



City of La Crosse, Wisconsin

City Hall
400 La Crosse Street
La Crosse, WI 54601

Meeting Agenda - Final

Budget Parameter Committee

Tuesday, June 28, 2022

2:00 PM

Council Chambers, City Hall

The Budget Parameter Committee meeting is open for in-person attendance and will also be conducted through video conferencing. The meeting can be viewed by typing the URL in your web browser address bar:
<https://stream.lifesizecloud.com/extension/1271327/e7506959-fe5d-44ac-805c-9016fb33bd90>.

Call to Order

Roll Call

Election of Officers

Approval of Minutes

Minutes of the June 29, 2021 meeting

Agenda Items:

[22-0859](#)

2022 Operating Budget Discussions.

- I. *2023 Budget Estimates*
 - a. *Salary increases*
 - b. *WRS rates*
 - c. *Increase in Operating Expenses*
 - i. *New position requests/position reclassifications*
 - ii. *Net new construction estimate*
- II. *Future Considerations*
 - a. *Stagnant operating revenues and the use of one-time revenues to support increased operating expenditures.*
- III. *Other items for discussion*
 - a. *Board of Estimate meeting dates (room and time TBD)*
 - i. *September 6 & 7, 2022 (Sept 7 only if necessary)*
 - ii. *October 10 & 11, 2022 (Oct. 11 only if necessary)*

Adjournment

Notice is further given that members of other governmental bodies may be present at the above scheduled meeting to gather information about a subject over which they have decision-making responsibility.

NOTICE TO PERSONS WITH A DISABILITY.

Requests from persons with a disability who need assistance to participate in this meeting should call the City Clerk's office at (608) 789-7510 or send an email to ADAcityclerk@cityoflacrosse.org with as much advance notice as possible.

Committee Members: Mayor Mitch Reynolds, Council President Barb Janssen and Council Members Doug Happel, Larry Sleznikow, Mac Kiel, Mark Neumann, Rebecca Schwarz, Andrea Richmond, Chris Kahlow



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400 La Crosse Street
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Text File

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Status: Agenda Ready

In Control: Budget Parameter Committee

File Type: Budget

Agenda Number:



GRAND RIVER • GREAT CITY

La Crosse • Wisconsin

City of La Crosse
2023 Operating Budget
Budget Parameter Committee
June, 28th 2022
2:00 P.M.
Council Chambers (In Person/Virtual)

Members: Mayor Reynolds; Common Council President (Janssen); Finance & Personnel Committee Members (Janssen, Happel, Sleznikow, Kiel, Neumann, Schwarz); Board of Public Works President (Reynolds); Executive Committee (Richmond, Janssen, Kahlow, Happel, Reynolds)

- I. Approval of Previous Meeting Minutes (if necessary) & Election of Officers
 - a. Approval of Minutes
 - b. Election of Officers
- II. 2023 Budget Estimates
 - a. Salary Increases
 - b. WRS Rates
 - c. Increase in Operating Expenses
 - i. New Position Requests/Position Reclassifications
 - d. Net New Construction Estimate
- III. Future Considerations
 - a. Stagnant operating revenues and the use of one-time revenues to support increased operating expenditures
- IV. Other Items for Discussion
 - a. Board of Estimates Meeting Dates
 - i. September 6th & 7th, 2022 (Sept 7th if necessary)
 - ii. October 10th & 11th, 2022 (Oct 11th if necessary)
 - iii. Room and time TBD

City of La Crosse Finance Department, 400 La Crosse Street, La Crosse WI 54601-3396
Daniel DeGier, Deputy Director of Finance, Telephone (608) 789-8682 Fax (608) 789-7320

