



2026

ANNUAL REPORT

MMUA.ORG



MMUA
Minnesota Municipal Utilities Association

BUILT TO LAST: A MESSAGE FROM MMUA LEADERSHIP



PETE MOULTON
Board President



KARLEEN KOS
CEO

Welcome to MMUA's 2026 Annual Report.

MMUA was founded in 1931, and this year we celebrate its 95th anniversary. For nearly a century, the Association has worked to unify, support, and serve as a common voice for Minnesota's municipal utilities. That simple purpose guides our work, shapes our priorities, and influences the decisions we make on behalf of the members we serve. Whether through advocacy, training, safety services, mutual aid, leadership development, communications, or technical assistance, our goal is to deliver value where members need it most.

The pages that follow highlight many of the initiatives, improvements, and accomplishments that took place during the past year. They are not intended to capture every aspect of MMUA's work. Much of what members

rely on most—the day-to-day services, relationships, programs, and support that have become hallmarks of the Association—continues year after year and often receives little attention because it is simply expected. Instead, this report focuses primarily on what is new, changing, or noteworthy since our last annual meeting.

We are pleased to report that 2025–26 was a successful year for the Association. MMUA remained financially strong while continuing to invest in programs and services that reflect member priorities and help municipal utilities meet emerging challenges. The accomplishments described in this report are the result of members, volunteer leaders, and staff working together to strengthen the communities and utility systems we serve.

Unless otherwise noted, the activities described in this report reflect the period between MMUA's 2025 and 2026 annual meetings. Financial information is presented according to the association's audited fiscal reporting periods.

Thank you for your continued support, engagement, and trust. It is a privilege to serve Minnesota's municipal utilities.

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

The graphic shows the cover of the MMUA Strategic Plan for 2025-26. It features the MMUA logo at the top left. Below it is a large blue diamond shape with the words 'STRATEGIC PLAN' in white and '2025-26' below that. To the right of the diamond are four small square images showing utility workers in various settings: one working on a tree, one in a trench, one in a control room, and one working on a piece of equipment. A yellow starburst graphic is at the bottom right of the diamond.

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 maintaining 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.



Interacting on the issues

MMUA's 2026 statewide *Interacting on the Issues* policy tour brought members together with MMUA's Government Relations team to review legislative and regulatory outcomes and discuss what they meant for municipal utilities and the communities they serve. These regional meetings provided valuable opportunities for utility leaders and local officials to ask questions, share perspectives, and help shape MMUA's priorities for advocacy. This year we added a virtual wrap up session in July for those unable to join us in person.



Staying informed

During the Minnesota legislative session, MMUA provided monthly video updates and companion one-page summaries covering key bills monitored at the Capitol. These resources were designed to help members educate commissioners, staff, and the public by highlighting priority issues, outlining MMUA's advocacy efforts, and identifying actions to support policies benefiting hometown utilities.



Key messages

- **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

Each year, MMUA develops legislative priorities with input from member utilities and other stakeholders, which are approved by the Board of Directors. Throughout the legislative session, MMUA advocates for policies that benefit municipal utilities, works to improve legislation when needed, and opposes measures that could negatively affect local utility operations or governance. The following summary highlights legislative actions from the 2026 session that were relevant to Minnesota’s municipal utilities.

