

***Village of Fall Creek***  
*Minutes of Regular Village Board Meeting*  
*November 14, 2022*

1. **Call to Order:** 6:00 p.m., Village Hall Meeting Room, 122 E. Lincoln Ave., Fall Creek
2. **Roll Call:** Members Present: Village President Tim Raap, Trustees Ryan Aylesworth, Chester Goodman, Karen Hurd, Sheena Kaatz, Matt Mattoon. Members Absent: Trustee Karen Herbison. Staff Present: Village Administrator/Public Works Director Jared McKee, Clerk/Treasurer Renee Roemhild. Also Present: 4 citizens.
3. **Pledge of Allegiance**
4. **Certify Open Meeting Law Requirements Have Been Met:** A notice of the meeting and the agenda was posted at the three public places and local newspapers were notified.
5. **Adopt Agenda:**
  - MOTION (Mattoon/Kaatz) to adopt the agenda as printed. PASSED, without negative vote.
6. **Recognition of Visitors/Citizen Input:** Trustee Sheena Kaatz reported the Board members received a couple emails questioning the parking ordinance. Administrator Jared McKee reported he and Police Chief Colin Mumford responded to their questions.
7. **Approval of Minutes:**
  - MOTION (Mattoon/Goodman) to approve the 10/10/22 Regular Board, 11/1/22 Public Hearing & Plan Commission, 11/1/22 Special Village Board meeting minutes. PASSED, without negative vote.
8. **Financial Report:**
  - MOTION (Goodman/Mattoon) to approve the 10/31/22 Budget Comparison Report. PASSED, roll call vote: Goodman-yes, Hurd-yes, Kaatz-yes, Mattoon-yes, Raap-yes, Aylesworth-yes.
9. **Approval of Bills:**
  - MOTION (Mattoon/Hurd) to accept the Invoice Listing and Payroll Pay Summary Reports of 10/11/22-11/14/22. PASSED, roll call vote: Hurd-yes, Kaatz-yes, Mattoon-yes, Raap-yes, Aylesworth-yes, Goodman-yes.
10. **Report of Village Administrator:** Administrator McKee gave his monthly report highlighting the departmental duties accomplished since the last regular board meeting. In addition, McKee reported that we have now closed on the property sale with C&M Builders for a section of the Raether land and they have already taken out two building permits. The Tax Increment Financing District Annual Joint Review Board meeting was held, and they agreed to a 3-year extension to the life of TID #1 so we can recoup enough funds to cover the expenses.
11. **Committee Reports:** None.
12. **Unfinished Business:** None.
13. **New Business**
  - A. **Pay Request for Keller Park Ballfield:**
    - MOTION (Goodman/Mattoon) to approve Construction Draw Request # 4 in the amount of \$25,073.06. PASSED, roll call vote: Kaatz-yes, Mattoon-yes, Raap-yes, Aylesworth-yes, Goodman-yes, Hurd-yes.
  - B. **Fountain at Fall Creek Pond:**
    - MOTION (Hurd/Kaatz) authorizing Administrator/Public Works Director McKee to order the fountain parts and pieces with the money Luther Strasburg has donated. PASSED, roll call vote: Mattoon-yes, Raap-yes, Aylesworth-yes, Goodman-yes, Hurd-yes, Kaatz-yes. The board discussed getting a plaque in recognition of Mr. Strasburg's generous donation and discussed having a ribbon-cutting ceremony in the spring when the fountain is installed.
  - C. **Consider Whether or Not to Put out RFP for Village Attorney Services; Von Ruden & Nix Law Firm Transition to Godfrey & Kahn Law Firm:** Administrator McKee reported

that Garrett's law firm is merging with another firm and their client base will be going away from municipal law.

- MOTION (Kaatz/Mattoon) to put out a Request for Proposals for Village Attorney Services. PASSED, without negative vote.

**D. Solar Panel Location for Eagle's Nest in Keller Park:** Trustee Karen Hurd reported the eagle's nest is up and would like authorization to install a camera, solar panel, and radio so that the activity in the nest can be monitored and videoed back to the library. There will be no cost to the Village as the equipment has been donated by a local business and Xcel Energy has agreed to donate and install the pole. Discussion took place on locations, and whether the equipment should be mounted on a tree or pole.

- MOTION (Mattoon/Goodman) granting authorization to move forward with installing the equipment on a pole in Keller Park, as discussed. PASSED, without negative vote.

