Elk River Municipal Utilities

REGULAR MEETING OF THE UTILITIES COMMISSION
September 9, 2025, 3:30 P.M.
Utilities Conference Room

AGENDA

1.0 GOVERNANCE
1.1 Call Meeting to Order
1.2 Pledge of Allegiance
1.3 Consider the Agenda
1.4 Recognition of Employee Longevity – Michelle M., 20 years
1.5 Resolution Recognizing 2025 Public Power Week
1.6 Resolution Recognizing 2025 Customer Service Week

2.0 CONSENT (Routine items. No discussion. Approved by one motion.)
2.1 Check Register – August 2025
2.2 Regular Meeting Minutes – August 12, 2025

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.4e – Core Customer Services
4.2 Commission Policy Review – G.4j – Cost Allocation and Recovery

5.0 BUSINESS ACTION (Current business action requests and performance monitoring reports.)
5.1 Financial Report – July 2025
5.2 2026 Annual Business Plan: Capital Projects & Equipment Purchases, and 20-Year Capital Projections
5.3 Advanced Meter Infrastructure Project Discussion
5.4 Wage & Benefits Committee Update

6.0 BUSINESS DISCUSSION (Future business planning, general updates, and informational reports.)
6.1 Staff Updates
6.2 City Council Update
6.3 Minnesota Municipal Utilities Association Summer Conference Discussion
6.4 Future Planning (Announce the next regular meeting, special meeting, or planned quorum.)
a. Regular Commission Meeting – October 14, 2025
b. 2025 Governance Agenda
6.5 Other Business (Items added during agenda approval.)

7.0 ADJOURN REGULAR MEETING

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	**FROM:** Mark Hanson – General Manager
MEETING DATE: September 9, 2025	**AGENDA ITEM NUMBER:** 1.4
SUBJECT: Recognition of Employee Longevity – Michelle M., 20 years	
ACTION REQUESTED: Recognize Michelle M. for 20 years of service and award the Longevity Bonus paycheck.	

BACKGROUND:
In September 2021, the Commission approved a Longevity Pay benefit to be paid to qualifying, eligible employees based on their years of service according to the schedule below.

8 years	$1,550
12 years	$2,025
16 years	$2,100
20 years	$2,125
24 years	$2,300
28 years	$3,000
32 years	$3,000

DISCUSSION:
Credit & Collections Specialist Michelle M. has been an employee with ERMU since September 19, 2005, and, therefore, has earned the 20-year longevity pay benefit. We recognize Michelle and all her contributions to the success of ERMU.

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	FROM: Chris Sumstad – Electric Superintendent
MEETING DATE: September 9, 2025	**AGENDA ITEM NUMBER:** 1.5
SUBJECT: Resolution Recognizing 2025 Public Power Week	
ACTION REQUESTED: Adopt Resolution 25-6 Recognizing Public Power Week, October 5-11, 2025	

DISCUSSION:
Elk River Municipal Utilities, now in its 80th year operating as a municipally owned public power utility, will be celebrating Public Power Week 2025.

This national event is sponsored in conjunction with the American Public Power Association. There are approximately 2,000 community-owned electric utilities that collectively provide electricity on a not-for-profit basis to 49 million Americans. They are operated by local governments as a public service with the mission of providing electricity in a reliable manner, at a reasonable cost, and with proper protection of the environment. Public power companies exist to serve our fellow citizens, friends, and neighbors. Elk River Municipal Utilities' loyalty is to our customers and our community, not stockholders. We are proud to be a public power utility and to help make our community a great place to live and work. Every year we recognize Public Power Week as a reminder of the responsibility we have to our consumer-owners.

ATTACHMENTS:
- Resolution No. 25-6 - Recognizing 2025 Public Power Week

RESOLUTION No. 25-6

BOARD OF COMMISSIONERS
ELK RIVER MUNICIPAL UTILITIES

A RESOLUTION OF BOARD OF COMMISSIONERS OF ELK RIVER MUNICIPAL UTILITIES RECOGNIZING PUBLIC POWER WEEK, OCTOBER 5-11, 2025

WHEREAS, we, the citizens of Elk River, place high value on local control over community services and therefore have chosen to operate a community-owned, locally controlled, not-for-profit electric utility and, as consumers and owners of our electric utility, have a direct say in utility operations and policies; and

WHEREAS, ERMU provides our homes, businesses, farms, social service, and local government agencies with safe, reliable, efficient, and cost-effective electricity employing sound business practices designed to ensure the best possible service at not-for-profit rates; and

WHEREAS, ERMU is a valuable community asset that contributes substantially to the well-being of local citizens through energy efficiency, customer service, environmental protection, economic development, and safety awareness;

NOW, THEREFORE BE IT RESOLVED that ERMU will continue to work to bring lower-cost, safe, reliable electricity (and water services) to community homes and businesses just as it has since the utility was created; and

BE IT FURTHER RESOLVED that the week of October 5-11 be designated Public Power Week in order to honor ERMU for its contributions to the community and to make its consumer-owners, policy makers, and employees more aware of its contributions to their well-being; and

BE IT FURTHER RESOLVED that our community joins hands with more than 2,000 other public power systems in the United States in this celebration of PUBLIC POWER.

This Resolution Passed and Adopted on this 9th day of September 2025.

John J. Dietz, Chair

Mark Hanson, General Manager

TO: ERMU Commission	FROM: Sara Youngs – Administrations Director
MEETING DATE: September 9, 2025	**AGENDA ITEM NUMBER:** 1.6
SUBJECT: Resolution Recognizing 2025 Customer Service Week	
ACTION REQUESTED: Adopt Resolution 25-7 Recognizing Customer Service Week, October 6-10, 2025	

BACKGROUND:
In 1992 the U.S. Congress, by Senate joint resolution, designated the first week of October as National Customer Service Week and requested the President issue a proclamation in support. On October 8, 1992, President George Bush issued Proclamation 6485 recognizing the first week of October as National Customer Service Week.

In President Bush's proclamation he notes, "…businesses will do a better job of providing high quality goods and services by listening to its employees and by empowering them with opportunities to make a difference. Customer service professionals work in the front lines where a firm meets its customers; where supply meets demand. With responsive policies and procedures and with simple courtesy, customer service professionals can go a long way toward ensuring customer satisfaction…"

DISCUSSION:
Elk River Municipal Utilities' (ERMU) mission statement promises: "To provide our customers with safe, reliable, cost effective and quality long term electric and water utility service. To communicate and educate our customers in the use of utility services, programs, policies, and future plans. These products and services will be provided in an environmentally and financially responsible manner." To be successful in our mission, it is essential that ERMU provide excellent customer service while providing safe, reliable, and cost-effective utility services.

At ERMU, we value our employees who provide excellent customer service. We respectfully ask the Commission to support these employees, and our organization, by adopting this resolution recognizing Customer Service Week.

ATTACHMENTS:
- Resolution No. 25-7 - Recognizing 2025 Customer Service Week

RESOLUTION No. 25-7

BOARD OF COMMISSIONERS
ELK RIVER MUNICIPAL UTILITIES

A RESOLUTION OF BOARD OF COMMISSIONERS OF ELK RIVER MUNICIPAL UTILITIES RECOGNIZING CUSTOMER SERVICE WEEK, OCTOBER 6-10, 2025

WHEREAS, Elk River Municipal Utilities (ERMU) provides electric and water utility services within the City of Elk River, the City of Otsego, the City of Dayton, and Big Lake Township; and

WHEREAS, the ERMU mission statement specifies: "To provide our customers with safe, reliable, cost effective and quality long term electric and water utility service. To communicate and educate our customers in the use of utility services, programs, policies, and future plans. These products and services will be provided in an environmentally and financially responsible manner"; and

WHEREAS, providing excellent customer service is an essential component of successfully operating in accordance with the ERMU mission statement and an expectation of our customers; and

NOW, THEREFORE, BE IT RESOLVED that ERMU will continue to work to bring lower-cost, safe, reliable electricity and water services to community homes and businesses just as it has since the utility was created; and

BE IT FURTHER RESOLVED that ERMU will encourage their employees to take initiative and continue to provide new and more efficient ways of providing excellent customer service; and

BE IT FURTHER RESOLVED that the week of October 6-10 be designated Customer Service Week in order to honor ERMU and its staff for the continued commitment to providing excellent customer service.

This Resolution Passed and Adopted on this 9th day of September 2025.

John J. Dietz, Chair

Mark Hanson, General Manager

CHECK REGISTER

August 2025

APPROVED BY:

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John Dietz

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Jill Larson-Vito

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Mary Stewart

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Matt Westgaard

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Nick Zerwas

09/02/2025 10:44:47 am

Payroll/Labor
Check Register Totals

08/01/2025 To 08/01/2025

Pays		Job	Amount	Hours
Gross Pay				
2	Reg Hours		179,293.12	3,517.00
20	Reg Salary		0.00	0.00
3	Overtime		1,622.24	19.92
4	Double Time		473.60	4.00
5	On-Call/Stand-by		3,116.30	56.00
24	FLSA		50.59	0.00
25	Rest Time		252.04	4.00
10	Bonus Pay		572.28	9.50
18	Commissioner Reimb - Electric		600.00	0.00
104	Commission Stipend		480.00	0.00
105	Perf. Metr. Distr.		0.00	0.00
VAC	Vacation Pay		15,453.89	315.29
SICK	Sick Pay		4,229.69	77.75
HOL	Holiday Pay		0.00	0.00
78	Retro Earnings		0.00	0.00
5-2	On-Call/Stand-by/OT		492.91	5.00
18A	Commissioner Reimb. - Water		150.00	0.00
104A	Commission Stipend - Water		120.00	0.00
VAC	Vacation Pay - Manager		525.78	8.00
PTOY	Personal Day - Year		0.00	0.00
UNPD	Time Off without Pay		0.00	0.00
3C	Overtime-Comp Time		646.48	8.28
4C	Double Time-Comp Time		110.68	1.00
CM3C	Overtime-Comp Time Adjusted		-646.48	-8.28
CM4C	Double Time-Comp Time Adjusted		-110.68	-1.00
COMP	Comp Time Taken		245.48	4.55
106	Longevity Pay		0.00	0.00
MIL	Military Pay - Calendar Year		0.00	0.00
10W	Bonus Pay		0.00	0.00
ESST	Earned Safet & Sick Time		184.00	8.00
	Gross Pay Total:		207,861.92	4,029.01
	Total Pays:		207,861.92	4,029.01

Payroll/Labor
Check Register Totals

08/15/2025 To 08/15/2025

Pays		Job	Amount	Hours
Gross Pay				
2	Reg Hours		170,953.81	3,396.75
20	Reg Salary		0.00	0.00
3	Overtime		8,353.01	100.75
4	Double Time		0.00	0.00
5	On-Call/Stand-by		2,879.52	56.00
24	FLSA		141.71	0.00
25	Rest Time		834.34	13.75
10	Bonus Pay		481.92	8.00
105	Perf. Metr. Distr.		0.00	0.00
VAC	Vacation Pay		18,197.99	331.78
SICK	Sick Pay		2,691.90	51.00
HOL	Holiday Pay		0.00	0.00
78	Retro Earnings		0.00	0.00
5-2	On-Call/Stand-by/OT		1,592.53	17.00
VAC	Vacation Pay - Manager		2,103.10	32.00
PTOY	Personal Day - Year		0.00	0.00
UNPD	Time Off without Pay		0.00	0.00
3C	Overtime-Comp Time		773.40	8.75
4C	Double Time-Comp Time		0.00	0.00
CM3C	Overtime-Comp Time Adjusted		-773.40	-8.75
CM4C	Double Time-Comp Time Adjusted		0.00	0.00
COMP	Comp Time Taken		569.44	16.00
106	Longevity Pay		0.00	0.00
MIL	Military Pay - Calendar Year		0.00	0.00
10W	Bonus Pay		0.00	0.00
ESST	Earned Safet & Sick Time		0.00	0.00
	Gross Pay Total:		208,799.27	4,023.03
	Total Pays:		208,799.27	4,023.03

Payroll/Labor
Check Register Totals

08/29/2025 To 08/29/2025

Pays		Job	Amount	Hours
Gross Pay				
2	Reg Hours		175,266.29	3,432.25
20	Reg Salary		0.00	0.00
3	Overtime		2,093.48	29.75
4	Double Time		968.89	8.00
5	On-Call/Stand-by		3,023.30	56.00
24	FLSA		128.52	0.00
25	Rest Time		547.44	10.00
10	Bonus Pay		482.72	8.00
18	Commissioner Reimb - Electric		0.00	0.00
104	Commission Stipend		900.00	0.00
105	Perf. Metr. Distr.		0.00	0.00
VAC	Vacation Pay		13,327.04	254.75
SICK	Sick Pay		6,428.97	126.75
HOL	Holiday Pay		0.00	0.00
78	Retro Earnings		0.00	0.00
5-2	On-Call/Stand-by/OT		1,243.85	15.00
18A	Commissioner Reimb. - Water		0.00	0.00
104A	Commission Stipend - Water		225.00	0.00
VAC	Vacation Pay - Manager		0.00	0.00
PTOY	Personal Day - Year		0.00	0.00
UNPD	Time Off without Pay		0.00	0.00
3C	Overtime-Comp Time		729.94	9.50
4C	Double Time-Comp Time		0.00	0.00
CM3C	Overtime-Comp Time Adjusted		-729.94	-9.50
CM4C	Double Time-Comp Time Adjusted		0.00	0.00
COMP	Comp Time Taken		1,293.67	25.25
106	Longevity Pay		0.00	0.00
MIL	Military Pay - Calendar Year		0.00	0.00
10W	Bonus Pay		0.00	0.00
ESST	Earned Safet & Sick Time		830.40	35.26
	Gross Pay Total:		206,759.57	4,001.01
	Total Pays:		206,759.57	4,001.01

Accounts Payable
Check Register

08/01/2025 To 08/31/2025

Bank Account: 1 - GENERAL FUND

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
2382	8/4/25	WIRE	5655	FISERV	CC FEES - JULY 2025		2,338.33
					CC FEES - JULY 2025		584.58
					CC FEES - JULY 2025		584.19
					CC FEES - JULY 2025		146.05
					CC FEES - JULY 2025		5,655.54
					CC FEES - JULY 2025		1,413.88
					CC FEES - JULY 2025		70.33
					CC FEES - JULY 2025		17.58
					CC FEES - JULY 2025		762.18
					CC FEES - JULY 2025		190.54
					CC FEES - JULY 2025		2,743.08
					CC FEES - JULY 2025		685.77
						Total for Check/Tran - 2382:	15,192.05
						Total for Bank Account - 1 : (1)	15,192.05

Accounts Payable
Check Register

08/01/2025 To 08/31/2025

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
4885	8/4/25	WIRE	153	PERA (ELECTRONIC)	PERA EMPLOYEE CONTRIBUTION	10,401.43
					PERA CONTRIBUTIONS	12,001.68
					PERA EMPLOYEE CONTRIBUTION	2,274.17
					PERA CONTRIBUTIONS	2,624.06
					Total for Check/Tran - 4885:	27,301.34
4886	8/4/25	WIRE	285	JOHN HANCOCK	W&A EMPLOYER CONTRIBUTION	276.97
					W&A MANAGER CONTRIBUTION	407.49
					WENZEL EMPLOYEE CONTRIBUTIONS	1,731.30
					WENZEL MANAGER CONTRIBUTIONS	127.25
					DEF COMP ROTH CONTRIBUTIONS W&A	795.04
					WENZEL EE ROTH MGR CONTRIBUTIONS	280.24
					W&A EMPLOYER CONTRIBUTION	169.19
					W&A MANAGER CONTRIBUTION	62.95
					WENZEL EMPLOYEE CONTRIBUTIONS	181.56
					WENZEL MANAGER CONTRIBUTIONS	31.81
					DEF COMP ROTH CONTRIBUTIONS W&A	149.96
					WENZEL EE ROTH MGR CONTRIBUTIONS	31.14
					Total for Check/Tran - 4886:	4,244.90
4887	8/4/25	WIRE	598	MINNESOTA CHILD SUPPORT PAYMEN	CHILD SUPPORT	589.75
4888	8/4/25	WIRE	738	HEALTHEQUITY, INC	RENEWAL FEE	320.00
					RENEWAL FEE	80.00
					HSA EMPLOYEE CONTRIBUTION	2,649.59
					HSA EMPLOYEE CONTRIBUTION	476.25
					Total for Check/Tran - 4888:	3,525.84
4889	8/5/25	WIRE	160	VOYA INSTITUTIONAL TRUST COMPAN	SICK TIME CONVERSION - 19	60,189.78
4890	8/5/25	WIRE	738	HEALTHEQUITY, INC	FSA CLAIM REIMBURSEMENTS - 164	153.85
					FSA CLAIM REIMBURSEMENTS - 164	38.46
					Total for Check/Tran - 4890:	192.31

08/01/2025 To 08/31/2025

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
4891	8/5/25	WIRE	161	VOYA INSTITUTIONAL TRUST COMPAN	MNDCP EE MANAGER CONTRIBUTIONS	343.58
					MNDCP EMPLOYEE CONTRIBUTIONS	3,693.22
					MNDCP EMPLOYER CONTRIBUTION	1,619.75
					MNDCP EMPLOYER MGR CONTRIBUTION	576.16
					MNDCP EE ROTH CONTRIBUTIONS	1,625.09
					MNDCP EE ROTH MGR CONTRIBUTIONS	232.58
					MNDCP EE MANAGER CONTRIBUTIONS	48.26
					MNDCP EMPLOYEE CONTRIBUTIONS	248.19
					MNDCP EMPLOYER CONTRIBUTION	315.60
					MNDCP EMPLOYER MGR CONTRIBUTION	79.54
					MNDCP EE ROTH CONTRIBUTIONS	403.85
					MNDCP EE ROTH MGR CONTRIBUTIONS	31.28
					Total for Check/Tran - 4891:	9,217.10
4893	8/5/25	WIRE	160	VOYA INSTITUTIONAL TRUST COMPAN	HCSP EMPLOYEE CONTRIBUTIONS	2,420.11
					HCSP EMPLOYEE CONTRIBUTIONS	416.32
					Total for Check/Tran - 4893:	2,836.43
4894	8/6/25	WIRE	152	IRS - USA TAX PMT (ELECTRONIC)	PAYROLL TAXES - FEDERAL & FICA	18,002.02
					PAYROLL TAXES - FEDERAL & FICA	24,591.38
					PAYROLL TAXES - FEDERAL & FICA	3,586.15
					PAYROLL TAXES - FEDERAL & FICA	5,459.96
					Total for Check/Tran - 4894:	51,639.51
4895	8/4/25	WIRE	848	SHERBURNE COUNTY PUBLIC WORKS	UTILITY PERMIT	100.00
					UTILITY PERMIT - eCHECK FEE	2.00
					Total for Check/Tran - 4895:	102.00
4896	8/6/25	WIRE	8605	MARCO TECHNOLOGIES, LLC	PRINTER MTC CONTRACT - 7/1 to 8/1/25	317.27
					PRINTER MTC CONTRACT - 7/1 to 8/1/25	79.31
					Total for Check/Tran - 4896:	396.58
4897	8/7/25	WIRE	154	MINNESOTA REVENUE (ELECTRONIC)	PAYROLL TAXES - STATE	7,759.66
					PAYROLL TAXES - STATE	1,613.37

08/01/2025 To 08/31/2025

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
						Total for Check/Tran - 4897:	9,373.03
4898	8/7/25	WIRE	166	ONLINE UTILITY EXCHANGE (ELECTR	UTILITY EXCHANGE REPORT - JULY 2025		427.92
					UTILITY EXCHANGE REPORT - JULY 2025		106.98
						Total for Check/Tran - 4898:	534.90
4899	8/8/25	WIRE	8606	QUADIENT FINANCE USA, INC	POSTAL MACHINE LEASE - 5/6 to 8/5/25		226.66
					POSTAL MACHINE LEASE - 5/6 to 8/5/25		56.66
						Total for Check/Tran - 4899:	283.32
4900	8/8/25	WIRE	738	HEALTHEQUITY, INC	ADMINISTRATIVE FEE INVOICE - AUG 2025		125.80
					ADMINISTRATIVE FEE INVOICE - AUG 2025		24.70
						Total for Check/Tran - 4900:	150.50
4902	8/13/25	WIRE	730	GREATAMERICA FINANCIAL SERVICES	LEASE FOR COPIER AT PLANT		125.81
					LEASE FOR COPIER AT PLANT		31.46
						Total for Check/Tran - 4902:	157.27
4905	8/15/25	WIRE	153	PERA (ELECTRONIC)	PERA EMPLOYEE CONTRIBUTION		10,567.13
					PERA CONTRIBUTIONS		12,192.88
					PERA EMPLOYEE CONTRIBUTION		2,292.17
					PERA CONTRIBUTIONS		2,644.82
						Total for Check/Tran - 4905:	27,697.00
4906	8/18/25	WIRE	160	VOYA INSTITUTIONAL TRUST COMPAN	HCSP EMPLOYEE CONTRIBUTIONS		2,352.60
					HCSP EMPLOYEE CONTRIBUTIONS		416.74
						Total for Check/Tran - 4906:	2,769.34
4907	8/18/25	WIRE	161	VOYA INSTITUTIONAL TRUST COMPAN	MNDCP EE MANAGER CONTRIBUTIONS		343.58
					MNDCP EMPLOYEE CONTRIBUTIONS		3,256.04
					MNDCP EMPLOYER CONTRIBUTION		1,559.09
					MNDCP EMPLOYER MGR CONTRIBUTION		576.16
					MNDCP EE ROTH CONTRIBUTIONS		1,625.09
					MNDCP EE ROTH MGR CONTRIBUTIONS		232.58
					MNDCP EE MANAGER CONTRIBUTIONS		48.26

08/01/2025 To 08/31/2025

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
					MNDCP EMPLOYEE CONTRIBUTIONS	245.37
					MNDCP EMPLOYER CONTRIBUTION	266.26
					MNDCP EMPLOYER MGR CONTRIBUTION	79.54
					MNDCP EE ROTH CONTRIBUTIONS	403.85
					MNDCP EE ROTH MGR CONTRIBUTIONS	31.28
					Total for Check/Tran - 4907:	8,667.10
4908	8/18/25	WIRE	285	JOHN HANCOCK	W&A EMPLOYER CONTRIBUTION	237.43
					W&A MANAGER CONTRIBUTION	407.49
					WENZEL EMPLOYEE CONTRIBUTIONS	1,695.89
					WENZEL MANAGER CONTRIBUTIONS	127.25
					DEF COMP ROTH CONTRIBUTIONS W&A	795.75
					WENZEL EE ROTH MGR CONTRIBUTIONS	280.24
					W&A EMPLOYER CONTRIBUTION	158.73
					W&A MANAGER CONTRIBUTION	62.95
					WENZEL EMPLOYEE CONTRIBUTIONS	181.63
					WENZEL MANAGER CONTRIBUTIONS	31.81
					DEF COMP ROTH CONTRIBUTIONS W&A	149.25
					WENZEL EE ROTH MGR CONTRIBUTIONS	31.14
					Total for Check/Tran - 4908:	4,159.56
4909	8/18/25	WIRE	598	MINNESOTA CHILD SUPPORT PAYMEN	CHILD SUPPORT	589.75
4910	8/18/25	WIRE	738	HEALTHEQUITY, INC	HSA EMPLOYEE CONTRIBUTION	2,655.05
					HSA EMPLOYEE CONTRIBUTION	470.79
					Total for Check/Tran - 4910:	3,125.84
4911	8/19/25	WIRE	160	VOYA INSTITUTIONAL TRUST COMPAN	PTO CONVERSION BALANCE - 19	846.14
4912	8/14/25	WIRE	9654	CARDMEMBER SERVICE	FIRST NATIONAL BANK VISA	6,532.09
					FIRST NATIONAL BANK VISA	1,697.09
					Total for Check/Tran - 4912:	8,229.18
4913	8/19/25	WIRE	738	HEALTHEQUITY, INC	FSA CLAIM REIMBURSEMENTS - 164	153.85

Accounts Payable
Check Register

08/01/2025 To 08/31/2025

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
					FSA CLAIM REIMBURSEMENTS - 164	38.46
					Total for Check/Tran - 4913:	192.31
4914	8/20/25	WIRE	152	IRS - USA TAX PMT (ELECTRONIC)	PAYROLL TAXES - FEDERAL & FICA	18,873.61
					PAYROLL TAXES - FEDERAL & FICA	24,799.42
					PAYROLL TAXES - FEDERAL & FICA	3,594.92
					PAYROLL TAXES - FEDERAL & FICA	5,369.28
					Total for Check/Tran - 4914:	52,637.23
4915	8/20/25	WIRE	730	GREATAMERICA FINANCIAL SERVICES	LEASE FOR COPIER AT PLANT	125.81
					LEASE FOR COPIER AT PLANT	31.46
					Total for Check/Tran - 4915:	157.27
4916	8/21/25	WIRE	154	MINNESOTA REVENUE (ELECTRONIC)	PAYROLL TAXES - STATE	8,018.30
					PAYROLL TAXES - STATE	1,595.51
					Total for Check/Tran - 4916:	9,613.81
4919	8/20/25	WIRE	174	MINNESOTA REVENUE SALES TX (ELE	SALES AND USE TAX - JULY 2025	237,858.13
					SALES AND USE TAX - JULY 2025	1.36
					SALES AND USE TAX - JULY 2025	8,563.51
					Total for Check/Tran - 4919:	246,423.00
22239	8/6/25	DD	728	ARCHER PLUMBING LLC	WATER METER INSTALL	636.46
					WATER METER INSTALL	-46.46
					Total for Check/Tran - 22239:	590.00
22240	8/6/25	DD	11	CITY OF ELK RIVER	PARADE BANNER	-0.64
					PARADE BANNER	58.82
					PARTS & LABOR FOR UNIT #14	-17.05
					PARTS & LABOR FOR UNIT #14	387.91
					PARTS & LABOR FOR UNIT #14	-0.90
					PARTS & LABOR FOR UNIT #14	20.41
					PARTS & LABOR FOR UNIT #8	-23.36
					PARTS & LABOR FOR UNIT #8	645.06
					PARTS & LABOR FOR UNIT #24	-1.47

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Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
					PARTS & LABOR FOR UNIT #24	85.28
					PARTS & LABOR FOR UNIT #33	-1.67
					PARTS & LABOR FOR UNIT #33	84.81
					PARTS & LABOR FOR UNIT #33	-0.10
					PARTS & LABOR FOR UNIT #33	4.48
					DECALS - UNIT 40, 41 & 78	-0.18
					DECALS - 40 & 41	2.50
					DECALS - 78	32.50
					DECALS - UNIT 40, 41 & 78	-0.64
					DECALS - 78	122.51
					FUEL USAGE - JUNE 2025	1,889.11
					FUEL USAGE - JUNE 2025	960.75
					PARTS & LABOR FOR UNIT #5	-20.51
					PARTS & LABOR FOR UNIT #5	541.02
					HEARING TESTS	605.52
					HEARING TESTS	163.81
					PARTS & LABOR FOR UNIT #56	102.58
					Total for Check/Tran - 22240:	5,640.55
22241	8/6/25	DD	25	ECM PUBLISHERS INC	CSR CLASSIFIED AD	288.40
					CSR CLASSIFIED AD	72.10
					Total for Check/Tran - 22241:	360.50
22242	8/6/25	DD	23	ELK RIVER MUNICIPAL UTILITIES	CYCLE 3 - INV GRP 414 - JUNE 2025	125.00
					CYCLE 3 - INV GRP 414 - JUNE 2025	577.87
					CYCLE 3 - INV GRP 395 - JUNE 2025	13,924.85
					Total for Check/Tran - 22242:	14,627.72
22243	8/6/25	DD	664	FRONTIER ENERGY, INC	PROFESSIONAL SERVICES - JUNE 2025	32,804.97
22244	8/6/25	DD	809	HAWKINS, INC.	CHLORINE CYLINDER RENTAL	80.00
22245	8/6/25	DD	5686	HYDROCORP	BACKFLOW DEVICE INSPECTION - JULY 2025	1,229.33

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Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
22246	8/6/25	DD	39	MMUA	DRUG Testing Fee - 194 197 198		100.00
					DRUG Testing Fee - 194 197 198		50.00
						Total for Check/Tran - 22246:	150.00
22247	8/6/25	DD	130	RESCO	Transformers		108,861.65
					Transformers		3,753.85
					Discount		-56.31
						Total for Check/Tran - 22247:	112,559.19
22297	8/14/25	DD	11	CITY OF ELK RIVER	TRASH BILLED - JULY 2025		167,652.98
22298	8/14/25	DD	728	ARCHER PLUMBING LLC	WATER METER CHANGEOUT		954.70
					WATER METER CHANGEOUT		-69.70
						Total for Check/Tran - 22298:	885.00
22299	8/14/25	DD	9	BORDER STATES ELECTRIC SUPPLY	Cable		794.32
					East Sub		22.36
					Overhead Material		5,044.90
					TENSION SLEEVE		1,402.70
					Fuse Link		110.80
					Overhead Material		10,817.10
					Fuse Link		443.20
					INSULATOR		1,338.75
					WIRE		1,030.37
					WIRE		-70.77
					MISC PARTS & SUPPLIES		1,811.64
					MISC PARTS & SUPPLIES		-23.41
					Mtce of OH Primary		13.68
					Mtce of URD Primary		320.53
					MISC PARTS & SUPPLIES		1,342.48
					Overhead Material		17,772.24
					Mtce of URD Primary		177.18
					CONDUIT		178.95

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Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
					Mtce of OH Primary		244.01
					Ties		143.89
						Total for Check/Tran - 22299:	42,914.92
22300	8/14/25	DD	4344	CENTRAL MUNICIPAL POWER AGENCY	GRID EXPANSION		47,901.44
22301	8/14/25	DD	11	CITY OF ELK RIVER	INSURANCE - 7/1/25 to 7/1/26		3,068.00
					INSURANCE - 7/1/25 to 7/1/26		767.00
						Total for Check/Tran - 22301:	3,835.00
22302	8/14/25	DD	36	CROW RIVER FARM EQUIP CO	HEX DIE		36.72
22303	8/14/25	DD	23	ELK RIVER MUNICIPAL UTILITIES	CYCLE 4 - INV GRP 415 - JULY 2025		175.00
					CYCLE 4 - INV GRP 415 - JULY 2025		1,445.26
					CYCLE 4 - INV GRP 396 - JULY 2025		242.62
						Total for Check/Tran - 22303:	1,862.88
22304	8/14/25	DD	3624	ESRI	esri		26,062.60
					esri		12,945.00
					esri		6,515.65
						Total for Check/Tran - 22304:	45,523.25
22305	8/14/25	DD	809	HAWKINS, INC.	Water Chemicals		2,139.56
					CHEMICAL FEED PARTS		713.55
					ROLLER ASSEMBLY		265.05
						Total for Check/Tran - 22305:	3,118.16
22306	8/14/25	DD	330	METRO SALES, INC	COPIER MTC CONTRACT - 6/21 TO 7/20/25		156.83
					COPIER MTC CONTRACT - 6/21 TO 7/20/25		39.21
						Total for Check/Tran - 22306:	196.04
22307	8/14/25	DD	1001	MINNESOTA MUNICIPAL POWER AGEN	PURCHASED POWER - JULY 2025		2,668,290.25
					PURCHASED POWER - JULY 2025		868,565.57
						Total for Check/Tran - 22307:	3,536,855.82
22308	8/14/25	DD	39	MMUA	MMUA SUMMER PRE-CONFERENCE - 181		148.00

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Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
					MMUA SUMMER PRE-CONFERENCE - 181	37.00
					Total for Check/Tran - 22308:	185.00
22309	8/14/25	DD	8897	RALPHIE'S MINNOCO	RALPHIE'S MINNOCO	87.07
22310	8/14/25	DD	135	WATER LABORATORIES INC	WATER SAMPLING - JULY 2025	360.00
22311	8/14/25	DD	711	WEG TRANSFORMERS USA LLC	Transformer	300,040.00
22312	8/14/25	DD	610	WRIGHT HENNEPIN COOPERATIVE ELE	SECURITY - 1435 & 1705 MAIN ST	54.55
					SECURITY - 1435 & 1705 MAIN ST	7.79
					Total for Check/Tran - 22312:	62.34
22313	8/21/25	DD	728	ARCHER PLUMBING LLC	WATER METER INSTALL & REPAIR	981.66
					WATER METER INSTALL & REPAIR	-71.66
					Total for Check/Tran - 22313:	910.00
22314	8/21/25	DD	6	BEAUDRY OIL COMPANY	DIESEL FUEL	3,197.53
22315	8/21/25	DD	8843	CAMPBELL KNUTSON	LEGAL SERVICES - JULY 2025	230.00
					LEGAL SERVICES - JULY 2025	57.50
					Total for Check/Tran - 22315:	287.50
22316	8/21/25	DD	7448	CRC	CUSTOMER SERVICE AFTER HOURS	2,808.10
					CUSTOMER SERVICE AFTER HOURS	702.02
					Total for Check/Tran - 22316:	3,510.12
22317	8/21/25	DD	23	ELK RIVER MUNICIPAL UTILITIES	CYCLE 1 - INV GRP 421 - JULY 2025	8,800.57
					CYCLE 1 - ACCT 183 - JULY 2025	715.90
					CYCLE 1 - INV GRP 101 - JULY 2025	4,277.01
					CYCLE 1 - INV GRP 101 - JULY 2025	49.26
					CYCLE 1 - INV GRP 101 - JULY 2025	1,628.88
					CYCLE 1 - INV GRP 101 - JULY 2025	686.74
					CYCLE 1 - INV GRP 101 - JULY 2025	407.22
					CYCLE 1 - INV GRP 325 - JULY 2025	325.00
					CYCLE 1 - INV GRP 325 - JULY 2025	16,638.29

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Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
					Total for Check/Tran - 22317:	33,528.87
22318	8/21/25	DD	626	JENNY FOSS	COOKIES FOR MEETINGS & TOUCH A TRUCK	60.30
					COOKIES FOR MEETINGS & TOUCH A TRUCK	4.79
					COOKIES FOR MEETINGS & TOUCH A TRUCK	1.20
					Total for Check/Tran - 22318:	66.29
22319	8/21/25	DD	404	GARAGE DOOR STORE	Door Repair	650.92
					Door Repair	92.98
					Total for Check/Tran - 22319:	743.90
22320	8/21/25	DD	91	GOPHER STATE ONE-CALL	LOCATES FOR - JULY 2025	702.81
					LOCATES FOR - JULY 2025	36.99
					Total for Check/Tran - 22320:	739.80
22321	8/21/25	DD	846	HACH COMPANY	MISC PARTS & SUPPLIES	-17.52
					MISC PARTS & SUPPLIES	240.02
					Total for Check/Tran - 22321:	222.50
22322	8/21/25	DD	8083	JT SERVICES OF MINNESOTA	Power Tap	176.32
22323	8/21/25	DD	417	LOCATORS & SUPPLIES INC.	Safety Glasses	226.30
					Safety Glasses	56.57
					Total for Check/Tran - 22323:	282.87
22324	8/21/25	DD	39	MMUA	2025 DRUG CONSORTIUM	1,045.00
					2025 DRUG CONSORTIUM	205.00
					MMUA AWARDS LUNCHEON - 19	100.00
					Total for Check/Tran - 22324:	1,350.00
22325	8/21/25	DD	9300	NISC	MISC INVOICE - JULY 2025	650.82
					MISC INVOICE - JULY 2025	120.00
					MISC INVOICE - JULY 2025	162.72
					MISC INVOICE - JULY 2025	30.00
					Customer Acct Exp	12,408.30
					Customer Acct Exp	3,102.08

