Schedule
 Power and Light Capital Projects Fund
 For the period ended December 31, 2025

	Budgeted Amounts		Actual Amounts	Variance with Amended Budget	Percent Actual 50.00% of Year	Percent From Budget	Prior Year
	Original	Amended					Actual Amounts
Operating Revenues:							
Charges for Services	\$ —	—	—	—	0.00%	-50.00%	—
Penalties	—	—	—	—	0.00%	-50.00%	—
Connection Charges	—	—	—	—	0.00%	-50.00%	—
Miscellaneous	—	—	—	—	0.00%	-50.00%	—
Temporary Service	—	—	—	—	0.00%	-50.00%	—
Rental Income	—	—	—	—	0.00%	-50.00%	—
Transmission Wheeling	—	—	—	—	0.00%	-50.00%	—
Total Operating Revenues	—	—	—	—	0.00%	-50.00%	—
Operating Expenses:							
Personnel Services	—	—	—	—	0.00%	-50.00%	—
Retiree Benefits	—	—	—	—	0.00%	-50.00%	—
Other Services	—	—	—	—	0.00%	-50.00%	—
Supplies	—	—	—	—	0.00%	-50.00%	—
Capital Projects	24,399,000	51,096,775	3,436,536	47,660,239	6.73%	-43.27%	1,263,757
Capital Operating	—	—	—	—	0.00%	-50.00%	—
Debt Service	—	—	—	—	0.00%	-50.00%	—
Other Expenses	—	—	—	—	0.00%	-50.00%	—
Total Operating Expenses	24,399,000	51,096,775	3,436,536	47,660,239	6.73%	-43.27%	1,263,757
Nonoperating Revenues (Expenses):							
Investment Income	—	—	—	—	0.00%	-50.00%	—
Interfund Charges for Support Services	—	—	—	—	0.00%	-50.00%	—
Miscellaneous Revenue (Expense)	—	—	—	—	0.00%	-50.00%	—
Total Nonoperating Revenue (Expenses)	—	—	—	—	0.00%	-50.00%	—
Income (Loss) Before Transfers	(24,399,000)	(51,096,775)	(3,436,536)	47,660,239	6.73%	-43.27%	(1,263,757)
Capital Contributions	—	—	—	—	0.00%	-50.00%	—
Transfers Out – Utility Payments In Lieu of Taxes	—	—	—	—	0.00%	-50.00%	—
Transfers In	24,399,000	24,399,000	2,089,088	22,309,912	8.56%	-41.44%	1,731,663
Transfers Out	—	—	—	—	0.00%	-50.00%	—
Total Transfers	24,399,000	24,399,000	2,089,088	22,309,912	8.56%	-41.44%	1,731,663
Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses, Budget Basis	\$ —	(26,697,775)	(1,347,448)	25,350,327			467,906
Beginning Unassigned Fund Balance			(7,311,197)				—
Prior Period Encumbrances			—				(7,883,010)
Cancellation of Prior Year Encumbrances			—				93,381
Year-End Investment Market Value Adjustment			—				—
Ending Unassigned Fund Balance			(8,658,645)				(7,321,723)
Current Year Encumbrances			3,339,317				1,082,389
Prior Year Encumbrances			5,319,328				6,239,334
Total Fund Balance			\$ —				—

Power and Light - Open Capital Projects
As of December 31, 2025

PROJECT	PROJECT TITLE	ORIGINAL BUDGET	NET BUDGET AMENDMENTS	REVISED BUDGET	ENCUMBRANCES	ACTUALS	AVAILABLE BUDGET
200815	T&D Sys IMPROVEMENTS	\$ -	329,355.19	329,355.19	921.36	-	328,433.83
200828	FIBER OPTIC PROGRAM	125,000.00	314,056.70	439,056.70	-	-	439,056.70
201106	69 KV SUBSTATION FACILITIES	-	109,994.57	109,994.57	33,508.25	-	76,486.32
201405	SUBSTATION SECURITY PROJECT	-	133,426.89	133,426.89	22,367.06	81,262.04	29,797.79
201510	Sys Ops / DISPATCH	-	43,034.77	43,034.77	-	31,830.50	11,204.27
201605	Sys Ops WORK AREA	-	1,319,842.18	1,319,842.18	-	-	1,319,842.18
201703	BV GROUND WATER	-	178,838.23	178,838.23	13,042.11	10,433.19	155,362.93
201710	Mo CITY DIVESTITURE	-	189,159.36	189,159.36	147,123.52	42,035.34	0.50
201804	SUBSTATION E SWITCHGEAR REPLACEMENT	-	1,992.66	1,992.66	-	1,992.66	-
202101	Substation Fiber Optic Network	100,000.00	468,267.14	568,267.14	-	-	568,267.14
202102	Traffic Controller Upgrades	-	8,941.00	8,941.00	-	-	8,941.00
202103	Traffic Camera System Upgrades	-	6,837.00	6,837.00	-	-	6,837.00
202107	Motorola APX Radio Purchase Phase 2	-	41,474.65	41,474.65	-	-	41,474.65
202108	Operations APC UPS Battery Replace	-	190,518.29	190,518.29	-	-	190,518.29
202109	Substation Modeling	300,000.00	300,000.00	600,000.00	-	-	600,000.00
202111	Transmission Pole Replacement Prog	100,000.00	335,593.96	435,593.96	83,868.27	-	351,725.69
202201	Substation A Transformer T-9 Mtce	-	106,745.00	106,745.00	-	-	106,745.00
202202	Substation N Transformer T-1 Maint	-	180,000.00	180,000.00	-	95,070.00	84,930.00
202205	Desert Storm Switchgear Cabinets	250,000.00	453,923.17	703,923.17	-	246,670.52	457,252.65
202206	T & D Road Improvement Projects	-	851,745.44	851,745.44	48,873.51	69,046.28	733,825.65
202208	Traffic Signal Detection Systems	150,000.00	77,530.04	227,530.04	2,140.00	-	225,390.04
202210	IPL Service Center PBX Upgrade to I	35,000.00	115,000.00	150,000.00	-	-	150,000.00
202308	Substn & Trans Upgrade & Replacement	-	388,400.13	388,400.13	-	-	388,400.13
202314	Construction of New Substation S	3,000,000.00	8,128,930.93	11,128,930.93	3,986,937.93	-	7,141,993.00
202315	Construct New Trans System Sub S	500,000.00	3,850,000.00	4,350,000.00	-	-	4,350,000.00
202316	Construct 6 New Dist Feeders Sub S	2,000,000.00	2,117,061.75	4,117,061.75	17,119.50	-	4,099,942.25
202401	Purchase Evergy 69kV Line	1,000,000.00	3,682,682.45	4,682,682.45	2,682.45	-	4,680,000.00
202405	Emergency Replacement Trans Poles	-	207,248.32	207,248.32	-	-	207,248.32
202406	Service Center Upgrades	500,000.00	679,902.61	1,179,902.61	-	-	1,179,902.61
202410	T & D System Improvements	-	417,718.96	417,718.96	14,942.44	49,625.86	353,150.66
202411	SCADA/EMS Software/Hardware Upgrade	-	155,177.67	155,177.67	6,970.57	35,989.43	112,217.67
202503	T & D Truck Shed	-	699,369.00	699,369.00	13,862.00	592,863.00	92,644.00
202504	Blue Valley Chimney Demolition	2,000,000.00	(1,934,540.00)	65,460.00	54,460.00	11,000.00	-
202505	Emergency Replacement Trans Poles	-	250,000.00	250,000.00	-	-	250,000.00
202507	Emergent Maintenance Production	-	440,000.00	440,000.00	-	288,192.00	151,808.00
202508	Substation/Trans Upgrade & Replace	-	415,314.25	415,314.25	51,378.00	1,055.23	362,881.02
202509	T & D Road Improvement Projects	-	499,100.00	499,100.00	-	-	499,100.00
202510	T & D System Improvements	-	500,000.00	500,000.00	-	-	500,000.00
202511	Substation Battery Charger	150,000.00	19,217.69	169,217.69	484.69	-	168,733.00
202512	Service Center Exterior Upgrades	255,000.00	34,620.00	289,620.00	-	-	289,620.00
202513	Substation H Switchgear Upgrades	-	500,000.00	500,000.00	-	-	500,000.00
202514	Fleet & Equip-10 Year Replacements	-	986,000.00	986,000.00	809,048.00	-	176,952.00
202515	161 kV Line Terminal & Control Bldg	800,000.00	6,952,511.51	7,752,511.51	283,975.39	435,199.61	7,033,336.51
202602	Substation Transformers 100 MVA (4)	8,500,000.00	(3,255,000.00)	5,245,000.00	-	-	5,245,000.00
202605	Emergency Replacement of Trans Pole	250,000.00	-	250,000.00	-	-	250,000.00
202607	Emergent Maintenance Production	484,000.00	-	484,000.00	114,421.75	96,822.00	272,756.25
202608	Sub & Trans Upgrade & Replacement	250,000.00	128,928.00	378,928.00	291,953.00	-	86,975.00
202609	T&D Road Improvement Projects	500,000.00	-	500,000.00	-	-	500,000.00
202610	T&D System Improvements	500,000.00	(128,928.00)	371,072.00	-	-	371,072.00
202614	Fleet Veh & Equip 10 YE Replacement	550,000.00	-	550,000.00	69,037.00	-	480,963.00
202615	DAQ IOE3 Remote Terminal Unit Upgr	100,000.00	-	100,000.00	-	-	100,000.00
202616	Service Center Data Center Moderniz	300,000.00	-	300,000.00	-	-	300,000.00
202617	Sub R Country Meadows New 13kV Feed	1,000,000.00	-	1,000,000.00	-	-	1,000,000.00
202618	Substation M Perimeter Fencing	200,000.00	-	200,000.00	173,000.00	-	27,000.00
202619	City Center Renovation	500,000.00	-	500,000.00	-	-	500,000.00
202620	J-2 Substation Inspection & Repair	-	3,172,700.00	3,172,700.00	2,416,528.42	-	756,171.58
		\$ 24,399,000.00	34,662,691.51	59,061,691.51	8,658,645.22	2,089,087.66	48,313,958.63

	Current Year Budget	Prior Year Budget (Enc Roll)	Total
Budget	\$ 51,096,775.40	7,964,916.11	59,061,691.51
Less Expenditures	97,218.00	1,991,869.66	2,089,087.66
Less Encumbrances	3,339,317.56	5,319,327.66	8,658,645.22
Total Available	\$ 47,660,239.84	653,718.79	48,313,958.63

