UTILITIES COMMISSION MEETING AGENDA

City of New Prague

Monday, July 27, 2026 at 3:30 PM

Power Plant - 300 East Main St

1. **CALL TO ORDER**

2. **APPROVAL OF AGENDA**

3. **APPROVAL OF MINUTES**
   a. June 22, 2026 Utilities Meeting Minutes

4. **2026A BOND SALE UPDATE/REPORT**
   a. Sale Day Report

5. **UTILITY AND SMMPA BILLS**
   a. Approval of accounts payable in the amount of **$1,404,592.93** and the SMMPA billing of **$541,025.77**.

6. **FINANCIAL REPORTS**
   a. Investment Report
   b. Financial Report
   c. Water and Kilowatt Hours Sales

7. **SMMPA BOARD OF DIRECTORS MEETING**
   a. June 10, 2026

8. **GENERAL MANAGER'S REPORT**

9. **OTHER BUSINESS**

10. **ADJOURNMENT**

NEXT COMMISSION MEETING – Monday, August 31, 2026

UTILITIES COMMISSION MEETING MINUTES

City of New Prague

Monday, June 22, 2026 at 3:30 PM

Power Plant - 300 East Main St

---

1. CALL TO ORDER

The meeting was called to order by Commission President Dan Bishop on Monday, June 22nd, 2026, at 3:30 p.m.
Commissioners Present: Dan Bishop, Tom Ewert, Charles Nickolay, Paul Busch and Bruce Wolf
Staff Present: General Manager Bruce Reimers, Finance Director Robin Pikal and EOS Ken Zweber

2. APPROVAL OF AGENDA

Motion made by Commissioner Nickolay and seconded by Commissioner Busch to approve the agenda as presented.
Motion carried (5-0)

3. APPROVAL OF MINUTES

a. May 26, 2026 Utilities Meeting Minutes

Motion made by Commissioner Busch, seconded by Commissioner Wolf to approve the May meeting minutes as presented.
Motion carried (5-0)

4. UTILITY AND SMMPA BILLS

a. Approval of accounts payable in the amount of **$672,180.33** and the SMMPA billing of **$445,005.41**.

Motion made by Commissioner Ewert, seconded by Commissioner Nickolay, 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 Nickolay, seconded by Commissioner Busch, to approve the financial reports as presented.
Motion carried (5-0)

6. SMMPA BOARD OF DIRECTORS MEETING

a. May 14, 2026

GM Reimers informed the Commission on the following:
-Board reviewed the short-term forecast
-The Board discussed future power sales contracts for members possibly extending to 2065

7. HIRING FOR OPEN LINEMAN POSITION

GM Reimers informed the Commission that Logan Olson had turned in his resignation and that there was also another pending retirement on the 1st of the year. Reimers stated that he would like to hire at least one lineman, possibly two, if there are applicants that meet the qualifications.
A motion was made by Commissioner Wolf and seconded by Commissioner Nickolay to hire two line-workers.
Motion carried (5-0)

8. GENERAL MANAGER'S REPORT

GM Reimers informed the Commission on the following:
-Filter Plant #3 is up and running with good flow results
-WES construction is on schedule with wall panels to be erected the week of June 29th.
-Electric crews are working on installing underground services along 1st Ave SE

9. OTHER BUSINESS

None

10. ADJOURNMENT

Motion made by Commissioner Nickolay, seconded by Commissioner Busch, to adjourn the June Commission meeting at 4:04 p.m.
Motion carried (5-0)

Respectfully Submitted,

____
Bruce Reimers
General Manager

July 15, 2026

SALE DAY REPORT FOR:

City of New Prague, Minnesota

$16,315,000 Electric Revenue Bonds, Series 2026A

EHLERS
PUBLIC FINANCE ADVISORS

Prepared by:

Ehlers
3001 Broadway Street, Suite 320
Minneapolis, MN 55413

Rebecca Kurtz,
Senior Municipal Advisor

Keith Dahl,
Senior Municipal Advisor

Nick Anhut,
Senior Municipal Advisor

BUILDING COMMUNITIES. IT'S WHAT WE DO.

Competitive Sale Results

PURPOSE: To provide funds for the public purpose of financing the Public Utility Commission's construction of a new generation facility that will serve the City and supply additional power for SMMP.

RATING: S&P Global Ratings "A" / Stable

NUMBER OF BIDS: 5

LOW BIDDER: Piper Sandler & Co., Minneapolis, Minnesota

COMPARISON FROM LOWEST TO HIGHEST BID:
(TIC as bid)

LOW BID:* 4.1593%

HIGH BID: 4.3438%

Summary of Sale Results:	
Principal Amount*:	$16,315,000
Underwriter’s Discount:	$175,515
Reoffering Premium:	$551,336
True Interest Cost:	4.1657%
Costs of Issuance:	$145,740
Yield:	2.720%-4.50%
Total Net P&I	$24,503,169

NOTES: Zions Bancorporation, National Association, Chicago, Illinois will serve as Paying Agent on the Bonds.

The Bonds maturing December 1, 2036 and thereafter are callable December 1, 2035 or any date thereafter.

* Subsequent to bid opening, the issue size was decreased to $16,315,000 from $16,955,000.

CLOSING DATE:	August 6, 2026
DESIGNATED OFFICIAL ACTION:	Award the sale of $16,315,000 Electric Revenue Bonds, Series 2026A. Adopt a resolution awarding the sale of $16,315,000 Electric Revenue Bonds, Series 2026A.

SUPPLEMENTARY ATTACHMENTS

- Bid Tabulation
- Sources and Uses of Funds
- Updated Debt Service Schedules
- Rating Report

BID TABULATION

$16,955,000* Electric Revenue Bonds, Series 2026A

City of New Prague, Minnesota

SALE: July 15, 2026

AWARD: PIPER SANDLER & CO.

Rating: S&P Global Ratings "A" / Stable

Tax Exempt - Non-Bank Qualified

NAME OF INSTITUTION	MATURITY (December 1)	COUPON RATE	REOFFERING YIELD	PRICE	TRUE INTEREST RATE
PIPER SANDLER & CO.				$17,363,731.95	4.1593%
Minneapolis, Minnesota	2028	5.000%	2.720%		
	2029	5.000%	2.820%		
	2030	5.000%	2.900%		
	2031	5.000%	3.000%		
	2032	5.000%	3.100%		
	2033	5.000%	3.190%		
	2034	5.000%	3.340%		
	2035	5.000%	3.430%		
	2036	5.000%	3.510%		
	2037	5.000%	3.600%		
	2038	5.000%	3.670%		
	2039	5.000%	3.750%		
	2040	4.000%	4.000%		
	2041	4.000%	4.050%		
	2042	4.000%	4.100%		
	2043	4.000%	4.150%		
	2044	4.125%	4.250%		
	2045	4.125%	4.300%		
	2046	4.250%	4.450%		
	2047	4.250%	4.500%		
BAIRD					4.1741%
Milwaukee, Wisconsin					

* Subsequent to bid opening the issue size was decreased to $16,315,000.
Adjusted Price: $16,690,820.46 Adjusted Net Interest Cost: $9,653,248.55 Adjusted TIC: 4.1657%

NAME OF INSTITUTION	RATE
KEYBANC CAPITAL MARKETS INCORPORATED Cleveland, Ohio	4.2460%
HILLTOPSECURITIES Dallas, Texas	4.2572%
R. SEELAUS & COMPANY, INC. Summit, New Jersey	4.3438%

