

2026

Fiscal Year 1st Quarter Report



Rolla Municipal Utilities

Provided to Rolla City Council

February 17, 2026

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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

FIRST QUARTER FINANCIAL RECAP (Unaudited)

OPERATING INCOME and EXPENSES

	1st Quarter FYTD 2025	1st Quarter FYTD 2026	CHANGE
OPERATING REVENUES	\$8,148,485	\$8,698,877	\$550,392
OPERATING EXPENSES	(\$8,782,701)	(\$9,037,588)	(\$254,887)
OPERATING INCOME	(\$634,216)	(\$338,711)	\$295,505
OTHER INCOME & EXP.	\$345,715	\$637,754	\$292,039
NET INCOME / LOSS	(\$288,501)	\$299,043	\$587,544

Total operating revenues for the 1st quarter of 2026 were 8,698,877. Total operating expenses for the 1st quarter were \$9,037,588. This is \$254,887 higher than the 1st quarter of 2025.

Upon completion of the first quarter of Fiscal Year 2026, we are showing operating loss of \$338,711. This decreased \$295,505 from the 1st quarter of 2025.

Total Net Income for the 1st quarter of 2026 was \$299,043 which is \$587,544 more than 2025. The first quarter ended on the positive side.



STATUS OF RMU PROJECTS

ELECTRIC DEPARTMENT

➤ Projects

- Pine Street from 12th Street to Bishop Avenue – New roadway lighting
- The Highlands subdivision – New residential subdivision development
- Phelps Health new Emergency Department – Reconfiguration of electric & fiber systems.
- 13063 Old Wire Outer Road – US Department of Veterans Affairs
- Service Center consolidation

➤ Aesthetic Work

- South Hwy 63 from Keeton Road to Little Oaks Road – Removal of overhead electric distribution system including 14 poles.
- South Bishop Ave from Williams Road to Lanning Lane & Wyman Substation – Removal of 34.5 kV sub transmission conductor, portion was a redundant connection to Wyman Substation

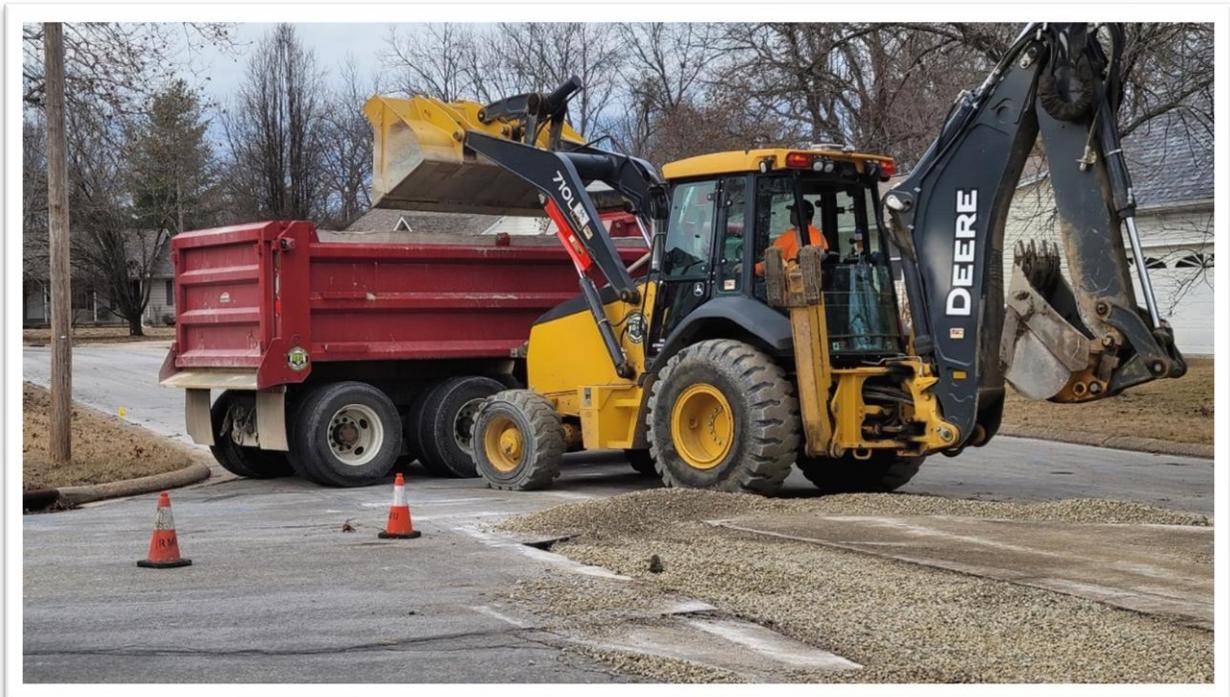
➤ Upcoming Projects

- Hartmann – RMU switchgear – Summer 2026
- 9th Street Conversion – Convert overhead electric to underground distribution
- Heritage Substation



