



VILLAGE OF MOUNT HOREB

E. Main Street

Mount Horeb, WI 53572

Phone: (608) 437-6884 Fax: (608) 437-3190

Email: [mhinfo@mounthorebwi.info](mailto:mhinfo@mounthorebwi.info) Web: [mounthorebwi.info](http://mounthorebwi.info)

**FINANCE AND PERSONNEL COMMITTEE AGENDA**

**Wednesday, June 3, 2026 at 5:30 PM**

Municipal Building Board Room

138 E. Main Street

Mount Horeb, WI

- 1) Public Comments on Non-Agenda Items\*
- 2) Call to order
  - a. Roll Call
- 3) Agenda Items
  - a. Consideration of May 6, 2026 Meeting Minutes
  - b. Consideration of April 30, 2026 F&P Ad Hoc Administrator Recruiting Committee Meeting Minutes
  - c. Discussion of Fundraising Agreement and Funding for Mount Horeb Recreation Complex (Lukken Property)
  - d. Consideration of Village of Mount Horeb 2027 Budget Calendar
  - e. Review All Financial Polices
  - f. Finance Director Report
    1. Report of Updated Lease Information
    2. Report of Quarter 1 2026 Permits
  - g. Human Resources Manager Report
  - h. 2025 Village Audit Presentation by Baker Tilly
- 4) Future agenda items
  - a. Consider/Confirm July meeting date/time
- 5) Meeting adjournment.

**\*Public Comment Policy**

Members of the public are invited to speak at meetings of all Mount Horeb Public Bodies. To comment, please complete a Public Comment Form at the Meeting Room entrance and submit it to staff before the meeting begins. Comments are limited to **three minutes**, must be made from the podium, and the speaker must return to the audience after speaking.

- **Non-agenda item comments** are heard at the start of the meeting. Public Body members and staff will not engage in discussion during public comment but may consider topics for future agendas.

- **Agenda item comments** are heard during the relevant item, after the proposers or staff present the item and before Public Body discussion. All public comments on the item will be heard before any discussion by the Public Body.

Members of the public will only be allowed to speak outside these public comment times if they are invited by the meeting chair to share additional information requested by the Public Body. If so invited to speak, the member of the public must do so from the podium.

Written comments are also welcome. Written comments shall include the name and address of the submitter and should be submitted to the Deputy Treasurer/Governance Coordinator by email at [niki.erickson@mounthorebwi.info](mailto:niki.erickson@mounthorebwi.info) (subject line: *Public Comment Request-Name of Public Body*) or delivered by to the Village at: 138 E Main Street, Mount Horeb WI, 53572, ATTN *Public Comment Request-Name of Public Body*.

UPON REASONABLE NOTICE, EFFORTS WILL BE MADE TO ACCOMMODATE THE NEEDS OF DISABLED INDIVIDUALS THROUGH APPROPRIATE AIDS AND SERVICES. FOR INFORMATION OR TO REQUEST THIS SERVICE, CONTACT ALYSSA GAFFNEY, CLERK, AT 138 E MAIN STREET, MOUNT HOREB, WI (608) 437-9404.



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### **FINANCE AND PERSONNEL COMMITTEE AGENDA**

**Wednesday, May 6, 2026 at 5:30 PM**

#### **DRAFT MEETING MINUTES**

- 1) Call to order  
The Finance & Personnel Committee met in regular session on the above date in the Board Room of the Municipal Building, 138 E. Main Street, Mount Horeb, WI.
  - a. Roll Call  
Committee Chair Ben Jones called the meeting to order at 5:35 pm. Present were Committee members Ben Jones, Michelle Kelley, Mike Healy and Jeff Hook. Sarah Best was absent. Also present were Interim Village Administrator Jon Hochkammer, Treasurer/Finance Director Denise Schwenn and Deputy Treasurer/Governance Coordinator Niki Erickson.
- 2) Public Comments on Non-Agenda Items\*  
Brian LaDow, 209 E. Main St., voiced his concerns about the Norsk lease.
- 3) Consent Agenda
  - a. Consideration of April 1, 2026 Meeting Minutes
  - b. Consideration of April 15, 2026 Special Meeting Minutes  
  
Motion by Hook, seconded by Jones to approve the consent agenda.  
Motion carried.
- 4) Agenda Items
  - a. Discussion of 2026 Leases & Rents  
Schwenn went through the list of current leases and rents being collected by the Village — Center Ground Studios, Utility Offices, Community/Senior Center, Landmark, Verizon, Norsk, and the Lukken farm and land. The committee would like to have a discussion with the Friends of Norsk regarding their lease, including capital improvements and possibly a business plan. The committee would also like to address the utility rent, before budget time. These items will be included in future agenda items.
  - b. Discussion of Mount Horeb Energy Plan

Healy spoke as to how the Village has been working on a potential energy plan. He explained how electric vehicles and solar energy could be helpful and more predictable for costs and on the financial side of things. The energy plan will be shared with the department heads to get feedback, and possibly discussed before the budget process. There will be another discussion regarding the energy plan for when the new Administrator starts.

c. Discussion of Reserve Fund Balance and 2026 Financial Management Plan

Discussion was made about possible alternate revenue sources for the Village. Hochkammer suggested that small changes with TIF's could help. A referendum - considering wheel tax, was also mentioned. Jones would like to have all Financial Policy manuals put in the next meeting's packet to discuss again.

d. Presentation of Final 2026 Summary of 2025 Vendor Review

Schwenn presented the summary of vendors and answered questions.

e. Staff Presentation on Governance & Professional Standards Training

Hochkammer presented an overview guide of professional standards training and how to avoid conflicts. He gave examples of situations and gave the advice that statutes are the minimum, and you can always do more.

f. Finance Director Report

Schwenn went through her monthly report and answered questions.

g. Human Resources Manager Report

Murleau went through her monthly report and answered questions.

5) Future agenda items

- Lease discussion with Friends of Norsk
- Mount Horeb Energy Plan
- Alternate revenue sources for the Village -Financial Policy Manuals
- AI Policy

6) Meeting adjournment.

Motion by Healy, seconded by Hook to adjourn the meeting at 6:56 pm. Motion carried.

Minutes by Niki Erickson, Deputy Treasurer/Governance Coordinator



## AGENDA ITEM REPORT

### MEETING DATE

June 3, 2026

### PREPARED BY

Alyssa Gaffney, Village Clerk

### AGENDA ITEM # 3.b

Consideration of April 30, 2026 F&P Ad Hoc Administrator Recruiting Committee Meeting Minutes

### BACKGROUND

### RECOMMENDATION

### ATTACHMENTS

1. FP Minutes 043026 Ad Hoc Administrator Recruiting Committee

**VILLAGE OF MOUNT HOREB  
FINANCE/PERSONNEL AD HOC ADMINISTRATOR RECRUITING  
COMMITTEE MINUTES  
THURSDAY, APRIL 30, 2026**

The Finance/Personnel Ad Hoc Administrator Recruiting Committee met in special session in-person on the above date.

**Call to Order/Roll Call:** Village President Ryan Czyzewski called the meeting to order at 12:46pm. Present were Committee members Ben Jones, Michelle Kelley, Sarah Best, Jeff Hook, Mike Healy, and Andrea Murleau. Also present was Sue McDade from Public Administration Associates.