CITY OF INDEPENDENCE, MISSOURI
 Budgetary Comparison Schedule
 Water
 For the period ended December 31, 2025

	Budgeted Amounts		Actual Amounts	Variance with Amended Budget	Percent Actual 50.00% of Year	Percent From Budget	Prior Year 12/31/2024 Actual Amounts
	Original	Amended					
Operating Revenues:							
Charges for Services	\$ 32,127,000	32,127,000	16,456,687	(15,670,313)	51.22%	1.22%	17,221,289
Penalties	200,000	200,000	91,659	(108,341)	45.83%	-4.17%	293,416
Connection/Disconnection Charges	17,000	17,000	16,588	(412)	97.58%	47.58%	16,379
Miscellaneous	15,000	15,000	8,356	(6,644)	55.71%	5.71%	12,680
Returned Check Charges	26,000	26,000	14,540	(11,460)	55.92%	5.92%	16,650
Rental Income	85,000	85,000	54,896	(30,104)	64.58%	14.58%	86,586
Meter Repairs	—	—	—	—	0.00%	-50.00%	—
Merchandising Jobbing	—	—	2,520	2,520	0.00%	-50.00%	1,960
Total Operating Revenues	32,470,000	32,470,000	16,645,246	(15,824,754)	51.26%	1.26%	17,648,960
Operating expenses:							
Personnel Services	8,566,889	8,566,889	3,891,360	4,675,529	45.42%	-4.58%	4,520,582
Retiree Benefits	405,000	405,000	155,189	249,811	38.32%	-11.68%	184,003
Other Services	15,108,147	15,073,147	7,493,987	7,579,160	49.72%	-0.28%	7,349,520
Supplies	5,206,400	5,206,400	3,915,726	1,290,674	75.21%	25.21%	4,018,283
Capital Projects	—	—	—	—	0.00%	-50.00%	—
Capital Operating	237,500	272,500	242,835	29,665	89.11%	39.11%	234,686
Debt Service	2,542,000	2,542,000	2,290,544	251,456	90.11%	40.11%	2,245,569
Other Expenses	50,000	50,000	—	50,000	0.00%	-50.00%	—
Total Operating Expenses	32,115,936	32,115,936	17,989,641	14,126,295	56.01%	6.01%	18,552,643
Nonoperating Revenues (Expenses):							
Investment Income	1,000,000	1,000,000	1,057,926	57,926	105.79%	55.79%	1,031,084
Interfund Charges for Support Services	—	—	—	—	0.00%	-50.00%	1,813,050
Miscellaneous Revenue (Expense)	15,700	15,700	59,121	43,421	376.57%	326.57%	10,180
Total Nonoperating Revenue (Expenses)	1,015,700	1,015,700	1,117,047	101,347	109.98%	59.98%	2,854,314
Income (Loss) Before Transfers	1,369,764	1,369,764	(227,348)	(1,597,112)	-16.60%	-66.60%	1,950,631
Transfers Out – Utility Payments In Lieu of Taxes	(2,990,600)	(2,990,600)	(1,646,609)	(1,343,991)	55.06%	5.06%	(1,729,644)
Transfers In	—	—	—	—	0.00%	-50.00%	—
Transfers Out - Capital Projects	(9,050,000)	(9,050,000)	(2,386,096)	(6,663,904)	26.37%	-23.63%	(2,300,922)
Total Transfers	(12,040,600)	(12,040,600)	(4,032,705)	(8,007,895)	33.49%	-16.51%	(4,030,566)
Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses, Budget Basis	\$ (10,670,836)	(10,670,836)	(4,260,053)	6,410,783			(2,079,935)
Beginning Available Resources			56,227,572				53,660,048
Year-End Investment Market Value Adjustment			—				—
Ending Available Resources			51,967,519				51,580,113
Revenue Risk			2,000,000				2,000,000
Capital Reserve			6,100,000				6,100,000
Expense Risk			700,000				700,000
Working Capital			5,600,000				5,600,000
Targeted Reserve Level			14,400,000				14,400,000
Total Non-Restricted Resources Available			\$ 37,567,519				37,180,113

CITY OF INDEPENDENCE, MISSOURI
 Budgetary Comparison Schedule
 Water Capital Projects Fund
 For the period ended December 31, 2025

	Budgeted Amounts		Actual Amounts	Variance with Amended Budget	Percent Actual 50.00% of Year	Percent From Budget	Prior Year 12/31/2024 Actual Amounts
	Original	Amended					
Operating Revenues:							
Charges for Services	\$ —	—	—	—	0.00%	-50.00%	—
Penalties	—	—	—	—	0.00%	-50.00%	—
Connection/Disconnection Charges	—	—	—	—	0.00%	-50.00%	—
Miscellaneous	—	—	—	—	0.00%	-50.00%	—
Returned Check Charges	—	—	—	—	0.00%	-50.00%	—
Rental Income	—	—	—	—	0.00%	-50.00%	—
Meter Repairs	—	—	—	—	0.00%	-50.00%	—
Merchandising Jobbing	—	—	—	—	0.00%	-50.00%	—
Total Operating Revenues	—	—	—	—	0.00%	-50.00%	—
Operating expenses:							
Personnel Services	—	—	—	—	0.00%	-50.00%	—
Retiree Benefits	—	—	—	—	0.00%	-50.00%	—
Other Services	—	—	—	—	0.00%	-50.00%	—
Supplies	—	—	—	—	0.00%	-50.00%	—
Capital Projects	9,050,000	32,974,546	5,035,615	27,938,931	15.27%	-34.73%	2,159,323
Capital Operating	—	—	—	—	0.00%	-50.00%	—
Debt Service	—	—	—	—	0.00%	-50.00%	—
Other Expenses	—	—	—	—	0.00%	-50.00%	—
Total Operating Expenses	9,050,000	32,974,546	5,035,615	27,938,931	15.27%	-34.73%	2,159,323
Nonoperating Revenues (Expenses):							
Investment Income	—	—	—	—	0.00%	-50.00%	—
Interfund Charges for Support Services	—	—	—	—	0.00%	-50.00%	—
Miscellaneous Revenue (Expense)	—	—	—	—	0.00%	-50.00%	—
Total Nonoperating Revenue (Expenses)	—	—	—	—	0.00%	-50.00%	—
Income (Loss) Before Transfers	(9,050,000)	(32,974,546)	(5,035,615)	27,938,931	15.27%	-34.73%	(2,159,323)
Transfers Out – Utility Payments In Lieu of Taxes	—	—	—	—	0.00%	-50.00%	—
Transfers In	9,050,000	9,050,000	2,386,096	6,663,904	26.37%	-23.63%	2,300,922
Transfers Out	—	—	—	—	0.00%	-50.00%	—
Total Transfers	9,050,000	9,050,000	2,386,096	6,663,904	26.37%	-23.63%	2,300,922
Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses, Budget Basis	\$ —	(23,924,546)	(2,649,519)	21,275,027			141,599
Beginning Unassigned Fund Balance			(1,451,448)				—
Prior Period Encumbrances			—				(2,476,389)
Cancellation of Prior Year Encumbrances			1,470				—
Year-End Investment Market Value Adjustment			—				—
Ending Unassigned Fund Balance			<u>(4,099,497)</u>				<u>(2,334,790)</u>
Current Year Encumbrances			3,025,664				1,681,487
Prior Year Encumbrances			1,073,833				653,303
Total Fund Balance			<u>\$ —</u>				<u>—</u>

**Water - Open Capital Projects
As of December 31, 2025**

PROJECT	PROJECT TITLE	ORIGINAL BUDGET	NET BUDGET AMENDMENTS	REVISED BUDGET	ENCUMBRANCES	ACTUALS	AVAILABLE BUDGET
400708	TREATMENT Pit DISCHARGE	\$ -	1,761,565.91	1,761,565.91	11,375.38	7,033.75	1,743,156.78
401003	FUTURE Prod WELLS	1,000,000.00	1,781,734.31	2,781,734.31	-	-	2,781,734.31
401301	23RD ST MAIN REPLACEMENT	-	(198,468.25)	(198,468.25)	51,002.48	-	(249,470.73)
401402	LAGOON CLEANOUT	-	281,100.00	281,100.00	-	-	281,100.00
401505	Dist Sys IMPROVE	-	226,723.62	226,723.62	-	10,428.84	216,294.78
401601	FILTER BACKWASH OUTFALL	-	190,325.00	190,325.00	-	-	190,325.00
401608	LIME SILO	-	264,286.30	264,286.30	-	33,645.13	230,641.17
401703	Maint BUILDING AT CBP	100,000.00	200,000.00	300,000.00	569,336.00	-	(269,336.00)
401818	30" Steel Transmission Main Assess	-	156,300.00	156,300.00	-	-	156,300.00
402007	Emergency Power Generation	-	1,150,000.00	1,150,000.00	-	-	1,150,000.00
402008	Wellfield Overhead Electrical Imp	-	1,000,000.00	1,000,000.00	7,450.00	22,350.00	970,200.00
402107	Facility Improvements/Const/Maint	-	45,662.97	45,662.97	45,662.97	-	-
402108	Basin Drive Improvements	500,000.00	92,111.16	592,111.16	130,403.98	155,029.51	306,677.67
402207	CB Electrical Switchgear Improvemen	-	200,000.00	200,000.00	94,700.00	52.40	105,247.60
402401	Fiber Optic Upgrades	-	102,576.00	102,576.00	-	99,356.00	3,220.00
402403	Sludge House Piping Improvements	100,000.00	300,000.00	400,000.00	-	-	400,000.00
402410	Springbranch Garage Complex	2,140,000.00	3,780,000.00	5,920,000.00	-	-	5,920,000.00
402501	Horizontal Collector Wheel Rehab	-	860,000.00	860,000.00	860,000.00	-	-
402502	Chlorinator Improvements	-	27,815.00	27,815.00	-	-	27,815.00
402503	Evaporator Improvements	-	18,179.72	18,179.72	-	21,035.85	(2,856.13)
402504	M-291 Wellfield Header	1,000,000.00	300,000.00	1,300,000.00	-	-	1,300,000.00
402506	Vehicle Replacement	-	70,251.00	70,251.00	-	-	70,251.00
402601	Ammonia Feeder Improvements	500,000.00	-	500,000.00	-	-	500,000.00
402602	CBP Operation Building Upgrades	500,000.00	-	500,000.00	-	-	500,000.00
402603	CBP Valve Improvements	100,000.00	-	100,000.00	-	43,424.22	56,575.78
402604	HSP Overhaul	400,000.00	-	400,000.00	253,570.00	-	146,430.00
402605	Service Line Upgrades	160,000.00	-	160,000.00	-	-	160,000.00
402606	Backhoe	125,000.00	-	125,000.00	-	119,660.45	5,339.55
402607	Truck with Service Body	175,000.00	-	175,000.00	113,310.48	58,532.00	3,157.52
402608	City Center Renovation	250,000.00	-	250,000.00	-	-	250,000.00
9749	MAIN REPLACEMENT PROGRAM	2,000,000.00	12,470,113.02	14,470,113.02	1,956,580.60	1,815,547.47	10,697,984.95
9952	SECURITY UPGRADES	-	295,718.32	295,718.32	6,104.34	-	289,613.98
		\$ 9,050,000.00	25,375,994.08	34,425,994.08	4,099,496.23	2,386,095.62	27,940,402.23

