



TOWN OF HULL MUNICIPAL BUILDING
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Portage County, WI

TOWN OF HULL
2023 BUDGET HEARING ~ SPECIAL TOWN MEETING ~ BOARD MEETING
Tuesday November 15, 2022 **5:30 PM**

1. **2023 TOWN OF HULL BUDGET HEARING – NARRATIVE PRESENTED BY CHAIRPERSON DAVE WILZ * SEE ATTACHED***

Dave Wilz reported; was accepted

5:50PM

2. **SPECIAL TOWN MEETING CALLED TO ORDER – THE SPECIAL TOWN MEETING IS FOR CITIZENS OF HULL, PRESENT AT THE MEETING, TO VOTE ON THE 2022 LEVY WHICH IS PAYABLE IN 2023. THE PROPOSED LEVY IS \$1,542,173**
PUBLIC NOTICE POSTED IN STEVENS POINT JOURNAL 10/31/2022

MOTION TO APPROVE THE LEVY TO \$1,542,173 FOR 2023

1ST Kim Hetzer 2ND Jan Way 7 YEA - 0 NAY

3. **ADJOURN SPECIAL TOWN MEETING**
1st Jan Way 2nd Ken Sadogierski

4. **TOWN BOARD MEETING CALLED TO ORDER – THE TOWN OF HULL BOARD OF SUPERVISORS VOTE ON 2023 BUDGET by Dave Wilz** **5:55PM**

MOTION TO APPROVE TOWN OF HULL 2023 BUDGET

1ST Jan Way 2ND Barb Brilowski 5 YEA - 0 NAY

5. **ADJOURN TOWN OF HULL BOARD MEETING** **5:57PM**
1st Dave Wilz 2nd Barb Brilowski

ROLL CALL DAVE WILZ, MARK FRITSCHKE, JAN WAY, ROBIN LIPSKI, BARB BRILOWSKI, DESIREE REDDITT, KIM HETZER, KEN SADOGIERSKI

11/15/22

Hull Budget Town Meeting
(Budget Narrative)
History

The 2023 budget is in year twelve with the influences of the Governor's Budget Repair Bill and Act 10. This became effective in July 2011. Prior to this legislation taking hold, the Town of Hull had already steadied tax levies and no increase had really occurred for 2 years prior to the 2011 legislation. This equates to 14-15 years of no increase to Hull's levy to support the base operational budget. So depending on how one looks at and measures this, it is safe to say, that we have been fiscally challenged more than most because we have been frugal in the past.

Process for 2023 Budget and Other Highlights

2023 budget preparation saw the following process. Normal operating base budget items were separated from one time or special requests. All departments were then given a zero based directive to not allow their budgets to grow from the previous year including wages and benefits. If additional dollars were needed for new items, cuts in other line items needed to be done to offset the increase in spending where ever possible. This strategy allowed for some flexibility and new priorities could be addressed. There were many areas that zero based budgeting could not work or there was nothing else that could be cut after years of reductions. Those departments that were able to hold the line using zero based budgeting were the Fire Department, EMS, Inspections, Legislative, Public Health and Parks.

The greatest increase in the 2023 budget is from Sanitation, our second largest cost category after roads. After a five year contract with 5 renewable years being completed, a new contract was prepared from our sanitation vendor. Anticipating a large increase, the Town reached out to gather interest from other potential vendors. One vendor responded but was significantly higher than our current vendor's new proposal-(over \$80,000 higher). Our current vendor increased its rates by 15% or \$33,804 per year. An additional Portage County per capita fee, which was put in place two years ago, added another \$11,443 in cost to our sanitation budget. A recycling grant was discontinued which decreased revenue by \$8,700. The computation of these three factors increases our sanitation budget by \$53,947.

This budget reflects a 7.17% increase in wages/gratuities for all town employees, fire department, EMS and appointed officials, with the exception of the town board. This figure percentage comes from an index identified by the State and is the maximum allowed by Act 10. Benefit cost increases (health insurance) rose by 5.00 %. Not all labor and insurance costs were offset by cuts to the budgets in the departments that generated the increases, as we had done in some other years. Other cost challenges prevented us from doing that. The total approximate increase to these two costs are \$6520 for health insurance plus increases of \$35,021 in labor for a total of \$41,541.

