

Rolla Municipal Utilities

FY2026 BUDGET

October 1, 2025 – September 30, 2026



Approved by RBPW

07/29/2025

Rolla Municipal Utilities' FY2026 Budget

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BUDGET SUMMARY ANALYSIS - FY2026 BUDGETED

	FY2026 - BUDGETED		
	ELECTRIC & PWR PROD	WATER	TOTAL
OPERATING REVENUE	\$32,874,065	\$5,125,680	\$37,999,744
OPERATING EXPENSE	-\$32,820,400	-\$4,814,489	-\$37,634,889
BUDGETED OPERATING MARGIN	\$53,665	\$311,191	\$364,855
OTHER REVENUE & EXPENSE	\$2,472,000	\$1,390,500	\$3,862,500
BUDGETED NET INCOME	\$2,525,665	\$1,701,691	\$4,227,355
NON-CASH REVENUE			
Donated Capital Assets (Contractor Mains)	-----	\$0	\$0
NON-CASH EXPENSE			
Depreciation - RMU **	\$1,552,400	\$1,112,600	\$2,665,000
Depreciation - City	\$0	\$0	\$0
CAPITAL EXPENDITURES **	-\$4,564,400	-\$6,285,600	-\$10,850,000
LEASE OBLIGATIONS	\$0	\$0	\$0
BUDGETED RESERVE TRANSFER	-\$486,335	-\$3,471,309	-\$3,957,645
<u>CASH ACCOUNT FOR FY2026</u>			
AS OF OCTOBER 1, 2026 - budgeted			\$24,269,187
Less OCTOBER 1, 2025 - projected			-\$31,348,585
CHANGE IN CASH			-\$7,079,398
<u>RESTRICTED ELECTRIC RESERVES</u>			
Available Funds			\$12,361,941
Identified Projects			-\$8,950,000
BALANCE			\$3,411,941

** Includes Fiber

OPERATING STATEMENT

	FY2024 <u>ACTUAL</u>	FY2025 <u>PROJECTED</u>	FY2026 <u>BUDGET</u>
<u>OPERATING REVENUE</u>			
Residential Sales	\$13,124,297	\$14,320,385	\$15,037,575
Commercial Sales	\$5,714,171	\$6,076,534	\$6,453,334
Power Service Sales	\$7,251,537	\$7,805,340	\$8,318,240
Industrial Sales	\$5,494,669	\$5,915,560	\$6,142,060
Area/Street Lighting	\$263,040	\$272,060	\$272,450
Fire Sprinkler Line Fees	\$86,195	\$101,820	\$101,820
Special Sales (Water)	\$278,870	\$206,880	\$291,900
Miscellaneous Fees	\$71,020	\$75,000	\$85,000
Generation Standby Service (Power Prod)	\$62,314	\$0	\$0
Capacity & Operating Credits (Power Prod)	\$428,354	\$362,000	\$1,320,000
Interdepartmental Services - City	\$199,062	\$154,949	\$289,476
Utility Surcharge - NPZ	\$0	\$0	\$407,889
Rate Stabilization Electric	<u>-\$720,000</u>	<u>-\$720,000</u>	<u>-\$720,000</u>
Total Operating Revenue	\$32,253,531	\$34,570,528	\$37,999,744
<u>OPERATING EXPENSES</u>			
Transmission	\$12,223	\$25,000	\$25,000
Depreciation - RMU *	\$2,572,799	\$2,595,000	\$2,665,000
Depreciation - City (Electric) **	\$61	\$0	\$0
Depreciation - City (Water) ***	\$30,423	\$0	\$0
Interest on Electric Project	\$0	\$0	\$0
Transfer to Electric Reserves - NPZ	\$0	\$0	\$407,889
Interest on Deposits	\$11,734	\$0	\$0
Power Purchases (Electric)	\$22,795,401	\$24,400,000	\$24,900,000
2025 Tornado	\$0	\$1,500,000	
Source of Supply (Water)	\$540,576	\$575,000	\$605,000
Treatment (Water)	\$72,860	\$95,000	\$115,000
Distribution	\$3,213,000	\$3,446,000	\$3,759,000
Customer Accounting	\$819,879	\$880,000	\$867,000
Administrative and General	\$3,303,665	\$3,862,900	\$4,241,000
Interdept Expenses - City	<u>\$35,186</u>	<u>\$50,000</u>	<u>\$50,000</u>
Total Operating Expenses	\$33,407,808	\$37,428,900	\$37,634,889
<u>OPERATING MARGIN</u>	<u>-\$1,154,277</u>	<u>-\$2,858,372</u>	<u>\$364,855</u>
<u>NON-OPERATING REVENUE</u>			
Interest Revenue	\$757,494	\$1,000,000	\$1,000,000
Other Revenue	<u>\$979,171</u>	<u>\$1,064,500</u>	<u>\$2,862,500</u>
Total Non-Operating Revenue	\$1,736,665	\$2,064,500	\$3,862,500
<u>NET INCOME</u>	<u>\$582,388</u>	<u>-\$793,872</u>	<u>\$4,227,355</u>

