

2023

Fiscal Year 2nd Quarter Report



Rolla Municipal Utilities
Provided to Rolla City Council
May 15, 2023

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A STATEMENT BY THE BOARD OF PUBLIC WORKS

The Electric Power and Water System of the City of Rolla will be known as the **ROLLA MUNICIPAL UTILITIES**. Mr. J. B. Bronson will continue as general manager.

It will be the policy of the Board to operate the Rolla Municipal Utilities strictly on a business basis. There will be no change in the general policies of the management. All rates will be the same for the present.

The Board has three primary obligations:

1. To give the best possible service to the Citizens of Rolla.
2. To accumulate funds for the payment of the indebtedness. (Bond Issue and Revenue Certificates).
3. To build up reserve funds for any emergency and for replacement of machinery and equipment.

Regarding Service Interruptions:

This trouble is not in the local system, but in the source of supply. We hope eventually to have other sources of supply available and improve the electric service in Rolla.

Beginning immediately, \$1000.00 per month from the profits will be paid to the General Fund of the City of Rolla, which is to replace the Franchise Tax formerly paid by the Missouri General Utilities.

No merchandise will be sold in competition with local merchants.

No repair service will be maintained in competition with local Electric Service men.

Next Monday, November 12th, our offices will open in our new building, formerly the Negro U. S. O. Building, 102 W. 9th Street. All business will be transacted from this location after that date. The Rolla Free Public Library will occupy the second floor, and the State Board of Health and the County Agent the basement of this building. These quarters are furnished to the above organizations without cost as a public service of the Rolla Municipal Utilities.

Rolla Board of Public Works

H. E. CASTLEMAN, President
F. H. FRAME, Vice-President
R. E. SCHUMAN, Secretary
F. A. CAMERON, Member

SECOND QUARTER FINANCIAL RECAP (Unaudited)

OPERATING INCOME and EXPENSES

	2nd Quarter FYTD 2022	2nd Quarter FYTD 2023	CHANGE
OPERATING REVENUES	\$15,576,811	\$15,650,258	\$73,447
OPERATING EXPENSES	(\$15,455,184)	(\$16,504,509)	\$1,049,325
OPERATING INCOME	\$121,627	(\$854,251)	(\$975,878)
OTHER INCOME & EXP.	\$444,745	\$603,623	\$158,878
NET INCOME	\$566,372	(\$250,628)	(\$817,000)

Upon completion of the second quarter of Fiscal Year 2023, we are showing operating loss of \$854,251. This is a decrease of over \$975,878 from the 2nd quarter of 2022.

Total operating expenses through the 2nd quarter of 2023 is \$16,504,509. This is up \$1,049,325 from the 2nd quarter of 2022.

Total Net Loss Year-to-Date through the 2nd quarter of 2023 is (\$250,628). The overall loss is largely due to an increase in wholesale cost and an increase in MWh purchased.



STATUS OF PENDING PROJECTS



ELECTRIC DEPARTMENT

- Phelps County Law Enforcement Center
Overhead electric distribution system extension to provide service to existing facility during expansion project.
- Lions Club
Replaced two poles and two pole mounted transformers after windstorm on February 14th. RMU primary electric, and related infrastructure will be replaced later – pending work by Lions Club contractor.
- 712 South Bishop (new Jiffy Lube)
Replacement of pole, underground primary extensions, new transformer and new metering for commercial development.
- 1600 Old Wire Outer Road
Installation of new pole and underground electric distribution system in conjunction with commercial redevelopment
- MO S&T General Services Building & Dangerous Materials Storage Building
Overhead and underground primary extensions, new transformer, and metering for commercial development
- MO S&T East Substation
Extension of overhead 34.5 kV system and installation of new metering.
- Alley west of Rolla Street between 8th & 9th Streets
Reconfiguration to accommodate new multi-story residential housing unit

WATER DEPARTMENT

- HyPoint 2 Well
 - Fire on January 30, 2023 with minor damage to interior. Placed back into service March 7, 2023. Converted service line from overhead to underground, including new pad-mounted transformer and metering.
- Completed Projects
 - MO S&T relocation of water meter on State Street north of 11th Street
 - Replacement of old water main
 - Sycamore Drive from Highway O to Cypress Drive
 - Cypress Drive from Sycamore Drive to Turkey Run
- Upcoming Projects – Replacement of old water main
 - 18th Street from Maxwell Street to Farrar Drive
 - Eastwood Drive
 - Elmwood Drive
 - Main Street from 9th Street to 10th Street
 - Main Street from Main to Rolla Street
 - 10th Street from Main Street to State Street
 - Rolla Street from 10th Street to 11th Street
 - East portion of Green Acres Drive
 - South Olive Street

