



ANNUAL REPORT

2018

www.KMEA.com

MISSION

KMEA provides solutions for reliable and cost effective energy for its members.

VISION

KMEA is committed to adding value and helping our members navigate the rapidly evolving and complex energy industry. Our agency will be engaged and responsive to our members' needs with innovative solutions. KMEA will be at the forefront of emerging technology and industry developments that could impact our members and their customers.

KMEA is a member driven agency where every employee's goal is to provide each member with the information, solutions, and services they need. We will maintain a member-centric approach; one of continuous improvement, so that we remain the energy solution provider of choice.

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A MESSAGE FROM THE KMEA PRESIDENT AND GENERAL MANAGER

MIKE MUIRHEAD AND PAUL MAHLBERG

“KMEA is a member-driven agency where every employee’s goal is to provide each member with the information, solutions, and services they need. We will maintain a member-centric approach; one of continuous improvement, so that we remain the energy solution provider of choice.” As our Vision statement implores us to do, 2018 will be marked as the year that we fulfilled this charge and a year where we began to embark on continuous improvement.

Two new long-term projects began energy deliveries in 2018 – the Dogwood Energy Project and the Buckeye Wind Project. After completing the sale of bonds for the purchase price of the Dogwood facility in March, five member cities began receiving the benefits of KMEA ownership in this large, efficient, gas-fired combined cycle plant. The Dogwood Facility had an outstanding year setting many operational records including the amount of generation, revenues, and net margins. The five participating cities will continue to receive the benefits of KMEA’s ownership in this plant for many years to come.

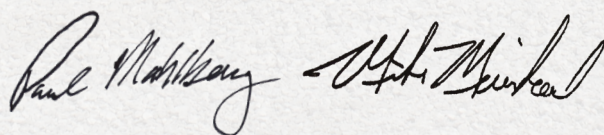
In June, twenty-one members began receiving energy from the Buckeye Wind Project, which is located in Ellis County, Kansas. The benefits of this low-cost, environmentally friendly resource will continue for a term of fifteen years. For many of these cities it is the first wind resource in their power supply portfolio.

KMEA, through our Energy Management Projects (EMPs), continue to be the preferred option for power supply for cities that reach expiration of existing full requirement contracts with incumbent utilities. During the past year, the cities of Cimarron and Mankato signed the EMP2 agreement with deliveries beginning in 2019. In addition, the cities of Arma, Chetopa, and Lindsborg signed the EMP3 agreement with deliveries beginning in 2020.

These two projects and the continued growth of our EMP groups are prime examples of the value of joint action and the Agency remaining the energy solution provider of choice.

Finally, for the Agency to be “one of continuous improvement”, we embarked on a joint effort with the Kansas Municipal Gas Agency to develop a strategic plan to chart a course for the agencies. A task force of member cities and staff participated in a two-day retreat in August resulting in a comprehensive plan focusing on three areas of focus – strategic growth, communications/identity, and organization. We are both excited about the possibilities that are encompassed in the strategic plan and believe it will move our agency in the direction of our vision statement.

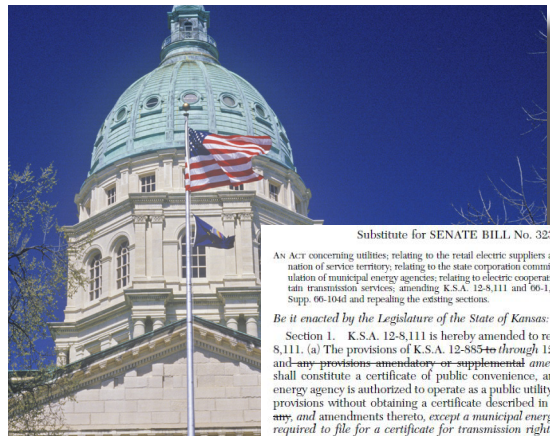
Thank you for allowing us to serve you in 2018!



KMEA HIGHLIGHTS OF 2018

SENATE BILL 323

The year of 2018 started off with an unexpected twist on the regulatory and legislative front. In January the Kansas Corporation Commission (KCC) ruled that the existing state statutes provided for full jurisdiction by the commission over municipal energy agencies, such as KMEA. This ruling was a total surprise since the KCC had never exercised regulatory authority over KMEA. After several months of working with and educating the state legislature and other interested parties, the governor signed Senate Bill 323 which amended the state statutes to allow for KMEA to “opt-out” of full KCC jurisdiction. In June the KMEA Board of Directors elected to exercise this opt-out option placing the Agency outside the purview of the KCC, which had been the operational practice since the Agency’s inception.



NEW CONTRACTS SIGNED IN 2018

KMEA is actively engaged and responsive to our members’ short-term, intermediate, and long-term energy needs. In 2018, our agency assisted several member cities with the execution of contracts to secure reliable and effective power supply for their communities for years to come.



EMP2

The City of Meade, an existing EMP2 Member, elected to extend their KMEA/NextEra Energy agreements through December 2025. The cities of Mankato and Cimarron joined as new members of the EMP2 group in 2018. Mankato and Cimarron will begin taking power supply on January 1, 2019 and May 1, 2019, respectively.

EMP3

In 2018, nine EMP3 Cities (Burlingame, Chapman, Girard, Holton, Horton, Osage City, Seneca, Sterling, and Wamego) executed energy-only agreements with

KMEA/NextEra to extend their current energy arrangements an additional six years, to December 2027. Each of these cities experienced more favorable pricing by extending their energy agreements, which included a mix of baseload, on-peak, and summer peaking products.

The City of Jetmore executed an energy agreement in 2018 with KMEA/NextEra to replace an existing agreement which expired on December 31, 2018. Jetmore’s new energy

agreement extends through December 2027.

With the City of Altamont’s current energy agreement expiring December 31, 2019, they were able to secure a new agreement with KMEA/NextEra Energy through December 2027.

Additionally, the cities of Chetopa, Arma, and Lindsborg joined KMEA’s EMP3 group in 2018. These cities signed seven-plus year power supply agreements and will begin receiving all their power supply from KMEA when their current agreements expire on May 31, 2020.

CITY OF MORAN BECOMES NEWEST KMEA MEMBER

During the 2018 Annual Conference the KMEA Board of Directors approved adding the City of Moran as a member bringing the total number of members to seventy-nine.

WELCOME TO
MORAN
MORAN RURITAN

STRATEGIC PLANNING EFFORT INITIATED

“Plans are worthless, but planning is everything.” One of the many quotes of our nation’s 34th President, Dwight D. Eisenhower. We couldn’t agree more with this philosophical statement. Strategic planning is absolutely necessary for our agencies, especially in the ever-changing electric and gas industry world in which we live.

With that in mind, the two agencies came together through a joint task force in Wichita for a two-day strategic planning retreat on August 28th and 29th with the ultimate goal of establishing the direction for the two agencies over the next five years. The process resulted in the group establishing the following three strategic areas of focus: strategic growth, communications/identity and organization. We will begin implementing many of the goals from the strategic plan during 2019 and beyond.



GOLF OUTING

The 2018 KMEA Annual Golf Outing was held at Deer Creek Golf Club in Overland Park on June 12th. The StressCrete Group of Atchinson, Kansas, was the title sponsor of the event. Golfers from KMEA/KMGA member cities, Mid-States Energy Works, Power Engineers, Stresscrete, and KMEA staff participated.



JOINT EMP MEETING AND ROYALS GAME

The Joint EMP meeting was held on June 13th in Overland Park, Kansas, where members were provided information from several presenters. Heather Starnes, attorney with the Healy Law Offices, LLC, kicked off the meeting by providing an update about happenings in the Southwest Power Pool. Heather was followed by Colin Hansen, Executive Director for Kansas Municipal Utilities, who updated the group on distributed generation (DG), service territory, and legislative issues. The third presenter for the day was Kevin Keenen with IML Pole Testing Equipment who provided a demonstration of new pole testing equipment. The meeting concluded with KMEA updates provided by staff.

The attendees of the Joint EMP meeting were treated to a night at Kauffman Stadium. Power Engineers Inc. sponsored the event that included access to the Price Chopper Patio and a buffet style meal.





Don McMillan



Dayton Moore

The 2018 KMEA Annual Conference was held October 18th and 19th at the Drury Plaza Hotel Broadview in Wichita. A large number of utility personnel, administrative staff, and elected officials were in attendance, filling the new venue to capacity. Day one began with the KMGa and KMEA Board of Directors meetings. The general session followed that afternoon with an entertaining presentation from **Don McMillan**, a comedian from San Francisco, who shared his views on engineering, technology, and life in the information age. The day two keynote speaker was **Dayton Moore**, General Manager for the Kansas City Royals. Dayton shared his story about fostering a culture of excellence within his organization and how that propelled him and his team to success.

2018 ANNUAL CONFERENCE



Adam Toth



CJ Brown



Jim Franklin



Tom Saitta



Kirk Larson



Lyle Powers



Dixie Riedel

Breakout sessions were presented later in the day by individuals from the electric and gas industries. These presentations included “Engineering and Rate Design” by Adam Toth (Toth and Associates), “What is New at SPP?” by CJ Brown (SPP), “Pole Attachments” by Jim Franklin and Penny Speake (Healy Law), “Electric 101” by KMEA Staff, “Mapping your Gas System” by Kirk Larson and Erin Allen (Midland GIS), and “Your Gas Utility Working for You” by Gilmore&Bell, KCC, and KMGa Staff.

On Friday morning, Mike Schmaderer (Mid-States Energy Works), Tyce McMillan (City of Johnson City), and Larry Berry (City of Anthony) discussed projects that were completed in both cities during the year.



Larry Berry, Mike Schmaderer, and Tyce McMillan

KMEA HIGHLIGHTS OF 2018



KIM THOMAS, CITY OF STOCKTON HONORED WITH THE MAX EMBREE AWARD

Kim Thomas, Mayor of the City of Stockton, was selected as the 2018 Max Embree Award recipient. Max Embree was a long-time resident of the City of Colby and played a leading role in the early years of KMEA. The award honors his memory and is awarded to individuals who have demonstrated exceptional leadership and devoted service to both KMEA and public power.