This budget contains an extra \$44,000 for legal expenses for 2023. This extra amount will be used to finish boundary agreement project with the City and to finish a legal process involving the use of the Town's Nuisance Ordinance.

This budget contains increases for yearly maintenance agreements for voting equipment along with increases for Cyber Security and computer support. These items increased the base budget by \$16,900.

This budget contains an additional \$5,000 costs in General Administration due to anticipated support for ongoing training of a new town clerk, administrative assistant and treasurer.

This budget contains one small increase for Road Aids of \$4325. This budget also contains a revenue downturn in cable fee of \$8,000.

This budget reflects moving from a 4 man full time road crew to a 3 man full time road crew supplemented with part time labor. We had a retirement in 2022 on the road crew and have not made an attempt to hire another 4th full time. Delaying this decision in 2023, will save \$48,585 to the roads budget. Even with a labor increase figured in, the Roads budget will remain unchanged for 2023 from 2022. We will perform a formal study in 2023 to evaluate the merits of both labor models and make a recommendation for the future.

This budget contains the cost modifications of going to a full time treasurer. This modification will add \$43,680 in cost. This is a one year trial of a new labor model with a formal evaluation to be performed for the possible continuation in the future. It could be funded by either town savings or ARPA funds if appropriate for this one year.

A Non Reoccurring Request list was established and kept separate for planning and decision making purposes from the base budget. This list contains one time requests or non-reoccurring expenses related to projects, replacements of equipment or services that are not part of the normal operating budget. They are usually under \$50,000. Examples might include new security cameras, fuel security system, unexpected repair of a bridge, etc.. This year's initial requests totaled \$0.00.

This budget reflects large project and large capital equipment expenditures that are anticipated along with smaller items that may need to be purchased as well, and should be financed. Instead of one large project or piece of equipment, this year's budget contains eight items (See Attached List) that equals \$272,985.00. Our Debt Payment schedule for 2023 will be reduced by \$162,964 compared to 2022, because of some payoff of previous debt. This will allow us to get a two year loan and pay the entire amount off without increasing the debt portion of our budget and levy for 2023. A fire department building study needs to be completed in 2023. A road equipment study needs to be completed along with an overall roads study. We need to take a longer approach to planning and this is the year for that.

This budget contains a \$0.00 amount for general contingency. This is a "just in case" dollar item that is available if something unexpected comes up or if the if we over spend in the current budget. It generally represents about 1.0% of operational revenue.

This budget reflects a \$152,109 shortfall. (Revenues minus expenses) A transfer from General Reserves will be needed to balance the budget for 2023.

Tax Levy & Mill Rate

The current Town of Hull mill rate is approximately \$3.41 per \$1000. Based off the highlights listed so far and no increased borrowing mentioned, the Town of Hull mill rate will basically stay the same. In fact, the mill rate actually goes down a bit from \$3.41 to \$3.39. This is because we can't increase the operational portion of the budget levy due to levy limits and our debt payment has remained unchanged.

Moving Forward

Citizens should approve the proposed 2023 tax levy of \$ 1,542,173.00

The Town of Hull board of Supervisors should pass the 2023 Budget, with all provisions of that budget.

Continue to refine large equipment planning/purchase lists, road projects and large capital projects separately from the operational budget. Have a separate plan finished prior to beginning the yearly operational budget process. (July 2023 at the latest)

After 14 years of a combination of levy limits and no increases allowed to our operational budget, the Town of Hull cannot meet its operational budget requirements moving forward, without subsidy. It is time to investigate the process of referendum.

Work on a longer range remedy to overturn the mathematical challenges of Act 10. Create workable formulas. Pursue ongoing studies to save money. Continual education of staff and elected officials.

Investigate all revenue lines for potential opportunities/Provide no subsidies.

Continue to advocate for our citizens that are harmed.