Committee of the Whole Minutes

The Committee of the Whole met at the City of Nekoosa Office

Location: Council Chambers, 951 Market St. Nekoosa, WI 54457

Time: Tuesday, August 18th, 2026, at 5:30 P.M.

Call to Order

The meeting was called to order at 5:30pm by Council Chairman Brad Hamilton via Zoom. The roll call was conducted by City Clerk Kallee Ferk.

Roll Call

Aldermen Present: Larry Krubsack, Adam Buehring, Michael Kumm, Anthony Carlson, Dan Downing, and Garett Kuhn.

Also in attendance was Jon Trautman – CPA with CLA, Mike Hartje – Fire Chief, Shawn Woods – Police Chief, Rick Schmidt – Public Works Director, Darla Allen – Library Director, Dennis Fenske, Tim Bowe, and Scott Gustin.

Attendance via Zoom: Brad Hamilton – Council Chairman/Ward 4 Alderman

Alan Marcoux – Ward 1 Alderman and Daniel Carlson – Mayor were noted as absent.

Discussion and possible action on the preliminary budget status for the City of Nekoosa 2027 budget with Jon Trautman – CPA from Clifton Larson Allen.

Discussed presentation provided by Jon Trautman on the city's current 2026 budget status and the beginning of planning the 2027 budget.

Jon Trautman reviewed the second presentation for the 2027 budget season, providing an update on the City's financial position following the submission of preliminary budgets by all departments. Trautman noted that the figures remain subject to change as additional information is received from the State and as adjustments are made for positions that remain unfilled.

Trautman reported that net new construction was lower than projected at the previous meeting, coming in at 0.33%. This amount allows for an estimated $4,241 increase to the levy. He also noted that maintaining a mill rate of approximately $10.00 would provide approximately $40,000 available for debt service or borrowing for the 2027 budget.

A significant portion of the discussion focused on the preliminary budget deficit of approximately $248,734. Trautman explained that a portion of the deficit resulted from approximately $158,000 in expenditure that had been covered by applied funds in the previous year and had not been addressed through ongoing operations. He noted that continued reliance on borrowing or applying funds for operating expenses is not an efficient long-term approach.

After incorporating several reductions discussed and approved at the previous Committee of the Whole meeting, Trautman presented a revised projected deficit of approximately $59,672. He noted that this amount could be reduced further because the assessment fee had not yet been lowered from the 2026 budget level. Trautman also stated that leaving the discussed Public Works and Police positions unfilled could potentially allow the 2027 budget to balance and provide additional flexibility in future budgets.

Additional potential adjustments to the budget were talked about, including anticipated raises in fuel costs, Local Government Investment Pool revenue, and the potential recovery of approximately $50,000 in expenditure restraint funds in 2028.

Trautman also addressed the City's liability related to accumulated sick time benefits. He reported that the current liability associated with potential sick time payouts for all employees is approximately $500,000. Trautman encouraged the Council to review the sick time provisions in the employee handbook and consider whether the benefit structure should be modified for future employees to address the City's long-term financial obligations.

In connection with several anticipated retirements, Trautman discussed the possibility of using the debt service line to spread the cost of sick payouts over multiple years. He noted that this approach could potentially be implemented as a one-time measure or over several consecutive years.

The Committee also discussed the water utility's rate of return. Trautman noted that the City's current rate of return is below the Public Service Commission's (PSC) target of approximately 4%. He stated that the current situation does not require immediate action but should be monitored to avoid the possibility of a PSC mandatory large rate adjustment in the future.

Director of Public Works Rick Schmidt reported that the city is beginning to implement a simplified 3% water rate increase starting this fall. Trautman noted that a single 3% increase would have a limited effect on the rate of return but indicated that implementing similar increases over several consecutive years could help improve the City's position relative to PSC expectations.

The final topic discussed was the potential use of grants and capital project funds for improvements to Elmwood Lane and Glendale Lane in 2027. Director of Public Works Rick Schmidt stated that planning for these projects is still in the preliminary stages but wanted the Committee and Council to be aware of the goal of addressing and potentially completing the projects during 2027.

Adjournment

The meeting was adjourned. Jon Trautman agreed to email more concrete numbers at the end of September to the Committee, once the state numbers were out and at that time the Mayor would call a date for a meeting at the beginning of October.

Meeting adjourned at 6:07pm