

Item 25-0300: Request to approve 2024 - 2025 Budget carryover appropriations (2/3 vote of Council required): 1. Items not under contract \$13,811,792 2. Items requesting special consideration \$1,143,133

Finance Committee

Mon, Mar 24, 2025 5:30PM

Alderman Brad Firkus (District 3) 01:29

25-0300, request to approve 2024-2025 budget carry over appropriations.

Alderman Sheri Hartzheim (District 13) 01:37

Chair, point of order.

Alderman Brad Firkus (District 3) 01:38

Yes, please.

Alderman Sheri Hartzheim (District 13) 01:39

I would like please to separate these two items. Is that possible?

Alderman Brad Firkus (District 3) 01:44

I believe so. Just need a motion.

Alderman Sheri Hartzheim (District 13) 01:47

Move to separate the two items under item number 25-0300.

Alderman Sheri Hartzheim (District 13) 01:51

Okay.

Alderman Chris Croatt (District 14) 01:51

Second.

Alderman Brad Firkus (District 3) 01:51

All right, so I—sorry, I'll clarify what I meant. Motion for one item and then the other. So instead of separate—just—instead of making a motion to separate, just make the motion for item one or item two is what I is what I meant, unless I misunderstood you.

Alderman Brad Firkus (District 3) 01:52

So, like just say a motion

Alderman Sheri Hartzheim (District 13) 02:01

Move to approve item number one.

Alderman Brad Firkus (District 3) 02:11

Okay, thank you. Sorry. I just wanted to get the—I thought that might be a little bit easier to record, because then we'd still have to make a motion on each item. So, this would just be the motion on 25-0300 item one.

Alderson Denise Fenton (District 6) 02:25

I second that.

Alderson Brad Firkus (District 3) 02:26

All right, so that's the motion we have before us. So, this is the not under contract 2024-2025 carry over items, and we do have a motion. We have a second. So, any conversation? Are there any questions or comments on this particular one? Anything from staff to point out or highlight? I—otherwise, I don't think—okay, Director Ohman. Director one. Go ahead, please.

Director Jeri Ohman (Finance) 02:56

For clarification purposes, "not under contract" is any items that were included in the prior year's budget, but we're not under contract by the end of the year. So, the departments are asking to carry this over to do those same projects in the next year.

Alderson Brad Firkus (District 3) 03:11

Sounds good. Thank you. All right, with that clarification and seeing no questions, let's go ahead and vote. All those in favor? Aye. Opposed? Abstentions? That passes five zero.

Alderson Brad Firkus (District 3) 03:23

So, with that, we will take up if I have a motion 25-0300. Item two.

Alderson Denise Fenton (District 6) 03:31

Move to approve.

Alderson Brad Firkus (District 3) 03:35

I will make a second for discussion. So, Alder Hartzheim.

Alderson Sheri Hartzheim (District 13) 03:41

Chair, if I could please, I would like to separate out the facilities capital project three line items and take a separate vote on them on this particular item.

Alderson Brad Firkus (District 3) 03:52

Do we have a second? I'll second that.

Alderson Sheri Hartzheim (District 13) 03:57

Thank you.

Alderson Brad Firkus (District 3) 03:58

All right, so we now have an item to take a vote on all the items, except for the three facility items. That was the motion, correct?

Alderson Sheri Hartzheim (District 13) 04:08

Correct.

Alderson Brad Firkus (District 3) 04:09

Okay, just so everyone's clear. So, this would be the essentially the balance of item sans the facilities capital project. Any questions on these items, excluding the facilities items? All right, seeing none, we will go ahead and

vote. Just make sure attorney Glad is—do you need a moment, or is this good? Okay, good, good. All right, so on the motion all those in favor? Aye. Opposed? Abstentions? That passes five zero.

Alderson Sheri Hartzheim (District 13) 04:40

Move to deny the three items under the facilities capital project under special consideration.

Alderson Chris Croatt (District 14) 04:47

Second for discussion.

Alderson Brad Firkus (District 3) 04:48

All right, we do have a motion and a second. So, let's open it up. Anyone? Alder Hartzheim.

Alderson Sheri Hartzheim (District 13) 04:55

Thank you, Chair. I am miffed about something that is completely unrelated to a park pavilion roof replacement project using those—that overage of funds. In my opinion, the overage of funds for a project that really just didn't occur or came in so far under budget should go through our special policy where 80% of it goes to debt reduction and the 20% remains. I also am miffed by the other two items regarding way-finding. We're talking about \$20,000 for way-finding signage for City Hall. Last I checked, everyone's got one of these in their hand, and everyone can see where the City of Appleton is. Last I checked on the building when we entered it today, it said "Appleton City Hall" on it. These things all seem egregious, and I would beg that we deny them and put them through the regular policy of 80% for debt reduction. Thank you.