	Budget	Budget (Enc Roll)	Total
Budget	\$ 32,974,545.93	1,451,448.15	34,425,994.08
Less Expenditures	2,009,950.74	376,144.88	2,386,095.62
Less Encumbrances	3,025,663.56	1,073,832.67	4,099,496.23
Total Available	\$ 27,938,931.63	1,470.60	27,940,402.23

CITY OF INDEPENDENCE, MISSOURI
 Budgetary Comparison Schedule
 Sanitary Sewer
 For the period ended December 31, 2025

	Budgeted Amounts		Actual Amounts	Variance with Amended Budget	Percent Actual 50.00% of Year	Percent From Budget	Prior Year 12/31/2024 Actual Amounts
	Original	Amended					
Operating revenues:							
Charges for Services	\$ 35,770,000	35,770,000	16,900,091	(18,869,909)	47.25%	-2.75%	17,908,832
Penalties	200,000	200,000	143,266	(56,734)	71.63%	21.63%	—
Total operating revenues	35,970,000	35,970,000	17,043,357	(18,926,643)	47.38%	-2.62%	17,908,832
Operating expenses:							
Personnel Services	7,472,390	7,472,390	3,210,590	4,261,800	42.97%	-7.03%	3,005,048
Retiree Benefits	460,000	460,000	199,893	260,107	43.46%	-6.55%	197,315
Other Services	17,685,617	17,685,617	8,401,415	9,284,202	47.50%	-2.50%	7,950,978
Supplies	1,423,676	1,423,676	915,211	508,465	64.29%	14.29%	902,962
Capital Projects	—	—	—	—	0.00%	-50.00%	—
Capital Operating	530,800	431,300	325,332	105,968	75.43%	25.43%	169,920
Debt Service	6,245,000	6,245,000	5,020,694	1,224,306	80.40%	30.40%	4,970,884
Other Expenses	—	—	—	—	0.00%	-50.00%	—
Total Operating Expenses	33,817,483	33,717,983	18,073,135	15,644,848	53.60%	3.60%	17,197,107
Nonoperating Revenues (Expenses):							
Investment Income	500,000	500,000	703,602	203,602	140.72%	90.72%	728,304
Miscellaneous Revenue (Expense)	7,900	7,900	(19,052)	(26,952)	-241.16%	-291.16%	4,879
Total Nonoperating Revenue (Expenses)	507,900	507,900	684,550	176,650	134.78%	84.78%	733,183
Income (Loss) Before Transfers	2,660,417	2,759,917	(345,228)	(3,105,145)	-12.51%	-62.51%	1,444,908
Transfers Out – Utility Payments In Lieu of Taxes	(3,189,000)	(3,189,000)	(1,775,627)	(1,413,373)	55.68%	5.68%	(1,849,285)
Transfers In	10,000	10,000	—	10,000	0.00%	-50.00%	10,000
Transfers Out - Capital Projects	(8,000,000)	(8,000,000)	(2,138,879)	(5,861,121)	26.74%	-23.26%	(1,555,843)
Total Transfers	(11,179,000)	(11,179,000)	(3,914,506)	(7,264,494)	35.02%	-14.98%	(3,395,128)
Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses, Budget Basis	\$ (8,518,583)	(8,419,083)	(4,259,734)	4,159,349			(1,950,220)
Beginning Available Resources			37,294,884				37,459,064
Year-End Investment Market Value Adjustment			—				—
Ending Available Resources			<u>33,035,150</u>				<u>35,508,844</u>
Revenue Risk			1,200,000				1,200,000
Capital Reserve			4,000,000				4,000,000
Expense Risk			700,000				700,000
Working Capital			<u>6,800,000</u>				<u>6,800,000</u>
Targeted Reserve Level			<u>12,700,000</u>				<u>12,700,000</u>
Total Non-Restricted Resources Available			\$ <u>20,335,150</u>				<u>22,808,844</u>

CITY OF INDEPENDENCE, MISSOURI
 Budgetary Comparison Schedule
 Sanitary Sewer Capital Projects Fund
 For the period ended December 31, 2025

	Budgeted Amounts		Actual Amounts	Variance with Amended Budget	Percent Actual 50.00% of Year	Percent From Budget	Prior Year 12/31/2024 Actual Amounts
	Original	Amended					
Operating revenues:							
Charges for Services	\$ —	—	—	—	0.00%	-50.00%	—
Penalties	—	—	—	—	0.00%	-50.00%	—
Total operating revenues	—	—	—	—	0.00%	-50.00%	—
Operating expenses:							
Personnel Services	—	—	—	—	0.00%	-50.00%	—
Retiree Benefits	—	—	—	—	0.00%	-50.00%	—
Other Services	—	—	—	—	0.00%	-50.00%	—
Supplies	—	—	—	—	0.00%	-50.00%	—
Capital Projects	8,000,000	21,990,777	2,073,317	19,917,460	9.43%	-40.57%	5,126,672
Capital Operating	—	—	—	—	0.00%	-50.00%	—
Debt Service	—	—	—	—	0.00%	-50.00%	—
Other Expenses	—	—	—	—	0.00%	-50.00%	—
Total Operating Expenses	8,000,000	21,990,777	2,073,317	19,917,460	9.43%	-40.57%	5,126,672
Nonoperating Revenues (Expenses):							
Investment Income	—	—	—	—	0.00%	-50.00%	—
Miscellaneous Revenue (Expense)	—	—	—	—	0.00%	-50.00%	—
Total Nonoperating Revenue (Expenses)	—	—	—	—	0.00%	-50.00%	—
Income (Loss) Before Transfers	(8,000,000)	(21,990,777)	(2,073,317)	19,917,460	9.43%	-40.57%	(5,126,672)
Transfers Out – Utility Payments In Lieu of Taxes	—	—	—	—	0.00%	-50.00%	—
Transfers In	8,000,000	8,000,000	2,138,615	5,861,385	26.73%	-23.27%	1,555,759
Transfers Out	—	—	—	—	0.00%	-50.00%	—
Total Transfers	8,000,000	8,000,000	2,138,615	5,861,385	26.73%	-23.27%	1,555,759
Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses, Budget Basis	\$ —	(13,990,777)	65,298	14,056,075			(3,570,913)
Beginning Unassigned Fund Balance			(2,770,760)				—
Prior Period Encumbrances			—				(2,317,525)
Cancellation of Prior Year Encumbrances			55,171				16,407
Year-End Investment Market Value Adjustment			—				—
Ending Unassigned Fund Balance			<u>(2,650,291)</u>				<u>(5,872,031)</u>
Current Year Encumbrances			1,735,461				4,769,898
Prior Year Encumbrances			914,830				1,102,133
Total Fund Balance			<u>\$ —</u>				<u>—</u>

**Sanitary Sewer - Open Capital Projects
As of December 31, 2025**

PROJECT	PROJECT TITLE	ORIGINAL BUDGET	NET BUDGET AMENDMENTS	REVISED BUDGET	ENCUMBRANCES	ACTUALS	AVAILABLE BUDGET
301201	BURR OAK EAST	\$ -	1,035,327.15	1,035,327.15	-	-	1,035,327.15
301202	CRACKERNECK-VAN HOOK SEWER	-	529,163.59	529,163.59	-	-	529,163.59
301701	SCADA UPGRADE	-	77,507.78	77,507.78	-	-	77,507.78
301706	TREATMENT FACILITY IMPROVEMENT	-	76.13	76.13	-	-	76.13
302004	Neighborhood Projects 2019-20	250,000.00	1,505,038.61	1,755,038.61	13,145.90	19,596.25	1,722,296.46
302005	Biosolids Handling	-	991,019.78	991,019.78	-	-	991,019.78
302006	Raw Pumps & Screening	-	579,279.41	579,279.41	-	-	579,279.41
302007	Electrical Substation Rehab	-	137,967.00	137,967.00	-	-	137,967.00
302008	RCTP Fence	-	36,015.56	36,015.56	-	-	36,015.56
302101	Sanitation Sewer Evaluation Survey	-	206,982.83	206,982.83	-	-	206,982.83
302102	Raymond Harkless Mills San Imp	-	105,715.21	105,715.21	106,427.33	-	(712.12)
302105	Piping Rehabilitation	200,000.00	14,332.50	214,332.50	-	-	214,332.50
302201	Upper Adair Interceptor	500,000.00	1,375,100.14	1,875,100.14	322,186.22	121,648.04	1,431,265.88
302202	Crackerneck Creek Slope Rehab	-	2,026,407.29	2,026,407.29	40,095.22	21,533.88	1,964,778.19
302203	Sanitary Sewer Main Reloc from Stre	-	1,000,000.00	1,000,000.00	365,193.58	102,252.42	532,554.00
302204	RCTP - Septic Pumper	-	300,000.00	300,000.00	-	-	300,000.00
302205	Clarifier Rehabilitation	-	2,129,176.66	2,129,176.66	589,146.55	1,648,224.39	(108,194.28)
302206	Railing Safety RCPS & SCPS	-	14,083.09	14,083.09	-	-	14,083.09
302301	Sludge Thickening Process Improve	2,000,000.00	1,316,035.70	3,316,035.70	173,514.65	39,477.05	3,103,044.00
302402	Grit Removal Improvements-RCPS	-	750,000.00	750,000.00	-	-	750,000.00
302403	Pressure Cleaning Truck	-	61,229.25	61,229.25	-	-	61,229.25
302410	Springbranch Garage Complex	2,140,000.00	2,130,000.00	4,270,000.00	-	-	4,270,000.00
302501	Camera Truck	-	22,286.57	22,286.57	-	-	22,286.57
302601	Golden Acres Sanitary Sewer Improve	250,000.00	-	250,000.00	-	-	250,000.00
302602	24th & Scott	150,000.00	-	150,000.00	-	-	150,000.00
302603	Dump Truck	275,000.00	-	275,000.00	-	-	275,000.00
302604	Lateral Reroute and Rep Program	150,000.00	-	150,000.00	-	-	150,000.00
302605	VFD Replacement at RCPS and SCPS	350,000.00	-	350,000.00	248,775.39	-	101,224.61
302606	Rock Creek PS Pump Replacement	835,000.00	-	835,000.00	745,623.00	-	89,377.00
302607	PTB Scraper	150,000.00	-	150,000.00	-	-	150,000.00
302608	City Center Renovation	250,000.00	-	250,000.00	-	-	250,000.00
302609	Maintenance Crane Body ServiceTruck	-	107,857.00	107,857.00	45,597.00	62,260.00	-
9757	TRENCHLESS TECHNOLOGY	500,000.00	310,935.28	810,935.28	585.90	123,623.34	686,726.04
		\$ 8,000,000.00	16,761,536.53	24,761,536.53	2,650,290.74	2,138,615.37	19,972,630.42

