

**Village of North Hudson
Special Finance and Personnel Committee Meeting
Tuesday, October 15, 2019 @ 3:00 p.m.
Village Hall, 400 7th Street North
Hudson, WI 54016**

Minutes

Call to order: roll call

President Wekin called the meeting to order at 3:03 p.m. Answering the call were Trustees Nelson and Pike. A quorum was present and the meeting had been duly noticed. Trustee Zais entered the meeting at 3:13 pm. Also in attendance were Village Administrator, Melissa Luedke; Police Chief, Mark Richert; Public Works Director, Patrick Moos; and Village Treasurer, Nathan Troester.

2020 General Government Budget workshop

Luedke reviewed the assumptions used to prepare the 2020 budget with the committee. State Transportation Aid will see an increase of about \$8,842.00. Shared revenue will remain consistent with past years. There was a no change in health insurance premiums but an 8% increase in dental insurance premiums. The contribution rates for Wisconsin Retirement System (WRS) employers and employees will increase slightly next year, from 6.55% to 6.75% of wages, which is the employer's portion for non-represented employees. There was a 2% increase in wages allocated for budgeting purposes only. Any pay increases would need to be approved by the Village Board. Other areas that saw increases were elections, the fire contract, and an upgrade to the website.

Also included in the budget was the use of Available Funds, both assigned and unassigned. These funds will be used to purchase a Public Works truck and for security upgrades to the Village Hall.

Chief Richert reviewed operating expenses in the Police Department which remained consistent with last year's budget numbers. Increases were allotted for uniforms & equipment, education & training and computer equipment. Costs of wages & benefits was also included for the addition of one (1) new officer.

Moos reviewed expenses in the Public Works Department and overall, estimated expenses for 2020 are consistent with 2019. Increases were allocated for contracted consulting services; utilities; building repairs & maintenance; snow removal; and equipment.

Moos reviewed the Public Works Department request for equipment which includes a Graco line painter, GIS System and a John Deere mower. Future requests will include a gas monitor, harness for confined spaces, a single axle trailer, and a salt/sand spreader. The purchase of a loader/plow was discussed. Luedke stated further discussions need to take place regarding the loader. Details such as how it's going to be paid for will need to be addressed. Will a loan be taken out to pay for it? Does the loader/plow need to be new or can a used one be purchased?

Luedke reviewed four (4) options for the 2020 budget. Option 1 is the proposed budget that the committee has in front of them and shows the maximum increase (\$37,069) that could be added to the levy. This includes net new construction of 1.38% (\$18,816) and \$18,253 in principal and interest loan payments. This option reflects a deficit of \$29,486 and cuts to the budget would need to be made in order for it to balance. This option includes the Public Works Capital Equipment

purchases and the hiring of one additional Police Officer. The millrate would increase to 4.64 (up from 4.60) and result in a \$16 tax increase on a 400,000 home.

Option 2 also shows the maximum levy increase as well as using an additional \$41,500 from the Unassigned Fund for the Public Works Capital Equipment purchases and the hiring of one additional Police Officer. The millrate would increase to 4.64 (up from 4.60) and result in a \$16 tax increase on a 400,000 home. This option reflects a surplus of \$12,014 which could be applied to the levy to reduce taxes.

Option 3 indicates a decrease to the levy of \$12,014 and the criteria from Option 2. This results in a balanced budget. The millrate would go from 4.60 to 4.61 and result in a \$4 tax increase on a 400,000 home.

Option 4 replicates Option 3 but excludes one additional Police Officer. The result is a budget surplus of \$104,424 that could be used to reduce the levy. The millrate would remain 4.60 and no tax increase. The new levy would then be \$1,534,880. However, it was not recommended to reduce the levy by this large of an amount as the Village would not be able to recoup the money next year. The only way to raise the levy is by net new construction and principal & interest on loans.

Convene into Closed Session per §19.85(1)(c)

Motion (Pike/Zais) to convene into closed session per §19.85(1)(c) to consider employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility, regarding employee wages and benefits. Motion carried. The committee convened into close session at 4:40 pm.

Re-convene into open session per §19.85(1)(c)

Motion (Pike/Nelson) to re-convene into open session at 5:22 pm. Motion carried.

The Finance committee recommended Option 2 and will schedule another meeting for Wednesday, October 23, 2019 at 3:00 pm to finalize the 2020 budget.

Adjournment

Wekkin declared the meeting adjourned at 5:24 p.m.

Respectfully submitted by,

Jessica Lehman
Deputy Clerk/Treasurer