FIBER

- MO S&T General Services Building – Extension of fiber system
- Nagogami Substation to Nagogami Standpipe – Extension of fiber system to reduce reliance on radios



PRESENTATIONS

- January 24, 2023 - Experts in the classroom at Rolla High School. Chad Davis gave presentation to students in the classroom. Electric Crew Rick Booker, Jestin Casto, Dalton Smith had outside demonstration of utility truck, supplies and gear used daily.

MISCELLANEOUS

➤ **Colored USO Recognition**

On Thursday, February 7th, the St. Robert Historical Preservation Society and RMU held a plaque dedication ceremony honoring the history of the RMU Office Building. The building was built in 1941 to house the Black USO in Rolla, MO. It opened to soldiers on February 7, 1942. It housed the USO throughout World War II, thousands of soldiers used the building for recreational activities, including a ball room that was located on the second floor. In December of 1945, the federal government sold the building to Rolla Municipal Utilities, and it has housed our offices ever since. We are proud to have this plaque to remember the great history of our building and all the soldiers who passed through here.

➤ **Utility Software**

After months of research, demonstrations, and feedback from staff as well as other utilities, RMU will be updating our Utility Operations Software. The new software has features our current system doesn't allow for including:

- Email and text notifications
- User friendly
- Faster customer onboarding
- Efficiency with service orders

Overall, the new software is more efficient for our current and future needs. The transition is underway with rollout planned for Spring 2024.

➤ **Truck #6**

The RBPW recently voted to approve the purchase of a new digger/derrick truck which will be replacing Truck #6. The challenges we have encountered with supplies and lead times indicates a delivery date of mid-2026. The price provided by Altec utilizing the cooperative procurement system through Sourcewell is \$458,925.00. Upon Board authorization of the purchase, the General Manager will present the proposed purchase to the City Council for comment as required by City Ordinance.



CONSIDERING SOLAR POWER?

Before determining whether solar power is a good long-term investment for your household, these are just a few of the questions to ask:

- Will my savings be worth my investment?
- Would other home improvements be more cost-effective way to save on my electric bill?
- Is my home situated to maximize the benefits of the sun?
- Have I considered roof age and/or replacement into my total cost of any roof mounted system?
- Are there any trees or tall structures around my home that would interfere with solar production?
- Have I solicited several proposals to get the best value?

Call your utility provider. Let RMU be a resource to help you make the best decision possible to maximize the return on any long-term investment.



COMPARATIVE RATES
ROLLA MUNICIPAL UTILITIES
Electric Residential Cost

2021				2022			2023			
Rates	600 kWh	1100 kWh	2000 kWh	600 kWh	1100 kWh	2000 kWh	600 kWh	1100 kWh	2000 kWh	
IOU	Ameren	N/A		N/A			N/A			
Co-Op's	Crawford	\$80.07	\$123.77	\$202.43	\$80.07	\$123.77	\$202.43	N/A	N/A	N/A
	Intercounty	\$88.10	\$130.51	\$206.85	\$89.03	\$130.98	\$206.48	\$95.70	\$140.70	\$221.70
	Gascosage	\$80.50	\$115.50	\$178.50	\$82.90	\$119.90	\$186.50	\$84.52	\$122.87	\$191.90
	Laclede	\$76.20	\$117.20	\$191.00	\$76.20	\$117.20	\$191.00	\$80.10	\$123.10	\$200.50
	Three Rivers	\$86.13	\$135.61	\$192.64	\$81.85	\$125.71	\$203.04	\$85.32	\$130.82	\$211.10
M/M/Pep Cities	Sullivan	\$70.57	\$114.59	\$187.49	\$70.57	\$114.59	\$187.49	\$70.57	\$114.59	\$187.49
	Cuba	\$62.65	\$106.40	\$182.75	N/A	N/A	N/A	\$63.35	\$107.61	\$184.85
	Houston	\$66.50	\$107.10	\$220.78	\$66.49	\$107.09	\$180.17	\$69.87	\$112.52	\$189.29
	Newburg	N/A		\$73.95	\$120.55	\$215.67	\$73.95	\$110.20	\$204.43	
	Richland	\$79.06	\$121.61	\$198.20	\$83.81	\$145.37	\$237.71	\$94.07	\$145.37	\$237.71
	Salem	\$55.86	\$93.10	\$186.20	N/A	N/A	N/A	N/A	N/A	N/A
	St. Robert	N/A		\$63.60	\$116.60	\$212.00	\$88.84	\$154.54	\$272.80	
MoPep Cities	Hermann	\$88.14	\$136.59	\$223.80	\$85.92	\$136.52	\$227.60	N/A	N/A	N/A
	Lebanon	\$68.68	\$115.83	\$188.10	\$88.14	\$136.59	\$223.80	\$88.14	\$136.59	\$223.80
	Waynesville	\$78.90	\$132.15	\$228.00	\$68.68	\$115.53	\$188.10	\$70.68	\$118.69	\$198.70
	St. James	\$73.42	\$124.53	\$208.53	\$82.40	\$135.65	\$231.50	\$82.40	\$135.65	\$231.50
	Rolla	\$71.40	\$110.90	\$182.00	\$73.42	\$124.53	\$208.53	\$82.70	\$138.70	\$239.70
					\$71.40	\$110.90	\$182.00	\$71.40	\$110.90	\$182.00

