

Commission Policy Book

Updated December 18, 2025

Madison Metropolitan
Sewerage District



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INTRODUCTION

This Commission Policy Book contains the processes and policies of the Madison Metropolitan Sewerage District Commission. This includes the Owner Expectations the District will uphold on behalf of its ownership, and the processes used for decision-making, accountability and action.

History

The Madison Metropolitan Sewerage District (District) is a regional utility that serves the wastewater collection and treatment needs of 24 owner communities. These owner communities are municipalities that jointly or separately own or operate a sewerage collection and disposal system with territory included in the District boundary.

This District's authority was established by a Dane County Judge in 1930 and eventually was codified into state law. The fundamental basis for the District's existence is that the region can achieve more together than working independently.

In 2015 the Commission was expanded from 5 members to 9 members, and the District's policy book was redrafted in 2017 to meet the needs of this larger Commission. This new policy book incorporated existing policies and added process-related policies to improve the effectiveness of District governance.

Overview

Below is an overview of the basic principles of policies contained in this book.

1. Policies put the "trust" in trusteeship.

Simply put, the Commission governs on behalf of owner communities to ensure the District provides necessary regional benefits and meets statutory requirements.

2. The Commission forges a linkage with management that is empowering and safe.

The Commission and Executive Director constitute a leadership team. Clear differentiation in their roles and responsibilities enables them to fulfill and excel in them, mutually support each other, and influence each other toward ever greater integrity and capability for leadership

3. The Commission speaks with one voice or not at all.

Governance comes from the Commission as a whole, speaking with one voice. It does not come from individual Commissioners or subgroups. This one-voice principle doesn't require or imply unanimity. Commission involvement with committees is limited to those committees it creates to aid its work.

4. Commission decisions are predominantly policy decisions.

Policy is here defined as the value or perspective that underlies action. Commission policies express the results, accountabilities and processes to achieve its statutory requirements, not the specific means. This book includes the following:

- ***District Purpose:*** The District's purpose answers why we exist as an organization. The purpose statement provides context and focuses our work and strategic priorities in service of our owner communities.

- ***Owner Expectations:*** Owner expectations describe the benefits the District promises to deliver to our owner communities to create focus and accountability. They say what the people we serve expect us to do for them and state the ultimate ends staff must achieve.
- ***Executive Expectations:*** These policies outline how the Executive Director should conduct themselves in service of the District. The Commission's role here is to set acceptable boundaries and expectations.
- ***Commission-Executive Delegation:*** These policies define the essential elements of the relationship between the Commission and the Executive Director. Specifically, these policies address how the Commission provides direction, delegates authority, and monitors compliance and performance relative to ends and limitations.
- ***Commission Process:*** These policies describe how the Commission will operate and hold itself accountable for its job, get its work done, and ensure these methods provide for effective and efficient governance.

SECTION 1: DISTRICT PURPOSE

Our Purpose

Protect public health, welfare and the environment by providing efficient and strategic wastewater management on behalf of our owner communities.

Purpose Definitions & Context

Owner community: Owner community includes each municipality that jointly or separately owns or operates a sewerage collection and disposal system with territory included in the District boundary.

We use "owner community" in our purpose to reflect the definition the Commission adopted for "owner communities" in October 2020.

Efficient: Achieving the maximum benefit in a cost-effective manner

We use "efficient" to mean achieving the maximum benefit cost-effectively, including performing work in a well-organized and competent manner and with minimum wasted effort or expense.

Strategic: Future-oriented and proactive

We use "strategic" in the purpose statement to mean that the District pays attention to long-term aims and interests and the means of achieving them. It further means being deliberate, proactive and planning ahead.

Adopted by Commission action August 26, 2022

SECTION 2: OWNER EXPECTATIONS

Owner expectations describe the benefits the District promises to deliver to our owner communities to create focus and accountability. They say what the people we serve expect us to do for them.

Expectations should be things of the highest value, of which there are vital few. Expectations must match our purpose, but they can emphasize specific things. Emphases might change over time.

Owner Expectations

OE-1A: Owners expect the District to protect public health, welfare and the environment.

OE-1B: Owners expect the District to provide cost-effective and efficient wastewater treatment.

OE-1C: Owners expect the District to be resilient and sustainable in its operations and business practices, so it is meeting the needs of the present without compromising the ability of future generations to meet their own needs.

OE-1D: Owners expect the District to comply with regulations and proactively anticipate future regulatory needs.

OE-1E: Owners expect the District to be collaborative, fair, responsive and equitable, with all communities having access to safe, clean, affordable wastewater services and sharing the economic, social and environmental benefits of wastewater systems.

Formerly Outcomes Policies

Owner Expectations Adopted by Commission action August 26, 2022

SECTION 3: EXECUTIVE EXPECTATIONS POLICIES

- EE-1: Global Executive Expectations Policy**
- EE-2A: Treatment of Owner Communities and Ratepayers**
- EE-2B: Treatment of Staff**
- EE-2C: Financial Planning/Budgeting**
- EE-2D: Financial Conditions & Activities**
- EE-2E: Emergency Executive Director Succession**
- EE-2F: Asset Protection**
- EE-2G: Infrastructure**
- EE-2H: Communication and Support to the Commission**

EE-1: Global Executive Expectations Policy

The Executive Director is expected to only engage in or allow practices, activities, and decisions and allow organizational circumstances that are in accordance with any applicable and relevant requirements of:

- U.S. or Wisconsin Constitutions, laws, court decisions, administrative regulations and requirements, District ordinances and policies and binding contracts,
- The District's conflict of interest policy, and
- Commonly accepted standards of business and professional ethics.

Adopted by Commission action September 28, 2017

EE-2A: Treatment of Owner Communities and Ratepayers

With respect to interactions with owner communities and ratepayers or those applying to be owner communities or ratepayers, the Executive Director is expected to support conditions, procedures and decisions that are safe, timely and dignified and provide appropriate confidentiality and privacy.

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Adopted by Commission action September 28, 2017

EE-2B: Treatment of Staff

The Executive Director shall make reasonable efforts to nurture a capable and diverse workforce that can deliver services to the community. With respect to interactions with staff, the Executive Director is expected to allow and support conditions, procedures or decisions that are safe, dignified, respectful and professional.

Accordingly, the Executive Director shall:

1. Uphold and equitably enforce the District's employee handbook for all staff;
2. Maintain a safe workplace committed to health and safety excellence, emphasizing leadership commitment, employee ownership and continuous improvement;
3. Maintain a workplace that is pleasant, courteous and free of harassment;
4. Nurture a culture of leadership, trust and collaboration;
5. Maintain written work rules that clarify personnel guidelines for staff, and provide an employee notification and comment process before the promulgation of any changes to work rules;
6. Acquaint staff with their rights under this policy;
7. Not prohibit staff members from communicating with the Commission with regard to assertions that Commission policies have been violated or that Commission policies do not adequately protect their human rights;
8. Support the Employee Leadership Council in its role as a recommending authority regarding pay, benefits, and working conditions; changes to the Employee Handbook; and emerging issues of interest regarding overall employee well-being and development;
9. Recognizes that District employees may freely participate in voluntary associations; and
10. Provide regular updates on the Employee Leadership Council to the Commission and involve the Commission in a manner that encourages and fosters an inclusive, open and positive work environment.

Adopted by Commission action September 28, 2017

EE-2C: Financial Planning/Budgeting

The Executive Director is expected to engage in financial planning that supports owner expectations and Commission priorities, allows the District to meet needed levels of service, minimizes the risk of financial jeopardy, and considers multiyear planning efforts.

Accordingly, the Executive Director shall:

1. Provide the Commission with a budget document that contains, at a minimum, a credible projection of revenue and expenses, separation of capital and operational items, cash flow and disclosure of planning assumptions;
2. Comply with Commission policy statements on capital projects budget and debt service budget development and approval, debt financing, financial reporting, fund reserves, fund structure, operating budget development and approval, and strategic financial planning, all included as an attachment (ATT-2); and
3. Support those situations or conditions described as acceptable in the financial condition and activities policy (EE-2D).

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Adopted by Commission action September 28, 2017

EE-2D: Financial Condition and Activities

With respect to the actual, ongoing financial condition and activities of the District, the Executive Director is expected to minimize the risk of fiscal jeopardy or a material deviation of actual expenditures from Commission priorities established in outcomes policies.

Accordingly, the Executive Director shall adhere to conditions, procedures and decisions that:

1. Ensure expenditures meet or are below total appropriations for the fiscal year;
2. Use reserves only for purposes for which they are designated unless directed to do so by the Commission;
3. Comply with the District's procurement policy;
4. Comply with the District's transaction approval authority, included as an attachment (ATT-3); and
5. Meet debt service obligations.
6. Preserve the District's funds in a prudent manner to ensure the availability of adequate annual operating funds, preserve the capital of the District, and provide the necessary liquidity to meet cash requirements for operations and construction while obtaining the highest possible current income through investing in the types of investments authorized by Section 66.0603 of the Wisconsin Statutes.

Adopted by Commission action September 28, 2017

EE-2E: Emergency Executive Director Succession

To protect the Commission and District from the sudden loss of the Executive Director services, the Executive Director is expected to ensure that the senior director is sufficiently familiar with Commission and Executive Director issues and processes such that they would be able to take over with reasonable proficiency as an interim successor.

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Adopted by Commission action September 28, 2017

EE-2F: Asset Protection

The Executive Director is expected to comply with industry standards and regulatory requirements regarding the protection of the District's assets.

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Adopted by Commission action September 28, 2017

EE-2G: Infrastructure

The Executive Director is expected to uphold conditions, procedures and decisions that support the District in meeting its obligation to serve present and future owner communities and ratepayers.

Accordingly, the Executive Director shall adhere to conditions, procedures and decisions that:

1. Assure that required rates fund all expenditures for timely and prudent capital improvements to existing District systems;
2. Assure that those capital improvements are driven by increasing capacity needs; regulatory requirements; replacement or maintenance of existing systems to ensure reliability; improvements in system resiliency; operational considerations; or District relocations for public works and road projects; and
3. Identify and plan for resource and infrastructure needs for the provision of service to customers within the District's service areas consistent with a reasonable planning period for that service.

Adopted by Commission action September 28, 2017

EE-2H: Communication and Support to the Commission

The Executive Director is expected to provide the Commission with information as may be required periodically for fully informed Commission deliberations and choices, including internal and external data as well as staff and external opinions and points of view.

Accordingly, the Executive Director shall adhere to conditions, procedures and decisions that:

- Allow the Commission to be informed of any actual or anticipated noncompliance with any Owner Expectations or the Executive Expectations policy of the Commission, regardless of the Commission's monitoring schedule; and
- Advise the Commission if, in the Executive Director's opinion, the Commission is not in compliance with its own policies on Commission process and Commission-Executive delegation, particularly in the case of Commission behavior that is detrimental to the working relationship between the Commission and the Executive Director.