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Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
					PRINT SERVICES - JULY 2025	6,861.35
					PRINT SERVICES - JULY 2025	2,726.22
					PRINT SERVICES - JULY 2025	1,715.33
					Total for Check/Tran - 22325:	27,776.82
22326	8/21/25	DD	130	RESCO	Transformer	6,066.67
					Discount	-3.03
					Total for Check/Tran - 22326:	6,063.64
22327	8/25/25	DD	11	CITY OF ELK RIVER	SEWER BILLED - JULY 2025	249,862.86
					REVENUE TRANSFER - JULY 2025	151,291.77
					STORMWATER BILLED - JULY 2025	56,834.45
					Total for Check/Tran - 22327:	457,989.08
22328	8/25/25	DD	3599	JOHN DIETZ	MMUA SUMMER MTG EXPENSES - 20	180.47
					MMUA SUMMER MTG EXPENSES - 20	45.12
					Total for Check/Tran - 22328:	225.59
22329	8/25/25	DD	423	MARY STEWART	MMUA SUMMER CONF TRAVEL EXPENSES - 151	169.09
					MMUA SUMMER CONF TRAVEL EXPENSES - 151	42.27
					Total for Check/Tran - 22329:	211.36
89657	8/6/25	CHK	9997	JASON ASHMEAD	INACTIVE REFUND	21.84
89658	8/6/25	CHK	4531	AT & T MOBILITY	CELL PHONES & iPAD BILLING	29.18
					CELL PHONES & iPAD BILLING	2,503.64
					CELL PHONES & iPAD BILLING	12.49
					CELL PHONES & iPAD BILLING	641.39
					Total for Check/Tran - 89658:	3,186.70
89659	8/6/25	CHK	5224	BLUE CROSS BLUE SHIELD OF MINNES	VISION INSURANCE - SEPT 2025	271.71
					VISION INSURANCE - SEPT 2025	84.33
					Total for Check/Tran - 89659:	356.04
89660	8/6/25	CHK	9997	JULIUS E COLLER	INACTIVE REFUND	211.87

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Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
89661	8/6/25	CHK	54	CORE & MAIN LP	TERMINAL SCREWS	-14.76
					TERMINAL SCREWS	202.07
					SCREW VALVE BOX	395.50
					VALVE BOX RISER	365.42
					PENTASOCKET JAW	230.66
					Total for Check/Tran - 89661:	1,178.89
89662	8/6/25	CHK	8949	FS3 INC.	PARTS FOR UNIT #56	630.14
89663	8/6/25	CHK	308	HASSAN SAND & GRAVEL	TOPSOIL	64.45
					TOPSOIL	64.46
					Discount	-2.37
					TOPSOIL	468.68
					Discount	-6.32
					TOPSOIL	63.66
					Discount	-1.18
					Total for Check/Tran - 89663:	651.38
89664	8/6/25	CHK	9997	PATRICK HOARD	INACTIVE REFUND	423.22
89665	8/6/25	CHK	9997	KURT JENNINGS	INACTIVE REFUND	60.98
89666	8/6/25	CHK	9997	JOLENE JOHNSON	INACTIVE REFUND	176.79
89667	8/6/25	CHK	9997	HORIYO KASIM	INACTIVE REFUND	49.87
89668	8/6/25	CHK	736	KLM ENGINEERING, INC.	Tower	4,000.00
					Tower	14,964.00
					Total for Check/Tran - 89668:	18,964.00
89669	8/6/25	CHK	9997	ARLEN KRINKE	Credit Balance Refund	8.67
89670	8/6/25	CHK	412	LEIDOS ENGINEERING, LLC	PROFESSIONAL SERVICES - JULY 2025	4,640.00
89671	8/6/25	CHK	9997	TIFFANY MALONEY	INACTIVE REFUND	74.71
89672	8/6/25	CHK	8605	MARCO TECHNOLOGIES, LLC	ACE PROGRAM - 6/29 to 7/28/25	1,454.43

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Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
					ACE PROGRAM - 6/29 to 7/28/25	363.61
					Total for Check/Tran - 89672:	1,818.04
89673	8/6/25	CHK	9997	CRAIG METZGER	Credit Balance Refund	47.99
89674	8/6/25	CHK	9997	MITCH MUZZY	Credit Balance Refund	279.73
89675	8/6/25	CHK	9997	KELLY NEWMAN	INACTIVE REFUND	122.47
89676	8/6/25	CHK	9997	SUSAN NYGAARD	INACTIVE REFUND	48.64
89677	8/6/25	CHK	9997	BEN OBORSKY	Credit Balance Refund	450.74
89678	8/6/25	CHK	9997	RUSSELL PETERS	INACTIVE REFUND	169.80
89679	8/6/25	CHK	811	PRIME ADVERTISING & DESIGN, INC.	MONTHLY HOSTING OF WEBSITE	40.00
					MONTHLY HOSTING OF WEBSITE	40.00
					MONTHLY HOSTING OF WEBSITE	20.00
					Marketing	1,500.00
					Total for Check/Tran - 89679:	1,600.00
89680	8/6/25	CHK	9997	PRIME PARTNERS	INACTIVE REFUND	453.43
89681	8/6/25	CHK	9997	PURPOSE DRIVEN RESTORATION	INACTIVE REFUND	118.62
89682	8/6/25	CHK	9997	REGENSCHEID CUSTOM HOMES	INACTIVE REFUND	331.45
89683	8/6/25	CHK	9997	MITCH SPARGUR	INACTIVE REFUND	85.44
89684	8/6/25	CHK	6107	STUART C. IRBY CO.	COVER TESTING	-55.56
					COVER TESTING	2,551.52
					GLOVES & TESTING	-144.71
					GLOVES	1,972.97
					TESTING	934.13
					Total for Check/Tran - 89684:	5,258.35
89685	8/6/25	CHK	3360	THE UPS STORE 5093	SHIPPING	95.78

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Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
89686	8/6/25	CHK	331	TRANSUNION	SKIP TRACING - JUNE 2025	60.00
					SKIP TRACING - JUNE 2025	15.00
					Total for Check/Tran - 89686:	75.00
89687	8/6/25	CHK	222	UC LABORATORY	WATER SAMPLES	16.17
89688	8/6/25	CHK	55	WESCO RECEIVABLES CORP.	ADAPTER	116.80
					FUSE END FITTING	19,978.56
					Connector	501.62
					Total for Check/Tran - 89688:	20,596.98
89689	8/6/25	CHK	9997	RONALD WOZNEY	INACTIVE REFUND	1,928.19
89690	8/6/25	CHK	3396	WRIGHT COUNTY HWY DEPT	UTILITY PERMIT	100.00
89691	8/14/25	CHK	9997	PATRICK ANDREASEN	INACTIVE REFUND	40.43
89692	8/14/25	CHK	1327	AUTOMATIC SYSTEMS CO	PROFESSIONAL SERVICES - JULY 2025	473.75
89693	8/14/25	CHK	9997	GARY BAGGENSTOSS	INACTIVE REFUND	233.58
89694	8/14/25	CHK	9997	HESTHER BOWMAN	INACTIVE REFUND	87.38
89695	8/14/25	CHK	9997	CAPSTONE HOMES	Credit Balance Refund	140.83
89696	8/14/25	CHK	9997	CAPSTONE HOMES	Credit Balance Refund	110.91
89697	8/14/25	CHK	9997	ROBERT CAVAN	INACTIVE REFUND	73.76
89698	8/14/25	CHK	3982	CENTERPOINT ENERGY	NATURAL GAS & IRON REMOVAL - JUNE 2025	464.01
					NATURAL GAS & IRON REMOVAL - JUNE 2025	162.77
					Total for Check/Tran - 89698:	626.78
89699	8/14/25	CHK	9997	HALEY CIESLAK	INACTIVE REFUND	102.07
89700	8/14/25	CHK	5348	CORPORATE FOUR INSURANCE AGENC	RENEWAL - 7/1/25 to 7/1/26	3,600.00
					RENEWAL - 7/1/25 to 7/1/26	900.00
					Total for Check/Tran - 89700:	4,500.00

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89701	8/14/25	CHK	9997	RITA COYNE	INACTIVE REFUND	226.17
89702	8/14/25	CHK	9997	PHILLIP DANZ	INACTIVE REFUND	164.24
89703	8/14/25	CHK	9997	ZACHARY EASTLING	INACTIVE REFUND	287.14
89704	8/14/25	CHK	122	ELK RIVER WINLECTRIC	FUSEHOLDER	-23.88
					FUSEHOLDER	326.97
					CONNECTOR	10.66
					CONNECTOR	-0.78
					CONNECTORS	74.87
					CONNECTORS	-5.47
					CONDUIT	9.69
					CONDUIT	-0.70
					CONDUIT	28.00
					CONDUIT	-2.04
					Total for Check/Tran - 89704:	417.32
89705	8/14/25	CHK	9997	JOSEPH FARBER	INACTIVE REFUND	48.25
89706	8/14/25	CHK	9997	ALOYSIUS GOBLIRSCH	INACTIVE REFUND	46.72
89707	8/14/25	CHK	9997	JOE 0 GOSEWISCH JR	INACTIVE REFUND	89.45
89708	8/14/25	CHK	631	HEALTHPARTNERS	DENTAL EE INSURANCE - SEPT 2025	795.87
					DENTAL ER INSURANCE - SEPT 2025	2,154.50
					MEDICAL EE INSURANCE - SEPT 2025	10,460.45
					MEDICAL ER INSURANCE - SEPT 2025	56,480.92
					MEDICAL COBRA INSURANCE - SEPT 2025	2,640.12
					DENTAL EE INSURANCE - SEPT 2025	140.04
					DENTAL ER INSURANCE - SEPT 2025	653.21
					MEDICAL EE INSURANCE - SEPT 2025	2,695.55
					MEDICAL ER INSURANCE - SEPT 2025	15,255.88
					Total for Check/Tran - 89708:	91,276.54

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89709	8/14/25	CHK	9997	PAUL HONOR	INACTIVE REFUND		142.94
89710	8/14/25	CHK	9997	HPA US1 LLC	Credit Balance Refund		175.65
89711	8/14/25	CHK	9997	KARL JORGENSON	INACTIVE REFUND		314.29
89712	8/14/25	CHK	9997	LENNAR HOMES	Credit Balance Refund		77.38
89713	8/14/25	CHK	9997	KENT LINDERT	INACTIVE REFUND		239.29
89714	8/14/25	CHK	8605	MARCO TECHNOLOGIES, LLC	PRINTER MTC CONTRACT - 7/22 to 8/1/25		199.75
					PRINTER MTC CONTRACT - 7/22 to 8/1/25		49.94
						Total for Check/Tran - 89714:	249.69
89715	8/14/25	CHK	145	MENARDS	SOFTENER SALT		415.66
					SOFTENER SALT		59.39
					PARTS FOR UNIT #5		60.55
					DRANO		14.91
					DRANO		2.12
					MISC PARTS & SUPPLIES		24.78
					ZIPLOC BAGS		6.46
					REBATE		-3.95
					REBATE		-1.31
					REBATE		-8.43
					REBATE		-0.91
					MISC PARTS & SUPPLIES		-73.30
						Total for Check/Tran - 89715:	495.97
89716	8/14/25	CHK	119	MINNESOTA COMPUTER SYSTEMS INC	COPIER MTC CONTRACT - 7/12 to 8/11/25		128.06
					COPIER MTC CONTRACT - 7/12 to 8/11/25		32.02
						Total for Check/Tran - 89716:	160.08
89717	8/14/25	CHK	147	MINNESOTA POLLUTION CONTROL AG	WW TRTMNT FAC & COLL SYS OP CONF 11.25		585.00
89718	8/14/25	CHK	716	MOTION AUTOMATION INTELLIGENCE	Gear		731.22

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Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
89719	8/14/25	CHK	9997	ROBERT NELSON	INACTIVE REFUND	112.14
89720	8/14/25	CHK	9999	PARK CONSTRUCTION COMPANY	Hydrant Rental Deposit Refund	518.25
89721	8/14/25	CHK	574	REPUBLIC SERVICES, INC	TRASH & RECYCLING SERVICE - JULY 2025	136.71
					TRASH & RECYCLING SERVICE - JULY 2025	1,943.65
					TRASH & RECYCLING SERVICE - JULY 2025	58.36
					TRASH & RECYCLING SERVICE - JULY 2025	277.66
					TRASH & RECYCLING SERVICE - JULY 2025	407.95
					TRASH & RECYCLING SERVICE - JULY 2025	72.87
					TRASH & RECYCLING SERVICE - JULY 2025	10.41
					Total for Check/Tran - 89721:	2,907.61
89722	8/14/25	CHK	9997	TRAVIS SCHWARTZ	INACTIVE REFUND	42.67
89723	8/14/25	CHK	848	SHERBURNE COUNTY PUBLIC WORKS	UTILITY PERMIT	100.00
89724	8/14/25	CHK	6107	STUART C. IRBY CO.	SLEEVES & TESTING	-55.16
					SLEEVES	755.50
					TESTING	11.51
					Total for Check/Tran - 89724:	711.85
89725	8/14/25	CHK	9997	MARCY SUMNER	INACTIVE REFUND	480.72
89726	8/14/25	CHK	9997	TUFF SHED, INC.	Credit Balance Refund	181.59
89727	8/14/25	CHK	9997	PANG VANG	INACTIVE REFUND	212.87
89728	8/14/25	CHK	9997	DION VANTYLER	INACTIVE REFUND	6.89
89729	8/14/25	CHK	375	VIKING ELECTRIC	CLAMP METER	145.66
89730	8/14/25	CHK	55	WESCO RECEIVABLES CORP.	Panduit	248.63
					INSULATOR	587.25
					Total for Check/Tran - 89730:	835.88
89731	8/14/25	CHK	9997	BRYCE WILES	INACTIVE REFUND	513.98

08/01/2025 To 08/31/2025

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
89732	8/21/25	CHK	328	1ST AYD CORPORATION	POP-UP WIPES	943.33
					SAFETY VESTS	386.57
					Total for Check/Tran - 89732:	1,329.90
89733	8/21/25	CHK	5619	ALDEN POOL AND MUNICIPAL SUPPLY	Dehumidifier	11,706.00
89734	8/21/25	CHK	2	AMERICAN WATER WORKS ASSOC	MEMBERSHIP RENEWAL - 11/25 to 10/26	2,418.00
89735	8/21/25	CHK	2920	BATTERIES PLUS BULBS	EV FOB BATTERY	12.04
					EV FOB BATTERY	3.01
					BATTERIES	191.59
					Total for Check/Tran - 89735:	206.64
89736	8/21/25	CHK	662	BENEFIT EXTRAS, INC	COBRA LETTERS - 19 188	63.00
					COBRA LETTERS - 19 188	7.00
					Total for Check/Tran - 89736:	70.00
89737	8/21/25	CHK	3982	CENTERPOINT ENERGY	NATURAL GAS & IRON REMOVAL	435.61
					NATURAL GAS & IRON REMOVAL	93.82
					Total for Check/Tran - 89737:	529.43
89738	8/21/25	CHK	537	COLLINS BROTHERS TOWING INC	TOW 40' CONTAINER	300.00
89739	8/21/25	CHK	3173	DELL MARKETING LP	Laptop	1,608.69
					Laptop	402.18
					Laptop	2,571.21
					Laptop	642.80
					Total for Check/Tran - 89739:	5,224.88
89740	8/21/25	CHK	8709	FAIRVIEW HEALTH SERVICES	RANDOM DRUG SCREENING - 111 119 177 195	320.00
89741	8/21/25	CHK	824	HOME DEPOT CREDIT SERVICES	HOME DEPOT	30.14
					HOME DEPOT	67.54
					Total for Check/Tran - 89741:	97.68
89742	8/21/25	CHK	412	LEIDOS ENGINEERING, LLC	PROFESSIONAL SERVICES - JULY 2025	4,820.00

08/01/2025 To 08/31/2025

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
89743	8/21/25	CHK	8605	MARCO TECHNOLOGIES, LLC	TEAMS ROOMS PARTS	-640.51
					TEAMS ROOMS PARTS	-91.50
					TEAMS ROOMS PARTS	-565.70
					TEAMS ROOMS PARTS	-618.73
					TEAMS ROOMS PARTS	-141.42
					TEAMS ROOMS PARTS	-88.39
					TEAMS MEETING ROOMS PARTS	804.88
					TEAMS MEETING ROOMS PARTS	880.33
					TEAMS MEETING ROOMS PARTS	201.22
					TEAMS MEETING ROOMS PARTS	125.76
					TEAMS ROOMS PARTS	657.42
					TEAMS ROOMS PARTS	93.93
					Total for Check/Tran - 89743:	617.29
89744	8/21/25	CHK	145	MENARDS	SPOTLIGHT - UNIT #31	54.26
					LEVEL - UNIT #8 & 21	8.61
					MISC PARTS & SUPPLIES	73.30
					MISC PARTS & SUPPLIES	65.29
					MISC PARTS & SUPPLIES	14.76
					MISC PARTS & SUPPLIES	46.38
					SUMP PUMP - FREEPORT BOOSTER	172.59
					PARTS - FREEPORT BOOSTER	6.12
					MISC PARTS & SUPPLIES	16.28
					MISC PARTS & SUPPLIES	29.64
					SCREWS	10.74
					POTHOLE PATCH	12.39
					Total for Check/Tran - 89744:	510.36
89745	8/21/25	CHK	703	MICROSOFT STORE	surface	6,752.05
					surface	515.73
					surface	1,688.00
					surface	128.93

Accounts Payable
Check Register

08/01/2025 To 08/31/2025

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
					Total for Check/Tran - 89745:	9,084.71
89746	8/21/25	CHK	40	MINNESOTA RURAL WATER ASSOC	MEMBERSHIP RENEWAL-10/25 to 9/26	425.00
89747	8/21/25	CHK	633	MUTUAL OF OMAHA	ELEC LIFE INSURANCE - SEPT 2024	216.81
					LIFE,STD & LTD INSURANCE - SEPT 2024	2,253.59
					ELEC LIFE INSURANCE - SEPT 2024	202.94
					LIFE,STD & LTD INSURANCE - SEPT 2024	589.40
					Total for Check/Tran - 89747:	3,262.74
89748	8/21/25	CHK	3218	RDO EQUIPMENT CO.	PARTS FOR UNIT #50	-41.74
					PARTS FOR UNIT #50	531.54
					PARTS & LABOR FOR UNIT #50 & 56	-5.93
					PARTS & LABOR FOR UNIT #50	75.59
					PARTS & LABOR FOR UNIT #56	797.40
					Total for Check/Tran - 89748:	1,356.86
89749	8/21/25	CHK	9999	SBC	Hydrant Rental Deposit Refund	324.16
89750	8/21/25	CHK	9997	SHERBURNE COUNTY PUBLIC WORKS	Credit Balance Refund	144.13
89751	8/21/25	CHK	8141	SPEEDCUTTERS OUTDOOR MAINTENA	LAWN MOWING SERVICES	867.69
					LAWN MOWING SERVICES	2,155.57
					Total for Check/Tran - 89751:	3,023.26
89752	8/21/25	CHK	7237	SUSA	SUSA ONE-DAY SCHOOL - 196	75.00
89753	8/21/25	CHK	3360	THE UPS STORE 5093	SHIPPING	18.04
89754	8/21/25	CHK	783	VICTORY CLEANING SERVICES	MONTHLY CLEANING FOR THE PLANT-JULY 2025	3,407.50
					MONTHLY CLEANING FOR THE PLANT-JULY 2025	486.79
					Total for Check/Tran - 89754:	3,894.29
89755	8/21/25	CHK	375	VIKING ELECTRIC	MISC PARTS & SUPPLIES	-2.72
					MISC PARTS & SUPPLIES	37.05
					MISC PARTS & SUPPLIES	-0.38
					MISC PARTS & SUPPLIES	5.28

Accounts Payable
Check Register

08/01/2025 To 08/31/2025

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
						Total for Check/Tran - 89755:	39.23
89756	8/21/25	CHK	55	WESCO RECEIVABLES CORP.	Mtce of OH Primary		262.25
					Fiber Cable		1,704.43
					COLD SHRINK SPLICE		492.23
						Total for Check/Tran - 89756:	2,458.91
89757	8/25/25	CHK	48	LEAGUE OF MN CITIES INS TRUST	LIABILITY INSURANCE - 7/25 to 7/26		36,204.32
					LIABILITY INSURANCE - 7/25 to 7/26		13,984.68
						Total for Check/Tran - 89757:	50,189.00
89758	8/25/25	CHK	4301	MINNESOTA AWWA	MN AWWA ANNUAL CONF - 136		350.00
						Total for Bank Account - 5 : (173)	5,668,597.53
						Grand Total : (174)	5,683,789.58

Accounts Payable
Check Register

PARAMETERS ENTERED:

Check Date:	08/01/2025 To 08/31/2025
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
REGULAR MEETING OF THE UTILITIES COMMISSION
HELD AT THE UTILITIES CONFERENCE ROOM

August 12, 2025

Members Present:	Chair John Dietz, Vice Chair Mary Stewart, and Commissioner Jill Larson-Vito
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
	Mike Tietz, Technical Services Superintendent
	Dave Ninow, Water Superintendent
	Jenny Foss, Communications & Administrative Coordinator
Others Present:	Jared Shepherd, Attorney

1.0 GOVERNANCE

1.1 Call Meeting to Order

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

1.2 Pledge of Allegiance

The Pledge of Allegiance was recited.

1.3 Consider the Agenda

Moved by Commissioner Larson-Vito and seconded by Commissioner Stewart to approve the August 12, 2025, agenda. Motion carried 3-0.

2.0 CONSENT AGENDA (Approved By One Motion)

Moved by Commissioner Stewart and seconded by Commissioner Larson-Vito to approve the Consent Agenda as follows:

2.1 Check Register – July 2025
2.2 Regular Meeting Minutes – July 8, 2025
2.3 2025 Second Quarter Utilities Performance Metrics Score Card Statistics
2.4 2025 Second Quarter Delinquent Items
2.5 Employee Safety Manual
2.6 East Substation Foundation Installation Bid

Motion carried 3-0.

3.0 OPEN FORUM

No one appeared for open forum.

4.0 POLICY & COMPLIANCE

4.1 Commission Policy Review – G.4d1 – Customer Data Privacy

Mr. Mauren presented the current Customer Data Privacy policy for review. He explained that this policy outlines ERMU's responsibility to keep customer information secure and confidential. No changes to the policy were recommended by staff or the Commission.

Ms. Youngs provided clarification that customer data is not shared with third parties except as required by law or through formal data requests, which are reviewed for compliance.

4.2 Annual Strategic Plan Review

Mr. Hanson presented updates to the strategic plan, which had been restructured at the June meeting as having a three-year window instead of five years for better predictability. Five initiatives for 2026-2027 were added to the seven initiatives remaining on the plan, the added items are:

- Evaluation of new utility billing software offerings.
- Assessment of IT/OT needs due to growth and new technologies.
- Implementation of an outage management system.
- Construction of the East substation.
- Review of AppSuite-related processes, focusing on service order efficiency.

Mr. Hanson explained that all initiatives on the plan align with ERMU's Mission, Vision, and Values.

The Commission had no questions.

5.0 BUSINESS ACTION

5.1 Financial Report – June 2025

Ms. Karpinski presented the June 2025 financials which showed a combined electric and water net position increase of $994,000, which is a 4.1% margin.

The revenue & expense breakdown showed that 93% of revenue and 92% of expenses are from the electric department, while 7% revenue and 8% expenses came from the water department.

Year-to-date actuals combining electric and water were favorable with a cumulative actual balance of $993,000 compared to the budgeted loss of $266,000.

Most accounts receivable balances were current, having only 3% at over 90 days, and those consisting mainly of inactive accounts.

Electric usage was up 5% over last year, presumed by staff to be attributable to higher temperatures.

Year-to-date water usage was 11% higher than last year.

Administrative expenses were up 10% from last year, with a large increase over prior year coming from changes in sick pay accrual per new GASB laws that require 100% accrual as opposed to 50% previously.

In response to Chair Dietz's question about the increase to Connection Fees, Mr. Ninow noted there were large projects at Spectrum High School and a new tire shop.

Moved by Commissioner Larson-Vito and seconded by Commissioner Stewart to receive the June 2025 Financial Report. Motion carried 3-0.

5.2 **2026 Annual Business Plan: Travel and Training; Dues, Subscriptions - Fees Budget**

Ms. Karpinski presented this portion of the business plan which is to be approved in its entirety by the Commission in December.

The Travel & Training budget proposed a 2% decrease from last year with additional leadership, IT, and customer services trainings planned.

The Dues & Subscriptions budget overall has a 15% increase largely due to planned bonding for new water infrastructure in 2026, the siting of which will be the subject of a feasibility report.

5.3 **2025 National Energy Foundation Report**

Mr. Mauren presented his memo on the National Energy Foundation report, recapping the energy and water conservation presentation and energy saving kits provided to fourth graders in ERMU's service territory during the spring of 2025.

Mr. Mauren explained that the program reached 389 students in 14 classrooms across Lincoln, Meadowvale, Parker, and Twin Lakes Elementaries. Key results included a 42% return rate on energy kit installation data, an estimated net savings of 96,058.14 kWh from the energy saving kit products, 91% of parents stating they would like to see the program continued in local schools, and 88% of parents said they will continue to use the products after the completion of the program.

In response to Chair Dietz's question, Mr. Mauren explained that the all-in 2025 cost for the program was $14,612, or roughly $38 per student. He added that this is part of the Conservation Improvement Program budget.

6.0 BUSINESS DISCUSSION

6.1 Staff Updates

Staff discussed issues with how a residential solar solicitor was communicating their affiliation with ERMU and the solicitor's non-compliant conduct while selling in the community. The company's solicitation license with the City of Elk River has been revoked.

Mr. Hanson noted there will be a meeting of the Wage & Benefit Committee on September 2 at 11:30 a.m. in the Utilities Conference Room.

Ms. Youngs provided the last AMI meter installations status update:

- Approximately 1,548 combined residential and commercial electric meters remain to be exchanged.
- Approximately 119 residential water meters, 59 commercial water meters, and 1 irrigation water meter remain to be exchanged.
- Approximately 33 customers have not returned their opt-out form or scheduled an exchange. Two of those 33 customers have not completed their opt-out form and sent certified letters to staff and commissioners stating their disagreement with ERMU's need or ability to exchange their meters regardless of ordinance/policy.
- A discussion on next steps for meter exchange holdouts will be part of the September agenda.
- Commercial electric meters are expected to arrive in November.

At the September meeting, the Commission will discuss plans for the Employee Appreciation Lunch in October.

6.2 City Council Update

Chair Dietz provided a City Council update.

6.3 **Future Planning**

Chair Dietz announced the following:

a. Regular Commission Meeting – September 9, 2025
b. Quorum – MMUA Summer Conference, August 18-20, 2025 – Rochester, MN
c. 2025 Governance Agenda

6.4 **Other Business**

There was no other business.

7.0 ADJOURN REGULAR MEETING

Moved by Commissioner Stewart and seconded by Commissioner Larson-Vito to adjourn the regular meeting of the Elk River Municipal Utilities Commission at 4:29 p.m. Motion carried 3-0.

Minutes prepared by Tony Mauren.

____
John J. Dietz, ERMU Commission Chair

____
Tina Allard, City Clerk

Elk River
Municipal Utilities

UTILITIES COMMISSION MEETING

TO:	FROM:
ERMU Commission	Tony Mauren – Governance & Communications Manager
MEETING DATE:	**AGENDA ITEM NUMBER:**
September 9, 2025	4.1
SUBJECT:	
Commission Policy Review – G.4e – Core Customer Services	
ACTION REQUESTED:	
Adopt updated policy language	

BACKGROUND/DISCUSSION:
This month commissioners are reviewing policy G.4e – Core Customer Services to make comments, ask questions, or recommend updates.

With policy G.4e, the Commission sets forth its expectations for the General Manager concerning core customer services and related business opportunities.

Staff is recommending one minor edit to make the text gender neutral.

ATTACHMENTS:

- Updated ERMU Policy – G.4e – Core Customer Services

Elk River Municipal Utilities

COMMISSION POLICY

Section: Governance	Category: Delegation to Management Policies
Policy Reference: **G.4e**	Policy Title: **Core Customer Services**

PURPOSE:

With this policy, the Commission sets forth its expectations for the General Manager concerning core customer services and related business opportunities.

POLICY:

The ERMU Commission expects the General Manager to ensure that customers receive safe, reliable, cost effective and quality long term electric and water utility services that directly support ERMU's core purpose and mission as stated in the ***Organizational Core Purpose Policy*** and ***Mission Statement Policy***. ERMU's "core customer services" are retail electric and water services.

Consistent with this general statement, the General Manager shall:

1. Identify and keep the Commission informed about the full range of business opportunities that are reasonably available to ERMU for the provision of its core customer services, bringing appropriate recommendations to the Commission for consideration and approval.

2. Keep ~~him/herself~~ themself and others in the organization informed about electric and water services trends, technologies, and practices through independent research, membership in appropriate organizations, and participation in appropriate industry workshops, seminars, and other similar opportunities.

3. Actively participate in relevant associations and advocacy groups, and stay informed about the national, regional, and state electric power and water supply markets, market participants, market management, and related legal and regulatory initiatives that may directly affect the interests of ERMU customers. Work to mitigate regulatory risks by acting on behalf of the interests of ERMU and its customers.

4. Maintain professional and productive relationships with utility service providers, regulators, professional experts and others with whom ERMU must collaborate to create and execute successful business opportunities.

5. Clearly articulate and consistently demonstrate a high value proposition for customers who receive ERMU's core customer services.

6. Establish core customer service standards for reliability, cost, quality, regulatory compliance, and other factors important to ERMU's customers.

7. Routinely monitor and keep the Commission informed about ERMU's overall performance with respect to its core customer services standards, as well as ERMU's business strategies and initiatives to improve those services.

The General Manager is expected to look for and consider new business opportunities but shall not implement any new core customer services or pursue any related business opportunities without legal authority and clear direction to do so from the Commission-approved ERMU Strategic Plan, Annual Business Plan or specific authorization of the Commission.

POLICY HISTORY:

Adopted July 11, 2017
Revised September 9, 2025

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	**FROM:** Tony Mauren – Governance & Communications Manager
MEETING DATE: September 9, 2025	**AGENDA ITEM NUMBER:** 4.2
SUBJECT: Commission Policy Review – G.4j – Cost Allocation and Recovery	
ACTION REQUESTED: Adopt updated policy language	

BACKGROUND/DISCUSSION:

This month commissioners are also reviewing policy G.4j – Cost Allocation and Recovery. With this policy, the Commission sets forth its expectations for the General Manager concerning cost allocation and recovery of costs for ERMU's core customer services.

The provided update helps ERMU align with leading practices, per the American Public Power Association, in conducting a full cost-of-service study every five years instead of every ten as previously listed.

ERMU last did a study in 2020 and is preparing for a study now in 2025.

ATTACHMENTS:

- Updated ERMU Policy – G.4j – Cost Allocation and Recovery.

Elk River Municipal Utilities

COMMISSION POLICY

Section: Governance	Category: Delegation to Management Policies
Policy Reference: **G.4j**	Policy Title: **Cost Allocation and Recovery**

PURPOSE:

With this policy, the Commission sets forth its expectations for the General Manager concerning cost allocation and recovery of costs for ERMU's core customer services (See ***Core Customer Services Policy)***.

POLICY:

The General Manager shall operate ERMU in accordance with the Financial Plan (See ***Financial Planning and Budgeting Policy)***.

Consistent with this general statement, the General Manager shall:

1. Annually report to the Commission on the performance and adequacy of ERMU's rates, fees, and charges for utility services with respect to revenue requirements, provide an updated projection of revenue and revenue requirements in the Financial Plan (See ***Financial Planning and Budgeting Policy)***, and recommend an appropriate plan for rate adjustments as needed.

2. Provide, at least once every ~~ten~~ five (~~10~~ 5) years or sooner at Management or Commission discretion, and in conjunction with development of the Financial Plan, a full cost-of-service rate study for each of ERMU's core customer services which fairly allocates costs among customer classes, provides for sufficient revenues, demonstrates that recommended rates are just and reasonable, and provides for competitive positioning with nearby service providers.

3. Recommend any new or adjusted rates, fees, or charges to the Commission for consideration and approval.

4. Implement any Commission-approved rates, fees, charges (or changes to same), provide adequate advance public notice and information to affected customers.

5. Apprise the Commission of and recommend any changes to existing cost-of-service allocation methods or practices concerning rates, fees, or charges that are inconsistent with good and accepted utility practice.

