

ANNUAL REPORT

2024-2025

MMUA.ORG



A MESSAGE FOR OUR FRIENDS

We are pleased to provide you with MMUA's annual report. The year has been full of energy, innovation, and progress for our association—and the strength of our members working together has powered it all. Together, we continued to deliver the services and support that municipal utilities rely on, while also launching bold new initiatives that position our sector for long-term success.

This year, MMUA introduced a new utility workforce scholarship to help grow the next generation of skilled professionals and rolled out a mobile member directory app to make it easier than ever for all of us to connect. Our new DUEL® leadership development program, designed specifically for municipal utility professionals, is already helping build strong, strategic teams across Minnesota. We redesigned the gas field at the MMUA Training Center in anticipation of a new gas-focused training school, offered free human resources webinars for our members, and created targeted government relations videos to help commissioners better understand the policymaking landscape. And thanks to a federal grant, we provided free chemical hazard training to local businesses in member communities.

At the same time, we stayed focused on the fundamentals—delivering strong financial results, advocating successfully in St. Paul, and coordinating responsive mutual aid during critical outages and weather events.

This report reflects the growing value of your membership investment and the momentum we've built together. Whether your community is big or small, offers electric, gas, or water, is run by your city or an independent commission, MMUA's work is about you—your needs, your future, and your success. Thank you for being part of this extraordinary year—and stay tuned—there's more to come!

MMUA strategic plan

Each year, MMUA follows a strategic plan with the goal of enhancing our leadership position and fostering growth while focusing intently on the needs of municipal utilities. The plan features five strategic pillars to guide the work of our organization. The strategic pillars are listed below. The accomplishments on the following pages show our progress toward these objectives.

- Effective public policy advocacy
- Strategic preservation of local control
- Best-in-class programs and services
- Excellence in member benefits
- Efficient association operations



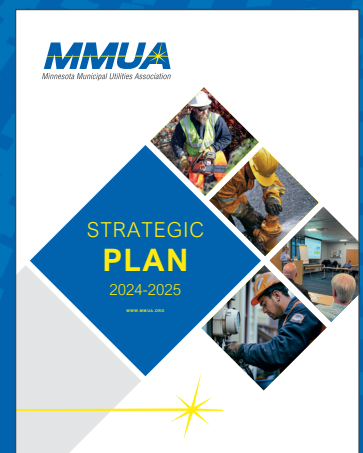
Scott Grabe

Board President



Karleen Kos

CEO



EFFECTIVE PUBLIC POLICY ADVOCACY

Our strategic plan focuses on strengthening public policy advocacy by prioritizing state-level utility initiatives, partnering with allied organizations for joint policy influence, and creating a resource library for municipal utility leaders. Additionally, MMUA hosts regional meetings and develops educational materials to deepen understanding of emerging policy issues. Here are some efforts MMUA made this year toward these goals.



Key legislative messages

The MMUA Government Relations team hosted another series of gatherings throughout Minnesota for utility leaders, commissioners, and council members. These legislative debrief meetings covered the implications of the 2025 session and other important topics related to strengthening municipal utilities.



Staying informed

Monthly during the Minnesota legislative session, we have produced and distributed short videos to help commissioners, council members, staff, and ratepayers better understand the issues that may affect utilities. They are designed to provide the information your community needs. Each of them briefly describes the issues, explains how MMUA is advocating on your behalf, and—when relevant—describe actions you can take as we all work together to bring about favorable legislation for our hometown utilities.



Interacting on the issues

- **Hometown utilities are reliable, affordable, and sustainable.** Municipal utilities provide excellent services responsibly and reliably, directly to ratepayers in their communities.
- **We are Main Street not Wall Street.** The municipal utility model keeps funds within the community.
- **Municipal utilities are different than investor-owned utilities and cooperatives.** While we share many objectives with our counterparts, municipal utilities have different needs and capabilities than other utility providers—one size does not fit all.



EFFECTIVE PUBLIC POLICY ADVOCACY

The MMUA Board of Directors and our Government Relations team, along with the Government Relations Working Group of member utility leaders, developed a list of legislative priorities for the 2025 session. Here is a brief synopsis of issues relevant to MMUA members.