Regular Session Laws
Chapter 44
Renames the community solar garden program in memory of Melissa Hortman. Effective 4/14/2026.
Chapter 79
Requires notice to tribal governments regarding discharge of water contaminants under Minn. Stat. §115.061. Effective 5/08/2026.
Chapter 90
Authorizes contractors and subcontractors involved in a public improvement project to request information on any progress, retainage, final, and other payments made by the contracting public agencies (including political subdivisions). Must provide requested information within seven calendar days and include the amount and date of payment. Effective 8/1/2026.
Chapter 112
Modifies certain requirements governing the excavation notice system and mandates use of the Electronic Positive Response program through the Notification Center. Requires an operator to provide Notification Center with updated contact information at least quarterly when there has been any change to it. Effective 8/1/2026, but updated contact information is due starting 1/1/2027.
Chapter 128: Omnibus Tax Bill
Relevant provisions include: (1) Establishes a uniform process to modify the size of a local public utilities commission; and (2) Appropriates \$500,000 for the Great Plains Institute (also known as GPI) to study nuclear energy. Issues to be addressed include technological advances, life-cycle costs, storage, and related considerations. Effective 5/28/2026. The report is due 1/30/2027.
Chapter 130: Omnibus Capital Investment (Bonding) Bill
Funding for municipal utilities includes: (1) \$1.5 million to the Pollution Control Agency (PCA) for Statewide Drinking Water Contamination Mitigation Grant Program (see Minn. Stat. §115B.245); (2) \$10.514 million to the PCA for Solid Waste Capital Assistance Grant Program (see Minn. Stat. §115A.54); (3) \$19 million to the Public Facilities Authority (PFA) to provide matching funds for federal capitalization grants, and to fund the drinking water revolving fund (see Minn. Stat. §446A.07 and §446A.081); (4) \$56 million to PFA for Water Infrastructure Funding Program (WIF) (see Minn. Stat. §446A.072)—\$26 million earmarked for wastewater projects listed on PCA’s priority list and \$30 million for drinking water projects on Department of Health’s priority list; (5) \$30 million to PFA for Point Source Implementation Grants Program (PSIG) (see Minn. Stat. §446A.073); (6) \$15 million to PFA for grants under the Lead Service Line Replacement Program (see Minn. Stat. §446A.077); (7) \$17 million to PFA for grants under the Emerging Contaminants Grant Program (see Minn. Stat. §446A.082). Effective 5/28/2027.



MMUA maintains a political action fund known as the Municipal Utilities Action Fund (MUAF). It enhances the relationship between MMUA and legislators by providing opportunities to connect in settings away from the Capitol. In 2025, MUAF raised \$3,805 to help the Association reach members of the legislature, and as of June 30, 2026, MUAF is well on its way to raising \$4,800 this year. If you would like to contribute, please use this QR Code. MUAF can only accept personal contributions.



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 within 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.



Workforce development

Volunteers and staff on MMUA's Workforce Development Task Force aim to identify, develop and implement strategies that enhance workforce skills, address labor market challenges, broaden exposure to a more diverse pool of workers, and align education and training programs in member communities. In June 2026, the MMUA Board of Directors adopted their recommended plan to strengthen and diversify the municipal utility workforce pipeline by raising awareness, expanding early engagement, and clarifying career pathways. Over the next four years, MMUA will leverage existing programs, partnerships, and its member network to deliver scalable, practical tools every utility can use.

Small Cities Initiative

MMUA's Small Cities Initiative supports both members and nonmembers by providing coordinated maintenance, infrastructure upgrades, and emergency assistance to small utility systems. By leveraging MMUA's Apprentice Program and technical expertise, the initiative helps communities maintain reliable operations, make critical improvements, and preserve hometown utilities for the future.



Minnesota State Fair

MMUA's participation in the Minnesota State Fair's 2025 STEM Day provided a valuable opportunity to connect directly with youth and showcase the critical role of municipal utilities. By engaging students in hands-on learning and conversations about careers in the utility industry, MMUA helped raise awareness of the growing need for skilled trade professionals. This outreach not only strengthens the future workforce pipeline but also reinforces the importance of educating the next generation about the essential services that support their communities.

