



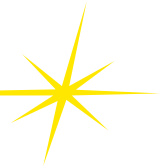
*Minnesota Municipal Utilities Association*

# 2022–23 ANNUAL REPORT



[WWW.MMUA.ORG](http://WWW.MMUA.ORG)

## A MESSAGE FOR OUR FRIENDS



Running the railroad means more than making sure the trains show up on time.

If the train breaks down or the platform crumbles under the crowd, the train schedule doesn't do anyone much good. For MMUA, the 2022-23 year has been about maintenance and planning for improvement. The highly qualified staff applied grease to the organization's squeaky wheels, while keeping on eye on what's ahead. After all, the steam train was replaced by the diesel train eventually, just as the diesel train must consider the high-speed electric train today.

At MMUA, the trains are still running on time and we are working hard on improving the experience of everyone who rides with us.

MMUA continues to lead the municipal utility industry at a national level. Our strategic plan guides our action for years to come, ensuring the organization remains nimble and innovative. The members are MMUA's greatest asset, and hometown utilities remain the best solution for the people of Minnesota.

We are heading into a sunny horizon together. Thank you for joining us!



*Don Martodam*  
*President*  
*MMUA Board of Directors*



*Karleen Kos*  
*CEO*  
*MMUA*

### MMUA strategic plan

MMUA unveiled a new strategic plan in 2022 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 through 2027. This annual report is organized to represent what we have done to honor those pillars in 2022-23. The strategic pillars are listed below.



- Effective Public Policy Advocacy
- Strategic Preservation of Local Control
- Best-in-Class Programs and Services
- Excellence in Member Benefits
- Efficient Association Operations

# Effective Public Policy Advocacy

MMUA's strategic plan aims to enhance public policy advocacy by prioritizing state-level utility efforts, collaborating with allied organizations for joint policy influence, creating a resource library for municipal utility leaders, hosting regional meetings, and developing educational materials to deepen understanding of emerging policy issues. Here are some efforts MMUA made this year towards these goals.



**MMUA members swap ideas and strategies at the 2023 Legislative Conference.**

## Reporting tools

MMUA reintroduced the calendar and toolkit for mandated reporting on utility activities. Members can access the calendar as well as a variety of educational tools for policies like the cold weather rule, model interconnection policies for DER, and railroad right-of-way fees.



## *Interacting on the Issues*

The MMUA Government Relations team hosted a series of gatherings for utility leaders and commissioners in 2023. The meetings covered the prolific legislative session, including analysis of the impact on municipal utilities of the 2040 clean energy bill and dozens of others that will directly affect utility operations.

The meetings also focused on the roles commissioners play for their utilities as well as their potential for influencing legislative action.

The summer meetings were so well received that MMUA announced an additional round of sessions for fall 2023.



**During the 2023 Legislative Conference, Steven Nyhus of Rochester Public Utilities meets with Representative Tina Liebling (24B) at the capitol.**

# Effective Public Policy Advocacy

## Report card

The MMUA Board of Directors and our Government Relations (GR) team, in collaboration with the Government Relations Working Group comprised of member utility leaders, developed a list of legislative priorities ahead of the 2023 session. While they worked tirelessly to promote the interest of members in these areas, the GR team had to quickly adapt to a legislative landscape dominated by the clean energy bill. Here is a brief synopsis of issues pertaining to MMUA members.



**MMUA's Kent Sulem testifies on SF4, the Senate's carbon reduction bill.**

Issue	Goal	Status
<b>Energy resource mandates</b>	State the collective position of municipal utilities that carbon-free mandates disproportionately affect hometown power; clarify off-ramp rules.	MMUA educated legislators and remained neutral on the carbon reduction bill, despite support for them by Xcel and Minnesota Power.
<b>Repeal salary cap</b>	Eliminate salary cap placed on local governments.	Achieved in Chapter 60 of 2023 Regular Session Laws and effective 05/25/2023.
<b>Allowing more nuclear generation</b>	Allow the Minnesota Public Utilities Commission to consider siting new nuclear power generators.	The Senate supported funding to explore advanced nuclear technology for Minnesota, while the House remained opposed.
<b>Solar for Schools</b>	Municipal utilities seek additional clarification on regulations surrounding schools installing solar panels.	Schools must report how much electricity their panels produce each year and the impact on their annual electricity expenses.
<b>State matching funds</b>	Appropriate state dollars to serve as matching funds required to receive federal grants under the Infrastructure Improvement and Jobs Act (IIJA) and the Inflation Reduction Act (IRA).	Secured \$244M in matching funds for federally-supported infrastructure projects.
<b>Load management device replacements</b>	Remove the requirement that an inspection occurs each time a load management device is replaced.	Inspection and fee requirement removed through 2028.

