

то:	City Council & Mayor
FROM:	Thom Sheridan, City Manager
	Jeff Knoblauch, Asst City Manager/Finance Director
RE:	Amended 2025-2029 Five Year Plan Year – General Fund and Fire/EMS Funds
<b>MEETING:</b>	April 22, 2025

## Summary:

Due to the loss of a major employer, we are providing an amended General Fund 2025-2029 Five Year Plan to reflect the anticipated reduced income tax collections. The amended Plan also includes increased capital purchases since the Plan was adopted in Nov 2024.

We are also providing an amended combined Fire/EMS Fund Five-Year Plan to reflect the reduced income tax collections as well as the increase in personnel and equipment costs due to the change from a paid on-call model to a paid, part-time model.

As a reminder, the City has a 2% income tax rate. The first 1% is allocated to the General Fund. The second 1% is allocated to the General Fund (47.5%), Fire/EMS (24%), Parks (15%) and Hudson Schools (13.5%).

The following summarizes the changes to the 2025-2029 Five Year Plan:

General Fund:

- 1. Reduced the income tax estimate for 2025 by approximately 3.7% over 2024 actual. Kept the estimated growth rate at 2.5% for 2026-2029.
- 2. Increased projected 2025 budget for the following costs:
  - a. Norfolk Southern abandoned rail \$540,000
  - b. Steidl and Stokes property purchases \$512,000
  - c. Hines Hill bridge design (1/2 of cost) \$836,000
  - d. Former YDC property clean up and improvements 670,890
- 3. Adjusted future years of the General Fund Five Year Plan as follows:
  - a. Added Hines Hill bridge design (1/2 of remaining cost) \$949,000 in 2026 and \$500,000 per year for City's share of construction in 2027 and 2028
  - Increased annual debt service for Public Works facility by \$353,378 for 2026-2029 due to increased estimated construction cost estimate. The total cost estimate is \$33,150,000. The General Fund share is \$28,650,000 and Hudson Public Power share is \$4,500,000.

- c. Adjusted amount of transfers to the Service, Storm Water and Street Construction Funds without removing any capital projects.
- d. Removed projected "Excess Available for Infrastructure Expansion for Unfunded Projects"
- e. Currently does not include an outdoor swimming pool

## Fire/EMS Fund:

- 1. Reduced the income tax estimate for 2025 by approximately 3.7% over 2024 actual. Kept the estimated growth rate at 2.5% for 2026-2029.
- 2. Added personnel and turnout gear costs for part-time firefighters beginning in 2025
- 3. Added debt service for \$5,000,000 improvements to existing station.

## Observations:

- 1. The General Fund ending balance ratio falls below 40% target without any additional changes to the Plan.
- 2. The new Fire/EMS staffing model is projected to cost an additional \$1.1 to \$1.2 million per year (personnel + debt service on improvements). The fund balance is projected to decrease from \$8 million in 2025 to \$2.6 million by the end of 2029.

AB	G	Н	I	J	К	L	М	N	0	Р	
1 CITY OF HUDSON											
2				FIVE YEAR P	LAN						
3											
4 GENERAL FUND (101)	2025	2025	2026	2026	2027	2027	2028	2028	2029	2029	
5	Original	Revised									
6											
7 BEGINNING BALANCE, JANUARY 1	\$15,865,843	\$17,347,003	\$13,978,606	\$13,042,744	\$13,639,035	\$12,418,338	\$13,751,139	\$12,037,707	\$13,982,007	\$11,246,482	
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Revenue:											
10											
11 Income Taxes	\$24,755,767	\$23,447,635	\$25,374,661	\$24,033,826	\$26,009,028	\$24,634,672	\$26,659,253	\$25,250,538	\$27,325,735	\$25,881,802	
12 Property Taxes	\$4,536,445	\$4,536,445	\$4,536,445	\$4,536,445	\$4,627,174	\$4,627,174	\$4,627,174	\$4,627,174	\$4,627,174	\$4,627,174	
13 Local Government	\$615,000	\$615,000	\$615,000	\$615,000	\$615,000	\$615,000	\$615,000	\$615,000	\$615,000	\$615,000	
14 KWH Tax	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	
15 Zoning & Building Permits, Inspections	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	
16 Fines & Forfeitures	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	
17 Interest on Investments	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	
18 State Permits	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	
<sup>19</sup> County Permits, Royalties & Misc. (1)	\$215,000	\$215,000	\$215,000	\$215,000	\$215,000	\$215,000	\$215,000	\$215,000	\$215,000	\$215,000	
21 Admin Charges/Advances	\$142,213	\$142,213	\$143,635	\$143,635	\$145,071	\$145,071	\$146,522	\$146,522	\$147,987	\$147,987	
22											
23 Total Revenue	\$32,504,425	\$31,196,293	\$33,124,741	\$31,783,906	\$33,851,273	\$32,476,917	\$34,502,949	\$33,094,234	\$35,170,896	\$33,726,963	
24											
25											

