



# UTILITIES COMMISSION MEETING AGENDA

City of New Prague

Monday, October 28, 2024 at 3:30 PM

Power Plant - 300 East Main St

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1. **CALL TO ORDER**
2. **APPROVAL OF AGENDA**
3. **APPROVAL OF MINUTES**
  - a. September 30, 2024, Utilities Meeting Minutes
4. **UTILITY AND SMMPA BILLS**
  - a. Approval of accounts payable in the amount of **\$121,171.61** and the SMMPA billing of **\$546,056.39**.
5. **FINANCIAL REPORTS**
  - a. Investment Report
  - b. Financial Report
  - c. Water and Kilowatt Hours Sales
6. **APPROVAL OF SALE OF SURPLUS INVENTORY**
  - a. Memo to Approve Sale of Surplus Property
7. **APPROVAL OF UTILITY BILLING CLERK POSITION**
  - a. Approval to Advertise and Hire for Utility Billing Clerk Position
8. **2025 WATER & ELECTRIC BUDGET**
  - a. Water
  - b. Electric
9. **REVIEW OF BID TO PROVIDE GENERATING EQUIPMENT**
10. **SMMPA BOARD OF DIRECTORS MEETING**
  - a. September 11, 2024
  - b. October 9, 2024 (Bruce)
11. **GENERAL MANAGER'S REPORT**
12. **OTHER BUSINESS**
13. **ADJOURNMENT**

**NEXT COMMISSION MEETING – Monday, November 25, 2024**

# UTILITIES COMMISSION MEETING AGENDA



## City of New Prague

Monday, September 30, 2024 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 Monday, September 30, 2024, at 3:30 p.m.

Commissioners present: Dan Bishop, Bruce Wolf, Paul Busch, Chuck Nickolay.

Commissioners absent: Tom Ewert

Staff Present: GM Bruce Reimers, EOS Ken Zweber, and Finance Director Robin Pikal.

**2. APPROVAL OF AGENDA**

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

Motion carried (4-0)

**3. APPROVAL OF MINUTES**

a. August 26, 2024, Utilities Meeting Minutes

Motion made by Commissioner Nickolay, seconded by Commissioner Bishop, to approve the September minutes.

Motion carried (4-0)

**4. UTILITY AND SMMPA BILLS**

a. Approval of accounts payable in the amount of **\$333,999.33** and the SMMPA billing of **\$639,976.21**.

Motion made by Commissioner Nickolay, seconded by Commissioner Busch, to approve the SMMPA and Utility bills.

Motion carried (4-0)

**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 (4-0)

**6. REVIEW OF PROPOSED 2025 WATER BUDGET**

a. Proposed 2025 Water Budget

GM Reimers and Finance Director Pikal presented an overview of the 2025 Water Budget and explained some of rate options that could be implemented to generate the required revenue needed to cover bond payments and operating expenses in the 2025 budget. The Commission suggested that both the usage rate and monthly base rates should be adjusted to generate the required revenue to keep the water

department financially stable and to have reserve funds available for future CIP projects.

**7. APPROVAL OF WATER OPERATOR POSITION**

**a. Approval to Advertise and Hire for Water Operator Position**

GM Reimers reviewed the pending retirement of one of the water operator positions and asked the Commission to authorize the advertisement of the opening and to allow management to hire the replacement operator position with an anticipated start date in November of 2024.

Motion made by Commissioner Nickolay, seconded by Commissioner Busch, authorizing the hiring of the water operator position.

Motion carried (4-0)

**8. APPROVAL OF BIDDING DOCUMENTS FOR DIESEL GENERATING EQUIPMENT**

**a. Bidding Documents**

GM Reimers and EOS Ken Zweber presented bidding documents that had been prepared by DGR Engineering. The documents set forth the specifications and set the bidding requirements for engine and generator manufacturers to supply equipment for a proposed 11.3-megawatt power production facility.

Motion made by Commissioner Bishop, seconded by Commissioner Busch, to approve the bid specifications and authorizing DGR engineering and the New Prague Utilities to advertise for public bids. Bids are to be submitted no later than 1:30pm on October 24, 2024.

Motion carried (4-0)

**9. SMMPA BOARD OF DIRECTORS MEETING**

**a. August 14, 2024**

**b. September 11, 2024 (Bruce)**

GM Reimers informed the Commission on the following:

SMMPA staff reviewed information regarding wholesale rate compressions.

Board was informed that there will be a vote on a proposed 75 million bond issuance in November for a new power plant to be located in Owatonna.

**10. GENERAL MANAGER'S REPORT**

GM Reimers informed the commission of the following:

Water system study has been conducted and staff will be reviewing with consultant on 10-8-2024

Informed Commission that Smoke & Fire restaurant had closed and was delinquent on utility payments

Informed Commission that Management was still working on staffing issues with the billing clerk position.

**11. OTHER BUSINESS**

None

**12. ADJOURNMENT**

Motion made by Commissioner Busch, seconded by Commissioner Nickolay, to adjourn the meeting at 5:29 p.m.

Motion carried (4-0)

**NEXT COMMISSION MEETING – Monday, October 28, 2024**

Respectfully Submitted,

\_\_\_\_\_  
Bruce Reimers  
General Manager

Vendor Name	Net Invoice Amount
<b>AMAZON CAPITAL SERVICES</b>	
FIBER - MINI CONVERTOR	\$63.00
LABEL MAKER TAPE	\$8.33
OFFICE SUPPLIES	\$14.84
<b>BEVCOMM</b>	
TELEPHONE	\$161.65
TELEPHONE/COMMUNICATIONS	\$59.95
<b>CENTERPOINT ENERGY</b>	
NATURAL GAS	\$9.26
<b>COMPUTER TECHNOLOGY SOLUTIONS</b>	
COMPUTER SUPPORT	\$1,912.40
OFFICE 365 / FIREWALL	\$442.44
<b>GOPHER STATE ONE CALL</b>	
LINE LOCATES	\$101.92
<b>GRAINGER</b>	
HEATER	\$11.00
<b>GREATAMERICA FINANCIAL SERVICES</b>	
POSTAGE MACHINE LEASE	\$83.39
<b>KENNEDY &amp; GRAVEN CHARTERED</b>	
BOND COUNSEL 2024A	\$1,710.00
<b>LAKERS NEW PRAGUE SANITARY</b>	
TRASH - ELECTRIC	\$17.17
TRASH - POWER PLANT	\$86.69
TRASH - WATER	\$17.17
TRASH-SMMPA PO 781	\$2,810.00
<b>LE SUEUR COUNTY RECORDER</b>	
RECORDING FEE - UTILITY ASMNT	\$34.01
<b>METRO SALES INC</b>	
COPIER LEASE	\$49.50
<b>NEON LINK</b>	
ONLINE PAYMENT FEES	\$559.70
<b>NEW PRAGUE UTILITIES</b>	
ELECTRIC UTILITIES	\$945.64
WATER UTILITIES	\$50.87
<b>RIVER COUNTRY COOP</b>	
DIESEL #8	\$613.46
<b>ROBERT HALF</b>	
TEMP UTILITY BILLING EMPLOYEE	\$11,725.75
<b>ROSS NESBIT AGENCIES INC.</b>	
AGENCY FEE	\$372.60
<b>SCOTT COUNTY RECORDER</b>	
RECORDING FEE - UTILITY ASSESSMENTS	\$34.01
<b>STAR GROUP LLC.</b>	
BATTERY - JEFF'S TRUCK	\$67.02
<b>US BANK CREDIT CARD</b>	
DOOR STRIKER	\$283.00
MMUA SUMMER CONFERENCE	\$444.21
MVEC MEETING	\$43.39
OIL SAMPLES	\$16.23
SAMPLES	\$16.11
<b>US BANK EQUIPMENT FINANCE</b>	
COPIER LEASE	\$664.90
<b>VERIZON WIRELESS</b>	
IPADS	\$55.10
TELEPHONE	\$506.57
<b>VETERAN SHREDDING</b>	
CONTRACTED SERVICES	\$17.00
Grand Totals	\$24,008.28

Vendor / Description	Invoice Amount
<b>ACE HARDWARE</b>	
SUPPLIES	\$181.71
<b>AIRGAS USA LLC</b>	
WELDING GAS	\$36.00
<b>AMAZON CAPITAL SERVICES</b>	
CALCULATOR	\$14.89
MONITOR	\$69.99
<b>ARVIG ANSWERING SOLUTIONS</b>	
ANSWERING SERVICE	\$60.84
<b>BORDER STATES ELECTRIC SUPPLY</b>	
SMMPA PO 781 - COOLING TOWER	\$40.38
<b>CENTERPOINT ENERGY</b>	
NATURAL GAS	\$1,823.44
<b>CENTRAL MCGOWAN</b>	
WELDER GUN	\$379.31
<b>DGR ENGINEERING</b>	
JOB #9 -FUTURE GENERATION	\$30,718.30
<b>FASTENAL COMPANY</b>	
BOLT, 3/4/-10X2-3/5, GRADE 5	\$12.52
SMMPA PO 781 - COOLING TOWER	\$653.07
<b>FERGUSON ENTERPRISES LLC #1657</b>	
SMMPA PO 781 - COOLING TOWER	\$270.46
<b>GRAINGER</b>	
AIR VALVE - WELL #1	\$141.49
BATTERIES	\$24.77
<b>HAWKINS INC</b>	
WATER PURIFICATION	\$6,103.32
<b>HOTSY MINNESOTA</b>	
VEHICLE WASH CHEMICAL	\$281.62
<b>KREUSER CONSTRUCTION SERVICES INC</b>	
ROOF REPAIR - HAIL	\$4,730.00
ROOF REPAIR- HAIL	\$13,255.00
ROOF RERAIR HAIL	\$14,925.00
<b>KUEHN'S CRANE SERVICE &amp; EQUIPMENT LLC</b>	
SMMPA PO 781 - COOLING TOWER	\$940.00
<b>KURITA AMERICA INC</b>	
SMMPA 782	\$263.59
<b>MCMASTER-CARR SUPPLY CO</b>	
SS RING	\$20.09
<b>METERING &amp; TECHNOLOGY SOLUTIONS</b>	
SCOTT EQUIPMENT	\$875.37
WATER METER - SCOTT EQUIP	\$1,398.67
<b>MN DEPT OF COMMERCE</b>	
UNCLAIMED FUNDS	\$955.17
<b>MN DEPT OF HEALTH</b>	
3RD QTR CONNECTION FEES	\$7,227.00
<b>MN MUNICIPAL UTILITIES ASSOC</b>	
JT&S TRAINING	\$787.50
T&O CONFERENCE	\$1,180.00
<b>POSTMASTER OF NEW PRAGUE</b>	
UTILITY BILL POSTAGE	\$1,181.94
<b>RIVER COUNTRY CO-OP</b>	
GASOLINE	\$1,057.15
<b>ROBERT HEINE</b>	
GEN #8	\$350.00
<b>SALTCO</b>	
MONTHLY RENTAL FEE	\$35.00

Vendor / Description	Invoice Amount
<b>STAR GROUP LLC.</b>	
BATTERY	\$177.40
DEF	\$20.26
FILTER	\$4.61
V BELT - WASTE WATER	\$53.10
<b>STRONGWELL CORPORATION</b>	
SMMPA PO 781 - COOLING TOWER	\$ .00
<b>STUART C. IRBY CO.</b>	
CONN, SPLICE CIR-4/0 STR	\$1,137.00
CONN, SPLICE CIR-1/0	\$610.00
CONN, SPLICE CIR-2/0 STR	\$1,137.00
SHRINK TUBE, .800 -.200 # 8 - 1/O	\$490.00
SHRINK TUBE, 1.10 -.35 #2 - 4/O PA	\$586.00
<b>SUEL PRINTING</b>	
ENVELOPES	\$2,089.40
METER BOOKS	\$114.18
<b>US BANK EQUIPMENT FINANCE</b>	
COPIER LEASE	\$306.39
<b>UTILITY CONSULTANTS</b>	
SAMPLES	\$92.96
<b>WESCO RECEIVABLES CORP.</b>	
PHASE TAG KIT (UTICOM U2025-Y240K)	\$243.45
<b>ZORO TOOLS</b>	
DRAIN VALVE	\$107.99
Grand Totals	<u>\$97,163.33</u>



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

# Power Sales

Section 4, Item a.