Adopted by Commission action September 28, 2017

SECTION 4: COMMISSION-EXECUTIVE RELATIONSHIP POLICIES

CER-1: Global Commission Executive Delegation Policy

CER-2A: Unity of Control

CER-2B: Delegation to the Executive Director

CER-2C: Monitoring of the Executive Director's Performance

CER-2D: Records Management

CER-1: Global Commission-Executive Delegation Policy

Pursuant to the authority delegated by the Wisconsin Legislature, including as stated in Wisconsin Statutes Chapter 200, the Commission is charged with the management and operation of the Madison Metropolitan Sewerage District. All authority and accountability delegated by the Commission to District staff shall be delegated through the Executive Director.

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Adopted by Commission action September 28, 2017

CER-2A: Unity of Control

Only decisions of the Commission acting as a body are binding on the Executive Director.

Individual Commissioners may make requests to the Executive Director for information and assistance without specific Commission authorization.

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Adopted by Commission action September 28, 2017

CER-2B: Delegation to the Executive Director

The Commission will instruct the Executive Director through written policies that prescribe the organizational outcomes to be achieved and that describe organizational situations and actions to be avoided, allowing the Executive Director to use any reasonable interpretation of these policies.

Adopted by Commission action September 28, 2017

CER-2C: Monitoring the Executive Director's Performance

Systematic and rigorous monitoring of the Executive Director's accomplishment of the District's purpose, its Owner Expectations and operation within the boundaries established by the Commission's Executive Expectations policy. The Commission will conduct an annual evaluation of the Executive Director's performance using the process outlined in ATT-4.

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Adopted by Commission action September 28, 2017

Revised by Commission action October 12, 2017

CER-2D: Records Management

Madison Metropolitan Sewerage District is a public body subject to state public records law under Wis. Stat. §§ 19.21-19.39. The Commission has designated the Executive Director as the legal custodian for the District. The Executive Director may adopt administrative guidelines as necessary for the program's administration.

Furthermore, pursuant to Wis. Stat. §16.61 and §16.612, District electronic records are to be considered original records of the District for all purposes. Staff members are authorized to keep and preserve District records in electronic format and are directed to comply with electronic records standards under state law.

In addition, the District reserves the right to charge fees permitted by Wis. Stat. § 19.35(3) for responding to record requests. Any fees imposed will be in accordance with the District's administrative guidelines and the Wisconsin Public Records Law.

Finally, the Executive Director shall maintain a records retention schedule for the District and shall obtain Commission authorization of the schedule and for changes to the schedule as required by law.

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Updated and adopted by Commission action December 18, 2025

Adopted by Commission action July 25, 2019

SECTION 5: COMMISSION PROCESS POLICIES

- CP-1: Global Commission Process Policy**
- CP-2A: Governing Style**
- CP-2B: Commission Job Description**
- CP-2C: Agenda Planning to Achieve Commission Outputs**
- CP-2D: Commission Members' Conduct**
- CP-2E: Commission Meeting Preparation**
- CP-2F: Per Diem for Commissioners**
- CP-2G: President's Role**
- CP-2H: Vice President's Role**
- CP-2I: Secretary's Role**
- CP-2J: Commission Committee Principles**
- CP-2K: Commission Committee Structure**
- CP-2L: Governance Capacity**
- CP-2M: Executive Director Pay**
- CP-2N: Outcomes Decision-Making**
- CP-2O: Officer Elections, Commission Terms & Continuity**
- CP-2P: Public Meeting Notice Policy**

CP-1: Global Commission Process Policy

The purpose of the Commission, on behalf of the District's owner communities and their sewer customers, is to ensure that the District achieves its strategic purpose, fulfills Owner Expectations as specified, upholds the Commission-Executive Relationship policies, and is prepared to protect public health and the environment into the future.

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Adopted by Commission action September 27, 2018

CP-2A: Governing Style

The Commission will govern lawfully with an emphasis on:

- a. outward vision;
- b. encouragement of diversity in viewpoints;
- c. strategic leadership more than administrative detail;
- d. a clear distinction between Commission and Executive Director roles;
- e. collective rather than individual decisions;
- f. future orientation; and
- g. proactivity rather than reactivity.

Accordingly:

1. The Commission will adopt and hold to the highest standards of ethical conduct in applying due diligence in all aspects of its guidance of, decision-making for, and leadership of the District.
2. The Commission will cultivate a sense of group responsibility. The Commission will work in partnership with the Executive Director. The Commission will be an initiator and the approver of policy, not merely a reactor to staff initiatives. The Commission will use the expertise of individual members to enhance the understanding of the Commission as a body but will not substitute individual judgments for the Commission's collective values.
3. The Commission will lead and inspire the District by carefully establishing broad written policies reflecting the ownership's values and perspectives. The Commission's major policy focus will be on intended long-term benefits (as stated in the Owner Expectations) and the limitation of risk (through Executive Expectations policies), not on administrative or programmatic means of attaining those effects.
4. The Commission will hold itself accountable to govern with excellence. This self-discipline will apply to matters such as attendance, meeting preparation, policymaking principles, respect of roles, and ensuring the continuity of governance capacity.
5. The Commission will not allow any officer, individual or committee of the Commission to hinder the fulfillment of its commitments or be an excuse for not fulfilling those commitments.
6. Commission development will include ongoing education for existing and new members regarding the Commission's governance process. The Commission will periodically discuss and evaluate its process and performance to ensure continuous improvement.
7. Although the Commission can change its Commission process and Commission-Executive relationship policies at any time, it will observe them scrupulously while in force. The Commission will monitor its performance by comparing actual activity and discipline to policies in the Commission process and Commission-Executive relationship categories.

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Adopted by Commission action September 27, 2018

CP-2B: Commission Job Description

Specific job outputs of the Commission as an informed agent of the District's ownership are those that ensure appropriate performance of the District, namely:

1. A credible and authoritative linkage between the ownership and the District.
2. Written governing policies and processes that realistically address the broadest levels of all organizational decisions and situations, including:
 - a. **Owner Expectations:** The benefits the District promises to deliver to our owner communities to create focus and accountability.
 - b. **Executive Expectations:** Establishes prudence and ethical responsibilities within which all executive activity and decisions must take place.
 - c. **Commission–Executive Relationship:** How power is delegated and its proper use monitored; the Executive Director's role, authority and accountability.
 - d. **Commission Process:** Specifies how the Commission conceives, carries out, monitors and ensures long-term competence in its own tasks.
3. Assurance of successful performance of the District regarding Owner Expectations and Executive Expectations.

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Adopted by Commission action September 27, 2018

CP-2C: Agenda Planning to Achieve Commission Outputs

To accomplish its job products with a governance style consistent with Commission policies, the Commission will follow an annual agenda that:

- Completes a re-exploration of the strategic plan and owner expectation policies annually;
- Updates Executive Expectations policies as needed to ensure sufficient protection from risk; and
- Continually improves Commission performance through Commission education, rich input and deliberation.

Accordingly:

1. The annual cycle will start each year with the Commission's development of a master agenda intended to guide the Commission throughout the next year. This master agenda will include a provisional plan for gaining ownership input and a provisional schedule for education related to governance and Owner Expectations determination. The Commission President's final adjustments to each meeting agenda before publication will provide flexibility to respond to emerging issues, requests from individual Commission members and required public comment periods.
2. The cycle will conclude each year on the date most appropriate so administrative planning and budgeting are based on accomplishing a one-year segment of the Commission's most recent statement of long-term outcomes. The Commission will establish its governance capacity budget for the next fiscal year as part of the District's annual budget process.
3. Throughout the year, the Commission will attend to consent agenda items as expeditiously as possible.
4. Executive Director monitoring will be on the agenda if reports have been received since the previous meeting.
5. An annual review of the Executive Director's performance based on monitoring reports received in the last year will be conducted as soon as practical during the first quarter as outlined in ATT-4.

Adopted by Commission action September 27, 2018

CP-2D: Commission Members' Conduct

The Commission commits itself and its members to ethical, professional and lawful conduct, including proper use of authority and appropriate decorum when acting as Commission members. The Commission shall have the authority and responsibility to interpret and apply these standards of conduct.

Accordingly:

1. Members should demonstrate unconflicted loyalty to the ownership of the District.
 - a. This accountability supersedes any conflicting loyalty to other advocacy or interest groups, including any interest group or geographic region from which the Commission member was appointed and membership on other commissions, boards or staffs.
 - b. It also supersedes the personal interest of any Commission member who is also a District customer or stakeholder.
2. Members must avoid any conflict of interest with respect to their fiduciary responsibility.
3. Members shall not attempt to exercise individual authority over the District except as explicitly set forth in Commission policies.
 - a. Members' interactions with the Executive Director and staff must recognize the lack of authority vested in any individual Commission member to give direction except when explicitly authorized by the Commission.
 - b. Members' interactions with the public, the press or other entities must recognize this same limitation and the lack of authority of any Commission member to speak for the Commission except to repeat explicitly stated Commission decisions.
 - c. Members shall endeavor not to publicly make or express individual judgments about the Executive Director or staff performance. Judgments of the Executive Director's performance will be made only through Commission deliberation.
4. Members will maintain confidentiality appropriate to issues of a sensitive nature, respectful of applicable public body open meeting requirements.
5. Members will properly prepare themselves for Commission deliberation.
6. Members will support the legitimacy and authority of the Commission's final determination on any matter without regard to the member's personal position on the result.
7. Members will conduct themselves consistent with the adopted expectations of Commission members, included as an attachment (ATT-1).

Adopted by Commission action September 27, 2018

CP-2E: Commission Meeting Participation

Maximizing Commissioner participation in agenda discussions and votes is essential to good governance.

Accordingly:

1. One or more Commissioners may participate in a Commission meeting by any means of communication by which all participating Commissioners may simultaneously hear each other during the course of the meeting (as well as any presentations made at the meeting).
2. A Commissioner so participating will count toward the making of a quorum for the meeting and may vote on questions coming before the meeting.
3. Any member of the public attending at the place noticed for the meeting will likewise be able to simultaneously hear each of the participating Commissioners and any presentations made at the meeting.
4. However, a Commissioner may not participate electronically in a contested case hearing before the Commission.
5. Commissioners will also engage with each other using the following meeting agreements:

- a. Self-moderate and self-facilitate.

The facilitator of the topic will ask thought-provoking questions for the Commissioners' consideration to spur conversation. The group will ask for everyone's thoughts before moving on.

- b. Get voices out and ensure participation.