	Current Year	Prior Year	Total
	Budget	Budget (Enc Roll)	
Budget	\$ 21,990,776.76	2,770,759.77	24,761,536.53
Less Expenditures	337,856.30	1,800,759.07	2,138,615.37
Less Encumbrances	1,735,461.09	914,829.65	2,650,290.74
Total Available	\$ 19,917,459.37	55,171.05	19,972,630.42



INDEPENDENCE
★ POWER & LIGHT ★

IPL Statistical Reports

As of December 31, 2025*

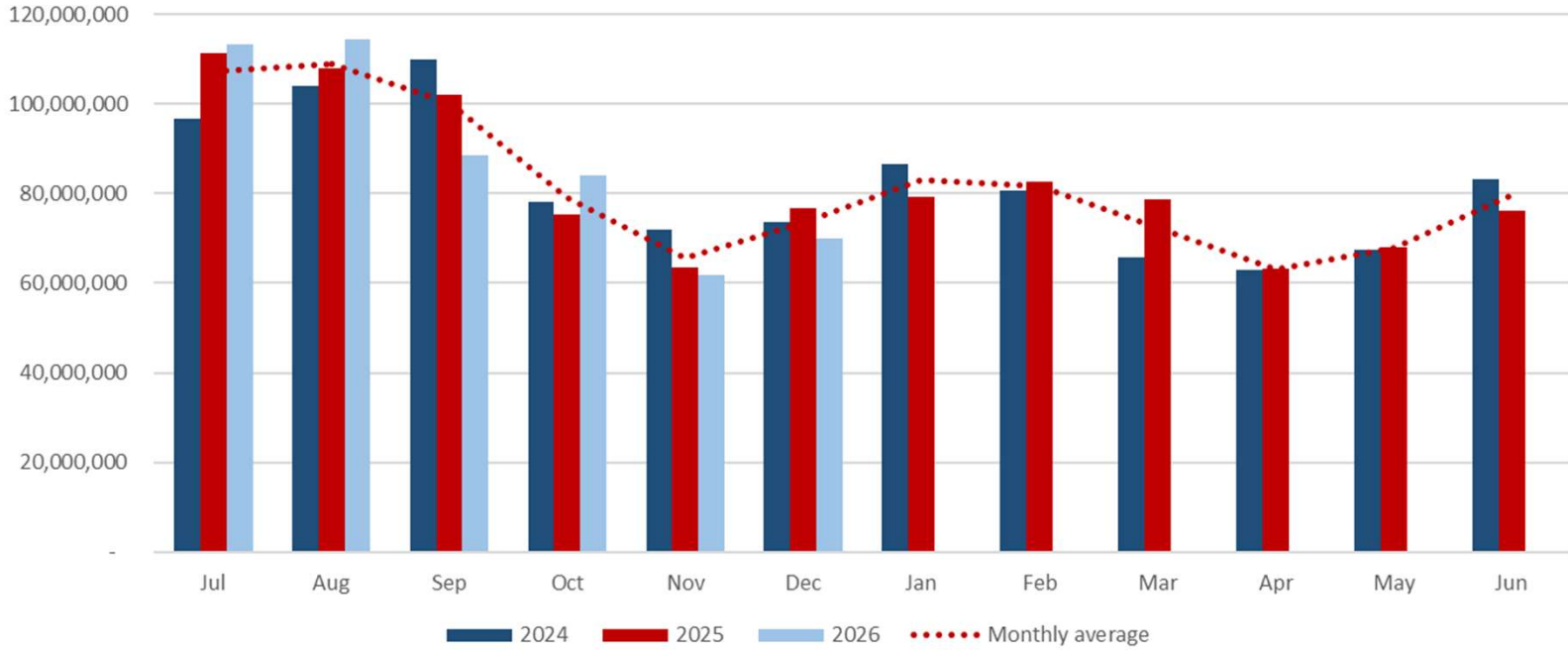
*Consumption and billed revenue continued to be impacted by estimated meter readings and the timing of meter reading.