#INV1490  
 9/30/2024

**Bill To**

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

**Due Date:** 10/25/2024

BILLING PERIOD	kWh	kW	DATE / TIME
Sep 2024	6,407,296	13,565	Sep 16, 2024 4:00:00 PM
SOLAR PRODUCTION	0	0	
<b>TOTAL</b>	<b>6,407,296</b>	<b>13,565</b>	
BASE RATE BILLING DEMAND CAP	N/A	0	
SUMMER SEASON BASE RATE DEMAND	N/A	15,667	Aug 23, 2023 5:00:00 PM
BASE RATE RATCHET DEMAND	N/A	11,594	Aug 23, 2023 5:00:00 PM

Description	Quantity	Rate	Amount	TOTAL
<b>BASE RATE POWER SUPPLY</b>				
Demand Charge (kW)	13,565	\$10.95	\$148,536.75	\$148,536.75
On Peak Energy Charge (kWh)	3,064,089	\$0.06431	\$197,051.56	\$197,051.56
Off Peak Energy Charge (kWh)	3,343,207	\$0.04808	\$160,741.39	\$160,741.39
Cost Adjustment (kWh)	6,961,253	\$-0.000595	\$-4,141.95	\$-4,141.95
BASE RATE SUBTOTAL				\$502,187.75
<b>TRANSMISSION</b>				
Transmission Charge - CP (kW)	13,565	\$1.00	\$13,565.00	\$13,565.00
Transmission Charge - Ratchet (kW)	15,667	\$1.934234	\$30,303.64	\$30,303.64
<b>OTHER CHARGES</b>				

<b>Total</b>	<b>\$546,056.39</b>
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**NEW PRAGUE UTILITIES COMMISSION  
SMMPA  
09/30/2024**

MONTH	KWH	PURCHASED	ENERGY	2024	MONTH	KWH	PURCHASED	ENERGY	2023
		POWER	COST ADJ	Price/KWH			POWER	COST ADJ	Price/KWH
January	6,076,702	\$ 492,817.06	\$ (14,666.30)	\$ 0.08351	January	6,074,429	\$ 500,013.36		\$ 0.08231
February	5,236,987	\$ 458,820.82	\$ (1,385.49)	\$ 0.08788	February	5,418,152	\$ 470,218.94		\$ 0.08679
March	5,317,688	\$ 484,044.84	\$ 21,047.45	\$ 0.08707	March	5,727,100	\$ 501,121.24	\$ 12,245.02	\$ 0.08536
April	5,056,695	\$ 479,805.51	\$ 27,912.54	\$ 0.08937	April	5,245,499	\$ 477,287.37	\$ 18,251.67	\$ 0.08751
May	5,482,934	\$ 533,610.64	\$ 57,883.99	\$ 0.08676	May	5,710,038	\$ 496,161.90	\$ (7,480.08)	\$ 0.08820
June	6,281,542	\$ 528,546.50	\$ 8,257.30	\$ 0.08283	June	6,997,617	\$ 574,273.89	\$ (10,614.96)	\$ 0.08358
July	7,292,531	\$ 593,245.07	\$ (6,319.23)	\$ 0.08222	July	7,101,113	\$ 608,890.20	\$ 14,338.12	\$ 0.08373
August	6,961,253	\$ 639,976.21	\$ 31,831.90	\$ 0.08736	August	7,423,203	\$ 639,769.84	\$ 5,368.44	\$ 0.08546
September	6,407,296	\$ 546,056.39	\$ (4,141.95)	\$ 0.08587	September	6,153,035	\$ 543,660.78	\$ 20,673.62	\$ 0.08500
October					October	5,407,912	\$ 428,039.47	\$ (52,140.82)	\$ 0.08879
November					November	5,340,198	\$ 458,752.64	\$ (7,798.21)	\$ 0.08737
December					December	5,662,663	\$ 523,375.89	\$ 42,107.46	\$ 0.08499
<b>Total</b>	<b>54,113,628</b>	<b>\$ 4,756,923.04</b>	<b>\$ 120,420.21</b>	<b>\$ 0.08568</b>	<b>Total</b>	<b>72,260,959</b>	<b>\$ 6,221,565.52</b>	<b>\$ 34,950.26</b>	<b>\$ 0.08561</b>

<b>NEW PRAGUE UTILITIES COMMISSION</b>			
<b>INVESTMENT SUMMARY</b>			
<b>8/31/2024</b>			
<b>First Bank and Trust</b>			
Checking - Cash Balance			
Electric		\$	2,549,989.32
Water		\$	1,319,358.77
Subtotal		\$	3,869,348.09
Money Market		\$	2,052,089.49
<b>Wells Fargo</b>			
F.I.S.T. (Market Value per Wells Select report)		\$	3,382,397.00
Electric <i>(74% of account)</i>	\$	2,502,973.78	
Water <i>(26% of account)</i>	\$	879,423.22	
<b>Total</b>		<b>\$</b>	<b>9,303,834.58</b>
<b>Invested</b>			
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 September 13, 2024

September 16, 2024

Trade Date Basis

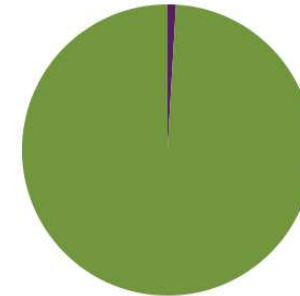
NEW PRAGUE UTILITIES  
COMMISSION

221880

Investment Objective Is Fixed Income

Section 5, Item a.

	MARKET VALUE	TOTAL COST	UNREALIZED G/L	EST ANNUAL INCOME	EST ANNUAL YIELD	ALLOCATION
Cash Alternatives	31,086	31,086	0	1,595	5.13	0.9
Fixed Income	3,351,311	3,418,885	(67,574)	101,162	3.02	99.1
<b>Total Portfolio</b>	<b>\$3,382,397</b>	<b>\$3,449,971</b>	<b>\$(67,574)</b>	<b>\$102,757</b>	<b>3.04%</b>	<b>100.0%</b>



**NEW PRAGUE UTILITIES COMMISSION, MINNESOTA**  
**STATEMENT OF REVENUES AND EXPENSES**  
**BUDGET AND ACTUAL**  
**WATER FUND (UNAUDITED)**  
**August 31, 2024**

WATER FUND						
						<i>66.67% of year completed</i>
<b>REVENUES</b>	<b>2023 Thru 8/31/2023</b>	<b>Current Month</b>	<b>Actual Thru 8/31/2024</b>	<b>2023/2024 Variance YTD</b>	<b>2024 Fiscal Budget</b>	<b>% Received or Expended Based on Actual Budget</b>
Unbilled Accounts Receivable	42,722.72	15,354.03	42,903.02	180.30	-	0.00%
Residential	\$ 837,911.66	\$ 129,223.22	\$ 810,122.68	\$ (27,788.98)	\$ 1,167,088.00	69.41%
Commercial	404,060.81	46,789.75	252,590.96	(151,469.85)	619,473.00	40.78%
Water Hook-up Fees	\$ 33,763.96	\$ -	\$ 33,711.00	\$ (52.96)	\$ 20,000.00	168.56%
Interest Income	8,195.89	4,809.85	20,516.40	12,320.51	15,000.00	136.78%
Other Income	\$ 30,109.40	\$ 4,279.61	\$ 23,156.98	\$ (6,952.42)	\$ 56,400.00	41.06%
<b>TOTAL REVENUES</b>	<b>\$ 1,356,764.44</b>	<b>\$ 200,456.46</b>	<b>\$ 1,183,001.04</b>	<b>\$ (173,763.40)</b>	<b>\$ 1,877,961.00</b>	<b>62.99%</b>
<b>EXPENSES</b>						
Power Used	92,349.00	9,661.46	69,877.69	(22,471.31)	117,500.00	59.47%
Purification	39,821.12	505.00	33,449.92	(6,371.20)	58,000.00	57.67%
Distribution	33,172.51	1,140.71	7,192.64	(25,979.87)	70,500.00	10.20%
Depreciation	287,220.96	42,927.25	345,792.81	58,571.85	431,460.00	80.14%
Debt & Other Interest	100,910.57	45.33	107,890.67	6,980.10	101,948.00	105.83%
Salary & Benefits	381,642.99	56,283.48	399,402.35	17,759.36	647,468.00	61.69%
Admin & General	\$ 100,376.54	\$ 36,424.01	\$ 142,398.62	\$ 42,022.08	\$ 163,028.00	87.35%
<b>TOTAL EXPENSES</b>	<b>\$ 1,035,493.69</b>	<b>\$ 146,987.24</b>	<b>\$ 1,106,004.70</b>	<b>\$ 70,511.01</b>	<b>\$ 1,589,904.00</b>	<b>69.56%</b>
<b>EXCESS REVENUES OVER EXPENSES</b>	<b>\$ 321,270.75</b>	<b>\$ 53,469.22</b>	<b>\$ 76,996.34</b>	<b>\$ (244,274.41)</b>	<b>\$ 288,057.00</b>	

CITY OF NEW PRAGUE, MINNESOTA  
STATEMENT OF REVENUES AND EXPENSES  
BUDGET AND ACTUAL  
ELECTRIC FUND (UNAUDITED)  
August 31, 2024

Section 5, Item b.

**ELECTRIC FUND**

*66.67% of year completed*

<b>REVENUES</b>	<b>2023 Thru 8/31/2023</b>	<b>Current Month</b>	<b>Actual Thru 8/31/2024</b>	<b>2023/2024 Variance YTD</b>	<b>2024 Fiscal Budget</b>	<b>% Received or Expended Based on Actual Budget</b>
Unbilled Accounts Receivable	\$ (52,865.22)	\$ (107,437.46)	\$ 88,065.31	\$ 140,930.53	\$ -	0.00%
Residential Revenue	\$ 2,849,260.23	\$ 495,058.73	\$ 2,791,009.78	\$ (58,250.45)	\$ 4,230,849.00	65.97%
Commercial	\$ 426,141.16	\$ 69,927.29	\$ 444,148.40	\$ 18,007.24	\$ 606,240.00	73.26%
Small Industrial	\$ 1,232,805.29	\$ 172,065.20	\$ 1,255,706.32	\$ 22,901.03	\$ 1,837,352.00	68.34%
Industrial	\$ 1,598,524.33	\$ 219,126.36	\$ 1,614,815.88	\$ 16,291.55	\$ 2,374,761.00	68.00%
Streetlights	\$ 41,777.10	\$ 3,399.34	\$ 36,548.33	\$ (5,228.77)	\$ 58,529.00	62.44%
Other Departments	\$ 102,631.42	\$ 10,187.11	\$ 83,363.95	\$ (19,267.47)	\$ 162,901.00	51.17%
SMMPA LOR Reimbursement	\$ 139,291.36	\$ 22,170.86	\$ 135,821.42	\$ (3,469.94)	\$ 180,000.00	75.46%
SMMPA O&M Revenue	\$ 465,565.46	\$ 184,868.70	\$ 632,744.43	\$ 167,178.97	\$ 654,740.00	96.64%
Reimbursement - SMMPA Rebates	\$ 23,528.59	\$ 518.97	\$ 6,223.41	\$ (17,305.18)	\$ -	0.00%
Interest Income	\$ 30,498.90	\$ 3,350.36	\$ 34,639.28	\$ 4,140.38	\$ 25,000.00	138.56%
Other Income	\$ 125,234.62	\$ 6,539.18	\$ 230,903.77	\$ 105,669.15	\$ 343,700.00	67.18%
<b>TOTAL REVENUES</b>	<b>\$ 6,982,393.24</b>	<b>\$ 1,079,774.64</b>	<b>\$ 7,353,990.28</b>	<b>\$ 371,597.04</b>	<b>\$ 10,474,072.00</b>	<b>70.21%</b>
<b>EXPENSES</b>						
Production	\$ 6,682.33	\$ 1,206.50	\$ 5,108.09	\$ (1,574.24)	\$ 26,000.00	19.65%
Purchased Power	\$ 4,267,736.74	\$ 639,976.21	\$ 4,210,866.65	\$ (56,870.09)	\$ 6,401,508.00	65.78%
SMMPA O&M Expenses	\$ 195,429.20	\$ 157,042.61	\$ 344,353.71	\$ 148,924.51	\$ 486,740.00	70.75%
Distribution/Transmission	\$ 48,380.88	\$ 9,490.15	\$ 20,449.90	\$ (27,930.98)	\$ 114,000.00	17.94%
Energy Conservation - Rebates	\$ 27,279.56	\$ 2,018.00	\$ 9,732.15	\$ (17,547.41)	\$ 12,500.00	77.86%
Depreciation	\$ 460,078.15	\$ 62,055.26	\$ 502,614.38	\$ 42,536.23	\$ 680,160.00	73.90%
Salary & Benefits	\$ 786,475.56	\$ 138,574.63	\$ 908,291.01	\$ 121,815.45	\$ 1,697,681.00	53.50%
MVEC LOR Payment	\$ 278,582.71	\$ 44,341.72	\$ 271,642.82	\$ (6,939.89)	\$ 357,793.00	75.92%
Admin & General	\$ 169,060.94	\$ 57,445.72	\$ 226,570.49	\$ 57,509.55	\$ 260,278.00	87.05%
Payment in Lieu of Taxes	\$ 26,666.68	\$ 3,333.33	\$ 26,666.64	\$ (0.04)	\$ 40,000.00	66.67%
<b>TOTAL EXPENSES</b>	<b>\$ 6,266,372.75</b>	<b>\$ 1,115,484.13</b>	<b>\$ 6,526,295.84</b>	<b>\$ 259,923.09</b>	<b>\$ 10,076,660.00</b>	<b>64.77%</b>
<b>EXCESS REVENUES OVER EXPENSES</b>	<b>\$ 716,020.49</b>	<b>\$ (35,709.49)</b>	<b>\$ 827,694.44</b>	<b>\$ 111,673.95</b>	<b>\$ 397,412.00</b>	

Note: "Other Income" includes metal recycling

<b>NEW PRAGUE UTILITIES COMMISSON</b>					
<b>ELECTRIC SALES KWH</b>					
		<b>ACCUM</b>			<b>ACCUM</b>
<b>MONTH</b>	<b>2024</b>	<b>2024</b>	<b>MONTH</b>	<b>2023</b>	<b>2023</b>
<b>JAN</b>	5,508,723	5,508,723	<b>JAN</b>	7,167,597	7,167,597
<b>FEB</b>	5,637,288	11,146,011	<b>FEB</b>	5,749,576	12,917,173
<b>MAR</b>	5,184,765	16,330,776	<b>MAR</b>	5,309,337	18,226,510
<b>APR</b>	5,128,582	21,459,358	<b>APR</b>	5,593,759	23,820,269
<b>MAY</b>	4,697,436	26,156,794	<b>MAY</b>	4,902,810	28,723,079
<b>JUNE</b>	5,321,360	31,478,154	<b>JUNE</b>	5,925,918	34,648,997
<b>JULY</b>	6,088,366	37,566,520	<b>JULY</b>	6,929,204	41,578,201
<b>AUG</b>	7,394,647	44,961,167	<b>AUG</b>	6,782,693	48,360,894
<b>SEPT</b>	6,608,966	51,570,133	<b>SEPT</b>	6,923,879	55,284,773
<b>OCT</b>			<b>OCT</b>	5,971,226	61,255,999
<b>NOV</b>			<b>NOV</b>	4,829,240	66,085,239
<b>DEC</b>			<b>DEC</b>	5,387,440	71,472,679
<b>TOTAL</b>	51,570,133		<b>TOTAL</b>	71,472,679	