Alderson Brad Firkus (District 3) 06:00

Alder Croatt? Okay, sorry, Director Gazza, do you have remarks for or just some—microphone number please? District seven. Thank you. And here you are.

Director Dean Gazza (Parks, Recreation, and Facilities) 06:12

Yeah, a couple of things related to this, so that I'll start with the two related to the signage. So later last fall when the City Center, City East, City West, basically, city center was being completed, and the three buildings were being tied together. There was discussion of how someone would get from, say, for example, the yellow ramp to City Hall and or the library identifying where City Hall might be and so forth. So, the developer did work with a sign company and all the tenants in this building and City Center and then some tenants from City Center West were include in communication, talked about doing joint signage for this building. None of the signage, per se, would be in City Center West, except for that old, outdated board that you see right when you're at the bottom of the elevator. That would get updated at this time to be able to better find what departments are on what floor. A lot of this signage would be to participate in that joint way-finding for the entire complex, because it's very difficult to find City Hall if you are not, you know, specifically aware of where it is and so forth. So that's, that's the idea there. So, the idea was to participate in that and update in our some of our signage.

Director Dean Gazza (Parks, Recreation, and Facilities) 07:59

The other one was—so, just so you know, this was submitted prior to the resolution that you guys discussed last week, but it does compliment the direction given by Council. So today, we've been given direction as a department to uphold the panel, to work with the panel, to work towards sustainability goals that existed and have now have been updated. So as a department we are, I believe, responsible—responsibly bringing forward the steps that are necessary if we want to be a city that is working towards sustainability and working towards identifying goals and costs related to those goals, to bring to council. The special considerations don't always tie to what it was. I know it was roof replacements, and this is a more of a study. I know in the past, it never really has tied—its if you, if you're if you're having a need, and there's extra dollars, you could bring it to you. I'm

simply bringing it to you because I feel it's our responsibility to do so from the standpoint that we've been directed to this point through several actions that were to work with toward—with and towards sustainability and have been working with the panel. Totally up to the council if you want to support a plan to go along with that or not.

Aldersperson Brad Firkus (District 3) 09:33

All right, thank you. I have Alder Croatt, then Alder van Zeeland, and then back to Alder Hartzheim. So, Alder Croatt.

Aldersperson Chris Croatt (District 14) 09:38

Thank you, Chair. Thank you, Director Gazza, that helps a little bit with the way finding signs, but I'm still struggling with the need there. As it relates to the first item, the more substantial dollar figure item, if this were not to be approved, and you could not utilize this money, I heard—I think I heard you say that there was direction given to embark on this this master plan or this study. How would you go about it without this?

Aldersperson Brad Firkus (District 3) 10:09

Sorry, go ahead.

Director Dean Gazza (Parks, Recreation, and Facilities) 10:10

District seven. We would continue to work within the department. So, Steve is very limited. Steve is a project manager 80% of time, and he works on sustainability 20% of time. So, he does supplement and do what he can. I think this was just, you know—not "think"—I "know" this would greatly enhance and be able to, you know, move things forward quite a bit quicker than what he's doing. So, you know, most of the cities it's the next big step where, like City of Green Bay has a sustainability plan that they have completed, and it's much more detailed than outline just how they're going to reach their goals.

Aldersperson Chris Croatt (District 14) 10:52

Okay, thanks.

Director Dean Gazza (Parks, Recreation, and Facilities) 10:53

I mean that doesn't mean if it's not approved that sustainability stops. I—you know, I think that's important to note that we're working every day as hard as we can with the limited resources we have. What this does is, you know, enhances or helps us move forward quicker, being that we are limited.

Aldersperson Chris Croatt (District 14) 11:12

Okay. Thank you. I appreciate that last comment about it not stopping if this doesn't pass. I'm appreciative of Alder Hartzheim for bringing this, highlighting these items, because it is—it is a large amount of money, and I'm still struggling with the need for the way finding signs, because I don't think I've ever had somebody say, "Where is City Hall?" I have had people say, "Where's the council chambers?" And then once you say it's on the sixth floor of City Hall, that pretty much takes care of the answer to the question. So, thank you.

Aldersperson Brad Firkus (District 3) 11:44

Alder van Zeeland.