# Strategic Preservation of Local Control

MMUA's strategic plan for the next five years focuses on preserving local control of utility services. It includes championing reliability, affordability, and sustainability within the municipal model, enhancing communications to emphasize the value of local ownership, providing educational resources for improved customer relations, and empowering local leaders to advocate for hometown utilities.



**MMUA members advocating for hometown utilities with Senator Tina Smith in Washington DC.**

## Community Connections Toolkit and MMUA Ambassador Program

In an effort to bolster public support for hometown utilities, MMUA launched two new programs in 2023: the Community Connections Toolkit and the MMUA Ambassador program. The toolkit is a library of free resources that any utility can use to promote their work and to build trust and appreciation within their communities. The Ambassador Program aims to activate citizens across the state to promote hometown utilities within their social circles and to amplify the voice of municipal utilities at the State Capitol.

### Grant assistance

Aiming to provide members with expert assistance on grant applications and stewardship, MMUA created a new position within the Government Relations team in late 2022. Our new staff member has already helped members gather necessary information and edit applications for federal and state grants in addition to alerting members to grant programs open to municipal utilities.

In the future, MMUA will also assist members in navigating reporting requirements and gathering resources to help make the application process for federal grants more simple and expedient.



# Best-in-Class Programs and Services

MMUA's 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.

## Safety services 2.0

In August 2022 MMUA held virtual meetings to introduce a new tiered service model, built upon our core safety programming and enabling members to select their preferred level of service from three options.

Additionally, we have expanded our top-tier and on-demand service offerings according to member needs, and our safety team staff routinely participate in continuing education to ensure competency. These changes will ensure MMUA members never experience unreasonable gaps in service and always receive the most qualified instruction.

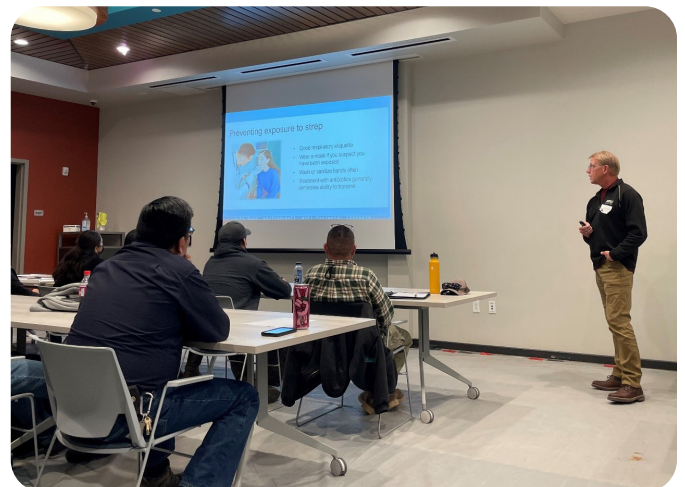
## **MMUA offered 29 workshops, schools, and meetings in 2023.**

## Navajo Nation training

For the first time, MMUA worked with APPA to develop and deliver training on infectious diseases to the Navajo Tribal Utility Authority (NTUA) under the Susan Harwood Training Grant Program in support of the mission of the Department of Labor's Occupational Safety and Health Administration.

A team at MMUA developed a training program tailored to the needs of the Navajo Nation.

Safety team staffers including Joe Schmidt, Anthony Lenz, and Mike Grabow travelled to Arizona and New Mexico to present the in-person training over three weeks to more than 750 NTUA employees.





The MMUA-led mutual aid crews help repair lines and clean up debris in Florida following Hurricane Ian.



