

# 2025 Proposed Operating Budget Public Hearing

City of Eau Claire

City Council

11/11/2024





# Topics for Public Hearing

- **Operating Budget**
- **Overview of Amendments Received**
- **Pay Plan, Benefits & Leaves and Policy Changes**
- **Fee and License Schedule**
- **Fiscal Initiatives**



# 2025 Budget Budget Proposal

- **Wage increase of 1.25% on 1/1/2025 and 1.25% on 7/1/2025**
- **Annual step increases as provided in Pay Plan**
- **Positions reclassified to higher pay grades**
- **Health Insurance Increase of 3%**
- **CPI 3.4%**



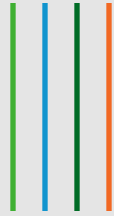
# 2025 Budget Overview

- **Enhanced Programs/Services**
- **Neighborhood Services Staff**
- **Building & Grounds Staff**
- **Software for efficiencies**
- **Communications Center Investment**



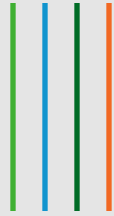
# 2025 Budget Overview

- Increase in Tax Levy limited to Net New Construction – 2.599% or \$1,054,937
- City - \$957,337
- Library – \$97,600
- Health - \$0



# 2025 Budget Budget Overview

- **General Fund** \$96,503,282; up 6.2%
- **Economic Development** \$304,259; down 18.5%
- **Community Enhancement** \$3,060,800; up 18.7%
- **Cemetery** \$448,865; up 2.6%
- **Hazardous Materials** \$118,261; down 0.03%
- **Library** \$6,404,610; up 0.8%
- **Health Department** \$7,776,800; up 1.6%

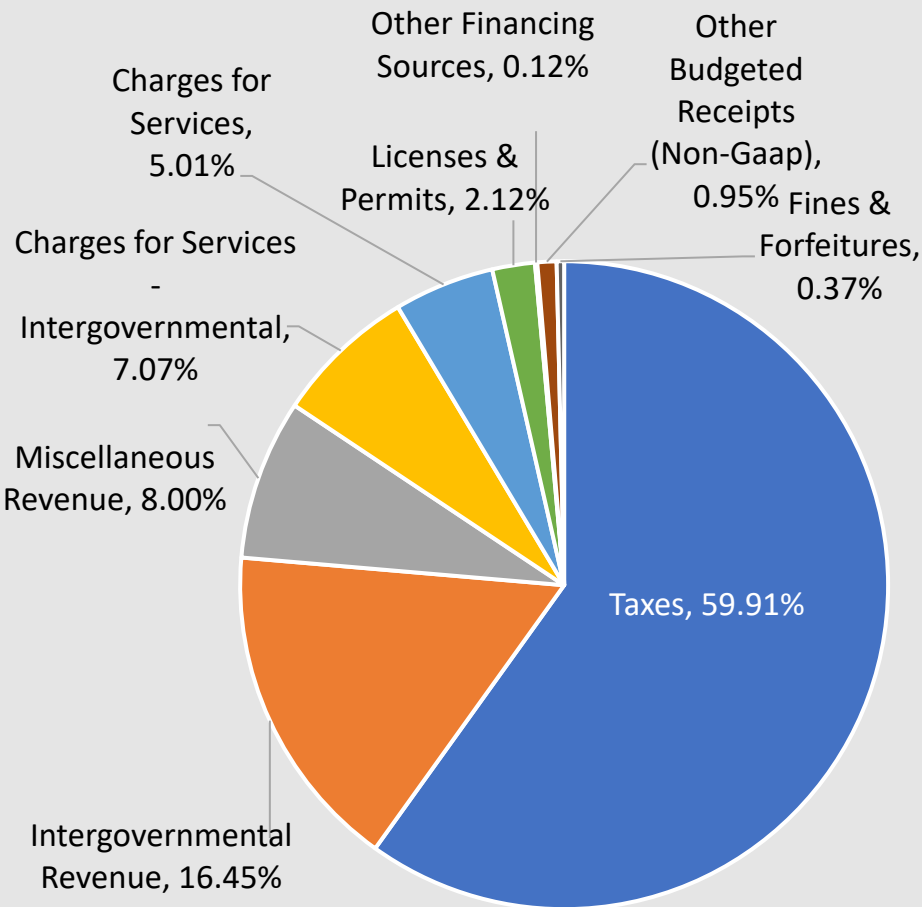


# 2025 Budget Budget Overview

- Police K-9 \$44,413; up 12.9%
- Water Utility \$9,266,834; up 4.7%
- Sewer Utility \$7,901,487; up 3%
- Storm Water Utility \$3,550,777; up 13.3%
- Parking \$854,861; up 21.6%
- Transit \$7,387,437; up 8.7%
- Hobbs Ice Center \$856,166; up 2.4%
- Fairfax Pool \$598,389; up 2.7%