* Includes Fiber

** Streetlights (City)

*** Fire protection (City)

MINIMUM CASH RESERVE & RATE STABILIZATION STATEMENT

To help insure timely completion of capital improvements and enable the utility to meet requirements for large unexpected expenditures, a Minimum Cash Reserve and Rate Stabilization Statement is hereby established. Minimum cash reserves attempts to quantify the minimum amount of cash the utility should keep in reserve, actual cash reserves may vary substantially above the minimum and is dependent on the life cycle of assets that are currently in service. The methodology used in this statement is based on certain assumptions related to percent of operation and maintenance, rate base, debt service, and capital improvements. The establishment of minimum cash reserves should consider a number of factors including:

WORKING CAPITAL LAG

Timing differences between when expenses are incurred and revenues received from customers. Establishing a minimum cash reserve helps to ensure cash exists to pay expenses in a timely manner. Examples of uncertainties that should be considered include financial risks, rate setting policies, and variability in power supply costs.

INVESTMENT IN ASSETS

Catastrophic events may occur that require substantial amounts of cash reserves to replace damaged assets. Some examples of catastrophic events include ice storms, earthquakes, wind storms, floods, frozen water mains, or tornadoes. Many of these catastrophic events may allow the utility to recover the cost of damages from FEMA. However FEMA reimbursements can take between six months to two (2) years to recover. The utility should ensure adequate cash reserves exist to replace assets in a timely fashion. The minimum reserve levels are often combined with emergency funding from banks or bonding agencies.

ANNUAL DEBT SERVICE

Debt service payments do not occur evenly throughout the year and often occurs at periodic times. The utility has to ensure adequate cash reserves exist to fund the debt service payment when the payment is due.

CAPITAL IMPROVEMENT PROGRAM

Some capital improvements are funded through lease/purchases and some through cash reserves. The establishment of a minimum cash reserve level helps to ensure timely replacement or construction of assets.

RATE STABILIZATION FUND

The Rolla Board of Public Works desires to maintain rates competitive with other utilities, mitigate increasing cost and provide rate stability. To mitigate risks associated with our industry we operate a Rate Stabilization Fund for the purpose of maintaining rate competitiveness and rate stability by mitigating cost increases that would otherwise be passed along to our customers.

If certain events occur that result in cash reserves falling below the minimum levels established by the Rolla Board of Public Works, action is needed to restore the cash reserves above the minimum levels. These actions may consider a number of factors including:

- Rate adjustments
- Cost reductions
- Funding of capital improvement programs
- Modification of the assumptions used to determine cash reserve levels

The assumptions should be reviewed annually, and modified if necessary, to reflect the Rolla Board of Public Works and Management's philosophy on minimum cash reserve levels.

Rolla Municipal Utilities
FY2026 BUDGET

MINIMUM CASH RESERVE STATEMENT (continued)

Table A

Minimum Cash Reserve Levels - ELECTRIC & POWER PRODUCTION			
<u>Inputs</u>	<u>FY2024</u>	<u>FY2025</u>	<u>FY2026</u>
Operation & Maintenance less Depreciation	\$27,911,744	\$31,726,900	\$31,268,000
Rate Base	\$53,473,176	\$55,188,768	\$59,753,168
Debt Service (annual)	\$0	\$0	\$0
Capital Improvements (5-year plan)	\$9,965,681	\$10,779,992	\$10,564,400
<u>Percentages</u>			
Operation & Maintenance less Depreciation	25%	25%	25%
Rate Base	2%	2%	2%
Debt Service (annual)	50%	50%	50%
Capital Improvements (5-year plan)	15%	15%	15%
<u>Calculations</u>			
Operation & Maintenance less Depreciation	\$6,977,936	\$7,931,725	\$7,817,000
Rate Base	\$1,069,464	\$1,103,775	\$1,195,063
Debt Service (annual)	\$0	\$0	\$0
Capital Improvements (5-year plan)	<u>\$1,494,852</u>	<u>\$1,616,999</u>	<u>\$1,584,660</u>
Min Cash Reserve Level - Elec/PP	\$9,542,252	\$10,652,499	\$10,596,723
	<u>150%</u>	<u>120%</u>	<u>120%</u>
Operating Benchmark - Elec/Pwr Prod	\$14,313,378	\$12,782,999	\$12,716,068
	<u>0%</u>	<u>30%</u>	<u>30%</u>
Rate Stabilization Fund - Elec/Pwr Prod	\$0	\$3,195,750	\$3,179,017