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

<b>AGENDA ITEM: 5C</b>									
<b>NEW PRAGUE UTILITIES COMMISSION</b>									
<b>WATER PUMPED-SOLD-USED</b>									
<b>2024</b>									
YR/MO	2024		2023		YR/MO	2024		2023	
	2024	YTD	2023	YTD		2024	YTD	2023	YTD
<b>JANUARY</b>	<b>12/8/23-1/8/2024</b>		<b>12/2/22-1/10/2023</b>		<b>JULY</b>	<b>6/7/2024-7/8/2024</b>		<b>6/9/2023-7/11/2023</b>	
GAL PUMPED	18,004	18,004	17,529	17,529	GAL PUMPED	19,050	129,082	44,904	160,021
GAL SOLD	15,411	15,411	14,793	14,793	GAL SOLD	16,581	108,730	41,150	142,482
GAL USED	280	280	337	337	GAL USED	456	2,490	981	3,391
GAL(LOSS)/GAIN	(2,313)	(2,313)	(2,399)	(2,399)	GAL(LOSS)/GAIN	(2,013)	(17,862)	(2,773)	(14,148)
PERCENTAGE	12.8%	12.8%	13.7%	13.7%	PERCENTAGE	10.6%	13.8%	6.2%	8.8%
<b>FEBRUARY</b>	<b>1/8/2024-2/7/2024</b>		<b>1/10/2023-2/8/2023</b>		<b>AUGUST</b>	<b>7/8/2024-8/7/2024</b>		<b>7/11/2023-8/9/2023</b>	
GAL PUMPED	17,511	35,515	17,060	34,589	GAL PUMPED	25,675	154,757	38,624	198,645
GAL SOLD	14,979	30,390	15,323	30,116	GAL SOLD	22,609	131,339	35,725	178,207
GAL USED	343	623	325	662	GAL USED	757	3,247	579	3,970
GAL(LOSS)/GAIN	(2,189)	(4,502)	(1,412)	(3,811)	GAL(LOSS)/GAIN	(2,309)	(20,171)	(2,320)	(16,468)
PERCENTAGE	12.5%	12.7%	8.3%	11.0%	PERCENTAGE	9.0%	13.0%	6.0%	8.3%
<b>MARCH</b>	<b>2/7/2024-3/8/2024</b>		<b>2/8/2023-3/9/2023</b>		<b>SEPTEMBER</b>	<b>8/7/2024-9/9/2024</b>		<b>8/9/2023-9/8/2023</b>	
GAL PUMPED	16,824	52,339	15,950	50,539	GAL PUMPED	27,535	182,292	37,180	235,825
GAL SOLD	14,823	45,213	14,555	44,671	GAL SOLD	23,306	154,645	34,643	212,850
GAL USED	330	953	368	1,030	GAL USED	785	4,032	601	4,571
GAL(LOSS)/GAIN	(1,671)	(6,173)	(1,027)	(4,838)	GAL(LOSS)/GAIN	(3,444)	(23,615)	(1,936)	(18,404)
PERCENTAGE	9.9%	11.8%	6.4%	9.6%	PERCENTAGE	12.5%	13.0%	5.2%	7.8%
<b>APRIL</b>	<b>3/8/2024-4/8/2024</b>		<b>3/9/2023-4/8/2023</b>		<b>OCTOBER</b>	<b>9/9/2024-10/8/2024</b>		<b>9/8/2023-10/10/2023</b>	
GAL PUMPED	17,280	69,619	17,103	67,642	GAL PUMPED		182,292	30,086	265,911
GAL SOLD	15,301	60,514	15,509	60,180	GAL SOLD		154,645	27,240	240,090
GAL USED	311	1,264	311	1,341	GAL USED		4,032	452	5,023
GAL(LOSS)/GAIN	(1,668)	(7,841)	(1,283)	(6,121)	GAL(LOSS)/GAIN	0	(23,615)	(2,394)	(20,798)
PERCENTAGE	9.7%	11.3%	7.5%	9.0%	PERCENTAGE	#DIV/0!	13.0%	8.0%	7.8%
<b>MAY</b>	<b>4/8/2024-5/8/2024</b>		<b>4/8/2023-5/10/2023</b>		<b>NOVEMBER</b>	<b>10/8/2024-11/7/2024</b>		<b>10/10/2023-11/8/2023</b>	
GAL PUMPED	19,862	89,481	18,946	86,588	GAL PUMPED		182,292	17,838	283,749
GAL SOLD	14,611	75,125	14,860	75,040	GAL SOLD		154,645	14,855	254,945
GAL USED	318	1,582	373	1,714	GAL USED		4,032	330	5,353
GAL(LOSS)/GAIN	(4,933)	(12,774)	(3,713)	(9,834)	GAL(LOSS)/GAIN	0	(23,615)	(2,653)	(23,451)
PERCENTAGE	24.8%	14.3%	19.6%	11.4%	PERCENTAGE	#DIV/0!	13.0%	14.9%	8.3%
<b>JUNE</b>	<b>5/8/2024-6/7/2024</b>		<b>5/10/2023-6/9/2023</b>		<b>DECEMBER</b>	<b>11/7/2024 - 12/8/2024</b>		<b>11/8/2023 - 12/8/2023</b>	
GAL PUMPED	20,551	110,032	28,529	115,117	GAL PUMPED		182,292	17,948	301,697
GAL SOLD	17,024	92,149	26,292	101,332	GAL SOLD		154,645	15,465	270,410
GAL USED	452	2,034	696	2,410	GAL USED		4,032	331	5,684
GAL(LOSS)/GAIN	(3,075)	(15,849)	(1,541)	(11,375)	GAL(LOSS)/GAIN	0	(23,615)	(2,152)	(25,603)
PERCENTAGE	15.0%	14.4%	5.4%	9.9%	PERCENTAGE	#DIV/0!	13.0%	12.0%	8.5%



# New Prague Utilities Commission

In the Counties of Scott & Le Sueur

118 CENTRAL AVENUE NORTH · NEW PRAGUE, MINNESOTA 56071 ·  
PHONE (952) 758-4401 · [www.ci.new-prague.mn.us](http://www.ci.new-prague.mn.us) · FAX (952) 758-1149

**Bruce Reimers**  
General Manager

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## MEMORANDUM

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TO: New Prague Utilities Commission

FROM: Bruce Reimers, Utilities General Manager

DATE: October 28, 2024

SUBJECT: Approval of the Sale of Surplus Property

The New Prague Utilities currently owns several pieces of equipment that have either been replaced through the Capital Budget or are additional items acquired with other purchases. After thorough review, staff recommend that the Utilities Commission approve the equipment listed below as surplus and authorize their sale.

Equipment:

- 2016 Ford F350 Pickup
- Skid Loader Tires
- Field Light Lens
- Tire Machine

**RECOMMENDATION:**

New Prague Utilities Commission Review and Approve the Sale of Surplus Property.





# New Prague Utilities Commission

In the Counties of Scott & Le Sueur

Section 7, Item a.

118 CENTRAL AVENUE NORTH · NEW PRAGUE, MINNESOTA 56071 ·  
PHONE (952) 758-4401 · [www.ci.new-prague.mn.us](http://www.ci.new-prague.mn.us) · FAX (952) 758-1149

**Bruce Reimers**  
General Manager

## MEMORANDUM

TO: New Prague Utilities Commission  
FROM: Bruce Reimers, Utilities General Manager  
DATE: October 28<sup>th</sup>, 2024  
SUBJECT: Utility Billing Clerk Assignment

Due to a resignation effective October 23<sup>rd</sup>, 2024, the Utility Billing Clerk position was vacant. During this transition period, the Utilities office staff will provide support to ensure continuity in utility billing operations until a permanent replacement is secured.

The Utility Billing Clerk job is posted in the New Prague Times, the Extra and electronic sources (ex: League of MN Cities and MMUA). The position is open until filled and applications will be reviewed upon receipt. The hiring wage for the position is based off Grade 9, Step 1 \$27.54-Step 11 \$36.13.

**Recommendation:** Commission approves the hiring of a Utility Billing Clerk

# *New Prague, Minnesota*

*A Tradition of Progress*



## **NEW PRAGUE UTILITIES COMMISSION 2025 PROPOSED WATER BUDGET REPORT**

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## MANAGEMENT STATEMENT

The overall management goal for the New Prague Utilities Water Department is our commitment to the Community in providing a safe and reliable water supply to the City of New Prague. During the past couple of years, we had to change the focus of our budget to include major CIP reconstruction projects that affect the water distribution system. That focus is forecasted to continue through 2026 with large CIP projects. It is estimated that total bonding will exceed \$3.5 million for all projects through 2026.

## FORECAST

The 2025 water department budget is projected to forecast the financial operation of the New Prague Utilities Commission. The New Prague Utilities Commission has been able to keep rates relatively flat with an average increase of only 1.9% per year over the past several years but due to large CIP projects and higher bonding cost rates will need to be increased. The 2025 budget reflects a change in rates to include both the usage and customer service charges.

## REVENUE

The 2025 Revenue budget reflects an increase of \$.50 / 1000 gallons and \$2.00 / month customer charge for all customer classes. Residential customers with an average usage of 5000 gallons a month will see approximately a \$4.52 per month increase. Seasonal rates will continue in 2025 with higher usage rates during the summer months of June through September to meet the water conservation pricing requirement set forth by the state.

## EXPENSES

### **Personnel Costs:**

- Wages Full-Time and Part-Time – Reflects a 2.8% COLA wage adjustment and step increases.
- Health Insurance – There will be a 4.7% increase in health insurance premiums for 2025. HSA contributions will increase from \$1,000 (family) to \$2,250 and \$500 (single) to \$1,125.
  - Note: Insurance providers will change effective Jan. 1, 2025 from HealthPartners to BlueCross Blue Shield. This change is effective for the entire Sourcewell insurance pool.
- Dental Insurance – There is an 12.6% decrease in dental insurance premiums for 2025.
  - Note: Insurance providers will change effective Jan. 1, 2025 from Delta Dental to HealthPartners. This change is due to bid results completed in 2024
- Life, Long-Term Disability and Short-Term Disability – 0% change in 2025 as part of the 36-month rate guarantee established in 2023.

### **Operating Expenses:**

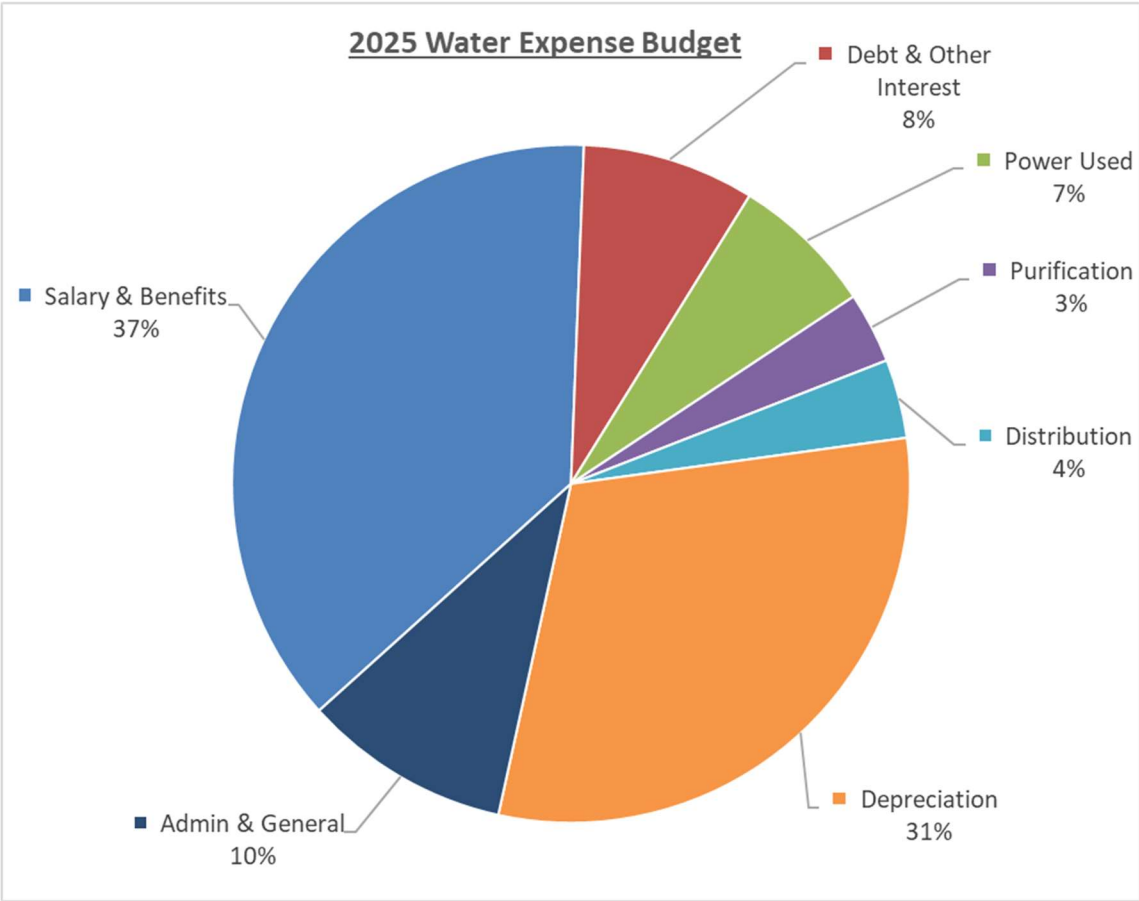
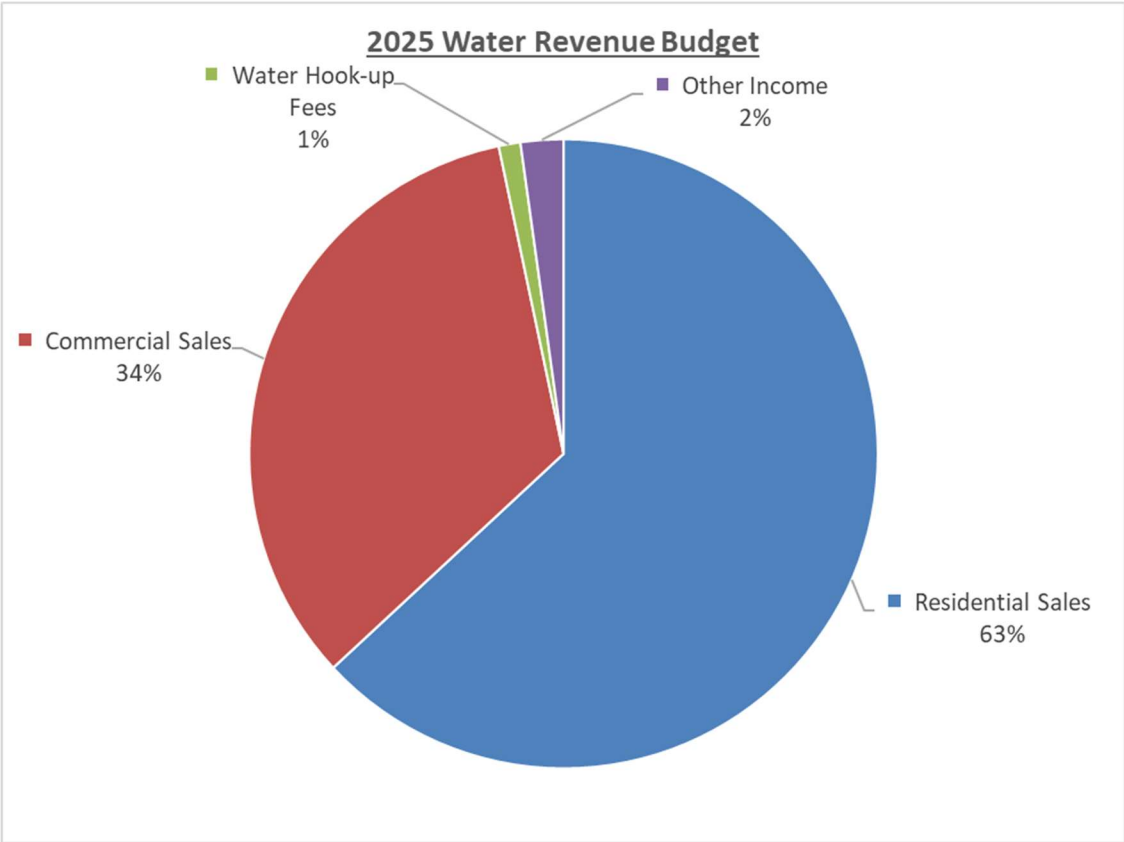
- Projected increase of 15% in water hook-up fees due to projected homes being built in 2025.
- Debt service interest increased by 38.39% due to the cost of CIP projects.
- Distribution decreased by 8.51% due to the cost of planned projects.