WATER DEPARTMENT

- 2000 Block of North Bishop: Water distribution system improvements, water main replacement.
- Hillview Drive: Water main replacement
- Belmont Court: Replaced service lines
- Highway 72 (north side): New water main in conjunction with MoDOT's sidewalk improvements
- Nagogami Pressure Zone – Nagogami pump station: construction complete, now in operation. White Columns Pump Station: in progress
- Phelps Health: Services for new Emergency Department
- Missouri S&T Bioplex – 625 Tim Bradley Way: New fire service line connection & hydrant
- Upcoming Projects – Replacement of old water main
 - Highway O from Winchester Drive to Commercial Dr: Water main replacement



MPUA/MoPEP UPDATES

- Integrated Resource Plan (IRP)
Initial feedback indicates winter and summer shortfalls beginning in 2041 assuming no significant changes to overall loads or generation.

MoPEP as a pool, has greater price stability than the other two Missouri Power Pools mainly due to resource diversity that has been developed over previous 20 years.
- The combustion turbines for the Marshall, MO project were delivered. Unfortunately, one of the units hit a bridge during shipment. It did not appear to be heavily damaged but will undergo further inspection and investigation. Good news is that the manufacturer has complete responsibility for shipment until received at the site, so the liability for equipment damage remains with the manufacturer.
- Plum Point had a generator inspection during their fall outage. Unfortunately, the inspection revealed a crack in the rotor winding requiring a full rotor rewind. This is a 70+ day delay in bringing the unit back on-line.
- “Affordability” is one of the recent buzz words in stakeholder meetings at SPP, MISO, FERC, and just about anywhere the future of our industry is being discussed. From a national standpoint, Goldman Sachs expects electric bill inflation to remain at historic levels through 2029. Growing demand is a major driver of the increased capital expenditures in power supply and grid enhancements, as well as the general increase in costs associated with building replacement power generation to replace retiring units.
- Over 1,300 bills were pre-filed for the legislative session. MPUA tracks bills of interest pertaining to the Missouri municipal utilities. It’s not clear yet if the MO Senate will still have some lingering disarray from last year’s session. Several bills I would classify as “support nuclear power,” competing efforts to reform net-metering (restrict and enhance), a bill restricting drone use over critical infrastructure, and a bill to create provisions for electrical choice and competition

MISCELLANEOUS

- Leak Detection Survey Results
The Leak Detection Survey was conducted in October by Westrum Leak Detection utilizing the latest leak detection correlation technology to pinpoint suspected leakage in the system. The cost of the survey was \$19,750. Twelve leaks of various sizes were identified from the survey – one water main leak, three service line leaks and eight hydrant leaks. The cost over one year from those leaks would equal \$25,550. Fortunately, no catastrophic water leaks were found this year.
- Cold Weather Rule
As part of Missouri Senate Bill 4, signed into law on April 9, 2025, the Cold Weather Rule has been updated by the Public Service Commission (PSC), effective August 28, 2025. Under the new provisions, utilities must now reference a 72-hour weather forecast and confirm that temperatures will remain above 32°F during that period before proceeding with any service disconnections. RMU has adopted and approved the change in our General Rules & Regulations. A similar 72-hour period also applies to RMU’s Hot Weather Rule.

➤ APPA Customer Satisfaction Award

Rolla Municipal Utilities was recently honored with APPA's Silver Public Power Customer Satisfaction Award, based on customer feedback collected through surveys in March 2025. The award evaluates performance across key categories, including Customer Service, Field Personnel, Communication, Reliability, Value, Outage Response, Innovation, and Overall Satisfaction. RMU is one of only 15 utilities nationwide to receive this recognition—and the only hometown utility in Missouri.

➤ Service Center Expansion Project

In December, the Rolla Board of Public Works awarded the Service Center renovation project to Trigent Solutions who will be utilizing a local subcontractor. RMU leased and has moved into the former emergency services building at 504 East 18th Street. Interior demolition at the Service Department was completed by the end of January anticipating Trigent to begin in February. After work is completed, RMU will shift staff from the downtown location (City building and Tucker Professional Center) to the remodeled building with the intention of merging all staff to the one location on O Highway.

➤ New RMU General Manager

The Rolla Board of Public Works selected Floyd Wolf as the organization's next General Manager. Wolf brings over 20 years of progressive leadership experience within the electrical utility, power generation and industrial sector, including 11 years of senior electrical engineering experience in heavy manufacturing along with eight years in the electric utility sector. Most recently, he served as General Manager for Colorado Electric-Black Hills Energy, where he led operations serving more than 100,000 customers in the greater Pueblo, Colorado area.

Wolf holds an M.B.A from Syracuse University and a Bachelor of Science degree in Electrical Engineering from Prairie View A&M University- Texas. An advocate for community engagement, Wolf has worked closely with city officials, government agencies, and emergency services to strengthen partnerships and support local initiatives. He is also dedicated to advancing education and opportunity, having served as Vice President and COO of the nonprofit Legacy Avenue Foundation, focused on making college more accessible for students. Wolf will begin his role with RMU on March 9th.