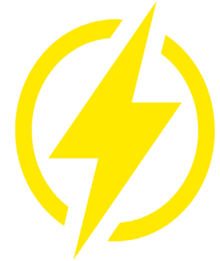
Participants of the MMUA Apprenticeship program gather for a photo at Underground School.

# 5 HIGHLIGHTS

from programs in 2022-23

## 1 Diesel Generation Operator Training (DGOT)—NEW

The DGOT is a new, customizable program open to generation operators for evaluating operator skills, qualifying proficiency, and more.



## 2 Mutual aid

MMUA continues to be a national leader in mutual aid efforts, having organized a crew of 40 municipal workers to assist in cleanup following Hurricane Ian.

## 3 Regional workshops

The safety team offered two regional workshops in 2023. First, MMUA held informational sessions on the updated National Electric Safety Code. In the summer, the team followed with presentations on building a highly effective safety culture.



## 4 Gas Circuit Rider

MMUA's Gas Circuit Rider program provides opportunities for manual/plan maintenance, inspection assistance, MEA tracking, record keeping, covered task evaluation and qualification, and more.

## 5 Apprenticeship Program

The program graduated 8 lineworkers in 2022. Roger Avelsgard became the program instructor in 2023, and it is currently sold out. MMUA is working to expand the program to meet demand.



# Excellence in Member Benefits

MMUA's strategic plan sustains and improves leading benefits for all members. This includes implementing diverse benefit programs, facilitating networking among peers and interest groups, measuring engagement through innovative offerings, upgrading technology platforms, streamlining dues structure, and enhancing associate member involvement to maximize return on investment and support MMUA programs.



**MMUA is reintroducing the membership directory—and adding a directory app for your phone—in 2023.**

**61**

attendees at the Legislative Conference

**111**

attendees at the Technical and Operations Conference

**208**

attendees at the Summer Conference

**233**

vendors participated in MMUA trade shows

**2022–23 events by the numbers**



## The Resource and The Digest

The Resource, MMUA's monthly printed newspaper, was redesigned and expanded in 2022, providing members the best source for utilities news in the region. Also redesigned, MMUA's e-newsletter, The Digest, began weekly distribution in 2022, providing timely news items, funding opportunities, and reporting on MMUA activities.



## Tom Bovitz Memorial Scholarship

The Tom Bovitz Memorial Scholarship Award program was formed to increase awareness of the impact of hometown utilities. MMUA awards \$5,000 annually, split into four prizes, to essay contest winners who plan to attend a post-secondary educational institution.



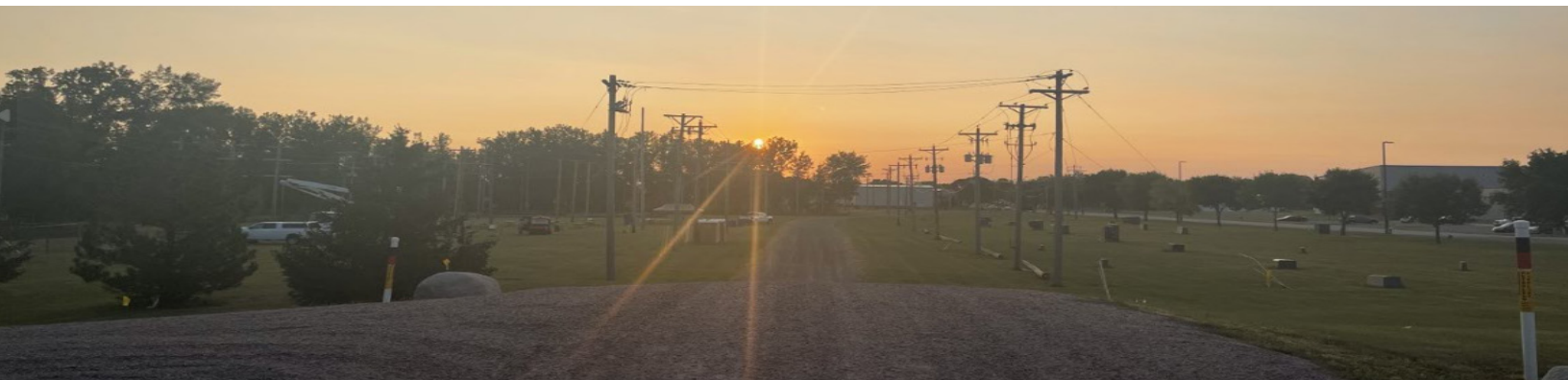
The 2023 recipients are:

