

**MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF MUNICIPAL UTILITIES
OF THE
CITY OF SIKESTON, MISSOURI
HELD ON THE FOURTEENTH DAY OF JULY 2026**

On the fourteenth day of July 2026, the Board of Municipal Utilities met in Regular Session at 4:00 P.M. in the board room. The following members of the body were present:

Board Members Present: Cal Crader, Tim Merideth, Deidre Peters, and Jon Gilmore

Board Members Absent: None

Also Present: Joe Blanton, BMU Legal Counsel; Rick Landers, Utility General Manager; Marcia Witt, Tre Holley, Mark McGill, Laura Ramsey, Erin Miller, Amanda Dennis, Annette Williams, and Trey Tigart of the Utility Staff; Matt Drake, City Council Liaison, Greg Turnbow, Mayor, and Barry Blevins, City of Sikeston

There being a quorum present, Chairman Crader called the meeting to order, and the following business was transacted:

Action on Agenda

A motion was made by Deidre Peters to approve the agenda. The motion was seconded by Jon Gilmore and a roll call vote was held, all yes.

Action on Monthly Agenda Items

A motion was made by Deidre Peters to approve the minutes of the Regular meeting on June 9th. The motion was seconded by Jon Gilmore, and a roll call vote was held, all yes.

Financial Reports

Marcia Witt, Finance Manager, presented the preliminary financial reports for FYE 2026.

The Retail Division showed a net income of \$1,048,514. Revenues increased less than 1% over the prior year, and were impacted by rate changes which reclassified customers based on usage. kWh sales were up 0.4% from the prior year and were 8.5% over budget.

Purchased power costs were higher due to increased purchases from SPP while the plant was derated for an extended period for unforeseen repairs. Costs were also impacted by higher capacity charges from the plant, resulting from significant plant improvements. Net fiscal year-end adjustments were made for unbilled revenue, material inventory, GASB 68 and 75 liabilities. These adjustments did not affect cash but increased net income by \$206,291. Depreciation was higher with the capitalization of Comstock.

The Wholesale Division showed a net income of \$9,585,348. Total revenues include a preliminary true up, and were higher than the prior year due to the significant increase in capacity

costs. Spot sales were down due to the extended derate. Coal costs decreased due to lower usage. Purchased power increased due to new costs for reliability coordination, increased transmission costs and SPP settlement timing. Depreciation was higher with the capitalization of Comstock. Net fiscal year-end adjustments did not affect cash but increased net income by \$205,914. The sales true up increased net income by \$5,758,039 due to higher renewals and replacements than budgeted.

The Water Division reported a net income of \$1,001,225. Gallons sold were 3.3% higher than the prior year and 3.5% over budget. Revenues included a rate increase that was effective September 1st. Water District revenues were higher with temporary sales to Matthews PWSD #6. Production costs increased due to higher labor costs associated with full staffing at the water plants. Net fiscal year-end adjustments did not affect cash but increased net income by \$109,444.

The Sewer Division reported a net income of \$1,507,244. Gallons treated were 1.7% lower than the prior year and 7.1% lower than budget. Revenues were higher due to the rate increase effective September 1st. Miscellaneous revenues include reimbursement of costs to build a forcemain. Production costs increased due to higher labor costs associated with full staffing at both wastewater plants. Net fiscal year-end adjustments did not affect cash but increased net income by \$60,327.

The North Wastewater Treatment Plant reported a net loss of \$107,841. Expenses were higher primarily from additional staffing on site while depreciation increased with the capitalization of the plant upgrades.

A motion was made by Jon Gilmore to approve the Financial Report. The motion was seconded by Diedre Peters, and a roll call vote was held, all yes.

Retail Operations

Tre Holley, Retail Operations Superintendent, presented the Retail Operations Report. The new Coleman Substation continues to progress with electric overhead rerouting. The 69kv reconductoring project is currently at North Ingram. Crews replaced poles north of town from storm damage.

The water department replaced the manhole on Tanner Street. Contractors have completed the raw water lines to all well sites. As of June 18, 2026, at 1PM, well 19 started providing water to plant three. Well 13 has officially been closed, and the YMCA well is still being developed.

The sewer department has begun the quarterly rodding as well as started working on the south primary cell at the North plant. The main lining contractor has completed 4,000 feet of sewer lining budgeted for the current fiscal year.

A motion was made by Tim Merideth to approve the Retail Operations Report. The motion was seconded by Diedre Peters, and a roll call vote was held, all yes.

Sikeston Power Station

Mark McGill, Power Plant Manager, presented the Sikeston Power Station Report. One unplanned derate and maintenance outages occurred in May resulting in a plant net capacity factor of 75% for the month. The coal inventory totaled approx. 275,000 tons, representing an 83-day supply at a burn rate of 3,300 tons. During mid-June the plant was taken offline to inspect and repair the #5 heater and fix a boiler tube leak. Flowserve will continue holding the spare Boiler Feed Pump volute until next spring to maximize warranty coverage. The bottom Ash Pond dewatering continues, and

engineering meetings are scheduled to advance the design. Staff and consultants are evaluating options to ensure progress continues with the closure planning.

A motion was made by Jon Gilmore to approve the Sikeston Power Station Report. The motion was seconded by Diedre Peters, and a roll call vote was held, all yes.

Semi-Annual Charge Offs

Trey Tigart, Collections Clerk, presented the semi-annual charge-off report seeking board approval or other action the board may deem necessary. The charge-off report includes accounts that have been in collections for six months and were disconnected prior to June 30, 2025. The total amount recommended for charge-off is \$69,399.05, compared to \$69,864.55 in January 2026 and \$112,105.98 in June 2025. Rental property accounted for 123 of the 157 charge-off accounts, representing 78.3% of all charge-offs. The continued reduction reflects the effectiveness of collection efforts and process improvements. Staff have also implemented new procedures for identifying deceased customers through NISC reports, which may have prevented approximately \$5,462.87 in balances included in this report. Staff will continue evaluating opportunities to improve collection processes and reduce future charge-offs.

A motion was made by Diedre Peters to approve the plan. The motion was seconded by Jon Gilmore, and a roll call vote was held, all yes.

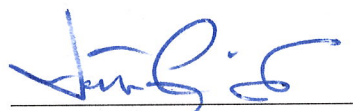
General Manager's Report

Mr. Landers updated the board on the Vestis Agreement Amendment, WTP4 Wells, the Well Relocation Project, the Coleman Substation Rebuild, and the Power Supply Plan. Mr. Landers will schedule a meeting before month end to discuss results of the Power Supply Plan.

A motion was made by Jon Gilmore to approve the General Manager's Report. The motion was seconded by Deidre Peters, and a roll call vote was held, all yes.

Adjournment

A motion was made by Jon Gilmore to adjourn. The motion was seconded by Deidre Peters, and a roll call vote was held, all yes.


Secretary