



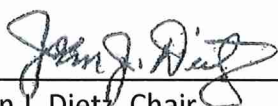
**SPECIAL MEETING NOTICE OF THE
ELK RIVER MUNICIPAL UTILITIES COMMISSION
- CHANGE OF MEETING LOCATION -**

**Tuesday, December 10, 2024
3:30 p.m.
Elk River Municipal Utilities Conference Room
13069 Orono Parkway
Elk River, Minnesota**

The purpose of the meeting is as follows:

- To consider and take action on agenda items listed on the attached agenda.

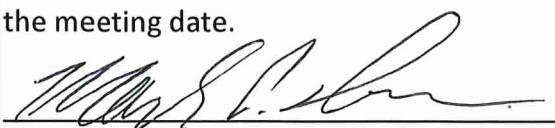
In accordance with State Statute, I hereby request the city clerk to post this notice at least three days prior to the meeting date. I further request the city clerk to notify each member of the Elk River Municipal Utilities Commission of this special meeting, in writing, at least one day before the meeting.



John J. Dietz, Chair

12-3-24
Date

I HEREBY CERTIFY, that this notice has been posted and that I have served this notice upon the members of the Elk River Municipal Utilities Commission by mail at least one day prior to the above-called Elk River Municipal Utilities Commission special meeting. In accordance with State Statute, this notice will be posted at least three days prior to the meeting date.



Mark Hanson, General Manager

12-3-24
Date

AGENDA

1.0 GOVERNANCE

- 1.1 Call Meeting to Order
- 1.2 Pledge of Allegiance
- 1.3 Consider the Agenda
- 1.4 2024 Mutual Aid Report - Verbal

2.0 CONSENT (Routine items. No discussion. Approved by one motion.)

- 2.1 Check Register – November 2024
- 2.2 Special Meeting Minutes – November 12, 2024
- 2.3 Designate 2025 Official Depository and Delegate Authority for Electronic Funds Transfer
- 2.4 Designate 2025 Official Newspaper
- 2.5 2025 Utilities Commission Meeting Schedule
- 2.6 November 2024 Closed Session Summary – RJM Construction Contract No. A133, Field Services Building Project Dispute Settlement

3.0 OPEN FORUM (Non-agenda items for discussion. No action. Presenters must adhere to a time limit of 3 minutes.)

4.0 POLICY & COMPLIANCE (Policy review, policy development, and compliance monitoring.)

- 4.1 Commission Policy Review – G.3b – Delegation of Authority to the General Manager
- 4.2 2025 Governance Agenda
- 4.3 2025 Performance Metrics and Incentive Compensation Policy

5.0 BUSINESS ACTION (Current business action requests and performance monitoring reports.)

- 5.1 Financial Report – October 2024
- 5.2 2025 Annual Business Plan – Budget and Schedule of Rates & Fees
- 5.3 Energy City Committee
- 5.4 Disposition of City's Utility by Referendum
- 5.5 Advanced Metering Infrastructure Update

6.0 BUSINESS DISCUSSION (Future business planning, general updates, and informational reports.)

- 6.1 Staff Updates
- 6.2 City Council Update
- 6.3 Future Planning (Announce the next regular meeting, special meeting, or planned quorum.)
 - a. Regular Commission Meeting – January 14, 2025
 - b. 2024 Governance Agenda
- 6.4 Other Business (Items added during agenda approval.)

7.0 ADJOURN REGULAR MEETING

TO: ERMU Commission	FROM: Mark Hanson – General Manager
MEETING DATE: December 10, 2024	AGENDA ITEM NUMBER: 1.4
SUBJECT: 2024 Mutual Aid Report	
ACTION REQUESTED: None	

BACKGROUND/DISCUSSION:

On October 7, 2024, ERMU Lineworkers Matt Schwartz and Matt Zipp joined other crews within Minnesota Municipal Utilities Association membership to provide mutual aid to electric systems in Florida after they experienced outages due to multiple hurricanes. Mr. Schwartz and Mr. Zipp will be attending the December 2024 Commission Meeting to provide a verbal report.

CHECK REGISTER

November 2024

APPROVED BY:

Paul Bell

John Dietz

Mary Stewart

Matt Westgaard

Nick Zerwas

12/02/2024 11:13:23 am

Page: 1

Payroll/Labor

Check Register Totals

11/08/2024 To 11/08/2024

<u>Pays</u>	<u>Job</u>	<u>Amount</u>	<u>Hours</u>
Gross Pay			
2	Reg Hourly	124,915.76	2,737.25
20	Reg Salary	46,129.50	616.00
3	Overtime	2,544.85	30.00
4	Double Time	0.00	0.00
5	On-Call/Stand-by	2,878.96	56.00
24	FLSA	93.58	0.00
25	Rest Time	97.64	2.00
10	Bonus Pay	0.00	0.00
18	Commissioner Reimb - Electric	600.00	0.00
104	Commissioner Stipend	60.00	0.00
105	Perf. Metr. Distr.	0.00	0.00
VAC	Vacation Pay	5,816.80	110.39
SICK	Sick Pay	2,631.19	62.84
HOL	Holiday Pay	0.00	0.00
78	Retro Earnings	0.00	0.00
5-2	On-Call/Stand-by/OT	876.30	10.75
18A	Commissioner Reimb. - Water	150.00	0.00
10-3	Bonus Pay Overtime	0.00	0.00
104A	Commission Stipend - Water	15.00	0.00
PVT	Purchased Vacation Time	0.00	0.00
PTOY	Personal Day - Year	0.00	0.00
3C	Overtime-Comp Time	1,026.50	11.75
4C	Double Time-Comp Time	0.00	0.00
CM3C	Overtime-Comp Time Adjusted	-1,026.50	-11.75
CM4C	Double Time-Comp Time Adjusted	0.00	0.00
COMP	Comp Time Taken	1,349.19	28.50
106	Longevity Pay	0.00	0.00
10W	Bonus Pay	334.24	8.00
103W	Bonus Pay Overtime	0.00	0.00
Gross Pay Total:		<u>188,493.01</u>	<u>3,661.73</u>
Total Pays:		188,493.01	3,661.73

12/02/2024 11:14:40 am

Page: 1

Payroll/Labor Check Register Totals

11/12/2024 To 11/12/2024

<u>Pays</u>	<u>Job</u>	<u>Amount</u>	<u>Hours</u>
Gross Pay			
2	Reg Hourly	0.00	0.00
3	Overtime	0.00	0.00
105	Perf. Metr. Distr.	0.00	0.00
VAC	Vacation Pay	0.00	0.00
SICK	Sick Pay	0.00	0.00
HOL	Holiday Pay	0.00	0.00
PTOY	Personal Day - Year	0.00	0.00
106	Longevity Pay	2,125.00	0.00
	Gross Pay Total:	2,125.00	0.00
	Total Pays:	2,125.00	0.00

<u>Deductions</u>	<u>Amount</u>	
Employee Taxes		
FEDS Federal Income - Single	467.50	2,125.00
MNS MN State Income Tax - Single	132.81	2,125.00
SS-E Social Security	131.75	2,125.00
MD-E Medicare	30.82	2,125.00
Employee Tax Total:	762.88	

<u>Employer Taxes</u>	<u>Amount</u>	<u>Taxable Amt</u>
SS-R Social Security	131.75	2,125.00
MD-R Medicare	30.82	2,125.00
SUTA State Unemployment Tax	0.00	2,125.00
Employer Tax Total:	162.57	

<u>Taxes By Type</u>	<u>State</u>	<u>Amount</u>	<u>Taxable Amt</u>
FEDERAL INCOME		467.50	2,125.00
SOCIAL SECURITY		263.50	2,125.00
Medicare		61.64	2,125.00
STATE INCOME	MN	132.81	2,125.00
State Unemployment Tax	MN	0.00	2,125.00
Tax Total:		925.45	

12/02/2024 11:14:40 am

Page: 2

Payroll/Labor Check Register Totals

11/12/2024 To 11/12/2024

Net Pay: 1,362.12

Total Deposit Amount: 0.00

Total Check Amount: 1,362.12

Total Employees: 1

Total Direct Deposits: 0

Total Checks: 1

12/02/2024 11:14:05 am

Page: 1

Payroll/Labor

Check Register Totals

11/22/2024 To 11/22/2024

<u>Pays</u>	<u>Job</u>	<u>Amount</u>	<u>Hours</u>
Gross Pay			
2	Reg Hourly	97,378.06	2,159.50
20	Reg Salary	37,457.01	493.00
3	Overtime	159.05	2.50
4	Double Time	542.44	5.25
5	On-Call/Stand-by	2,890.52	56.00
24	FLSA	21.49	0.00
25	Rest Time	0.00	0.00
10	Bonus Pay	664.36	11.50
105	Perf. Metr. Distr.	0.00	0.00
VAC	Vacation Pay	16,500.46	299.25
SICK	Sick Pay	5,623.41	138.00
HOL	Holiday Pay	17,881.36	352.00
78	Retro Earnings	0.00	0.00
5-2	On-Call/Stand-by/OT	290.10	4.00
10-3	Bonus Pay Overtime	108.32	1.25
VAC	Vacation Pay - Manager	2,527.80	40.00
PVT	Purchased Vacation Time	0.00	0.00
PTOY	Personal Day - Year	0.00	0.00
3C	Overtime-Comp Time	102.15	1.25
4C	Double Time-Comp Time	0.00	0.00
CM3C	Overtime-Comp Time Adjusted	-102.15	-1.25
CM4C	Double Time-Comp Time Adjusted	0.00	0.00
COMP	Comp Time Taken	2,542.55	46.00
106	Longevity Pay	0.00	0.00
10W	Bonus Pay	2,130.78	51.00
103W	Bonus Pay Overtime	0.00	0.00
Gross Pay Total:		<u>186,717.71</u>	<u>3,659.25</u>
Total Pays:		186,717.71	3,659.25

12/02/2024 11:12:33 AM

**Accounts Payable
Check Register**

Page 1

11/01/2024 To 11/30/2024

Bank Account: 1 - GENERAL FUND

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
2373	11/4/24	WIRE	5655	FIRST DATA	CC FEES - OCT 2024	2,147.38
					CC FEES - OCT 2024	536.85
					CC FEES - OCT 2024	578.70
					CC FEES - OCT 2024	144.67
					CC FEES - OCT 2024	1,281.86
					CC FEES - OCT 2024	320.46
					CC FEES - OCT 2024	96.16
					CC FEES - OCT 2024	24.04
					CC FEES - OCT 2024	715.05
					CC FEES - OCT 2024	178.76
					CC FEES - OCT 2024	3,272.07
					CC FEES - OCT 2024	818.02
Total for Check/Tran - 2373:						10,114.02
Total for Bank Account - 1 :						(1) 10,114.02

12/02/2024 11:12:33 AM

Accounts Payable Check Register

Page 2

11/01/2024 To 11/30/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
4571 11/6/24	WIRE	7463	FURTHER	FSA CLAIM REIMBURSEMENTS - 164	153.86
				FSA CLAIM REIMBURSEMENTS - 164	38.46
Total for Check/Tran - 4571:					192.32
4572 11/12/24	WIRE	153	PERA (ELECTRONIC)	PERA EMPLOYEE CONTRIBUTION	10,130.69
				PERA CONTRIBUTIONS	11,689.26
				PERA EMPLOYEE CONTRIBUTION	2,067.73
				PERA CONTRIBUTIONS	2,385.85
Total for Check/Tran - 4572:					26,273.53
4573 11/12/24	WIRE	160	HCSP (ELECTRONIC)	HCSP EMPLOYEE CONTRIBUTIONS	2,188.58
				HCSP EMPLOYEE CONTRIBUTIONS	316.76
Total for Check/Tran - 4573:					2,505.34
4574 11/12/24	WIRE	161	MNDP (ELECTRONIC)	MNDP EE MANAGER CONTRIBUTIONS	330.36
				MNDP EMPLOYEE CONTRIBUTIONS	3,194.55
				MNDP EMPLOYER CONTRIBUTION	1,424.15
				MNDP EMPLOYER MGR CONTRIBUTION	553.99
				MNDP EE ROTH CONTRIBUTIONS	877.49
				MNDP EE ROTH MGR CONTRIBUTIONS	223.63
				MNDP EE MANAGER CONTRIBUTIONS	46.41
				MNDP EMPLOYEE CONTRIBUTIONS	270.20
				MNDP EMPLOYER CONTRIBUTION	188.54
				MNDP EMPLOYER MGR CONTRIBUTION	76.49
				MNDP EE ROTH CONTRIBUTIONS	384.45
				MNDP EE ROTH MGR CONTRIBUTIONS	30.08
Total for Check/Tran - 4574:					7,600.34
4575 11/12/24	WIRE	285	JOHN HANCOCK	W&A EMPLOYER CONTRIBUTION	40.00
				W&A MANAGER CONTRIBUTION	387.40
				WENZEL EMPLOYEE CONTRIBUTIONS	1,459.21
				WENZEL MANAGER CONTRIBUTIONS	267.64
				DEF COMP ROTH CONTRIBUTIONS W&A	1,034.52

12/02/2024 11:12:33 AM

Accounts Payable Check Register

Page 3

11/01/2024 To 11/30/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				WENZEL EE ROTH MGR CONTRIBUTIONS	119.76
				W&A EMPLOYER CONTRIBUTION	110.00
				W&A MANAGER CONTRIBUTION	59.42
				WENZEL EMPLOYEE CONTRIBUTIONS	111.20
				WENZEL MANAGER CONTRIBUTIONS	29.48
				DEF COMP ROTH CONTRIBUTIONS W&A	209.88
				WENZEL EE ROTH MGR CONTRIBUTIONS	29.94
Total for Check/Tran - 4575:					3,858.45
4576 11/12/24	WIRE	598	MINNESOTA CHILD SUPPORT PAYMEN	CHILD SUPPORT/LEVY	562.52
4577 11/7/24	WIRE	166	ONLINE UTILITY EXCHANGE (ELECTR	UTILITY EXCHANGE REPORT - OCT 2024	404.16
				UTILITY EXCHANGE REPORT - OCT 2024	101.04
Total for Check/Tran - 4577:					505.20
4578 11/13/24	WIRE	152	IRS - USA TAX PMT (ELECTRONIC)	PAYROLL TAXES - FEDERAL & FICA	16,729.22
				PAYROLL TAXES - FEDERAL & FICA	21,853.84
				PAYROLL TAXES - FEDERAL & FICA	3,054.58
				PAYROLL TAXES - FEDERAL & FICA	4,381.56
Total for Check/Tran - 4578:					46,019.20
4579 11/12/24	WIRE	7463	FURTHER	HSA EMPLOYEE CONTRIBUTION	2,331.34
				HSA EMPLOYEE CONTRIBUTION	428.96
Total for Check/Tran - 4579:					2,760.30
4581 11/14/24	WIRE	154	MINNESOTA REVENUE (ELECTRONIC)	PAYROLL TAXES - STATE	7,140.72
				PAYROLL TAXES - STATE	1,412.14
Total for Check/Tran - 4581:					8,552.86
4582 11/18/24	WIRE	154	MINNESOTA REVENUE (ELECTRONIC)	PAYROLL TAXES - STATE	126.17
				PAYROLL TAXES - STATE	6.64
Total for Check/Tran - 4582:					132.81
4583 11/15/24	WIRE	152	IRS - USA TAX PMT (ELECTRONIC)	PAYROLL TAXES - FEDERAL & FICA	444.13
				PAYROLL TAXES - FEDERAL & FICA	308.88

12/02/2024 11:12:33 AM

Accounts Payable Check Register

Page 4

11/01/2024 To 11/30/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				PAYROLL TAXES - FEDERAL & FICA	23.37
				PAYROLL TAXES - FEDERAL & FICA	16.26
				Total for Check/Tran - 4583:	792.64
4584 11/15/24	WIRE	9654	CARDMEMBER SERVICE	FIRST NATIONAL BANK VISA	11,539.90
				FIRST NATIONAL BANK VISA	6,304.98
				Total for Check/Tran - 4584:	17,844.88
4586 11/19/24	WIRE	7463	FURTHER	FSA CLAIM REIMBURSEMENTS - 147 163	1,333.06
				FSA CLAIM REIMBURSEMENTS - 147 163	333.26
				Total for Check/Tran - 4586:	1,666.32
4588 11/21/24	WIRE	7463	FURTHER	ADMINISTRATIVE FEE INVOICE - NOV 2024	125.00
				ADMINISTRATIVE FEE INVOICE - NOV 2024	25.50
				Total for Check/Tran - 4588:	150.50
4589 11/21/24	WIRE	174	MINNESOTA REVENUE SALES TX (ELE	SALES AND USE TAX - OCT 2024	195,150.49
				SALES AND USE TAX - OCT 2024	-2.44
				SALES AND USE TAX - OCT 2024	12,793.95
				Total for Check/Tran - 4589:	207,942.00
4590 11/25/24	WIRE	153	PERA (ELECTRONIC)	PERA EMPLOYEE CONTRIBUTION	10,113.30
				PERA CONTRIBUTIONS	11,669.19
				PERA EMPLOYEE CONTRIBUTION	2,023.35
				PERA CONTRIBUTIONS	2,334.65
				Total for Check/Tran - 4590:	26,140.49
4591 11/25/24	WIRE	598	MINNESOTA CHILD SUPPORT PAYMEN	CHILD SUPPORT/LEVY	562.52
4592 11/25/24	WIRE	285	JOHN HANCOCK	W&A EMPLOYER CONTRIBUTION	40.00
				W&A MANAGER CONTRIBUTION	387.40
				WENZEL EMPLOYEE CONTRIBUTIONS	1,384.88
				WENZEL MANAGER CONTRIBUTIONS	267.64
				DEF COMP ROTH CONTRIBUTIONS W&A	1,034.52
				WENZEL EE ROTH MGR CONTRIBUTIONS	119.76

12/02/2024 11:12:33 AM

Accounts Payable Check Register

Page 5

11/01/2024 To 11/30/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				W&A EMPLOYER CONTRIBUTION	110.00
				W&A MANAGER CONTRIBUTION	59.42
				WENZEL EMPLOYEE CONTRIBUTIONS	111.15
				WENZEL MANAGER CONTRIBUTIONS	29.48
				DEF COMP ROTH CONTRIBUTIONS W&A	209.88
				WENZEL EE ROTH MGR CONTRIBUTIONS	29.94
				Total for Check/Tran - 4592:	3,784.07
4593 11/26/24	WIRE	160	HCSP (ELECTRONIC)	HCSP EMPLOYEE CONTRIBUTIONS	2,288.40
				HCSP EMPLOYEE CONTRIBUTIONS	312.04
				Total for Check/Tran - 4593:	2,600.44
4594 11/26/24	WIRE	161	MND CP (ELECTRONIC)	MND CP EE MANAGER CONTRIBUTIONS	330.36
				MND CP EMPLOYEE CONTRIBUTIONS	3,295.51
				MND CP EMPLOYER CONTRIBUTION	1,301.91
				MND CP EMPLOYER MGR CONTRIBUTION	553.99
				MND CP EE ROTH CONTRIBUTIONS	877.50
				MND CP EE ROTH MGR CONTRIBUTIONS	223.63
				MND CP EE MANAGER CONTRIBUTIONS	46.41
				MND CP EMPLOYEE CONTRIBUTIONS	274.24
				MND CP EMPLOYER CONTRIBUTION	160.78
				MND CP EMPLOYER MGR CONTRIBUTION	76.49
				MND CP EE ROTH CONTRIBUTIONS	384.44
				MND CP EE ROTH MGR CONTRIBUTIONS	30.08
				Total for Check/Tran - 4594:	7,555.34
4595 11/26/24	WIRE	7463	FURTHER	HSA EMPLOYEE CONTRIBUTION	2,305.23
				HSA EMPLOYEE CONTRIBUTION	425.07
				Total for Check/Tran - 4595:	2,730.30
4596 11/27/24	WIRE	152	IRS - USA TAX PMT (ELECTRONIC)	PAYROLL TAXES - FEDERAL & FICA	16,567.84
				PAYROLL TAXES - FEDERAL & FICA	21,698.30
				PAYROLL TAXES - FEDERAL & FICA	2,995.75

12/02/2024 11:12:33 AM

Accounts Payable Check Register

Page 6

11/01/2024 To 11/30/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				PAYROLL TAXES - FEDERAL & FICA	4,253.16
				Total for Check/Tran - 4596:	45,515.05
20715 11/7/24	DD	724	ALLEGiant UTILITY SERVICES, LLC	WATER METER INSTALL - 10/1 to 10/15/24	26,983.47
				WATER METER INSTALL - 10/1 to 10/15/24	-1,969.83
				Total for Check/Tran - 20715:	25,013.64
20716 11/7/24	DD	11	CITY OF ELK RIVER	FUEL USAGE - SEPT 2024	2,191.78
				FUEL USAGE - SEPT 2024	1,242.50
				PARTS & LABOR FOR UNIT #77	-1.42
				PARTS & LABOR FOR UNIT #77	84.44
				PARTS & LABOR FOR UNIT #25	-9.41
				PARTS & LABOR FOR UNIT #25	193.86
				PARTS & LABOR FOR UNIT #19	-0.19
				PARTS & LABOR FOR UNIT #19	67.71
				LABOR FOR UNIT #61	32.50
				PARTS & LABOR FOR UNIT #10	170.31
				PARTS & LABOR FOR UNIT #73	-8.54
				PARTS & LABOR FOR UNIT #73	182.06
				PARTS & LABOR FOR UNIT #18	-3.96
				PARTS & LABOR FOR UNIT #18	158.31
				PARTS & LABOR FOR UNIT #18	-0.99
				PARTS & LABOR FOR UNIT #18	39.58
				PARTS & LABOR FOR UNIT #5	-52.23
				PARTS & LABOR FOR UNIT #5	1,365.39
				Total for Check/Tran - 20716:	5,651.70
20717 11/7/24	DD	3667	ELFERING & ASSOCIATES	PROFESSIONAL SERVICES - SEPT 2024	1,377.50
				PROFESSIONAL SERVICES - SEPT 2024	2,900.00
				Total for Check/Tran - 20717:	4,277.50
20718 11/7/24	DD	23	ELK RIVER MUNICIPAL UTILITIES	CYCLE 3 - INV GRP 414 - SEPT 2024	100.00
				CYCLE 3 - INV GRP 414 - SEPT 2024	551.60

12/02/2024 11:12:33 AM

Accounts Payable Check Register

Page 7

11/01/2024 To 11/30/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				SUBSTATION WATER USAGE	14.25
				CYCLE 3 - INV GRP 395 - SEPT 2024	12,989.93
				Total for Check/Tran - 20718:	13,655.78
20719 11/7/24	DD	664	FRONTIER ENERGY, INC	PROFESSIONAL SERVICES - SEPT 2024	10,540.54
20720 11/7/24	DD	809	HAWKINS, INC.	CHLORINE CYLINDER RENTAL	130.00
20721 11/7/24	DD	6836	INNOVATIVE OFFICE SOLUTIONS LLC	OFFICE SUPPLIES - CALENDARS	329.68
				OFFICE SUPPLIES - CALENDARS	79.12
				Total for Check/Tran - 20721:	408.80
20722 11/7/24	DD	444	LANO EQUIPMENT, INC	PARTS FOR UNIT #56	54.76
20723 11/7/24	DD	417	LOCATORS & SUPPLIES INC.	RAIN SUIT - 195	276.30
20724 11/7/24	DD	1001	MINNESOTA MUNICIPAL POWER AGEN	PURCHASED POWER - OCT 2024	1,575,277.81
				PURCHASED POWER - OCT 2024	616,741.62
				Total for Check/Tran - 20724:	2,192,019.43
20725 11/7/24	DD	9300	NISC	2024 MIC - 88 147 172 181 187	4,599.00
				2024 MIC - 88 147 172 181 187	876.00
				Total for Check/Tran - 20725:	5,475.00
20726 11/7/24	DD	135	WATER LABORATORIES INC	WATER SAMPLING - OCT 2024	360.00
20727 11/7/24	DD	610	WRIGHT HENNEPIN COOPERATIVE ELE	SECURITY - WELLS, 1435 & 1705 MAIN	54.55
				SECURITY - WELLS, 1435 & 1705 MAIN	673.54
				Total for Check/Tran - 20727:	728.09
20728 11/7/24	DD	609	SARA YOUNGS	CUSTOMER CONNECTIONS TRAVEL - 181	63.95
				CUSTOMER CONNECTIONS TRAVEL - 181	15.99
				Total for Check/Tran - 20728:	79.94
20729 11/15/24	DD	728	ARCHER PLUMBING LLC	WATER METER REPAIRS	1,100.00
20730 11/15/24	DD	9	BORDER STATES ELECTRIC SUPPLY	Connector	320.26
				RECLOSURE	130,517.64

12/02/2024 11:12:33 AM

Accounts Payable Check Register

Page 8

11/01/2024 To 11/30/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				RECLOSURE	21,752.94
				CRIMP	-33.04
				Mtce of URD Primary	452.46
				3-PHASE RECLOSER	108,764.70
				RECLOSERS	87,011.76
				CONDUIT	240.90
				CONDUIT	-17.91
				Mtce of OH Primary	283.82
				RECLOSER	21,752.94
				FAULT TRACKER	3,951.36
				Transportation Exp	84.90
				Total for Check/Tran - 20730:	375,082.73
20731 11/15/24	DD	11	CITY OF ELK RIVER	TRASH BILLED - OCT 2024	165,106.29
20732 11/15/24	DD	23	ELK RIVER MUNICIPAL UTILITIES	CYCLE 4 - INV GRP 396 - OCT 2024	197.13
				CYCLE 4 - INV GRP 415 - OCT 2024	150.00
				CYCLE 4 - INV GRP 415 - OCT 2024	1,400.13
				Total for Check/Tran - 20732:	1,747.26
20733 11/15/24	DD	671	FASTENAL COMPANY	MISC PARTS & SUPPLIES	18.31
20734 11/15/24	DD	809	HAWKINS, INC.	Water Chemicals	3,537.53
20735 11/15/24	DD	8177	INK WIZARDS, INC.	SCREENED SLEEVE BAGS	91.69
20736 11/15/24	DD	8083	JT SERVICES OF MINNESOTA	PHOTO CELL	1,294.50
20737 11/15/24	DD	7826	KENNEDY & GRAVEN, CHARTERED	LEGAL SERVICES - IRS EXAM 2016A BONDS	65.00
20738 11/15/24	DD	330	METRO SALES, INC	COPIER MTC CONTRACT - 9/21 to 10/20/24	174.90
				COPIER MTC CONTRACT - 9/21 to 10/20/24	43.72
				Total for Check/Tran - 20738:	218.62
20739 11/15/24	DD	358	OLSEN CHAIN & CABLE, INC.	Harness	631.57

12/02/2024 11:12:33 AM

Accounts Payable Check Register

Page 9

11/01/2024 To 11/30/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
20740 11/15/24	DD	8897	RALPHIE'S MINNOCO	RALPHIE'S MINNOCO	52.92
20741 11/15/24	DD	603	ROYAL SUPPLY INC	SHOP SUPPLIES	630.64
				SHOP SUPPLIES	157.66
Total for Check/Tran - 20741:					788.30
20742 11/15/24	DD	8808	WATER CONSERVATION SERVICE, INC.	Leak Survey	7,872.00
20788 11/21/24	DD	724	ALLEGiant UTILITY SERVICES, LLC	WATER METER INSTALL CR - 7/1 to 7/15/24	-10,869.33
				WATER METER INSTALL CR - 10/16 to 10/31	-166.24
				WATER METER INSTALL - 10/16 to 10/31/24	31,909.68
				WATER METER INSTALL - 10/16 to 10/31/24	-2,329.44
Total for Check/Tran - 20788:					18,544.67
20789 11/21/24	DD	8843	CAMPBELL KNUTSON	LEGAL SERVICES - OCT 2024	2,230.02
				LEGAL SERVICES - OCT 2024	557.51
Total for Check/Tran - 20789:					2,787.53
20790 11/21/24	DD	11	CITY OF ELK RIVER	SEWER BILLED - OCT 2024	236,539.44
				REVENUE TRANSFER - OCT 2024	139,507.33
				STORMWATER BILLED - OCT 2024	56,575.70
Total for Check/Tran - 20790:					432,622.47
20791 11/21/24	DD	7448	CRC	CUSTOMER SERVICE AFTER HOURS	2,516.28
				CUSTOMER SERVICE AFTER HOURS	629.07
Total for Check/Tran - 20791:					3,145.35
20792 11/21/24	DD	91	GOPHER STATE ONE-CALL	LOCATES FOR - OCT 2024	616.88
				LOCATES FOR - OCT 2024	32.47
Total for Check/Tran - 20792:					649.35
20793 11/21/24	DD	5686	HYDROCORP	BACKFLOW DEVICE INSPECTION - OCT 2024	1,261.00
20794 11/21/24	DD	6836	INNOVATIVE OFFICE SOLUTIONS LLC	OFFICE SUPPLIES	138.15
				OFFICE SUPPLIES	34.53
Total for Check/Tran - 20794:					172.68

12/02/2024 11:12:33 AM

Accounts Payable Check Register

Page 10

11/01/2024 To 11/30/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
20795 11/21/24	DD	9300	NISC	AGREEMENTS INVOICE - OCT 2024	53.92
				AGREEMENTS INVOICE - OCT 2024	766.40
				AGREEMENTS INVOICE - OCT 2024	11,098.56
				AGREEMENTS INVOICE - OCT 2024	260.00
				AGREEMENTS INVOICE - OCT 2024	328.45
				AGREEMENTS INVOICE - OCT 2024	2,481.32
				AGREEMENTS INVOICE - OCT 2024	70.09
				PRINT SERVICES - OCT 2024	7,421.08
				PRINT SERVICES - OCT 2024	1,206.41
				PRINT SERVICES - OCT 2024	1,855.26
				MISC INVOICE - OCT 2024	1,050.29
				MISC INVOICE - OCT 2024	231.29
				MISC INVOICE - OCT 2024	262.57
				MISC INVOICE - OCT 2024	57.82
Total for Check/Tran - 20795:					27,143.46
20796 11/21/24	DD	130	RESCO	Transformer	48,072.00
				Discount	-24.04
Total for Check/Tran - 20796:					48,047.96
20797 11/21/24	DD	603	ROYAL SUPPLY INC	MISC PARTS & SUPPLIES	695.59
				MISC PARTS & SUPPLIES	36.61
Total for Check/Tran - 20797:					732.20
20798 11/21/24	DD	416	MIKE TIETZ	CONFERENCE EXPENSES - 152	239.23
				CONFERENCE EXPENSES - 152	19.78
Total for Check/Tran - 20798:					259.01
20799 11/21/24	DD	628	VICTORY CLEANING SERVICES, LLC	MONTHLY CLEANING - 1435 MAIN ST	143.47
				MONTHLY CLEANING - 1435 MAIN ST	20.50
				MONTHLY CLEANING - 1435 MAIN	143.47
				MONTHLY CLEANING - 1435 MAIN	20.50
				MONTHLY CLEANING - 1435 MAIN	143.47

12/02/2024 11:12:33 AM

Accounts Payable Check Register

Page 11

11/01/2024 To 11/30/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				MONTHLY CLEAING - 1435 MAIN	20.50
				MONTHLY CLEANING - 1435 MAIN	143.47
				MONTHLY CLEANING - 1435 MAIN	20.50
				MONTHLY CLEANING THRU 10/25/24	2,726.00
				MONTHLY CLEANING THRU 10/25/24	389.43
				MONTHLY CLEANING - 1705 MAIN	188.78
				MONTHLY CLEANING - 1705 MAIN	26.97
				Total for Check/Tran - 20799:	3,987.06
20800 11/27/24	DD	728	ARCHER PLUMBING LLC	WATER METER REPAIR - BALDWIN ST	500.00
20801 11/27/24	DD	23	ELK RIVER MUNICIPAL UTILITIES	CYCLE 1 - ACCT 183 - OCT 2024	1,409.41
				CYCLE 1 - INV GRP 101 - OCT 2024	3,359.18
				CYCLE 1 - INV GRP 101 - OCT 2024	189.12
				CYCLE 1 - INV GRP 101 - OCT 2024	897.77
				CYCLE 1 - INV GRP 101 - OCT 2024	527.92
				CYCLE 1 - INV GRP 101 - OCT 2024	224.44
				CYCLE 1 - INV GRP 325 - OCT 2024	325.00
				CYCLE 1 - INV GRP 325 - OCT 2024	15,856.85
				Total for Check/Tran - 20801:	22,789.69
20802 11/27/24	DD	671	FASTENAL COMPANY	Red Locate Paint	457.12
20803 11/27/24	DD	846	HACH COMPANY	DISPOSABLE WIPER	-3.36
				DISPOSABLE WIPER	46.18
				Total for Check/Tran - 20803:	42.82
20804 11/27/24	DD	4984	ANGELA HAUGE	Mileage	56.70
				Mileage	14.18
				Total for Check/Tran - 20804:	70.88
20805 11/27/24	DD	6836	INNOVATIVE OFFICE SOLUTIONS LLC	OFFICE SUPPLIES	85.18
				OFFICE SUPPLIES	21.30
				Total for Check/Tran - 20805:	106.48

12/02/2024 11:12:33 AM

Accounts Payable Check Register

Page 12

11/01/2024 To 11/30/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
20806 11/27/24	DD	8083	JT SERVICES OF MINNESOTA	Mtce of Street Lighting	674.23
20807 11/27/24	DD	7826	KENNEDY & GRAVEN, CHARTERED	LEGAL SERVICES - OCT 2024	1,906.71
				LEGAL SERVICES - OCT 2024	272.39
				LEGAL FEES - IRS EXAM 2016A BONDS	5,320.00
Total for Check/Tran - 20807:					7,499.10
20808 11/27/24	DD	712	NEGSTAD CONSULTING, LLC	LEADERSHIP TRAINING	3,264.05
				LEADERSHIP TRAINING	816.01
Total for Check/Tran - 20808:					4,080.06
20809 11/27/24	DD	7940	SCHWEITZER ENGINEERING LABORAT	FIBER-OPTIC TRANSCEIVER	4,259.20
20810 11/27/24	DD	9276	RUSSELL STUHR	STRAW BALES	68.61
88442 11/7/24	CHK	398	ALTEC INDUSTRIES, INC	PARTS & LABOR FOR UNIT #15	443.97
88443 11/7/24	CHK	1327	AUTOMATIC SYSTEMS CO	SERVICE AT WELLS #6, #7, #8 & #9	1,247.50
88444 11/7/24	CHK	5224	BLUE CROSS BLUE SHIELD OF MINNES	VISION INSURANCE - DEC 2024	284.72
				VISION INSURANCE - DEC 2024	70.99
Total for Check/Tran - 88444:					355.71
88446 11/7/24	CHK	9997	BRENDA THE BUYER LLC	INACTIVE REFUND	132.51
88447 11/7/24	CHK	9997	COLD STONE CREAMERY	INACTIVE REFUND	2,902.46
88448 11/7/24	CHK	54	CORE & MAIN LP	Screws	242.73
				TERMINAL SCREWS	-17.73
				Meter	30,531.37
				CORDONEL AMI METER	-2,228.82
Total for Check/Tran - 88448:					28,527.55
88449 11/7/24	CHK	723	DEM-CON COMPANIES, LLC	DUMPSTER	310.00
88450 11/7/24	CHK	656	DGR ENGINEERING	PROFESSIONAL SERVICES - SEPT 2024	5,176.50
88451 11/7/24	CHK	5075	DUSTY'S DRAIN CLEANING	TREATMENT PLANT #4 - CLEAR DRAINS	625.00

12/02/2024 11:12:33 AM

Accounts Payable Check Register

Page 13

11/01/2024 To 11/30/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
88452 11/7/24	CHK	9997	BRANDON ECKMAN	INACTIVE REFUND	9.52
88453 11/7/24	CHK	761	EROSION WORKS	SILT FENCE INSTALLATION	1,980.00
88454 11/7/24	CHK	9997	THOMAS GARMAKER TRUST	INACTIVE REFUND	387.53
88455 11/7/24	CHK	308	HASSAN SAND & GRAVEL	PULVERIZED TOPSOIL	466.52
				Discount	-6.32
Total for Check/Tran - 88455:					460.20
88456 11/7/24	CHK	9997	ROBERT HAUS	INACTIVE REFUND	125.29
88457 11/7/24	CHK	9997	BRYCE HEGGE	INACTIVE REFUND	69.87
88458 11/7/24	CHK	5341	HUBBARD ELECTRIC	METER REPLACE - 13897 185th	1,341.20
				METER REPLACE - 13897 185th	-33.98
Total for Check/Tran - 88458:					1,307.22
88459 11/7/24	CHK	9997	MIKE JANIKOWSKI	INACTIVE REFUND	49.76
88460 11/7/24	CHK	9997	JEMS INCORPORATED	INACTIVE REFUND	501.07
88461 11/7/24	CHK	750	KNIFE RIVER CORP - NORTH CENTRAL	East Substation	15,651.20
				East Substation	14,381.59
				SUBSTATION - CLASS 5	6,619.75
				East Substation	5,633.04
Total for Check/Tran - 88461:					42,285.58
88462 11/7/24	CHK	8889	KORTERRA, INC.	LOCATE MANAGEMENT - 10/24 TO 10/25	2,200.00
				LOCATE MANAGEMENT - 10/24 TO 10/25	550.00
Total for Check/Tran - 88462:					2,750.00
88463 11/7/24	CHK	9997	JILL LAFLAMME	INACTIVE REFUND	633.97
88464 11/7/24	CHK	48	LEAGUE OF MN CITIES INS TRUST	POWER SURGE INSURANCE CLAIM	6,628.79
88465 11/7/24	CHK	9997	LEWIS CUSTOM HOMES, INC	Credit Balance Refund	167.55