City of La Crosse
2023 Operating Budget Preliminary Estimate
6/28/2022

1	2022 Adopted Operating Expenses:	\$ 67,590,127	2022 Operating Budget-Pg 5
2	Estimated Expense Adjustments for 2023:		
3	Projected Salary & Benefit Increase for Non-represented Employees	250,000	Annual merit (step) increases & related benefits
4	Across the Board pay adjustments	1,008,540	Possible 3% cost of living adjustment if budget allows
5	Projected Salary & Benefit Increase for Union Employees	208,285	Fire 1%, Police 3% (1% increase Jan 1, 2% increase Sept 2)
6	Pay & Class Compensation Study	TBD	Provision for resulting grade changes
7	Waste & Recycling Contract CPI Adjustment	58,626	3% CPI increase and 2% increase yard waste/brush site staff
8	Wisconsin Retirement System Rate Adjustment	TBD	Adjustments to the Non-Rep/Elected Officials, PD, and FD WRS Rates
9	Fuel	162,506	Increase in Gas Prices Diesel up 24% and Gas up 28%-contract pricing
10	Electricity	-	5% increase in rates for 2023, based on 2022 budget and actuals no
11	Natural Gas	246,054	increase in budget forecasted
12	Water	-	5% increase for 2023
13	Sanitary Sewer	-	No increase for 2023
14	Storm Water	-	18.1% increase in rates for 2023, based on 2022 budget and actuals no
15	Property & Liability Insurance Premium Increases	TBD	increase in budget forecasted
16	IT - Additional Software Purchases and Contract Increases	200,000	No increase in rates for 2023
17	Police Department 2022 One Time Expenses	(120,000)	Adjustments to Property/Equip., Cyber Liability, Auto/Crime, & Workers
18	Non Departmental 2022 One Time Expenses	(195,000)	Comp Insurance rates
19	Elections	(50,000)	Office 365 implementation and software contract increases
			\$20,000 Radio Batteries and \$100,000 County RMS Fee
20	Subtotal Estimated 2023 Expense Adjustments Increase/(Decrease)	1,769,011	ERP Implementation
			Decreased for 2 less elections
21	Total 2023 Estimated General Fund Budget Expenses	69,359,138	2.62% Increase in Expenditures from 2022 budgeted (Row 1) to 2023 Estimated (Row 21)
22	* Expenditure Restraint Related Expenses		<i>Operating Expenses & Debt Service Expenses</i>
23	2022 Adopted <u>Non-levy</u> Operating Revenues:	30,670,684	2022 Operating Budget-Pg 4
24	Estimated Revenue Adjustments for 2023:		
25	Forfeiture of Expenditure Restraint Program	(1,150,000)	Forfeiture of state aid for not participating in program for 2022 Budget
26	ARPA/Fund Balance	TBD	
27			
28	Subtotal Estimated 2023 Revenue Adjustments Increase/(Decrease)	(1,150,000)	
29	Total 2023 Estimated General Fund Budget Revenues	29,520,684	
30	Estimated 2023 General Fund Net Levy	\$ 39,838,454	Levy for Operating Expenses & Debt Service Payments

31	2022 Adopted City General Fund Levy (Excluding TID)	\$ 36,919,443	
32	Net City Levy Excluding TID Increase/(Decrease) 2023 vs 2022	2,919,011	<i>Difference Row 30 vs. Row 31</i>
33	Estimated Allowable Net New Construction (NNC) Increase	412,153	<i>Placeholder using 2022 NNC amount</i>
34	Net City Levy Excluding TID Increase/(Decrease) 2023 vs 2022 including NNC	\$ 2,506,858	Increase would represent 8.49% of 2023 Estimated Operating Revenues

MEMBERS PRESENT: CP Janssen, Neumann, F&P Chair Happel, Schwarz, Keil, Sleznikow,
 Richmond
 Director Fenske
 Excused Mayor Reynolds,

MOTION	DISCUSSION	MOTION 2ND	ACTION
1 CALLED TO ORDER BY	CP Janssen @ 2:00		
2 ELECTION OF CHAIRPERSON -	Mayor Reynolds	Happel	Neumann UNANIMOUS
3 ELECTION OF VICE CHAIRPERSON	CP Janssen	Happel	Neumann UNANIMOUS
4	Motion to approve minutes.	Happel	Janssen UNANIMOUS
5			
6 2022 OPERATING BUDGET DISCUSSION			
7			
8 Presentation by Director Fenske			
9	Overview of Preliminary 2022 Estimates		
10	- Explain Wisconsin Retirement System rates (WRS)		
11	- Reclassification and additions of positions requested by 9 departments		
12	Remind everyone that these are very preliminary numbers at this point		
13			
14 Happel	One time revenues, can we find more one time revenues? Carryover from 2021 operating revenue		
15	- discuss one time revenue sources		
16 Happel	What is your level of comfort with rate increases and salary expenses		
17	- discuss steps we have already taken to review rates		
18 Schwarz	When did the assessed values change?		
19	- discuss when we should have preliminary numbers and affect that this helps to set our tax rate, what areas can we control and change vs. what we cannot related to assessed values		
20 Schwarz	Where will the ARPA funds come into play?		
21	- we need to calculate how much we can apply with guidance from the Federal government and the ARPA program.		
22 Happel	Estimated \$565,000 for new construction		
23	The most positive situation in terms of levy, a higher assessment would be good for the City and keep the rate the same.		
24 Janssen	When will we have more of those numbers?		
25	We typically have those amounts in the fall starting in September.		
26 Fenske	Overview of the Operating budget flow		
27 Neumann	Looking for clarification on how the levy comes up in relation		
28			
29			
30 Happel	motion to direct the Mayor to develop recommendations to bring to the BOE	Happel	Neumann UNANIMOUS
31	option one - no tax rate increase		
32	Mayor can bring back more than one option for budget recommendations		
33 Neumann	How can the no tax rate increase help us?		
34	Option to hold down the tax rate and we owe it to the public to at least look at that option		
35 Fenske	The levy limit on the estimated worksheet may not happen, we have not taken into the ERP limit or levy limit constraints		
36 Neumann	Levy limits are set by the State?		
37 Fenske	Yes, the State sets that calculation and we can add or remove to change our levy if we have the room to do so		
38 Dan	Starts with prior year levy, add net new construction, add remaining levy left over from last year, and debt expenditures		
39 Fenske	ERP worksheet overview, State gives us the percentage we can grow our budget by.		
40 Slez	Where does our contingency fund fit in?		
41 Fenske	A line item inside the GF budget, but it is set at \$300,000 currently		
42 Slez	Has contingency been used in past years and is that enough?		
43 Fenske	Yes we have used it all in the past, We can re-examine the uses of how we have used contingency in the past and consider increasing.		
44 Schwarz	How can Council be kept up to speed with the budget between now and November 7th's worksheet and public meeting.		