POLICY HISTORY:

Adopted August 8, 2017
Revised September 9, 2025

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	FROM: Melissa Karpinski – Finance Manager
MEETING DATE: September 9, 2025	**AGENDA ITEM NUMBER:** 5.1
SUBJECT: Financial Report – July 2025	
ACTION REQUESTED: Receive the July 2025 Financial Report	

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

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

- Residential usage is up 7%
- Small Commercial usage is up 3%
- Large Commercial usage is up 4%

For July 2025, 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
July YTD gallons of water sold are up 11% from the prior year. For further breakdown:

- Residential use is up 15%
- Commercial use is up 7%

For July 2025, the Water Department overall is ahead of prior YTD and 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 7.2025
- Electric Balance Sheet 7.2025
- Water Balance Sheet 7.2025
- Summary Electric Statement of Revenues, Expenses and Changes in Net Position 7.2025
- Summary Water Statement of Revenues, Expenses and Changes in Net Position 7.2025
- Graphs Prior Year and YTD 2025
- Detailed Electric Statement of Revenues, Expenses and Changes in Net Position 7.2025
- Detailed Water Statement of Revenues, Expenses and Changes in Net Position 7.2025

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
COMBINED BALANCE SHEET
FOR PERIOD ENDING JULY 2025

	ELECTRIC	WATER
ASSETS		
CURRENT ASSETS		
CASH	3,845,813	5,894,431
ACCOUNTS RECEIVABLE	2,691,568	5,203,914
INVENTORIES	2,172,000	42,042
PREPAID ITEMS	223,400	55,004
CONSTRUCTION IN PROGRESS	1,662,678	251,345
TOTAL CURRENT ASSETS	10,595,460	11,446,737
RESTRICTED ASSETS		
BOND RESERVE FUND	1,779,016	0
EMERGENCY RESERVE FUND	7,595,869	4,277,408
UNRESTRICTED RESERVE FUND	0	0
TOTAL RESTRICTED ASSETS	9,374,884	4,277,408
FIXED ASSETS		
PRODUCTION	795,920	17,196,492
LFG PROJECT	0	0
TRANSMISSION	2,305,024	0
DISTRIBUTION	55,181,690	30,835,323
GENERAL	25,630,632	1,620,497
FIXED ASSETS (COST)	83,913,265	49,652,312
LESS ACCUMULATED DEPRECIATION	(38,327,668)	(24,718,575)
TOTAL FIXED ASSETS, NET	45,585,597	24,933,737
INTANGIBLE ASSETS		
POWER AGENCY MEMBERSHIP BUY-IN	21,546,212	0
LOSS OF REVENUE INTANGIBLE	7,169,412	0
LESS ACCUMULATED AMORTIZATION	(4,564,440)	0
TOTAL INTANGIBLE ASSETS, NET	24,151,184	0
OTHER ASSETS AND DEFERRED OUTFLOWS	322,181	61,420
TOTAL ASSETS	90,029,306	40,719,302
LIABILITIES AND FUND EQUITY		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	5,617,262	272,089
SALARIES AND BENEFITS PAYABLE	1,220,931	187,837
DUE TO CITY	729,916	3,731
DUE TO OTHER FUNDS	0	0
NOTES PAYABLE-CURRENT PORTION	0	0
BONDS PAYABLE-CURRENT PORTION	0	0
UNEARNED REVENUE	8,050	439,381
TOTAL CURRENT LIABILITIES	7,576,158	903,038
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	27,175,480	1,486,415
PENSION LIABILITIES	1,708,036	328,984
TOTAL LONG TERM LIABILITIES	28,883,516	1,815,399
TOTAL LIABILITIES	36,459,674	2,718,437
DEFERRED INFLOWS OF RESOURCES	1,206,975	4,689,086
FUND EQUITY		
CAPITAL ACCOUNT CONST COST	1,779,016	0
CONTRIBUTED CAPITAL	0	0
RETAINED EARNINGS	49,623,773	33,451,758
NET INCOME (LOSS) (THROUGH PREVIOUS MONTH)	959,868	(139,979)
TOTAL FUND EQUITY	52,362,656	33,311,779
TOTAL LIABILITIES & FUND EQUITY	90,029,306	40,719,302

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
ELECTRIC BALANCE SHEET

	July 31, 2025	June 30, 2025	Current Month Change from Prior Month
ASSETS			
CURRENT ASSETS			
CASH	3,845,813	4,600,195	(754,382)
ACCOUNTS RECEIVABLE	2,691,568	2,726,509	(34,940)
INVENTORIES	2,172,000	2,280,292	(108,292)
PREPAID ITEMS	223,400	198,422	24,977
CONSTRUCTION IN PROGRESS	1,662,678	1,463,245	199,433
TOTAL CURRENT ASSETS	10,595,460	11,268,663	(673,204)
RESTRICTED ASSETS			
BOND RESERVE FUND	1,779,016	1,779,016	0
EMERGENCY RESERVE FUND	7,595,869	7,566,150	29,718
TOTAL RESTRICTED ASSETS	9,374,884	9,345,166	29,718
FIXED ASSETS			
PRODUCTION	795,920	795,920	0
TRANSMISSION	2,305,024	2,305,024	0
DISTRIBUTION	55,181,690	55,014,802	166,888
GENERAL	25,630,632	25,605,389	25,243
FIXED ASSETS (COST)	83,913,265	83,721,134	192,131
LESS ACCUMULATED DEPRECIATION	(38,327,668)	(38,094,268)	(233,400)
TOTAL FIXED ASSETS, NET	45,585,597	45,626,866	(41,269)
INTANGIBLE ASSETS			
POWER AGENCY MEMBERSHIP BUY-IN	21,546,212	21,546,212	0
LOSS OF REVENUE INTANGIBLE	7,169,412	7,169,412	0
LESS ACCUMULATED AMORTIZATION	(4,564,440)	(4,508,762)	(55,678)
TOTAL INTANGIBLE ASSETS, NET	24,151,184	24,206,862	(55,678)
OTHER ASSETS AND DEFERRED OUTFLOWS	322,181	322,181	0
TOTAL ASSETS	90,029,306	90,769,738	(740,432)
LIABILITIES AND FUND EQUITY			
CURRENT LIABILITIES			
ACCOUNTS PAYABLE	5,617,262	5,453,772	163,490
SALARIES AND BENEFITS PAYABLE	1,220,931	1,221,874	(943)
DUE TO CITY	729,916	889,618	(159,702)
BONDS PAYABLE-CURRENT PORTION	0	480,000	(480,000)
UNEARNED REVENUE	8,050	9,660	(1,610)
TOTAL CURRENT LIABILITIES	7,576,158	8,054,924	(478,765)
LONG TERM LIABILITIES			
BONDS PAYABLE, LESS CURRENT PORTION	27,175,480	27,180,469	(4,989)
PENSION LIABILITIES	1,708,036	1,708,036	0
TOTAL LONG TERM LIABILITIES	28,883,516	28,888,505	(4,989)
TOTAL LIABILITIES	36,459,674	36,943,428	(483,754)
DEFERRED INFLOWS OF RESOURCES	1,206,975	1,206,975	0
FUND EQUITY			
CAPITAL ACCOUNT CONST COST	1,779,016	1,779,016	0
RETAINED EARNINGS	49,623,773	49,623,773	0
NET INCOME (LOSS) (THROUGH PREVIOUS MONTH)	959,868	1,216,547	(256,679)
TOTAL FUND EQUITY	52,362,656	52,619,335	(256,679)
TOTAL LIABILITIES & FUND EQUITY	90,029,306	90,769,738	(740,432)

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
WATER BALANCE SHEET

	July 31, 2025	June 30, 2025	Current Month Change from Prior Month
ASSETS			
CURRENT ASSETS			
CASH	5,894,431	5,794,255	100,176
ACCOUNTS RECEIVABLE	5,203,914	5,189,452	14,462
INVENTORIES	42,042	44,880	(2,838)
PREPAID ITEMS	55,004	45,046	9,959
CONSTRUCTION IN PROGRESS	251,345	215,583	35,762
TOTAL CURRENT ASSETS	11,446,737	11,289,217	157,520
RESTRICTED ASSETS			
EMERGENCY RESERVE FUND	4,277,408	4,269,978	7,430
TOTAL RESTRICTED ASSETS	4,277,408	4,269,978	7,430
FIXED ASSETS			
PRODUCTION	17,196,492	17,177,471	19,021
DISTRIBUTION	30,835,323	30,835,323	0
GENERAL	1,620,497	1,615,537	4,960
FIXED ASSETS (COST)	49,652,312	49,628,332	23,981
LESS ACCUMULATED DEPRECIATION	(24,718,575)	(24,603,090)	(115,485)
TOTAL FIXED ASSETS, NET	24,933,737	25,025,242	(91,504)
INTANGIBLE ASSETS			
OTHER ASSETS AND DEFERRED OUTFLOWS	61,420	61,420	0
TOTAL ASSETS	40,719,302	40,645,856	73,446
LIABILITIES AND FUND EQUITY			
CURRENT LIABILITIES			
ACCOUNTS PAYABLE	272,089	273,901	(1,813)
SALARIES AND BENEFITS PAYABLE	187,837	178,215	9,622
DUE TO CITY	3,731	2,115	1,616
BONDS PAYABLE-CURRENT PORTION	0	65,000	(65,000)
UNEARNED REVENUE	439,381	393,197	46,184
TOTAL CURRENT LIABILITIES	903,038	912,428	(9,391)
LONG TERM LIABILITIES			
BONDS PAYABLE, LESS CURRENT PORTION	1,486,415	1,486,969	(554)
PENSION LIABILITIES	328,984	328,984	0
TOTAL LONG TERM LIABILITIES	1,815,399	1,815,953	(554)
TOTAL LIABILITIES	2,718,437	2,728,382	(9,945)
DEFERRED INFLOWS OF RESOURCES	4,689,086	4,689,086	0
FUND EQUITY			
RETAINED EARNINGS	33,451,758	33,451,758	0
NET INCOME (LOSS) (THROUGH PREVIOUS MONTH)	(139,979)	(223,369)	83,391
TOTAL FUND EQUITY	33,311,779	33,228,389	83,391
TOTAL LIABILITIES & FUND EQUITY	40,719,302	40,645,856	73,446

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING JULY 2025

Electric	2025 JULY	2025 YTD	2025 YTD BUDGET	YTD Budget Variance	2025 YTD Bud Var%	2025 ANNUAL BUDGET	2024 JULY	2024 YTD	YTD VARIANCE	2024 v. 2025 Actual Var%	Variance Item
Revenue											
Operating Revenue											
Elk River	3,763,579	22,594,900	22,479,728	115,172	1	41,085,728	3,286,965	20,858,325	1,736,575	8	
Otsego	382,202	2,329,159	2,210,112	119,047	5	4,073,730	338,894	2,082,825	246,333	12	
Rural Big Lake	18,245	122,663	128,233	(5,569)	(4)	231,863	16,360	114,457	8,206	7	
Dayton	23,774	155,848	154,158	1,691	1	281,987	21,208	138,689	17,160	12	
Public St & Hwy Lighting	23,900	165,202	152,250	12,952	9	261,000	21,710	152,027	13,176	9	
Other Electric Sales	400	2,800	2,800	0	0	4,800	400	2,800	0	0	
Total Operating Revenue	4,212,098	25,370,572	25,127,280	243,292	1	45,939,108	3,685,538	23,349,122	2,021,450	9	
Other Operating Revenue											
Interest/Dividend Income	18,521	253,371	204,167	49,204	24	350,000	61,555	163,433	89,938	55	(1)
Customer Penalties	28,142	157,662	166,250	(8,588)	(5)	285,000	31,208	151,266	6,395	4	
Connection Fees	24,875	149,796	87,500	62,296	71	150,000	72,806	223,657	(73,861)	(33)	(2)
Misc Revenue	173,299	1,022,548	551,875	470,673	85	972,500	122,278	887,901	134,646	15	(3)
Total Other Revenue	244,837	1,583,377	1,009,792	573,585	57	1,757,500	287,848	1,426,257	157,119	11	
Total Revenue	4,456,935	26,953,949	26,137,072	816,877	3	47,696,608	3,973,385	24,775,380	2,178,569	9	
Expenses											
Purchased Power	3,536,856	17,668,828	16,943,190	725,638	4	30,599,628	3,234,950	16,651,168	1,017,660	6	
Operating & Mtce Expense	21,538	178,045	204,417	(26,372)	(13)	341,000	19,023	157,022	21,023	13	
Transmission Expense	3,558	20,885	44,333	(23,448)	(53)	76,000	4,324	34,832	(13,947)	(40)	
Distribution Expense	40,776	315,856	304,208	11,648	4	521,500	35,410	283,535	32,321	11	
Maintenance Expense	124,711	1,049,766	1,297,458	(247,692)	(19)	2,144,500	128,758	1,152,785	(103,019)	(9)	(4)
Depreciation & Amortization	289,078	2,015,438	1,948,072	67,366	3	3,339,552	275,048	1,926,123	89,315	5	
Interest Expense	61,983	435,155	435,155	0	0	735,069	65,175	457,459	(22,304)	(5)	
Other Operating Expense	24,144	68,495	36,983	31,512	85	482,400	8,329	42,253	26,242	62	(5)
Customer Accounts Expense	37,454	242,176	274,167	(31,990)	(12)	470,000	36,660	242,505	(329)	(0)	
Administrative Expense	324,373	2,592,097	2,823,150	(231,053)	(8)	4,783,849	289,236	2,343,123	248,973	11	
General Expense	77,338	359,472	373,217	(13,745)	(4)	639,800	39,434	306,030	53,441	17	(6)
Total Expenses(before Operating Transfers)	4,541,808	24,946,212	24,684,349	261,863	1	44,133,298	4,136,344	23,596,836	1,349,377	6	
Operating Transfer											
Operating Transfer/Other Funds	151,292	908,989	899,189	9,800	1	1,643,429	132,179	839,241	69,749	8	
Utilities & Labor Donated	20,514	138,879	154,583	(15,704)	(10)	265,000	19,009	130,673	8,206	6	
Total Operating Transfer	171,806	1,047,869	1,053,772	(5,904)	(1)	1,908,429	151,189	969,913	77,955	8	
Net Income Profit(Loss)	(256,679)	959,868	398,951	560,917	141	1,654,881	(314,148)	208,630	751,238	360	

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

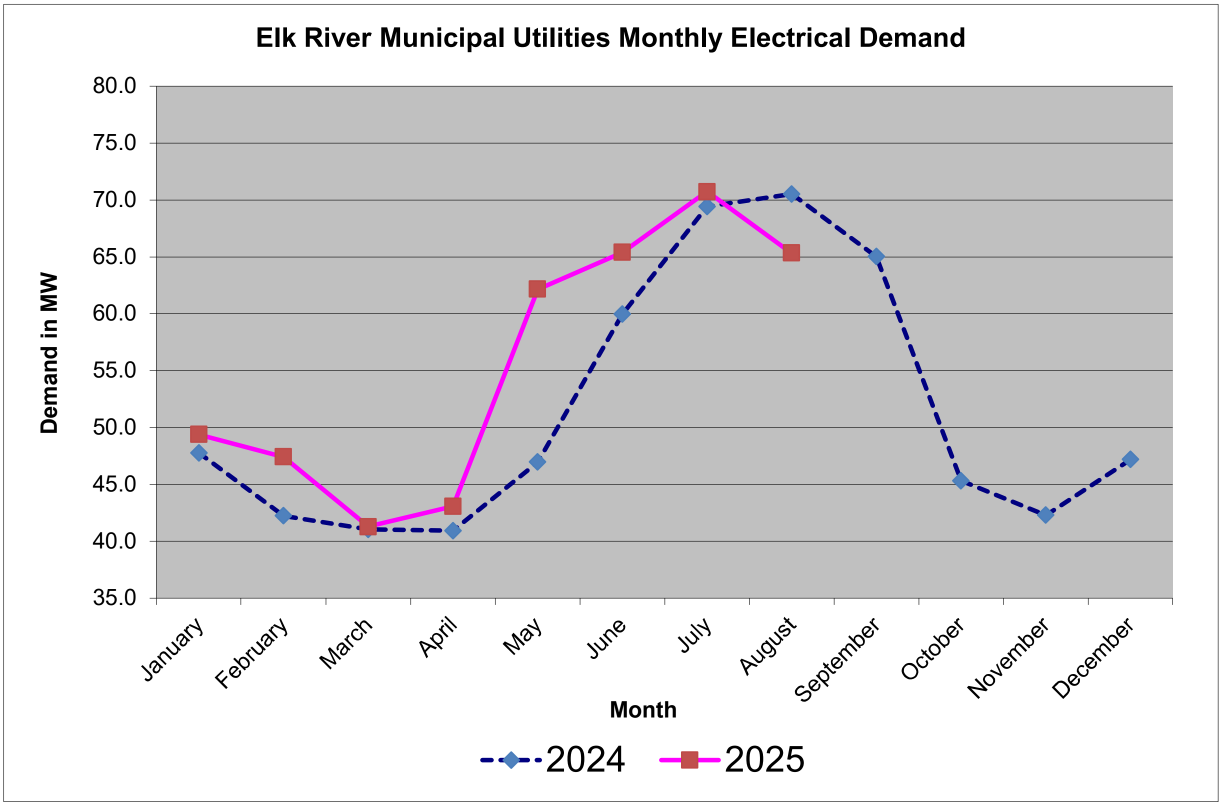
(1) YTD budget variance is due to a conservative budget amount. PYTD variance is mainly due to more funds being invested with UBS and change in Fair Market Value.
(2) YTD budget variance is due to a large agreement in June. PYTD variance due to large a large connection agreement in January and July of 2024.
(3) YTD budget and PYTD variance is mainly due to Contributions from Customers having large SOWs for additional service and/or upgrade and transmission investments.
(4) YTD budget variance is mainly due to less Tree Trimming expense than budgeted and Mtce of Substation Equipment, Mtce of OH Primary, and Mtce of Meters timing as these are an even budget spread.
(5) YTD budget and PYTD variance is due to loss on disposition of property (disposal of assets) due to timing.
(6) PYTD variance is due to CIP rebates and CIP administration costs. Timing of rebates coming in earlier in the year in 2025.

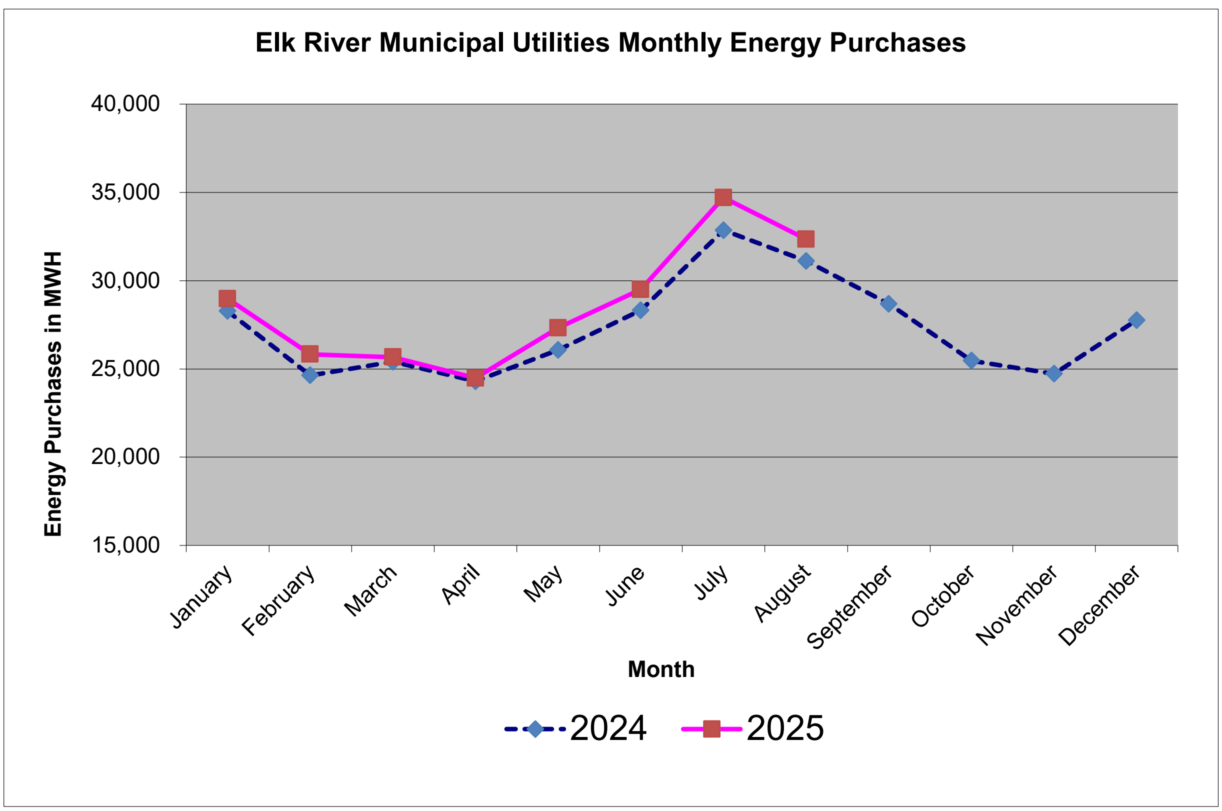
ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING JULY 2025

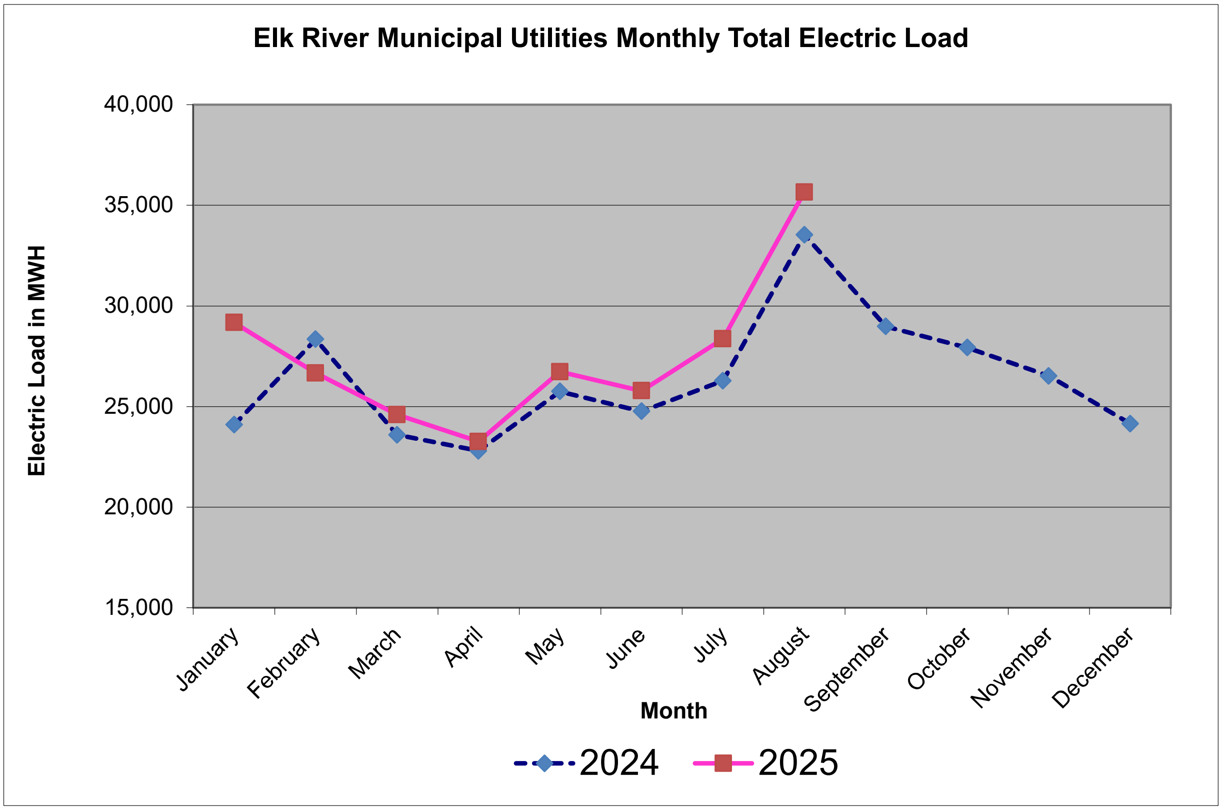
Water	2025 JULY	2025 YTD	2025 YTD BUDGET	YTD Budget Variance	2025 YTD Bud Var%	2025 ANNUAL BUDGET	2024 JULY	2024 YTD	YTD VARIANCE	2024 v. 2025 Actual Var%	Variance Item
Revenue											
Operating Revenue											
Water Sales	326,213	1,490,586	1,513,826	(23,240)	(2)	3,143,314	284,486	1,331,671	158,916	12	
Total Operating Revenue	326,213	1,490,586	1,513,826	(23,240)	(2)	3,143,314	284,486	1,331,671	158,916	12	
Other Operating Revenue											
Interest/Dividend Income	6,274	70,934	88,083	(17,150)	(19)	151,000	17,382	52,517	18,417	35	(1)
Customer Penalties	2,241	16,794	16,333	460	3	28,000	3,451	13,324	3,470	26	
Connection Fees	65,049	474,344	185,792	288,553	155	318,500	16,142	229,042	245,302	107	(2)
Misc Revenue	975	71,615	9,100	62,515	687	426,100	1,171	8,388	63,227	754	(3)
Total Other Revenue	74,539	633,687	299,308	334,378	112	923,600	38,145	303,271	330,416	109	
Total Revenue	400,752	2,124,273	1,813,134	311,139	17	4,066,914	322,632	1,634,941	489,332	30	
Expenses											
Production Expense	12,491	75,987	78,750	(2,763)	(4)	135,000	13,179	77,988	(2,002)	(3)	
Pumping Expense	60,899	366,538	392,088	(25,550)	(7)	672,150	76,256	337,533	29,005	9	
Distribution Expense	35,213	291,427	280,425	11,002	4	459,660	39,080	213,255	78,172	37	(4)
Depreciation & Amortization	115,485	807,867	773,422	34,446	4	1,325,866	101,013	706,575	101,292	14	
Interest Expense	2,712	18,987	18,987	0	0	31,466	2,912	20,387	(1,400)	(7)	
Other Operating Expense	225	(15,550)	16,438	(31,987)	(195)	60,750	60	842	(16,392)	(1,947)	(5)
Customer Accounts Expense	9,218	58,680	61,396	(2,716)	(4)	105,250	7,865	54,094	4,586	8	
Administrative Expense	80,941	658,359	698,384	(40,024)	(6)	1,199,700	64,942	564,164	94,195	17	(6)
General Expense	178	1,956	7,146	(5,190)	(73)	12,250	(41)	1,882	74	4	
Total Expenses(before Operating Transfers)	317,361	2,264,251	2,327,034	(62,783)	(3)	4,002,092	305,267	1,976,720	287,531	15	
Operating Transfer											
Utilities & Labor Donated	0	0	1,167	(1,167)	(100)	2,000	0	0	0	0	
Total Operating Transfer	0	0	1,167	(1,167)	(100)	2,000	0	0	0	0	
Net Income Profit(Loss)	83,391	(139,979)	(515,067)	375,088	73	62,822	17,365	(341,779)	201,801	59	

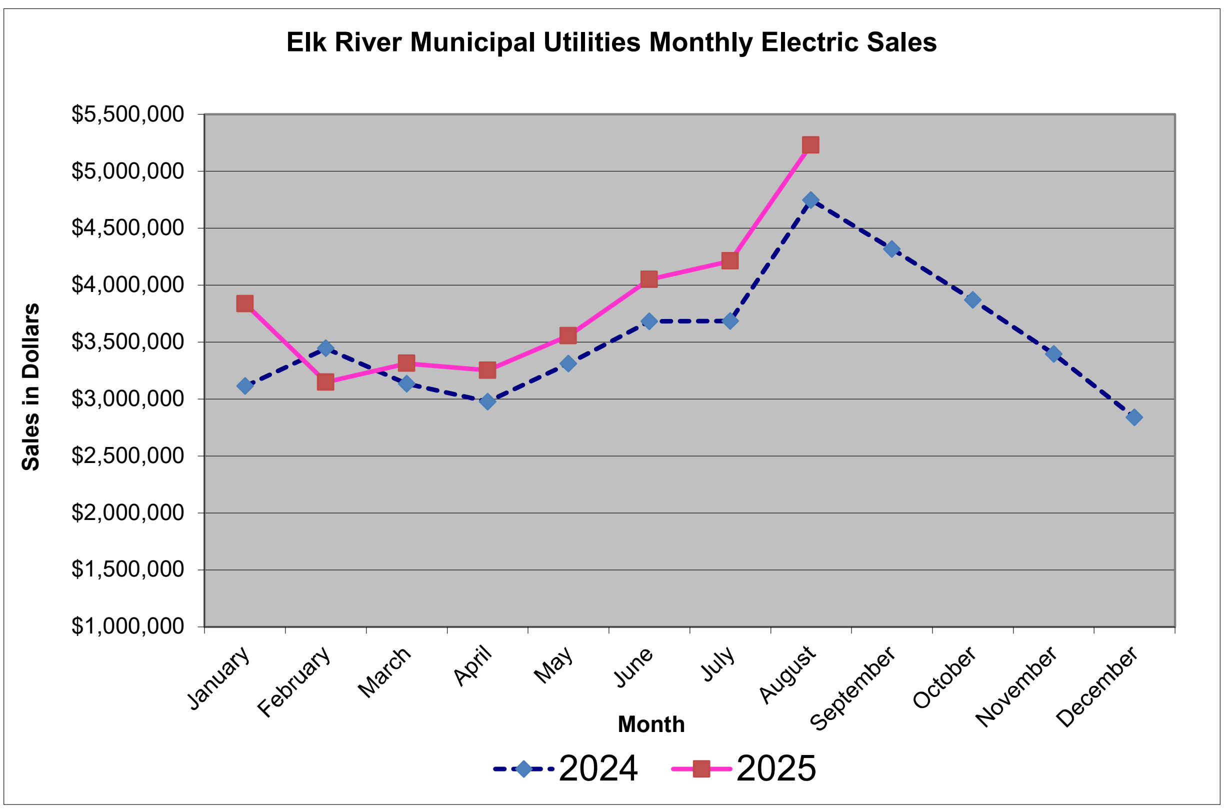
Item Variance of +/- $15,000 and +/- 15%

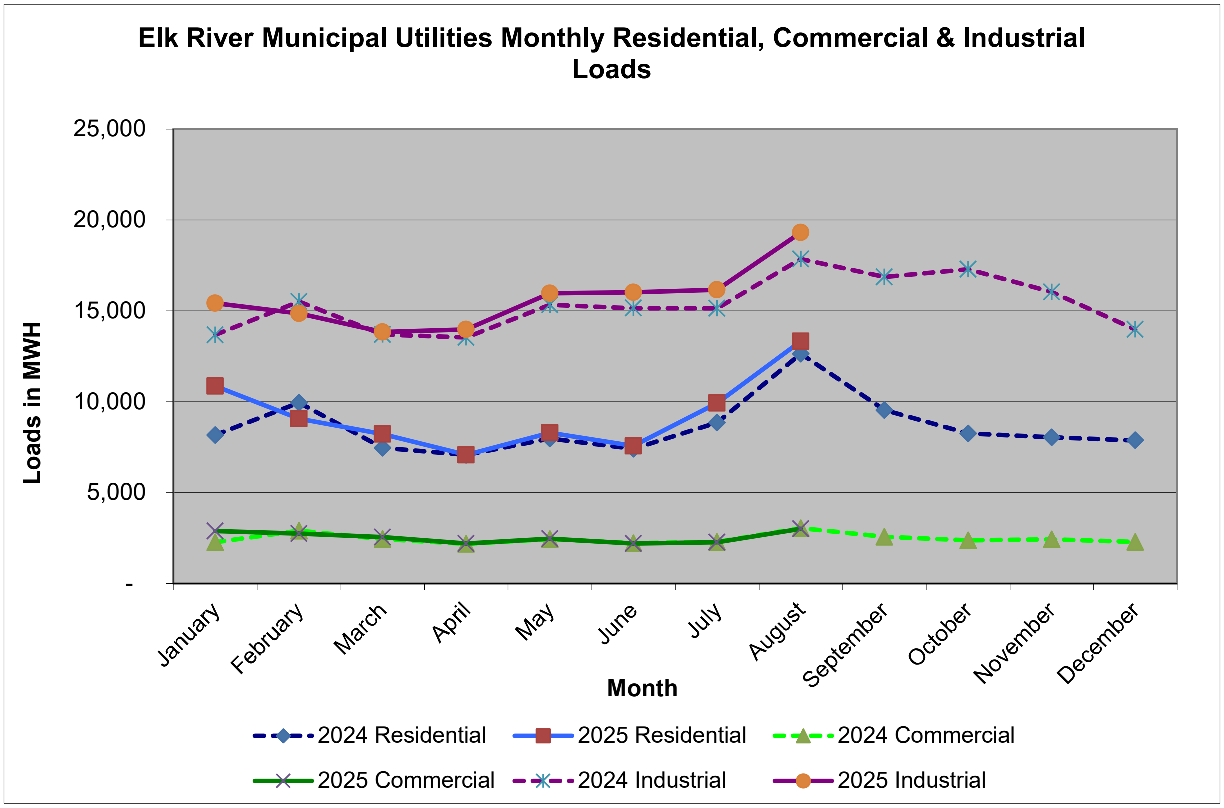
(1) PYTD budget variance is mainly due to more funds being invested with UBS and change in Fair Market Value.
(2) YTD budget variance is due to connection fees being budgeted conservatively and PYTD variance is due to more WAC fees in 2025.
(3) YTD budget variance and PYTD variance is due to Contributions from Developers and initial 3M settlement.
(4) PYTD variance is mainly due to one large watermain repair in 2025 and AMI project (water meter repairs).
(5) YTD budget variance and PYTD variance is due AMI (timing).
(6) PYTD variance is mainly due to consulting (Cty Rd 44, Power Plant, Scada, Service Line Inventory), and Salaries (Comp Study change and COLA), Medical Insurance, and Sick Pay (change in accrual).

