

VILLAGE OF WRIGHTSTOWN
COMMITTEE OF THE WHOLE
MEETING MINUTES

The regular bi-monthly meeting of the Committee of the Whole, of the Village of Wrightstown, was held at Wrightstown Village Hall, 352 High St., Wrightstown, WI, on **Tuesday, March 21, 2023**, and was called to order at 6:08 p.m. by Village President Dean Erickson.

The Pledge of Allegiance was recited.

Roll Call: Present – Village President Dean Erickson; Trustees Sue Byers, Mark Leonard, Andy Lundt, Dan Segerstrom and Julie Sigmund. Absent – Trustee Terry Schaeuble

Also present: Brian Roebke (Wrightstown Spirit); Administrator Travis Coenen; Public Works Director Andy Vickman; Clerk/Treasurer Michelle Seidl; Assistant Fire Chief Ben Vosters; Fire Inspector Nathan Helbing; Police Chief Greg Deike; Senior Municipal Financial Advisor Jon Cameron, from Ehlers; Town of Kaukauna Clerk Debbie VanderHeiden; Wrightstown School Board President Nicole Gerend; Wrightstown School Board Clerk Maggie Boland; Residents Rick Edinger, Steve Johnson and Jason Krueger

Motion made by Trustee A Lundt with a second made by Trustee S Byers to open the Tuesday, March 21, 2023 Committee of the Whole Meeting. **Motion carried.**

Motion made by Trustee A Lundt with a second made by Trustee J Sigmund to approve the Committee of the Whole Meeting Minutes from Tuesday, March 7, 2023. **Motion carried.**

Wrightstown School District Budget

Trustees Sue Byers and Mark Leonard attended the Wrightstown Community School Board Meeting on Wednesday, March 15th.

Trustee Byers informed the school board that over the last four years property taxes for her home, with an assessed value of \$289,600, rose 49% (\$1,094) due to continued increases by Wrightstown Community School District. The impact of the \$0.64/thousand bump that was announced as part of the 2020 referendum, for improvements to the elementary, middle and high school, was not accurately conveyed. The concern is that future tax hikes by the school district will make it too expensive for residents to continue living in the Village.

In investigating the reason for the annual increases, it was discovered that:

- The school district is not disclosing the true impact of their advertised tax rate of \$8.85/thousand based on the equalized value calculation
- In May 2019, the School Board created a policy to keep 25% of the following year expenditures on hand to allow for unanticipated costs or a reduction in revenues. Due to the scale of the renovation projects just completed, and the fact that district's equalized value has been substantially increasing each year, this does not seem necessary
- There is currently \$6,424,000 in the district's unassigned fund balance
- Since the 2020 referendum, accelerated debt service payments have been budgeted for and applied to the project loan, resulting in a reduced loan term (from 2040 down to

2038). In 2023, it is estimated that the extra budgeted payments will take another 2 years off of the loan term

- \$2,000,000 additional in State Aid was received last year compared to the aid amount received for the 2018-2019 school year

A records request was made for the district’s 2022-2023 detailed (line-by-line) budget, but what has been received to date, is missing information.

Trustee Mark Leonard provided fiscal year tax levy data from the Department of Public Instruction website, for 2019 through 2023, showing the tax levy breakdown per municipality, based on each’s percentage share of the total equalized value within the district. For the Village of Wrightstown, this levy amount is then divided by the Village’s equalized value (less the TID Increment) to determine the “interim rate” which matches the school’s advertised rate of \$8.85. However, when then multiplying the \$8.85 to the equalized value to include the tax increment, the final Wrightstown Community School District mill rate for Village of Wrightstown residents, in Brown County, is \$11.86/thousand and \$10.93/thousand for Outagamie County residents.

The Brown County Rate Detail from 2018-2022 shows Wrightstown Community School District’s mill rate, for Village of Wrightstown property owners, increasing as follows:

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$8.15	\$8.88	\$9.93	\$10.82	\$11.86

2022-2023 Fiscal Year Tax Levy information sheets also show that of the total approved school district levy of \$8,730,420, \$4,475,000 is to pay down issued debt that was a result of referendum RF-4934 from April of 2020. This amount is estimated to be approximately double what the actual required loan payment is.

When the \$28,000,000, 20-year bond was originally introduced, it was stated that the tax levy needed to cover the debt service payments equated to \$0.64/thousand of property value over the levy dollars already being collected annually for the fitness center project, since, only one fitness center project payment of approximately \$1,300,000 remained. When the true dollar impact, including the equalized value calculation, was requested, financial advisors for the school district indicated that the calculations, required to provide the information, were too difficult.

Since approval of the referendum in April of 2020, there has been no effort by the school board to control the impact of rising taxes. The consistent increase in equalized value, due to continued growth within the district’s communities, allows for significant annual levy increases when holding the “interim rate” of \$8.85 steady.