City of New Prague, Minnesota

$16,315,000 Electric Revenue Bonds, Series 2026A

Sources & Uses

Dated 08/06/2026 | Delivered 08/06/2026

Sources Of Funds

Par Amount of Bonds	$16,315,000.00
Reoffering Premium	551,335.65
Total Sources	**$16,866,335.65**

Uses Of Funds

Total Underwriter's Discount (1.076%)	175,515.19
Costs of Issuance	145,740.00
Deposit to Debt Service Reserve Fund (DSRF)	1,544,603.39
Deposit to Project Construction Fund	15,000,477.07
Total Uses	**$16,866,335.65**

City of New Prague, Minnesota

$16,315,000 Electric Revenue Bonds, Series 2026A

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
08/06/2026	-	-	-	-	-
06/01/2027	-	-	603,515.71	603,515.71	-
12/01/2027	-	-	368,246.88	368,246.88	971,762.59
06/01/2028	-	-	368,246.88	368,246.88	-
12/01/2028	455,000.00	5.000%	368,246.88	823,246.88	1,191,493.76
06/01/2029	-	-	356,871.88	356,871.88	-
12/01/2029	475,000.00	5.000%	356,871.88	831,871.88	1,188,743.76
06/01/2030	-	-	344,996.88	344,996.88	-
12/01/2030	500,000.00	5.000%	344,996.88	844,996.88	1,189,993.76
06/01/2031	-	-	332,496.88	332,496.88	-
12/01/2031	525,000.00	5.000%	332,496.88	857,496.88	1,189,993.76
06/01/2032	-	-	319,371.88	319,371.88	-
12/01/2032	555,000.00	5.000%	319,371.88	874,371.88	1,193,743.76
06/01/2033	-	-	305,496.88	305,496.88	-
12/01/2033	580,000.00	5.000%	305,496.88	885,496.88	1,190,993.76
06/01/2034	-	-	290,996.88	290,996.88	-
12/01/2034	610,000.00	5.000%	290,996.88	900,996.88	1,191,993.76
06/01/2035	-	-	275,746.88	275,746.88	-
12/01/2035	640,000.00	5.000%	275,746.88	915,746.88	1,191,493.76
06/01/2036	-	-	259,746.88	259,746.88	-
12/01/2036	670,000.00	5.000%	259,746.88	929,746.88	1,189,493.76
06/01/2037	-	-	242,996.88	242,996.88	-
12/01/2037	705,000.00	5.000%	242,996.88	947,996.88	1,190,993.76
06/01/2038	-	-	225,371.88	225,371.88	-
12/01/2038	740,000.00	5.000%	225,371.88	965,371.88	1,190,743.76
06/01/2039	-	-	206,871.88	206,871.88	-
12/01/2039	775,000.00	5.000%	206,871.88	981,871.88	1,188,743.76
06/01/2040	-	-	187,496.88	187,496.88	-
12/01/2040	815,000.00	4.000%	187,496.88	1,002,496.88	1,189,993.76
06/01/2041	-	-	171,196.88	171,196.88	-
12/01/2041	850,000.00	4.000%	171,196.88	1,021,196.88	1,192,393.76
06/01/2042	-	-	154,196.88	154,196.88	-
12/01/2042	885,000.00	4.000%	154,196.88	1,039,196.88	1,193,393.76
06/01/2043	-	-	136,496.88	136,496.88	-
12/01/2043	920,000.00	4.000%	136,496.88	1,056,496.88	1,192,993.76
06/01/2044	-	-	118,096.88	118,096.88	-
12/01/2044	955,000.00	4.125%	118,096.88	1,073,096.88	1,191,193.76
06/01/2045	-	-	98,400.00	98,400.00	-
12/01/2045	1,000,000.00	4.125%	98,400.00	1,098,400.00	1,196,800.00
06/01/2046	-	-	77,775.00	77,775.00	-
12/01/2046	1,035,000.00	4.250%	77,775.00	1,112,775.00	1,190,550.00
06/01/2047	-	-	55,781.25	55,781.25	-
12/01/2047	2,625,000.00	4.250%	55,781.25	2,680,781.25	2,736,562.50
Total	**$16,315,000.00**	-	**$10,029,069.01**	**$26,344,069.01**	-

Yield Statistics

Bond Year Dollars	$229,586.74
Average Life	14.072 Years
Average Coupon	4.3683138%
Net Interest Cost (NIC)	4.2046194%
True Interest Cost (TIC)	4.1657887%
Bond Yield for Arbitrage Purposes	4.0349244%
All Inclusive Cost (AIC)	4.2663796%