Table B

Minimum Cash Reserve Levels - WATER			
<u>Inputs</u>	<u>FY2024</u>	<u>FY2025</u>	<u>FY2026</u>
Operation & Maintenance less Depreciation	\$2,892,780	\$3,107,000	\$3,701,889
Rate Base	\$29,564,633	\$30,745,600	\$37,031,200
Debt Service (annual)	\$175,000	\$0	\$0
Capital Improvements (5-year plan)	\$10,650,358	\$11,966,567	\$12,285,600
<u>Percentages</u>			
Operation & Maintenance less Depreciation	25%	25%	25%
Rate Base	2%	2%	2%
Debt Service (annual)	50%	50%	50%
Capital Improvements (5-year plan)	15%	15%	15%
<u>Calculations</u>			
Operation & Maintenance less Depreciation	\$723,195	\$776,750	\$925,472
Rate Base	\$591,293	\$614,912	\$740,624
Debt Service (annual)	\$87,500	\$0	\$0
Capital Improvements (5-year plan)	<u>\$1,597,554</u>	<u>\$1,794,985</u>	<u>\$1,842,840</u>
Min Cash Reserve Level - Water	\$2,999,541	\$3,186,647	\$3,508,936
	<u>150%</u>	<u>120%</u>	<u>120%</u>
Operating Benchmark - Water	\$4,499,312	\$3,823,976	\$4,210,724
	<u>0%</u>	<u>30%</u>	<u>30%</u>
Rate Stabilization Fund - Water	\$0	\$955,994	\$1,052,681

CASH FLOW STATEMENT

SOURCE OF CASH

PROJECTED CASH OCTOBER 1, 2025		\$31,348,585
Public Utility Account	\$5,364,552	
Public Utility Sweep Account	\$0	
Working Fund	\$51,450	
State Tax Fund	\$2,000	
Electronic Funds Account	\$200,000	
CAPITAL RESERVE ACCOUNT - Electric		
Rate Stabilization Fund	\$1,440,000	
Restricted Reserves	\$12,361,941	
Electric Reserves	\$9,214,250	
CAPITAL RESERVE ACCOUNT - Water		
Rate Stabilization Fund	\$681,299	
CDARS Certificates of Deposit	\$2,033,093	
OPERATING MARGIN		-\$2,706,898
Electric Department	-\$3,018,089	
Water Department	\$311,191	
NON-OPERATING REVENUE***		\$3,862,500
DEPRECIATION - (Non-Cash Expense)		\$2,615,000
Rolla Municipal Utilities *	\$2,615,000	
City of Rolla	\$0	
Total Source of Cash		\$35,119,187

USE OF CASH

CAPITAL EXPENDITURES **		\$10,850,000
Electric Department	\$4,564,400	
Water Department	\$6,285,600	
FY2024 LEASE OBLIGATIONS		\$0
Standpipes/Water projects	\$0	
PROJECTED CASH OCTOBER 1, 2026		\$24,269,187
Public Utility Account (General Fund)	\$1,555,705	
Public Utility Sweep Account	\$0	
Working Fund	\$51,450	
State Tax Fund	\$2,000	
Electronic Funds Account	\$200,000	
CAPITAL RESERVE ACCOUNT - Electric		
Rate Stabilization Fund	\$1,440,000	
Restricted Reserves	\$3,411,941	
Electric Reserves	\$12,716,068	
CAPITAL RESERVE ACCOUNT - Water		
Rate Stabilization Fund	\$681,299	
Water Reserves	\$4,210,724	

Total Use of Cash **\$35,119,187**

* Includes Fiber Depreciation

** Includes Fiber

*** Donated Capital Assets (Contractor Mains) are not included. (Noncash)

Rolla Municipal Utilities
FY2026 BUDGET

TRANSFERS TO CITY

TRANSFERS TO CITY GENERAL FUND

The following charges are billed and collected by RMU for the City of Rolla. The amounts of these charges are adopted and approved by the Rolla City Council.

**FY2026
BUDGET**

PAYMENT IN LIEU OF TAX (PILOT)

5% of Electric & Water Sales including Service Availability Fees (SAF).

\$1,892,653

NON-OPERATING REVENUE

FY2026
BUDGET

INTEREST REVENUE

Interest on Fund Accounts \$1,000,000

Total Interest Revenue \$1,000,000

OTHER REVENUE

Miscellaneous non-operating revenue from material sales/services, late fees, frontage fees, grants, donated capital assets, state budget appropriation and fiber revenue** \$2,912,500

