



UTILITIES COMMISSION MEETING AGENDA

City of New Prague

Monday, March 30, 2026 at 3:30 PM

Power Plant - 300 East Main St

1. **CALL TO ORDER**
2. **APPROVAL OF AGENDA**
3. **COVENANTS FOR BONDING**
 - a. Covenants for Bonding Draft
4. **APPROVAL OF MINUTES**
 - a. February 23, 2026 Utilities Meeting Minutes
5. **UTILITY AND SMMPA BILLS**
 - a. Approval of accounts payable in the amount of **\$548,342.56** and the SMMPA billing of **\$518,961.92**.
6. **FINANCIAL REPORTS**
 - a. Investment Report
 - b. Financial Report
 - c. Water and Kilowatt Hours Sales
7. **SMMPA BOARD OF DIRECTORS MEETING**
 - a. February 11, 2026
8. **AWARD OF SCHOLARSHIP**
 - a. College Scholarship Program Application
9. **GENERAL MANAGER'S REPORT**
10. **OTHER BUSINESS**
11. **ADJOURNMENT**

NEXT COMMISSION MEETING – Monday, April 27, 2026

New Prague Municipal Utilities

DRAFT: Covenants for Bonding

AUTHORITY AND SECURITY AUTHORITY

The Bonds are being issued in cooperation with the City's Municipal Utilities Commission (the "PUC") pursuant to Minnesota Statutes, Chapters 453, 475 and a resolution (the "Resolution") of the City adopted February 17, 2026 and published February 26, 2026. The Bonds are being issued by the City to benefit the PUC which operates the electric, water and wastewater utilities of the City.

SECURITY AND SOURCES OF PAYMENT

The Bonds will be special obligations of the City payable solely from Net Revenues of the Electric Utility of the City and funds available in the Reserve Account established by the Resolution. Annual Net Revenues of the Electric Utility will be sufficient to pay principal and interest on the Bonds as they become due.

Net Revenues of the Electric Utility are defined as gross revenues and earnings derived from the operation of the electric plant and system, less current expenses. Current expenses are defined as the reasonable and necessary costs of operation, maintenance and insurance of the Electric Utility, including but not limited to salaries, wages, costs of materials and supplies, necessary legal, engineering and auditing services, and all other items which by generally accepted accounting principles, constitute normal, reasonable and current costs of operation and maintenance, but excluding any allowance for depreciation, extraordinary repairs, transfers to other City funds, and payments into the Sinking and Interest Account established by the Resolution.

Available Electric Utility funds will be deposited into the Reserve Account in an amount not exceeding the lesser of (i) 10% of the stated principal amount of the Bonds (or issue price of the Bonds if the Bonds have more than a de minimis amount of original issue discount or premium); (ii) the maximum annual debt service on the Bonds; or (iii) 125% of the average annual debt service on the Bonds (the "Reserve Requirement"). The Reserve Requirement for the Bonds is expected to be maximum annual debt service on the Bonds, or approximately **\$1,300,000**. For further information see "Reserve Account" herein.

The City will pledge that it will maintain rates and charges at a level which will provide sufficient revenues to pay operation and maintenance expenses, and 150% of the maximum annual principal and interest requirements of the Bonds and any other bonds

payable from the Sinking and Interest Account. The City does not have any additional debt outstanding payable from Net Revenues of the Electric Utility.

The City will fund a Reserve Fund with available City cash.

The City further covenants to: maintain its Electric Utility in efficient operating condition; to employ an experienced manager to operate and maintain the system; to charge reasonable and just rates for all customers; to maintain proper billing procedures; to carry insurance; to keep proper books and records; to cause an audit to be prepared annually; and to faithfully and punctually perform all duties with reference to the Electric Utility required by Constitution and laws of the State of Minnesota, the Charter of the City and the Resolution. The City also covenants not to sell, lease, mortgage, or in any manner dispose of the Electric Utility or any part thereof until all of the Bonds and any additional bonds have been paid in full, provided that the City may sell the Electric Utility as a whole if there is simultaneously deposited with the Registrar the amount necessary to retire all of the outstanding bonds payable from revenues of the Electric Utility including interest to accrue to the date of maturity or earlier optional redemption; and grant no franchise to any competing electric utility.

Funds and Accounts

The Resolution provides for the establishment and continuation of the Electric Utility Fund and of the accounts therein as described below. All revenues of the Electric Utility will be deposited into the Electric Utility Fund. Within the Electric Utility Fund the City shall maintain the following accounts:

Capital Expenditure Account into which the proceeds of the Bonds, less accrued interest and any premium or unused discount, will be deposited to pay the costs of issuance of the Bonds and to pay for the costs of constructing the Project, including construction costs, engineering, legal and fiscal fees. Any funds remaining after payment of such costs will be transferred to the Sinking and Interest Account.

Operation and Maintenance Account into which will be paid all gross revenues and earnings derived from the operation of the Electric Utility. From this account will be paid all, but only, current expenses of the Electric Utility, as further described in the Resolution. All moneys remaining in this account after providing for the foregoing items are Net Revenues.

Sinking and Interest Account into which there will be paid from Bond proceeds all accrued interest, if any, and any premium or unused discount. The City shall deposit Net Revenues monthly in an amount equal to at least one-twelfth of the total principal payment chargeable against the account on the next February 1 and one-sixth of the total interest payment chargeable against the account on the next interest payment date; provided that no payments need be made to this account when the moneys held

therein are sufficient for the payment of the principal of and interest on the Bonds and on any additional bonds payable therefrom on the next applicable payment date. No money will be paid out of the Sinking and Interest Account except to pay principal of and interest on the Bonds and any additional bonds payable from this account.

Reserve Account into which shall be deposited, from available Electric Utility funds, the lesser of (i) 10% of the stated principal amount of the Bonds (or issue price of the Bonds if the Bonds have more than a de minimis amount of original issue discount or premium); (ii) the maximum annual debt service on the Bonds; or (iii) 125% of the average annual debt service on the Bonds. The Reserve Requirement for the Bonds is expected to be maximum annual debt service on the Bonds, or approximately **\$1,300,000.**

Money on hand in the Reserve Account shall be used only to pay principal of and interest on the Bonds and any additional bonds payable from the Sinking and Interest Account when money in the Sinking and Interest Account is insufficient therefor. Any amounts in the Reserve Account in excess of the Reserve Requirement may be used to purchase and retire any of the outstanding Bonds and bonds issued on a parity therewith at a price not to exceed par and accrued interest, or to call and redeem such outstanding bonds as may then be subject to redemption prior to maturity. When the Reserve Account is used to pay principal and interest, it must be restored to the Reserve Requirement from the next available Net Revenues. The Reserve Account will be funded to the Reserve Requirement until all Bonds have been paid and retired; provided, however, that at any time when the amount on deposit in the Reserve Account is sufficient to pay in full the principal of all Bonds then outstanding and all interest accrued or to accrue on all Bonds then outstanding to the date of maturity or earlier redemption, it may be used for such purpose.

Surplus Account into which Net Revenues in excess of those to be maintained in the foregoing funds and accounts of the Electric Utility under the Resolution shall be deposited, and may be used for such other purpose and at such times as may be permitted by law.

Additional Bonds

Additional obligations may be issued on a parity as to pledge and lien with the Bonds if all of the following conditions are met:

- (a) The annual average of Net Revenues of the Electric Utility for the two fiscal years immediately preceding the issuance of such additional bonds, adjusted for any additional net revenues as provided in the Resolution, shall not have been less than 125% of the average of the unpaid annual debt service requirements

on the outstanding Bonds and any additional bonds (including those to be issued).