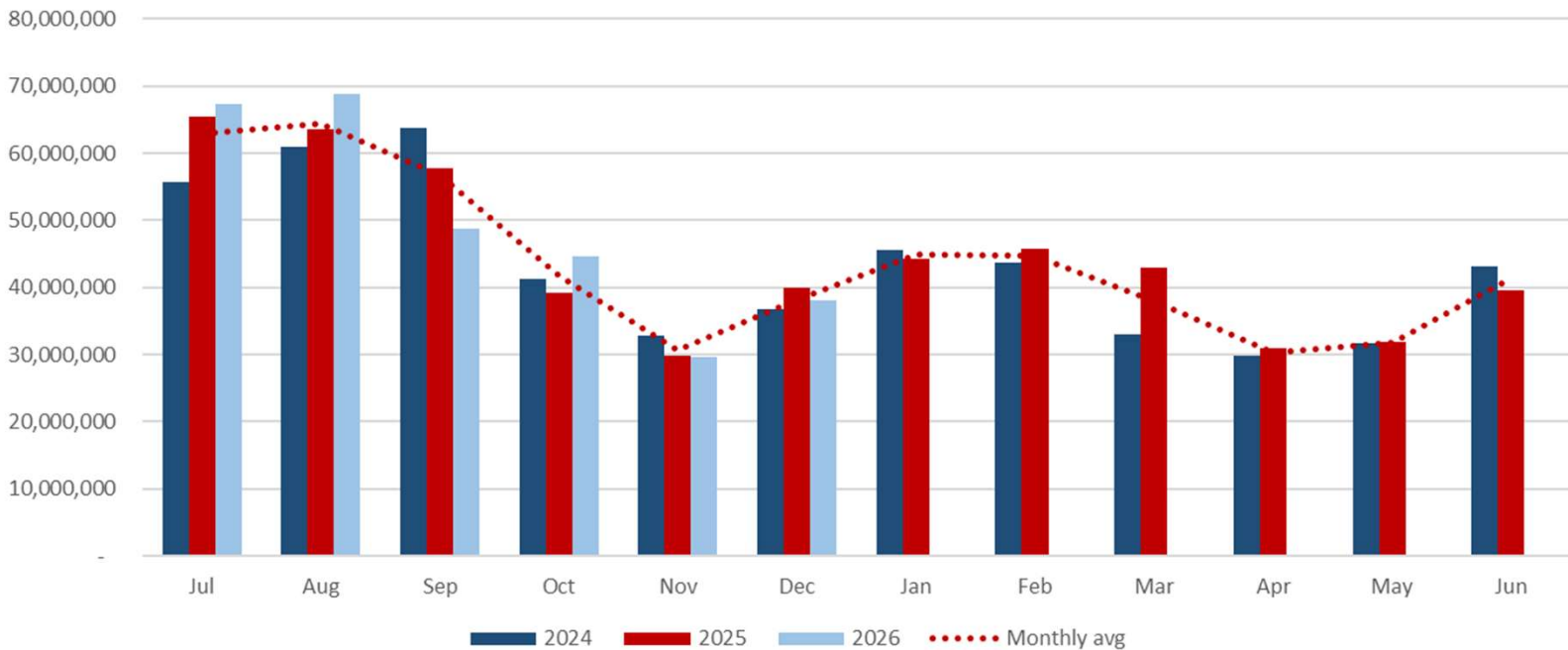
INDEPENDENCE

★ POWER & LIGHT ★

Total kWh



Residential kWh



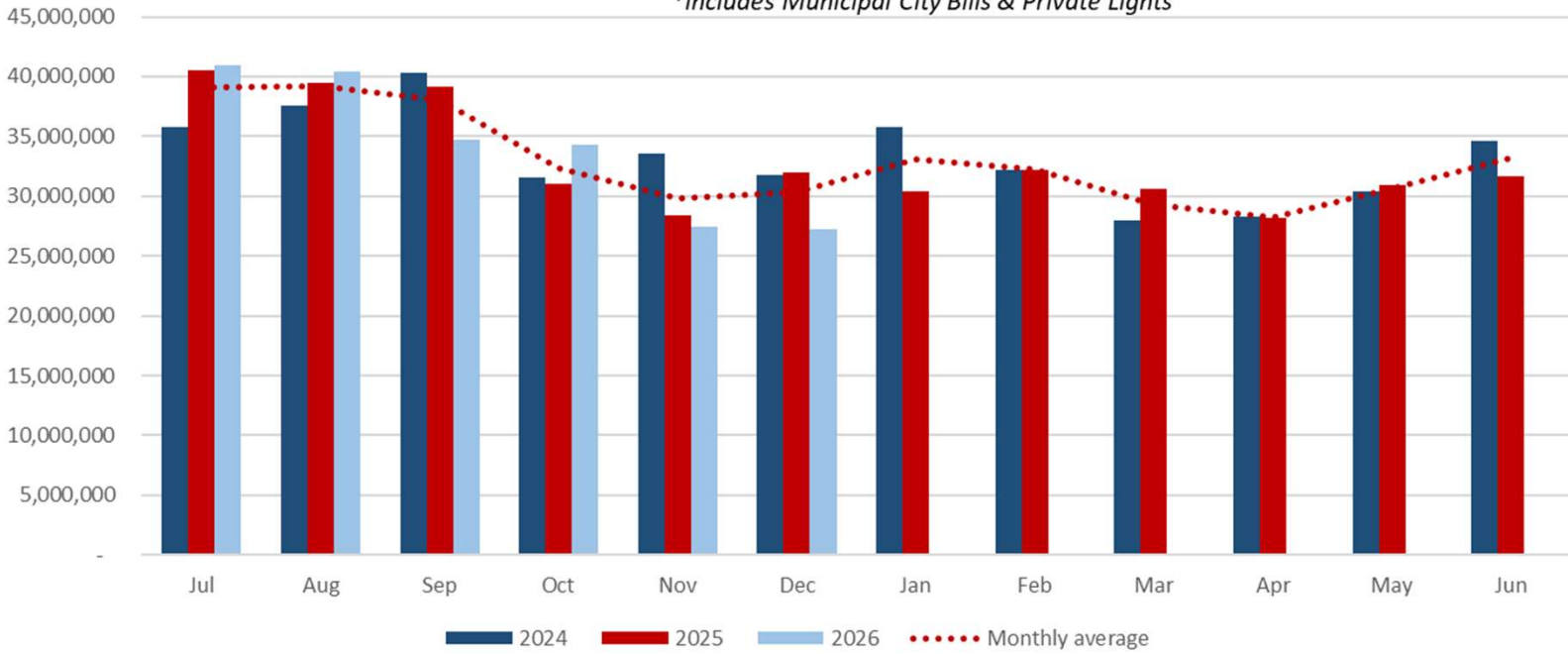


INDEPENDENCE

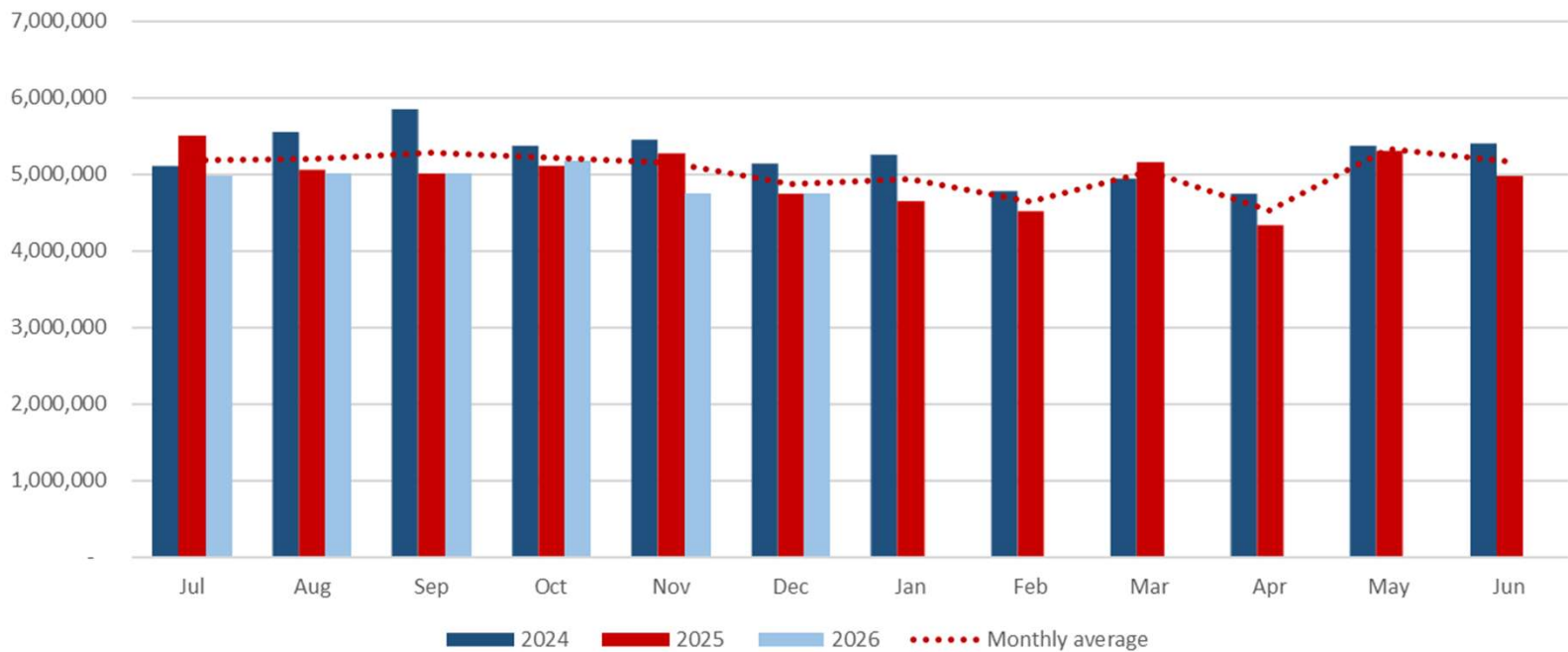
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Commercial kWh

**includes Municipal City Bills & Private Lights*



Industrial kWh

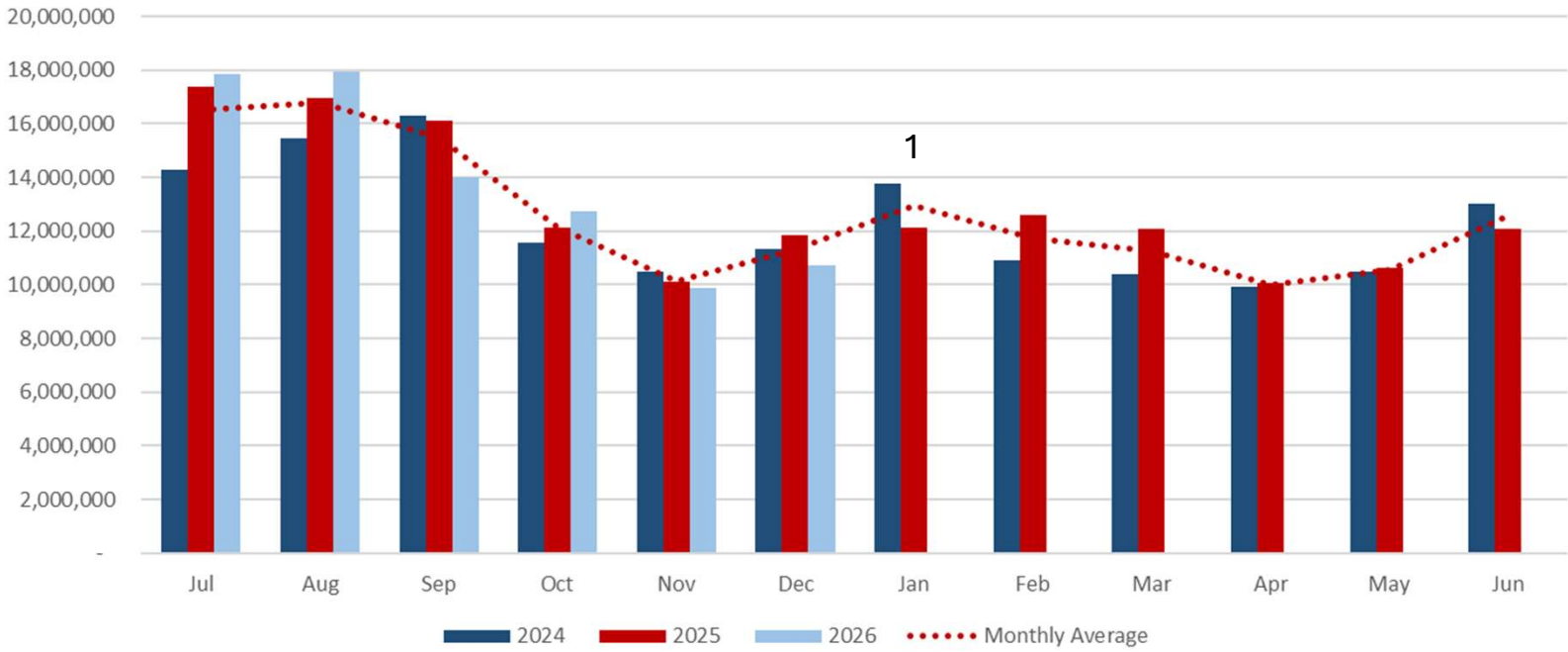




INDEPENDENCE

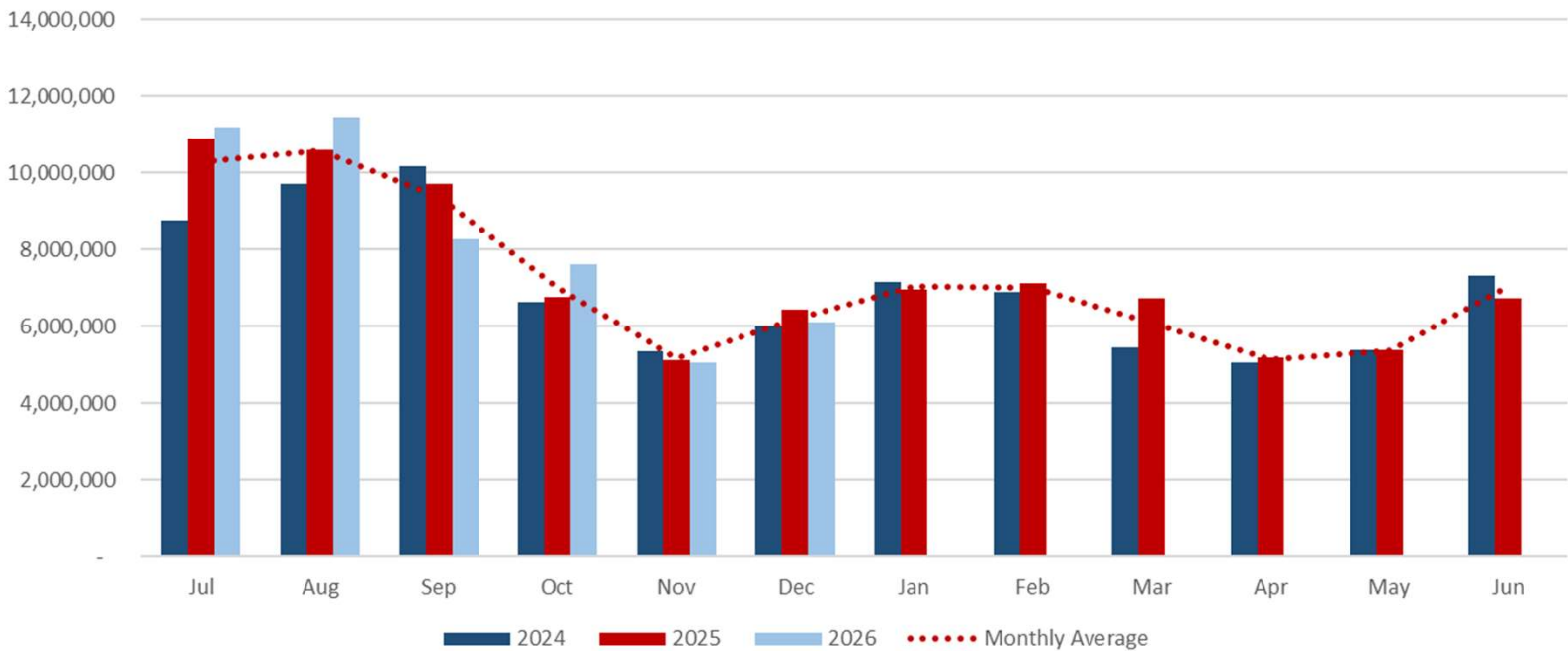
★ POWER & LIGHT ★

Total Billed Revenue



¹FY2024 – rebills and customer reclassifications created an offset between January and February