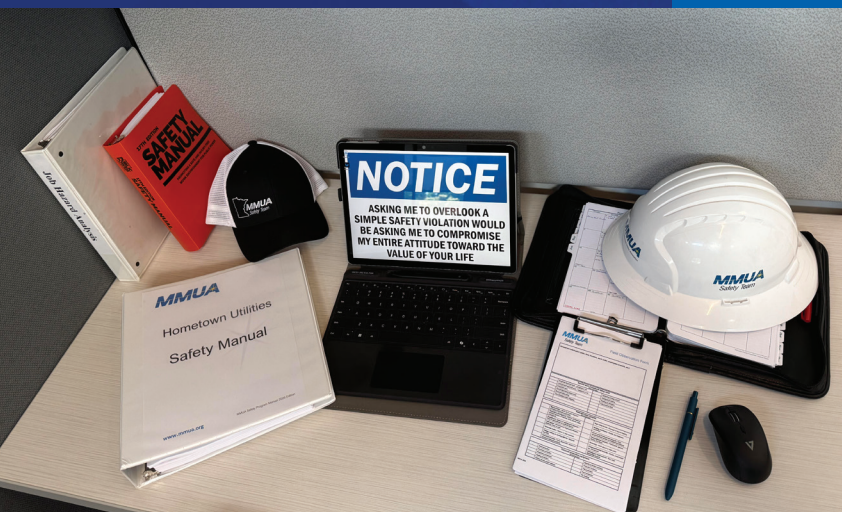
BEST-IN-CLASS PROGRAMS AND SERVICES

Our strategic plan outlines five-year goals for building and maintaining best-in-class services that promote excellence, safety, and ever-evolving proficiency for all municipal utilities employees. 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.



Governance in Action workshop

The inaugural session of Governance in Action: The View from a Commissioner's Chair provided practical training for utility commissioners, city council members, and utility leaders. The one-day program covers utility governance, commissioner authority, governance versus operations, utility finance, energy markets, and the relationship between commissions and city government. Participants also benefited from peer networking and real-world discussions designed to strengthen local utility leadership. The workshop will be offered annually.



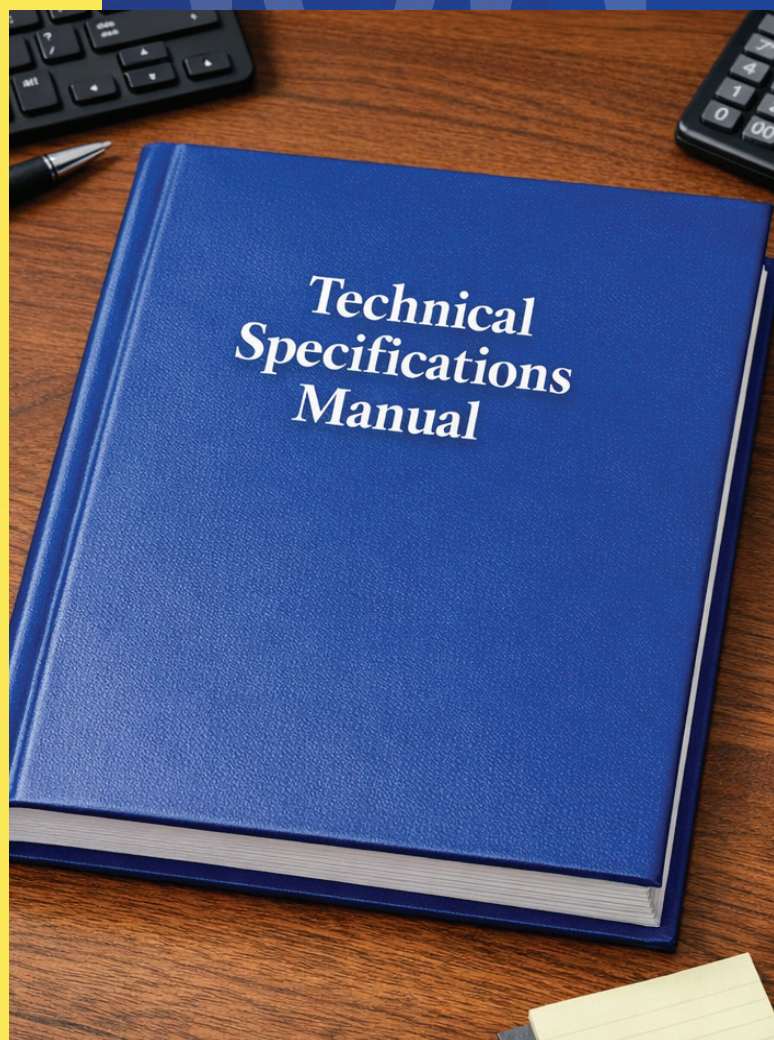
Safety program manuals

Updated manuals provided by MMUA to members participating in the safety program ensure continued compliance with evolving regulations while offering clear, standardized procedures for employees. These updated resources help reduce risk and liability by strengthening day-to-day safety practices, and they support a strong, consistent safety culture across participating utilities.