- First place: Ella Westlund, Alexandria Public Utilities
- Second place: Cadin Pederson, Hawley Public Utilities
- Third place: Alexis Flaten, Willmar Municipal Utilities
- Fourth place: Malayna Asmus, Mora Municipal Utility



# Efficient Association Operations

MMUA's strategic plan outlines a five-year vision for efficient association operations, staffed with competent and forward-looking professionals. Goals include implementing a strategic visioning and accountability process, enhancing staff development, clarifying and promoting the organization's brand, updating governance procedures, leveraging partnerships for efficiency, seeking grant funding, and optimizing financial policies. The plan aims to foster competence, innovation, and effectiveness while ensuring prudent management of resources and alignment with MMUA's mission.



## Process Improvement Team

MMUA has formed the Process Improvement Team (PIT) to optimize association operations. The main goals for the PIT are:

- **Optimizing**  
Efficiency is key; the PIT is rooting out redundancies and emphasizing best practices.
- **Organizing**  
After 93 years of operation, MMUA holds an immense amount of data. The PIT is ensuring the necessary information is preserved for years to come.
- **Planning**  
MMUA is preparing for big things in the coming years; the PIT is the staging ground for long-term planning.



## Federal grant stewardship

MMUA received funding from one federal grant program in 2022 and was a leading member of a coalition applying for another.

### *Susan Harwood Training Program grant*

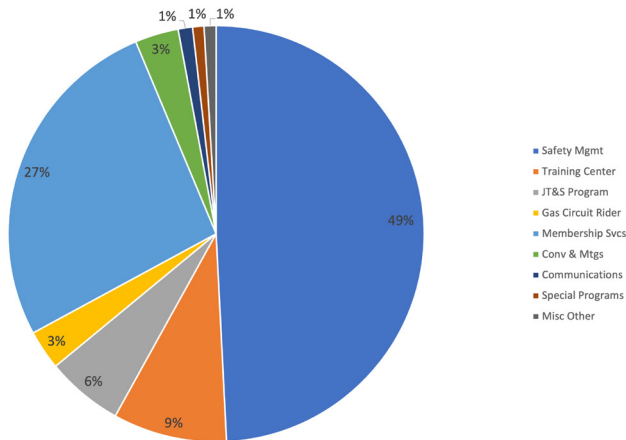
MMUA received more than \$80,000 to develop and deliver training for the Navajo Utility Authority in Arizona and New Mexico.

### *GRIP grant*

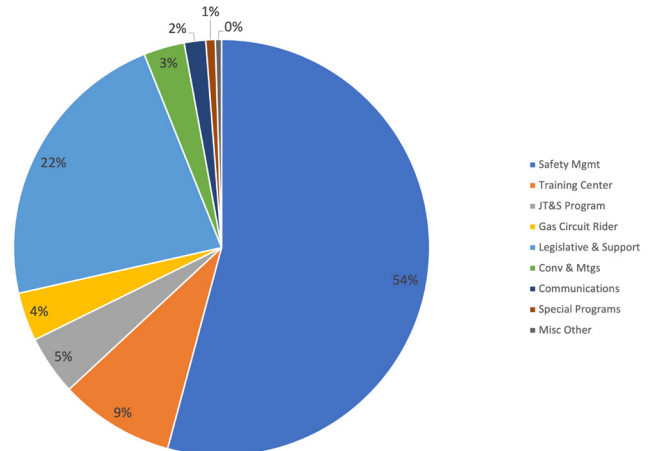
Along with the Minnesota Rural Electric Association and the Minnesota Department of Commerce, MMUA led the effort to access funding for a total of \$500 million in projects through the Bipartisan Infrastructure Law (BIL—also known as the IIJA) to support infrastructure and grid resiliency projects for nearly 90 entities including 34 utilities and power agencies serving municipal utility customers.