**E. Authorization to Work on Grant Applications:** President Tim Raap stated this item was brought back for clarity, to reiterate what the process should be. He stated it is better to work in a group to have more eyes and input on the application, and to make sure the technical and financial information, as well as signature authority goes through the Village office.

**F. Bartender Operator License Applications:**

- MOTION (Hurd/Mattoon) to grant bartender operator licenses for the remainder of the 2022/2023 license year to Shannon Beilke and Estel Gunter. PASSED, without negative vote.

**G. Authorize Placement of Delinquent Utility, Special Charges and Special Assessments on Tax Roll:**

- MOTION (Mattoon/Kaatz) authorizing the Clerk/Treasurer to place the delinquent utility, special charges, and special assessments on the tax roll. PASSED, without negative vote.

**H. Consider Recycling Special Charge for 2022/Payable 2023 Tax Bill:**

- MOTION (Mattoon/Goodman) approving the placement of a recycling charge as determined by Eau Claire County on the tax roll. PASSED, without negative vote.

The board took a break at 6:49 p.m. and reconvened at 7:00 p.m.

**I. At 7:00 p.m. - Public Hearing Regarding 2023 Budgets:** At 7:00 p.m., President Tim Raap opened the public hearing. Administrator McKee presented the 2023 proposed budget, reviewing each fund, as well as detailing key items.

- Revenues from the State have gone down.
- General Government expenses decreased by 6%, Public Safety up 10%, Public Works down 3%, Conservation/Development up 7%, Capital Outlay down 30%.
- The library is no longer participating in the County Intermunicipal Agreement so the Village's levy will be reduced this year. However, because of a shortfall in their revenue, the Village will increase their contribution to the library by \$5,500.

With no public comments, Raap stated the public hearing was closed at 7:16 p.m.

**J. Consider Adoption of 2023 Budgets:**

- MOTION (Kaatz/Mattoon) to adopt the 2023 budgets as follows:

GENERAL FUND (GF)	Actual	Projected	Budget	Proposed	%
Revenues	2021	2022	2022	2023	Change
Taxes	501,350	508,574	512,411	522,500	
Intergovernmental Revenue	336,590	332,365	332,225	323,040	
Licenses & Permits	10,266	7,900	8,200	8,200	
Fines, Forfeitures & Penalties	4,049	4,000	4,000	4,000	
Public Charges for Services	3,562	2,924	1,550	3,400	

Other Revenue	12,245	18,335	8,280	11,780	
Transfer from Reserves	-	593,102	16,500	6,000	
<b>Total Revenues</b>	<b>868,062</b>	<b>1,467,200</b>	<b>883,166</b>	<b>878,920</b>	<b>-0.48%</b>
<b>Expenses</b>					
General Government	160,789	156,702	176,004	165,600	
Public Safety	288,837	342,947	346,018	381,640	
Public Works	162,402	173,126	196,784	191,090	
Culture, Recreation, Education	62,565	83,125	75,110	80,140	
Conservation & Development	274	500	1,300	300	
Capital Outlay	188,013	71,450	87,950	60,150	
Transfer to Debt Service	-	593,102	-	-	
<b>Total Expenditures</b>	<b>862,880</b>	<b>1,420,952</b>	<b>883,166</b>	<b>878,920</b>	<b>-0.48%</b>

<b>SPECIAL REVENUE FUNDS</b>	<b>Actual</b>	<b>Projected</b>	<b>Budget</b>	<b>Proposed</b>	<b>%</b>
<b>Revenues</b>	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>Change</b>
Taxes	23,530	22,414	22,414	9,000	
Transfer from GF to Library	52,700	65,038	65,038	70,538	
Intergovernmental Revenue	62,630	62,162	62,103	65,377	
Other Revenue	6,761	7,563	6,826	4,815	
<b>Total Revenues</b>	<b>145,621</b>	<b>157,177</b>	<b>156,381</b>	<b>149,730</b>	<b>-4.97%</b>
<b>Expenses</b>					
Operating Expenses	161,059	151,037	156,381	149,730	
<b>Total Expenditures</b>	<b>161,059</b>	<b>151,037</b>	<b>156,381</b>	<b>149,730</b>	<b>-4.89%</b>