(b) The payments required to be made into various accounts provided for in the Resolution have been made.

(c) The resolution authorizing the additional bonds provides for the pledge and payment into the Reserve Account of an amount sufficient to raise the balance therein to the new Reserve Requirement upon issuance of the additional bonds.

(d) The additional bonds must have principal maturing on February 1 of each year and interest falling due on August 1 and February 1 of each year.

(e) The proceeds of the additional bonds must be used for the purpose of making improvements, additions, extensions, renewals or replacements to the Electric Utility or to refund bonds issued for such purposes.

If the above conditions are not met, additional obligations may be issued if their lien and pledge is junior and subordinate to the Bonds.



UTILITIES COMMISSION MEETING MINUTES

City of New Prague

Monday, February 23, 2026 at 3:30 PM

Power Plant - 300 East Main St

1. CALL TO ORDER

The meeting was called to order by Utilities Commission President Dan Bishop on Monday, February 23rd, 2026, at 3:30 p.m.

Commissioners Present: Dan Bishop, Paul Busch, Tom Ewert, Charles Nickolay and Bruce Wolf

Staff Present: General Manager Bruce Reimers and EOS Ken Zweber

2. APPROVAL OF AGENDA

Motion made by Commissioner Nickolay, seconded by Commissioner Wolf, to approve the agenda as presented.

Motion carried (5-0)

3. APPROVAL OF MINUTES

a. January 26, 2026 Meeting Minutes

Motion made by Commissioner Nickolay, seconded by Commissioner Bishop, to approve the January meeting minutes as presented.

Motion carried (5-0)

4. UTILITY AND SMMPA BILLS

a. Approval of accounts payable in the amount of **\$255,813.94** and the SMMPA billing of **\$540,250.98**.

Motion by Commissioner Ewert, seconded by Commissioner Busch, to approve the accounts payable as presented.

Motion carried (5-0)

5. FINANCIAL REPORTS

a. Investment Report

b. Financial Report

c. Water and Kilowatt Hours Sales

Motion made by Commissioner Ewert, seconded by Commissioner Busch, to approve the financial reports as presented.

Motion carried (5-0)

6. APPROVAL OF CAPITAL EQUIPMENT PURCHASE

a. Memo

Motion made by Commissioner Nickolay, seconded by Commissioner Busch, to approve the capital equipment purchase of a 2026 Bobcat UW56 Tool Cat Utility Machine.

Motion carried (5-0)

7. SMMPA BOARD OF DIRECTORS MEETING

a. January 15, 2026

GM Reimers reviewed the impact of winter storm Fern impact on the cost of energy and the impact it had on the electrical grid. GM Reimers informed the Commission that the financial impact is estimated to be around 10 million dollars to the agency and that will be recovered through the ECA monthly energy charges of not more than \$.02/Kwh per month.

8. GENERAL MANAGER'S REPORT

a. Brokerage Account Change

GM Reimers informed the Commission that the Well Fargo brokerage account had been switched over to the 4M account and the fee savings will be around 25 basis points.

9. OTHER BUSINESS

Brian Paulson asked to speak about the car chargers that have been jointly installed by NPUC and SMMPA and indicated the DC fast charge located at the Colborn's grocery store would not allow him to charge due to it being out of service and having outdated connections that wouldn't work with Tesla cars. GM Reimers said he would put in a service ticket but also stated that several utilities have been using this type of charger are having the same issues and that the provider is not responding to service requests. GM Reimers said he would make some calls and let the Commission know what the next steps will be.

10. ADJOURNMENT

Motion made by Commissioner Ewert, seconded by Commissioner Busch, to adjourn the February Commission meeting at 4:24 p.m.

Motion carried (5-0)

Respectfully Submitted,

Bruce Reimers
General Manager

Vendor / Description	Invoice Amount
1000 BULBS.COM	
LIGHT FIXTURES - PLANT #2	\$693.70
ACE HARDWARE	
SUPPLIES	\$56.03
ACME TOOLS	
PLIERS	\$44.00
AIRGAS USA LLC	
WELDING GAS	\$15.42
AMARIL UNIFORM COMPANY	
FR CLOTHING	\$100.68
AMAZON CAPITAL SERVICES	
BACKHOE - HOSE SLEEVE	\$21.45
BALL VALVES	\$125.16
BEARINGS	\$35.66
COMPRESSOR PARTS	\$58.30
CUTTING DISC	\$81.48
ENCLOSURES	\$34.58
ENGINE #2 SEALANT / TAPE	\$20.21
FLAG PARTS	\$34.28
FORKLIFT - RESERVOIR TANK	\$17.28
HAMMER BIT	\$17.98
METAL STRAPS	\$14.89
OUTLET - DIGGER TRUCK	\$17.50
PLANNER	\$3.49
PLUG - DIGGER TRUCK	\$19.37
ROLLER STAND	\$99.27
SMMPA PO 1142	\$15.66-
AMERICAN MAILING MACHINES	
FOLDING MACHINE MAINTENACE	\$1,403.46
ARVIG ANSWERING SOLUTIONS	
ANSWERING SERVICE	\$88.25
ASCENTEK, INC.	
MOBIL DELVAC 1300	\$1,292.32
BORDER STATES ELECTRIC SUPPLY	
CONDUIT	\$240.01
METER SOCKET U4801XL W/BYPASS	\$2,282.04
PHOTOCELL, STREETLIGHT (DARK TO LIG	\$474.53
CANNON TECHNOLOGIES INC	
YUKON SOFTWARE	\$6,028.00
CENTERPOINT ENERGY	
NATURAL GAS	\$2,780.95
CITY OF NEW PRAGUE	
WES - BUILDING PERMIT	\$40,993.09
DAKOTA SUPPLY GROUP	
FULL CIRCLE REPAIR CLAMP 6 X 15 SS	\$265.21
FULL CIRCLE REPAIR CLAMP 6 X 20	\$829.05
DENNY / DOTTY VONBANK	
3 LOADS - WIPING RAGS	\$120.00
DEUTSCH CONSTRUCTION CO	
DIRT	\$920.00
DGR ENGINEERING	
FUTURE GENERATION	\$67,192.93
JOB #9 -FUTURE GENERATION	\$51,142.80
FASTENAL COMPANY	
NUTS, BOLTS, WASHERS	\$591.47
PO 1142 - BOLTS	\$418.74
FERGUSON ENTERPRISES LLC #1657	
BLACK PIPE	\$129.80