# Financial Highlights Fiscal Year 2021–2022

**MMUA FY2021–22 INCOME SOURCES**



**MMUA FY2021–22 EXPENSES**



**MMUA FY2021–22 INCOME**

	ACTUAL INCOME	PERCENT OF TOTAL INCOME
<b>Safety Management</b>	\$2,643,756	49%
<b>Training Center</b>	\$475,485	9%
<b>JT&amp;S Program</b>	\$321,210	6%
<b>Gas Circuit Rider</b>	\$165,274	3%
<b>Membership Services</b>	\$1,428,431	27%
<b>Conventions &amp; Meetings</b>	\$181,817	3%
<b>Communications</b>	\$60,084	1%
<b>Special Programs</b>	\$47,305	1%
<b>Miscellaneous Other</b>	\$50,077	1%
<b>TOTAL</b>	<b>\$5,373,439</b>	

**MMUA FY2021–22 EXPENSES**

	ACTUAL EXPENSES	PERCENT OF TOTAL EXPENSES
<b>Safety Management</b>	\$2,903,420	54%
<b>Training Center</b>	\$477,192	9%
<b>JT&amp;S Program</b>	\$247,949	5%
<b>Gas Circuit Rider</b>	\$201,790	4%
<b>Legislative &amp; Support</b>	\$1,203,715	22%
<b>Conventions &amp; Meetings</b>	\$170,221	3%
<b>Communications</b>	\$89,282	2%
<b>Special Programs</b>	\$39,296	1%
<b>Miscellaneous Other</b>	\$26,084	<1%
<b>TOTAL</b>	<b>\$5,358,949</b>	

## 2022–23 MMUA Board of Directors

### Officers

President—Don Martodam, Hawley  
 President-elect—Julie Kennedy, Grand Rapids  
 Secretary/Treasurer—Scott Grabe, Staples

### Directors

Keith Butcher, Princeton	Dave Meyer, Glencoe
Jeremy Carter, Hutchinson	Pete Moulton, St. Peter
Bruce DeBlieck, Willmar	Mark Nibaur, Austin
Kevin Lee, Marshall	Roger Warehime, Owatonna

**MINNESOTA MUNICIPAL UTILITIES ASSOCIATION**  
**STATEMENTS OF FINANCIAL POSITION**  
**SEPTEMBER 30, 2022 AND 2021**

Assets	2022	2021
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	519,100	593,448
Accounts Receivable, Net	472,054	416,234
Prepaid Expenses	46,273	23,185
Total Current Assets	1,037,427	1,032,867
<b>PROPERTY AND EQUIPMENT</b>		
Leasehold Improvements	20,667	20,667
Land	39,000	39,000
Building	342,449	342,449
Equipment	1,064,227	1,037,093
Vehicles	166,247	160,841
Total	1,632,590	1,600,050
Less: Accumulated Depreciation	(1,250,658)	(1,189,061)
Net Property and Equipment	381,932	410,989
<b>OTHER ASSETS</b>	<b>27,553</b>	<b>27,553</b>
Total Assets	1,446,912	1,471,409
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	145,626	184,904
Accrued Payroll and Payroll Taxes	12,375	47,144
Accrued Vacation	145,709	146,574
Deferred Revenue—Membership Dues	310,118	291,275
Deferred Revenue—Other	83,540	47,237
Current Portion of Long-Term Debt	15,720	19,220
Total Current Liabilities	713,088	736,354
Long-term debt, net of current portion	1,402	17,123
Total Liabilities	714,490	753,477
<b>NET ASSETS</b>		
Unrestricted Net Assets:		
Board Designated—Legal and Legislative	67,264	67,264
Board Designated—Operating Reserve Fund	235,000	235,000
Undesignated	430,158	415,668
Total Net Assets	732,422	717,932
Total Liabilities and Net Assets	1,446,912	1,471,409



**2023 TECHNICAL & OPERATIONS**

**CONFERENCE**

*Lead to Succeed*  
December 5–7  
Holiday Inn, St. Cloud

**MINNESOTA MUNICIPAL UTILITIES ASSOCIATION**



3131 Fernbrook Lane N • Suite 200  
Plymouth, MN 55447-5337



763.551.1230  
Toll Free 800.422.0119



[www.mmua.org](http://www.mmua.org)