12/02/2024 11:12:33 AM

Accounts Payable Check Register

Page 14

11/01/2024 To 11/30/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
88466 11/7/24	CHK	9997	LW RENTALS LLC	INACTIVE REFUND	231.16
88467 11/7/24	CHK	145	MENARDS	PARTS - WELL #4 DRAIN	39.17
				MISC PARTS & SUPPLIES	51.36
				MISC PARTS & SUPPLIES	13.15
				REBATE	-9.66
				REBATE	-9.36
				REBATE	-0.96
				REBATE	-0.14
Total for Check/Tran - 88467:					83.56
88468 11/7/24	CHK	245	MIDWEST OVERHEAD CRANE	OVERHEAD CRANE INSPECTIONS	974.75
88469 11/7/24	CHK	763	LISA MILLER	WATER VALVE REPAIRS REIMBURSEMENT	175.00
88470 11/7/24	CHK	119	MINNESOTA COMPUTER SYSTEMS INC	COPIER MTC CONTRACT - 9/12 to 10/11/24	575.70
				COPIER MTC CONTRACT - 9/12 to 10/11/24	143.93
Total for Check/Tran - 88470:					719.63
88471 11/7/24	CHK	43	NORTHERN TOOL	PARTS FOR UNIT #56	13.04
88472 11/7/24	CHK	9997	RICHARD PAULSON	INACTIVE REFUND	150.85
88473 11/7/24	CHK	9997	MARIO PEREZ	INACTIVE REFUND	33.14
88474 11/7/24	CHK	811	PRIME ADVERTISING & DESIGN, INC.	Service Agreement	1,500.00
88475 11/7/24	CHK	8606	QUADIENT FINANCE USA, INC	POSTAGE MACHINE LEASE - 8/6 to 11/5/24	226.66
				POSTAGE MACHINE LEASE - 8/6 to 11/5/24	56.66
Total for Check/Tran - 88475:					283.32
88476 11/7/24	CHK	9997	REGROUP COUNSELING & CONSULTIN	INACTIVE REFUND	161.13
88477 11/7/24	CHK	9997	BARBARA SORKILMO	INACTIVE REFUND	78.04
88478 11/7/24	CHK	674	STAR ENERGY SERVICES LLC	PROFESSIONAL SERVICES - OCT 2024	166.00
88479 11/7/24	CHK	6107	STUART C. IRBY CO.	Mtce of URD Primary	266.99

12/02/2024 11:12:33 AM

Accounts Payable
Check Register

Page 15

11/01/2024 To 11/30/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
88480 11/7/24	CHK	9997	TONY TAPLIN	INACTIVE REFUND	134.00
88481 11/7/24	CHK	3360	THE UPS STORE 5093	SHIPPING - OIL SAMPLES	15.11
88482 11/7/24	CHK	764	TLC INDUSTRIAL SEWING LLC	GLOVE BAGS	431.50
				UTILITY TOOL BAG	156.42
Total for Check/Tran - 88482:					587.92
88483 11/7/24	CHK	331	TRANSUNION	SKIP TRACING - SEPT 2024	60.00
				SKIP TRACING - SEPT 2024	15.00
Total for Check/Tran - 88483:					75.00
88484 11/7/24	CHK	543	USABLUEBOOK	Analyzer	-158.91
				TRANSLUCENT TUBING	236.50
Total for Check/Tran - 88484:					77.59
88485 11/7/24	CHK	9997	MAUREEN VANDAL	INACTIVE REFUND	54.14
88486 11/7/24	CHK	9997	RONALD WINKELMAN	Credit Balance Refund	94.69
88488 11/21/24	CHK	9997	HAMEEM ALBOSAAD	INACTIVE REFUND	414.69
88489 11/21/24	CHK	522	ALTERNATIVE TECHNOLOGIES, INC	OIL SAMPLES - OCT 2024	247.50
88490 11/21/24	CHK	1	AMERICAN PUBLIC POWER ASSOCIATI	2025 MEMBERSHIP DUES	18,628.83
				2025 DEED MEMBERSHIP	3,818.91
Total for Check/Tran - 88490:					22,447.74
88491 11/21/24	CHK	4531	AT & T MOBILITY	CELL PHONES & iPad BILLING	38.73
				CELL PHONES & iPad BILLING	-838.38
				CELL PHONES & iPad BILLING	16.60
				CELL PHONES & iPad BILLING	-82.17
				CELL PHONES & iPad BILLING	39.49
				CELL PHONES & iPad BILLING	2,546.94
				CELL PHONES & iPad BILLING	16.92
				CELL PHONES & iPad BILLING	555.32

12/02/2024 11:12:33 AM

Accounts Payable
Check Register

Page 16

11/01/2024 To 11/30/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
Total for Check/Tran - 88491:					2,293.45
88493 11/21/24	CHK	54	CORE & MAIN LP	METER COUPLINGS	738.40
				Gasket	97.86
				GASKETS	-7.14
				KIMWIPES	29.99
Total for Check/Tran - 88493:					859.11
88494 11/21/24	CHK	122	ELK RIVER WINLECTRIC	CONDUIT	551.86
				CONDUIT	-26.46
				HARD HAT LIGHT - 190 195	-14.18
				HARD HAT LIGHT - 190 195	194.18
				PARTS FOR WACO CAMERAS	-2.33
				PARTS FOR WACO CAMERAS	31.92
				CHAINS FOR CHAINSAWS	-3.26
				CHAINS FOR CHAINSAWS	44.51
				BYPASS METER	202.56
				BYPASS METER	-14.79
				CONDUIT	28.80
				CONDUIT	-2.10
				MISC PARTS & SUPPLIES	-1.38
				MISC PARTS & SUPPLIES	18.90
Total for Check/Tran - 88494:					1,008.23
88495 11/21/24	CHK	5688	EXCEL AV GROUP	FSB TRAINING ROOM AUDIO REPAIR	695.63
				FSB TRAINING ROOM AUDIO REPAIR	99.37
Total for Check/Tran - 88495:					795.00
88496 11/21/24	CHK	730	GREATAMERICA FINANCIAL SERVICES	LEASE FOR COPIER AT PLANT	105.01
				LEASE FOR COPIER AT PLANT	26.26
Total for Check/Tran - 88496:					131.27
88497 11/21/24	CHK	9997	MICHAEL HAMER	INACTIVE REFUND	232.50

12/02/2024 11:12:33 AM

Accounts Payable Check Register

Page 17

11/01/2024 To 11/30/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
88498 11/21/24	CHK	631	HEALTHPARTNERS	DENTAL EE INSURANCE - DEC 2024	894.00
				DENTAL ER INSURANCE - DEC 2024	2,124.52
				MEDICAL EE INSURANCE - DEC 2024	8,490.10
				MEDICAL ER INSURANCE - DEC 2024	49,709.11
				DENTAL ER INSURANCE - DEC 2024	557.47
				MEDICAL EE INSURANCE - DEC 2024	2,215.90
				MEDICAL ER INSURANCE - DEC 2024	13,263.90
Total for Check/Tran - 88498:					77,255.00
88499 11/21/24	CHK	9997	MICHELLE HOLLAND	INACTIVE REFUND	391.32
88500 11/21/24	CHK	824	HOME DEPOT CREDIT SERVICES	HOME DEPOT	129.31
				HOME DEPOT	12.90
Total for Check/Tran - 88500:					142.21
88501 11/21/24	CHK	9997	HPA US2, LLC	INACTIVE REFUND	95.60
88502 11/21/24	CHK	750	KNIFE RIVER CORP - NORTH CENTRAL	ADDITIONAL AGGREGATE FOR SUBSTATION	2,244.73
88503 11/21/24	CHK	48	LEAGUE OF MN CITIES INS TRUST	LIABILITY INSURANCE - 2024 QTR 3	30,974.87
				LIABILITY INSURANCE - 2024 QTR 3	6,953.63
				LIABILITY INSURANCE - 2024 QTR 3	178.50
Total for Check/Tran - 88503:					38,107.00
88504 11/21/24	CHK	9997	SHANNON MAHAFFEY	Credit Balance Refund	224.10
88505 11/21/24	CHK	145	MENARDS	WATER LINE FITTING	8.29
				WATER LINE FITTING	1.19
				HOSE CLAMP	8.58
				WATER LINE FITTING	5.00
				WATER LINE FITTING	0.71
				WASHERS & BATTERIES	17.42
				WASHERS & BATTERIES	2.49
				FLAG	61.35
				FLAG	8.76

12/02/2024 11:12:33 AM

Accounts Payable Check Register

Page 18

11/01/2024 To 11/30/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				MISC PARTS & SUPPLIES	28.97
				MISC PARTS & SUPPLIES	4.13
				GROUND STRAP	7.55
				REBATE	-28.27
				REBATE	-13.48
				REBATE	-5.52
				Total for Check/Tran - 88505:	107.17
88506 11/21/24	CHK	8454	MINNESOTA DEPT OF LABOR & INDUS	PRESSURE VESSEL - WELL #4	10.00
				Dues & Subscriptions	10.00
				PRESSURE VESSEL - WELL #7	10.00
				PRESSURE VESSEL - ENGINES	50.00
				Total for Check/Tran - 88506:	80.00
88507 11/21/24	CHK	14	MOBOTREX TRAFFIC PRODUCTS, INC	LED RED CIRCLE	245.96
				LED RED CIRCLE	-17.96
				Total for Check/Tran - 88507:	228.00
88508 11/21/24	CHK	5958	MOTOROLA	RETROFIT KIT - UNIT 29	135.92
88509 11/21/24	CHK	9997	LANCE MUNSHI	INACTIVE REFUND	623.12
88510 11/21/24	CHK	633	MUTUAL OF OMAHA	ELEC LIFE INSURANCE - DEC 2024	217.53
				LIFE,STD & LTD INSURANCE - DEC 2024	2,449.28
				ELEC LIFE INSURANCE - DEC 2024	203.12
				LIFE,STD & LTD INSURANCE - DEC 2024	534.54
				Total for Check/Tran - 88510:	3,404.47
88511 11/21/24	CHK	120	NAPA AUTO PARTS	FAULT INDICATOR PLUGS	57.65
88512 11/21/24	CHK	3769	O'REILLY AUTOMOTIVE STORES, INC	TAP - UNIT #56	7.54
88513 11/21/24	CHK	3796	PRO-TEC DESIGN, INC	MAIN ENTRANCE DOOR REPAIR	240.19
				MAIN ENTRANCE DOOR REPAIR	34.31
				Total for Check/Tran - 88513:	274.50

12/02/2024 11:12:33 AM

Accounts Payable Check Register

Page 19

11/01/2024 To 11/30/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
88514 11/21/24	CHK	574	REPUBLIC SERVICES, INC	TRASH & RECYCLING SERVICE - OCT 2024	1,266.08
				TRASH & RECYCLING SERVICE - OCT 2024	180.87
				TRASH & RECYCLING SERVICE	212.02
				TRASH & RECYCLING SERVICE	56.05
				TRASH & RECYCLING SERVICE	8.01
Total for Check/Tran - 88514:					1,723.03
88515 11/21/24	CHK	512	RJM CONSTRUCTION, LLC	SETTLEMENT AGREEMENT	49,158.38
				SETTLEMENT AGREEMENT	7,022.62
Total for Check/Tran - 88515:					56,181.00
88516 11/21/24	CHK	5214	SAFETY SIGNS LLC	HWY 10 & WACO - TRAFFIC CONTROL	2,394.90
88517 11/21/24	CHK	9997	LESLIE SALE	INACTIVE REFUND	125.90
88518 11/21/24	CHK	9997	CHARLEY SMITH	Credit Balance Refund	194.62
88519 11/21/24	CHK	8141	SPEEDCUTTERS OUTDOOR MAINTENA	LAWN MAINTENANCE - 1705 MAIN	59.06
				LAWN MAINTENANCE - 1705 MAIN	236.23
Total for Check/Tran - 88519:					295.29
88520 11/21/24	CHK	6107	STUART C. IRBY CO.	CORRECT PO 15456	-121.80
				WIRE	121.80
				GLOVE TESTING	1,058.88
				Mtce of URD Primary	332.26
Total for Check/Tran - 88520:					1,391.14
88521 11/21/24	CHK	762	SUNBELT RENTALS, INC	PACKER	3,127.38
88522 11/21/24	CHK	3360	THE UPS STORE 5093	SHIPPING	16.48
				SHIPPING - OIL SAMPLES	13.50
Total for Check/Tran - 88522:					29.98
88523 11/21/24	CHK	331	TRANSUNION	SKIP TRACING - OCT 2024	60.00
				SKIP TRACING - OCT 2024	15.00
Total for Check/Tran - 88523:					75.00

12/02/2024 11:12:33 AM

Accounts Payable Check Register

Page 20

11/01/2024 To 11/30/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
88524	11/21/24	CHK	3739	US BANK	ELEC REV BOND 2016A-7/24 to 6/25 ADMIN	500.00
88525	11/21/24	CHK	687	UTILITY LOGIC	Leads	217.48
88526	11/21/24	CHK	55	WESCO RECEIVABLES CORP.	J-BOX	6,778.53
Total for Bank Account - 5 :						(156) 4,140,221.23
Grand Total :						(157) 4,150,335.25

12/02/2024

11:12:33 AM

Accounts Payable Check Register

Page 21

PARAMETERS ENTERED:**Check Date:** 11/01/2024 To 11/30/2024**Bank:** All**Vendor:** All**Check:****Journal:** All**Format:** All GL References/Amounts**Extended Reference:** No**Sort By:** Check/Transaction**Voids:** None**Payment Type:** All**Group By Payment Type:** No**Minimum Amount:** 0.00**Authorization Listing:** No**Credit Card Charges:** No

**ELK RIVER MUNICIPAL UTILITIES
SPECIAL MEETING OF THE UTILITIES COMMISSION
HELD AT UTILITIES CONFERENCE ROOM**

November 12, 2024

Members Present: Chair John Dietz, Vice Chair Mary Stewart, Commissioners Paul Bell, and Matt Westgaard

Present via Teams: Commissioner Nick Zerwas participated in the meeting via interactive television as he was out of the state at the time of the meeting.

ERMU Staff Present: Mark Hanson, General Manager
Sara Youngs, Administrations Director
Melissa Karpinski, Finance Manager
Tony Mauren, Governance & Communications Manager
Tom Geiser, Operations Director
Chris Sumstad, Electric Superintendent
Megan Zachman, Human Resources Generalist
Jenny Foss, Communications & Administrative Coordinator
Jeff Murray, Electrical Technician

Others Present: Jared Shepherd, Attorney; Cal Portner, City Administrator

1.00 GOVERNANCE

1.01 Call Meeting to Order

The regular meeting of the Utilities Commission was called to order at 3:30 p.m. by Chair Dietz.

1.02 Pledge of Allegiance

The Pledge of Allegiance was recited.

1.03 Consider the Agenda

There were no additions or corrections to the agenda

Moved by Commissioner Westgaard and seconded by Commissioner Stewart to approve the November 12, 2024, agenda. Motion carried 5-0

1.04 Recognition of Employee Longevity – Jeff Murray, 20 years

Mr. Geiser presented Mr. Murray to be recognized for 20 years of service with ERMU and its customers. Mr. Geiser explained that Mr. Murray has served multiple roles, eight years as a

locator, 2 years with the bore rig crew, and the last ten as a meter technician, while being a great member of the team throughout.

The Commission congratulated Jeff and presented him with his Longevity Pay Benefit check. There was a round of applause.

2.00 CONSENT AGENDA (Approved By One Motion)

Moved by Commissioner Westgaard and seconded by Commissioner Stewart to approve the Consent Agenda as follows:

2.01 Check Register – October 2024

2.02 Special Meeting Minutes – October 8, 2024

2.03 2024 Third Quarter Utilities Performance Metrics Scorecard Statistics

2.04 2024 Third Quarter Year-to-Date Earned Sick and Safe Time Usage

2.05 2025 Wire Bid

Motion carried 5-0.

3.00 OPEN FORUM

No one appeared for open forum.

4.00 POLICY & COMPLIANCE

4.01 Commission Policy Review – G.3a – Controlling Authority

Mr. Mauren presented his memo regarding G.3a – Controlling Authority. There were no recommended changes from staff. Commissioners did not have any comments, questions, or changes.

4.02 Competitive Rates Analysis

Mr. Hanson presented his memo, explaining that the comparative rate analysis goes through 2023, and that with ERMU's zero percent electric rate increase in 2024 and another proposed in 2025, we will likely start to move below the 75th percentile range for electric rates over the next few years.

Commissioner Bell noted ERMU's commercial electric rate is higher than other comparable utilities.

Mr. Hanson confirmed this and stated ERMU is most competitive in its industrial rates, while higher in commercial rates. He went on to reiterate how 0% electric rate increases in 2024 and 2025 would bring those rates down relative to other utilities.

Mr. Hanson then described water rates, noting ERMU has relatively low rates compared to its peers. He explained staff would be proposing stratified increases for 2025; 1 percent for tier one, 2 percent for tier two, and three percent for tier three along with a two percent increase in the base rate for all customers. Mr. Hanson explained this structure is intended to encourage customers to use water efficiently

Moved by Commissioner Bell and seconded by Commissioner Stewart to approve the Competitive Rates Analysis. Motion carried 5-0.

5.00 BUSINESS ACTION

5.01 Financial Report – September 2024

Ms. Karpinski presented the financial report, explaining that while electric usage was down so too was purchased power and the Energy Adjustment Clause passed on to ERMU by the power provider. Ms. Karpinski added there had been an increase in Miscellaneous Revenue.

Ms. Karpinski continued that the water budget is doing well with high Water Access Charges and that trends are pointing to a good year for the department. There was discussion.

Moved by Commissioner Westgaard and seconded by Commissioner Stewart to receive the September 2024 Financial Report. Motion carried 5-0.

5.02 2025 Annual Business Plan: Rates and Review, Stakeholder Communication Plan, CIP Budget

Ms. Karpinski presented this portion of the business plan which is to be approved in its entirety by the Commission in December. For November staff presented a proposed zero percent electric rate increase with stratified water increases; 1 percent for tier one, 2 percent for tier two, and three percent for tier three along with a two percent increase in the base rate for all customers.

Ms. Karpinski also noted an increase in investment income following the recommendation presented to the Financial Reserves & Investment Committee in 2023 to adjust those funding levels.

5.03 2025 Utilities Fee Schedule

Ms. Youngs presented the proposed 2025 Fee Schedule for Commission approval, allowing it to then be adopted by Council and added to the City's Master Fee Schedule.

Ms. Youngs explained that staff worked hard to minimize the fee increases for streetlights by sourcing lower costs poles that were suitable.

Moved by Commissioner Westgaard and seconded by Commissioner Bell to approve the 2025 Utilities Fee Schedule for Adoption into Ordinance by the City Council. Motion carried 5-0.

5.04 **2024 Third Quarter Delinquent Items**

Ms. Karpinski presented the year-to-date delinquency numbers, noting staff does a good job recouping delinquent funds. There was discussion.

Moved by Commissioner Stewart and seconded by Commissioner Bell to approve the 2024 third quarter delinquent items submitted. Motion carried 5-0.

5.05 **2024 Assessments**

Ms. Youngs presented her memo noting assessments for a total of \$15,379.59 is a 39% increase in assessments over 2023 but stated that the amount was more in line with the amount seen in 2021. She explained that of all residential accounts only 67 are going to assessments for an average total of \$229.

Ms. Youngs went on to explain that \$9,959 of the assessment amount was for ERMU services while the rest is for city services. There was discussion.

Moved by Commissioner Westgaard and seconded by Commissioner Stewart to approve 2024 Assessments Listing totaling \$15,379.59 to provide to City Council for assessment on property taxes. Motion carried 5-0.

5.06 **Health Insurance Update**

Mr. Hanson presented his memo, explaining that ERMU's benefits consultant has seen substantial increases industry wide, indicative of the market that is starting to see insured individuals returning to their regular care appointments following the COVID-19 pandemic. Mr. Hanson stated that staff recommended remaining with HealthPartners as it presented the best value. Staff also recommended a continuation of the employer contribution rate of 85% to premiums and employee Health Savings Accounts.

There was discussion about costs to employers.

Moved by Commissioner Bell and seconded by Commissioner Stewart to approve the 2025 ERMU employee benefits offering, including a continued employer contribution to health savings accounts. Motion carried 5-0.

5.07 Wage & Benefits Committee Proposals

Mr. Hanson presented his memo beginning with the information only topics of the Annual Wage Adjustment Process and how it is calculated for Commission approval. He then reviewed the revised organizational chart.

During discussion of the wage adjustment, Chair Dietz expressed his preference that the Commission retain the ability to differentiate wage adjustment based on the respective groups within staff; lineworker, non-lineworker field, office, and managers. There was discussion.

Chair Dietz stated his perspective that the increase should not include the peer utility's 2025 pay step increase which brought the average from the 3.85% reviewed by the Wage & Benefit Committee to 4.54%, explaining his stance that ERMU's wage adjustment should only calculate other wage adjustments, not wage step increases.

Commissioner Westgaard sought clarity on the rationale for including the step increase.

Mr. Hanson explained that the stated goal of the compensation study approved earlier in the year was to set staff pay at 2% above the median; including the step increase maintained that rate. He went on to explain that had the peer utility provided the step increase a year earlier it would have been calculated in the compensation study. There was discussion about how increases are captured over the cycle of rate calculations year to year. Mr. Hanson provided context on how the adjustment is calculated, explaining the rates of lineworker pay across the peer utilities is gathered and the average percent change is what is presented for approval to the Commission.

Commissioner Bell stated his opinion that step increases should not be included in the calculation.

There was discussion.

There was consensus to select a point between 3.85% and 4.54% for the wage adjustment.

Moved by Chair Dietz and seconded by Commissioner Westgaard to set a 2025 wage adjustment of 4.0% for all staff. Motion carried 5-0.

Mr. Hanson handed out a spreadsheet with a proposed tiered payout system (standard goal, stretch goal) and blue-highlighted changes for the Utilities Performance Metric Incentive Compensation (UPMIC) policy. The spreadsheet also featured five years of calculations showing ERMU's hypothetical completion rate based on the new tiers and standards. Mr. Hanson highlighted bottom line numbers which show an increase in percentage every year since 2019 if the proposed standards had been in place. Mr.

Hanson explained his perspective that this shows the UPMIC is helping to drive staff performance upward.

Chair Dietz stated that historically the UPMIC was put into place and existed to offset lower wages and that the Commission, having recently approved a slightly market leading compensation plan, meant he would not vote for any more than a two percent maximum payout on the UPMIC.

Commissioner Stewart stated her belief that a tiered system helped to challenge staff performance while not reducing a staff benefit as the UPMIC had been increased to a three percent maximum payout in steps over the previous two years

In response to a question from the Commission, Mr. Hanson explained that each percent paid out in the UPMIC program is about \$45,000.

There was discussion and consensus to cap the payout at two percent, and keep only the standard goal column and its recommended updates to criteria

Moved by Chair Dietz and seconded by Commissioner Bell to set the 2025 UPMIC scorecard criteria and goals. Motion carried 5-0.

Mr. Hanson presented the Purchased Vacation Time policy stating the Committees recommendation that it be rescinded due to the recent increase in vacation accrument and administrative challenges it presents.

Moved by Commissioner Bell and seconded by Commissioner Stewart to rescind the Purchased Vacation Time policy. Motion carried 5-0.

5.08 **Financial Reserves & Investment Committee Update – Verbal**

Commissioner Westgaard provided an update from the Committee which had met just prior to the commission meeting. He explained that electric restricted reserves had dropped from Advanced Metering Infrastructure (AMI) meter purchases. Commissioner Westgaard explained that the recommendation from the Committee was to maintain current practices as ERMU continues the AMI project.

Commissioner Westgaard stated that electric unrestricted reserves were at \$5,246,679; water department has a cash balance of \$10,879,501; water's unrestricted reserves had gone from about \$8.8 million in 2023 to \$9.5 million in 2024. Ms. Karpinski added the context that these budget items are coming down as budgeted expenses are being paid.

Commissioner Westgaard also highlighted that the investment balance from the end of 2023 to 2024 year to date had gone from \$4.1 million to \$11.4 million as a result of recommendations the Commission had received in 2023 to adjust its investment strategy.

5.09 **Information Security Committee Update – Verbal**

Commissioner Stewart provided a general update from the Information Security Committee explaining action items such as appointing Technical Services Superintendent Mike Tietz to the Committee as an ERMU representative to fill a vacancy. The group also discussed future system testing, exercises, and funding.

5.10 **Customer Satisfaction Survey**

Mr. Mauren presented his memo.

There was discussion about conducting another customer satisfaction survey series after the completion of the AMI project and once customers have had a chance to use the service.

There was discussion about the comment about the costs to replace a water valve. Staff explained that residential customers are responsible for plumbing repairs on the house side of their meter.

5.11 **Energy City Committee Discussion**

Mr. Hanson presented his memo and explained a final charter would be presented in December, at which point the Commission would decide whether to appoint its members to the group. He then opened it up for discussion.

In response to a question about the membership Commissioner Westgaard was supportive in reducing the number of members but stated his belief that there was value in seeking to maintain a balance between residential and commercial representatives as the latter could make strong ambassadors to that portion of the community.

There was discussion about the future development of the appointment process.

Commissioner Stewart recommended the group provide a quarterly report to the Commission.

Commissioner Zerwas stated his opinion that it would be better to disband the group altogether.

5.12 **Advanced Metering Infrastructure Update**

Ms. Youngs presented her memo, explaining there are 8,508 electric meters in stock. She added that the electric meter installation soft launch occurred the previous Tuesday. There was discussion

5.13 **Amendment to Minnesota Municipal Power Agency Agreement**

Mr. Hanson presented his memo.

Moved by Commissioner Bell and seconded by Commissioner Stewart to approve ERMU Resolution 24-13 Amending the MMPA Agency Agreement. Motion carried 5-0.

6.0 **BUSINESS DISCUSSION**

6.1 **Staff Updates**

Mr. Hanson informed the Commission he was reviewing materials from the architect who was developing options for the decommissioned power plant building.

6.2 **City Council Update**

Commissioner Westgaard presented a City Council update.

6.3 **Future Planning**

Chair Dietz announced the following:

- a. Special Commission Meeting – December 10, 2024
- b. 2024 Governance Agenda

6.5 **Other Business**

There was no other business.

7.0 **CLOSED SESSION**

7.1 **RJM Construction Contract No. A133, Field Services Building Project Dispute Settlement** **Moved by Commissioner Westgaard and seconded by Commissioner Stewart to close the regular commission meeting pursuant to Minn. Stat. § 13D.05, subd. 3(b) for a confidential attorney-client privileged discussion regarding settlement of potential claims against RJM Construction arising from Contract No. A133, for the field services building project. Motion carried 5-0.**

The Commission evaluated the settlement terms. A summary of the closed session will be provided in the December 2024 commission packet.

Moved by Commissioner Stewart and seconded by Commissioner Westgaard to close the closed meeting, and re-open the regular meeting of the Elk River Municipal Utilities Commission at 5:28 p.m. Motion carried 5-0.

Moved by Commissioner Stewart and seconded by Commissioner Westgaard to approve the proposed closeout agreement. Motion carried 5-0.

Moved by Commissioner Bell and seconded by Commissioner Zerwas to adjourn the regular meeting of the Elk River Municipal Utilities Commission at 5:28 p.m. Motion carried 5-0.

Minutes prepared by Tony Mauren.

John J. Dietz, ERMU Commission Chair

Tina Allard, City Clerk

TO: ERMU Commission	FROM: Tony Mauren – Governance & Communications Manager
MEETING DATE: December 10, 2024	AGENDA ITEM NUMBER: 2.3
SUBJECT: Designate 2025 Official Depository and Delegate Authority for Electronic Funds Transfers	
ACTION REQUESTED: Adopt Resolution No. 24-14 Designating Official Depository of ERMU Funds and Delegating Authority for Electronic Funds Transfers	

BACKGROUND/DISCUSSION:

Minnesota Statutes Section 118A.02 sets forth the procedures for the deposit of public funds and it is necessary for the Utilities Commission to annually designate a bank (or banks) as the official depository for utility funds and delegate authority to make electronic funds transfers.

Staff recommends designating First Bank of Elk River as the utilities' official depository for the funds of ERMU for 2025, and authorizing the finance manager to designate additional depositories for the purpose of investing funds per our brokers' recommendation and our investment policy guidelines. Staff also recommends delegating authority to the finance manager for electronic funds transfers.

FINANCIAL IMPACT:

N/A

ATTACHMENT:

- Resolution No. 24-14 Designating Official Depository of ERMU Funds and Delegating Authority for Electronic Funds Transfers

RESOLUTION NO. 24-14

BOARD OF COMMISSIONERS
ELK RIVER MUNICIPAL UTILITIES

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF ELK RIVER MUNICIPAL UTILITIES
DESIGNATING DEPOSITORY OF ELK RIVER MUNICIPAL UTILITIES FUNDS AND DELEGATING
AUTHORITY FOR ELECTRONIC FUNDS TRANSFERS**

WHEREAS, Minnesota Statutes Section 118A.02 sets forth the procedures for the deposit of public funds and;

WHEREAS, it is necessary for the Utilities Commission or the utilities finance manager to annually designate a bank (or banks) as the official depository for utility funds and manage collateral pledged to such funds; and

WHEREAS, the Utilities Commission shall annually delegate the authority to make electronic funds transfers to the utilities finance manager.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of Elk River Municipal Utilities designates First Bank of Elk River as the utilities' official depository for the funds of Elk River Municipal Utilities for 2025.

BE IT FURTHER RESOLVED the utilities finance manager may designate additional depositories for the purpose of investing funds per our brokers' recommendation and our investment policy guidelines and be delegated authority for electronic funds transfers.

This Resolution Passed and Adopted this 10th day of December 2024.

John Dietz, Chair

Mark Hanson, General Manager

TO: ERMU Commission	FROM: Tony Mauren – Governance & Communications Manager
MEETING DATE: December 10, 2024	AGENDA ITEM NUMBER: 2.4
SUBJECT: Designate 2025 Official Newspaper	
ACTION REQUESTED: Designate Elk River Star News as the official newspaper for 2025.	

BACKGROUND/DISCUSSION:

Minnesota Statutes Section 331A.04 requires the utility to annually designate a qualified newspaper for the publication of legal notices. The newspaper must meet specific rules and must be chosen based on their location.

The Star News meets those qualifications and is in the city so it must be chosen as the utilities' official newspaper.

As a reminder, in January 2024 ERMU also initiated the process to establish its website as an alternative dissemination method for bids, requests for proposals, request for information, etc. per state statute 331A.03, subd. 3(a)-(b). After a six month transition period ERMU has officially satisfied the requirements to establish the website as an acceptable publishing platform should that be more advantageous to the Utilities than posting notices in the newspaper.

TO: ERMU Commission	FROM: Tony Mauren – Governance & Communications Manager
MEETING DATE: December 10, 2024	AGENDA ITEM NUMBER: 2.5
SUBJECT: 2025 Utilities Commission Meeting Schedule	
ACTION REQUESTED: Approve the 2025 Utilities Commission Meeting Schedule	

BACKGROUND/DISCUSSION:

Per state law, a schedule of the regular meetings of the Utilities Commission must be kept on file with the city clerk's office and posted on the City's bulletin board.

Regular commission meetings are scheduled for the second Tuesday of each month at 3:30 p.m. and will be held in the ERMU Offices Conference Room, 13069 Orono Parkway, Elk River, MN 55330.

Exceptions to this schedule will be the June 2025 meeting will be held on the first Tuesday of the month to ensure a quorum with commissioners expected to attend a conference. The November 2025 meeting will be held on the second Wednesday of the month due to the Veterans Day holiday.

ATTACHMENTS:

- 2025 Utilities Commission Meeting Schedule

2025

Utilities Commission Meeting Schedule

January							April							July							October						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4			1	2	3	4	5			1	2	3	4	5				1	2	3	4
5	6	7	8	9	10	11	6	7	8	9	10	11	12	6	7	8	9	10	11	12	5	6	7	8	9	10	11
12	13	14	15	16	17	18	13	14	15	16	17	18	19	13	14	15	16	17	18	19	12	13	14	15	16	17	18
19	20	21	22	23	24	25	20	21	22	23	24	25	26	20	21	22	23	24	25	26	19	20	21	22	23	24	25
26	27	28	29	30	31		27	28	29	30				27	28	29	30	31			26	27	28	29	30	31	

February							May							August							November						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
						1					1	2	3						1	2							1
2	3	4	5	6	7	8	4	5	6	7	8	9	10	3	4	5	6	7	8	9	2	3	4	5	6	7	8
9	10	11	12	13	14	15	11	12	13	14	15	16	17	10	11	12	13	14	15	16	9	10	11	12	13	14	15
16	17	18	19	20	21	22	18	19	20	21	22	23	24	17	18	19	20	21	22	23	16	17	18	19	20	21	22
23	24	25	26	27	28		25	26	27	28	29	30	31	24	25	26	27	28	29	30	23	24	25	26	27	28	29
														31							30						

March							June							September							December						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
						1	1	2	3	4	5	6	7		1	2	3	4	5	6		1	2	3	4	5	6
2	3	4	5	6	7	8	8	9	10	11	12	13	14	7	8	9	10	11	12	13	7	8	9	10	11	12	13
9	10	11	12	13	14	15	15	16	17	18	19	20	21	14	15	16	17	18	19	20	14	15	16	17	18	19	20
16	17	18	19	20	21	22	22	23	24	25	26	27	28	21	22	23	24	25	26	27	21	22	23	24	25	26	27
23	24	25	26	27	28	29	29	30						28	29	30					28	29	30	31			
30	31																										

NOTE: ALL DATES ARE SUBJECT TO CHANGE

Commission meetings are held the second Tuesday of each month and begin at 3:30 p.m.

Commission meetings are held at the ERMU Office, 13069 Orono Parkway, Elk River, MN, unless otherwise posted.

 The June meeting will be held on the first Tuesday of the month to ensure a quorum with commissioners expected to attend a conference.
 The November meeting will be held on the second Wednesday of the month due to the Veterans Day holiday.

Holidays

Jan 1 - New Year's Day

Jan 20 - Martin Luther King Jr. Day

Feb 17 - Presidents' Day

May 26 - Memorial Day

June 19 - Juneteenth

July 4 - Independence Day

Sept 1 - Labor Day

Nov 11 - Veterans Day

Nov 27 - Thanksgiving

Nov 28 - Day after Thanksgiving

Dec 24 - Christmas Eve

Dec 25 - Christmas Day

TO: ERMU Commission	FROM: Mark Hanson – General Manager
MEETING DATE: December 10, 2024	AGENDA ITEM NUMBER: 2.6
SUBJECT: November 2024 Closed Session Summary – RJM Construction Contract No. A133, Field Services Building Project Dispute Settlement	
ACTION REQUESTED: None	

BACKGROUND/ DISCUSSION:

At the November 12, 2024, utilities commission meeting, a portion of the meeting was closed pursuant to Minn. Stat. § 13D.05, subd. 3(b) for a confidential attorney-client privileged discussion regarding settlement of potential claims against RJM Construction arising from Contract No. A133, for the field services building project.

- **Commissioners present:** Chair John Dietz, Vice Chair Mary Stewart, Matt Westgaard, Paul Bell, Nick Zerwas
- **Also present:** General Manager Mark Hanson, Operations Director Tom Geiser, Finance Manager Melissa Karpinski, Governance & Communications Manager Tony Mauren, ERMU Attorney Jared Shepherd

The Commission received information on the RJM Construction Contract No. A133, Field Services Building Project Dispute Settlement which was included in the November 2024 commission meeting packet. After discussing the information with staff and legal counsel, the Commission motioned to reopen the meeting to the public and then voted to approve the project closeout agreement in open session.

TO: ERMU Commission	FROM: Tony Mauren – Governance & Communications Manager
MEETING DATE: December 10, 2024	AGENDA ITEM NUMBER: 4.1
SUBJECT: Commission Policy Review – G.3b – Delegation of Authority to the General Manager	
ACTION REQUESTED: Review the policy and provide comment	

BACKGROUND/DISCUSSION:

This month commissioners are reviewing policy G.3b – Delegation of Authority to the General Manager to make comments, ask questions, or recommend updates.

With policy G.3b, the Commission describes the manner in which it delegates authority to the General Manager.

Staff is not recommending any changes to the policy.

ATTACHMENTS:

- ERMU Policy – G.3b – Delegation of Authority to the General Manager

Section: Governance	Category: Commission – Management Connection Policies
Policy Reference: G.3b	Policy Title: Delegation of Authority to the General Manager

PURPOSE:

With this policy, the Commission describes the manner in which it delegates authority to the General Manager.

POLICY:

The Commission will provide direction to management only through the General Manager or through a temporary successor authorized by the General Manager or the Commission for a specific length of time. Except in unusual circumstances, the Commission will give direction by means of Commission action recorded in meeting minutes, by resolution, or by written policy that prescribes the results to be achieved as well as the actions and consequences to be avoided. The Commission will allow the General Manager to use any reasonable interpretation of its recorded actions, resolutions, or written policies.

Consistent with this general statement:

1. The Commission will develop ***Authority and Purpose Policies***, and ***Results Policies*** outlining high level priorities and instructing the General Manager to achieve certain results using the resources of ERMU that are made available through the approved ***Annual Business Plan*** (with budget).
2. The Commission will develop ***Commission-Management Connections Policies*** that establish the respective roles and responsibilities of the Commission and the General Manager.
3. The Commission will develop ***Delegation to Management Policies*** that limit the methods the General Manager (and, by further delegation, management) may employ to achieve the results required by the Commission.
4. The Commission will develop its ***Results Policies*** and ***Delegation to Management Policies*** methodically and by subject area, beginning with the broadest level and moving to more

focused levels, at the Commission's discretion. The Commission will determine the level of policy definition and specification so that, once approved, Commission members are comfortable allowing the General Manager to interpret each policy without the Commission's involvement (unless the General Manager requests Commission involvement).

5. As long as the General Manager uses a reasonable interpretation of the Commission's ***Authority and Purpose Policies, Results Policies, and Delegation to Management Policies***, the General Manager is authorized to establish all other management policies, make all decisions, develop all processes and procedures, take all actions, and establish all practices.
6. The Commission may, from time to time, change its ***Results Policies*** and ***Delegation to Management Policies***, to allow the General Manager more or less latitude with respect to policy interpretation, decisions and actions. The Commission; however, will not use policy in this manner to reduce the latitude allowed a General Manager in situations where the person in that position is new or performing at an unacceptable level. As long as any particular policy is in place, the Commission will respect and support the General Manager's reasonable interpretations, decisions and actions.

POLICY HISTORY:

Adopted May 9, 2017

TO: ERMU Commission	FROM: Mark Hanson – General Manager
MEETING DATE: December 10, 2024	AGENDA ITEM NUMBER: 4.2
SUBJECT: 2025 Governance Agenda	
ACTION REQUESTED: Adopt the 2025 Governance Agenda	

DISCUSSION:

In May 2017, the Commission adopted a comprehensive manual of governance policies based on the Carver Model of governance. Included in those policies is Governance Policy G.2c Agenda Planning which establishes expectations for a proactive governance process using a forward-looking agenda of recurring governance functions. The intention of this agenda is to create transparency for the occurrence of the most critical responsibilities of the Commission.

Attached for discussion and commission approval is a proposed 2025 Governance Agenda. This schedule carries recommended update from last year, moving the commission performance evaluation up to June from July to level out the schedule.