The total 2022-2023 tax levy for Wrightstown School District was \$8,730,420 which includes \$4,055,420 for operating and non-referendum debt levy, \$4,475,000 for referendum approved debt levy and \$200,000 for community service fund operating levy. This is an increase over 2021-2022 of \$907,628. (\$3,997,792 for operating levy, \$3,675,000 referendum approved debt levy and \$150,000 community service fund operating levy)

In a letter to Town of Kaukauna Clerk Debbie VanderHeiden, Wrightstown School Board indicated that paying down referendum RF-4934 debt early is being frugal and saving significant

interest costs over the term of the loan. However, this decision is severely hurting property owners within the district.

In the Town of Holland, a tax payer living in Wrightstown School District was charged \$617 more in taxes in 2022 than his across the street neighbor who is in the Kaukauna School District. Both homes have the same assessed value of \$150,000. Removing the additional loan payment would have saved the Wrightstown School District taxpayer approximately \$400.

In a February 2022 response to a letter sent by Trustee Sue Byers, the Wrightstown School District Administration indicated that the district's annual budget is focused on meeting student needs, maintaining quality facilities and providing for staffing to accomplish those goals, all while being as fiscally responsible as possible to the district taxpayers. It was also stated that no extras are built into the budget that do not support students or taxpayers. That raises the questions then, that does the School Board feel paying off a 20-year bond in 10 years, at the detriment of the communities supporting the school, is truly fiscally responsible and if no extras are being built into the annual budgets, where is the extra money for the loan payments coming from?

Administrator Coenen noted that no one is questioning the needs of the students and it is the responsibility of the school board to provide for those needs. However, a needs only budget should not include prepayment of debt. Village President Dean Erickson concurred.

Trustee Mark Leonard reiterated that the 2023 scheduled debt service payment is actually \$2,225,000, but the school district is planning on paying \$4,475,000. On a home assessed at \$400,000, an extra \$1,000 is being paid to cover the "extra".

Trustee Andy Lundt noted that there had been a significant opportunity to reduce taxes this last year, that was not taken.

It was discussed that for tax year 2023, after the Village wide revaluation has been completed, the Board of Trustees will need to adjust the Village mill rate down to prevent over burdening tax payers.

It is felt that Wrightstown Community School District Administration has been less than honest with the school board when presenting facts about borrowing and annual budgets.

Trustee Sue Byers read an article written by Ed Byrne, reporter for the Brillion News, in April of 2022, urging school boards in the United States to take back the role conceived for them when public education became the norm. Ed stated that school boards need to take back the reigns from hired staff, such as superintendents, administrators and teachers, and run the school district for the voters, parents, students and tax payers.

Trustee Mark Leonard indicated that he is considering running for the open seat on the school board, as a write in, to ask the questions that never get asked.

Trustee Sue Byers instructed taxpayers in the Wrightstown School District to please pull their tax records for the last four years and determine the percentage increase from the school district compared to the other taxing entities.

Trustee Dan Segerstrom wanted to clarify that although he has felt misled in the past about Wrightstown School District tax amounts, he is not on board with calling the administration/school board liars. He also feels that it is not fiscally responsible to borrow for the benefit of getting additional state aid, since the aid is never more than what the interest cost of the debt is. It is also not socially responsible to charge current tax payers for the portion of the debt that should be paid by future property owners within the district.

The Village of Wrightstown Board of Trustees is asking for Wrightstown School Board to be diligent of tax burden when establishing their annual budget/levy.

Debbie VanderHeiden, Clerk from Town of Kaukauna, addressed the Board of Trustees and pointed out the following:

- Wrightstown Community School District Board is allowed to hold up to 25% of their budget in reserve for emergencies
- Large amount of complaints received from Town of Kaukauna residents, living in Wrightstown School District, prompted her to dig further into the reason for the 2022 school district tax increase
- Growing assessments are allowing the school district to capture additional levy revenues while keeping their interim tax rate at \$8.85/thousand. This year's levy for the Town of Kaukauna went up over \$100,000, Village of Wrightstown's went up \$299,529

Wrightstown School Board Clerk Maggie Boland indicated that she was having difficulty hearing, as she was attending virtually.

Comment received by School Board President Nicole Gerent, who also attended virtually: Bravo!!!

2023 Village of Wrightstown Capital Budget – The planned 2023 Capital Improvement Projects are as follows:

- Poplar Street – Mill and resurface from Broadway St. to the end of Poplar. \$330,000
- Plum Road – 900' of Trail Improvements \$356,000
- WI Hwy 96 – from roundabout to end of Village limit. (Cost share with WI DOT) \$70,000
- Drexel Rail Spur – (TEA Grant Match with potential reduction with EDA Grant funding) \$1,000,000
- Well #2 Abandonment - \$22,000
- Well #4 Rehab - \$22,000
- Purchase of Property and Rehab of DPW Garage - \$700,000

Motion made by Trustee A Lundt with a second made by Trustee S Byers to close the Committee of the Whole meeting. **Motion carried.**

Meeting adjourned at 7:11 p.m.

Michelle Seidl

Clerk/Treasurer

Posted: 04/06/2023 MS