**Discuss Recruitment Process for Administrator. The Finance & Personnel Ad Hoc Administrator Recruiting Committee may convene in closed session as authorized by Section 19.85(1)(c) of Wisconsin Statutes to consider employment, promotion, compensation, or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility. The Finance & Personnel Ad Hoc Administrator Recruiting Committee may reconvene in open session and discuss and take action on the subject matter discussed in closed session:** Jones moved, Healy seconded to convene to closed session at 12:49pm. Motion carried by unanimous roll call vote. Committee member Denise Schwenn joined the meeting at 12:52pm. The committee conducted interviews with the candidates. Kevin Brunner from Public Administration Associates joined the meeting at 1:18pm. The committee discussed the candidate interviews once finished. Best left the meeting at 5:34pm.

**Consideration of the Finance and Personnel Ad Hoc Administrator Recruiting Committee to authorize Public Administration Associates to negotiate a contract with the selected candidate:** Healy moved, Hook seconded to reconvene to open session at 7:11pm. Jones moved, Kelley seconded to authorize Public Administration Associates to negotiate a contract with the selected candidate. Motion carried by unanimous voice vote.

**Meeting Adjournment:** There being no further business before the Committee, Healy moved, Jones seconded to adjourn the meeting at 7:14pm. Motion carried by unanimous voice vote.

Minutes by Alyssa Gaffney, Village Clerk  
Assisted by Ryan Czyzewski, Village President



## AGENDA ITEM REPORT

### MEETING DATE

June 3, 2026

### PREPARED BY

### AGENDA ITEM # 3.c

Discussion of Fundraising Agreement and Funding for Mount Horeb Recreation Complex (Lukken Property)

### BACKGROUND

### RECOMMENDATION

### ATTACHMENTS

1. Mount Horeb Recreation Complex Proposal DRAFT
2. Mount Horeb Recreation Complex draft agreement
3. Mount Horeb Sports Complex fundraising reference DRC



## II. Case for Support

The Mount Horeb Outdoor Sports Complex addresses four compelling community needs:

### 1. Youth and Family Recreation

The Complex will provide safe, modern facilities that promote physical activity, teamwork, and character development for youth and families across all ages and abilities.

### 2. Economic Impact and Tourism

Tournaments and regional events will increase overnight stays, restaurant traffic, and retail spending—generating ongoing economic benefits for Mount Horeb businesses.

### 3. Community Identity and Quality of Life

The Complex will serve as a civic gathering place that strengthens community pride, volunteerism, and intergenerational connection.

### 4. Year-Round Access and Equity

The project is designed for inclusive access, ensuring affordable and equitable recreational opportunities for residents across demographics and income levels.



Donors are not simply funding facilities - they are investing in Mount Horeb's long-term vitality, health, and growth.

## III. Campaign Goal and Gift Strategy

### Fundraising Goal

- **\$6.5 million in philanthropic contributions**
- **Three-year comprehensive campaign**

### Gift Range and Donor Pyramid

The campaign will be anchored by a small number of significant leadership commitments, followed by a strong mid-level and broad-base giving strategy.

Gift Level	Number of Gifts	Subtotal
<b>\$1,000,000+</b>	1-2	\$1,000,000-\$2,000,000
<b>\$500,000-\$999,999</b>	2-3	\$1,000,000-\$2,000,000
<b>\$250,000-\$499,999</b>	3-4	\$750,000-\$1,500,000
<b>\$100,000-\$249,999</b>	6-8	\$750,000-\$1,500,000
<b>\$25,000-\$99,999</b>	15-20	\$750,000-\$1,000,000
<b>Under \$25,000</b>	300-500	\$500,000-\$750,000
<b>Total</b>	—	<b>\$6.5M</b>

**Key principle:** Approximately 70% of the goal will be secured from the top 15-20 donors.

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## VI. Donor Segmentation and Strategies

### Major Donors (\$100,000+)

- Personalized proposals tied to naming opportunities
- Visits led by campaign leadership
- Multi-year pledges encouraged
- Customized impact reporting

### Mid-Level Donors (\$25,000–\$99,999)

- Project-specific funding opportunities
- Small group briefings and site tours
- Recognition in permanent donor displays



### Community Donors (Under \$25,000)

- Broad participation campaigns
- Online giving, events, and peer-to-peer outreach
- Emphasis on community pride and shared impact

### Corporate and Business Partners

- Sponsorship packages tied to tournaments, fields, or amenities
- Employee engagement opportunities
- Visibility through signage and marketing materials

### Foundations and Grants

- Focus on recreation, youth development, health, and rural/community development
- Strong alignment with measurable outcomes and economic impact

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## VII. Recognition and Naming Opportunities

Philanthropic recognition will be a core incentive and stewardship tool. Opportunities may include:

- Naming of the Complex
- Field, court, and facility naming
- Programmatic naming (youth leagues, tournaments)
- Donor recognition wall
- Digital and print acknowledgments

All recognition will align with established gift thresholds and community standards.

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## VIII. Communications and Marketing

Effective communication will reinforce donor confidence and community engagement.

### Channels

- Dedicated campaign webpage
- Regular email updates and progress reports
- Local media features and press releases
- Social media storytelling focused on athletes, families, and local impact



### Messaging Focus

- Economic and community impact
- Youth development outcomes
- Donor leadership and generosity
- Transparent progress toward goals

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## IX. Stewardship and Donor Engagement



Long-term success requires strong stewardship beyond gift closure.

- Formal pledge acknowledgments and annual reminders
- Construction and milestone updates
- Exclusive donor previews and tours
- Annual impact reports post-completion

Strong stewardship will position the organization for future phases, expansions, and endowment opportunities.

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## X. Plan of Action

The Mount Horeb Outdoor Sports Complex represents a once-in-a-generation investment in health, community, and economic vitality. With a clear goal, disciplined execution, and engaged leadership, raising **\$6.5 million in private support over three years** is an achievable and inspiring objective. By prioritizing relationships, transparency, and community pride, this campaign will not only fund a facility - but strengthen Mount Horeb for decades to come.

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## DEVELOPMENT SERVICES AGREEMENT

**This Development Services Agreement** (“Agreement”) is entered into as of **September 1, 2026** (“Effective Date”) by and between:

**Client:** Village of Mount Horeb, Wisconsin a Wisconsin municipality with principal offices at 138 East Main St., Mount Horeb, WI 53572 (“Client”)

**Contractor:** LaCoona Consulting, LLC, with principal offices at 1035 Kamla Ct., Platteville, WI 53818

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### 1. Background and Purpose

Client is undertaking a roughly **\$12.5 million capital project** for the design and construction of an **Outdoor Sports Complex** in Mount Horeb, Wisconsin (“Project”). Contractor will provide professional fundraising development services to secure **\$6.5 million** in philanthropic contributions toward the Project.

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### 2. Scope of Services

Contractor shall:

1. Develop a comprehensive fundraising plan, including timelines, donor segmentation, and solicitation strategies.
  2. Identify, cultivate, solicit, and steward prospective donors, including individuals, corporations, foundations, and public funding sources.
  3. Coordinate campaign events, donor recognition programs, and public relations efforts related to fundraising, including social media and website.
  4. Maintain accurate donor records and provide regular progress reports.
  5. Collaborate with Client’s board, staff, and volunteers to maximize fundraising effectiveness.
  6. Return 20% of development fees charged back to the project to cover costs related to identification, cultivation and stewardship, including funding for donor recognition.
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### 3. Term

This Agreement shall commence on **September 1, 2026** and continue until **August 31, 2029**, unless fundraising goals are met before the deadline, both parties agree to extend the deadline or if agreement is terminated earlier in accordance with Section 12.