TYSON MCGREER, CITY OF COLBY HONORED WITH THE GIL HANSON AWARD

Tyson McGreer, City Manager of the City of Colby, was selected by past winners to receive the Gilbert E. Hanson Outstanding Service Award. This award, named in honor of KMEA's First General Manager, recognizes those who have made significant contributions to municipal joint action, their communities, the electric utility industry, and public power.



ELDON BROWN, CITY OF EUDORA PRESENTED WITH THE DEDICATED COMMITMENT TO SERVICE AWARD

Eldon Brown, Electric Superintendent for the City of Eudora, was selected as the 2018 Dedicated Commitment to Service Award recipient. This award was established to recognize an employee of a KMEA member city who has, over a period of years, demonstrated outstanding performance and made significant contribution to their municipal utility.



TWO MEMBERS CELEBRATE POWER CENTENNIALS IN 2018

The City of Sharon Springs and the City of Gardner (not pictured) each reached the centennial milestone in 2018 representing 100 years of public power. KMEA recognized the cities at the Annual Conference. To celebrate this achievement KMEA presented each city with a plaque commemorating this historic achievement. Brad Hatfield, Power Plant Operator, was on hand at the annual conference to receive the award on behalf of the City of Sharon Springs.

Energy Market Review

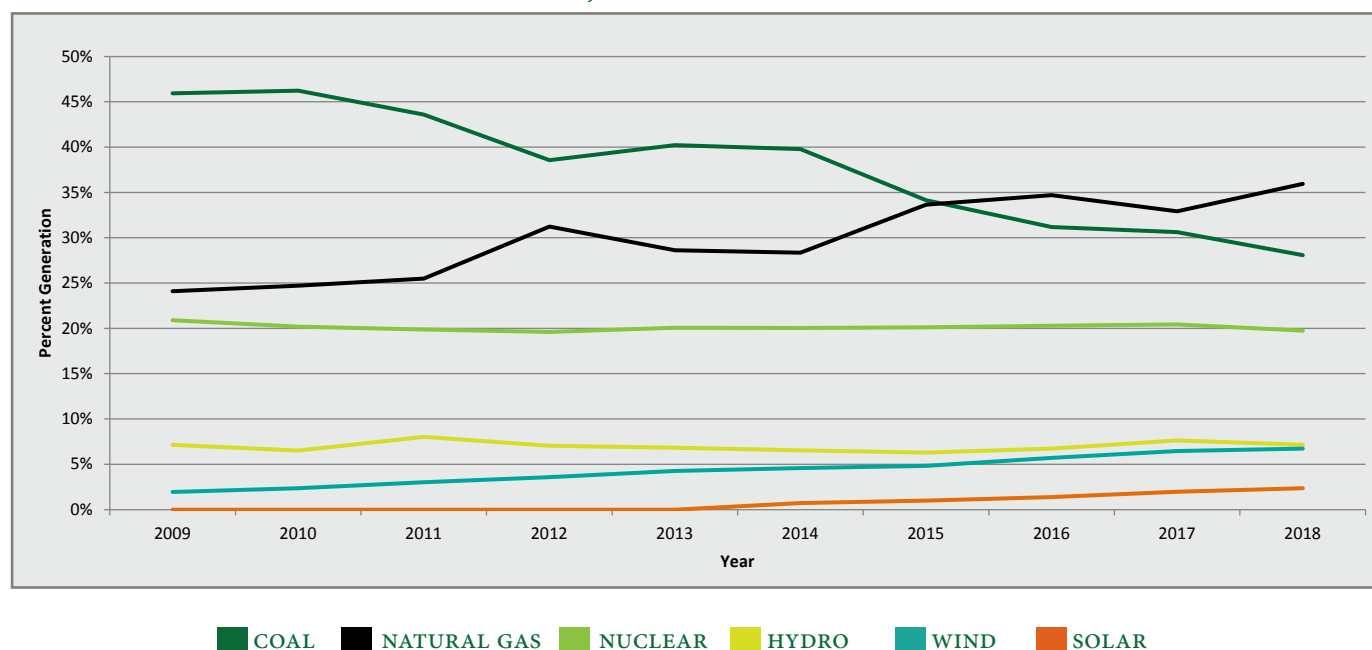
In 2018, the energy market saw the continued growth of renewables, mostly wind and now solar, and the decline of coal as a viable low-cost energy source. Southwest Power Pool (SPP) data shows that in 2018 energy from wind resources accounted for 23.5% of all generation within SPP, up from 11.0% in 2013. With the integration of renewable, intermittent, non-dispatchable resources like wind and solar, energy produced from gas resources is increasingly in demand. Gas resources with flexibility in dispatch that can quickly fill-in the gaps have shown to be invaluable as intermittent resources are integrated. Over the same five-year span coal has slipped to 42.4 % from 62.0% while gas generation has grown to 23.4% from 20.0%. The same trend towards renewables and gas and away from coal exists nationally, as well, where in 2018 wind, gas, and coal represented 7%, 36%, and 28% of all generation, respectively.

Energy prices in SPP's Integrated Marketplace have remained flat over the past four years and are projected to remain relatively low. Natural gas prices still appear to be the primary driver of energy prices in Kansas. In SPP gas-fired resources were the marginal unit, meaning they set the Locational Marginal Price (LMP), 34% of the time. Coal-fired resources and virtual trading each set the LMP 30% of the time, while wind resources accounted for the remaining 6% of intervals. Incidentally, negative LMPs, which can largely be attributed to wind generation, have accounted for approximately 6% of pricing intervals in the past three years. Monthly average day-ahead LMPs experienced by KMEA's three Energy Management

Projects (EMPs) ranged from a low of \$21.19/MWh to a high of \$26.74/MWh in 2018. Generally, due to the large concentration of wind generation there, market prices in west Kansas have been lower than those on the east side of the state over the past five years. Overall, last year's market prices in SPP were approximately 2% lower than in 2017.

Capacity has been devalued primarily due to low load growth and the increase of renewable, accreditable generation projects (i.e., wind). Cities for which KMEA provides SPP market services had a combined peak load of 372 MW in 2018. This correlates to 417 MW of gross capacity obligation when reserves are included. Our members self-supplied 69% of their capacity obligation with internal generation, which had been installed also to satisfy reliability concerns. The balance of their cumulative capacity obligation is met with purchases of firm power, firm capacity, and generation ownership. Firm power contracts are power purchase agreements that include planning reserves, such as those with Grand River Dam Authority, Kansas City Power and Light, Western Area Power Administration, and Southwestern Power Administration. Firm capacity contracts, like those KMEA has with Omaha Public Power District, Spearville Wind, Buckeye Wind, and Marshall Wind, do not include planning reserves but still include accredited capacity. Additionally, cities can obtain capacity by buying into larger generation projects, as exemplified by five KMEA members who teamed to purchase a 10.1% stake in the 650 MW Dogwood Energy Facility.

NET GENERATION, UNITED STATES- 2019 EIA REPORT



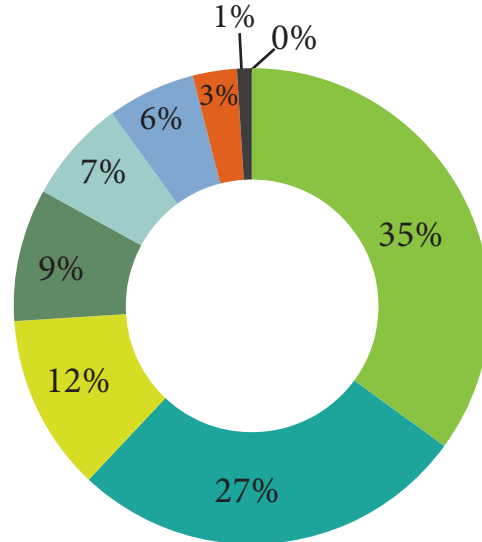
KMEA PROJECTS AND RESOURCES

KMEA actively seeks power marketing arrangements that match member cities' short and long-term power supply and capacity needs with power supply alternatives. KMEA member cities realize a broad range of supply options and competitive supplier pricing due to the larger market presence that the joint action approach brings. KMEA has championed multiple energy and capacity sales between cities, providing them with opportunities to optimize their resources. Additionally, KMEA has enabling agreements in place with multiple suppliers allowing us to more quickly evaluate and act on proposals. KMEA, along with member cities, has developed strategies to best utilize transmission rights.

2018 PROJECT MEGAWATT-HOURS

PROJECT MEGAWATT-HOURS

GRDA	613,368
EMP2	464,701
EMP3	204,808
DOGWOOD	165,459
EMP1	125,879
WAPA	102,535
EUDORA	46,661
SPA	17,088
BUCKEYE	4,110
TOTAL	1,744,609

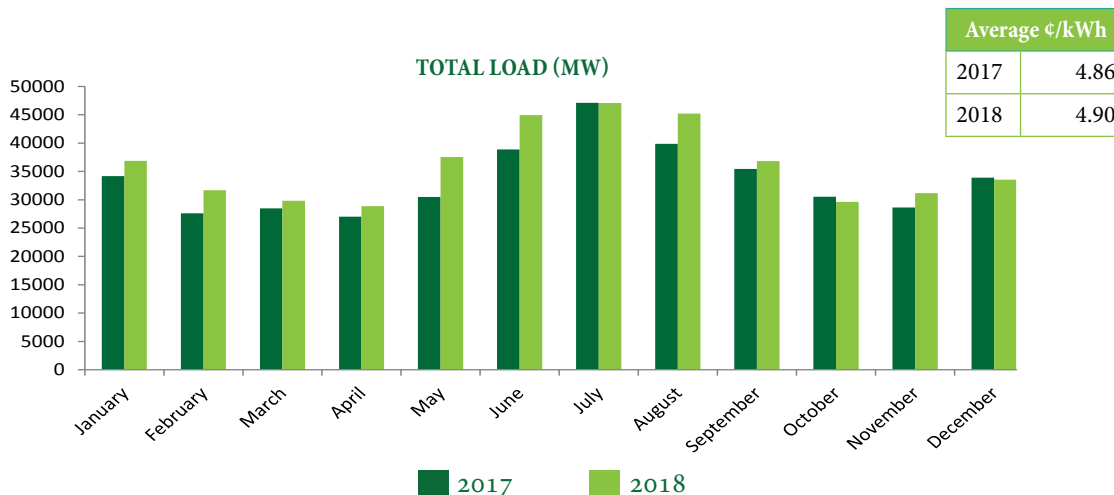


ENERGY MANAGEMENT PROJECTS

Energy Management Projects (EMPs) were created to build governance structures and establish common reliability with metering standards. They share capacity and exchange energy at agreed upon pricing, while jointly planning future electric power supplies. EMPs utilize KMEA operations central dispatch center. Under the EMP agreements, project cities' loads are forecasted and aggregated to a single load which is then submitted to SPP for clearing in the Integrated Marketplace (IM). Additionally, each city's resources are scheduled or offered in the IM. KMEA also manages transmission congestion hedges as specified by protocols developed by each EMP group.