Less non-operating revenue deductions * -\$50,000

Total Other Revenue \$2,862,500

TOTAL NON-OPERATING REVENUE \$3,862,500

* Fiber Depreciation not included

OPERATING STATEMENT - Electric Department

	<u>FY2024</u> <u>Actual</u>	<u>FY2025</u> <u>Projected</u>	<u>FY2026</u> <u>Budget</u>
<u>OPERATING REVENUE</u>			
Residential Sales	\$10,671,168	\$11,999,210	\$12,611,550
Commercial Sales	\$5,119,339	\$5,269,600	\$5,599,600
Power Service Sales	\$6,770,190	\$7,154,100	\$7,625,000
Industrial Sales	\$5,434,825	\$5,828,100	\$6,043,200
Area/Street Lighting	\$263,040	\$272,060	\$272,450
Power Production	\$490,668	\$362,000	\$1,320,000
Miscellaneous Fees	\$59,710	\$65,000	\$65,000
Interdepartmental Services - City	\$130,156	\$106,141	\$185,265
Rate Stabilization Fund	-\$720,000	-\$720,000	-\$720,000
Hartmann US	-\$99,000	-\$125,000	-\$128,000
Total Operating Revenue	\$28,120,096	\$30,211,211	\$32,874,065
<u>OPERATING EXPENSES</u>			
Transmission	\$12,223	\$25,000	\$25,000
Depreciation - RMU *	\$1,502,915	\$1,502,400	\$1,552,400
Depreciation - City **	\$61	\$0	\$0
Interest on Electric project	\$0	\$0	\$0
Interest on Deposits	\$10,171	\$0	\$0
Power Purchases	\$22,795,401	\$24,400,000	\$24,900,000
Tornado Related Expenses	\$0	\$1,500,000	\$0
Distribution	\$2,230,101	\$2,534,000	\$2,795,000
Customer Accounting	\$519,986	\$600,000	\$620,000
Administrative and General	\$2,308,676	\$2,617,900	\$2,878,000
Interdepartmental Expenses - City (nonbillable)	<u>\$35,186</u>	<u>\$50,000</u>	<u>\$50,000</u>
Total Operating Expenses	\$29,414,721	\$33,229,300	\$32,820,400
OPERATING MARGIN FOR ELECTRIC DEPARTMENT	-\$1,294,624	-\$3,018,089	\$53,665

* includes Fiber

** Streetlights (City)

OPERATING REVENUE - Electric Department

	<u>Total kWh/kW sold</u> <u>Avg Mtrs/Month</u>		<u>FY2026</u> <u>BUDGET</u>
<u>RESIDENTIAL SALES</u>			
Residential: Single-Phase Energy	109,000,000	\$9,919,000	
Service Availability Fees	8,150	\$2,542,800	
Residential: Three-Phase Energy	1,450,000	\$131,950	
Service Availability Fees	23	\$13,800	
Community Solar		<u>\$4,000</u>	
Total Residential Sales			\$12,611,550
<u>COMMERCIAL SALES</u>			
Commercial: Single-Phase Energy	16,000,000	\$1,456,000	
Service Availability Fee	950	\$296,400	
Commercial: Three-Phase Energy	39,000,000	\$3,549,000	
Service Availability Fees	497	\$298,200	
Total Commercial Sales			\$5,599,600
<u>POWER SERVICE SALES</u>			
Power Service Energy	79,000,000	\$5,609,000	
Power Service Demand	195,000	\$1,755,000	
Service Availability Fees	87	\$261,000	
Renewable Energy		<u>\$0</u>	
Total Power Service Sales			\$7,625,000
<u>INDUSTRIAL SALES</u>			
Industrial Energy	69,000,000	\$4,534,200	
Industrial Demand	150,000	\$1,425,000	
Service Availability Fees	7	\$84,000	
Renewable Energy		<u>\$0</u>	
Total Industrial Sales			\$6,043,200
<u>AREA LIGHTING</u>			
Metered Lighting			
Metered Lighting Energy	175,000	\$13,650	
Service Availability Fees	16	\$9,600	
NonMetered Lighting		<u>\$70,000</u>	
Total Area Lighting			\$93,250
<u>STREET LIGHTING</u>			
Metered Lighting			
Metered Lighting Energy	340,000	\$68,000	
Service Availability Fees	26	\$31,200	
NonMetered Lighting		<u>\$80,000</u>	
Total Street Lighting			\$179,200
<u>POWER PRODUCTION</u>			
Generation Standby Service		\$0	
Capacity & Operating Credits			
MoPep Capacity Credits		\$1,300,000	
Operating Credit		<u>\$20,000</u>	
Total Power Production			\$1,320,000
<u>MISCELLANEOUS FEES</u>			
Service Fees		\$65,000	
Credit Card Processing Fees		<u>\$0</u>	
Total Miscellaneous Fees			\$65,000
<u>INTERDEPARTMENTAL SERVICES - CITY</u>			
Billing City Services (64%)			\$185,265
<u>RATE STABILIZATION FUND</u>			
Rate Stabilization Fund			-\$720,000
<u>Utility Incentive</u>			
Hartmann			-\$128,000
TOTAL OPERATING REVENUE			\$32,874,065
FOR ELECTRIC DEPARTMENT			\$32,874,065

