

**Village of Fox Crossing
Special Meeting of the Board of Trustees – Budget Workshop
Municipal Complex – Arden Tews Assembly Room
Monday, October 3, 2022 - 5:00 p.m.**

Minutes

1. Call to Order

President Dale Youngquist called the workshop to order at 5:00 p.m. Clerk Darla Fink noted those present including: President Youngquist, Trustee Michael Van Dyke, Trustee Kris Koeppe, Trustee Gregory Ziegler, Trustee Mark Englebert, Trustee Barbara Hanson, Village Manager Jeffrey Sturgell, Director of Community Development George Dearborn, Director of Finance Jeremy Searl, Deputy Finance Director Myra Piergrossi, Fire Chief Brian Harbison, Assistant Fire Chief Todd Sweeney, Fire Chief Shawn Bordeaux, Police Chief Scott Blashka, Police Captain Tim Callan, Municipal Judge Timothy Hogan, and Municipal Court Manager Mandy Bartelt. Excused: Trustee Dale McNamee. There was one attendee.

2. Presentation of Departmental Budgets

Director Searl presented the overview of the 2023 Proposed Budget. He stated Manager Sturgell thought this was a good budget year for him to learn on with rapid inflation, employment shortages, rising wages, and the struggle to stay within levy limits.

Director Searl stated the proposed budget includes the full allowable levy limit authorized by the State of Wisconsin of \$144,649. The Village was able to benefit from a decrease in debt service in 2023, allowing for an additional \$106,757 for the general fund due to how our debt is structured. Net new construction is a contributing factor into levy limits and the Village came in at 1.56% (the average for Winnebago County was 1.38%). We are still waiting for the final Statements of Assessment for both Winnebago and Outagamie Counties, but based on preliminary numbers, the Village has approximately \$2.2 Billion in assessed value which is a 12.56% increase. Residential properties increased slightly above that average to approximately 16%. The proposed levy comes out to \$4.44 per thousand dollars of property value which is a decrease of 19.6% in the Village's mill rate (from \$4.94 per thousand dollars of property value last year). Even though the mill rate is decreasing, taxes will increase for the average property due to increase in assessed value. The Village has not qualified for the Expenditure Restraint Program in a few years and will not qualify again with the proposed budget.

Director Searl explained tax revenue is approximately two thirds of all revenue for the Village, with the second largest contributor being State shared revenue and grants. The State did not increase the amount of funds the Village would receive this year, however there is a small increase expected in federal and state aid from the transit program but that has a small impact on fund balance. He stated 2022 was the final year of the Safer Grant for the Fire Department and 2023 will include invoicing to Neenah Joint School District for two new School Resource Officers and street lights to accommodate additional school related traffic.

For expenditures, Director Searl noted two separate Consumer Price Indexes (CPI) he'd like to call the Board's attention to: CPI for Expenditure Restraint and CPI for Wisconsin Employment Relations Commission. The CPI for Expenditure Restraint is calculated at 7.7%, which does not impact the Village as we don't qualify for the Expenditure Restraint Program but it is a good indicator of the state's inflation rate. The CPI for Employment Relations which is used for setting compensation plan pay ranges came in at 7.2% starting January 2023. The overall wage adjustment increase for Village non-represented employees is proposed at 4% for this budget, which came to approximately \$165,000. Medical Insurance is the next highest cost on the employee side,

and the lowest state plan (Network Health) has a 6.2% increase. WRS increased the pension contribution rate for 2023 of .3% which comes to approximately \$30,000 in Village cost. Dental Insurance costs are estimated to increase approximately 5% for the upcoming year. The Police Union Contract is in effect until December 31, 2023 which includes two wage increases.

Director Searl stated we are looking to use approximately \$1.4 Million dollars of Fund Balance in the budget this year. Approximately \$220,000 is related to Equipment Replacement Fund increases for 2023 purchases, and \$243,800 are carryovers from 2022 budgeted activity that was unable to be completed last year. The proposed budget has Fund Balance estimated at 25.3% of next year's budgeted expenditures, which is within the Village's policy of 20%-30%.