Crawford Electric has \$.0874 per kWh with \$.92 service availability
Gascosage Electric rate increased to \$.074 per kWh in April, 2021 with a \$38.50 service fee
Intercounty Electric Increased SAF to \$1.24 per day with a decrease of kWh to \$0.084827 per kWh.
City of Cuba fuel adjustment changes every month; current is \$0.0021
City of Sullivan has a monthly FAC
Summer rates Winter Rates
revised 04/19/21 CompRates_2021
Based on a thirty (30) day month

Three Rivers Cooperative has new rates that went into affect 4/1/22
Intercounty has new rates that went into affect 4/1/22
Crawford Electric increasing on May 1, 2022. New rates would be 600 - \$85.44, 1100 - \$131.19, 2000 - \$213.54
City of Salem auto adjusts rates yearly in July
City of Sullivan has a monthly FAC of .0323
Summer rates Winter Rates
revised 05/01/22 CompRates_2022
Based on a thirty (30) day month

Three Rivers has new rates that went into affect on 4/1/23
Gascosage Price increase effective 5/1/23
Houston currently has a FAC of .0505 monthly
Salem is probable for another rate increase in 4 to 6 months.
Waynesville Rates will be increasing June 1, 2023
Summer rates Winter Rates
revised 05/09/23 CompRates_2023
Based on a thirty (30) day month

COMPARATIVE RATES
ROLLA MUNICIPAL UTILITIES
Water Residential Costs

2021		2022		2023	
4000 gallons		4000 gallons		4000 gallons	
St. James	\$16.60	St. James	\$16.60	St. James	\$16.60
St. Robert	N/A	St. Robert	\$15.92	St. Robert	n/a
Cuba	\$11.60	Cuba	n/a	Cuba	\$28.25
Hermann	\$31.50	Hermann	\$31.50	Hermann	\$31.50
Lebanon	\$12.84	Lebanon	\$12.84	Lebanon	\$13.98
Salem	\$27.56	Salem	\$27.56	Salem	\$27.56
Owensville	N/A	Owensville	\$53.01	Owensville	\$16.01
Waynesville	\$23.50	Waynesville	\$23.50	Waynesville	\$23.50
Richland	\$21.00	Richland	n/a	Richland	n/a
Rolla	\$24.00	Rolla	\$24.00	Rolla	\$24.00
Houston	\$29.59	Houston	\$30.54	Houston	\$31.50
Newburg	N/A	Newburg	\$37.67	Newburg	\$30.45
Sullivan	\$23.97	Sullivan	\$23.97	Sullivan	\$23.97
Public Water #2	\$43.95	Public Water #2	\$38.96	Public Water #2	\$39.96

Herman sewer is based on consumption. \$23.75 service charge plus \$.0041 per gallon.
Public Water #2 has a \$19.00 service fee plus \$4.99 per thousand rate fee.

Note:Rate change from last year
Revised 05/04/21

Herman sewer is based on consumption. \$25.25 service charge plus \$.0044 per gallon.
Public Water #2 has a \$19.00 service fee plus \$4.99 per thousand rate fee.

Note:Rate change from last year
Revised 05/01/22