Provide additional time to hear voices and allow members to process their thoughts; this may include pausing in meetings and asking each member for feedback. Utilize facilitation techniques such as chat in virtual meetings and sticky note exercises at in-person meetings to hear from introverts and extroverts. Ask all members for input in a round robin-style. Preview questions before starting conversations and encourage members to write their thoughts first.

- c. Ensure that all interests are heard.

Start new topics by laying out members' interests before discussing preferences.

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Adopted by Commission action September 27, 2018
Meeting agreements adopted by Commission May 27, 2021

CP-2F: Per Diem for Commissioners

Section 200.09(7) of the Wisconsin Statutes indicates that a per diem compensation may be paid to Commissioners and that Commissioners may be reimbursed for actual expenses incurred as Commissioners in carrying out the work of the Commission.

Accordingly:

1. Commissioners will be paid a per diem for the following activities:
 - a. Regularly scheduled Commission meetings.
 - b. Attendance at informational meetings or hearings associated with District business.
 - c. Participation in consultant selection procedures.
 - d. Attendance at court or administrative hearings involving the District.
 - e. Participation in activities where the Commissioners' involvement requires more than minimal time and effort and is of direct benefit to the District.
2. Per diem will not be paid to Commissioners for the following activities:
 - a. Attendance at conferences.
 - b. Attendance at socially oriented events.
 - c. Attendance at bid openings.
 - d. Attendance at all other events or meetings where the Commissioners' involvement is not of direct benefit to the District.
3. If there should be any question as to the appropriateness of paying a per diem, the issue shall be referred to the President of the Commission for consideration and subsequently to the full Commission if a clear determination cannot be made by the President.
4. As of January 1, 2025, the Commission officer per diem is \$140 and the non-officer per diem is \$125. (However, any Commissioner who was sitting on May 16, 2024, shall continue to receive the per diem in effect prior to May 16, 2024, until they are reappointed, at which time they will receive the per diem in effect on the date they are reappointed.)
5. Beginning January 1, 2026, on January 1 of each year, the officer per diem shall be increased by 3% of the prior year's officer per diem, and the non-officer per diem shall be increased by 3% of the prior year's non-officer per diem. Both per diems shall be rounded to the nearest dollar. Commissioners sitting as of January 1 of each year shall have their per diem increased to the new per diem applicable to their position.
6. Consistent with State Statute § 200.97(7), new per diems shall be effective for each sitting Commissioner on the date of their reappointment. Commissioners shall not be paid back pay in the event reappointment is delayed. New per diems shall be effective for new Commissioners on the date of their appointment.

7. When a Commissioner becomes an officer, they shall be paid the per diem for an officer in effect as of the day of their appointment as an officer. When an officer becomes a non-officer, they shall be paid the non-officer per diem in effect as of the date their officer appointment ends.

May 2024 update amended and adopted by Commission action on January 30, 2025

Updated policy adopted by Commission action on May 16, 2024

First adopted by Commission action on September 27, 2018

***Appendix outlining pay rates for 2025-2035 added at the end of this policy book.*

CP-2G: President's Role

The role of President is required by Wisconsin State Statute §200.09(5).

The President of the Commission is responsible for ensuring the integrity of the Commission's process and, secondarily, representing the Commission as needed to outside parties.

Accordingly:

1. The President shall ensure that the Commission behaves consistently with the Commission's policies in the Commission process and Commission-Executive relationship categories and those rules legitimately imposed upon it from outside the organization.
2. The President will chair Commission meetings with the commonly accepted powers of that position (for example, preparing agendas, ruling, recognizing) and;
 - a. Ensure that meeting discussions consist solely of issues that, according to Commission policy, clearly belong to the Commission (not the Executive Director) to decide or to monitor.
 - b. Ensure that deliberations are fair, open and thorough but also timely, orderly and kept to the point.
 - c. Ensure that there is an opportunity for input from individuals and organizations, including staff and affiliated organizations with expertise and interests related explicitly to Commission decisions and Commission policies.
3. The President represents the Commission to outside parties in announcing Commission-stated positions and stating the President's decisions and interpretations in the area delegated to them.
4. The President has no authority to make decisions about policies created by the Commission within the Owner Expectations and Executive Expectations areas and, therefore, has no authority to supervise or direct the Executive Director.
5. The President may use any reasonable interpretation of the provisions in these policies.
6. The President may delegate any part of this authority, with the limited exception of signing municipal obligations, while remaining accountable for its use.

Additionally, per Wisconsin State Statute §67.08, it is the duty of the President and Secretary to sign municipal obligations, including approval of Clean Water Fund program loans. A Commissioner should not hold the office of President if they are unable to sign these obligations for any reason.

*Updated and adopted by Commission action January 16, 2025
First adopted by Commission action September 27, 2018*

CP-2H: Vice President's Role

The Vice President shall serve in the absence of the President and perform such other duties as may be assigned by the President or the Commission.

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Adopted by Commission action September 27, 2018

CP-2I: Secretary's Role

The role of Secretary is required by Wisconsin State Statute §200.09(5).

The purpose of the Secretary's role is to ensure the integrity of the Commission's documents.

Accordingly:

1. The Secretary shall ensure that all Commission documents and filings are accurate and timely.
2. The Secretary may delegate any part of this authority, with the limited exception of signing municipal obligations, while remaining accountable for its use.

Additionally, per Wisconsin State Statute §67.08, it is the duty of the President and Secretary to sign municipal obligations, including approval of Clean Water Fund program loans. A Commissioner should not hold the office of Secretary if they are unable to sign these obligations for any reason.

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Updated and adopted by Commission action January 16, 2025

First adopted by Commission action September 27, 2018

CP-2J: Commission Committee Principles

Commission committees, when used, will be assigned to reinforce the wholeness of the Commission's job, not to interfere with delegation from Commission to Executive Director.

Accordingly:

1. Commission committees are to help the Commission do its job, never to help or advise the staff. Committees ordinarily will assist the Commission by preparing policy alternatives and implications for Commission deliberation. In keeping with the Commission's broader focus, Commission committees normally will not be involved with staff operations.
2. Commission committees may not speak or act for the Commission except when formally given such authority for specific and time-limited purposes. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the Executive Director.
3. Commission committees cannot exercise authority over staff. Because the Executive Director works for the full Commission, they will not be required to obtain approval of a Commission committee before an executive action.
4. Commission committees will not be used in lieu of the full Commission to monitor organizational performance.
5. Commission committees will be used sparingly and ordinarily in an ad hoc capacity.
6. This policy applies to any group formed by Commission action, whether it is called a committee or not and whether the group includes Commission members or not. It does not apply to committees formed under the authority of the Executive Director.

Adopted by Commission action September 27, 2018

CP-2K: Commission Committee Structure

As the Commission authorizes committees, the Commission will create policies for each committee specifying the product(s) each committee is to produce and the authority (in terms of organizational resources) each committee is granted.

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Adopted by Commission action September 27, 2018

CP-2L: Governance Capacity

Because poor governance costs more than learning to govern well, the Commission will invest sufficient resources in leadership development for its members and fulfillment of its governance charge. The Commission will regularly plan and monitor the participation of Commission members in self-education, outreach and other activities associated with governance, including the cost of such activities.

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Adopted by Commission action September 27, 2018

CP-2M: Executive Director Pay

Compensation for the Executive Director will be treated in a manner consistent with other salaried employees. Therefore, market increases approved by the Commission through the budget process will also apply to the Executive Director and will not require separate Commission action or approval. Performance-based salary adjustments will require Commission approval.

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Adopted by Commission action September 27, 2018

CP-2N: Owner Expectations Decision-Making

It is the intent of the Commission to move in the direction of all Owner Expectations simultaneously. At times, there will be competing priorities. In such situations, the Commission will:

- Partner with District leadership and staff to identify potential benefits, costs and risks for achieving Owner Expectations and weigh priorities for decision-making.
- Select actions that create and maintain flexible platforms for future actions and avoid dead ends. This allows flexibility to change direction as technology and knowledge improve.
- Avoid high fixed costs or heavy reliance on resources that could become scarce or very expensive in the future.
- Consider total costs and benefits in accordance with social and environmental factors as part of the drive to achieve multiple benefits.
- Leverage investments by seeking multiple benefits that can be documented by science or reliable data.
- Seek input from owner communities when appropriate.

Adopted by Commission action September 27, 2018

CP-2O: Officer Elections, Commission Terms and Continuity

Officer Elections

1. The District has three officers whom the Commission shall elect. These officers are the President, Vice President and Secretary.
2. The election of officers shall be conducted at a regular meeting of the Commission in January or later, at the Commission's discretion.
3. Officers are elected for a one-year term.
4. Nominations for officers shall be accepted from individual Commission members.
5. Voting shall be conducted in an open session.
6. Officers shall assume their duties at the meeting following the election or at a subsequent meeting as determined by the Commission.
7. If an elected officer is not eligible to continue to serve or resigns from office, an election for that office shall be conducted at the Commission's next regular meeting following notification of ineligibility or resignation, or at a subsequent meeting as determined by the Commission.
8. If the office vacated is that of the President, the Vice President shall assume the duties and responsibilities of the President until an election for the President is conducted.
9. In the event of the absence of the President and the inability of the Vice President to preside or the absence of the Vice President, some other member of the Commission shall call the meeting to order. The Commission shall immediately elect a President Pro Tempore to preside during that session. The office of President Pro Tempore shall terminate upon the return or availability of the President or Vice President.

Commission Terms

1. The election/appointing authorities are as follows per [Wisconsin State Statute 200.09\(1\)\(b\)](#):
 - a. **City of Madison:** The mayor of the City of Madison shall appoint five individuals as members of the Commission. The District designates these as Commissioners 1-5. One representative must be a City of Madison Alder; this required representative is designated Commissioner 3.
 - b. **Dane County Cities and Villages Association (DCCVA):** An executive council composed of the elected executive officers of each city and village that is wholly or partly within the boundaries of the District, except the City of Madison, shall appoint three members of the Commission by a majority vote of the members of the executive council. The District designates these Commissioners as 6-8.
 - c. **Dane County Towns Association (DCTA):** An executive council composed of the elected executive officers of each town that is wholly or partly within the boundaries of the District

shall appoint one member of the Commission by a majority vote of the members of the executive council. The District designates this Commissioner as 9.