ENERGY MANAGEMENT PROJECT NO. 1 (EMP1)

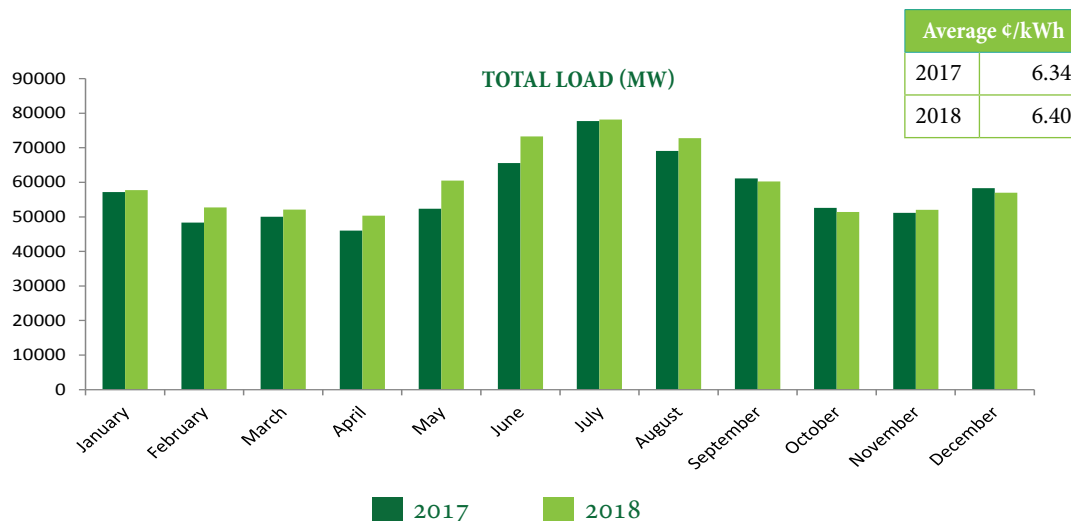
EMP1 began delivering electricity on June 1, 2006. Baldwin City, Gardner, Garnett, Osawatomie, and Ottawa were founding members. Pomona joined in 2015 and Prescott joined in 2017.



Baldwin City
Gardner
Garnett
Osawatomie
Ottawa
Pomona
Prescott

ENERGY MANAGEMENT PROJECT NO. 2 (EMP2)

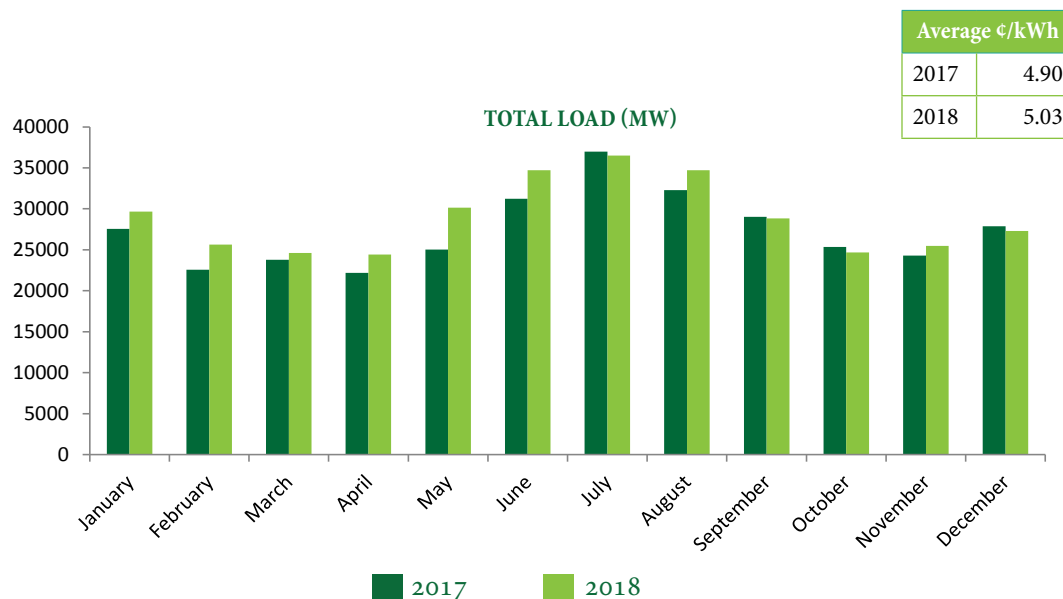
EMP2 began delivering electricity on November 1, 2007. Ashland, Beloit, Hoisington, Lincoln Center, Osborne, Pratt, Russell, Sharon Springs, Stockton, and Washington were founding members. Additionally, Garden City, Meade, and Anthony have joined since EMP2's inception.



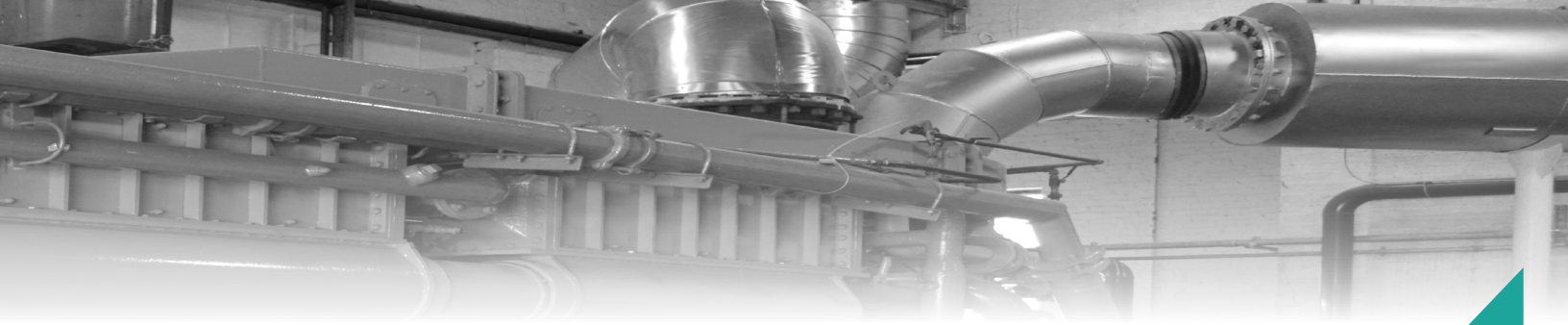
Anthony
Ashland
Beloit
Garden City
Hoisington
Lincoln Center
Meade
Osborne
Pratt
Russell
Sharon Springs
Stockton
Washington

ENERGY MANAGEMENT PROJECT NO. 3 (EMP3)

EMP3 began delivering electricity to its first participating city in May 2013. Burlingame, Chapman, Girard, Holton, Horton, Neodesha, Osage City, Seneca, Sterling, and Wamego were founding members. Jetmore, Altamont, and Kiowa have since joined.

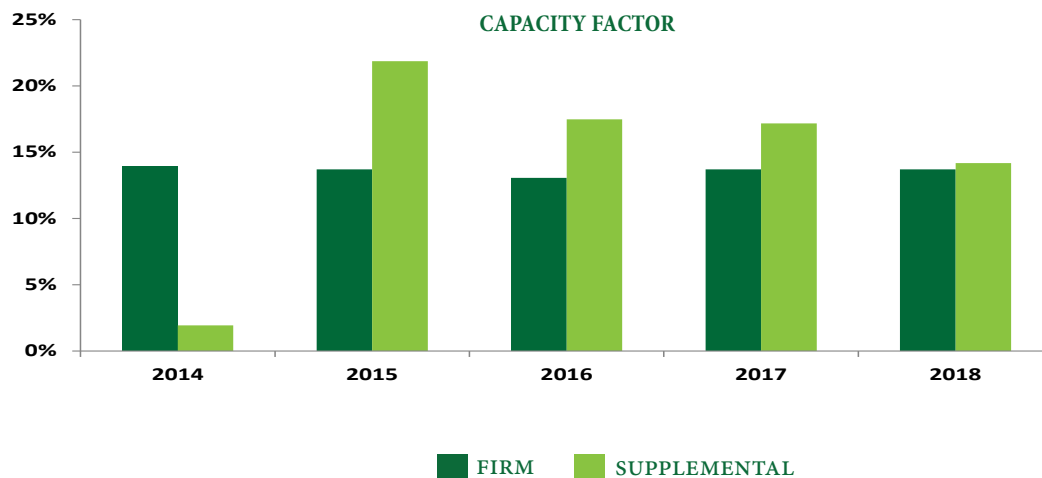


Altamont
Burlingame
Chapman
Girard
Holton
Horton
Jetmore
Kiowa
Neodesha
Osage City
Seneca
Sterling
Wamego



SOUTHWESTERN POWER ADMINISTRATION (SPA)