Judicial

Director Searl stated there are no significant items to note in this department's budget. Judge Hogan stated this budget is on par with previous years. There is an amount in the IT department's budget to automate the process of sending delinquent accounts to the State. The new program for sending unpaid forfeitures for State debt collection will create more time for the Municipal Court Manager and reduce the chance of data entry errors, and is the main increase to this department's budget. The Court is still using Go-To-Meeting for virtual pre-trials which are going very well and reduce costs in attorney travel time. Judge Hogan stated there have only been two trials this year and he explained that the Court has been willing to work out different types of payment plans with residents to help with rising costs and still benefit the Village.

Fire Department

Director Searl stated the SAFER Grant funding ended in 2022. The Department received the American Firefighter Grant for exercise equipment which was approved at a recent Board Meeting. Revenues have otherwise stayed consistent.

There is a request to increase the number of hours for the Fire Administrative Analyst from 24 to 30 hours per week for a total of 1,560 hours per year (increase of \$7,000). There is also a request to increase hours for Paid-On-Call (POC) firefighters by 546 hours to provide gap coverage for the short time period on Fridays and Mondays between the weekday and weekend shifts.

Director Searl explained that Chief Harbison has been working with Manager Sturgell and the Finance Department to change the pay schedule for POC Firefighters to a simpler schedule as it has not been updated in quite some time. The previous starting wage was \$10.08/hour with increases for various certifications. The new starting rate proposed in this budget will be \$12.00/hour for POC firefighters based on years of service and their position within the Fire Department. The wage for part-time firefighters does not change in this budget. The cost for this increase with the current employees is approximately \$34,000.

Chief Harbison stated this platform for increasing POC pay will be sustainable for years to come, and thanked Finance Director Searl and Village Manager Sturgell for their extra work on this. He stated the Fire Department would not be able to function without the POCs. The part-time firefighters will come and go, which is how the staffing model is set up as these firefighters are recruited to full-time positions with other municipalities. These positions are performing the same job responsibilities and he feels it's inappropriate to have the POCs and part-time firefighters getting paid differently. Many of these workers are making more per hour when working for other local municipalities which doesn't encourage them to stay with us. The way the pay model is proposed for this budget still includes a difference of \$1.00/hour between the positions or approximately \$13,000-\$14,000 for the year, but they were unable to balance the budget matching these pay scales so this is the current compromise. President Youngquist stated the Board

understands that this is not the end goal for POC compensation but is a step in the right direction, and can be looked at again next year. The Board decided to place the additional \$1.00/hour for POCs on the budget “bubble” for Chief Harbison to determine if he can find this amount in other “levyable” funds.

Director Searl stated there is a \$10,000 increase in the 0335 Training Account, which was already reduced \$3,000 by Manager Sturgell prior to bringing this budget to the Board. Captain Bordeaux explained the training budget also includes the EMS Refresher Training which is required every three years. The 0340 Operating Supplies Account has an increase in EMS supplies and gear and \$1,000 for a new refrigerator in the break room and command vest kit for Chief Bordeaux. The 0346 Uniform Expenses Account has an increase to replace 14 sets of turnout gear which is four sets more than normal due to expiring gear, which will be paid for out of fund balance. In the 0361 Operational Equipment Supplies Account, there is a request for a heat reduction fan (\$4,000 offset with fund balance). There is also a request to update the Fire Station Alerting System for a cost of \$55,000 offset with fund balance which will update the very old technology currently being used at the Fire Station to communicate better with the County. The Fire Department is also requesting the purchase of the Power DMS system, rather than the previously requested Lexipol system, which will assist with department accreditation, tracks compliance, replaces old scheduling software (which helps minimize year to year impact), and affects both Police and Fire Departments.