Aldersperson Katie Van Zeeland (District 5) 11:45

Thank you, Chair. I just wanted to clarify so the action that we have in front of us is earmarking these funds, but if the projects that we have separated were to move forward would those still come through committee as normal for approval?

Aldersperson Brad Firkus (District 3) 12:10

Go ahead, Director Gazza.

Director Dean Gazza (Parks, Recreation, and Facilities) 12:11

Yeah, the signage, unless it was over to \$25,000 threshold, would not which, in this case, it's under the \$25,000 threshold. I think one thing that's important about the signage, I will note, is that they're working on complex signage for the entire complex. I mean, totally up to, you know, to you guys, but when you're at the yellow ramp it'll say AZCO. It's going to say the school district. It's going to say Lawrence Apartments. It's going to say Building For Kids. What it's not going to say is City of Appleton. It's part of a joint group, I guess, effort to improve the signage for the complex as a whole. I just want to just say that one more time. If we don't do it, will people find us? I'm sure they will. It will be just a little bit not as friendly for them to find us.

Aldersperson Katie Van Zeeland (District 5) 13:16

Chair.

Aldersperson Brad Firkus (District 3) 13:18

Go ahead.

Aldersperson Katie Van Zeeland (District 5) 13:19

Thank you. I—looking at these items, knowing that the high dollar one would still come in front of committee, that makes me feel better. But I think instead of denying the remaining two items, I think what I'd like to see is more information so that we can decide whether or not this is something that will be useful to the citizens of Appleton. So, I am not going to vote in favor to deny these items, but I would be open to holding, actually, all three items.

Aldersperson Brad Firkus (District 3) 13:58

All right. Thank you. I had Alder Hartzheim next, and then Alder Fenton.

Aldersperson Sheri Hartzheim (District 13) 14:05

Thank you, Chair. I understand where Director Gazza is coming from, as far as we'd be a part of joint signage for City Hall, but it still seems gravely egregious to me that our portion, the city's portion, would be \$20,000 to do that. That just seems outrageous to me. And then the—I understand that a lot of these special considerations are—you know, there's a piece in the budget that's available, and we could use it for another project, but this feels like it should be something that comes through our regular budget time, not at the end of this period, just "Hey, we got \$100,000 burning a hole in our pocket. Let's do a climate action plan." I think that we still could follow what the resolution that was approved last week states without having to rush into it using these funds. These three items, to me, should follow our same policy for any under budget projects that come through and we've got these extra funds, so it should go through an excess funds process. Thank you.

Aldersperson Brad Firkus (District 3) 15:16

Alder Fenton.

Aldersperson Denise Fenton (District 6) 15:19

I'd just like to—we talked about the resolution that we passed last week, and there were some concerns by our some of our colleagues, that it was a wish instead of an action. And I would like to see these funds—I mean, they're all within the facilities, which is where the sustainability is, is in Parks and Recreation and Facilities. And I would like to see this study or this climate action plan be tailored. I'd like it to be approved, and I'd like it to be

tailored as how we are going to meet the goal that we approved last week of reducing our emissions by 50% within the next 10 years.

Aldersperson Denise Fenton (District 6) 16:08

Yet another disturbing report came out. We all know as January. It was the hottest year on record, and I read another article today that was as the climate changes and it gets hotter, we use even more fuel to—because we run air conditioners more, we, to compensate for the heat. So, I don't think this is something that we should delay on. I think that we voted to have this goal, and I would hope that we pass this and we tailor it to meet that goal. Thank you.

Aldersperson Brad Firkus (District 3) 16:51

All right. Director Gazza.

Director Dean Gazza (Parks, Recreation, and Facilities) 16:52

Yeah, I just was going to say, you know, I respectfully say that, and I just don't want people think that there was money burning a hole in our pocket. It's not. What this is, is we get, we get direction from the council to do certain things and accomplish certain goals and objectives. And through the actions of the council over the last several years in creating the various committees, the panels, some of the votes for some of the objectives and the goals have all said, "Hey, guys, work towards sustainability. Do what you're supposed to do, what a city would normally do, to achieve these goals." So, I feel it's just the responsibility of ours to bring this forward to you. It's up to your decision whether you guys want to proceed with it, but I feel my responsibility has been done to bring that in front of the body, to say that we're here; we're willing to work on it; this is an option for you to consider.