<b>DEBT SERVICE FUND</b>	<b>Actual</b>	<b>Projected</b>	<b>Budget</b>	<b>Proposed</b>	<b>%</b>
<b>Revenues</b>	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>Change</b>
Taxes	82,011	82,011	82,011	79,341	
From GF for Accelerated Debt Pwdwn	-	593,102	15,000	-	
Special Assessments	12,642	12,642	12,642	12,233	
Transfer from TID Funds	112,392	112,392	112,393	112,393	
Transfer from Enterprise Funds	255,420	259,788	259,788	259,321	
<b>Total Revenues</b>	<b>462,465</b>	<b>1,059,935</b>	<b>481,834</b>	<b>463,288</b>	<b>-3.85%</b>
<b>Expenses</b>					
GF Debt	105,910	687,754	109,654	91,574	
TID Fund Debt	112,392	112,393	112,393	112,393	
Enterprise Fund Debt	255,420	259,788	259,788	259,321	
<b>Total Expenditures</b>	<b>473,722</b>	<b>1,059,935</b>	<b>481,835</b>	<b>463,288</b>	<b>-3.85%</b>

<b>CAPITAL FUNDS</b>	<b>Actual</b>	<b>Projected</b>	<b>Budget</b>	<b>Proposed</b>	<b>%</b>
<b>Revenues</b>	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>Change</b>
Transfers from Other Funds	752,634	71,450	71,450	60,150	
Special Assessments	45,774	31,785	13,243	28,000	
Other Revenue	43,444	110,710	92,713	148,262	
<b>Total Revenues</b>	<b>841,852</b>	<b>213,945</b>	<b>177,406</b>	<b>236,412</b>	<b>33.26%</b>
<b>Expenses</b>					
Expenses	128,859	151,849	171,323	407,890	
<b>Total Expenses</b>	<b>128,859</b>	<b>151,849</b>	<b>171,323</b>	<b>407,890</b>	<b>138.08%</b>

<b>TAX INCREMENT DISTRICT FUNDS</b>	<b>Actual</b>	<b>Projected</b>	<b>Budget</b>	<b>Proposed</b>	<b>%</b>
<b>Revenues</b>	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>Change</b>
Taxes	153,171	149,549	152,000	165,000	
Other Revenues	1,549	1,489	1,564	1,575	
<b>Total Revenues</b>	<b>154,720</b>	<b>151,038</b>	<b>153,564</b>	<b>166,575</b>	<b>8.47%</b>
<b>Expenditures</b>					
Project Expenses	44,989	43,759	40,400	59,406	
Debt Service Expenses	112,392	112,393	112,393	112,393	
<b>Total Expenses</b>	<b>157,381</b>	<b>156,152</b>	<b>152,793</b>	<b>171,799</b>	<b>12.44%</b>

<b>ENTERPRISE FUNDS</b>	<b>Actual</b>	<b>Projected</b>	<b>Budget</b>	<b>Proposed</b>	<b>%</b>
<b>Revenues</b>	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>Change</b>
Income	840,838	714,890	746,095	884,700	
<b>Total Revenues</b>	<b>840,838</b>	<b>714,890</b>	<b>746,095</b>	<b>884,700</b>	<b>18.58%</b>
<b>Expenses</b>					
Operating Expenses	994,362	456,862	467,671	534,129	
Non-Operating Expenses	298,383	316,250	316,250	291,250	
Debt Service Expenses	51,387	259,788	259,788	259,321	
<b>Total Expenses</b>	<b>1,344,132</b>	<b>1,032,900</b>	<b>1,043,709</b>	<b>1,084,700</b>	<b>3.93%</b>

Before voting on the motion, Trustee Hurd asked for clarification that if she voted for the budget, was she voting for the water rate increase. President Raap stated the Water Fund budget does plan for the rate increase by factoring that into the revenue numbers, but the budget is only a planning document. The budget does not establish the rates so a vote approving the budget is not a vote to increase the rates. If the budget passes but the water rate increase does not, the Water Fund budget would be reopened and redone.

President Raap called for a vote on the motion.

PASSED, roll call vote: Raap-yes, Aylesworth-no, Goodman-yes, Hurd-yes, Kaatz-yes, Mattoon-yes.

**K. Consider Adoption of Village Levy:**

- MOTION (Mattoon/Kaatz) to set the 2022 levy (to be paid in 2023) for the Village of Fall Creek at \$524,589. This amount includes an increase of \$5,500 to the adjustment to the allowable levy limit now totaling \$25,500 for general obligation debt authorized after July 1, 2005. PASSED, roll call vote: Aylesworth-no, Goodman-yes, Hurd-yes, Kaatz-yes, Mattoon-yes, Raap-yes.