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### 4. Compensation

1. **Fee Structure:** Contractor shall be compensated at **five percent (5%) of the total funds raised**, calculated on actual contributions or signed commitments to pay received by Client.
  2. **Maximum Compensation:** The total potential compensation shall not exceed **\$325,000**. In the event more than \$6.5 million is raised, those additional funds will be compensated at the five percent (5%) rate and would be additional to the maximum compensation amount. Of the 5% compensation rate, 20% (or 1%) will be returned to the project to cover fees related to identification, cultivation and stewardship, including donor recognition.
  3. **Payment Schedule:** Payments shall be made quarterly, within 30 days after the end of each quarter, based on verified contributions received.
  4. **Milestone Bonuses (optional):**
    - 25% of goal (\$1,625,000) reached: \$10,000 bonus
    - 50% of goal (\$3,250,000) reached: \$15,000 bonus
    - 100% of goal (\$6,500,000) reached: \$25,000 bonus
- 

### 5. Expenses

Client shall reimburse Contractor for pre-approved, reasonable out-of-pocket expenses directly related to campaign activities, including travel, printing, and event costs, upon submission of receipts. These expenses are considered part of the Maximum Compensation total.

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### 6. Reporting and Performance Reviews

1. **Monthly Reports:** Contractor shall provide written updates detailing donor contacts, solicitations, pledges, and funds received.

2. **Quarterly Reviews:** Parties shall meet quarterly to review progress, adjust strategies, and address challenges.
  3. **Annual Evaluation:** At the end of each contract year, Client may evaluate Contractor's performance and determine whether to continue under the same terms.
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## **7. Donor Exclusivity**

During the term of this Agreement, Contractor shall not solicit donations for any other project in direct competition with the Client's fundraising campaign within a 25-mile radius of Mount Horeb, WI, without prior written consent.

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## **8. Confidentiality**

Both parties agree to maintain the confidentiality of donor information, campaign strategies, and proprietary materials, and to use such information solely for the purposes of fulfilling this Agreement. Training of key team members will be performed.

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## **9. Ownership of Materials**

All campaign materials, donor lists, and related documents created by Contractor in connection with this Agreement shall be the property of Client upon payment of all amounts due.

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## **10. Independent Contractor Status**

Contractor is an independent contractor and not an employee, partner, or agent of Client. Contractor shall be solely responsible for all taxes, withholdings, and other statutory obligations.

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## **11. Indemnification**

Each party shall indemnify and hold harmless the other from and against any claims, damages, liabilities, and expenses arising from its own acts or omissions in connection with this Agreement.

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## 12. Termination

1. **Without Cause:** Either party may terminate this Agreement with **60 days' written notice**.
  2. **For Cause:** Either party may terminate immediately upon material breach by the other party, if such breach is not cured within 30 days after written notice.
  3. **Effect of Termination:** Contractor shall be compensated for services rendered and funds raised through the effective termination date.
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## 13. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

**Client: Village of Mount Horeb, Wisconsin**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Consultant: LaCoona Consulting, LLC**

Name: Dennis R. Cooley

Title: Owner

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

# Mount Horeb Sports Complex

## Partial Project List (in no order): Dennis Cooley

1. Engineering Hall, UWP, Phase 1, successfully raised \$8.5 million for electrical and mechanical engineering. Created planned giving list for Phase 2 (Sesquicentennial Hall)
2. Bo Ryan Court Naming: First major giving event for athletics
3. Pioneer Gardens and Greenhouses: Multi-faceted project to name entire garden (Mansel and Dottie Johns) as well as a series of gardens designed to create hands-on opportunities for horticulture and other students. Multi-million dollar project over five years
4. Ralph E. Davis Pioneer Stadium: Turf field naming as well as visiting bleachers and aesthetics after tornado cut through facility in 2010. Key gift: Lead gift made by the Chicago Bears and the McCaskey family
5. Ullsvik Hall renovation: From the basement (Luce Center) to the walkways that honor Normal School teachers and Mining School engineers to the naming of Velzy Commons for events, this multi-million complete remodel was a blend of State dollars and private funding. This is the project we established 25 percent of project cost for fundraising
6. Wright Veterans Center: Named for James Wright (former president of Dartmouth and UWP graduate) and his brother Robert, this project brought together all levels of our military and the alumni who served or families impacted
7. Barth Sports Complex: Named for legendary athletic director and coach John Barth, this project brought together several disgruntled members of the "UWP family" by uniting around this fundraising effort. This named the entire sports complex at UWP
8. Center for the Arts: Series of namings to raise funding for endowments around the arts. Raised nearly \$2 million that funds the summer arts program annually
9. Platteville Walking Trail: Assisted in raising the final \$1.0 million to complete the project and to organize the naming recognition, after the Platteville Community Arboretum landed a \$631,000 grant from the DNR
10. Inclusive Playground: Assisted in finishing the \$1.8 million project's fundraising goal for this large, wonderful park in Smith Park that is used by thousands annually
11. Sports signage program, City of Platteville. Helped create an ongoing revenue stream for the City's youth sports programs
12. Platteville Golf & Country Club: Endowment Committee. Recently formed a 501(c)(3) charitable organization to create an endowment for the 125-year old course. Recently assisted with \$1.2 million estate gift that will fund the initial fund balance
13. Mount Horeb Veterans Memorial Project: Worked with large number of volunteers, created strategy and execution plans, developed fundraisers with professional approach to identification, cultivation, solicitation and stewardship. My role at the beginning was to go with volunteers to work with donors. Later on, role changed to focus on major gifts after volunteers were trained. One of my favorite projects.

14. Secured \$5.8 million in new planned gifts in 2025-26 for Southwest Tech Foundation, in addition to raising more than \$1.0 million in cash gifts. Foundation has moved from a roughly \$800,000 annual effort to pushing more than \$2.0 million in annual gifts, with a focus on planned giving growth
15. Completed \$1.8 million Precision Agriculture Phase 1 to purchase 85 acres of land and to get donations for crop inputs and fertilizer. Students in the Agronomy program manage and harvest the crops and the proceeds from the sale of commodities (beans and corn) go to student project funds in agriculture
16. In 18 months, raised \$1.72 million for the Student Success Plan Scholarship Program and matched the amount with a planned gift that includes liquidating appreciated stocks and properties for a total of \$3.5 millions endowed
17. Rountree Commons and Bridgeview Commons: Fully funded these two projects that created more than 1,000 residence hall beds and a new food service area for students at UWP. Total cost was more than \$55 million. Won a national award for public-private partnership for Rountree Commons

These are highlights of my work over the past 18-20 years. I have projects that I'm consulting on at a local hospital, a domestic abuse shelter and others. All wrap up by the end of August 2026. In all, I could share 41 projects that involve some level of private funding. If you need other, specific projects, please let me know.

Thank you!

Dennis Cooley



## AGENDA ITEM REPORT

**MEETING DATE**

June 3, 2026

**PREPARED BY****AGENDA ITEM # 3.d**

Consideration of Village of Mount Horeb 2027 Budget Calendar

**BACKGROUND****RECOMMENDATION****ATTACHMENTS**

1. 2027 budget calendar DRAFT



HERITAGE  
COMMUNITY  
OPPORTUNITY

## VILLAGE OF MOUNT HOREB

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### Village of Mount Horeb 2027 Budget Calendar

No later than July 2026: Department heads meet with their respective committees to discuss and recommend capital purchase requests for the 2027-2031 budget years.

July 31, 2026: Department requests for Capital Improvement purchases for years 2027-2031 due to the Village Administrator.

