

**VILLAGE OF DRESSER
FINANCE/PERSONNEL COMMITTEE MEETING
MONDAY, NOVEMBER 5, 2018**

The meeting was called to order by Grace Bjorklund at 1:00 PM. Roll Call was taken: Grace Bjorklund, Karen Andrie, and Bryan “Fatboy” Raddatz. Also present was Jodi Gilbert – Clerk/Treasurer, Brock Geyen and Sarah Kobs – CliftonLarsonAllen LLP, Ryan Haass, and Rob Thompson. No other public or press was in attendance.

Discussion was held regarding the 2019 Budget. Geyen stated we have all of the numbers and we will give you where you are at and what you need to do. Handout #1 shows the Levy for the past 5 years. At this point you have a large increase for 2019 which is based on the budget as proposed at this moment. The bottom right shows that at this point the taxes would increase \$140.39 for \$100,000 of value. Handout #2 shows the restrictions on how much you can increase your levy every year. First you have your net new construction, which you want to take advantage of that amount. You roll that into your base or you will loose it. Your starting point for this year is last year’s levy. You elected to add debt service in the amount of \$59,489 so now you have to deduct that amount from the base. There is net new construction of \$5902 that gets added back in. Your new base is \$430,193. There is a new rule regarding personal property aid so that amount comes in as a negative number. In the 2019 budget there is new state aid for the personal property so you reduce the levy for that amount. Then you see \$136,990 that is the amount you need to plug in for debt. The only real adjustment you can make is for principal and interest. When you look at the 2nd page and you have the summary of principal and interest 2018 compared to 2019. You issued new bonds. \$10,000 Debt Prefunding – you are penalized when debt goes down on the expenditure restraint worksheet. We should include the \$10,000 for levy purposes and keep principal and interest levels consistent so you are not penalized. We want to make sure you qualify for the expenditure restraint (Handout #4). As long as you limit your expenses you will qualify for aid. In 2019 you will be getting \$13,271. You want to protect that amount. So at this point the bottom difference is \$67,874.63. In order to qualify for expenditure restraint and meet your levy limits that is the amount you will need to cut. That is the quick and dirty on how much you are over. Handout #3 is your carry over amounts. This tells the specific things you have set aside money for.

So Handout #5 is the proposed 2019 Budget. You have gone over the numbers so we don’t have to go line by line. You know how much you need to reduce. Bjorklund stated I think we should start with the capital outlay accounts. We can’t reduce street repairs. The Tennis Court and the Building Roofs are big items. We have taken out of the budget and reallocated Tennis Court money in the past and I don’t know how long we can put that off. The roof on the sewer building – is that Village or Sewer? Geyen stated that should be paid for by the sewer utility. You would have the ability to do a transfer over if you wanted the general fund to supplement the sewer utility. Bjorklund stated you also have the shop floor. Andrie stated get rid of the shop floor. Committee agreed to remove \$12,000 – shop floor. What about the roof repair – Thompson stated I wouldn’t recommend waiting on the roof repair. They are not leaking yet. The guard rail repair on Stated Street will have to come out. Remove \$8,000 Guard Rail. Remove the painting of the ceiling at the Community Hall – \$2,000 was removed. Haass stated the radar is working at this point, but it is not repairable. The printer in the vehicle is necessary. Andrie stated back to the Library Roof Repairs. Raddatz stated the building roof is the most

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important part. Should we cut back the Tennis Courts it is not a building. It continues to be put on the back burner. We need to take care of the buildings before we take care of the Tennis Courts. There was the obligation of the grant but we can't take it from roads. Take the Tennis Court off and the sewer roof should come out of the sewer utility. Bjorklund stated take the \$3,000 for the roof off the sewer utility will need to cover this. Remove the \$15,000 for the Tennis Courts. Bjorklund stated we should look at the replacement accounts and the LRIP. We may have to do some short term borrowing. Office equipment replacement reduce this from \$2000 to \$1000. We need to leave the street repairs in the budget. The State is forcing you to borrow money not save it. Once we remove an item from the budget it is gone. Do the guys need the tool box? Thompson stated we can get buy without. Take the tables/chairs for \$1,200 and remove \$1,100 for the tool box. Andrie commented do you take out the overtime. Raddatz stated do you not want your streets plowed. Andrie stated we could limit the overtime. Raddatz stated what about the catch basins. This could be removed, but we know we are going to have some repairs. Leave the catch basins. Under police equipment change the \$4,000 to \$1,200 for the printer. Bjorklund stated under the LRIP you will have two years to do a project. Raddatz stated we should leave in the housing survey. What about the machinery replacement accounts. We are getting a new plow truck, but we do have an aging loader. Andrie stated didn't we change out the plow. Raddatz stated the loader itself is getting old. Change the machinery replacement account to \$5,000 cutting it by \$5,000. Bjorklund stated the remaining amount is \$16,800. Andrie stated do we look at the municipal court with Osceola? A lot of that is based on citations. Bjorklund stated I suggest we take \$17,000 out of the LRIP and balance the budget. Andrie stated you do have \$21,000 for roof repairs. Geyen stated if you take \$16,800 you would meet your expenditure restraint limit. Take the \$16,800 which will leave us \$13,200 in the LRIP. You now have a Balanced Budget. You meet the expenditure restraint limit and you meet your levy limit. Back on Handout #1 the change in taxes from prior year is now \$11.10. Is everybody content with those figures? Andrie stated I would like to see no increase in taxes. Raddatz stated that is hard with everything growing. Where else do you want to cut? With all of the restrictions now you need to protect the general fund reserves. The next step is to give you the publication document. Public Hearing will be on December 3rd at 6:30 PM. You will have the hearing and set your levy and mill rate. You will then submit your limit form to DOR and to the County for the taxes.

Bjorklund asked if there were any other items of business. In the last finance meeting we said we would look at the machinery and street budgets and see if we needed to move any money. I think things look good right now. Also in the past we have given the employees \$150.00 around the holidays and this will be on the December agenda.

Motion Raddatz/Andrie to adjourn at 2:10 PM. All in Favor. Motion Carried.

Jodi A Gilbert, Clerk/Treasurer

These minutes have not been approved.