A B C	Н	I		к OF HUDSON	L	М	N	0	Ρ	Q
1				YEAR PLAN						
2			FIVE	TEARTEAN						
GENERAL FUND (cont.)	2025	2025	2026	2026	2027	2027	2028	2028	2029	2029
5	Original	Revised	Original	Revised	Original	Revised	Original	Revised	Original	Revised
6	C				0		U			
7 Disbursements:										
8										
9 Personnel	\$11,491,904	\$11,491,904	\$11,866,445	\$11,866,445	\$12,341,103	\$12,341,103	\$12,834,747	\$12,834,747	\$13,348,136	\$13,348,136
Operating	\$5,656,985	\$5,656,985	\$5,703,110	\$5,703,110	\$5,772,210	\$5,772,210	\$5,842,304	\$5,842,304	\$5,913,407	\$5,913,407
Carryover Encumbrances	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$17,148,889	\$17,148,889	\$17,569,555	\$17,569,555	\$18,113,313	\$18,113,313	\$18,677,050	\$18,677,050	\$19,261,543	\$19,261,543
13 Capital Improvements/Purchases	\$715,151	\$715,151	\$653,755	\$653,755	\$658,755	\$658,755	\$1,123,255	\$1,123,255	\$367,300	\$367,300
14 Subtotal	\$17,864,040	\$17,864,040	\$18,223,310	\$18,223,310	\$18,772,068	\$18,772,068	\$19,800,305	\$19,800,305	\$19,628,843	\$19,628,843
15										
16 Transfers/Advances Out:										
18 Street Maint & Repair - 201	\$2,700,000	\$2,300,000	\$2,800,000	\$2,400,000	\$2,800,000	\$2,400,000	\$2,800,000	\$2,400,000	\$2,800,000	\$2,400,000
Existing Debt Service - 301	\$1,304,045	\$1,304,045	\$1,306,002	\$1,306,002	\$1,302,102	\$1,302,102	\$1,301,776	\$1,301,776	\$1,301,248	\$1,301,248
20 New Debt Service (PW Facility)	\$0	\$0	\$1,500,000	\$1,200,000	\$1,500,000	\$1,853,378	\$1,500,000	\$1,853,378	\$1,500,000	\$1,853,378
Georgetown Rent Saved	\$0	\$0	(\$300,000)	\$0	(\$300,000)	(\$300,000)	(\$300,000)	(\$300,000)	(\$300,000)	(\$300,000
22 Land Purchases/Hines Hill bridge/YDC	\$0	\$2,708,890	\$0	\$949,000	\$0	\$500,000	\$0	\$500,000	\$0	\$0
23 Str & Sidewalk Const 430	\$8,493,577	\$8,493,577	\$5,805,000	\$5,500,000	\$5,935,000	\$5,500,000	\$6,290,000	\$5,500,000	\$4,495,000	\$5,000,000