Rolla Municipal Utilities
 FY2026 BUDGET

OPERATING EXPENSES - Electric Department

	FY2024	FY2025	FY2026
	<u>ACTUAL</u>	<u>PROJECTED</u>	<u>BUDGET</u>
TRANSMISSION			
3566/Bulk Stn; Misc. Transmission Exp	\$0	\$0	\$0
3570/Bulk Stn: Station Equipment	\$12,223	\$25,000	\$25,000
3571/Bulk Stn: Towers & Fixtures	\$0	\$0	\$0
3597/Bulk Stn: Meters	\$0	\$0	\$0
Total Transmission	\$12,223	\$25,000	\$25,000
DEPRECIATION			
4403/Rolla Municipal Utilities (RMU)	\$1,434,202	\$1,450,000	\$1,500,000
5403/RMU (Fiber 64%)	\$26,593	\$22,400	\$22,400
7403/RMU (Power Production)	\$42,121	\$30,000	\$30,000
4404/City of Rolla	\$61	\$0	\$0
Total Depreciation	\$1,502,976	\$1,502,400	\$1,552,400
INTEREST			
3430/Power Supply Infrastructure project	\$0	\$0	\$0
4431/Deposits	\$10,171	\$0	\$0
Total Interest	\$10,171	\$0	\$0
POWER PURCHASES/4555	\$22,795,401	\$24,400,000	\$24,900,000
DISTRIBUTION			
4416/Tornado Expenses	\$0	\$1,500,000	\$0
4571/O & M - Transmission Lines	\$63	\$1,000	\$1,000
4584/Transportation	\$232,562	\$130,000	\$220,000
4588/Misc. Distribution Expense	\$440,733	\$471,000	\$497,000
4591/Maintenance Structures	\$17,490	\$20,000	\$20,000
4592/O & M - Station Equipment	\$51,009	\$40,000	\$50,000
4593/O & M - Overhead Lines	\$958,877	\$1,200,000	\$1,300,000
4594/O & M - Underground Lines	\$165,306	\$100,000	\$105,000
4595/Maintenance Transformers	\$46,846	\$50,000	\$50,000
4596/O & M - Streetlights	\$55,306	\$230,000	\$240,000
4597/O & M - Meters	\$124,675	\$125,000	\$130,000
4600/Cost of Electric - Plant Removal	\$0	\$1,000	\$1,000
7546/Engineering	\$4,091	\$1,000	\$1,000
7547/Fuel	\$27,378	\$20,000	\$40,000
7548/Generation Expense	\$0	\$20,000	\$5,000
7549/Miscellaneous	\$0	\$5,000	\$5,000
7552/Structures	\$0	\$0	\$0
7553/Generation & Electric Equipment	\$105,766	\$120,000	\$130,000
Total Distribution	\$2,230,101	\$4,034,000	\$2,795,000
CUSTOMER ACCOUNTING & COLLECTING			
4902/Meter Reading Expenses	\$68,497	\$75,000	\$75,000
4903/Customer Records & Collections	\$447,191	\$500,000	\$520,000
4904/Uncollectible Accounts	\$4,298	\$25,000	\$25,000
Total Customer Acctg & Collecting	\$519,986	\$600,000	\$620,000
ADMINISTRATIVE AND GENERAL			
4913/Advertising	\$38,284	\$20,000	\$20,000
4920/Administrative & General Salaries	\$203,010	\$160,000	\$234,000
4921/Office Supplies and Expenses	\$162,101	\$195,000	\$196,000
4923/Outside Services Employed	\$36,920	\$40,000	\$104,000
4924/Insurance	\$324,938	\$326,000	\$345,000
7924/Insurance (Power Production)	\$6,478	\$1,900	\$2,000
4926/Employee Benefits	\$1,468,749	\$1,800,000	\$1,900,000
7926/Employee Benefits (Power Production)	\$23,200	\$20,000	\$22,000
4930/Misc. General Expenses	\$16,520	\$25,000	\$25,000
4932/Maintenance General Plant	\$28,476	\$30,000	\$30,000
Total Administrative & General	\$2,308,676	\$2,617,900	\$2,878,000
0426/Interdept Expenses (City)	\$35,186	\$50,000	\$50,000
TOTAL OPERATING EXPENSES (Elec)	\$29,414,721	\$33,229,300	\$32,820,400

OPERATING STATEMENT - Water Department

	<u>FY2024 ACTUAL</u>	<u>FY2025 PROJECTED</u>	<u>FY2026 BUDGET</u>
<u>OPERATING REVENUE</u>			
Residential Sales	\$2,453,129	\$2,321,175	\$2,426,025
Non-Residential Sales	\$1,235,024	\$1,670,634	\$1,773,834
Special Sales	\$278,870	\$206,880	\$291,900
Fire Sprinkler Lines	\$86,195	\$101,820	\$101,820
Miscellaneous Fees	\$11,310	\$10,000	\$20,000
Interdepartmental Services - City	\$68,906	\$48,808	\$104,211
Utility Surcharge - NPZ	\$0	\$0	\$407,889
Water Cost Adjustments	\$0	\$0	\$0
	<hr/>	<hr/>	<hr/>
Total Operating Revenue	\$4,133,434	\$4,359,317	\$5,125,680
<u>OPERATING EXPENSES</u>			
Depreciation - RMU *	\$1,069,884	\$1,092,600	\$1,112,600
Depreciation - City **	\$30,423	\$0	\$0
Transfer to Electric Reserves - NPZ	\$0	\$0	\$407,889
Interest on Deposits	\$1,562	\$0	\$0
Source of Supply	\$540,576	\$575,000	\$605,000
Treatment	\$72,860	\$95,000	\$115,000
Distribution	\$982,898	\$912,000	\$964,000
Customer Accounting	\$299,893	\$280,000	\$247,000
Administrative and General	<u>\$994,990</u>	<u>\$1,245,000</u>	<u>\$1,363,000</u>
	<hr/>	<hr/>	<hr/>
Total Operating Expenses	\$3,993,087	\$4,199,600	\$4,814,489
	<hr/>	<hr/>	<hr/>
OPERATING MARGIN FOR WATER DEPARTMENT	\$140,347	\$159,717	\$311,191