ATTACHMENTS:

- 2025 Governance Agenda

Tuesday, January 14: Annual Review of Committee Charters	Tuesday, February 11: Review Strategic Plan and 2024 Annual Business Plan Results
Tuesday, March 11: - Oath of Office - Election of Officers - Annual Commissioner Orientation and Review Governance Responsibilities and Role	Tuesday, April 8: - Audit of 2024 Financial Report - Financial Reserves Allocations - Review 2024 Performance Metrics
Tuesday, May 13: Annual General Manager Performance Evaluation and Goal Setting	Tuesday, June 3: Annual Commission Performance Evaluation
Tuesday, July 8: Review and Update Strategic Plan	Tuesday, August 12: Annual Business Plan – Review Proposed 2026 Travel, Training, Dues, Subscriptions, and Fees Budget
Tuesday, September 9: Annual Business Plan – Review Proposed 2026 Capital Projects Budget	Tuesday, October 14: Annual Business Plan – Review Proposed 2026 Expenses Budget
Wednesday, November 12: - Annual Business Plan - Review Proposed 2026 Rates and Other Revenue - Adopt 2026 Fee Schedule 2026 Stakeholder Communication Plan	Tuesday, December 9: - Adopt 2026 Official Depository and Delegate Authority for Electronic Funds Transfers - Designate Official 2026 Newspaper - Approve 2026 Regular Meeting Schedule - Adopt 2026 Governance Agenda - Adopt 2026 Annual Business Plan

TO: ERMU Commission	FROM: Mark Hanson – General Manager
MEETING DATE: December 10, 2024	AGENDA ITEM NUMBER: 4.3
SUBJECT: 2025 Performance Metrics and Incentive Compensation Policy	
ACTION REQUESTED: Approve the Performance Metrics and Incentive Compensation Policy and Scorecard for 2025	

BACKGROUND:

The Commission adopted the Utilities Performance Metrics and Incentive Compensation (UPMIC) Policy in December 2012 along with revisions in 2016, 2019, 2021, 2022, and 2023. This is a company-wide performance-based program designed to incentivize employee commitment towards the company's success.

DISCUSSION:

Per policy, the metrics for measurement of the designated year need to be determined before the start of the designated year. This allows for timely communication of any changes before performance measurement begins. As presented at the November 12 Commission meeting, Staff recommends several changes to the scorecard for 2025:

- Reduction of the maximum percentage awarded from 3% down to 2%.
- Introduction of more challenging goals for two electric criteria (SAIDI and SAIFI) and the inventory accuracy criteria.
- Addition of a Strategic Plan Category, including a Dashboard Progress Sub-Category.
- Addition of a Communication/Customer Service Category, including Clean Energy Choice Program Participation and Conservation Improvement Program (CIP) Sub-Categories.
- Removal of the Financial Reserves criteria.

The proposed UPMIC scorecard for the 2025 measurement year is attached for approval.

FINANCIAL IMPACT:

No additional financial impact for the 2025 budget year. The potential 2.0% distribution is budgeted for and accrued throughout the year for audit purposes. Any necessary adjustments are made at year end. The actual distribution will be awarded after the 2024 audit is approved in 2025.

ATTACHMENTS:

- ERMU Policy – G.4g1 – Performance Metrics and Incentive Compensation Policy
- ERMU Policy – G.4g1a – 2025 Performance Metrics & Incentive Compensation Scorecard

Section: Governance	Category: Delegation to Management Policies
Policy Reference: G.4g1	Policy Title: Performance Metrics and Incentive Compensation

1.0 PURPOSE AND SUMMARY

The successful performance of the ERMU is measured in terms of the Utilities’ ability to meet our strategic goals and mission. By improving our efficiency and level of performance in meeting our strategic goals and mission we can improve the delivery of value to our customers.

To create incentives for employees to take personal responsibility for accomplishment of the Utilities’ strategic goals and mission, the Utilities has established a Utilities Performance Metrics-based Incentive Compensation system (“UPMIC”). Through UPMIC the employees of ERMU will have an opportunity, as a group, to earn annual incentive compensation for each qualifying employee by contributing individually to the overall success of ERMU on a daily basis.

Under UPMIC, either all qualifying employees will earn an incentive compensation distribution in a given year, or none will. And not only will incentive compensation under UPMIC in that sense be an all or nothing proposition each year, but there will be an equal percentage share basis for all on which the incentive compensation will be paid out if earned. This appropriately reflects the reality that we all succeed, or fall short, together as a team.

To administer the UPMIC and measure objectively the level of performance that must be achieved for qualifying employees to earn incentive compensation, the attached UPMIC Performance Metrics Policy Scorecard (“Scorecard”) has been created. The Scorecard will be subject to revision annually based on the performance metrics adopted by the Commission annually for the coming year (“Performance Metrics”). By tracking and measuring the Performance Metrics and creating incentive for employees to achieve the goals the Metrics embody, the Utilities believes it will be better able to focus efforts and resources on becoming more efficient and successful in meeting our strategic goals and mission and delivering improved value to our customers.

2.0 UTILITIES PERFORMANCE METRICS SCORECARD

As reflected on the Scorecard, the Performance Metrics are divided into the following ~~three-five~~ categories: Safety, Reliability and Quality of Utility Services; Workforce Development; ~~and~~ Financial Goals; Communications/Customer Service; and Strategic Plan. These categories are used to characterize the overall strategic goals and mission of ERMU.

Under the Performance Metrics, these ~~three-five~~ main categories are then divided into various weighted factors, or sub-categories. These sub-categories, their percentage weight, and the goal or target for each, shall be established by the Utilities Commission annually. The Performance Metrics as adopted are reflected in the attached Scorecard. As discussed above, the Performance Metrics and thus the Scorecard are subject to modification and adoption by the Commission annually, which will normally occur during the Utilities' budgeting process.

3.0 UTILITIES PERFORMANCE INCENTIVE COMPENSATION DISTRIBUTION CRITERIA

Under the UPMIC a Performance-Based Compensation Incentive, if earned, will be distributed to Qualifying Employees annually. The total amount available to be earned by Utilities employees as a Performance Based Compensation Incentive each year will be an amount up to 32% of the Utilities' total gross wages paid to Qualifying Employees during the Measurement Period.

The measuring period used to calculate how much, if any, of the Performance-Based Compensation Incentive the Utilities employees have earned will be the calendar year (the "Measurement Period"). After the Measurement Period is complete and the Commission has received its audit in the spring of the year following the Measurement Period, the Performance Metrics will be applied to determine whether the Performance-Based Compensation Incentive has been earned for the Measurement Period. In doing so, the performance of the Utilities in each sub-category will be reviewed. If the sub-category performance meets or exceeds the established goal, the sub-category will be scored with the designated percentage that will contribute to a total Performance Metrics Multiplier to be used as a factor in calculating the distribution earned, if any, as shown in the Scorecard ("Multiplier"). The Multiplier has a maximum factoring effect of 100%. The Multiplier is used to determine how much, if any, of the amount established by the Commission for the UPMIC Performance-Based Compensation Incentive has been earned in the Measurement Period. (For example, if the Multiplier equals 100%, the distribution would equal 32%. If the Multiplier equals 75%, the distribution would equal 2.251.5%.) In other words, the amount established by the Commission may be earned on an annual basis by the group of Qualifying Employees (as defined below in Section 4.0) in whole, in part, or not at all.

After the Multiplier is calculated on the Scorecard, the Performance Based Compensation Incentive earned, if any, will be distributed to Qualifying Employees. The total amount to be distributed as the Performance Based Compensation Incentive will be the product of: a) the Multiplier; and b) 32% of the Utilities' total gross wages paid to Qualifying Employees during the Measurement Period.

The percentage of the Performance Based Compensation Incentive awarded to each Qualifying Employee will be based on the gross wages of each Qualifying Employee during the Measurement Period. To each Qualifying Employee, the distribution would be allocated in a lump sum equal to the product of: a) the Multiplier; and b) ~~32~~% of that employee's gross wages paid during the Measurement Period. (For example, if a Qualifying Employee's gross wages earned during the Measurement Period were equal to \$50,000 and the Multiplier was equal to 100%, the total distribution to that employee would be equal to: $\$50,000 \times \text{32\%} \times 100\% = \text{\$500}$ ~~\$1000~~.)

If the Utilities' margins are negative due to sudden and unforeseen material changes to the industry or customer base, the Commission reserves the right to withhold distribution of the Performance Based Compensation Incentive in any given year.

4.0 EMPLOYEE QUALIFICATIONS AND DISTRIBUTION OF THE INCENTIVE COMPENSATION

An employee of the Utilities will be eligible for participation in the Performance Metrics Incentive Compensation distribution if the employee meets the following eligibility requirements and is therefore a "Qualifying Employee" for purposes of this policy.

- a. The employee is in good standing with the Utilities. An employee would not be eligible while on disciplinary probation or a performance improvement action plan.
- b. The employee was a Full Time or Part Time employee during the Measurement Period. Seasonal, and Temporary employees are not eligible.

The UPMIC Performance Based Compensation Incentive distribution will be made to Qualifying Employees on the first payroll date after the thirty-day period following the date on which the Commission formally receives its annual auditor's report in an open meeting.

GP:3300714 v4

POLICY HISTORY:

Adopted December 12, 2012

Revised January 14, 2020

Revised December 13, 2022, effective January 1, 2023

Revised December 12, 2023, effective January 1, 2024

Revised December 10, 2024, effective January 1, 2025

Elk River Municipal Utilities

G.4g1a - Performance Metrics and Incentive Compensation Policy Scorecard - 2025

Category	Percent	Sub-Category	Sub-Percent	Goal	Score	Awarded Multiplier Percent
Safety, Reliability and Quality of Utility Services	40	Water Quality Standards	5	Meet Requirements		
		Lead and Copper quality	5	90th percentile		
		Bacteria Detection	5	0 positive samples		
		CAIDI	5	<120 Min		
		SAIDI	5	<60 Min		
		SAIFI	5	<0.4		
		Line Loss	5	<5%		
		Water Loss	5	<12%		
Workforce Development	20	Employee Turnover	10	< 7.5%		
		Participation in Recommended and Mandatory Trainings	10	95%		
Financial Goals	20	Margins/Net Profit	15	> Budget		
		Inventory Accuracy	5	≥98%		
Communications/ Customer Service	10	Clean Energy Choice Program Participation	5	+30 net		
		Conservation Improvement Program	5	≥95%		
Strategic Plan	10	Dashboard Progress (Average)	10	≥50%		
				Total Multiplier:		

Adopted December 12, 2012
 Revised October 11, 2016
 Revised December 17, 2019
 Revised December 14, 2021
 Revised December 13, 2022
 Revised December 12, 2023
 Revised December 10, 2024

TO: ERMU Commission	FROM: Melissa Karpinski – Finance Manager
MEETING DATE: December 10, 2024	AGENDA ITEM NUMBER: 5.1
SUBJECT: Financial Report – October 2024	
ACTION REQUESTED: Receive the October 2024 Financial Report	

DISCUSSION:

Please note that these are the preliminary *unaudited* financial statements.

Electric

October year to date (YTD) electric kWh sales are down 5% from the prior year. For further breakdown:

- Residential usage is down 5%
- Small Commercial usage is down 4%
- Large Commercial usage is down 5%

For October 2024, the Electric Department overall is ahead of prior YTD and favorable to budget YTD. Additional variance analysis can be found on the Summary Electric Statement of Revenues, Expenses and Changes in Net Position attachment.

Water

October YTD gallons of water sold are down 20% from the prior year. For further breakdown:

- Residential use is down 24%
- Commercial use is down 16%

For October 2024, the Water Department overall is behind prior YTD but favorable to budget YTD. Additional variance analysis can be found on the Summary Water Statement of Revenues, Expenses and Changes in Net Position attachment.

ATTACHMENTS:

- Balance Sheet 10.2024
- Electric Balance Sheet 10.2024
- Water Balance Sheet 10.2024
- Summary Electric Statement of Revenues, Expenses and Changes in Net Position 10.2024
- Summary Water Statement of Revenues, Expenses and Changes in Net Position 10.2024
- Graphs Prior Year and YTD 2024

- Detailed Electric Statement of Revenues, Expenses and Changes in Net Position 10.2024
- Detailed Water Statement of Revenues, Expenses and Changes in Net Position 10.2024
- Budget vs Actual Graphs – Combined Electric and Water 10.2024

**ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
COMBINED BALANCE SHEET
FOR PERIOD ENDING OCTOBER 2024**

	<u>ELECTRIC</u>	<u>WATER</u>
ASSETS		
CURRENT ASSETS		
CASH	5,545,428	5,666,528
ACCOUNTS RECEIVABLE	2,971,160	5,586,707
INVENTORIES	1,747,109	60,706
PREPAID ITEMS	230,494	57,202
CONSTRUCTION IN PROGRESS	2,358,140	3,260,091
TOTAL CURRENT ASSETS	<u>12,852,331</u>	<u>14,631,233</u>
RESTRICTED ASSETS		
BOND RESERVE FUND	1,779,016	0
EMERGENCY RESERVE FUND	7,338,990	4,213,228
UNRESTRICTED RESERVE FUND	0	0
TOTAL RESTRICTED ASSETS	<u>9,118,006</u>	<u>4,213,228</u>
FIXED ASSETS		
PRODUCTION	824,065	17,072,086
LFG PROJECT	0	0
TRANSMISSION	2,305,024	0
DISTRIBUTION	50,732,650	28,138,612
GENERAL	24,780,734	1,246,964
FIXED ASSETS (COST)	<u>78,642,472</u>	<u>46,457,662</u>
LESS ACCUMULATED DEPRECIATION	<u>(36,410,017)</u>	<u>(24,275,504)</u>
TOTAL FIXED ASSETS, NET	42,232,455	22,182,158
INTANGIBLE ASSETS		
POWER AGENCY MEMBERSHIP BUY-IN	21,546,212	0
LOSS OF REVENUE INTANGIBLE	6,223,278	0
LESS ACCUMULATED AMORTIZATION	<u>(4,063,338)</u>	<u>0</u>
TOTAL INTANGIBLE ASSETS, NET	23,706,152	0
OTHER ASSETS AND DEFERRED OUTFLOWS	690,058	126,311
TOTAL ASSETS	<u><u>88,599,002</u></u>	<u><u>41,152,930</u></u>
LIABILITIES AND FUND EQUITY		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	4,494,657	318,771
SALARIES AND BENEFITS PAYABLE	781,952	124,659
DUE TO CITY	700,485	2,476
DUE TO OTHER FUNDS	0	0
NOTES PAYABLE-CURRENT PORTION	0	0
BONDS PAYABLE-CURRENT PORTION	0	0
UNEARNED REVENUE	3,995	455,414
TOTAL CURRENT LIABILITIES	<u>5,981,089</u>	<u>901,321</u>
LONG TERM LIABILITIES		
OPEB LIABILITY	0	0
LFG PROJECT	0	0
DUE TO COUNTY	0	0
DUE TO CITY	0	0
BONDS PAYABLE, LESS CURRENT PORTION	28,210,377	1,556,403
PENSION LIABILITIES	2,720,477	500,450
TOTAL LONG TERM LIABILITIES	<u>30,930,854</u>	<u>2,056,853</u>
TOTAL LIABILITIES	<u>36,911,943</u>	<u>2,958,174</u>
DEFERRED INFLOWS OF RESOURCES	836,813	4,937,984
FUND EQUITY		
CAPITAL ACCOUNT CONST COST	1,779,016	0
CONTRIBUTED CAPITAL	0	0
RETAINED EARNINGS	46,802,217	33,120,013
NET INCOME (LOSS) (THROUGH PREVIOUS MONTH)	2,269,014	136,760
TOTAL FUND EQUITY	<u>50,850,246</u>	<u>33,256,773</u>
TOTAL LIABILITIES & FUND EQUITY	<u><u>88,599,002</u></u>	<u><u>41,152,930</u></u>

**ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
ELECTRIC BALANCE SHEET**

	October 31, 2024	September 30, 2024	Current Month Change from Prior Month
ASSETS			
CURRENT ASSETS			
CASH	5,545,428	5,819,975	(274,546)
ACCOUNTS RECEIVABLE	2,971,160	3,394,606	(423,446)
INVENTORIES	1,747,109	1,347,190	399,919
PREPAID ITEMS	230,494	198,444	32,051
CONSTRUCTION IN PROGRESS	2,358,140	2,397,675	(39,536)
TOTAL CURRENT ASSETS	12,852,331	13,157,889	(305,558)
RESTRICTED ASSETS			
BOND RESERVE FUND	1,779,016	1,779,016	0
EMERGENCY RESERVE FUND	7,338,990	7,307,146	31,844
TOTAL RESTRICTED ASSETS	9,118,006	9,086,162	31,844
FIXED ASSETS			
PRODUCTION	824,065	824,065	0
TRANSMISSION	2,305,024	2,305,024	0
DISTRIBUTION	50,732,650	50,387,525	345,125
GENERAL	24,780,734	24,602,367	178,367
FIXED ASSETS (COST)	78,642,472	78,118,980	523,492
LESS ACCUMULATED DEPRECIATION	(36,410,017)	(36,187,727)	(222,291)
TOTAL FIXED ASSETS, NET	42,232,455	41,931,254	301,201
INTANGIBLE ASSETS			
POWER AGENCY MEMBERSHIP BUY-IN	21,546,212	21,546,212	0
LOSS OF REVENUE INTANGIBLE	6,223,278	6,223,278	0
LESS ACCUMULATED AMORTIZATION	(4,063,338)	(4,007,660)	(55,678)
TOTAL INTANGIBLE ASSETS, NET	23,706,152	23,761,830	(55,678)
OTHER ASSETS AND DEFERRED OUTFLOWS	690,058	690,058	0
TOTAL ASSETS	88,599,002	88,627,193	(28,191)
LIABILITIES AND FUND EQUITY			
CURRENT LIABILITIES			
ACCOUNTS PAYABLE	4,494,657	5,013,271	(518,614)
SALARIES AND BENEFITS PAYABLE	781,952	727,683	54,269
DUE TO CITY	700,485	885,668	(185,183)
UNEARNED REVENUE	3,995	5,992	(1,998)
TOTAL CURRENT LIABILITIES	5,981,089	6,632,614	(651,525)
LONG TERM LIABILITIES			
BONDS PAYABLE, LESS CURRENT PORTION	28,210,377	28,215,365	(4,989)
PENSION LIABILITIES	2,720,477	2,720,477	0
TOTAL LONG TERM LIABILITIES	30,930,854	30,935,842	(4,989)
TOTAL LIABILITIES	36,911,943	37,568,456	(656,513)
DEFERRED INFLOWS OF RESOURCES	836,813	836,813	0
FUND EQUITY			
CAPITAL ACCOUNT CONST COST	1,779,016	1,779,016	0
RETAINED EARNINGS	46,802,217	46,802,217	0
NET INCOME (LOSS) (THROUGH PREVIOUS MONTH)	2,269,014	1,640,691	628,323
TOTAL FUND EQUITY	50,850,246	50,221,924	628,323
TOTAL LIABILITIES & FUND EQUITY	88,599,002	88,627,193	(28,191)

**ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
WATER BALANCE SHEET**

	October 31, 2024	September 30, 2024	Current Month Change from Prior Month
ASSETS			
CURRENT ASSETS			
CASH	5,666,528	5,638,588	27,940
ACCOUNTS RECEIVABLE	5,586,707	5,501,346	85,361
INVENTORIES	60,706	69,218	(8,512)
PREPAID ITEMS	57,202	48,498	8,703
CONSTRUCTION IN PROGRESS	3,260,091	3,165,245	94,846
TOTAL CURRENT ASSETS	14,631,233	14,422,895	208,338
RESTRICTED ASSETS			
EMERGENCY RESERVE FUND	4,213,228	4,205,227	8,001
TOTAL RESTRICTED ASSETS	4,213,228	4,205,227	8,001
FIXED ASSETS			
PRODUCTION	17,072,086	17,050,836	21,250
DISTRIBUTION	28,138,612	28,138,612	0
GENERAL	1,246,964	1,242,733	4,231
FIXED ASSETS (COST)	46,457,662	46,432,181	25,481
LESS ACCUMULATED DEPRECIATION	(24,275,504)	(24,175,552)	(99,952)
TOTAL FIXED ASSETS, NET	22,182,158	22,256,629	(74,472)
INTANGIBLE ASSETS			
OTHER ASSETS AND DEFERRED OUTFLOWS	126,311	126,311	0
TOTAL ASSETS	41,152,930	41,011,062	141,868
LIABILITIES AND FUND EQUITY			
CURRENT LIABILITIES			
ACCOUNTS PAYABLE	318,771	326,604	(7,834)
SALARIES AND BENEFITS PAYABLE	124,659	113,089	11,571
DUE TO CITY	2,476	2,871	(395)
UNEARNED REVENUE	455,414	422,941	32,473
TOTAL CURRENT LIABILITIES	901,321	865,506	35,815
LONG TERM LIABILITIES			
BONDS PAYABLE, LESS CURRENT PORTION	1,556,403	1,556,957	(554)
PENSION LIABILITIES	500,450	500,450	0
TOTAL LONG TERM LIABILITIES	2,056,853	2,057,407	(554)
TOTAL LIABILITIES	2,958,174	2,922,913	35,261
DEFERRED INFLOWS OF RESOURCES	4,937,984	4,937,984	0
FUND EQUITY			
RETAINED EARNINGS	33,120,013	33,120,013	0
NET INCOME (LOSS) (THROUGH PREVIOUS MONTH)	136,760	30,153	106,607
TOTAL FUND EQUITY	33,256,773	33,150,166	106,607
TOTAL LIABILITIES & FUND EQUITY	41,152,930	41,011,062	141,868

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING OCTOBER 2024

	2024 OCTOBER	2024 YTD	2024 YTD BUDGET	YTD Budget Variance	2024 YTD Bud Var%	2024 ANNUAL BUDGET	2023 OCTOBER	2023 YTD	YTD VARIANCE	2023 v. 2024 Actual Var%	Variance Item
Electric Revenue											
Operating Revenue											
Elk River	3,470,154	32,390,694	36,383,544	(3,992,850)	(11)	42,685,299	3,438,999	33,819,331	(1,428,637)	(4)	
Otsego	340,820	3,281,514	2,992,986	288,528	10	3,514,568	317,215	3,205,260	76,254	2	
Rural Big Lake	15,726	173,760	207,520	(33,760)	(16)	243,412	15,590	185,005	(11,245)	(6)	(1)
Dayton	20,954	216,269	251,046	(34,777)	(14)	292,752	19,688	230,140	(13,871)	(6)	
Public St & Hwy Lighting	21,720	217,217	216,667	550	0	260,000	21,618	215,819	1,398	1	
Other Electric Sales	400	4,000	4,000	0	0	4,800	400	4,000	0	0	
Total Operating Revenue	3,869,774	36,283,454	40,055,763	(3,772,309)	(9)	47,000,831	3,813,510	37,659,556	(1,376,101)	(4)	
Other Operating Revenue											
Interest/Dividend Income	(9,476)	267,509	70,833	196,676	278	85,000	16,041	87,176	180,333	207	(2)
Customer Penalties	32,928	241,372	237,500	3,872	2	285,000	24,786	259,595	(18,223)	(7)	
Connection Fees	15,650	279,057	112,500	166,557	148	135,000	16,375	116,731	162,326	139	(3)
Misc Revenue	57,698	1,372,011	845,833	526,178	62	1,016,000	108,108	1,113,576	258,435	23	(4)
Total Other Revenue	96,800	2,159,949	1,266,667	893,283	71	1,521,000	165,310	1,577,078	582,872	37	
Total Revenue	3,966,574	38,443,404	41,322,430	(2,879,026)	(7)	48,521,831	3,978,820	39,236,633	(793,230)	(2)	
Expenses											
Purchased Power	2,192,019	24,768,175	28,284,875	(3,516,700)	(12)	32,756,447	2,392,762	27,037,207	(2,269,032)	(8)	
Operating & Mtce Expense	22,247	217,302	296,167	(78,865)	(27)	369,000	19,323	268,814	(51,513)	(19)	(5)
Transmission Expense	2,574	43,432	60,000	(16,568)	(28)	72,000	5,426	54,857	(11,425)	(21)	
Distribution Expense	26,094	367,836	352,917	14,919	4	425,917	31,136	367,800	36	0	
Maintenance Expense	167,172	1,556,264	1,379,750	176,514	13	1,668,500	118,264	1,388,570	167,695	12	
Depreciation & Amortization	277,969	2,754,509	2,589,680	164,829	6	3,107,612	264,795	2,636,965	117,544	4	
Interest Expense	63,258	647,233	647,232	0	0	785,810	66,412	678,008	(30,775)	(5)	
Other Operating Expense	31,470	106,906	202,550	(95,644)	(47)	506,900	4,247	59,451	47,455	80	(6)
Customer Accounts Expense	40,051	364,519	365,833	(1,315)	(0)	439,000	41,807	364,114	405	0	
Administrative Expense	319,383	3,360,599	3,479,859	(119,260)	(3)	4,208,492	280,594	3,164,759	195,840	6	
General Expense	36,304	495,286	530,833	(35,547)	(7)	637,000	23,572	316,352	178,935	57	(7)
Total Expenses(before Operating Transfers)	3,178,541	34,682,060	38,189,697	(3,507,637)	(9)	44,976,679	3,248,336	36,336,896	(1,654,836)	(5)	
Operating Transfer											
Operating Transfer/Other Funds	139,507	1,302,640	1,455,342	(152,702)	(10)	1,707,412	138,257	1,392,338	(89,698)	(6)	
Utilities & Labor Donated	20,203	189,690	220,000	(30,310)	(14)	264,000	19,301	215,742	(26,052)	(12)	
Total Operating Transfer	159,710	1,492,330	1,675,342	(183,012)	(11)	1,971,412	157,558	1,608,080	(115,749)	(7)	
Net Income Profit(Loss)	628,323	2,269,014	1,457,391	811,622	56	1,573,740	572,925	1,291,657	977,356	76	

Item Variance of +/- \$25,000 and +/- 15%

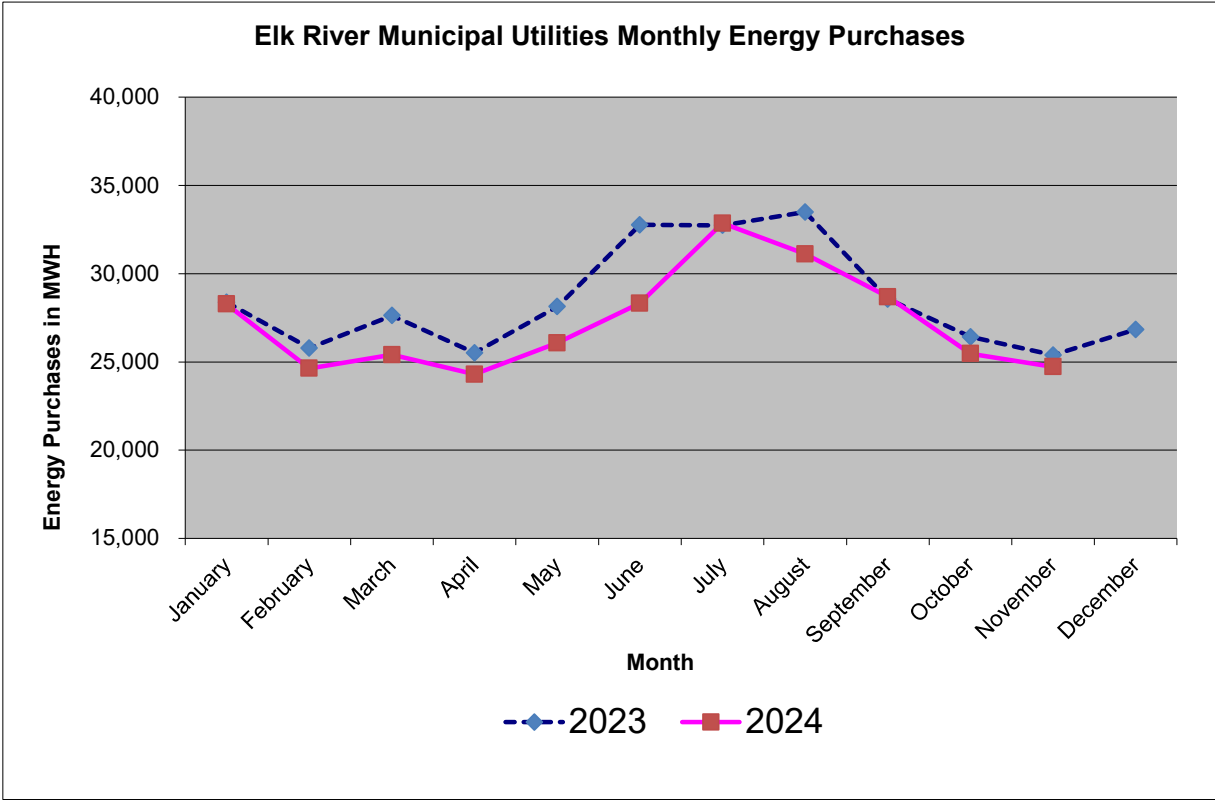
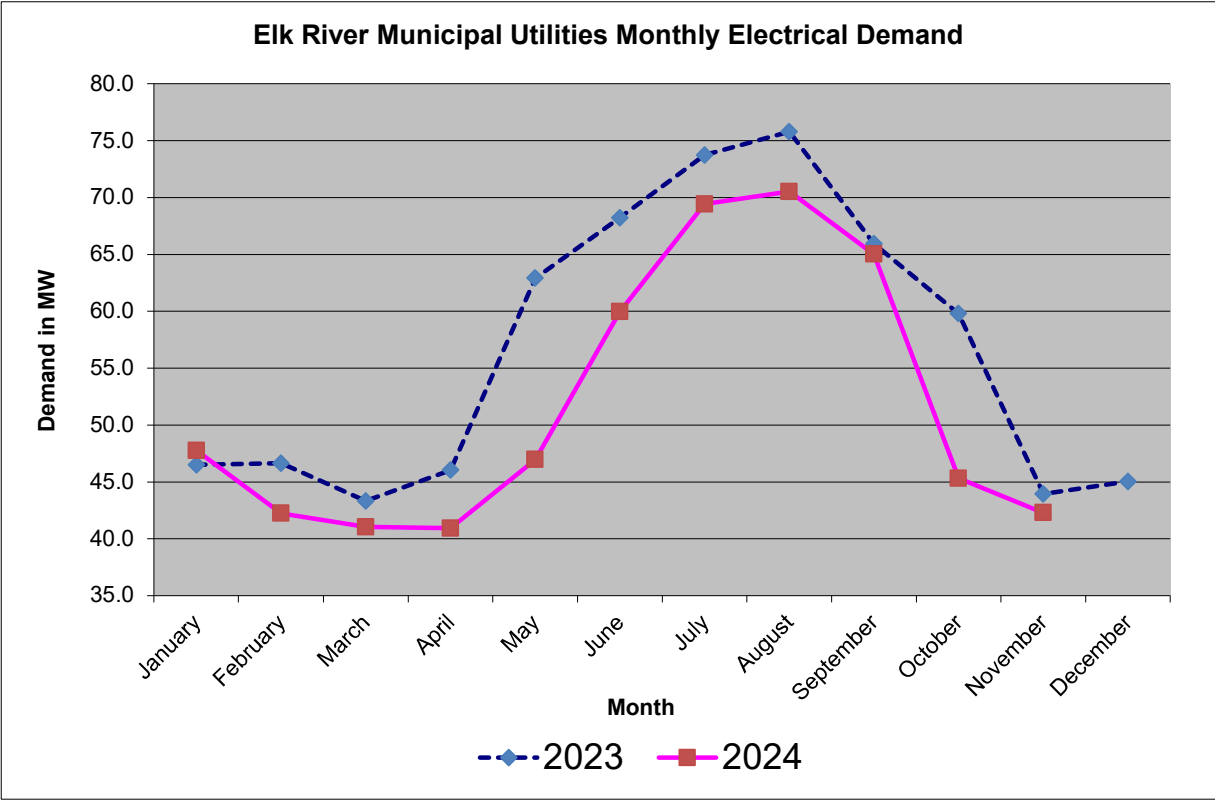
- (1) YTD budget variance is mainly due to Big Lake Residential usage.
- (2) PYTD variance is due to the change in Fair Market Value of Investments. YTD budget variance due to conservative estimate and more funds being invested with UBS in 2024.
- (3) YTD budget and PYTD variance due to large a large connection agreement in January and July 2024.
- (4) YTD budget and PTYD variance is mainly due to Contributions from Customers having a couple large SOWs for transformers for additional service and/or upgrade.
- (5) YTD budget variance and PYTD variance is due to most expense accounts being favorable to budget and less than prior year.
- (6) YTD budget variance is due to timing for loss on disposition of property being budgeted for AMI project. PTYD budget variance is due to mutual aid in 2024.
- (7) PYTD variance is due to professional services from Frontier Energy in 2024.