Vendor / Description	Invoice Amount
HAWKINS INC	
WATER PURIFICATION	\$2,797.01
HOSE USA INC	
SMMPA PO 1142	\$1,100.00
HOTSY MINNESOTA	
PRESSURE WASHER REPAIR	\$276.58
IMPERIAL DADE	
PAPER ORDER	\$274.48
INDELCO PLASTICS CORP	
BALL VALVE - SOUTH COOLING TOWER	\$204.26
KURITA AMERICA INC	
BROMICIDE TABLETS	\$7,130.00
LANO EQUIPMENT	
TOOLCAT	\$69,579.79
MACH LUMBER COMPANY	
LUMBER	\$21.79
REBAR	\$33.50
MAGNEY CONSTRUCTION INC	
FILTER PLANT #3	\$163,076.51
MCMASTER-CARR SUPPLY CO	
BEARINGS	\$30.05
FORKLIFT - VALVE	\$36.56
TAPER BIT	\$95.65
MN DEPT OF COMMERCE	
2026 4TH QTR INDIRECT ASSMNT	\$1,345.37
MN MUNICIPAL UTILITIES ASSOC	
DER TRAINING	\$1,400.00
GENERATION SCHOOL	\$1,170.00
NORTHWEST LINEMAN	\$1,590.00
UNDERGROUND SCHOOL	\$1,170.00
MPCA	
ANNUAL AIR EMISSIONS	\$3,099.07
ANNUAL WATER PERMIT	\$345.00
OLSEN CHAIN & CABLE INC.	
POLY SLINGS	\$78.47
PEAK DEMAND INC	
C.T. 6005	\$2,263.34
POMP'S TIRE SERVICE INC	
TRAILER TIRES	\$297.71
RIVER COUNTRY CO-OP	
MOTOR FUEL	\$1,704.64
SALTCO	
MONTHLY SALT	\$35.00
SEH	
FILTER PLANT #3 REHAB	\$5,800.00
LSL REPLACEMENTS	\$12,094.56
SILHOUETTES	
EMBROIDERY	\$108.00
STAR GROUP LLC.	
FILTERS	\$725.99
SHOP SUPPLIES	\$31.41
SMMPA - ENGINES	\$108.44
STUART C. IRBY CO.	
GLOVE TESTING	\$394.15
PMH-9 SWITCHGEAR	\$22,600.00
TRUCK CENTER	
OLD BUCKET - BELT	\$44.65

Vendor / Description	Invoice Amount
UPS MIDSTREAM SERVICES INC	
ENGINE MAINTENANCE	\$1,319.92
US BANK EQUIPMENT FINANCE	
COPIER LEASE	\$166.13
UTILITY CONSULTANTS	
SAMPLES	\$107.64
VEGA AMERICAS INC	
RADAR	\$6,566.74
VOYAGER FLEET	
FUEL	\$224.81
ZIEGLER INC.	
BACKHOE - BATTERY	\$417.90
FROST HOOK	\$1,545.00
OLD BUCKET - BELT	\$37.69
ZORO TOOLS	
PIPE NIPPLE	\$16.40
RPZ - SOUTH TOWER	\$138.58
SEALS	\$15.80
SMPA PO 1142	\$71.28
Grand Total:	<u>\$490,377.59</u>

Vendor Name	Net Invoice Amount
AMAZON CAPITAL SERVICES	
CHIPPER PARTS	\$14.08
WOODCHIPPER BLADES & ROPE	\$1.37
COMPUTER TECHNOLOGY SOLUTIONS	
COMPUTER SUPPORT	\$2,105.87
DOCKING STATION - KIM	\$137.50
OFFICE 365 / FIREWALL	\$559.12
FASTENAL	
WOODCHIPPER PARTS	\$1.39
MOTION INDUSTRIES INC.	
CHIPPER PARTS	\$141.91
QUILL CORPORATION	
COPY PAPER	\$79.98
ST LOUIS MRO INC	
RANDOM TESTING	\$120.00
US BANK CREDIT CARD	
APPA	\$175.00
FILTERS	\$282.18
METER SCHOOL	\$398.28
SUPPLIES	\$174.83
TAPE	\$24.67
TAX FORMS	\$3.52
US BANK EQUIPMENT FINANCE	
COPIER LEASE	\$461.01
VERIZON WIRELESS	
IPADS	\$65.12
TELEPHONE	\$480.13
ZORO TOOLS INC.	
CUT OFF WHEELS	\$145.06
Grand s	\$5,371.02

Vendor Name	Net Invoice Amount
ABDO	
2025 AUDIT SERVICES	\$5,100.00
AIRGAS USA LLC	
CYLINDER RENTAL	\$20.40
AMAZON CAPITAL SERVICES	
ENVELOPES	\$4.20
FOLDERS	\$43.54
BEVCOMM	
TELEPHONE	\$167.74
TELEPHONE/COMMUNICATIONS	\$59.95
COMPUTER TECHNOLOGY SOLUTIONS	
COMPUTER SUPPORT	\$.00
OFFICE 365 / FIREWALL	\$.00
SCALE COMPUTING	\$2,029.50
FP MAILING SOLUTIONS	
POSTAGE	\$2,000.00
GOPHER STATE ONE CALL	
LINE LOCATES	\$10.80
GRAINGER	
CLEANING SUPPLIES	\$33.48
MOP HEADS	\$108.70
GREATAMERICA FINANCIAL SERVICES	
POSTAGE MACHINE LEASE	\$49.76
HOLTMEIER CONSTRUCTION INC	
2025 CIP PAY AP#7	\$15,529.81
LAKERS NEW PRAGUE SANITARY	
TRASH - ELECTRIC	\$34.41
TRASH - POWER PLANT	\$95.93
TRASH - WATER	\$34.41
NEON LINK	
ONLINE PAYMENT FEES	\$569.29
NEW PRAGUE UTILITIES	
ELECTRIC UTILITIES	\$4,377.56
SMMPA - NORTH SOFTNER	\$672.85
WATER PUMPING - E	\$12,938.34
WATER PUMPING - W/S/S	\$2,254.84
WATER UTILITIES	\$1,181.85
NORTHLAND CHEMICAL CORP	
MAGIC HAND CLEANER	\$120.33
O'REILLY AUTOMOTIVE INC	
BRAKE CLEANER	\$41.88
FUEL FILTER	\$72.52
ROSS NESBIT AGENCIES INC.	
AGENCY FEE	\$372.60
STAR GROUP LLC.	
CHIPPER - GREASE GUN	\$9.26
US BANK CREDIT CARD	
APPA CONFERENCE	\$1,195.00
FUEL SUPPLEMENT	\$54.77
GLOVE & SLEEVE TESTING	\$84.05
MN RURAL WATER	\$1,001.17
OIL TESTING	\$14.51
PAPER ORDER	\$280.07
RAILWAY - HANDBOOK	\$75.00
RPZ - SOUTH TOWER	\$1,085.63
SCANNER	\$132.05
TAX FORMS	\$78.57

Vendor Name	Net Invoice Amount
TENT PARTS	\$77.21
WES CONTRACT	\$19.72
VERIZON WIRELESS	
IPADS	\$65.12
TELEPHONE	\$480.13
VETERAN SHREDDING	
CONTRACTED SERVICES	\$17.00
Grand Totals:	<u>\$52,593.95</u>



Southern Minnesota Municipal Power Agency
 500 First Ave SW
 Rochester MN 55902-3303
 United States

Power Sales

Section 5, Item a.