August 7, 2026: Village Administrator provides preliminary 2026 operating budget to department heads for review.

August 24-28, 2026: Department heads meet with Village Administrator and Treasurer to discuss 2027 operating and capital budgets.

#### Finance & Personnel Meetings:

- September 23, 2026: 5:00 p.m. Finance and Personnel Committee meets to discuss 2027 budget and 2027 – 2031 Capital Improvement Plan (data for review to be distributed by September 18, 2026)
- October 7, 2026: 4:00 p.m. Finance and Personnel Committee meeting, with department heads in attendance, to present 2025 budget requests
- October 14, 2026: 5:00 p.m. Finance and Personnel Committee meeting to continue budget work
- October 21, 2026: 5:00 p.m. Finance and Personnel Committee meeting to continue budget work (if necessary)

October 29, 2026: Notice of 2027 Proposed Budget Public Hearing is printed/published in Mount Horeb Mail. (Treasurer must submit public hearing packet and notice by 1:00PM 10/22/2026 to meet this deadline).

November 4, 2026: Village Administrator presents 2027 budget and 2027-2031 Capital Improvement Plan to Village Board. Village Board sets a public hearing for November 18, 2026.

November 18, 2026: Village Board holds public hearing on 2027 budget and 2027-2031 Capital Improvement Plan followed by budget adoption.



## AGENDA ITEM REPORT

### MEETING DATE

June 3, 2026

### PREPARED BY

### AGENDA ITEM # 3.e

Review All Financial Polices

### BACKGROUND

Adding this item as requested during May 6, 2026 Finance & Personnel Committee meeting. DS

### RECOMMENDATION

### ATTACHMENTS

1. Village Code Excerpt - Ch. 3 Finance & Taxation
2. 100.5 General Fund Reserve (01022013)
3. 100.7 Capitalization of Assets (05012013)
4. 100.9 Compliance with Tax Exempt Obligations (12052012)
5. 100.10 Financial Investments

### 3.01. Tax receipts.

- (1) Tax receipts. Pursuant to § 74.19, Wis. Stats., the Village Treasurer shall record each tax receipt, including the date of payment and the total amount of taxes paid. Tax receipts shall be signed and a duplicate kept by the Village Treasurer after noting the payment of taxes on the tax roll. **[Amended at time of adoption of Code (see Ch. 1, General Government, Art. V)]<sup>1</sup>**
- (2) Interest and penalty. A penalty of 0.5% per month or fraction of a month, in addition to the interest rate of 1% per month or fraction of a month provided for in § 74.47(1), Wis. Stats., will be imposed on all overdue or delinquent real estate taxes and personal property taxes. **[Added 12-5-2001 by Ord. No. 2001-17]**

### 3.02. Fiscal year.

The calendar year shall be the fiscal year.

### 3.03. Budget.

- (1) Departmental estimates. Each department and oversight committee shall provide the Administrator with a budget to carry out the duties of the department during the preceding fiscal year, including estimates for the current fiscal year and the ensuing fiscal year. **[Amended at time of adoption of Code (see Ch. 1, General Government, Art. V)]**
- (2) Finance and Personnel Committee to prepare.
  - (a) Each year, the Finance and Personnel Committee shall prepare and submit to the Board a proposed budget, including the following information:
    1. The expense of conducting each department and activity of the Village for the ensuing fiscal year and corresponding items for the current year and last preceding fiscal year, with reasons for increase and decrease recommended as compared with appropriations for the current year.
    2. An itemization of all anticipated income of the Village from sources other than general property taxes and bonds issued, with a comparative statement of the amounts received by the Village from each of the same or similar sources for the last preceding and current fiscal year.
    3. An itemization of the amount of money to be raised from general property taxes which, with income from other sources, will be necessary to meet the proposed expenditures.
    4. Such other information as may be required by the Board and by state law.
  - (b) Copies. The Village shall provide a copy of the budget upon request.
- (3) Hearing. The Board shall hold a public hearing on the budget as required by law. Following the public hearing, the proposed budget may be changed or amended and shall take the same

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1. Editor's Note: This ordinance also repealed former § 3.01(1), which concerned an aggregate tax statement.

course in the Board as an ordinance.

### **3.04. Changes in budget.**

The amount of the tax to be levied or certified, the amounts of the various appropriations, and the purposes thereof shall not be changed after approval of the budget except by a two-thirds vote of the entire membership of the Village Board. Notice of such transfer shall be published within 15 days in the official Village newspaper.

### **3.05. Village funds to be spent in accordance with appropriation. [Amended at time of adoption of Code (see Ch. 1, General Government, Art. V)]**

No money shall be drawn from the treasury, except in accordance with the annual appropriation in the adopted budget or when changed as authorized by § 3.04 of this chapter. At the close of each fiscal year, any unencumbered balance of an appropriation shall revert to the general fund and shall be subject to reappropriation.

### **3.06. Claims procedure.**

- (1) Other than claims subject to § 893.80, Wis. Stats., claims may be paid after the Clerk audits and approves each claim as a proper charge against the treasury, and endorses his or her approval of the claim once it is determined that the following conditions have been complied with:
  - (a) That funds are available pursuant to the budget approved by the Village Board.
  - (b) That the item or service covered by the claim has been duly authorized by the department head, board or commission.
  - (c) That the item or service has been actually supplied or rendered in conformity with such authorization.
  - (d) That the claim is just and valid pursuant to law.<sup>2</sup>
- (2) The Village Board shall authorize an annual detailed audit of its financial transactions and accounts by a public accountant licensed under Ch. 442, Wis. Stats., and designated by the Village Board.

### **3.07. Municipal records retention. [Amended 7-13-2013 by Ord. No. 2013-11]**

- (1) Purpose. The purpose of this section is to establish and adopt a Village records retention schedule and authorize destruction of Village records pursuant to the schedule.
- (2) Definitions. As used in this chapter, the following terms shall have the meanings indicated:
 

DISPOSITION/DESTRUCTION — Physical destruction of obsolete records by shredding or burning or, in the case of electronic records, by deleting from a computer and reformatting or destroying the tape(s)/disk(s).

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2. Editor's Note: Original Subsection (2), which concerned monthly filing of claims approved, which immediately followed this subsection, was deleted at time of adoption of Code (see Ch. 1, General Government, Art. V).

**LEGAL CUSTODIAN** — In addition to the definition provided by § 19.33, Wis. Stats., "legal custodian" shall include the individual responsible for maintaining public records pursuant to the Village of Mount Horeb Public Records Policy, or as otherwise responsible by law to keep and preserve the Village records or file, deposit or keep such records in his/her office, or is lawfully in possession or entitled to possession of such public records, and who is required to respond to requests for access to such records.

**RECORD** — Any material on which written, drawn, printed, spoken, visual, or electromagnetic information or electronically generated or stored data is recorded or preserved, regardless of physical form or characteristics, that has been created or is being kept by an authority. "Record" includes, but is not limited to, handwritten, typed, or printed pages, maps, charts, photographs, films, recordings, tapes, optical discs, and any other medium on which electronically generated or stored data is recorded or preserved. "Record" does not include drafts, notes, preliminary computations, and like materials prepared for the originator's personal use or prepared by the originator in the name of a person for whom the originator is working; materials that are purely the personal property of the custodian and have no relation to his or her office; materials to which access is limited by copyright, patent, or bequest; and published materials in the possession of an authority other than a public library that are available for sale, or that are available for inspection at a public library. **[Amended at time of adoption of Code (see Ch. 1, General Government, Art. V)]**

**RETENTION AND DISPOSITION SCHEDULE** — A list of Village records which specifies the period of time the records must be kept until destruction and the method of disposition.

