

Budget Information Q&A From Work Session

Here are some responses to questions raised in last night's Public Discussion of the budget.

Inspections

Question: How do our inspection fees compare to benchmark communities?

City Information: Here are a few notes on Inspections...

- The safety of our residents remains our highest priority. We conduct thorough inspections to ensure safety and prevent serious injuries when individuals enter their new homes, businesses, or other buildings. While comparisons may be drawn to smaller municipalities for their permitting and inspection processes, it is important to note that they often operate with limited staffing, sometimes relying on a single employee who oversees various levels of inspections. Some of the smaller communities cannot do all the different types of inspections, or their staff doesn't have the credentials, which then requires them to hire a subcontractor or wait on DSPS inspectors. Eau Claire may be more appropriately compared to larger communities, in our opinion. The table below shows the comparison of the City of Eau Claire to a number of other larger communities.
- Traditionally, inspection fees have not increased at a rate sufficient to match CPI increases and staffing demands. To address this, we are proposing a consistent, CPI-based increase. We are actively reassessing our fee structure to ensure it adequately covers inspection costs. DSPS recommends we add two additional inspectors, and we do not want increases to lag CPI and staffing needs, as the gaps will only grow.
- For the 2025 budget, we anticipate a decrease in revenues, despite the increase in fees. This aligns with our budgetary expenses, and any reduction in fee structures would directly impact the departmental budget.

Fee Comparisons

Permit Type	Eau Claire proposed 2025 fee	La Crosse fee	Appleton Fees	Racine Fees	Waukesha Fees	West Allis Fees
Building Permit: 1-2 family- -new & Additions	\$0.26/sq ft	\$0.42/sq ft	\$0.44/sq ft	\$0.45/sq ft	\$0.41/sq ft	\$0.40/sq ft
Building permit: residential, 3+ units	\$0.26/sq ft	\$0.42/sq ft	\$0.46/sq ft	\$0.45/sq ft	\$0.43/sq ft	\$0.50/sq ft
Building permit, new construction-commercial, industrial, institutional	\$0.26/sq ft	\$0.74sq ft	\$0.36/sq ft	\$0.45/sq ft commercial; \$0.35/sq ft industrial	\$0.39/sq ft commercial; \$0.33/sq ft industrial	\$0.50/sq ft commercial; \$.40/sq ft industrial

Unfilled Funding Requests:

Question: What are some of your unfilled budget requests that this budget does not address?

City Information: As Director Winters said, there's a long request from each department of needs that have been unfunded for decades. Just a few of the ones that are top on our list as areas of concern and ones we want to address if/when we have an opportunity:

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- *COLA and Steps 7 to 8:* As of this year, 289 employees (with 222 funded by the general fund) are stalled at step six. Many people have been at this step for a long time. According to our wage classification consultant, Step 6 should be the *midpoint* of the wage scale, rather than the max. We need to allow staff to continue through the pay steps over their career to keep pace with the market, especially because municipalities are no longer able to offer as many other benefits that have historically helped retain people until retirement.
- *Health Department:* The Health Department's budget is negotiated between the City and County. Their needs should be addressed with increases, just as other departments are. The structure of the Health Department will be one of the topics studied in the fiscal stability consulting project early in 2025 so that we can try to ensure they are on stable footing.
- *Parks:* As mentioned in other locations, the acres of open space maintained per staff member has *doubled* over the past 28 years. New parks are coming online each year, including destination parks that can be challenging to maintain, such as the new Cannery Park. In addition, our Forestry Division does not have enough staff for its growing workload.
- *Sustainability Coordinator:* The Council and staff have sought to create a Sustainability Coordinator position that can champion goals set out related to our carbon footprint, habitat preservation, waste reduction, water conservation and use, and more. We will explore using our Water/Sewer and potential future trash utility to attempt to fund some of this work.
- *Grant Writer and Manager:* We currently do not have anyone who can identify grant opportunities and then manage grants that have been secured.
- *Safety and ADA Coordinator:* We have fewer staff working in risk management than in prior years, even though it's an area that is key as it reduces the City's exposure to liability. In addition, we need to make sure we meet ADA compliance.
- *EMS:* The Fire Department operates a sophisticated "emergency room on wheels", delivering outstanding service to 14 municipalities and approximately 482 square miles. We would like to staff this division with an analyst who can help with the complexities that come with operating a complex healthcare operation. We also seek to add a 40-hour ambulance staffed with community paramedics that can do more preventive and proactive work with frequent users of EMS services.
- *Additional Needs:* As Director Winters mentioned, all departments need more help. This is true both for the core administrative divisions, and for the direct service divisions. For example, our needs include:
 - Streets Division (needs an additional three staff)
 - Inspections Division (needs an additional three inspectors, based on recommendations from the State)
 - City Clerk (Oshkosh has four full-time staff vs. two in Eau Claire)
 - City Attorney (County has eight attorneys and Racine has 5.5 attorneys plus support staff, vs the three in Eau Claire)
 - Deputy Finance Director (We currently do not have someone to take over, in the case that our Director cannot serve, which is a source of significant worry)
 - Deputy Community Services Director (Community Services is extremely complex)

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- Director of Constituent Services (We seek to have someone coordinate customer service citywide)
- *ARPA Cliff:* At the end of 2026, we will no longer have funding for some initiatives that have been covered by ARPA. Those include...
 - Admin support to City Manager's Office and .5 of the EDI Team Lead position
 - Street Ambassadors
 - Day Resource Center
 - Permanent Parking Enforcement
- *Capital Needs:* We have unfunded capital needs, including smaller items, like replacement ice skates for rental and lounge chairs for Fairfax, and very expensive items.

Note that these are just the top priorities on our radar. We often talk to Departments and learn about emerging needs or needs that have long been unmet that people have stopped asking about.

Refuse Fees

Question: How do the refuse fees increase impact smaller haulers?

City Information: The fees take the form of per business license and also per truck. The per truck license fee scales based on the number of trucks, so companies with fewer trucks pay less. There are 96 trucks (trash and recycling) currently licensed, with the smaller haulers having fewer licensed.

CVIC

Question: Can the \$14K reduction in funding that was for CVIC be used for something else?

City Information: The budget already includes a re-purposing of this funding.

City Manager Budget

Question: If we move the \$30K out of the City Council budget to fund DECI, how might it impact the Council budget?

City Information: If it is one-time change, it may not impact the City Council's budget, depending on what happens in 2025. The budget would be impacted based on unknowns...

- If one or more current Council Members steps down, a replacement Council Member would be paid at the new annual salary, which would need to tap into that funding.
- If the City Manager leaves, it may require funding to carry out a search (depending on how the hiring process is carried out.)

Note that we do still have a line for professional services in the City Council budget, which has been retained since the last two searches for City Manager, and which we haven't fully spent in recent years. The recent strategic planning work will be paid out of that line.