Director Dean Gazza (Parks, Recreation, and Facilities) 17:49

Can it come through the normal budget process? Absolutely. It was an opportunity to advance it sooner than later. So, I just want to clarify that that. I don't want to be considered somebody that's taking money and not being fiscally responsible or irresponsible by trying to use it for something that's not worth the cause. It's worth a cause that was directed by the Council for several years now.

Aldersperson Brad Firkus (District 3) 18:17

Thank you. Alder Hartzheim.

Aldersperson Sheri Hartzheim (District 13) 18:20

Thank you, Chair. I did not mean to imply that that is that that your department is spend thrift Director Gazza, but when I look at \$127,000 of a total amount in this particular special considerations, and I look at our policy for how we should deal with carry over. That would be \$102,000 of debt reduction, and then the balance of that could be used for whatever needs that department has. That is the problem I have with this at this point. Thank you.

Aldersperson Brad Firkus (District 3) 18:54

Thank you. Yeah, Director Ohman, I do want to ask you because Alder Hartzheim is making reference to carry over, and that is usually an item that comes before the council after the audits. So, is this carry over? And I'm using carryover—maybe I should be using carry over for that. Can you describe to us, tell us, like, is this the same thing as that, or is this different? Why is it different? How is it different? Please.

Director Jeri Ohman (Finance) 19:22

Thank you, Chair. The excess fund balance policy is what Alder Hartzheim is referring to. That is something that is strictly for the general fund. This is a capital project fund, so these funds would feed into the fund balance for that fund and then be used in a future year to possibly reduce that or for another project. It would not be part of the excess fund balance that then comes forward to do other things with.

Aldersperson Brad Firkus (District 3) 19:50

All right. So just to make sure that I'm hearing you correctly, these are funds that we have borrowed in previous years for previous projects that we want to apply to future pro—projects are upcoming so we don't borrow for those projects. Is that a fair?

Director Jeri Ohman (Finance) 20:03

Yes.

Aldersperson Brad Firkus (District 3) 20:04

Okay, thank you. Alder Hartzheim.

Aldersperson Sheri Hartzheim (District 13) 20:06

Thank you, Chair. As a follow up to that, I appreciate that. Thank you. I was incorrect in that, and I appreciate the clarification, but it still doesn't make me feel better that we borrowed \$127,000 and now we're going to put \$100,000 of it immediately into something that's totally separate from a park pavilion roof replacement. Thank you.

Aldersperson Brad Firkus (District 3) 20:25

Alder van Zeeland. I saw your sign come up briefly. Go ahead.

Aldersperson Katie Van Zeeland (District 5) 20:30

Chair. Yes, I was going to ask for some clarification on the policy as well. And I understand Alder Hartzheim's concern here. It does sort of feel like without at least the consultant coming through a committee, it feels like we're taking action on something that we don't have any information about. I'm just wondering what the ramifications would be of denying this item. If we denied it, and then a plan for to hire a consultant came in front of us, and we decided the best way to do this would be to carry over these funds. Is there any issue doing that at a later time?

Aldersperson Brad Firkus (District 3) 21:19

Director Ohman or would you be able to answer that please?

Director Jeri Ohman (Finance) 21:22

So, if we denied this, those excess funds would go into the facilities capital project fund balance. During 2025 if it was determined that we were going to have a consultant work on this for us, Director Gazza, could come forward with a budget amendment to use fund balance funds for that expense.

Aldersperson Katie Van Zeeland (District 5) 21:48

Okay. Then in that case, I actually feel comfortable voting to deny this item.

Aldersperson Brad Firkus (District 3) 21:54

All right. Is there any other comments? Director Gazza, did you?

Director Dean Gazza (Parks, Recreation, and Facilities) 21:58

No. I was just confirming that that is acceptable with Director Ohman.

Aldersperson Brad Firkus (District 3) 22:05

So just to make it clear, a denial of this would just basically leave those funds available for things going forward. It just—we wouldn't automatically have these funds to these enumerated items. Correct?

Director Jeri Ohman (Finance) 22:20

Correct.

Aldersperson Brad Firkus (District 3) 22:21

All right, thank you. So, is there any other discussion? All right, seeing none, we will go ahead and vote. The motion on the floor is a denial of approval for the three items. So, an aye will be a denial; a nay would be to keep these items in the carryover request. So, with that, all in favor? Aye. Opposed?

Aldersperson Denise Fenton (District 6) 22:44

Nay.

Aldersperson Brad Firkus (District 3) 22:45

Abstentions? That denial is approved, four to one. All right, thank you. That was definitely a bit of a process to work through, and I'm glad we did a pretty good job there with getting the information and explanation. So really appreciate the discussion on that one.