# 2025 Budget Key GF Characteristics

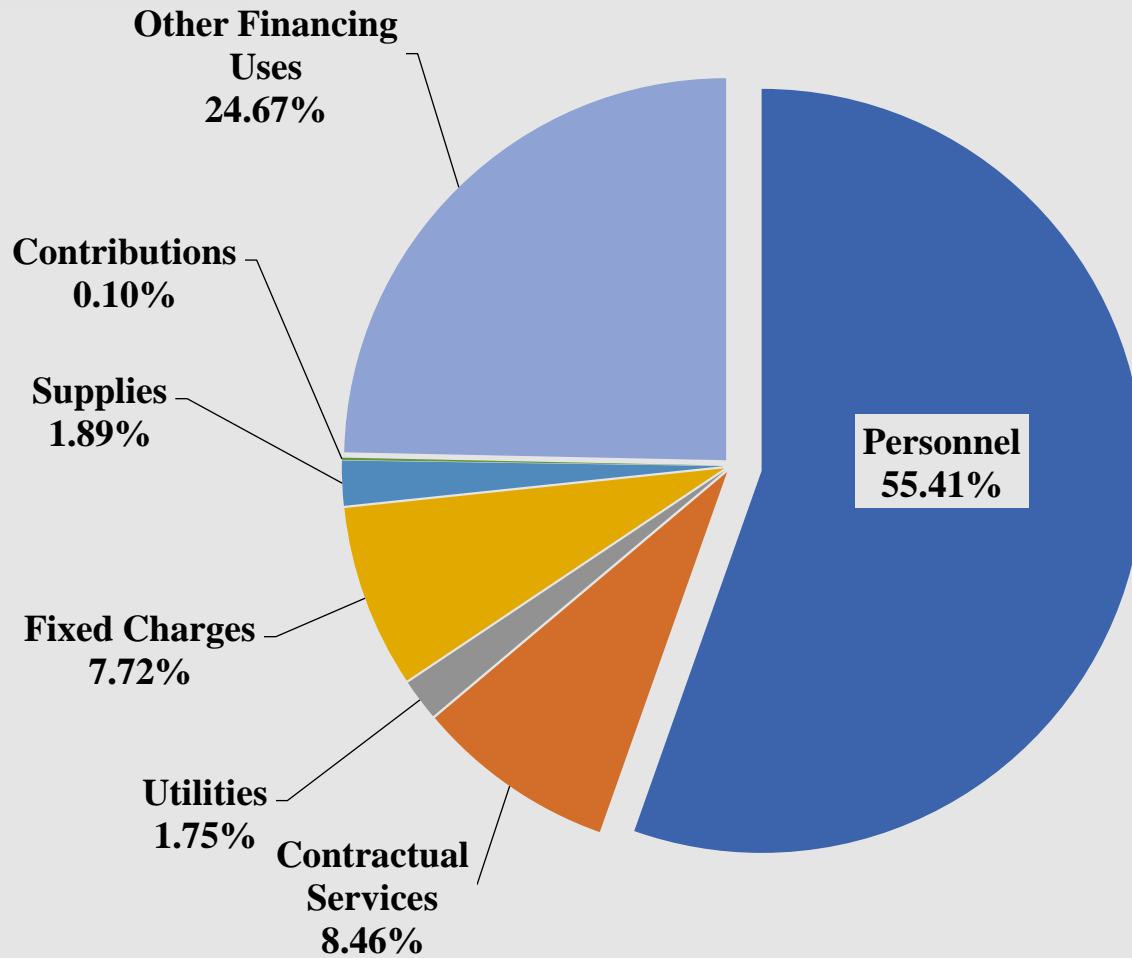


General Fund Expenditures	\$90,000,000
Non-GAAP amount	\$6,000,000
<b>Subtotal</b>	<b><u>\$96,000,000</u></b>
Tax Levy	(\$54,000,000)
Other Taxes	(\$3,500,000)
Shared Revenue	(\$7,500,000)
Expenditure Restraint	(\$1,100,000)
Other Intergovernmental	(\$7,200,000)
Licenses and Permits	(\$2,000,000)
Fines & Forfeitures	(\$300,000)
Charges for Services	(\$4,400,000)
All Other	(16,000,000)
<b>Subtotal</b>	<b><u>(96,000,000)</u></b>