2. Commissioners shall serve three-year staggered terms with the exception of the City of Madison Alder (Seat #3) as set forth below:

Group 1	Group 2	Group 3
<ul style="list-style-type: none">• Seat #1 – City of Madison appointee• Seat #8 – Dane County Cities & Villages Association Executive Council appointee• Seat #9 – Dane County Towns Association Executive Council appointment	<ul style="list-style-type: none">• Seat #2 – City of Madison appointee• Seat #4 – City of Madison appointee• Seat #7 – Dane County Cities & Villages Association Executive Council appointee	<ul style="list-style-type: none">• Seat #5 – City of Madison appointee• Seat #6 – Dane County Cities & Villages Association Executive Council appointee

3. Commissioner 3's term will often fall outside the three-year cycle and is not concurrent with the mid-November term start/end dates. The City of Madison considers appointment to the District Commission a committee assignment. Committee assignments align with Alders' two-year City Council terms, which begin on April 15 each year. The three-year term only applies should Commissioner 3 be appointed to the Commission for consecutive Alder terms.
4. Up to three Commissioners will be appointed/elected each year by their respective electing/appointing authority.
5. Terms become effective November 15 and end on November 14 of the third year of the Commissioner's term.
6. If a vacancy occurs mid-term, the electing/appointing authority will select a Commissioner to complete that term.
7. The respective appointing authority reserves the right to replace a Commissioner at any time.
8. See ATT-5: Appointing Authority Processes for additional information on each appointing authority's requirements and processes.

Continuity

1. Commission member recruitment is a year-round activity to maintain governance continuity. The electing/appointing authorities typically ask the District for the qualities the Commission seeks when a vacancy occurs. The Commission should keep a keen, strategic eye on the skillsets of its current makeup and identify desired skillsets should a vacancy arise.

2. Commissioners and the Executive Director should constantly be on the lookout for potential future Commission members who may fill gaps or enhance the Commission's makeup. Throughout the year, Commissioners should notify the Executive Director of potential candidates to maintain a running list of potential Commission members.
3. When a vacancy occurs, the Executive Director or their delegate will advise the electing/appointing authority of desired skillsets and potential candidates.

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Updated to correct Commissioner groupings, December 18, 2025

Updated and adopted by Commission action January 16, 2025

First adopted by Commission action November 30, 2023

CP-2P: Public Meeting Notice Policy

As a municipal corporation, Madison Metropolitan Sewerage District is subject to Wisconsin Open Meetings Law. This policy is designed to uphold the principle of governmental transparency and provide the public with timely and effective notice of official actions and deliberations.

This policy applies to all meetings of the Madison Metropolitan Sewerage District Commission and any official committees, subcommittees, or advisory bodies established by or reporting directly to the Commission, where a quorum of members is present or where official action, deliberation, or decision-making is conducted.

I. Definitions

1. **Meeting:** Any gathering, whether in person, by telephone, or through electronic means, where a quorum of the governing body or committee is present to deliberate toward a decision on any matter on which the public body is empowered to act.
2. **Quorum:** A majority of the members of the governing body or committee; for the District's nine-member Commission, a majority is five.
3. **Public Body:** The Madison Metropolitan Sewerage District Commission and any committee or subcommittee of the Commission, subject to Wisconsin Open Meetings Law.
4. **Agenda:** A list of the specific topics or business items to be discussed or acted upon at a meeting.
5. **Regular Meetings:** Those meetings occurring on a predetermined schedule or at regular intervals.
6. **Special Meetings:** A meeting held for a specific, limited purpose that is called outside of the Regular meeting schedule.
7. **Public Hearing:** A formal proceeding in which a Public Body allows members of the public to provide testimony, comments, and questions on a proposed issue, action, or rulemaking.
8. **Minutes:** The official record of the actions taken at a meeting.

II. General Notice Requirements

A. Location and Content

All meeting notices shall clearly state the following:

1. The name of the Public Body holding the meeting.
2. The full date, time, and specific location of the meeting.
3. The purpose of the meeting, including a specific and informative Agenda or list of the subjects to be considered.

4. A contact name, email, and telephone number for members of the public seeking further information or meeting accommodation.
5. If the meeting is accessible via electronic means (e.g., teleconference or streaming), instructions for public access must be included.

B. Methods of Posting and Distribution for Regular & Special Meetings

All required notices and minutes (except where different publication requirements are specified by law) for all meetings shall be posted:

1. **Primary Official Posting Location:** The official bulletin board at the Maintenance Facility of Madison Metropolitan Sewerage District, accessible to the public during regular business hours.
2. **Official Digital Posting:** The official Madison Metropolitan Sewerage District website, prominently located on the main page as "Public Notices."
3. **Public Email/Subscription List:** Notices shall be distributed via email to any media outlets or members of the public who have requested meeting notifications in writing.

The required notice protocols for Public Hearings are specified below.

III. Notice Requirements by Meeting Type

A. Regular Meetings

Regular meetings of the Commission typically occur on the second and fourth Thursdays of the month, with some exceptions in months with five Thursdays. The District generally publishes the annual regular meeting schedule in October of the preceding year.

Regular meetings of official Commission committees are scheduled as needed and at intervals determined by the committee's business needs.

In accordance with Wis. Stat. § 19.84, all meetings shall have notice posted at least 24 hours in advance of the meeting, though the District will strive to post notices prior to this requirement.

B. Special Meetings

Notice for special meetings is the same as Regular meetings. The notice must include the specific purpose of the meeting, and action shall be limited to the items listed on the Agenda.

C. Public Hearings

Under Wis. Stat. § 65.90(4), the Commission is required to hold a Public Hearing annually to receive public comments on its budget. The Commission must also hold a Public Hearing by law in other circumstances, the most common of which include, but are not limited to:

- Wis. Stat. § 200.45(1) to receive public comment on proposed rule changes to its Sewer Use Ordinance;
- Wis. Stat. § 200.13(1) when imposing special assessments;

- Wis. Stat. § 200.15(2) to add territory to the District; and
- Wis. Admin. Code § NR110.09(4) to receive comment on Facility Plans.

Public Hearings are to be noticed utilizing the same methods of posting and distribution noted above. In addition, these Public Hearings shall be published in the Wisconsin State Journal under Wis. Stat. Ch. 985 in a manner that satisfies the requirements of the applicable statutory provisions related to such Public Hearing.

D. Emergency Meetings

An emergency meeting may only be called when prompt action is necessary to protect public interest, health, safety, or welfare, and the delay inherent in providing a Special Meeting notice would cause substantial harm.

1. **Authorization:** Emergency meetings must be approved by the Executive Director.
2. **Notice:** Notice shall be given immediately by telephone or electronic means to the media and public requestors, and the notice shall be posted as soon as physically possible, but not less than two (2) hours before the scheduled emergency meeting.

E. Possible Quorum

If there is potential for a quorum of the Commission to assemble in an informal setting, such as an event hosted by the District but unrelated to the public business of the Commission, the meeting will be noticed as a Notice of Possible Quorum. A Notice of Possible Quorum will be posted using the same methods as for Regular meetings. Such a group will not be able to take formal action on any Commission business.

F. Canceled or Rescheduled Meetings

If a scheduled meeting is canceled or rescheduled, notice of the cancellation or change must be posted as soon as possible via the same methods used for the original notice.

IV. Agenda Availability and Access

The final Agenda for all Regular meetings shall be made available to the public and posted in the required locations at the same time the public notice is posted.

The agenda of a Regular meeting may be amended if there are more than twenty-four (24) hours before the noticed start of the meeting. The new meeting notice must state that the Agenda is amended and be posted to the posting locations noted above.

V. Closed Sessions

If the Public Body intends to hold a closed session, the public notice must:

1. State that a closed session is anticipated.
2. Cite the specific statutory exemption from the Wisconsin Open Meetings Act that permits the closed session.

3. Be listed on the Agenda.
4. The chief presiding officer must announce the nature of the business to be considered in closed session. A motion must be made and carried by a majority vote in an open session prior to convening the closed session. The vote must be recorded in the minutes.

VI. Record Keeping

The District's designated staff member(s) shall be responsible for:

1. Maintaining a file of all meeting notices, corresponding agendas, and meeting minutes in accordance with the District's records retention policy and schedule and in consideration of Access to Public Records (Section 19.33 Stats).
2. Certifying that all required posting and distribution procedures were followed for each meeting.
3. Ensuring all final approved meeting minutes are made available to the public in a timely manner, consistent with Wisconsin Open Records Law.

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First adopted by Commission action December 18, 2025

SECTION 6: ATTACHMENTS

ATT-1: Expectations of Commission Members

Commission Policy Statements

ATT-2A: Commission Policy on Capital Projects Budget and Debt Service Budget Development and Approval

ATT-2B: Commission Policy on Debt Financing

ATT-2C: Commission Policy on Financial Reporting

ATT-2D: Commission Policy on Fund Reserves

ATT-2E: Commission Policy on Fund Structure

ATT-2F: Commission Policy on Operating Budget Development and Approval

ATT-2G: Commission Policy on Strategic Financial Planning

ATT-3: Transactional Approval Authority

ATT-4: District Executive Director Annual Performance Evaluation Process

ATT-5: Appointing Authority Processes

All attachments incorporated into Commission policy by reference

ATT-1: Expectations of Commission Members

The following expectations are not Commission process policies. They comprise a key part of the Commission job description and are incorporated into policy by reference.

Orient to the unique role of a Commission member

1. **Think upward and outward more than downward and inward.** You are not a Commission member to listen to routine reports or tackle short-term, concrete matters. You are a Commission member to make governance decisions. There will be great temptation to focus on what goes on with management and staff instead of what benefits the utility should make in the District. The latter is a daunting task for which no one feels truly qualified, yet it is the Commission member's job to tackle these more complex issues. In many cases, these big decisions are made by default through Commission inaction.
2. Do not tolerate the making of significant decisions by the timid action of not making them. **Instead, keep the conversation about benefits, beneficiaries and costs of the benefits alive at all times.** Converse with staff, other Commission members and the public about these matters. Ask questions, consider options and otherwise fill most of the Commission's consciousness with issues of outcomes and ends.
3. You may tend to understand and personally identify with one or more constituencies more than others, and one or more constituencies have appointed you. **Yet you are a Commission member for the broad public purpose served.** There is no way that the Commission can be big enough to have a representative for every legitimate interest, so in a moral sense, you must stand for them all. Therefore, think of yourself as being from a constituency but not representing only it.
4. **Use your special expertise to inform the Commission's wisdom, but never to substitute for it.** If you work in accounting, law, construction or another field, be careful not to take your colleagues off the hook with respect to Commission decisions about such matters. To illustrate, an accountant Commission member shouldn't assume personal responsibility for assuring fiscal soundness. They may, however, help Commission members understand what fiscal jeopardy looks like or what indices of fiscal health to watch carefully. With that knowledge, the Commission can pool its human values about risk, brinkmanship, overextension, and so forth in creating fiscal policies.
5. Even if your expertise and comfort lie in some subpart of the District's challenge, the subpart is not your job as a Commission member. Do not expect agendas to be built around these areas or interests. **Agendas will be carefully constructed to accomplish the Commission's job of governing.**
6. No matter how considerable your expertise or how well you can do a staff job, as a Commission member, you are not there to do it or even to advise on it. You may offer your individual expertise to the Executive Director, should they wish to use it. But in such a role, accept that

you are being a volunteer consultant and leave your Commission member hat at home.

