

# Draft

**Village of Elm Grove**  
**Finance and Licensing**  
**Budget Workshop**  
**November 3, 2022**

Present: Jim Koleski, John Schindler, Tom Shepherd, Ben Haas and Tom Michalski. Glenn Schrubbe was absent.

Also Present: Staff members-Monica Hughes, Dave De Angelis, and Katherine Gehl.

Jim Koleski called the meeting to order at 7:05 pm

## **Budget Discussion**

Jim Koleski opened the meeting summarizing the committee process thus far, noting the in depth review of each area of the budget. He stated that the goal of tonight's meeting was further discussion by the committee on any area and to provide answers to any outstanding questions. Monica Hughes summarized the memo and additional information staff had provided to the committee prior to the meeting. Staff had identified a number of options that could be implemented to reduce the tax levy needed, but still fund the budget for the upcoming year. Since the original draft of the budget, the Village has now received a renewal on its group health insurance that includes a 3.9% increase compared to the 10% budgeted. This allowed the following change- a reduction in health expense, reducing the amount of sewer levy dollars supported with user fees. Staff also suggested that the sewer planned fund balance increase be reduced by \$52,000.

The committee discussed the options suggested in detail noting the changes to the user fees. A portion of funding in sewer was transferred to the user fee, accounting for \$51.80 of the \$73.50 increase. The solid waste fee will increase approximately \$40 under a new contract with John's Disposal. The Village had issued a request for proposals for this service and Johns remains the most economical provider.

The committee felt it was important to note that these solutions were one time options to ongoing problems and that in future years the Village will again be challenged to support its annual operations and capital needs with the limited funding sources currently available. A number of current projects in the capital budget will be funded with ARPA grant funding the Village has received as well as part of the increased cost for the EMS paid on call program. It is also anticipated that the Village may support a number of 2025 public works capital items with the issuance of debt. Dave De Angelis noted this is not unlike other municipalities, many of which are issuing debt annually to support capital and infrastructure needs.

The committee also discussed the tax rate, noting that even with the increase in the levy of \$52,000 the tax rate will decline due to the large increase in property values. The levy increase represents a .71% increase while the assessed value of properties increased 14.75%. An average home, which is valued at \$585,700, would see a tax increase of approximately \$31 for Village tax and an additional \$115.17 in user fees for an overall increase of \$146.17 or 3.5%.

The committee again noted that the Transportation Fund includes tax levy of \$550,000 but currently no expenditures are budgeted. The Village is awaiting notification on the Gebhardt Road grant and the results of the referendum on this project. The Village will then develop a plan for what transportation projects will be scheduled in 2023 and how they will be funded. A budget amendment would be needed at that time.

Jim Koleski asked committee members if they had questions or additional comments they would like to make. Ben Haas noted that in these uncertain economic times it will be important to look further

## *Draft*

into the future as we are going through the year and budgeting. Costs are continuing to climb and the supply chain is uncertain. Dave De Angelis noted that public works is already being notified by a number of their vendors that the lead time for large equipment may be a few years out and they are looking for commitments now for future purchases.

Tom Michalski and Ben Haas moved and seconded to recommend the proposed 2023 budget including the 2022 tax levy and 2023 user fees to the Village Board incorporating the changes identified by staff in the 11.3.22 memo and reviewed at this meeting. Motion carried

### **Other Business**

No other business

### **Adjournment**

Tom Shephard and John Schindler moved and seconded to adjourn at 8:00 pm. Motion carried.

Respectfully,

Monica L. Hughes