## 2025 KEY WATER BUDGET AND OPERATIONAL CHALLENGES

- Replaced 4,000’ of water main and 60 service lines in the NE sector or town.
- Continue to make updates to the GIS mapping system.
- Continue CIP Planning for reconstruction of 1<sup>st</sup> Ave SE
- Start the process of working with customers to replace lead service lines.

- Replaced 5000' of water main and 90 service lines on the Lyndale and Lexington Ave CIP project.
- Replaced well #2 failed pump.
- Long and short-term planning for several reconstruction projects that are planned in the NE sector of town over the next three years.
- Completed Water System Modeling Study
- Finished lead service line inventory and applied for funding from the state to start lead service line replacement in 2025

NEW PRAGUE UTILITIES COMMISSION						
PROPOSED WATER BUDGET						
As of 9/30/2024						
	2023	2024	2024	2025	2024-2025	
		Y-T-D	CURRENT	PROPOSED	\$	%
<b>REVENUES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>DIFFERENCE</b>	<b>DIFFERENCE</b>
Unbilled Accounts Receivable	\$ (10,208.54)	\$ -	\$ -	\$ -	\$ -	0.00%
Residential	\$ 1,272,612.04	\$ 1,167,088.00	\$ 1,167,088.00	\$ 1,297,761.00	\$ 130,673.00	11.20%
Commercial	\$ 594,770.28	\$ -	\$ 619,473.00	\$ 691,090.00	\$ 71,617.00	11.56%
Water Hook-up Fees	\$ 40,647.96	\$ 33,711.00	\$ 20,000.00	\$ 23,000.00	\$ 3,000.00	15.00%
Other Income	\$ 256,750.50	\$ 43,673.38	\$ 71,400.00	\$ 45,110.00	\$ (26,290.00)	-36.82%
<b>TOTAL REVENUES</b>	<b>\$ 2,154,572.24</b>	<b>\$ 1,244,472.38</b>	<b>\$ 1,877,961.00</b>	<b>\$ 2,056,961.00</b>	<b>\$ 179,000.00</b>	<b>9.53%</b>
<b>EXPENSES</b>						
Power Used	\$ 131,813.87	\$ 69,191.10	\$ 117,500.00	\$ 117,500.00	\$ -	0.00%
Purification	\$ 57,784.99	\$ 33,076.03	\$ 58,000.00	\$ 58,000.00	\$ -	0.00%
Distribution	\$ 72,888.54	\$ 23,012.31	\$ 70,500.00	\$ 64,500.00	\$ (6,000.00)	-8.51%
Depreciation	\$ 433,404.39	\$ 345,792.81	\$ 431,460.00	\$ 525,000.00	\$ 93,540.00	21.68%
Debt & Other Interest	\$ 106,812.26	\$ 107,890.67	\$ 101,948.00	\$ 141,088.00	\$ 39,140.00	38.39%
Salary & Benefits	\$ 581,332.60	\$ 400,680.67	\$ 647,468.00	\$ 639,341.00	\$ (8,127.00)	-1.26%
Loss on Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Admin & General	\$ 131,682.80	\$ 142,998.24	\$ 163,028.00	\$ 169,670.00	\$ 6,642.00	4.07%
<b>TOTAL EXPENSES</b>	<b>\$ 1,515,719.45</b>	<b>\$ 1,122,641.83</b>	<b>\$ 1,589,904.00</b>	<b>\$ 1,715,099</b>	<b>\$ 125,195.00</b>	<b>7.87%</b>
<b>EXCESS REVENUES OVER EXPENSES</b>	<b>\$ 638,852.79</b>	<b>\$ 121,830.55</b>	<b>\$ 288,057.00</b>	<b>\$ 341,862.00</b>	<b>\$ (53,805.00)</b>	<b>18.68%</b>



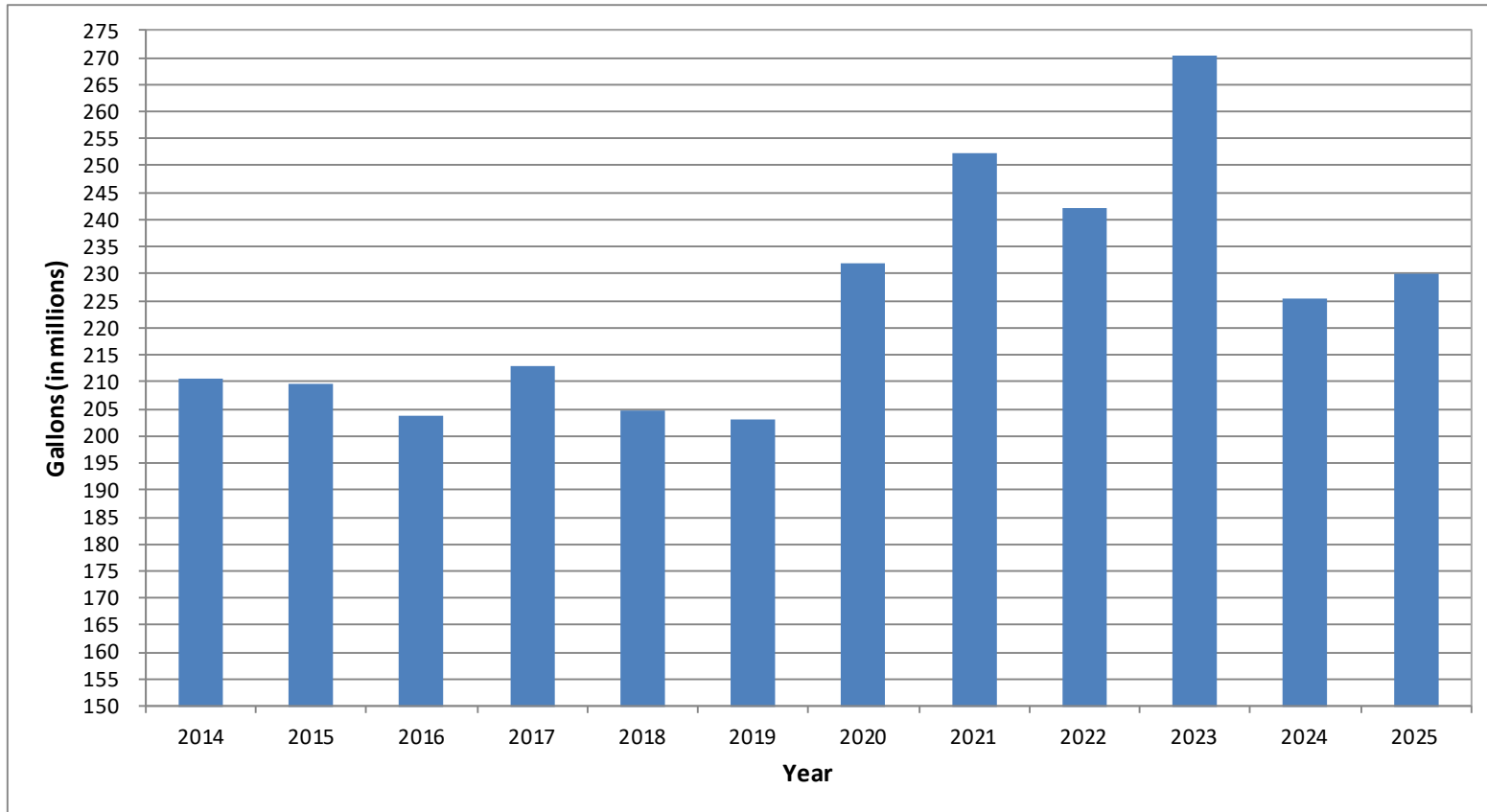
**2025 Projected Water Sales**

Water Sales are projected to be at 230,000,000 gallons sold for 2025. Weather has a large effect on gallons sold.

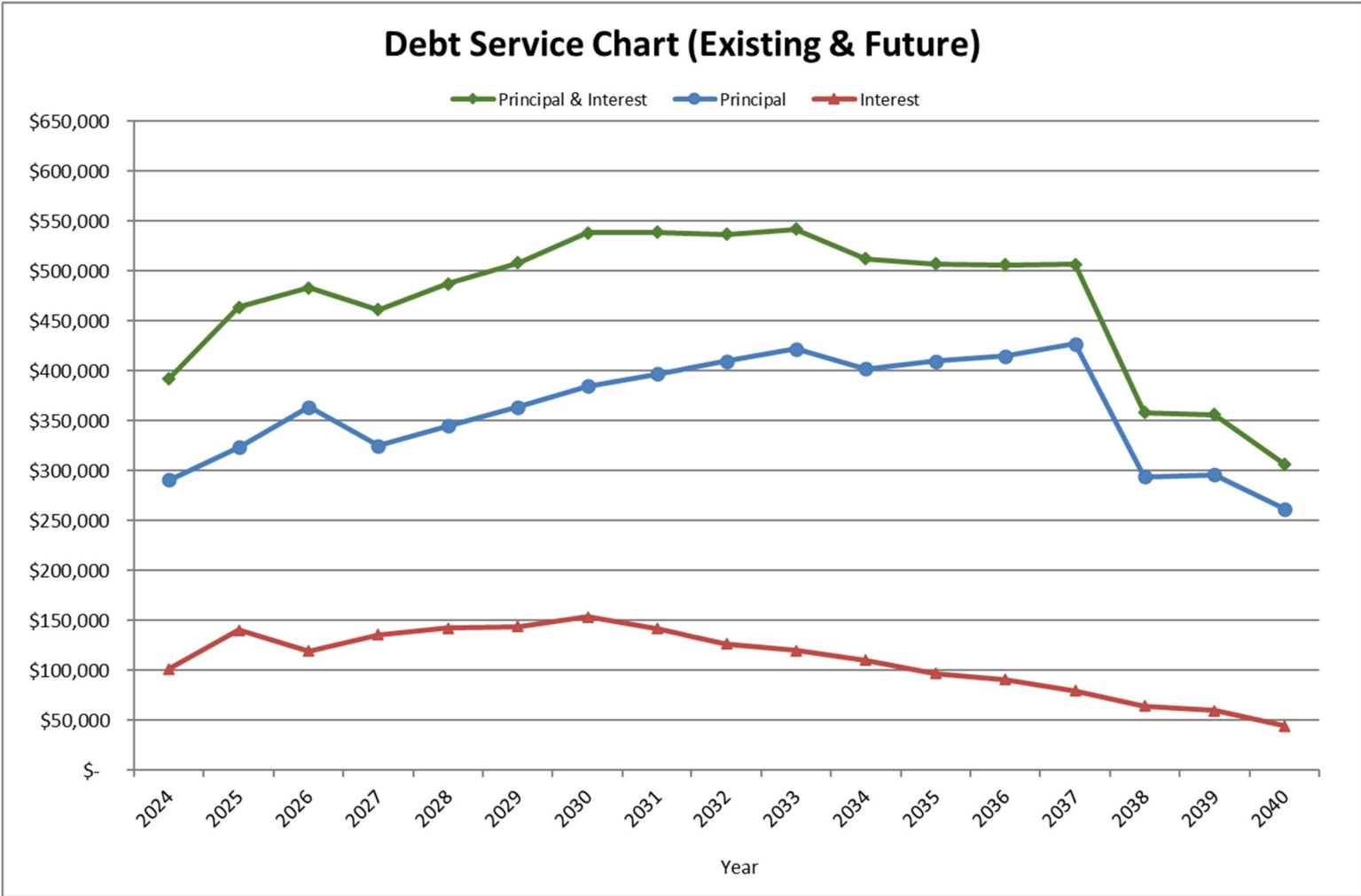
**History of Water Sales:**

2014	210,547,000	2020	231,931,000
2015	209,645,000	2021	252,326,000
2016	203,679,000	2022	241,960,000
2017	213,000,000	2023	270,410,000
2018	204,592,000	* 2024	225,542,000
2019	203,000,000	* * 2025	230,000,000