* includes Fiber

** Fire protection (City)

OPERATING REVENUE - Water Department

	<u>Total Gals Sold & Avg Mtrs/Month</u>		<u>FY2026 BUDGET</u>
<u>RESIDENTIAL SALES</u>			
Residential Water	332,500,000	\$1,546,125	
Service Availability Fees			
5/8" or 3/4"	6,430	\$848,760	
1"	57	\$10,260	
1-1/2"	1	\$300	
2"	39	\$16,380	
3"	3	\$2,700	
4"	1	\$1,500	
Total Residential Sales			\$2,426,025
<u>NON-RESIDENTIAL SALES</u>			
Non-Residential Water ^	337,000,000	\$1,567,050	
Service Availability Fees			
5/8" or 3/4"	577	\$76,164	
1"	118	\$21,240	
1-1/2"	5	\$1,500	
2"	142	\$59,640	
3"	45	\$40,500	
4"	3	\$4,500	
6"	1	\$3,240	
Total Commercial Sales			\$1,773,834
<u>SPECIAL SALES</u>			
MS&T/Special Sales	30,000,000	\$136,200	
Service Availability Fee			
6"	5	\$16,200	
Water District Sales	25,000,000	\$139,500	
Utility Surcharge - NPZ		\$407,889	
Total Special Sales			\$699,789
<u>FIRE SPRINKLER LINE FEES</u>			
<=4"	135	\$56,700	
6"	31	\$22,320	
8"	17	\$20,400	
10"	1	\$2,400	
Total Fire Sprinkler Line Fees			\$101,820
<u>MISCELLANEOUS FEES</u>			
Service Fees		\$20,000	
Credit Card Fees		\$0	
Total Miscellaneous Fees			\$20,000
<u>INTERDEPARTMENTAL SERVICES - CITY</u>			
Billing City Services (36%)			\$104,211
TOTAL OPERATING REVENUE FOR WATER DEPARTMENT			\$5,125,680

Rolla Municipal Utilities
FY2026 BUDGET

OPERATING EXPENSES - Water Department

	<u>FY2024 ACTUAL</u>	<u>FY2025 PROJECTED</u>	<u>FY2026 BUDGET</u>
<u>DEPRECIATION</u>			
8403/Rolla Municipal Utilities	\$1,061,351	\$1,080,000	\$1,100,000
5403/Rolla Municipal Utilities (Fiber 36%)	\$8,533	\$12,600	\$12,600
* 8404/City of Rolla	<u>\$30,423</u>	<u>\$0</u>	<u>\$0</u>
Total Depreciation	\$1,100,307	\$1,092,600	\$1,112,600
<u>INTEREST</u>			
8430/Water project	\$0	\$0	\$0
8431/Deposits	<u>\$1,562</u>	<u>\$0</u>	<u>\$0</u>
Total Interest	\$1,562	\$0	\$0
<u>SOURCE OF SUPPLY</u>			
8611/O & M - Wells & Well Houses	\$97,004	\$100,000	\$105,000
8623/Fuel or Power for Pumping	\$443,572	\$475,000	\$500,000
8633/O & M - Pumps & Pump Houses	\$0	\$0	\$0
Transfer to Electric Reserves NPZ	<u>\$0</u>	<u>\$0</u>	<u>\$407,889</u>
Total Source of Supply	\$540,576	\$575,000	\$605,000
<u>TREATMENT</u>			
8641/Chemicals	\$10,462	\$15,000	\$15,000
8652/O & M - Treatment	<u>\$62,398</u>	<u>\$80,000</u>	<u>\$100,000</u>
Total Treatment	\$72,860	\$95,000	\$115,000
<u>DISTRIBUTION</u>			
8584/Transportation	\$70,643	\$70,000	\$75,000
8600/Cost of Water Plant Removal	\$0	\$0	\$0
8665/Miscellaneous Distribution	\$248,589	\$258,000	\$269,000
8672/O & M - Towers	\$7,979	\$8,000	\$8,000
8673/O & M - Mains	\$521,082	\$420,000	\$450,000
8675/O & M - Service Lines	\$56,842	\$75,000	\$80,000
8676/O & M - Meters	\$64,317	\$66,000	\$70,000
8677/Maintenance Hydrants	<u>\$13,445</u>	<u>\$15,000</u>	<u>\$12,000</u>
Total Distribution	\$982,898	\$912,000	\$964,000
<u>CUSTOMER ACCOUNTING & COLLECTING</u>			
8902/Meter Reading Expenses	\$55,996	\$60,000	\$62,000
8903/Records & Collection Expenses	\$241,891	\$210,000	\$175,000
8904/Uncollectible Accounts	<u>\$2,006</u>	<u>\$10,000</u>	<u>\$10,000</u>
Total Customer Acctg & Collecting	\$299,893	\$280,000	\$247,000
<u>ADMINISTRATIVE AND GENERAL</u>			
8913/Advertising	\$11,203	\$10,000	\$10,000
8920/Administrative & General Salaries	\$102,020	\$110,000	\$151,000
8921/Office Supplies and Expenses	\$93,781	\$90,000	\$75,000
8923/Outside Services Employed	\$9,375	\$10,000	\$46,000
8924/Insurance	\$120,641	\$142,000	\$150,000
8926/Employee Benefits	\$581,259	\$800,000	\$850,000
8930/Primacy Fees	\$52,412	\$55,000	\$55,000
8591/Maint to Service Dept	\$7,759	\$8,000	\$8,000
8930/Misc General - Expenses	\$1,828	\$10,000	\$8,000
8932/Maintenance General Plant	<u>\$14,711</u>	<u>\$10,000</u>	<u>\$10,000</u>
Total Administrative & General	\$994,990	\$1,245,000	\$1,363,000
TOTAL OPERATING EXPENSES FOR WATER DEPARTMENT	\$3,993,087	\$4,199,600	\$4,406,600