# 2025 Budget Key GF Characteristics





# 2025 Budget Tax Impact

Gross Tax Rate	+	N/A	N/A
Taxes on “Average” Home	+	N/A	N/A

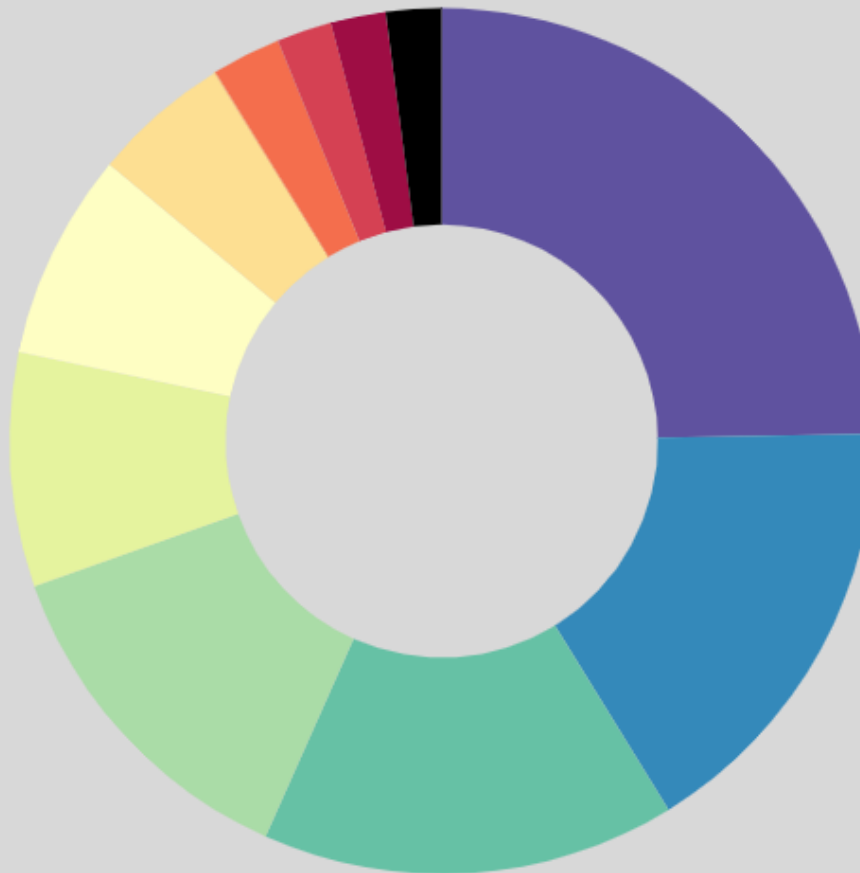
Proposed Tax Levy: 54.1M (3.1% Increase or 1.6M –with Personal Property Adjustment)  
3.8M is the Library portion  
2.08M is the Health portion

Increase in Tax Levy is limited to Net New Construction, which is 2.599% or 1,054,937

# City of Eau Claire

## Resident Tax Dollars 2025 Cost Per Day

\$2.03 a day



Police Department

48 Cents

Fire Department

32 Cents

Capital Maintenance / Upgrades

30 Cents

Community Services / Streets/ Engineering

25 Cents

Non-Departmental

17 Cents

Admin/ Finance/ Legal/ HR

15 Cents

Library

10 Cents

Park & Rec / Hobbs / Fairfax

9 Cents

Information Systems

5 Cents

Health Department

4 Cents

Community Development

4 Cents

Parking & Transit

4 Cents

Based off the 2025 Proposed Tax Levy \$54,127,099  
Census Data based on DOA 2024 Estimate of 73,011



# 2025 Budget Amendments Received

- Amendment to allocate \$30,000 to DECI from the General Fund, this is additional to the amount of \$50,000 within the Economic Development Fund.
- Revenue: Reduction of the Payroll allocation for City Council Members (\$30,000)
- Expense: Increase in the Contribution and Payments in Non-Departmental for DECI Contribution \$30,000.