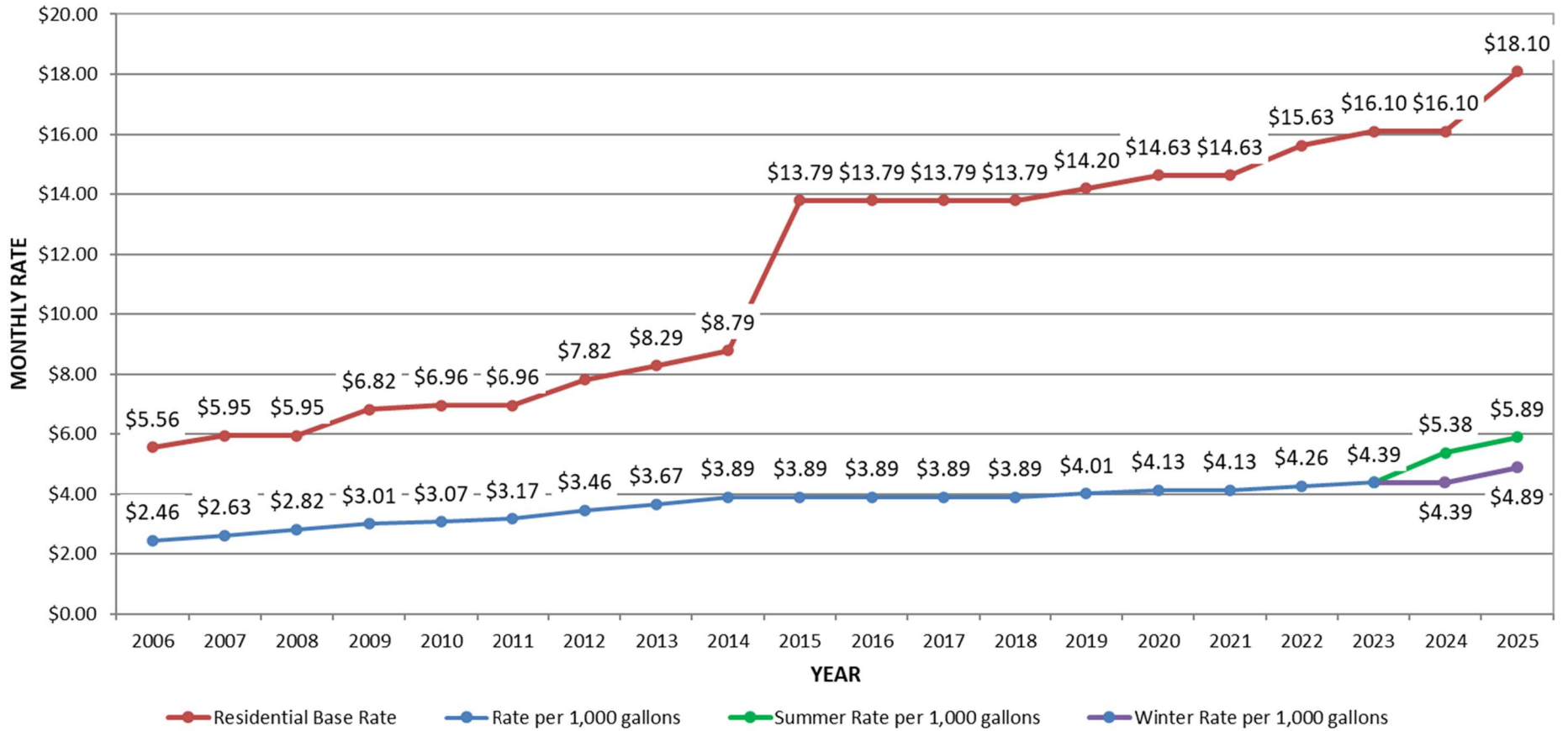
\* Anticipated \* \* Budgeted







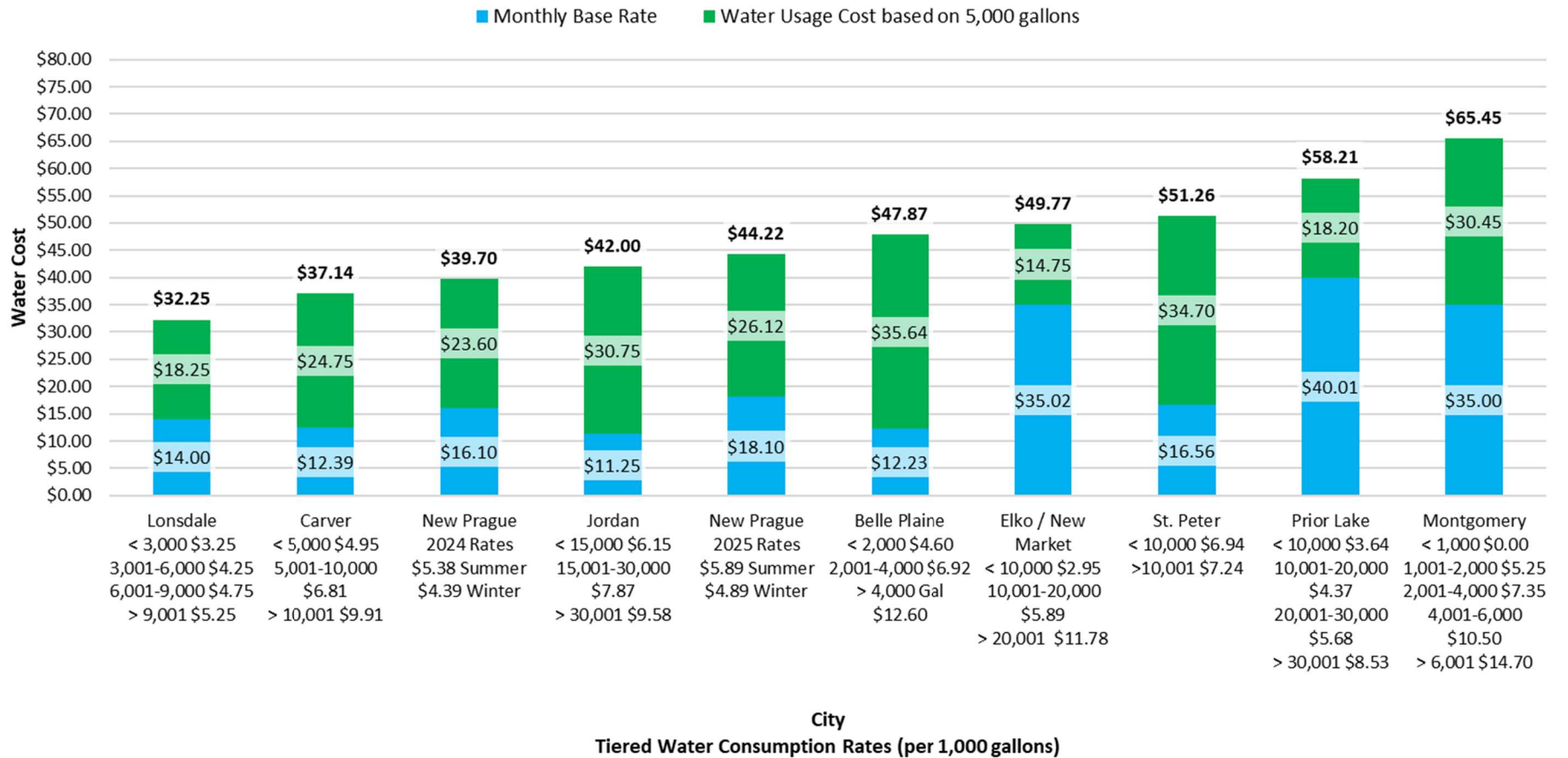
## CITY OF NEW PRAGUE WATER RATE INFORMATION HISTORY (2006 - 2025)



\* An average residential customer using 4,000 gallons will see an annual increase of \$48.16 with 2025 rate increase

\* An average residential customer using 8,000 gallons will see an annual increase of \$72.32 with 2025 rate increase

### New Prague Utilities Commission Monthly water costs compared to surrounding cities based on 5,000 gallon usage



Sum of Amount	Years										
Funding Sources	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Grand Total
<b>Water</b>	<b>850,000</b>	<b>510,000</b>	<b>498,000</b>	<b>566,000</b>	<b>561,050</b>	<b>541,200</b>	<b>565,500</b>	<b>591,000</b>	<b>602,789</b>	<b>630,917</b>	<b>5,916,456</b>
Filter #1 Chemical Feed System	40,000										40,000
Future CIP	750,000	400,000	400,000	441,000	463,050	486,200	510,500	536,000	562,789	590,917	5,140,456
Mini Excavator Backhoe (1/3 of Cost)	10,000										10,000
Misc. Equipment	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	150,000
SCADA	10,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000			115,000
Service Truck		55,000									55,000
Tractor Backhoe				25,000							25,000
Well #1 Replacement			43,000								43,000
Well #2 Replacement					43,000						43,000
Well #3, #4, #6 Pump Replacement	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	250,000
Well #5 Replacement				45,000							45,000
<b>Grand Total</b>	<b>850,000</b>	<b>510,000</b>	<b>498,000</b>	<b>566,000</b>	<b>561,050</b>	<b>541,200</b>	<b>565,500</b>	<b>591,000</b>	<b>602,789</b>	<b>630,917</b>	<b>5,916,456</b>

<b>New Prague Utilities</b>			
<b>Existing and Proposed Water Rates</b>			
			<b>2025</b>
		<b>Current</b>	<b>Proposed</b>
<b>Class</b>		<b>Rate</b>	<b>Rate</b>
<b>Customer Charge</b>			
	Residential 5/8" & 3/4"	\$16.10	\$18.10
	Residential 1"	\$16.81	\$18.81
	Residential 1.5"	\$16.96	\$18.96
	Commercial 5/8" & 3/4"	\$16.10	\$18.10
	Commercial 1"	\$16.81	\$18.81
	Commercial 1.5"	\$16.96	\$18.96
	Commercial 2"	\$37.17	\$39.17
	Commercial 3"	\$42.46	\$44.46
	Commercial 4"	\$62.83	\$64.83
	Commercial 6"	\$93.66	\$95.66
	Residential Multi	\$11.27	\$13.69
	Commercial Multi	\$11.27	\$13.69
<b>Water Charges</b>			
	per 1,000 gallons (June 1-Sept 30)	\$5.38	\$5.88
	per 1,000 gallons (non-summer)	\$4.39	\$4.89
	per 1,000 gallons (golf course - all months)	\$4.52	\$4.65

# *New Prague, Minnesota*

*A Tradition of Progress*



## **NEW PRAGUE UTILITIES COMMISSION 2025 PROPOSED ELECTRIC BUDGET REPORT**

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## MANAGEMENT STATEMENT

The overall management goal of the New Prague Utilities Electric Department is to provide safe, reliable, and economical public electric service with a focus on customer needs, infrastructure enhancements, growth, and responsible resource management. 2024 was a very busy year starting out with the NE residential Project that involved the utility installing nearly 10,000' of underground conductor and 68 underground house services. The utility also worked with several commercial customers upgrading or installing new services.

2024 also brought on continued challenges dealing with supply chain shortages for construction materials, metering electronics, and delays on equipment orders forcing staff to move project dates and pre-order material as much as two years in advance for upcoming projects.

## FORECAST

The 2025 Electric Department budget is projected to forecast the financial operation of the New Prague Utilities Commission. Southern Minnesota Municipal Power Agency (SMMPA) is predicting that wholesale energy cost will remain stable throughout 2024 with only slight changes in transmission rates and demand ratchet charges due to peak load changes.

## REVENUE

The 2025 Revenue budget reflects a 2% increase on residential and Commercial rates and 2.3% on industrial and demand rates. Residential customer service charges will increase by \$1.00 in 2025. These increases are primarily driven by escalating labor, material and equipment cost and the ongoing operational cost of building and maintaining an electric distribution system that is both reliable and capable of serving future growth.

## EXPENSES

### **Personnel Costs:**

- Wages Full-Time and Part-Time – Reflects a 2.8% COLA wage adjustment and step increases.
- Health Insurance – There will be a 4.7% increase in health insurance premiums for 2025. HSA contributions will increase from \$1,000 (family) to \$2,250 and \$500 (single) to \$1,125.
  - Note: Insurance providers will change effective Jan. 1, 2025 from HealthPartners to BlueCross Blue Shield. This change is effective for the entire Sourcewell insurance pool.
- Dental Insurance – There is a 12.6% decrease in dental insurance premiums for 2025.
  - Note: Insurance providers will change effective Jan. 1, 2025 from Delta Dental to HealthPartners. This change is due to bid results completed in 2024
- Life, Long-Term Disability and Short-Term Disability – 0% change in 2025 as part of the 36-month rate guarantee established in 2023.



**Operating Expenses:**

- Purchased Power cost shows a slight budget decrease compared to 2024, but can show fluctuations from year to year based on local demand and ratchet costs.
- Capital improvement costs are a decrease compared to 2024 and are based on planned SMMPA projects.

**2025 KEY BUDGET AND OPERATIONAL CHALLENGES**

2025 will bring several budget and operation challenges while maintaining and providing reliable and affordable electric service to its current and new customers.

- Continued work on future expansion of New Prague’s generation facilities to meet continued growth and to meet base load requirements of New Prague’s power supplier (SMMPA) it is anticipated that this project will cost an estimated 18-21 million dollars and take nearly 3 years to complete. This expansion will provide New Prague residents with reliable generation backup for the next 20 years and be paid for by a 20 year contract with New Prague’s wholesale power provider (SMMPA)
- Distribution replacements and upgrades to our distribution system and the extension of underground distribution lines to keep moving toward our goal of having all residential distribution lines underground by the end of the 2025 by adding an additional 20,000’ of new underground conductors and related equipment.
- Continued refinement and development of energy programs that are offered to new and existing customers to promote energy sales and cost efficiency.
- Strengthen current and future workforce and career development needs so that the utility can retain a skilled labor force and be prepared for future workforce retirements.