45 Fenske	Overview of Budget process and how tight our timelines are. we will not be 5.7 million in the now but not this much. Looking for Valerie to confirm and comment on how much work they have gone through. Council gets more engaged between the Septemeber and October		
46 Happel	meeting and even up to the November meeting. Yes it is what CM Happel stated, we provide variance levels for Council		
47 Fenske	that we present and are able to ask questions on to receive answers. Would like to see Department Heads, Mayor come up with a way to not		
48 Janssen	have property taxes go up.		
49 Happel	The Mayor can bring more than one option		UNANIMOUS
50			
51	Motion to adopt the BOE meeting dates	Schwarz Sleznikow	UNANIMOUS
52			
53	MEETING ADJORNED AT Slex, Schwartz	Sleznikow Schwarz	UNANIMOUS

MEMBERS PRESENT:
MAYOR KABAT, CM OSTREM, CM JANSSEN, CM HAPPEL, CM CHRISTIANS

MOTION	DISCUSSION	MOTION 2ND	ACTION
1	1 CALLED TO ORDER BY MAYOR KABAT AT 2:01PM	Happel Janssen	UNANIMOUS
2	2 ELECTION OF CHAIRPERSON - KABAT	Happel Janssen	UNANIMOUS
3	3 ELECTION OF VICE CHAIRPERSON - CM OSTREM		
4	4 RESERVE FUND POSSIBLE USE		
5	5 2020 OPERATING BUDGET DISCUSSION		
6			
7	Motion to approve minutes	JANSSEN OSTREM	UNANIMOUS
8	Motion to elect officers	HAPPEL ?	UNANIMOUS
9			
10	Mayor Kabat explains process		
11	Presentation by Finance Director Valerie Fenske		
12	REASSESSMENT PRESENTATION <i>STAYING WITHIN LEVY LIMITS BUT IMPROVING SERVICE LEVELS</i> IMPACTS THE MILL RATE AND HOW IT WOULD IMPACT THE CITY BUDGET - WE WILL BUDGET BASED ON OUR NEEDS NOT THE ASSESSED VALUE AT THE CURRENT MILL RATE <i>REMINDER OF LEVY LIMITS AS IMPOSED BY THE STATE. ONLY INCREASE BY NNC & POTENTIAL LOSS OF EXPENDITURE RES. PROGRAM PAYMENT IF INCREASE LEVY TOO MUCH</i>		
13	HAPPEL - MILL RATE WOULD GO DOWN DUE TO REASSESSMENT? IS THAT CORRECT - FENKSE, YES FOR THE PURPOSES OF THIS EXAMPLE BUDGET ESTIMATE EXPENSES/REVENUE OVERVIEW OF EXPENSE NEEDS BY FENKSE OVERVIEW OF REVENUE BY FENKSE POTENTIAL 2.5 MIL INCREASE TO LEVY DEPENDING ON ERP ALLOWABLE INCREASE. QUESTIONS TO BPC AND AUDIENCE - NONE		
14			
15	heads to develop and bring back a 2020 budget recommendations to the BOE. The Mayor may present more than one option but at least one option(s) must include no increase in the levy rate. The budget can levy up to the 'statutory levy limit and utilize net new construction. And after allowing change in assessments has occurred no or minimal change to tax levy mayor less mill rate - same levy	Happel Janssen	UNANIMOUS
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22	Dates for BOE		
23	Sept 9th after CPC mtg 6pm & 10 if necessary 6pm		
24	Sept 16 after CPC mtg 6pm & 24th if necessary 4pm		
25	Mon-Tues		
26	Mon-Tues (Split Weeks)		
27	Finance Early August. Open Budget for 2020 in July, Mayor to meet with departments as they build the budget in July to get goals and where the City is headed. A bit more Give and Take. After September cycle of meetings, BOE makes recommendations and after more information comes in. Publish in October to be approved by Council in Room & Time TBA These are all subject to if they are necessary The agenda contains the tentative department schedules Nov 14 - Adopt budget through the Common Council Salary tables will go out to Departments mid July Budgets are due mid August to Finance		
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37	MEETING ADJORNED AT	Ostrem Christians	UNANIMOUS
38		228pm	
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MEMBERS PRESENT: MAYOR KABAT, CM HAPPEL, CM JEROME, CM SVITAVSKY, CM SWANTZ, CM KADER,

