

**Village of Fox Crossing
Special Meeting of the Board of Trustees – Budget Workshop #1
Municipal Complex – Arden Tews Assembly Room
Monday, October 7, 2024 - 5:00 p.m.**

Minutes

1. Call to Order

Clerk Darla Fink called the workshop to order at 5:00 p.m. and noted those present including: Trustee Kris Koeppe, Trustee Gregory Ziegler, Trustee Kate McQuillan, Trustee Deb Swiertz, Trustee Barbara Hanson, Village Manager Jeffrey Sturgell, Director of Community Development George Dearborn, Director of Finance Jeremy Searl, Director of Parks and Recreation Amanda Geiser, Fire Chief Todd Sweeney, Assistant Fire Chief Shawn Bordeaux, Police Chief Scott Blashka, and Police Captain Tim Callan. Excused: President Dale Youngquist and Trustee Michael Van Dyke. There was one attendee.

MOTION: Trustee Koeppe, seconded by Trustee Hanson to appoint Trustee Ziegler to preside over the meeting in President Youngquist's absence. Motion carried via voice vote.

2. Presentation of Departmental Budgets

Director Searl presented the overview of the 2025 proposed Budget, the scheduled departments for this evening, and the calendar schedule for budget workshops and the public hearing. He explained the full budget process, which began in July, as well as the format of the budget books that were provided to the Board the week prior. Manager Sturgell explained that each year the budget process is different, and this year is a maintenance-type budget year. He stated there are only three requests of the Board in the proposed budget that are relatively small, and advised no new positions are being requested.

Director Searl explained how Act 12 implemented a major change to the budget by eliminating personal property tax, which reduces the Village's tax income. This income is being replaced with a state revenue payment; however, this makes the tax levy more complicated to discuss this year as it is not an apples-to-apples comparison. Due to these changes, the 2024 personal property tax revenue of \$213,947 was removed from the General Fund levy and will be paid to the Village as State Personal Property Aid revenues. Act 12 indexes this revenue but it most likely will not change at the same rate as the tax rate. The proposed Budget decreases the general levy by \$86,421 resulting from the net new construction of .0922%, but adds \$240,043 to the Debt levy, for a total increase of \$152,622 to the levy from 2024.

The equalized value from for Winnebago County 2024 – 2025 increased by 7.78% or \$199,406,200. The average assessed value in the Village increased 13.72% in 2024 after the removal of Personal Property Tax. This results in a decrease in the mill rate by 8.82% to \$3.82/thousand dollars in value (last year's mill rate was \$4.19/thousand dollars of property value) which equates to a decrease in taxes of \$73.86 per year for a \$200,000 home.

The CPI from the Wisconsin Employment Relations Commission is used as the basis for setting the compensation pay plan ranges for the following year and shows an increase of 3.3% (the previous year's increase was 6.26%). While last year's wage scale ranges jumped 6.26%, the average wage increase was only 4% so we lost ground compared to the wage scale. This Budget has funds set aside for wage increases with additional funds available for further adjustments as determined by Manager Sturgell. It was noted that there is still \$26,000 left in this account in 2024, showing Manager Sturgell's doesn't simply use the amount available. There is no change proposed to the employee review and wage approval process from Manager Sturgell.

Health Insurance premium costs are increasing 8.95% for the lowest cost State health insurance plan for 2025 in Winnebago County, which remains Network Health Plan (an increase of approximately \$51,304 to the Village). The Wisconsin Retirement System increased the pension contribution for non-represented employees by .05% to 6.95% while protected employees increased .69% to 15.01% (an increase of \$28,306 for existing employees). Dental Insurance rates remain the same for 2025. The current Police Union contract began on January 1, 2024, and continues through 2027.

The proposed Budget is offset with use of approximately \$700,000 of fund balance, which details will be discussed with each department. The unassigned fund balance use based on the projected 2024 year-end fund balance is estimated at 25.32% of next year's budgeted expenditures which is well within the Village policy of 20-30%.

Fire Department

Director Searl stated the 2% fire dues revenue from the State is budgeted to increase \$12,500 to a total of \$102,500 and advised Act 12 provides some additional money for public safety. In the payroll accounts, the Fire Fighter pay schedule for Paid-on-Call Firefighters increases \$.25/hour on January 1, 2025 (the original request from Fire was \$.50/hour). There was also a request to add a full-time Lieutenant and switch coverage to a 6:00 a.m. – 6:00 p.m. shift (Monday – Friday), however this was cut by Manager Sturgell prior to bringing the proposed Budget to the Board. Director Searl explained the different designations of Paid-on-Call and Part-Time firefighters, and the training they must either come in with or are sent for. Trustee Swiertz asked how our pay schedule compares to other local municipalities. Chief Sweeney stated he hasn't compared it recently; however, it is very hard to compare with others based on the makeup of our department. Director Searl noted this cut to the hourly rate was one of the last cuts made and was made to balance the budget. Chief Sweeney stated they are going through a hiring process right now, with a main goal of the Fire Department being recruitment and retention. Paid-on-Call has nine openings right now, and Chief noted it's been about 13 years since the department has been completely full.