Residential Billed Revenue

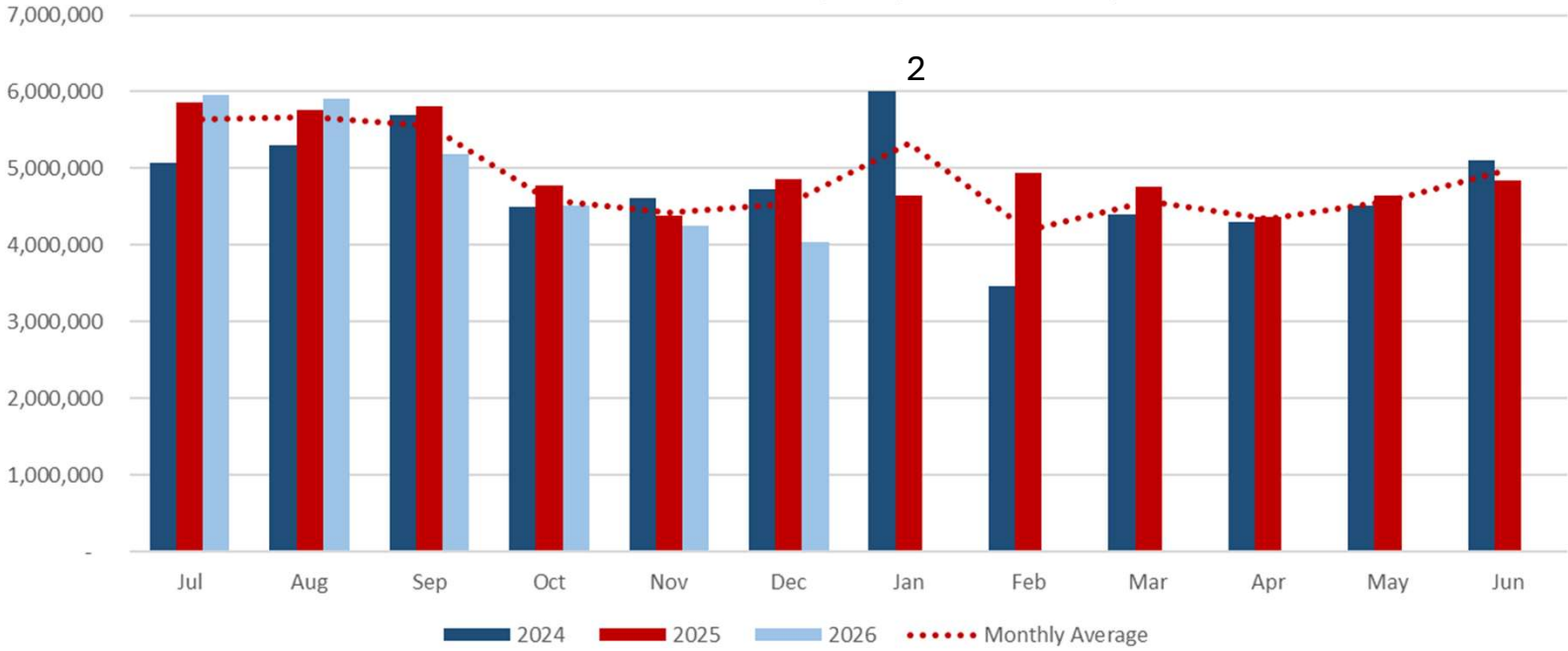




INDEPENDENCE

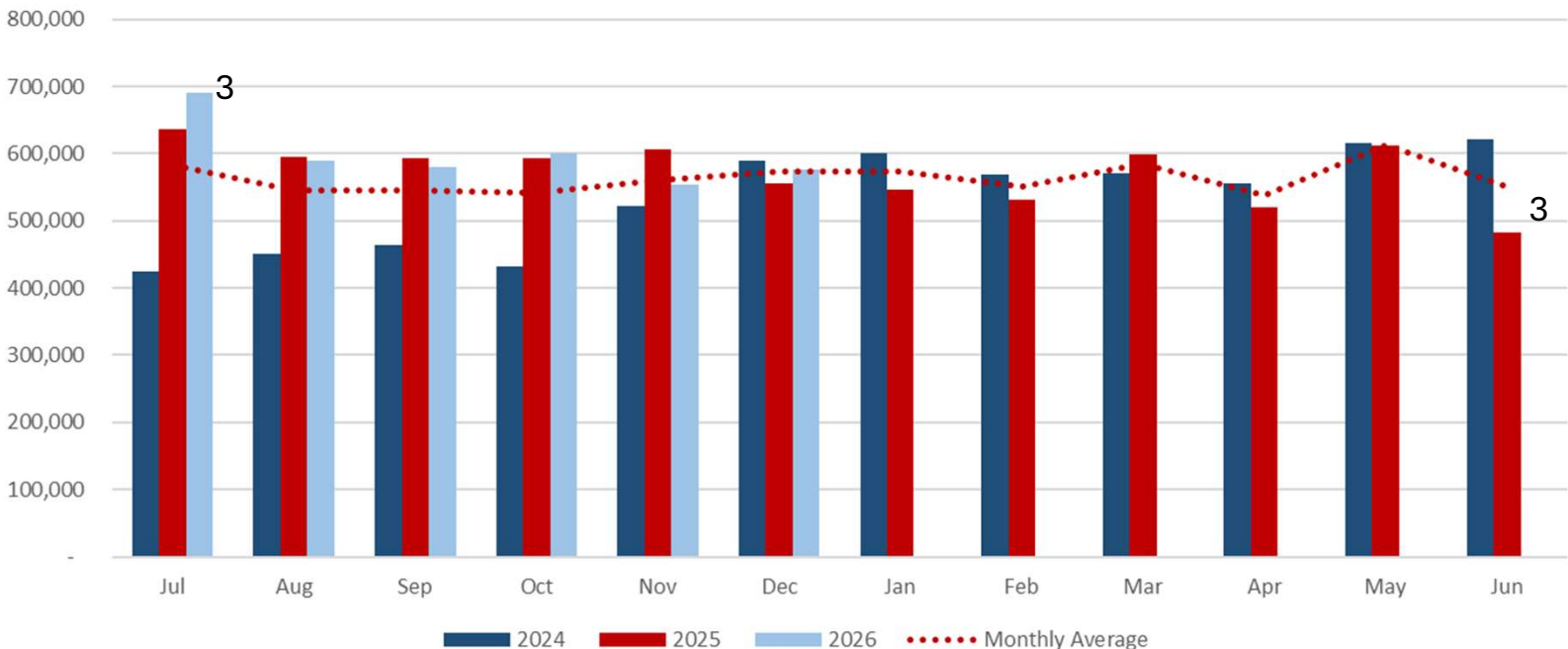
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Commercial Billed Revenue
**includes Muncipal City Bills & Private Lights*



²FY2024 – rebills and customer reclassifications created an offset between January and February

Industrial Billed Revenue



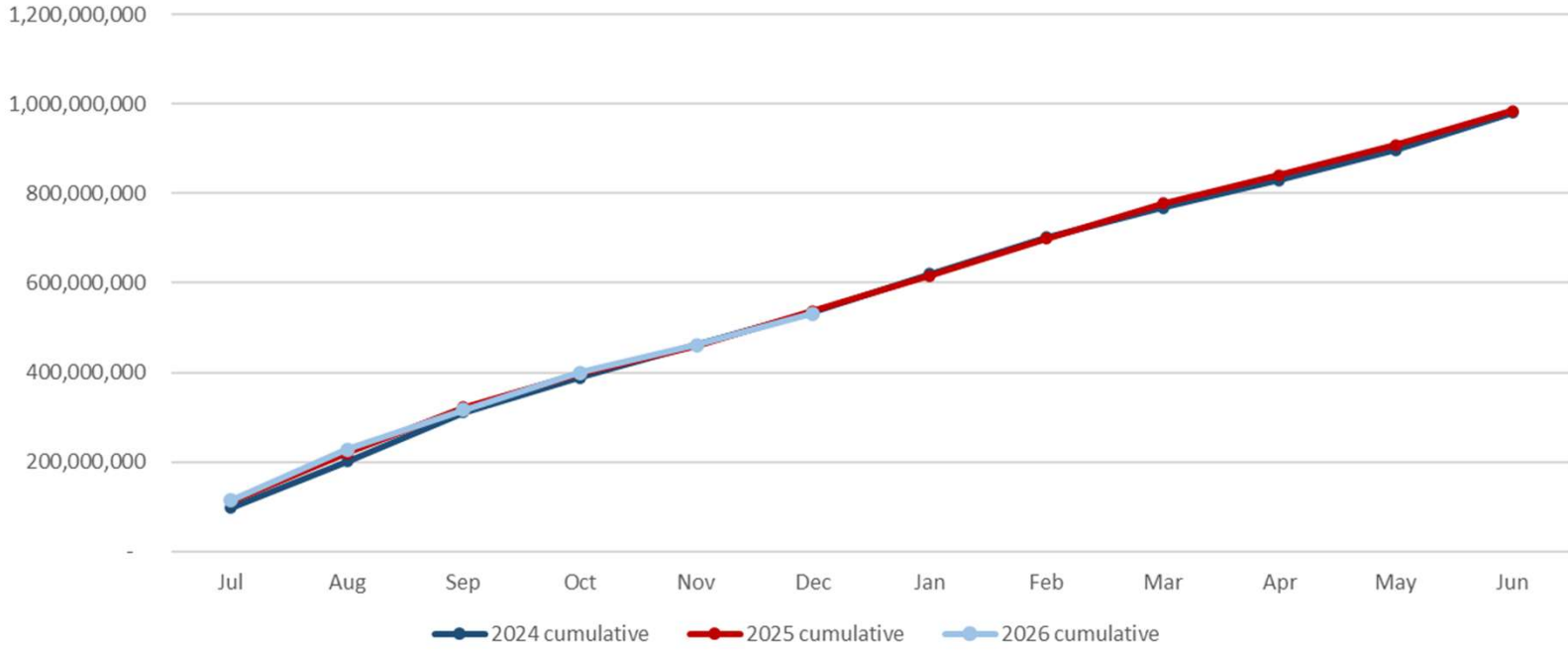
³FY2025 One Interruptible Industrial customer was rebilled in June, the billed revenue offsets in July (FY2026).