#INV2068
 2/28/2026

Bill To

New Prague Municipal Utilities
 118 N Central Avenue
 New Prague MN 56071
 United States

Due Date: 3/25/2026

BILLING PERIOD	kWh	kW	DATE / TIME
Feb 2026	5,301,398	9,896	Feb 3, 2026 7:00:00 PM
SOLAR PRODUCTION	0	0	
TOTAL	5,301,398	9,896	
BASE RATE BILLING DEMAND CAP	N/A	0	
SUMMER SEASON BASE RATE DEMAND	N/A	13,202	Jul 22, 2025 3:00:00 PM
BASE RATE RATCHET DEMAND	N/A	9,769	Jul 22, 2025 3:00:00 PM

Description	Quantity	Rate	Amount	TOTAL
BASE RATE POWER SUPPLY				
Demand Charge (kW)	9,896	\$9.77	\$96,683.92	\$96,683.92
On Peak Energy Charge (kWh)	2,420,028	\$0.05736	\$138,812.81	\$138,812.81
Off Peak Energy Charge (kWh)	2,881,370	\$0.04288	\$123,553.15	\$123,553.15
Cost Adjustment (kWh)	6,345,224	\$0.02	\$126,904.48	\$126,904.48
BASE RATE SUBTOTAL				\$485,954.36
TRANSMISSION				
Transmission Charge - CP (kW)	9,896	\$3.40	\$33,646.40	\$33,646.40
Transmission Charge - Ratchet (kW)	13,202	\$0.00	\$0.00	\$0.00
OTHER CHARGES				
Purpa - Solar Charge Under 40 kW	12,276	\$0.08486	\$1,041.74	\$1,041.74
Purpa - Reimbursement (kW)	0		\$-1,680.58	\$-1,680.58

Total \$518,961.92

**NEW PRAGUE UTILITIES COMMISSION
SMMPA
1/31/2026**

MONTH	KWH	PURCHASED POWER	ENERGY COST ADJ	2026 Price/KWH	MONTH	KWH	PURCHASED POWER	ENERGY COST ADJ	2025 Price/KWH
January	6,345,224	\$ 540,250.98	\$ 44,053.81	\$ 0.07820	January	6,264,257	\$ 508,086.73	\$ (7,460.01)	\$ 0.08230
February					February	5,565,759	\$ 462,430.97	\$ 281.89	\$ 0.08303
March					March	5,394,698	\$ 452,860.23	\$ (7,641.79)	\$ 0.08536
April					April	5,065,852	\$ 483,543.35	\$ 38,620.64	\$ 0.08783
May					May	5,638,392	\$ 506,446.53	\$ 19,635.24	\$ 0.08634
June					June	6,571,635	\$ 593,241.38	\$ 25,508.09	\$ 0.08639
July					July	7,875,486	\$ 644,040.63	\$ 14,510.17	\$ 0.07994
August					August	7,179,024	\$ 596,646.22	\$ 2,535.91	\$ 0.08276
September					September	6,236,484	\$ 533,042.08	\$ (4,523.62)	\$ 0.08620
October					October	5,574,604	\$ 474,271.81	\$ (25,688.08)	\$ 0.08969
November					November	5,251,803	\$ 458,642.75	\$ 31,479.79	\$ 0.08134
December					December	6,262,981	\$ 531,179.01	\$ 31,978.23	\$ 0.07971
Total	6,345,224	\$ 540,250.98	\$ 44,053.81	\$ 0.07820	Total	72,880,975	\$ 6,244,431.69	\$ 119,236.46	\$ 0.08404

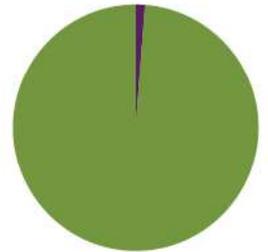
NEW PRAGUE UTILITIES COMMISSION			
INVESTMENT SUMMARY			
1/31/2026			
First Bank and Trust			
Checking - Cash Balance			
Electric		\$	3,178,675.79
Water		\$	663,859.72
Subtotal		\$	3,842,535.51
Money Market		\$	3,471,247.95
Wells Fargo			
F.I.S.T. (Market Value per Wells Select report)		\$	3,544,527.00
Electric <i>(74% of account)</i>	\$	2,622,949.98	
Water <i>(26% of account)</i>	\$	921,577.02	
Total		\$	10,858,310.46
Invested			
F.I.S.T. original investment - 6/21/2012	\$	1,050,000	
F.I.S.T. Add'l investment - 7/19/2012	\$	730,000	
F.I.S.T. Add'l investment - 8/22/2014	\$	470,000	
F.I.S.T. Add'l Investment - 7/31/2015	\$	500,000	
F.I.S.T. Add'l Investment - 11/16/2015	\$	100,000	
	\$	2,850,000	

Managed Asset Allocation Summary

As of February 13, 2026

February 17, 2026
Trade Date Basis
NEW PRAGUE UTILITIES
COMMISSION
221880
Investment Objective Is Fixed
Income

	MARKET VALUE	TOTAL COST	UNREALIZED G/L	EST ANNUAL INCOME	EST ANNUAL YIELD	ALLOCATION
Cash Alternatives	43,416	43,416	0	1,485	3.42	1.2
Fixed Income	3,501,110	3,519,844	(18,734)	108,541	3.10	98.8
Total Portfolio	\$3,544,527	\$3,563,260	\$(18,734)	\$110,026	3.10%	100.0%



NEW PRAGUE UTILITIES COMMISSION, MINNESOTA
STATEMENT OF REVENUES AND EXPENSES
BUDGET AND ACTUAL
WATER FUND (UNAUDITED)
January 31, 2026

WATER FUND						
						<i>8.33% of year completed</i>
REVENUES	2025 Thru 1/31/2025	Current Month	Actual Thru 1/31/2026	2025/2026 Variance YTD	2026 Fiscal Budget	% Received or Expended Based on Actual Budget
Unbilled Accounts Receivable	(11,336.19)	(8,029.00)	\$ (8,029.00)	3,307.19	-	0.00%
Residential	(96,234.16)	(111,589.15)	\$ (111,589.15)	(15,354.99)	(1,584,718.00)	7.04%
Commercial	(28,558.99)	(28,784.37)	\$ (28,784.37)	(225.38)	(584,646.00)	4.92%
Water Hook-up Fees	(72,900.00)	-	\$ -	72,900.00	(25,000.00)	0.00%
Interest Income	(4,538.90)	(2,295.55)	\$ (2,295.55)	2,243.35	(45,000.00)	5.10%
Other Income	(1,948.23)	(2,739.60)	\$ (2,739.60)	(791.37)	(35,500.00)	7.72%
TOTAL REVENUES	\$ (215,516.47)	\$ (153,437.67)	\$ (153,437.67)	\$ 62,078.80	\$ (2,274,864.00)	6.74%
EXPENSES						
Power Used	9,511.70	11,491.48	11,491.48	1,979.78	117,500.00	9.78%
Purification	460.50	50.00	50.00	(410.50)	58,000.00	0.09%
Distribution	748.51	1,352.10	1,352.10	603.59	65,000.00	2.08%
Depreciation	45,227.70	43,150.82	43,150.82	(2,076.88)	530,003.00	8.14%
Debt & Other Interest	75,373.32	79,149.41	79,149.41	3,776.09	131,863.00	60.02%
Salary & Benefits	46,281.49	74,552.68	74,552.68	28,271.19	687,259.00	10.85%
Admin & General	\$ 29,000.45	\$ 11,611.20	\$ 11,611.20	\$ (17,389.25)	\$ 177,290.00	6.55%
TOTAL EXPENSES	\$ 206,603.67	\$ 221,357.69	\$ 221,357.69	\$ 14,754.02	\$ 1,766,915.00	12.53%
EXCESS REVENUES OVER EXPENSES	\$ (8,912.80)	\$ 67,920.02	\$ 67,920.02	\$ 76,832.82	\$ (507,949.00)	

CITY OF NEW PRAGUE, MINNESOTA
STATEMENT OF REVENUES AND EXPENSES
BUDGET AND ACTUAL
ELECTRIC FUND (UNAUDITED)
January 31, 2026

Section 6, Item b.