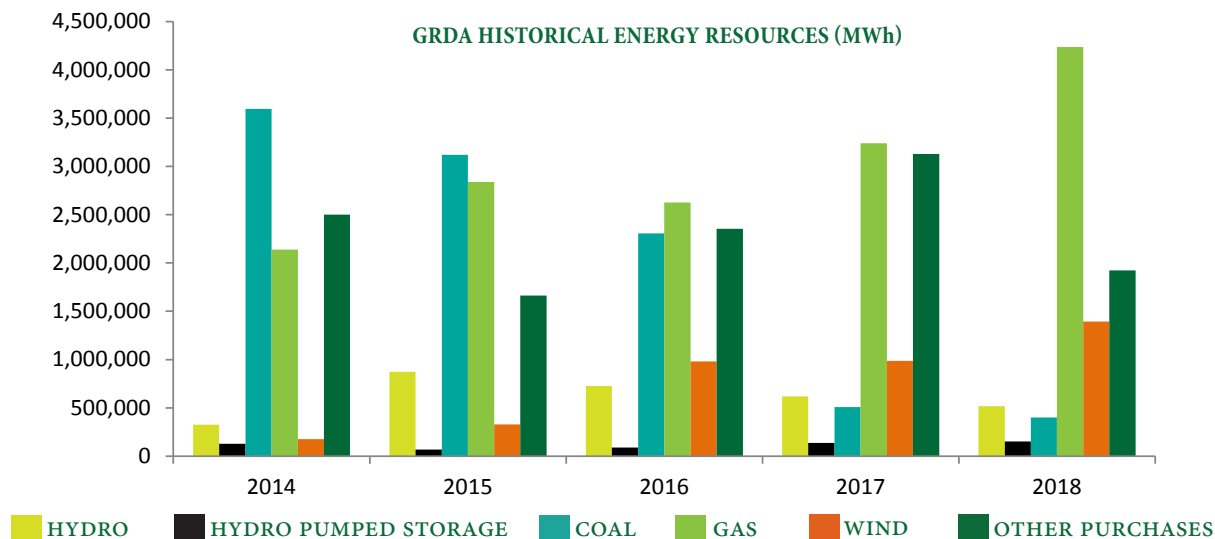
In 1983 KMEA and SPA enter into a contract where the participant cities would take their individual entitlements to federal hydroelectric power, which totaled 11.2 MW. In December 2000 the project participants, KMEA, and SPA extended the contract through 2019. Participants receive 10,800 MWh of firm energy annually, mostly during peak hours. SPA also offers low-cost supplemental energy when favorable water conditions exist at its hydroelectric facilities.



Baldwin City
Chanute
Colby
Garnett
Herington
Holton
Horton
Iola
LaCrosse
Lindsborg
Neodesha
Oberlin
Osawatومية
Ottawa
Sharon Springs
St. Francis
Wamego

GRAND RIVER DAM AUTHORITY (GRDA)

On January 19, 2000, KMEA and GRDA entered into a 10-year power purchase agreement (PPA) for 39 MWs. The agreement consists of base load capacity and energy, which is delivered on long-term, firm transmission. In 2005 the agreement was extended to April 30, 2026, and the amount increased to 84 MWs in order to facilitate the addition of eight KMEA member cities.



Larned
Lincoln Center
Neodesha
Osage City
Osawatومية
Osborne
Ottawa
Pratt
Russell
Sharon Springs
Sterling
Stockton
Wamego
Washington
Wellington
Winfield

Augusta
Baldwin City

Beloit
Ellinwood

Erie
Fredonia

Gardner
Garnett

Girard
Hoisington

Holton
Horton

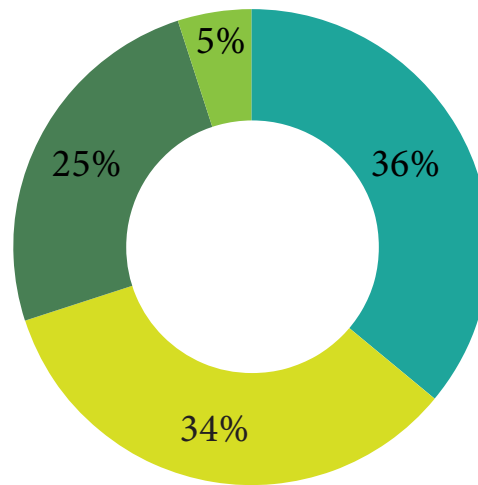


WESTERN AREA POWER ADMINISTRATION (WAPA)

Under contracts with WAPA, forty-nine project participants were entitled to firm hydroelectric capacity totaling 33.5 MW in the summer and 28.8 MW in the winter, with associated energy of 103,108 MWh annually. The “B” cities’ individual entitlements were temporarily reassigned to eighteen “Class A Cities” that were able to arrange for economical transmission across utility systems. In October 1989, they began receiving hydroelectric power.

WAPA energy is scheduled to enable the participating cities to avoid demand charges and replace high-cost, peak-hour energy. In 1997 the WAPA power supply agreement was extended by 20 years through 2024. In 2016 the WAPA agreement was again extended through 2054.

ACTUAL COST/MWh



■ CAPACITY ■ AGENCY EXPENSE ■ TRANSMISSION ■ ENERGY

Lakin
Lincoln Center
Lindsborg
Mankato
Meade
Norton
Oberlin
Osage City
Osawatomie
Osborne
Ottawa
Pomona
Russell
St. Francis
Seneca
Sharon Springs
Stockton
Troy
Wamego
Washington

Arcadia
Arma
Ashland
Baldwin City
Belleville

Beloit
Burlingame
Cawker City
Centralia
Chapman

Cimarron
Colby
Dighton
Enterprise
Eudora

Garden City
Gardner
Garnett
Glen Elder
Goodland

Herington
Hill City
Holton
Horton
Jetmore



BUCKEYE WIND		
City	Entitlement (MW)	
Anthony	1.00	
Ashland	0.50	
Baldwin City	1.00	
Beloit	1.00	
Colby	1.00	
Garden City	15.00	
Hoisington	0.50	
Holton	1.50	
Jetmore	0.50	
Lincoln Center	0.50	
Lindsborg	1.00	
Meade	0.50	
Osage City	0.50	
Osborne	0.50	
Ottawa	8.00	
Pomona	0.20	
Russell	5.00	
Sharon Springs	0.25	
Stockton	0.50	
Wamego	1.50	
Washington	0.50	
Total	40.95	

BUCKEYE WIND



On November 22, 2017, KMEA entered into a 15-year power purchase agreement with Buckeye Wind Energy LLC. The wind farm is located in Ellis County, Kansas, and has an installed capacity of 200 MW. Twenty-one of our members are participating in this long-term, economical energy supply ranging from a 0.2 megawatt share for one of the smaller communities to a 15.0 megawatt share for one of the larger member communities. The project began providing wind power to our members beginning on June 1, 2018.

MARSHALL WIND

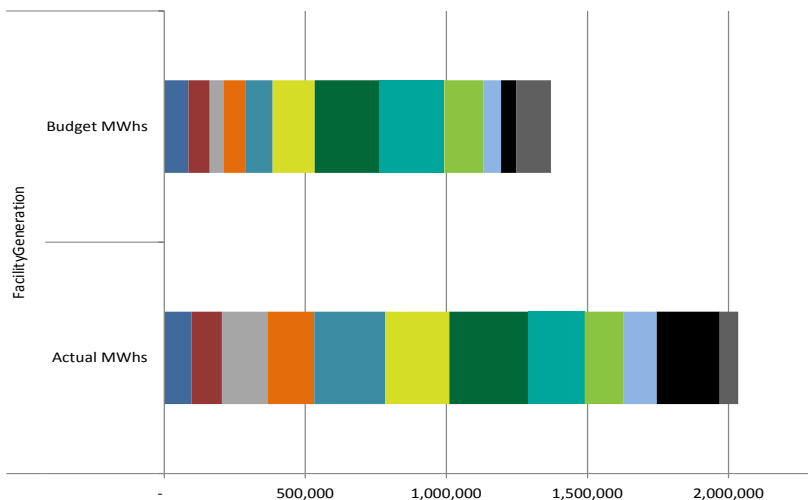
KMEA entered into a 20-year power purchase agreement with Marshall Wind Energy LLC on February 2, 2016. The wind farm is located in Marshall County, Kansas, and has an installed capacity of 72 MW. It is a resource that provides energy to four EMP1 cities. Marshall was KMEA's first renewable wind energy resource. The wind farm began providing power to KMEA members beginning on March 22, 2016. In 2018 the total power delivered to the participant cities was 28,083 MWh.

MARSHALL WIND		
City	Entitlement (MW)	
Baldwin City	1.00	
Gardner	2.50	
Garnett	1.00	
Ottawa	2.50	
Total	7.00	

DOGWOOD

On July 19, 2017, KMEA entered into the Asset Purchase Agreement with Dogwood Energy LLC for the purchase of a 10.1% ownership interest (approximately 62 megawatts) in the Dogwood Energy Facility on behalf of five member cities. Dogwood is a 650 MW, natural gas fired, combined-cycle facility located in Pleasant Hill, Missouri. Through this arrangement, **Garden City**, **Gardner**, **Lindsborg**, **Ottawa**, and **Russell** were able to join forces to secure a life-of-unit, reliable and economic power supply resource for each of their communities. The project began providing energy to the five cities on March 30, 2018.

