



**TWO
RIVERS**
WISCONSIN

PERSONNEL AND FINANCE COMMITTEE AND PUBLIC UTILITIES JOINT MEETING

Thursday, November 6, 2025 at 6:00 PM
Committee Room - City Hall, 3rd Floor
1717 E. Park Street, Two Rivers, WI 54241

MINUTES

1) Call to Order

Meeting called to order at 6:00pm.

2) Roll Call

Personnel and Finance Committee Members Present: Mark Bittner and Bonnie Shimulunas

Public Utilities Committee Members Present: Shannon Derby and Darla LeClair

City Staff Present: Kyle Kordell, City Manager; Matt Heckenlaible, Public Works Director; Andrew Sukowaty, Water Utility Director; Brian Dellemann, Electric Utility Director; and Kassie Paider, Finance Director.

3) Public Input

None

4) Review and Recommendations: 2026 Utilities Budget

A. Water

Director Sukowaty presented the 2026 Water Utility Budget.

- The personnel budget continues the hiring of temporary seasonal staff for general maintenance—480 hours total at \$14 per hour, fewer hours than in prior years.
- No rate change is proposed. The most recent rate increase of 8% took effect on September 1, 2023, through the PSC simplified rate case process. The next rate case must be at least 12 months later and will require a full rate case.
- The budget includes a five-year drained inspection of the reservoir and DNR-required overflow work.
- A 3% cost-of-living raise for staff is included, along with a 3% increase in the standby rate.
- Maintenance projects for 2026 include:
 - Repairing the East Water Tower paint issue
 - Repairing plant soffit
 - Purchasing leak detection equipment
 - Hydrant painting
 - Replacing one VFD
 - A two-year contract with 120Water for assistance with line inventory

Financial Summary:

- Operating revenues: \$3,158,900 (1.78% increase over 2025)

- Operating expenses: \$2,831,365 (4.87% decrease)
- Net operating income: \$327,535
- Cash flow after 2026 debt principal payments:
 - Decrease of \$84,000 in non-reserve cash
 - Decrease of \$70,000 in reserve funds
 - Total decrease: \$154,000

Motions:

- *Personnel and Finance*: Motion by Shimulunas, seconded by Bittner, to recommend approval of the 2026 Water Budget. Motion carried.
- *Public Utilities*: Motion by LeClair, seconded by Derby, to recommend approval of the 2026 Water Budget. Motion carried.

B. Wastewater

Director Heckenlaible presented the 2026 Wastewater Utility Budget.

- Revenues may be underestimated due to changes in equivalent billing methodology and Riverside Foods reclassification.
- Operating expenditures are proposed to increase 5.61% over 2025.
- Wages and benefits represent 64.34% of the increase. The addition of a Certified Collection System Operator (WDNR requirement) and a Civil Engineer accounts for most of the increase.
- Chemical costs are rising by approximately \$26,000.

Financial Summary:

- Operating revenues: \$3,310,460 (6.71% increase)
- Operating expenses: \$3,169,360 (5.61% increase)
- Net operating income: \$141,100

Motions:

- *Personnel and Finance*: Motion by Bittner, seconded by Shimulunas, to recommend approval of the 2026 Wastewater Budget. Motion carried.
- *Public Utilities*: Motion by Derby, seconded by LeClair, to recommend approval. Motion carried.

C. Storm Water

Director Heckenlaible presented the 2026 Storm Water Utility Budget.

- Revenues are from the Storm Water Fee.
- Operating revenues: \$662,500 (7.86% decrease from 2025)
- Operating expenses: \$505,445 (6.66% decrease)
- Net operating loss: \$77,988

Motions:

- *Personnel and Finance*: Motion by Shimulunas, seconded by Bittner, to recommend approval. Motion carried.

- *Public Utilities:* Motion by Derby, seconded by LeClair, to recommend approval. Motion carried.

D. Solid Waste

Director Heckenlaible presented the 2026 Solid Waste Budget.

- Operating revenues: \$905,800 (4.2% increase)
- Operating expenses: \$934,291 (2.86% increase)
- Net operating loss: \$28,491

Landfill Fund (Fund 419):

- Planned use of \$66,420 in fund balance for 2026, due to replacing a failing pump and adding a pump monitoring system.

Motions:

- *Personnel and Finance:* Motion by Shimulunas, seconded by Bittner, to recommend approval of the 2026 Solid Waste Budget. Motion carried.
- *Public Utilities:* Motion by Derby, seconded by LeClair, to recommend approval. Motion carried.
- *Landfill Fund:*
 - *Personnel and Finance:* Motion by Bittner, seconded by Shimulunas, to recommend approval of the 2026 Landfill Budget. Motion carried.
 - *Public Utilities:* Motion by Derby, seconded by LeClair, to recommend approval. Motion carried.

E. Electric

Director Dellemann presented the 2026 Electric Utility Budget.

- No rate increase is proposed. The last increase occurred in May 2020.
- The budget includes a 3% cost-of-living increase and a 3% merit increase to align wages with industry standards.
- A new method of standby pay is proposed.
- Revenue projections use a nine-year average consumption, 2025 annualized consumption, and WPPI's projected power cost report.
- The summer help position has been eliminated.
- Capital projects include delivery of a bucket truck and the purchase of meters.

Financial Summary:

- Operating revenues: \$9,870,500 (1.27% increase)
- Operating expenses: \$9,976,585 (4.02% increase)
- Net operating loss: \$106,085

Motions:

- *Personnel and Finance:* Motion by Shimulunas, seconded by Bittner, to recommend approval. Motion carried.

- *Public Utilities:* Motion by Derby, seconded by LeClair, to recommend approval. Motion carried.

F. Telecommunications

Director Paider presented the 2026 Telecommunications Budget.

- Operating revenues: \$15,885 (no change from 2025)
- Operating expenses: \$26,845 (0.4% increase)
- Net operating loss: \$10,960

The budget shows an increase of \$7,000 to cash before projects. A proposed \$20,000 expenditure for security cameras results in a \$13,000 net decrease in cash, leaving \$82,000 remaining in the fund.

Motions:

- *Personnel and Finance:* Motion by Bittner, seconded by Shimulunas, to recommend approval. Motion carried.
- *Public Utilities:* Motion by Derby, seconded by LeClair, to recommend approval. Motion carried.

5) Set Next Meeting Date and Time: Personnel and Finance Committee Tuesday, November 11, 6:00 PM

6) Adjournment

Personnel and Finance Committee motion by Shimulunas, seconded by Bittner, to adjourn meeting at 9:40pm. Motion carried.

Public Utilities Committee motion by Derby, seconded by LeClair, to adjourn meeting at 9:40pm. Motion carried.

Respectfully Submitted,



Kassie Paider, Finance Director