ELECTRIC FUND

8.33% of year completed

REVENUES	2025 Thru 1/31/2025	Current Month	Actual Thru 1/31/2026	2025/2026 Variance YTD	2026 Fiscal Budget	% Received or Expended Based on Actual Budget
Unbilled Accounts Receivable	\$ (8,636.81)	\$ (18,506.14)	\$ (18,506.14)	\$ (9,869.33)	\$ -	0.00%
Residential Revenue	\$ (363,189.33)	\$ (406,547.27)	\$ (406,547.27)	\$ (43,357.94)	\$ (4,269,950.00)	9.52%
Commercial	\$ (59,302.77)	\$ (82,547.11)	\$ (82,547.11)	\$ (23,244.34)	\$ (725,602.00)	11.38%
Small Industrial	\$ (160,545.85)	\$ (171,407.76)	\$ (171,407.76)	\$ (10,861.91)	\$ (1,898,268.00)	9.03%
Industrial	\$ (188,375.60)	\$ (203,318.58)	\$ (203,318.58)	\$ (14,942.98)	\$ (2,473,410.00)	8.22%
Streetlights	\$ (7,625.53)	\$ (7,650.56)	\$ (7,650.56)	\$ (25.03)	\$ (57,814.00)	13.23%
Other Departments	\$ (13,444.59)	\$ (432.28)	\$ (432.28)	\$ 13,012.31	\$ (61,199.00)	0.71%
SMMPA LOR Reimbursement	\$ (17,446.01)	\$ (19,044.72)	\$ (19,044.72)	\$ (1,598.71)	\$ (212,185.00)	8.98%
SMMPA O&M Revenue	\$ (49,242.98)	\$ (216,309.48)	\$ (216,309.48)	\$ (167,066.50)	\$ (717,500.00)	30.15%
Reimbursement - SMMPA Rebates	\$ (3,497.48)	\$ (110.00)	\$ (110.00)	\$ 3,387.48	\$ -	0.00%
Interest Income	\$ (4,349.44)	\$ (2,490.86)	\$ (2,490.86)	\$ 1,858.58	\$ (75,000.00)	3.32%
Other Income	\$ (8,310.15)	\$ (76,697.28)	\$ (76,697.28)	\$ (68,387.13)	\$ (200,500.00)	38.25%
TOTAL REVENUES	\$ (883,966.54)	\$ (1,205,062.04)	\$ (1,205,062.04)	\$ (321,095.50)	\$ (10,691,428.00)	11.27%
EXPENSES						
Production	\$ 358.88	\$ 721.10	\$ 721.10	\$ 362.22	\$ 46,500.00	1.55%
Purchased Power	\$ 508,086.73	\$ 540,250.98	\$ 540,250.98	\$ 32,164.25	\$ 5,638,135.00	9.58%
SMMPA O&M Expenses	\$ 66,856.03	\$ 147,223.07	\$ 147,223.07	\$ 80,367.04	\$ 360,000.00	40.90%
Distribution/Transmission	\$ 41,410.82	\$ 27,211.97	\$ 27,211.97	\$ (14,198.85)	\$ 153,000.00	17.79%
Energy Conservation - Rebates	\$ 3,786.93	\$ 325.59	\$ 325.59	\$ (3,461.34)	\$ 13,000.00	2.50%
Depreciation	\$ 62,243.21	\$ 62,539.58	\$ 62,539.58	\$ 296.37	\$ 741,656.00	8.43%
Salary & Benefits	\$ 111,762.36	\$ 200,800.05	\$ 200,800.05	\$ 89,037.69	\$ 1,936,420.00	10.37%
MVEC LOR Payment	\$ 34,892.01	\$ 38,089.44	\$ 38,089.44	\$ 3,197.43	\$ 424,370.00	8.98%
Admin & General	\$ 71,197.97	\$ 44,427.51	\$ 44,427.51	\$ (26,770.46)	\$ 319,500.00	13.91%
Payment in Lieu of Taxes	\$ 3,333.37	\$ 3,333.33	\$ 3,333.33	\$ (0.04)	\$ 40,000.00	8.33%
TOTAL EXPENSES	\$ 903,928.31	\$ 1,064,922.62	\$ 1,064,922.62	\$ 160,994.31	\$ 9,672,581.00	11.01%
EXCESS REVENUES OVER EXPENSES	\$ 19,961.77	\$ (140,139.42)	\$ (140,139.42)	\$ (160,101.19)	\$ (1,018,847.00)	

Note: "Other Income" includes metal recycling

AGENDA ITEM: 5C									
NEW PRAGUE UTILITIES COMMISSION WATER PUMPED-SOLD-USED 2026									
YR/MO	2026	2026 YTD	2025	2025 YTD	YR/MO	2026	2026 YTD	2025	2025 YTD
JANUARY					JULY				
	12/7/25-1/8/2026		12/8/24-1/8/2025			6/9/2026-7/9/2026		6/9/2025-7/9/2025	
GAL PUMPED	17,475	17,475			GAL PUMPED	0	34,490		
GAL SOLD	15,347	15,347	15,702	15,702	GAL SOLD	0	30,124	21,686	122,825
OUTSIDE SALES	161	161			OUTSIDE SALES	0	161		
GAL(LOSS)/GAIN	(1,967)	(1,967)			GAL(LOSS)/GAIN	0	(4,206)		
PERCENTAGE	11.3%	11.3%	7.3%	7.3%	PERCENTAGE	#DIV/0!	12.2%	10.5%	12.4%
FEBRUARY					AUGUST				
	1/8/2026-2/7/2026		1/8/2025-2/7/2025			7/9/2026-8/8/2026		7/9/2025-8/8/2025	
GAL PUMPED	17,015	34,490			GAL PUMPED	0	34,490		
GAL SOLD	14,776	30,124	14,773	30,475	GAL SOLD	0	30,124	21,383	144,208
OUTSIDE SALES	0.50	161			OUTSIDE SALES	0	161		
GAL(LOSS)/GAIN	(2,238)	(4,206)			GAL(LOSS)/GAIN	0	(4,206)		
PERCENTAGE	13.2%	12.2%	12.6%	9.9%	PERCENTAGE	#DIV/0!	12.2%	11.6%	12.3%
MARCH					SEPTEMBER				
	2/7/2026-3/10/2026		2/7/2025-3/8/2025			8/8/2026-9/8/2026		8/8/2025-9/8/2025	
GAL PUMPED	0	34,490			GAL PUMPED	0	34,490		
GAL SOLD	0	30,124	15,197	45,672	GAL SOLD	0	30,124	21,338	165,546
OUTSIDE SALES	0	161			OUTSIDE SALES	0	161		
GAL(LOSS)/GAIN	0	(4,206)			GAL(LOSS)/GAIN	0	(4,206)		
PERCENTAGE	#DIV/0!	12.2%	10.9%	10.3%	PERCENTAGE	#DIV/0!	12.2%	17.2%	13.0%
APRIL					OCTOBER				
	3/10/2026-4/9/2026		3/8/2025-4/9/2025			9/8/2026-10/8/2026		9/9/2025-10/8/2025	
GAL PUMPED	0	34,490			GAL PUMPED	0	34,490		
GAL SOLD	0	30,124	14,108	59,780	GAL SOLD	0	30,124	21,459	187,005
OUTSIDE SALES	0	161			OUTSIDE SALES	0	161		
GAL(LOSS)/GAIN	0	(4,206)			GAL(LOSS)/GAIN	0	(4,206)		
PERCENTAGE	#DIV/0!	12.2%	13.0%	10.9%	PERCENTAGE	#DIV/0!	12.2%	17.0%	13.5%
MAY					NOVEMBER				
	4/9/2026-5/9/2026		4/9/2025-5/9/2025			10/8/2026-11/7/2026		10/8/2025-11/7/2025	
GAL PUMPED	0	34,490			GAL PUMPED	0	34,490		
GAL SOLD	0	30,124	16,117	75,897	GAL SOLD	0	30,124	15,283	202,288
OUTSIDE SALES	0	161			OUTSIDE SALES	0	161		
GAL(LOSS)/GAIN	0	(4,206)			GAL(LOSS)/GAIN	0	(4,206)		
PERCENTAGE	#DIV/0!	12.2%	23.7%	14.0%	PERCENTAGE	#DIV/0!	12.2%	19.1%	13.9%
JUNE					DECEMBER				
	5/9/2026-6/9/2026		5/9/2025-6/9/2025			11/7/2026 - 12/8/2026		11/7/2025 - 12/8/2025	
GAL PUMPED	0	34,490			GAL PUMPED	0	34,490		
GAL SOLD	0	30,124	25,242	101,139	GAL SOLD	0	30,124	15,167	217,455
OUTSIDE SALES	0	161			OUTSIDE SALES	0	161		
GAL(LOSS)/GAIN	0	(4,206)			GAL(LOSS)/GAIN	0	(4,206)		
PERCENTAGE	#DIV/0!	12.2%	9.2%	12.8%	PERCENTAGE	#DIV/0!	12.2%	13.5%	13.9%