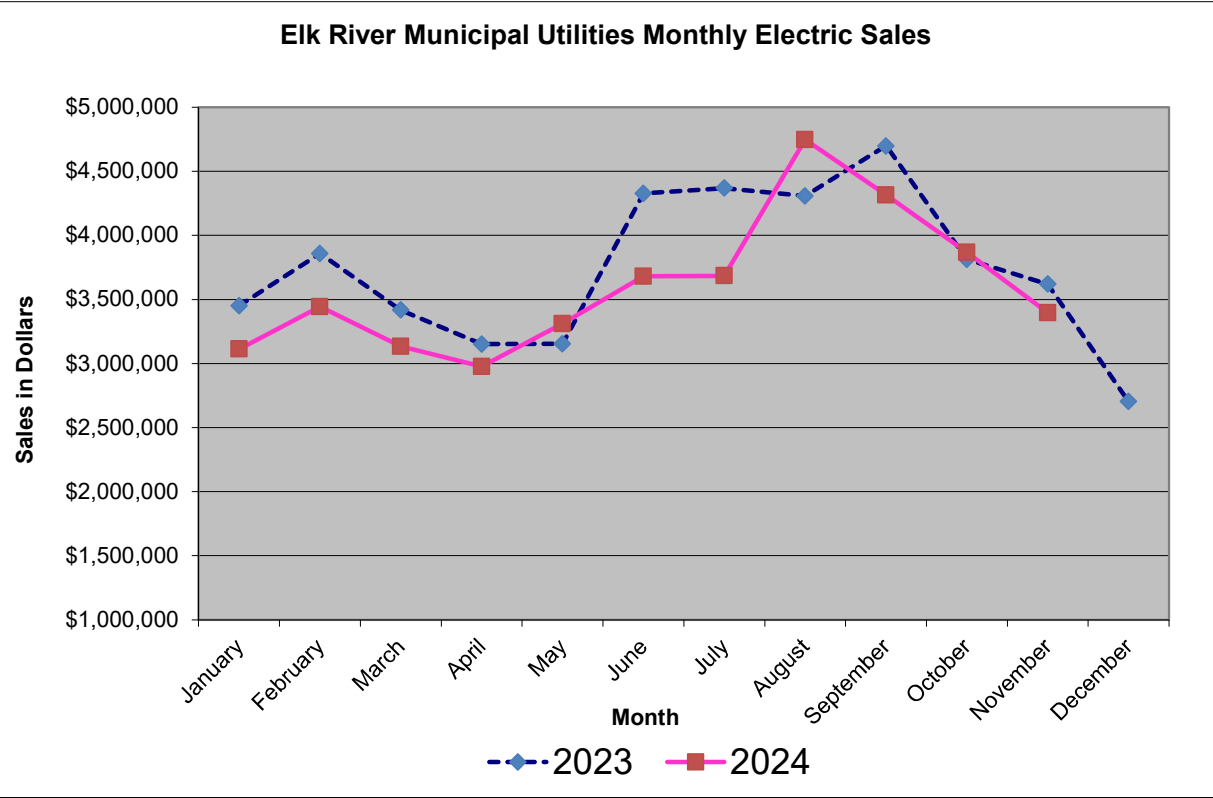
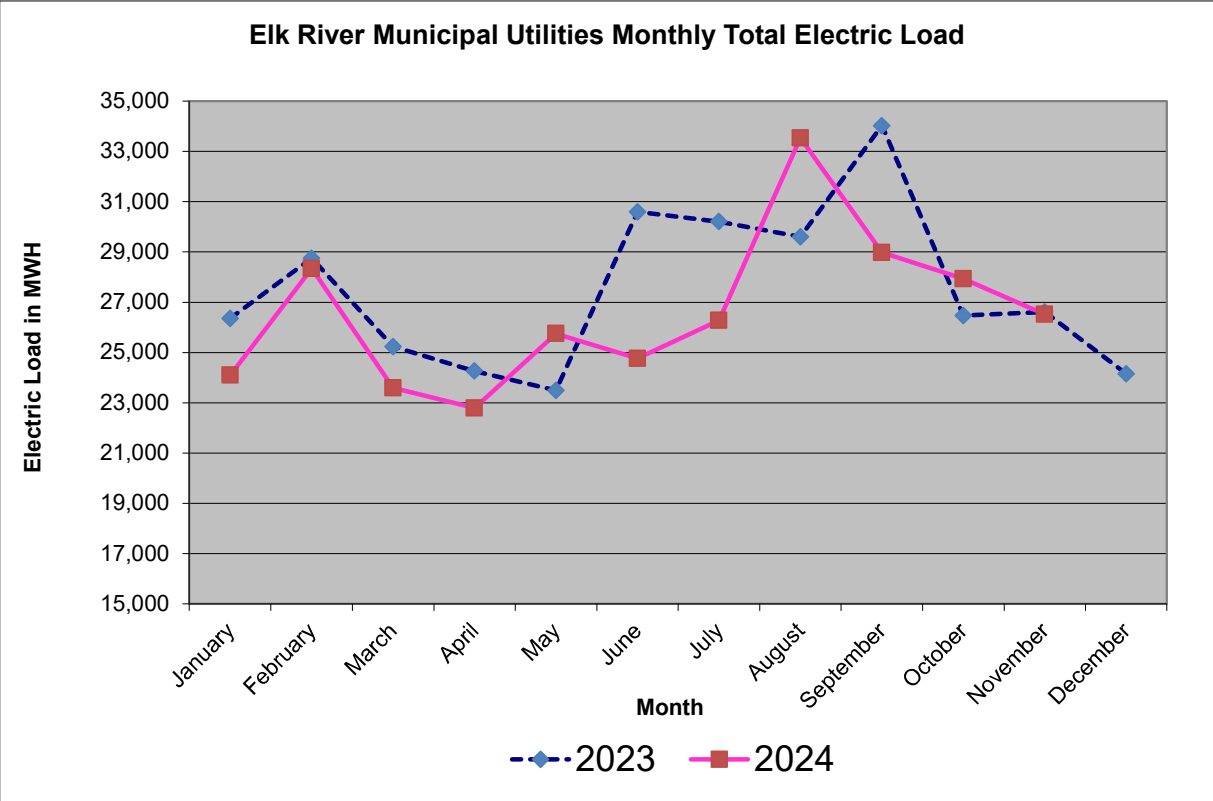
ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING OCTOBER 2024

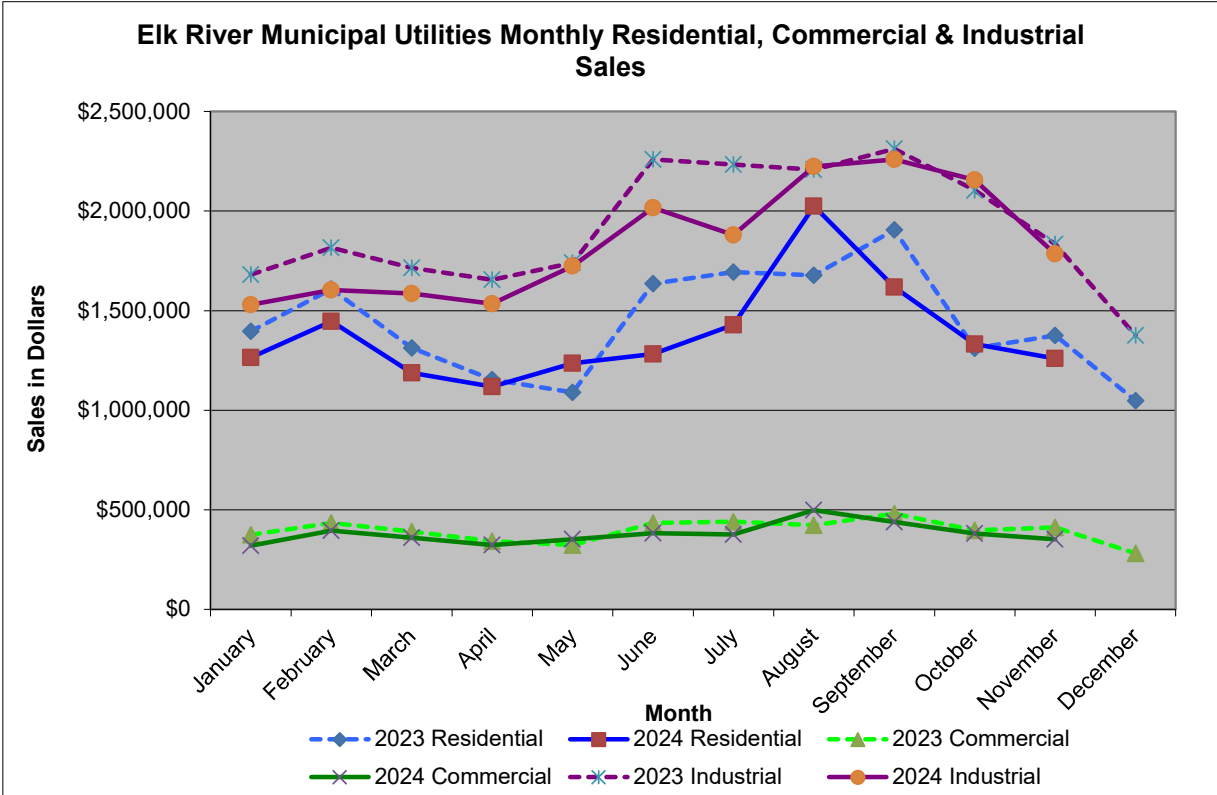
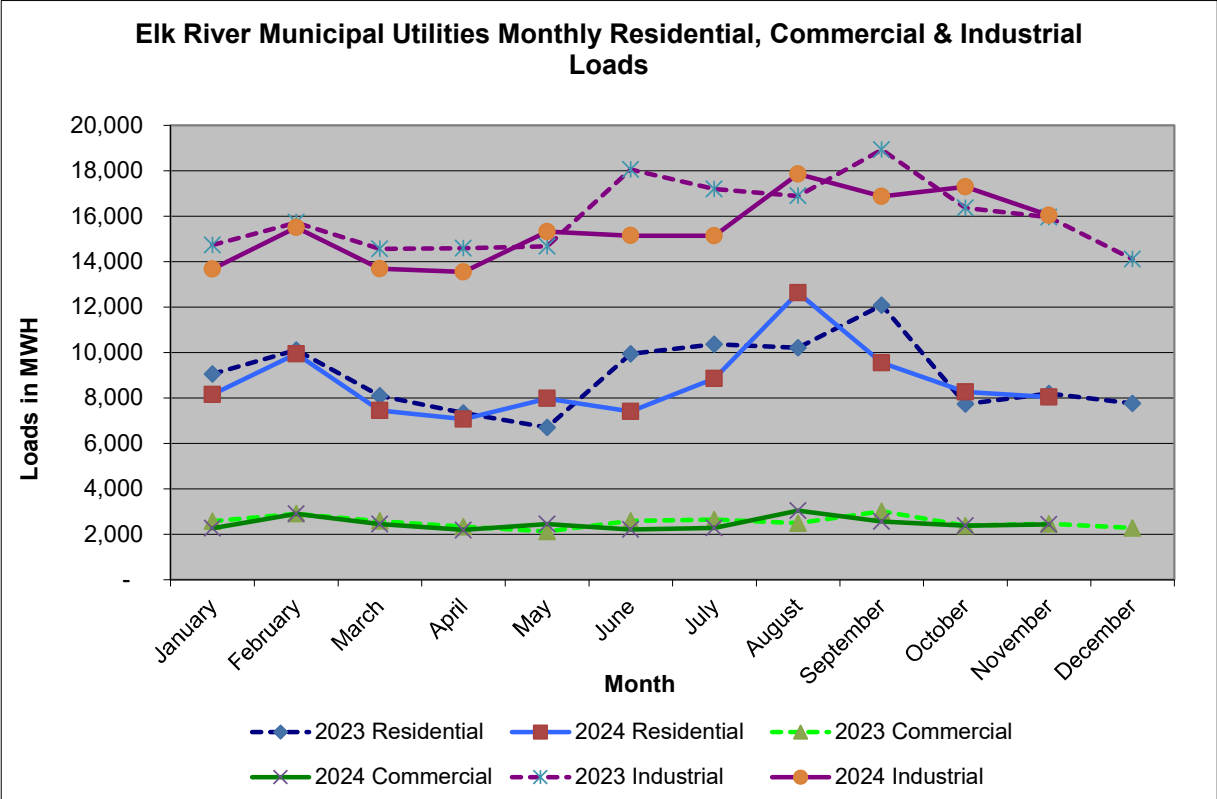
	2024 OCTOBER	2024 YTD	2024 YTD BUDGET	YTD Budget Variance	2024 YTD Bud Var%	2024 ANNUAL BUDGET	2023 OCTOBER	2023 YTD	YTD VARIANCE	2023 v. 2024 Actual Var%	Variance Item
Water Revenue											
Operating Revenue											
Water Sales	339,713	2,416,329	2,480,629	(64,300)	(3)	2,788,003	321,585	2,977,421	(561,092)	(19)	(1)
Total Operating Revenue	339,713	2,416,329	2,480,629	(64,300)	(3)	2,788,003	321,585	2,977,421	(561,092)	(19)	
Other Operating Revenue											
Interest/Dividend Income	(588)	83,991	34,583	49,407	143	41,500	5,629	36,617	47,374	129	(2)
Customer Penalties	5,545	23,774	20,833	2,941	14	25,000	2,564	20,095	3,679	18	
Connection Fees	44,140	449,722	212,500	237,222	112	255,000	54,676	222,881	226,841	102	(3)
Misc Revenue	975	11,369	12,958	(1,590)	(12)	618,786	1,390	15,842	(4,473)	(28)	
Total Other Revenue	50,072	568,856	280,875	287,981	103	940,286	64,260	295,435	273,421	93	
Total Revenue	389,785	2,985,185	2,761,504	223,681	8	3,728,289	385,845	3,272,856	(287,671)	(9)	
Expenses											
Production Expense	8,981	104,496	95,833	8,662	9	115,000	11,359	89,490	15,006	17	(4)
Pumping Expense	44,807	499,974	538,060	(38,086)	(7)	645,671	37,220	502,453	(2,479)	(0)	
Distribution Expense	38,697	308,522	357,353	(48,831)	(14)	422,250	23,308	286,595	21,927	8	
Depreciation & Amortization	99,953	1,007,152	957,500	49,652	5	1,148,988	97,539	976,185	30,967	3	
Interest Expense	2,712	28,524	28,524	0	0	33,949	2,912	30,524	(2,000)	(7)	
Other Operating Expense	327	1,290	16,750	(15,460)	(92)	82,300	274	3,019	(1,729)	(57)	(5)
Customer Accounts Expense	9,183	80,895	76,458	4,437	6	91,750	8,906	74,980	5,915	8	
Administrative Expense	78,420	815,020	901,782	(86,763)	(10)	1,092,624	66,363	766,142	48,878	6	
General Expense	98	2,553	12,708	(10,156)	(80)	15,250	61	4,681	(2,129)	(45)	
Total Expenses(before Operating Transfers)	283,178	2,848,425	2,984,969	(136,544)	(5)	3,647,782	247,943	2,734,069	114,356	4	
Operating Transfer											
Utilities & Labor Donated	0	0	1,250	(1,250)	(100)	1,500	0	0	0	0	
Total Operating Transfer	0	0	1,250	(1,250)	(100)	1,500	0	0	0	0	
Net Income Profit(Loss)	106,607	136,760	(224,715)	361,474	161	79,007	137,901	538,787	(402,027)	(75)	

Item Variance of +/- \$15,000 and +/- 15%

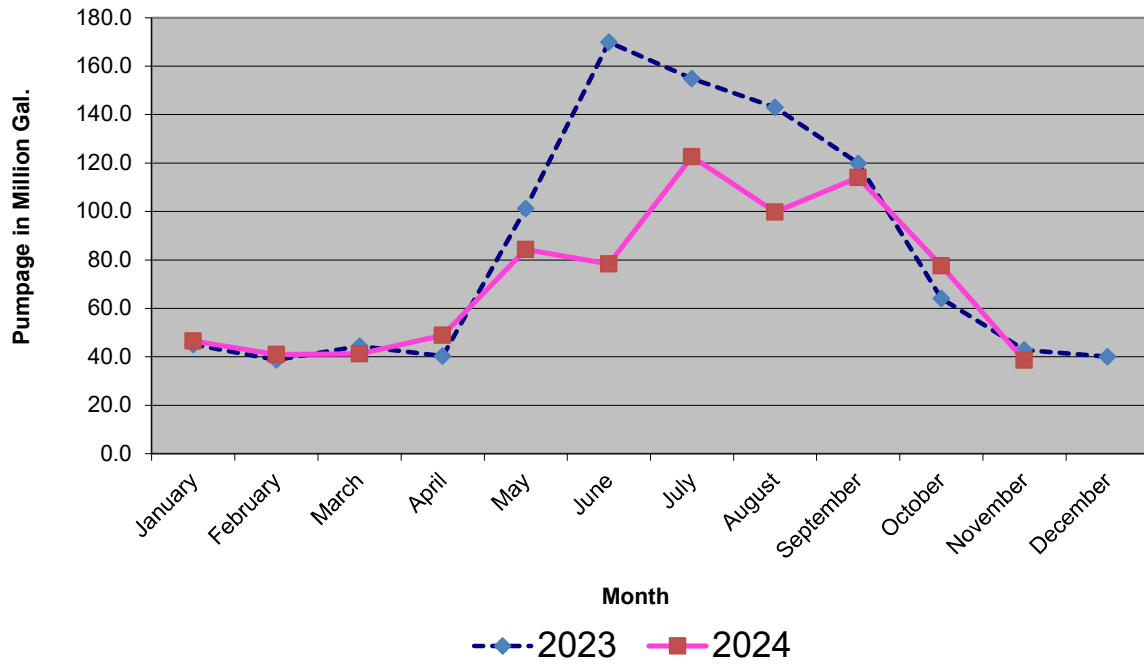
- (1) PYTD variance is due to decreased usage.
- (2) PYTD variance is due to the change in Fair Market Value of Investments. YTD budget variance due to conservative estimate and more funds being invested with UBS in 2024.
- (3) YTD budget and PYTD variance due to a few large connection agreements in 2024.
- (4) PYTD variance is mainly due to increased labor for mtce of structures.
- (5) YTD budget variance is due to timing of loss on disposition of property for AMI project.



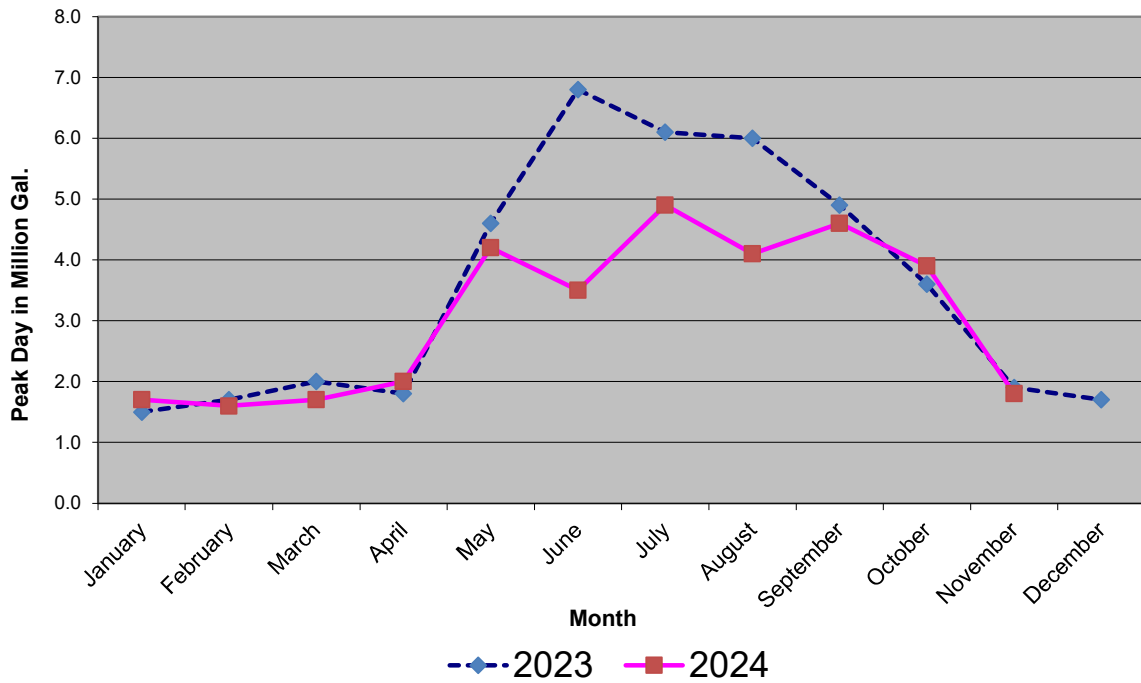


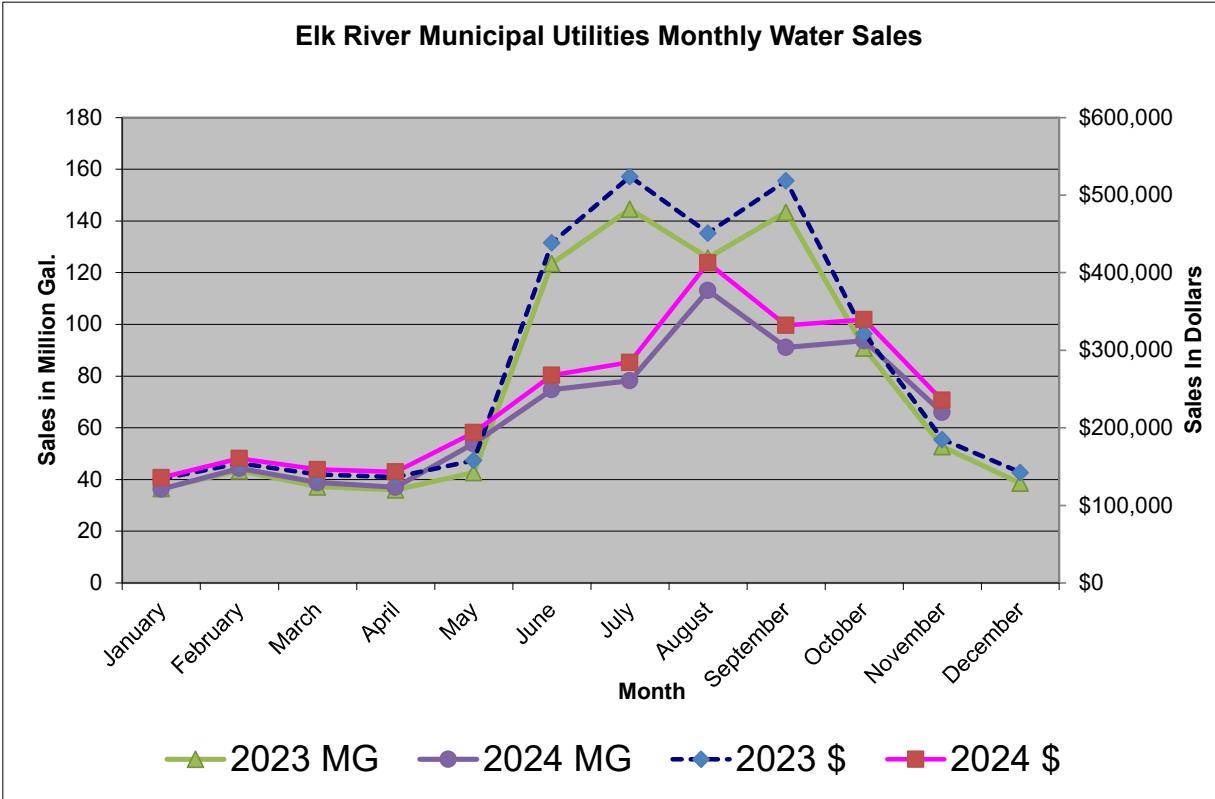


Elk River Municipal Utilities Monthly Water Pumpage



Elk River Municipal Utilities Peak Day Pumpage





ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING OCTOBER 2024

		2024 OCTOBER	2024 YTD	2024 YTD BUDGET	2024 ANNUAL BUDGET	2024 YTD Bud Var%	2023 OCTOBER	2023 YTD	YTD VARIANCE	2023 v. 2024 Actual Var%
Electric Revenue										
Operating Revenue										
Elk River										
	ELECT SALES - ELK RIVER RESID	1,105,444	11,239,814	12,123,474	14,221,539	(7)	1,062,635	11,742,314	(502,499)	(4)
	ELECT SALES - ELK RIVER NON-D	293,030	2,869,710	3,080,651	3,634,057	(7)	299,843	3,005,488	(135,778)	(5)
	ELECT SALES - ELK RIVER DEMA	1,885,356	15,313,643	17,035,940	19,965,865	(10)	1,756,246	16,078,271	(764,628)	(5)
	PCA SALES REVENUE - ELK RIVE	49,258	934,521	1,265,460	1,485,155	(26)	90,104	942,243	(7,721)	(1)
	PCA SALES REVENUE - ELK RIVE	13,445	255,744	348,129	408,036	(27)	26,472	255,303	441	0
	PCA SALES REVENUE - ELK RIVE	123,619	1,777,259	2,529,887	2,970,644	(30)	203,697	1,795,709	(18,450)	(1)
	Total For Elk River:	3,470,154	32,390,694	36,383,543	42,685,299	(11)	3,438,999	33,819,330	(1,428,636)	(4)
Otsego										
	ELECT SALES - OTSEGO RESIDEN	136,253	1,286,241	1,233,172	1,438,521	4	116,069	1,303,832	(17,590)	(1)
	ELECT SALES - OTSEGO NON-DEM	49,105	428,680	406,524	477,265	5	43,403	423,383	5,296	1
	ELECT SALES - OTSEGO DEMAND	138,765	1,276,446	973,314	1,154,078	31	129,572	1,205,019	71,426	6
	PCA SALES REVENUE - OTSEGO R	6,084	104,890	138,204	162,572	(24)	9,670	102,950	1,940	2
	PCA SALES REVENUE - OTSEGO N	2,334	38,322	50,776	58,535	(25)	3,925	36,753	1,568	4
	PCA SALES REVENUE - OTSEGO D	8,275	146,932	190,993	223,596	(23)	14,572	133,320	13,611	10
	Total For Otsego:	340,819	3,281,513	2,992,986	3,514,568	10	317,214	3,205,260	76,253	2
Rural Big Lake										
	ELECT SALES - BIG LAKE RESIDE	14,535	156,580	184,637	216,883	(15)	13,961	166,887	(10,307)	(6)
	ELECT SALES - BIG LAKE NON-DE	516	3,867	4,350	4,737	(11)	406	4,398	(530)	(12)
	PCA SALES REVENUE - BIG LAKE	651	13,030	18,081	21,268	(28)	1,191	13,394	(364)	(3)
	PCA SALES REVENUE - BIG LAKE	21	282	450	522	(37)	31	324	(41)	(13)
	Total For Rural Big Lake:	15,726	173,760	207,520	243,411	(16)	15,589	185,004	(11,244)	(6)
Dayton										
	ELECT SALES - DAYTON RESIDEN	16,747	168,094	193,351	224,525	(13)	14,970	179,572	(11,478)	(6)
	ELECT SALES - DAYTON NON-DE	3,326	31,992	34,968	41,609	(9)	3,220	33,853	(1,860)	(5)
	PCA SALES REVENUE - DAYTON R	741	13,649	19,099	22,385	(29)	1,242	14,086	(437)	(3)
	PCA SALES REVENUE - DAYTON	138	2,532	3,626	4,231	(30)	254	2,627	(94)	(4)
	Total For Dayton:	20,954	216,269	251,045	292,751	(14)	19,687	230,140	(13,871)	(6)
Public St & Hwy Lighting										
	ELECT SALES - SEC LTS	21,720	217,217	216,666	260,000	0	21,618	215,819	1,397	1
	Total For Public St & Hwy Lighting:	21,720	217,217	216,666	260,000	0	21,618	215,819	1,397	1
Other Electric Sales										
	SUB-STATION CREDIT	400	4,000	4,000	4,800	0	400	4,000	0	0

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING OCTOBER 2024

		2024 OCTOBER	2024 YTD	2024 YTD BUDGET	2024 ANNUAL BUDGET	2024 YTD Bud Var%	2023 OCTOBER	2023 YTD	YTD VARIANCE	2023 v. 2024 Actual Var%
Electric										
	Total For Other Electric Sales:	400	4,000	4,000	4,800	0	400	4,000	0	0
	Total Operating Revenue	<u>3,869,774</u>	<u>36,283,454</u>	<u>40,055,762</u>	<u>47,000,831</u>	<u>(9)</u>	<u>3,813,509</u>	<u>37,659,555</u>	<u>(1,376,101)</u>	<u>(4)</u>
Other Operating Revenue										
Interest/Dividend Income										
	INTEREST & DIVIDEND INCOME	(9,475)	267,508	70,833	85,000	278	16,040	87,175	180,332	207
	Total For Interest/Dividend Income:	(9,475)	267,508	70,833	85,000	278	16,040	87,175	180,332	207
Customer Penalties										
	CUSTOMER DELINQUENT PENALT	32,927	241,371	237,500	285,000	2	24,786	259,594	(18,222)	(7)
	Total For Customer Penalties:	32,927	241,371	237,500	285,000	2	24,786	259,594	(18,222)	(7)
Connection Fees										
	DISCONNECT & RECONNECT CHA	15,650	279,057	112,500	135,000	148	16,375	116,731	162,326	139
	Total For Connection Fees:	15,650	279,057	112,500	135,000	148	16,375	116,731	162,326	139
Misc Revenue										
	MISC ELEC REVENUE - TEMP CHG	220	2,390	4,166	5,000	(43)	0	5,774	(3,384)	(59)
	STREET LIGHT	0	23,400	7,500	10,000	212	0	1,800	21,600	1,200
	TRANSMISSION INVESTMENTS	41,393	522,815	555,000	666,000	(6)	56,166	589,062	(66,247)	(11)
	MISC NON-UTILITY	9,305	141,913	91,666	110,000	55	18,720	130,267	11,645	9
	GAIN ON DISPOSITION OF PROPER	0	8,600	0	0	0	0	40,310	(31,710)	(79)
	CONTRIBUTIONS FROM CUSTOME	6,778	672,892	187,500	225,000	259	33,220	346,360	326,531	94
	Total For Misc Revenue:	57,698	1,372,011	845,833	1,016,000	62	108,107	1,113,575	258,435	23
	Total Other Revenue	<u>96,800</u>	<u>2,159,949</u>	<u>1,266,666</u>	<u>1,521,000</u>	<u>71</u>	<u>165,310</u>	<u>1,577,077</u>	<u>582,871</u>	<u>37</u>
	Total For Total Other Revenue:	96,800	2,159,949	1,266,666	1,521,000	71	165,310	1,577,077	582,871	37
	Total Revenue	<u>3,966,574</u>	<u>38,443,403</u>	<u>41,322,429</u>	<u>48,521,831</u>	<u>(7)</u>	<u>3,978,819</u>	<u>39,236,633</u>	<u>(793,229)</u>	<u>(2)</u>
Expenses										
Purchased Power										
	PURCHASED POWER	1,575,277	18,979,483	21,040,031	24,250,423	(10)	1,746,283	20,263,323	(1,283,839)	(6)
	ENERGY ADJUSTMENT CLAUSE	616,741	5,788,691	7,244,843	8,506,023	(20)	646,478	6,773,883	(985,191)	(15)
	Total For Purchased Power:	2,192,019	24,768,174	28,284,874	32,756,447	(12)	2,392,761	27,037,206	(2,269,031)	(8)
Operating & Mtce Expense										
	OPERATING SUPERVISION	13,420	116,521	109,166	131,000	7	11,229	101,115	15,406	15
	DIESEL OIL FUEL	0	159	8,333	10,000	(98)	0	3,854	(3,695)	(96)
	NATURAL GAS	661	13,613	24,000	33,000	(43)	821	22,665	(9,052)	(40)

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
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FOR PERIOD ENDING OCTOBER 2024

	2024 OCTOBER	2024 YTD	2024 YTD BUDGET	2024 ANNUAL BUDGET	2024 YTD Bud Var%	2023 OCTOBER	2023 YTD	YTD VARIANCE	2023 v. 2024 Actual Var%
Electric									
ELECTRIC & WATER CONSUMPTI	4,768	46,284	55,500	66,000	(17)	4,817	52,702	(6,418)	(12)
PLANT SUPPLIES & OTHER EXPEN	41	7,256	12,500	15,000	(42)	568	26,526	(19,269)	(73)
MISC POWER GENERATION EXPE	123	624	6,666	8,000	(91)	50	3,767	(3,143)	(83)
MAINTENANCE OF STRUCTURE -	2,809	12,475	17,500	21,000	(29)	823	16,483	(4,007)	(24)
MTCE OF PLANT ENGINES/GENER	0	4,061	32,500	39,000	(88)	541	16,818	(12,756)	(76)
MTCE OF PLANT/LAND IMPROVE	421	16,304	30,000	46,000	(46)	471	24,881	(8,577)	(34)
Total For Operating & Mtce Expense:	22,247	217,301	296,166	369,000	(27)	19,322	268,814	(51,512)	(19)
Transmission Expense									
TRANSMISSION MTCE AND EXPE	2,574	43,431	60,000	72,000	(28)	5,425	54,856	(11,425)	(21)
Total For Transmission Expense:	2,574	43,431	60,000	72,000	(28)	5,425	54,856	(11,425)	(21)
Distribution Expense									
REMOVE EXISTING SERVICE & M	251	352	1,666	2,000	(79)	0	542	(189)	(35)
SCADA EXPENSE	2,505	39,356	37,500	45,000	5	3,924	43,656	(4,299)	(10)
TRANSFORMER EXPENSE OH & U	1,720	14,438	12,500	15,000	16	2,215	15,789	(1,350)	(9)
MTCE OF SIGNAL SYSTEMS	611	1,621	2,500	3,000	(35)	171	2,667	(1,045)	(39)
METER EXPENSE - REMOVE & RE	0	466	1,250	1,500	(63)	111	1,461	(994)	(68)
TEMP SERVICE - INSTALL & REM	0	338	5,833	7,000	(94)	652	6,391	(6,052)	(95)
MISC DISTRIBUTION EXPENSE	21,005	311,260	291,666	350,000	7	24,061	297,291	13,968	5
INTERCONNECTION CARRYING C	0	0	0	2,417	0	0	0	0	0
Total For Distribution Expense:	26,093	367,835	352,916	425,917	4	31,136	367,800	35	0
Maintenance Expense									
MTCE OF STRUCTURES	9,838	74,019	41,666	50,000	78	5,250	53,977	20,041	37
MTCE OF SUBSTATIONS	4,788	12,894	30,000	36,000	(57)	4,347	39,529	(26,634)	(67)
MTCE OF SUBSTATION EQUIPME	1,571	82,497	65,833	79,000	25	9,418	52,679	29,817	57
MTCE OF OH LINES/TREE TRIM	318	214,544	181,000	230,000	19	1,277	179,799	34,745	19
MTCE OF OH LINES/STANDBY	3,324	36,270	33,333	40,000	9	3,948	30,358	5,911	19
MTCE OF OH PRIMARY	15,024	150,792	141,666	170,000	6	12,721	134,039	16,753	12
MTCE OF URD PRIMARY	52,532	254,631	183,333	220,000	39	16,025	189,873	64,757	34
LOCATE ELECTRIC LINES	9,264	86,726	91,666	110,000	(5)	12,450	88,445	(1,719)	(2)
LOCATE FIBER LINES	585	2,742	1,250	1,500	119	101	371	2,371	639
MTCE OF LINE TRANSFORMERS	5,724	43,753	50,000	60,000	(12)	2,302	71,448	(27,695)	(39)
MTCE OF STREET LIGHTING	2,016	60,767	41,666	50,000	46	8,134	36,667	24,099	66
MTCE OF SECURITY LIGHTING	2,338	20,280	12,500	15,000	62	723	15,380	4,900	32
MTCE OF METERS	3,025	55,084	66,666	80,000	(17)	5,283	58,254	(3,169)	(5)
VOLTAGE COMPLAINTS	917	5,529	10,000	12,000	(45)	107	9,812	(4,282)	(44)

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
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FOR PERIOD ENDING OCTOBER 2024

	2024 OCTOBER	2024 YTD	2024 YTD BUDGET	2024 ANNUAL BUDGET	2024 YTD Bud Var%	2023 OCTOBER	2023 YTD	YTD VARIANCE	2023 v. 2024 Actual Var%
Electric									
SALARIES TRANSMISSION & DIST	3,091	26,031	25,000	30,000	4	2,659	23,580	2,450	10
ELECTRIC MAPPING	5,492	113,082	83,333	100,000	36	5,296	98,357	14,725	15
MTCE OF OH SECONDARY	2,918	18,568	20,833	25,000	(11)	1,901	21,223	(2,655)	(13)
MTCE OF URD SECONDARY	4,216	47,650	50,000	60,000	(5)	7,132	52,598	(4,948)	(9)
TRANSPORTATION EXPENSE	40,183	250,394	250,000	300,000	0	19,181	232,171	18,223	8
Total For Maintenance Expense:	167,172	1,556,264	1,379,750	1,668,500	13	118,263	1,388,569	167,694	12
Depreciation & Amortization									
DEPRECIATION	222,290	2,197,729	2,032,900	2,439,475	8	209,116	2,080,185	117,544	6
AMORTIZATION	55,677	556,779	556,780	668,136	0	55,677	556,779	0	0
Total For Depreciation & Amortization:	277,968	2,754,509	2,589,680	3,107,611	6	264,794	2,636,964	117,544	4
Interest Expense									
INTEREST EXPENSE - BONDS	68,246	697,117	697,117	845,673	0	71,400	727,892	(30,775)	(4)
AMORTIZATION OF DEBT DISCOU	(4,988)	(49,885)	(49,885)	(59,863)	0	(4,988)	(49,885)	0	0
Total For Interest Expense:	63,257	647,232	647,232	785,810	0	66,412	678,007	(30,775)	(5)
Other Operating Expense									
EV CHARGING EXPENSE	318	2,253	2,583	3,100	(13)	198	1,749	504	29
LOSS ON DISPOSITION OF PROP (C	0	3,025	155,800	155,800	(98)	0	13,073	(10,048)	(77)
OTHER DONATIONS	0	0	2,500	3,000	(100)	0	108	(108)	(100)
MUTUAL AID	26,301	53,820	0	0	0	0	4,415	49,405	1,119
PENSION EXPENSE	0	0	0	295,000	0	0	0	0	0
OTHER INTEREST EXPENSE	0	0	0	0	0	0	378	(378)	(100)
INTEREST EXPENSE - METER DEP	4,849	47,805	41,666	50,000	15	4,048	39,725	8,080	20
Total For Other Operating Expense:	31,469	106,905	202,550	506,900	47	4,247	59,451	47,454	80
Customer Accounts Expense									
METER READING EXPENSE	4,924	40,158	39,166	47,000	3	4,348	35,715	4,442	12
DISCONNECT/RECONNECT EXPEN	100	11,844	18,333	22,000	(35)	1,051	18,678	(6,834)	(37)
MISC CUSTOMER ACCOUNTS EXP	33,502	298,255	287,500	345,000	4	33,708	282,842	15,412	5
BAD DEBT EXPENSE & RECOVER	1,524	14,261	20,833	25,000	(32)	2,698	26,877	(12,616)	(47)
Total For Customer Accounts Expense:	40,051	364,518	365,833	439,000	0	41,806	364,114	404	0
Administrative Expense									
SALARIES OFFICE & COMMISSION	84,179	750,312	756,666	908,000	(1)	69,567	665,070	85,242	13
TEMPORARY STAFFING	0	0	3,333	4,000	(100)	0	0	0	0
OFFICE SUPPLIES	15,826	82,331	104,166	125,000	(21)	7,431	99,441	(17,109)	(17)
ELECTRIC & WATER CONSUMPTI	2,192	23,189	33,333	40,000	(30)	2,347	25,018	(1,828)	(7)
BANK FEES	250	2,278	2,083	2,500	9	140	1,487	791	53

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING OCTOBER 2024

Electric	2024	2024	2024	2024	2024 YTD	2023	2023	YTD	2023 v. 2024
	OCTOBER	YTD	YTD BUDGET	ANNUAL BUDGET	Bud Var%	OCTOBER	YTD	VARIANCE	Actual Var%
LEGAL FEES	9,456	29,305	25,000	30,000	17	1,077	17,450	11,854	68
AUDITING FEES	1,640	15,600	18,333	22,000	(15)	1,623	17,193	(1,593)	(9)
INSURANCE	21,533	160,493	158,333	190,000	1	16,027	170,562	(10,069)	(6)
UTILITY SHARE - DEFERRED COM	5,009	102,965	100,000	120,000	3	5,048	105,006	(2,041)	(2)
UTILITY SHARE - MEDICAL/DENT	48,302	716,113	745,363	870,000	(4)	57,233	701,858	14,254	2
UTILITY SHARE - PERA	28,534	257,363	251,666	302,000	2	23,839	239,207	18,155	8
UTILITY SHARE - FICA	27,470	251,164	245,833	295,000	2	23,475	234,309	16,854	7
EMPLOYEE SICK PAY	13,717	136,640	137,500	165,000	(1)	16,026	130,784	5,855	4
EMPLOYEE HOLIDAY PAY	0	103,764	93,818	172,000	11	0	98,049	5,715	6
EMPLOYEE VACATION & PTO PA	22,901	283,387	232,454	275,000	22	18,700	237,958	45,428	19
UPMIC DISTRIBUTION	0	75,435	75,750	101,000	0	0	60,163	15,271	25
LONGEVITY PAY	2,025	4,945	4,945	6,964	0	2,300	15,168	(10,223)	(67)
CONSULTING FEES	0	40,307	81,333	97,600	(50)	0	2,732	37,574	1,375
TELEPHONE	2,929	25,807	31,666	38,000	(19)	2,986	30,825	(5,017)	(16)
ADVERTISING	775	10,415	15,833	19,000	(34)	1,675	12,589	(2,174)	(17)
DUES & SUBSCRIPTIONS - FEES	9,822	102,704	114,611	137,533	(10)	7,116	97,792	4,912	5
SCHOOLS & MEETINGS	21,970	177,622	237,000	274,894	(25)	22,974	192,058	(14,436)	(8)
MTCE OF GENERAL PLANT & OFFI	845	8,450	10,833	13,000	(22)	1,002	10,027	(1,577)	(16)
Total For Administrative Expense:	319,382	3,360,599	3,479,859	4,208,492	(3)	280,593	3,164,759	195,839	6
General Expense									
CIP REBATES - RESIDENTIAL	7,574	73,398	75,631	90,758	(3)	4,760	50,416	22,982	46
CIP REBATES - COMMERCIAL	0	98,271	93,333	112,000	5	0	54,432	43,839	81
CIP - ADMINISTRATION	10,177	153,263	152,470	182,965	1	386	11,411	141,851	1,243
CIP - MARKETING	5,840	44,820	42,695	51,235	5	2,691	36,611	8,209	22
CIP - LABOR	9,136	83,428	111,518	133,822	(25)	12,407	117,686	(34,257)	(29)
CIP REBATES - LOW INCOME	0	3,468	15,600	18,720	(78)	0	13,124	(9,656)	(74)
CIP - LOW INCOME LABOR	817	7,797	8,333	10,000	(6)	837	8,017	(219)	(3)
ENVIRONMENTAL COMPLIANCE	2,044	27,403	29,166	35,000	(6)	2,504	18,458	8,944	48
MISC GENERAL EXPENSE	714	3,434	2,083	2,500	65	(14)	6,194	(2,759)	(45)
Total For General Expense:	36,303	495,286	530,833	637,000	(7)	23,572	316,351	178,934	57
Total Expenses(before Operating Transfers)	3,178,541	34,682,059	38,189,696	44,976,678	(9)	3,248,336	36,336,896	(1,654,836)	(5)
Operating Transfer									
Operating Transfer/Other Funds									
TRANSFER TO CITY ELK RIVER R	139,507	1,302,639	1,455,341	1,707,411	(10)	138,256	1,392,337	(89,697)	(6)