24 Stormwater Fund - 504	\$3,400,000	\$2,800,000	\$3,100,000	\$2,800,000	\$3,500,000	\$2,800,000	\$2,500,000	\$2,800,000	\$2,900,000	\$2,800,000
25 HCTV Fund - 206	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
26 Other Transfers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Transfers/Advances Out	\$15,927,622	\$17,636,512	\$14,241,002	\$14,185,002	\$14,767,102	\$14,085,480	\$14,121,776	\$14,085,154	\$12,726,248	\$13,084,626
28		<b></b>	<b>622</b> 464 242	<b>633</b> 400 343			<b>#22.022</b> 004			<b>633 513</b> 460
20 Total Disbursements	\$33,791,662	\$35,500,552	\$32,464,312	\$32,408,312	\$33,539,170	\$32,857,548	\$33,922,081	\$33,885,459	\$32,355,091	\$32,713,469
<sup>30</sup> <sup>31</sup> Excess Available for Infrastructure Expansion										
<sup>31</sup> Excess Available for infrastructure Expansion <sup>32</sup> for Unfunded Projects	\$600.000	\$0	\$1,000,000	\$0	\$200.000	\$0	\$350,000	\$0	\$2,600,000	\$0
	\$000,000	50	\$1,000,000		\$200,000	<b>\$</b> 0	\$550,000		\$2,000,000	50
<sup>33</sup> <sup>34</sup> Run Rate (Revenue less Expenditures)	(\$1,887,237)	(\$4,304,259)	(\$339,571)	(\$624,406)	\$112,103	(\$380,631)	\$230,868	(\$791,225)	\$215,805	\$1,013,494
* IXun Xate (Kevenue iess Expenditures)	(\$1,007,237)	(\$7,307,239)	(\$337,371)	(\$027,700)	\$112,105	(\$360,031)	\$250,808	(\$791,223)	\$215,005	\$1,015,494
ENDING BALANCE, DECEMBER 31	\$13,978,606	\$13,042,744	\$13,639,035	\$12,418,338	\$13,751,139	\$12,037,707	\$13,982,007	\$11,246,482	\$14,197,811	\$12,259,976
	¢15,576,000	\$15,012,7 <del>11</del>	<i>Q13,037,035</i>	¢12,110,550	<i>Q13,731,139</i>	<i>Q12,031,101</i>	¢15,562,007	<i>Q</i> 11,210,702	<i>\(\mathcal{1}\)</i>	<i><i><i>q</i>12,237,770</i></i>
<sup>37</sup> <sup>38</sup> Ratio Ending Balances to Disbursements	40.65%	36.74%	40.76%	38.32%	40.76%	36.64%	40.80%	33.19%	40.62%	37.48%
41										