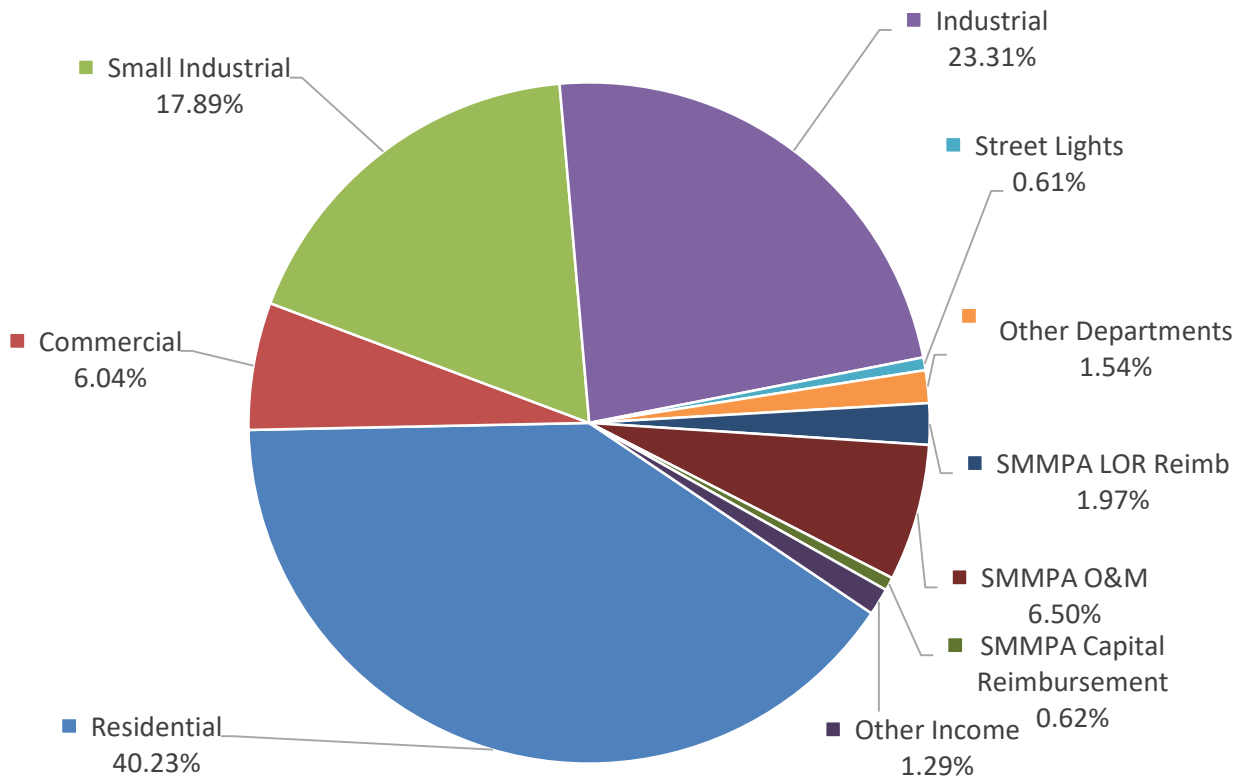
**2024 NPUC KEY ACCOMPLISHMENTS**

- Installed 20,500 feet of new underground distribution conductor, 19 distribution Transformers and 65 house services furthering the goal to have all residential lines underground.
- Installed commercial services to Scott Equipment and Scooters Coffee
- Replaced Cooling towers as part of SMMPA’s \$225,000 capital improvement plan.
- Installed fiber optic and electrical services to the new dog park and parks department building

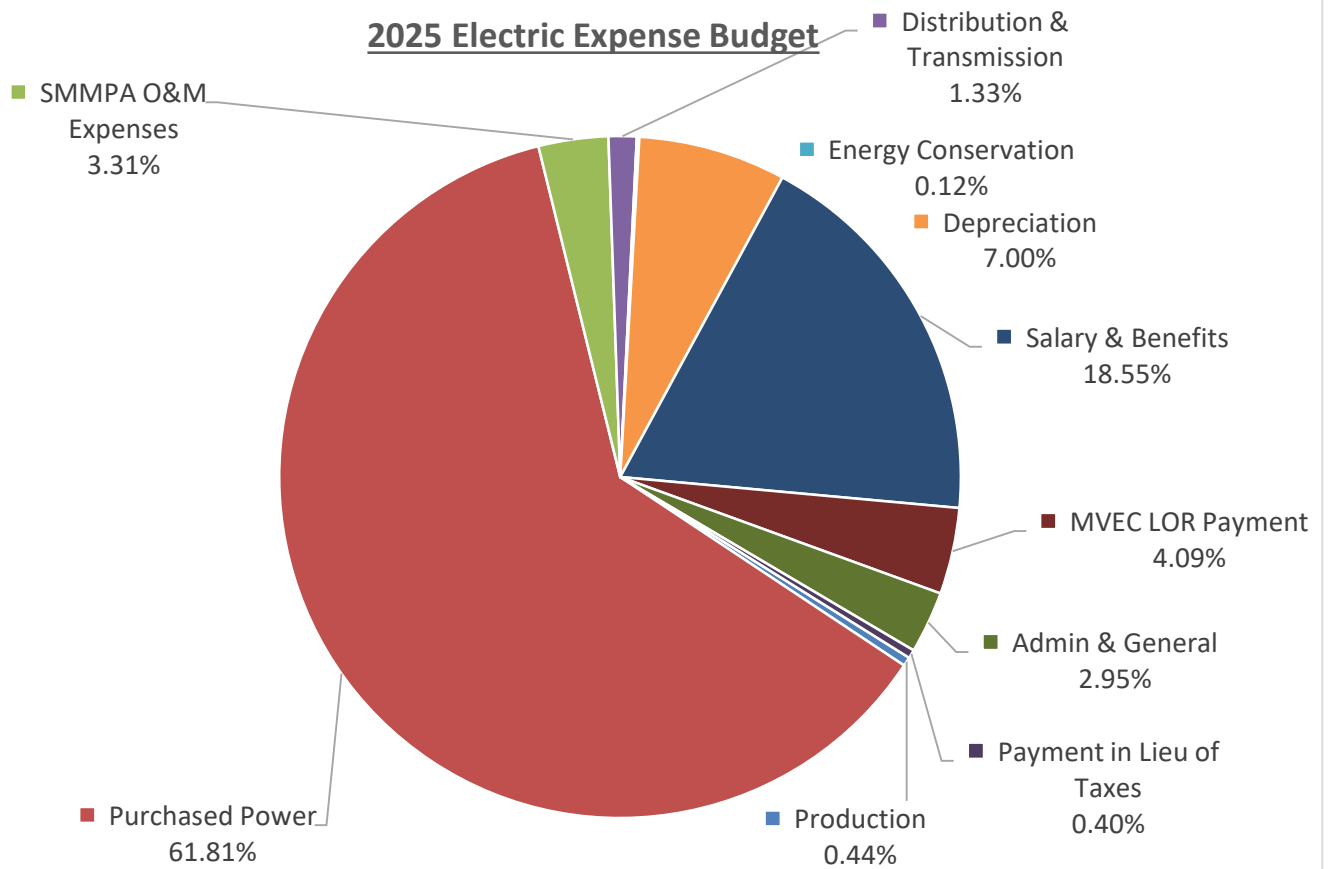
**NEW PRAGUE UTILITIES COMMISSION  
PROPOSED ELECTRIC BUDGET  
As of 9/30/2024**

<b>REVENUES</b>	<b>2023</b>	<b>2024</b>	<b>2024</b>	<b>2025</b>	<b>2024-2025</b>	
	<b>ACTUAL</b>	<b>Y-T-D ACTUAL</b>	<b>CURRENT BUDGET</b>	<b>PROPOSED BUDGET</b>	<b>\$ DIFFERENCE</b>	<b>% DIFFERENCE</b>
Unbilled Accounts Receivable	\$ (101,665.83)	\$ 195,502.77	0	\$ -	\$ -	#DIV/0!
Residential	\$ 4,190,656.01	\$ 2,789,874.14	\$ 4,226,849.00	\$ 4,186,223.00	\$ (40,626.00)	-0.96%
Commercial	\$ 621,377.31	\$ 444,148.40	\$ 606,240.00	\$ 628,951.00	\$ 22,711.00	3.75%
Small Industrial	\$ 1,835,814.18	\$ 1,255,706.32	\$ 1,837,352.00	\$ 1,861,047.00	\$ 23,695.00	1.29%
Industrial	\$ 2,383,439.94	\$ 1,614,815.88	\$ 2,374,761.00	\$ 2,424,913.00	\$ 50,152.00	2.11%
Large Industrial	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Streetlights	\$ 64,064.46	\$ 36,548.33	\$ 58,529.00	\$ 63,443.00	\$ 4,914.00	8.40%
Other Departments	\$ 147,823.24	\$ 83,363.95	\$ 162,901.00	\$ 160,583.00	\$ (2,318.00)	-1.42%
SMMPA LOR Reimbursement	\$ 208,350.36	\$ 135,821.42	\$ 180,000.00	\$ 205,075.00	\$ 25,075.00	13.93%
SMMPA O&M Revenue	\$ 696,048.51	\$ 447,875.73	\$ 654,740.00	\$ 676,033.00	\$ 21,293.00	3.25%
SMMPA Capital Reimbursement	\$ -	\$ -	\$ 225,000.00	\$ 65,000.00	\$ (160,000.00)	-71.11%
Other Income	\$ 562,681.32	\$ 273,714.46	\$ 147,700.00	\$ 133,800.00	\$ (13,900.00)	-9.41%
<b>TOTAL REVENUES</b>	<b>\$ 10,608,589.50</b>	<b>\$ 7,277,371.40</b>	<b>\$ 10,474,072.00</b>	<b>\$ 10,405,068.00</b>	<b>\$ (69,004.00)</b>	<b>-0.66%</b>
<b>EXPENSES</b>						
Production	\$ 10,124.77	\$ 4,213.33	\$ 26,000.00	\$ 44,000.00	\$ 18,000.00	69.23%
Purchased Power	\$ 6,221,565.52	\$ 4,210,866.65	\$ 6,401,508.00	\$ 6,196,036.00	\$ (205,472.00)	-3.21%
SMMPA O&M Expenses	\$ 287,056.29	\$ 198,805.15	\$ 486,740.00	\$ 332,295.00	\$ (154,445.00)	-31.73%
Distribution/Transmission	\$ 139,750.14	\$ 17,775.52	\$ 114,000.00	\$ 133,313.00	\$ 19,313.00	16.94%
Energy Conservation	\$ 42,911.84	\$ 9,732.15	\$ 12,500.00	\$ 12,500.00	\$ -	0.00%
Depreciation	\$ 695,511.90	\$ 502,614.38	\$ 680,160.00	\$ 701,323.00	\$ 21,163.00	3.11%
Salary & Benefits	\$ 1,328,631.33	\$ 985,091.80	\$ 1,697,681.00	\$ 1,859,346.00	\$ 161,665.00	9.52%
MVEC LOR Payment	\$ 416,700.67	\$ 271,642.82	\$ 357,793.00	\$ 410,150.00	\$ 52,357.00	14.63%
Admin & General	\$ 264,005.94	\$ 231,944.44	\$ 260,278.00	\$ 295,321.00	\$ 35,043.00	13.46%
Payment in Lieu of Taxes	\$ 40,000.00	\$ 26,666.64	\$ 40,000.00	\$ 40,000.00	\$ -	0.00%
<b>TOTAL EXPENSES</b>	<b>\$ 9,446,258.40</b>	<b>\$ 6,459,352.88</b>	<b>\$ 10,076,660.00</b>	<b>\$ 10,024,284.00</b>	<b>\$ (52,376.00)</b>	<b>-0.52%</b>
<b>EXCESS REVENUES OVER EXPENSES</b>	<b>\$ 1,162,331.10</b>	<b>\$ 818,018.52</b>	<b>\$ 397,412.00</b>	<b>\$ 380,784.00</b>	<b>\$ (16,628.00)</b>	<b>-4.18%</b>

### 2025 Electric Revenue Budget



### 2025 Electric Expense Budget



**ELECTRIC DEPARTMENT  
SMMPA PURCHASE POWER**

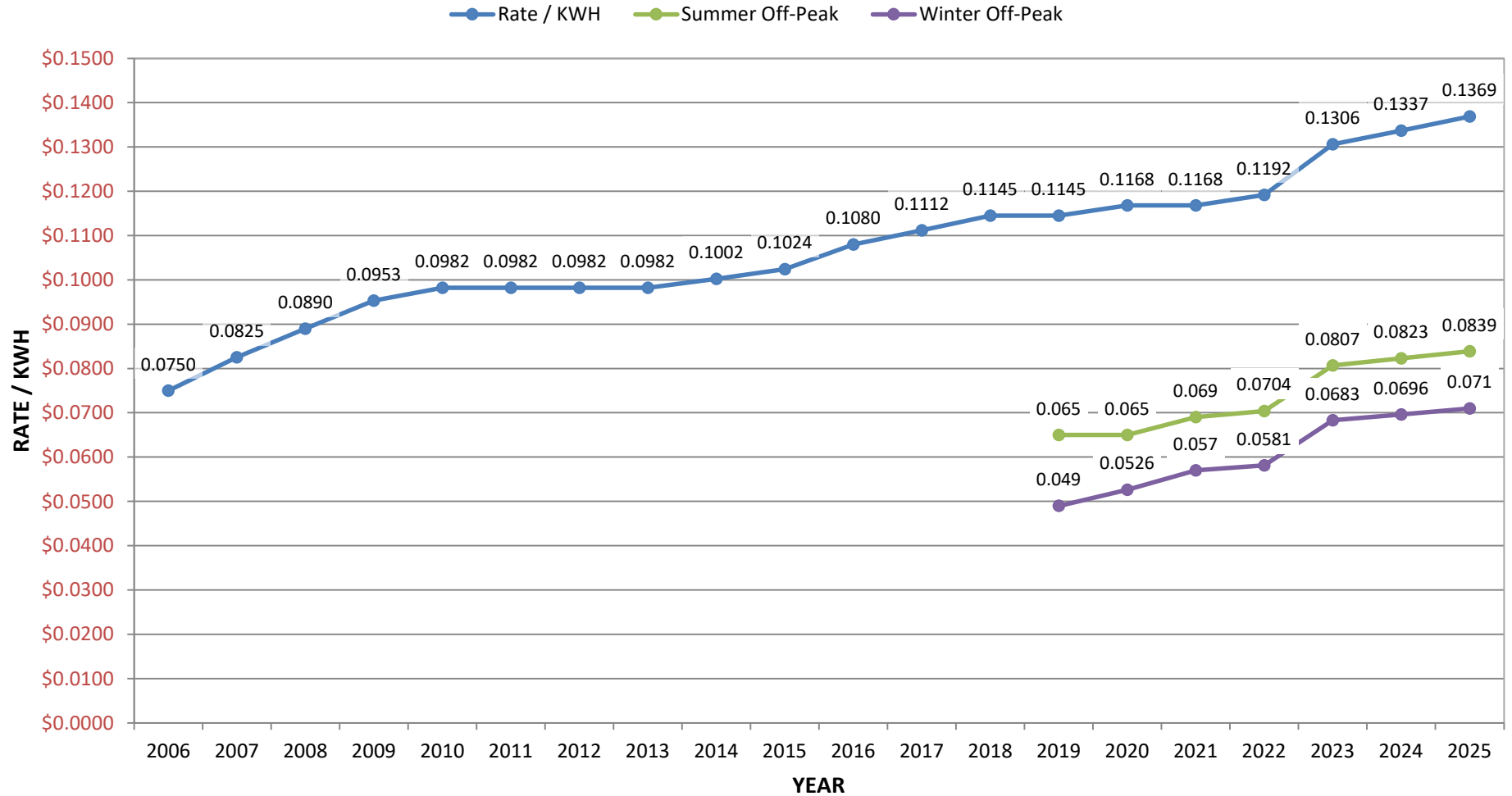
The 2025 purchased wholesale net power rate is projected to be \$0.0875 per kilowatt-hour (kWh).