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	2024 OCTOBER	2024 YTD	2024 YTD BUDGET	2024 ANNUAL BUDGET	2024 YTD Bud Var%	2023 OCTOBER	2023 YTD	YTD VARIANCE	2023 v. 2024 Actual Var%
Electric									
Total For Operating Transfer/Other Funds:	139,507	1,302,639	1,455,341	1,707,411	(10)	138,256	1,392,337	(89,697)	(6)
Utilities & Labor Donated									
UTILITIES & LABOR DONATED TO	20,203	189,690	220,000	264,000	(14)	19,301	215,741	(26,051)	(12)
Total For Utilities & Labor Donated:	20,203	189,690	220,000	264,000	(14)	19,301	215,741	(26,051)	(12)
Total Operating Transfer									
Total For Total Operating Transfer:	159,710	1,492,330	1,675,341	1,971,411	(11)	157,557	1,608,079	(115,749)	(7)
Net Income Profit(Loss)	628,322	2,269,013	1,457,391	1,573,740	56	572,925	1,291,657	977,356	76

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	2024 OCTOBER	2024 YTD	2024 YTD BUDGET	2024 ANNUAL BUDGET	2024 YTD Bud Var%	2023 OCTOBER	2023 YTD	YTD VARIANCE	2023 v. 2024 Actual Var%
Water									
Revenue									
Operating Revenue									
Water Sales									
WATER SALES RESIDENTIAL	187,504	1,337,837	1,416,619	1,595,403	(6)	155,108	1,665,664	(327,827)	(20)
WATER SALES COMMERCIAL	109,047	825,763	807,489	923,908	2	120,320	921,369	(95,605)	(10)
WATER SALES IRRIGATION	43,161	252,727	256,520	268,691	(1)	46,155	390,386	(137,658)	(35)
Total For Water Sales:	339,713	2,416,329	2,480,629	2,788,003	(3)	321,584	2,977,420	(561,091)	(19)
Total Operating Revenue	339,713	2,416,329	2,480,629	2,788,003	(3)	321,584	2,977,420	(561,091)	(19)
Total For Total Operating Revenue:	339,713	2,416,329	2,480,629	2,788,003	(3)	321,584	2,977,420	(561,091)	(19)
Other Operating Revenue									
Interest/Dividend Income									
INTEREST & DIVIDEND INCOME	(588)	83,431	33,333	40,000	150	5,629	36,073	47,358	131
OTHER INTEREST/MISC REVENUE	0	558	1,250	1,500	(55)	0	543	15	3
Total For Interest/Dividend Income:	(588)	83,990	34,583	41,500	143	5,629	36,616	47,373	129
Customer Penalties									
CUSTOMER PENALTIES	5,545	23,774	20,833	25,000	14	2,564	20,094	3,679	18
Total For Customer Penalties:	5,545	23,774	20,833	25,000	14	2,564	20,094	3,679	18
Connection Fees									
WATER/ACCESS/CONNECTION FE	33,477	396,741	166,666	200,000	138	43,905	185,810	210,930	114
CUSTOMER CONNECTION FEES	6,899	32,506	25,000	30,000	30	4,021	15,515	16,991	110
BULK WATER SALES/HYDRANT R	3,763	20,474	20,833	25,000	(2)	6,750	21,555	(1,080)	(5)
Total For Connection Fees:	44,140	449,722	212,500	255,000	112	54,676	222,881	226,840	102
Misc Revenue									
MISC NON-UTILITY	0	75	41	50	81	60	100	(24)	(24)
TRANSFER IN FROM CITY	0	0	0	230,000	0	0	0	0	0
GAIN ON DISPOSITION OF PROPER	0	0	0	0	0	0	2,940	(2,940)	(100)
MISCELLANEOUS REVENUE	0	716	416	500	72	0	258	458	177
HYDRANT MAINTENANCE PROGR	975	10,575	12,500	15,000	(15)	1,330	12,543	(1,967)	(16)
CONTRIBUTIONS FROM DEVELOP	0	0	0	65,000	0	0	0	0	0
WATER TOWER LEASE	0	0	0	308,236	0	0	0	0	0
Total For Misc Revenue:	975	11,368	12,958	618,786	(12)	1,390	15,841	(4,473)	(28)
Total Other Revenue	50,072	568,855	280,875	940,286	103	64,259	295,434	273,421	93
Total For Total Other Revenue:	50,072	568,855	280,875	940,286	103	64,259	295,434	273,421	93

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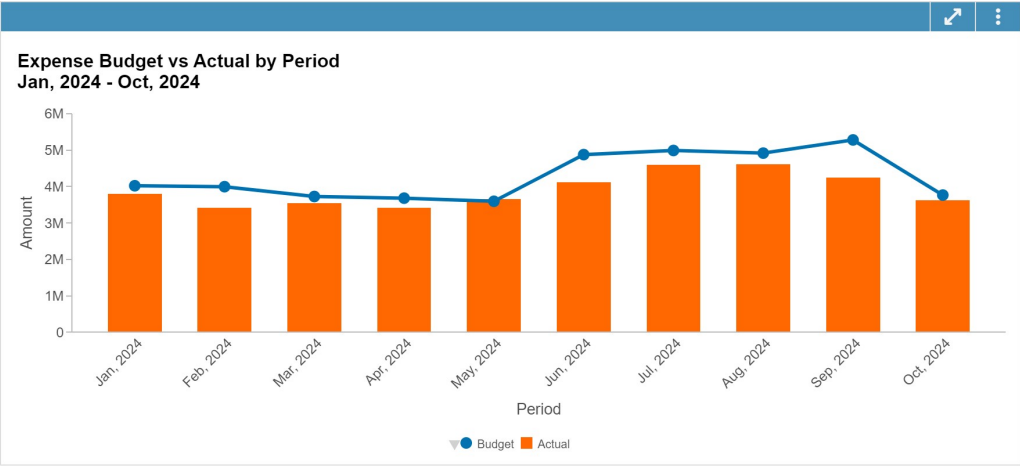
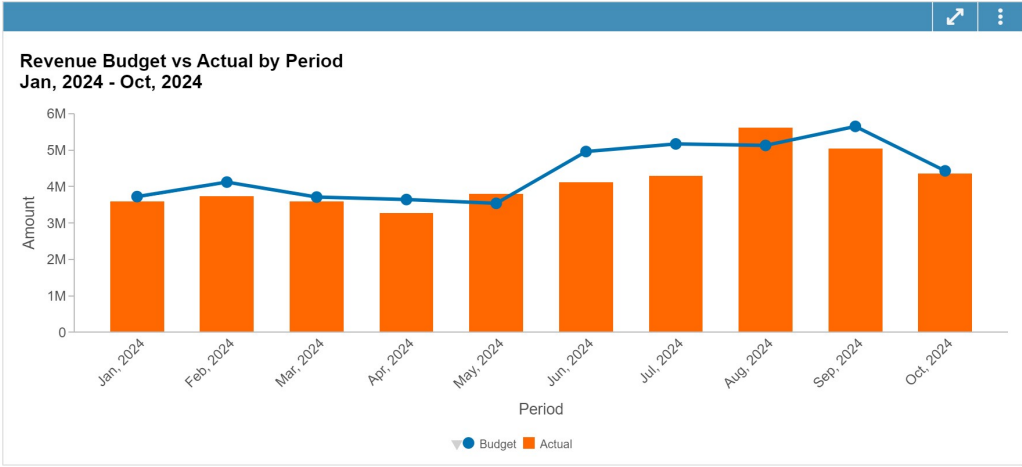
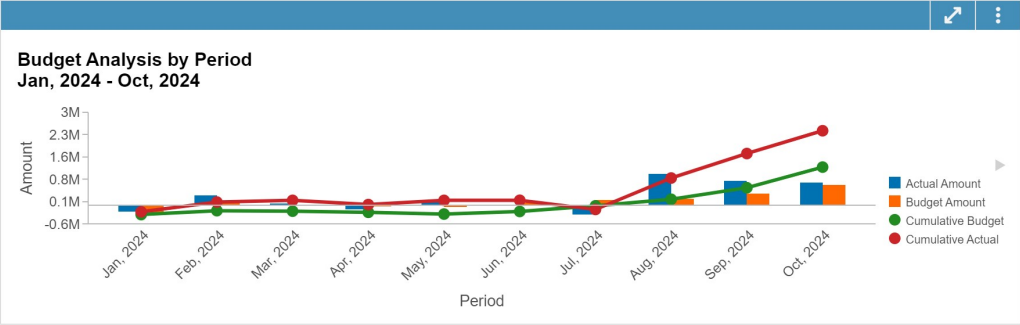
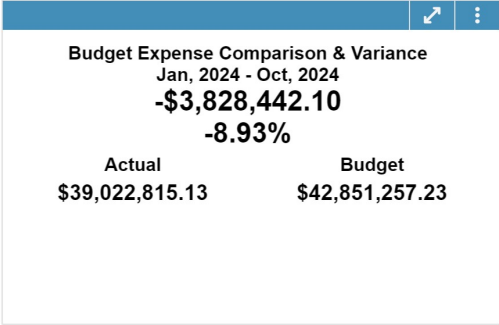
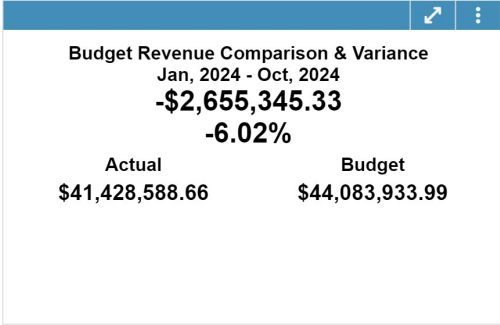
	2024 OCTOBER	2024 YTD	2024 YTD BUDGET	2024 ANNUAL BUDGET	2024 YTD Bud Var%	2023 OCTOBER	2023 YTD	YTD VARIANCE	2023 v. 2024 Actual Var%
Water									
Total Revenue	389,785	2,985,184	2,761,504	3,728,289	8	385,844	3,272,855	(287,670)	(9)
Expenses									
Production Expense									
MTCE OF STRUCTURES	8,981	104,495	95,833	115,000	9	11,358	89,489	15,006	17
Total For Production Expense:	8,981	104,495	95,833	115,000	9	11,358	89,489	15,006	17
Pumping Expense									
SUPERVISION	7,259	60,284	56,250	67,500	7	6,187	52,794	7,490	14
ELECTRIC & GAS UTILITIES	19,888	215,904	279,309	335,171	(23)	18,780	266,660	(50,755)	(19)
SAMPLING	945	19,006	14,166	17,000	34	1,695	13,057	5,948	46
CHEMICAL FEED	4,398	34,400	44,166	53,000	(22)	1,923	42,201	(7,801)	(18)
MTCE OF WELLS	11,951	160,007	137,500	165,000	16	8,315	124,867	35,139	28
SCADA - PUMPING	363	10,369	6,666	8,000	56	317	2,871	7,498	261
Total For Pumping Expense:	44,806	499,973	538,059	645,671	(7)	37,220	502,453	(2,479)	0
Distribution Expense									
MTCE OF WATER MAINS	16,332	90,284	145,833	175,000	(38)	9,242	135,765	(45,480)	(33)
LOCATE WATER LINES	1,311	12,062	14,375	17,250	(16)	1,088	7,878	4,183	53
MTCE OF WATER SERVICES	0	0	416	500	(100)	0	240	(240)	(100)
WATER METER SERVICE	12,305	61,161	55,000	66,000	11	3,366	27,768	33,393	120
BACKFLOW DEVICE INSPECTION	1,261	16,830	17,478	20,000	(4)	1,503	16,871	(40)	0
MTCE OF CUSTOMERS SERVICE	2,882	27,537	27,500	33,000	0	2,661	25,231	2,306	9
WATER MAPPING	894	16,133	12,500	15,000	29	577	11,716	4,416	38
MTCE OF WATER HYDRANTS - PU	1,099	20,546	16,666	20,000	23	1,309	12,548	7,997	64
MTCE OF WATER HYDRANTS - PR	797	4,990	5,000	6,000	0	57	3,665	1,325	36
WATER CLOTHING/PPE	0	9,451	8,333	10,000	13	286	9,142	309	3
WAGES WATER	722	6,519	6,250	7,500	4	647	5,921	597	10
TRANSPORTATION EXPENSE	1,090	16,748	20,000	24,000	(16)	2,569	14,093	2,654	19
WATER PERMIT	0	26,255	28,000	28,000	(6)	0	15,752	10,502	67
Total For Distribution Expense:	38,697	308,521	357,353	422,250	(14)	23,308	286,595	21,926	8
Depreciation & Amortization									
DEPRECIATION	99,952	1,007,152	957,500	1,148,987	5	97,539	976,185	30,966	3
Total For Depreciation & Amortization:	99,952	1,007,152	957,500	1,148,987	5	97,539	976,185	30,966	3
Interest Expense									
INTEREST EXPENSE - BONDS	3,266	34,066	34,066	40,600	0	3,466	36,066	(2,000)	(6)
AMORTIZATION OF DEBT DISCOU	(554)	(5,542)	(5,542)	(6,651)	0	(554)	(5,542)	0	0

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Water		2024	2024	2024	2024	2024 YTD	2023	2023	YTD	2023 v. 2024
		OCTOBER	YTD	YTD BUDGET	ANNUAL BUDGET	Bud Var%	OCTOBER	YTD	VARIANCE	Actual Var%
	Total For Interest Expense:	2,712	28,524	28,524	33,949	0	2,912	30,524	(2,000)	(7)
	Other Operating Expense									
	LOSS ON DISPOSITION OF PROP (C	0	0	14,000	14,000	(100)	0	0	0	0
	DAM MAINTENANCE EXPENSE	267	444	1,666	2,000	(73)	168	1,876	(1,431)	(76)
	PENSION EXPENSE	0	0	0	65,000	0	0	0	0	0
	OTHER INTEREST EXPENSE	0	0	0	0	0	0	94	(94)	(100)
	INTEREST EXPENSE - METER DEP	60	845	1,083	1,300	(22)	105	1,048	(202)	(19)
	Total For Other Operating Expense:	327	1,290	16,750	82,300	(92)	273	3,019	(1,728)	(57)
	Customer Accounts Expense									
	METER READING EXPENSE	622	4,368	2,083	2,500	110	225	1,845	2,522	137
	MISC CUSTOMER ACCOUNTS EXP	8,560	76,507	74,166	89,000	3	8,680	73,162	3,345	5
	BAD DEBT EXPENSE & RECOVER	0	19	208	250	(91)	0	(28)	47	168
	Total For Customer Accounts Expense:	9,182	80,895	76,458	91,750	6	8,906	74,979	5,915	8
	Administrative Expense									
	SALARIES OFFICE & COMMISSION	24,329	218,930	237,500	285,000	(8)	20,299	193,391	25,539	13
	TEMPORARY STAFFING	0	0	833	1,000	(100)	0	0	0	0
	OFFICE SUPPLIES	5,622	20,430	30,833	37,000	(34)	1,415	21,220	(789)	(4)
	ELECTRIC & WATER CONSUMPTI	548	5,799	9,166	11,000	(37)	586	6,254	(454)	(7)
	BANK FEES	62	585	500	600	17	35	384	200	52
	LEGAL FEES	829	4,707	7,500	9,000	(37)	269	3,731	976	26
	AUDITING FEES	410	4,446	5,000	6,000	(11)	405	4,844	(398)	(8)
	INSURANCE	3,485	34,992	35,833	43,000	(2)	3,616	44,673	(9,681)	(22)
	UTILITY SHARE - DEFERRED COM	872	17,212	17,500	21,000	(2)	1,297	18,737	(1,525)	(8)
	UTILITY SHARE - MEDICAL/DENT	14,156	172,960	187,272	220,000	(8)	14,395	174,527	(1,566)	(1)
	UTILITY SHARE - PERA	5,356	49,429	46,666	56,000	6	4,299	44,231	5,198	12
	UTILITY SHARE - FICA	5,087	48,658	45,000	54,000	8	4,151	42,787	5,870	14
	EMPLOYEE SICK PAY	2,724	25,428	24,166	29,000	5	2,129	22,806	2,621	11
	EMPLOYEE HOLIDAY PAY	0	19,096	17,454	32,000	9	0	17,362	1,733	10
	EMPLOYEE VACATION & PTO PA	4,025	51,519	44,000	52,000	17	2,992	41,114	10,405	25
	UPMIC DISTRIBUTION	0	16,027	15,750	21,000	2	0	10,967	5,059	46
	WELLHEAD PROTECTION	0	0	1,700	2,000	(100)	0	6,861	(6,861)	(100)
	LONGEVITY PAY	0	730	730	837	0	0	2,581	(1,851)	(72)
	CONSULTING FEES	870	11,391	38,250	45,900	(70)	490	8,516	2,875	34
	TELEPHONE	651	5,894	7,500	9,000	(21)	676	6,997	(1,102)	(16)
	ADVERTISING	193	2,718	4,166	5,000	(35)	418	3,822	(1,103)	(29)

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		2024	2024	2024	2024	2024 YTD	2023	2023	YTD	2023 v. 2024
		OCTOBER	YTD	YTD BUDGET	ANNUAL BUDGET	Bud Var%	OCTOBER	YTD	VARIANCE	Actual Var%
Water	DUES & SUBSCRIPTIONS - FEES	1,214	61,156	68,100	88,114	(10)	1,201	54,994	6,161	11
	SCHOOLS & MEETINGS	7,767	40,793	53,775	61,072	(24)	7,431	32,825	7,967	24
	MTCE OF GENERAL PLANT & OFFI	211	2,110	2,583	3,100	(18)	250	2,506	(396)	(16)
	Total For Administrative Expense:	78,419	815,019	901,782	1,092,623	(10)	66,363	766,141	48,878	6
	General Expense									
	CIP REBATES - RESIDENTIAL	25	845	4,166	5,000	(80)	0	1,185	(340)	(29)
	CIP REBATES - COMMERCIAL	0	0	416	500	(100)	0	0	0	0
	CIP - MARKETING	0	1,117	1,666	2,000	(33)	0	966	150	16
	CIP - LABOR	0	0	4,166	5,000	(100)	0	1,288	(1,288)	(100)
	ENVIRONMENTAL COMPLIANCE	72	590	2,083	2,500	(72)	61	1,264	(674)	(53)
	MISC GENERAL EXPENSE	0	0	208	250	(100)	0	(24)	24	100
	Total For General Expense:	97	2,552	12,708	15,250	(80)	61	4,681	(2,128)	(45)
	Total Expenses(before Operating Transfers)	283,178	2,848,425	2,984,968	3,647,781	(5)	247,943	2,734,068	114,356	4
Operating Transfer										
	Utilities & Labor Donated									
	WATER & LABOR DONATED TO CI	0	0	1,250	1,500	(100)	0	0	0	0
	Total Operating Transfer									
	Total For Total Operating Transfer:	0	0	1,250	1,500	(100)	0	0	0	0
	Net Income Profit(Loss)	106,607	136,759	(224,714)	79,007	161	137,901	538,786	(402,026)	(75)



TO: ERMU Commission	FROM: Melissa Karpinski – Finance Manager
MEETING DATE: December 10, 2024	AGENDA ITEM NUMBER: 5.2
SUBJECT: 2025 Annual Business Plan (Budget, Schedule of Rates & Fees)	
ACTION REQUESTED: Adopt the 2025 Annual Business Plan	

BACKGROUND:

In November, the preliminary 2025 Annual Business Plan was presented to the Commission. There have been some changes due to finalizing of projects and expenses. The final highlights are discussed below.

DISCUSSION:

Electric Budget and Rates

As discussed in November, we are proposing a 0% rate increase for 2025.

Notable items in the electric budget for 2025 are:

- 4.00% wage adjustment.
- 2% UPMIC.
- Decreased power plant expenses due to decommissioning.
- Conservative estimate for usage and growth.
- Filling of vacant administrative specialist and engineer position.
- 0% rate increase for wholesale power.
- Contracting for tree trimming of \$200k.
- Loss on disposition of capital due to Advanced Metering Infrastructure (AMI) implementation.
- Administrative expenses for consulting fees for a rate study, Arc Flash study, future of power plant, and NISC business consult.
- Replacement of Digger Truck #9.
- Replacement of Bucket Truck #5.
- Electric Service Territory acquisition loss of revenue for Areas 1&2, 3&4, 5&6, and 7&8 from reserves.
- East substation construction from reserves
- Feeder construction from reserves.

***AMI project from inter-fund borrowing.

Water Budget and Rates

As discussed in November, we are proposing a 1-3% rate increase for 2024.

- Tier 1 – 1% increase
- Tier 2 - 2% increase
- Tier 3 - 3% increase
- Monthly base rate – 2%

Notable items in the water budget for 2024 are:

- 4.00% wage adjustment.
- 2% UPMIC.
- Conservative estimate for usage and growth.
- Additional lead water operator and filling vacant administrative specialist positions.
- Loss on disposition of capital due to AMI implementation.
- Administrative expenses for consulting fees for a rate study, urban services expansion study, future of power plant, AES2, and NISC business consult.
- New well projects from reserves.
- AMI project from reserves.
- Meadowvale booster station from reserves.

Summary

Submitted for approval is the 2025 Annual Business Plan which includes the 2025 Budget and the 2025 Schedule of Rates & Fees. The 2025 fees were approved by the Commission in November and are being presented here with one change. The adoption of the 2025 Schedule of Rates & Fees through the adoption of the Annual Business Plan shall supersede and replace all previously adopted tariffs, rates, and fees.

FINANCIAL IMPACT:

Notable items discussed above. As previously discussed, we are proposing a rate increase of 0% for electric and 1%-3% for water.

ATTACHMENTS:

- Proposed 2025 Annual Business Plan
 - 2025 Budget
 - 2025 Schedule of Rates & Fees



2025 Annual Business Plan

TABLE OF CONTENTS

2025 BUDGET

- Summary of Budgets
- Electric Revenue and Expense Budget
- Water Revenue and Expense Budget
- Electric Capital Budget
- Administration and Technical Services Capital Budgets
- Water Capital Budget
- Training and Travel Budget
- Dues and Subscriptions Budget
- Conservation Improvement Program Budget

2025 SCHEDULE OF RATES & FEES

- Residential All Electric Service Rate
- Residential Electric Service Rate
- Residential Clean Energy Choice Program Rate
- Non-Demand All Electric Service Rate
- Non-Demand Electric Service Rate
- Demand All Electric Service Rate
- Demand Electric Service Rate
- Large Industrial Demand Electric Service Rate
- Transmission Transformed Service Rate
- Commercial Clean Energy Choice Program Rate
- Off-Peak Demand Electric Service Rate
- Commercial All Electric with Ground Source Heat Pump Service Rate
- Ground Source Heat Pump Program Rate
- Electric Vehicle Charging Rates
- Energy Management Program Rates
- Street/Security Light Service Rate
- Water Service Rates
- Fee Schedule



2025 Budget

**ELK RIVER MUNICIPAL UTILITIES
SUMMARY OF YEAR 2025
BUDGETS**

ELECTRIC BUDGET SUMMARY		2025	
ELECTRIC REVENUE	\$	47,696,608	
ELECTRIC EXPENDITURES		(46,041,727)	
ELECTRIC NET FOR CAPITAL		1,654,881	3.47% Margin
DEBT RETIREMENT		(990,000)	
NET LESS DEBT PRINCIPAL PMTS		664,881	
CAPITAL EQUIPMENT/CONSTRUCTION		(8,712,820)	
FUND FROM RESERVES		1,398,000 *	East Substation Construction
FUND FROM RESERVES		750,000 *	Unidentified Feeders
FUND FROM RESERVES		250,000 *	Transformers and Meters
FUND FROM RESERVES		935,000 *	Territory Acquisition Areas 1&2, 3&4, 5&6, 7&8 Loss of Revenue
INTER-FUND BORROWING		1,425,000	AMI
NET		(3,289,939)	
DEPRECIATION		3,339,552	
NET TO RESERVES		49,612 *	Note that this is separate from above funding of draw on reserves
WATER BUDGET SUMMARY		2025	
WATER REVENUE	\$	4,066,914	
WATER EXPENDITURES		(4,004,092)	
WATER NET FOR CAPITAL		62,822	1.54% Margin
DEBT RETIREMENT		(65,000)	
NET LESS DEBT PRINCIPAL PMTS		(2,178)	
CAPITAL EQUIPMENT/CONSTRUCTION		(4,373,080)	
FUND FROM RESERVES		2,400,000 *	New Wells
FUND FROM RESERVES		150,000 *	Meadowvale Booster Station
FUND FROM RESERVES		500,000 *	AMI
NET		(1,325,258)	
DEPRECIATION		1,325,866	
NET TO RESERVES		608 *	Note that this is separate from above funding of draw on reserves

* Currently, target reserves are met.

**ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
2025 ELECTRIC BUDGET**

	2025 Annual Budget	2024 Annual Budget	2023 Annual Actual	
Electric				
Revenue				
Operating Revenue				
Elk River				
440.4411 ELECT SALES - ELK RIVER RESIDENTIAL	14,008,158	14,221,539	13,774,416	
440.4412 ELECT SALES - ELK RIVER NON-DEMAND	3,561,585	3,634,058	3,545,392	
440.4413 ELECT SALES - ELK RIVER DEMAND	18,661,634	19,965,866	18,843,492	
440.4461 PCA SALES REVENUE - ELK RIVER RESIDENTIA	1,522,422	1,485,155	1,040,554	
440.4462 PCA SALES REVENUE - ELK RIVER NON-DEMAND	423,422	408,037	283,171	
440.4463 PCA SALES REVENUE - ELK RIVER DEMAND	<u>2,908,507</u>	<u>2,970,644</u>	<u>1,998,310</u>	
Total for Elk River:	41,085,728	42,685,299	39,485,335	
Otsego				
440.4416 ELECT SALES - OTSEGO RESIDENTIAL	1,546,756	1,438,521	1,520,947	
440.4417 ELECT SALES - OTSEGO NON-DEMAND	499,327	477,265	497,057	
440.4418 ELECT SALES - OTSEGO DEMAND	1,587,578	1,154,078	1,428,814	
440.4464 PCA SALES REVENUE - OTSEGO RESIDENTIAL	168,103	162,572	113,642	
440.4465 PCA SALES REVENUE - OTSEGO NON-DEMAND	46,753	58,535	41,419	
440.4466 PCA SALES REVENUE - OTSEGO DEMAND	<u>225,212</u>	<u>223,597</u>	<u>150,238</u>	
Total for Otsego:	4,073,730	3,514,568	3,752,117	
Rural Big Lake				
440.4421 ELECT SALES - BIG LAKE RESIDENTIAL	199,360	216,884	196,033	
440.4422 ELECT SALES - BIG LAKE NON-DEMAND	4,811	4,737	4,789	
440.4467 PCA SALES REVENUE - BIG LAKE RESIDENTIAL	21,667	21,268	14,868	
440.4468 PCA SALES REVENUE - BIG LAKE NON-DEMAND	<u>6,026</u>	<u>522</u>	<u>340</u>	
Total for Rural Big Lake:	231,863	243,412	216,030	
Dayton				
440.4431 ELECT SALES - DAYTON RESIDENTIAL	212,064	224,526	208,525	
440.4432 ELECT SALES - DAYTON NON-DEMAND	40,466	41,610	40,282	
440.4469 PCA SALES REVENUE - DAYTON RESIDENTIAL	23,047	22,385	15,521	
440.447 PCA SALES REVENUE - DAYTON NON-DEMAND	<u>6,410</u>	<u>4,231</u>	<u>2,958</u>	
Total for Dayton:	281,987	292,752	267,286	
Public St & Hwy Lighting				
440.4414 ELECT SALES - SEC LTS	<u>261,000</u>	<u>260,000</u>	<u>259,191</u>	
Total for Public St & Hwy Lighting:	261,000	260,000	259,191	
Other Electric Sales				
440.455 SUB-STATION CREDIT	4,800	4,800	4,800	
440.4554 RATE INCREASE	-	-	-	
Total for Other Electric Sales:	<u>4,800</u>	<u>4,800</u>	<u>4,800</u>	
Total for Operating Revenue:	45,939,108	47,000,831	43,984,759	-2.3%
Other Operating Revenue				
Interest/Dividend Income				
460.4691 INTEREST & DIVIDEND INCOME	<u>350,000</u>	<u>85,000</u>	<u>158,309</u>	
Total for Interest/Dividend Income:	350,000	85,000	158,309	
Customer Penalties				
470.4701 CUSTOMER DELINQUENT PENALTIES	<u>285,000</u>	<u>285,000</u>	<u>308,374</u>	
Total for Customer Penalties:	285,000	285,000	308,374	
Connection Fees				
470.4702 DISCONNECT & RECONNECT CHARGE	<u>150,000</u>	<u>135,000</u>	<u>151,296</u>	
Total for Connection Fees:	150,000	135,000	151,296	
Misc Revenue				
470.4703 MISC ELEC REVENUE - TEMP CHG	2,500	5,000	5,994	
470.4704 STREET LIGHT	10,000	10,000	6,300	
470.4715 TRANSMISSION INVESTMENTS	600,000	666,000	739,768	
470.4722 MISC NON-UTILITY	110,000	110,000	182,451	
470.4723 GAIN ON DISPOSITION OF PROPERTY	25,000	-	72,630	
470.4739 PERA PENSION REVENUE	-	-	337	
470.475 RENTAL PROPERTY INCOME	-	-	-	
470.477 CONTRIBUTIONS FROM CUSTOMERS	225,000	225,000	489,451	
470.478 CONTRIBUTIONS FROM GRANTS	<u>-</u>	<u>-</u>	<u>-</u>	
Total for Misc Revenue:	972,500	1,016,000	1,496,931	
Total Other Revenue				
Total for Total Other Revenue:	<u>1,757,500</u>	<u>1,521,000</u>	<u>2,114,910</u>	
Total Revenue	<u>47,696,608</u>	<u>48,521,831</u>	<u>46,099,669</u>	
Expenses				
Purchased Power				
540.5551 PURCHASED POWER	23,315,291	24,250,424	23,416,660	
540.5553 ENERGY ADJUSTMENT CLAUSE	<u>7,284,338</u>	<u>8,506,023</u>	<u>7,816,127</u>	
Total for Purchased Power:	30,599,628	32,756,447	31,232,787	
Operating & Mtce Expense				
540.5461 OPERATING SUPERVISION	150,000	131,000	120,165	
540.5471 DIESEL OIL FUEL	-	10,000	3,915	Plant de-commissioning
540.5472 NATURAL GAS	30,000	33,000	28,240	
540.5483 ELECTRIC & WATER CONSUMPTION - PLANT	65,000	66,000	62,628	
540.5484 PLANT SUPPLIES & OTHER EXPENSE	15,000	15,000	27,882	
540.5491 MISC POWER GENERATION EXPENSE	1,000	8,000	3,909	
540.5521 MAINTENANCE OF STRUCTURE - PLANT	20,000	21,000	19,304	

**ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
2025 ELECTRIC BUDGET**

Electric	2025 Annual Budget	2024 Annual Budget	2023 Annual Actual	
540.5531 MTCE OF PLANT ENGINES/GENERATORS	5,000	39,000	19,571	
540.5541 MTCE OF PLANT/LAND IMPROVEMENT	55,000	46,000	29,436	
Total for Operating & Mtce Expense:	341,000	369,000	315,050	
Transmission Expense				
560.562 TRANSMISSION MTCE AND EXPENSE	76,000	72,000	63,810	
Total for Transmission Expense:	76,000	72,000	63,810	
Distribution Expense				
580.5801 REMOVE EXISTING SERVICE & METERS	2,000	2,000	759	
580.5821 SCADA EXPENSE	60,000	45,000	53,498	
580.5831 TRANSFORMER EXPENSE OH & URD	25,000	15,000	19,018	
580.5851 MTCE OF SIGNAL SYSTEMS	3,000	3,000	2,667	
580.5861 METER EXPENSE - REMOVE & RESET	1,500	1,500	1,610	
580.5871 TEMP SERVICE - INSTALL & REMOVE	10,000	7,000	9,206	
580.5881 MISC DISTRIBUTION EXPENSE	420,000	350,000	345,140	
580.589 INTERCONNECTION CARRYING CHARGE	-	2,417	2,416	
Total for Distribution Expense:	521,500	425,917	434,314	
Maintenance Expense				
590.5911 MTCE OF STRUCTURES	92,000	50,000	71,216	
590.5921 MTCE OF SUBSTATIONS	45,000	36,000	40,623	
590.5922 MTCE OF SUBSTATION EQUIPMENT	150,000	79,000	79,615	
590.5931 MTCE OF OH LINES/TREE TRIM	300,000	230,000	225,909	Contractor - Jan-Apr, Nov-Dec
590.5932 MTCE OF OH LINES/STANDBY	50,000	40,000	36,654	
590.5933 MTCE OF OH PRIMARY	190,000	170,000	152,226	
590.5941 MTCE OF URD PRIMARY	300,000	220,000	214,304	
590.5943 LOCATE ELECTRIC LINES	125,000	110,000	105,451	
590.5944 LOCATE FIBER LINES	2,500	1,500	624	
590.5951 MTCE OF LINE TRANSFORMERS	75,000	60,000	83,650	
590.5961 MTCE OF STREET LIGHTING	69,000	50,000	48,781	
590.5962 MTCE OF SECURITY LIGHTING	25,000	15,000	18,471	
590.5971 MTCE OF METERS	80,000	80,000	69,871	
590.5972 VOLTAGE COMPLAINTS	12,000	12,000	10,389	
590.5981 SALARIES TRANSMISSION & DISTRIBUTION	36,000	30,000	28,029	
590.5985 ELECTRIC MAPPING	155,000	100,000	111,093	
590.5986 FIBER MAPPING	15,000	-	-	
590.5991 MTCE OF OH SECONDARY	23,000	25,000	26,387	
590.5992 MTCE OF URD SECONDARY	75,000	60,000	68,402	
590.5995 TRANSPORTATION EXPENSE	325,000	300,000	279,657	Increased labor and fuel costs
Total for Maintenance Expense:	2,144,500	1,668,500	1,671,352	
Depreciation & Amortization				
595.8031 DEPRECIATION	2,671,416	2,439,476	2,508,985	
595.8032 AMORTIZATION	668,136	668,136	668,135	
Total for Depreciation & Amortization:	3,339,552	3,107,612	3,177,120	
Interest Expense				
596.8071 INTEREST EXPENSE - BONDS	794,932	845,673	870,693	
597.8281 AMORTIZATION OF DEBT DISCOUNT/PREMIUM	(59,863)	(59,863)	(59,862)	
Total for Interest Expense:	735,069	785,810	810,831	
Other Operating Expense				
597.8165 EV CHARGING EXPENSE	1,400	3,100	6,552	
597.8213 LOSS ON DISPOSITION OF PROP (CAPITAL)	160,000	155,800	13,073	Meters (due to AMI)
597.8263 OTHER DONATIONS	2,000	3,000	108	
597.8265 MUTUAL AID	-	-	4,415	
597.8302 PENSION EXPENSE	259,000	295,000	211,616	GASB 68
597.8311 OTHER INTEREST EXPENSE	-	-	378	
597.8341 INTEREST EXPENSE - METER DEPOSITS	60,000	50,000	47,921	
Total for Other Operating Expense:	482,400	506,900	284,063	
Customer Accounts Expense				
900.9021 METER READING EXPENSE	35,000	47,000	43,805	
900.903 DISCONNECT/RECONNECT EXPENSE	10,000	22,000	20,348	
900.9051 MISC CUSTOMER ACCOUNTS EXPENSE UTILITY	400,000	345,000	340,258	
900.9061 BAD DEBT EXPENSE & RECOVERY	25,000	25,000	29,142	
Total for Customer Accounts Expense:	470,000	439,000	433,553	
Administrative Expense				
920.9201 SALARIES OFFICE & COMMISSION	1,085,000	908,000	792,284	Specialist, 4% wage adjustment 1/1
920.9205 TEMPORARY STAFFING	4,000	4,000	-	
920.9211 OFFICE SUPPLIES	135,000	125,000	113,010	
920.9212 ELECTRIC & WATER CONSUMPTION - OFFICE	32,000	40,000	27,148	
920.9213 BANK FEES	3,000	2,500	1,886	
920.9221 LEGAL FEES	30,000	30,000	20,028	
920.9231 AUDITING FEES	20,640	22,000	20,439	
920.9241 INSURANCE	195,000	190,000	201,330	
920.926 UTILITY SHARE - DEFERRED COMP	128,500	120,000	116,375	
920.9261 UTILITY SHARE - MEDICAL/DENTAL/DISABIL	942,322	870,000	824,442	19.5% projected medical ins increase
920.9262 UTILITY SHARE - PERA	321,500	302,000	286,887	
920.9263 UTILITY SHARE - FICA	315,500	295,000	280,348	
920.9264 EMPLOYEE SICK PAY	204,000	165,000	175,686	
920.9265 EMPLOYEE HOLIDAY PAY	194,100	172,000	168,236	
920.9266 EMPLOYEE VACATION & PTO PAY	325,000	275,000	279,368	
920.9267 UPMC DISTRIBUTION	86,000	101,000	88,867	2%

**ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
2025 ELECTRIC BUDGET**

Electric	2025 Annual	2024 Annual	2023 Annual	
	Budget	Budget	Actual	
920.929 LONGEVITY PAY	9,945	6,964	15,168	
920.9291 CONSULTING FEES	239,000	97,600	2,732	NISC, Rate Study, Power Plant, Arc Flash, IT
920.9301 TELEPHONE	38,000	38,000	36,236	
920.9302 ADVERTISING	20,000	19,000	13,765	
920.9303 DUES & SUBSCRIPTIONS - FEES	152,009	137,534	124,702	
920.9305 SCHOOLS & MEETINGS	292,333	274,895	223,111	
920.9321 MTCE OF GENERAL PLANT & OFFICE HEATING	11,000	13,000	9,847	
Total for Administrative Expense:	4,783,849	4,208,492	3,821,895	
General Expense				
920.9269 CIP REBATES - RESIDENTIAL	90,758	90,758	60,902	
920.927 CIP REBATES - COMMERCIAL	112,000	112,000	71,268	
920.9271 CIP - ADMINISTRATION	182,965	182,965	27,286	
920.9272 CIP - MARKETING	51,235	51,235	36,225	
920.9273 CIP - LABOR	133,822	133,822	138,208	
920.9274 CIP REBATES - LOW INCOME	18,720	18,720	16,193	
920.9275 CIP - LOW INCOME LABOR	10,000	10,000	9,391	
920.9281 ENVIRONMENTAL COMPLIANCE	35,000	35,000	23,454	
920.9306 MISC GENERAL EXPENSE	5,300	2,500	5,108	
Total for General Expense:	639,800	637,000	388,035	
Total Expenses (before Operating Transfers)	44,133,298	44,976,679	42,632,810	
Operating Transfer				
Operating Transfer/Other Funds				
597.8262 TRANSFER TO CITY ELK RIVER REVENUE	1,643,429	1,707,412	1,620,377	4% of Elk River Sales
Total for Operating Transfer/Other Funds:	1,643,429	1,707,412	1,620,377	
Utilities & Labor Donated				
597.8261 UTILITIES & LABOR DONATED TO CITY	265,000	264,000	253,563	
Total for Utilities & Labor Donated:	265,000	264,000	253,563	
Total Operating Transfer				
Total for Total Operating Transfer:	1,908,429	1,971,412	1,873,940	
Net Income Profit(Loss)	1,654,881	1,573,740	1,592,919	

**ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
2025 WATER BUDGET**

Water	2025 Annual Budget	2024 Annual Budget	2023 Annual Actual
Revenue			
Operating Revenue			
Water Sales			
610.6101 Water Sales Residential	1,768,457	1,595,404	1,854,122
610.6102 Water Sales Commercial	1,024,735	923,908	1,048,578
610.6103 Water Sales Irrigation	<u>350,121</u>	<u>268,691</u>	<u>402,446</u>
Total for Water Sales:	3,143,314	2,788,003	3,305,146
Total Operating Revenue			
	<u>3,143,314</u>	<u>2,788,003</u>	<u>3,305,146</u>
Total for Total Operating Revenue:	3,143,314	2,788,003	3,305,146
Other Operating Revenue			
Interest/Dividend Income			
460.4691 Interest & Dividend Income	150,000	40,000	57,359
460.4692 Other Interest/Misc Revenue	<u>1,000</u>	<u>1,500</u>	<u>1,086</u>
Total for Interest/Dividend Income:	151,000	41,500	58,445
Customer Penalties			
620.6301 Customer Penalties	<u>28,000</u>	<u>25,000</u>	<u>23,117</u>
Total for Customer Penalties:	28,000	25,000	23,117
Connection Fees			
620.6401 WATER/ACCESS/CONNECTION FEES	255,000	200,000	253,340
620.6402 Customer Connection Fees	32,500	30,000	24,478
620.6407 Bulk Water Sales/Hydrant Rental	<u>31,000</u>	<u>25,000</u>	<u>31,255</u>
Total for Connection Fees:	318,500	255,000	309,073
Misc Revenue			
470.4722 Misc Non-Utility	100	50	120
470.4739 Pera Pension Revenue	-	-	62
620.626 Transfer In From City	-	230,000	1,348,941
620.6403 Miscellaneous Revenue	500	500	258
620.6323 Gain On Disposition Of Property	8,000	-	2,940
620.6404 HYDRANT MAINTENANCE PROGRAM - PRIVATE	15,000	15,000	14,493
620.6405 Contributions from Developers	-	65,000	-
620.6406 Water Tower Lease	327,500	308,236	327,431
620.6416 Lease Interest Revenue	<u>75,000</u>	<u>-</u>	<u>74,992</u>
Total for Misc Revenue:	426,100	618,786	1,769,237
Total Other Revenue			
	<u>923,600</u>	<u>940,286</u>	<u>2,159,872</u>
Total for Total Other Revenue:	923,600	940,286	2,159,872
Total Revenue	4,066,914	3,728,289	5,465,018
Expenses			
Production Expense			
700.7021 MTCE OF STRUCTURES	<u>135,000</u>	<u>115,000</u>	<u>104,828</u>
Total for Production Expense:	135,000	115,000	104,828
Pumping Expense			
710.7101 SUPERVISION	76,000	67,500	63,017
710.7181 ELECTRIC & GAS UTILITIES	310,000	335,171	300,994
710.7182 SAMPLING	24,150	17,000	17,430
710.7183 CHEMICAL FEED	50,000	53,000	46,426
710.722 MTCE OF WELLS	200,000	165,000	131,604
710.723 SCADA - PUMPING	<u>12,000</u>	<u>8,000</u>	<u>3,576</u>
Total for Pumping Expense:	672,150	645,671	563,047
Distribution Expense			
730.7301 MTCE OF WATER MAINS	175,000	175,000	144,493
730.7309 LOCATE WATER LINES	20,000	17,250	8,898
730.7311 MTCE OF WATER SERVICES	500	500	240
730.7312 WATER METER SERVICE	70,000	66,000	28,604
730.7316 BACKFLOW DEVICE INSPECTION	23,160	20,000	19,146
730.7321 MTCE OF CUSTOMERS SERVICE	35,000	33,000	30,328
730.7325 WATER MAPPING	17,000	15,000	17,752
730.7326 FIBER MAPPING	15,000	-	-
730.7331 MTCE OF WATER HYDRANTS - PUBLIC	22,000	20,000	16,331
730.7332 MTCE OF WATER HYDRANTS - PRIVATE	6,000	6,000	3,665

**ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
2025 WATER BUDGET**

Water	2025 Annual Budget	2024 Annual Budget	2023 Annual Actual	
730.7341 WATER CLOTHING/PPE	15,000	10,000	10,352	
730.7391 WAGES WATER	10,000	7,500	7,030	
730.7395 TRANSPORTATION EXPENSE	24,000	24,000	15,831	
730.7399 WATER PERMIT	27,000	28,000	15,752	
Total for Distribution Expense:	459,660	422,250	318,422	
Depreciation & Amortization				
595.8031 DEPRECIATION	1,325,866	1,148,988	1,174,752	
Total for Depreciation & Amortization:	1,325,866	1,148,988	1,174,752	
Interest Expense				
596.8071 INTEREST EXPENSE - BONDS	38,117	40,600	43,000	
597.8281 AMORTIZATION OF DEBT DISCOUNT/PREMIUM	(6,651)	(6,651)	(6,650)	
Total for Interest Expense:	31,466	33,949	36,350	
Other Operating Expense				
597.8213 LOSS ON DISPOSITION OF PROP (CAPITAL)	16,000	14,000	-	Meters (due to AMI)
597.8264 DAM MAINTENANCE EXPENSE	-	2,000	1,876	
597.8302 PENSION EXPENSE	44,000	65,000	19,334	GASB 68
597.8311 OTHER INTEREST EXPENSE	-	-	94	
597.8341 INTEREST EXPENSE - METER DEPOSITS	750	1,300	1,262	
Total for Other Operating Expense:	60,750	82,300	22,566	
Customer Accounts Expense				
900.9021 METER READING EXPENSE	7,000	2,500	2,238	
900.9051 MISC CUSTOMER ACCOUNTS EXPENSE UTILITY	98,000	89,000	86,429	
900.9061 BAD DEBT EXPENSE & RECOVERY	250	250	(28)	
Total for Customer Accounts Expense:	105,250	91,750	88,639	
Administrative Expense				
920.9201 SALARIES OFFICE & COMMISSION	288,000	285,000	230,045	Specialist, 4% wage adjustment 1/1
920.9205 TEMPORARY STAFFING	1,000	1,000	-	
920.9211 OFFICE SUPPLIES	30,000	37,000	24,421	
920.9212 ELECTRIC & WATER CONSUMPTION - OFFICE	7,000	11,000	6,787	
920.9213 BANK FEES	700	600	484	
920.9221 LEGAL FEES	5,000	9,000	4,375	
920.9231 AUDITING FEES	6,700	6,000	5,655	
920.9241 INSURANCE	44,000	43,000	51,107	
920.926 UTILITY SHARE - DEFERRED COMP	24,100	21,000	21,515	
920.9261 UTILITY SHARE - MEDICAL/DENTAL/DISABIL	269,977	220,000	202,874	19.5% projected medical ins increase
920.9262 UTILITY SHARE - PERA	68,500	56,000	52,775	
920.9263 UTILITY SHARE - FICA	66,000	54,000	50,873	
920.9264 EMPLOYEE SICK PAY	35,000	29,000	28,323	
920.9265 EMPLOYEE HOLIDAY PAY	41,525	32,000	30,911	
920.9266 EMPLOYEE VACATION & PTO PAY	66,000	52,000	48,487	
920.9267 UPMIC DISTRIBUTION	18,500	21,000	16,347	2%
920.929 LONGEVITY PAY	2,130	837	2,581	
920.9268 WELLHEAD PROTECTION	2,000	2,000	6,861	
920.9291 CONSULTING FEES	57,400	45,900	10,266	AE2S, NISC, Rate Study, Power Plant, IT, Urban Services Expansion
920.9301 TELEPHONE	7,500	9,000	8,249	
920.9302 ADVERTISING	5,000	5,000	4,116	
920.9303 DUES & SUBSCRIPTIONS - FEES	89,961	88,114	73,689	
920.9305 SCHOOLS & MEETINGS	60,957	61,073	36,453	
920.9321 MTCE OF GENERAL PLANT & OFFICE HEATING	2,750	3,100	2,461	
Total for Administrative Expense:	1,199,700	1,092,624	919,655	
General Expense				
920.9269 CIP REBATES - RESIDENTIAL	5,000	5,000	1,185	
920.927 CIP REBATES - COMMERCIAL	500	500	-	
920.9272 CIP - MARKETING	2,000	2,000	966	
920.9273 CIP - LABOR	2,500	5,000	1,288	
920.9281 ENVIRONMENTAL COMPLIANCE	2,000	2,500	1,364	
920.9306 MISC GENERAL EXPENSE	250	250	(669)	
Total for General Expense:	12,250	15,250	4,134	
Total Expenses (before Operating Transfers)	4,002,092	3,647,782	3,232,393	
Operating Transfer				
Utilities & Labor Donated				
597.8261 WATER & LABOR DONATED TO CITY	2,000	1,500	-	
Total Operating Transfer				
Total for Total Operating Transfer:	2,000	1,500	-	
Net Income Profit(Loss)	62,822	79,007	2,232,625	

Elk River Municipal Utilities Business Plan/Budget
2025 Electric Department Capital Budget

Capital Construction Projects

	Cost	Description	
	\$ 125,000	Rebuild: Dodge Elk Hills and 190th wire replacement	
	\$ 125,000	Rebuild: 192nd Zane and Yale wire replacement	
	\$ 125,000	Rebuild: Kennedy and Lincoln wire replacement	
	\$ 125,000	Cty Rd 44 Rebuild	
	\$ 25,000	Highway 169 redefine	
	\$ 100,000	Rebuild: 5th St and Line Ave	
	\$ 100,000	198th Ave & Polk St OH to URD	
	\$ 50,000	Otsego Street Lights	
	\$ 125,000	Waco Business Center Dr Recon	
	\$ 250,000	Rebuild: Main and Gates OH to URD	
	\$ 200,000	Cty Rd 33	
Subtotal	\$ 1,350,000	<i>*in order of priority</i>	

Capital Construction Substations

	Cost	Description	
	\$ 1,398,000	East Substation Construction	Reserves
	\$ 35,000	North Recloser Controller Replacement	
	\$ 150,000	North Recloser Tank Replacement	
	\$ 21,000	West Bank #1 Recloser Controller Replacement	
	\$ 30,000	West Bank #1 Recloser Tank Replacement	
	\$ 28,000	West Bank #2 Recloser Controller Replacement	
	\$ 60,000	West Bank #2 Recloser Tank Replacement	
	\$ 50,000	SCADA Network Upgrades	
Subtotal	\$ 1,772,000		

Capital Construction Feeders

	Cost	Description	
	\$ 25,000	Feeder 71/72 Replace 500 MCM from reclosure to riser	
	\$ 150,000	Feeder 65 Rebuild OH from Landfill to North Sub	
	\$ 750,000	Unidentified Feeders	Reserves
Subtotal	\$ 925,000		

Capital Construction System

	Cost	Description	
	\$ 375,000	Transformers and Meters	Reserves (partial)
	\$ 1,425,000	AMI	Inter-Fund Borrowing
	\$ 350,000	New Development Distribution Installation	
	\$ 50,000	Street Lighting	
	\$ 75,000	Ongoing OH Equip Replacement (Poles, Switches, Cut-Outs)	
	\$ 150,000	Ongoing URD Equip Replacement (Switches, J-Boxes, Fuse Pads)	
	\$ 75,000	Fault Indicators Replacements	
Subtotal	\$ 2,500,000		

Capital Equipment Needs

	Cost	Description	
	\$ 335,000	Replace Digger Truck	Vehicle #9
	\$ 300,000	Replace Bucket Truck	Vehicle #5
	\$ 145,000	Replace Vactron	#61
	\$ 45,000	Replace Excavator	#59
	\$ 55,000	Trailer	
	\$ 12,800	Shared Equipment	
	\$ 158,770	Electric share of Administration	
	\$ 179,250	Electric Share of Technical Services	
Subtotal	\$ 1,230,820		

Capital Facilities & Misc Needs

	Cost	Description	
	\$ 935,000	Territory Acquisition - Loss of Revenue Pmt (2015 Contract - Area 1&2, 3&4, 5&6, 7&8)	Reserves
Subtotal	\$ 935,000		

Total Capital \$ 8,712,820

Electric Noteworthy Non-Recurring Expenses

	Cost	Description	
	\$ 10,500	Computers, iPads, Software, Accessories	
	\$ 15,000	Paint Truck	
	\$ 10,000	Tools	
	\$ 15,000	West Bank #2 Contractor Testing and Inspections	
	\$ 22,320	Electric share of Administration	
	\$ 15,675	Electric share of Technical Services	
Total	\$ 88,495		

Elk River Municipal Utilities Business Plan/Budget
2025 Administration and Technical Services Departments Capital Budgets

Administration Capital Needs

	Cost	Description
	\$ 40,000	Hallway Display and Branding
	\$ 40,000	FSB Accoustics
	\$ 5,000	Network Switches/Misc (ERMU)
	\$ 75,000	Server upgrades
	\$ 6,000	Microsoft server upgrade (city shared)
	\$ 8,400	Enterprise Backup System (city shared)
	\$ 5,000	Team's Room - Admin Building
	\$ 14,000	Team's Room - FS Building
Subtotal	\$ 193,400	

Administration Noteworthy Non-Recurring Expenses

	Cost	Description
	\$ 27,900	Computers, iPads, Software, Accessories, Scanners, Printers - Upgrades
Subtotal	\$ 27,900	

Total Administration \$ 221,300

Technical Services Capital Needs

	Cost	Description
	\$ 125,000	Fiber Extension - East Sub
	\$ 40,000	Substation Security
	\$ 15,000	Thermal Imager Camera
Subtotal	\$ 180,000	

Technical Services Noteworthy Non-Recurring Expenses

	Cost	Description
	\$ 6,500	Computers, iPads, Software, Accessories - Upgrades
	\$ 10,000	Tools
Subtotal	\$ 16,500	

Total Technical Services \$ 196,500

Total Capital Items \$ 373,400

Total Non-Recurring Expenses \$ 44,400

Elk River Municipal Utilities Business Plan/Budget
2025 Water Department Capital Budget

Water Capital Construction Needs

	Cost	Description	
	\$ 175,000	Well #3 Generator	
	\$ 20,000	Well#6 Rehab	
	\$ 1,200,000	New Well #10	Reserves
	\$ 1,200,000	New Well #11	Reserves
	\$ 100,000	Facility Repair (Capital)	
	\$ 150,000	Meadowvale Booster Station	Reserves
	\$ 35,000	Gary St Tower Wash Outside of Tower	
	\$ 15,000	Placeholder for undetermined projects	
	\$ 39,500	SCADA upgrades	
	\$ 150,000	Fiber - Meadowvale & Freeport Boosters, Well #6	
	\$ 500,000	AMI	Reserves
	\$ 185,000	Hwy 169 Redefine	
	\$ 500,000	Water Main Construction (City Rd project)	
Subtotal	\$ 4,269,500		

Capital Equipment Needs

	Cost	Description	
	\$ 3,200	Shared Equipment	
	\$ 65,000	Trucks Additional Truck for Water Dept	
	\$ 34,630	Water share of Administration	
	\$ 750	Water Share of Technical Services	
Subtotal	\$ 100,380		

Total Capital \$ 4,373,080

Water Noteworthy Non-Recurring Expenses

	Cost	Description	
	\$ 10,300	Computers, iPads	
	\$ 10,000	Meters/ERT	
	\$ 10,000	Tools	
	\$ 5,580	Water share of Administration	
	\$ 825	Water share of Technical Services	
Total	\$ 36,705		

**ELK RIVER MUNICIPAL UTILITIES
TRAVEL & TRAINING BUDGET FOR 2025**

	# Attending	Budget 2025	Budget 2024	Budget 2023	Comments
<u>Electric</u>					
Advanced Staking Workshop	1 staff	-	1,900	1,900	
APPA Linemen Rodeo team	3 staff	7,000	4,500	5,000	1 team - Roseville, CA
Apprenticeship	1 staff	625	625	1,875	
Commercial Driving School	1 staff	-	3,000	3,000	
Competent Person training	2 staff	1,300	1,220	950	
Cross Training School/Diesel Workshop	2 staff	-	1,960	1,960	
Member Information Conf (NISC)	1 staff	2,500	2,500	2,363	Inventory attending
MMUA Locator Workshop	1 staff	350	720	720	
MMUA Meter School	2 staff	1,900	1,830	1,960	
MMUA Overhead Hot Line School	2 staff	2,600	2,575	2,140	ST no registration
MMUA Stepping Into Leadership	1 staff	3,600	3,600	5,080	12 month program
MMUA Substation Workshop	2 staff	2,500	2,240	2,140	
MMUA T&O Conference	2 staff	500	460	460	Inventory Foreperson and Assistant attending partial
MMUA Transformer School	2 staff	2,400	2,370	2,370	
MMUA Underground School	2 staff	2,600	2,575	2,140	ST no registration
PCB Training	1 staff	1,250	1,250	1,233	
Regional Workshop	8 staff	1,000	920	920	
Tree Trimming/Chainsaw Workshop	2 staff	1,030	2,060	2,060	
Leadership Training		7,500	6,900	6,957	Identified need in Survey
Additional Training		3,000	3,000	2,000	
	-10%	41,655	46,205	47,228	
<u>Water</u>					
AWWA National Conference	2 staff	-	2,000	-	Anaheim, CA
AWWA MN	2 staff	500	-	-	
Backflow Tester Certification Class	1 staff	1,125	1,125	-	
Backflow Tester Re-Certification Class	2 staff	1,000	1,000		Every 3 years
Commercial Driving School	2 staff	3,400	6,000	-	
MMUA Electrical Skills	2 Staff	-	1,000	-	2024
MMUA Stepping Into Leadership	1 staff	-	-	1,870	
Professional Operator and Development	1 staff	-	750	750	
Public Works Certificate Program	1 staff	-	2,350	2,350	
Staking University	2 staff	-	2,000	-	
Unlicensed Electrician Continuing Education	1 staff	60	60	60	
Wastewater Certification Continuing Education	4 staff	2,000	2,000	2,000	
Water Certification Continuing Education	4 staff	3,000	2,668	2,668	
Leadership Training		2,500	1,725	1,739	Identified need in Survey
Additional Training		3,000	2,500	2,500	
	-34%	16,585	25,178	13,937	
<u>Technical Services</u>					
Advanced Staking Workshop	1 staff	1,900	-	-	
Commercial Driving School	1 staff	3,400			
Engineering MPSYCON	1 staff	500	-	-	
ESRI User Conference	1 staff	2,000	2,000	2,000	
Infrared Camera training	1 staff	2,200	2,200	2,500	
Midwest ESRI User Group	1 staff	1,000	800	-	
MMUA Diesel Workshop	2 staff	-	-	-	
MMUA Generation School	2 staff	-	1,850	2,000	
MMUA Locator Workshop	1 staff	-	-	-	
MMUA Stepping Into Leadership	1 staff	-	3,100	3,580	12 month program
MN Electric Meter School	1 staff	700	700	700	
Power Quality training	2 staff	1,100	1,100	1,000	
Staking University	1 staff	-	1,100	-	
Substation School	1 staff	1,250	1,000	2,000	
UMMA summer mtg	1 staff	800	800	800	
UMMA winter mtg	1 staff	750	750	800	
Xylem Reach Conference	1 staff	3,000	5,300	-	AMI
Leadership Training		2,500	2,150	2,174	Identified need in Survey
Additional Training		2,500	2,500	1,500	
	-7%	23,600	25,350	19,054	
<u>Management/Commission</u>					
Advanced Training	1 staff	-	1,900	1,900	
APPA Customer Connections Conference	1 staff	3,000	3,000	-	

General Ledger Account
Schools & Meetings
920.9305

**ELK RIVER MUNICIPAL UTILITIES
TRAVEL & TRAINING BUDGET FOR 2025**

APPA E&O Conference	3 staff	6,500	6,000	6,185	Sacramento, CA
APPA Legal & Regulatory Conference	1 staff	4,000	-	3,350	
APPA Legislative Round-up	4 staff/comm	9,000	8,600	6,475	
APPA National Conference	4 staff/comm	5,000	9,150	3,050	
APPA Rodeo	2 staff	2,500	2,500	2,420	Roseville, CA
APPA Training (Mgmt, CS, Fin, Eng, CIP, etc)	2 staff	7,000	7,000	7,000	
AWWA	2 staff	3,000	3,000	3,400	Water Certification Continuing Education
AWWA National Conference	1 staff/ 1 comm	5,000	2,000	4,200	Anaheim, CA
Chippewa Valley Tech - Electric Training Non-Lineman	2 staff	2,800	2,800	2,800	
Clerk's Conference	1 staff	-	800	-	
CPA CPE	1 staff	1,500	1,500	1,500	
Engineering MPSYCON	1 staff	500	1,000	1,000	
Engineering seminar	1 staff	-	2,000	2,000	
JTS Spring and Fall Meeting	1 staff	500	500	420	
Kentucky Equipment Show	2 staff	3,000	-	3,000	odd year
Member Information Conf (NISC)	2 staff	5,000	4,850	4,726	Louisvill, KY
MMUA Annual Summer Meeting	3 staff/ 5 comm	7,500	7,500	7,406	
MMUA Emergency Preparedness	3 staff	2,000	1,365	-	
MMUA Leadership Academy	1 staff	-	-	4,310	
MMUA Legislative Round-up	2 staff/1 comm	1,500	1,400	1,305	
MMUA Stepping Into Leadership	1 staff	-	3,600	3,580	12 month program
MMUA T&O Conference	5 staff	3,500	3,325	3,325	
MN Municipal Clerks Institute	1 staff	-	-	1,000	Complete 2023
MRWA	2 staff	1,000	1,000	1,000	Water Certification Continuing Education
PCB Workshop	1 staff	1,250	-	-	
Project Management Certification Training	1 staff	-	1,400	700	
UMMA Meter Workshop	1 staff	450	435	435	
UMMA winter mtg	1 staff	750	750	475	
Wastewater Certification Continuing Education	1 staff	500	500	500	
Xylem Reach Conference	1 staff	3,000	-	-	
Management Training		5,000	10,000	20,000	
Leadership/Mgmt Training		5,000	5,000	4,348	
Additional Training		3,000	3,000	3,000	
		-3%	92,750	95,875	104,810
Office					
APPA Customer Connections Conference	1 staff	3,000	3,000	3,500	Communications
APPA Cybersecurity Summit	1 staff	1,500	1,500	1,500	IT
Chamber Leadership Program	1 staff	600	475	475	
Clerk's Conference	1 staff	800	-	800	Communications
IT SCCP Online Education	1 staff	500	500	500	IT
Member Information Conf (NISC)	3 staff	7,500	7,250	7,089	IT, Communicaitons, and CS
MMUA Stepping Into Leadership		3,600	-	-	CS lead
MRA Employment Law Update	1 staff	250	250	250	
SHRM Conference	1 staff	3,000	3,000	3,000	HR
Customer Service		3,000	3,000	3,000	Identified need in Survey
Communications Training	1 staff	1,000	1,000	1,000	
Financial/Accounting (APA, NISC & Misc)		3,000	3,000	1,650	APA Continuing Ed, Misc PR, Excel, Accounting Misc
IT Training (NISC/Misc)	1 staff	1,000	1,000	1,000	IT
Xylem Reach Conference	1 staff	3,000	-	-	AMI
Leadership Training	11 staff	5,000	5,175	4,783	Identified need in Survey
Additional Training		1,000	1,000	1,000	
		25%	37,750	30,150	29,547
Safety Training					
Safe Driver Training	7 staff	2,350	2,100	2,100	
Additional Training		1,000	1,000	1,000	
Hearing Test		600	550	700	
Labor		134,000	106,560	102,253	
		25%	137,950	110,210	106,053
Education					
			3,000	3,000	3,000
			3,000	3,000	3,000
Total			353,290	335,968	323,629
Total Change			5%		

General Ledger Account
Schools & Meetings
920.9305

ELK RIVER MUNICIPAL UTILITIES
DUES & SUBSCRIPTIONS - FEES BUDGET FOR 2025

Description	Budget 2025	Budget 2024	Actual 2023		Water	Electric
accessiBe	500	500	490		100.00	400.00
Adobe Products	8,000	4,600	10,552	Includes creative cloud, pro and sign	1,600.00	6,400.00
AMI	11,000	15,000	-	New for 2024	3,300.00	7,700.00
Annual Water Quality Report	3,500	3,500	-	coded to different g/l acct	3,500.00	-
APPA DEED Program Dues	3,820	3,600	3,467		-	3,820.00
APPA Dues	18,630	17,964	17,337		-	18,630.00
AWWA Annual Fee Dues	2,300	2,245	2,191		2,300.00	-
AWWA Partnership Safe Water Treatment/Distribution	100	100	-		100.00	-
Bond Administrative & Management Fees	6,500	6,400	5,331	City (Disclosure Fees), Moody's, Ehlers	900.00	5,600.00
Citizen Serve	4,000	3,800	-		2,000.00	2,000.00
Drug and Alcohol Random Testing	2,000	1,500	925		256.00	1,744.00
Elk River Chamber Membership	650	600	208		130.00	520.00
ESRI Small Govt Enterprise agreement	31,000	30,000	29,906		6,200.00	24,800.00
Government Jobs	1,000	800	800	New job posting subscription	200.00	800.00
Homeland Security (Hazardous Chemical Fee)	700	700	700	MN Dept of Public Safety Hazardous Material Fee Wells	700.00	-
HR professional membership(s)	1,500	1,400	1,495	SHRM and MRA	300.00	1,200.00
MMUA Membership Dues	36,500	34,409	34,409		-	36,500.00
MMUA Monthly Safety Meetings	40,000	32,000	29,515		6,800	33,200.00
MPCA Permit Fee - Engines	370	360	257	air annual fee and wastewater fee 1705	-	370.00
MPCA Permit Fee - WTP	350	350	-		730.7399	350.00
MRWA Annual Fee	400	400	400		400.00	-
Quarterly MN Dept of Health Water Connection Fee	57,000	57,000	54,957		57,000.00	-
Rotary	300	300	-		60.00	240.00
Survey Monkey	500	400	468		100.00	400.00
SUSA Membership	250	250	-		250.00	-
Miscellaneous	11,100	7,470	4,982	Detail can be provided	3,415.00	7,685.00
Bond Underwriter's Discount	-	-	-	Water Bonding 2026	-	-
Bond Service Professional Fee	-	-	-	Water Bonding 2026	-	-
Total	241,970	225,648	198,392		89,961.00	152,009.00
Budget Change	7%					

2025 CIP Operating Budget

Required Spending and Savings Goals per State of MN

Total Spending Level 1.5% of GOR	\$ 634,500
Low Income Requirement .2% of Residential GOR	\$ 28,720
Energy Savings Goal (kWh)	4,994,857
Possible Distributed Renewable Generation Funds	\$ 8,000
Possible Research and Development Funds	\$ 18,000

Proposed CIP Budget 2025

Direct Labor	\$ 143,822
General & Administration	\$ 182,965
Advertising (Marketing)	\$ 51,235
Equipment	\$ -
Contract (Includes \$34,219 MN PUC Assessment)	\$ 35,000
Total	\$ 413,022

ERMU Rebates	\$ 221,478
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Total all Expenses and Rebates \$ 634,500

Total Estimated kWh Savings 4,994,857

Total Operating CIP Budget No Rebates Only Direct Costs

Direct Labor	\$ 143,822
General & Administration	\$ 182,965
Advertising (Marketing)	\$ 51,235
Contract (Includes \$34,219 MN PUC Assessment)	\$ 35,000
Total ERMU Operating Expenses	\$ 413,022

Total Rebate Budget

ERMU Self Funded (spend is dependant on kWh savings)	221,478
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Total Requested Budget

Direct Labor	\$ 143,822
General & Administrations	\$ 182,965
Advertising (Marketing)	\$ 51,235
Contract (Includes MN PUC Assessment)	\$ 35,000
ERMU Self Funded Rebates	\$ 221,478
Total Requested 2025 Budget	\$ 634,500



2025 Schedule of Rates & Fees



RESIDENTIAL ALL ELECTRIC SERVICE RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: ~~To~~ Single-family residences and individually metered apartments for all domestic purposes with electric energy as a sole source of heating, and when all service is supplied through a single meter, provided ratings of individual single-phase motors do not exceed five (5) horsepower.

Character of Service: AC, 60 cycles, 120/240 volt, three wire, single-phase.

Special Conditions: Residential service to a multiple dwelling or apartment house through a single meter is allowed for existing services only. Service under this rate schedule shall not be sub-metered and resold to the individual tenants on the basis of usage and the cost of electric service to the tenant must be furnished without specific charge or price which varies with the quantity of energy used.

Any apartment or dwelling unit which has separate permanent kitchen facilities shall be considered as one single family private residence.

Meter equipment must be accessible to our service department at any time.

Residential All Electric Service Rate:

Basic Monthly Electric Charge: \$15.00 per month

Summer

\$0.13734/ kWh / month

Winter

\$0.12548/ kWh / month

Summer Rate: Applicable during the five monthly billing periods of June – October.

Winter Rate: Applicable during the seven monthly billing periods of November – May.

Rates are subject to application of Power Cost Adjustment (PCA).

Federal, state, and local taxes may apply.

Minimum Bill: The Basic Monthly Electric Charge.

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

Residential All Electric Service Rate

Terms and Conditions:

1. Usage may be fractionalized on the actual days of service for application of a change in rate or changing from summer to winter or from winter to summer rates.
2. Service will be furnished pursuant to ERMU's rules.
3. Extensions made for service under this schedule are subject to the provisions of ERMU's rules governing Extension of Service and Facilities.
4. The rates set forth herein may be modified by the amount of any governmental changes imposed and levied on transmission, distribution, production, or the sale of electrical power.
5. Exceptions by management approval only.

Adopted ~~December 12, 2023~~December 10, 2024
Effective January 1, ~~2024~~2025



RESIDENTIAL ELECTRIC SERVICE RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: ~~To:~~ Single-family residences and individually metered apartments for all domestic purposes when all service is supplied through a single meter, provided ratings of individual single-phase motors do not exceed five (5) horsepower.

Character of Service: AC, 60 cycles, 120/240 volt, three wire, single-phase.

Special Conditions: Residential service to a multiple dwelling or apartment house through a single meter is allowed for existing services only. Service under this rate schedule shall not be sub-metered and resold to the individual tenants on the basis of usage and the cost of electric service to the tenant must be furnished without specific charge or price which varies with the quantity of energy used.

Any apartment or dwelling unit which has separate permanent kitchen facilities shall be considered as one single family private residence.

Meter equipment must be accessible to our service department at any time.

Residential Electric Service Rate:

Basic Monthly Electric Charge: \$15.00 per month

Summer

Winter

\$0.13734 / kWh / month

\$0.12548 / kWh / month

Summer Rate: Applicable during the five monthly billing periods of June – October.

Winter Rate: Applicable during the seven monthly billing periods of November – May.

Rates are subject to application of Power Cost Adjustment (PCA).

Federal, state, and local taxes may apply.

Minimum Bill: Basic Monthly Electric Charge.

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

Residential Electric Service Rate

Terms and Conditions:

1. Usage may be fractionalized on the actual days of service for application of a change in rate or changing from summer to winter or from winter to summer rates.
2. Service will be furnished pursuant to ERMU's rules.
3. Extensions made for service under this schedule are subject to the provisions of ERMU's rules governing Extension of Service and Facilities.
4. The rates set forth herein may be modified by the amount of any governmental changes imposed and levied on transmission, distribution, production, or the sale of electrical power.
5. Exceptions by management approval only.

Adopted ~~December 12, 2023~~December 10, 2024
Effective January 1, ~~2024~~2025



RESIDENTIAL CLEAN ENERGY CHOICE PROGRAM RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable: To ERMU customers receiving service under another residential electric rate.

This Program is available to residential customers choosing to purchase renewable energy. Customers' will have the option to purchase 50, 75 or 100 percent of the monthly energy consumption from renewable energy sources.

ERMU customers receiving service under the electric vehicle charging rate will be automatically enrolled in the Residential Clean Energy Choice Program Rate at the 100 percent participation level at no additional monthly charge.

The customer shall agree to:

1. Complete an application - through the online registration process, or by returning a printed copy to ERMU.
2. Clearly indicate the participation level and the additional monthly charge applicable to the 50, 75 or 100 percent subscription level desired.
3. Provide notice to ERMU to cancel participation.

ERMU shall provide:

1. Monthly billing statement with the Clean Energy Choice participation level clearly identified.
2. The applicable incremental cost per participation level will be identified and added to the billing statement.

Participation Level %	Monthly Charge
50	\$1
75	\$2
100	\$3

Federal, state and local taxes may apply.

Adopted ~~December 12, 2023~~December 10, 2024
Effective January 1, ~~2024~~2025



NON-DEMAND ALL ELECTRIC SERVICE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: ~~Available for a~~ Non-residential customer accounts. Existing or new Customer accounts with electric energy as a sole source of heating, and with actual or projected demands of less than 50 kW for the previous 12 consecutive months if applicable. When the Customer achieves an actual maximum demand of 50 kW or greater, the Customer will be placed on the Demand Electric Service rate in the next billing cycle. The Customer accounts shall be in compliance with all policies, procedures, and safety requirements, and shall be taken through one meter. Rating of individual single-phase motors and other single-phase power and heating units served under this schedule shall not exceed ten (10) horsepower (or 7.355 kW) except by special permission. (Not applicable to resale, standby or auxiliary service.)

Character Of Service: AC, 60 cycles, 120 volts or 120/240 volts, single-phase; 120/208 volts, or 277/480 volts, three-phase. Four wire, 240 volts three phase will only be applicable to existing customers now being served by this voltage. A Customer requiring voltages other than that already established by ERMU shall be required to provide suitable space and location for ERMU's' transformers, metering and associated equipment.

Special Conditions: One meter shall be installed to service one class of business. If additional buildings are required for a given business, they shall be interconnected by the customer to obtain one meter. If additional meters and services are requested by the customer, each shall be treated as a separate customer and billed individually.

Meter equipment must be accessible to our service department at any time.

Installation of Demand Meter: At the option of ERMU, a demand meter may be installed on any customer whose monthly usage exceeds 15,000 kWh.

Non-Demand All Electric Service Rate:

Basic Monthly Electric Charge: \$32.00 per month

Summer

\$ 0.13304 / kWh / month

Winter

\$ 0.11141 / kWh / month

Summer Rate: Applicable during the five monthly billing periods of June – October.

Winter Rate: Applicable during the seven monthly billing periods of November – May.

Rates are subject to application of Power Cost Adjustment (PCA).

Non-Demand All Electric Service Rate

Federal, state, and local taxes may apply.

Minimum Bill: The Basic Monthly Electric Charge plus \$1.00 per kW per month of excess transformer capacity requested by customer.

In case of equipment having abnormally low annual utilization factors or unusual operating characteristics, special minimum charges may be prescribed by ERMU.

Power Factor Adjustment: The rates set forth in this schedule are based on the maintenance by the Customer of a power factor of not less than 98% at all times. If the power factor, as measured by the electric department, is lower than 98%, the monthly demand charge may be multiplied by the ratio 98% divided by the measured power factor, or at ERMU's option, the power factor may be corrected at the Customer's expense.

Fluctuating Loads: Customers operating equipment having a highly fluctuating or large instantaneous demand, such as welders and X-ray machines, shall be required to pay all non-betterment costs of isolating the load from the balance of ERMU's lines. No motor larger than ten (10) HP (or 7.355 kW) will be allowed to be across-the-line started without notification and written authorization from ERMU. In addition, Customers who fail to provide adequate corrective equipment shall be required to own and maintain their own transformers.

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

Terms and Conditions:

1. Usage may be fractionalized on the actual days of service for application of a change in rate or changing from summer to winter or from winter to summer rates.
2. Service will be furnished pursuant to ERMU's rules.
3. Extensions made for service under this schedule are subject to the provisions of ERMU's rules governing Extension of Service and Facilities.
4. The rate set forth herein may be modified by the amount of any governmental changes imposed and levied on transmission, distribution, production, or the sale of electrical power.
5. Exceptions by management approval only.

Adopted ~~December 12, 2023~~ December 10, 2024
Effective January 1, ~~2024~~ 2025



NON-DEMAND ELECTRIC SERVICE RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: Available for a Non-residential customer accounts, including privately-owned public electric vehicle chargers. Existing or new Customer accounts with actual or projected demands of less than 50 kW for the previous 12 consecutive months if applicable. When the Customer achieves an actual maximum demand of 50 kW or greater, the Customer will be placed on the Demand Electric Service rate in the next billing cycle. The Customer accounts shall be in compliance with all policies, procedures, and safety requirements, and shall be taken through one meter. Rating of individual single-phase motors and other single-phase power and heating units served under this schedule shall not exceed ten (10) horsepower (or 7.355 kW) except by special permission. (Not applicable to resale, standby or auxiliary service.)

Character Of Service: AC, 60 cycles, 120 volts or 120/240 volts, single-phase; 120/208 volts, or 277/480 volts, three-phase. Four wire, 240 volts three phase will only be applicable to existing customers now being served by this voltage. A Customer requiring voltages other than that already established by ERMU shall be required to provide suitable space and location for ERMU's transformers, metering and associated equipment.

Special Conditions: One meter shall be installed to service one class of business. If additional buildings are required for a given business, they shall be interconnected by the customer to obtain one meter. If additional meters and services are requested by the customer, each shall be treated as a separate customer and billed individually.

Meter equipment must be accessible to our service department at any time.

Installation of Demand Meter: At the option of ERMU, a demand meter may be installed on any customer whose monthly usage exceeds 15,000 kWh.

Non-Demand Service Rate:

Basic Monthly Electric Charge: \$32.00 per month

Summer

\$0.13304 / kWh / month

Winter

\$0.11141 / kWh / month

Summer Rate: Applicable during the five monthly billing periods of June – October.