IRS Form 8038

Net Interest Cost	4.0791097%
Weighted Average Maturity	13.776 Years

City of New Prague, Minnesota

$16,315,000 Electric Revenue Bonds, Series 2026A

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Trustee Fee	DSR	Net New D/S	Fiscal Total
08/06/2026	-	-	-	-	-	-	-	-
12/01/2026	-	-	-	-	1,500.00	(4,929.71)	(3,429.71)	(3,429.71)
06/01/2027	-	-	603,515.71	603,515.71	-	(7,723.02)	595,792.69	-
12/01/2027	-	-	368,246.88	368,246.88	1,500.00	(7,723.02)	362,023.86	957,816.55
06/01/2028	-	-	368,246.88	368,246.88	-	(7,723.02)	360,523.86	-
12/01/2028	455,000.00	5.000%	368,246.88	823,246.88	1,500.00	(7,723.02)	817,023.86	1,177,547.72
06/01/2029	-	-	356,871.88	356,871.88	-	(7,723.02)	349,148.86	-
12/01/2029	475,000.00	5.000%	356,871.88	831,871.88	1,500.00	(7,723.02)	825,648.86	1,174,797.72
06/01/2030	-	-	344,996.88	344,996.88	-	(7,723.02)	337,273.86	-
12/01/2030	500,000.00	5.000%	344,996.88	844,996.88	1,500.00	(7,723.02)	838,773.86	1,176,047.72
06/01/2031	-	-	332,496.88	332,496.88	-	(7,723.02)	324,773.86	-
12/01/2031	525,000.00	5.000%	332,496.88	857,496.88	1,500.00	(7,723.02)	851,273.86	1,176,047.72
06/01/2032	-	-	319,371.88	319,371.88	-	(7,723.02)	311,648.86	-
12/01/2032	555,000.00	5.000%	319,371.88	874,371.88	1,500.00	(7,723.02)	868,148.86	1,179,797.72
06/01/2033	-	-	305,496.88	305,496.88	-	(7,723.02)	297,773.86	-
12/01/2033	580,000.00	5.000%	305,496.88	885,496.88	1,500.00	(7,723.02)	879,273.86	1,177,047.72
06/01/2034	-	-	290,996.88	290,996.88	-	(7,723.02)	283,273.86	-
12/01/2034	610,000.00	5.000%	290,996.88	900,996.88	1,500.00	(7,723.02)	894,773.86	1,178,047.72
06/01/2035	-	-	275,746.88	275,746.88	-	(7,723.02)	268,023.86	-
12/01/2035	640,000.00	5.000%	275,746.88	915,746.88	1,500.00	(7,723.02)	909,523.86	1,177,547.72
06/01/2036	-	-	259,746.88	259,746.88	-	(7,723.02)	252,023.86	-
12/01/2036	670,000.00	5.000%	259,746.88	929,746.88	1,500.00	(7,723.02)	923,523.86	1,175,547.72
06/01/2037	-	-	242,996.88	242,996.88	-	(7,723.02)	235,273.86	-
12/01/2037	705,000.00	5.000%	242,996.88	947,996.88	1,500.00	(7,723.02)	941,773.86	1,177,047.72
06/01/2038	-	-	225,371.88	225,371.88	-	(7,723.02)	217,648.86	-
12/01/2038	740,000.00	5.000%	225,371.88	965,371.88	1,500.00	(7,723.02)	959,148.86	1,176,797.72
06/01/2039	-	-	206,871.88	206,871.88	-	(7,723.02)	199,148.86	-
12/01/2039	775,000.00	5.000%	206,871.88	981,871.88	1,500.00	(7,723.02)	975,648.86	1,174,797.72
06/01/2040	-	-	187,496.88	187,496.88	-	(7,723.02)	179,773.86	-
12/01/2040	815,000.00	4.000%	187,496.88	1,002,496.88	1,500.00	(7,723.02)	996,273.86	1,176,047.72
06/01/2041	-	-	171,196.88	171,196.88	-	(7,723.02)	163,473.86	-
12/01/2041	850,000.00	4.000%	171,196.88	1,021,196.88	1,500.00	(7,723.02)	1,014,973.86	1,178,447.72
06/01/2042	-	-	154,196.88	154,196.88	-	(7,723.02)	146,473.86	-
12/01/2042	885,000.00	4.000%	154,196.88	1,039,196.88	1,500.00	(7,723.02)	1,032,973.86	1,179,447.72
06/01/2043	-	-	136,496.88	136,496.88	-	(7,723.02)	128,773.86	-
12/01/2043	920,000.00	4.000%	136,496.88	1,056,496.88	1,500.00	(7,723.02)	1,050,273.86	1,179,047.72
06/01/2044	-	-	118,096.88	118,096.88	-	(7,723.02)	110,373.86	-
12/01/2044	955,000.00	4.125%	118,096.88	1,073,096.88	1,500.00	(7,723.02)	1,066,873.86	1,177,247.72
06/01/2045	-	-	98,400.00	98,400.00	-	(7,723.02)	90,676.98	-
12/01/2045	1,000,000.00	4.125%	98,400.00	1,098,400.00	1,500.00	(7,723.02)	1,092,176.98	1,182,853.96
06/01/2046	-	-	77,775.00	77,775.00	-	(7,723.02)	70,051.98	-
12/01/2046	1,035,000.00	4.250%	77,775.00	1,112,775.00	1,500.00	(7,723.02)	1,106,551.98	1,176,603.96
06/01/2047	-	-	55,781.25	55,781.25	-	(7,723.02)	48,058.23	-
12/01/2047	2,625,000.00	4.250%	55,781.25	2,680,781.25	1,500.00	(1,552,326.41)	1,129,954.84	1,178,013.07
Total	**$16,315,000.00**	**-**	**$10,029,069.01**	**$26,344,069.01**	**$33,000.00**	**(1,873,899.94)**	**$24,503,169.07**	**-**

Significant Dates

Dated	8/06/2026
First available call date	12/01/2035

Research Update:

New Prague, MN Series 2026A Electric Revenue Bonds Assigned 'A' Rating; Outlook Stable

July 9, 2026

Primary Contact

Valentina Protasenko
Chicago
1-3122337085
valentina.protasenko
@spglobal.com

Secondary Contact

Timothy P Meernik
Englewood
+ 1 (303) 721 4786
timothy.meernik
@spglobal.com

Overview

- S&P Global Ratings assigned its ‘A’ long-term rating to **New Prague** (New Prague or the utility), Minnesota’s $16.955 million series 2026A electric revenue bonds.
- The outlook is stable.

Rationale

Security

Net revenues of New Prague’s electric utility are pledged to the repayment of the bonds. Bond provisions include a rate covenant to produce net revenues at 150% of maximum annual debt service and an additional bonds test of 125%. The electric utility did not have any debt outstanding as of fiscal year-end 2025. No additional electric revenue debt is planned.

The bonds are issued for the buildout of an approximately 12 megawatt (MW) diesel peaking station, slated for commercial operation in early 2028. The capacity and energy will be made available exclusively to New Prague’s wholesale energy provider, Southern Minnesota Municipal Power Agency (SMMPA). under a separate contract that extends through the life of the bonds with opportunity for additional extension. Under the agreement, SMMPA’s annual capacity and energy repayments to New Prague closely follow the annual debt service of the bonds.

Credit highlights

The rating reflects our opinion of management practices that we believe are credit supportive and will contribute to robust coverage throughout the repayment of the debt service. The utility produces annual budgets and reviews budget to actual results monthly, which assists in mitigating sudden unbudgeted expenses. Additionally, the utility produces five-year rate studies and long-range capital plans that assist in long-term financial continuity.

While New Prague will be the owner of the diesel peaker and bear the cost of standard system maintenance, SMMPA will pay capacity and energy charges in step with the debt service schedule. New Prague is exposed to stranded asset risk, considering that SMMPA is not obligated to make capacity payments until the plant is operational and receives its capacity accreditation. If capacity is materially diminished or unavailable for prolonged periods of time, SMMPA can compel an adjustment to lower its payment obligations to New Prague. Despite the potential for lower revenue from SMMPA, our calculations show that New Prague could fully cover debt service with native revenues if SMMPA's contracted payments are decreased or eliminated. Our opinion of execution and stranded asset risk is alleviated somewhat by New Prague maintaining several insurance policies for the build, which it will maintain once the plant is operational. Most critical equipment has already been secured under vendor contracts, somewhat alleviating the risk of cost overruns.

While New Prague has not provided a financial forecast for the repayment of the bonds, our internal calculations--which conservatively assume no revenue growth from audited 2025--show our fixed charge coverage (FCC), which treats some fixed charges as debt-like, should remain well above 1.5x through 2030. This is further supported by the bond covenant requirement to produce debt service coverage above 1.5x, which we consider robust.

Because of the high unpredictability of federal policy--along with the economy's stressors and the associated financial pressures consumers are facing--we are monitoring the strength and stability of utilities' revenue streams for evidence of delinquent payments or other revenue erosion. (See "Economic Outlook U.S. Q3 2026: Resilient to Layered Supply Shocks," June 24, 2026.)

The rating further reflects our view of the utility's:

- Modestly growing yet relatively small customer base (approximately 2% annual demand growth) with robust median household incomes that were 124% of the national average in 2024;
- Delinquencies are manageable at 4% of accounts, and annual bad debt expense is negligible, indicating the customer base is able to pay bills;
- Almost all the power lines are underground, mitigating physical environmental risk of asset damage or prolonged outages due to storms or winter conditions; and
- Full requirements contract with SMMPA through 2050 that alleviates the need for New Prague to procure energy directly.

Partially offsetting the above strengths, in our view, are the following factors:

- We consider weighted rates elevated at 118% of that of the state. This might challenge the utility's ability to pass large rate increases. Historically, the utility has maintained robust FCC with minimal rate increases of 2% annually.
- The utility lacks financial forecasts that could better inform anticipated coverage and lacks established liquidity targets.
- There is no codified liquidity target, but management does not anticipate major cash draws to current liquidity.
- SMMPA is in the midst of a power portfolio transition in anticipation of the retirement of its largest baseload energy asset and coinciding exit of SMMPA's largest member in 2030. These changes could cause SMMPA to make large rate increases that New Prague could be challenged in passing on to its customer base.

Outlook

The stable outlook reflects our opinion that New Prague will continue to raise rates as needed to produce healthy FCC and that SMMPA will continue to make capacity payments once the generating unit is operational.