* Fire Protection (City)

Rolla Municipal Utilities
FY2026 BUDGET

CAPITAL EXPENDITURES - SUMMARY

	<u>FY2024</u> <u>ACTUAL</u>	<u>FY2025</u> <u>PROJECTED</u>	<u>FY2026</u> <u>BUDGET</u>
<u>ELECTRIC</u>			
Transmission (138kV)	\$0	\$19,820	\$0
Sub-Transmission (34.5kV)	\$826	\$0	\$220,000
Distribution	\$483,477	\$1,562,497	\$3,410,000
General Plant*	\$157,440	\$133,275	\$934,400
Fiber (64%)	<u>\$43,947</u>	<u>\$0</u>	<u>\$0</u>
Total Electric Cap Exp	\$685,689	\$1,715,592	\$4,564,400
<u>WATER</u>			
Source of Supply	\$0	\$75,000	\$395,000
Pumping Plant	\$79,930	\$251,000	\$2,585,000
Distribution	\$15,301	\$780,000	\$2,780,000
General Plant	\$88,560	\$74,967	\$525,600
Fiber (36%)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Water Cap Exp	\$183,791	\$1,180,967	\$6,285,600
TOTAL CAPITAL EXPENDITURES	\$869,480	\$2,896,559	\$10,850,000

*Increase for FY2026 includes two new line trucks

CAPITAL EXPENDITURES - Electric Department

	FY2024 <u>ACTUAL</u>	FY2025 <u>PROJECTED</u>	FY2026 <u>BUDGET</u>
<u>TRANSMISSION (138 kV)</u>			
3350/Land & Land Rights	\$0	\$0	\$0
3353/Station Equipment	\$0	\$19,820	\$0
3355/Poles, Towers, & Fixtures	\$0	\$0	\$0
3356/Overhead Conductors & Devices	\$0	\$0	\$0
3370/Meters	\$0	\$0	\$0
Total Transmission	\$0	\$19,820	\$0
<u>SUB-TRANSMISSION (34.5 kV)</u>			
4350/Land & Land Rights	\$0	\$0	\$0
4353/Station Equip - 34 KV	\$0	\$0	\$0
4355/Poles & Fixtures	\$826	\$0	\$100,000
4356/Overhead Conductors & Devices	\$0	\$0	\$50,000
4357/Underground Conductors & Devices	\$0	\$0	\$50,000
4358/Underground Conduit	<u>\$0</u>	<u>\$0</u>	<u>\$20,000</u>
Total Sub-Transmission	\$826	\$0	\$220,000
<u>DISTRIBUTION</u>			
4360/Land and Land Rights	\$0	\$0	\$0
4361/Structures & Improvements	\$0	\$0	\$0
4362/Station Equipment	\$22,850	\$42,850	\$1,130,000
4364/Poles, Towers & Fixtures	\$0	\$200,000	\$200,000
4365/Overhead Conductors & Devices	\$3,994	\$80,000	\$80,000
4366/Underground Conduit	\$0	\$250,000	\$400,000
4367/Underground Conductors & Devices	\$0	\$260,000	\$500,000
4368/Line Transformers	\$453,578	\$628,647	\$150,000
4369/Services	\$0	\$0	\$0
4370/Meters	\$3,055	\$0	\$0
4372/Rental Property: Customer Premises	\$0	\$1,000	\$0
4373/Streetlighting & Signal Systems	\$0	\$100,000	\$100,000
7344/Generators	\$0	\$0	\$850,000
Total Distribution	\$483,477	\$1,562,497	\$3,410,000
<u>GENERAL PLANT</u>			
4389/Land and Land Rights (64%)	\$0	\$0	\$0
4390/Structures & Improvements (64%)	\$0	\$0	\$0
4391/Office Furniture & Equipment (64%)	\$0	\$32,000	\$19,200
4392/Transportation Equipment (64%)	\$251,834	\$58,662	\$742,400
4394/Tools, Shop & Garage Equip (64%)	\$0	\$0	\$0
4395/Laboratory Equipment	\$0	\$0	\$0
4396/Power Operated Equipment (64%)	-\$94,394	\$42,612	\$172,800
4397/Communication Equipment (64%)	\$0	\$0	<u>\$0</u>
Total General Plant	\$157,440	\$133,275	\$934,400
<u>CAPITAL EXPENDITURES/FIBER (75%)</u>	\$43,947	\$0	\$0
TOTAL CAPITAL EXPENDITURES FOR ELECTRIC DEPARTMENT	\$685,689	\$1,715,592	\$4,564,400