**\*One-time funding from general fund**



# 2025 Budget Amendments Received

- **Amendment to allocate \$3,000 to Neighborhood Services for Software for use by the Health Department**
- **Revenue: Reduction of the Payroll allocation for City Council Members (\$3,000)**
- **Expense: Increase in the Software Expense in Neighborhood Services for Health Department Software for Evolve in the amount of \$3,000.**
- **\*One-time funding from general fund**



# Pay Plan, Benefits & Leaves, and Policy Changes

## Pay Plan

- Cost of Living Increase for non-represented employees of 1.25% ATB in January & 1.25% ATB in July
- Adds, deletes, reclassifies positions as proposed in budget process
- Merit increase for City Manager per the 2024 annual review process
- Modifies recreation pay plan to add umpires/referees who were previously independent contractors and updates DPI pay per current practice
- Updates the max pay plan step employees can expect to reach from step 6 to step 7 as proposed in budget
- Updates handbook pay distribution language to allow for flexibility as we transfer to a new payroll system



# Pay Plan, Benefits & Leaves, and Policy Changes - Continued

## Benefits & Leaves

- Deferred comp in lieu of health insurance contribution changed to a cash payment to meet federal tax law. Employee may still elect to contribute the cash to a deferred compensation plan
- Adds the Part-Time Recreation Supervisor to the “Part-Time Non-FTE Employees” fringe benefits sheet to align with other part-time employees receiving the benefit

## Policies

- Changes the date reclassification requests are due from June 15 to April 30, which allows time for outside professional evaluation of the request prior to budget deadlines



# 2025 Budget

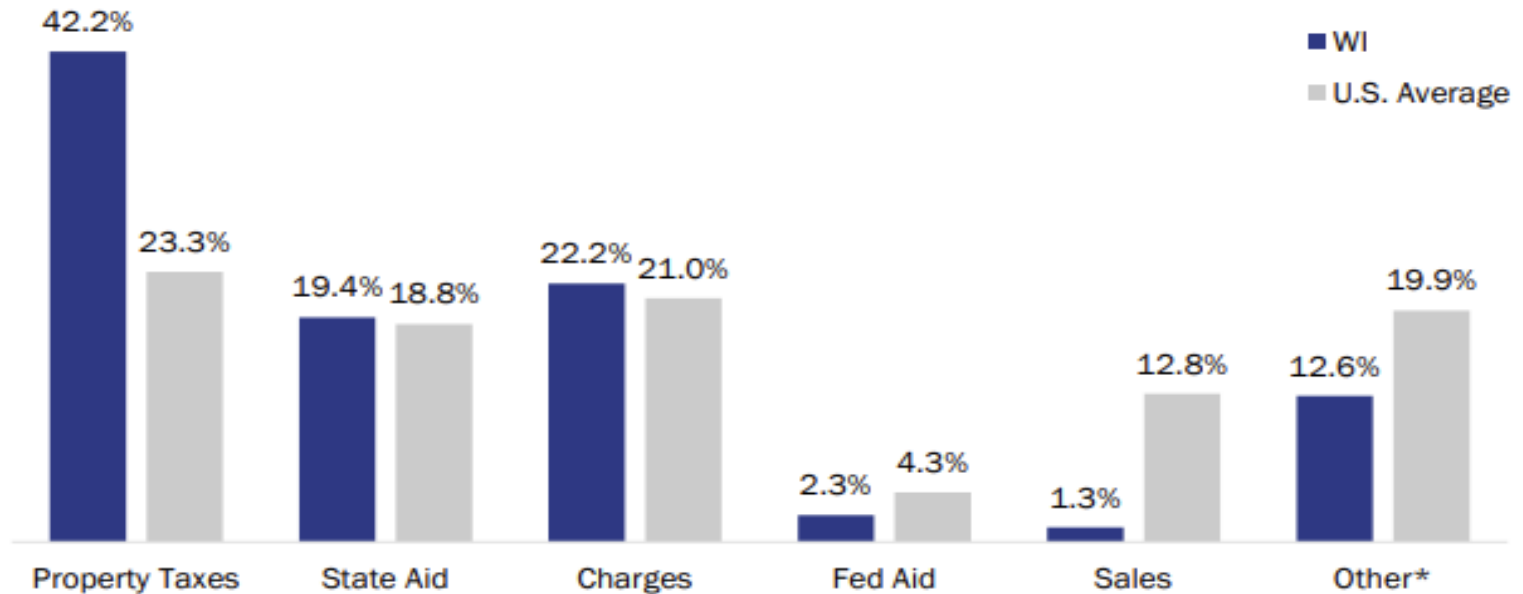
Questions?