Downside scenario

We could lower the rating if certain contract conditions allow SMMPA to pay less than anticipated capacity and energy charges, resulting in consistently weaker FCC.

Upside scenario

Given the elevated construction risk that the electric utility is exposed to through the buildout of the project, we are unlikely to consider a rating upgrade until the project is fully commercial. The limited size of the service economy and SMMPA's anticipated decarbonization efforts could pressure financial metrics.

New Prague Electric Utility, Minnesota--key credit metrics

	--Fiscal year ended Dec. 31--		
	2025	2024	2023
Operational metrics			
Electric customer accounts	3,766	3,726	3,757
% of electric retail revenues from residential customers	N.A.	N.A.	N.A.
Top 10 electric customers' revenues as % of total electric operating revenue	30	N.A.	N.A.
Service area median household effective buying income as % of U.S.	N.A.	124	127
Weighted average retail electric rate as % of state	N.A.	118	N.A.
Financial metrics			
Gross revenues ($000s)	11,223	10,890	10,369
Total operating expenses less depreciation and amortization ($000s)	8,974	8,968	8,706
Debt service ($000s)	3	9	5
Debt service coverage (x)	749.7	213.6	332.6
Fixed-charge coverage (x)	2.1	2.0	1.8
Total available liquidity ($000s)*	5,350	4,930	3,611
Days' liquidity	217	200	151
Total on-balance-sheet debt ($000s)	0	0	0
Debt-to-capitalization (%)	0	0	0

*Total available liquidity includes available committed credit line balances, where applicable. Debt service coverage--Revenues minus expenses divided by debt service. Fixed-charge coverage--Sum of revenues minus expenses minus total net transfers out plus capacity payments (or their proxy), divided by the sum of debt service plus capacity payments (or their proxy). N.A.--Not available.

Ratings List	
New Issue Ratings	
US$16,955,000 City of New Prague, Minnesota, Electric Revenue Bonds, Series 2026A, dated: Date of Delivery, due: December 1, 2047	
Long Term Rating	A/Stable
New Rating	
Public Power	
New Prague, MN Retail Electric System Revenues	A/Stable

The ratings appearing below the new issues represent an aggregation of debt issues (ASID) associated with related maturities. The maturities similarly reflect our opinion about the creditworthiness of the U.S. Public Finance obligor's legal pledge for payment of the financial obligation. Nevertheless, these maturities may have different credit ratings than the rating presented next to the ASID depending on whether or not additional legal pledge(s) support the specific maturity's payment obligation, such as credit enhancement, as a result of defeasance, or other factors.

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at https://disclosure.spglobal.com/ratings/en/regulatory/ratings-criteria for further information. A description of each of S&P Global Ratings' rating categories is contained in "S&P Global Ratings Definitions" at https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/sourceId/504352. Complete ratings information is available to RatingsDirect subscribers at www.capitaliq.com. All ratings referenced herein can be found on S&P Global Ratings' public website at www.spglobal.com/ratings.

Vendor / Description	Invoice Amount
AMAZON CAPITAL SERVICES	
1ST AID SUPPLIES	$24.11
DRAIN - PP BATHROOM	$29.99
FUEL CAP - CHAINSAW	$7.99
FUSES	$94.79
HEX BITS	$17.40
OFFICE CHAIR	$179.99
OUTLET BOXES	$23.92
PHONE CASE - ZACH	$24.94
PORTABLE A/C	$341.99
POWER PACK	$432.00
PUMP/MOTOR COUPLER	$35.60
RUBBER SEAL	$31.94
SAFETY GLASSES	$56.11
TOILET PARTS	$23.69
ARVIG ANSWERING SOLUTIONS	
ANSWERING SERVICE	$754.44
ASCENTEK, INC.	
MOBIL DELVAC 1640	$7,365.83
BORDER STATES ELECTRIC SUPPLY	
FUTURE GENERATION - ELECTRICAL PANELS	$8,797.96
WES - CONTROL PANELS - DOWN PAYMENT	$13,075.43
BRUCE REIMERS	
APPA CONFERENCE	$558.80
CENTERPOINT ENERGY	
NATURAL GAS	$5,775.64
CORE & MAIN	
MARKER, HYDRANT (RODON) (LG)	$337.11
WATEROUS OPERATING NUT	$468.25
DANFOSS LLC	
SMMPA PO -1142	$2,851.48
DGR ENGINEERING	
JOB #9 -FUTURE GENERATION	$39,287.45
DUAL AIR INC	
DEHUMIDIFIER - FILTER PLANT #3	$4,124.00
FS3 INC.	
CONDUIT, 3 INNERDUCT (SMOOTH)	$6,000.00
GREYSTONE CONSTRUCTION COMPANY	
FUTURE GEN - JOB #9	$408,535.62
HAIRCHITECTS	
REBATE - CLOTHES WASHER	$50.00
HAROLD K SCHOLZ CO	
FUTURE GEN - JOB #9	$463,944.38
HAWKINS INC	
PURIFICATION PARTS	$438.60
WATER PURIFICATION	$4,701.86
HEITZ, COREY	
COREY - METER SCHOOL	$90.43
INDELCO PLASTICS CORP	
PVS PIPE	$275.80
KURITA AMERICA INC	
CHEMICALS	$4,992.97
MACH LUMBER COMPANY	
FUTURE GENERATION	$37.76
SILICA SAND	$45.31
MAGNEY CONSTRUCTION INC	
FILTER PLANT #3 - REHAB	$249,815.85

Vendor / Description	Invoice Amount
MCMASTER-CARR SUPPLY CO	
ROD - PP BATHROOM	$25.27
MET-CON CONSTRUCTION INC.	
UTILITY BUILDING	$11,296.74
MN DEPT OF HEALTH	
2ND QTR CONNECTION FEES	$11,099.00
MN MUNICIPAL UTILITIES ASSOC	
JT&S TRAINING	$1,068.75
POSTMASTER OF NEW PRAGUE	
JUNE POSTAGE	$1,321.64
RESCO	
ARRESTER, 10KV ELBOW (RESCO)	$2,869.86
RIVER COUNTRY CO-OP	
DIESEL FUEL	$1,121.23
MOTORS FUEL	$2,046.94
RUSSELECTRIC	
FILTER PLANT #3 -CONTROL BOARD	$2,943.58
S&P GLOBAL RATINGS	
2026A GENERATION FACILITY	$26,640.00
SALTCO	
MONTHLY SALT	$328.50
MONTHLY SALT FEE	$232.10
SEH	
FILTER PLANT #3 REHAB	$5,800.00
LSL REPLACEMENTS	$5,336.50
STASNEY ELECTRIC	
RUBBER SEAL	$124.00
SULLIVAN INVESTMENT HOLDINGS	
REBATE - HEAT PUMP	$1,352.12
TIETZ, TUCKER	
METER SCHOOL	$60.45
US BANK EQUIPMENT FINANCE	
COPIER LEASE	$176.42
USA BLUE BOOK	
VALVE	$243.36
UTILITY CONSULTANTS	
SAMPLES	$107.64
VOYAGER FLEET	
MOTORS FUEL	$236.32
WESCO RECEIVABLES CORP.	
POLE, ALUM 24 FEET, VALMONT, GRAY	$16,247.10
ZIEGLER INC.	
BACKHOE - PARTS	$627.70
GENERATOR # 7 - REPAIRS	$6,068.93
ZORO TOOLS	
2 INCH FLANGE GASKET	$17.49
CONTACTORS	$133.19
HAND TORCH	$90.98
PRESSURE GAUGE	$63.57
SAWZALL BLADES	$24.46
Grand Total:	$1,321,353.27

