

City of Hudson

2013-2017 Five Year Plan

The following is a list of key assumptions to be included in the 2013-2017 Five Year Plan. The purpose of the discussion is for staff to obtain general consensus from City Council in order to prepare and present a recommendation at the Five Year Plan workshops.

General Fund

1. Income taxes will increase 1.5% annually from 2013-2017. Excluding the impact of a one-time large payment, income tax revenue is up 4.1% through October 2012.
2. Estate tax of \$800,000 in 2013 and \$0 thereafter due to the elimination of tax effective 1/1/2013. There is generally a one-year lag in settling the estate therefore we expect collections in 2013.
3. Cost of living increase of 1.5% in 2013 for all employees. This is in-line with the recent union increases.
4. Health insurance will increase no greater than 8% in 2013.
5. Funding for TecHudson will not continue after 2012. This is consistent with last year's Five Year Plan.

Utility Funds

1. Water – rate increase of 5% in 2013 plus a \$5 per month capital replacement and repair fee beginning in 2013.
2. Wastewater – rate increases of 10% in 2013 and 15% in 2014-2016 plus a \$5 per month capital replacement and repair fee beginning in 2013.