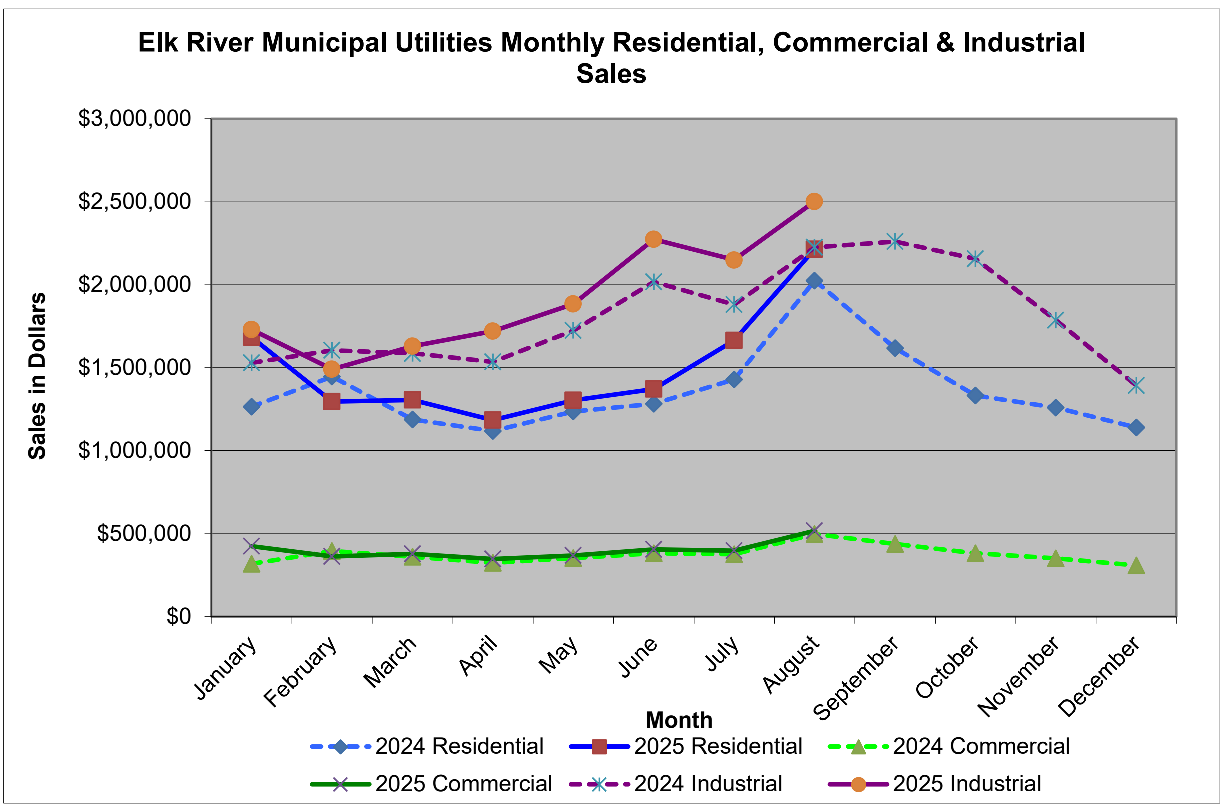

Elk River Municipal Utilities Monthly Electrical Demand
80.0
75.0
70.0
65.0
60.0
55.0
50.0
45.0
40.0
35.0
Demand in MW
January
February
March
April
May
June
July
August
September
October
November
December
Month
2024
2025

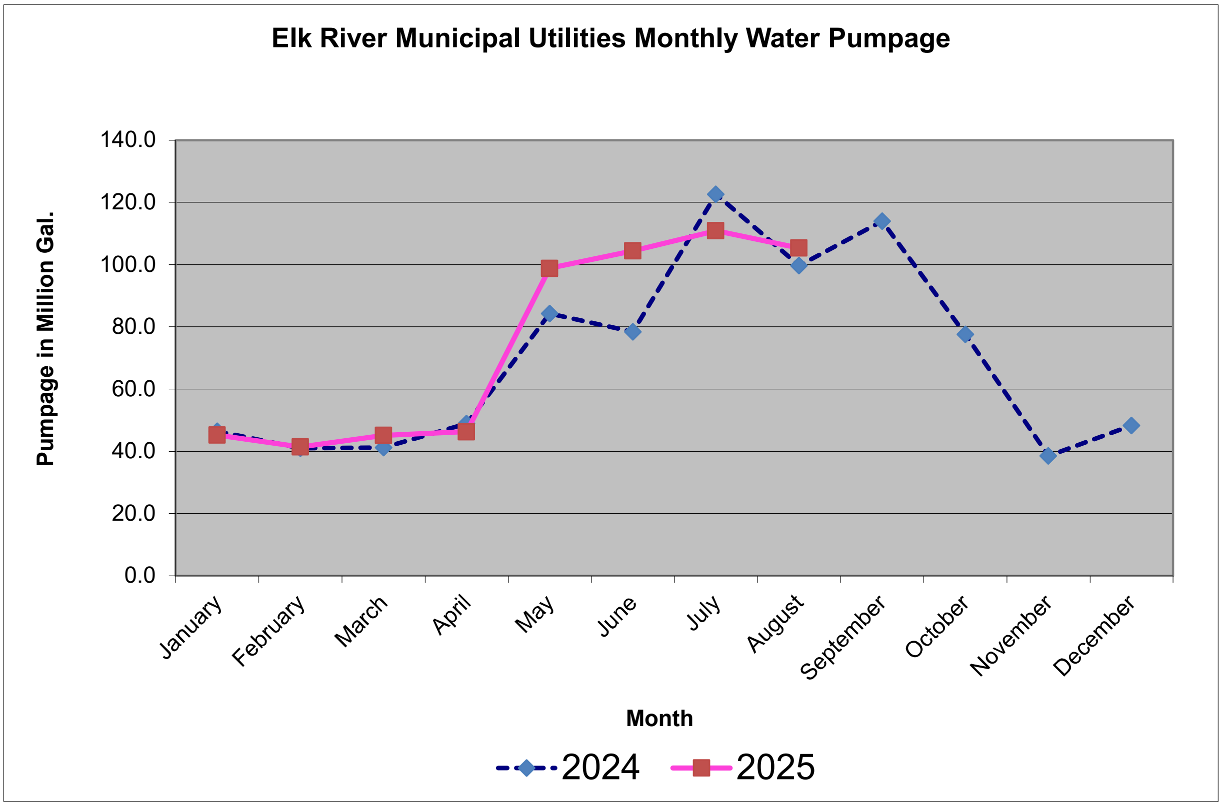

Elk River Municipal Utilities Monthly Energy Purchases
40,000
35,000
30,000
25,000
20,000
15,000
Energy Purchases in MWH
January
February
March
April
May
June
July
August
September
October
November
December
Month
2024
2025

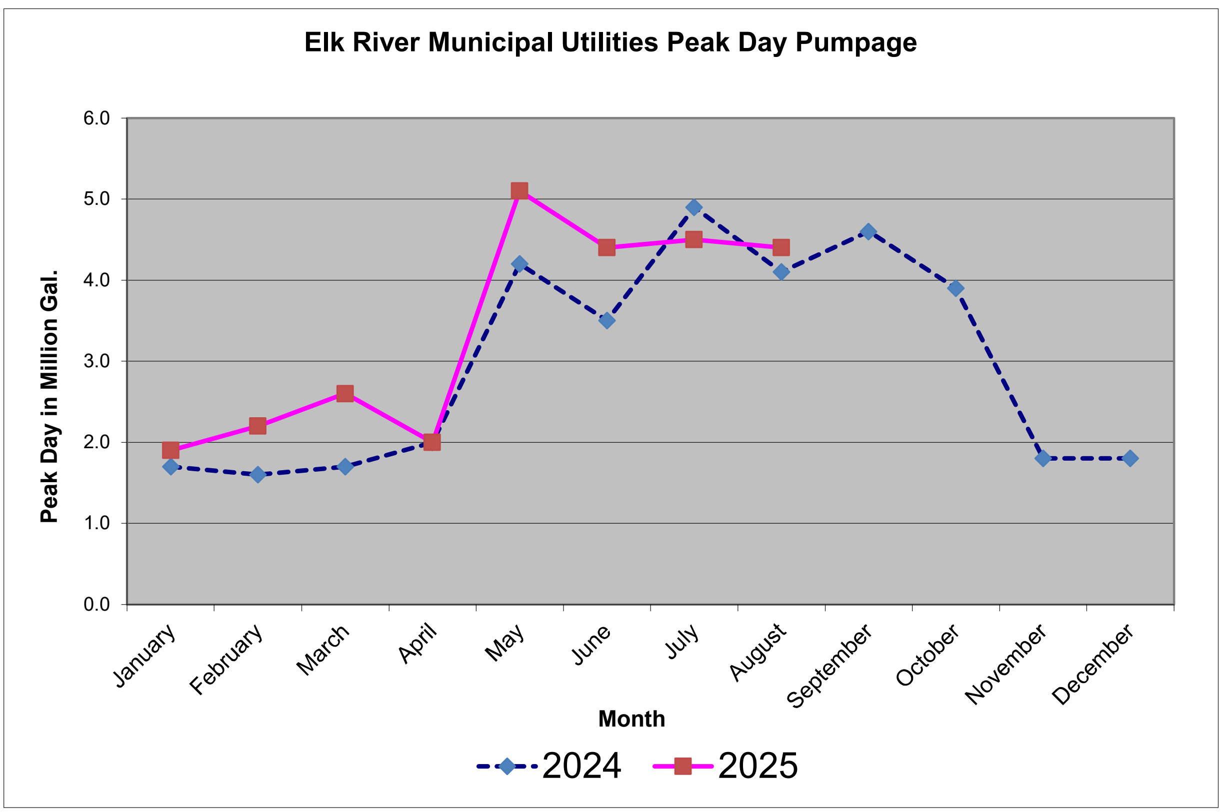

Elk River Municipal Utilities Monthly Total Electric Load
Electric Load in MWH
40,000
35,000
30,000
25,000
20,000
15,000
January
February
March
April
May
June
July
August
September
October
November
December
Month
2024
2025

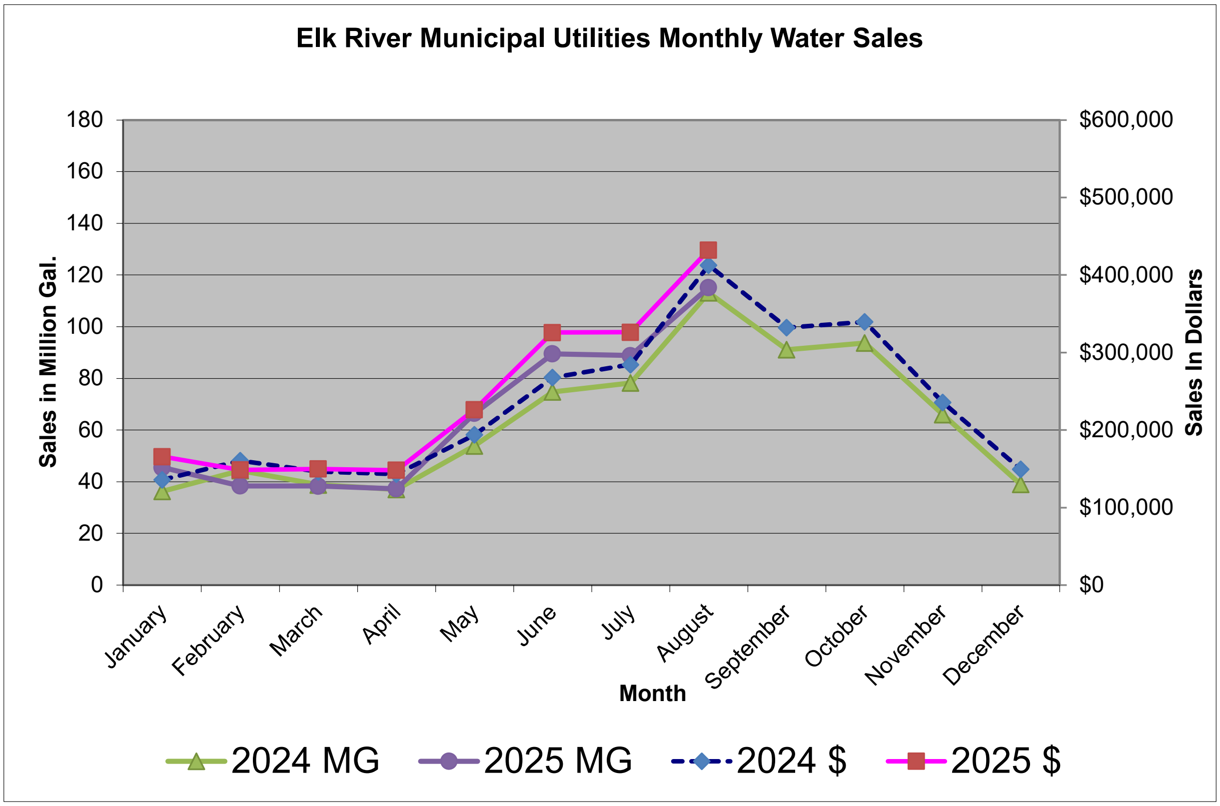

Elk River Municipal Utilities Monthly Electric Sales
Sales in Dollars
$5,500,000
$5,000,000
$4,500,000
$4,000,000
$3,500,000
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
January
February
March
April
May
June
July
August
September
October
November
December
Month
2024
2025


Elk River Municipal Utilities Monthly Residential, Commercial & Industrial Loads
25,000
20,000
15,000
10,000
5,000
-
Loads in MWH
January
February
March
April
May
June
July
August
September
October
November
December
Month
2024 Residential
2025 Residential
2024 Commercial
2025 Commercial
2024 Industrial
2025 Industrial


Elk River Municipal Utilities Monthly Residential, Commercial & Industrial Sales
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$0
Sales in Dollars
January
February
March
April
May
June
July
August
September
October
November
December
Month
2024 Residential
2025 Residential
2024 Commercial
2025 Commercial
2024 Industrial
2025 Industrial


Elk River Municipal Utilities Monthly Water Pumpage
Pumpage in Million Gal.
140.0
120.0
100.0
80.0
60.0
40.0
20.0
0.0
January
February
March
April
May
June
July
August
September
October
November
December
Month
2024
2025


Elk River Municipal Utilities Peak Day Pumpage
Peak Day in Million Gal.
6.0
5.0
4.0
3.0
2.0
1.0
0.0
January
February
March
April
May
June
July
August
September
October
November
December
Month
2024
2025


Elk River Municipal Utilities Monthly Water Sales
Sales in Million Gal.
Sales In Dollars
180
160
140
120
100
80
60
40
20
0
$600,000
$500,000
$400,000
$300,000
$200,000
$100,000
$0
January
February
March
April
May
June
July
August
September
October
November
December
Month
2024 MG
2025 MG
2024 $
2025 $

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING JULY 2025

Electric	2025 JULY	2025 YTD	2025 YTD BUDGET	2025 ANNUAL BUDGET	2025 YTD Bud Var%	2024 JULY	2024 YTD	YTD VARIANCE	2024 v. 2025 Actual Var%
Revenue									
Operating Revenue									
Elk River									
ELECT SALES - ELK RIVER RESID	1,326,365	7,732,055	7,660,656	14,008,158	1	1,190,742	7,246,980	485,075	7
ELECT SALES - ELK RIVER NON-D	288,081	1,950,871	1,992,688	3,561,584	(2)	285,328	1,891,630	59,241	3
ELECT SALES - ELK RIVER DEMA	1,731,318	10,208,880	10,110,667	18,661,634	1	1,615,300	9,790,306	418,573	4
PCA SALES REVENUE - ELK RIVE	142,746	853,143	841,951	1,522,421	1	64,079	595,420	257,722	43
PCA SALES REVENUE - ELK RIVE	30,933	230,791	238,961	423,421	(3)	15,568	171,794	58,996	34
PCA SALES REVENUE - ELK RIVE	244,133	1,619,157	1,634,802	2,908,507	(1)	115,945	1,162,192	456,965	39
Total For Elk River:	3,763,578	22,594,899	22,479,728	41,085,728	1	3,286,965	20,858,324	1,736,575	8
Otsego									
ELECT SALES - OTSEGO RESIDEN	140,515	861,219	833,060	1,546,756	3	131,614	811,907	49,311	6
ELECT SALES - OTSEGO NON-DEM	48,023	290,788	258,706	499,327	12	48,524	260,407	30,380	12
ELECT SALES - OTSEGO DEMAND	152,718	905,743	870,041	1,587,577	4	139,096	825,587	80,156	10
PCA SALES REVENUE - OTSEGO R	14,787	94,228	94,576	168,103	0	6,995	65,299	28,929	44
PCA SALES REVENUE - OTSEGO N	5,387	36,393	27,666	46,753	32	2,755	23,510	12,882	55
PCA SALES REVENUE - OTSEGO D	20,770	140,784	126,061	225,212	12	9,909	96,111	44,672	46
Total For Otsego:	382,201	2,329,158	2,210,111	4,073,730	5	338,894	2,082,825	246,333	12
Rural Big Lake									
ELECT SALES - BIG LAKE RESIDE	16,061	108,690	112,140	199,359	(3)	14,898	103,795	4,895	5
ELECT SALES - BIG LAKE NON-DE	420	1,795	2,238	4,810	(20)	626	1,980	(184)	(9)
PCA SALES REVENUE - BIG LAKE	1,721	12,008	11,753	21,666	2	801	8,555	3,453	40
PCA SALES REVENUE - BIG LAKE	40	168	2,100	6,026	(92)	33	126	41	33
Total For Rural Big Lake:	18,244	122,663	128,232	231,863	(4)	16,360	114,457	8,206	7
Dayton									
ELECT SALES - DAYTON RESIDEN	18,119	118,056	115,838	212,063	2	17,011	107,466	10,589	10
ELECT SALES - DAYTON NON-DE	3,414	22,585	22,535	40,465	0	3,138	20,976	1,609	8
PCA SALES REVENUE - DAYTON R	1,901	12,724	12,284	23,047	4	902	8,569	4,154	48
PCA SALES REVENUE - DAYTON	338	2,482	3,500	6,410	(29)	154	1,676	805	48
Total For Dayton:	23,773	155,848	154,157	281,986	1	21,207	138,688	17,159	12
Public St & Hwy Lighting									
ELECT SALES - SEC LTS	23,899	165,202	152,250	261,000	9	21,709	152,026	13,175	9
Total For Public St & Hwy Lighting:	23,899	165,202	152,250	261,000	9	21,709	152,026	13,175	9
Other Electric Sales									
SUB-STATION CREDIT	400	2,800	2,800	4,800	0	400	2,800	0	0

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING JULY 2025

Electric	2025 JULY	2025 YTD	2025 YTD BUDGET	2025 ANNUAL BUDGET	2025 YTD Bud Var%	2024 JULY	2024 YTD	YTD VARIANCE	2024 v. 2025 Actual Var%
Total For Other Electric Sales:	400	2,800	2,800	4,800	0	400	2,800	0	0
Total Operating Revenue	4,212,098	25,370,572	25,127,280	45,939,108	1	3,685,537	23,349,122	2,021,450	9
Other Operating Revenue									
Interest/Dividend Income									
INTEREST & DIVIDEND INCOME	18,520	253,370	204,166	350,000	24	61,555	163,432	89,938	55
Total For Interest/Dividend Income:	18,520	253,370	204,166	350,000	24	61,555	163,432	89,938	55
Customer Penalties									
CUSTOMER DELINQUENT PENALT	28,142	157,661	166,250	285,000	(5)	31,208	151,266	6,395	4
Total For Customer Penalties:	28,142	157,661	166,250	285,000	(5)	31,208	151,266	6,395	4
Connection Fees									
DISCONNECT & RECONNECT CHA	24,875	149,796	87,500	150,000	71	72,806	223,657	(73,860)	(33)
Total For Connection Fees:	24,875	149,796	87,500	150,000	71	72,806	223,657	(73,860)	(33)
Misc Revenue									
MISC ELEC REVENUE - TEMP CHG	0	2,640	1,458	2,500	81	0	1,100	1,540	140
STREET LIGHT	0	13,000	5,000	10,000	160	10,800	23,400	(10,400)	(44)
TRANSMISSION INVESTMENTS	71,652	397,883	350,000	600,000	14	67,189	356,975	40,907	11
MISC NON-UTILITY	15,278	73,999	64,166	110,000	15	10,424	62,578	11,420	18
GAIN ON DISPOSITION OF PROPER	0	22,755	0	25,000	0	0	0	22,755	0
CONTRIBUTIONS FROM CUSTOME	86,367	512,270	131,250	225,000	290	33,864	443,847	68,422	15
Total For Misc Revenue:	173,298	1,022,547	551,875	972,500	85	122,277	887,901	134,646	15
Total Other Revenue	244,836	1,583,376	1,009,791	1,757,500	57	287,847	1,426,257	157,119	11
Total For Total Other Revenue:	244,836	1,583,376	1,009,791	1,757,500	57	287,847	1,426,257	157,119	11
Total Revenue	4,456,935	26,953,949	26,137,072	47,696,608	3	3,973,385	24,775,379	2,178,569	9
Expenses									
Purchased Power									
PURCHASED POWER	2,668,290	13,206,987	12,864,281	23,315,290	3	2,566,421	12,589,173	617,813	5
ENERGY ADJUSTMENT CLAUSE	868,565	4,461,840	4,078,907	7,284,337	9	668,528	4,061,994	399,845	10
Total For Purchased Power:	3,536,855	17,668,827	16,943,189	30,599,628	4	3,234,949	16,651,168	1,017,659	6
Operating & Mtce Expense									
OPERATING SUPERVISION	14,479	93,600	87,500	150,000	7	11,344	78,726	14,873	19
DIESEL OIL FUEL	0	0	0	0	0	0	159	(159)	(100)
NATURAL GAS	435	16,200	19,500	30,000	(17)	419	12,232	3,968	32

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING JULY 2025

Electric	2025 JULY	2025 YTD	2025 YTD BUDGET	2025 ANNUAL BUDGET	2025 YTD Bud Var%	2024 JULY	2024 YTD	YTD VARIANCE	2024 v. 2025 Actual Var%
ELECTRIC & WATER CONSUMPTI	4,992	35,808	37,500	65,000	(5)	4,886	33,206	2,602	8
PLANT SUPPLIES & OTHER EXPEN	698	5,370	8,750	15,000	(39)	949	6,567	(1,197)	(18)
MISC POWER GENERATION EXPE	54	782	583	1,000	34	0	501	281	56
MAINTENANCE OF STRUCTURE -	776	8,190	11,666	20,000	(30)	988	6,272	1,917	31
MTCE OF PLANT ENGINES/GENER	0	729	2,916	5,000	(75)	236	4,061	(3,332)	(82)
MTCE OF PLANT/LAND IMPROVE	101	17,363	36,000	55,000	(52)	197	15,294	2,068	14
Total For Operating & Mtce Expense:	21,538	178,045	204,416	341,000	(13)	19,022	157,022	21,022	13
Transmission Expense									
TRANSMISSION MTCE AND EXPE	3,558	20,885	44,333	76,000	(53)	4,323	34,831	(13,946)	(40)
Total For Transmission Expense:	3,558	20,885	44,333	76,000	(53)	4,323	34,831	(13,946)	(40)
Distribution Expense									
REMOVE EXISTING SERVICE & M	444	936	1,166	2,000	(20)	0	0	936	0
SCADA EXPENSE	4,488	35,428	35,000	60,000	1	8,040	27,787	7,640	27
TRANSFORMER EXPENSE OH & U	1,858	9,691	14,583	25,000	(34)	1,044	9,006	685	8
MTCE OF SIGNAL SYSTEMS	312	1,016	1,750	3,000	(42)	0	1,010	6	1
METER EXPENSE - REMOVE & RE	384	1,110	875	1,500	27	0	466	644	138
TEMP SERVICE - INSTALL & REM	359	2,161	5,833	10,000	(63)	0	222	1,939	874
MISC DISTRIBUTION EXPENSE	32,929	265,509	245,000	420,000	8	26,324	245,041	20,468	8
Total For Distribution Expense:	40,776	315,855	304,208	521,500	4	35,409	283,534	32,321	11
Maintenance Expense									
MTCE OF STRUCTURES	6,053	57,156	53,666	92,000	7	6,226	48,975	8,181	17
MTCE OF SUBSTATIONS	826	2,943	26,250	45,000	(89)	434	7,960	(5,017)	(63)
MTCE OF SUBSTATION EQUIPME	5,090	30,712	87,500	150,000	(65)	6,988	82,010	(51,297)	(63)
MTCE OF OH LINES/TREE TRIM	1,717	157,663	221,500	300,000	(29)	3,736	210,598	(52,934)	(25)
MTCE OF OH LINES/STANDBY	2,693	25,052	29,166	50,000	(14)	4,115	25,229	(176)	(1)
MTCE OF OH PRIMARY	19,771	73,355	110,833	190,000	(34)	12,418	91,454	(18,099)	(20)
MTCE OF URD PRIMARY	31,011	203,452	175,000	300,000	16	40,768	158,482	44,969	28
LOCATE ELECTRIC LINES	14,832	62,176	72,916	125,000	(15)	9,697	56,255	5,920	11
LOCATE FIBER LINES	647	2,245	1,458	2,500	54	459	1,389	856	62
MTCE OF LINE TRANSFORMERS	(2,878)	29,304	43,750	75,000	(33)	6,611	31,594	(2,290)	(7)
MTCE OF STREET LIGHTING	4,531	28,400	40,250	69,000	(29)	(4,478)	35,741	(7,340)	(21)
MTCE OF SECURITY LIGHTING	1,459	12,192	14,583	25,000	(16)	3,742	13,786	(1,593)	(12)
MTCE OF METERS	3,028	11,909	46,666	80,000	(74)	5,021	43,365	(31,455)	(73)
VOLTAGE COMPLAINTS	0	2,550	7,000	12,000	(64)	846	3,935	(1,384)	(35)
SALARIES TRANSMISSION & DIST	3,125	20,681	21,000	36,000	(2)	2,618	17,559	3,121	18

Electric	2025 JULY	2025 YTD	2025 YTD BUDGET	2025 ANNUAL BUDGET	2025 YTD Bud Var%	2024 JULY	2024 YTD	YTD VARIANCE	2024 v. 2025 Actual Var%
ELECTRIC MAPPING	11,103	92,731	90,416	155,000	3	5,945	98,759	(6,028)	(6)
FIBER MAPPING	0	0	8,750	15,000	(100)	0	0	0	0
MTCE OF OH SECONDARY	3,357	18,807	13,416	23,000	40	1,975	11,139	7,667	69
MTCE OF URD SECONDARY	8,911	49,572	43,750	75,000	13	6,979	29,790	19,782	66
TRANSPORTATION EXPENSE	9,426	168,856	189,583	325,000	(11)	14,650	184,757	(15,900)	(9)
Total For Maintenance Expense:	124,710	1,049,765	1,297,458	2,144,500	(19)	128,757	1,152,785	(103,019)	(9)
Depreciation & Amortization									
DEPRECIATION	233,400	1,625,692	1,558,325	2,671,415	4	219,370	1,536,377	89,315	6
AMORTIZATION	55,677	389,745	389,746	668,136	0	55,677	389,745	0	0
Total For Depreciation & Amortization:	289,078	2,015,437	1,948,071	3,339,551	3	275,048	1,926,122	89,315	5
Interest Expense									
INTEREST EXPENSE - BONDS	66,971	470,074	470,074	794,932	0	70,163	492,378	(22,304)	(5)
AMORTIZATION OF DEBT DISCOU	(4,988)	(34,919)	(34,919)	(59,863)	0	(4,988)	(34,919)	0	0
Total For Interest Expense:	61,982	435,154	435,154	735,069	0	65,174	457,459	(22,304)	(5)
Other Operating Expense									
EV CHARGING EXPENSE	112	1,168	816	1,400	43	222	1,546	(378)	(24)
LOSS ON DISPOSITION OF PROP (C	(2,500)	15,758	0	160,000	0	0	4,105	11,652	284
LOSS ON DISPOSITION OF PROP (N	15,437	15,437	0	0	0	0	0	15,437	0
OTHER DONATIONS	(105)	217	1,166	2,000	(81)	0	0	217	0
MUTUAL AID	7,012	7,012	0	0	0	3,300	3,300	3,712	112
PENSION EXPENSE	0	0	0	259,000	0	0	0	0	0
INTEREST EXPENSE - METER DEP	4,186	28,900	35,000	60,000	(17)	4,805	33,300	(4,399)	(13)
Total For Other Operating Expense:	24,143	68,495	36,983	482,400	85	8,329	42,253	26,241	62
Customer Accounts Expense									
METER READING EXPENSE	1,915	19,884	20,416	35,000	(3)	4,758	25,470	(5,586)	(22)
DISCONNECT/RECONNECT EXPEN	409	658	5,833	10,000	(89)	1,849	8,438	(7,780)	(92)
MISC CUSTOMER ACCOUNTS EXP	33,586	215,260	233,333	400,000	(8)	28,182	200,156	15,104	8
BAD DEBT EXPENSE & RECOVER	1,543	6,372	14,583	25,000	(56)	1,869	8,439	(2,066)	(24)
Total For Customer Accounts Expense:	37,454	242,176	274,166	470,000	(12)	36,659	242,505	(328)	0
Administrative Expense									
SALARIES OFFICE & COMMISSION	87,623	570,396	632,916	1,085,000	(10)	74,756	515,876	54,519	11
TEMPORARY STAFFING	0	0	2,333	4,000	(100)	0	0	0	0
OFFICE SUPPLIES	7,202	57,859	78,750	135,000	(27)	6,407	54,314	3,545	7
ELECTRIC & WATER CONSUMPTI	2,699	14,387	18,666	32,000	(23)	2,924	15,934	(1,547)	(10)
BANK FEES	307	1,655	1,750	3,000	(5)	259	1,555	100	6

ELK RIVER MUNICIPAL UTILITIES
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FOR PERIOD ENDING JULY 2025

Electric	2025 JULY	2025 YTD	2025 YTD BUDGET	2025 ANNUAL BUDGET	2025 YTD Bud Var%	2024 JULY	2024 YTD	YTD VARIANCE	2024 v. 2025 Actual Var%
LEGAL FEES	230	8,001	17,500	30,000	(54)	4,601	12,069	(4,067)	(34)
AUDITING FEES	1,720	12,040	12,040	20,640	0	1,640	10,680	1,360	13
INSURANCE	10,584	99,744	113,750	195,000	(12)	15,385	108,189	(8,445)	(8)
UTILITY SHARE - DEFERRED COM	7,149	86,429	74,958	128,500	15	6,726	84,037	2,391	3
UTILITY SHARE - MEDICAL/DENT	66,262	577,821	598,084	942,322	(3)	57,391	543,414	34,407	6
UTILITY SHARE - PERA	28,075	195,768	187,541	321,500	4	25,627	178,651	17,117	10
UTILITY SHARE - FICA	28,765	192,954	184,041	315,500	5	25,747	174,412	18,542	11
EMPLOYEE SICK PAY	15,687	141,650	119,000	204,000	19	11,101	72,035	69,615	97
EMPLOYEE HOLIDAY PAY	16,050	94,602	97,050	194,100	(3)	14,363	88,951	5,650	6
EMPLOYEE VACATION & PTO PA	24,525	212,461	203,181	325,000	5	22,239	190,856	21,605	11
UPMIC DISTRIBUTION	0	40,315	43,000	86,000	(6)	0	43,795	(3,479)	(8)
LONGEVITY PAY	0	8,245	8,246	9,945	0	0	1,680	6,565	391
CONSULTING FEES	11,173	62,131	139,416	239,000	(55)	0	27,954	34,176	122
TELEPHONE	2,811	19,841	22,166	38,000	(10)	3,069	20,559	(717)	(3)
ADVERTISING	1,488	8,493	11,666	20,000	(27)	960	7,916	576	7
DUES & SUBSCRIPTIONS - FEES	5,528	79,989	88,671	152,009	(10)	9,535	71,933	8,055	11
SCHOOLS & MEETINGS	5,622	101,252	162,000	292,333	(37)	5,653	112,388	(11,136)	(10)
MTCE OF GENERAL PLANT & OFFI	865	6,055	6,416	11,000	(6)	845	5,915	140	2
Total For Administrative Expense:	324,372	2,592,096	2,823,149	4,783,849	(8)	289,235	2,343,123	248,973	11
General Expense									
CIP REBATES - RESIDENTIAL	5,620	45,860	52,942	90,758	(13)	10,459	50,953	(5,092)	(10)
CIP REBATES - COMMERCIAL	27,922	79,762	65,333	112,000	22	0	42,099	37,663	89
CIP - ADMINISTRATION	25,088	113,786	106,729	182,965	7	12,552	92,697	21,088	23
CIP - MARKETING	6,002	33,843	29,887	51,235	13	4,787	32,286	1,557	5
CIP - LABOR	8,885	61,853	78,062	133,822	(21)	7,642	58,120	3,732	6
CIP REBATES - LOW INCOME	0	0	10,920	18,720	(100)	0	3,468	(3,468)	(100)
CIP - LOW INCOME LABOR	808	5,940	5,833	10,000	2	750	5,478	461	8
ENVIRONMENTAL COMPLIANCE	3,014	18,194	20,416	35,000	(11)	3,293	18,770	(576)	(3)
MISC GENERAL EXPENSE	(4)	231	3,091	5,300	(93)	(52)	2,156	(1,925)	(89)
Total For General Expense:	77,338	359,471	373,216	639,800	(4)	39,433	306,030	53,441	17
Total Expenses(before Operating Transfers)	4,541,808	24,946,212	24,684,349	44,133,298	1	4,136,344	23,596,835	1,349,376	6
Operating Transfer									
Operating Transfer/Other Funds									
TRANSFER TO CITY ELK RIVER R	151,291	908,989	899,189	1,643,429	1	132,179	839,240	69,748	8

ELK RIVER MUNICIPAL UTILITIES
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FOR PERIOD ENDING JULY 2025

Electric	2025 JULY	2025 YTD	2025 YTD BUDGET	2025 ANNUAL BUDGET	2025 YTD Bud Var%	2024 JULY	2024 YTD	YTD VARIANCE	2024 v. 2025 Actual Var%
Total For Operating Transfer/Other Funds:	151,291	908,989	899,189	1,643,429	1	132,179	839,240	69,748	8
Utilities & Labor Donated									
UTILITIES & LABOR DONATED TO	20,513	138,879	154,583	265,000	(10)	19,009	130,672	8,206	6
Total For Utilities & Labor Donated:	20,513	138,879	154,583	265,000	(10)	19,009	130,672	8,206	6
Total Operating Transfer									
Total For Total Operating Transfer:	171,805	1,047,868	1,053,772	1,908,429	(1)	151,188	969,913	77,955	8
Net Income Profit(Loss)	(256,678)	959,868	398,950	1,654,880	141	(314,147)	208,630	751,237	360

ELK RIVER MUNICIPAL UTILITIES
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FOR PERIOD ENDING JULY 2025

Water	2025 JULY	2025 YTD	2025 YTD BUDGET	2025 ANNUAL BUDGET	2025 YTD Bud Var%	2024 JULY	2024 YTD	YTD VARIANCE	2024 v. 2025 Actual Var%
Revenue									
Operating Revenue									
Water Sales									
WATER SALES RESIDENTIAL	174,694	869,306	901,999	1,768,457	(4)	145,272	763,018	106,287	14
WATER SALES COMMERCIAL	100,825	506,452	496,307	1,024,735	2	97,804	476,995	29,456	6
WATER SALES IRRIGATION	50,693	114,827	115,518	350,120	(1)	41,408	91,656	23,171	25
Total For Water Sales:	326,213	1,490,586	1,513,825	3,143,313	(2)	284,486	1,331,670	158,915	12
Total Operating Revenue	326,213	1,490,586	1,513,825	3,143,313	(2)	284,486	1,331,670	158,915	12
Total For Total Operating Revenue:	326,213	1,490,586	1,513,825	3,143,313	(2)	284,486	1,331,670	158,915	12
Other Operating Revenue									
Interest/Dividend Income									
INTEREST & DIVIDEND INCOME	5,707	70,366	87,500	150,000	(20)	17,381	52,517	17,849	34
OTHER INTEREST/MISC REVENUE	566	566	583	1,000	(3)	0	0	566	0
Total For Interest/Dividend Income:	6,274	70,933	88,083	151,000	(19)	17,381	52,517	18,416	35
Customer Penalties									
CUSTOMER PENALTIES	2,240	16,793	16,333	28,000	3	3,450	13,323	3,469	26
Total For Customer Penalties:	2,240	16,793	16,333	28,000	3	3,450	13,323	3,469	26
Connection Fees									
WATER/ACCESS/CONNECTION FE	57,600	426,542	148,750	255,000	187	14,400	201,830	224,712	111
CUSTOMER CONNECTION FEES	7,448	37,793	18,958	32,500	99	1,470	14,447	23,345	162
BULK WATER SALES/HYDRANT R	0	10,008	18,083	31,000	(45)	270	12,764	(2,755)	(22)
Total For Connection Fees:	65,048	474,344	185,791	318,500	155	16,141	229,042	245,302	107
Misc Revenue									
MISC NON-UTILITY	0	310	58	100	436	0	20	290	1,455
GAIN ON DISPOSITION OF PROPER	0	0	0	8,000	0	0	0	0	0
MISCELLANEOUS REVENUE	0	19,889	291	500	6,711	195	716	19,172	2,674
HYDRANT MAINTENANCE PROGR	975	6,825	8,750	15,000	(22)	975	7,650	(825)	(11)
CONTRIBUTIONS FROM DEVELOP	0	44,590	0	0	0	0	0	44,590	0
WATER TOWER LEASE	0	0	0	327,500	0	0	0	0	0
LEASE INTEREST REVENUE	0	0	0	75,000	0	0	0	0	0
Total For Misc Revenue:	975	71,614	9,100	426,100	687	1,170	8,387	63,227	754
Total Other Revenue	74,538	633,686	299,308	923,600	112	38,145	303,270	330,415	109
Total For Total Other Revenue:	74,538	633,686	299,308	923,600	112	38,145	303,270	330,415	109

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FOR PERIOD ENDING JULY 2025

Water	2025 JULY	2025 YTD	2025 YTD BUDGET	2025 ANNUAL BUDGET	2025 YTD Bud Var%	2024 JULY	2024 YTD	YTD VARIANCE	2024 v. 2025 Actual Var%
Total Revenue	400,751	2,124,272	1,813,134	4,066,913	17	322,631	1,634,941	489,331	30
Expenses									
Production Expense									
MTCE OF STRUCTURES	12,490	75,986	78,750	135,000	(4)	13,178	77,988	(2,001)	(3)
Total For Production Expense:	12,490	75,986	78,750	135,000	(4)	13,178	77,988	(2,001)	(3)
Pumping Expense									
SUPERVISION	5,977	45,493	44,333	76,000	3	6,070	40,327	5,166	13
ELECTRIC & GAS UTILITIES	29,935	166,455	180,833	310,000	(8)	28,083	147,255	19,200	13
SAMPLING	1,158	12,035	14,087	24,150	(15)	5,667	13,775	(1,739)	(13)
CHEMICAL FEED	5,212	27,675	29,166	50,000	(5)	2,846	19,030	8,645	45
MTCE OF WELLS	17,676	107,135	116,666	200,000	(8)	32,272	111,454	(4,319)	(4)
SCADA - PUMPING	938	7,742	7,000	12,000	11	1,315	5,689	2,052	36
Total For Pumping Expense:	60,898	366,537	392,087	672,150	(7)	76,255	337,532	29,005	9
Distribution Expense									
MTCE OF WATER MAINS	14,446	109,837	102,083	175,000	8	10,364	48,245	61,592	128
LOCATE WATER LINES	2,192	17,735	11,666	20,000	52	1,353	8,148	9,586	118
MTCE OF WATER SERVICES	0	0	291	500	(100)	0	0	0	0
WATER METER SERVICE	5,892	50,061	40,833	70,000	23	17,490	38,469	11,591	30
BACKFLOW DEVICE INSPECTION	3,004	11,450	14,550	23,160	(21)	2,324	11,488	(37)	0
MTCE OF CUSTOMERS SERVICE	2,591	19,557	20,416	35,000	(4)	3,130	19,103	453	2
WATER MAPPING	2,633	19,349	9,916	17,000	95	468	12,607	6,742	53
FIBER MAPPING	0	0	8,750	15,000	(100)	0	0	0	0
MTCE OF WATER HYDRANTS - PU	830	10,234	12,833	22,000	(20)	983	18,273	(8,039)	(44)
MTCE OF WATER HYDRANTS - PR	2,118	2,605	3,500	6,000	(26)	570	4,192	(1,587)	(38)
WATER CLOTHING/PPE	87	10,844	8,750	15,000	24	115	9,212	1,632	18
WAGES WATER	819	5,242	5,833	10,000	(10)	606	4,436	805	18
TRANSPORTATION EXPENSE	594	14,125	14,000	24,000	1	1,672	12,820	1,304	10
WATER PERMIT	0	20,382	27,000	27,000	(25)	0	26,255	(5,873)	(22)
Total For Distribution Expense:	35,212	291,426	280,425	459,660	4	39,080	213,254	78,171	37
Depreciation & Amortization									
DEPRECIATION	115,484	807,867	773,421	1,325,865	4	101,013	706,575	101,291	14
Total For Depreciation & Amortization:	115,484	807,867	773,421	1,325,865	4	101,013	706,575	101,291	14
Interest Expense									
INTEREST EXPENSE - BONDS	3,266	22,866	22,866	38,117	0	3,466	24,266	(1,400)	(6)