Vendor Name	Net Invoice Amount
ABDO	
OSA REPORTING FORM	$209.76
AMAZON CAPITAL SERVICES	
OFFICE SUPPLIES	$3.99
AMERICAN MAILING MACHINES	
POSTAGE SUPPLIES	$166.57
CASELLE LLC	
SEMI-ANNUAL SUPPORT FEES	$270.73
CEDAR BROOK GARDEN CENTER	
FLOWERS - POWER PLANT	$110.00
COMPUTERSHARE TRUST COMPANY	
2011 BOND INTEREST	$127.54
2014 BOND INTEREST	$600.00
NEW PRAGUE UTILITIES	
ELECTRIC UTILITIES	$1,415.11
SMMPA - NORTH SOFTNER	$261.46
WATER PUMPING - E	$11,169.19
WATER PUMPING - W/S/S	$2,555.32
WATER UTILITIES	$263.04
ROSS NESBIT AGENCIES INC.	
AGENCY FEE	$377.30
US BANK	
2020 BOND PAYMENT	$2,914.24
US BANK CREDIT CARD	
2026 LSL REPLACEMENT	$61.91-
SAFETY VESTS	$214.02
SMMPA MEETING	$38.47
US BANK EQUIPMENT FINANCE	
COPIER LEASE	$516.90
VERIZON WIRELESS	
IPADS	$85.16
TELEPHONE	$480.00
TELEPHONE - GREG SOLHEID	$11.09
ZIONS BANK	
2021A BOND PAYMENT	$19,598.75
2022A BOND INTEREST	$4,925.00
2023A BOND INTEREST	$9,125.00
2024A BOND INTEREST	$17,800.00
Grand Totals:	$73,176.73

Vendor Name	Net Invoice Amount
ACE HARDWARE & PAINT	
SUPPLIES	$86.05
AIRGAS USA LLC	
CYLINDER RENTAL	$22.30
AMAZON CAPITAL SERVICES	
LAPTOP CHARGERS	$28.49
OFFICE SUPPLIES	$13.02
BEVCOMM	
TELEPHONE	$165.91
TELEPHONE/COMMUNICATIONS	$59.95
CASELLE LLC	
SEMI-ANNUAL SUPPORT FEES	$1,919.22
CENTERPOINT ENERGY	
NATURAL GAS	$3.50
COMPUTER TECHNOLOGY SOLUTIONS	
COMPUTER SUPPORT	$2,105.87
OFFICE 365 / FIREWALL	$803.26
FP MAILING SOLUTIONS	
POSTAGE	$2,000.00
GOPHER STATE ONE CALL	
LINE LOCATES	$82.36
GREATAMERICA FINANCIAL SERVICES	
POSTAGE MACHINE LEASE	$104.82
HOLTMEIER CONSTRUCTION INC	
2025 CIP PAY AP#8	$588.00
LAKERS NEW PRAGUE SANITARY	
TRASH - ELECTRIC	$18.16
TRASH - POWER PLANT	$100.04
TRASH - WATER	$18.16
METRO SALES INC	
COPIER LEASE	$49.50
MINNESOTA UI	
UNEMPLOYMENT - FALCK	$577.46
NEON LINK	
CREDIT CARD FEES	$591.10
O'REILLY AUTOMOTIVE INC	
BRAKE PADS	$44.60
TOOLS	$45.84
QUILL CORPORATION	
COPY PAPER	$62.98
VERIZON WIRELESS	
IPADS	$75.16
TELEPHONE	$480.13
TELEPHONE - GREG SOLHEID	$.05
VETERAN SHREDDING	
CONTRACTED SERVICES	$17.00
Grand Total:	$10,062.93

Southern Minnesota Municipal Power Agency

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

Power Sales Invoice #INV2196

6/30/2026

Bill To

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

Due Date: 7/27/2026

BILLING PERIOD	kWh	kW	DATE / TIME
Jun 2026	6,681,973	14,842	Jun 29, 2026, 4:00:00 PM
SOLAR PRODUCTION	0	0	
TOTAL	6,681,973	14,842	
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)	14,842	$9.77	$145,006.34	$145,006.34
On Peak Energy Charge (kWh)	3,385,180	$0.05736	$194,173.92	$194,173.92
Off Peak Energy Charge (kWh)	3,296,793	$0.04288	$141,366.48	$141,366.48
Cost Adjustment (kWh)	5,726,830	$0.001749	$10,016.23	$10,016.23
BASE RATE SUBTOTAL				$490,562.97
TRANSMISSION				
Transmission Charge - CP (kW)	14,842	$3.40	$50,462.80	$50,462.80
Transmission Charge - Ratchet (kW)	1	$0.00	$0.00	$0.00
OTHER CHARGES				

Total	$541,025.77

NEW PRAGUE UTILITIES COMMISSION
SMMPA
5/30/2026

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	5,301,398	$ 518,961.92	$ 126,904.48	$ 0.07395	February	5,565,759	$ 462,430.97	$ 281.89	$ 0.08303
March	5,491,488	$ 426,839.63	$ 26,989.42	$ 0.07281	March	5,394,698	$ 452,860.23	$ (7,641.79)	$ 0.08536
April	5,111,435	$ 424,151.53	$ 41,103.79	$ 0.07494	April	5,065,852	$ 483,543.35	$ 38,620.64	$ 0.08783
May	5,726,830	$ 445,005.41	$ (22,066.06)	$ 0.08156	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	27,976,375	$ 2,355,209.47	$ 216,985.44	$ 0.07643	Total	72,880,975	$ 6,244,431.69	$ 119,236.46	$ 0.08404

NEW PRAGUE UTILITIES COMMISSION			
INVESTMENT SUMMARY			
5/31/2026			
First Bank and Trust / 4M			
Checking - Cash Balance			
Electric			$ 3,804,894.18
Water			$ 460,410.04
Subtotal			$ 4,265,304.22
Money Market			$ 3,282,666.73
4M Fund			
F.I.S.T. (Market Value per 4M Fund Report)			$3,534,302.93
Electric *(74% of account)*	$ 2,615,384.17		
Water *(26% of account)*	$ 918,918.76		
Total			**$ 11,082,273.88**
Historical F.I.S.T.			
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		

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

`

WATER FUND

41.67% of year completed

REVENUES	**2025 Thru 5/31/2025**	**Current Month**	**Actual Thru 5/31/2026**	**2025/2026 Variance YTD**	**2026 Fiscal Budget**	**% Received or Expended Based on Actual Budget**
Unbilled Accounts Receivable	(48,083.79)	(39,387.10)	$ (44,120.97)	3,962.82	-	0.00%
Residential	(523,107.95)	(124,631.62)	$ (590,820.86)	(67,712.91)	(1,584,718.00)	37.28%
Commercial	(151,604.28)	(37,617.91)	$ (163,201.58)	(11,597.30)	(584,646.00)	27.91%
Water Hook-up Fees	(78,447.00)	(540.00)	$ (8,093.60)	70,353.40	(25,000.00)	32.37%
Interest Income	(21,400.18)	(2,136.78)	$ (16,919.88)	4,480.30	(45,000.00)	37.60%
Other Income	(27,412.91)	(1,259.14)	$ (10,689.25)	16,723.66	(35,500.00)	30.11%
TOTAL REVENUES	$ (850,056.11)	$ (205,572.55)	$ (833,846.14)	$ 16,209.97	$ (2,274,864.00)	36.65%
EXPENSES						
Power Used	46,049.60	11,789.56	64,377.15	18,327.55	117,500.00	54.79%
Purification	22,294.47	7,177.32	17,479.84	(4,814.63)	58,000.00	30.14%
Distribution	7,018.10	3,142.75	7,153.24	135.14	65,000.00	11.00%
Depreciation	227,900.01	42,368.13	213,406.22	(14,493.79)	530,003.00	40.27%
Debt & Other Interest	76,549.97	82.53	79,747.64	3,197.67	131,863.00	60.48%
Salary & Benefits	293,083.36	46,567.36	271,534.32	(21,549.04)	687,259.00	39.51%
Admin & General	$ 69,245.56	$ 11,447.03	$ 74,904.53	$ 5,658.97	$ 177,290.00	42.25%
TOTAL EXPENSES	$ 742,141.07	$ 122,574.68	$ 728,602.94	$ (13,538.13)	$ 1,766,915.00	41.24%
EXCESS REVENUES OVER EXPENSES	$ (107,915.04)	$ (82,997.87)	$ (105,243.20)	$ 2,671.84	$ (507,949.00)	