Regular Session Laws		
Ch. 23	2024 Telecommunications Installer Certification	Entire bill
Modifies 2024 requirements for trained telecommunication installers.		
Ch. 34	Agriculture & Broadband Development	Article 1 §2, subd 4 (k); Article 2 §2
Provides \$50,000 in FY 26 to study market and workforce factors contributing to incorrect markings. \$1,001,000 FY 26 and 27 to OBD.		
Ch. 39	State and Local Government and Elections Policy	Article 6, §1-2, and §11-13
Eliminates restrictions on participating in an open meeting by interactive technology. Authorizes 3-, 5- or 7-member utility commissions. Mandatory audit threshold for combined clerk-treasurer increased to \$1 million, including enterprise funds.		
First Special Session Laws		
Chapter 4	Commerce and Consumer Protection	Article 7, §14-15, and §23
Authorizes third party sale of electricity to charge electric vehicles. Imposes \$100 per port inspection fee and annual inspections of charging equipment if budgetary and staff limitations allow, otherwise as often as possible.		
Chapter 6	Workforce and Labor	Article 4, §27; Article 5, §10-13
Reduces maximum payroll tax for PFML to 1.1 percent of taxable wages. Allows employers to require reasonable notice of need to use Earned Sick and Safe Time (ESST). Employers can require reasonable documentation of need after two consecutive days of use of ESST. Employees can find a replacement worker from within and trade hours instead. Allows employers to advance ESST to employees expected to vest after 80 hours but who have not yet worked enough hours to have vested in ESST.		
Chapter 8	Transportation	Article 2, §67-78
For-profit operators of public charging stations must be licensed. By July 2027, most charging station operators must collect and remit a five cents per kWh tax.		
Chapter 12	Data Centers	Entire bill
Establishes water permit conditions. Investor owned utilities (IOUs) must create tariffs. IOUs must offer clean energy to data centers. Any utility may exclude sales of electricity to qualified large-scale data centers from their gross annual sales. Qualified large-scale data centers that pay to the State an annual fee are exempt from Energy Conservation and Optimization (ECO) requirements. Utilities are prohibited from spending for or investing in ECO improvements that directly benefit qualified large-scale data centers. Information technology equipment and software purchases by qualified data centers, qualified refurbished data centers, or qualified large-scale data centers, are exempted from sales tax so long as the data center is registered before July 1, 2042.		
Chapter 13	Taxes	Article 3, §4
Deletes sales tax exemption on electricity sales to qualified data centers.		
Chapter 15	Capital Investment (Bonding)	Entire bill
Provides approximately \$700 million total infrastructure funding, including: \$44 million to the Department of Natural Resources; \$12 million to the Pollution Control Agency, including \$6 million for the new Statewide Drinking Water Contamination Mitigation Program; \$176 million to the Public Financing Authority, including \$87 million for the Water Infrastructure Fund and \$32 million for Point Source Implementation Grants; and \$18 million for the Emerging Contaminants Grant Program.		

STRATEGIC PRESERVATION OF LOCAL CONTROL

Our strategic plan is dedicated to preserving local control of utility services. Key goals include championing reliability, affordability, and sustainability with the municipal model, improving communications to underscore the benefits of local ownership, offering educational resources to enhance customer relations, and empowering local leaders to advocate for their hometowns.



Chemical hazards and hazardous communication training

Last summer, hometown utility members supported MMUA in obtaining a Susan Harwood Training Grant. These funds have been provided by the Occupational Health and Safety Administration so that we can offer chemical hazards training to workers and businesses in your communities free of charge, ideally helping to keep workers safe and helping employers stay compliant. By hosting the training, either on site or somewhere else in the community, hometown utilities are front and center as we give you the credit for making this unique opportunity available. Our professional safety team is facilitating these training events through September 30, 2025.



Utility Workforce Scholarship

This year, MMUA introduced a new workforce development scholarship program to promote careers in the utility industry. Up to five \$1,000 scholarships will be awarded to students who enroll in a utility-related career program at an eligible institution. The MMUA Utility Workforce Scholarship is open to students seeking credentials as a powerline/lineworker, gas operator, water and wastewater operator, GIS specialist and other utility-specific programs.



BEST-IN-CLASS PROGRAMS AND SERVICES

Our strategic plan outlines five-year goals for advancing municipal utilities employees' excellence, safety, and proficiency. This includes updating safety and training programs, enhancing communication and evaluation tools, tailoring services to diverse utility needs, collaborating with partner organizations, and establishing a capital replacement process for facilities to align with mission requirements.



Mutual aid response

MMUA played a pivotal role in organizing mutual aid efforts in response to Hurricane Milton in October 2024. When Kissimmee Utility Authority in Florida issued a mutual aid request ahead of the storm, MMUA coordinated a large-scale deployment of municipal utility crews from across Minnesota to assist with power restoration efforts in the aftermath of the hurricane. From pre-storm mobilization to on-the-ground support, the response is a reminder of how working together our efforts can help, even across state lines. Closer to home, MMUA is often called upon to help organize crews and locate needed equipment for members who reach out in their time of need, day or night. Anoka, Owatonna, and others have relied upon MMUA to coordinate mutual aid efforts this past year.

