

FINANCE AND PERSONNEL COMMITTEE

A meeting of the Finance and Personnel Committee was called to order by Chair Penterman on Wednesday, February 19, 2025, at 6:14 pm.

Members present: Mayor Penterman, DeCoster, Kilgas, Moore, Schell and Schumacher.

Also present: Ald. Antoine, Ald. Eggleston, Ald. Thiel, Attorney Greenwood, DPW/Eng. Neumeier, Fire Chief Carrel, Street Superintendent Van Gompel, Dir. of Plan. & Com. Dev. Kittel (Zoom), Chief Graff, HR Director Hodge (Zoom), Com Enrich. & Rec Dir. Vosters (Zoom), Fin. Dir. Van Rossum, Mark. & Com. Manager Fencil (Zoom), Judge Proffitt, and interested citizens.

1. Correspondence.

None.

2. Discussion Topics.

a. Request for Additional Funds by Municipal Court.

b. Adjourn to Closed Session Pursuant to State Statute 19.85(1)(c) to discuss employment, promotion, compensation or performance evaluation data of any public employee.

Motion by Kilgas, seconded by DeCoster to adjourn to closed session.

All Members Voted aye.

Motion carried.

Adjourned to closed session at 6:29 PM.

c. Return to Open Session for possible action.

Motion by Moore, seconded by Schell to return to open session.

All Members Voted aye.

Motion carried.

Returned to open session at 7:03 PM.

Motion by Moore, seconded by Schell to approve an additional 90 hours for the Clerk of Court hours in the Court budget to be covered by city fund balance from the 2025 budgeted funds.

All Members voted aye.

Motion carried.

d. Fund Balance Policy Adjustment.

The City of Kaukauna is projected to have a surplus in its fund balance in its 2024 financial statements due to multiple factors. Cost savings have been realized as certain positions remained unfilled during the year, and department heads exercised fiscal responsibility in managing allocated budget line items. The City is in a strong financial position regarding stability, operational liquidity, and safeguarding against economic downturns or emergencies. This surplus presents an opportunity to reassess the undesignated fund balance policy, which is currently set at 15% of general fund operating expenditures. The 2024 year-end financial statements indicate a fund balance of 34.6%. In the past, we have only talked about the growing fund balance and now can commit to the long-term financial stability of the city. Discussion held and questions answered.

Motion by Moore, seconded by Kilgas to approve a policy adjustment to establish a minimum undesignated fund balance of thirty percent (30%) of general fund operating expenses and forward the attached resolution to the Legislative Committee and Common Council for

consideration.
All Members Voted aye.
Motion carried.

e. 2024 Fiscal Year Surplus Fund Balance Allocation.

As noted in the Fund Balance Policy update agenda item, the City of Kaukauna is projected to have a surplus in its fund balance in the 2024 financial statements. This surplus is driven by multiple factors, including cost savings and revenues exceeding budgeted expectations. The primary contributor, once again this year, is the higher-than-anticipated interest income earned on the City's reserves. While the additional funds are beneficial, they also present a challenge, as they represent a one-time financial event. To ensure fiscal responsibility, these funds should be applied to one-time expenditures or project funding, thereby mitigating the risk of creating ongoing expenses that may become unfunded in the future. Discussion held and questions answered.

Motion by DeCoster, seconded by Moore to Approve the reallocation of \$700,000 from the undesignated General Fund balance to support a one-time expense in a restricted account of the Parks & Pool Fund.

All Members Voted aye.
Motion carried.

f. Department of Public Works Proposal to Add Annual Clothing Allowance.

Regular employees of the DPW department will receive an annual clothing allowance of \$300. The clothing allowance is to be used for the purchase of work-appropriate apparel (shirts, sweatshirts, safety footwear, pants, shorts, etc.). Discussion held and questions answered.

Motion by Schell, seconded by Kilgas to approve the described process to allow for payroll processing and employee communication. The Employee Handbook will include the approved changes with the next applicable update.

All Members Voted aye.
Motion carried.

g. Department of Public Works Proposal to Change Regular Work Hours.

The DPW hourly staff have proposed moving from the current work hours schedules to a version of the "Summer Hours" program year-round for that department. The current pay practice for overtime is to calculate the premium pay (1.5x regular rate of pay) on daily hours exceeding 8. The current premiums also pay double time (2x regular rate of pay) on Sunday hours and overtime (1.5x regular rate of pay) on Saturday hours. Discussion held and questions answered.

Motion by Moore, seconded by Schell to approve the standard work schedules described to be the standard year-round schedules. The Employee Handbook will include the approved changes with the next applicable update.

All Members Voted aye.
Motion carried.

h. International Association of Firefighters Local 1594 Collective Bargaining Agreement for 2025-2027.

The City and the International Association of Firefighters Local 1594 have reached an agreement regarding their Collective Bargaining Agreement for 2025-2027. Discussion held and questions answered.

Motion by Moore, seconded by Kilgas to ratify the International Association of Firefighters AFL-CIO-Kaukauna Local 1594 Collective Bargaining Agreement for January 1, 2025 – December 31, 2027.

All Members Voted aye.
Motion carried.

3. Adjourn.

Motion by Moore, seconded DeCoster to adjourn.
All members voted aye.
Motion carried.

Meeting adjourned at 8:10 pm.

Kayla Nessmann, Clerk