Rolla Municipal Utilities
FY2026 BUDGET

CAPITAL EXPENDITURES - Water Department

	<u>FY2024</u> <u>ACTUAL</u>	<u>FY2025</u> <u>PROJECTED</u>	<u>FY2026</u> <u>BUDGET</u>
<u>SOURCE OF SUPPLY</u>			
8310/Land and Land Rights	\$0	\$0	\$20,000
8311/Structures & Improvements	\$0	\$75,000	\$375,000
8314/Wells and Springs	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Source of Supply	\$0	\$75,000	\$395,000
<u>PUMPING PLANT</u>			
8320/Land and Land Rights	\$0	\$0	\$0
8321/Structures & Improvements	\$0	\$0	\$2,385,000
8325/Electric Pumping Equipment	<u>\$79,930</u>	<u>\$251,000</u>	<u>\$200,000</u>
Total Pumping Plant	\$79,930	\$251,000	\$2,585,000
<u>DISTRIBUTION</u>			
8340/Land and Land Rights	\$0	\$0	\$0
8342/Reservoirs & Standpipes	\$0	\$0	\$0
8343/Transmission & Distribution Mains	\$14,414	\$750,000	\$2,750,000
8346/Meters	\$888	\$30,000	\$0
8348/Fire Hydrants	<u>\$0</u>	<u>\$0</u>	<u>\$30,000</u>
Total Distribution	\$15,301	\$780,000	\$2,780,000
<u>GENERAL PLANT</u>			
8395/Laboratory Equipment	\$0	\$0	\$0
4389/Land and Land Rights (36%)	\$0	\$0	\$0
4390/Structures & Improvements (36%)	\$0	\$0	\$0
4391/Office Furniture & Equipment (36%)	\$0	\$18,000	\$10,800
4392/Transportation Equipment (36%)	\$141,657	\$32,998	\$417,600
4394/Tools, Shop & Garage Equip (36%)	\$0	\$0	\$0
4395/Laboratory Equipment (36%)	\$0	\$0	\$0
4396/Power Operated Equipment (36%)	-\$53,097	\$23,970	\$97,200
4397/Communication Equipment (36%)	\$0	\$0	\$0
Total General Plant	\$88,560	\$74,967	\$525,600
<u>CAPITAL EXPENDITURES/FIBER (36%)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL CAPITAL EXPENDITURES FOR WATER DEPARTMENT	\$183,791	\$1,180,967	\$6,285,600

RESTRICTED ELECTRIC RESERVE PROJECTS

	FY2025	FY2026	FY2027
- 11th Street Underground (4366/4367/4368)	\$225,000	\$0	\$0
- Pine Street Electric Improvements	\$180,000	\$0	\$0
-9th Street Underground	\$0	\$0	\$425,000
-10th Street Underground	\$0	\$0	\$150,000
-Bridgeschool to Dewing Tie	\$100,000	\$600,000	\$400,000
- Automated Meter Reading	\$0	\$0	\$1,500,000
4390/Structures & Improvements			
- Service Department Equipment Parking(9,500 sq. ft.)	\$0	\$700,000	\$0
- Service Department Equipment Shop (5,000 sq. ft.)	\$0	\$500,000	\$0
- Service Department Office Addition (15,000 sq. ft.)	\$600,000	\$7,000,000	\$0
- Service Center Expansion Furnishing	\$0	\$150,000	\$0
TOTAL PROJECT EXPENSES	\$1,105,000	\$8,950,000	\$2,475,000

Rolla Municipal Utilities
FY2026 BUDGET

**American Rescue Plan Act of 2021 (ARPA)
Legislative Priority Projects**

Legislative Priority Projects/ARPA Funds

- Nagogami Pressure Zone	\$4,800,000	
- Lead Service Line Identification	\$100,000	
TOTAL		\$4,900,000

Water Infrastructure Projects - Funding

Legislative Priority Funding - ARPA	\$1,200,000	
RMU Match	\$1,300,000	
*Lease Purchase or Reserves	\$2,400,000	
TOTAL		\$4,900,000

*To be replenished thru the use of impact fees and usage charges from benefitting customers

UNFUNDED BUDGET REQUESTS

		\$4,415,000
<u>Equipment/Facilities</u>		
- Hy Point #1 Wellhouse Building	\$350,000	
- URD Puller	\$180,000	
- Add'l Undergrounding	\$1,000,000	
- Physical Security Improvements	\$1,000,000	
- Cyber Security Improvements	\$300,000	
- Outage management System	\$75,000	
- Short Term Load Forecast Tool	\$60,000	
- Lawn Mower	\$30,000	
- Electric Service Truck 37'	\$200,000	
- Regulators	\$120,000	
- Hospital Switchgear	\$600,000	
- Boring Machine	\$250,000	
- Backyard Digger Derrick	<u>\$250,000</u>	
	TOTAL UNFUNDED BUDGET REQUESTS	\$4,415,000