# 2025 Budget - Fee Schedule

**Figure 1: Wisconsin Cities, Villages Depend on Property Tax**  
*Municipal Revenue Source as % of Total, 2015*



\*Includes local aid, license and income taxes, and miscellaneous revenue.  
Sources: Willamette University, U.S. Census Bureau



# 2025 Budget - Fee Schedule

## Notable changes:

- Cemetery Fees – Aligning with maintenance costs and comparable rates. 7.5% average increase.
- Care of Grave Fee – Resident v. Non-Resident \*New Fee
  - Care of Veterans Graves – County Charge – State Statute
- Business Licenses – Increase for current CPI, returning to annual CPI increases. 3% average increase.
- Electric Vehicle Charging fee – Reduced to zero – State Law Change
- Refuse Fees – Due to increased resident concerns focus is needed to offset increased staff time. 21% average increase
- Alarms & Fireworks – Increase for current CPI, returning to annual CPI increases, and increased personnel costs. 3.4% average increase.



# 2025 Budget - Fee Schedule

## Notable increases Continued:

- **Parking – focus on ramp passes, small increases to help offset maintenance and operating costs.**
- **Street Openings – Increased for CPI and Admin Costs**
- **Inspections – Right sized for increased personnel and to capture costs of repeated site visits. 10%**
- **Zoning – CPI based, along with alignment to personnel costs.**
- **Ambulance/ Fire– Recommendation from Life Quest and CPI most haven't changed since 2018 & 2021/2022.**



# 2025 Budget - Fee Schedule

## Notable changes continued:

- **Miscellaneous Department Fees** – For the ones increased, in line with CPI
- **Transit** – Remaining the same from 2024
- **Sewer** – Decline in price per CCF. 6% decrease.
- **Storm** – Cost of Operating / Maintenance increase.
  - \$4/Quarter on Average Single Home; Forestry included
- **Hobbs** – increased maintenance and staffing needs – focus on sheet time. 6% average increase.
- **Pool** – increased maintenance and personnel – focus on getting Fairfax self funded. 6% average increase.
  - No increase on daily admission



# 2025 Budget - Fee Schedule

## New Fee added to Proposed 2025 Fees & License Schedule:

- Bridge Lighting Request Fee: \$150 per request from organization.
- This fee is to help recuperate the costs of setting up custom lighting requests from outside organizations for bridge lighting downtown. The City is taking over responsibility from DECI and other parties.



# 2025 Budget Refuse Fees

Types of Licenses	2024 Fee	2025 Fee	Increase
Refuse Business	\$300	\$1,200	\$900
Recycling Business	\$104	\$156	\$52
Construction Demo/ Debris Business	\$300	\$450	\$150
Refuse Truck	\$189	\$756	\$567
Recyclable Truck	\$95	\$143	\$48
Refuse/ Recycling Combo Truck	\$284	\$899	\$615



# 2025 Budget – Fiscal Initiatives

- **Fiscal Initiatives for long-term sustainability**
  - **Referendum – Real Estate Taxes**
  - **Local Vehicle Registration Fee – Residents/Drivers**
  - **Fee Increases – Users of Service**
  
- **Parking/Trash Study**
- **Shared Services Study**
  - **Innovation Funding**



# 2025 Budget – Fiscal Initiatives

## Room tax options – Tourists

- Investment in capital items
- Best use of tourist-generated funds
- Explore all options
- Meet resident goals on priorities
- Continue to maintain existing infrastructure

## Other Future Options:

- Local Sales Tax – Tourists
- Premier Resort Area Tax - Tourists





# 2025 Budget - Fee Schedule

Questions?