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING JULY 2025

Water	2025 JULY	2025 YTD	2025 YTD BUDGET	2025 ANNUAL BUDGET	2025 YTD Bud Var%	2024 JULY	2024 YTD	YTD VARIANCE	2024 v. 2025 Actual Var%
AMORTIZATION OF DEBT DISCOU	(554)	(3,879)	(3,879)	(6,651)	0	(554)	(3,879)	0	0
Total For Interest Expense:	2,712	18,986	18,986	31,466	0	2,912	20,386	(1,400)	(7)
Other Operating Expense									
LOSS ON DISPOSITION OF PROP (C	0	0	16,000	16,000	(100)	0	0	0	0
LOSS ON DISPOSITION OF PROP (N	0	(16,271)	0	0	0	0	0	(16,271)	0
DAM MAINTENANCE EXPENSE	172	357	0	0	0	0	177	180	102
PENSION EXPENSE	0	0	0	44,000	0	0	0	0	0
INTEREST EXPENSE - METER DEP	51	363	437	750	(17)	60	664	(300)	(45)
Total For Other Operating Expense:	224	(15,549)	16,437	60,750	(195)	60	841	(16,391)	(1,947)
Customer Accounts Expense									
METER READING EXPENSE	193	3,562	4,083	7,000	(13)	627	2,473	1,088	44
MISC CUSTOMER ACCOUNTS EXP	9,024	55,118	57,166	98,000	(4)	7,217	51,601	3,516	7
BAD DEBT EXPENSE & RECOVER	0	0	145	250	(100)	19	19	(19)	(100)
Total For Customer Accounts Expense:	9,218	58,680	61,395	105,250	(4)	7,865	54,094	4,585	8
Administrative Expense									
SALARIES OFFICE & COMMISSION	25,459	172,209	168,000	288,000	3	21,649	150,464	21,745	14
TEMPORARY STAFFING	0	0	583	1,000	(100)	0	0	0	0
OFFICE SUPPLIES	1,661	13,723	17,500	30,000	(22)	1,447	11,832	1,891	16
ELECTRIC & WATER CONSUMPTI	675	3,598	4,083	7,000	(12)	731	3,985	(386)	(10)
BANK FEES	82	425	408	700	4	64	400	24	6
LEGAL FEES	57	10,800	2,916	5,000	270	701	2,539	8,261	325
AUDITING FEES	430	3,556	3,908	6,700	(9)	410	3,216	339	11
INSURANCE	3,502	24,405	25,666	44,000	(5)	3,555	24,397	8	0
UTILITY SHARE - DEFERRED COM	1,310	14,593	14,058	24,100	4	1,267	13,893	699	5
UTILITY SHARE - MEDICAL/DENT	17,507	144,582	166,805	269,977	(13)	14,693	128,162	16,420	13
UTILITY SHARE - PERA	6,124	39,090	39,958	68,500	(2)	4,882	34,396	4,694	14
UTILITY SHARE - FICA	6,514	38,931	38,500	66,000	1	5,057	34,043	4,888	14
EMPLOYEE SICK PAY	3,331	25,997	20,416	35,000	27	2,068	14,529	11,468	79
EMPLOYEE HOLIDAY PAY	3,477	19,600	20,762	41,525	(6)	2,874	16,028	3,572	22
EMPLOYEE VACATION & PTO PA	4,980	41,007	41,454	66,000	(1)	3,862	34,928	6,078	17
UPMIC DISTRIBUTION	0	8,505	9,250	18,500	(8)	0	9,752	(1,247)	(13)
WELLHEAD PROTECTION	0	0	1,190	2,000	(100)	0	0	0	0
LONGEVITY PAY	1,550	1,705	1,706	2,130	0	0	420	1,285	306
CONSULTING FEES	2,325	31,381	33,483	57,400	(6)	217	8,214	23,167	282
TELEPHONE	717	4,774	4,375	7,500	9	676	4,746	28	1

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING JULY 2025

Water	2025 JULY	2025 YTD	2025 YTD BUDGET	2025 ANNUAL BUDGET	2025 YTD Bud Var%	2024 JULY	2024 YTD	YTD VARIANCE	2024 v. 2025 Actual Var%
ADVERTISING	372	6,138	2,916	5,000	110	240	2,172	3,966	183
DUES & SUBSCRIPTIONS - FEES	(291)	39,962	48,461	89,961	(18)	1,229	43,069	(3,107)	(7)
SCHOOLS & MEETINGS	935	11,856	30,375	60,956	(61)	(898)	21,494	(9,638)	(45)
MTCE OF GENERAL PLANT & OFFI	216	1,512	1,604	2,750	(6)	211	1,477	35	2
Total For Administrative Expense:	80,941	658,359	698,383	1,199,699	(6)	64,942	564,164	94,195	17
General Expense									
CIP REBATES - RESIDENTIAL	124	286	2,916	5,000	(90)	58	371	(84)	(23)
CIP REBATES - COMMERCIAL	0	0	291	500	(100)	0	0	0	0
CIP - MARKETING	0	0	1,166	2,000	(100)	(160)	1,117	(1,117)	(100)
CIP - LABOR	0	0	1,458	2,500	(100)	0	0	0	0
ENVIRONMENTAL COMPLIANCE	53	1,668	1,166	2,000	43	60	393	1,275	325
MISC GENERAL EXPENSE	0	0	145	250	(100)	0	0	0	0
Total For General Expense:	178	1,955	7,145	12,250	(73)	(41)	1,881	74	4
Total Expenses(before Operating Transfers)	317,361	2,264,251	2,327,034	4,002,091	(3)	305,266	1,976,720	287,530	15
Operating Transfer									
Utilities & Labor Donated									
WATER & LABOR DONATED TO CI	0	0	1,166	2,000	(100)	0	0	0	0
Total Operating Transfer									
Total For Total Operating Transfer:	0	0	1,166	2,000	(100)	0	0	0	0
Net Income Profit(Loss)	83,390	(139,978)	(515,066)	62,821	73	17,365	(341,779)	201,800	59

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Elk River Municipal Utilities

July 2025 Financials

Report Highlights

9/9/2025

Elk River Municipal Utilities

July YTD Profit & Profit Margin %

Profit & Profit Margins %
January 2025 – July 2025

$819,889

2.82%

Revenue	Expense
$29,078,222	$28,258,333

Purpose: To show the overall health of the organization.

- YTD ERMU's revenue is exceeding expenses by $820k
- Resulting in a profit margin of 2.82%

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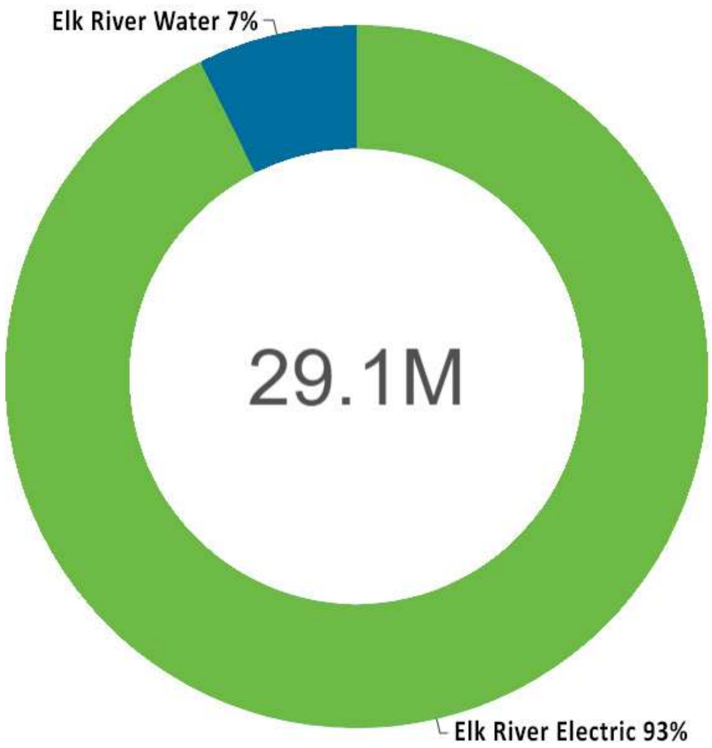
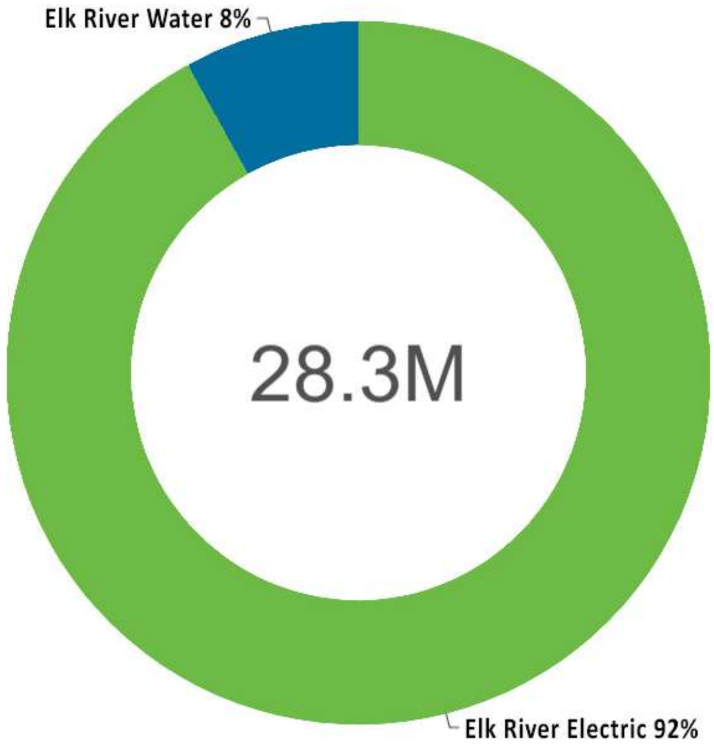
Revenue vs Expense (January –July)



REVENUE

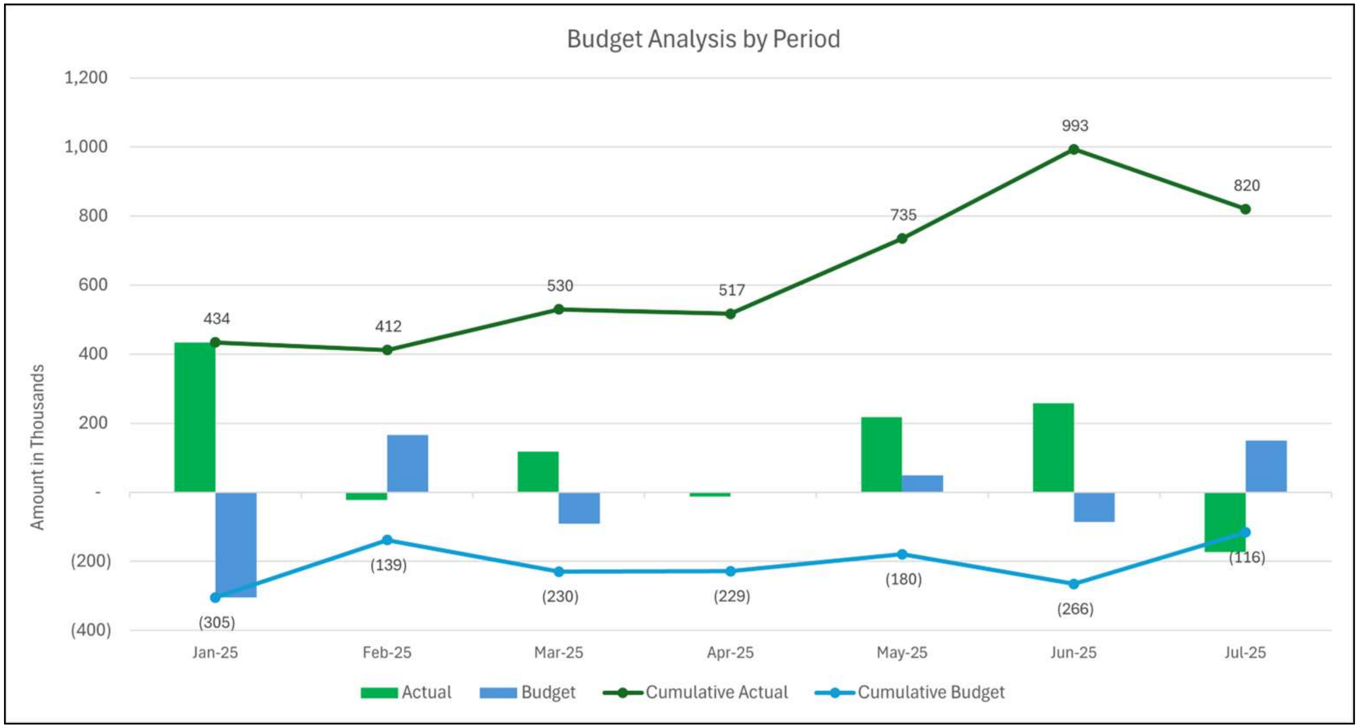


EXPENSE

Purpose: To compare revenue vs expense by utility service.

- Green illustrates electric and blue illustrates water.
- Overall, revenue is greater than expense.

July YTD Actuals to Budget Comparison

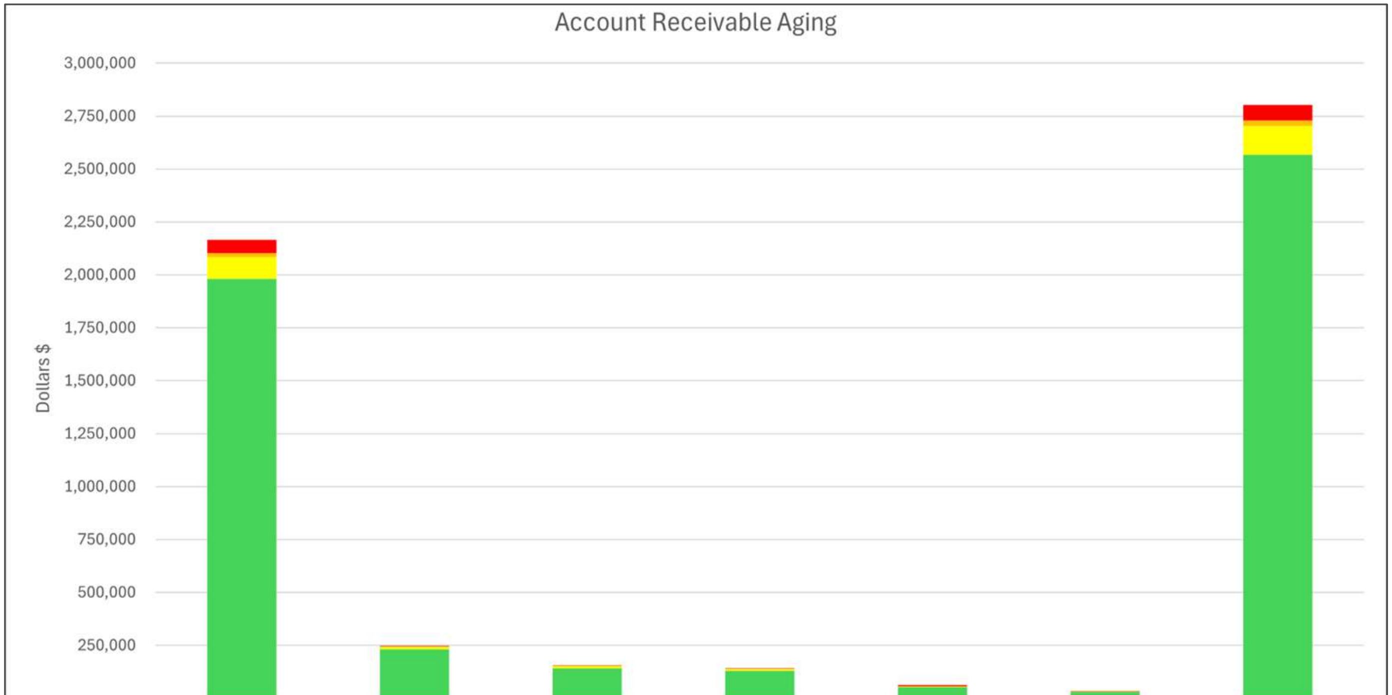


Purpose: To illustrate the combined net position actuals versus budgeted amounts.

- Overall, ERMU is favorable to budget YTD

Elk River Municipal Utilities

Accounts Receivable-Utility Aging 7/31/2025



	Electric	Water	Sewer	Trash	Franchise Fee	Storm Water	Total
90+ days	62,894	699	1,788	712	5,507	308	71,907
60 days	17,863	2,439	2,573	1,733	1,085	465	26,159
30 days	102,896	10,402	9,726	8,795	4,097	1,984	137,899
Current AR	1,980,823	231,804	141,896	129,976	52,417	29,537	2,566,452

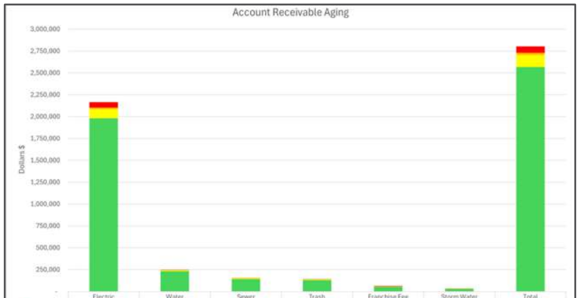
Purpose: an overview of outstanding payments from customers and how long they are past due.

- City services make up $393k of total A/R balances of $2.802M
- Over 90 days is only 3% of total A/R compared to 92% being current

GREEN IS GOOD!

Elk River Municipal Utilities

Accounts Receivable-Utility Aging 7/31/2025



	Electric	Water	Sewer	Trash	Franchise Fee	Storm Water	Total
90+ days	62,894	699	1,788	712	5,507	308	71,907
60 days	17,863	2,439	2,573	1,733	1,085	465	26,159
30 days	102,896	10,402	9,726	8,795	4,097	1,984	137,899
Current AR	1,980,823	231,804	141,896	129,976	52,417	29,537	2,566,452

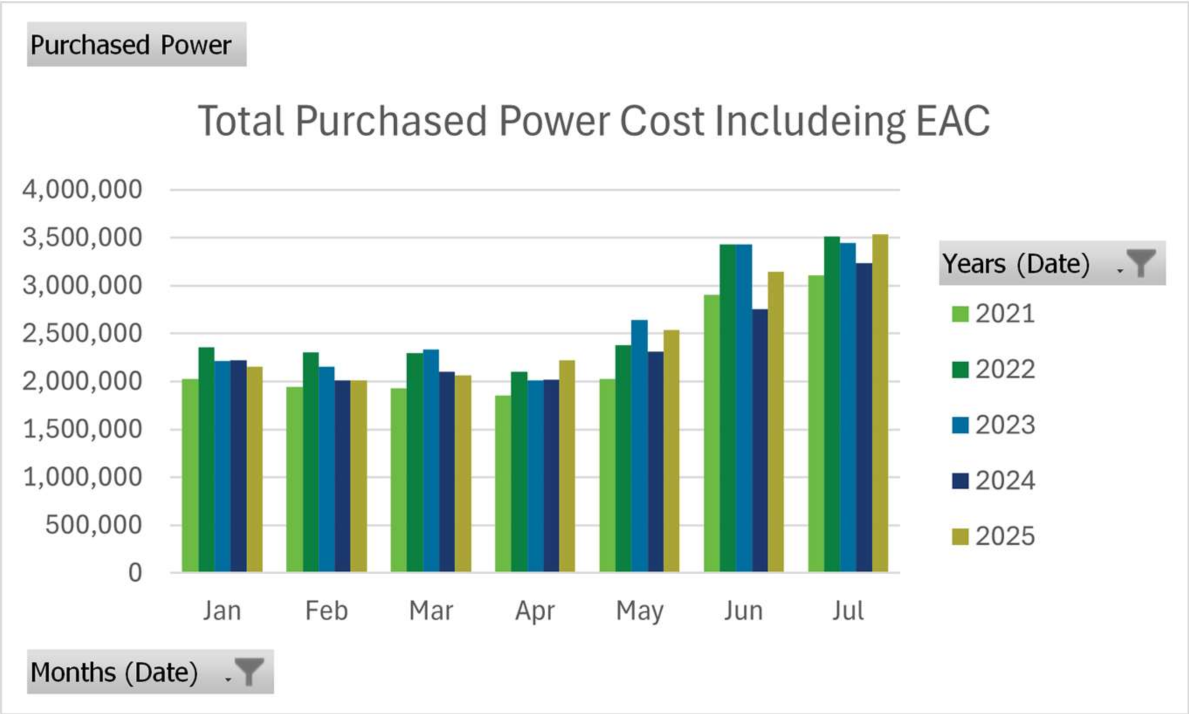
Note: Electric and water accounts receivable can be reviewed separately on the “Combined Balance Sheet” provided in the packet.

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
COMBINED BALANCE SHEET
FOR PERIOD ENDING JULY 2025

	ELECTRIC	WATER
ASSETS		
CURRENT ASSETS		
CASH	3,845,813	5,894,431
ACCOUNTS RECEIVABLE	2,691,568	5,203,914
INVENTORIES	2,172,000	42,042
PREPAID ITEMS	223,400	55,004
CONSTRUCTION IN PROGRESS	1,662,678	251,345
TOTAL CURRENT ASSETS	10,595,460	11,446,737

Elk River Municipal Utilities

Electric Department – Purchased Power

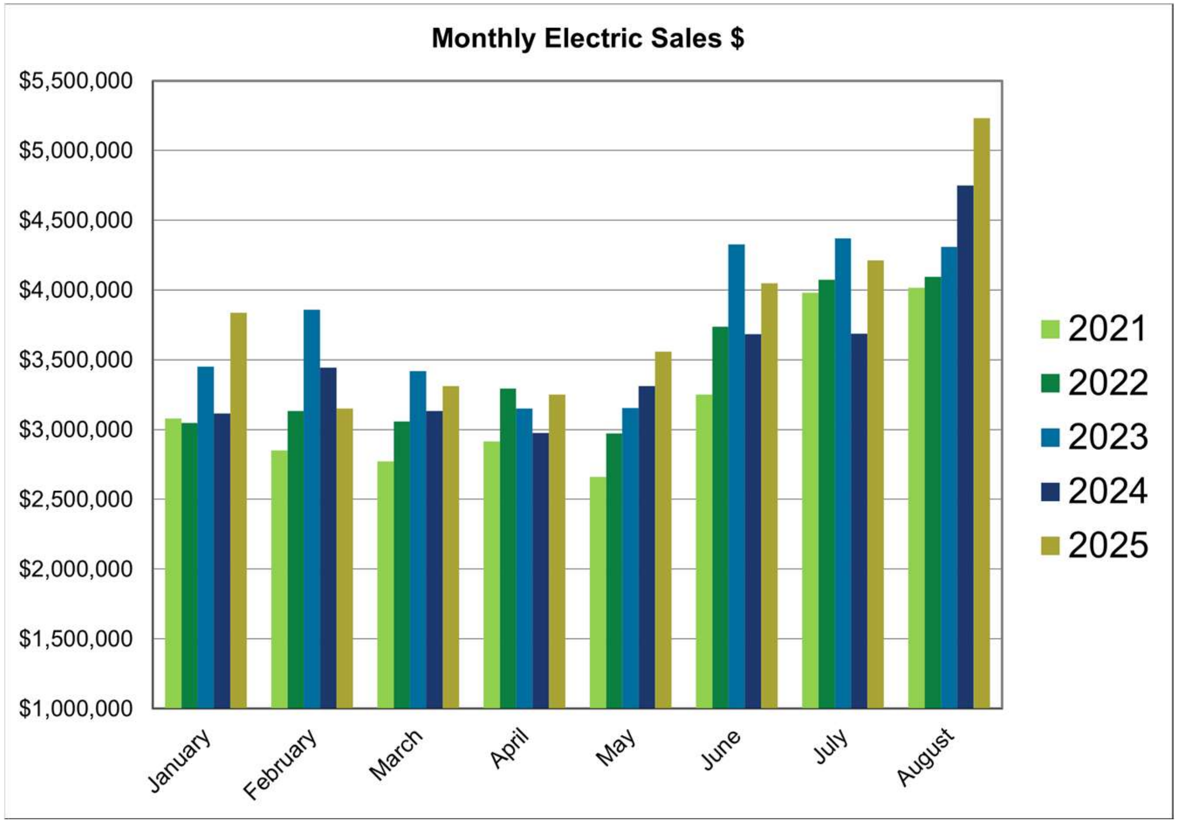


Purpose: To illustrate trends in purchased power costs.

- Purchased power 2025 YTD is approximately 68% of total expenses.
- 2025 YTD purchased power is unfavorable to budget 2%.
- 2025 is 5% higher than 2024. YTD 2025 is $716k more than 2024. 3% higher kWh purchased which also results in higher EAC charges.

Elk River Municipal Utilities

Electric Department – Electric Usage Sales

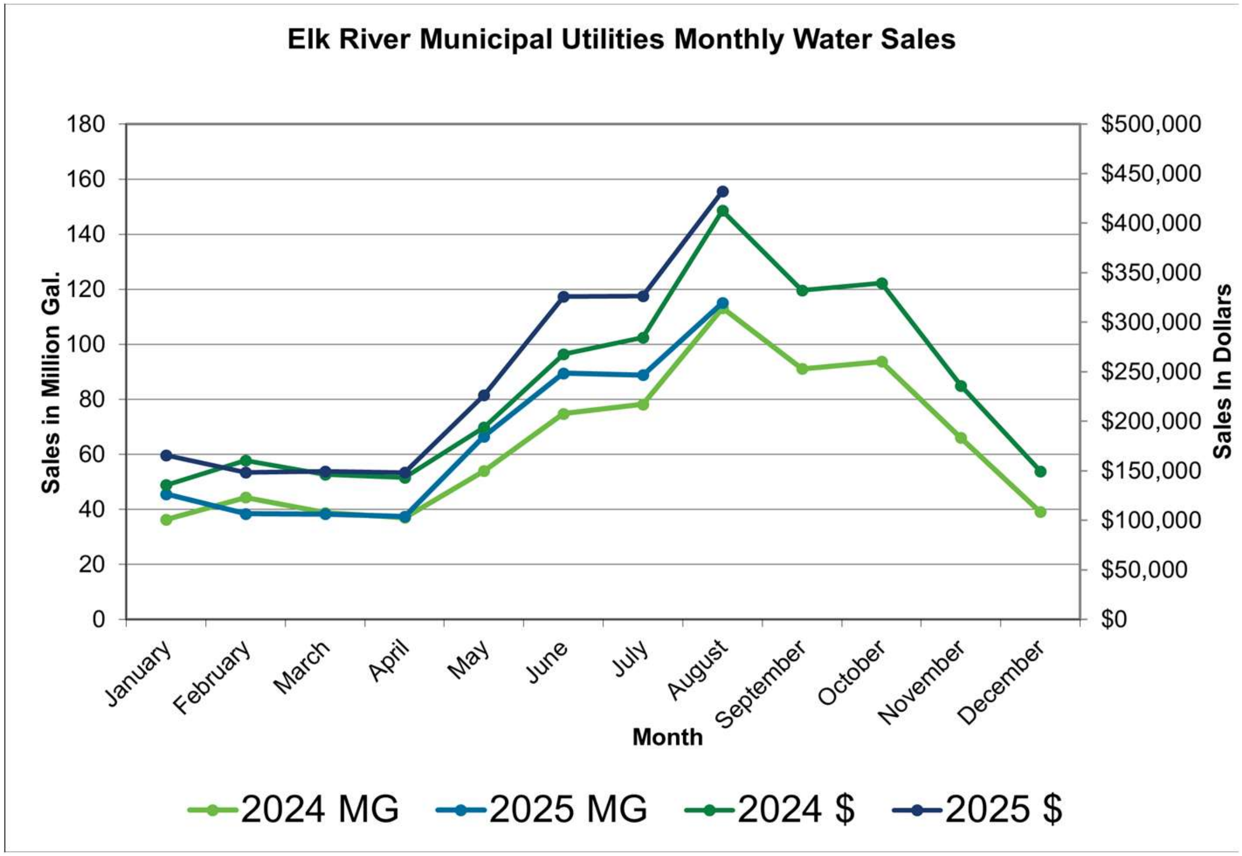


Purpose: To illustrate a 5-year comparison in electric usage sales.

- Usage can vary greatly from year to year with weather being a primary factor.
- Electric kWh usage is 5.3% higher in 2025 as compared to 2024.
- ***Through August 2025***

Elk River Municipal Utilities

Water Department – Water Usage Sales



Purpose: To illustrate trends and view comparisons in water usage sales.

- Usage can vary greatly from year to year based on a variety of factors such as weather.
- The water sales graph highlights both usage and revenue dollars.

- Water usage is up YTD 9% over prior year.
- Revenue is up YTD 10% over prior year due to increased usage and rates.

- ***Through August 2025***

PRESENTED AT MEETING - 2025-9 - 5.1

Elk River Municipal Utilities

Thank You!

Melissa Karpinski, CPA - Finance Manager
mkarpinski@ermumn.com

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	**FROM:** Melissa Karpinski – Finance Manager
MEETING DATE: September 9, 2025	**AGENDA ITEM NUMBER:** 5.2
SUBJECT: 2026 Annual Business Plan: Capital Projects & Equipment Purchases, and 20-Year Capital Projections	
ACTION REQUESTED: No action is required.	

DISCUSSION:
In preparation for budget submittal in November, staff continues to work through the 2026 budget process. The first draft of the capital budget portion of the 2026 budget has been completed for commission review. The capital budget may change as the complete 2026 budget is assembled, when more information on project timing is available, when the rates change, and once cash flow becomes more definite. Included are the timeline projections for 20 years. Non-capital noteworthy items (expenses) are shown separately from the capital budgets at the bottom.

The following information is included for your review of the capital budgets:

1. Electric Department 2026 Capital Budget – Includes large non-recurring capital construction projects, recurring capital construction projects and asset preservation, and capital equipment purchases. Notable items for 2026 include the completion of Advanced Metering Infrastructure (AMI – a multi-year project originally estimated to be completed in 2025), East substation construction (multi-year project estimated to be completed in 2026), Otsego transformer replacement (multi-year project estimated to be completed in 2026), underground equipment replacement, additional/unidentified feeders, replacing digger truck #15, and electric service territory acquisition loss of revenue payments.
2. Electric Department Capital 20-Year Projections – Highlights anticipated large non-recurring capital construction projects, recurring capital construction projects, and asset preservation projects through 2045.
3. Water Department 2026 Capital Budget – Includes large non-recurring capital construction projects, recurring capital construction projects and asset preservation, and capital equipment purchases. Notable items for 2026 include a new well and water treatment plant, replacement of existing water main at Upland/Meadowvale and city road project, Freeport booster station, and SCADA upgrades.

4. Water Department Capital 20-Year Projections – Highlights anticipated large non-recurring capital construction projects, recurring capital construction projects, and asset preservation projects through 2045.
5. Technical Services and Administrative 2026 Capital Budgets – Includes capital projects and capital equipment purchases. Notable items for 2026 include a fiber extension to East substation, and security upgrades.
6. Administration and Technical Services Departments Capital 20-Year Projections – Highlights anticipated large non-recurring capital construction projects, recurring capital construction projects, and asset preservation projects through 2045.

The utilities utilize a vehicle replacement evaluation system implemented with the city. Additional information on vehicle evaluations is available upon request.

FINANCIAL IMPACT:
The 2026 Electric Department Capital Budget has increased compared to the prior year. The main driver of the increase is the construction of the new East substation and the completion of Otsego transformer replacement projects in 2026. As in years past, we will use reserves to pay for the territory expansion costs. We will also plan on using reserves to pay for the East substation construction, Otsego transformer replacement, any unidentified feeder work, and replacement of underground equipment. We also plan to do an inter-fund loan from the Water department to partially fund the electric portion of the capital projects.

The 2026 Water Department Capital Budget has increased compared to the prior year. We plan to bond for the new water treatment plant and then plan on using reserves to pay for the remaining capital needs in 2026.

In 2022, both the Electric Department and Water Department started a multi-year project implementing AMI. The AMI project should be completed for both departments in 2026.

The Administration and Technical Services Departments' Capital Budgets have increased compared to the prior year. These projects are allocated to the Electric and Water Departments and are shown as separate lines on their capital budgets.