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

.

ELECTRIC FUND

41.67% of year completed

REVENUES	2025 Thru 5/31/2025	Current Month	Actual Thru 5/31/2026	2025/2026 Variance YTD	2026 Fiscal Budget	% Received or Expended Based on Actual Budget
Unbilled Accounts Receivable	$ (21,718.74)	$ (60,631.43)	$ 90,628.47	$ 112,347.21	$ -	0.00%
Residential Revenue	$ (1,662,237.57)	$ (307,428.90)	$ (1,813,480.58)	$ (151,243.01)	$ (4,269,950.00)	42.47%
Commercial	$ (307,038.34)	$ (66,986.17)	$ (383,552.75)	$ (76,514.41)	$ (725,602.00)	52.86%
Small Industrial	$ (774,563.41)	$ (172,641.57)	$ (909,603.53)	$ (135,040.12)	$ (1,898,268.00)	47.92%
Industrial	$ (977,403.94)	$ (201,047.57)	$ (1,009,076.57)	$ (31,672.63)	$ (2,473,410.00)	40.80%
Streetlights	$ (27,226.69)	$ (4,584.93)	$ (29,686.22)	$ (2,459.53)	$ (57,814.00)	51.35%
Other Departments	$ (26,984.38)	$ (441.00)	$ (2,196.28)	$ 24,788.10	$ (61,199.00)	3.59%
SMMPA LOR Reimbursement	$ (82,530.51)	$ (14,026.85)	$ (80,402.95)	$ 2,127.56	$ (212,185.00)	37.89%
SMMPA O&M Revenue	$ (394,056.73)	$ (47,443.84)	$ (529,418.56)	$ (135,361.83)	$ (717,500.00)	73.79%
Reimbursement - SMMPA Rebates	$ (12,358.07)	$ (331.00)	$ (1,705.91)	$ 10,652.16	$ -	0.00%
Interest Income	$ (27,192.91)	$ (2,262.12)	$ (19,254.72)	$ 7,938.19	$ (75,000.00)	25.67%
Other Income	$ (62,718.18)	$ (4,833.25)	$ (120,596.82)	$ (57,878.64)	$ (200,500.00)	60.15%
TOTAL REVENUES	$ (4,376,029.47)	$ (882,658.63)	$ (4,808,346.42)	$ (432,316.95)	$ (10,691,428.00)	44.97%
EXPENSES						
Production	$ 21,677.18	$ 651.52	$ 2,851.65	$ (18,825.53)	$ 46,500.00	6.13%
Purchased Power	$ 2,413,367.81	$ 445,005.41	$ 2,355,209.47	$ (58,158.34)	$ 5,638,135.00	41.77%
SMMPA O&M Expenses	$ 193,054.20	$ 3,906.88	$ 278,006.64	$ 84,952.44	$ 360,000.00	77.22%
Distribution/Transmission	$ 64,480.67	$ 6,750.68	$ 62,394.94	$ (2,085.73)	$ 153,000.00	40.78%
Energy Conservation - Rebates	$ 14,983.50	$ -	$ 2,601.96	$ (12,381.54)	$ 13,000.00	20.02%
Depreciation	$ 314,088.06	$ 61,644.78	$ 310,002.84	$ (4,085.22)	$ 741,656.00	41.80%
Salary & Benefits	$ 639,830.74	$ 112,633.27	$ 692,888.82	$ 53,058.08	$ 1,936,420.00	35.78%
MVEC LOR Payment	$ 165,060.98	$ 28,053.69	$ 160,805.86	$ (4,255.12)	$ 424,370.00	37.89%
Admin & General	$ 152,374.06	$ 39,540.04	$ 171,729.20	$ 19,355.14	$ 319,500.00	53.75%
Payment in Lieu of Taxes	$ 16,666.69	$ 3,333.33	$ 16,666.65	$ (0.04)	$ 40,000.00	41.67%
TOTAL EXPENSES	$ 3,995,583.89	$ 701,519.60	$ 4,053,158.03	$ 57,574.14	$ 9,672,581.00	41.90%
EXCESS REVENUES OVER EXPENSES	$ (380,445.58)	$ (181,139.03)	$ (755,188.39)	$ (374,742.81)	$ (1,018,847.00)	

Note: "Other Income" includes metal recycling and SMMPA Capital Credit

AGENDA ITEM: 5C

NEW PRAGUE UTILITIES COMMISSION
WATER PUMPED-SOLD-USED
2026

YR/MO	2026	2026 YTD	2025	2025 YTD
JANUARY	**12/7/25-1/8/2026**		**12/8/24-1/8/2025**	
GAL PUMPED	17,475	17,475		
GAL SOLD	15,347	15,347	15,702	15,702
OUTSIDE SALES	161	161		
GAL(LOSS)/GAIN	(1,967)	(1,967)		
PERCENTAGE	11.3%	11.3%	7.3%	7.3%
FEBRUARY	**1/8/2026-2/7/2026**		**1/8/2025-2/7/2025**	
GAL PUMPED	17,015	34,490		
GAL SOLD	14,776	30,124	14,773	30,475
OUTSIDE SALES	0.50	161		
GAL(LOSS)/GAIN	(2,238)	(4,206)		
PERCENTAGE	13.2%	12.2%	12.6%	9.9%
MARCH	**2/7/2026-3/10/2026**		**2/7/2025-3/8/2025**	
GAL PUMPED	17,015	51,506		
GAL SOLD	14,408	44,532	15,197	45,672
OUTSIDE SALES	0	161		
GAL(LOSS)/GAIN	(2,607)	(6,813)		
PERCENTAGE	15.3%	13.2%	10.9%	10.3%
APRIL	**3/10/2026-4/9/2026**		**3/8/2025-4/9/2025**	
GAL PUMPED	16228	67,734		
GAL SOLD	14110	58,642	14,108	59,780
OUTSIDE SALES	0	161		
GAL(LOSS)/GAIN	(2,118)	(8,931)		
PERCENTAGE	13.0%	13.2%	13.0%	10.9%
MAY	**4/9/2026-5/9/2026**		**4/9/2025-5/9/2025**	
GAL PUMPED	18744	86,478		
GAL SOLD	16507	75,149	16,117	75,897
OUTSIDE SALES	0	161		
GAL(LOSS)/GAIN	(2,237)	(11,167)		
PERCENTAGE	11.9%	12.9%	23.7%	14.0%
JUNE	**5/9/2026-6/9/2026**		**5/9/2025-6/9/2025**	
GAL PUMPED	0	86,478		
GAL SOLD	0	75,149	25,242	101,139
OUTSIDE SALES	0	161		
GAL(LOSS)/GAIN	0	(11,167)		
PERCENTAGE	#DIV/0!	12.9%	9.2%	12.8%