- (3) Legal custodians and their designates. Unless otherwise designated in the schedule, the custodian is, as a rule, the 1) department head or their permitted designee; 2) the Village Clerk or their permitted designee.
- (4) General provisions.
  - (a) Historical records - notification to State Historical Society of Wisconsin. As required by § 19.21(4)(a), Wis. Stats., the State Historical Society of Wisconsin (SHSW) shall be notified prior to destroying records, with the exception of any record marked "W" (waived notice) in the retention schedule. The SHSW must be notified prior to destruction of a record marked "N" (nonwaived). For any record marked "N/A" (not applicable), the record is designated for permanent retention with the original custodian.
  - (b) Reproduced original records. Public records may be kept and preserved through the use of microfilm, optical imaging, or electronic formatting. Such records shall meet the standards for photographic reproduction set forth in §§ 16.61(7) and 16.612, Wis. Stats., and shall be considered original records for all purposes. The retention periods identified in this section apply to records in any media.
  - (c) Electronic messages. As a general rule, an electronic message is a public record whenever a paper message with the same content is considered a public record, and will follow the retention schedule as set by resolution. A nonrecord electronic message can be deleted immediately after reading.
  - (d) Destruction after request for inspection. No requested records shall be destroyed until

after the request is granted or 60 days after the request is denied. If an action is commenced under § 19.37, Wis. Stats., the requested record may not be destroyed until after a court order is issued and all appeals have been completed as required by § 19.35(5), Wis. Stats.

- (e) Destruction pending litigation. No record subject to pending litigation shall be destroyed until the litigation is resolved.
- (5) Retention period.
- (a) The Village Board, by separate resolution, shall adopt a schedule which describes the minimum time period for which records shall be maintained by a legal custodian of the Village. Said resolution may be amended from time to time, as described below, and the resolution and any amendments thereto are incorporated herein by reference.
  - (b) The initial retention schedule resolution that is adopted concurrently with this section has been reviewed and approved by the State of Wisconsin Public Records Board. The retention schedule resolution shall not be modified in a manner that reduces the retention periods described in the initial retention schedule resolution, or which adds additional documents to the schedule unless those reductions or retention periods for additional documents are first reviewed and approved by the Wisconsin Public Records Board.
  - (c) Any record not covered in the retention schedule or any regulation or law shall be retained seven years in accordance with § 19.21(4)(b), Wis. Stats., unless the record is added by amendment and the shorter time period approved by the State Public Records Board.

### **3.08. Duplicate Treasurer's bond eliminated.**

- (1) Bond eliminated. The Village elects not to give the bond on the Village Treasurer provided for by § 70.67(1), Wis. Stats.
- (2) Village liable for default of Treasurer. Pursuant to § 70.67(2), Wis. Stats., the Village shall pay, if the Treasurer fails to do so, all state and county taxes required by law to be paid to the County Treasurer.
- (3) Clerk to file with county. The Village Clerk shall file a certified copy of this section with the County Treasurer.

### **3.09. Confidentiality of information. [Added 5-1-2002 by Ord. No. 2002-14]**

Whenever the Assessor, in the performance of the Assessor's duties, requests or obtains income and expense information pursuant to § 70.47(7)(af), Wis. Stats., or any successor statute thereto, then, such income and expense information shall be held by the Assessor on a confidential basis, except, that said information may be revealed to and used by persons in the discharge of duties imposed by law; in the discharge of duties imposed by office (including, but not limited to, use by the Assessor in performance of official duties of the Assessor's office and use by the Board of Review in performance of its official duties); or pursuant to order of a court. Income and expense information provided to the Assessor under § 70.47(7)(af), Wis. Stats., unless a court determines

that it is inaccurate, is, per § 70.47(7)(af), Wis. Stats., not subject to the right of inspection and copying under § 19.35(1), Wis. Stats.

**3.10. Room tax. [Added 12-7-2016 by Ord. No. 2016-05; amended 12-6-2017 by Ord. No. 2017-09; 2-2-2022 by Ord. No. 2021-10; 5-3-2023 by Ord. No. 2023-03; 11-5-2025 by Ord. No. 2025-13]**

(1) Definitions. In this section, the following shall apply:

**GROSS RECEIPTS** — The total amount of the sale, lease, or rental price, as the case may be, from sales at retail of tangible personal property, or taxable services, valued in money, whether received in money or otherwise.

**HOTEL and MOTEL** — Have the meaning as defined in Wis. Stats. § 77.52(2)(a)1.

**LODGING MARKETPLACE** — An entity that provides a platform through which an unaffiliated third party offers to rent a short-term rental to an occupant and collects consideration for the rental from the occupant.

**MUNICIPALITY** — The Village of Mount Horeb, Wisconsin.

**OCCUPANT** — A person who rents a short-term rental through a lodging marketplace.

**OWNER** — The person who owns the residential dwelling that has been rented.

**PAYOR** — The person or entity who owes the tax imposed by this section.

**RESIDENTIAL DWELLING** — Any building, structure, or part of the building or structure, that is used or intended to be used as a home, residence, or sleeping place by one person or by two or more persons maintaining common household, to the exclusion of others.

**ROOM TAX** — The tax imposed by this section.

**SHORT-TERM RENTAL** — A residential dwelling that is offered for rent for a fee and for fewer than 29 consecutive days.

**TOURISM** — Has the meaning as defined in § 66.0615(1)(e), Wis. Stats.

**TOURISM ENTITY** — A nonprofit organization that spends at least 51% of its revenues on tourism promotion and tourism development, and provides destination marketing staff and services for the tourism industry in a municipality.

**TOURISM PROMOTION AND DEVELOPMENT** — Has the meaning defined in Wis. Stats. § 66.0615(1)(fm).

**TRANSIENT** — Has the meaning as defined in Wis. Stats. § 77.52(2)(a)1.

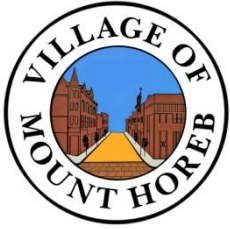
(2) Imposition of room tax. Pursuant to Wis. Stats., § 66.0615, a tax is hereby imposed on the privilege and services of furnishings, at retail, of rooms or lodging to transients by hotel keepers, motel keepers, motel operators, and other persons furnishing accommodations that are available to the public, irrespective of whether membership is required for the use of the accommodations. Such tax shall be at the rate of 8% of the gross receipts from such retail furnishings of rooms or lodgings. Such tax shall not be subject to the selective tax imposed by Wis. Stats., § 77.55(2)(a)1, and may not be imposed upon sales to the federal government and persons listed under Wis. Stats. § 77.54(9a).