Winter Rate: Applicable during the seven monthly billing periods of November – May.

Rates are subject to application of Power Cost Adjustment (PCA).

Non-Demand Electric Service Rate

Federal, state, and local taxes may apply.

Minimum Bill: The Basic Monthly Electric Charge plus \$1.00 per kW per month of excess transformer capacity requested by customer.

In the case of equipment having abnormally low annual utilization factors or unusual operating characteristics, special minimum charges may be prescribed by ERMU.

Power Factor Adjustment: The rates set forth in this schedule are based on the maintenance by the Customer of a power factor of not less than 98% at all times. If the power factor, as measured by the electric department, is lower than 98%, the monthly demand charge may be multiplied by the ratio 98% divided by the measured power factor, or at ERMU's option, the power factor may be corrected at the Customer's expense.

Fluctuating Loads: Customers operating equipment having a highly fluctuating or large instantaneous demand, such as welders and X-ray machines, shall be required to pay all non-betterment costs of isolating the load from the balance of ERMU's lines. No motor larger than ten (10) HP (or 7.355 kW) will be allowed to be across-the-line started without notification and written authorization from ERMU. In addition, Customers who fail to provide adequate corrective equipment shall be required to own and maintain their own transformers.

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

Terms and Conditions:

1. Usage may be fractionalized on the actual days of service for application of a change in rate or changing from summer to winter or from winter to summer rates.
2. Service will be furnished pursuant to ERMU's rules.
3. Extensions made for service under this schedule are subject to the provisions of ERMU's rules governing Extension of Service and Facilities.
4. The rate set forth herein may be modified by the amount of any governmental changes imposed and levied on transmission, distribution, production, or the sale of electrical power.
5. Exceptions by management approval only.

Adopted ~~December 12, 2023~~ December 10, 2024
Effective January 1, ~~2024~~ 2025



DEMAND ALL ELECTRIC SERVICE RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: ~~Available for a~~ Non-residential customer accounts. Existing or new Customer accounts with electric energy as a sole source of heating, and with actual or projected demand greater than or equal to 50 kW. A Customer account with a billing demand of less than 50 kW for 12 consecutive months will be given the option of switching to the Non-Demand rate. The Customer accounts shall be in compliance with all policies, procedures, and safety requirements, and shall be taken through one meter. (Not applicable to resale, standby or auxiliary service.) A Customer on this rate may qualify for integrity testing.

Character Of Service: AC, 60 cycles, 120 volts or 120/240 volts, single-phase; 120/208 volts, or 277/480 volts, three-phase. Four wire, 240 volts three-phase will only be applicable to existing customers now being served by this voltage. A customer requiring voltages other than that already established shall be required to provide suitable space and location for ERMU's transformers, metering and associated equipment.

Special Conditions: One meter shall be installed to service one class of business. If additional buildings are required for a given business, they shall be interconnected by the customer to obtain one meter, unless an exception is approved by management. If additional meters and services are requested by the customer, each shall be treated as a separate customer and billed individually.

Meter equipment must be accessible to our service department at any time.

Demand Service Rate:

Basic Monthly Electric Charge: \$ 77.00 per month.

	<u>Summer</u>	<u>Winter</u>
Demand Charge:	\$ 16.75	\$ 11.75 in kW / month
Energy Charge:	\$ 0.07035	\$ 0.07035 in kWh / month

Summer Rate: Applicable during the five monthly billing periods of June – October.

Winter Rate: Applicable during the seven monthly billing periods of November – May.

Rates are subject to application of Power Cost Adjustment (PCA).

Federal, state and local taxes may apply.

Demand All Electric Service Rate

Minimum Bill: Maximum billing demand during previous twelve months times 3.0% of the demand charge, or the actual demand multiplied by the demand charge, whichever is greater plus \$1.00 per kW per month of excess transformer capacity requested by customer.

Determination of Billing Demand: The billing demand shall be the highest measured demand (corrected for power factor if required) during any fifteen (15) minute period occurring in the current billing period. But in no month shall the billing demand be greater than the value in kW determined by dividing the kWh sales for the billing month by 75 hours per month. This billing adjustment applies only if the customer's peak demand DOES NOT occur between the hours of 3:00 p.m. and 10:00 p.m.

Fluctuating Loads: Customers operating equipment having a highly fluctuating or large instantaneous demand, such as welders and X-ray machines, shall be required to pay all non-betterment costs of isolating the load from the balance of ERMU's system so that the load will not unduly interfere with service on ERMU's lines. In addition, Customers who fail to provide adequate corrective equipment shall be required to own and maintain their own transformers. No motor larger than ten (10) HP (or 7.355 kW) will be allowed to be across-the-line started without notification and written authorization from ERMU.

Power Factor Adjustment: For loads of 50 kW or more, or at the option of ERMU for loads of less than 50 kW, power factor adjustments may be made in the billing demand, when the power factor, as determined by test, at the time of the Customer's maximum use is less than 98%. If the power factor, as measured by ERMU's electric department, is lower than 98%, the monthly demand charge may be multiplied by the ratio 98% divided by the measured power factor, or at ERMU's option, the power factor may be corrected at the Customer's expense.

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

Terms and Conditions:

1. Usage may be fractionalized on the actual days of service for application of a change in rate.
2. Service will be furnished pursuant to ERMU's rules.
3. Extensions made for service under this schedule are subject to the provisions of ERMU's rules governing Extension of Service and Facilities.
4. The rates set forth herein may be modified by the amount of any governmental changes imposed and levied on transmission, distribution, production, or the sale of electrical power.
5. Exceptions by management approval only.

Adopted ~~December 12, 2023~~December 10, 2024
Effective January 1, ~~2024~~2025



DEMAND ELECTRIC SERVICE RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: Available for a Non-residential customer accounts, including privately-owned public electric vehicle chargers. Existing or new Customer accounts with actual or projected demand greater than or equal to 50 kW. A Customer account with a billing demand of less than 50 kW for 12 consecutive months will be given the option of switching to the Non-Demand rate. The Customer accounts shall be in compliance with all policies, procedures, and safety requirements, and shall be taken through one meter. (Not applicable to resale, standby or auxiliary service.) A Customer on this rate may qualify for integrity testing.

Character Of Service: AC, 60 cycles, 120 volts or 120/240 volts, single-phase; 120/208 volts, or 277/480 volts, three-phase. Four wire, 240 volts three-phase will only be applicable to existing customers now being served by this voltage. A customer requiring voltages other than that already established shall be required to provide suitable space and location for ERMU's transformers, metering and associated equipment.

Special Conditions: One meter shall be installed to service one class of business. If additional buildings are required for a given business, they shall be interconnected by the customer to obtain one meter, unless an exception is approved by management. If additional meters and services are requested by the customer, each shall be treated as a separate customer and billed individually.

Meter equipment must be accessible to our service department at any time.

Demand Service Rate:

Basic Monthly Electric Charge: \$77.00 per month.

	<u>Summer</u>	<u>Winter</u>
Demand Charge:	\$ 16.75	\$ 11.75 in kW / month
Energy Charge:	\$ 0.07035	\$ 0.07035 in kWh / month

Summer Rate: Applicable during the five monthly billing periods of June – October.

Winter Rate: Applicable during the seven monthly billing periods of November – May.

Rates are subject to application of Power Cost Adjustment (PCA).

Federal, state and local taxes may apply.

Demand Electric Service Rate

Minimum Bill: Maximum billing demand during previous twelve months times 3.0% of the demand charge, or the actual demand multiplied by the demand charge, whichever is greater plus \$1.00 per kW per month of excess transformer capacity requested by customer.

Determination of Billing Demand: The billing demand shall be the highest measured demand (corrected for power factor if required) during any fifteen (15) minute period occurring in the current billing period. But in no month shall the billing demand be greater than the value in kW determined by dividing the kWh sales for the billing month by 75 hours per month. This billing adjustment applies only if the customer's peak demand DOES NOT occur between the hours of 3:00 p.m. and 10:00 p.m.

Fluctuating Loads: Customers operating equipment having a highly fluctuating or large instantaneous demand, such as welders and X-ray machines, shall be required to pay all non-betterment costs of isolating the load from the balance of Elk River Municipal Utilities' system so that the load will not unduly interfere with service on Elk River Municipal Utilities' lines. In addition, Customers who fail to provide adequate corrective equipment shall be required to own and maintain their own transformers. No motor larger than ten (10) HP (or 7.355 kW) will be allowed to be across-the-line started without notification and written authorization from ERMU.

Power Factor Adjustment: For loads of 50 kW or more, or at the option of ERMU for loads of less than 50 kW, power factor adjustments may be made in the billing demand, when the power factor, as determined by test, at the time of the Customer's maximum use is less than 98%. If the power factor, as measured by ERMU's electric department, is lower than 98%, the monthly demand charge may be multiplied by the ratio 98% divided by the measured power factor, or at ERMU's option, the power factor may be corrected at the Customer's expense.

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

Terms and Conditions:

1. Usage may be fractionalized on the actual days of service for application of a change in rate.
2. Service will be furnished pursuant to ERMU's rules.
3. Extensions made for service under this schedule are subject to the provisions of ERMU's rules governing Extension of Service and Facilities.
4. The rates set forth herein may be modified by the amount of any governmental changes imposed and levied on transmission, distribution, production, or the sale of electrical power.
5. Exceptions by management approval only.

Adopted ~~December 12, 2023~~December 10, 2024
Effective January 1, ~~2024~~2025



LARGE INDUSTRIAL DEMAND ELECTRIC SERVICE RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: ~~Available for n~~ Non-residential customer accounts. Existing or new Customer accounts with actual or projected demand greater than or equal to 1 MW. A Customer account with a billing demand of less than 1 MW for 12 consecutive months may be switched to the Demand Electric Service Rate. The Customer accounts shall be in compliance with all policies, procedures, safety requirements, and shall be taken through one or more meters. Not applicable to resale, standby or auxiliary service.

Character Of Service: 3-Phase Primary, 7,200/12,470 volt, AC, 60 cycles.

Special Conditions: Customer must provide a location suitable for the installation of a utility metering cabinet(s). Customer will be responsible for providing suitable wire and connection in the utility owned metering cabinet(s). The primary meter(s) and cabinet(s) shall be installed to service one class of business. If additional buildings are required for a given business, they shall be interconnected by the customer to the existing meter(s), unless an exception is approved by management. If additional meters and services are requested by the customer, each shall be treated as a separate customer and billed individually. A customer on the rate may qualify for integrity testing.

ERMU equipment and metering must be accessible to ERMU 24 hours per day.

Demand Service Rate:

Basic Monthly Electric Charge: \$115.00 per month.

	<u>Summer</u>	<u>Winter</u>
Demand Charge:	\$ 16.25	\$ 11.25 in kW / month
Energy Charge:	\$ 0.06962	\$ 0.06962 in kWh / month

Summer Rate: Applicable during the five monthly billing periods of June – October.

Winter Rate: Applicable during the seven monthly billing periods of November – May.

Rates are subject to application of Power Cost Adjustment (PCA).

Federal, state, and local taxes may apply.

Minimum Bill: Maximum billing demand during previous twelve months times 3.0% of the demand charge, or the actual demand multiplied by the demand charge, whichever is greater plus \$1.00 per kW per month of excess transformer capacity requested by customer.

Large Industrial Demand Electric Service Rate

Determination of Billing Demand: The billing demand shall be the highest measured demand (corrected for power factor if required) during any fifteen (15) minute period occurring in the current billing period.

Fluctuating Loads: Customers operating equipment having a highly fluctuating or large instantaneous demand, such as welders and X-ray machines, shall be required to pay all non-betterment costs of isolating the load from the balance of ERMU's system so that the load will not unduly interfere with service on ERMU's lines. No motor larger than ten (10) HP (or 7.355 kW) will be allowed to be across-the-line started without notification and written authorization from ERMU.

Power Factor Adjustment: Power factor adjustments may be made in the billing demand, when the power factor, as determined by test, at the time of the Customer's maximum use is less than 98%. If the power factor, as measured by ERMU's electric department, is lower than 98%, the monthly demand charge may be multiplied by the ratio 98% divided by the measured power factor, or at ERMU's option, the power factor may be corrected at the Customer's expense.

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

Terms and Conditions:

1. Usage may be fractionalized on the actual days of service for application of a change in rate.
2. Service will be furnished pursuant to ERMU's rules.
3. Extensions made for service under this schedule are subject to the provisions of ERMU's rules governing Extension of Service and Facilities.
4. The rates set forth herein may be modified by the amount of any governmental changes imposed and levied on transmission, distribution, production, or the sale of electrical power.
5. Exceptions by management approval only.

Adopted ~~December 12, 2023~~December 10, 2024
Effective January 1, ~~2024~~2025



TRANSMISSION TRANSFORMED SERVICE RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: ~~Available for new n~~ Non-residential Customer accounts with projected demand greater than or equal to 10 MW. The Customer must maintain an annual load factor greater than or equal to 75%. A Customer account with a monthly billing demand of less than 10 MW for 12 consecutive months or an annual load factor less than 75% may be switched to another electric rate schedule (additional charges may apply to recover stranded costs). The Customer owned equipment must be in compliance with all policies, procedures, safety requirements, and applicable electrical codes.

Character of Service: 3-Phase Transmission Transformed 7,200/12,470-volt, AC, 60 cycles.

Special Conditions: The Customer must execute a contract with the utility that commits to a minimum term of service, identifies the annual peak demand and load factor, agrees to the requirements for registering generation with Midcontinent Independent System Operator (MISO) if applicable, and accepts the certain risks that include fluctuating market-based rates and prices established by MISO.

The Customer must connect directly to the Utility's distribution substation(s) and provide the location suitable for the installation of the utility owned transformer(s) and metering equipment on the Customer's property. Customer will be responsible for providing suitable wire and connection in the utility owned metering equipment. The metering equipment shall be installed to service one class of business. If additional buildings are required for a given business, they shall be interconnected by the customer to maintain one metered account, unless an exception is approved by management. If additional meters and services are requested by the customer, each shall be treated as a separate customer and billed individually.

ERMU equipment and metering must be accessible to ERMU 24 hours per day.

Transmission Demand Charge:

Transmission Demand charges are determined by monthly maximum metered 15-minute Customer demand, adjusted for applicable MISO zone transmission losses. All applicable MISO transmission charges, including but not limited to the below, shall apply to all transmission demand quantities:

- A. Schedule 1
- B. Schedule 2
- C. Schedule 9
- D. Schedule 26

Transmission Transformed Service Rate

Capacity Charge:

Capacity charges are determined by Customer selection of one of the options below:

- A. If customer has its own generation, then the capacity billing determinant shall be the maximum metered 15-minute demand in excess of Customer's registered generation in a given month. To qualify for this billing determinant, Customer's generation must be registered with MISO and comply with all MISO requirements for capacity resources.
- B. If Customer does not have its own generation, or if Customer fails to register its generation with MISO or fails to comply with all MISO requirements for capacity resources, then the capacity billing determinant shall be monthly maximum metered 15-minute Customer demand.

The above-defined Capacity billing determinant multiplied by the MISO Zone 1 Capacity Auction Clearing Price for a given period.

~~The following charges shall apply to all capacity quantities. The above-defined billing determinant multiplied by:~~

- ~~A. \$10.90 per kW month for all capacity quantities during the months of June through September.~~
- ~~B. \$3.60 per kW month for all capacity quantities during the months of October through May.~~

Energy Charge:

Energy billing is determined by actual hourly usage. The following charges shall apply to all energy (kWh) quantities:

- A. MISO Real-Time Locational Marginal Price at the applicable MISO Node.
- B. All applicable MISO Ancillary Services Charges.
- C. MISO Multi-Value Project Charges.
- D. A charge of \$0.002 per kWh for the cost of compliance with the State of Minnesota's Renewable Energy Standard.
- E. A charge of \$0.01 per kWh to cover all dispatch, billing, and administrative costs. This charge shall be inclusive of all regulatory charges collected by Utility on all customers.

City fees, such as franchise and storm water, will apply.

Federal, state, and local taxes may apply.

Failure to Generate: If Customer has registered generation that does not perform as registered when requested by utility, utility's wholesale supplier, or MISO, Customer shall be responsible for:

- A. Any financial or other penalties imposed by MISO related to the generation's failure to perform.
- B. All costs of utility or utility's wholesale supplier to acquire replacement capacity to replace registered generation that did not perform.

Transformation Charge: Customer shall pay a monthly transformation charge based on the cost of providing transmission transformed service to Customer, including recovery of costs for any new substation or related facilities.

Transmission Transformed Service Rate

Minimum Bill: Charges for failure to meet minimum peak demand and load factor requirements shall be outlined in the contract between Customer and Utility.

Power Factor Adjustment: Power factor adjustments may be made in the billing demand, when the power factor, as determined by test, at the time of the Customer's maximum use is less than 98%. If the power factor, as measured by ERMU's electric department, is lower than 98%, the monthly demand charge may be multiplied by the ratio 98% divided by the measured power factor, or at ERMU's option, the power factor may be corrected at the Customer's expense.

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

Terms and Conditions:

1. Service shall comply with all applicable ERMU Policies and rules.
2. Extensions made for service under this schedule are subject to the provisions of ERMU's rules governing Extension of Service and Facilities.
3. Customer is responsible for any new charges or fees imposed by MISO or any new regulatory or legislative action that results in increased costs to provide power supply to Customer.
4. All rates in this electric rate schedule are subject to change with commission approval.
5. Exceptions by management approval only.

Adopted ~~December 12, 2023~~December 10, 2024
Effective January 1, ~~2024~~2025



COMMERCIAL CLEAN ENERGY CHOICE PROGRAM RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: ~~To~~ ERMU customers receiving service under another commercial electric rate.

This Program is available to commercial customers choosing to purchase renewable energy. Customers' will be required to participate for one calendar year and the applicable Clean Energy Choice incremental charge will apply to all energy sold in the calendar year.

The customer shall agree to:

1. Contact ERMU staff to discuss program participation.
2. Sign a contractual agreement for one calendar year prior to December 1 for participation in the upcoming year.
3. Continue to participate in the program annually until customer provides written notice of cancelation to ERMU.
4. Provide written notice of cancelation in the program to ERMU prior to December 1 of a given year for the upcoming year.

ERMU shall provide:

1. Estimate of annual incremental charge for participating in program.
2. Clean Energy Choice incremental charge per kWh is \$0.002.
3. The incremental charge applies to all kWh purchases in excess of the Wholesale Renewable Energy Standard.
4. The incremental charge will be calculated based on actual kWh consumed in the billing period.
5. The incremental charge will be calculated as follows:
[kWh consumed X (100% - Wholesale Renewable Energy Standard) X \$0.002]
6. Monthly billing statement with the Clean Energy Choice incremental charge identified.
7. Program price changes by November 1 for the coming year.

Federal, state and local taxes may apply.

Adopted ~~December 12, 2023~~ December 10, 2024
Effective January 1, ~~2024~~ 2025



OFF-PEAK DEMAND ELECTRIC SERVICE RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: ~~Available for a~~ Non-residential customer accounts. Existing or new Customer accounts with actual or projected demand greater than or equal to 50 kW. A Customer account with a billing demand of less than 50 kW for 12 consecutive months will be given the option of switching to the Non-Demand rate. The Customer accounts shall be in compliance with all policies, procedures, and safety requirements, and shall be taken through one meter. (Not applicable to resale, standby or auxiliary service.)

Character Of Service: AC, 60 cycles, 120 volts or 120/240 volts, single-phase; 120/208 volts, or 277/480 volts, three-phase. Four wire, 240 volts three-phase will only be applicable to existing customers now being served by this voltage. A customer requiring voltages other than that already established shall be required to provide suitable space location of ERMU's transformers, metering and associated equipment.

Special Conditions: One meter shall be installed to service one class of business. If additional buildings are required for a given business, they shall be interconnected by the customer to obtain one meter, unless an exception is approved by management. If additional meters and services are requested by the customer, each shall be treated as a separate customer.

Meter equipment must be accessible to our service department at any time.

Off Peak Demand Service Rate:

Basic Monthly Electric Charge: \$77.00 per month.

	<u>Summer</u>	<u>Winter</u>
Demand Charge:		
On-Peak	\$ 16.75	\$ 11.75 in kW / month
Off-Peak	\$ 6.30	\$ 6.30 in kW / month
Energy Charge:	\$ 0.07035	\$ 0.07035 in kWh / month
On-Peak Demand:	Actual demand during On-Peak Periods	
On-Peak Period:	3:00 PM -10:00 PM weekdays	
Off-Peak Demand:	Actual demand during Off-Peak Periods less On-Peak Demand	
Off-Peak Period:	All non On-Peak Periods	

Summer Rate: Applicable during the five monthly billing periods of June – October.

Winter Rate: Applicable during the seven monthly billing periods of November – May.

Rates are subject to application of Power Cost Adjustment (PCA).

Off-Peak Demand Electric Service Rate

Federal, state, and local taxes may apply.

Minimum Bill: Maximum billing demand during previous twelve months times 3.0% of the demand charge, or the actual demand multiplied by the demand charge, whichever is greater plus \$1.00 per kW per month of excess transformer capacity requested by customer.

Determination of Billing Demand: The billing demand shall be the highest measured demand (corrected for power factor if required) during any fifteen (15) minute period occurring in the current billing period. But in no month shall the billing demand be greater than the value in kW determined by dividing the kWh sales for the billing month by 75 hours per month. This billing adjustment applies only if the customer's peak demand DOES NOT occur between the hours of 3:00 p.m. and 10:00 p.m.

Fluctuating Loads: Customers operating equipment having a highly fluctuating or large instantaneous demand, such as welders and X-ray machines, shall be required to pay all non-betterment costs of isolating the load from the balance of ERMU's system so that the load will not unduly interfere with service on ERMU's lines. No motor larger than ten (10) HP (or 7.355 kW) will be allowed to be across-the-line started without notification and written authorization from ERMU.

In addition, Customers who fail to provide adequate corrective equipment shall be required to own and maintain their own transformers.

Power Factor Adjustment: For loads of 50 kW or more, or at the option of ERMU for loads of less than 50 kW, power factor adjustments will be made in the billing demand, when the power factor, as determined by test, at the time of the Customer's maximum use is less than 98%. If the power factor, as measured by ERMU's electric department, is lower than 98%, the monthly demand charge may be multiplied by the ratio 98% divided by the measured power factor, or at ERMU's option, the power factor may be corrected at the Customer's expense.

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

Terms and Conditions:

1. Usage may be fractionalized on the actual days of service for application of a change in rate.
2. Service will be furnished pursuant to ERMU's rules.
3. Extensions made for service under this schedule are subject to the provisions of ERMU's rules governing Extension of Service and Facilities.
4. The rates set forth herein may be modified by the amount of any governmental changes imposed and levied on transmission, distribution, production, or the sale of electrical power.
5. Exceptions by management approval only.

Adopted ~~December 12, 2023~~ December 10, 2024
Effective January 1, ~~2024~~ 2025



COMMERCIAL ALL ELECTRIC WITH GROUND SOURCE HEAT PUMP SERVICE RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: ~~To be~~ Commercial customers having a single meter that includes a ground source heat pump (GSHP) in excess of 50 kW but no more than 150 kW in aggregated name plate capacity of the GSHP equipment (condensers and pumps).

Character of Service: AC, 60 cycles, 120/240 volts, three wire, and three-phase.

Special Conditions: This Program is available to commercial customers. A GSHP will be the only central heating and/or cooling system for the commercial workspaces. Commercial structures that are classified as Utility and Miscellaneous Group U by the International Code Council are not eligible for this rate. GSHPs that qualify for this program will not be interrupted. A GSHP paired with another heating source such as natural gas, fuel oil, or propane may qualify for the Dual Fuel Program.

To qualify for the special rate, the customer shall provide:

1. The GSHP is the only heat source. Only closed loop GSHPs are eligible for this rate beginning September 1, 2016.
2. ERMU and the customer will agree on a meter location prior to the meter socket installation.
3. Commercial customers may have a separate meter to determine the energy and demand of the GSHP. Electric usage for the non-heating/cooling energy use of the building may be metered and priced using the appropriate rate (demand, or non-demand) schedule.
4. Accommodations for a meter and associated wiring installed according to the applicable electrical codes and will be installed by a qualified electrician.
5. Inspection by a State certified inspector and representative of ERMU.
6. Customers on this rate will not be eligible for the Dual Fuel Program.

Meter equipment must be accessible to our service department at any time.

Ground Source Heat Pump Service Rate:

Basic Monthly Electric Charge: ~~\$30.50~~ \$32.00 per month

Energy Charge: \$0.0983 / kWh

Rates are subject to application of Power Cost Adjustment (PCA).

Federal, state, and local taxes may apply.

Minimum Bill: Basic Monthly Electric Charge.

Commercial All Electric with Ground Source Heat Pump Service Rate

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

Terms and Conditions:

1. Usage may be fractionalized on the actual days of service for application of a change in rate, or changing from summer to winter or from winter to summer rates.
2. Service will be furnished pursuant to ERMU's rules.
3. Extensions made for service under this schedule are subject to the provisions of ERMU's rules governing Extension of Service and Facilities.
4. The rates set forth herein may be modified by the amount of any governmental changes imposed and levied on transmission, distribution, production, or the sale of electrical power.
5. Exceptions by management approval only.

Adopted ~~December 12, 2023~~December 10, 2024
Effective January 1, ~~2024~~2025



GROUND SOURCE HEAT PUMP PROGRAM RATE

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: ~~To~~ Single family residences, non-demand and demand customers receiving service under another rate, who add a second meter for any of the following controlled loads:

Ground Source Heat Pump Rate: This Program is available to residential and commercial customers. A ground source heat pump (GSHP) is a central heating and/or cooling system for residential living spaces or commercial work spaces. Residential living spaces will meet all the applicable Minnesota state building codes. Commercial structures that are classified as Utility and Miscellaneous Group U by the International Code Council are not eligible for this rate. This program is available to residential or commercial customers with a GSHP as their sole heat source. ~~GSHPs that qualify for this program will not be interrupted. A GSHP paired with another heating source such as natural gas, fuel oil, or propane may qualify for the Dual Fuel program. Due to the moratorium.~~

To qualify for the special rate, the customer shall provide:

1. The GSHP is the only heat source. Only closed loop GSHPs are eligible for this rate beginning January 1, 2016.
2. ERMU and the customer will agree on a meter location prior to the meter socket installation.
3. Commercial customers may have a separate meter to determine the load of the heat pumps. Electric usage for the remainder of the building will be metered and priced using the appropriate rate (Demand or Non-Demand).
4. Accommodations for a meter and associated wiring installed according to the applicable electrical codes and will be installed by a qualified electrician.
5. Inspection by a State certified electrical inspector and a representative of ERMU.

ERMU shall provide:

1. All electric energy consumed by the primary electric heating system at \$0.0983 per kWh.
2. A meter socket to accommodate the meter in a mutually agreed to location.
3. A meter to measure electricity consumed by the electric heating system.

Rates are subject to application of Power Cost Adjustment (PCA).

Federal, state, and local taxes may apply.

Adopted ~~December 12, 2023~~ December 10, 2024
Effective January 1, ~~2024~~ 2025



ELECTRIC VEHICLE CHARGING RATES

Residential and Commercial Electric Vehicle Charging Rate

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: ~~To~~ single family residences, non-demand and demand customers receiving service under another rate (does not include privately-owned public chargers).

Electric Vehicle Charging Rate: This Program is available to all customers of ERMU that own an electrically powered vehicle used for on road transportation. Charging of the vehicle can occur any time but will be subject to on-peak and off-peak energy charges per hour daily. On-peak hours are Monday through Friday between 10 AM and 10 PM. Off-peak hours are Monday through Friday between 10 PM and 10 AM, Saturdays, Sundays, and the following holidays (New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day).

To qualify for the special rate, the customer shall provide:

1. Electric vehicle charging station that is used for the sole purpose of charging electric vehicles. This charging station must be 240 volt.
2. Customer is responsible for installation of the additional meter socket in a mutually agreed upon location.
3. Inspection by a State Certified electrical inspector of all metering equipment and provide an affidavit to ERMU when completed.

ERMU shall provide:

1. All on-peak electric energy consumed by the electric vehicle charging equipment will be at the summer rate of \$0.137334 /kWh for the five monthly billing periods of June – October, and the winter rate of \$0.12548/kWh for the seven monthly billing periods of November – May.
2. All off-peak electric energy consumed by electric vehicle charging equipment will be at the rate of \$0.0651/kWh.
3. This equipment will be available for charging at applicable rates 24 hours per day and is not subject to any load control strategies.
4. All electric energy provided to an account that participates in this rate will be automatically enrolled in the Clean Energy Choice Program at the 100 percent participation level at no additional monthly charge.
5. All electric energy provided for the electric vehicle charging equipment will be 100 percent renewable.
6. Electric meter.
7. Final inspection prior to meter activation to ensure only qualified loads are being supplied through the electric vehicle charging equipment.

Electric Vehicle Charging Rates

Rates are subject to application of Power Cost Adjustment (PCA).

Federal, state, and local taxes may apply.

Public Electric Vehicle Charging Rate: This rate is available to anyone charging an electric vehicle or plugin electric vehicle at a public electric vehicle charging station owned and operated by ERMU within the ERMU service territory. All persons must have an active ChargePoint account or have the capability to create a ChargePoint account prior to utilizing the charging equipment for an electric vehicle or plug-in hybrid electric vehicle.

To charge at the public charging stations customers shall:

1. Utilize their existing ChargePoint account or create a new account using a credit or debit card prior to charging the electric vehicle or plug-in hybrid.

ERMU shall provide:

1. Access to public electric vehicle charging stations located in the ERMU service territory.
2. The chargers will be ~~either~~ level two (240 volt) ~~or DC Fast Charging (480-volt)~~ charging equipment.
3. Electric energy consumed at the level two charging stations will be at a rate of \$0.20 per kWh at all times.
- ~~4. Electric energy consumed at the DC Fast Charging station will be at a rate of \$0.25 per kWh at all times.~~
- ~~5.4.~~ Electric energy provided at the public electric vehicle charging stations will be 100 percent renewable.

Federal, state, and local taxes may apply.

Adopted ~~December 12, 2023~~December 10, 2024
Effective January 1, ~~2024~~2025



MORATORIUM EFFECTIVE FEBRUARY 14, 2017 ON THE FOLLOWING LOAD CONTROL PROGRAMS

ENERGY MANAGEMENT PROGRAM RATES

Available: Within Elk River Municipal Utilities (ERMU) established service territory.

Applicable to: ~~To~~ Single family residences, non-demand and demand customers receiving service under another rate, who add a second meter for any of the following controlled loads:

Dual Fuel Space Heating Rate: This Program is available to residential customers only. A dual fuel space heating system consists of an electric heating system and a secondary non-electric space heating system both capable of heating the living space at design conditions. Interruptions of the electric heating system will usually occur for up to 12 hours daily on peak winter days and a maximum of 400 hours per heating season.

To qualify for the special rate, the customer shall provide:

1. An electric space heating system which can be interrupted by a single 5 amp rated relay.
2. A secondary non-electric space heating system capable of automatic start-up and continuous operation upon interruption of the electric heating system.
3. Obtain a load control device furnished by ERMU.
4. Accommodations for a meter and load control device and associated wiring installed according to the applicable electrical codes, and installed by a qualified electrician.
5. Inspection by a State certified electrical inspector and a representative of ERMU.
6. Radiant heat in the slab of the building qualifies for dual fuel, not electric thermal storage.
7. Dual Fuel is not allowed in garages, pole sheds, or any structure that does not confirm to the residential building code.
8. Exceptions by management approval only.

ERMU shall provide:

1. All electric energy consumed by the primary electric heating system at \$0.0651 per kWh.
2. During peak load conditions, ERMU will turn customer controlled electrical heat off for extended periods of time as stated above.
3. A meter to measure electricity consumed by the electric heating system.
4. A load control device and meter socket to accommodate the meter.

Rate is subject to application of Power Cost Adjustment (PCA).

Federal, state and local taxes may apply.

MORATORIUM EFFECTIVE FEBRUARY 14, 2017 ON THE FOLLOWING LOAD CONTROL PROGRAMS

Energy Management Program Rates

Electric Thermal Storage (ETS) Space Heating Rate: This Program is available to all ERMU customers. An ETS space heating system is designed to store heat produced by electricity generated during eight off-peak hours for use in heating during the remaining on-peak hours daily. Off-peak hours typically occur between 11 PM and 7 AM. Qualifying ETS configurations may be central storage furnaces, room storage heaters or slab (deep heat) systems including combinations of same.

To qualify for the special rate, the customer shall provide:

1. An ETS space heating system listed by UL or some other nationally recognized testing agency which can be interrupted by a single 5 amp rated relay.
2. Obtain a load control device from ERMU.
3. Accommodations for a meter and load control device and associated wiring installed according to the applicable electrical codes, and installed by a qualified electrician.
4. Inspection by a State certified electrical inspector and a representative of ERMU.

ERMU shall provide:

1. All electric energy consumed by this ETS system at \$0.0501 per kWh.
2. This equipment will be energized only for 8 off peak hours daily. Additional on-time is provided on weekend days and holidays.
3. A meter to measure electricity consumed by the ETS space heating system.
4. A load control device which will automatically control ETS space heating system during on-peak hours.

Rate is subject to application of Power Cost Adjustment (PCA).

Federal, state, and local taxes may apply.

Electric Thermal Storage (ETS) Water Heating Rate: This Program is available to all ERMU customers. An ETS water heater is designed with extra storage capacity to provide total domestic hot water needs from electricity consumed only during eight off-peak hours daily. Off-peak hours typically occur between 11 PM and 7 AM. Qualifying ETS configurations may be a large single tank, dual tanks plumbed in series, or an electric and non-electric tank plumbed in series with the electric placed on the cold water side. Electric water heater must have an energy factor of .91 or more and a minimum of 80 gallons of storage capacity.

To qualify for the special rate, the customer shall provide:

1. An ETS water heating system which can be interrupted directly by a single 30 amp rated relay.
2. Obtain a load control device from ERMU.
3. Accommodations for a meter and load control device and associated wiring installed according to the applicable electrical codes, and installed by a qualified electrician.
4. Inspection by a State certified electrical inspector and a representative of ERMU.
5. This rate is not available for hot water use in any production process for Commercial and Industrial users.

MORATORIUM EFFECTIVE FEBRUARY 14, 2017 ON THE FOLLOWING LOAD CONTROL PROGRAMS

Energy Management Program Rates

ERMU shall provide:

1. All electric energy consumed by the ETS water heater at \$0.0501 per kWh.
2. This equipment will be energized only for 8 off-peak hours daily.
3. A meter to measure electricity consumed by the ETS water heater.
4. A load control device and meter socket to accommodate the off-peak meter.

Rate is subject to application of Power Cost Adjustment (PCA).

Federal, state, and local taxes may apply.

Adopted ~~December 12, 2023~~December 10, 2024
Effective January 1, ~~2024~~2025



STREET/SECURITY LIGHT SERVICE RATE

Available: To any customer meeting Elk River Municipal Utilities (ERMU) criteria for service under this schedule, and whose lighting needs are not being furnished under any other schedule. Installation costs will be determined by ERMU per the Utilities Fee Schedule or on a time and materials basis.

Applicable: As determined by ERMU, but generally to non-metered roadway and area lighting.

Character Of Service: 120/240 volts, AC, as available.

Street/Security Light Service

Federal, state, and local taxes may apply.

Type	Monthly Rate Per Fixture
<u>Standard Low Output with Wood Pole (<249 Watt HPS, <74 Watt LED)</u>	<u>\$10.00</u>
Standard Low Output (<249 Watt HPS, <74 Watt LED)	\$10.00 <u>\$12.00</u>
Standard Medium Output (250-399 Watt HPS, 75-124 Watt LED)	\$16.00 <u>\$17.00</u>
Standard High Output (400 Watt or larger HPS, 125 Watt or larger LED)	\$21.00 <u>\$22.00</u>
Standard Low Output with Decorative Pole (<74 Watt LED)	\$18.00 <u>\$24.00</u>
Decorative Medium Output with Decorative Pole (75-124 Watt LED)	\$26.00 <u>\$33.00</u>

Ownership of Equipment: ERMU will install, own, and operate the lights, including fixtures and control equipment, unless otherwise agreed upon by ERMU and the Customer.

Lamp Replacements: Lamp replacements will be made by ERMU.

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

General Terms and Conditions Applicable To Non-Metered Lighting Service:

1. Area lighting installed on ERMU poles shall not be of the type that interferes with climbing room, work space, or wire clearance as defined by the National Electrical Safety Code and is to be installed below the secondary line and service drops, all per ERMU's specification.
2. All area lights installed under this schedule shall be equipped with a photo-electric control which will limit the hours of illumination from dusk to dawn (approximately 4,400 hours per year).

Street/Security Light Service Rate

3. The rates set forth herein may be modified by the amount of any governmental changes imposed and levied on transmission, distribution, production, or the sale of electrical power.
4. Exceptions by management approval only.

Adopted ~~December 12, 2023~~December 10, 2024
Effective January 1, ~~2024~~2025



WATER SERVICE RATES

Available to: ~~To a~~ All customers who have municipal water service available at their property, lying within the corporate limits of the City of Elk River.

Special Conditions: Each customer served by one meter. Multiple living entities, such as apartments, may be served by a combined meter upon approval of the Elk River Municipal Utilities (ERMU) and acceptance of applicable charges.

Special Charges: A basic monthly water charge shall be applied to each meter based on the meter size according to the schedule below, and is separate from any water use. Included in the basic monthly water charge is \$0.81 that is collected on a monthly basis from each service connection (excluding irrigation only accounts) to recover the total annual cost of \$9.72 for the State of Minnesota Safe Water Testing Program (Minnesota Statutes 144.3831).