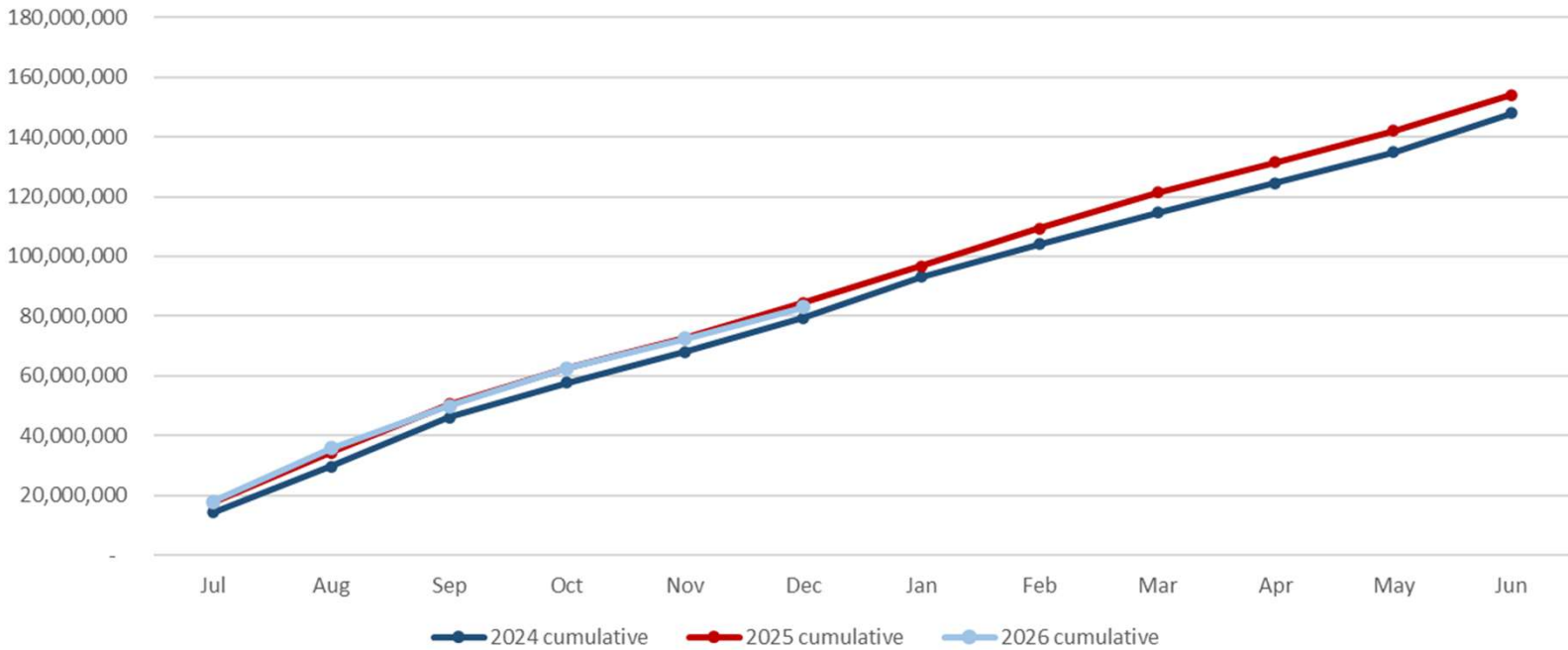
INDEPENDENCE

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Cumulative kWh



Cumulative Billed Revenue





INDEPENDENCE

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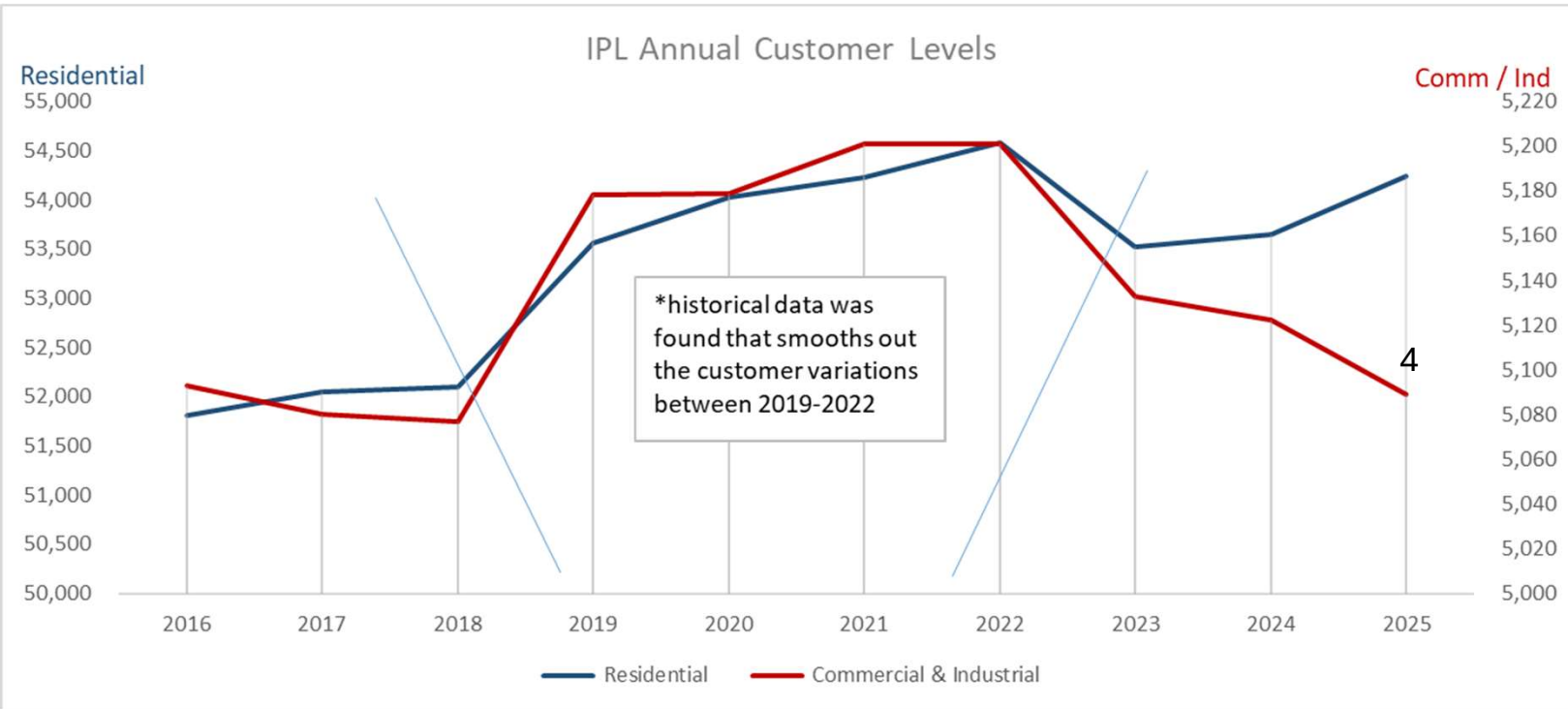
Average / Maximum / Minimum Temperature and Humidity December 2023, 2024, 2025

Average TEMPERATURE	<u>Average</u>	Max	Min
Dec-23	41.69	67.95	19.94
Dec-24	36.20	58.79	12.74
Dec-25	36.06	69.00	6.12

Average HUMIDITY	<u>Average</u>	Max	Min
Dec-23	73.23	95.00	29.33
Dec-24	74.90	100.00	28.13
Dec-25	71.26	100.00	19.57



INDEPENDENCE ★ POWER & LIGHT ★



⁴FY2025 Commercial / Industrial customers show a decrease of 33. This number can vary year-to-year

In late 2018, a new billing system was implemented. The prior system counted customers using a different method of aggregating multiple-meter accounts, resulting in increased customer counts after the software implementation.

In 2022 and 2023, billing began at the account-level versus the meter-level, providing a more consistent customer count and smoothing out the graph.

In mid-2024 fiscal year, the new and current rate structure was implemented. This resulted in a number of customers being reclassified to an alternative rate that was more appropriate for their electric usage. Due to the reclassifications, the customers were rebilled, which may slightly inflate the customer counts for fiscal year 2024.

Fiscal year 2025 will be the first full year on the rate structure implemented mid-2023. 2025 graphs should show a normalized trend, without the fluctuations of changes in billing systems, rate structures, and customer reclassifications.

In place of current City Charter Sections 3.12 through 3.18:

Section 3.12. Definitions.

As used in Sections 3.12 through 3.25, the term "public utilities" by way of description, but not as a limitation, shall include electric systems, water and sewer systems (including all plants, apparatus, equipment, and distribution facilities related to any such system), or any other service or facility commonly considered to be a public utility or so declared to be by any statute, ordinance or court decision.

Section 3.13. Municipally owned and operated utilities and enterprises.

The public utilities and enterprises as the city may acquire shall be operated in a business like manner and operated from funds separate from the general fund. An accounting system for each such fund shall be established within the general accounting system of the city, and shall be so set up and maintained as to reflect annually or as often as the council may require the financial condition of the enterprise and its income and expense.

Section 3.14. Powers of the City Council.