- (3) Distribution of room taxes collected. Upon receipt of the room taxes that are collected, the municipality shall distribute 80% of the room taxes to the Tourism Commission.
- (4) Creation and duties of Tourism Commission.
  - (a) The Tourism Commission shall consist of at least five and up to six members, one of which shall be a Village Board member, who shall be appointed by the Village President with approval of the Village Board. The Tourism Commission shall have at least one owner and/or operator representative of the local lodging industry. Each member's term shall be for a one-year period and each member may serve multiple terms. The Tourism Entity shall appoint a representative to serve as an ex officio nonvoting member of the Tourism Commission. This ex officio member will not be counted towards purposes of determining a quorum.
  - (b) The Tourism Commission annually shall elect a Chairperson from its members to serve a one-year term. The Tourism Commission shall meet as needed as determined by the Commission Chair, but no less than four times a year.
  - (c) The Tourism Commission will provide an annual report to the Village, indicating how the revenues were spent.
  - (d) The Tourism Commission shall contract with a Tourism Entity who develops the marketing plan including budgets for room tax revenues for promotion and development.
  - (e) The Tourism Commission shall give broad direction to the Tourism Entity on the development of the marketing budget.
  - (f) The Tourism Entity shall have a hotelier owner or operator represented on their Marketing Committee.
  - (g) The Tourism Entity shall provide meeting minutes and a room tax marketing plan to the Tourism Commission for review and approval annually.
  - (h) The Tourism Commission and entity with whom it contracts shall not use any of the room tax revenue to construct or develop a lodging facility.
- (5) Tracking and reporting room tax revenue expenditures.
  - (a) The Tourism Entity shall track the use of room tax revenue expenditures and state its impact on generating paid overnight stays in the community.
  - (b) The Tourism Entity shall permit and shall allow inspections of its records pertaining to the use of the room tax funds upon request of the Tourism Commission at reasonable times.
  - (c) The Tourism Entity shall provide a report, as determined by the Tourism Commission, no less than annually. The report shall be available to the municipality and general public upon request.
- (6) Collection of tax.

- (a) The collection of the tax imposed by this article shall be administered by the Village Treasurer. The tax imposed is due and payable on the last day of the month next succeeding the calendar quarters for which imposed. A return shall be filed with the Village Treasurer by those furnishing at retail such rooms and lodging on or before the same date on which the tax is due and payable. Such return shall show the gross receipts of the preceding calendar quarters from such retail furnishing of rooms or lodging, the amount of taxes imposed for such period, and such other nonconfidential information the Treasurer deems reasonably necessary. Annual returns shall be filed on a calendar-year basis. Annual return shall be filed within 90 days of the close of each such calendar year. The annual return shall summarize the quarterly returns, reconcile and adjust for errors in the quarterly returns, and shall contain such additional nonconfidential information as the Village Treasurer requires. Such annual returns shall be made on forms approved by the Village Treasurer. All such returns shall be signed by the person required to file a return or his/her duly authorized agent, but need not be verified by oath. The Treasurer may, for good cause, extend the time for any return, but in no event longer than one month from the filing date.
  - (b) The correct amount of tax shall accompany each quarterly tax return and be made payable to the Village.
- (7) Sale or conveyance of business. If any person liable for any amount of tax under this section sells out his business or stock of goods or quits the business, his successors or assigns shall withhold sufficient funds from the purchase price to cover such amount until the former owner produces a receipt from the Village Treasurer that it has been paid or a certificate stating that no amount is due. If any person subject to the tax imposed by this section fails to withhold such amount of tax from the purchase price as required, they shall become personally liable for payment of the amount required to be withheld by them.
- (8) Determination of tax by audit.
  - (a) The Village Treasurer may, by office audit, determine the tax required to be paid to the municipality or the refund due to any person under this chapter. This determination may be made upon the basis of the facts contained in the return being audited or on the basis of any other information within the Village Treasurer's possession. One or more such office audit determinations may be made out of the amount due for anyone or for more than one period.
  - (b) The Village Treasurer may, by field audit, determine the tax required to be paid to the municipality or the refund due to any person under this chapter. The determination may be made upon the basis of facts contained in the return being audited or upon any other information within the Treasurer's possession. Whenever the Treasurer has probable cause to believe that the correct amount of room tax has not been assessed or that the tax return is not correct, the Village Treasurer is authorized to examine and inspect the financial records pertaining to the furnishing of accommodations at the establishment in question in order to verify the tax liability of that person or of another person.
- (9) Failure to file room tax return. If any person fails to file a return by this chapter, the Village Treasurer shall make an estimate of the amount of the gross receipts under § 3.10(6). The estimate shall be made for the period for which such person failed to make a return and shall

be based upon any information which is in the Village Treasurer's possession or may come into his/her possession. On the basis of this estimate, the Treasurer shall compute and determine the amount required to be paid to the municipality. One or more such determinations may be made for one or more than one period of time.

- (10) Forfeiture relating to failing to comply with a request to inspect and audit the person's financial records and failing to file returns timely.
- (a) A forfeiture, not to exceed 5% of the room tax, may be imposed on a person who fails to comply with a request to inspect and audit the person's financial records.
  - (b) Require the person who is subject to pay an amount that is due to pay said tax plus interest at the rate of 1% per month on the unpaid balance. No refund or modification of the payment determined may be granted until the person files a correct room tax return, and permits the Village to inspect and audit his or her financial records.
  - (c) A forfeiture, not to exceed 25% of the room tax due for previous year or \$3,000, whichever is less, of the tax, may be imposed in the event that the room tax is not paid.
- (11) Record keeping requirements. Every person liable for the tax imposed by this section shall keep records, receipts, invoices and other pertinent papers to the payment of room taxes in such form as the Village Treasurer requires.
- (12) Confidentiality of tax returns.
- (a) All tax returns, schedules, exhibits, writings, or audit reports relating to such returns, on file with the Village Treasurer, are deemed to be confidential, except the Treasurer may divulge their contents to the following, and no others:
    - 1. The person who filed the return.
    - 2. The Village Treasurer or other persons for use in the discharge of the duties of their office (unless otherwise prohibited by law), or by order of a court.
  - (b) No person having an administrative duty under this section shall make known in any manner the business affairs, operations, or information obtained by an investigation of records or any person on whom a tax is imposed by this article, or the amount of source of income, profits, losses, expenditures, or any particular thereof, set forth or disclosed in any return, or to permit any return or copy thereof to be seen or examined by any person, except as otherwise provided in this ordinance.
- (13) Exemptions. For the current tax year, any person or business otherwise required to file a return and make payment to the municipality under this article will be allowed an exemption from the requirement to collect and pay room tax for any signed contract dated prior to the adoption of this article in which the contract guarantees the lodging rates. This exemption shall expire on December 31, 2017.



# Village of Mount Horeb

## Policies & Procedures

<u>Policy:</u> <b>General Fund Reserve</b>	<u>Number:</u> <b>100-5</b>	<u>Effective:</u> <b>January 2, 2013</b>
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Scope: Administration

Purpose: Reserve funds are maintained to stabilize the fiscal base by anticipating fluctuations in revenues and expenditures; provide for non-recurring, unanticipated expenditures; and provide for innovative opportunities for the betterment of the community (including covering costs in time of emergency or natural disaster). A primary purpose of this policy is to ensure a prudent level of financial reserves to guard our citizens against service disruption in the event of an unexpected temporary revenue shortfall or unpredicted one-time expenditures.

This policy provides guidance to the Village in handling excess or “unassigned” General Fund monies.

### Policy

#### Section 1: Target Levels

Unassigned funds within the General Fund should remain between 20% and 25% of the budgeted General Fund expenditures for the year. This level has been established after review and consideration of a variety of factors. The Government Finance Officers Association (GFOA), a national organization, recommends two months regular general fund operating expenditures as a minimum reserve level (16.7%). In Wisconsin, since municipal governments receive a substantial portion of revenue late in the year through the distribution of the final property tax settlement in August and payment of shared revenues in November, it is important to maintain a

fund balance level that can temporarily fund these cash flow needs. Finally, general fund balance levels are commonly monitored by bond rating agencies.

Section 2: Unassigned Funds outside of the Target Level

At the end of the year, an unassigned General Fund reserve balance in excess of 25% of General Fund operating expenditures shall be transferred to the Capital Improvement Projects Fund to reduce future borrowing needs.