Trustee Koeppe stated it seems the largest number of calls are EMS related calls, and asked how these are triaged. Chief Sweeney stated when a call comes in, it gets coded by severity, and anything critical requires a firefighter response. The grade of the call determines who shows up to the call. Trustee Koeppe asked if there has been any progress contractually with Gold Cross Ambulance Service. Chief Sweeney stated we don't have a contract with them, and noted the City of Appleton is working on an agreement that is supposedly complete, but we haven't seen it yet.

The 0241 Building Maintenance Account has an offset from fund balance of \$12,225 for the Community Center and Station #41 sprinkler alarm system backflow preventers and new Training Room door at Station #40. Trustees Hanson and Ziegler asked about the need for the door and its high cost. Chief Sweeney stated he still needs to go out to quote, but this is the average cost they're looking at for this type of door. This is the last of several doors that need to be replaced.

The 0346 Uniform Expenses Account continues the current plan of replacing ten sets of firefighter turnout gear per year. The suggestion is to finance two sets from fund balance and place the rest on the levy. The 0361 Operational Equipment Supplies Account includes replacement of two ice suits for \$2,000 and miscellaneous firefighter tools for \$3,605 which will be offset from fund balance. The 0390 Emergency Operations Center (EOC) Operating Supplies Account includes \$2,500 for a training test/situation offset with fund balance. The 0854 Capital Equipment-Other Account includes \$6,900 for six (6) Knox Box key lock boxes offset with fund balance. Chief Sweeney explained the lockboxes and how they open all businesses in the Village. The new boxes will help

prevent losing the keys or leaving them at a business. Replacing a lost key is very expensive to the Village as they have to rekey all participating business in the Village. Their plan is to replace the lockboxes in six firetrucks, keeping the old ones and using them in the command vehicles, as they are used less. The new system allows each employee to have their own code for these boxes, which can be removed upon their termination from the department, which is a good security improvement. The annual maintenance fee for this software is included in IT budget.

In the Equipment Replacement Fund (ERF), there is a replacement of Pumper E241 (order was pre-approved by the Board in 2022), and is expected to be received in Spring 2025. The total cost for this equipment is \$867,500 (\$825,000 offset with the ERF and \$42,500 from the levy). There is also a replacement of the U40 Dodge Pickup Truck using \$62,000 from the ERF. The old vehicle will be going to auction. There was a discussion on the equipment coming up for replacement in 2026, which will be further evaluated at that time. Trustee Koeppel inquired about reducing the longevity of each vehicle to see if we could sell them for more by replacing them after 10-15 years rather than 20+ years. Director Searl and the Board also talked through the option of leasing equipment rather than purchasing.

Trustee Ziegler asked for further explanation of the Lieutenant position that was cut. Director Searl responded that the main reason this was cut was due to the cost. The cost for this position is more than the growth in the tax levy because of our low net new construction. Chief Sweeney explained how the request for another Lieutenant came about to maintain a more consistent and experienced leadership presence in staffing, this will allow for a minimum of a Lieutenant to be scheduled 7 days a week from 6:00 a.m. to 6:00 p.m. Currently we often have to use other career staff to cover supervisor positions. Also, Fire Marshall Tedford has three or less years before retirement and Chief stated this is something we need to look ahead to plan for. Trustee Ziegler asked to put the full-time Lieutenant on the bubble for discussion at the end of the entire budget workshop.

Community Development

Director Searl explained the revenues for Community Development are expected to remain consistent from building, electrical, heating, and plumbing permits. In Payroll expenditures, Director Dearborn requested an increase in hours for the intern of 260 hours for a total 900 hours at \$17.00/hour. There is a request to hire a consultant to review/re-write the Village Zoning Code (\$22,000 offset with fund balance, which is a rollover from 2024). In 2025, there is no inclusion of the economic incentive payment to Stingray Holdings 4, LLC as the requirements have not yet been met, but there may be one in 2026 should they meet the assessed value determined in the Development Agreement as of January 1, 2026 (\$50,000 being offset with fund balance). Director Dearborn also requested a full-time administrative position which was cut by Manager Sturgell prior to the proposed budget being presented to the Board.