Water Rates:

METER TYPE	BASIC MONTHLY CHARGE	1 st TIER Cost per 1000 gallons	2 nd TIER Cost per 1000 gallons	3 rd TIER Cost per 1000 gallons
Residential	\$10.03 <u>\$10.23</u>	\$2.02 <u>\$2.04</u>	\$3.57 <u>\$3.64</u>	\$4.08 <u>\$4.20</u>
Commercial ¾	\$12.03 <u>\$12.27</u>	\$2.02 <u>\$2.04</u>	\$3.57 <u>\$3.64</u>	\$4.08 <u>\$4.20</u>
Commercial 1	\$13.38 <u>\$13.65</u>	\$2.02 <u>\$2.04</u>	\$3.57 <u>\$3.64</u>	\$4.08 <u>\$4.20</u>
Commercial 1 ¼	\$14.73 <u>\$15.02</u>	\$2.02 <u>\$2.04</u>	\$3.57 <u>\$3.64</u>	\$4.08 <u>\$4.20</u>
Commercial 1 ½	\$16.06 <u>\$16.38</u>	\$2.02 <u>\$2.04</u>	\$3.57 <u>\$3.64</u>	\$4.08 <u>\$4.20</u>
Commercial 2	\$21.40 <u>\$21.83</u>	\$2.02 <u>\$2.04</u>	\$3.57 <u>\$3.64</u>	\$4.08 <u>\$4.20</u>
Commercial 3	\$46.81 <u>\$47.75</u>	\$2.02 <u>\$2.04</u>	\$3.57 <u>\$3.64</u>	\$4.08 <u>\$4.20</u>
Commercial 4	\$64.20 <u>\$65.48</u>	\$2.02 <u>\$2.04</u>	\$3.57 <u>\$3.64</u>	\$4.08 <u>\$4.20</u>
Commercial 6	\$93.62 <u>\$95.49</u>	\$2.02 <u>\$2.04</u>	\$3.57 <u>\$3.64</u>	\$4.08 <u>\$4.20</u>
Commercial 8	\$127.06 <u>\$129.60</u>	\$2.02 <u>\$2.04</u>	\$3.57 <u>\$3.64</u>	\$4.08 <u>\$4.20</u>
Commercial Irrigation Seasonally or Permanently Installed	\$21.40 <u>\$21.83</u>		\$3.57 <u>\$3.64</u>	\$4.08 <u>\$4.20</u>

Federal, state, and local taxes may apply.

Water Service Rates

Residential Rate Tier Definition:

First Tier Rate = 0 – 9,000 gallons per month.

Second Tier Rate = Between 9,000 and 15,000 gallons per month.

Third Tier Rate = Above 15,000 gallons per month.

Commercial Rate Tier Definition:

First Tier Rate = 0 – 1.1 X previous year's winter measurement period average monthly consumption.

Second Tier Rate = Between 1.1 X previous year's winter measurement period average monthly consumption to 1.1 X previous year's winter measurement period average monthly consumption + 40,000 gallons.

Third Tier Rate = Above 1.1 X previous year's winter measurement period average monthly consumption + 40,000 gallons.

Winter Measurement Period Definition: December – April billing cycles.

For new customers, if a minimum of 3 winter months previous year's history is not available to establish the Tier amount, the First Tier rate shall be utilized until a minimum of 3 months history is established.

Commercial irrigation is not eligible for First Tier Rate as there is no winter use.

Minimum Bill: Basic monthly water charge plus any charges applicable to multiple living entities.

Billing and Terms of Payment: See ERMU Service Policies Policy (Billing Due Dates, and Penalties and Delinquent Notices.)

Adopted ~~December 12, 2023~~ December 10, 2024
Effective January 1, ~~2024~~ 2025

2025 Utilities Fee Schedule

ELECTRIC	
New Residential Electric Connection - Developer - Lot with ERMU water service	\$975.00
New Residential Electric Connection - Developer - Lot without ERMU water service	\$1,475.00
New Electric Connection	\$875.00
New Wire Footages over 200' (per foot)	\$5.00
New Service Frost Trenching (per foot)	\$6.00
New Commercial & Industrial Electric Connection	50%
Service Upgrades or Additions for Existing Customers	100%
Minimum Temporary Electric Service Fee - Existing Transformer	\$220.00
Minimum Temporary Electric Service Fee - Without Existing Transformer	\$850.00
Grid Access Fee	\$5.56
Street Light - 30' Decorative Pole with 6' Arm and Cobra Fixture	\$3,400.00
Street Light - 23' Decorative Pole with Cobra Fixture	\$2,400.00
Street Light - 14' Decorative Pole with Cobra Fixture	\$5,500.00
Street Light - 14' Decorative Pole with Acorn Fixture	\$7,500.00
Security Light - Wood Pole with Fixture	\$975.00
Security Light - Existing Pole	\$350.00
Pole Attachment Fee (per pole)	\$15.00
Meter Installation Fee (per individually metered apartment unit)	\$25.00
WATER	
Water Access Charge = Water Connection Charge + Water Availability Charge	\$3,990.00
Water Connection Charge (Per Plumbing Unit) - Builder	\$3,600.00
Water Availability Charge (Per Plumbing Unit) - Developer	\$390.00
Abandoned Water Service (minimum)	\$6,000.00
Backflow Preventer Device Non-Compliance (per month)	\$100.00
Deposit for 3/4" Hydrant Meter	\$175.00
Deposit for 2 1/2" Hydrant Meter	\$1,500.00
Hydrant Water Sales - Rental (per week)	\$50.00
Hydrant Water Sales - Units (per 1000 gallons)	\$4.20 \$4.16
Hydrant Wrench	\$40.00
Private Hydrant Maintenance Program Monthly Fee	\$5.00
ADMINISTRATIVE	
Administrative Fee for Continued Submission of Checks After No-Check Notice Given	\$20.00
Administrative Fee for Continued Submission of Payment After Account Closed	\$20.00
Billable Cost of Materials Markup	15%
Billable Labor Markup	58%
Billable Vehicle / Equipment (per employee per hour)	\$50.00
Commerical Application Fee	\$20.00
Electric Service Disconnect/Trip Fee - Meter Technician	\$50.00
Electric Service Disconnect/Trip Fee - Line Crew	\$150.00
Water Service Disconnect/Trip Fee - Water Operator	\$100.00
Manual Meteing Reading Fee (per month)	\$50.00
Additional Manual Metering Reading Fee (per month)	\$10.00
Meter Tampering Fee	\$250.00
Meter Testing Fee	\$50.00
NSF Fee	\$30.00
Penalty Amount	10%
Photocopies (per page)	\$0.25
Red Tag Handling Fee	\$20.00

Adopted by the Utilities Commission on November 12, 2024, under authority per Minnesota Statute 412.361.

Federal, state, and local taxes may apply.

TO: ERMU Commission	FROM: Mark Hanson – General Manager
MEETING DATE: December 10, 2024	AGENDA ITEM NUMBER: 5.3
SUBJECT: Energy City Committee	
ACTION REQUESTED: Approve the Formation of the Pilot Energy City Committee	

BACKGROUND:

In 1996, the City of Elk River applied to the Minnesota Environmental Initiative (MEI) to become a program of Energy Alley and officially became Energy City. In June 2005, the City established the Energy City Commission (ECC) after the State of Minnesota informed the city that MEI was likely dissolving.

At the Elk River City Council meeting on October 7, 2024, the council held a work session to discuss the disbandment of the Energy City Commission, effective December 31, 2024. During this session, the Council directed staff to collaborate with ERMU to explore the possibility of reorganizing the Committee under ERMU.

During the ERMU commission meetings on October 8, 2024, and November 12, 2024, discussions took place to assess whether the Commission supported the re-establishment of the ECC as an ERMU Committee. The Utilities Commission directed staff to present a formal charter outlining the purpose of the Committee.

City and ERMU staff recently met with the current ECC members to review the history of the Commission and provide an overview of the discussions that have taken place in recent months regarding its re-establishment under ERMU. During the meeting, commission members were given the opportunity to share their thoughts on the transition. Most members felt the change would have minimal impact, while some expressed concerns about maintaining their voice within the City.

DISCUSSION:

The re-establishment of the Energy City group as an ERMU Committee reinforces and advances the mission and vision of Elk River Municipal Utilities (ERMU) as a leader in energy and water reliability, sustainability, and conservation. Committee members will serve as ambassadors for ERMU, representing the organization within the community and actively promoting its mission and vision. As part of their role, members will receive a comprehensive overview of ERMU's

history, an understanding of the importance of public power, and insights into ERMU's current position as a leader in the utility industry.

NEXT STEPS:

Approve the one-year pilot program for the Energy City Committee, set to begin on January 1, 2025, with an evaluation at the end of the pilot period to assess its effectiveness and make any necessary adjustments.

ATTACHMENT:

Proposed Energy City Committee Charter

Section: Management	Category: Administration
Policy Reference: A.X	Policy Title: Energy City Committee Charter

1.0 PURPOSE

The Energy City Committee is established to promote the mission and vision of Elk River Municipal Utilities (ERMU) as a leader in energy and water reliability, sustainability, and conservation. The Committee will engage the community, foster awareness, and support the ongoing development of energy and water conservation initiatives in order to enhance environmental stewardship, ensure resource sustainability, and contribute to the long-term well-being of the community.

2.0 RESPONSIBILITIES

1. Aid, create, promote, and facilitate energy and water related demonstrations at community events and similar educational opportunities.
2. Work for the continuing education of the public with respect to energy and water reliability, sustainability, and conservation.
3. Seek partnerships for gifts, grants, and contributions to be made to ERMU to support energy and water related educational activities.
4. Such other responsibilities as ERMU shall assign.

3.0 MEMBERSHIP AND STRUCTURE

The Energy City Committee will consist of up to six community members appointed by ERMU, including residential and business individuals in all career fields with expertise in energy management, water conservation, environmental science, education, and community outreach. The Committee will report to ERMU and collaborate with relevant stakeholders in the community to fulfill its objectives.

4.0 MEETINGS

The Committee will meet on a regular basis as determined by its members, and additional meetings may be scheduled as needed to address specific projects or opportunities. Meeting

agendas, minutes, and action items will be documented to ensure clear communication and progress toward achieving the Committee’s goals.

BUDGET

The Energy City Committee (ECC) will not have a separate budget. However, its activities may be funded through the Conservation Improvement Program (CIP) funds, when applicable and appropriate.

DURATION

The Energy City Committee will operate as a pilot program for one year. At the conclusion of the pilot program, ERMU will assess the Committee’s effectiveness, impact, and alignment with organizational goals. Based on this evaluation, ERMU may decide to extend, modify, or disband the Committee as needed.

POLICY HISTORY:

Adopted December 10, 2024

TO: ERMU Commission	FROM: Mark Hanson – General Manager
MEETING DATE: December 10, 2024	AGENDA ITEM NUMBER: 5.4
SUBJECT: Disposition of City's Utility by Referendum	
ACTION REQUESTED: Recommend City Council approval of the attached Resolution	

BACKGROUND:

The right of citizens to determine the disposition of their municipal utilities through referendum is protected due to enactment of 1949 Minnesota Laws Chapter 119, section 42, codified as Minnesota (MN) Statutes, Section 412.321, subdivision 4. Although State law mandates a two-thirds affirmative vote from the community for such sales or closures, the statute has not been enforced in recent sales.

At the 2024 Minnesota Municipal Utilities Association (MMUA) Summer Conference, Ursula Schryver, a Senior Vice President with the American Public Power Association (APPA), presented five recent case studies of MN municipal utilities selling to larger cooperative or private utility companies. According to MMUA's 2024 Annual Report, however, four of those utilities were sold without a required referendum.

According to APPA, public power utilities are typically being sold in cases where the system has not been maintained, the cost of upgrading the system substantial, and/or when there are other financial stresses on the utility or community. Private utilities often promise to replace aging system components, but these upgrades typically lead to higher rates, lower customer satisfaction, and slower response times after outages.

DISCUSSION:

With the support of a strong governing body, APPA states municipal utilities proudly bring tremendous value to the city, its citizens, and customers. Local control of utility means enhanced reliability, faster response times, and a singular focus on the customer. Additionally, municipal utilities provide financial support to their local governments through payments in lieu of taxes, in kind labor contributions, local employment, and support of local businesses.

It is MMUA's belief that awareness of this referendum requirement empowers voters served by municipal utilities with the ability to shape their communities as they see fit and in accordance with their values and state statute. The attached MMUA model resolution provides a locally binding process that requires a two-thirds community vote before any sale or closure.

NEXT STEPS:

The ERMU Commission's approval of the resolution is needed prior to placing the attached resolution on the Elk River City Council agenda for adoption. If approved, ERMU staff will work with city staff to facilitate the council approval process.

ATTACHMENTS:

- Resolution - Voter Referendum Required for Utility Disposition

RESOLUTION NO. _____

**A RESOLUTION TO ACKNOWLEDGE AND PROTECT THE RIGHT OF
VOTERS REGARDING THE PROVISION OF UTILITY SERVICE**

- (1) **WHEREAS:** Elk River Municipal Utilities (the utility) is a valuable public asset through which the City of Elk River, Minnesota (the City), maintains and perpetuates significant self-investment and public services made currently and by past generations to promote the general welfare of City residents; and
- (2) **WHEREAS:** such investments contribute to ensuring and preserving the financial stability and fiscal integrity of the city's overall financial structure and credit rating; and
- (3) **WHEREAS:** such public services ensure reliable, affordable, and sustainable utility service to all residents and users in the City at reasonable rates subject to the control and regulation of the City; and
- (4) **WHEREAS:** access to service should be provided for all uses necessitated by all residents and entities of the City; and
- (5) **WHEREAS:** the utility and its services are vital to the continued planned and orderly growth of the City; and
- (6) **WHEREAS:** the right of the citizens of Elk River to determine the disposition of their municipal utilities through referendum is protected due to enactment of 1949 Minnesota Laws Chapter 119, section 42, codified as Minnesota Statutes, Section 412.321, subdivision 4:

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY
OF ELK RIVER, MINNESOTA:**

The City shall continue to own and operate the City's municipal utilities unless and until, two-thirds of voters voting in a general or special election approve an ordinance or resolution passed by the City Council, concurred in by the public utilities commission if the utility is under the jurisdiction of such a commission, to lease or sell the utility or discontinue its operation, wholly or in part, as provided by Minnesota Statutes, Section 412.321, subdivision 4.

**PASSED AND ADOPTED BY THE CITY COUNCIL OF ELK RIVER, MINNESOTA,
THIS _____ DAY OF _____ 20__.**

Mayor

Attested:

City Clerk

TO: ERMU Commission	FROM: Mike Tietz – Technical Services Superintendent
MEETING DATE: December 10, 2024	AGENDA ITEM NUMBER: 5.5
SUBJECT: Advanced Metering Infrastructure Update	
ACTION REQUESTED: None	

DISCUSSION:

As of December 2, Allegiant has completed 3,022 residential water meter replacements and 364 retrofits. Allegiant's goal is to maintain four water technicians working during the duration of our project. The residential water meter exchange work is approximately 65% complete.

To date we have made 57 residential repairs utilizing master plumber Karsten Nelson (Archer Plumbing) with a running total of \$20,210.36 in repair costs. This is about a 1.57% repair rate based on the total number of installed water meters. In April 2024, the Commission voted to absorb these residential costs at an estimate of \$300 per job for approximately 100-150 homes, totaling between \$30-\$45K.

Allegiant's commercial meter subcontractor (Archer Plumbing) has completed 67 commercial meter replacements and 26 retrofits as of December 2. The commercial water meter exchange work is about 20% complete.

As of December 2, Allegiant has completed 1,523 residential electric meter replacements. They plan to have two technicians on the project most of the time and expect to exchange between 700 and 1,000 meters per technician each month. The residential electric meter exchange work is about 15% completed. Starting on December 7, installations are being done Monday through Friday from 8:00 a.m. to 4:30 p.m. and Saturdays from 10:00 a.m. to 2:00 p.m. Communication of these times is on our website along with other FAQs.

Overall, approximately 38% of the total AMI meters have been installed to date.

There was an incident during the replacement of a commercial service meter on Triangle Road. Due to a non-functioning street side internal valve and no meter bypass as required by city code being present at this business, ERMU water personnel was requested by the Allegiant plumber to operate the customer owned 2" gate valve in the street for the service line. While attempting to close this valve, the gate valve failed and began to leak. The repair has been completed at an approximate cost of \$16,000.

TO: ERMU Commission	FROM: Mark Hanson – General Manager
MEETING DATE: December 10, 2024	AGENDA ITEM NUMBER: 6.1a
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- The City will be presenting the Minnesota Municipal Power Agency (MMPA) Amendment, approved by the Utilities Commission in November, for approval via the consent agenda at their December 16, 2024, Council meeting.
- I received a revised proposal from LEO A DALY regarding a high-level cost review to convert the building to general administrative space conducive to a history/education center. Staff has informed LEO A DALY of our intent to enter into an agreement for phase one of the review. Phase one will provide us with a high-level cost to renovate the building and will explore possible fund sources such as grants, legislative bonding, and philanthropic donations. The intent is to present the findings to the Commission in January.
- The MMPA Board of Directors met November 19, 2024, at Chaska City Hall in Chaska, Minnesota and via videoconference. Commissioner Stewart and I attended. The public summary follows:
 - The Board reviewed the Agency’s operating and financial performance for October 2024.
 - Clean Energy Choice program participation increased by 41 participants. 5.9% of residential customers participate in the program.
 - The Board discussed the status of renewable projects the Agency is pursuing.
 - The Board discussed Xcel Energy’s request to increase electric rates in Minnesota by 9.6% for 2025 and another 3.6% for 2026.

TO: ERMU Commission	FROM: Sara Youngs – Administrations Director
MEETING DATE: December 10, 2024	AGENDA ITEM NUMBER: 6.1b
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- Office walk-in traffic for November consisted of 125 customers, averaging 31 customers per week over the four-week period.
- ERMU disconnections for November: The Cold Weather Rule is in effect, meaning customers cannot be disconnected until 30 days after they receive their disconnection notice.
 - Cycle 1 – 6 disconnections
 - Cycle 2 – 8 disconnections
 - Cycle 4 – 1 disconnection
- During the month of November 2024, the customer service team entered 49 payment arrangements with customers. During November 2023 there were 65 payment arrangements.
- A significant portion of staff time is dedicated to the Advanced Metering Infrastructure project, including daily customer follow-ups and coordination with both internal and external team members.
- Completed the yearly review of the Schedule of Rates & Fees for presentation and approval.
- Staff is performing an internal audit of the Otsego streetlights.
- The administrations director has started the year-end training with our software provider National Information Solutions Cooperative.
- IT staff continues to work with the water department switching the water Supervisory Control and Data Acquisition (SCADA) system from the radio communication to fiber optic communication utilizing our fiber ring. The controls for wells three, eight, and nine are now switched over to fiber communications.
- AT&T has hired a contractor to install a FirstNet cell booster at the Field Services Building, using a rooftop penetration on the south side of the roof.
- Currently there are eight active residential solar photovoltaic projects planned or under construction in the ERMU service territory.

- In the last 30 days, combined the level two chargers located downtown and in the parking lot in front of ERMU had 35 sessions and provided customers with 733 kWh of green energy.

TO: ERMU Commission	FROM: Melissa Karpinski – Finance Manager
MEETING DATE: December 10, 2024	AGENDA ITEM NUMBER: 6.1c
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- The auditors from Abdo are performing preliminary audit work December 5 on-site. Typically, preliminary audit work involves inventory observations, accounts payable testing, and review of the current year’s meeting minutes. The 2024 audit field work is scheduled for February 20-21.
- 2024 open enrollment was the second year of utilizing iVUE Connect – Financials. The second year was easier and went smoothly for payroll, HR, and employees.
- The final audit has been completed for workers’ compensation coverage. The audit resulted in a slight increase in our premium.

TO: ERMU Commission	FROM: Tony Mauren – Governance & Communications Manager
MEETING DATE: December 10, 2024	AGENDA ITEM NUMBER: 6.1d
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- In December there are two bill inserts being sent. The first going to all accounts is the winter 2024 edition of the Current newsletter, which covers the decommissioning of the power plant, tree trimming, utility scams notice, SmartHub, ERMU's communications award, and more. Residential electric customers will also receive the attached Advanced Metering Infrastructure (AMI) flyer. All customers received a version of this flyer earlier in 2024 at the beginning of the project, the current language informs customers that we have begun the electric meter change out portion.
- In addition to bill insert topics, social media posts this month feature a variety of topics including the commission meeting notice, commercial rebates and energy audits through our partnership with Frontier Energy, and holiday closures/garbage delays.
- Communications & Administrative Coordinator Jenny Foss continues to attend Leadership Program meetings once a month through the Elk River Area Chamber of Commerce. In November, the focus for the group was on non-profit organizations while the December session will take participants on a behind-the-scenes tour of the Sherburne County jail.
- The communications team is in the process of making updates to the communications schedule, bill inserts plan, and website changes for 2025.
- Communications staff continues to attend weekly AMI meetings to ensure that messaging to customers is current and accurate.

ATTACHMENTS:

- Bill Insert – The Current - Winter 2024
- Bill Insert – AMI Update – Electric Meters Notice



DISCOVER SAVINGS WITH ERMU

Saving money, decreasing energy usage, and conserving resources has never been easier with programs and rebates from ERMU. Take a closer look at the many ways residential and commercial customers can save.

RESIDENTIAL

- > Appliance and Home Efficiency
- > Electric Vehicle Charger
- > Heat Pumps
- > HVAC
- > Lighting and Lighting Controls

COMMERCIAL

- > Lighting
- > HVAC
- > VFD and ASD Drives
- > Other Equipment
- > Custom Grants

Click the "Programs & Rebates" tab at ERMUMN.COM to learn more or simply scan the QR code below.



New Beginnings for Historical Power Plant

At the Elk River Municipal Utilities (ERMU) Commission meeting on August 13, 2024, there was discussion about the future of the ERMU power plant, which was built in 1947. The plant has not been used for primary power generation since 1978, as ERMU has relied on a cooperative purchasing agency for all energy needs. The plant has only served auxiliary purposes, and the engines are run briefly for monthly testing.



During the August meeting, ERMU staff explained the plant's condition, noting that short, intermittent test runs are particularly harmful to engines of this age. Costs for maintaining the engines have steadily increased, and recent inspections have revealed potential reliability issues. Staff shared that the investment needed to meet current code requirements and restore the plant's functionality could exceed \$500,000, with no guarantee that the engines could sustain a substantial load for any significant duration.

Fortunately, ERMU's electrical infrastructure includes robust interconnected transmission lines and distribution tie-lines between substations, providing reliable back-feeding capabilities in the event of an outage. Given the plant's age, its declining operational value, and the cost of repairs, ERMU staff recommended decommissioning the facility. ERMU General Manager Mark Hanson said the utility will be working with a consultant to determine estimated costs to repurpose the building while preserving its historic value. The Commission adopted Resolution 24-10, officially authorizing the decommission of the ERMU power plant on September 10, 2024.

Tree Trimming for Safety

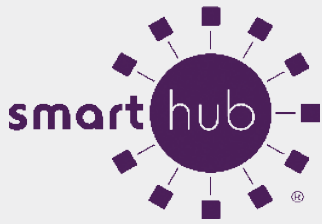
Each year, ERMU field staff and contractors trim tree branches to minimize the risk of interference with power lines, reducing outages and ensuring safety. This work is typically scheduled for winter, after leaves have fallen, allowing for better visibility of branch structure and more precise cuts. Additionally, colder temperatures help protect trees from diseases and parasites entering freshly cut limbs. If you see tree trimming crews in your area, be sure to give plenty of space while they perform their work.

Regular maintenance of the electric system, including tree trimming, supports ERMU's commitment to reliable service and prioritizes safety for employees, customers, and the community.

If you see a branch close to a power line, please avoid trimming it yourself. Instead, contact ERMU for a safe, professional assessment and guidance on next steps, including any customer responsibilities.

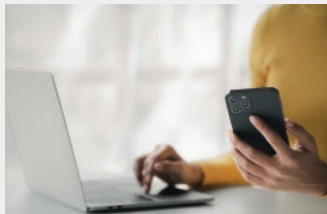
Protect Your Account from Utility Scams

Utility scammers operate throughout the year, especially during winter and summer when energy use is high. They may contact homeowners by phone, email, or even in person. Understanding ERMU's official processes can help you feel confident that your account is secure and managed properly. Visit ERMUMN.COM to review important safety tips and reminders.



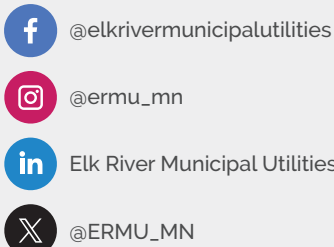
MANAGE YOUR ACCOUNT WITH SMARTHUB

SmartHub is a web and mobile app that allows you to take control of all aspects of your utility account. Pay your bill, set up automatic payments, manage your use, and contact ERMU with service issues quickly and easily online or on your mobile device. Learn more about managing your account with SmartHub by visiting "Manage Your Account" at ERMUMN.COM.



FOLLOW US ON SOCIAL MEDIA

Stay connected on utility news and information, community events, and important announcements by following ERMU on social media.



AMI Water Meters Empowering Customers

AMI water meters revolutionize how customers monitor and manage their water usage. The meters use wireless communication technology to track water usage, providing the following key benefits:



Accurate Billing - Traditional meters often rely on manual readings or estimates, which can lead to billing inaccuracies. The AMI system provides near real-time data, ensuring that customers are billed precisely for their actual water usage.

Leak Detection - The system can detect irregular water patterns that may indicate leaks. This allows homeowners to address potential issues early, reducing water waste and preventing costly damage.

Water Conservation - By tracking usage in detail, residents can identify areas of overuse and make adjustments to conserve water, such as installing water-saving devices.

Near Real-Time Monitoring - With access to Elk River Municipal Utilities' SmartHub portal, customers can remotely monitor their water consumption and receive alerts, giving them greater control over their usage.

For answers to frequently asked questions related to smart meters and ERMU's AMI Project please visit ERMUMN.COM.

Communication and Customer Connections

ERMU's communications team has once again been recognized by the American Public Power Association (APPA) for its exemplary work to effectively engage and inform its customers. The team's award-winning efforts reflect ERMU's mission to provide essential information about utility services, programs, policies, and future plans to the community.

The team utilizes a variety of methods to connect with customers, from digital platforms and newsletters to community events and public commission meetings. Social media plays a central role in allowing ERMU to share important information in a clear and timely manner. In addition to social media, ERMU's website serves as a comprehensive resource where customers can find information about service options, conservation programs, billing policies, and so much more.

Moreover, ERMU values customer insights to help guide communication strategies that enhance customer satisfaction. Through feedback from customer surveys and direct interactions, the communications team is committed to continuously reviewing its approach to meet the community's evolving needs and expectations. This ongoing commitment ensures that ERMU remains responsive, transparent, and engaged with the residents it serves.

Accepting the award at the recent APPA Customer Connections Conference held in Louisville, KY, were ERMU's Administrations Director and Communications Coordinator. The APPA Customer Connections Conference is an annual event that brings together public power professionals to network and share best practices in customer service, communications, energy innovation, and community engagement.





Am I ready...

- ▶ **To have immediate access** to my near real-time electric and water usage data?
- ▶ **To have more control** over my utility usage based on AMI's near real-time data?
- ▶ **To save money** by reacting to my AMI data and adjusting my electric and water usage based on AMI's near real-time data?
- ▶ **To be informed** with prompt communication in the event of a disruption of electric or water service?

AMI Introduction

Elk River Municipal Utilities (ERMU) is beginning a new era of service. The Advanced Metering Infrastructure (AMI) project involves installing new electric and water meters throughout our entire service territory. The new equipment will allow us to provide improved service, operational efficiencies, and better billing information.

AMI Residential Electric Meter Installation

ERMU has begun installing AMI residential electric meters with the assistance of Allegiant Utility Services. Prior to installation, technicians will knock on your door. If there is no answer work will proceed as long as the meter is accessible. Technicians will leave a door hanger indicating service was either completed or additional steps are needed.

AMI Communications

With communication as one of our core values, ERMU will provide customers with timely updates primarily through our website, social media, and newsletters. Additionally, our customer service representatives are available to assist you with any questions you may have during regular business hours (8:00 a.m. - 4:30 p.m.) at 763.441.2020.

SCAN HERE TO
LEARN MORE



TO: ERMU Commission	FROM: Thomas Geiser – Operations Director
MEETING DATE: December 10, 2024	AGENDA ITEM NUMBER: 6.1e
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- Working through the second round of maps for the new GIS mapping system that we plan to move forward with in the future. Maps 1 through 30 are complete.
- Attending Advanced Metering Infrastructure meetings weekly with other ERMU staff.
- Working through 2025 projects and 2025 equipment/material needs.
- Working with staff on our future East substation project.
- Working with staff through pole attachment agreements.
- Working with staff on the Otsego Streetlight audit.
- Reviewing Verizon pole attachment agreements, they are planning a fiber loop from the Parrish Avenue bridge up Main Street, along Mississippi Road to Waco Street, down Business Center Drive, over to Gary Street then following Highway 10 back to Main Street.
- The County Road 44 Rebuild is slated for 2026 due to railroad, right of way acquisition, and state funding timelines.
- Due to the moderate temperature and lack of snow in November we were able to start underground primary replacement along Dodge Street that was originally scheduled in 2025.
- All managers attended leadership training with Lisa Negstad on November 21.

TO: ERMU Commission	FROM: Chris Sumstad – Electric Superintendent
MEETING DATE: December 10, 2024	AGENDA ITEM NUMBER: 6.1f
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- Installed 14 new residential services, which involves the connection of a secondary line once the customer requests service.
- Joe Schmidt, Safety Instructor from Minnesota Municipal Utilities Association, was here on November 26-27 and held safety meetings for all ERMU staff on cold stress and healthy holidays.
- A new three-phase commercial service was installed on Main Street near Gates Avenue.
- Crews are finishing the Feeder 42 extension along with completing the power needs to Vireo, the new customer at the old refuse-derived fuel site.
- Installed 300 feet of new underground primary and a transformer to service two, three-unit townhome buildings in Dayton.
- The bore crew replaced 600 feet of open concentric primary along Dodge Street, north of 193rd Avenue. We will continue wire replacement in this area in spring of 2025.
- Crews are currently working on setting transformers and terminating primary wire at the Bradford Park housing development. Over sixty housing lots will then be available there, with more planned for 2025.
- Participated in leadership training with Lisa Negstad on November 21.
- West bank 1 substation work completed in November included new 500 MCM underground wire from sub to first pole for Feeder 72 and a new recloser for Feeder 71.
- The frost set in with the cold snap over Thanksgiving weekend. Over a foot was found in some housing developments, with at least five inches almost everywhere. This always adds to the workload as we install wire over the winter.
- I am spending time planning the winter work for early 2025. Besides tree trimming, line crews will be rebuilding overhead line on Feeder 65 out of North substation. We will also be replacing five reclosers and controllers at North and servicing our switched capacitor banks on the system.

TO: ERMU Commission	FROM: Mike Tietz – Technical Services Superintendent
MEETING DATE: December 10, 2024	AGENDA ITEM NUMBER: 6.1g
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- In November, locators processed 319 locate tickets. These consisted of 247 normal tickets, 4 emergency tickets, 43 updated tickets, 8 cancellations, 10 meets, 2 boundary surveys, 2 corrections, and 3 non-excavations. This resulted in a 37.0% decrease in tickets from the previous month and a 24.8% decrease from the prior November.
- Electrical technicians completed 271 service order tasks, updated the power bill, addressed customer meter issues and any off-peak concerns.
- The Advanced Metering Infrastructure (AMI) residential water meters and residential electric meters continue to be installed in new services. The electrical technicians have been busy changing out meters around the system and recently completed the meter installations at several different apartment buildings. Approximately 3,600 water meters and 3,400 electric meters are currently active within our AMI system.
- Staff has been working on programming regulator controls for an upcoming 2025 replacement project at our North substation. We will be replacing all five recloser tanks and controllers. Staff has also been working on programming capacitor bank controllers as part of our replacement project that we anticipate will start in mid-December.
- We are finalizing the control building and relay panel orders for the East substation. The expected delivery of the building will be between the fall of 2025 and spring of 2026. The panel is expected to arrive in the summer of 2025.
- Our monthly peak was 43.50 MW on November 26 at 5:44pm.

TO: ERMU Commission	FROM: Dave Ninow – Water Superintendent
MEETING DATE: December 10, 2024	AGENDA ITEM NUMBER: 6.1h
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

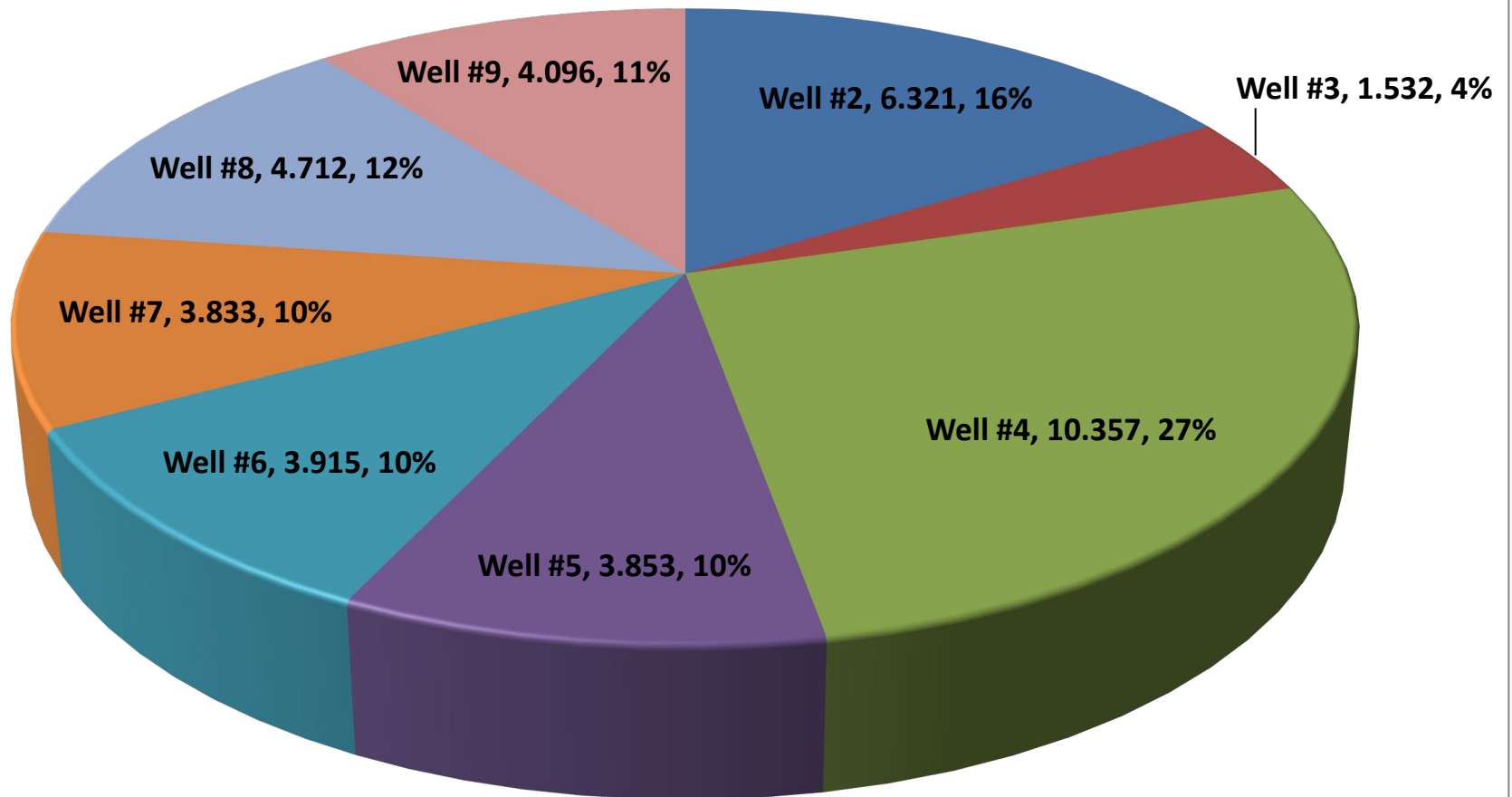
- Delivered a water meter, installed a Smart Point module, and took curb stop ties for 6 new water services.
- Completed 20 BACTI/Total Chlorine Residual Samples
 - All confirmed negative for Coliform Bacteria
 - Bacteriological/Disinfectant Residual Monthly Report submitted to the MDH
- Completed 18 routine fluoride samples
 - All samples met MDH standards
 - Submitted MDH Fluoride Report
- Submitted Discharge Monitoring Report (DMR) for the Diesel Generation Plant to the Minnesota Pollution Control Agency.
- The pump, motor, shaft, and pipe have been removed from Well #3 for preventive maintenance inspection.
- As required, a [notification was posted on social media](#) that the water service line material inventory for Elk River is publicly available. Notifications were also sent to owners of water service lines that have been identified as galvanized or material listed as unknown at this time. A number of calls have come in with questions on the inventory.
- A new fire hydrant was installed on the north side of Highway 10, east of Main Street. This hydrant was added to have the ability to flush a dead-end 16" water main there. City staff expressed interest in having the hydrant installed near the sanitary sewer lift station so they could use it for cleaning the lift station. The city will contribute to the cost of the new hydrant.
- Work continues switching the water Supervisory Control and Data Acquisition (SCADA) system from radio communication to fiber optic communication utilizing our fiber ring. The controls for wells three, eight, and nine are now switched over to fiber communications.

- Once again, we are placing protective plastic bags on fire hydrants along high traffic roads to protect them from corrosion from road salt. Last season clear bags were used to prevent the public's misconception that red bags indicated the hydrant was out of service. The fire department has requested a return to the red bags to maximize visibility.

ATTACHMENTS:

- November 2024 Pumping by Well

November 2024 Monthly Pumping By Well



Values Are Displayed in Millions of Gallons (Well #, Gallons Pumped, Percentage of Pumping)

Tuesday, January 9: • Annual Review of Committee Charters	Tuesday, February 13: • Review Strategic Plan and 2023 Annual Business Plan Results
Tuesday, March 12: • Oath of Office • Election of Officers • Annual Commissioner Orientation and Review Governance Responsibilities and Role	Tuesday, April 9: • Audit of 2023 Financial Report • Financial Reserves Allocations • Review 2023 Performance Metrics
Tuesday, May 14: • Annual General Manager Performance Evaluation and Goal Setting	Tuesday, June 4: • Annual Commission Performance Evaluation
Tuesday, July 9: • Review and Update Strategic Plan	Tuesday, August 13: • Annual Business Plan – Review Proposed 2025 Travel, Training, Dues, Subscriptions, and Fees Budget
Tuesday, September 10: • Annual Business Plan – Review Proposed 2025 Capital Projects Budget	Tuesday, October 8: • Annual Business Plan – Review Proposed 2025 Expenses Budget
Tuesday, November 12: • Annual Business Plan - Review Proposed 2025 Rates and Other Revenue • Adopt 2025 Fee Schedule • 2025 Stakeholder Communication Plan	Tuesday, December 10: • Adopt 2025 Official Depository and Delegate Authority for Electronic Funds Transfers • Designate Official 2025 Newspaper • Approve 2025 Regular Meeting Schedule • Adopt 2025 Governance Agenda • Adopt 2025 Annual Business Plan