Be responsible for group behavior and productivity

1. **Be prepared to participate responsibly.** Do your homework, come prepared to work (sometimes the work is to listen), engage with curiosity and a commitment to understanding diverse points of view, agree and disagree as your values dictate, and accept the group decision as legitimate even if not—in your opinion—correct.
2. **Register your honest opinion on issues the Commission takes up.** Consider this an obligation of Commission service that applies to you and each of your colleagues. To foster this essential exchange of ideas, speak for yourself and listen with resilience. Encourage your colleagues to express their opinions without allowing your own to be submerged by louder or more insistent voices. Avoid making grand pronouncements or characterizing the views of others in a critical spirit. Ask clarifying questions to check your assumptions. Don't try to represent a whole group or ask others to represent, defend or explain an entire group.
3. While doing your job as an individual Commission member is important, it does not complete your responsibility. **You must shoulder the potentially unfamiliar burden of being responsible for the group.** That is, if you are part of a group that does not get its job done, meddles in administration or breaks its own rules, you are culpable. Regular evaluation and improvement of actual Commission activities compared to the Commission Process and Commission-Executive Relationship policies is an essential component of fulfilling this accountability.
4. Although the Commission as a whole is responsible for its own discipline, it will have charged the President with a special role in leading the group to confront its own process. **Support the President in Commission discipline.** Don't make the President's job harder; rather, ask what you can do to make it easier.

Speak with one voice

1. Support the Commission's final choice. While diversity and dialog are essential to the process of policy development and adjustment, once a policy is in place, every Commission member must support and not undermine it. **No matter how you voted, you are obligated to support the Commission's choice.** This obligation doesn't mean you must pretend to agree with that choice; you may certainly maintain the integrity of your dissent even after the vote. What you must support is the legitimacy of the choice that you still don't agree with. For example, you must support without reservation that the Executive Director follows the formal Commission decision, not yours, and you must not speak publicly in a way that undermines the legitimacy of the Commission's decision.
2. **Squelch your individual points of view during monitoring.** Your own values count when the Commission is creating policies. But when the Executive Director's performance is monitored, you must refer only to the criteria the Commission decided, not your opinion about those criteria. In other words, the Executive Director must be held accountable to the Commission's

decisions and, in fairness, cannot be judged against your opinion. You should present any opinion you may have about amending the policies, of course, but not so as to contaminate the monitoring process.

Adopted by Commission action September 28, 2017

ATT-2A: Commission Policy Statement on Capital Projects Budget and Debt Service Budget Development and Approval

Policy Objective

The District's plans for capital expenditure and financing are intended to effectively develop and maintain the District's infrastructure assets to meet the demands of growth and timely repair and replacement. The Capital Projects Budget and Debt Service Budget Development and Approval Policy is intended to ensure that the District's capital project expenditure and financing plans are developed and approved by the Commission under a defined schedule that will provide for stakeholder review and engagement. The District will control expenses and service charge rates consistent with our mission to protect public health and the environment. This policy clarifies when staff must obtain approvals for capital projects budget and debt service budget changes.

Policy Statement

I. Definitions

In this policy, the following words and phrases (listed alphabetically) have the meanings indicated below.

- A. "Capital Projects Budget" is the annual financing plan for the budget year's anticipated capital projects fund expenditures.
- B. "Capital Improvements Plan" (CIP) is a six-year plan identifying projects, total project costs and the estimated project costs for each year of the plan. The plan provides information on the level and type of future capital expenditures and identifies sources of funds and anticipated capital expenditures in each plan year.
- C. "Debt Service Budget" is the annual plan for transfers to and disbursements from the debt service fund.
- D. "Debt Service Plan" is the six-year plan identifying planned transfers to and scheduled disbursements from the debt service fund.
- E. "Project" means any of several activities that are integrally related to and may result directly in the creation of or modifications to a District asset. Such activities include, but are not limited to, feasibility studies, facilities planning studies, engineering and design studies and plans, and construction. A single project may consist of one or more of these activities and may or may not include construction and, in general, costs \$100,000 or more.
- F. "Proposed Capital Projects Budget" is the Executive Director's annual budget recommendation for the upcoming fiscal year. The proposed capital projects budget becomes the capital projects budget after review and adoption by the Commission.

G. "Proposed Debt Service Budget" is the Executive Director's annual budget recommendation for the upcoming fiscal year. The proposed debt service budget becomes the debt service budget after review and adoption by the Commission.

H. "Total Project Cost" includes all estimated costs for activities to complete a single project over one or more years.

II. Capital Projects Budget and Debt Service Budget Development

A. The Executive Director shall annually submit to the Commission the following for Commission action:

1. **Total Project Costs:** A list of all projects previously approved, all projects new to the current budget year, and a list of all existing projects that have changed estimates of previously approved total project cost, along with the estimated costs to complete each project.

Commission action on the total project costs and the capital projects budget allows expenditures of project funds subject to other pertinent statutory or policy requirements, including policies related to Commission approval of contracts and other transactions and the District's procurement policy.

2. **Capital Improvements Plan:** The plan identifies projects and anticipated sources of funds for capital expenditures in each year of the six-year plan. Commission action on the capital improvements plan approves capital projects, expenditures and the financial plan for planning purposes only. It does not authorize expenditures, sources of funds, the tax levy, or the amount of the tax levy to be abated in subsequent years. Commission approval of the capital projects plan records an indication of the projects the Commission intends to move forward with in the future.

3. **Capital Projects Budget:** The annual financing plan for a fiscal year's anticipated expenditures. The budget identifies projects, expenditures and sources of funds for capital expenditures for the budget year. It also includes a summary of actual revenues and expenditures for the preceding calendar year and an estimate of revenues and expenditures based on the first six months (or most current actual data) for the current calendar year.

Commission approval of the capital projects budget identifies the tax levy amount and other sources of funds anticipated for the budget year's capital expenditures. Approval of the capital projects fund budget by the District's Commission authorizes expenditures of funds subject to other pertinent statutory or policy requirements, including policies related to Commission approval of contracts and transactions and the District's policy for procurements.

4. **Debt Service Budget:** The annual plan for a fiscal year's anticipated transfers to and disbursements from the debt service fund to meet District debt obligations.

Commission approval of the debt service budget authorizes the amount of operating fund transfers to and debt service payments for the budget year's debt service obligations.

5. **Debt Service Plan:** The plan identifies planned transfers to and scheduled disbursements from the debt service fund for a six-year period.

Commission action on the capital improvements plan approves the plan for the incurrence of debt obligations and servicing for the budget year and the next five years required to support the District's capital projects plan.

B. With the Commission's approval, the Executive Director shall establish a calendar for public hearings and the Commission's review of the proposed capital projects budget and debt service budget. The proposed capital project budget and proposed debt service budget are subject to a public hearing, preceded by a public notice, pursuant to Wisconsin Statutes, Chapter 65.90. The District's proposed capital project expenditure and financing plans shall be made available for public inspection at least 15 days before the public hearing.

These plans consist of the District's:

- Capital Improvements Plan
- Debt service plan
- Proposed capital projects budget
- Proposed debt service budget (collectively referred to as the District's "capital projects expenditure and financing plans").

A notice of the public hearing shall be published at least 15 days before the hearing. The Executive Director will also send written notice of the proposed budget and budget hearing to District owners and relevant stakeholders in advance of the public hearing.

1. The Executive Director may provide for additional public hearings or meetings with interested stakeholder groups to review the proposed capital project expenditure and financing plans at their discretion, subject to compliance with the Commission-approved public hearing schedule.
- C. The Commission shall review the proposed capital improvements plan and may amend it through normal budget deliberations.
- D. The proposed capital projects budget and the proposed debt service budget are subject to change either through Commission-sponsored or staff-sponsored amendments. The proposed capital projects budget becomes a capital projects budget for the succeeding fiscal year when the Commission adopts an approving resolution(s) following consideration of the proposed capital projects budget; comments of the public following the noticed public hearing on the proposed capital budget; staff-proposed amendments; and Commissioner-sponsored amendments. The same procedure holds for the debt service budget review and adoption.

III. Commission Action, When Required

A. Commission action is required for the following with a simple majority vote unless otherwise noted:

1. Approval of the annual capital projects budget and the debt service budget.
2. Amendments to the adopted capital projects budget that increase the capital projects budget total. The resolution presented to the District Commission for approval must include the sources and uses of the funds in the amendment.
 - a. Approval of amendments to an adopted budget requires a two-thirds vote of all Commissioners and the publication of a class one notice of the change within 15 days per Wis. Stat. § 65.90(5).
3. The addition of a new project not included in the adopted capital projects budget. The resolution presented to the Commission for approval must describe the total project cost, including the amount estimated to be spent in the current year and over the project's life.
 - a. If funds are available within the capital projects budget without increasing the capital budget total.
 - b. If funds are transferred from the operating fund, a two-thirds vote is required in accordance with state law.
4. Approval to increase a previously approved total project cost.
5. The bundling of projects under VI. below.
6. The issuance of bonded debt and notes or promissory notes to finance the capital projects budget.
7. The issuance of municipal obligations in anticipation of receiving proceeds from Clean Water Fund Program loans.
8. The levying of property taxes.

IV. Force Account

Approval of the capital projects budget authorizes force account expenditures (District staff time and expenses) upon the effective date of the budgets adopted by the Commission.

V. Project Cost Carry-over

Project costs approved for expenditure in the previous year's capital projects budget but not expended in that year can be carried over and expended in the succeeding budget year without additional approval by the Commission. The approved total project cost shall not be exceeded without prior approval of the Commission.

VI. Capital Project Bundling

Two or more individual Capital Improvement Plan (CIP) projects may be bundled into a single project when advantageous for project management, bidding, design or similar reasons. The

bundled project shall be treated as its own CIP project with a total project cost equal to the sum of the total project costs of the individual CIP projects at the time of bundling. The previously approved total project cost for each of the formerly separate projects is no longer controlling once the projects are bundled. The CIP that is prepared in the year after bundling occurs should note the bundling and the names and previous total project costs for the formerly separate projects for information purposes. Subsequent CIPs may list only the bundled project. Bundling may occur at any time prior to advertising for bids for construction contracts. Project bundling shall be approved by the Commission, either as part of the approval of the annual CIP or as a separate action.