ATTACHMENTS:
- 2026 Electric Department Capital Budget
- 2026 Electric Department Capital 20-Year Projections
- 2026 Water Department Capital Budget
- 2026 Water Department Capital 20-Year Projections
- 2026 Administration and Technical Services Departments Capital Budgets
- 2026 Administration and Technical Services Departments Capital 20-Year Projections

Elk River Municipal Utilities Business Plan/Budget
2026 Electric Department Capital Budget

Capital Construction Projects

		Cost	Description		
1	$	125,000	Cty Rd 44 Rebuild		
2	$	250,000	Rebuild: Ogden, 196th		
3	$	250,000	Rebuild: Zebulon and Xerxes		
4	$	250,000	OH to URD 208th, Wilson, 207th, single phase on Brook Rd		
5	$	40,000	Rebuild: Mississippi Rd/Orono Rd		
6	$	250,000	Unidentified Projects		
6	$	100,000	198th Ave & Polk St OH to URD	(for new well)	
7	$	50,000	Otsego Street Lights		
8	$	-	Cty Rd 33		
Subtotal	$	1,315,000	**in order of priority*		

Capital Construction Substations

		Cost	Description	
	$	1,413,000	East Substation Construction	Reserves
	$	150,000	North Recloser Tank Replacement	
	$	1,280,120	Otsego Transformer Replacement	Reserves
	$	28,000	Otsego Recloser Controller Replacement	
	$	120,000	Otsego Recloser Tank Replacement	
	$	20,000	14-4 Relay Panel Replacement	
	$	60,000	Waco Bank #1 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	$	3,260,120		

Capital Construction Feeders

		Cost	Description	
	$	175,000	Feeder 65 Rebuild OH from Landfill to North Sub	
	$	200,000	East Sub Feeders #11, 13, 14	
	$	500,000	Unidentified Feeders	Reserves
Subtotal	$	875,000		

Capital Construction System

		Cost	Description	
	$	425,000	Transformers and Meters	
	$	70,607	AMI	
	$	350,000	New Development Distribution Installation	
	$	50,000	Street Lighting	
	$	75,000	Ongoing OH Equip Replacement (Poles, Switches, Cut-Outs)	
	$	900,000	Ongoing URD Equip Replacement (Switches, J-Boxes, Fuse Pads)	Reserves
	$	75,000	Fault Indicators Replacements	
Subtotal	$	1,945,607		

Capital Equipment Needs

		Cost	Description	
	$	500,000	Replace Digger Truck	Vehicle #15
	$	130,000	Replace Truck	#30 and new foreperson
	$	75,000	Hot Arms	
	$	154,600	Electric share of Administration	
	$	298,500	Electric Share of Technical Services	
Subtotal	$	1,158,100		

Capital Facilities & Misc Needs

		Cost	Description	
	$	472,275	Territory Acquisition - Loss of Revenue Pmt (2015 Contract - Area 1&2, 3&4, 5&6, 7&8)	Reserves
Subtotal	$	472,275		
Total Capital	**$**	**9,026,102**		

Electric Noteworthy Non-Recurring Expenses

		Cost	Description
	$	3,500	Computers, iPads, Software, Accessories
	$	2,000	Paint Transformers/Switchgear
	$	5,000	Paint Street Lights
	$	10,000	Tools
	$	30,000	Contractor Testing and Inspections
	$	12,240	Electric share of Administration
	$	23,275	Electric share of Technical Services
Total	$	86,015	

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V
1	**Elk River Municipal Utilities Business Plan/Budget**																					
2	**Electric Utility**																					
3	**Capital Budget 2026-2045**																					
4	**Description**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**
5	**Projects**																					
6	OH to URD 208th, Wilson, 207th, single phase on Brook Rd		$250,000	$100,000																		
7	Dayton Rebuild 2400V OH to 7200V URD					$376,000	$306,000	$102,000	$80,000	$83,000												
8	Cty Rd 32 single phase OH to three phase UG					$300,000																
9	198th Ave & Polk St OH to URD	$100,000	$100,000																			
10	198th Ave & Gary St OH to URD			$100,000																		
11	Otsego Street Lights	$50,000	$50,000																			
12	Highway 169 redefine	$25,000																				
13	3 Phase on Co Rd 1 from Co Rd 33 to 221st			$300,000																		
14	Co Rd 39 O'dean to Nashua - OH to URD			$200,000																		
15	Rebuild Parrish			$200,000																		
16	Rebuild: Dayton River Road			$150,000	$150,000	$150,000																
17	Rebuild: Zebulon and Xerxes		$250,000																			
18	Rebuild: 190th Ave, Waco Street				$250,000																	
19	Rebuild: Ogden, 196th		$250,000																			
20	Rebuild: 211th				$100,000																	
21	Rebuild: 227th, 223rd				$100,000																	
22	Rebuild: Dodge Elk Hills and 190th wire replacement	$125,000																				
23	Rebuild: 192nd Zane and Yale wire replacement	$125,000																				
24	Rebuild: Kennedy and Lincoln wire replacement	$125,000																				
25	Rebuild: Main and Gates OH to URD	~~$250,000~~		$250,000																		
26	Rebuild: 5th St and Line Ave	$100,000																				
27	New development: Hwy 10 from Hwy 101 to Jarvis			$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000									
28	Gravel Mine Development						$250,000	$250,000	$250,000	$250,000	$250,000											
29	Cty Rd 33	~~$200,000~~		$200,000																		
30	Waco Business Center Dr Recon	~~$125,000~~		$125,000																		
31	Cty Rd 44 Rebuild	~~$125,000~~	$125,000																			
32	Rebuild: Mississippi Rd/Orono Rd		$40,000																			
33	Unidentified Projects		$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000
35	**Total Projects Budget**	$1,350,000	$1,315,000	$1,975,000	$950,000	$1,176,000	$906,000	$702,000	$680,000	$683,000	$600,000	$350,000	$350,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000
36																						
37	**Substations**																					
38	**East**																					
39	Design																					
40	Construction	$1,250,000	$1,250,000																			
41	Recloser Controller	$28,000	$28,000																			
42	Recloser Tank	$120,000	$120,000																			
43	Contractor Testing and Inspection		$15,000																			
44	**North**																					
45	Transformer Replacement (Target Date 2053)																					
46	Relay Panel Replacement									$25,000												
47	Recloser Controller Replacement	$35,000				$6,000	$6,000	$6,000														
48	Recloser Tank Replacement	$150,000	$150,000						$45,000	$15,000				$15,000								
49	Communication Equipment Replacement												$10,000									
50	Meter Replacement									$7,500												
51	**Orrock (Future)**																					
52	Design															$150,000						
53	Construct																$1,850,000					
54	**Otsego**																					
55	Transformer Replacement (Target Date 2023)		$1,280,120																			
56	Relay Panel Replacement											$25,000										
57	Recloser Controller Replacement		$28,000																			
58	Recloser Tank Replacement		$120,000						$15,000				$45,000									
59	Communication Equipment Replacement								$10,000													
60	Meter Replacement																	$7,500				
61	**Otsego East (Future)**																					
62	Design					$150,000																
63	Construct						$1,850,000															
64	**Station 14-3**																					
65	Transformer Replacement (Target Date 2037)													$1,250,000								
66	Relay Panel Replacement																					
67	Recloser Controller Replacement			$49,000					$30,000													
68	Recloser Tank Replacement			$150,000				$15,000			$15,000											
69	Communication Equipment Replacement													$10,000								
70	Meter Replacement																	$7,500				
71	**Station 14-4**																					
72	Transformer Replacement (Target Date 2046)																					
73	Relay Panel Replacement		$20,000																			
74	Recloser Controller Replacement			$14,000			$6,000					$6,000										
75	Recloser Tank Replacement			$60,000									$30,000									
76	Communication Equipment Replacement													$10,000								
77	Meter Replacement																	$7,500				
78	**Waco Bank #1**																					
79	Transformer Replacement (Target Date 2047)																					
80	Relay Panel Replacement									$25,000												
81	Recloser Controller Replacement											$6,000										
82	Recloser Tank Replacement		$60,000											$30,000								

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V
1	**Elk River Municipal Utilities Business Plan/Budget**																					
2	**Electric Utility**																					
3	**Capital Budget 2026-2045**																					
4	**Description**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**
83	Communication Equipment Replacement											$10,000										
84	Meter Replacement													$7,500								
85	**Waco Bank #2**																					
86	Transformer Replacement (Target Date 2057)																					
87	Relay Panel Replacement													$25,000								
88	Recloser Controller Replacement				$21,000									$18,000								
89	Recloser Tank Replacement																					
90	Communication Equipment Replacement											$10,000										
91	Meter Replacement													$7,500								
92	**West Bank #1**																					
93	Transformer Replacement (Target Date 2046)																					
94	Relay Panel Replacement																					
95	Recloser Controller Replacement	$21,000	$21,000					$12,000			$6,000											
96	Recloser Tank Replacement	$30,000	$30,000															$15,000				
97	Communication Equipment Replacement								$10,000													
98	Meter Replacement																	$7,500				
99	**West Bank #2**																					
100	Transformer Replacement (Target Date 2034)										$1,250,000											
101	Relay Panel Replacement																					
102	Recloser Controller Replacement	$28,000	$28,000						$18,000													
103	Recloser Tank Replacement	$60,000	$60,000							$15,000												
104	Communication Equipment Replacement								$10,000													
105	Meter Replacement																	$7,500				
106	Cap and Reg Controllers																					
107	SCADA Network Upgrades	~~$50,000~~	$50,000																			
108	Substations voltage upgrade to 115kV											$2,000,000	$2,000,000	$2,000,000	$2,000,000							
110	**Total Substations Budget**	$1,772,000	$3,260,120	$273,000	$21,000	$156,000	$1,862,000	$33,000	$138,000	$87,500	$1,271,000	$2,057,000	$2,085,000	$3,373,000	$2,000,000	$150,000	$1,850,000	$52,500	$0	$0	$0	$0
111																						
112	**Feeders**																					
113	Quaday to River Road NE			$500,000																		
114	County Rd 35 Feeder to Waco			$100,000																		
115	Highway 10 Feeder from 101 to Jarvis			$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000									
116	Rebuild Feeder 46 Substation to Hwy 10				$250,000																	
117	Gravel Mine Feeders						$250,000	$250,000	$250,000	$250,000	$250,000											
118	Feeder 71/72 Replace 500 MCM from reclosure to riser	$25,000																				
119	Feeder 65 Rebuild OH from Landfill to North Sub	$150,000	$175,000																			
120	East Sub Feeders #11, 13, 14		$200,000																			
121	Unidentified Feeders	$750,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
123	**Total Feeders Budget**	$925,000	$875,000	$1,250,000	$900,000	$650,000	$900,000	$900,000	$900,000	$900,000	$900,000	$650,000	$650,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
124																						
125																						
126	**Miscellaneous**																					
127	Territory Acquisition - Loss of Revenue Pmt (1991 Contract)																					
128	County Rd 12 Interconnection Agreement - Connexus																					
129	Territory Acquisition - Loss of Revenue Pmt (2015 Contract - Area 1&2, 3&4, 5&6, 7&8)	$935,000	$472,275	$316,884	$198,046	$100,816	$100,816															
131	**Total Miscellaneous Budget**	$935,000	$472,275	$316,884	$198,046	$100,816	$100,816	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
132																						
133	**Facilities**																					
134	Vactron clean out west sub																					
135	West sub storage asphalt																					
137	**Total Facilities Budget**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
138																						
139	**System**																					
140	Transformers and Meters	$375,000	$425,000	$425,000	$425,000	$425,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000
141	AMI	$1,425,000	$70,607																			
142	New Development Distribution Installation	$350,000	$350,000	$350,000	$350,000	$350,000	$350,000	$350,000	$350,000	$350,000	$350,000	$350,000	$350,000	$350,000	$350,000	$350,000	$350,000	$350,000	$350,000	$350,000	$350,000	$350,000
143	Street Lighting	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000
144	Ongoing OH Equip Replacement (Poles, Switches, Cut-Outs)	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000
145	Ongoing URD Equip Replacement (Switches, J-Boxes, Fuse Pads)	$150,000	$900,000	$900,000	$650,000	$650,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000
146	Fault Indicators Replacements	$75,000	$75,000																			
148	**Total System Budget**	$2,500,000	$1,945,607	$1,800,000	$1,550,000	$1,550,000	$875,000	$875,000	$875,000	$875,000	$875,000	$875,000	$875,000	$875,000	$875,000	$875,000	$875,000	$875,000	$875,000	$875,000	$875,000	$875,000
149																						
150	**Inventory/Equipment**																					
151	Digger Truck	$335,000	$500,000																			
152	Bucket Truck	$300,000			$302,500	$332,750																
153	Dump Truck/Flatbed Truck			$75,000	$50,000			$85,000														
154	Vactron	$145,000																				
155	Excavator	$45,000		$45,000								$45,000		$45,000								
156	Brush Chipper											$30,000										
157	Cable Plow						$200,000					$250,000										
158	Bore Rig								$250,000													
159	John Deere Tractor																					
160	Diesel Tank																					
161	Trailer	$55,000			$40,000		$20,000	$20,000		$17,000		$30,000	$20,000	$15,000	$30,000	$20,000	$20,000					
162	Shared Equipment	$12,800					$21,600			$48,000	$65,000						$16,000					

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V
1	**Elk River Municipal Utilities Business Plan/Budget**																					
2	**Electric Utility**																					
3	**Capital Budget 2026-2045**																					
4	**Description**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**
163	Pickup Trucks		$130,000		$195,000				$65,000	$65,000	$65,000	$65,000		$195,000						$66,000	$66,000	$66,000
164	Chipper Box								$55,000													
165	Dump Trailer																					
166	Hot Arms		$75,000																			
167	Ez Spot																					
168	Tools at Field Services Building																					
170	**Total Inventory/Equipment Budget**	$892,800	$705,000	$120,000	$587,500	$332,750	$241,600	$105,000	$370,000	$130,000	$130,000	$420,000	$20,000	$255,000	$30,000	$20,000	$36,000	$0	$0	$66,000	$66,000	$66,000
171																						
172	**Total**	$8,374,800	$8,573,002	$5,734,884	$4,206,546	$3,965,566	$4,885,416	$2,615,000	$2,963,000	$2,675,500	$3,776,000	$4,352,000	$3,980,000	$5,253,000	$3,655,000	$1,795,000	$3,511,000	$1,677,500	$1,625,000	$1,691,000	$1,691,000	$1,691,000
173	Reserves	$3,333,000	$4,565,395								$1,250,000	$2,000,000		$1,250,000			$1,850,000					
174	Bonding																					
175	Grants																					
176	Inter-Fund Borrowing	$1,425,000	$1,400,000																			
177	**Total Less Additional Funding**	$3,616,800	$4,007,607	$5,734,884	$4,206,546	$3,965,566	$4,885,416	$2,615,000	$2,963,000	$2,675,500	$2,526,000	$2,352,000	$3,980,000	$4,003,000	$3,655,000	$1,795,000	$1,661,000	$1,677,500	$1,625,000	$1,691,000	$1,691,000	$1,691,000
178																						
179	Difference from Previous Year	$337,300	$390,807	$1,727,277	($1,528,338)	($240,980)	$919,850	($2,270,416)	$348,000	($287,500)	($149,500)	($174,000)	$1,628,000	$23,000	($348,000)	($1,860,000)	($134,000)	$16,500	($52,500)	$66,000	0	0
180																						
181																						
182	**Non-Capital Expenses - Noteworthy**																					
183	Computers/iPads	$10,500	$3,500	$10,500	$5,500	$1,300	$5,500	$14,000	$3,500	$10,500	$5,500	$1,300	$5,500	$14,000	$3,500	$10,500	$5,500	$1,300	$5,500	$14,000	$3,500	$10,500
184	Paint Trailer																					
185	Paint Truck																					
186	Paint Transformers/Switchgear	$15,000	$2,000																			
187	Paint Street Lights		$5,000																			
188	Tools	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000
189	**Highway 10 (Future)**																					
190	Contractor Testing and Inspections (Expense)						$15,000										$15,000					
191	**North**																					
192	Contractor Testing and Inspections (Expense)			$15,000										$15,000								
193	**Otsego**																					
194	Transformer Arrestor Replacement (Expense)																					
195	Contractor Testing and Inspections (Expense)									$15,000												
196	**Otsego East (Future)**																					
197	Contractor Testing and Inspections (Expense)															$15,000						
198	**Station 14-3**																					
199	Transformer Arrestor Replacement (Expense)																					
200	Contractor Testing and Inspections (Expense)							$15,000										$15,000				
201	**Station 14-4**																					
202	Contractor Testing and Inspections (Expense)								$15,000										$15,000	$15,000	$15,000	$15,000
203	**Waco Bank #1**																					
204	Contractor Testing and Inspections (Expense)		$15,000										$15,000									
205	**Waco Bank #2**																					
206	Contractor Testing and Inspections (Expense)				$15,000										$15,000							
207	**West Bank #1**																					
208	Contractor Testing and Inspections (Expense)										$15,000											
209	**West Bank #2**																					
210	Transformer Arrestor Replacement and Current Transformers (Expense)																					
211	Contractor Testing and Inspections (Expense)	~~$15,000~~	$15,000									$15,000										
213	**Total Non-Capital Expenses - Noteworthy**	$ 50,500	$ 50,500	$ 35,500	$ 30,500	$ 11,300	$ 30,500	$ 39,000	$ 28,500	$ 35,500	$ 30,500	$ 26,300	$ 30,500	$ 39,000	$ 28,500	$ 35,500	$ 30,500	$ 26,300	$ 30,500	$ 39,000	$ 28,500	$ 35,500

Elk River Municipal Utilities Business Plan/Budget
2026 Water Department Capital Budget

Water Capital Construction Needs

	Cost	Description	
	$ 40,000	Well #5 Rehabilitation	Reserves
	$ 1,500,000	New Well #10	Reserves
	$ 8,000,000	New Well #10 WTP	Bonding
	$ 12,000	Hi-E Dry Dehumidifiers	Reserves
	$ 100,000	Facility Repair (Capital)	Reserves
	$ 400,000	Freeport Booster Station	Reserves
	$ 15,000	Placeholder for undetermined projects	Reserves
	$ 200,000	SCADA upgrades	Reserves
	$ 15,000	Well Security	Reserves
	$ 75,000	Fiber - Meadowvale & Freeport Boosters, Well #6	Reserves
	$ -	Hwy 169 Redefine	
	$ 1,050,000	Water Main Construction (City Rd project)	Reserves
Subtotal	$ 11,407,000		

Capital Equipment Needs

	Cost	Description	
	$ 65,000	Trucks #3	Reserves
	$ 15,000	GPS locating equipment	Reserves
	$ 33,400	Water share of Administration	
	$ 1,500	Water Share of Technical Services	
Subtotal	$ 114,900		
Total Capital	**$ 11,521,900**		

Water Noteworthy Non-Recurring Expenses

	Cost	Description
	$ -	Computers, iPads
	$ 10,000	Meters/ERT
	$ 10,000	Tools
	$ 5,580	Water share of Administration
	$ 825	Water share of Technical Services
Total	$ 26,405	

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V
1	**Elk River Municipal Utilities Business Plan/Budget**																					
2	**Water Utility**																					
3	**Capital Budget 2026-2045**																					
4	**Description**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**
5	**Wells**																					
6	**Well 2**																					
7	Roof Replacement																					
8	Well Rehabilitation (Last Recondition 2022)					$40,000								$40,000								$40,000
9	Flood Alarms																					
10	**Well 3**																					
11	Roof Replacement																					
12	Well Rehabilitation (Last Reconditioning 2024)								$40,000								$40,000					
13	Flood Alarms																					
14	Generator	$175,000																				
15	**Well 4**																					
16	Roof Replacement																					
17	Well Rehabilitation (Last Reconditioning 2023)						$40,000								$40,000							
18	Media																					
19	**Well 5**																					
20	Roof Replacement																					
21	Well Rehabilitation (Last Reconditioning 2015)		$40,000								$40,000								$40,000			
22	Flood Alarms																					
23	**Well 6**																					
24	Roof Replacement																					
25	Well Rehabilitation (Last Reconditioning 2017)	$20,000								$40,000								$40,000				
26	**Well 7**																					
27	Roof Replacement																					
28	Well Rehabilitation (Last Reconditioning 2023)							$40,000								$40,000						
29	VFD																					
30	Flood Alarms																					
31	**Well 8**																					
32	Well Rehabilitation (Last Reconditioning 2015)			$40,000								$40,000								$40,000		
33	**Well 9**																					
34	Roof Replacement			$10,000																		
35	Well Rehabilitation (Last Reconditioning 2018)				$40,000								$40,000								$40,000	
36	**Well 10**																					
37	New Well	$1,200,000	$1,500,000																			
38	New Treatment Plant		$8,000,000																			
39	**Well 11**																					
40	New Well	$1,200,000									$1,500,000											
41	New Treatment Plant										$8,000,000											
42	**All Wells**																					
43	Chlorine Alarms														$25,000							
44	Chlorine Analyzers																					
45	Hi-E Dry Dehumidifiers		$12,000													$10,000						
46	Facility Repair (Capital)	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
48	**Total Well Budget**	$2,695,000	$9,652,000	$150,000	$140,000	$140,000	$140,000	$140,000	$140,000	$140,000	$9,640,000	$140,000	$140,000	$140,000	$165,000	$150,000	$140,000	$140,000	$140,000	$140,000	$140,000	$140,000
49																						
50	**Miscellaneous**																					
51	Freeport Booster Station		$400,000																$20,000	$20,000		
52	Meadowvale Booster Station	$150,000																				
54	**Total Miscellaneous Budget**	$150,000	$400,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$20,000	$20,000	$0	$0
55																						
56	**Towers**																					
57	**Gary St. Tower**																					
58	Paint/Sandblast (Capital)																					
59	Wash Outside of Tower (Capital)	$35,000					$20,000						$20,000					$20,000				
60	Mixer						$20,000															
61	**Freeport Tower**																					
62	Paint/Sandblast (Capital)																					
63	Wash Outside of Tower (Capital)				$20,000		$20,000					$20,000					$20,000					$20,000
64	Mixer																					
65	**Auburn Tower**																					
66	Paint/Sandblast (Capital)																					
67	Wash Outside of Tower (Capital)					$20,000					$20,000					$20,000					$20,000	
68	Mixer																					
69	**Johnson Tower**																					
70	Paint/Sandblast (Capital)			$2,000,000																		
71	Wash Outside of Tower (Capital)						$20,000					$20,000					$20,000					$20,000

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V
1	**Elk River Municipal Utilities Business Plan/Budget**																					
2	**Water Utility**																					
3	**Capital Budget 2026-2045**																					
4	**Description**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**
72	Mixer										$20,000											
73	**New Tower**											$3,500,000										
74	**New Tower**																$4,000,000					
75	Placeholder	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000
77	**Total Tower Budget**	$50,000	$15,000	$2,015,000	$35,000	$35,000	$95,000	$15,000	$15,000	$15,000	$55,000	$3,555,000	$35,000	$15,000	$15,000	$35,000	$4,055,000	$35,000	$15,000	$15,000	$35,000	$55,000
78																						
79	**System**																					
80	Facilities Building																					
81	SCADA upgrades	$39,500	$200,000	$40,000	$60,000	$40,000	$40,000															
82	Well Security		$15,000																			
83	Fiber - Meadowvale & Freeport Boosters, Well #6	$150,000	$75,000																			
84	AMI	$500,000																				
85	Highway 169 Redefine	$185,000																				
86	Gravel Mine Development						$500,000	$500,000	$500,000	$500,000	$500,000											
87	Water Main Construction (Capital)	$500,000	$1,050,000	$500,000		$500,000		$500,000		$500,000		$500,000		$500,000		$500,000		$500,000		$500,000		$500,000
89	**Total System Budget**	$1,374,500	$1,340,000	$540,000	$60,000	$540,000	$540,000	$1,000,000	$500,000	$1,000,000	$500,000	$500,000	$0	$500,000	$0	$500,000	$0	$500,000	$0	$500,000	$0	$500,000
90																						
91	**Inventory/Equipment**																					
92	Equipment				$65,000								$65,000				$6,000					
93	Shared Equipment	$3,200					$5,400			$12,000	$22,000						$4,000					
94	Trucks (Capital)	$65,000	$65,000	$65,000	$65,000	$130,000														$66,000	$65,000	$130,000
95	GPS locating equipment		$15,000																			
96	Fire Hydrant Flushing Equipment																					
98	**Total Inventory/Equipment Budget**	$68,200	$80,000	$65,000	$130,000	$130,000	$5,400	$0	$0	$12,000	$22,000	$0	$65,000	$0	$0	$0	$10,000	$0	$0	$66,000	$65,000	$130,000
99																						
100	**Total**	**$4,337,700**	**$11,487,000**	**$2,770,000**	**$365,000**	**$845,000**	**$780,400**	**$1,155,000**	**$655,000**	**$1,167,000**	**$10,217,000**	**$4,195,000**	**$240,000**	**$655,000**	**$180,000**	**$685,000**	**$4,205,000**	**$675,000**	**$175,000**	**$741,000**	**$240,000**	**$825,000**
101	Reserves	$3,050,000	$3,487,000	$500,000		$500,000	$500,000	$1,000,000	$500,000	$1,000,000		$500,000		$500,000		$500,000		$500,000		$500,000		$500,000
102	Bonding		$8,000,000	$2,000,000							$9,500,000	$3,500,000					$4,000,000					
103	Trunk Funds																					
104	**Total Less Additional Funding**	$1,287,700	$0	$270,000	$365,000	$345,000	$280,400	$155,000	$155,000	$167,000	$717,000	$195,000	$240,000	$155,000	$180,000	$185,000	$205,000	$175,000	$175,000	$241,000	$240,000	$325,000
105																						
106	Difference from Previous Year	$ 859,700	$ (1,287,700)	$ 270,000	$ 95,000	$ (20,000)	$ (64,600)	$ (125,400)	$ -	$ 12,000	$ 550,000	$ (522,000)	$ 45,000	$ (85,000)	$ 25,000	$ 5,000	$ 20,000	$ (30,000)	$ -	$ 66,000	$ (1,000)	$ 85,000
107																						
108																						
109	**Non-Capital Expenses - Noteworthy**																					
110	Computers/iPads	$9,500	$0	$0	$3,500	$1,300	$6,000	$11,000	$0	$0	$3,500	$1,300	$6,000	$11,000	$0	$0	$3,500	$1,300	$6,000	$11,000	$0	$0
111	Meters/ERTs	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000
112	Tools	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000
113	Rate Study	$5,000					$5,000					$5,000					$5,000					
115	**Total Non-Capital Expenses - Noteworthy**	$ 34,500	$ 20,000	$ 20,000	$ 23,500	$ 21,300	$ 31,000	$ 31,000	$ 20,000	$ 20,000	$ 23,500	$ 26,300	$ 26,000	$ 31,000	$ 20,000	$ 20,000	$ 28,500	$ 21,300	$ 26,000	$ 31,000	$ 20,000	$ 20,000

Elk River Municipal Utilities Business Plan/Budget
2026 Administration and Technical Services Departments Capital Budgets

Administration Capital Needs

	Cost	Description
	$ 40,000	Hallway Display and Branding
	$ 30,000	Server upgrades
	$ 5,000	Network Switches/Misc (ERMU)
	$ 6,000	Domain Controller
	$ 6,000	Microsoft server upgrade (city shared)
	$ 5,000	Server Backup System (city shared)
	$ 18,000	OMS
	$ 5,000	Office Furniture
	$ 8,000	Team's Room - FS Building
	$ 10,000	Security Camera System Replacement - Admin
	$ 40,000	OT Security
	$ 10,000	Phone System (city shared)
	$ 5,000	Misc Office Equipment
Subtotal	$ 188,000	

Administration Noteworthy Non-Recurring Expenses

	Cost	Description
	$ 15,300	Computers, iPads, Software, Accessories, Scanners, Printers - Upgrades
Subtotal	$ 15,300	
Total Administration	**$ 203,300**	

Technical Services Capital Needs

	Cost	Description
	$ 10,000	GIS Enterprise version update
	$ 20,000	VOLT/VAR Implementation
	$ 125,000	Fiber Extension - East Sub
	$ 25,000	Substation Security
	$ 15,000	Thermal Imager Camera
	$ 15,000	Locator
	$ 25,000	Communications Cap Bank VR Controllers
	$ 65,000	Trucks (Capital) #17
Subtotal	$ 300,000	

Technical Services Noteworthy Non-Recurring Expenses

	Cost	Description
	$ 14,500	Computers, iPads, Software, Accessories - Upgrades
	$ 10,000	Tools
Subtotal	$ 24,500	
Total Technical Services	**$ 314,500**	

Total Capital Items	**$ 488,000**	
Total Non-Recuring Expenses	$ 39,800	

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V
1	**Elk River Municipal Utilities Business Plan/Budget**																					
2	**Administration & Technical Services**																					
3	**Capital Budget 2026-2045**																					
4	**Description**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**
5	**Admin**																					
6	**Information Technology**																					
7	Server upgrades	~~$75,000~~	$30,000				$75,000						$75,000				$75,000					
8	Microsoft server upgrade (city shared)	~~$6,000~~	$6,000																			
9	Network Switch (City main core)						$20,000										$20,000					
10	Network Switches/Misc (ERMU)	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000
11	Domain Controller		$6,000					$5,000					$5,000					$5,000				
12	Security Camera System Replacement - FSB			$10,000						$50,000										$50,000		
13	Security Camera System Replacement - Admin		$10,000																			
14	Building Security																					
15	Commission Room AV Upgrade						$15,000															
16	Cellular Boosters - Field Services Building																					
17	Server Backup System (city shared)	$8,400	$5,000																			
18	Simplivity server node - increase storage space (city shared)				$12,000	$12,000	$12,000															
19	Voice Server Replacement																					
20	OMS		$18,000																			
21	Team's Room - Admin Building	$5,000																				
22	Team's Room - FS Building	$14,000	$8,000																			
23	OT Security		$40,000																			
24	Phone System (city shared)		$10,000																			
26	**Total IT Budget**	$113,400	$138,000	$15,000	$17,000	$17,000	$127,000	$10,000	$5,000	$55,000	$5,000	$5,000	$85,000	$5,000	$5,000	$5,000	$100,000	$10,000	$5,000	$55,000	$5,000	$5,000
27																						
28																						
29	Facilities																					
30	Office Furniture		$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$15,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000
31	Conference Room/Office Reno																					
32	Hallway Display and Branding	~~$40,000~~	$40,000																			
33	Field Services Branding																					
34	FSB Accoustics	$40,000																				
35	Computer Monitor Arms																					
36	Carpet								$50,000													
38	**Total Facilities Budget**	$80,000	$45,000	$5,000	$5,000	$5,000	$5,000	$5,000	$55,000	$5,000	$15,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000
39																						
40																						
41	**Miscellaneous**																					
42	Office Vehicles				$30,000					$50,000					$30,000					$50,000		
43	Misc. Office Equipment - Folder, Letter Opener, RemitPlus Scanner & Computer		$5,000	$5,000					$5,000		$5,000			$4,000				$5,000				
45	**Total Miscellaneous Budget**	$0	$5,000	$5,000	$30,000	$0	$0	$0	$5,000	$50,000	$5,000	$0	$0	$4,000	$30,000	$0	$0	$5,000	$0	$50,000	$0	$0
46																						
47																						
48	**Tech Services**																					
49	**Information Technology**																					
51	GIS Enterprise version update		$10,000																			
53	**Total IT Budget**	$0	$10,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
54																						
55																						
56	**Projects**																					
57	VOLT/VAR Implementation		$20,000																			
58	Fiber Extension - 169 to Sub																					
59	Fiber Extension - Waco Sub			$60,000																		
60	Fiber Extension - East Sub	$125,000	$125,000																			
61	Fiber Extension - West Sub																					
62	Fiber Extension - Johnson Tower																					
63	Fiber Extension - Auburn Tower																					
64	Fiber Loop																					
65	Substation Security	~~$40,000~~	$25,000																			
67	**Total Projects**	$165,000	$170,000	$60,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
68																						
69																						
70	**Inventory/Equipment**																					
71	Substation Meter and SCADA Equipment																					
72	Field Meter Testing Equipment																					
73	Shop Meter Tester																					
74	Thermal Imager Camera	$15,000	$15,000																			
75	Locator		$15,000																			
76	Communications Cap Bank VR Controllers		$25,000																			
77	Trucks (Capital)		$65,000	$65,000	$65,000	$65,000	$65,000	$65,000			$130,000	$65,000	$65,000	$65,000	$65,000	$65,000		$65,000				
79	**Total Inventory/Equipment Budget**	$15,000	$120,000	$65,000	$65,000	$65,000	$65,000	$65,000	$0	$0	$130,000	$65,000	$65,000	$65,000	$65,000	$65,000	$0	$65,000	$0	$0	$0	$0
80																						
81																						
82	**Total**	**$373,400**	**$488,000**	**$150,000**	**$117,000**	**$87,000**	**$197,000**	**$80,000**	**$65,000**	**$110,000**	**$155,000**	**$75,000**	**$155,000**	**$79,000**	**$105,000**	**$75,000**	**$105,000**	**$85,000**	**$10,000**	**$110,000**	**$10,000**	**$10,000**
83	Reserves																					
84	Bonding																					
85																						
86	Total Less Additional Funding	$373,400	$488,000	$150,000	$117,000	$87,000	$197,000	$80,000	$65,000	$110,000	$155,000	$75,000	$155,000	$79,000	$105,000	$75,000	$105,000	$85,000	$10,000	$110,000	$10,000	$10,000
87																						
88	Difference from Previous Year	$ (177,100)	$ 114,600	$ (338,000)	$ (33,000)	$ (30,000)	$ 110,000	$ (117,000)	$ (15,000)	$ 45,000	$ 45,000	$ (80,000)	$ 80,000	$ (76,000)	$ 26,000	$ (30,000)	$ 30,000	$ (20,000)	$ (75,000)	$ 100,000	$ (100,000)	$ -
89																						
90																						
91	**Non-Capital Expenses - Noteworthy**																					
92	Admin - Computers, Software, Accessories, Upgrades	$27,900	$15,300	$14,000	$28,000	$15,700	$4,600	$24,400	$15,300	$14,000	$28,000	$15,700	$4,600	$24,400	$15,300	$14,000	$28,000	$15,700	$4,600	$24,400	$15,300	$14,000
93	Tech Services - Computers, Software, Accessories, Upgrades	$6,500	$14,500	$0	$0	$5,200	$3,000	$6,500	$14,500	$0	$0	$5,200	$3,000	$6,500	$14,500	$0	$0	$5,200	$3,000	$6,500	$14,500	$0
94	Tools	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000
96	**Total Non-Capital Expenses - Noteworthy**	$ 44,400	$ 39,800	$ 24,000	$ 38,000	$ 30,900	$ 17,600	$ 40,900	$ 39,800	$ 24,000	$ 38,000	$ 30,900	$ 17,600	$ 40,900	$ 39,800	$ 24,000	$ 38,000	$ 30,900	$ 17,600	$ 40,900	$ 39,800	$ 24,000

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	FROM: Mark Hanson - General Manager
MEETING DATE: September 9, 2025	**AGENDA ITEM NUMBER:** 5.3
SUBJECT: Advanced Metering Infrastructure Project Discussion	
ACTION REQUESTED: None, Discussion Only	

DISCUSSION:
We are nearing the end of our multi-year Advanced Metering Infrastructure (AMI) project. We have replaced nearly all meters for which we have received replacement meters from the vendor. Meters that still need to be replaced fall into one of four categories:

1) Insufficient Supply: We have not received replacement meters from the vendor.
2) Non-Responsive: The customer has not responded to our requests to change the meter.
3) Active Holdout: The customer has responded but is refusing to schedule an appointment to change the meter.
4) To Be Scheduled: Meter change out is limited by staff/contractor availability or the customer has recently scheduled a meter replacement.

The table below presents the current numbers of remaining meters by meter type and replacement category (as of Wednesday, September 3):

Meter Type	Total Remaining	Insufficient Supply	Non-Responsive	Active Holdout	To Be Scheduled
Commercial Electric	810	421	0	0	389
Residential Electric	308	86	0	2	220
Commercial Water	39	1	0	0	38
Residential Water	97	0	83	2	12

We expect to receive the remaining commercial electric meters in November. Once received, we will work directly with those customers to replace their meters. Our contracted plumber continues to replace the remaining commercial water meters. We have not received active resistance from any of our commercial water customers.

With regard to residential electric meters, most meters have been replaced, or will be replaced, except for two active holdouts claiming we do not have the legal right to change the meter (these same customers are making the same claim for the water meter in their home). Staff is working with our attorney to draft a letter clarifying our legal right to change the meter.

Regarding the 83 non-responsive residential water customers, staff recommend we send a final letter in accordance with city ordinance stating their water will be shut off within 15 days if they do not allow access to replace their meter. Should any water customers remain non-responsive as of the shutoff date, staff recommend proceeding with the following scenarios:

1) Per city ordinance, staff will visit the property one more time to change the meter. If the property owner is either not home or denies access, staff will post a letter stating access to change the meter must be granted within 15 days or the water will be shut off.
2) If the owner remains non-responsive after 15 days, staff will have meters on hand when we go to shut off non-responsive customers. If the customer is home and allows us access, we will replace the meter.
3) At the time of the planned shutoff, if the customer requests to schedule a meter appointment, they must schedule an appointment within two weeks of the planned shutoff date.
4) If we show up to a scheduled appointment to change the meter and the customer is either not home or denies access, we will shut them off at the curb stop. We will not turn the water back on until the meter has been replaced. The customer will be charged a disconnect/trip fee for the shutoff.