MOTION	DISCUSSION	MOTION	2ND	ACTION
1 CALLED TO ORDER BY MAYOR KABAT AT 6:17 P.M.				
2 ELECTION OF CHAIRPERSON - MAYOR KABAT		KADER	HAPPEL	UNANIMOUS
3 ELECTION OF VICE CHAIRPERSON - CM KADER		HAPPEL	MAYOR	UNANIMOUS
4	2014 OPERATING BUDGET DISCUSSION			
5	MAYOR WANTS TO SET GOALS WE WANT TO ACHIEVE			
6	CM KADER - PHILOSOPHY DISCUSSION			
7	PRESENTATION BY FIN DIR W DELAGRAVE:			
8	OPERATING BUDGET ORDINANCE REVIEW			
9	PROPOSED BOARD OF ESTIMATES MEETING SCHEDULE FOR REVIEW			
10	FUND BALANCE - PROPOSED "COMMITTED" (RESERVED FOR PROJECTS):			
11	APPLIED TO 2013 OPERATING BUDGET \$90,000 - IN CY BDGT APPROVED BY COUNCIL IN NOV			
12	2012 CIP TID 14 HOUSING \$250,000			
13	2012 CIP CITY-WIDE HOUSING \$350,000			
14	2013 CIP REINVEST LA CROSSE PROGRAM \$250,000			
15	2014 CIP RADIOS \$2,000,000			
16	2014 TID #4 EXTENSION FOR 1 YEAR FOR AFFORDABLE HOUSING \$1,100,000			
17	CM KADER - DOESN'T FEEL WE SHOULD TAKE MOTIONS TODAY, INFORMATIONAL MEETING			
18	TO UNDERSTAND THE PROCESS			
19	CM HAPPEL - CONCURS W/CM KADER			
20	CM SWANTZ - THE MAYOR & COUNCIL ARE IN THE PROCESS OF IDENTIFYING PRIORITIES			
21	WOULD FEEL MORE COMFORTABLE IF THAT WAS DONE FIRST			
22	CM HAPPEL REQUESTED W DELAGRAVE PREPARE AN AMENDMENT TO THE BUDGET ORDINANCE TO			
23	ADD A MEMBER OF THE EXECUTIVE COMMITTEE TO THE BOARD OF ESTIMATES			
24	DISCUSSION OF NEXT MEETING - TO BE DETERMINED			
25 MEETING ADJOURNED 7:01 P.M.		KADER	HAPPEL	UNANIMOUS
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MEMBERS PRESENT:

MOTION	DISCUSSION	MOTION 2ND	ACTION
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MEMBERS PRESENT:

MOTION	DISCUSSION	MOTION 2ND	ACTION
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MEMBERS PRESENT:

MOTION	DISCUSSION	MOTION 2ND	ACTION
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CITY OF LA CROSSE

2023 OPERATING BUDGET

BOARD OF ESTIMATES & COUNCIL MEETING SCHEDULE

Common Council Chambers

Board of Estimates Work Sessions:

Department Budget Overview and Discussion of Budget Changes:

1:00pm - Tuesday, September 6, 2022

1:00pm - Wednesday, September 7, 2022 (if necessary)

Board of Estimates:

Discussion/Review/Finalization of Recommended Operating Budget:

1:00 p.m. Monday, October 10, 2022 – work session/adopt Board of Estimates recommended budget

1:00 p.m. Tuesday, October 11, 2022 (if necessary) – work session/adopt Board of Estimates recommended budget

Sunday, October 23, 2022 – publish proposed budget (Tribune requires copy by noon on October 16, 2022)

Common Council Operating Budget Discussion and Adoption:

City Hall - Council Chambers

6:00 P.M. Monday, November 14, 2022 – Public Hearing – Special Common Council Meeting to adopt budget

6:00 P.M. Tuesday, November 15, 2022 (if necessary) – Public Hearing – Special Common Council Meeting to adopt budget

The Board of Estimates may convene in closed session pursuant to Sec. 19.85 (1) (c) and (e), Wis. Stats., if compensation and bargaining sessions require a closed session. Following any closed session, the Board may reconvene in open session. The Board reserves the right to make minor adjustments to the above schedule.