The budget projects the energy purchase to be 70,811,849 kWh for New Prague.

	<b>Purchased kWh</b>	<b>Cost kWh</b>	<b>Total Cost</b>
*2025	70,811,849	\$0.0875	\$6,196,036
*2024	70,270,140	\$0.0859	\$6,037,365
2023	72,260,959	\$0.0861	\$6,221,565
2022	72,086,211	\$0.0753	\$5,427,726
2021	72,006,211	\$0.0754	\$5,427,727
2020	61,433,726	\$0.0847	\$5,200,945
2019	77,305,672	\$0.0744	\$5,752,796

\* Represents projections

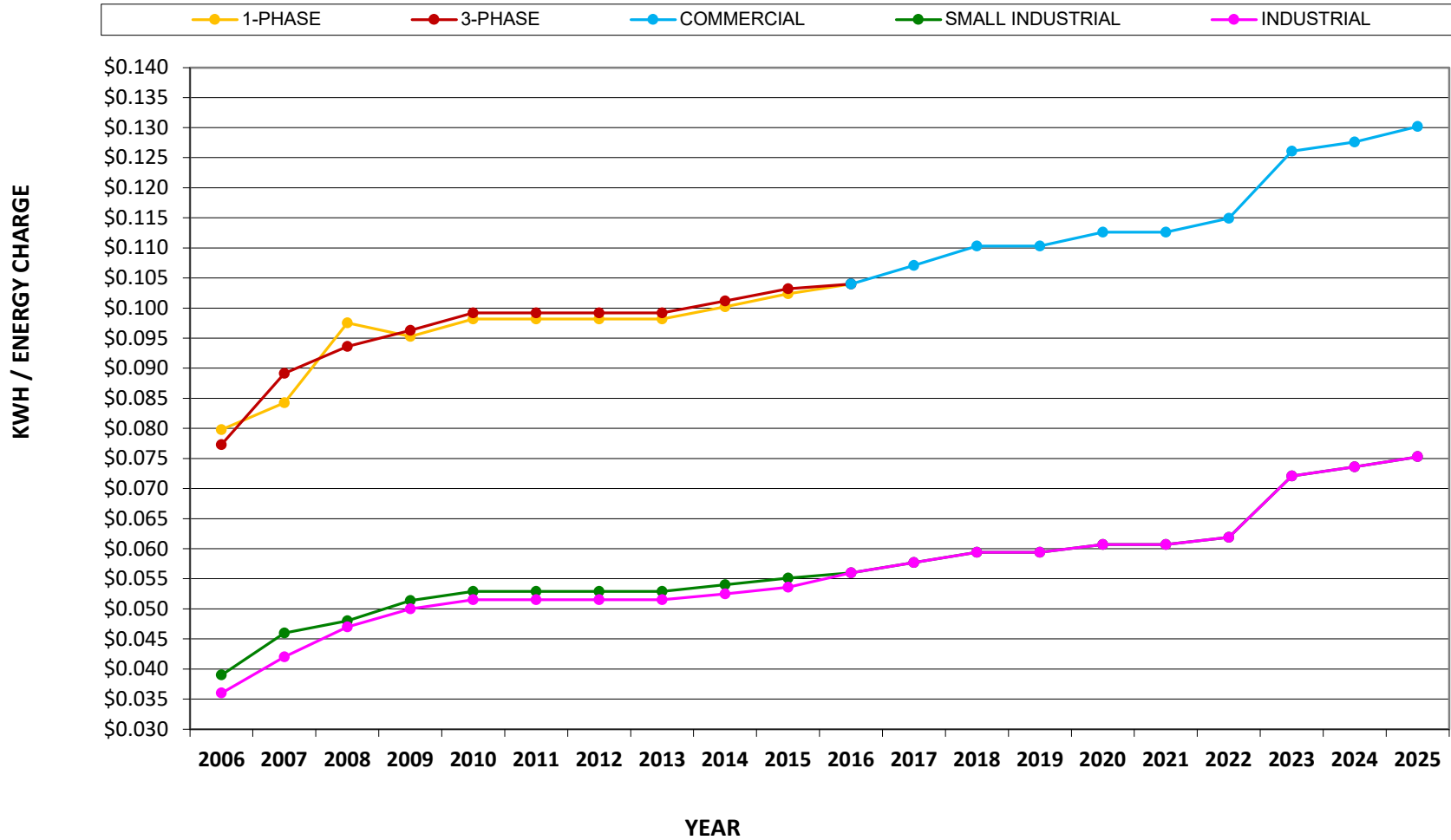
## NEW PRAGUE UTILITIES COMMISSION RESIDENTIAL ELECTRIC RATES (2006 - 2025)



\* An average residential customer using 650 kWh will see an increase of \$2.02 per month with 2024 rate increase

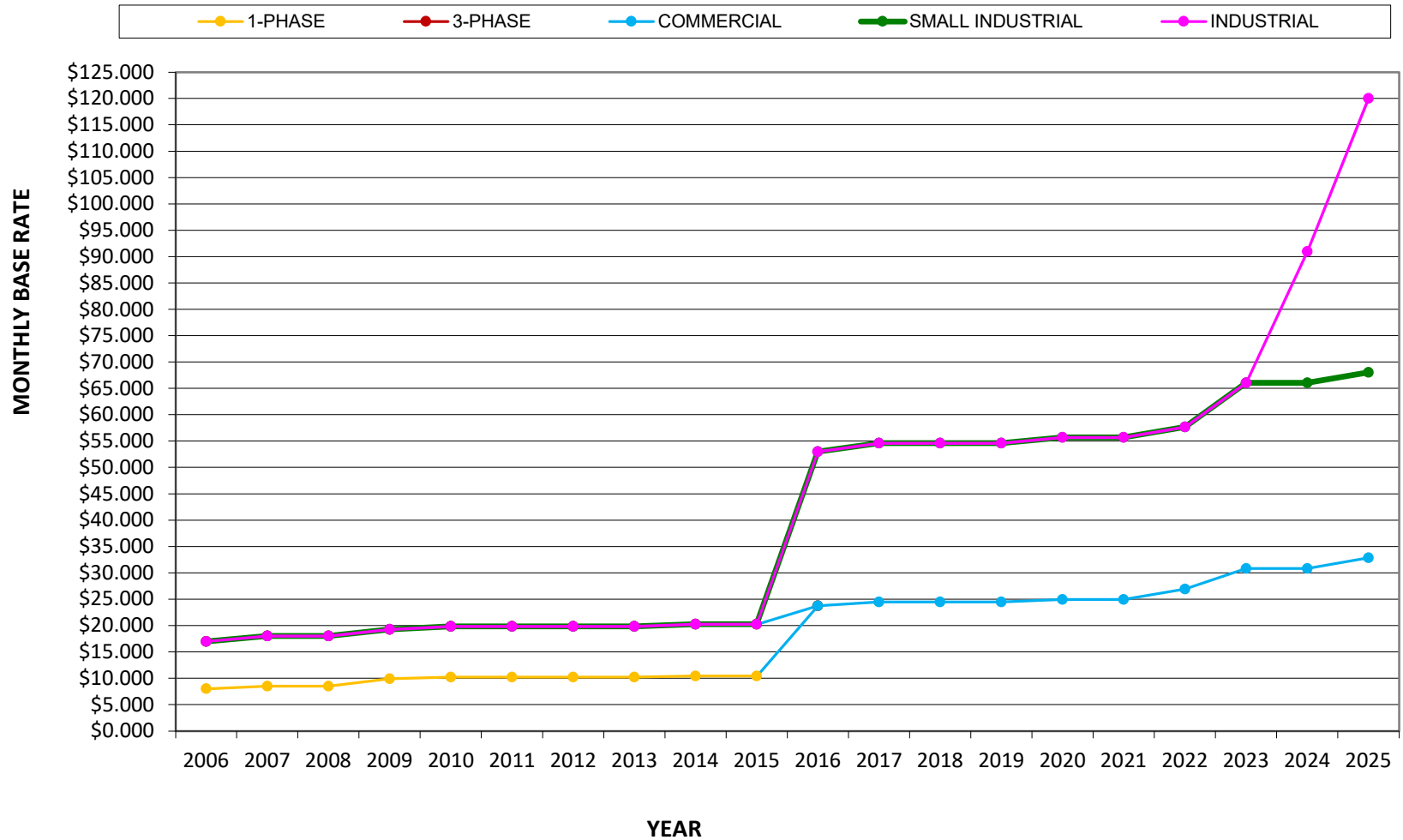
\* An average residential customer using 1200 kWh will see an increase of \$3.72 per month with 2024 rate increase

## NEW PRAGUE UTILITIES COMMISSION COMMERCIAL ELECTRIC RATE INFORMATION (2006 - 2025)



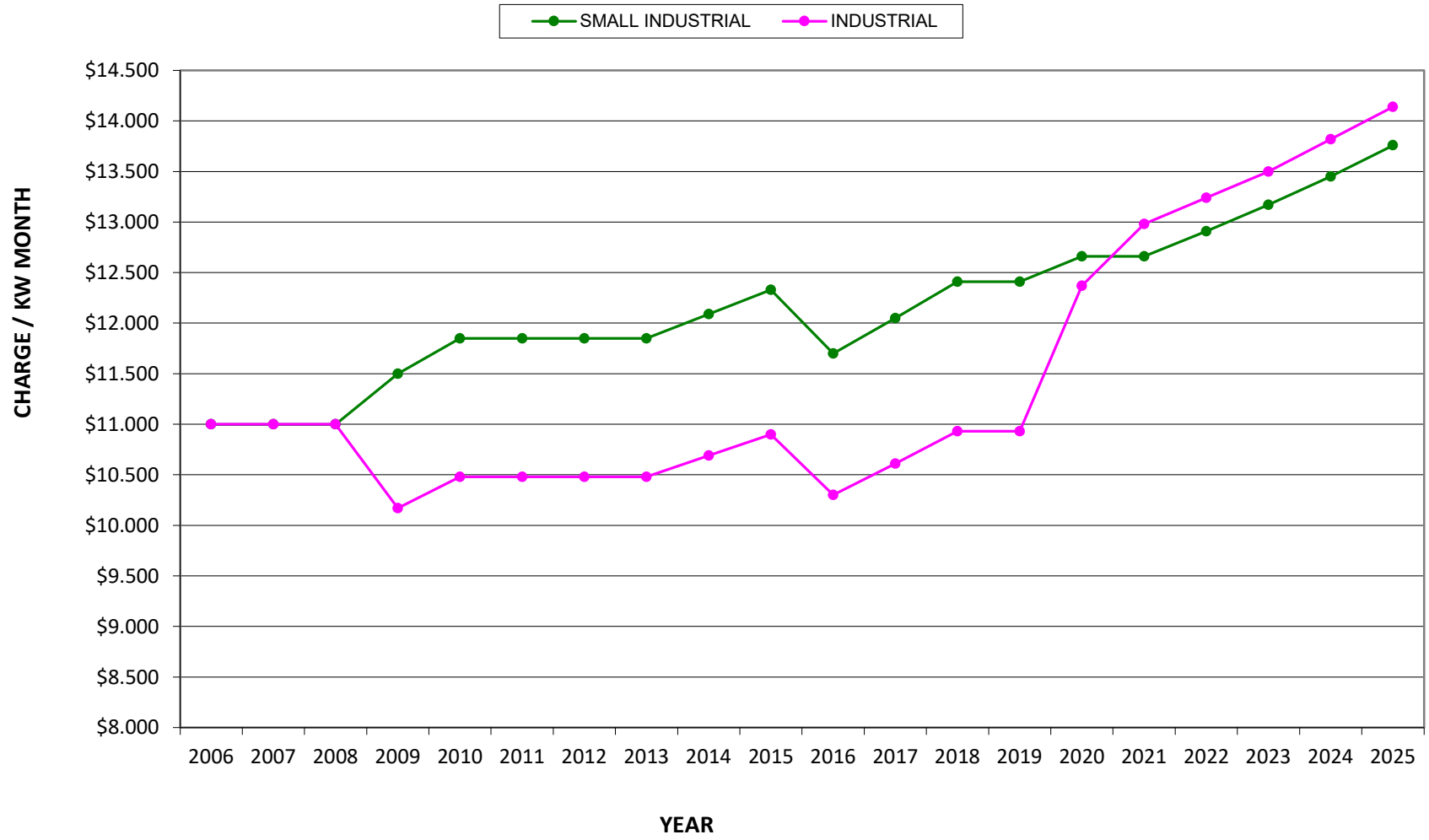
1-Phase and 3-Phase rates were combined in 2016 to create the Commercial rate.  
2016-2025, Small Industrial and Industrial will have the same rate.

## NEW PRAGUE UTILITIES COMMISSION COMMERCIAL ELECTRIC BASE RATE INFORMATION (2006 - 2025)



1-Phase and 3-Phase rates were combined in 2016 to create the Commercial rate.  
 From 2006 to 2015, 3-Phase(Commercial), Small Industrial, Industrial, and Large Industrial charged the same rate.  
 2017-2023, Small Industrial and Industrial will have the same rate.