Staff understand that shutting off a customer's service is a last resort, but we have arrived at this course of action after making numerous attempts via multiple media formats to ensure customers are aware of the need to schedule an appointment to replace their meter. Please see attached AMI Communication Timeline 2023-2025 for a list of those communication efforts.

Discussion Questions:

1) Is the commission comfortable with shutting off customers as described above?
2) If yes, are there any other concerns the commission would like addressed?

ATTACHMENTS:

- AMI Communication Timeline 2023-2025

Elk River Municipal Utilities

AMI Communication Timeline

Introduction to AMI (November 2023 – December 2023)

November 2023

- AMI Project FAQ Page: A dedicated FAQ page for the AMI project was launched on ERMU's website with continuous updates provided throughout the project.
- Customer Notification: All customers received a 1/3 sheet insert introducing AMI with their November billing statement.
- Newsletter and Social Media:
    - Introductory AMI information was shared in ERMU's monthly e-newsletter, *The Connector.*
    - A social media post on November 1 introduced AMI to customers via LinkedIn, Facebook, Instagram, and Twitter.

December 2023

- The Current Newsletter: Introductory AMI information was included in the winter edition of *The Current,* distributed with customers' December billing statements.
- Social Media Post: A follow-up post on December 4 directed customers to *The Current* for more details.

AMI Installation Updates (March 2024 – November 2024)

March 2024

- The Current Newsletter: An AMI installation update was included in the spring edition of *The Current* and distributed with customers' March billing statements.
- Social Media Post: A March 4 post directed customers to *The Current* for more information.

May 2024

- Appointment Letters: Water meter installation appointment letters were mailed to customers in stages beginning May 3.

- The Current Newsletter: Information about SmartHub and how it enhances account management was included in the summer edition of *The Current.*
- Social Media Post: A May 3 AMI installation update was provided via Facebook, Instagram, and Twitter.

July 2024

- Appointment Letters: A second round of water meter installation appointment letters were mailed on July 3.

September – October 2024

- Appointment Letters: Water meter installation appointment letters continued to be mailed to customers in stages.

November 2024

- Customer Reminder: All customers received a 1/3 sheet insert reminding them about the AMI project and providing electric meter installation information, included with their November billing statements.
- Social Media Post: A November 13 post provided an AMI installation update via Facebook, Instagram, and Twitter.

Final Push for Water Appointments and Electric Notifications (December 2024 – August 2025)

December 2024

- The Current Newsletter: An article about the benefits of AMI meters was featured in the winter edition of *The Current.*
  - Note: Customers in billing cycle 1 received the insert in their January 2025 billing due to a distribution issue.
- Social Media Post: A December 2 post highlighted the winter edition of *The Current* on LinkedIn, Facebook, Instagram, and Twitter.

January 2025

- Call Campaign: A call campaign targeted approximately 800 residential customers who had not yet scheduled their water meter installation appointments:
  - 300 calls were made on January 27, with the remainder placed on January 28.
- Social Media Posts:
  - January 22: A reminder post about residential electric meter installations (Facebook only).
  - January 31: A post featuring Allegiant staff alongside an Allegiant co-branded truck (Facebook only).

February 2025

- Direct Mail Postcard: A postcard was sent on February 11 to all remaining residential water customers who had not scheduled their meter replacement appointments.
- Call Campaigns: Primary reason was to remind residential electric customers of the ongoing AMI project as we were made aware of police being called when Allegiant staff were present on customer property.
    - February 2: Calls notified cycle 2 customers that Allegiant would be in their area for electric meter replacements.
    - February 9: Calls notified cycle 3 customers of upcoming electric meter replacements.
    - February 27: There were 275 calls made reminding customers that water appointments must be scheduled by April 1 to avoid additional service fees, starting at $50 per month.
- Bill Insert: All customers received the Year In Review that included an article about AMI.

March 2025

- Bill Inserts
    - All customers received a 1/3-sheet insert reminding them about the AMI water meter appointment scheduling deadline and providing electric meter installation information, included with their March billing statements.
    - All customers received ERMU's quarterly newsletter that contained an article reminding them that AMI meter exchanges continue with the help of Allegiant.

April 2025

- Website FAQ Page: Updated to inform customers that ERMU will handle all meter replacements moving forward.

May 2025

- Website FAQ Page: Updated to remind customers that meter replacement appointments must be scheduled to avoid additional service fees starting at $50 per month.
- Customer Outreach: Customer Service Representatives began making outbound calls to residential water customers to schedule water meter replacement appointments. Messages were left for customers who did not answer.

June 2025

- Customer Letter: On June 11, friendly letters were mailed to approximately 45 potential opt-out customer outlining the opt-out process. The opt-out form (Request for Manual Meter Read) was included.
- Social Media Post: On June 26, a reminder was posted on Facebook about water and electric meter installations. The post explained the process for each type of meter and reminded

customers that water meter appointments must be scheduled to avoid additional service fees starting at $50 per month.

- Direct Mail Postcard: On June 30, postcards were mailed to all remaining residential water customers who had not scheduled their meter replacement appointments.

July 2025

- Website FAQ Page: Updated to inform customers that effective August 1, 2025, additional service fees starting at $50 per month will apply to accounts without a scheduled water meter replacement.
- Call campaign: Follow-up calls to the June postcard recipients were made reminding them to schedule their appointment. Customers were informed that their next bill would include a service fee for manual meter reading if an appointment was not scheduled.

August 2025

- Website FAQ Page: Updated to inform customers that beginning August 26, ERMU water technicians would begin going door-to-door to complete water meter replacements for residents who had not yet scheduled their appointment. If customers were not home, technicians would leave a door hanger with scheduling information.
- Certified Letters: On August 18, certified letters were sent to residential electric customers who previously received the June 11 friendly opt-out letter but had not returned the opt-out form to our office. This certified mailing included a cover letter and another set of opt-out documents.
    - Out of the original 45 customers identified in June, there are two remaining holdouts.

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	FROM: Mark Hanson - General Manager
MEETING DATE: September 9, 2025	AGENDA ITEM NUMBER: 5.4
SUBJECT: Wage & Benefits Committee Update	
ACTION REQUESTED: None	

DISCUSSION:
A Wage & Benefits Committee (WBC) meeting was held on Tuesday, September 2, 2025, to receive and discuss employee requests. Also on the agenda was an update on Minnesota's new Paid Family Medical Leave (PFML) requirements going into effect January 1, 2026. This update is presented only as information at this time.

Staff representatives made the following employee requests for WBC consideration:

1. 2026 COLA Calculation: When determining a 2026 cost of living adjustment (COLA), staff requested the addition of the 0.5% from North St. Paul's additional step in 2025 to the 2026 metro average calculation. The impact of North St. Paul's step adjustment was not included in the 2025 COLA. Staff representatives requested that the COLA be applied to all ERMU employees.

2. Policy Adjustments for Consideration:
   - How accrued sick leave is paid out when employees separate/retire
   - Whether on-call (standby) pay should be increased
   - Whether the compensation time accrual/usage cap could be increased

Please see the attached 2025 Staff Proposals to Wage & Benefit Committee for staff's complete requests.

Based on staff requests, the following information will be researched and provided to the WBC:

- Confirmation of how the 2025 COLA was calculated.
- History and dates of on-call pay increases at ERMU.
- Workforce demographics (age, years of service) and analysis of how reducing years of service requirements for sick leave conversion to Health Care Savings Plans at retirement would impact ERMU and employees.

- Employee utilization data for short-term disability since the State's paid leave benefit implementation.

General Manager Mark Hanson and HR Generalist Megan Zachman updated committee members on the requirements and options associated with the State's PFML requirements. Ms. Zachman reported that ERMU's current ancillary benefits provider quoted a rate below the State's published rate. Mr. Hanson recommended splitting the costs of offering PFML 50/50 between staff and employer responsibility. Lastly, it was recommended that we discontinue offering short-term disability (STD) because of the overlapping coverage between PFML and STD.

Please see the attachments from the State and Mutual of Omaha for additional information on PFML received from our insurance broker.

ATTACHMENTS:
- 2025 Staff Proposals to Wage & Benefit Committee
- State Paid Family Medical Leave Compliance Timeline
- Mutual of Omaha Paid Family Medical Leave Insurance Proposal

Wage & Benefit Committee Conversation

9/2/2025

Ask:

- **Wage** - 0.5% (verify actual calculation) recoup from last year with latecomer N. St. Paul contract differential + Metro Average change adjustment for 2026.

Ideas & Things to Consider – Discussions of Staff:

- **Paid Sick Leave & HCSP Conversion** – We would appreciate consideration on updating our Paid Sick Leave Payout plan. This would help employees pay for privatized health insurance and medical expenses after their years of service at ERMU.
  - Anyone that retires from ERMU.
  - How much is put in after 960 hours are accrued each year.
  - It takes 10 years of no sick time to get to 960 hours. Most are not going to get there in 10 years. It already has longevity built in for the accrual and conversion for our HCSP.

- **On-Call:** This is a discussion that keeps coming up each year. We've brought this forward over the last handful of years at different times. The thought is to move On-Call to 16 hours per week from 14 hours. An additional hour for each weekend day. The structure of high overtime hours as regular practice seems to be the difference between on-call standardized time between other organizations. Those with lower OT tend to have higher on-call standby time.

- **Comp-Time:** Each year there tends to be some Comp-time talks amongst staff and one idea is about rolling hours. Not all employees have the same thoughts, but it is an area that some feel could be improved upon, and conversation or ideas may be helpful.

Minnesota's Paid Family Medical Leave (PFML) establishes a state-run program that provides employees with job protected leave and wage replacement benefits for qualifying absences. The program will be run by Minnesota's Department of Employment and Economic Development (DEED), which also operates Minnesota's unemployment program.

Covered employers can choose to participate in the state-run program or can petition DEED to opt out of the state program and use private insurance to meet their legal obligations. Regardless of which approach is taken, employers must cover at least 50% of the premium costs (i.e., can only charge employees a maximum of 50% of the premium costs), although employers can choose to pay for more than 50% of the premiums if they wish to.

USI's Employer Solutions group has prepared this document to help employers prepare for compliance and contains three separate sections:

1. A **Compliance Timeline** identifying critical compliance dates.
2. A **Summary** of the PFML program's components. Please note that the Summary is just that, a summary, and doesn't contain all of the operational details of the PFML program.

Additionally, the state has launched a Minnesota Paid Leave page, which can be accessed here: https://paidleave.mn.gov/. The site also links to an Employer resources page (https://paidleave.mn.gov/employers/index.jsp) that includes FAQs, an Employer Resource Toolkit, and other guidance.

Finally, DEED has finally opened the process for requesting to substitute a private plan in lieu of participating in the public program, information and guidance for which can be found here: https://mn.gov/deed/paidleave/employers/equivalent/.

Minnesota PFML Compliance Timeline (07/11/2025)

Date	Compliance Step
2025	
January 1, 2025 – October 31, 2025	▪ Employers should decide whether to enroll in private plan or state program ▪ DEED is currently accepting applications from employers to substitute private plans (https://mn.gov/deed/paidleave/employers/equivalent/) ▪ Employers should consider adding PFML policies to their handbooks ▪ Employers should consider establishing internal HR protocols / practices for processing leave requests and tracking approved leaves ▪ Employers should decide how to integrate existing leave and wage replacement practices with PFML benefits ▪ Employers should plan for how they will manage the workplace impact of greater numbers of employee absences for longer periods of time
November 1, 2025	▪ Protections from retaliation begin ▪ Employees with leave needs that will exist on 01/01/2026 can start filing claims (*benefits will only be paid for leave time occurring in 2026*)
November 10, 2025	▪ Employers wanting to substitute a private plan in lieu of public program participation effective 01/01/2026 will need to submit applications by 11/10/2025 (*employers can switch from public program participation to a private plan quarterly throughout the year*)
December 1, 2025	▪ PFML poster must be posted with other workplace posters ▪ Employees must be provided with individualized personal notices about their PFML rights (*employees must formally acknowledge receipt of these individualized notices*)
2026	
January 1, 2026	▪ Benefits become available/payable ▪ Employers begin collecting premiums through payroll deductions (*unless employers choose to cover full cost*) ▪ New hires must be provided with individualized PFML notices within 30 days from date of hire
April 30, 2026	▪ First quarter premiums due from employers

Covered employers and employees

- Covers all employers except for federal governmental employees and self-employed individuals
- Almost all employees are covered (regardless of FT/PT status) who either:
  - Perform 50% or more of their work in Minnesota, or
  - 1) is a MN resident for 50% or more of the year, 2) performs "some" employment in MN during the year, and 3) has no single state in which 50% or more of their work is performed throughout the year
    - "Some" is not defined
    - Not covered example: MN resident works 80% in ND and 20% in MN
    - Covered example: MN resident works 40% in ND, 40% in SD, and 20% in MN
  - Exception: "seasonal employees" in "hospitality" working fewer than 150 days/year are not covered
    - "Hospitality" includes:
      - Boarding establishments
      - Food and beverage serving establishments
      - Food carts
      - Hotels/motels
      - Lodging establishments
      - Mobile food units
      - Resorts
      - Restaurants
      - Seasonal temporary or permanent food stands
      - School concession stands
      - Special event food stand
    - Employers must apply to DEED and certify that workers meet seasonal definition
  - Railroad employees may also be exempted (they aren't in the statute, but may be so due to preemption of Railway Labor Act).

Leave amount and reasons for which leave can be taken

- PFML provides up to 20 weeks per year of job-protected time off with a right to job reinstatement
  - No more than 12 weeks can be used for any single leave need
  - Right to reinstatement begins 90 days after date of hire
- Leave can be taken, and benefits received, for:
  - An employee's serious health condition
  - Family care for a family member's or military family member's serious health condition
  - Medical care related to an employee's pregnancy
    - Includes prenatal care, recovery from childbirth, stillbirth, and miscarriage
  - Family care for a family member's or military member's serious health condition
  - Bonding
    - Ends 12 months after birth, unless baby remains in hospital longer than mom
    - Can be used for time off in connection with adoption
  - Safety for employees or family members who have been the victims of domestic assault, sexual assault, or stalking
  - Qualifying exigencies arising from a family member's military active duty
- Leave can be taken intermittently for all forms of covered absences, including bonding time
  - The increments of time that can be taken off for intermittent absences isn't established by statute, but a DEED FAQ says: "If you take intermittent leave, you will get paid for the time you actually take off from work, whether that's a few hours, a day, or more."

Definition of "family members"

- "Family members" for whom leave can be taken include:
  - Spouse
  - Domestic partner
  - Child (including in loco parentis, legal guardian, and "de facto" parent)
  - Parent/legal guardian

- Sibling
- Grandparent (including spouse's grandparent)
- Grandchild
- Son / daughter-in-law
- Any "individual who has a relationship with the applicant that creates an expectation and reliance that the applicant care for the individual, whether or not the applicant and the individual reside together"

Employer and employee notice requirements

- Employer notices to employees
  - Post the official DEED notice(s) in English and primary language of 5 or more employees
  - Within 30 days of hire or 30 days before the start of premium collections from employee paychecks, provide employees with individual written notice in the primary language of the employee that includes:
    - An explanation of availability of benefits and right to reinstatement, the amount of premium deductions, specific employer information, instructions on how to file a claim for benefits, and contact information for DEED
    - The individualized notice can be in paper or electronic format, and employees must acknowledge receipt
  - Paystubs must reflect any premium deductions and amounts paid by the employer
- Employee notice to employer
  - At least 30 days in advance of foreseeable leaves
  - As soon as practicable for unforeseeable leaves
  - As soon as practicable if need for leave changes (e.g., frequency, duration, etc.)
  - May be required to follow normal call-in/reporting procedures and be disciplined for failing to do so
  - Employees cannot be required to find a replacement to cover their absences
- Employees can file benefit applications with state up to 60 days prior to date that leave needs to begin (e.g., in anticipation of childbirth, surgery, etc.)

Benefit payments

- Benefits eligibility usually (but not always) requires a "seven-day qualifying event"

- Once an employee misses 7 combined days of work, they qualify for benefits
- Benefits are payable retroactive to the 1st day of absence
- Bonding benefits are not subject to the 7-day qualifying event requirement and are payable immediately

▪ Leave time is paid at a percentage of the employee's regular wages, capped at a max equal to 100% of the state's average weekly wage

- Starting 10/1/2024, the state's average weekly wage is $1,372 (*this amount is revised annually*)
- Examples for employee with different average weekly wages:
  - $576.92/week ($*30,000/year*) = $519.23 (*90% of the employee's regular weekly wages*)
  - $807.69/week ($*42,000/year*) = $697.46 (*86% of the employee's regular weekly wages*)
  - $1,500/week ($*78,000/year*) = $1,140.30 (76*% of the employee's regular weekly wages*)
  - $2,500/week ($*130,000/year*) = $1,372 (*formula result exceeds state max, so result is capped at state's max, which = 55% of the employee's regular weekly wages*)
- The benefits paid are subject to income tax

▪ For employers that participate in state program but also have separate STD program, the state program is considered to be the primary payer and will pay first, and then the STD program will pay on top of the state payment to reach the STD plan's benefit payout level (e.g., 60%, etc.).

▪ Employer provided paid leave policies, such paid parental leave, PTO, etc., can be set up to supplement payments received through the state program so that through the combination of payments, employees receive their full wages.

  - Employers must amend their paid leave policies to explicitly state that they can be used as a supplement.
  - Any employer provided paid leave policies that aren't formally designated as supplemental will offset (i.e., reduce) benefits paid from the state program.

▪ Employers and employees have 30 days to appeal benefits determinations; the appeal process will work similarly to unemployment

Premium costs

- Premium costs are based on a percentage of an employee's wages up to the FICA annual maximum *($176,100 for 2025, but is reset annually*)
  - Premiums don't have to be paid on wages above the FICA annual max
  - Employers can cover the full premium costs, or can deduct up to 50% of the premiums from employee wages (*i.e., employees can pay no more than 50% of the premiums*)
    - If private plan premiums are **higher** than state rates, employees can only be required to pay up to 50% of state rates
    - If private plan premiums are **lower** than the state rate, employees can probably only be required to pay 50% of lower private premiums
    - Employee shared portion of premiums can't drop EE pay below minimum wage
  - Premium rates will be reviewed and reset each year on July 31st
    - 2026 rates have been set at .88% of FICA wages (at least .44% must be paid by the employer
      - Small employers (fewer than 30 EEs) must pay at least .22% (employees will still have to pay .44%)
    - Statute caps maximum premium rate at 1.1% of FICA wages, meaning DEED can't set a rate higher than that without getting the legislature to revise the statute
      - The original max rate written into the statute was 1.2% of FICA wages, but that was lowered to 1.1% in the 2025 legislative session

Substituting a private plan in lieu of participating in the state program

- Employers can substitute a private plan approved by the state
  - Insurers must have plan designs preapproved by DEED
    - Instructions and guidance for requesting private plan substitution can be found on this Equivalent Plans for Paid Leave page on the DEED website: https://mn.gov/deed/paidleave/employers/equivalent/
    - Employers wanting a private plan effective 01/01/2026 will need to have their applications submitted no later than 11/10/2025
    - Employers who start in the public program can move to a private plan quarterly throughout the year, with the conversion date being the first day of the calendar quarter following submission/approval of the application

    - Employers terminating private plan and entering state program must remain covered by the state plan and pay premiums to the state for at least 3 years before being allowed to move back to a private plan
  - Employers substituting a private plan will have to pay a fee to DEED for initial plan approval and upon any amendment
    - $250 for employers with fewer than 50 employees
    - $500 for employers with 50-499 employees
    - $1,000 for employers with 500+ employees
- Employers seeking to self-fund must file a surety bond along with its application to use private insurance to opt out of the state's program
  - Surety bond must be:
    - "in an amount equal to the employer's annual premium that it would otherwise be required to pay to the family and medical benefit insurance account"
    - "issued by a surety company authorized to transact business in Minnesota"
- Benefits offered through private programs must meet or exceed those provided through the state
- Insurers must have plan designs preapproved by DEED before being offered to employers
- Employers can choose to have a partial state plan and a partial private plan (for instance, using a private plan for the medical benefits, while using the state plan for the family benefits)
  - Premium rates for separate components of plan: .61% for medical benefits, .27% for family benefits
  - However, most (and perhaps all) insurance carries won't agree to only insure one part of the program, so this may not be a realistic option
- Private plan coverage and former employees
    - Former employees with a covered claim during their unemployment period must submit their benefits application "with the private plan of their former employer"
    - Coverage under the private plan continues until the employee is hired by a new employer or 26 weeks have passed, whichever period is shorter (but see next bullet-point)

  - If a former employee applies and is approved for benefits, the private plan must pay benefits “for the totality of the leave”, and private plans “may not cut off eligibility for a former employee during the course of the approved leave”
- If an employer changes plans (i.e., state-to-private, private-to-state, private-to-new-private) while an employee is on a covered leave, the plan in place at the start of the leave must continue paying through the end of the approved leave period
  - Leave extensions beyond the initially approved period can be paid by new plan
- Private plans can choose their own 12-month benefit year and don’t have to use the calendar year used by the state
- Successor employers will have to maintain a private plan for at least 90 days

Voluntarily terminating a private plan and joining the state program

- Employer must formally notify DEED in writing at least 30 days prior to the plan’s termination date
- Employer must also notify employees of the plan termination at least 30 days in advance
- Within 7 days of the private plan termination, the employer must notify employees that the private plan is terminated and that employees are covered by the state plan
  - Presumably, the notification will need to include information about the state plan, accessing it, etc.
  - Presumably, a new notice/poster will need to be posted and a new individual notice provided to employees (*although this 7-day notice may suffice if properly written*)

Underwritten by
United of Omaha Life Insurance Company
A Mutual of Omaha Company

Group Insurance Proposal

Presented To:

Elk River Municipal Utilities

Presented By:

USI Insurance Services LLC

Includes:
MN Paid Family and Medical Leave

August 11, 2025

21236634

TABLE OF CONTENTS

MINNESOTA PAID FAMILY AND MEDICAL LEAVE

Proposal for: Elk River Municipal Utilities
Alternate: 11.01

The following Minnesota Paid Family and Medical Leave (PFML) plan is being proposed on a fully-insured basis effective **January 1, 2026**. This proposal assumes this coverage is underwritten by United of Omaha Life Insurance Company. The proposal is based on the statements made in the employer's Minnesota Paid Family and Medical Leave application. Statements made in the application are assumed to be true and accurate.

This proposal is for illustrative purposes only. When additional state guidance is released, this proposal may be impacted. Upon receiving state approval, we will provide a non-illustrative proposal prior to the policy effective date.

For details regarding the employer's obligations under the Minnesota Paid Family and Medical Leave Program, please refer to *https:/mn.gov/deed/paidleave/*. For additional information about Mutual of Omaha's products and services, visit *www.mutualofomaha.com*.

ELIGIBILITY

CLASS DEFINITION(S)	**Class 1:** All Eligible Employees
ELIGIBILITY WAITING PERIOD	As determined by the employer, provided the offering is equivalent to or more generous than the state program offering.

BENEFIT SUMMARY

	Class 1
TYPES OF LEAVE COVERED	**Medical Leave** - Employee's Own Serious Health Condition **Family Care Leave** - Family Member's Serious Health Condition - Bonding - Qualifying Military Exigency - Safe Leave
ELIMINATION PERIOD	7 days, consecutive or non-consecutive (for intermittent leave) with the exception of Bonding.
3 TIER WEEKLY BENEFIT AMOUNT CALCULATION	The portion of the employee's Average Weekly Wage that is equal to or less than 50% of the State Average Weekly Wage is paid at a rate of 90%, and The portion of the employee's Average Weekly Wage that is more than 50% of the State Average Weekly Wage is paid at a rate of 66%, and The portion of the employee's Average Weekly Wage that is more than 100% of the State Average Weekly Wage is paid at a rate of 55%.
MAXIMUM WEEKLY BENEFIT	Equal to the State Average Weekly Wage
MAXIMUM BENEFIT PERIOD	Per Benefit year, an employee can take a maximum of: - 12 weeks of Medical Leave for their own serious health condition - 12 weeks of Family Care Leave

Class 1
Combined maximum of 20 weeks of leave in a benefit year.

PARTICIPATION AND PREMIUM

PREMIUM CONTRIBUTIONS

Class 1: The employee/member is responsible for contributing 50% of the premium for this coverage. The dollar amount the Employee contributes to a private plan cannot exceed what would be paid under the state program.

PREMIUM

	Number of Lives	Monthly Salary	Monthly Rate	Total Monthly Premium	Total Annual Premium
Class 1 - MN PFML	46	$410,554	0.810% of Salary	$3,325.48	$39,905.76

RATE GUARANTEE PERIOD

1 year

RATE GUARANTEE DATE

01/01/2027

TAXABILITY

WHAT IS FICA?

PFML benefits are subject to federal payroll tax. The Federal Insurance Contributions Act (FICA) requires employers to withhold a certain percentage of taxes from the wages they pay employees.

AVAILABLE FICA OPTIONS

FICA Option	Rate Impact
Mutual of Omaha prepares the W2 and the employer pays their own share of FICA.	No
The employer prepares the W2 and pays their own share of FICA.	No
Mutual of Omaha prepares the W2 and pays the employers share of FICA **without** reimbursement.	Yes
Mutual of Omaha prepares the W2 and pays the employers share of FICA **with** reimbursement.	No

QUOTED FICA OPTION

For the purposes of this proposal, the following FICA option was selected;
Mutual of Omaha prepares the W2 and the employer pays their own share of FICA.

Changes to this FICA option may impact the Monthly Rate outlined in the Participation and Premium section of this proposal.

ASSUMPTIONS

CONDITIONS

- This proposal also assumes that employees/members do not perform services for the policyholder as independent contractors, including those reporting income on a 1099 form, unless otherwise approved by a Mutual of Omaha home office representative.
- To opt-out of the state program, an employer must obtain approval by submitting an application to the state. There may be a fee collected by the state for this application.
- The Plan Design and rates may change based on changes in state guidance, law or regulations.
- The Employer will be responsible for complying with the legal and regulatory requirements, including but not limited to, employee premium collection, notice, recordkeeping and state reporting, and any penalties for failing to comply.

RATING CRITERIA

Some assumptions have been made in the preparation of this proposal. Changes in these assumptions may impact the rates or fees. These assumptions apply to all coverages included in this proposal unless otherwise noted.

SIC CODE

This proposal assumes the applicable Standard Industry Classification (SIC) code for the group is 4931.

SITUS STATE

This proposal assumes the situs state of the group is MN.

ACCEPTANCE

This proposal is contingent upon Mutual of Omaha Home Office review and acceptance of the completed application for coverage. It is recommended that current coverage is not cancelled or dropped until notification of acceptance from Mutual of Omaha is received.

LIMITATIONS & STANDARD CONTRACT NOTICE

This proposal is subject to Mutual of Omaha's standard product terms, limitations, and exclusions. Additionally, this proposal requires use of standard system-compatible benefits and contract provisions. Applicable federal and state mandates are added at issuance.

This proposal also assumes that all employees/members reside in the situs state of the group. If any employees/members reside outside of the situs state of the group, we must be notified of the number of employees/members by state during the implementation process so that all applicable state mandates can be accommodated.

Please refer to a sample standard contract, certificate booklet and/or subscription agreement documents for additional information and detail, available upon request.

ERISA

Each plan presented in this proposal is considered to be an employer-sponsored ERISA benefit plan. If it is determined that any plan presented in this proposal is not an ERISA benefit plan, Mutual of Omaha reserves the right to re-rate or otherwise adjust the proposed plan(s).

PROPOSAL CONDITIONS

Mutual of Omaha reserves the right to re-rate or withdraw this proposal *prior* to the effective date if any of the following changes:

- SIC code
- Employer contributions
- Information regarding disabled or COBRA participants
- For groups that are experience rated - risk increases based on review of the current carrier's claims experience, including open or pended claims
- Demographics (age, gender, occupation, earnings, location and size)
- Plan participation - increase or decrease of 10% or more lives
- Laws, regulations, judicial and/or administrative orders and decisions affecting benefits, cost of administration, or cost of health care services
- If employees are residing in extraterritorial jurisdictions that were not otherwise disclosed
- Proposed effective date
- Benefits or eligibility
- Premium tax

On or after the effective date, Mutual of Omaha reserves the right to change rates or fees if there is a change in any factor listed above. In addition, Mutual of Omaha may change rates or fees any time after the most recent Rate Guarantee Date, provided at least 30 days advance notice of the rate or fee increase has been given to the group.

PROPOSAL EXPIRATION

This proposal is good for 90 days after 08/11/2025, or the assumed effective date of the plan, whichever comes first.

HANDOUT AT MEETING - 2025-9 - 5.5

Public Power Pays Back

Payments and Contributions by Public Power Utilities to State and/or Local Governments in 2022

AMERICAN PUBLIC POWER ASSOCIATION

Powering Strong Communities

HANDOUT AT MEETING - 2025-9 - 5.5

Public Power Pays Back

Payments and Contributions by Public Power Utilities to State and Local Governments in 2022

Prepared by
Lindsey Buttel, Manager, Research and Statistics
American Public Power Association

PUBLISHED MAY 2024

AMERICAN PUBLIC POWER ASSOCIATION
Powering Strong Communities

The American Public Power Association is the voice of not-for-profit, community-owned utilities that power 2,000 towns and cities nationwide. We represent public power before the federal government to protect the interests of the more than 54 million people that public power utilities serve, and the 96,000 people they employ.

EXECUTIVE SUMMARY

Public power utilities provide affordable, reliable, and environmentally responsible electricity to the customers they serve. These not-for-profit, community-owned utilities are not beholden to any shareholders and are driven only by the mission to serve their customers and community. Although they do not pay corporate income tax, public power utilities provide other types of payments and contributions, which support the value of local utility ownership.

Every two years, the American Public Power Association (APPA) surveys public power utilities to assess the scope of payments and contributions community-owned utilities provide to their state and/or local governments. These contributions come in many forms — property-like taxes, payments in lieu of taxes, transfers to the general fund, and free or reduced cost services provided to states, cities, and tribes. Since these contributions are not reported on a single central form, the total value of these contributions is not always recognized.

A total of 204 public power utilities responded to the 2022 Survey of Tax Payments and Contributions, conducted from January through March of 2024. Nearly all respondents, 197 utilities, made a contribution to their state and/or local governments, which includes 26 public power utilities served by the Tennessee Valley Authority (TVA). Data from TVA-served public power utilities is limited in this analysis because these public power utilities must limit payments and contributions under the terms of their wholesale power contract.

Use caution in making direct comparisons with previous APPA reports, as the utilities included in each report can change from year to year.

Public Power Contributes More

In 2022, public power utility respondents making contributions to state and/or local governments contributed $1.476 billion, or a median of **5.1% of electric operating revenues** back to the communities they serve. In comparison, investor-owned utilities paid a median of 4.7% of electric operating revenues in taxes and fees to state and/or local governments in 2022.

When all 2022 taxes, tax equivalents, and other contributions to state and/or local governments are considered, the contribution of public power utilities — as a percent of electric operating revenues — is **9% higher** than that of investor-owned utilities.

Public power utilities also support their communities through charitable giving programs for their employees (31% of respondents) and in providing volunteering options (27% of respondents). In 2022, public power employees from the surveyed utilities donated a total of $2,708,107, with a median charitable donation of $4,165 for utilities with less than $50,000,000 in revenue and $33,929 for utilities with greater than $50,000,000 in revenue. Additionally, public power employees from the surveyed utilities volunteered a total of 22,785 hours in 2022, with a median of 98 hours for utilities with less than $50,000,000 in revenue, and 200 hours for utilities with greater than $50,000,000 in revenue.

PAYMENT AND CONTRIBUTION RATES BY REVENUE

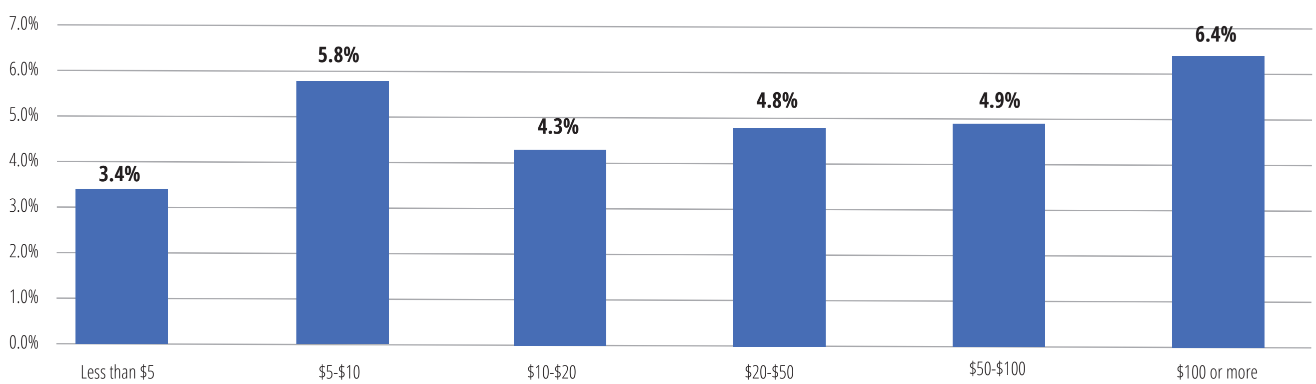
Net payments and contributions as a percent of electric operating revenue are summarized for public power utilities in six revenue classes. This analysis includes the 197 public power utility respondents that made a contribution to state and/or local governments. Medians by revenue class range from 3.4% to 6.4%, as compared to the national median of 5.1%.

The median is defined as the value where half of the utilities had greater payment and contribution rates and half contributed less. Quartiles are another common tool used in the analysis. By definition, half of utilities fall between the first and third quartiles. For example, 50% of the 197 utilities in this report made payments and contributions between 3.3% and 7.1% of electric operating revenue.

TABLE 1. Net Payments and Contributions by Public Power Utilities as Percent of Electric Operating Revenue, 2022

Revenue (in millions)	Utilities	Median	First Quartile	Third Quartile
Less than $5	17	3.4%	2.3%	11.9%
$5-$10	15	5.8%	4.2%	8.8%
$10-$20	34	4.3%	2.6%	5.3%
$20-$50	59	4.8%	2.9%	6.5%
$50-$100	34	4.9%	3.5%	7.0%
$100 or more	38	6.4%	5.7%	9.6%
TOTAL	**197**	**5.1%**	**3.3%**	**7.1%**

Figure 1. Median Net Payments and Contributions by Public Power Utilities as Percent of Electric Operating Revenue, 2022



In 2022, investor-owned utilities paid a median of 4.7% of electric operating revenues in taxes and fees to state and/or local governments. IOUs in the middle 50% of contributions made payments ranging from 2.8% to 6.8%. In comparison, public power utilities paid a median of 5.1% in net payments and contributions as a percent of electric operating revenue, with a middle range of 3.3% to 7.1%.

The median percent of taxes paid by IOUs and tax payments and contributions by public power systems as a percentage of electric operating revenue varies by utility size.

	Investor-Owned	Public Power
Large Utilities (over $100 million)	4.8%	6.4%
Small Utilities (under $100 million)	3.0%	4.8%

In this study, most IOUs (93%) had more than $100 million in operating revenues, while most public power systems had less than $100 million (81%).