During the annual budgeting process, if the General Fund unassigned balance is less than 20% of the budgeted General Fund expenditures for the upcoming budget year, the General Fund budget shall be adjusted as necessary to achieve the target level.

Section 3: Conditions for Use and Authority over Reserves

The Village Administrator may use reserve funds to provide resources to make up for temporarily decreased revenues (commonly occurring around September – November of every year).

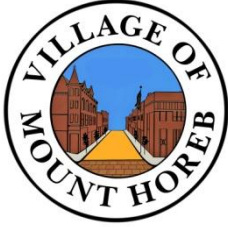
The Village Finance & Personnel Committee may authorize use of reserve funds to provide temporary resources in the event of an economic downturn while expenditure reductions are implemented or to provide resources to meet emergency expenditures in case of natural disaster.

The Village Board may authorize use of reserve funds for any of the conditions listed above or for capitalizing on an unanticipated opportunity to better the Village that wasn't included in the annual budget.

Section 4: Reporting

The Village Administrator shall provide a report to the Finance & Personnel Committee on the current status of the General Fund Reserve two times annually.

The first report will be within sixty (60) days of the completion of the Village's annual financial audit and the second report will be during the annual budget preparation process for an upcoming budget year.



# Village of Mount Horeb

## Policies & Procedures

<u>Policy:</u> <b>Capitalization of Assets</b>	<u>Number:</u> <b>100-7</b>	<u>Effective:</u> <b>May 1, 2013</b>
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Scope: All Employees

Purpose: The purpose of this policy is to provide a uniform method for maintaining and updating the Village of Mount Horeb's capital asset records, as well as to comply with Governmental Accounting Standards Board (GASB) rules and Generally Accepted Accounting Principles (GAAP).

### Policy

#### Section 1: General Overview

The Village of Mt. Horeb will capitalize all individual assets with a cost of \$5,000 or more and that has an estimated useful life of at least one year. Individual assets that cost less than \$5,000, but that operate as part of a network system will be capitalized in the aggregate, using the group method. Infrastructure improvements with a cost of \$20,000 or more will be capitalized. This policy covers all departments of the Village of Mt. Horeb, with the exception of the Electric, Water, and Sewer Utilities. The Utilities currently follow guidelines established by the Public Service Commission of Wisconsin.

A network is determined to be where individual components may be below the \$5,000 threshold but are interdependent and the overriding value to the village is on the entire network and not the individual assets. Examples of non-infrastructure networks are library books, telephone systems, and computer systems. Infrastructure networks, such as streetlights, storm drains and roads have useful lives of 20 years or more and may be capitalized using the group method.

Land and buildings will be capitalized, regardless of cost. This will allow the village to maintain those records to avoid future confusion. Construction in progress should be reported for assets that will ultimately be capitalized based on this capitalization policy for the individual asset.

#### Section 2: Capital Assets Categories & Useful Lives Guideline

The following are the capital asset categories and the ranges proposed as guidelines in setting estimated useful lives for asset reporting. The actual useful lives should be based on length of time these assets have historically lasted; anticipated changes in technology; specific asset use; and maintenance practices of individual departments. The capital assets should be reported at

historical cost and should include the cost of freight, site preparation, architect and engineering fees, etc. If something other than cash is used to pay for the asset, then the fair-market value of the non-cash payment or consideration determines the asset's cost or acquisition value. When the value of the consideration paid can't be determined, the asset's fair-market value determines its cost.

Land: All land owned by the village should be capitalized, including land under buildings and infrastructure. Land is not depreciated. It is recorded at historical cost and remains at that cost until disposal.

Land Improvements: Land improvements include items such as excavation, non-infrastructure utility installation, driveways, sidewalks, parking lots, flagpoles, retaining walls, fencing, outdoor lighting, swimming pools, trails & paths, athletic fields, storm-water improvements, trees and other non-building improvements intended to make the land ready for its intended purpose. Land improvements can be further categorized as non-exhaustible and exhaustible.

Non-Exhaustible: Expenditures for improvements that do not require maintenance or replacement, expenditures to bring land into condition to commence erection of structures, expenditures for improvements not identified with structures, and expenditures for land improvements that do not deteriorate with use or passage of time are additions to the cost of land and are generally not exhaustible, and therefore not depreciable.

Exhaustible: Other improvements that are part of a site, such as parking lots, landscaping and fencing, are usually exhaustible and are therefore depreciable. Estimated useful life range is 10-20 years.

Buildings: Buildings should be recorded at either their acquisition cost or construction cost. The cost of new construction should be carefully evaluated. Usually projects consist of major components such as land, land improvements, building construction (including professional fees and permits), furniture, fixtures, and equipment. In addition, buildings include components (e.g., roof, air conditioner system, etc.) that should be recorded separately when significant because these building components have different useful lives. The value of each component needs to be determined and placed within its own category. Estimated useful life range is 20-40 years.

Building improvements that extend the useful life should be capitalized. Examples of building improvements include roofing projects, major energy conservation projects, or remodeling and replacing major building components.

Construction in Progress: Construction in progress should be capitalized but not depreciated until put into use. Interest cost during construction will be expensed, not capitalized.

Machinery & Equipment (moveable): Assets such as furniture, fixtures, machinery, and equipment that meet the \$5,000 threshold should be identified, inventoried, and depreciated. Estimated useful life range is 2-15 years.

Vehicles: Vehicles should be identified, inventoried, and depreciated. Estimated useful life range is 2-10 years.

Works of Art and Historical Treasures: Works of art and historical treasures should be recorded at historical costs. Depreciation is not required for collections or works of art that are inexhaustible.

Infrastructure: Infrastructure includes roads, fire hydrants, sidewalks, curbs, culverts, traffic lights/signals, signage, bridges, alleys, storm water collection piping, and drainage ditches/systems. Within general government infrastructure, the following asset networks and subsystems are proposed along with a proposed unit of valuation. The reporting needs to distinguish between the cost of the land versus the cost of the infrastructure improvements.

#### Roads

- Streets, highways and roads (including street signs, curb & gutter and culverts if present) – lane mile by type and composition
- Sidewalks – lineal foot by type and composition
- Traffic Lights/Signals – by unit
- Street trees – in groups by type (capitalize only)

#### Bridges – by unit

#### Storm Drainage

- Collection systems – lineal foot by size and type
- Retention/detention facilities – by unit (land improvements are not depreciable)

#### Trails and paths – lineal foot by type and composition

The units of valuation proposed for each of the infrastructure categories are based on an initial assessment of what information is most likely available currently, as well as what appears to be a reasonable unit of measurement for costing purposes. Estimated useful life range is 20-50 years.

#### Intangible Assets:

Easements: An easement is an interest in land owned by another that entitles its holder to a specific limited use or enjoyment (right to use the land). Therefore, easements are not required to be reported, unless the village paid for the easement.

Software: Software is assigned a life that reflects how long the Village will actually use the software. Software capitalization includes both purchases and leases. Estimated useful life range is 5-10 years.

### Section 3: Capital versus Repair & Maintenance

With respect to asset improvements, costs over \$5,000 should be capitalized if:

1. The estimated life of the asset is extended by more than 25%, or
2. The cost results in an increase in the capacity of the asset (i.e. adding lanes to an existing roadway, or increasing the weight capacity of a bridge), or
3. The efficiency of the asset is increased by more than 10% (i.e. maintains the same service level, but at a lower cost), or
4. Significantly changes the character of the asset, or
5. In the case of streets and roads – if the work done impacts the “base” structure.