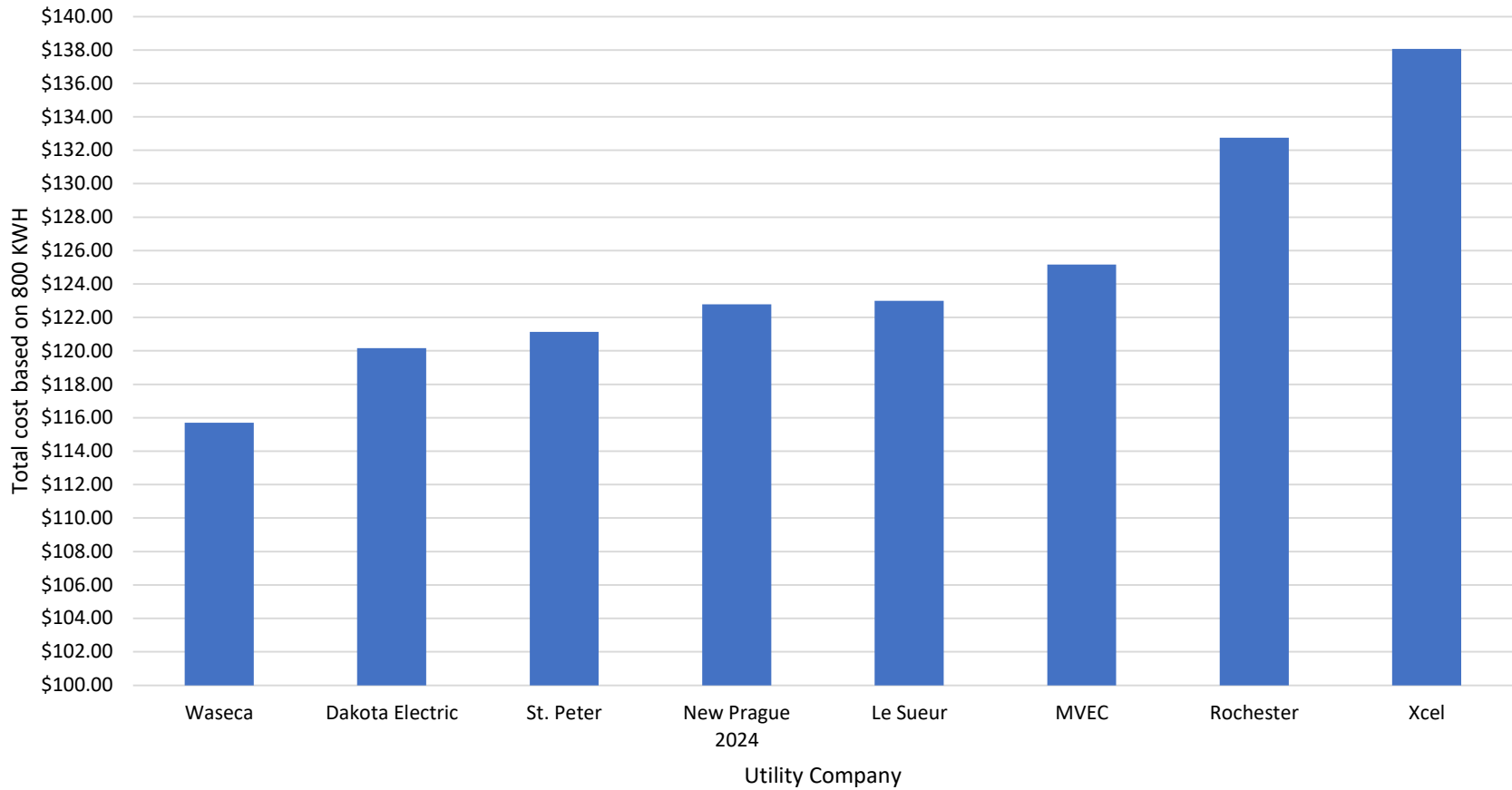
## NEW PRAGUE UTILITIES COMMISSION COMMERCIAL ELECTRIC DEMAND RATE INFORMATION (2006 - 2025)



From 2006 to 2008, Small Industrial, Industrial, and Large Industrial charged the same rate.



### New Prague Utilities Commission 2024 Summer Rate Comparison



Sum of Amount	Years										
Funding Sources	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Grand Total
<b>Electric</b>	<b>6,972,000</b>	<b>7,247,000</b>	<b>6,738,000</b>	<b>799,400</b>	<b>626,000</b>	<b>589,000</b>	<b>606,000</b>	<b>684,000</b>	<b>642,590</b>	<b>661,677</b>	<b>25,565,667</b>
#5 Generator Replacement	300,000	300,000									600,000
Brush Chipper (15% of cost)				5,400							5,400
Bucket Truck	65,000	275,000									340,000
Directional Drill				150,000							150,000
Dump Truck Replacement				65,000							65,000
Future Distribution CIP	450,000	463,000	477,000	491,000	506,000	522,000	537,000	553,000	569,590	586,677	5,155,267
Future Generation	6,000,000	6,000,000	6,000,000								18,000,000
Mini Excavator Backhoe	45,000										45,000
Miscellaneous Equipment	27,000	29,000	31,000	33,000	35,000	37,000	39,000	41,000	43,000	45,000	360,000
Pavement Replacement- Warehouse Alley	55,000										55,000
SCADA/ Switch Gear	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	300,000
Service Truck Replacement			50,000		55,000			60,000			165,000
Tractor Backhoe				25,000							25,000
Trencher/Plow			150,000								150,000
West Substation Upgrade - Controls/Gear		150,000									150,000
<b>Grand Total</b>	<b>6,972,000</b>	<b>7,247,000</b>	<b>6,738,000</b>	<b>799,400</b>	<b>626,000</b>	<b>589,000</b>	<b>606,000</b>	<b>684,000</b>	<b>642,590</b>	<b>661,677</b>	<b>25,565,667</b>

## Proposed 2025 Rates

	2024		2025	
	Rate	BASE FEE	RATE	BASE FEE
RESIDENTIAL	\$ 0.1337	\$ 15.82	\$ 0.1369	\$16.82
OFF PEAK SUMMER (JUNE - SEPT)	\$ 0.0823	\$ -	\$ 0.0839	
OFF PEAK WINTER (OCT - MAY)	\$ 0.0696	\$ -	\$ 0.0710	
RESIDENTIAL - SOLAR	\$ 0.1337	\$ 4.50	\$ 0.1369	\$4.50
RESIDENTIAL - SOLAR BI-DIRECTIONAL	\$ (0.1337)	\$ -	\$ (0.1369)	
TIME OF USE - AM (CAR)	\$ 0.2388	\$ -	\$ 0.2507	
TIME OF USE - PM (CAR)	\$ 0.0806	\$ -	\$ 0.0806	
LOAD CONTROL CREDITS		\$ (5.00)		\$ (5.00)
COMMERCIAL	\$ 0.1276	\$ 30.85	\$ 0.1302	\$ 32.86
SMALL INDUSTRIAL	\$ 0.0736	\$ 66.04	\$ 0.0753	\$ 68.04
SMALL INDUSTRIAL - DEMAND	\$13.4500	\$ -	\$13.7600	
INDUSTRIAL	\$ 0.0736	\$ 91.00	\$ 0.0753	\$120.00
INDUSTRIAL - DEMAND	\$13.8200	\$ -	\$14.1400	
PEAK ALERT	\$ 0.0779	\$ 136.60	\$ 0.0797	\$ 138.60
PEAK ALERT - DEMAND	\$ 3.8100	\$ -	\$ 4.4100	\$1.00
INTERRUPTABLE	\$ 0.0926	\$ 30.86	\$ 0.0945	\$32.86
LARGE INDUSTRIAL	\$ -	\$ 100.00	\$ 0.0753	\$140.00
LARGE INDUSTRIAL - Demand			\$17.2000	
INTERDEPARTMENT SALES	\$ 0.0812	\$ 26.94	\$ 0.0945	\$32.86
INTERDEPARTMENT SALES	\$ 0.1149	\$ 26.94	\$ 0.1302	\$32.86
METERED STREET LIGHT - LED	\$ 0.2000	\$ 12.35	\$ 0.2500	\$12.60
METERED STREET LIGHT - NON LED	\$ 0.1469	\$ 11.29	\$ 0.1469	\$12.60
SECURITY LIGHTS	\$ -	\$ 12.35	\$ -	\$12.60

**SOUTHERN MINNESOTA MUNICIPAL POWER AGENCY  
Minutes of the Board of Directors’ Meeting  
September 11, 2024**

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

Mr. Nibaur, Austin Utilities General Manager, welcomed the members to Austin and introduced Jess Dunlap, Austin Utilities Operations Supervisor; Alex Bumgardner, Austin Utilities Operations Director; and Jay Lutz, Austin Utilities Commissioner.

Mr. Lutz welcomed the members to Austin.

**Board Members Present:**

President Bruce A. Reimers, New Prague; Vice President Peter T. Moulton, Saint Peter; Secretary Roger E. Warehime, Owatonna; Treasurer James R. Bakken, Preston; Mark E. Nibaur, Austin; T. Scott Jensen, Lake City; and Timothy M. McCollough, Rochester.

**Others Present:**

David P. Geschwind, Executive Director & CEO; Alex Bumgardner, Jess Dunlap, Jay Lutz, Austin; Jerry Mausbach, Blooming Prairie; Miles Heide, Julie Zarling, Fairmont; Damian Baum, Owatonna; Keith R. Butcher, Princeton; Todd Prafke, Saint Peter; Chris Rolli, Spring Valley; Craig Anderson, Wells; Beth A. Fondell, Naomi A. Goll, Joseph A. Hoffman, and Jeremy B. Sutton of the Agency staff.

**Others Present Via Conference Call:**

Mike Roth, Grand Marais; Mike Geers, Litchfield; Joe Kohlgraf, Mora; and Jason Halvorson, Redwood Falls.

**#1 Agenda Approval:**

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

**#2 Consent Agenda:**

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

APPROVED the August 14, 2024 board meeting minutes.

**#3 Wholesale Rate Comparison-Fondell:**

Ms. Fondell reported on the wholesale rate comparison, which the Agency has been tracking since 2014. She compared SMMPA’s rates with a group of other wholesale electricity suppliers

in the region.

Discussion.

The SMMPA wholesale rate has been impacted by the November 2022 rate increase and February 2023 implementation of the Energy Cost Adjustment (ECA). A review of the last several years of wholesale rates among the utilities in the comparison group demonstrates which organizations had an ECA in place prior to 2022.

**#4 2025 Budget and Rates Preview-Fondell:**

Ms. Fondell presented the 2025 budget and rates preview.

Member Rates

The Agency is currently proposing no change in the Agency’s wholesale power and energy rates for 2025. The proposed transmission rates are based on the second year of a three-year rate transition approved at the May 2023 board meeting.

The draft 2025 Sources and Uses of Revenues excludes financial transmission rights (FTR) revenues, which reduces the rates stabilization contribution and increases the ECA base cost.

Discussion.

Next Steps

- Finalize proposed 2025 budget.
- Distribute detailed budget book on September 20, 2024.
- Budget and Rates Workshop September 24, 2024.

The proposed 2025 budget and rates will be presented at the October board meeting for action by the board.

After a short break, the board reconvened at 10:37 a.m.

**#5 New Dispatchable Generation-Sutton:**

Mr. Sutton compared the Solar Titan 130 to the Titan 250 gas turbine for the new dispatchable generation project in Owatonna.

Installing three units of the Titan 130 would have 5 MW more in the summer and 13 MW more in the winter than a plant consisting of Titan 250 units.

The estimated total project costs are \$74,941,346.

To keep the project moving forward and to maintain the air permit issuance progress, the Agency will soon need to request authorization for the next round of spending on costs to include providing 10% down for certain Solar equipment at contract signing in November 2024, 10% - 50% down for a generator step-up transformer, and \$250,000 for engineering activities.

Discussion.

Financing approval would be requested from the board and member representatives in approximately one year to keep on track for a 2028 in-service schedule.

A handout of the 2028 Generating Plant Project Schedule was distributed. (Attachment A.)

At next month’s board meeting, the Agency may request approval of the next round of expenditures for a project based around the Titan 130 gas turbine.

Mr. Geschwind announced that SMMPA would be happy to attend commission and council meetings in the member communities to discuss the new dispatchable generation project.

**#6 2024 Integrated Resource Plan Draft-Sutton:**

Mr. Sutton reported on the 2024 Integrated Resource Plan (IRP) draft which was provided electronically to the members prior to the board meeting.

Key assumptions and a summary of the results were reviewed. The last IRP was filed with the Minnesota Public Utilities Commission on December 1, 2021.

Discussion.

Depending on feedback received, this topic will be brought back next month to seek board approval to file the IRP with the State by December 1, 2024.

**Government Affairs/Member Services Report-Hoffman:**

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

Electric Vehicle Chargers

Tritium, manufacturer of the fifteen RT50 DCFCs in the member communities, was recently purchased by Exicom. Exicom does not intend to provide repair support or parts for the RT50 chargers. As the RT50s become unrepairable, SMMPA and the members will discuss the future of the DCFC charging network.

Battery Storage Funding Project

SMMPA submitted a 40101(d) grant application for funding a potential battery storage project to be located in Grand Marais. The awarded fund grants will be announced in October 2024.

WAPA RECs

WAPA members have access to Renewable Energy Credits (RECs) for their WAPA power and the WAPA REC Option form allows the members to choose how those RECS are handled. SMMPA maintains a Midwest Renewable Energy Tracking System (M-RETs) account and can assist with the RECs retiring process.

SMMPA/Eaton User Group Meeting

SMMPA plans to partner with Eaton to host an Eaton User Group meeting (AMI and load control topics) for the members. The one-day meeting (9am-3pm) will be held in November or December 2024 in New Prague, Minnesota.

Public Power Week

Public Power Week will be held October 6-12, 2024.

SMMPA Annual Meeting

The SMMPA Annual Meeting will be held October 16-17, 2024 at the Sheraton Hotel, Bloomington, Minnesota.

**Operations Report-Sutton:**

Mr. Sutton reported:

OPU Combustion Turbine Update

On July 30, 2024, the Owatonna Public Utilities combustion turbine unit was removed and shipped to Florida for inspection due to the damaged blades. Waiting for the final report findings.

OES/FES Head Repairs

Waiting for direction from Caterpillar on the Owatonna Energy Station and Fairmont Energy leaking engine cylinder heads. There may be issues with the valve seat tolerances.

SMMPA Organizational Changes

Two SMMPA employees have been promoted, and some organizational changes have been made in the Operations Department:

- Clint Schumacher promoted to Manager of Agency & Member Generation.
- Burnell Folkert promoted to Senior Application Engineer.

**Financial Report July 2024-Fondell:**

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

Banking RFP Status

The deadline for questions regarding the request for proposal (RFP) is September 13, 2024. The deadline for proposals is September 30, 2024.

Member Financial Metrics

SMMPA will distribute the financial metrics to each member this month. A new addition to the financial metrics this year will be data regarding Payments in Lieu of Taxes (PILOT). Members should feel free to reach out to the Agency staff with any questions.

**President's Report:**

There was no report.

**Executive Director & CEO’s Report:**

Mr. Geschwind reported:

- **SMMPA Board Position:** Preston announced their candidacy for re-election for the SMMPA Board position, currently held by Preston, with the election on October 17, 2024.
- **Potential Green Fertilizer Plant:** A potential green fertilizer plant is considering building a facility in Austin, Minnesota. SMMPA plans to arrange for a transmission infrastructure study for the projected large load and provide the study scope and cost estimate to the project developer for their consideration.

**Member Forum:**

None.

**Other Business:**

There was no other business.

**Adjourn:**

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

The meeting was adjourned at 12:02 p.m.

\_\_\_\_\_  
Secretary