Director Searl stated there are two increases listed for the two vehicle replacements we are expecting. The only replacement that will affect this budget is Command Vehicle 41 which is slated to be replaced this year (\$48,000 being offset by the ERF and \$7,750 offset with fund balance for an increase in vehicle price). The second replacement is for Pumper E241 which now has a two year build period, so that will be a purchase in next year’s budget, however this equipment has increased \$100,000 so the increased cost is being split between the next two year’s budgets.

Community Development

Director Searl stated there is an increase in expected revenues for building permits (\$25,000), electrical permits (\$20,000), and plumbing permits (\$25,000). All of these increases are primarily due to anticipation of permits from the Coppens Development in TID #5 as well as the fact that the department has been taking in more revenue than budgeted over the last few years. There is an increase of \$52,000 in the 0210 Inspection Professional Services Account due to commercial, electrical, and plumbing inspections that will be required for the Coppens Development. There was a requested staff increase to add a Code Compliance Technician which was cut by the Village Manager prior to finalizing the proposed budget. The cost of that position would have been approximately \$45,000. There is also a requested increase in wages for the Intern from \$10.00/hour to \$15.00/hour due to the need to remain competitive and difficulty in filling this position.

Director Dearborn noted that other local communities are paying interns more so the Village was able to match the rate the current intern is making elsewhere. The intern is currently working 20 hours per week through the end of 2022. He has been awarded two grants this year for E. Shady Lane and for solar electric systems for the Fire Station and utility offices. He explained his request for additional staff stating he has had the same staffing level since 1993 when the population was much lower than it is now. There are substantially more requirements for this department including Stormwater issues, the annual MS4 report, tax and financing districts, annexations, flood regulation enforcement, and many other changes. Their department gets constant complaints from residents about noise, mowing, zoning, flooding, etc. to a much higher extent used to occur. Due to this, there is a very limited amount of time to accomplish other things like grant writing and having an additional staff member would allow for the time needed for code compliance, amending the comprehensive plan, community development, and applying for more grants. He stated he would love to do more site visits and promote businesses entering the Village, but the time isn’t there.

Manager Sturgell stated the Stormwater Technician position is one of his number one positions to get in a future budget. This position was on the table last year, but we have to look at the budget as a whole including the SAFER Grant going away, the newly needed School Resource Officer positions, Fire Department increasing POC wages, health insurance and wage increases, etc. They have to find a way to strike a balance, and unfortunately there isn't enough room to get this position into the budget this year. Even with this position being split with the stormwater fund, the total amount would be on the levy which will not this year.

Director Searl also mentioned that in the IT Budget there is a \$25,000 budget line to find an online platform that would be compatible with our system for residents and contractors to apply online for building permits. We are one of the only communities locally that doesn't have an online platform which will reduce the amount of counter time and data entry to free up some staff time.

Police Department

Director Searl stated the biggest change to this department's budget is the onboarding of two School Resource Officers (SRO) for six months of 2023 (hiring July 1, 2023). There is still a lot of predictions coming into this budget item as Chief Blashka is still working with the Neenah Joint School District (NJSD) as to when the Village would start billing them and for what percentage. For the purposes of this budget, we followed the model that Neenah Police Department uses until we have more detailed information. All of the initial onboarding costs will come out of fund balance. We will need two vehicles for the SROs. The current plan is to use vehicles we already have that are set to be replaced in 2022. Both of these vehicles have newer motors so they can stay in use for longer than originally planned in a position with less wear and tear than a typical squad vehicle. Chief Blashka indicated the conversations with Dr. Pfeiffer are ongoing as to what the NJSD will pay for regarding SRO wages, benefits, cell phones, vehicles, equipment, etc. He stated he is uncertain if the NJSD will pay for any of the onboarding expenses (weapons, shields, tactical helmets, etc.) but this equipment is necessary for the officers to perform their duties at the School and can't be removed from the budget no matter who is paying the bill.