NEW PRAGUE UTILITIES COMMISSION					
ELECTRIC SALES KWH					
		ACCUM			ACCUM
MONTH	2026	2026	MONTH	2025	2025
JAN	6,164,025	6,164,025	JAN	5,619,898	5,619,898
FEB			FEB	5,816,788	11,436,686
MAR			MAR	5,721,083	17,157,769
APR			APR	5,016,537	22,174,306
MAY			MAY	4,912,135	27,086,441
JUNE			JUNE	5,640,596	32,727,037
JULY			JULY	6,776,567	39,503,604
AUG			AUG	7,210,554	46,714,158
SEPT			SEPT	6,720,766	53,434,924
OCT			OCT	6,155,581	59,590,505
NOV			NOV	4,930,912	64,521,417
DEC			DEC	5,451,754	69,973,171
TOTAL	6,164,025		TOTAL	69,973,171	

***Monthly Kwh totals are not final until year-end**

SOUTHERN MINNESOTA MUNICIPAL POWER AGENCY
Minutes of the Board of Directors' Meeting
February 11, 2026

President Moulton called the meeting to order at 9:00 a.m. at the Spring Valley Ambulance Service Building in Spring Valley, Minnesota.

Mr. Rolli, Spring Valley Public Utilities Superintendent, welcomed the members to Spring Valley and introduced Mr. Tim Howard, Spring Valley Public Utilities Utility Supervisor, and Ms. Kristin Howard, Spring Valley Public Utilities Office Manager.

Board Members Present:

President Peter T. Moulton, Saint Peter; Vice President Roger E. Warehime, Owatonna; Secretary James R. Bakken, Preston; Treasurer Bruce A. Reimers, New Prague; Thomas J. Dankert, Austin; and Timothy M. McCollough, Rochester.

Others Present:

David P. Geschwind, Executive Director & CEO; Alex Bumgardner, Austin; Keith Butcher, Princeton; Chris Rolli, Spring Valley; Craig Anderson, Wells; Dirk E. Bierbaum, Beth A. Fondell, Naomi A. Goll, Joseph A. Hoffman, and Jeremy B. Sutton of the Agency staff.

Others Present Via Conference Call:

Jerry Mausbach, Blooming Prairie; Miles Heide, Julie Zarling, Fairmont; Mike Roth, Shane Steele, Grand Marais; Mike Geers, Litchfield; Joe Kohlgraf, Mora; Christian Fenstermacher, Tim Linders, Owatonna; Jason Halvorson, Redwood Falls; Todd Prafke, Saint Peter; and Carl Sonnenberg, Waseca.

#1 Agenda Approval:

Mr. Bakken moved to approve the agenda, seconded by Mr. McCollough, passed upon a unanimous vote of the board members present.

#2 Consent Agenda:

Mr. Dankert moved to approve the consent agenda, seconded by Mr. Warehime, passed upon a unanimous vote of the board members present.

APPROVED the January 15, 2026 board meeting minutes.

APPROVED the Fairmont Energy Station Security Camera System Replacement. (Attachment A.)

APPROVED the Owatonna Energy Station Security Camera System Replacement. (Attachment B.)

APPROVED the Rutland to Fox Lake 161 kV Protection System Upgrade. (Attachment C.)

#3 Winter Storm Fern Impact-Sutton/Fondell:

Mr. Geschwind reported that Sherco 3 experienced challenges during the coldest days of Winter Storm Fern, resulting in financial impacts that affect net energy costs and the Energy Cost Adjustment.

Mr. Sutton reported on the Winter Storm Fern impact.

Much of the United States experienced a significant cold weather event January 22-27, 2026 resulting in extremely cold temperatures and ice and snow to a broader area of the United States. Member generation was called to run by MISO during this weather event. Sherco 3 experienced an unplanned outage from January 22-25, 2026, possibly caused by nearby lines that iced up and faulted when the winds picked up. After the initial outage, the unit was derated due to a steam pressure relief valve issue.

Emergency Operations Procedures

Mr. Geschwind reported that MISO issued an Energy Emergency Alert 2 for voluntary load shedding.

Mr. McCollough reported that the SMMPA Preparis notification worked but there were some challenges. Recommend having protocols in place that are clearly understood.

Discussion.

Members suggested SMMPA explore group communications via social media (Facebook), radio stations, and newspapers for alerting the member communities. Could SMMPA have a public notification system to go out to the members and customers? Could SMMPA create a simple Facebook post to share with the members?

Mr. Hoffman reported that SMMPA explored radio stations in the recent past, but the broadcast was in wide-reaching areas and many stations are not staffed 24/7. SMMPA could provide messaging to the members and custom graphics.

Members prefer SMMPA provide alerts to the members and test the alert system on an annual basis to ensure efficiency. If MISO requests a regional alert, the alert message should make it clear that the regional grid and not a member is having issues.

Mr. Geschwind stated that SMMPA could provide sample alert language, indicating it is a regional issue. SMMPA will continue to evaluate this topic.

Member Generation Failures

Mr. Sutton reported that during the cold weather event, certain members had a variety of generation-related equipment failures.

Mr. Sutton thanked the members for their efforts.

Financial Impact

Ms. Fondell reported there was an estimated \$10 million financial impact due to the Winter Storm Fern event, stemming from Sherco 3 being offline and not providing generation revenues to act as a hedge against market prices.

Unplanned Outage Self-Insurance

The unplanned Sherco 3 outage was a qualifying event under SMMPA’s self-insurance program. The self-insurance program follows a process similar to the insurance policy. Friday, January 23, 2026 qualified as the program covers on-peak hours only. January 24-25, 2026 were off-peak hours and not factored into the calculation. The claim amount was \$577,606.17, which reduces the January ECA charge. The 2025 and 2026 budgets included \$500,000 for outage self-insurance and any unspent balance at year-end rolls forward to the following year. After this claim, \$422,393.83 will remain in the self-insurance program for future unplanned outages.

Discussion

A suggestion was made to review the self-insurance program to possibly cover Saturdays for load events.

January ECA Impact

- Expect the January ECA to be capped at \$0.02/kWh as specified in the Schedule B base rates. Any energy cost adjustment charge or credit in excess of \$0.02/kWh is deferred to subsequent months.
- All net energy costs impacting the January ECA won’t be finalized until around February 24th.

Recommendation

- Allow January ECA to pass through to members as designed.
- Discuss at the March board meeting the possibility of some or all the deferred January ECA being absorbed by Agency cash reserves.
 - The future rate forecast may be impacted.
 - December results were near budget despite the approximate \$2.5 million cash distribution.