New gas school

MMUA continues to demonstrate its commitment to safety and operational excellence through the ongoing expansion of its comprehensive safety programs. A key highlight of this effort in the past year is the addition of our gas school, which now offers operators more robust, hands-on training opportunities.

Significant updates have been made to the training center, transforming it into a more dynamic and versatile learning environment. The goal is to ensure that members are equipped with the knowledge, skills, and confidence to perform their duties safely and effectively in natural gas utilities.



Utility-specific leadership program

MMUA launched the DUEL (Developing Utility Expertise and Leadership™), designed to cultivate the next generation of leaders in municipal utilities. Through three immersive sessions and eight elective courses, participants gain essential leadership skills, technical knowledge, and a deep understanding of utility operations. The program emphasizes real-world application, peer collaboration, and personal growth using tools like the DiSC® assessment. DUEL empowers utility professionals to lead with confidence, clarity, and purpose.



EXCELLENCE IN MEMBER BENEFITS

Our strategic plan focuses on improving benefits for all members. Here are some benefits we have added or upgraded this year.



Quarterly human resources webinars

The goal of the free quarterly human resources (HR) webinars is to foster continuous learning and conversation among our members who work in HR related roles, enhance organizational HR practices, and address current trends and challenges in the field. Webinars are being held each quarter in 2025.

Supporting your strategic planning and organizational development

MMUA now offers tailored planning and organizational development services designed to help municipal utilities not only navigate current challenges but also proactively shape their future. Whether you're looking to enhance sustainability, strengthen workforce development, improve community engagement, or align operations with long-term goals, MMUA provides the tools and expertise to make it happen.



EFFICIENT ASSOCIATION OPERATIONS

This year, MMUA advanced its goal of efficient association operations with some major achievements.

- We successfully negotiated a 10-year lease for a modern, affordable, strategically located headquarters in St. Louis Park. The space offers both state-of-the-art conference space and scalable office capacity to meet the organization's future needs. We completed the move in October 2024.
- To enhance members' experiences in dealing with MMUA, we refined the new association management software platform and website launched late last year. These tools improve access to resources, streamline event registration, and make it easier for members to connect with MMUA and with one another.
- The triennial member survey conducted in the fall of 2024 gathered feedback, ideas, and pain points from nearly 400 members and stakeholders. Its results will help MMUA better meet members' needs and efficiently use resources in the years ahead.

To top it off, we transitioned our fiscal year and delivered financial results that were better than our budget projections, modestly contributing to the organization's reserve fund.

All of these things assure MMUA's members that the Board and staff are committed to sound business practices, disciplined planning, and responsiveness to member needs. We never forget who we work for.

MMUA Connect

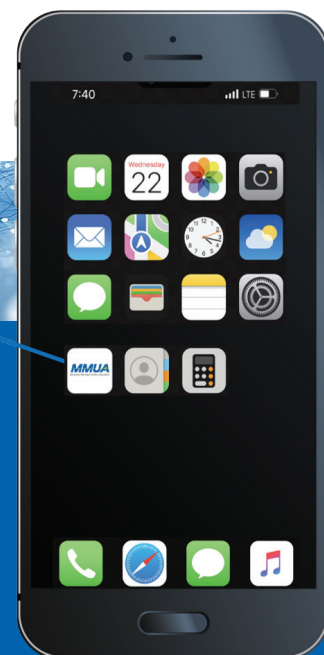
Our new member directory app—*MMUA Connect* is free to members of MMUA, and you can start using it right away. MMUA members will now have instant access to the following benefits:

- A full member directory
- Your personal Member Compass
- Staff contact information
- Upcoming events
- Quick links to MMUA resources

The app is meant to be easy to use from your cell phone. Just download it and go! The data will be updated quarterly, so the most current information is available. It's a great option in the field, on the weekend, and anytime you aren't near a computer. Download *MMUA Connect* and explore the convenience of using this new tool.