VII. Executive Director Responsibility

- A. The Executive Director shall ensure that capital projects expenditures do not exceed the total funds budgeted (as may be amended) for the year and that the total project costs for a project do not exceed the approved amount.
 - 1. When it is apparent that budgeted total capital projects expenditures will be exceeded, a request for a budget amendment shall be brought to the Commission before an overrun.
 - 2. When it is apparent that the approved total project costs for a project will be exceeded, a request for a project cost amendment shall be brought to the Commission before an overrun.
- B. The Executive Director shall ensure that required debt service payments are made as required to meet District debt obligations.

None of the specific provisions of this statement shall be interpreted to require actions that will frustrate the accomplishment of the stated policy objective.

Adopted by Commission action June 13, 2013

Amended by Commission action on April 11, 2019

Amended to refer to "District owners" per Commission direction, October 29, 2020

Amended to incorporate changes to VI. Capital Project Bundling per Commission direction, December 15, 2022

Amended to correct noticing requirements for budget amendments, December 18, 2025

ATT-2B: Commission Policy Statement on Debt Financing

Policy Objective

The District's capital project financing policy related to the incurrence of debt obligations is intended to ensure an appropriate balance of the use of District equity (e.g., cash, pay-as-you-go) and various forms of debt obligations to minimize rate increases while ensuring strong financial performance and the ability to obtain debt on favorable terms.

Policy Statement

- I. The District will generally employ the State of Wisconsin's Clean Water Fund Loan Program to finance eligible capital projects.
- II. The District will incur other debt obligations to finance capital projects (or portions thereof) for which no other funding source is available.
- III. All debt-financed capital projects must render capital assets with expected service lives that equal or exceed the term of the associated debt obligations.
- IV. In the event that debt obligations are employed, the District will consider the use of alternative forms of debt to limit financial risks and mitigate potential rate impacts.
- V. The District will target current revenue or capital fund balance financing of recurring capital projects (e.g., annual pipeline replacements) to the extent that equity financing will not impose rate increase requirements (that may be deferred through the use of debt).

None of the specific provisions of this statement shall be interpreted to require actions that will frustrate the accomplishment of the stated policy objective.

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Adopted by Commission action June 13, 2013

ATT-2C: Commission Policy Statement on Financial Reporting

Policy Objective

The District's financial reporting policy is intended to ensure timely and accurate reporting of financial information to facilitate resource allocation decision-making by the District's Commission and management.

Policy Statement

I. Annual Financial Reporting

- A. The Executive Director shall submit annual audited financial statements to the Commission.

II. Mid-Year Reporting

- A. The Executive Director shall submit to the Commission within 90 days of the midpoint of the then current fiscal year the following financial reports:
 1. O&M Expenses Budget versus Actual: Report of the operating fund's actual expenditures for the fiscal year to date (through midpoint) and the fund's end-of-year estimated expenditures relative to budget.
 2. Capital Projects Expenditures Planned versus Actual: Report of the capital projects fund's actual expenditures for the fiscal year to date (through midpoint) and the fund's end-of-year estimated expenditures relative to budget.

No Commission action is required based on the annual reporting, though reports may suggest needs for budget amendments per the operating budget, and capital projects budget and debt service budget policies.

None of the specific provisions of this statement shall be interpreted to require actions that will frustrate the accomplishment of the stated policy objective.

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Adopted by Commission action June 13, 2013

ATT-2D: Commission Policy Statement on Fund Reserves

Policy Objective

The District's reserves policy is intended to ensure that the District has adequate working capital to meet the financial demands of unforeseen circumstances, provide adequate liquidity to support efficient operations, and secure debt obligations.

Policy Statement

Operating Fund

The goal of the operating fund reserve policy is to have reserves that can fund between 180 and 210 days of current operating expenditures, and, when necessary, for the District to restore the operating fund balance to the target range in the next annual budget.

The District will target a year-end closing balance in the operating fund to be within a range defined as:

1. Between 180/365 and 210/365 times total authorized operating budget expenditures (excluding interfund transfers) for the current year, plus
2. An amount sufficient to meet Wisconsin Department of Natural Resources requirements for equipment replacement reserves, plus
3. Any amounts set aside for designated purposes approved by the Commission.

Each adopted operating budget shall have a budgeted closing balance within the targeted range. Following the close of a fiscal year, District staff (staff) shall do the following:

1. If the closing balance of the operating fund is within the targeted range, no action is necessary.
2. If the closing balance of the operating fund is not within the targeted range, staff shall include in the proposed budget a discussion of the reasons for the variance and a plan for the restoration of the balance to the targeted range at the close of the budget year or within a longer period if approved by the Commission.

Capital Projects Fund

The goal of the capital projects fund reserve policy is to have reserves that can fund approximately 180 days of capital expenditures, based on average expenditures over a four-year period, but also accommodate the high variation in annual capital expenditures. The policy accomplishes this by specifying a target and directing actions based on how near year-end closing balances are to that target. The policy provides guidance on both financial planning and review of prior year balances.

For any given year included in the capital improvements plan, the District will target a year-end closing balance in the capital projects fund of 180/365 times the average of annual total capital expenditures budgeted for the year under consideration (“forecast year”) and forecasted years for as many succeeding years for which expenditure forecasts are available, up to three additional years.

In preparing a multi-year financing plan, including the budget year capital projects budget, staff shall do the following:

1. Prepare a plan in which the forecasted closing balance of the capital projects fund is within plus or minus 10% of the forecasted targeted value, for each forecast year.
2. The forecasted closing balance of the capital projects fund may be between plus or minus 10%–25% of the forecasted targeted value, for not more than three forecasted years in succession.
3. If staff recommend a plan in which the forecasted closing balance of the capital projects fund exceeds the range in #2 or is greater than plus or minus 25% of the forecasted targeted value in any year, staff shall include in the multi-year financing plan a discussion of the justifications for such a deviation.

Following the close of a fiscal year, staff shall do the following:

1. If the closing balance of the capital projects fund for the previous fiscal year is less than plus or minus 10% of the targeted value, no action is necessary.
2. If the closing balance of the capital projects fund for the previous fiscal year is between plus or minus 10%–25% of the targeted value, staff shall include in the proposed budget a financing plan that restores the balance to between plus or minus 10% of the forecast targeted on a go-forward basis, within not more than three years following the end of the closed budget year.

If the year-end closing balance of the capital projects fund is, or is anticipated to be, greater than plus or minus 25% of the targeted value, staff shall include a financing plan in the proposed budget as given in #2 and shall also provide an update in a Commission meeting within a reasonable time after the issue is identified.

Debt Service Fund

The goal of the debt service fund reserves policy is to ensure that the District has adequate reserves to meet the terms of debt obligations. The policy accomplishes this by setting a minimum reserve amount and allowing year-end closing balances to be within a range above that minimum. The policy further allows adjustments for bond ratings or advance financial planning.

The District will maintain a current balance in the debt service fund sufficient to meet terms of current and forecast indebtedness obligations—including those for financing obtained through State of Wisconsin Clean Water Fund program—plus any amounts needed to obtain a target bond rating established by the Commission.

Each adopted budget shall have a budgeted year-end closing balance in the debt service fund that meets the above requirement. In preparing a multi-year financing plan, staff shall prepare a plan in

which the forecasted closing balance of the debt service fund in each year meets the above requirement and is not more than 10% above such minimum.

The plan may include debt service fund closing balances greater than 110% of the minimum if doing so would allow avoiding large, one-year increases of service charges from anticipated increases in debt service payments, or for similar planning purposes. The multi-year financing plan shall describe such reasons, when applicable.

If staff expect the actual balance in the debt service fund is, or will become in the current year, insufficient to meet terms of indebtedness obligations, staff shall present the Commission with options for addressing the problem as soon as practicable.

None of the specific provisions of this statement shall be interpreted to require actions that will frustrate the accomplishment of the stated policy objective.

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Adopted by Commission action on June 13, 2013

Amended by Commission action on October 12, 2017

Amended by Commission action on July 17, 2025

ATT-2E: Commission Policy Statement on Fund Structure

Policy Objective

The District's fund structure policy is intended to delineate the individual funds to be used to hold and account for the District's financial resources. Funds are accounted for separately and accrue and retain interest earnings.

Policy Statement

The District will hold and account for flows of financial resources in the following funds:

I. Operating Fund

Accounts for revenues and expenditures used to support daily operations and maintenance of all District facilities and activities. The primary source of revenue for this fund is service charges. The annual operating budget authorizes the use of the operating fund.

This fund includes restricted reserve amounts that address equipment replacement fund requirements under the District's Clean Water Fund loan agreements.

This fund includes designated reserve amounts to provide for non-Capital Improvement Plan capital requirements (e.g., vehicle replacement).

II. Capital Projects Fund

Accounts for revenues and expenditures required to place into service and decommission the District's infrastructure and other capital assets. Revenues to this fund include connection charges and loan proceeds and may include transfers from the operating fund. The annual capital projects budget authorizes the use of the capital projects fund.

III. Debt Service Fund

Accounts for revenues and expenditures required to meet District debt obligations. Revenues to this fund are annual budgeted transfers from the operating fund. The annual debt service budget authorizes the use of the debt service fund.

None of the specific provisions of this statement shall be interpreted to require actions that will frustrate the accomplishment of the stated policy objective.

Adopted by Commission action June 13, 2013

ATT-2F: Commission Policy Statement on Operating Budget Development and Approval

Policy Objective

The District's operating budget development and approval policy is intended to ensure that plans for the expenditure of District funds are developed and approved by the Commission under a defined schedule that will provide for stakeholder review and engagement. The District will control expenses and service charge rates consistent with our mission to protect public health and the environment. This policy clarifies when staff must obtain approvals for changes to the operating budget.

Policy Statement

I. Definitions

- A. "Operating Budget" is the annual financing plan for the budget year's anticipated operating fund expenditures.
- B. "Proposed Operating Budget" is the Executive Director's annual budget recommendation for the upcoming fiscal year. The proposed operating budget becomes the operating budget after review and adoption by the Commission.

II. Budget Organization

- A. The operating budget shall be structured so that costs can be accumulated by line item, expense category and cost center.
- B. Each cost center shall develop its budget requests by line item and expense categories for accountability and control purposes. These budget requests shall include authorized actual and proposed staffing levels for each cost center. A formal statement of operating objectives shall accompany each cost center's detailed budget request.
- C. The proposed budgets of the departments will be submitted to the Budget Manager and the Executive Director.
- D. The operating budget is a financial plan. Operating expenditures shall not exceed the approved operating budget (as may be amended) in total.