Director Dearborn stated the demand for service from this department has gone up due to population growth and there are many more calls to handle things like noise issues, tree issues, etc., which take a large amount of time. The Board asked if we could complete the zoning update/re-write in house. Director Dearborn stated the department has the capability but no time. There are frequent changes to the zoning code, but a full rewrite is what is needed. Director Dearborn explained the importance of the intern position and noted the current intern's success in getting signs erected on Highway 41 recognizing the Village of Fox Crossing to help give us better identity which he considers a great accomplishment. He stated this department is still doing some of the stormwater inspections, as the stormwater technician position has not yet been hired. Director Searl advised there are no ERF expenditures budgeted this year for this department.

Administration

Director Searl stated there aren't many changes to this department's budget as the current budget has been satisfactory for a number of years. There are no requested changes to personnel and no requests for an increase in the ERF. Director Searl advised there has been some discussion of moving Van 109 to the Park Department's budget as they are the primary user of this vehicle.

Trustee Hanson asked about the 120 budgeted hours for Human Resources being rolled over from 2024 and questioned moving those hours to another department if they are going unused in Administration. Manager Sturgell stated he would like to keep the hours in the Administration budget as HR Manager Burdick would like to complete a few large projects in the upcoming year.

Assessor

Director Searl stated we are in the second year of a six-year market readjustment assessment contract with Accurate Appraisal, LLC at a cost of \$54,000 per year. This flat fee won't change year to year. They currently estimate the amount paid to the State to complete assessments on manufacturing properties at \$12,500 per year. Director Searl noted the fee for Real Estate Inquiries was increased last year and will remain the same for the upcoming year.

Clerk/Elections

Director Searl stated the main change for this department's budget is due to 2025 only having two elections rather than four this year (decrease of approximately \$34,549). Clerk Fink has requested an increase to poll worker wages as these have not been increased in quite some time. The request is to increase Election Inspector wages by \$.25/hour and increasing Chief Inspector wages by \$2.25/hour to \$14.00/hour due to the long hours and amount of responsibility held by that position. Trustee Hanson asked how much the churches charge for use during elections. Clerk Fink advised each church charges \$100 per election and have been great to work with.

Finance

Director Searl stated the big change in this department is in interest income. Rates have increased but they chose to conservatively increase this amount by \$115,362. The Impact Fee Study is set to be completed in 2025 to review Village impact fees due to recent law changes (\$45,000 offset with fund balance and a partial roll over from 2024). He stated General Liability, Professional Liability, Cyber, etc. insurances are all covered under the 0510 Insurance Account. There is a request for an increase of \$.75/hour for the tax clerks that are used during real estate tax payment season. Director Searl stated he included \$15,000 for a secondary door from the Finance Conference Room to the Park/Streets hallway to provide this department with an emergency escape. The Board asked about the cost for this door and the Board and staff discussed the need for this door and other departments also having the same issue. Manager Sturgell stated they would look further into this issue Municipal Complex wide.

Legislative

Director Searl advised they have rolled over the funds for the Assembly Room AV project (\$34,000 total cost to be offset with fund balance). The Assembly Room camera and recording equipment upgrade project is also being rolled over from 2024 (\$40,000 total cost to be offset with fund balance). These projects have been rolled over a few years now but since they are funded by fund balance it does not impact the tax levy. Trustee Ziegler advised his amount in the WRS Account can be removed for 2025 as he intends to resign from the Board at the end of this year.

Miscellaneous-General Government

Director Searl further explained the wage adjustment pool for non-represented wages. The wage scale will be shifting up 3.3% this year and we need to keep employees at the minimum of their range and over the years, there are employees that have fallen behind. In 2024, Manager Sturgell used all but \$26,000 of these discretionary funds which will go into fund balance.

The Board discussed ash tree removal due to emerald ash borer with Staff. Director Geiser is handling this on the Park's side and has taken down a number of trees, but the Street Department has also been dealing with this as they've seen a lot more chipping with all of these trees going down at the same time. It was noted that we are receiving many resident complaints to all departments on this issue. Director Geiser has a challenging situation at Gateway Meadows, which is a reason for the expected increased use in use of these funds. There are no new funds set aside for EAB removal.

Debt Service

Director Searl stated this fund lists all debts and expected principal and interest payments for the year, including estimates from Baird for the 2024 debt issue that is happening right now. He left the pending borrowing as presented by Baird. There is an increase in levy needed for debt to the size of recent borrowings and it will remain increased for a few years. Director Searl reminded the Board that the debt amount noted for stormwater utility, water utility, and sewer utility do not affect the tax rate.

3. **Motion to reconvene to the October 14, 2024 Budget Workshop which will begin at 5:00 p.m.**

At 9:03 p.m., **MOTION:** Trustee Ziegler, seconded by Trustee Swiertz to reconvene to the October 14, 2024 Budget Workshop at 5:00 p.m. Motion carried via voice vote.

Respectfully submitted,

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Darla M. Fink, WCMC, Village Clerk

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