Revamped salary and benefits survey

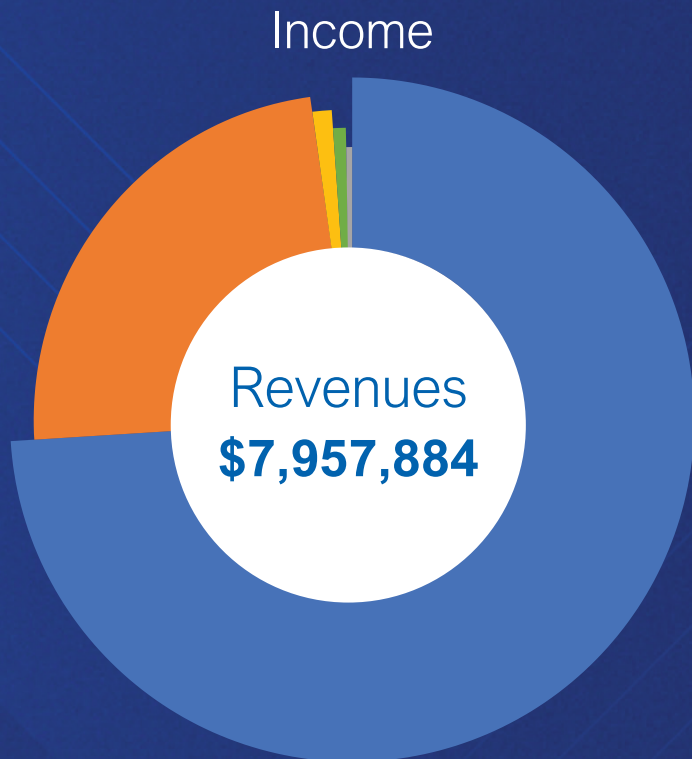
We launched our annual salary survey to gather valuable insights into compensation trends. Based on valuable feedback from our triennial survey, we have included a comprehensive benefits section in our annual publication. This addition aims to gather detailed insights into employee satisfaction with current benefits packages, identify areas for improvement, and help ensure utility offerings align with employee needs and preferences.



FINANCIAL HIGHLIGHTS

FISCAL YEAR 2023-2024

- 74% PROGRAM REVENUE
- 24% MEMBERSHIP DUES
- 2% OTHER



- 78% PROGRAM EXPENSES
 - 70% SAFETY MANAGEMENT
 - 12% TRAINING CENTER
 - 9% JOB TRAINING AND SAFETY
 - 5% GAS CIRCUIT RIDER
 - 2% ON DEMAND
 - 1.50% SPECIAL PROGRAMS
 - 0.50% OTHER
- 22% MEMBERSHIP SERVICES EXPENSES
 - GOVERNMENT ADVOCACY
 - MUTUAL AID COORDINATION
 - ANNUAL SALARY AND BENEFITS SURVEY
 - MEMBERSHIP DIRECTORY
 - MEMBERSHIP APP
 - INDUSTRY LIBRARY OF TOOLS
 - QUARTERLY HUMAN RESOURCES WEBINARS
 - GRANT WRITING ASSISTANCE
 - MODEL PROCEDURES AND RESOLUTIONS
 - THE RESOURCE, THE DIGEST*, AND OTHER
 - PUBLISHED COMMUNICATIONS



**MINNESOTA MUNICIPAL UTILITIES ASSOCIATION
STATEMENTS OF FINANCIAL POSITION***

Assets	FY 2023-24 As of 12/31/24	FY 2022-23 As of 9/30/23
Current assets		
Cash and equivalents	609,362	1,090,085
Accounts receivable, net	925,369	548,004
Prepaid expenses	19,071	56,168
Total current assets	1,553,802	1,694,257
Net property and equipment	2,022,705	668,825
Other assets	90,367	27,348
Total assets	3,666,874	2,390,430
Liabilities and net assets	FY 2023-24 As of 12/31/24	FY 2022-23 As of 9/30/23
Current liabilities		
Accounts payable	325,034	147,512
Accrued salaries, taxes, and benefits	298,614	327,110
Contract liabilities	107,258	412,987
Other current liabilities	215,390	167,445
Total current liabilities	946,296	1,055,054
Long term liabilities: leases net	1,352,306	139,376
Total liabilities	2,298,602	1,194,430
Net assets without donor restrictions		
Board designated	935,936	769,573
Undesignated	432,336	426,427
Total assets without donor restrictions	1,368,272	1,196,000
Total liabilities and net assets without donor restrictions	3,666,874	2,390,430

MMUA Board of Directors (as of July 2025)

Officers

President—Scott Grabe, Staples
 President-elect—Pete Moulton, Saint Peter
 Secretary/Treasurer—Jeremy Carter, Hutchinson
 Past President—Julie Kennedy, Grand Rapids

Directors

Keith Butcher, Princeton
 Bruce DeBlieck, Willmar
 Greg Drent, Shakopee
 Harold Langowski, Ely
 Kevin Lee, Marshall
 Jay Lutz, Austin
 Tim Stoner, Blue Earth
 Roger Warehime, Owatonna

*MMUA changed its fiscal year from an October-September cycle to a calendar year basis between these two reporting periods.



HUMAN FACTORS AT THE SPEED OF CHANGE

**T&O CONFERENCE
DECEMBER 9–11, 2025**

*St. Cloud,
Minnesota*

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