III. Budget Development

- A. The Executive Director shall submit a recommended operating budget of operating and maintenance expenditures and estimated revenues for the ensuing calendar year annually. The operating budget expenditures shall include transfers to the debt service fund and may include transfers to the capital projects fund.
- B. With the Commission's approval, the Executive Director shall establish a calendar for public hearings and the Commission's review of the proposed operating budget. The proposed operating budget is subject to a public hearing preceded by a public notice pursuant to

Wisconsin Statutes Chapter 65.90. A summary of the proposed budget shall be made available for public inspection at least 15 days before the public hearing. A notice of the public hearing shall be published at least 15 days before the public hearing.

- C. The Executive Director may provide for additional public hearings or meetings with interested stakeholder groups to review the proposed operating fund budget at their discretion, subject to compliance with the Commission-approved public hearing schedule.
- D. The Commission shall review the proposed operating budget. The Commission may amend the proposed operating budget through normal budget deliberations.
- E. The proposed operating budget is subject to change either through Commission-sponsored or staff-sponsored amendments. The proposed operating budget becomes an operating budget for the succeeding fiscal year when the Commission adopts an approving resolution(s) following consideration of the proposed operating budget; comments of the public following the noticed public hearing on the proposed operating budget; staff-proposed amendments; and Commissioner-sponsored amendments.

IV. Commission Action, When Required

- A. Commission action is required to authorize the following:
 - 1. The adoption of the annual operating budget, including the adoption of amendments to the proposed operating budget (majority vote).
 - 2. Amendments to the adopted budget that change total authorized expenditures. Such amendments require a two-thirds (2/3) vote of all Commissioners and the publication of a class one notice of the change within 15 days per Wis. Stat. § 65.90(5).
 - 3. The adoption of amendments to the operating budget (majority vote) that change the amount to be transferred to the debt service fund.

V. Executive Director Responsibility

- A. The Executive Director shall ensure that the annual expenditures do not exceed the total funds budgeted. When it is apparent that the operating budget total will be exceeded, a request for a budget amendment shall be brought to the Commission before an overrun.
- B. Within the limits of authority delegated by this or other Commission policy or action, the Executive Director may, without further Commission approval during the budget year, authorize the transfer of budgeted funds between any cost centers within the total approved operating budget, except that changes to the amount budgeted for transfer to the debt service fund require Commission approval via a budget amendment.

None of the specific provisions of this statement shall be interpreted to require actions that will frustrate the accomplishment of the stated policy objective.

Adopted by Commission action June 13, 2013

Amended to correct noticing requirements for budget amendments, December 18, 2025

ATT-2G: Commission Policy Statement on Strategic Financial Planning

Policy Objective

The District's financial planning attempts to anticipate and address regulatory requirements, provide for effective asset repair and replacement, accommodate growth and provide resilience to address unforeseen circumstances. The District's strategic financial planning policy is intended to ensure that the District has developed an overall strategy for continued financial viability and integrity.

Policy Statement

I. Strategic Financial Plan Submittal and Commission Consideration

- A. The Executive Director shall present a strategic financial plan no less frequently than biennially for consideration by the Commission that:
 1. Projects system cashflows for no less than a 10-year forecast horizon.
 2. Delineates systemwide revenue generation requirements based on:
 - a. Stated assumptions related to interest earnings rates on fund balances and expense escalation factors.
 - b. Projected operations and maintenance expenses.
 - c. Planned capital improvement project expenditures.
 - d. Planned compliance with the District's established financial policies.
 1. Projects rates to meet systemwide revenue generation requirements, calculated based on projected future plant flows and loadings.

The strategic financial plan incorporates the District's six-year capital improvements plan and debt service plan, identifying the revenue requirements of these plans in conjunction with projected changes in future operating budget requirements.

- a. At their discretion, the Executive Director may present alternative strategic financial plan scenarios to illustrate the financial implications of alternative District initiatives.
- b. No Commission action is required following the presentation of the strategic financial plan scenarios.

None of the specific provisions of this statement shall be interpreted to require actions that will frustrate the accomplishment of the stated policy objective.

Adopted by Commission action June 13, 2013

ATT-3: Transaction Approval Authority

Policy Objective

The District's transaction approval authority policy addresses requirements for approval of financial transactions including, but not limited to, contracts, professional services agreements, equipment purchases, settlement agreements and other arrangements. This policy addresses transactions requiring Commission approval and transactions that the Executive Director may approve.

Policy Statement

The District's transaction approval authority policy establishes controls on District transactions to ensure that the allocations of District resources are subject to appropriate levels of review and consideration. The operating budget, capital projects budget and debt service budget authorize expenditures subject to state law, this policy and other District policies.

I. Executive Director Responsibility

A. The Executive Director is responsible for operating fund transactions as follows:

1. The Executive Director shall ensure that the annual operating budget expenditures do not exceed the total funds budgeted. When it is apparent that the operating budget total will be exceeded, a request for a budget amendment shall be brought to the Commission before an overrun.
2. The Executive Director may, without further Commission approval during the budget year, authorize the transfer of budgeted operating budget funds between any cost center within the total approved budget within the limits of authority delegated by this or other Commission policy or action except that changes to the budgeted amount transferred to the debt service fund require Commission approval.

B. The Executive Director is responsible for capital projects fund transactions as follows:

Within the limits of authority delegated by Commission policy or action, the Executive Director may, without further Commission approval during the budget year, execute contracts, contract amendments or contract modifications or change project schedules provided that:

1. Total spending for the individual affected capital project of the capital projects budget, as approved by the Commission, is not exceeded, and
2. Total capital project expenditures do not exceed that budgeted for the capital projects budget in aggregate.

II. Transaction Approval: Commission Approval

A. Generally, Commission approval of the operating budget and capital projects budget authorizes expenditures except as noted below.

1. Commission approval is required for operating fund transactions as follows:

- a. Non-routine, individual operating fund expense transactions exceeding \$50,000. Non-routine transactions typically require bids or a contract. Routine transactions, for example, include utility bills.
- b. Professional services contract awards exceeding \$50,000 or amendments to these contracts exceeding 10 percent of the original contract amount.

2. Commission approval is required for all capital projects fund transactions as follows:

- a. Construction contract awards exceeding \$100,000.
 - 1) For construction contracts exceeding \$100,000 and less than \$500,000, amendments to these contracts exceeding 10 percent of the original contract amount.
 - 2) For construction contract awards exceeding \$500,000, amendments to these contracts exceeding 5 percent of the original contract amount.
- b. Equipment purchases exceeding \$100,000.
- c. Professional services contract awards exceeding \$50,000 and amendments to these contracts exceeding 10 percent of the original contract amount.

3. The Executive Director and their designee(s) are authorized to expend monies to address emergencies. Emergency situations are those that require immediate action to protect public health and safety, employee safety, the environment or property. Management shall use reasonable judgment and control of purchases during such events and shall report to the Commission those purchases exceeding the normal limits as soon as is practically possible.

III. Transaction Reporting

The Executive Director shall prepare a monthly report summarizing all transactions in the operating fund, capital projects fund and debt service funds.

None of the specific provisions of this statement shall be interpreted to require actions that will frustrate the accomplishment of the stated policy objective.

Adopted by Commission action June 13, 2013
Revised by Commission action, September 28, 2017

ATT-4: District Executive Director Annual Performance Evaluation Process

A key responsibility of the Commission is the regular and rigorous monitoring and evaluation of the Executive Director's performance. While the Commission may engage outside facilitation services and partner with internal Human Resources staff, the ultimate responsibility, decision-making, and completion of the evaluative process lives solely with the Commission.

Below are the key components proposed as a *Commission-driven* performance evaluation process for the position of Executive Director at the Madison Metropolitan Sewerage District. The process includes not only an annual evaluation, but also an ongoing (quarterly) mechanism to identify areas of success and those in need of improvement or attention in "real time" throughout the year.

Design Intentions

- Ensure the Commission has the information and feedback necessary to meet its obligation to evaluate the effectiveness and performance of the Executive Director
- Support the Commission's and the District's pursuit of excellence through a responsible, thorough and consistent Executive Director evaluation process
- Delegation of the data-gathering process to a qualified facilitator/consultant
- Reduce/compress review timeline (4-6 weeks max start to finish)
- Remove subjectivity in favor of objective evaluation
- Align performance review with District priorities (i.e. Focus Items)*
- Provide opportunity for on-going/periodic progress check-ins
- Reduce/eliminate need for Commission Subcommittee

Design Process

- Identify process goals (Executive Director, HR, Facilitator, Subcommittee)
- Create initial draft (Executive Director, HR, Facilitator)
- Present to and incorporate feedback from Subcommittee
- Update draft proposal (Executive Director, HR, Facilitator)
- Commission presentation (Facilitator)
- Commission feedback (Commission)
- Finalize proposal (Executive Director, HR, Facilitator)
- Commission vote

Annual Process Components

- Facilitator: Design, distribute and analyze results from E-Team, ELC, Commission, and Owner Communities Executive Director performance questionnaires**
- Facilitator: Conduct E-Team one-on-one Executive Director performance interviews
- Executive Director: Complete self-assessment based on Focus Item progress and outline/draft professional development goals for the *coming* year.

- Executive Director: Compile full-year dashboard (Q1-Q4)
- Facilitator: Compile cumulative findings (questionnaires, interviews, self-assessment)
- Facilitator: Present full findings to Commission
- Commission: Make determinations regarding review findings and finalize/conclude evaluation process

Key Stakeholders & Roles

- **Executive Director:** The role of the Executive Director will be to complete, submit and report on the relevant components above (e.g. self-assessment, dashboard, professional development).
- **District Human Resources:** The role of District HR will be to serve as the primary point of contact to the consultant/facilitator (as designated/hired by the Commission) to ensure timely completion of the evaluation process.
- **Consultant/Facilitator:** The role of the consultant/facilitator will be to gather, synthesize and present evaluative data to the Commission, impartially and comprehensively.
- **Commission:** The role of the Commission will be to consider all relevant data and to determine, in discussion with the Executive Director, the appropriate course of action to sustain and/or improve the Executive Director's performance.
- **E-Team, ELC, Owner Community Representatives:** The role of each of these parties will be to provide accurate and relevant feedback as to the performance of the Executive Director.