PAYMENT AND CONTRIBUTION RATES BY REGION

Regional variations in median net payments and contributions range from 3.3% in the Midwest to 6.3% in the Southeast. This analysis includes the 197 public power utility respondents that made a contribution to state and/or local governments. Appendix 2 details the states included in each region.

TABLE 2. Net Payments and Contributions by Public Power Utilities as Percent of Electric Operating Revenue, by Region, 2022

Region	Number of Utilities	Median	First Quartile	Third Quartile
Northeast	22	3.5%	1.9%	5.0%
Midwest	34	3.3%	2.5%	4.8%
Southeast	58	6.3%	5.1%	8.4%
Central	68	5.0%	3.5%	7.2%
West	15	5.8%	5.1%	10.5%
TOTAL	**197**	**5.1%**	**3.3%**	**7.1%**

Figure 2. Median Net Payments and Contributions by Public Power Utilities as Percent of Electric Operating Revenue, by Region, 2022

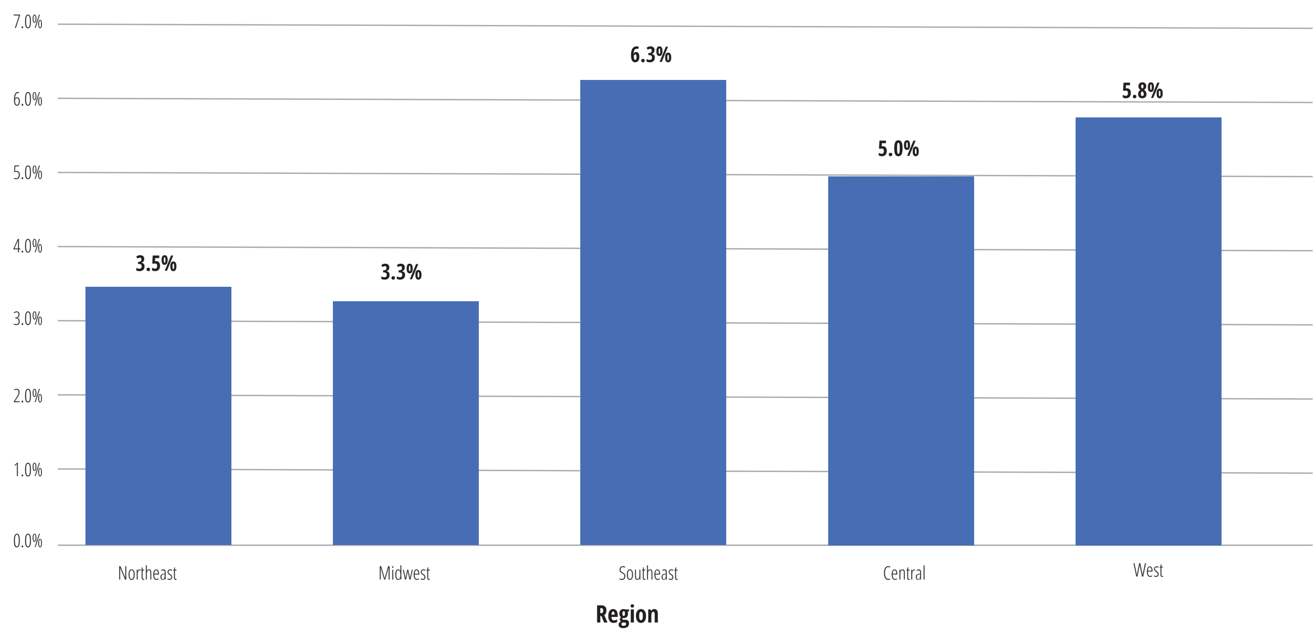
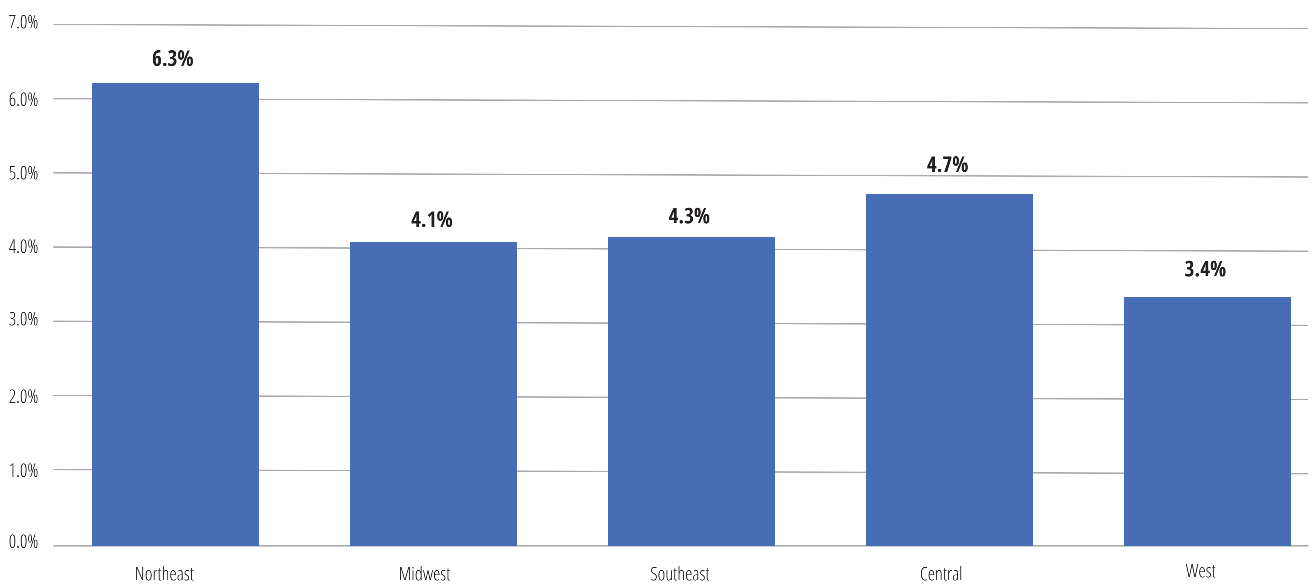


Table 3 presents data for investor-owned utilities grouped by geographic region. The median rate for investor-owned systems was the largest in the Northeast and smallest in the West.

TABLE 3. Net Taxes as Percent of Electric Operating Revenue for Investor-Owned Utilities, by Region, 2022

Region	Number of Utilities	Median	First Quartile	Third Quartile
Northeast	26	6.3%	4.0%	6.8%
Midwest	31	4.1%	3.1%	6.6%
Southeast	24	4.3%	2.6%	7.2%
Central	26	4.7%	3.1%	6.8%
West	21	3.4%	2.3%	5.0%
TOTAL	**128**	**4.7%**	**2.8%**	**6.8%**

Figure 3. Median Tax Payments by Investor-Owned Utilities, by Region, 2022



SUMMARY OF PAYMENTS AND CONTRIBUTIONS

This analysis includes the 171 public power utility respondents that made a contribution to state and/or local governments and are not served by TVA. Public power utility respondents that are served by TVA (26 utilities) are not included because they must limit payments and contributions under the terms of their wholesale power contracts.

As shown in Table 4, the 171 utilities made combined payments and contributions that exceeded $1.48 billion to state and/or local governments in 2022. Payments in lieu of taxes were the largest share of payments and contributions, followed by other taxes and fees. Table 5 shows the number of utilities making each type of payment or contribution.

TABLE 4. Net Payments and Contributions to State and/or Local Governments, 2022

	Amount (in Millions)	Percent of Total
Payments in Lieu of Taxes	$991.1	67.1%
Other Taxes and Fees	$265.0	17.9%
Gross Receipts Tax	$162.8	11.0%
Free or Reduced Cost Electric Services	$46.8	3.2%
Use of Employees	$6.9	0.5%
Use of Vehicles, Equipment, Materials & Supplies	$5.4	0.4%
TOTAL	**$1,478.0**	

TABLE 5. Types of Payments and Contributions Provided, 2022

	Percent of Utilities	Number of Utilities
Payments in Lieu of Taxes	90.6%	155
Taxes and Fees	**48.0%**	**82**
Gross Receipts Tax	28.1%	48
State Public Utility Assessments	19.3%	33
Property Taxes	18.1%	31
Franchise Fees	11.1%	19
Other	9.4%	16
Free or Reduced Cost Electric Service	**35.1%**	**60**
Streetlighting	29.8%	51
Lighting for Municipal Buildings	14.6%	25
Traffic Signals	12.9%	22
Recreational Facilities	11.7%	20
Water or Sewer Treatment Facilities	7.6%	13
Water Pumping	6.4%	11
Other	11.7%	20
Use of Employees	**55.0%**	**94**
Putting Up City Signs & Banners	33.3%	57
Installation of Temporary Lighting	28.1%	48
Tree Trimming for Other Departments	18.1%	31
Traffic Signal Maintenance	17.5%	30
Electrical Repair for Other Departments	14.6%	25
Technical Expertise	8.8%	15
Rewiring Municipal Buildings	6.4%	11
Reading Water Meters	3.5%	6
Non-Utility Locates	2.9%	5
Other Services	21.1%	36
Other Resources	**28.1%**	**48**
Use of Vehicles & Equipment	20.5%	35
Use of Materials & Supplies	8.2%	14
Other	8.2%	14

The 171 utilities received $2.5 million in contributions and services from the municipality. This amount does not include any contributions or services for which the city has been reimbursed, either through direct billing or a transfer of funds. Subtracting these free or reduced cost contributions and services results in $1.476 billion in net payments and contributions by the 171 utilities in 2022. Table 6 shows the number of utilities receiving services and contributions from the municipality.

TABLE 6. Types of Services and Contributions Received from State and/or Local Governments, 2022

	Percent of Utilities	Number of Utilities
Any Services & Contributions	15.8%	27
Use of Employees	10.5%	18
Use of Vehicles & Equipment	6.4%	11
Use of Materials & Supplies	1.8%	3
Free or Reduced Cost Service	2.9%	5

METHODS USED TO DETERMINE PAYMENTS IN LIEU OF TAXES

Approximately 91% of respondents that made a contribution to state and/or local governments and are not served by TVA (155 utilities) made payments in lieu of taxes, also called transfers to the general fund. Payments in lieu of taxes are generally thought of as payments to local governments. However, some utilities make payments in lieu of taxes to their state governments.

As shown in Table 7, the most common method used to determine the amount of payments in lieu of taxes was the percent of gross electric operating revenue. The median percent of gross electric operating revenue that was transferred for payments in lieu of taxes was 5.1%.

TABLE 7. Methods Used to Calculate Payments in Lieu of Taxes

	Percent of Utilities	Number of Utilities
Percent of Gross Electric Operating Revenue	26%	40
Flat Amount Paid Annually	19%	30
Property Tax Equivalent	16%	25
Charge per Kilowatt-hour Sold	14%	22
Assessment of Electric Utility and City Budgets	10%	15
Percent of Net Utility Plant in Service	7%	11
Percent of Income (Net, Operating, or Total)	2%	3
Other/Did Not Indicate	22%	34

Respondents could select multiple options as many payments are based on more than one criterion. The “assessment of electric utility and city budgets” category includes utilities with payments that are set by the city council, mayor, or a utility commission, and utilities that make payments on an as-needed basis.

TVA distribution utilities are not included in this assessment. State law determines payments in lieu of taxes for utilities in the state of Tennessee. The calculation is composed of two parts: 1) percent of three-year average operating revenue less power cost, and 2) property tax rate applied to net utility plant.

APPENDIX 1

METHODOLOGY AND DATA SOURCES

Results for public power utilities were calculated from two sources: the American Public Power Association's 2022 Survey of Public Power Tax Payments and Contributions and the Department of Energy's Energy Information Administration Form EIA-861, Annual Electric Utility Report.

A total of 204 utilities completed the 2022 survey. Form EIA-861 provided information on electric operating revenue. Payments and contributions for TVA distributors include an amount equal to 5% of the estimated cost of power purchased from TVA (TVA makes this payment) plus any payments in lieu of taxes or contributions made by the distribution utility. TVA's wholesale power contracts with municipalities limit payments in lieu of taxes to an amount not exceeding the state and/or local taxes that the system would pay if privately owned.

Results for investor-owned systems were calculated from data submitted on the 2022 Federal Energy Regulatory Commission Form 1, "Annual Report of Major Electric Utilities, Licensees and Others."

This report only includes distribution utilities with approximately 50% or more of total kilowatt-hour sales going to retail customers. The survey respondents represent nearly 30% of all kilowatt-hour sales to customers of public power utilities. This report includes nearly all investor-owned systems.

Public power's payments and contributions to state and local governments include taxes and fees such as gross receipts taxes, property taxes (generally on property outside the city limits), franchise fees, payments to state public utility commissions, environmental fees, and licenses. Payments in lieu of taxes or transfers to the general fund and the value of services such as free or reduced cost electricity, the use of electric department employees, and the use of electric department materials and equipment are also included. Federal taxes, social security taxes, similar contributions to state unemployment insurance, and other payroll taxes are excluded.

The value of free or reduced cost services contributed by the local government to the utility is deducted from total payments and contributions to arrive at net contributions. The net amount is then divided by electric utility revenue.

Net taxes for investor-owned utilities include state and local taxes and fees as reported on pages 262-263 of FERC Form 1. Federal taxes, social security taxes, similar contributions to state unemployment insurance, and other payroll taxes are excluded.

APPENDIX 2

REGIONS

The regions specified in Table 2 and Table 3 comprise the following states. Hawaii is not included in any of the nine regions but is included in national totals and in summaries by revenue class. Utilities serving the U.S. territories did not complete the survey and are not included in this report.

In an effort to standardize regional definitions across our resources, note that this report contains different regional definitions than in prior years.

Northeast	Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont
Southeast	Alabama, Delaware, Florida, Georgia, Kentucky, Maryland, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia
Midwest	Illinois, Indiana, Michigan, Ohio, and Wisconsin
Central	Arkansas, Louisiana, Oklahoma, Texas, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota
West	Alaska, Arizona, California, Colorado, Idaho, Montana, New Mexico, Nevada, Oregon, Utah, Washington, and Wyoming

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Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	FROM: Mark Hanson – General Manager
MEETING DATE: September 9, 2025	**AGENDA ITEM NUMBER:** 6.1a
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- Staff continue to assemble the necessary documentation to support our submission for the American Public Power Association's (APPA) Reliable Public Power Provider (RP3) designation. The submission packet is due September 30, 2025. An RP3 designation is a sign of a utility's dedication to operating an efficient, safe, and reliable distribution system. ERMU currently holds a Platinum level designation, putting us in the top 10% of the nation's more than 2,000 public power utilities.
- Everlight Solar has appealed the revocation of their solicitation permit. The City Council will hear their arguments at the September 15 council meeting. Administrations Director Sara Youngs will attend to share the feedback received from ERMU customers.
- The Minnesota Municipal Power Agency (MMPA) Board of Directors met on August 26, 2025, 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 financial and operating performance for July 2025.
    - Participation in the residential Clean Energy Choice program increased by 65 customers. Customer penetration for the program is 6.6%.
    - The Board discussed the status of renewable projects the Agency is pursuing.

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	FROM: Sara Youngs – Administrations Director
MEETING DATE: September 9, 2025	**AGENDA ITEM NUMBER:** 6.1b
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- Office walk-in traffic for August consisted of 139 customers, averaging 35 per week over the four-week period.
- ERMU disconnections for August. September will be our last month of disconnections before the Cold Weather Rule begins.
  - Cycle 1 – 18 disconnections.
  - Cycle 2 – 10 disconnections.
  - Cycle 3 – 16 disconnections.
  - Cycle 4 – 9 disconnections.
- Currently there are five active residential solar photovoltaic projects planned or under construction in the ERMU service territory.
- Advanced Metering Infrastructure efforts continue to demand significant attention, with a strong focus on communication and coordination to schedule the remaining electric and water meter replacement appointments.
- Customer service representative interviews are ongoing.
- The credit and collection specialist has started the 2024 assessment process, customers will start to receive assessment letters mid-September.
- I will be attending the National Information Solutions Cooperative's Member Information Conference in Louisville, KY, September 22-25, 2025, along with the lead customer service representative, communications coordinator, and IT/OT technician.
- Staff has begun gathering data for the upcoming cost-of-service study.
- IT staffing is back to one person with the departure of our summer intern. Staff is balancing larger initiatives while also handling daily IT issues.

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	FROM: Melissa Karpinski – Finance Manager
MEETING DATE: September 9, 2025	**AGENDA ITEM NUMBER:** 6.1c
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- ERMU has received its 2025-2026 workers' compensation coverage renewal. Our experience modification factor came in at 0.84, which is slightly higher than last year at 0.69. Estimated annual premium will be $54,758, which is 9% lower than last year. Rates on average will decrease 20% for renewals in 2025. Other factors that affect premiums are changes in payrolls and rate adjustments by job class.

  Experience Modification History:
  10/1/2021-22: 0.69
  10/1/2022-23: 0.69
  10/1/2023-24: 0.70
  10/1/2024-25: 0.69
  10/1/2025-26: 0.84

Job Class Code	Job Class	2024 Rates	2025 Rates	Rate Change
7520	WATERWORKS	3.45	2.57	-25.7%
7539	ELECTRIC & STEAM PLANT	2.99	1.85	-38.0%
9410	MUNICIPAL EMPLOYEES	0.81	0.76	-5.9%
9411	ELECTED OR APPOINTED OFFICIALS	0.44	0.55	25.0%
810	CLERICAL OFFICE EMPLOYEES	0.64	0.41	-36.0%

- Continued efforts compiling 2026 budget information.
- I will be attending National Information Solutions Cooperative's Member Information Conference, September 22-25.

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	FROM: Tony Mauren – Governance & Communications Manager
MEETING DATE: September 9, 2025	AGENDA ITEM NUMBER: 6.1d
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- In September, all customers will receive the fall edition of The Current newsletter and information about the Cold Weather Rule, including their rights and responsibilities.
- In addition to the bill insert topics, social media posts this month feature back to school energy conservation tips, a commission meeting reminder, Lake Orono Dam inspection information, and news about the American Water Works Association's Source Water Protection Week.
- The annual employee lunch is scheduled for Tuesday, October 14 (the day of the commission meeting) from 11 a.m. to 1 p.m. at the field services building. Staff has also coordinated an electric safety demonstration provided by Connexus Energy which will provide beneficial information for staff and commissioners.
- ERMU hosted its first ever Touch-A-Truck event along with city police and fire on Thursday, August 14 at the Elk River Farmers Market. The event was a big success, with people of all ages enjoying an up-close look at the at utility, police, and fire trucks. The Elk River Star News ran a follow-up story using photos taken by ERMU staff. Thanks to everyone that helped make it a great inaugural event!
- ERMU's next community engagement event is Day of the Dozers at ERX Motor Park on Saturday, September 20. This very popular family event gives kids a chance to explore construction equipment while raising funds for Children's Minnesota. Learn more here.
- ERMU staff is also participating in the Elk River Homecoming Parade on Friday, September 26.

ATTACHMENTS:

- Bill Insert – The Current – Fall 2025
- Bill Insert – Cold Weather Rule

Elk River Municipal Utilities

FALL 2025

THE CURRENT

DISCOVER SAVINGS WITH ERMU

Saving money, decreasing energy usage, and conserving resources is easier than ever 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 Equipment
- 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.

ERMU Staff Recognized at MMUA Conference

The Minnesota Municipal Utilities Association (MMUA) held its annual summer conference in Rochester, MN, on August 18, where two Elk River Municipal Utilities staff were recognized for exceptional contributions to the utility field.

Scott Thoreson, ERMU's recently retired Line Crew Foreperson, received the Honorary Lifetime Membership Award. This prestigious award symbolizes a long professional life dedicated not only to the advancement of municipal utilities locally, but also for the betterment of the industry in Minnesota. Scott retired on May 18, 2025, after an outstanding 32-year career with ERMU.

Sara Youngs, ERMU's Administrations Director, received the Rising Star Award. This honor recognizes a future leader dedicated to the goals and principles of municipal utilities through problem solving, creativity, and job knowledge while performing all job responsibilities in an outstanding manner, achieving high quality results, and demonstrating interest in improving management and operational skills through continuing education.

Congratulations to Scott and Sara for these well-deserved honors!

Dam Inspection Set for October 1

ERMU will conduct its annual inspection of the Lake Orono Dam on Wednesday, October 1, 2025. This required inspection, which helps to ensure the integrity of the structure, will involve lowering the Lake Orono water level by 30 inches below its normal level.

Boaters are advised that once ERMU begins to lower the lake level, they may be unable to remain on the lake. Failure to act in a timely manner could result in the inability to move boats until the lake is refilled. Water levels usually return to normal within a few days after the inspection.

DID YOU KNOW? Elk River's first dam was built in 1851 by Ard Godfrey, a settler from Maine. High water destroyed the dam in 1912. A new dam was completed in 1916 and, together with the Elk River power plant, provided hydroelectricity for the Elk River Power & Light Company, bringing electricity to the village for the first time. The dam was rehabilitated in 1980.

Jill Larson-Vito Appointed to ERMU Commission

On June 3, 2025, Jill Larson-Vito was officially sworn in as the newest member of the Elk River Municipal Utilities Commission. Ms. Larson-Vito has a strong history of service that includes a 10-plus-year term with the Elk River Planning Commission. Ms. Larson-Vito fills the open position created after Paul Bell retired in April 2025. Her term will end on February 28, 2027. For commission information including agendas, minutes, and policies, visit ERMUMN.COM/about-us/commission-info.

RELIABLE PUBLIC POWER PROVIDER

PUBLIC POWER WEEK 2025

The first full week in October is nationally recognized as Public Power Week, a time when ERMU likes to educate others about public power and how it benefits the community it serves.

As a municipal utility, we are owned by those we serve and governed by members of the community. Every decision we make and action we take is directed by ERMU's mission, vision, and values.

Follow us on social media and see public power in action!

CUSTOMER SERVICE WEEK 2025

The first week in October also highlights another crucial department at ERMU.

Each member of our customer service staff takes pride in providing knowledgeable and thorough support to the customers they work with.

ERMU is excited to share more about the great work of its customer service team on social media October 6-10.

COLD WEATHER RULE Information

The Minnesota Public Utilities Commission has established the Cold Weather Rule (Minnesota Statutes, Chapter 216B.097) as documented in the Minnesota Legislative Session Law 2021. This rule ensures that from October 1 to April 30, ERMU cannot disconnect a residential customer for non-payment if they qualify for the CWR and adhere to a mutually agreed upon payment arrangement. However, if a customer does not exercise this right or fails to enter into a payment arrangement, their service may be disconnected. Because customers often contact us for more information about the program, we wanted to provide answers to the most frequently asked questions.

Am I eligible for the CWR Program?

Residential customers who have electric as their primary heat source are eligible for CWR if they meet the income guidelines (combined income at or below 50 percent of the state median income) and receive some form of assistance.

How can I apply for a payment arrangement?

Individuals who meet income guidelines and already receive some form of assistance can complete and submit an Inability to Pay Application (available on our website) and contact ERMU to set up a mutually agreed upon payment arrangement.

Can my electricity be shut off during the CWR (October 1 - April 30)?

Yes. Eligible residential customers must make and keep a mutually agreed upon payment arrangement with ERMU to avoid disconnection.

What if I can't make my scheduled payment?

Keeping open communication with ERMU should circumstances change is the best way to ensure a continuation of service.

What if I don't qualify for the CWR but need assistance?

Customers who do not meet the income guidelines or assistance requirements for the CWR can still contact ERMU to discuss the possibility of a mutually agreed upon payment arrangement.

If you have any other questions, please contact our office.

ERMU would also like customers to know that, with multiple local organizations available to provide assistance, help could be just a phone call away:

Tri-CAP Inc. Tri-County Action Program Energy Assistance
Helping People. Changing Lives.

Tri-County Action Program, Inc.	888.765.5597
Sherburne County Emergency Assistance	763.765.4000
Wright County Community Action	320.963.6500
Hennepin County Community Action	952.933.9639
Salvation Army HeatShare	1.800.842.7279
Community Aid Elk River (CAER)	763.441.1020

COLD WEATHER RULE UPDATES

THE MINNESOTA COLD WEATHER RULE (CWR) IS IN EFFECT OCTOBER 1 - APRIL 30. THE CWR STATES THAT DURING THAT TIME A UTILITY MAY NOT DISCONNECT SERVICE AND MUST RECONNECT THE UTILITY SERVICE OF A RESIDENTIAL CUSTOMER IF THE DISCONNECTION AFFECTS THE PRIMARY HEAT SOURCE FOR THE RESIDENTIAL UNIT AND ALL OF THE FOLLOWING CONDITIONS ARE MET:

- ✓ The household income of the customer is at or below 50 percent of the state median household income.* (See back for details).
- ✓ A customer enters into and makes timely payments under a mutually agreed upon payment agreement that considers the financial resources of the household.** (See back for details)

SOME CUSTOMERS MAY BE ELIGIBLE FOR FINANCIAL AID WITH ENERGY ASSISTANCE. TO FIND OUT IF YOU QUALIFY, SEE THE BACK FOR AGENCIES IN YOUR COUNTY.

NOTICE: Customers applying for the Cold Weather Rule must complete the Inability to Pay form available at www.ERMUMN.com.

SHERBURNE COUNTY	HENNEPIN COUNTY	WRIGHT COUNTY
SALVATION ARMY HEATSHARE		
1.800.842.7279		
TRI-CAP	COMMUNITY ACTION PARTNERSHIP	WRIGHT COUNTY COMMUNITY ACTION
888.765.5597	952.933.9639	320.963.6500
SHERBURNE COUNTY HUMAN SERVICES	HENNEPIN COUNTY HUMAN SERVICES	WRIGHT COUNTY HUMAN SERVICES
763.765.4000	612.596.1300	763.682.7414
CAER FOOD SHELF		
763.441.1020		

Find more details on energy assistance and an Inability to Pay Application at www.ERMUMN.com. Make payment arrangements by contacting ERMU's office at 763.441.2020.

If you wish to have a third party notified of potential disconnection, please contact our office to provide that information.

RIGHTS AND RESPONSIBILITIES

*The utility may verify income on forms it provides or obtain verification of income from the local energy assistance provider. A customer is deemed to meet the income requirements of this clause if the customer receives any form of public assistance, including energy assistance that uses an income eligibility at or below 50 percent of the state median household income.

** Payments must be made according to the arrangement. If the arrangement cannot be met, please contact ERMU's office to discuss a different arrangement. If you do not meet these responsibilities, utility service may be disconnected. If you wish to dispute the disconnection, you have a right to contact our office and appeal. All appeals will be handled locally.

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	**FROM:** Thomas Geiser – Operations Director
MEETING DATE: September 9, 2025	**AGENDA ITEM NUMBER:** 6.1e
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- Staff is 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 71 are complete.
- Still working through the lack of communication and action regarding the reclosers that were recalled. We still continue to wait for our 30 units to be repaired.
- Staff and I are working through ERMU's Disaster Recovery Plan.
- Staff and I are working on ERMU's substation and well security measures.
- Staff and I are working through the American Public Power Association's Reliable Public Power Provider designation application for 2025.

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	**FROM:** Chris Sumstad – Electric Superintendent
MEETING DATE: September 9, 2025	**AGENDA ITEM NUMBER:** 6.1f
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- Installed 15 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 (MMUA), was here August 27-28, and held safety meetings on aerial lift safety and job briefings.
- Crews worked in the Industrial Park in Elk River south of County Road 1 this past month finishing up the wire replacement project along with new services to J&J Machine and Timron Gear.
- The bore crew finished the wire replacement in the Sunset Ridge development.
- Crews responded to two separate incidents where a vehicle struck a feeder pole this past month. The first was located in northern Elk River along Highway 169 and the second on the east side of Elk River along Highway 10. The latter caused an outage to over 700 customers at around 8:30 a.m. on September 2. The outage lasted about an hour for 90% of those affected and full power was restored around 12:15 p.m.
- A streetlight pole was toppled by a vehicle at Orono Drive and Main Street.
- Crews are replacing electric infrastructure including cabinets, transformers, and pedestals. These were identified during winter system and map checks.
- The inventory & procurement crew has been receiving many material items for the East substation project set to ramp up soon. They also shipped out many of the electric meters that were changed during the Advanced Metering Infrastructure project, freeing up space in the middle building at the field services building complex.
- Staff finished the annual tree trimming inspection of the system this past month.
- Congratulations to Scott Thoreson, retired ERMU Electric Foreperson, on receiving the Lifetime Achievement Award at the MMUA Summer Conference in Rochester.

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	FROM: Mike Tietz – Technical Services Superintendent
MEETING DATE: September 9, 2025	**AGENDA ITEM NUMBER:** 6.1g
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- In August, the locators processed 517 locate tickets. These consisted of 406 normal tickets, 9 emergency tickets, 76 updated tickets, 12 meetings, 4 planning, 2 boundary surveys, and 8 cancellations. This resulted in a 6.7% decrease in tickets from the previous month and a 17.8% increase from the prior August.
- In August, the electrical technicians completed 968 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 our previous Automated Meter Reading meters to AMI for small non-demand commercial customers. We did receive some of our returned merchandise authorization/warranty meters back from Sensus. We have approximately 5,646 (99%) water meters and 13,115 (93%) electric meters that are installed within the system and our overall AMI project is approximately 95% completed.
- The East substation concrete foundation installation work should be getting underway about the middle of September. The fencing contractor has finished the initial fence installation and will return to complete the remaining fence work after the foundations have been poured. Conduit and ground grid installation will take place in November, with assembly of the structures being built late winter by ERMU staff. The prefabricated control building has been completed ahead of schedule, and we are looking at a November 2025 delivery. Commissioning of the substation should be completed by September 1, 2026.
- Our monthly peak was 66.24 MW on August 7, at 4:04pm.

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	FROM: Dave Ninow – Water Superintendent
MEETING DATE: September 9, 2025	**AGENDA ITEM NUMBER:** 6.1h
SUBJECT: Staff Update	
ACTION REQUESTED: None	

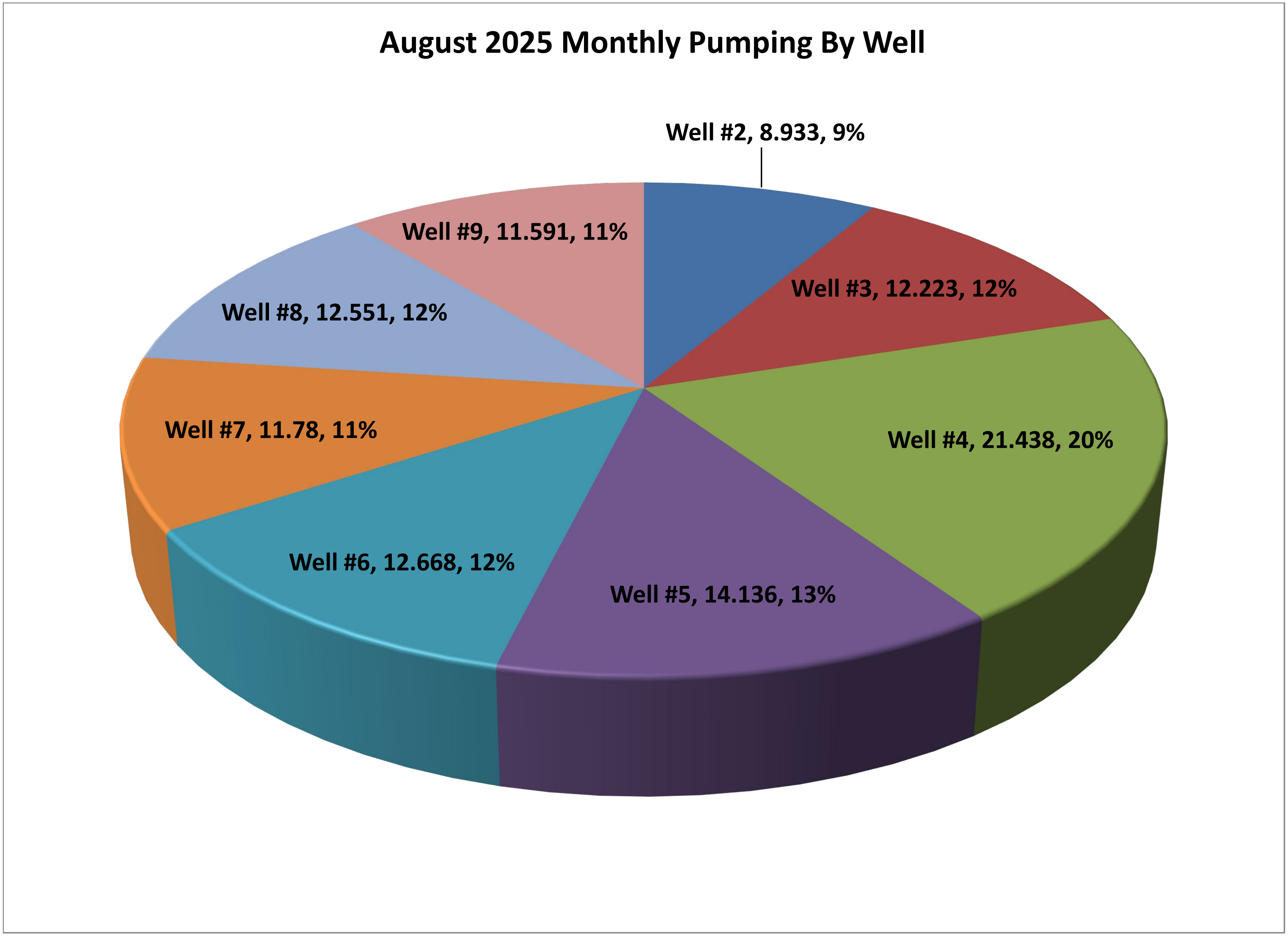
DISCUSSION:

- Delivered 14 new water meters, installed a Smart Point radio transceiver module, and took curb stop ties.
- Completed 20 BACTI/Total Chlorine Residual Samples
  - All confirmed negative for Coliform Bacteria.
  - Bacteriological/Disinfectant Residual Monthly Report submitted to the Minnesota Department of Health (MDH).
- Completed 21 routine fluoride samples
  - All samples met MDH standards.
  - Submitted MDH Fluoride Report
- Contactors for AT&T have started site work in preparation for installation of AT&T telecommunication equipment on Freeport Water Tower. They will be ready to start welding work on the tower once they get the steel parts back from IPS/painting.
- Water department staff have been working with city staff and the contractor for the Yale Street extension project on the installation of new water main.
- The MDH requires that every three years we collect water samples from an interior faucet at 30 households on our water system for lead and copper testing. Staff needed to find residents to participate, deliver sample bottles with instructions to those who agreed, pick up the water samples, and send them into a lab to be tested. The results will be sent to the MDH and to each resident that participated.
- The water operators have been going door-to-door speaking to the remaining residential customers that have not had their water meter exchanged for the Advanced Metering Infrastructure project and have not responded to any previous attempts to reach them by phone, email, or traditional mail. They are being met with a range of responses from “Sure, come on in and exchange the meter” to “Just leave me alone.”
- Seasonal employee Eric Plude’s last day for this season was August 18. Again, he was a huge help to staff with fire hydrant maintenance, water main valve exercising, and GIS mapping of water system infrastructure.

- Work on the annual water system leak detection survey has begun. The initial part of the survey should take a couple of weeks. The next step will be to investigate any potential leaks identified.

ATTACHMENTS:

- August 2025 Pumping by Well



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

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:	Tuesday, August 12: • Annual Business Plan – Review Proposed 2026 Travel, Training, Dues, Subscriptions, and Fees Budget • Review and Update Strategic Plan
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