The City Council shall retain the power to: (1) approve the budget of the board of public utilities and the budget of public utilities in accordance with Article 8 of the Charter; (2) approve all rates and fees related to public utilities; and (3) approve issuances of bonds and public debt related to public utilities in accordance with Article 10 of the Charter.

Section 3.15. City electric department.

There shall be an electric department, the director of which shall be the director of the electric utility. The electric department shall operate the electric utility of the city. All electric department employees shall be employees of the City subject to the City's laws, rules, and regulations in the same manner as all other City employees, except as provided in the Charter

Section 3.16. Governance of public utilities.

- (1) The electric utility now owned, or which may in the future be acquired, shall be controlled and operated by a board known as the Board of Public Utilities. The electric utility and Board of Public Utilities shall be subject to all provisions of the City Charter and Code of Ordinances.
- (2) The water and sewer utility, or any other public utility, other than the electric utility, which may in the future be acquired, shall be controlled and operated by the City of Independence and subject to all provisions of the City Charter and Code of Ordinances.
- (3) The City Council may, by ordinance, transfer the control and operation of the water utility, sewer utility, or any other public utility acquired in the future to the Board of Public Utilities. Such ordinance shall specify the scope of authority being granted to the Board, and upon its effective date, the Board shall assume all duties, responsibilities, and powers necessary to manage and operate such utility in accordance with the applicable provisions of this Charter and the Code of Ordinances, unless otherwise provided by the ordinance effectuating the transfer.

- (4) Until and unless the City Council transfers the control and operation of the water utility, sewer utility, or any other public utility acquired in the future, other than the electric utility, to the Board of Public Utilities, there shall be a public utility advisory board, composed of seven (7) members appointed by the City Council for four year terms.
- (5) With respect to the public utilities not controlled and operated by the Board of Public Utilities, the public utilities advisory board:
 - (1) May initiate on its own or upon request of the council or city manager investigations of public utilities operated by the city;
 - (2) Shall adopt rules for the transaction of business and keep a record of its proceedings;
 - (3) Shall hold regular meetings and such special meetings as the board may provide by rule;
 - (4) May request the city manager to assign such clerical, legal, and investigatory personnel and to contract with other persons for goods and services that are required for its work, provided that resulting expenditures are duly authorized by the city manager, within amounts appropriated by the council, and made pursuant to proper purchasing procedures;
 - (5) May conduct public hearings on matters relating to public utilities operated by the city and, through its chairperson, administer oaths and affirmations;
 - (6) May obtain from any city department, officer, and agency and from any public utility operated by the city any available information that is required for its work;
 - (7) May subpoena witnesses to testify and compel the production of documents and other effects as evidence;
 - (8) May inspect all public utilities operated by the city;
 - (9) May recommend to the executive or legislative officials of the city, programs for the financing, use, ownership, service, operation, or franchising of public utilities operated by the city, including but not limited to recommendations regarding rate adjustments, long-range planning, the employment and termination of the services of consultants to the city, the review of recommendations made by consultants to the city, the issuance of debt obligations of the city and the construction of new and expansion of existing facilities; and
 - (10) Shall report its findings and recommendations at least annually, to the council, the people of the city, the city manager and the respective director(s) of the public utility operated by the city to which such findings and recommendations apply.

Section 3.17. Composition of the board of public utilities.

- (1) The Board of Public Utilities shall consist of seven persons appointed as hereinafter provided for terms of three years and who shall serve until their successors are appointed and qualified; however, no person shall be appointed for more than three consecutive three-year terms. A member who has served three consecutive terms may be reappointed after a minimum one-year break in service.
- (2) The city manager shall be an ex officio member of the board but shall not have any vote.
- (3) Notwithstanding other provisions of this Charter, all members of the board shall be registered qualified voters of the city or customers of the electric utility during their term. At least four members shall be registered qualified voters of the city.
- (4) To promote continuity and institutional knowledge, the terms of board members shall be staggered as follows: At the initial appointment following the adoption of this section, one (1) member shall be appointed to a one-year term; three (3) members shall

be appointed to a two-year term; and three (3) members shall be appointed to a three-year term. Thereafter, all board appointments shall be for three-year terms.

Section 3.18. Appointment of board of public utilities.

Initial board members shall be appointed by the City Council. Following such initial appointment, ~~M~~m members of the board of public utilities shall be nominated by a majority vote of the board of public utilities and appointed by a majority vote of the council. Any vacancy shall be filled in the same manner. Vacancies occurring before the expiration of a term shall be filled for the remainder of the unexpired term.

Section 3.19. Organization of the board.

Upon its first meeting after appointment, the board of public utilities shall organize by electing one of its members as chairman, one as vice-chairman, and another of its members, or the city clerk, as secretary, to serve for a term of one year. Such chairman, or in their absence, the vice-chairman, shall preside at the meetings of the board. The secretary or, in their absence, an acting secretary elected by the board, shall attend such meetings and keep a record of all actions taken at the meeting. Such officers shall perform such other duties as the said board may from time to time specify. Subject to applicable open meetings and records laws, all records of the board are hereby declared to be public records, and any person shall, at a reasonable time and under such reasonable regulations as the board may determine, be permitted to examine the records. A majority of the members of the board shall constitute a quorum for the transaction of business. All members of the board shall serve without any compensation unless otherwise provided by the council by ordinance, except the necessary expenses of their office shall be reimbursed; the expenses thereof to be paid out of the revenue from the public utilities controlled and operated by the board. If the board is required by the council to give bond, the cost of the same shall be paid out of the revenue of the public utilities controlled and operated by the board.

Section 3.20. Restrictions on the board.

The administration of the board of public utilities shall be in all respects entirely nonpartisan. No member of the board shall, during their term of office thereon hold any other public office, either school board, city, county, state, or federal during their official term; nor shall they be a member of any party organization or committee to further the candidacy of any person for public office. Upon accepting any of the offices aforesaid, during the member's term on the board, the member shall be deemed thereby to have immediately resigned as a member of the board, and their membership shall be thereby vacated.

A member of the board shall be prohibited for a period of one (1) year after leaving their position on the board from being hired as an employee of the public utilities controlled and operated by the board.

Section 3.21. Duties of the board.

The board of public utilities shall have the power and it shall be its duty to take charge of and exercise control over the electric utility and all extensions thereof and the appurtenances

thereto belonging, inside or outside the corporate limits of the City, and shall enforce the performance of all contracts and work, and have charge and custody of all the property, assets, books, and records belonging to the electric utility; provided, that nothing herein shall be construed to authorize a sale of the electric utility without a vote of the electorate of the city as provided herein; but said board may provide for the sale or other disposition of any useless, outworn, obsolete, or surplus supplies, equipment, or real estate not then useful in the operation of the utility, in the manner provided by ordinances for the disposition of such property by the City.

Section 3.22. Powers of the board.

The board of public utilities shall have all the powers necessary, desirable, or convenient to manage, control, and operate the electric utility, and by way of description but not of limitation, the board shall have the power to hire a director of the electric utility and electric department, to discharge the director, to purchase operating supplies and equipment, to provide for the extension and improvement of electric utility property, to enter into contracts with other public and private utilities for the purchase of their product or the sale thereto, and do all things needful for the successful operation of said the electric utility except as hereinafter limited. Members of the board of public utilities shall not interfere in any manner with the administrative service of the public utilities controlled and operated by the board. Members of the board of public utilities shall deal with the administrative service of the public utilities controlled and operated by the board solely through the director of the public utilities. The board shall review economic development proposals that involve modifications of electric utility rates, sales or leases of real property allocated to the electric department, or discounts or reimbursements to developers for electric utility infrastructure costs, and shall submit a recommendation regarding such proposal to the council.

Section 3.23. Economic development.

The electric utility may be utilized to promote economic development projects, programs, or initiatives that benefit the community. Such use includes but is not limited to: (1) supporting electric infrastructure investments that enable job creation, capital investment, or increased tax bases within the City; (2) offering incentives to attract, retain, or expand commercial, industrial, residential, and mixed-use developments; (3) participating in partnerships, agreements, or programs that leverage electric utility services to support economic growth; (4) engaging in initiative programs or rate structures designed to stimulate redevelopment, innovation, or targeted industry sectors; (5) acquiring, holding, leasing, or conveying real property interests in furtherance of economic development objectives, including site preparation, infrastructure expansion, and strategic land assembly. Any use of electric utility assets or revenues or land acquisition for economic development purposes shall comply with all applicable laws and regulations, shall not impair the financial stability of the electric utility, and shall be consistent with the City's adopted budget, comprehensive plan, and economic development strategy. All such uses shall be approved by the City Council.

The City Council shall adopt by ordinance such policies, procedures, and safeguards as are necessary to implement this Section and to ensure transparency, accountability, and responsible use of utility and real estate resources.

Section 3.24. Funds and accounting of the electric utility.

All moneys due to and collected by the electric utility from any source shall be paid to the electric utility and deposited daily in the City depository to the credit of such utility and shall be disbursed only in accordance with the provisions of this Article or of any ordinance now in effect or hereafter enacted.

The electric utility shall not be operated for the benefit of other municipal functions except for as provided in the Charter, and shall not be used directly or indirectly as a general revenue producing agency for the city. The electric utility shall be operated from funds separate from the City's general fund.

The board of public utilities and the director shall work in connection with all other City departments to properly account for all finances and operations of the electric utility. The electric utility shall follow in all respects the accounting procedures established for public utilities by state or federal agencies regulating public utilities. It shall furnish or cause to be furnished to the city or to its director of finance such record of all cash deposited by it and a monthly record of all receipts and disbursements in such form and in such detail as shall be required by any ordinance hereinafter enacted by the council, which records shall at any time be open to the examination of the council or any committee or representative appointed by the council, and such board shall make, not less frequently than quarterly, full and complete reports of its transactions to the council; and it shall be the duty of the council at such times as it may deem expedient and necessary, but not less than one each year, to make or cause to be made a complete audit of the operations of said board and the public utilities controlled and operated by the board for the preceding year. A final report of said audit shall be presented to both the Board of Public Utilities and the City Council's Audit & Finance Committee or other such committee as may be established by the City Council.

Section 3.25. Sale of electric utility.

Before the City shall sell or dispose of, in any way, or abandon or cease to operate the electric utility, it shall first submit the proposition for such sale or disposition or abandonment or ceasing to operate, by ordinance, to the qualified voters of said city, either at a general election or a special election held for that purpose, and it shall require a majority of the votes cast at said election for and against such proposition, to be in favor of the proposition before any authority shall exist for such sale, disposition, abandonment, or ceasing to operate.