2018 ACTUAL VS BUDGET GENERATION



FACILITY GENERATION MWh		
Month	Actual	Budget
January	96,733	85,807
February	108,221	75,192
March	163,208	49,147
April	163,908	79,103
May	250,832	95,101
June	227,256	148,944
July	279,317	229,479
August	199,950	229,530
September	136,418	139,652
October	119,858	61,509
November	223,003	54,739
December	65,073	121,992
Total	2,033,777	1,370,195

KMEA BOARD OF DIRECTORS

ALMA

1. MICHAEL SLOBODNIK
 2. JEFF CLARK
- A. SHARON WHITE

BLUE MOUND

1. MAX KRULL
 2. DON RHYNERSON
- A. BYRON COATES

COLBY

1. PAT MALLORY
 2. TYSON MCGREER
- A. GARY ADRIAN

GLASCO

1. MIKE DOVE
2. EDWARD BELLOWS

JETMORE

1. MICHAEL ORT
 2. DEREK OLSON
- A. BRIAN BEIL

ALTAMONT

1. PEGGY YBARRA
 2. LEAANN MYERS
- A. CHRISTINA SCHLATTER

BURLINGAME

1. WESLEY COLSON
2. PATTY ATCHISON

DIGHTON

1. CRAIG COLLINS
 2. MATTHEW MCCLURE
- A. CHRISTINE BIRNEY-CARTER

GLEN ELDER

1. JERRI SENDER
 2. ELDON BEHYMER
- A. RYAN DUSKIE

JOHNSON CITY

1. TYCE MCMILLAN
 2. SETH NELSON
- A. BRET KENDRICK

ANTHONY

1. STEVE WILKINSON
 2. LARRY BERRY
- A. PAUL SOUTHWICK

BURLINGTON

1. ALAN SCHNEIDER
2. R. STANDLEY LUKE

ENTERPRISE

1. PAUL FROELICH
2. DEANA PAYNE

GOODLAND

1. DUSTIN BEDORE
 2. ANDREW FINZEN
- A. LUKAS WOLAK

KANSAS CITY BPU

1. DONG QUACH
 2. JERRY OHMES
- A. JERIN PURTEE

ARMA

1. SCOTT POPEJOY
 2. RICHARD KERLEY
- A. RAY VAIL

CAWKER CITY

1. GREG LINTON
 2. COLE EBERLE
- A. DREW DUSKIE

ERIE

1. DARRELL BAUER
2. JASON THOMPSON

HERINGTON

1. DAVID KAHLE
 2. JASON ALT
- A. DAVE JONES

KIOWA

1. LOU LEONE
 2. TRISH BREWER
- A. RON ROHR

ASHLAND

1. BRANDON BATES
 2. DOUG ROBERTS
- A. ROCK HILL

CENTRALIA

1. JAY GIBBS
 2. JOHN HOLLAND
- A. DUSTIN WALTERS

EUDORA

1. BRANDEN BOYD
 2. JAMES ELDON BROWN
- A. CAMERON HORESKY

HILL CITY

1. MORT PLUNKETT
 2. DENNIS MERSCH
- A. GREG DEINES

LA CROSSE

1. DUANE MOEDER
 2. BRUCE JONES
- A. ROLLIE HOLOPIREK

ATTICA

1. LYLE REDGATE
 2. ANGELA ALEXANDER
- A. CHARLES BERRY

CHANUTE

- 1.
 2. JEFF CANTRELL
- A. RICK WILLIS

FREDONIA

1. BILL JONES
2. CAROLYN ANDERSON

HOISINGTON

1. JONATHAN MITCHELL
 2. DONITA CRUTCHER
- A. RAY BYERS

LAKIN

1. ROBBIE MCCOMBS
 2. NICOLAS HANSEN
- A. AMANDA RIEDL

AUGUSTA

1. JIM SUTTON
 2. MIKE RAWLINGS
- A. JOSH SHAW

CHAPMAN

1. JOHN DUDTE
 2. JACOB OPPENHEIMER
- A. TIM JURY

GARDEN CITY

1. MIKE MUIRHEAD
 2. CLIFF SONNENBERG
- A. KENT POTTORF

HOLTON

1. KERWIN MCKEE
 2. IRA HARRISON
- A. SCOTT FREDRICKSON

LARNED

1. BRADLEY EILTS
 2. RALPH STREIT
- A. HARRY ZIELKE

BALDWIN CITY

1. TONY BROWN
 2. GLENN RODDEN
- A. ROB CULLEY

CHETOPA

1. TERRY ROBISON
 2. DEBRA DARNELL
- A. TONI CRUMRINE

GARDNER

1. ANDREW KRIEVINS
 2. GONZALO GARCIA
- A. CLINT BARNEY

HORTON

1. WADE EDWARDS
 2. BRYAN STIRTON
- A. JEREMY FORKENBROCK

LINCOLN CENTER

1. JACK CRISPIN, JR.
 2. JEFF AHRING
- A. MELODEE LARSEN

BELLEVILLE

1. ADAM ANDERSON
 2. RUSS PIROUTEK
- A. BRIAN PHILLIPS

CIMARRON

1. JEFF ACTON
 2. SHANNON HOSKINSON
- A. DARRELL DUPREE

GARNETT

1. CHRISTOPHER WEINER
 2. ROBERT MILLS
- A. TROY HART

HUGOTON

1. GARY ROWDEN
 2. CHARLIE WAGNER
- A. LOGAN FREDERICK

LINDSBORG

1. GREGORY DUMARS
 2. BLAINE HEBLE
- A. BECKY ANDERSON

BELOIT

1. JASON RABE
 2. MANNY MILBERS
- A. STEVEN KRIER

COFFEYVILLE

- 1.
 2. MIKE SHOOK
- A. TONY LAWSON

GIRARD

1. BRANDON FORAKER
 2. CLIFFORD SCALES
- A. JOHANNA WINTER

IOLA

1. MIKE PHILLIPS
 2. CHUCK HEFFERN
- A. SID FLEMING

LUCAS

1. MITCHALL WOODRUFF
 2. TRAVIS NAEGELE
- A. CRAIG LANGDON



MANKATO

1. DONALD KOESTER
 2. CHRIS RHEA
- A. STEVEN PORTER

MEADE

1. ARMANDO GONZALEZ
 2. JD HEGWOOD
- A. DEAN CORDES

MONTEZUMA

1. DWIGHT WATSON
 2. STACI GIBSON
- A. MATTHEW AXTELL

MORAN

1. WILLIAM BIGELOW
 2. KRISTOFOR SMITH
- A. CORLISS LYNES

MOUNDRIDGE

1. KEVIN SCHMIDT
 2. JEREMY MOORE
- A. RANDY FRAZER

NEODESHA

1. BRANDON HEARN
 2. ED TRUELOVE
- A. BOBBY BUSCH

NORTON

1. JAMES MOREAU
 2. JAMES MILLER
- A. DAN SISK

OBERLIN

1. HALLEY ROBERSON
 2. LADD WENDELIN
- A. DAVID SPORN

OSAGE CITY

1. ROD WILLIS
2. JOEY LAMOND

OSAWATOMIE

1. DON CAWBY
 2. STEWART KASPER
- A. MARK GOVEA

OSBORNE

1. SCOTT NUZUM
 2. MARVIN MCCORMICK
- A. ERIC STANDLEY

OTTAWA

1. SARA CAYLOR
 2. DENNIS THARP
- A. JEFF OLESON

POMONA

1. DEAN WINEINGER
2. STEVEN LEMONS

PRATT

1. ROY ECKERT
 2. JAMIE HUBER
- A. EVAN HANCE

PRESCOTT

1. ROLLAND GRIGSBY
 2. KEVIN WOOD
- A. KATHY WOOD

ROBINSON

1. MARK LIENEMAN
 2. STEVE BROWN
- A. DAVID TAYLOR

RUSSELL

1. DUANE BANKS
 2. JON QUINDAY
- A. JIM CROSS

ST. FRANCIS

1. SCOTT SCHULTZ
 2. JR LANDENBERGER
- A. KALE DANKENBRING

ST. JOHN

1. JEFF WILLIAMSON
 2. MARSHAL SANDERS
- A. RYAN CHRISTIE

SENECA

1. JIM MITCHELL
 2. MATTHEW REHDER
- A. BRUCE DETERS

SHARON SPRINGS

1. BRAD HATFIELD
 2. PATRICK GIBBS
- A. DENNIS SHARP

STAFFORD

1. PATRICK DICK
 - 2.
- A. DENNIS DYE

STERLING

1. JOHN WAGERLE
2. TAGGART WALL

STOCKTON

1. KIM THOMAS
 2. JEFF SCOTT
- A. KEITH SCHLAEGEL

TROY

1. WILLIAM RUHNKE
 2. GARY CLARY
- A. ROBERT JENKINS

WAMEGO

1. THOMAS BEEM
2. MERL PAGE

WASHINGTON

1. RICHARD APPEGARTH
 2. DON IMHOFF
- A. CARL CHALFANT

WELLINGTON

1. JOHN BALES
 2. ROGER ESTES
- A. SHANE SHIELDS

WINFIELD

1. GUS COLLINS
 - 2.
- A. GREGORY THOMPSON



KMEA MEMBER CITIES SUMMARY

City	Population	kWhs Sold	Peak Kw
Alma	895	12,035,662	3,197
Altamont	1,025	8,406,530	2,565
Anthony	2,300	30,265,216	8,102
Arma	1,444	10,987,770	3,102
Ashland	867	12,205,059	3,782
Attica	622	5,700,920	1,801
Augusta	9,389	71,216,873	22,467
Baldwin City	4,700	33,450,086	9,700
Belleville	1,991	22,765,366	6,100
Beloit	3,800	43,555,050	12,958
Blue Mound	270	1,565,656	360
Burlingame	975	8,213,909	2,369
Burlington	2,553	32,523,275	8,832
Cawker City	456	6,047,818	1,210
Centralia	500	3,969,970	1,126
Chanute	9,300	281,271,611	56,400
Chapman	1,400	11,667,527	3,402
Chetopa	1,061	8,623,208	2,526
Cimarron	2,242	15,544,994	4,400
Coffeyville	9,539	775,898,910	110,441
Colby	5,387	66,680,083	17,400
Dighton	1,038	9,028,245	2,764
Enterprise	900	4,565,466	1,551
Erie	1,150	10,141,095	3,540
Eudora	6,500	42,951,399	13,409
Fredonia	2,482	30,214,248	8,101
Garden City	32,000	300,257,068	73,171
Gardner	22,500	151,549,222	39,400
Garnett	3,258	27,077,866	8,700
Girard	2,706	31,939,229	9,096
Glasco	498	3,797,967	1,078
Glen Elder	431	4,017,087	1,089
Goodland	4,411	46,359,114	12,600
Herington	2,526	18,143,056	5,842
Hill City	1,595	13,211,697	4,468
Hoisington	2,706	23,281,737	6,015
Holton	3,316	54,574,932	12,483
Horton	1,700	14,457,429	4,116
Hugoton	3,831	36,733,057	10,947
Iola	5,292	102,173,995	24,232

