

**VILLAGE OF DRESSER
FINANCE/PERSONNEL COMMITTEE MEETING
MONDAY, OCTOBER 28, 2024**

The meeting was called to order by Grace Bjorklund at 6:00 PM. Roll Call was taken: Grace Bjorklund, Darren Peterson, and Joe Peterson. Mark Kuhl Alternate was present. Also present was Jodi Gilbert – Clerk/Treasurer, Sarah Kobs – CliftonLarsonAllen LLP, Brock Geyen – CliftonLarsonAllen LLP, Ryan Haass – Police Chief, and Leann French – Library Director. No other public or press was in attendance. This meeting was posted that a majority of Dresser Board members may be present to gather information about a subject over which they have decision-making responsibility.

The purpose of this meeting is to finalize the proposed 2025 Budget with Sarah Kobs and Brock Geyen – CliftonLarsonAllen LLP. The committee was presented with 5 handouts as the meeting’s starting point. Geyen stated we have a little bit of work to do tonight.

Handout 1 – Budget Summary. Geyen stated this sheet can be a little tricky. First you still have work to do so the levy will come down. Second when you look at line 20 the Assessed Value it is showing a decrease. The difference between 2024 and 2025 has to do with personal property. With Act 12 the personal property is now pulled out, but if personal property would have still been included your assessed value would have gone up. This helps to explain the numbers. The proposed budget at this point is up \$31,975.00 a 6.01% increase.

Handout 2 – Levy Limit Calculation. Geyen stated this sheet shows how much you can increase taxes from year to year. The top section is the calculation. The bottom section and page 2 are related to debt service. As a starting point with the formula – you start with the number you ended with last year. You then back off debt service. You can increase your levy in order to pay for debt principal and interest payments. Usually, you don’t take the whole amount. There is some flexibility with this. The \$86,182 from last year comes off. Line 16 – at this point you are claiming \$105,682 as an adjustment. This is a \$19,500 increase from last year. Net new construction can be added to your limit and we now have the new shift in personal property. The State of WI is reducing the levy by what aid they are giving you. We have some work to do – we have the ability to change what we claim in debt service. This sheet is saying that your allowable levy should be \$547,676.00.

Handout 3 – Carryover funds. This sheet shows your carry overs. We do projections for 2024 and start where you ended with the 2023 audited numbers. You look at the budget activity/what happened in 2024. You then end up with column N and ending 12/31/2024 amount for each item. Column P is your proposed 2025 budget. This could change as we look at the budget detail. In the 2024 budget you planned for \$30,000.00 for these assigned items. In the 2025 budget you are proposing \$25,000.00, which is a drop of \$5,000.00.

Handout 4 – ERP Calculation. This shows the Expenditure Restraint Budget Worksheet. This is another limitation you need to meet in order to qualify for certain aid from the State of WI. To qualify your General Fund needs to stay below a 3.6% increase. Right now, your proposed budget is over by \$22,849.59. We do need to get that amount reduced so we get the aid in the spring.

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Handout 5 - Budget Detail. The last document you have is the 2025 proposed budget. First of all, you have the revenues listed. We either need to add dollars, cut expenses, or get creative with debt financing. Need to watch how this will affect your levy limit going forward. Do you want to go thru every line? The committee didn't feel that they had to review every line. Revenues are all listed. Bjorklund stated I don't know how we can get any more monies. Darren Peterson stated let's look at the Capital Outlay items. We have line #542 pressure washer for \$5,500. We could finance some of the new pickup truck line #517. Or we could finance a portion of the truck and reduce line #542. Bjorklund stated I think we just take it from the truck. We could do a one-year loan like we have been doing for street maintenance. Geyen stated for street maintenance you had to pull some of that out in the past. You can't always just pull things out. However offsetting revenue services is not levy so then you borrow the estimated \$22,000 and pay back the estimated \$22,000 out of the capital project fund. Do we pull \$5,500 and finance \$25,000. Let's start by making one change at a time and see where the numbers go. OK let's start with the pickup. Pull \$25,000 from Capital Outlay Line #517 and borrow for the pickup truck. This allow you to qualify for the expenditure restraint, but the question is how does this affect the debt. There is not a problem financing the truck. The First and Second Street project has not been finalized. You have a CDBG grant and loans thru Clean and Safe Water. We just don't know yet what will hit the general fund. There is interim financing that is due in December. You had levied for that. You have paid back the \$20,000 for street maintenance and you will owe around \$41,501.00. You did collect most of that money. You will need to refinance the loan or pay off the debt. You only want to finance what is needed. You also have the new Fire Truck Debt but first payment not due until 2026. We had built into the numbers \$41,500 for something. We prefunded debt so we should apply that amount towards the interim financing or look at it that you have \$41,500 already in the numbers to help pay for the truck. What is your recommendation. How do you feel on the street debt. It is hard since it is unknown how much is still due. I lean towards using the money for the original intended uses.

Geyen refigured the numbers as requested. The handouts were reviewed. We reduce the line item of the pickup truck. Adjust the levy limit with the new numbers. Handout #1 summary – levy would be at \$541,508 and taxes would be \$13.40 increase on 100,000 in value. You would meet the levy limit and meet the expenditure restraint. At this point I left in the pressure washer. Hand Out #1 is driven by the Assessed Valuation. The levy is up 1.71%. Handout # 2 – bottom of page 1. Last year 2024 row #58 \$41,501 included in calculations last year. Column D – we will still plan on that – stay to cover all of the bases. Issue debt of \$35,332/borrow \$36,000 from the bank. If you end up borrowing more for First and Second Street OK. If you don't have to borrow for the street project you need to do at least \$36,000. Everyone was ready for new handouts to be printed. The library is up 3% and that amount is figured into the 2025 Budget. Geyen stated you have pulled expenses from the general fund. You have reduced the levy because we pulled out the one big expense – see page 1 of detail. Property taxes are up \$9,125. This solved the Expenditure Restraint Percentage and you are within the levy limit. We included \$41,500 in the draft – the same as last year. You are planning on borrowing more. \$36,000 is the minimum to borrow. Darren Peterson explained the levy. We already had that amount plugged in. There are no prepayment penalties – pay it off and save on the interest. Debt is long term 365 days/one year.

