



VILLAGE OF WEBSTER

BUDGET WORKSHOP MEETING MINUTES

Wednesday – October 17, 2018 @ 6:00 p.m.

Village Office

7505 Main Street West, Webster, WI

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- I. CALL TO ORDER** – Village President, Jeff Roberts called the meeting to order at 6:00 p.m.
- II. PRESENT** – Village President, Jeff Roberts; Trustees, Sarah Casady; Kelsey Gustafson; Tim Maloney; Darrell Sears; Charlie Weis (arrived at 6:08pm); and Greg Widiker. Others: Auditor, Jonathon Sherwood – CliftonLarsonAllen; Public Works Director, Jay Heyer; Police Chief, Stephenie Wedin and Clerk-Treasurer, Debra Doriott-Kuhnly. Absent: None.
- III. BUDGET 2019 DISCUSSION:** Village President, Roberts gave the floor to Auditor, Jonathon Sherwood. He reviewed the 2019 Municipal Levy Limit Worksheet with the board. He noted that before any adjustments, the State would allow the levy to be set at \$384,972. This is a decrease of approximately 1.7%; losing \$6527.78 in levying ability. He asked the board to look at line 9: total adjustments. And then go to page 2; item E (Debit service levy for general obligation debt); stating the village does have debt (truck payment) that will be paying on in 2019 that can be used to increase levy by. A portion of the allowable debt can be used to make up for the short fall of \$6527.78 and would keep taxes flat. If the board does not borrow money, for any capital projects next year; this option would not be available for 2020 budget. Widiker asked Jonathon the reason for the reduction in allowable levy. Jonathon explained the calculation is from the state and a major factor, in the calculation, is net new construction (or growth) within the Village. The Village had a negative number of .25%. Jonathon informed the Board that the other thing to consider is the expenditure restraint program. This is a State program that just looks at expenditures that we budget and allow us to increase by another formula (based off from the prior year's budget compared to this year's budget) payment from the State for keeping our expenses down.

The board then went line by line on the budgeted Revenue accounts. Trustee, Weis questioned if we would be getting in Lieu of Taxes from SCRMC. President, Roberts stated that there has not been an agreement made yet. Jonathon stressed the importance of Public Works Employee coding their time correctly on any hours worked on street repair and street construction. This directly relates to revenue in State Transportation Aids. The Mobile Home Operator License is grandfathered in at \$25.00 not \$100.00. Clerk/Treasurer, Kuhnly suggested increasing building permit fees and variance fees as she has heard that other municipalities charge a lot more than the Village of Webster. Trustee, Maloney thought this is something the Judicial Committee can look into. Jonathon is pleased to see that the Village is collecting money on Interest on Delinquent Special Assessments/Utilities; this has been stagnant as people weren't paying them off. Trustee, Maloney mentioned the County is making an increased effort. Clerk/Treasurer Kuhnly will review the Cell Phone Tower Lease Agreement as members of the Board thought that should increase. Jonathon called attention to line item Park Fundraising as he mentioned this in his Audit Report. This is donations raised by Mason Getts and is restricted for use of the park. We need to make sure we are tracking the donations; we can still spend down the funds for work needed done at the park. Previously, these donations were not specified (separated out) as Mason Getts Park Fundraising and are now properly identified.

Next, the expenditures were discussed. Jonathon stated that he and Clerk/Treasurer, Kuhnly already made changes to the initial budget for wages and benefits for all departments. Trustee, Maloney pointed out budgeted 2019 expenses are down by \$5,500 over 2018.

General Government Expenses:

Elections is over budget for 2018 due to the additional Election. Trustee, Weis asked why over budget on Property/Liability Insurance – Clerk/Treasurer, Kuhnly stated that in part, we added water/sewer no fault rider. Jonathon also added that the timing of the premium payments could contribute to this as well. He also stated that when he completes the audit, at the end of year, there will be a journal entry made; reducing this line and moving some of this expenditure to the water/sewer utility for the Municipal Truck premium. Decision was made to change 2019 by \$1,000; resulting in yearly budget amount of \$14,000. Trustee, Gustafson questioned why Village President was a separate line item when it's rolled into the Village Board line item expense. Jonathon stated the reason is we budget as a separate line but don't have a separate expense account in chart of accounts. When the Village President is paid, the expense account is the Village Board. President, Roberts and Trustee, Casady feel the Village Board expenses should go down in 2019. In 2018, there were a number of additional meetings due to employee turnover and old high school/new SCRMC clinic.