Next Steps

- January ECA will be emailed as usual from SMMPA Accounting Department on February 24, 2026.
- SMMPA will email members a narrative regarding the final impact results.
- March board meeting agenda action item to decide on any SMMPA funding of deferred January ECA.

#4 2026/2027 Planning Year Capacity Position-Bierbaum:

Mr. Geschwind introduced Mr. Bierbaum, SMMPA Manager of MISO Markets and Power System Operations, to provide the Agency’s capacity position.

Mr. Bierbaum reported on the Agency’s capacity position for the 2026-2027 planning year.

The Agency is expected to be short of capacity in the summer and spring seasons and to have adequate capacity in the fall and excess capacity in the winter season. Options for addressing the capacity shortfall were reviewed and possible transactions are:

- Possible purchase for the spring from Rochester Public Utilities.
- Possible purchase for the summer from Missouri River Energy Services (30 MW), and Rochester Public Utilities (5 MW). Still shortfall of 12.9 MW.

Discussion.

Next Steps

- Continue working on the spring shortfall prior to April 1 planning resource auction.
- Use initial seasonal accredited capacity now, recognizing the final seasonal accredited capacity values will not be known until February 15, 2026.
- Sell excess capacity.

After a short break, the board reconvened at 10:53 a.m.

#5 2025 Economic Development Review-Hoffman:

Mr. Hoffman reported on the annual economic development review.

The Economic Development Program provides incentives to attract new business customers to SMMPA member communities. The program includes two rates: Economic Development Credit Program and Load Acquisition Credit Program.

Economic Development Credit Program

The credit program is available to new or expanding businesses with a load of 250 kW or greater, or with a load that exceeds the demand of the member's tenth largest current retail customer. There is a 5-year credit on energy charges (40% in year 1, 20% in year 2, 10% in year 3, 5% in year 4, and 2.5% in year 5) and the credit is paid by SMMPA to the member.

Load Acquisition Credit Program

The program provides credit to members who are making lost revenue payments for service territory acquisitions. In 2025, six members participated in the Load Acquisition Credit Program. The acquired load was equivalent to approximately 14.5 megawatts.

Small Business Development Centers

In 2024, SMMPA began a funding partnership with the Small Business Development Centers (SBDC) to support entrepreneurs and small businesses in member communities. SBDC provides assistance to small businesses with business plans, financial projections, accounting, marketing, and loan packaging.

Other Economic Development Initiatives

- The Agency developed customized economic development brochures for member communities.

Economic Development Credit Program Cap

At the November 2025 SMMPA Board Retreat, the board suggested setting a maximum load size eligible for economic development credits and bringing the topic to the February board meeting for member feedback. The impact of adding a large load, such as a data center, was discussed. Setting a cap of 5 MW on portion of a qualifying retail customer’s load eligible for economic development credit was an option.

Discussion.

One option discussed is to sunset the economic development program and retain the load acquisition credit program. It was suggested that members discuss this option with their local economic development staff to provide feedback for continued discussion at a future board meeting.

#6 Austin Energy Station Lease Option-Sutton:

Mr. Sutton reported on the Austin Energy Station lease option.

SMMPA would lease the city-owned site at the former Austin Northeast Power Plant.

Terms of the Proposed Lease:

- A 50-year initial term.
- A nominal lease fee of \$1 to 2050.
 - In the event Austin Utilities is not a member after 2050, fair market value will be determined.
- Time for SMMPA to conduct necessary due diligence on the site to make sure it is suitable for the proposed Austin Energy Station plant.
- SMMPA would be responsible for any hazardous materials at the site resulting from operation of AES.
- Austin Utilities retain responsibility for any hazardous materials at the site that existed prior to the effective date of the lease.
- SMMPA will have 24 months after the term of the lease ends to decommission the site.

The Austin City Council and Mower County approved supporting the new plant via a property tax exemption to be pursued through state legislation.

Discussion.

Action Item

Authorize SMMPA to enter into the ground lease contract with Austin Utilities in substantially the form as presented.

Mr. Reimers moved to authorize SMMPA to enter into the ground lease with Austin Utilities in substantially the form as presented, seconded by Mr. Bakken, passed upon a unanimous vote of the board members present. Abstained: Mr. Dankert.

Mr. Sutton thanked Mr. Dankert and Mr. Bumgardner for their efforts.

#7 EDF Wapsi Wind Contract Extension-Sutton:

Mr. Sutton reported on the EDF Wapsi Wind Contract Extension.

The 100.5 MW (67 wind turbines) Wapsi Wind Project is located near Dexter, Minnesota. SMMPA received an offer from EDF to extend the purchase contract, which is scheduled to expire in 2029.

Renewable Energy Credit Balance

The Agency's current renewable energy credit (REC) balance and the expected balance based on production and retirements were discussed.

Discussion.

Mr. McCollough indicated that to the extent the extended agreement would produce additional RECs prior to the end of the Rochester power sales contract in 2030, Rochester requests a share of those RECs.

Next Steps

- Bring back to March board meeting for action.

#8 Confidential Board Report Summary-Sutton:

Mr. Sutton summarized the confidential board report.

Government Affairs/Member Services Report-Hoffman:

Mr. Hoffman summarized the government affairs/member services report detailed in the board book.

APPA Legislative Rally

Members were reminded the APPA Legislative Rally is February 23-25, 2026 in Washington, D.C.

Distributed Generation Workshop

MMUA is partnering with Star Energy to hold a Distributed Generation Workshop geared toward utilities that have not yet adopted a technical specifications manual (TSM). When additional workshop information is available, an email will be sent to the members who have not adopted the TSM.

Electric Vehicle Charging Network Usage

The 2025 electric vehicle charging network usage data reflects a decrease among members. Rochester, Grand Marais, Saint Peter, and Lake City were the top charging session locations. Level 2 charging has grown in 2025. On-peak kWh charging was 55% and off-peak kWh charging was 45% kWh.

Electric Vehicle Charger Services Provider Alternative

Based on feedback, some members may switch from ZEF Energy to another electric vehicle

charger service provider.

Cybersecurity Board Security Brief

The Cybersecurity and Infrastructure Security Agency recommends passwords of at least 16 characters. Passphrases have become popular and are more secure using 20 to 30 characters. Consider password managers to store passwords and sensitive data in a digital vault, creating the need to only remember one master password.

Operations Report-Sutton:

Mr. Sutton reported:

SES Update

As proposed, the plant nominal output is 45 MW during standard temperature conditions. During colder weather, the potential output could exceed 50 MW. SMMPA met with Minnesota Public Utilities Commission and MPCA staff to discuss whether a certificate of need would be required if the output could exceed 50 MW under certain temperature conditions. SMMPA could install software to limit output to 49.9 MW. Process is being reviewed by the MN PUC.

Fairmont Wind Turbine

One Agency-owned Fairmont wind turbine experienced a bearing failure at an estimated replacement cost of \$250k. SMMPA staff is evaluating options and will provide a recommendation at the next board meeting.

Quarterly Wind and Solar Update

Information on the performance of the Agency's wind and solar resources, including capacity factor and costs relative to market energy prices and net margins, was reviewed.

Market Update

A graph of recent natural gas and on-peak electricity prices was discussed.

Financial Report December 2025-Fondell:

Ms. Fondell summarized Agency financial results through December as provided in the board book materials. December's financial results are preliminary, as the 2025 books are held open until the annual audit is completed.