City	Population	kWhs Sold	Peak Kw
Jetmore	831	7,573,459	2,505
Johnson City	1,379	16,200,292	4,036
Kansas City	153,000	2,288,448,482	496,000
Kiowa	1,000	12,010,000	3,300
LaCrosse	1,300	11,680,155	4,200
Lakin	2,181	15,954,180	4,536
Larned	4,230	38,871,511	10,700
Lincoln Center	1,200	12,900,000	4,045
Lindsborg	3,268	27,982,133	8,551
Lucas	392	5,820,611	1,761
Mankato	869	7,594,932	2,352
Meade	1,586	14,728,758	4,743
Montezuma	988	10,087,035	2,829
Moran	517	4,558,223	1,121
Moundridge	1,737	30,341,156	7,200
Neodesha	2,319	38,561,978	10,648
Norton	2,775	24,647,078	7,926
Oberlin	1,766	13,983,370	4,504
Osage City	2,943	33,452,698	8,616
Osawatomie	4,447	30,707,378	8,500
Osborne	1,339	13,753,617	4,266
Ottawa	12,950	159,873,530	37,600
Pomona	850	7,652,756	2,000
Pratt	6,748	77,135,077	21,244
Prescott	263	1,293,400	700
Robinson	250	1,112,966	331
Russell	4,500	109,411,216	23,693
Seneca	2,000	35,269,859	9,113
Sharon Springs	764	7,203,900	2,229
St. Francis	1,294	10,917,178	3,729
St. John	1,200	10,155,492	5,588
Stafford	1,002	8,183,431	2,739
Sterling	2,328	21,257,973	6,100
Stockton	1,250	13,132,305	3,723
Troy	1,010	7,382,916	2,232
Wamego	4,950	50,294,770	13,197
Washington	1,087	11,414,049	3,669
Wellington	8,172	104,997,068	29,217
Winfield	12,104	291,997,082	61,447
Combined City Data	412,345	5,975,611,416	1,355,732

CONDENSED STATEMENT OF NET POSITION (IN THOUSANDS)

DECEMBER 31	2018	2017	2016
Assets And Deferred Outflows			
Utility plant, net	\$816	\$878	\$955
Restricted funds	10,443	6,665	6,470
Current assets	15,103	12,579	11,702
Noncurrent assets	69,249	38,176	38,970
Deferred outflows of resources	361	379	340
Total Assets And Deferred Outflows	95,972	58,677	58,437
Liabilities And Deferred Inflows			
Long-term obligations, less current portion	76,051	41,175	42,013
Current Liabilities	17,867	15,016	13,664
Deferred inflows of resources	81	84	67
Total Liabilities And Deferred Inflows	93,999	56,275	55,744
Ending Net Position	\$1,973	\$2,402	\$2,693

*Information taken from Table 1, page 7 of KMEA Audited Financial Statements December 31, 2018. You can find the complete Audit Report at www.kmea.com

CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (IN THOUSANDS)

DECEMBER 31	2018	2017	2016
Revenues			
Operating Revenues	\$91,284	\$86,706	\$84,770
Interest on investments	3,384	2,196	2,250
Other Revenues	626	-	-
Total Revenues	95,294	88,902	87,020
Expenses			
Purchased power	83,676	81,029	79,919
Other expenses	11,421	7,937	6,909
Other expenses	626	-	-
Total Expenses	95,723	88,966	86,828
Return of Member Retained Interest And Earnings	-	-	(1,015)
Change In Net Position	\$(429)	\$(64)	\$(823)
Net Position - Beginning Of Year, As Previously Reported	\$ -	\$2,693	\$3,516
Prior Period Restatements	-	(227)	-
Net Position - Beginning Of Year, As Restated	2,402	2,466	3,516
Net Position- End Of Year	\$1,973	\$2,402	\$2,693

*Information taken from Table 2, page 8 of KMEA Audited Financial Statements December 31, 2018. You can find the complete Audit Report at www.kmea.com

HISTORIC MESSAGE

From 30 years ago...

THE PRESIDENT'S REPORT



1988 completes the sixth year the Kansas Municipal Energy Agency has been operational. During these years, many steps have been taken to assist the member cities in meeting their local responsibilities to provide their citizens with a reliable and economical source of electricity.

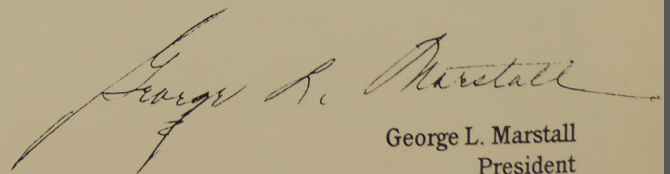
The Nearman Project, Northwest Cities Project, and the Southwestern Power Administration Hydro Power Pool Project have all helped the cities meet these responsibilities. Additionally, another power supply will become available to certain cities in October, 1989. These cities are the recip-

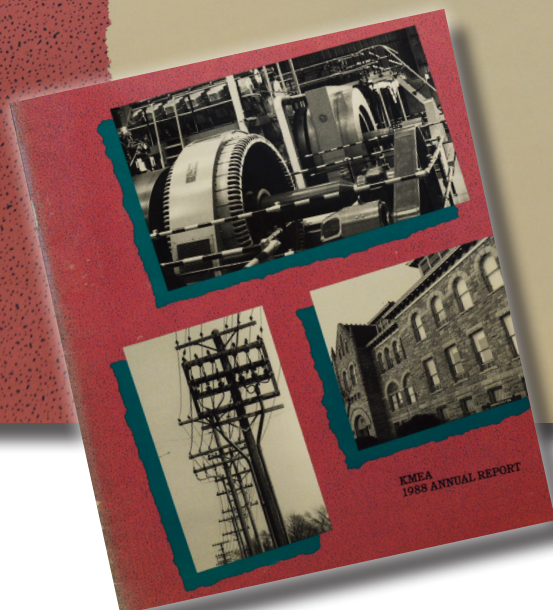
ients of federal hydropower allocations assigned by the Western Area Power Administration. The transmission arrangements for the delivery of these low cost resources are anticipated to be completed within the near future.

In response to KMEA's request, the 1988 state legislature amended the statutes authorizing municipal energy agencies. With these amendments, KMEA can now exercise the opportunity to review and make those changes in the Agency's organizational structure which will better serve the membership. An Organizational Study Committee has been appointed to begin this review process. Their work will conclude with the submission of a recommended course of action for the Board of Directors consideration.

As KMEA matures, it is apparent that the role of the Agency is beginning to change. In addition to power supply issues, the Agency is receiving more requests for advisory services. During 1988, the staff responded to several requests to provide assistance in challenging other utilities in their attempts to increase rates, or to modify some of their contractual conditions for power sales. By presenting a united front and utilizing the Agency's professional resources, the cities realized a significant savings for their customers.

As the future will certainly bring change and new challenges, the leadership of KMEA and the membership must respond with policies, programs, and a sense of commitment that will meet the cities needs.


George L. Marstall
President



A MESSAGE FROM THE KMGGA PRESIDENT AND GENERAL MANAGER

RANDY FRAZER AND PAUL MAHLBERG

This year marked another year of competitively priced natural gas as well as the Agency continuing its efforts to provide more services and support to the membership.

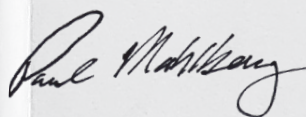
The Agency's membership was expanded with the addition of three new members: the cities of Cheney, Harveyville, and Rozel. This brings our total membership to forty-eight, including our affiliate member cities. The colder winter season as well as continued higher utilization of power plants for some of our members has driven higher sale volumes. Annual sales volumes were over 3.4 million MMBtu versus the budgeted volume of 2.7 million MMBtu (more than 25% over budget).

Efforts continued during the year related to pooling of cities for Operator Qualifications (OQ) requirements. With the help of Agency staff, this program is nearing finalization and startup for several groups of cities. Much of 2018 was also spent on evaluation of a prepay gas supply project. This would be the first type of prepay program for KMGGA and our members could expect to see a significant discount on the price of natural gas for a certain percentage of their gas supply needs. We expect that the fruits of these efforts will be realized in 2019 for the members that decide to participate.

We continue to provide a stable, low priced supply of natural gas to our member communities. Our agency members' average natural gas commodity price was \$2.82/MMBtu – the fourth year in row with prices below \$3/MMBtu.

Finally, in a joint effort with the Kansas Municipal Energy Agency, we began to develop a strategic plan to chart a course for both agencies. A task force of member cities and staff participated in a two-day retreat in August resulting in a comprehensive plan focusing on three areas of focus: strategic growth, communications/identity, and organization. We are both excited about the possibilities that are encompassed in the strategic plan and believe it will move our agency in the direction of our Vision statement.

Thank you for your continued support and for allowing us to serve you in 2018!



KMGA HIGHLIGHTS OF 2018

GARY EMRY, CITY OF HESSTON HONORED WITH THE RON HUXMAN “DISTINGUISHED SERVICE AWARD”



Gary Emry, City Administrator of the City of Hesston, was selected as the 2018 recipient of the Ron Huxman “Distinguished Service Award”. The award was established in 2016 in honor of Ron. He played a leading role in the day-to-day activities of the agency, as well as serving as president, executive committee member and joint board member. The award honors his contributions to KMGA and is awarded to individuals who have demonstrated exceptional leadership and devoted service to both KMGA and to the municipal natural gas industry.

TRISH SANCHEZ, CITY OF HUMBOLDT HONORED WITH THE MIKE GILLILAND “HONOR AWARD”



Trish Sanchez, City of Humboldt, was selected as the 2018 recipient of the Mike Gilliland “Honor Award”. The award was established in 2016 to recognize Mike’s efforts. Mike played a leading role in the Agency, serving multiple terms as president, vice president, and executive committee member. The award honors his contributions to KMGA and is to recognize an employee of a KMGA member city who has, over a period of years, demonstrated outstanding performance and made significant contributions to their municipal utility.