YR/MO	2026	2026 YTD	2025	2025 YTD
JULY	**6/9/2026-7/9/2026**		**6/9/2025-7/9/2025**	
GAL PUMPED	0	86,478		
GAL SOLD	0	75,149	21,686	122,825
OUTSIDE SALES	0	161		
GAL(LOSS)/GAIN	0	(11,167)		
PERCENTAGE	#DIV/0!	12.9%	10.5%	12.4%
AUGUST	**7/9/2026-8/8/2026**		**7/9/2025-8/8/2025**	
GAL PUMPED	0	86,478		
GAL SOLD	0	75,149	21,383	144,208
OUTSIDE SALES	0	161		
GAL(LOSS)/GAIN	0	(11,167)		
PERCENTAGE	#DIV/0!	12.9%	11.6%	12.3%
SEPTEMBER	**8/8/2026-9/8/2026**		**8/8/2025-9/8/2025**	
GAL PUMPED	0	86,478		
GAL SOLD	0	75,149	21,338	165,546
OUTSIDE SALES	0	161		
GAL(LOSS)/GAIN	0	(11,167)		
PERCENTAGE	#DIV/0!	12.9%	17.2%	13.0%
OCTOBER	**9/8/2026-10/8/2026**		**9/9/2025-10/8/2025**	
GAL PUMPED	0	86,478		
GAL SOLD	0	75,149	21,459	187,005
OUTSIDE SALES	0	161		
GAL(LOSS)/GAIN	0	(11,167)		
PERCENTAGE	#DIV/0!	12.9%	17.0%	13.5%
NOVEMBER	**10/8/2026-11/7/2026**		**10/8/2025-11/7/2025**	
GAL PUMPED	0	86,478		
GAL SOLD	0	75,149	15,283	202,288
OUTSIDE SALES	0	161		
GAL(LOSS)/GAIN	0	(11,167)		
PERCENTAGE	#DIV/0!	12.9%	19.1%	13.9%
DECEMBER	**11/7/2026 - 12/8/2026**		**11/7/2025 - 12/8/2025**	
GAL PUMPED	0	86,478		
GAL SOLD	0	75,149	15,167	217,455
OUTSIDE SALES	0	161		
GAL(LOSS)/GAIN	0	(11,167)		
PERCENTAGE	#DIV/0!	12.9%	13.5%	13.9%

NEW PRAGUE UTILITIES COMMISSON						
ELECTRIC SALES KWH						
		ACCUM				ACCUM
MONTH	2026	2026		MONTH	2025	2025
JAN	6,122,425	6,122,425		JAN	5,619,898	5,619,898
FEB	6,261,606	12,384,031		FEB	5,816,788	11,436,686
MAR	5,495,002	17,879,033		MAR	5,721,083	17,157,769
APR	5,207,901	23,086,934		APR	5,016,537	22,174,306
MAY	5,161,985	28,248,919		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	28,248,919			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
June 10, 2026

President Moulton called the meeting to order at 9:00 a.m. at Austin Utilities in Austin, Minnesota.

Mr. Dankert, Austin Utilities General Manager, welcomed the members and guests to Austin, and introduced Kurt Regenscheid, Austin Utilities Substation Technician, and Kory Robinson, Austin Utilities Finance and Customer Care Manager.

Mr. Bakken introduced Ms. Michelle Marotzke, Preston Interim City Administrator, and announced the change of alternate representative for the City of Preston from Ryan Throckmorton to Michelle Marotzke was effective June 9, 2026. (Attachment A.)

<u>Board Members Present:</u>

President Pete Moulton, Saint Peter; Secretary Jim Bakken, Preston; Treasurer Bruce Reimers, New Prague; Tom Dankert, Austin; Christian Fenstermacher, Owatonna; Keith Butcher, Princeton; and Tim McCollough, Rochester.

<u>Others Present:</u>

David P. Geschwind, Executive Director & CEO; Alex Bumgardner, Kurt Regenscheid, Kory Robinson, Ethan Walter, Austin; Jerry Mausbach, Blooming Prairie; Miles Heide, Fairmont; Mike Roth, Grand Marais; Damian Baum, Owatonna; Michelle Marotzke, Preston; Chris Rolli, Spring Valley; Craig Anderson, Wells; Chris Lover, Public Financial Management; Beth Fondell, Naomi Goll, Joe Hoffman, Becca Schmitz, and Jeremy Sutton of the Agency staff.

<u>Others Present Via Conference Call:</u>

Julie Zarling, Fairmont; Joe Kohlgraf, Mora; and Jason Halvorson, Redwood Falls.

<u>#1 Agenda Approval:</u>

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

<u>#2 Consent Agenda:</u>

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

APPROVED the May 14, 2026 board meeting minutes.

APPROVED the Fairmont Energy Station Transformer Cost Share. (Attachment B.)

APPROVED the Fairmont Energy Station Substation. (Attachment C.)

APPROVED the West Industrial Park Substation. (Attachment D.)

#3 Financial Reserves Policy-Fondell/PFM:

Ms. Fondell introduced Mr. Chris Lover, Public Financial Management (PFM), to provide the Financial Reserves Study results. The Financial Reserves Policy (FRP), which is supported by the Financial Reserves Study, calls for a review of the General Operating Reserve (GOR) and Capital Reserve (CR) levels every three years.

Mr. Lover presented the results of the Financial Reserves Study, including a look ahead to projected GOR levels post-2030, after the planned Sherco 3 retirement and Rochester's Power Sales Contract expiration.

Discussion.

Recommendation
PFM's recommendation is to increase the current target general operating reserves level from $51.5 million to $62.1 million (annually adjusted in subsequent years for inflation) and retain the +/- 10% bandwidth.

With post-2030 GOR target levels expected to be lower, the Agency will look into the possibility of reserving some borrowing capacity on the Revolving Credit Agreement in lieu of a portion of the recommended GOR target increase. The updated Financial Reserves Policy will be further discussed at the July board meeting.

#4 Short-Term Forecast-Schmitz:

Ms. Schmitz reported on the short-term forecast.

The forecast and assumptions were reviewed. Results of this forecast were compared to the long-term forecast that was prepared in December 2025 and the prior short-term forecast that was prepared in June 2025. Future year forecasted rate impacts from the recommended higher GOR target level that was discussed during the Financial Reserve Policy presentation were also presented.

Discussion.

Financial Cases
- **Case 1 – Base Case -** 60% renewable in 2030, Wapsi contract extension into 2037, approximately 20% REC purchases each year, 3-year average for congestion factors, and 2-year average for LMP premiums.
- **Case 2 – High PPA Prices -** 50% high PPA prices.
- **Case 3 – No Forward Price Premium -** no estimated premium taken off from the LMP forward prices (translates into higher LMPs).
- **Case 4 – 6-Month Average Congestion** - simulating more recent larger differences between the various pricing nodes.
- **Case 5 – Sherco 3 Unavailable -** starting June 2029 due to retirement.

After a short break, the board reconvened at 10:58 a.m.

#5 Emergency Operations Procedures-Sutton:

Mr. Sutton reported on the emergency operations procedures.