Public Safety Expenses:

The Police Administrative Assistance's salary is currently under Part Time Officer budgeted number. Jonathon confirmed that the Police Liaison Officer reimbursement will not be budgeted for 2019. Trustee, Weis and Chief, Wedin said not to budget for 2019 but the time the new police officer is at school will just come out of Full Time Officer salary. The Police Liaison Officer will be reevaluated for school year 2019-2020. Trustee, Widiker asked why the Police Chief's Salary is projected \$80,395 for 2018 but 2019 is only budgeted for \$60,770. Trustee, Casady pointed out the previous Chief's retirement package is included in 2018. Trustee, Casady stated that the police retirement will be converting to WRS in 2019. So the amount may go down. Trustee, Weis asked the Chief if they are in need of new computers. President, Roberts pointed out the computers are under the replacement fund. Jonathon stated that the police squad replacement and vests are also under the replacement fund. He also pointed out that police software expense was added as a line item in the general fund to cover yearly maintenance fees. Trustee, Maloney asked if all police expense dollars are not used; can we carry over this amount. Jonathon said he will make note of that for year end. Police officer equipment (belt, stuff that are carried on the belt, etc.) comes out of police expenses and all clothing comes out of clothing allowance. Trustee, Maloney confirmed with Jonathon that within a department; money can be transferred. Within a department, a budget deficit (meaning underspent) can be used for a budget surplus(overspent). Trustee, Weis pointed out that Clothing Allowance has been over budget the last two years. For 2018, this is due to the new Chief and new Police Officers' outfitting. Chief, Wedin asked where police officer's overtime is represented. Jonathon said budgeted salary includes 60 hours' overtime. Chief, Wedin said no more comp time for the police officers and Trustee, Casady also pointed out the overtime after 8 hours is going away (for the full time officer) so this will save in the overtime budget.

Public Works:

Trustee, Gustafson asked where Public Work Employee's wages are. Jonathon answered they are represented in the specific line items based on how they record/code their time worked in each area

(i.e. Street Repair, Water, etc.) Trustee, Widiker asked if Bruce Gibbs will still be removing snow on Main Street this year. Public Works Director, Heyer said the contract is through the end 2018. President, Roberts said that 2019 will need to be approved in December Board Meeting. Heyer believes he will do it for the same rate as 2018. Jonathon drew attention to Street Lighting. During 2018, some street lights were removed and some were updated to LED lighting; resulting in an estimate of \$5,000 under budget. Trustee, Maloney asked if the budget should be reduced for 2019 due to this savings. Heyer thought so as any time the current lights go bad; they are being replaced by LED and there is still quite a few to be replaced. The decision was made to reduce Street Lighting by \$2,000. Jonathon asked if the board wanted to reallocate the \$2,000 savings somewhere else in Public Works. It was decided to put in Street Repairs.

President, Roberts asked, with the kids crossing by the clinic, do we need to get permission from the State to put the flashing lights back on the highway. Heyer said we would need to get permission and he will look into it. Roberts asked if the \$2,200 in Traffic Controls will be enough with installing the flashing lights back on the highway. Heyer said getting electricity on the west side (east side has it already) is going to be expensive. Roberts asked about solar. Heyer will look into it. If we need to adjust the budget, within Public Works, will do when Heyer gets the information.

Health and Social Services:

Jonathon asked the board why there is a separate Cemetery Fund but still budgeting \$3,050 in the General Fund. Heyer thought it was because the Cemetery Fund doesn't have enough money to pay the full wages for maintenance and mowing done. Trustee, Maloney thought it was split 50/50 between Cemetery and General Fund. Jonathan pointed out that in 2017; the Cemetery Fund did not reimburse the Village/General Fund for their share. He will make the correcting entry. Heyer said this should just be Dan Thill's wages not his and Dean's.

Culture, Recreation, Education:

The Library will receive the same amount of funding, from the Village, as previous year; \$42,147. In regards to the Community Center, Trustee, Maloney asked to add another \$1,800 for flooring. Kuhnly stated this is already allocated in the Capital Replacement Fund. Roberts pointed out there is \$5,000 earmarked. Heyer suggested replacing more windows with the remaining funds. Budgeted amount for the Community Center line item will be rounded up to \$12,700.

Trustee, Weis asked if Events/Celebrations/Entertainment is up in 2018 because of less donations. Jonathon explained that this is purely expenditures so no donations offsets this; donations would be recognized in the 4800 section. He further explained that Kuhnly and he discussed where to charge Public Works Employees time when watering the hanging flower baskets on Main Street, and decided this is the area. Kuhnly asked if the budget for this line item should be increased. It was decided to leave.

President, Roberts confirmed that the Fair Board is the amount the Village donates and the Fairgrounds is the amount for maintaining the Fairgrounds. Jonathon informed the board that we did move the expenses for tire removal out of fairgrounds and charged it instead to Capital Improvement Fund.