CITIES OF CHENEY, HARVEYVILLE AND ROZEL BECOME NEWEST KMGA MEMBERS

During the board of directors meeting in May the KMGA Board approved the addition of the Cities of Cheney and Harveyville to the membership. The City of Rozel was also added to the membership in October, bringing the total number of members to forty-eight.

HISTORIC FACT!

Twenty years ago KMEA President Gary Rambo and KMGA President Ron Huxman recapped in their respective “President’s Message”, that both KMEA and KMGA’s organizational structures were strengthened with the adoption of the Interlocal Cooperation Agreement for Joint Administration. This agreement created a Joint Board for Administration comprised of a total of seven representatives from both the KMGA and KMEA Board of Directors. Over the years, this has proven to be an efficient and effective way of assuring that interests of both agencies are equally represented. The outcome of this structure has enhanced the spirit of cooperation between both agencies.

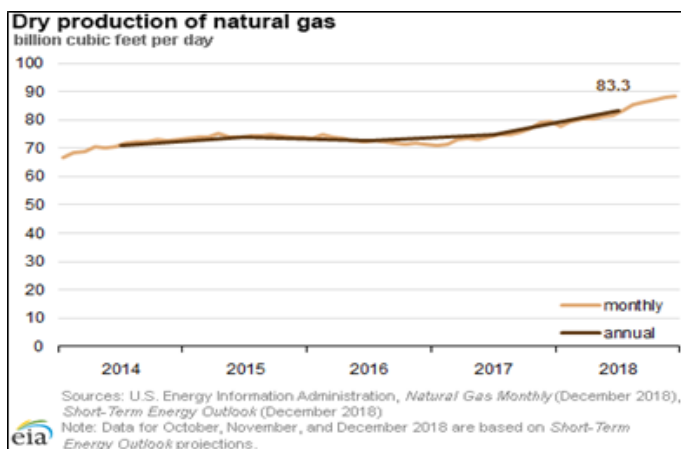


NATURAL GAS INDUSTRY REVIEW

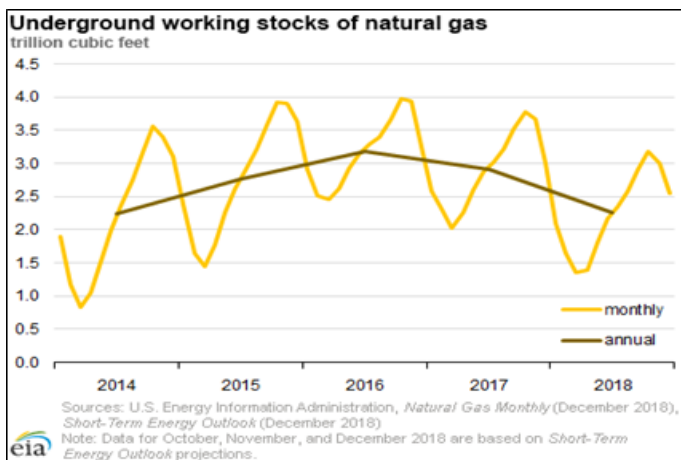
2018 - A YEAR OF RECORDS IN THE NATURAL GAS INDUSTRY

Production grew consistently throughout the year reaching a record of 83.3 billion cubic feet (Bcf) per day. This was an 11% increase in production over 2017's daily high of 74.8 Bcf/day. Most of the increased production was in the Appalachian Basin in the northeast, the Permian Basin in western Texas and New Mexico, and the Haynesville Shale Formation in Texas and Louisiana.

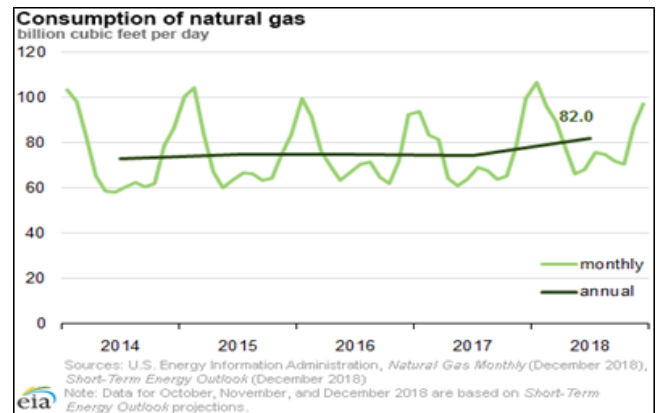
A main factor in increased volumes in production was the building of pipeline infrastructure to move natural gas supply from the production area to market areas. Other factors included advanced technology providing more efficient drilling methods, higher crude oil production, and higher natural gas prices.



Storage inventories posted at extremely low levels during 2018. The storage level at the end of the heating season (March 31st) was at the lowest level since 2014. Lingering cold temperatures in April, the coldest April in the past twenty-one years, delayed the start of the natural gas storage refill season by about four weeks. During the storage injection season (April-October) inventories did not refill as much as in previous years. At the beginning of the 2018-19 winter season, storage totaled just under 3,208 Bcf, the lowest level since the 2005-06 winter season.



Natural gas consumption recorded an increase to 81.7 Bcf/day in 2018 from 74.3 Bcf/day in 2017. Growth during 2018 was the result of usage volume increases due to unusually cold weather in the first quarter and in November. Natural gas usage for electric generation also rose to 35% in 2018 from 32% in 2017.

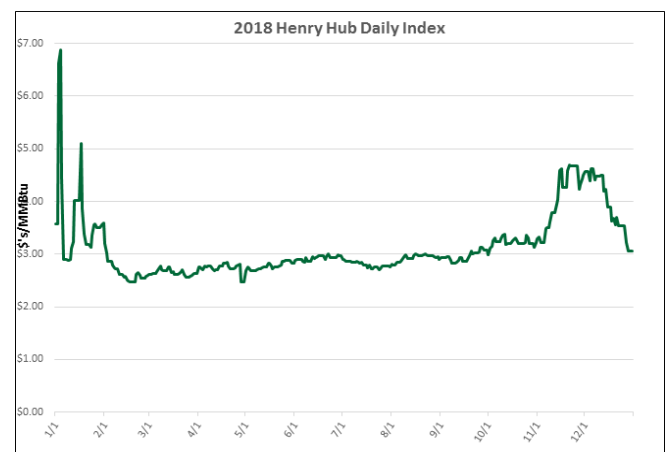


In 2017 the United States became a net gas exporter for the first time in sixty years. Exports reached record levels in 2018. Liquid natural gas (LNG) exports averaged 2.9 Bcf/day in 2018, up from 1.9 Bcf/day in 2017.

Mexico imported approximately 6.0 Bcf/d of natural gas from the United States in August. With four additional pipeline projects completed, the volume of gas exported into Mexico is expected to continue to increase.

Natural Gas Prices- Henry Hub

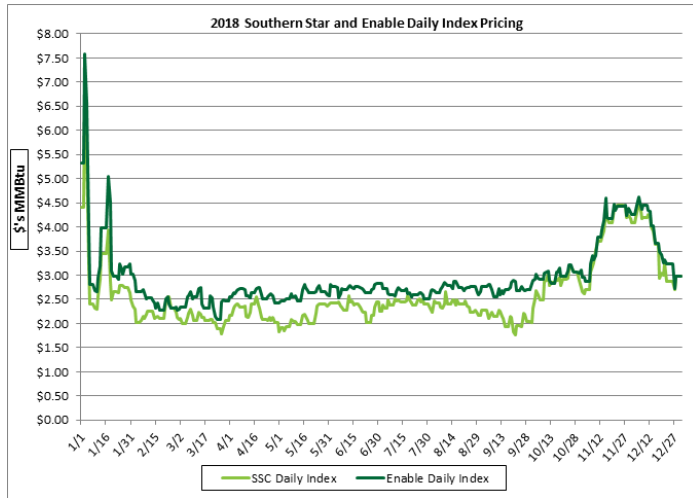
Daily spot prices at the Henry Hub in Louisiana averaged \$3.12 per MMBtu in 2018. The lowest Henry Hub daily spot price was \$2.475 which posted on February 17th. On January 4th the highest Henry Hub daily spot price for 2018 posted at \$6.87 per MMBtu.



Natural Gas Prices- Mid-Continent

Natural gas daily index prices in the Midcontinent region saw quite a spread between the lowest and highest posted daily prices. For example, NGPL's daily index price on September 21st was \$1.095/MMBtu. On the other hand, Enable's daily index price on January 3rd was \$7.575/MMBtu.

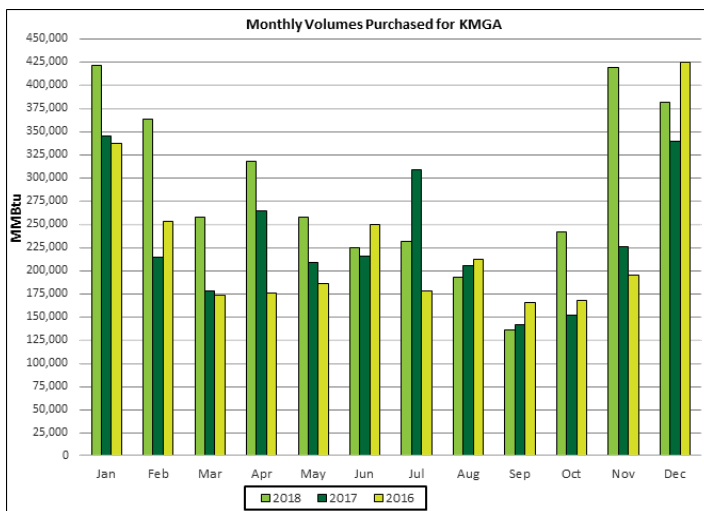
The majority of KMGa's supply is priced based on the Southern Star and Enable indices. The Southern Star index posted below \$3.00 per MMBtu in 303 days during 2018, while Enable recorded 276 days under \$3.00 per MMBtu.