Ongoing/Quarterly

Executive Director will:

- Create and update quarterly dashboard to reflect current Focus Item progress
- Draft a brief quarterly narrative to provide additional progress/challenge context
- Deliver Focus Item progress/challenge updates to the full Commission (monthly)
- Propose Focus Item adjustments (as needed based on new opportunities, challenges)

Key Documents/Elements:

- Translation of Focus Items into measurable and time-bound achievements
- Dashboard to represent quarterly progress
- Annual self-assessment and professional development goals
- Comprehensive annual dashboard
- Annual E-Team, ELC, and Commission Executive Director performance surveys
- Annual E-Team Post-Questionnaire Interviews
- CED performance plan for coming year

**Alignment with the strategic priorities of the District (i.e. Focus Items) will require that the development and approval of focus items occur each year in advance of the budgeting process. Those Focus Items, along with any relevant professional development goals, will then serve as a guide for the work (and future evaluation) of the Executive Director.*

***The questionnaires will be confidential, but not anonymous, in order to allow for follow-up by the consultant/facilitator.*

In addition, engagement of the Owner Communities will take place both as part of this process and *outside* of this process. As part of the Executive Director's evaluation, owner community primary contacts (administrators, utility operators, chief elected officials, etc.) will receive a questionnaire to provide feedback as to the responsiveness and professionalism of the Executive Director. It is our recommendation that this particular stakeholder questionnaire be conducted every *other* year.

A second survey outside of this process may be administered in the intervening years and would be focused on broader satisfaction with District performance overall.

Finally, while E-Team and Commission surveys will focus on *direct* interaction and objective assessment of the Executive Director's performance, the ELC survey will relate to specific council responsibilities and the degree to which the Executive Director engaged (or didn't) the ELC in accordance with its purpose and functions (e.g. policy roll-out, handbook updates, etc.)

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Adopted by Commission action October 12, 2017

Revised on December 13, 2018

Revised by Commission action January 23, 2023

ATT-5: Appointing Authority Processes

This guidance is current as of Jan. 1, 2025. The following provides information on the processes of the three entities with appointing authority for Madison Metropolitan Sewerage District's Commissions. This information is incorporated into the Commission Policy Book by reference.

City of Madison Appointment Process

- The mayor of the City of Madison shall appoint five individuals as members of the Commission.
- City of Madison Commissioners are designated Commissioners 1-5 (see CP-20: Office Elections, Commission Terms and Continuity).
- One representative must be an Alder. This representative is designated Commissioner 3. There can be no more than two Alder representatives.
- An Alder's Commission term expiration date must match their City Alder term expiration date.
- Serving on the District Commission is considered a committee appointment by the City.
- The City will provide the District with a letter of reappointment for non-Alder representatives. For Alder representatives, the City will provide a copy of the appointing report.
- For representatives who have served 12 years or longer, a 2/3 vote is required to be reappointed to the District Commission.
- There is a two-meeting process for resident representatives:
 - Council meeting #1: Representative is introduced and confirmed for consideration at the next meeting
 - Council meeting #2: Representative appointed.
- Alders are confirmed and appointed within one Council meeting.

Dane County Cities and Villages Association (DCCVA) Appointment Process

- An executive council composed of the elected executive officers of each city and village that is wholly or partly within the boundaries of the District, except the City of Madison, shall appoint three members of the Commission by a majority vote of the members of the executive council.
 - The DCCVA Executive Council has 12 members.
- DCCVA Commissioners are designated Commissioners 6-8. (See CP-20: Office Elections, Commission Terms and Continuity)
- DCCVA does not have term limits.
- DCCVA leadership contacts the Commissioner up for reappointment to confirm whether they want to pursue reappointment.
- Appointment timeline:
 - July 1: DCCVA reappointment process begins. Each community is required to submit a Commission nominee by late August. This includes an application process.
 - Late August: Executive Council reappointment meeting noticed.
 - September: Executive Council meets to vote on the reappointment. A majority vote is required for the Commissioner's appointment.

Dane County Towns Association (DCTA) Appointment Process

- An executive council composed of the elected executive officers of each town that is wholly or partly within the boundaries of the District shall appoint one member of the Commission by a majority vote of the members of the executive council
- DCTA's Commissioner is designated Commissioner 9. (See CP-2O: Office Elections, Commission Terms and Continuity)
- Appointment timeline:
 - At DCTA's request, the District provides the DCTA Executive Director three to four months' notice that a Commissioner is up for reappointment.
 - In this notice, the District is required to provide a list of towns in the District's territory that it serves. (The number of towns can change due to annexations or towns that transition to a city or village status.)
 - The DCTA Executive Director sends one month's notice to the Town Chairs (Executive Council) and their assigned clerks. The notice informs the Towns that DCTA's Commissioner is up for reappointment and states whether they will continue to serve on the Madison Metropolitan Sewerage District Commission.
 - If the Commissioner ends their service, the Executive Director will request in the notice that the Executive Council provide nominations for a new Commissioner.
 - If no nominations are received, the DCTA Executive Director calls individual Town Chairs to solicit a nomination.
 - Once there is a nominee, the DCTA Executive Director will send an email to the Executive Council (clerks copied) to request a final vote. A majority vote is required.

Source documentation

Wis. Stat. § 200.09(1)(b) – Commissioners

(b) A district that contains a 2nd class city with a population of 200,000 or more shall be governed by a 9-member commission appointed for staggered 3-year terms. The mayor of the 2nd class city shall appoint 5 individuals as members of the commission. An executive council composed of the elected executive officers of each city and village that is wholly or partly within the boundaries of the district, except the 2nd class city, shall appoint 3 members of the commission by a majority vote of the members of the executive council. An executive council composed of the elected executive officers of each town that is wholly or partly within the boundaries of the district shall appoint one member of the commission by a majority vote of the members of the executive council.

Madison General Ordinance 35.03 - Appointments to the Madison Metropolitan Sewerage District

Under Wis. Stat. § 200.09(1)(b) the Mayor appoints five, of the nine, Commissioners of the Madison Metropolitan Sewerage District Commission. The Commissioners serve staggered, three-year fixed-terms. Consistent with the committee appointment procedures set forth in Sec. 33.01, the Mayor's appointees to the Commission shall be confirmed by the Common

Council. In addition, at least one but not more than two of the City's appointees to the Commission shall be Madison alderpersons, who shall serve as voting members on an ex-officio basis. (Cr. by ORD-19-00033, 4-29-19)

Madison General Ordinance 33.01 – Boards, Commissions, and Committee Procedures

Section 6(b) - Terms of Appointment

(a) All appointments to Sub-units shall be for a term of three (3) years, except for Alders, which shall be concurrent with the respective Aldermanic term. No Mayoral appointment shall commence after the Mayoral term of office.

(b) Term Limits. No person, other than Alders, shall serve on any Sub-unit for a period in excess of twelve (12) years, unless authorized by a two-thirds (2/3) majority vote of the Common Council. Time served prior to July 1, 2009, shall not be included in any calculation of term limits.

(c) Any ordinance amendment or resolution affecting the terms of or the qualifications of members of boards, commissions or committees shall, unless otherwise explicitly provided therein, have prospective application only and shall not have any effect upon the remainder of any terms of office nor upon the appointment of any member of a Sub-unit in existence on the date said ordinance amendment or resolution becomes effective.

(d) Notwithstanding any fixed term of office, the terms of board, commission and committee members shall run until their successors are appointed and confirmed or for a period of ninety (90) days after the end of the fixed term, whichever is less. This ordinance shall apply to every person holding such office on January 1, 2003 and thereafter.

Note: section 6(d) does not apply to Alder terms.

Adopted by Commission action January 16, 2025

POLICY BOOK CHANGES

Item	Change Notes	Policy Book Adopted/Last Revised Date
O-1, O-2A, O-2B, O-2C. ATT-2 <i>Commission Policy Statements on Capital Projects Budget and Debt Service Budget Development and Approval</i>	Various	10-29-2020
CER-2D	Records Management	07-25-2019
<i>ATT-2 Commission Policy Statements on Capital Projects Budget and Debt Service Budget Development and Approval</i>	Attachments-Incorporated into Commission Policy by Reference	04-11-2019
O-1, O-2A, O-2B, O-2C and CP-2N	Global Outcomes Policies and Commission Process Policies	09-27-2018
<i>ATT-2 Fund Reserves</i>	Attachments-Incorporated into Commission Policy by Reference	10-12-2017
CP-2K	Commission Process Policies	11-14-2017
EL-2B	Executive Limitations Policy	11-09-2017
CP-2M	Executive Director Pay (change to Executive Director Pay on 1/31/2025)	11-09-17
CER-2C	Monitoring the Executive Director's Performance (Change to Monitoring the Executive Director's Performance on 1/31/2025)	10-12-2017
ATT-4	Executive Director Annual Performance Evaluation (Change to Executive Director Annual Performance Evaluation on 1/31/2025)	12-13-2018; revised 01-23-2023
<i>ATT-2 Commission Policy Statements on Capital Projects Budget and Debt Service Budget Development and Approval</i>	Attachments; Amended to incorporate changes to VI. Capital Project Bundling	12-15-2022

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Outcomes Policies, Executive Limitations, CP-2E, EE-2B	Added purpose and replaced Outcomes with Owner Expectations per strategic plan; transformed Executive Limitations to Executive Expectations; updated CP-2E to include Commission working agreements; updated EE-2B (formerly EL-2B) to reflect updated Employee Handbook	
CP-2O	Added CP-2O: Officer Elections, Commission Terms and Continuity following Commission approval	11-30-2023
CP-2F	Updated CP-2F: Per Diems for Commissioners to include annual escalator	5-16-2024
CP-2G, CP-2I and CP-2O	Updated these three policies to reflect new information and include citations	1-16-2025
ATT-5: Appointing Authority Processes	Added new ATT in conjunction with updates to CP-2O	1-16-2025
CP-2F	Section 4 of May 2024 update amended	1-30-2025
Appendix 1: Commissioner Per Diems, 2025-2035	Added to support January 2025 amendment to CP-2F	1-30-2025
ATT-2D: Commission Policy Statement on Fund Reserves	Updated through Finance Committee	7-17-2025
CER-2D: Records Management	Updated to specify ability to charge for records	12-18-2025
CP-2O: Officer Elections, Commission Terms and Continuity	Updated to fix Commissioner groupings	12-18-2025
CP-2P: Public Meeting Notice Policy	New policy adopted by Commission	12-18-2025
ATT-2A & ATT-2F	Amended to correct noticing requirements for budget amendments	12-18-2025

APPENDIX A: Per Diem Rates

Commission Per-Diem Rates by Role and Year, 2025-2035

	Non-Officer	Officer
2025*	\$125	\$140
2026*	\$129	\$144
2027	\$133	\$149
2028	\$137	\$153
2029	\$141	\$158
2030	\$145	\$162
2031	\$149	\$167
2032	\$154	\$172
2033	\$158	\$177
2034	\$163	\$183
2035	\$168	\$188

**For reappointments in 2025 and 2026, Commissioners will receive the designated rate for the year on the date of reappointment. Before reappointment, Commissioners will continue to receive a \$50 per diem. With the November 2027 reappointments, all sitting Commissioners as of May 2024 will receive the same per diem as outlined in the table above.*