

Finance and Labor Relations Committee
Regular Meeting
City Hall 31 S. Madison Street, Evansville, WI
Thursday, September 7, 2023 at 1:00pm

MINUTES

1. **Call to order.** Brooks called the meeting to order at 1:00pm

2. **Roll call**

Members	Present/Absent	Others Present
Aldersperson Jim Brooks	P	City Administrator/Jason Sergeant
Aldersperson Cory Neeley	P	Treasurer, Julie Roberts
Aldersperson Joy Morrison	P	Mayor, Dianne Duggan

3. **Motion to Approve the Agenda by Neeley, seconded by Morrison. Motion passed 3-0.**

4. **Motion to waive the reading of the minutes of the August 3, 2023 regular meeting and to approve them as printed by Morrison, seconded by Neeley. Motion passed 3-0.**

5. **Civility reminder.** Brooks issued a reminder that all meetings are held with civility and decorum.

6. **Citizen appearances other than agenda items listed.** None

7. **Motion to accept the August 2023 City bills as presented in the amount of \$1,837,919.58 by Morrison, seconded by Neeley. Motion passed by Roll Call 3-0.**

Morrison inquired about the Project Orange charges on page 1. Roberts reported that there will be charges that come in that we pay. In turn, we bill the Developer for the charges. Morrison inquired about the charge for the recruitment ad on page 12. Roberts shared that the charge was for advertising for the Municipal Director open position. The charge was split between the departments that would report to the Municipal Director. There was discussion on a billing error and credit that occurred with the baseball diamond lights. Morrison inquired on the Monthly Electric charge for the Park Store. Sergeant shared that the charge was for the Park Store and the Pool. Morrison asked about the Sky Carp reimbursement. Sergeant explained the Evansville Night event that the Beloit Sky Carp put on. The city had reimbursed the tickets that were purchased by the kids that were selected to throw out the first pitch at the game. Morrison questioned if there had been estimates given prior to the Maple Street Landscaping project completion. Sergeant confirmed that there had been estimates and shared that the payments for the project would be coming out of TIF 5. Morrison inquired about the penalty fee from the WI Department of Revenue. Roberts explained how there was an attempt on 2 different occasions to make on-line payments, but they had been rejected. In the end, a physical check was sent, but because it was late, penalty fees needed to be paid for as well. Neeley asked about the new collection system, that was designed to collect past due tickets. Sergeant shared that it had collected over \$40,000. Neeley inquired about the possibility of overpayment as a number of people say that they had already paid the tickets. Sergeant explained that according to Court documentation, no payment had been collected.

8. **New Business:**

a. **Discussion regarding WPPI Joint Action Leadership Certification Program.**

Brooks shared information on the program and how informative it was. The class that Brooks found the most informative was the Rates, Financial Planning and Management. A key take away was to perform a Utility Financial Checkup on all of the Utilities. The idea would be to have a financial policy for each of the utilities and maintaining minimum cash reserve for each of them. In the past, the coverage rate had been good enough to not have a rate case. This had led to the GO Fund subsidizing the utilities and eating thru the Utility cash reserves to have a positive coverage rate. Brooks shared that there is an Excel spreadsheet taking into account a 45 day window for: O & M Expenses, Wholesale Power Cost, cash value of a historical investment in the assets, 45 day obligation for annual debt payment, and yearly chunk of the 5 year capital plan. The idea would be to set a minimum cash on hand, and when the amount falls below that line, that would trigger the need for a rate case. The thought was to do this process for each of the Utilities.

b. Discussion regarding WPPI Retail Electric Rates Benchmarking Report.

Neeley shared his feelings about the benchmark report and how it should provide insight on how or what items could be addressed. Neeley reported that there are rural customers that are not represented for the utilities, but are affected by the decisions that are made for the utilities. Neeley reported that the electric utility is the most important asset that Evansville has. Neeley feels that the utilities should be represented by a Commission that would be able to better represent all of the utility customers. Sergeant shared it has been a rough couple years for the utilities, due to some decisions that were made in the past. The utilities will stabilize financially due to the rate case. Completing another rate case will get the utilities back where they should have been. Sergeant feels that once the utilities have stabilized financially, it will be a better time to look at the options of how to continue to run the utilities in the future. The last year has been a great deal of learning and education on what the needs are now and what needs to be done moving forward.

c. Motion to recommend to Common Council a 24-month contract with Spectrum Enterprise for dedicated fiber internet service by Morrison, seconded by Neeley. Motion passed 3-0.

Sergeant explained that currently the City of Evansville has co-axial Charter service. While it is fast, it hasn't been able to keep up with the demands that are put on it with internet and phones for City Hall, EMS, and the Police Station. The quality issues seem to have presented themselves primarily on the phones by cutting in and out. There was a comparison done with the Library's fiber quality and their usage has a steady line compared to the peaks and valleys that City Hall has experienced. Sergeant negotiated a price with Spectrum to a limited 2 year contract with the rate of a 3 or 4 year contract price. In addition, the cost of the install was waived, and they will be including Static IP's at no additional cost.

d. Pre-sale report for City of Evansville, Wisconsin \$15,430,000 General Obligation Corporate Purpose Bonds, Series 2023A

This is primarily for the temporary borrowing that was done for the pool construction. This will take the remaining temporary funds and converting to a regular GO debt, as well as a few of the other Capital Projects from 2023. There was some wiggle room that was built into the amount for the pool project, which will help for those that had pledged money over a period of time. All of this was in the Debt Plan and Financial Management Plan that was reviewed.

e. Motion to Approve Revised Municipal Services Director, Police Chief, and City Administrator Position Descriptions by Morrison, seconded by Neeley. Motion passed by Roll Call 2-1, with Neeley opposing.

Sergeant shared that there are two candidates for the Municipal Services Director position with 15 and 17 years of journeyman lineperson experience respectfully. Both of the candidates are currently in a crew leader or foreperson type of a supervisor role with private utilities. As part of this last round of application process, it was asked to submit the last 5 years of salary. To make an offer, it is anticipated that the wage grade may not be appropriate. Sergeant would like to move each of the positions up by one grade level.

9. City Administrator/Finance Director Report.

Sergeant repeated that there were two different applicants interviewing for the Municipal Services Director. There has been budget work on the electric side to determine what can and can't be done for the Director position's salary. Sergeant has and will continue to work with WPPI to figure out the cost of power and rates. If the wage increases remain 6% across the board for Lineperson and Foreperson, there will still be an open lineman position and locator position is currently not in the budget. Most of the Department Heads have submitted their budgets. There was additional discussion about staffing the Police Department.

10. Meeting Reminder:

- a. Next regular meeting October 5, 2023 at 1:00 p.m.

11. Motion to adjourn by Neeley, seconded by Morrison. Motion passed at 2:03pm 3-0.

*Respectfully Submitted,
Elle Natrop*