				OF HUDSON, OF IVE YEAR PLAN	110					
FIRE/EMS	2	2025		2026		2027		2028		2029
	B	Budget		Budget		Budget		Budget		Budget
	Current PT		Current PT		Current PT		Current PT		Current PT	
	Fire/EMS	Hybrid Fire/EMS	Fire/EMS	Hybrid Fire/EMS	Fire/EMS	Hybrid Fire/EMS	Fire/EMS	Hybrid Fire/EMS	Fire/EMS	Hybrid Fire/EN
BEGINNING BALANCE, JANUARY 1	\$8,035,748	\$8,035,748	\$8,121,167	\$7,298,818	\$8,168,247	\$6,189,065	\$8,274,372	\$5,108,212	\$8,145,880	\$3,761,3
DEGININING DALANCE, JANUARI I	\$6,055,746	\$8,033,748	\$6,121,107	\$7,290,010	\$6,106,247	\$0,189,005	\$0,274,372	\$5,106,212	\$0,145,000	\$5,701,2
Revenues:										
Income Taxes (1)	\$3,942,302	\$3,948,302	\$4,040,860	\$4,047,010	\$4,141,881	\$4,148,185	\$4,245,428	\$4,251,889	\$4,351,564	\$4,358,
Ambulance Billing (1)	\$740,000	\$740,000	\$740,000	\$740,000	\$740,000	\$740,000	\$740,000	\$740,000	\$740,000	\$740,
Charges for Training Classes (1)	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,
Miscellaneous (1)	\$106,000	\$106,000	\$106,000	\$106,000	\$106,000	\$106,000	\$106,000	\$106,000	\$106,000	\$106,0
Transfer From General Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Revenue	\$4,823,302	\$4,829,302	\$4,921,860	\$4,928,010	\$5,022,881	\$5,029,185	\$5,126,428	\$5,132,889	\$5,232,564	\$5,239,
Total Available	\$12,859,050	\$12,865,050	\$13,043,027	\$12,226,828	\$13,191,128	\$11,218,250	\$13,400,800	\$10,241,101	\$13,378,444	\$9,000,
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Disbursements:										
Fire Personnel (1)	\$1,341,080	\$1,341,080	\$1,394,723	\$1,394,723	\$1,450,512	\$1,450,512	\$1,508,533	\$1,508,533	\$1,568,874	\$1,568,
Fire Operating (1)	\$452,372	\$452,372	\$456,896	\$456,896	\$461,465	\$461,465	\$466,079	\$466,079	\$470,740	\$470,
Fire Capital Purchases (1)	\$274,000	\$274,000	\$55,000	\$55,000	\$126,000	\$126,000	\$130,000	\$130,000	\$56,000	\$56,
EMS Personnel (1)	\$1,897,079	\$1,897,079	\$1,972,962	\$1,972,962	\$2,051,881	\$2,051,881	\$2,133,956	\$2,133,956	\$2,219,314	\$2,219,
EMS Operating (1)	\$534,652	\$534,652	\$539,999	\$539,999	\$545,399	\$545,399	\$550,852	\$550,852	\$556,361	\$556,
EMS Capital Purchases (1)	\$38,700	\$38,700	\$255,200	\$255,200	\$81,500	\$81,500	\$265,500	\$265,500	\$91,500	\$91,
Hybrid Fire Personnel Increase (2)	\$0	\$728,349	\$0	\$757,483	\$0	\$787,782	\$0	\$819,294	\$0	
Hybrid Fire Fire Turnout Gear (3)	\$0	\$100,000	\$0	\$37,500	\$0	\$37,500	\$0	\$37,500	\$0	\$37,
Replacement Reserve (1)	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,
Existing Building Repairs (4)	\$0	\$0	\$0	\$368,000	\$0	\$368,000	\$0	\$368,000	\$0	\$368,
New Building Debt Service (5)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Fire	\$4,737,883	\$5,566,232	\$4,874,780	\$6,037,763	\$4,916,756	\$6,110,038	\$5,254,920	\$6,479,714	\$5,162,789	\$6,420,
Total Disbursements	\$4,737,883	\$5,566,232	\$4,874,780	\$6,037,763	\$4,916,756	\$6,110,038	\$5,254,920	\$6,479,714	\$5,162,789	\$6,420,
Run Rate (Revenue Less Expenditures)	\$85,419	(\$736,930)	\$47,080	(\$1,109,753)	\$106,125	(\$1,080,853)	(\$128,492)	(\$1,346,824)	\$69,775	(\$1,181,
ENDING BALANCE, DECEMBER 31	\$8,121,167	\$7,298,818	\$8,168,247	\$6,189,065	\$8,274,372	\$5,108,212	\$8,145,880	\$3,761,387	\$8,215,654	\$2,580
Ratio Ending Balance to Disbursements	171%	131%	168%	103%	168%	84%	155%	58%	159%	

(2) Hybrid Fire Model includes: 2 part time fire employees for a 12 hour day shift each weekday; 3 part time fire employees and 1 part time supervisor for a 12 hour night shift each weekday; 3 part time fire employees and 1 supervisor for each 12 hour shift on weekends.

(3) Turnout Gear for New Fire Personnel. 20 Sets in 2025. 5 Sets each of the following years
(4) Renovation and Repair of current Fire Station \$5,000,000 over 20 years.
(5) Includes a new Safety Center at \$22,000,000 over 30 years. ELIMINATED