Technical Specifications Manual for Distributed Energy Resources

This year, MMUA provided a Technical Specifications Manual (TSM) template and offered training in two locations to help utilities meet newly-expanded Minnesota Public Utilities Commission interconnection requirements adopted in 2024 and 2026. These standards require each utility to develop and adopt a TSM, a task that is daunting for most municipalities. The MMUA-supplied tool makes it far easier to comply with the updated requirements.

Attendees at the sessions received access to the TSM template—developed together with STAR Energy—and practical guidance on how to customize and implement it within their utility. The sessions clarified how the TSM aligns with the Minnesota Municipal Interconnection Process (also known as the M-MIP), explained updated statewide technical standards, and offered continuing support from MMUA staff. Together, these efforts were aimed at ensuring participants would know what to do when customers look to install solar generation at their homes and businesses.



Reasonable Suspicion Training and Understanding the Designated Employer Representative Role

More than 150 utility supervisors, managers, and HR professionals participated in two sessions focused on reasonable suspicion training and the role of the Designated Employer Representative (DER). Participants learned to recognize and appropriately respond to potential drug and alcohol misuse in the workplace, understand regulatory requirements, navigate testing procedures, and fulfill key responsibilities related to compliance, employee safety, and workplace accountability.



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.

Crossroads

MMUA launched the Crossroads community platform to create a dedicated space for members to connect, collaborate, and share knowledge across utility roles. Crossroads provides members with ongoing access to peer support, resources, and real-time problem-solving, strengthening relationships and extending learning beyond in-person events. By fostering engagement and collaboration, the platform helps members stay informed, build professional networks, and collectively improve their utilities and communities.



Regional emergency preparedness tabletop exercise

Through a grant from the Minnesota Department of Commerce, MMUA coordinated six regional tabletop exercises in 2026 to simulate large-scale disruptions to city services and the electric grid. Participants worked through realistic emergency scenarios, including severe weather and extended power outages, to better understand local impacts and response needs. These exercises strengthened regional preparedness and improved coordination for utility operations, city services, and community recovery.

Human resources webinars

MMUA provided a succession planning webinar and quarterly HR webinars to keep members informed on timely workforce topics and emerging trends. Offered at no additional cost, these resources support members in strengthening their workforce strategies, staying compliant, and proactively addressing human resource challenges.



EFFICIENT ASSOCIATION OPERATIONS

MMUA Training Center improvements

Updates to the MMUA Training Center enhanced the safety, security, and reliability of a facility where significant member training occurs. Structural improvements to the gas field, additional paving, and added security measures help ensure a safe, dependable environment for delivering high-quality training experiences.



Revamped dues structure

MMUA members adopted a redesign of the Association's dues structure that better reflects both the diversity of member utilities and the changing economics of the municipal utility industry. Led by a member task force and informed by the practices of peer associations, MMUA evaluated ways to simplify a formula that had become increasingly complex and less reflective of how member utilities operate today. The updated approach is designed to improve transparency, consistency, and fairness while creating a more durable framework that can adapt as member business models and revenue sources continue to evolve.



Chemical hazard and hazardous communication training extended

The extension of the Susan Harwood grant through September 2026 allows MMUA to expand no-cost safety training to communities, increasing access and participation. This effort strengthens workplace safety knowledge, supports compliance, and helps reduce risk across Minnesota while also building awareness of the value municipal utilities provide.



