



MONROE CITY COUNCIL MEETING  
Wednesday, June 26, 2024, at 1:00 pm  
MINUTES  
MONROE CITY COUNCIL SPECIAL MEETING

**1:00 p.m.**

**1.** Special meeting of the Monroe City Council was called to order by Mayor Parsons at 1:00 p.m.

**2. Roll Call**

Mayor Johnny Parsons

Councilmembers:

Janet Cartwright

Ryan Johnson - electronic

Michael Mathie - electronic

Perry Payne

Erica Sirrine -absent

Public Works Director John Draper

Power Foreman Josey Parsons

City Recorder Allison Leavitt

Utility Board Members

Jeff Nielson

R.K. Nielson

Tom Anderson

Doug Monroe – electronic

Jillian Jurczyk – Utility Financial Solutions – Electronic

Chris Land – Utility Financial Solutions - Electronic

**3. Business**

a. Presentation of Utility Financial Solutions Energy Rate Study - Jillian Jurczyk

The Council met electronically with representatives from Utility Financial Solutions (UFS) Jillian Jurczyk and Chris Land to review Monroe’s electric cost of service study, financial projections and rate design.

Ms. Jurczyk explained that the main objective of the study was:

- Financial Projections

- 40 ○ Debt Coverage Ratio
- 41 ○ Cash Policy
- 42 ○ Optimal Operating Income
- 43 ● Review cost of Service Results
- 44 ○ Class Cost Results
- 45 ○ Customer Charges
- 46 ● Overview of Rates and Power Cost Adjustments

47

48 It was explained that the power department needs to recover the cost for a connection to  
49 the grid at zero kWh consumption. This is what the base rate should cover, and the kWh  
50 charge should cover the cost of purchasing and generating power.

51

52 After reviewing our current rates, it was apparent that some of our customer rates are a  
53 little higher than they should be, and some are lower than they should be. The  
54 governmental rate needs to be changed to small business with demand rate, and our  
55 agricultural customers need to have an increase in the monthly base rate because they  
56 are only paying the base rate for six-months of the year.

57

58 Ms. Jurczyk stated that because Monroe City already has an auto-adjustment rate  
59 effective each July 1, the rate restructuring rates recommended will basically be equal to  
60 the rate increase our customers would see with our current auto-adjustment rate.

61

62 Ms. Jurczyk is recommending we increase our base rate about 2.5% and replace the tiered  
63 rate structure with a flat rate. This is a more efficient way of charging for power  
64 consumption to our customers and office staff.

65

66 Ms. Jurczyk reviewed with the Council what the new rates would be to all customer  
67 classes and explained that with the changes the power department would still see the  
68 same amount of revenue.

69

70 It was discussed the importance of the power department maintaining a certain amount  
71 of cash on hand. This cash on hand would cover power supply, hydro production risk, and  
72 an emergency fund. Because we implemented the auto-adjustment rate some time ago it  
73 was determined by the study that our power department current cash on hand meets the  
74 recommended minimum cash balance amount for 2025.

75

76 It was discussed that with the rates proposed from the study, the revenue will cover the  
77 power department's expenses including depreciation.

78

79 It was explained a purchase power adjustment policy is a tool to be used to cover  
80 fluctuations in the power we purchase. This money is not used for anything but to cover  
81 the cost of purchased power. We currently have this in our policy, and it was used in 2022  
82 to cover the increased cost of our purchased power.

83

84 The Council discussed that the information shared with them today from Ms. Jurczyk and  
85 Mr. Land has been very helpful and they believe it was money well spent. Mr. Land  
86 explained that it is important to have these studies done periodically to keep the  
87 departments going in the right direction. The Council agreed and thanked them for their  
88 time.

89  
90 Ms. Jurczyk, Mr. Land, and Councilmember Mathie left the meeting.

91  
92 b. Discuss and consider energy rate study recommendations

93  
94 Council reviewed the information and suggested rate structures presented tonight by  
95 representatives of UFS. It was determined that they would like to hold a public hearing at  
96 our next meeting and propose the updated rate schedule.

97  
98 **Councilmember Payne made a motion to hold a public hearing on July 9, 2024, to**  
99 **receive comments on the proposed rate schedule. Councilmember Cartwright seconded**  
100 **the motion. A roll call vote was called. Voting yes: Councilmembers Cartwright,**  
101 **Johnson, and Payne. The vote was unanimous. Motion carried 3-0**

102  
103 4. Other Business

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105 a. Staff Reports  
106 b. Department Business-Council

107  
108 **5. Adjournment**

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110 **There being no further business to come before the Council for consideration,**  
111 **Councilmember Payne moved the Regular Council Meeting adjourn at 2:08 p.m. The**  
112 **motion was seconded by Councilmember Cartwright. The vote was unanimous. The**  
113 **motion carried. 3-0**

114  
115 The next regular City Council meeting is scheduled to be held on Tuesday, July 9, 2024  
116 starting at 7:00 p.m. at Monroe City Office.

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118 Approved this 8<sup>th</sup> day of October 2024.

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121   
122 Allison Leavitt  
123 Monroe City Recorder

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125   
Johnny C. Parsons  
Mayor