

Pursuant to due call and notice thereof, the special working session of the City Council of Appleton was held on Tuesday, July 22nd, 2025 in the Council Chambers at the Appleton Civic Center.

Council Members Present in Chambers: Justin Koepp, Al Oyen, Vanessa Lhotka-Meyer, Stacey Raddatz & Jim Masee.

Council Members Absent:

City Staff Present in Chambers: John Olinger – City Administrator,

Public Present in Chambers: John Pfaff, Mitch Fett, Shawn and Jill Swenson, Cari Weeding, Jennifer Koepp, Herb

Mayor Koepp called the meeting to order at 5:00 p.m.

- I. **2026 Budget Expenditures:** The Mayor recognized Cari Weeding, Jennifer Koepp and Shawn and Jill Swenson. Cari Weeding introduced the group and stated they were organizing a fall city event to replace the cancelled Apple Fest sponsored by the Chamber of Commerce. She stated the group felt the need to have an event to build community and celebrate Appleton. This, she stated, is an independent group that may organize a 501c3 to gain status but has not decided. Lhotka-Meyer expressed her appreciation for this group stepping forward to providing an event for the city. Masee asked if this would create hard feelings with the Chamber of Commerce. Weeding stated they were not a part of the Chamber and were disappointed that the Chamber discontinued the city event. S. Swenson conveyed his support for the Chambers work and said they stepped up to continue an activity that was important to the community. The Council expressed support for the event but felt that the short time would not allow the group to form a 501c3. Lhotka-Meyer asked if they could be included in the Parks Commission. Olinger responded that many cities include events under the Park Commission and that Appleton named their commission Parks, Recreation and Events Commission. The city already showed their support for the Music in the Park event by appointing Dale Lien to the commission to provide any assistance Dale might need. Though there is no financial support, the city can contribute financially to city events. Olinger stated that since Shawn Swenson is already a commissioner on the Park Commission he could be appointed as the Park, Recreation and Events representative to a subcommittee for the event. The commission showed support for this arrangement and asked Olinger to place this on the next council agenda for consideration. Raddatz asked how much they would request for this year's event. The group requested \$7,500. Olinger pointed out that this meeting included next year's budget. The group deliberated and requested \$15,000 for 2026 until they said, they could get fund raising in place. Olinger was directed to add this to the agenda item. The Council also directed Olinger to inform the Park, Recreation and Events Commission prior to their September meeting since the subcommittee needed to be planning the event prior to their next meeting.

Olinger then introduced the 2026 proposed revenues. He highlighted the Local Government Aid \$785,199,992 and proposed taxes of \$1,466,899. He stated the general fund tax levy increased from \$1,233,855 to \$1,466,899, a 19% increase. However, this number is offset by an increase in non-tax revenues of \$76,000, mostly from transfers from capital reserves. Olinger informed the council the total revenue, matching the total 2026 budget, including EDA and debt levies is \$3,090,408, up from \$2,760,319 or 12%. He noted the Planning Commission made their recommendations and proposed the city eliminate the contribution toward Northland Securities financial planning and the City Administrator professional search. Lhotka-Meyer stated she was part of the process to hire Olinger, and even though the city did not use a professional search firm there were still costs. She

recommended the city add \$5,000 toward this search and again for 2027. The council agreed. Koepf asked if the county maintenance contribution had increased recently. Olinger stated he did not know but could ask the county. He recalled there had not been any change since his arrival. Olinger continued with the expenditures and pointed to three areas of higher increases, the police, streets and library. Olinger stated the increase in police was primarily salaries. He noted that historically we have under budgeted for salaries. Streets increased due to salaries and increases to the general budget and contributions toward capital replacement. Capital replacement increased by \$30,000; \$10,000 toward replacement of large vehicles and \$20,000 to replace the geothermal system. Koepf noted that the system hasn't worked properly since being installed. He noted that no one has plans for the installed system and no one knows how to repair it. Massee asked if Olinger had contacted the owner of Northern Geo to inspect the system and advise. Olinger stated he had not. The library increases, Olinger stated, were due to the new stand-alone building that now covers its own insurance, utilities and maintenance. Previously, the library was in the civic center and the costs were covered by the civic center budget and in 2025, the 52-wing budget covered the utilities and insurance because we did not have any history.

Olinger then reviewed the tax rate proposed to increase from 1.6945 to 1.8883. He stated the total levy of \$1,791,859 which includes the general fund levy, the EDA levy and the debt service levy is divided by the city's adjusted tax capacity to provide the tax rate. Olinger noted the final adjusted tax rate isn't complete and will likely increase the city's current adjusted tax rate of \$948,946 higher when the State assessed property is included, thus reducing the tax rate below the estimated 1.8883. He reviewed the taxes for a \$280,000 home would increase \$500/year. A \$175,000 home would increase \$280/year and a home near the median home value of \$68,400 would increase \$80/year. He noted the increases for a commercial building of \$400,000 in value increases by around \$1,500/year and a building of \$14,000,000 value increases by \$54,000.

The commission reviewed the information. Raddatz stated this is the preliminary budget and is the worst-case scenario. She stated she would support this budget as the preliminary noting that it will be further refined before the final budget in December. Olinger stated he would amend the budget to address the items added; \$15,000 for a city event and \$5,000 for city administrator search. He would review and adjust the insurance for each department and finalize a few missing numbers; ECPN and PILOT. The commission gave consensus on remaining with the budget at \$3,090,408, or amended from the city administrator and a tax rate of 1.8883.

- II. The city council then entered into a closed session at 7:01.

- III. **Adjournment:** The city council reopened the work session. With no further business the work session was adjourned at 7:25 pm.