Scan Me



FINANCIAL HIGHLIGHTS

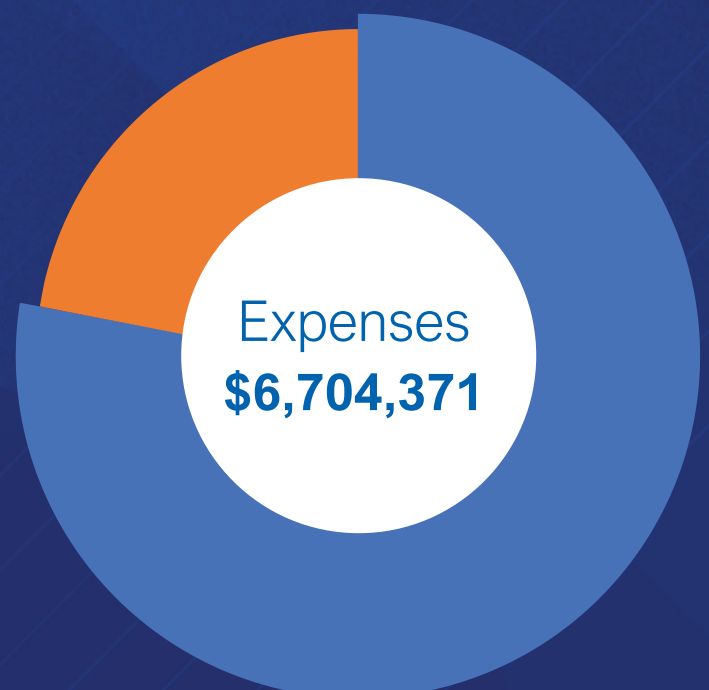
FISCAL YEAR 2025

- 76% PROGRAM REVENUE
- 23% MEMBERSHIP DUES
- 1% OTHER



- 77% PROGRAM EXPENSES
 - 52% Safety including safety management, JTS, and gas circuit rider
 - 12% Workforce development including training center, apprentice, DUEL, and leadership development
 - 9% LMCIT contracts including RSGs, generation, and facility audits
 - 3% Conventions and meetings including Summer Conference, Technical and Operations Conference, and others
 - 1% Ad hoc services including drug testing, strategic planning, HR consulting, and grants

- 23% MEMBERSHIP SERVICES EXPENSES
 - Government relations and advocacy
 - Mutual aid coordination
 - Annual salary and benefits survey
 - Membership directory
 - Membership app
 - Online communities
 - Industry library
 - Quarterly human resources webinars
 - Periodic free webinars
 - Grant writing assistance
 - Model procedures and resolutions
 - The Resource*, *The Digest*, and other publications



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

Assets	FY 2025 As of 12/31/25	FY 2024 As of 12/31/24
Current assets		
Cash and equivalents	976,764	609,362
Accounts receivable, net	500,977	925,369
Prepaid expenses	35,363	19,071
Total current assets	1,513,104	1,553,802
Net property and equipment	2,085,140	2,022,705
Other assets	90,367	90,367
Total assets	3,688,611	3,666,874
Liabilities and net assets	FY 2025 As of 12/31/25	FY 2024 As of 12/31/24
Current liabilities		
Accounts payable	187,147	325,034
Accrued salaries, taxes, and benefits	247,954	298,614
Contract liabilities	184,469	107,258
Other current liabilities	385,278	215,390
Total current liabilities	1,004,848	946,296
Long term liabilities: leases net	1,269,147	1,352,306
Total liabilities	2,273,995	2,298,602
Net assets without donor restrictions		
Board designated	982,280	935,936
Undesignated	432,336	432,336
Total assets without donor restrictions	1,414,616	1,368,272
Total liabilities and net assets without donor restrictions	3,688,611	3,666,874

MMUA Board of Directors (as of July 2026)

Officers

President: Pete Moulton, Saint Peter
President-elect: Jeremy Carter, Hutchinson
Secretary/Treasurer: Greg Drent, Shakopee

Directors

Keith Butcher, Princeton
Helen Foltz, Detroit Lakes
Mark Hanson, Elk River
Harold Langowski, Ely

Cassie Heide, Fosston
Jay Lutz, Austin
Kevin Lee, Marshall
Tim Stoner, Blue Earth

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



MMUA
Minnesota Municipal Utilities Association



BUILDING THE BENCH:
FOSTERING SKILLS, SYSTEMS,
AND CULTURE THAT STAND
THE TEST OF TIME

**TECHNICAL & OPERATIONS
CONFERENCE**
DECEMBER 8-10,
2026

*St. Cloud,
Minnesota*

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