Debt Service:

Jonathon reiterated that the last truck payment will be made in 2019.

With the changes discussed to this point, the new General Fund Levy would be \$289,884.

*(*This amount was changed to \$290,952 after the Levy adjustment of using the allowable debt.)*

Total Proposed Expenditures for 2019 Budget are as follows:

- General Government - \$140,875
- Public Safety - \$252,366
- Public Works - \$134,490
- Health and Human Services - \$3,050
- Library Levy - \$42,147
- Other Culture, Recreation and Education - \$40,595
- Conservation and Development - \$2,030
- Debt Service - \$19,662

Total 2019 Expenditures - \$635,215 for a 2.69% change from 2018.

Total Proposed Revenues for 2019 Budget are as follows:

- General Property Taxes - \$290,952
- Other Taxes - \$8,900
- Intergovernmental - \$243,653
- Licenses and Permits - \$7,230
- Fines and Forfeitures - \$12,000
- Public Charges for Services - \$3,630
- Intergovernmental Charges for Service - \$0
- Miscellaneous - \$20,850
- Transfers from Water Utility - \$48,00

Total 2019 Revenues - \$635,215 for a 2.69% change from 2018.

Conversation took place on the need for funding to clean the sewer ponds. Jonathon stated that this expense would come out of the Sewer Fund and he suggests getting a State Fund loan. Public Works Director, Heyer asked when the last time sewer rates were increased. Jonathon said the sewer rates were last increased in 2009 and water was last increased in 2012. He stated it is prudent to review those more frequently; if not the PSC will intervene.

Street Construction Fund (Capital Projects Fund):

The priorities for 2019 Street projects are Apple & Musky by the DNR and Wayne's; and Elm & Pike by the old ABC Lumber Building. The allocated dollars for 2019 Street Construction Fund are \$43,000. (***This amount was changed to \$48,460 after the Levy Adjustment of using the allowable debt.*)

Capital Replacement Fund:

There is \$52,088 of unallocated funds. Jonathon has already put aside \$6,206 for Police Software.

Chief, Wedin received an estimate from the County of \$35,000 for a Dodge Pick Up to replace the squad car. As a reminder, a portion of 2018's budgeted squad car replacement was used for the Police Department's share of the purchase of the UTV. Trustee, Widiker would like to take \$12,312 out of unallocated funds for the remainder needed for the new squad car. Jonathan said he had a note, from

last year's budget meeting, to increase the Police Vests each year; with goal of \$3,000. Trustee, Weis recommended allocating \$20,000 to New Office Building. Jonathon suggested changing Bobcat line item name/title to Public Works Equipment. The board agreed. The remaining unallocated funds of \$12,570 will go to Public Works Equipment. Trustee, Widiker would like to see continued progress on sidewalk improvements in 2019. Trustee, Gustafson said this is already planned. Jonathon said he had brought up to Public Works Director, Heyer that other Municipalities have been successful in leasing their Bobcats; every other year the Municipality would get a brand new piece of equipment. President, Roberts told Heyer this is worth looking into.

Listed below is the 2019 Capital Replacement Fund earmarked by the board:

- Squad Car - \$35,000
- Cold Storage Garage - \$6,000
- Office Building - \$110,046
- Computer (PD) - \$1,500
- Computer (Village Clerk-Treasurer) - \$1,500
- Police Vest - \$2,000
- Police Software- \$8,956
- New Roof on Cattle Barn/Fairgrounds - \$7,500
- Flooring in Community Center - \$5,000
- Landscaping Main Street - \$1,142
- Landscaping of Village Office - \$1,500
- Public Works Equipment - \$15,936
- Pedestrian Signs - \$4,000
- Sidewalk Repair/Replacement/Placement - \$32,900

The allocated dollars for 2019 Capital Replacement Fund are \$232,980.

Auditor, Jonathon Sherwood reiterated the village still has the option of using \$6,528 of allowable debt to set the property tax levy. By using this, the property tax levy would be the same as last year: \$391,500. The board agreed. The \$6,528 will be allocated as follows: \$1,068 to General Fund and \$5,460 to Street Construction Fund. The new General Fund Tax Levy will be \$290,952. The total Property Tax Levy will be \$391,500.

IV. ADJOURNMENT. Motion was made by Trustee, Sears to adjourn the Budget Workshop Meeting at 7:58 p.m., seconded by Trustee, Widiker. **Motion carried 6-0.**

Respectfully submitted,

Debra Doriott-Kuhnly

Debra Doriott-Kuhnly, Clerk-Treasurer
October 17, 2018

***These minutes are subject to approval at next month's Regular Meeting.