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Public Works/Engineering
Taped and Televised

SEWER UTILITY DISTRICT COMMISSION

Monday, October 30, 2023

6:30 PM

Christine Nuernberg Hall

Minutes

1) Call to Order, Roll Call

Meeting called to order at 6:45 PM.

Present:

Commissioner Andrew Nerbun
Commissioner Kelly Tolocko
Commissioner Dale Mayr
Commissioner Jeffrey Hansher
Commissioner Gregg Bach
Commissioner Brian Parrish
Commissioner Kathleen Schneider
Commissioner William Gebhardt
Commissioner Robert Strzelczyk -- **Excused**

Also present: City Administrator Jones, Director of Public Works/City Engineering Lundeen, Finance Director Engroff, Assistant Finance Director Keyser, and Administrative Assistant Schlereth.

2) Approval of Meeting Minutes

a. October 10, 2023, Minutes

RESULT: **Approved by Voice Acclamation [Unanimous]**

MOVED BY: Commissioner Bach

SECONDED BY: Commissioner Mayr

AYES: Nerbun, Tolocko, Mayr, Hansher, Bach, Parrish, Schneider, Gebhardt

NOT PRESENT: Strzelczyk

3) Resolutions and Discussion Items

- a. **RESOLUTION 4076** A Resolution Amending City of Mequon Financial Policy Statement 3: Reserve Requirements to Include the City of Mequon Sewer Utility

The Commission discussed the minimum range for the policy and its impact on the City's bond rating.

RESULT: Approved by Voice Acclamation [Unanimous]
MOVED BY: Commissioner Gebhardt
SECONDED BY: Commissioner Hansher

AYES: Nerbun, Tolocko, Mayr, Hansher, Bach, Parrish, Schneider, Gebhardt
NOT PRESENT: Strzelczyk

- b. **RESOLUTION 4077** A Resolution Reassigning Undesignated Cash Reserves of \$1,950,000 within the Sewer Utility Fund to One-Time Capital Projects, in Accordance with City of Mequon Financial Policy Statement 3: Reserve Requirements

The Commission discussed the value of the reassignment as compared to the minimum requirements of the policy, based upon Finance Department projections.

RESULT: Approved by Roll Call Vote [Unanimous]
MOVED BY: Commissioner Mayr
SECONDED BY: Commissioner Parrish

AYES: Nerbun, Tolocko, Mayr, Hansher, Bach, Parrish, Schneider, Gebhardt
NOT PRESENT: Strzelczyk

- c. Confirmation of Source Revenue for Capital Funding in the FY2024 Budget

Director Lundeen provided an overview of the cash flow analysis and the projected 5-year capital improvement program. Based on current projections the City would have sufficient funds for 2024 if the staff recommended increases were not approved by the Commission. If the Lift Station E project cost were not split between two years, there would be a deficit projected for 2024.

Director Engroff noted Table 4 does not include the \$1.95M in reassigned undesignated cash reserves. Figuring the \$1.95M to Table 4 brings the projected 2025 deficit down to \$2,359,253.

The Commission discussed the number of residents that report a basement backup each year, as well as whether that is an accurate representation of the number of residents who are impacted by a basement backup. Director Lundeen could not represent the number of customers within the Lift Station E sewershed, further noting that the service area includes several other lift stations that ultimately flow to Lift Station E.

Director Engroff reviewed the Municipal Levy Limit Worksheet submitted yearly to the Wisconsin Department of Revenue. Historically the City has always used the minimum claim

amount to determine what the capacity will be. The City has the ability to go up to the max claim amount that would include non-recurring expenditures. The City could only use this amount to pay for one time purchases because as the debt is paid the max claim amount goes down.

The Commission further discussed how reevaluation of the five-year plan projects, timing and rates could be adjusted accordingly to try and avoid borrowing in 2024 and 2025.

RESULT: **Approved by Roll Call Vote [Unanimous]**
MOVED BY: Commissioner Gebhardt
SECONDED BY: Commissioner Bach

AYES: Nerbun, Tolocko, Mayr, Hansher, Bach, Parrish, Schneider, Gebhardt
NOT PRESENT: Strzelczyk

d. **RESOLUTION 4078** A Resolution Adopting the Fiscal Year 2024 Sanitary Sewer Utility Budget and Establishing the 2024 Sanitary Sewer User Fee Schedule

RESULT: **Approved by Roll Call Vote [Unanimous]**
MOVED BY: Commissioner Parrish
SECONDED BY: Commissioner Gebhardt

AYES: Nerbun, Tolocko, Mayr, Hansher, Bach, Parrish, Schneider, Gebhardt
NOT PRESENT: Strzelczyk

4) Adjourn

a. Motion to Adjourn at 7:43 PM

RESULT: **Approved by Voice Acclamation [Unanimous]**
MOVED BY: Commissioner Mayr
SECONDED BY: Commissioner Schneider

AYES: Nerbun, Tolocko, Mayr, Hansher, Bach, Parrish, Schneider, Gebhardt
NOT PRESENT: Strzelczyk

Respectfully Submitted,

Ren Schlereth
Administrative Assistant