

Village of Fox Crossing
Special Meeting of the Board of Trustees – Public Budget Workshop
Municipal Complex – Arden Tews Assembly Room
Monday, November 25, 2024 - 5:00 pm

Minutes

1. Call to Order & Pledge of Allegiance

President Dale Youngquist called the workshop to order at 5:00 p.m. Village Clerk Darla Fink noted those present including: President Dale Youngquist, Trustee Michael Van Dyke, Trustee Kris Koeppe, Trustee Gregory Ziegler, Trustee Kate McQuillan, Trustee Deborah Swiertz, Trustee Barbara Hanson (via teleconference), Village Manager Jeffrey Sturgell, Director of Finance Jeremy Searl, Director of Community Development George Dearborn, Fire Chief Todd Sweeney, Police Chief Scott Blashka, Director of Parks & Recreation Amanda Geiser, Director of Public Works Joe Hoechst, and Director of Information Technology Tim Plagenz. There were two attendees.

2. Introduction of Village Board Members and Village Staff

President Youngquist introduced the Village Board and Staff attending the meeting. He thanked the Department Heads, specifically the Finance Director and Village Manager for their long hours to put together this year's budget.

3. Review of the Proposed 2025 Budget of the Village of Fox Crossing

President Youngquist went through the budget process and how we got to the budget we are proposing this evening. Director Searl went through the highlights of the proposed budget. He showed the current breakout for taxes that the Village receives between the Neenah and Menasha School District residences which come out to 27.45% and 20.79% respectively. The net new construction (NNC) was 0.922% and the proposed levy has an overall increase of 2.01% over the previous year.

Additional highlights of the budget include adding one full-time Fire Lieutenant, IT integration to cloud-based services, Municipal Complex upgrades/updates including fire alarm system upgrade, exterior door and card/FOB security replacement, and replacement of carpet in the majority of building, garbage/recycling cart exchange program, and play equipment at O'Hauser and Westfield Parks. There have been more funds put aside for Emerald Ash Borer treatment as more work is being done in this area. This year's budget includes a 9% increase in medical insurance, a 3.3% increase in wage scale, and a proposed wage increase for the Municipal Judge, which is the first increase for this position since 2004. Lastly, the Village is using a little over \$650,000 in general fund savings for one-time projects and capital items, rather than borrowing. With this use of the general fund balance, the Village is still proposed to finish 2024 at closer to 25% of the subsequent year's budgeted expenditures which follows the Village ordinance of 20% - 30%.

Director Searl advised the assessed value in the Village increased 13.84% overall from the prior year, with 9.89% average being residential properties. Most residents did receive an increase in assessments and therefore will likely see an increase in taxes, even with the reduction in the Village's mill rate. There is a 7.96% reduction in the Village mill rate this year, however on an equalized basis is closer to 4.18%. This equates to a decrease of approximately \$50.04/year for a \$150,000 home with no change to assessed value, and showed the differences for homes that did increase in value from last year to this year.

Director Searl presented charts showing the breakdown of how tax dollars are spent by department with the highest amounts being spent in the Police Department, Fire Department, Streets Department, and Parks and Recreation Department for labor costs, as well as a considerable percentage being spent in Debt Service. He noted the Village's equalized tax rate is the lowest

when compared to surrounding communities using 2023 information as 2024 information is not yet available.

Director Searl presented a chart showing the Village's current debt compared to our debt capacity as set by the State. The chart shows that our unused debt limit has been growing which means the Village's value as a community has grown. The State allows borrowing up to 5% of the Village's equalized value and we have gone from approximately 21.6% of the maximum general obligation debt allowed to now less than 20%.

In the Stormwater Utility budget, there is a proposed increase of \$10.00 per ERU to \$160.00/ERU (increase of 6.7%), due to debt payments increasing \$133,702 as a result of new borrowing for \$1,841,000. The major project in this utility is the development of a pond on County Road II and County Road CB and putting in proper utilities for the Margeo neighborhood. This budget includes the use of \$753,000 of settlement funds, and depreciation is being partially funded at \$435,000. When comparing to other local municipalities, we do have one of the higher Stormwater rates, lower than only the City of Appleton. However, we do have the highest ERU per square foot and the 5th lowest in cost per square foot.

The Sewer budget has no proposed rate change this year due to increased sales. In this utility, operating costs show a 1.69% overall increase, new borrowing of \$2,064,000 for capital projects, a carryover of the Valley Road project which has just begun, and depreciation is partially funded at \$150,000. Currently there is approximately \$3 Million Dollars remaining in settlement funds for this utility, however after the Valley Road project, assuming everything comes in as budgeted, the sewer fund will have \$1.1 Million Dollars remaining in settlement funds. He stated the Village's sewer rate as compared to other local municipalities is among the middle of the pack.

Director Searl went through the Water budget highlights and noted that the PSC determines the rate increase. Effective November 15th, a 1.9% rate increase was put into place due to purchased water adjustment from Menasha Utilities and an increase in actual consumption vs. expected consumption in 2024. The amount of water purchased from Menasha Utilities increased by \$170,000, and in 2025 there are planned inspections of three wells instead of two, plus inspection and rehabilitation of Well #3 for an increase of \$119,000. A full rate case was last done in 2023, designed to provide the Village with a 6.25% rate of return, however we are now required to go out for a full rate case again to be submitted in the next couple months which is a requirement from the DNR to adjust from last rate increase. This budget includes no funding for depreciation in this utility and new borrowing of \$1,525,000. Director Searl compared our current water rates to other local municipalities in which we are in the middle.

The Board complimented the Village Manager and all Department Heads on putting together a very fiscally responsible budget and for the amount of work put into its preparation.

4. **Public Comment**

There were no public comments.

5. **Close the Public Hearing**

MOTION: Trustee Van Dyke, seconded by Trustee Koepp to close the Public Hearing. Motion carried.

At 5:36 p.m., President Youngquist adjourned the Public Hearing of the Proposed 2025 Budget.

Respectfully submitted,

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.*