**L. Consider Implementation of Public Service Commission (PSC) Water Rate Increase:**

President Raap stated the Public Service Commission (PSC) held a public hearing regarding the proposed water rate increase a couple weeks ago. We have just received their *Final Decision* regarding the rates. Raap reported on the PSC's Findings of Fact and that the rate changes they have calculated (as outlined in the September 28<sup>th</sup> minutes) are at the level the PSC feels is necessary for our Utility. Raap stated the need for a water rate increase has been talked about for a couple years, but we have delayed doing it. Trustee Sheena Kaatz concurred that the delay makes this now feel like a giant leap because we didn't do the small inflationary rate cases along the way.

Trustee Hurd stated she was opposed to the water rate increase. She detailed that at the April 11<sup>th</sup> meeting, when the possibility of having a water rate study done with the PSC was brought

up, she was hesitant to engage in any activity that would cause an increase of the utility bill to the residents so she asked if doing a rate study would 1) cost the Village any money to have it done and 2) obligate the Village to raise the water rates. She stated the response she received was that the only cost to the Village would be the Village staff's time and having the study done would not obligate the Village to increase the rates. Hurd continued with details stating that during the September 28<sup>th</sup> meeting, that was held to discuss the results from the finished PSC water study, she was concerned that we were backing ourselves into a corner so she repeated her question to make sure she had clarification. She stated the response she received was that it would not obligate the Village to raise rates. She stated that after the meeting, she decided to contact the PSC via phone and later also asked the question at the public hearing so that everyone could hear it directly from the PSC that when a rate study is requested, it obligates the Village to the rate increase if the PSC deems it appropriate. There is, however, an appeal process. She wanted to go on record with her opposition now.

- MOTION (Hurd/\_\_\_\_\_) to appeal the PSC ruling to allow the Village time to investigate and pursue other funding options that could offset the increase in the water rates.

There was no second to the motion yet, but several Board members spoke regarding their recollections of the responses at those prior meetings.

Regarding the incurrence of cost: Trustee Matt Mattoon agreed that he didn't think there would be a cost, but President Raap stated his recollection was that the context of the discussion at that point was that we would not need to hire an engineer to help with the application because it could be done in-house. Clerk-Treasurer Renee Roemhild stated that was her recollection too. Trustee Chester Goodman agreed that was his recollection as well. Goodman felt it was understandable to expect an application fee from the PSC.

Regarding the obligation to raise rates: Trustee Matt Mattoon stated that perhaps because Trustee Hurd was sitting farther away that she couldn't hear clearly. Mattoon stated he was sitting right next to Administrator McKee at the meeting when he stated the Village would be obligated to abide by the PSC's ruling.

There was some confusion as to the exact point in the rate case that the Village became obligated to raise rates per the PSC's ruling. McKee stated the PSC defines the exact rates before the public hearing, so the public knows what they are commenting on. The PSC analyzes the information in the application and determines a *Revenue Requirement* specifically for the Village. The amount of the Revenue Requirement then goes to the next step in the process and the PSC calculates a *Rate Case* to determine what the rates should be to arrive at that revenue requirement. McKee stated it was at that time that we held a special board meeting to review the PSC's proposed rates. At that September 28<sup>th</sup> meeting, the Board was told they had a limited number of days in which the Village was allowed to respond to the PSC if they disagreed with any part of the Rate Case. Clerk-Treasurer Roemhild stated she remembered bringing the point up again and reiterating what had already been said, because some of the comments Trustee Hurd was making did not seem like she was understanding that meeting was the Board's opportunity to make comment or request changes if they did not agree with what the PSC was defining.

President Raap stated the options were discussed at budget time and the initial meeting (regarding the rate study/rate increase application on April 11<sup>th</sup>) as to whether to proceed with a *full rate case* or to just do the *simplified inflationary rate case*. The Board decided that since the water rates had not been raised in over 7 years, it was better to do the full rate case. If there had been a desire to do the rate increase in steps, that needed to be requested at the beginning of the application process.

McKee stated he understood that it could feel confusing regarding the exact point at which the Village became obligated to the rate increase because in the past, the Village has always put the entire ruling from the PSC in their ordinance, which can give the impression that the Village can choose whether or not to adopt it. That is why he is now suggesting to remove the PSC's ruling from the ordinance, and put it instead in the Village's Schedule of Fees.

Trustee Kaatz stated that regardless of when the obligation occurred, we understood that a rate study would give us solid numbers and an accurate understanding of how much we needed to raise the rates. Kaatz said we know that citizens do not want a rate increase and we've been trying to hold back for as long as we can, but at some point, it is not sustainable to keep putting off the rate increase.

