

**Village of North Hudson
Special Finance and Personnel Committee Meeting
Tuesday, September 27, 2016 @ 3:00 p.m.
Village Hall, 400 7th Street North
Hudson, WI 54016**

Minutes

Call to order: roll call

President Wekkin called the meeting to order at 3:00 p.m. Answering the call were Trustees O'Brien-Berglund, Pike, and Zappa. A quorum was present and the meeting had been duly noticed. Also in attendance were Village Administrator, Gloria Troester; Police Chief, Mark Richert; Public Works Director, Mark Ekblad; Village Clerk, Melissa Luedke; and Village Treasurer, Nathan Troester.

2017 Village Budget Workshop

Luedke stated that the proposed budget shows a levy limit increase of \$19,055 from last year. This is the most that the levy can increase for next year. It includes a .47% increase in net new construction that can be added, plus the principal and interest payments on outstanding debt. Zappa asked if the budget included potential increases in health insurance premium amounts. Troester stated that this is included in the proposed budget. Luedke stated that the budget still needs to be cut by approximately \$9,639 to balance. Troester stated that it is possible the deficit amount could go away once the State Transportation Aid numbers for 2017 are received. It is still too early for some of the information to be in.

Troester reviewed the proposed budget with the committee. Troester stated that by changing banks, interest investments went from \$5,000 to approximately \$18,000. This is a conservative estimate and the actual may be closer to \$22,000. There is a loan request in the proposed budget for \$225,000. This includes the catch basin repair project of approximately \$50,000 and the purchase of a new Public Works truck for approximately \$175,000. The Board can decide later if they want to spend up to this amount on a new truck, or get a used truck for a lesser amount. Troester reviewed the use of unassigned funds. There is a request for a skid loader next year in the amount of about \$8,000. This could be paid for out of the unassigned balance. The projected unassigned fund balance is about 29% at the end of this year. The Village of North Hudson's policy is to have between 20%-25% unassigned fund balance.

Troester reviewed expenses and the different departments. Money has been put in the budget for anticipated pay increases for budget planning. However, the Board can decide what amount they want to include. The budget should be based on what the Board thinks they want to do. They can always do less. Troester reviewed the wages for General Government staff and the re-alignment that will happen in that department. There will be a part-time Deputy Clerk/Deputy Treasurer position hired as a support staff.

Troester reviewed the contract with the Assessor and his rates. There was only a slight increase to the contract rate. Under utilities-electric/heat, there was a large increase in 2016. This was due to the Village subscribing to the solar garden. This amount has been adjusted back down for 2017 and there should be solar credits received starting in January 2017. Zappa asked the net cost for

Municipal Court. Troester stated that 2016 anticipated costs are \$36,000 plus the attorney fees of roughly \$12,000 for a total of \$48,000. The revenues for Municipal Court are approximately \$16,000. Under the Police Department, the union officer's rates are set until 2018. The Police Chief, Sergeant, and support staff position are not set. The main increase in the Police Department's budget is due to the increase in health insurance. The worst case scenario at to health insurance was put in the budget for the Sergeant's position, due to this position still being vacant and it is unknown what the new person will need as far as coverage.

The amount put in the budget for the Fire Protection contract is just an estimate at this time. This information has not been received from the City of Hudson yet. As far as the Ambulance Service contract, there is a little bit of an increase from 2016. Wekkin stated that there is discussion that the ambulance service will be privatized. The cost to the Village of North Hudson is roughly \$14.00 per capita. If this service is privatized through the hospital, Wekkin stated that it is believed the amount that is budgeted can remain in the levy amount and be used for other reasons. Wekkin believes that the service will be paid for through user fees. The amount put in for the library contract is the three (3) year average.

Ekblad reviewed the Public Works budget. The fuel line item has been reduced. Troester stated that in regards to crack filling, seal coating, and hot patching, the budget for 2017 is pretty close to the end numbers for 2016. However, the 2016 numbers were amended and increased during the year to cover these costs. The skid loader and loan for a new Public Works truck are under the Public Works-Equipment Outlay section. The \$50,000 for the catch basin project is under Capital-Storm Sewer Outlay.

The final numbers show a \$9,639 deficit. It is hoped that some of this can be made up when the State Transportation numbers are received. However, the anticipated projected year end for 2016 is approximately \$37,000 to the good. From this projected surplus, \$10,000 can be put away towards a new squad and \$10,000 toward a new Public Works truck. Payments on any loans taken in 2017 will not start until 2018. These new loans will be added to the levy in 2018. All of the debt service that could be captured for 2017 was taken. If the \$20,000 was put away for a new squad and Public Works truck, there is still a \$17,000 surplus at the end of 2016.

Zappa asked about the catch basin project. Ekblad stated that all of the catch basins were evaluated. There are 66 catch basins that need to be rebuilt. There is a company that can do this for a fraction of the cost through a new procedure, compared to the typical process.

With the proposed levy increase, the Village mill rate will go from 4.51 to 4.54. Another meeting date may be set for mid-October once more information is received. Wekkin thanked everyone for their hard work on the budget.

May convene into closed session per §19.85(1)(c)

The Finance Committee did not convene into closed session.

Adjournment

Wekkin declared the meeting adjourned at 4:10 p.m.

Respectfully submitted by,

Melissa Luedke
Village Clerk