Volumes Higher in 2018

Usage volumes for KMGa cities increased by 23% over 2017 volumes. The LDC's saw an increase of around 530,000 MMBtu for the year, while power plant usage increased by just under 131,000 MMBtu.

Total volume for the year was just shy of 3.5 million MMBtu, compared to 2.8 million in 2017.



KMGA BOARD OF DIRECTORS

ALMA

- 1. MICHAEL SLOBODNIK
- A. JEFF CLARK

ALTAMONT

- 1. PEGGY YBARRA
- A. LEAANN MYERS
- A. CHRISTINA SCHLATTER

ANTHONY

- 1. LARRY BERRY
- A. STEVE WILKINSON

ARGONIA

- 1. RICK DOLLEY
- A. WAYNE VINEYARD

AUGUSTA

- 1. BILL WEBSTER
- A. JIM SUTTON

BALDWIN CITY

- 1. GLENN RODDEN
- A. ROB CULLEY

BELOIT

- 1. MANNY MILBERS
- A. STEVEN KRIER

BURLINGAME

- 1. WESLEY COLSON
- A. DAVID PUNCHES

BURRTON

- 1. JON ROBERTS
- A. KIM RYAN

CASSODAY

- 1. JOY NELSON
- A.

CHENEY

- 1. BRAD EWY
- A. JERRY PEITZ

COFFEYVILLE

- 1. MIKE SHOOK
- A.

CONCORDIA

- 1. JEREMY ARNOLD
- A. GARY STRAIT

ELLINWOOD

- 1. CHRIS KOMAREK
- A. JAMES MCMULLEN

ESKRIDGE

- 1. MIKE BOHN
- A. JUSTIN RUSH

GARDNER

- 1. GONZALO GARCIA
- A. JOHN KRIEVINS

GARNETT

- 1. CHRISTOPHER WEINER
- A. ROBERT MILLS

HALSTEAD

- 1. ETHAN REIMER
- A. JAMIE EBERLY

HARVEYVILLE

- 1. ROY RICKEL
- A. GARY DIXON

HESSTON

- 1. GARY EMRY
- A. SCOTT ROBERTSON

HOISINGTON

- 1. JONATHAN MITCHELL
- A. DARREN DELZEIT

HOWARD

- 1. BECKY OAKLEAF
- A. ERNEST TOUSLEY

HUMBOLDT

- 1. COLE HERDER
- A. JEREMY BULK

KECHI

- 1. LARRY KALLENBERGER
- A. LAURA HILL

LACYGNE

- 1. JODI WADE
- A. GERALD MCCARTY

LARNED

- 1. RALPH STREIT
- A.

LOUISBURG

- 1. NATHAN LAW
- A. PATRICK MCQUEEN

LYONS

- 1. CHAD BUCKLEY
- A. RON BLANTON

MCLOUTH

- 1. KIM EVERLEY
- A.

MOUNDRIDGE

- 1. RANDY FRAZER
- A. KIRK STUCKY

OSAGE CITY

- 1. JOSEPH LAMOND
- A. ROD WILLIS

OTTAWA

- 1. DENNIS THARP
- A. JEFF OLESON

PARTRIDGE

- 1. DEBBIE BAUGHMAN
- A. DUSTIN COVERT

ROZEL

- 1. TERRY RYAN
- A. DEREK SPREIER

RUSSELL

- 1. JON QUINDAY
- A. DUANE BANKS

SPEARVILLE

- 1. RAKEL HALLING
- A. TAMMY KONRADE

STERLING

- 1. JOHN WAGERLE
- A. TAGGART WALL

UNIONTOWN

- 1. JOSH HARTMAN
- A. HAZEL WARD

WALTON

- 1. MERLYN JOHNSON
- A. STEPHANIE ASHBY

WAMEGO

- 1. MERL PAGE
- A.

WASHINGTON

- 1. RICHARD APPEGARTH
- A.

WELLINGTON

- 1. ROGER ESTES
- A. RYAN HAIN

WINFIELD

- 1. GUS COLLINS
- A.

AFFILIATE MEMBERS

ABBYVILLE

CHANUTE

DENISON

LITTLE RIVER

SYLVIA

KMGA MEMBER CITIES SUMMARY

City	Population	Total MMBtu Purchased
Abbyville	89	4,070
Anthony	2,300	2,387
Argonia	501	20,135
Augusta	9,321	27,334
Augusta Water	NA	1,105
Baldwin City	4,677	1,962
Burlingame	935	48,702
Burrton	901	28,455
Cassoday	129	8,418
Cheney	2,170	25,580
Coffeyville	10,295	808,447
Concordia	5,395	2,104
Denison	187	10,473
Ellinwood	2,131	176
Eskridge	534	59,353
Gardner	22,881	652
Garnett	3,264	153,244
Halstead	2,085	218,096
Hesston	3,709	331,169
Hoisington	2,706	961
Howard	687	30,700
Humboldt	1,953	91,033
Kechi	1,909	56,334
LaCygne	1,149	76,233
Lyons	3,739	163,467
Louisburg	4,322	139,928

City	Population	Total MMBtu Purchased
Manhattan	N/A	19,350
McLouth	880	34,666
Moundridge	1,830	116,007
Osage City	2,943	115,084
Ottawa	12,356	26,528
Partridge	248	9,383
Rozel	146	3,450
Russell	4,500	15,218
Spearville	773	34,226
Sterling	2,328	583
Sylvia	218	8,960
Uniontown	272	10,111
Walton	235	11,483
Wamego	4,875	2,647
Washington	1,076	769
Washington USD	NA	3,567
Wellington	8,172	31,733
Wellington FD	NA	2,094
Winfield	12,301	686,045
Combined City Data	141,122	3,442,422

CONDENSED STATEMENT OF NET POSITION

DECEMBER 31	2018	2017	2016
Assets			
Cash	\$1,267,303	\$1,988,184	\$2,141,738
Accounts receivables	4,220,747	2,507,356	3,045,330
Total Assets	5,488,050	4,495,540	5,187,068
Liabilities			
Accounts payable and accrued expenses	4,956,345	4,007,100	4,748,863
Net Position	\$531,705	\$488,440	\$438,205

*Information taken from Table 1, page 4 of KMGA Audited Financial Statements December 31, 2018. You can find the complete Audit Report at www.kmea.com

CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

DECEMBER 31	2018	2017	2016
Gas Supply Project Margin			
Project revenues	\$11,597,963	\$9,605,966	\$8,505,625
Gas and gas transportation	(11,302,508)	(9,317,811)	(8,222,792)
Total Gas Supply Project Margin	295,455	288,155	282,833
Other operating revenues	28,357	26,609	25,999
Administrative expenses	(280,547)	(264,529)	(257,079)
Change In Net Position	43,265	50,235	51,753
Total Revenues	\$11,626,320	\$9,632,575	\$8,531,624
Total Expenses	\$(11,583,055)	\$(9,582,340)	\$(8,479,871)

*Information taken from Table 2, page 5 of KMGA Audited Financial Statements December 31, 2018. You can find the complete Audit Report at www.kmea.com

KMEA EXECUTIVE COMMITTEE



Left to right:
DENNIS THARP, City of Ottawa
MATT REHDER, City of Seneca
JON QUINDAY, City of Russell
MIKE MUIRHEAD, KMEA President
 City of Garden City
GREG DUMARS, KMEA Vice-President
 City of Lindsborg
IRA HARRISON, City of Holton
JONATHAN MITCHELL, City of Hoisington
BOB MILLS, KMEA Secretary/Treasurer
 City of Garnett (not pictured)
TYSON MCGREER, City of Colby (not pictured)

KMGA EXECUTIVE COMMITTEE



Left to right:
LAURA HILL, Secretary/Treasurer
 City of Kechi
WES COLSON, City of Burlingame
RANDY FRAZER, KMGA President
 City of Moundridge
MIKE SHOOK, City of Coffeyville
GUS COLLINS, KMGA Vice-President
 City of Winfield
ROD WILLIS, City of Osage City
CHAD BUCKLEY, City of Lyons (not pictured)

JOINT BOARD OF ADMINISTRATION



Left to right:
GUS COLLINS, City of Winfield
MIKE SHOOK, City of Coffeyville
RANDY FRAZER, City of Moundridge
MIKE MUIRHEAD, City of Garden City
BOB MILLS, City of Garnett
ROD WILLIS, City of Osage City
MATT REHDER, City of Seneca (not pictured)



BUSINESS ASSOCIATES

Columbia Capital Management

Conrade Insurance & Chubb

Dogwood Energy

Foley Power Solutions

Gilmore & Bell

GRDA

GridLiance

Healy Law Firm

Invenergy LLC

Jennings, Strouss & Salmon

juwi Inc.

Kansas City BPU

MCG Energy Solutions

Midland GIS

Mid-States Energy Works

Midwest Energy

NextEra Energy Marketing

Piper Jaffrey

Polsinelli PC

Power Engineers

Sawvel Associates, Inc

Sempra U.S. Gas & Power

Siemens

Spiegel & McDiarmid

Techline, Inc.

Toth & Associates

Westar

KMEA/KMGA STAFF

PAUL MAHLBERG- General Manager

SAM MILLS- Managing Director, Electric Operations

KENT BALKENBUSCH- System Operator

GARRET BERRY- System Operator

GERRY BIEKER- Manager, Member Services

PAULA CAMPBELL- Senior System Operator

NEAL DANNEY- Director, Project and Asset Management

GARRETT HIGGINS- System Operator

KATIA MITCHELL- Office Manager

JENNIFER MOORE- Director, Finance and Accounting

NEIL ROWLAND- Director, Transmission and Security

DIXIE RIEDEL- Director, Natural Gas

TOM SAITTA- Director, Electric Operations

JOHN SECK- Director, Resource Planning and Development

JONI SHADONIX- Administrative Assistant

DJ SMITH- System Operator

GERRY STEPHENSON- Manager, Finance & Accounting





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