Trustee Hurd felt there was a myriad of grants that the Village could apply for, as well as trying to find other revenue sources such as taking septage, stating that if the sewer rates could be lowered it could offset the needed increase in the water rates.

Trustee Goodman stated that over the years the Board has looked for other revenue sources and there are no easy solutions. Goodman stated we will keep looking so we have answers to lessen any future burdens, but we need to take care of the problem we are currently in. He said we need to be proactive, not reactive. He felt it unfair to customers who don't use much water if the rates are not set at an accurate level, because what can happen in that situation is that the General Fund would have to supplement the Utility making the property taxes higher than they should be, so the lower-end user pays more in property taxes to cover costs that would be paid by higher-end users. He felt the rates need to be set at the level needed for the Utility to support itself.

Administrator McKee spoke about how important it is to not cross funds, that the utilities need to be self-sufficient. McKee also commented that we have been successful at getting grants many times over the years, and we will continue to apply for them, but the Village's median household income is at a higher level which limits the amount of grant funding that we qualify for. Also, grants are generally for capital projects, not operational costs, or budget shortfalls.

President Raap again called for a second to Trustee Hurd's motion. Trustee Ryan Aylesworth gave a second. Raap stated he agreed there was some confusion as to at what point the Village became obligated to raise the rates, but the real point is that we've needed the rate increase, that's why we went to the PSC for a rate case in the first place. Sometimes we, as board members, are called to make tough decisions and we need to deal with the failing financial situation in the Water Utility, even though no one wants to have to raise rates. Raap called for a roll call vote on the following motion:

- MOTION (Hurd/Aylesworth) to appeal the PSC ruling to allow the Village time to investigate and pursue other funding options that could offset the increase in the water

rates. FAILED, roll call vote: Goodman-no, Hurd-yes, Kaatz-no, Mattoon-no, Raap-no, Aylesworth-yes.

- MOTION (Mattoon/Kaatz) to implement the PSC's water rate increase on January 1, 2023. PASSED, roll call vote: Hurd-no, Kaatz-yes, Mattoon-yes, Raap-yes, Aylesworth-no, Goodman-yes.

**M. Update Village of Fall Creek Schedule of Fees:**

- MOTION (Goodman/Kaatz) to adopt the schedule of fees as amended. PASSED, roll call vote: Kaatz-yes, Mattoon-yes, Raap-yes, Aylesworth-yes, Goodman-yes, Hurd-no.

**N. 1<sup>st</sup> Reading to Repeal Ordinance Chapter 254 Water and Amend and Recreate as Title 8 Water and Sewer:**

- MOTION (Goodman/Mattoon) to approve the first reading to repeal Chapter 254 Water, to amend and recreate as part of Title 8 Water and Sewer. PASSED, without negative vote.

**O. Move to Convene in Closed Session Per Wis. Stat. 19.85(1)(c) Considering Employment, Promotion, Compensation or Performance Evaluation Data of Any Public Employee Over Which the Governmental Body has Jurisdiction or Exercises Responsibility, namely, Discuss Individual Employee Performance and Wages, AND Move to Convene in Closed Session Per Wis. Stat. 19.85(1)(e) Deliberating or Negotiating the Purchasing of Public Properties, the Investing of Public Funds, or Conducting Other Specified Public Business, Whenever Competitive or Bargaining Reasons Require a Closed Session. At the End of the Closed Session, the Board Will be Going into Open Session to Conduct Further Business. Roll Call Vote on Motion to Convene into Closed Session.**

- MOTION (Goodman/Mattoon) @ 8:53 p.m. to move into closed session per 19.85(1)(c) and 19.85(1)(e) as listed above. PASSED, roll call vote: Mattoon-yes, Raap-yes, Aylesworth-yes, Goodman-yes, Hurd-yes, Kaatz-yes.

**P. Move to Return to Open Session and Action, if Any, on Matters Discussed in Closed Session:**

- MOTION (Hurd/Mattoon) @ 9:07 p.m. PASSED, roll call vote: Raap-yes, Aylesworth-yes, Goodman-yes, Hurd-yes, Kaatz-yes, Mattoon-yes.
- MOTION (Hurd/Kaatz) to implement the raises as discussed in the budget. PASSED, roll call vote: Aylesworth-yes, Goodman-yes, Hurd-yes, Kaatz-yes, Mattoon-yes, Raap-yes.

**14. Committee Recommendations:** None.

**15. Possible Assignment to Committee:** None.

**16. Adjournment:** @ 9:08 p.m.

Renee Roemhild, Clerk-Treasurer and  
Tim Raap, Village President