Deferred Depreciation

The deferred depreciation concept is used to make sure the Agency generates enough revenue and cash to pay the debt service. It accounts for the difference between long-term debt principal payments and depreciation expense. In the early years of a bond issuance, principal payments are less than depreciation expense on the financed assets. During the later years, the additional expense is recorded to make sure the entity is recovering cash to pay large principal payments. The intent is to defer depreciation and amortization in early years, record depreciation and amortization in later years, and the balance zeros out over the term of the bonds. The balance in deferred depreciation hit its highest balance of \$232,637,750 in 2011. Since then, with some large principal payments for the 1994A bonds, the entire previously deferred balance was recognized as expense and zeroed out in 2024. The deferred depreciation approach doesn't serve

a purpose going forward. SMMPA's outside auditor, Baker Tilly, recommends discontinuing using deferred depreciation within financial statements beginning in 2025.

2025 Investment Results

The 2025 year-end investment results were reviewed. The investment portfolio balance at the end of 2025 was approximately \$247 million. Interest rates improved from the prior year with some lower-yielding investment maturing during the year.

Short-Term & Long-Term Debt Review

The 2025 Revolving Credit Agreement short-term borrowing program activity was reviewed along with an amortization schedule, paydown plan, and summary. The long-term debt payment schedule for 2025 through 2046 was reviewed.

SMMPA Budget & Rates Workshop Date

The SMMPA Budget & Rates Workshop will be scheduled in late September 2026.

Annual Review of Financial

Ms. Fondell will email materials to the members explaining the financial and operation reports provided in monthly board books.

Rate Changes

February 1, 2026 marks the end of transitioning transmission rates from 100% ratchet to monthly metered coincident peak. Also, an overall ten percent rate decrease will be applied as a 10.812% rate decrease to the power supply demand and energy base rates.

ECA Monthly Base Rate

Effective January 2026, the Energy Cost Adjustment base rate will be adjusted monthly based on the monthly budgeted net energy costs.

President's Report:

Mr. Moulton reported:

- SMMPA Staff Recognition: SMMPA staff members were recognized for their outstanding presentations today and also thanked Ms. Deb Donahue for supplying information to the board for Mr. Geschwind's annual performance evaluation.

Executive Director & CEO's Report:

Mr. Geschwind reported:

- SMMPA Board Seat: Lake City resigned their SMMPA Board seat, and the term of that seat expires in October 2026. A Member Representatives meeting will be scheduled next month for election to fill the vacant board seat to serve the remainder of the term.
- Sherco 3 Tours: During the Sherco 3 planned major overhaul from March to May 2026, tours will be scheduled for interested members including commissioners/council members. SMMPA will send an email to the members with further details.

- Email Impersonation Attempt: A member received an email that appeared to be from the SMMPA Board President, but it was a phishing attempt. Thanks were expressed for being alert to email phishing attempts.
- TAPS and APPA Committee Meetings: During this week’s TAPS and APPA Committee conference calls, artificial intelligence (AI) notetaking was discussed. TAPS will be adopting a policy prohibiting AI notetaking, unless prior approval is given. Concerns with AI notetaking software includes losing attorney-client privilege and data practices act issues.

Member Forum:

None.

Other Business:

There was no other business.

Adjourn:

A motion to adjourn the meeting was made by Mr. Warehime, seconded by Mr. McCollough, passed upon a unanimous vote of the board members present.

The meeting was adjourned at 12:22 p.m.

Secretary



RECEIVED
FEB 17 2026



BY: _____

New Prague Utilities/SMMPA College Scholarship Program Application

Deadline to apply: March 16th, 2026

Scholarship Amount: \$1,000

Name

Cole Rezac

Telephone

651-318-5080

Street Address

1240 Olivia St SE

City, State, Zip

New Prague, MN 56071

College & Area of Study
(if known)

North Dakota State Un, Computer or

Electrical
Engineer

Graduation Year

2026

Parents Name
(if 18 or under)

Kristen Rezac & Jeremy Rezac

Please list any academic achievements, extracurricular activities, volunteer activities, community involvement, or work experience that you would like to have considered as part of your application.

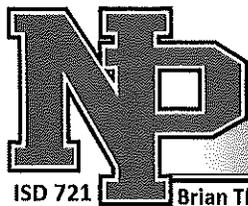
- 2 AP classes, AP Computer Science and AP calculus
- NPHS concession stand volunteer
- Robotics, 2 years
- Senior Living garden in Lonsdale, 2 times (Veseli Lions clean-up)
- 6 years of taekwondo, 2nd Dan

Please attach a 300-word essay on the importance of public service and how your continued education will benefit your community and society as a whole.

Walter Payton, a running back who was regarded as one of the best football players of all time, once said "We are stronger together than we are alone." It's easy to think that he was talking about his football team, but really he is talking to and about all of us. We are stronger together if we pitch in all of our hands to build up the community together, with public service. Without it in New Prague, there would be no police, fire department or clean bathrooms or streets.

But how can I contribute to serving the public? Well, not all public service is on the front lines. Since the 80s and 90s, most companies had data switched from physical papers to documents on a computer. Many companies had websites, mainframe computers, and even some people had websites of their own. Nowadays, almost everything is done with electronics, but this doesn't come without lots of work by many people. I am going to NDSU, majoring in Computer Engineering or Electrical Engineering. I've written code for 4 years now, and I want to expand my knowledge down to the electronic level. My purpose as an engineer is to help improve or create new circuitry for anything that runs on electricity. This will improve the tools which the world uses, from anything as simple as turn signals to police radio equipment or safer computer chips to avoid data breaches. With my job, I can help the world's electronics be faster, safer, and more efficient.

Wrapping up, public service is a very important concept in building our society and I will impact the community by helping improve the electronics and hardware which shape up the world around us. As the world of electronics and hardware grows, the need for more people to design and test new electronics will rise. I will help my community have a brighter future, and push to new heights.



NEW PRAGUE HIGH SCHOOL

ISD 721

Brian Thorstad, Principal
bthorstad@isd721.org

Tom Wetschka, Assistant Principal
twetschka@isd721.org

Julie Meier, Assistant Principal
jmeier@isd721.org

221 12th St. N.E.
New Prague, MN 56071
phone: 952-758-1200; fax: 952-758-1299
www.npaschools.org

To the Scholarship Selection Committee,

It is my distinct pleasure to recommend Cole Rezac for your scholarship. I first met Cole two years ago when he was a student in my Algebra 2 class, and even then, his academic potential was strikingly evident. While he excelled in the standard curriculum, what truly set him apart was his genuine thirst for deeper knowledge. Cole frequently sought me out before and after school to discuss mathematical concepts that reached far beyond the scope of our Algebra 2 coursework. His ability to grasp complex, abstract ideas and apply them to his interest in computer coding demonstrates a high level of analytical thinking and technical aptitude. Seeing him continue his trajectory into AP Calculus this year comes as no surprise, as he possesses the intellectual rigor and discipline required for the most demanding academic environments.

Beyond his impressive cognitive abilities, Cole is a remarkably personable and engaging individual. In a high school setting, it is rare to find a student who can converse with such maturity and enthusiasm across a variety of topics. Our discussions were often the highlight of my day; his curiosity is infectious, and he carries himself with a kind of authentic charisma that draws others in. He is not just a student who completes assignments, but a thinker who seeks to understand the "why" behind the world around him. Cole's blend of intelligence, social grace, and passion for learning makes him a truly standout candidate, and I recommend him without reservation.

Sincerely,

Dean Dorner
Math Teacher
New Prague High School
New Prague, MN
ddorner@isd721.org