Winter Storm Fern 2026 caused tight grid conditions in MISO due to the extreme cold weather event. As part of the emergency preparedness process, SMMPA conducts weekly calls with member plant operators and reviews plant inspections, fuel inventory, and staffing. SMMPA monitors and communicates to the members the changing of MISO emergency status declarations.

State and federal law provisions were reviewed. Federal Power Act Section 202(c) is the primary mechanism that can provide pre-event federal legal authority in an emergency reliability context.

Discussion.

SMMPA developed a draft emergency guideline for members that own or operate generating plants, and it will be brought back for discussion at the July board meeting.

#6 Power Sales Contract Extension-Geschwind:

Mr. Geschwind reported on the Power Sales Contract extension.

This topic was discussed at the last SMMPA board retreat. The Power Sales Contracts for 16 of the Agency's 17 members expire in 2050 (Rochester's contract expires in 2030). The remaining contract term will soon be a limiting factor in the Agency's ability to finance long-lived infrastructure. The Agency cannot issue debt with maturities extending beyond the term of its member contracts.

In January 2010, the board voted to approve a resolution adopting the contract amendments that changed the end of the power sales contracts from 2030 to 2050 with the extending members.

There was discussion on the potential length of a contract extension between 10 to 20 years. The Agency and the members may want to set aside up to 12 months to allow the members to decide whether to amend the term of the contract and to seek authorization from their governing bodies.

A draft board resolution that would offer to extend the contract from 2050 to 2065 will be discussed at the July board meeting.

Depending on the outcome of discussions at the July board meeting, this topic will be brought back for action at the August board meeting.

#7 Election of Officers-Board of Directors:

President Moulton announced that the SMMPA Board of Directors has two vacancies: Vice

President following Mr. Roger Warehime's unexpected passing, and Secretary following Mr. Bakken's departure.

Mr. McCollough suggested the following slate of officers for the remainder of the 2026 term:

- President, Pete Moulton, Saint Peter;
- Vice President, Bruce Reimers, New Prague;
- Secretary, Keith Butcher, Princeton; and
- Treasurer, Tom Dankert, Austin.

Mr. McCollough moved to approve the slate of officers for the Board of Directors of Southern Minnesota Municipal Power Agency for the remainder of the 2026 term, seconded by Mr. Fenstermacher, passed upon a unanimous vote of the board members present.

Government Affairs/Member Services Report-Hoffman:

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

SES & AES Tax Exemption Bill
The final Minnesota omnibus tax bill was approved by the House and Senate on May 17, 2026; however, the bill contained less than half of the language in the Senate omnibus and did not include SMMPA's Steele Energy Station and Austin Energy Station tax exemption language. SMMPA will try again next year.

APPA eReliability Tracker/Power TRX Update
SMMPA provides each member with a subscription to Power TRX, APPA's reliability tracking system. Litchfield, Owatonna, Princeton, and Saint Peter received recognition for achieving exceptional electric reliability in 2025.

SMMPA Member Portal Update
Members may explore resources and tools and board activities all in one convenient location in the SMMPA Member Portal.

APPA National Conference
Members were reminded of the APPA National Conference in Boston, Massachusetts, June 28 – July 1, 2026.

SMMPA Office Building Maintenance
A new roof top air-source heat pump unit was installed at SMMPA on June 15, 2026.

SMMPA Boardroom
Working with external contractors to remediate water intrusion issues in the SMMPA Boardroom.

CIP/ECO Reports Update
Members were thanked for submitting CIP expenditures for the reporting period. The SMMPA Energy Efficiency Team will submit the Conservation Improvement Program/Energy

Conservation and Optimization Reports to the Minnesota Division of Energy Resources by June 12, 2026.

Cybersecurity BoardSecurity Brief
A threat group is impersonating IT helpdesk staff to lure employees into Microsoft Teams chats. The employee receives an unsolicited Teams call from the bad actors and is directed to install an update or patch. The attackers aim to achieve network compromise, enabling credential theft, lateral movement, and data exfiltration, often through legitimate cloud services to evade detection. IT should limit who can contact employees externally by tightening Teams collaboration settings and train staff to verify unusual IT requests through phone calls.

Operations Report-Sutton:

Mr. Sutton reported:

LRTP-4 Mankato to Mississippi Eminent Domain
This project is part of the Tranche 1 portfolio to improve electric system reliability throughout the region. SMMPA drafted a resolution authorizing and ratifying the use of eminent domain for this transmission project, which will be an action item at the July board meeting.

Sherco Outage Update
The steam-driven boiler feedwater pump experienced vibration and the replacement part was installed. Anticipate Sherco will be back online this afternoon. Hedge purchases covering the period through June 2026 have been executed as recommended by The Energy Authority.

Austin Energy Station
The Austin Energy Station Facility Lease Agreement was executed. The pre-engineering was authorized for the permit activities. The Solar Turbine gas turbine engine package project costs have increased 36-44% since 2025 when SMMPA authorized the gas turbines for the Steele Energy Station. Staff will bring a turbine procurement contract to the July meeting for board consideration.

Financial Report April 2026-Fondell:

Ms. Fondell summarized Agency financial results through April as provided in the board book materials.

Expenditure Listing
Because the old expenditure listing in the board book omitted some transactions, a new expenditure listing version was created that captures all transactions posted during the month.

Cash, Investment and Reserves Summary
The Cash, Investment and Reserves Summary General Reserves Fund had separate accounts for Asset Management Account (used for Sherco 3 capital expenditures) and Equity Construction Account (used for non-Sherco cash-funded capital expenditures). Because the SMMPA Bond Resolution does not reference the two accounts or require them to remain separate, the Equity Construction Account has been merged into the Asset Management Account for accounting and reporting purposes.

Revolving Credit Agreement
The Revolving Credit Agreement draw of $22 million is planned for July 2026 to fund the $11.3 million Steele Energy Station generation equipment, $5.1 million Austin Energy Station generation equipment, $2.2 million Steele Energy Station land purchase, and $3 million for various transmission projects. After the July 1 draw, approximately $59.5 million will be borrowed against the $68 million total commitment amount.

Bond Issuance
The 2027A bond pricing is tentatively scheduled for the second week of January 2027 with closing the end of January 2027. Similar to the 2025A bond transaction, Bank of America will serve as the primary underwriter, with other bank(s) as co-managers.

Cost of Service Study
Dave Berg Consulting will share results of the Cost of Service Study at the August 2026 board meeting.

President's Report:

Mr. Moulton reported:

- SMMPA Staff Recognition: SMMPA staff members recognized were Joe Hoffman for his work with ZEF Energy on the electric vehicle charging station back-payment process; and Jodie Long for coordinating plants and seed packets for the pollinator habit program and the APPA National Conference registration and lodging.

- SMMPA Board Recognition: Appreciation was extended to Mr. Reimers, Mr. Butcher, and Mr. Dankert for being willing to serve as officers on the SMMPA Board.

- Recognition of Mr. Bakken: Mr. Bakken, Preston Public Utilities General Manager, was recognized for his service on the SMMPA Board and was wished well as he accepted a new position and is departing the city.

Executive Director & CEO's Report:

Mr. Geschwind reported:

- New Ulm Request for Proposals: New Ulm Public Utilities issued a Request for Proposals to secure wholesale electric power supply beginning January 1, 2030. SMMPA submitted a proposal on June 5, 2026. New Ulm will evaluate the proposals June through August 2026 and start negotiations with their selected party in late summer 2026.

Member Forum:

None.

Other Business:

There was no other business.

Adjourn:

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

The meeting was adjourned at 12:34 p.m.

____
Secretary