Chief Blashka explained the SROs will work for the school exclusively during the school year, and during the summer months will work for the Police Department in regular rotation, cover vacations, take their vacations, etc. Captain Callan stated he doesn't believe the July 1st start date will work for these positions due to the required twelve week training period prior to going into the school. He suggested an April or May start date to get their training complete prior to the beginning of the school year which will alter the budget. The equipment isn't needed until the School opens in Fall 2023.

The other change in the payroll area is the replacement of the Code Enforcement Officer position. Chief Blashka is proposing hiring Community Service Officers (CSO) rather than full Police Officers to fill this position. There is no change in cost as they will use the same dollar amount for wages but it will be spread over a larger amount of hours allowing the Police Department to hire one or two Community Service Officers. These positions are for police officer trainees to assist with code compliance, animal control, traffic control, etc.

In 2023, the Lieutenant Truck is up for replacement, however the plan is to keep this truck in use for the CSO position as this vehicle will have much less wear and tear than a normal squad. The only cost to the ERF will be the loss of sale revenue from the old truck.

Trustee Ziegler questioned the amount of overtime wage funds and asked if there is a way to minimize this. Chief Blashka advised the overtime wages result from the need to have a certain number of officers on duty to meet staff minimums and we are currently at a lower staff level than is ideal. We have had a couple of injuries and officers on light duty, and also haven't been able to

fill the open detective position that was authorized for this year. What is not being spent on salaries for the open officer positions, is being spent in overtime on the officers we do have. He explained the open hiring process in hopes of getting more applicants through the process in a quicker fashion. He stated we are not losing officers to other departments, but our department isn't necessarily appealing to draw officers from other departments due to a lack of lateral transfer incentives.

Director Searl explained the Professional Services Account has an increase of \$10,750 for the Ascent Mental Health and Well Being program for Police Officer mental health. This will be an ongoing expense going forward. The purchase of supplies for the SRO positions is coming from fund balance for a total of \$25,070. In the Investigative Expenses Account, there is \$12,000 line item offset with fund balance for installation of intersection cameras at CTH CB and CTH II and CTH II and Green Bay Road. There is \$34,000 in the Capital Equipment Account for the purchase of a Tru Narc Laser Drug Identifier. Tru Narc can identify 500+ different substances just by scanning the substance with a laser, rather than the current testing methods which expose officers to the substances in many cases.

The Equipment Replacement Fund (ERF) for the Police Department is separated between vehicles and other equipment. There are three vehicles that they hoped would be on the road in 2022 but due to supply chain issues, these three are not yet on the road. One of the vehicles is in house and is getting its' technology installed, and we are waiting to receive the two others. There are four vehicles up for replacement in the upcoming year, which required a total increase to the ERF of \$36,000. As stated during the Fire Department's budget, there is a request to purchase Power DMS which has a combined cost of \$29,000 to be split between Police and Fire. This software will replace the current scheduling software and is also used for policy management and accreditation and was recommended by the accreditation organization.

Finance

Director Searl stated there is a \$10,000 fund balance carryover for the Impact Fee Study that was not completed in 2022. The completion of this Study is a condition of the Water Rate Study with the PSC so it is required to be completed in 2023 to ensure we are meeting all state statutes. The Deputy Finance Director position will continue to be budgeted as a full-time position, so when Deputy Director Piergrossi retires, we still have the funds available to hire a full-time replacement. He stated the Village will need to complete a compliance audit due to the receipt of the high value ARPA funds for a cost of \$2,600. Director Searl indicated he budgeted for two more electronic adjustable desktops for \$3,000 offset with general fund as his intention is to replace two per year.

3. **Motion to reconvene to the October 10, 2022 Budget Workshop which will begin immediately following the 6:00 p.m. Regular Village Board Meeting**

At 9:05 p.m., **MOTION:** Trustee Van Dyke, seconded by Trustee Koeppel to reconvene to the October 10, 2022 Budget Workshop immediately following the Regular Village Board Meeting. Motion carried.

Respectfully submitted,

Darla M. Fink, Village Clerk

Note: *These minutes are not to be considered official until acted upon at an upcoming regular meeting, therefore, are subject to revision.*