Otherwise, the cost should be expensed as repair and maintenance. Ancillary costs directly associated with the cost of the asset (freight, etc.) should be capitalized with the actual asset cost.

### Section 4: Retroactive Reporting

All capital assets and infrastructure are required to be inventoried and categorized based on this policy retroactive to 1980. Capital assets and infrastructure acquired prior to 1980 should also be reported, if significant or material to the village. Department heads and village employees must determine historical cost or estimated historical cost based on year of acquisition. Completeness and accuracy should be ensured through physical counts, review of purchase records, prior inventory count records, listings maintained by other government agencies, and other methods deemed necessary. Donated items should be capitalized at fair market value on the donated date.

### Section 5: Exceptions

This policy is meant as a guideline. Exceptions may be made to this policy based on the following:

- Employees should consider the merits of capitalizing assets that have been purchased with debt proceeds, regardless of the cost.
- Groups or classes of assets where individual asset items are less than the limit, but when all assets of that group are added together, the dollar amount far exceeds the capitalization limit. The total value of the group should be material or significant to the department’s asset value.

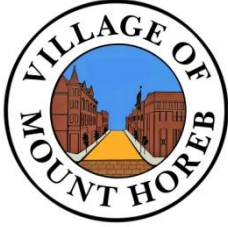
## Section 6: Depreciation Method

In accounting terms, depreciation is the process of allocating the cost of tangible property over a period of time, rather than deducting the cost as an expense in the year of acquisition. Generally, at the end of an asset's life, the sum of the amounts charged for depreciation in each accounting period (accumulated depreciation) would equal original cost less salvage value. The village will use the straight-line depreciation method (the cost of the asset is written off evenly over the estimate useful life of the asset). Estimated useful life means the estimated number of months or years that an asset will be able to be used for the purpose for which it was purchased. The salvage value of an asset is the value it is expected to have when it is no longer useful for its intended purpose. In other words, the salvage value is the amount for which the asset could be sold at the end of its useful life.

Property placed in service at any time during a given month is treated as if it had been placed in service on the first day of that month. Depreciation will be taken for the entire month in which the asset is placed in service. If the property is disposed of before the end of the estimated useful life, no depreciation is allowed for the month of disposition.

## Section 7: Disposition of Assets

When a capital asset is disposed of, the account records should be relieved of the cost and accumulated depreciation with the asset. Disposals may occur due to replacement, obsolescence, loss, and/or destruction. The salvage value or trade-in value received from the disposition of the asset should also be reported. Department Heads are required to report all dispositions of capital assets to the Village Finance Director.



# Village of Mount Horeb

## Policies & Procedures

<u>Policy:</u> <b>Post-Issuance Compliance with Tax Exempt Obligations</b>	<u>Number:</u> <b>100-9</b>	<u>Effective:</u> <b>December 5, 2012</b>
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Scope: Administration

Purpose: The Post-Issuance Compliance Policy (the "Policy") sets forth specific policies of the Village of Mount Horeb, Wisconsin (the "Issuer") designed to monitor post-issuance compliance:

- (i) With applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations promulgated thereunder ("Treasury Regulations") for obligations issued by the Issuer on tax-exempt or tax-advantaged basis ("Obligations"); and
- (ii) With applicable requirements set forth in certificates and agreement(s) ("Continuing Disclosure Agreements") providing for ongoing disclosure in connection with the offering of obligations to investors ("Offerings"), for obligations (whether or not tax-exempt / tax-advantaged) subject to the continuing disclosure requirements of Rule 15c2-12(b)(5) (the "Rule") promulgated by the Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934.

This Policy documents practices and describes various procedures and systems designed to identify on a timely basis facts relevant to demonstrating compliance with the requirements that must be satisfied subsequent to the issuance of Obligations in order that the interest on such Obligations continue to be eligible to be excluded from gross income for federal income tax purposes or that the Obligations continue to receive tax-advantaged treatment. The federal tax law requirements applicable to each particular issue of Obligations will be detailed in the arbitrage or tax certificate prepared by bond counsel and signed by officials of the Issuer and the post-closing compliance checklist provided by bond counsel with respect to that issue. This Policy establishes a permanent, ongoing structure of practices and procedures that will facilitate compliance with the requirements for individual borrowings.

This Policy similarly documents practices and describes various procedures and systems designed to ensure compliance with Continuing Disclosure Agreements, by preparing and disseminating related reports and information and reporting "material events" for the benefit of the holders of the Issuer's obligations and to assist the Participating Underwriters (within the meaning of the Rule) in complying with the Rule.

The Issuer recognizes that compliance with pertinent law is an on-going process, necessary during the entire term of the obligations, and is an integral component of the Issuer's debt management. Accordingly, the analysis of those facts and implementation of the Policy will require on-going monitoring and consultation with bond counsel and the Issuer's accountants and advisors.

## Policy

### Section 1: General Overview

The following policies relate to procedures and systems for monitoring post-issuance compliance generally.

- A. The Village Finance Director/Treasurer (the "Compliance Officer") shall be responsible for monitoring post-issuance compliance issues. For utility issues, the Compliance Officer will coordinate with the Clerk/Deputy Treasurer with respect to monitoring post-issuance compliance.
- B. The Compliance Officer will coordinate procedures for record retention and review of such records.
- C. All documents and other records relating to Obligations issued by the Issuer shall be maintained by or at the direction of the Compliance Officer. In maintaining such documents and records, the Compliance Officer will comply with applicable Internal Revenue Service ("IRS") requirements, such as those contained in Revenue Procedure 97-22.
- D. The Compliance Officer shall be aware of options for voluntary corrections for failure to comply with post-issuance compliance requirements (such as remedial actions under Section 1.141-12 of the Regulations and the Treasury's Tax-Exempt Bonds Voluntary Closing Agreement Program) and take such corrective action when necessary and appropriate.
- E. The Compliance Officer will review post-issuance compliance procedures and systems on a periodic basis, but not less than annually.

## Section 2: Issuance of Obligations - Documents and Records

With respect to each issue of Obligations, the Compliance Officer will:

- A. Obtain and store a closing binder and/or CD or other electronic copy of the relevant and customary transaction documents (the "Transcript").
- B. Confirm that bond counsel has filed the applicable information report (e.g., Form 8038, Form 8038-G, Form 8038-CP) for such issue with the IRS on a timely basis.
- C. Coordinate receipt and retention of relevant books and records with respect to the investment and expenditure of the proceeds of such Obligations with other applicable staff members of the Issuer.

## Section 3: Arbitrage

The following policies relate to the monitoring and calculating of arbitrage and compliance with specific arbitrage rules and regulations.

The Compliance Officer will:

- A. Confirm that a certification of the initial offering prices of the Obligations with such supporting data, if any, required by bond counsel, is included in the Transcript.
- B. Confirm that a computation of the yield on such issue from the Issuer's financial advisor or bond counsel (or an outside arbitrage rebate specialist) is contained in the Transcript.
- C. Maintain a system for tracking investment earnings on the proceeds of the Obligations.
- D. Coordinate the tracking of expenditures, including the expenditure of any investment earnings. If the project(s) to be financed with the proceeds of the Obligations will be funded with multiple sources of funds, confirm that the Issuer has adopted an accounting methodology that maintains each source of financing separately and monitors the actual expenditure of proceeds of the Obligations.
- E. Maintain a procedure for the allocation of proceeds of the issue and investment earnings to expenditures, including the reimbursement of pre-issuance expenditures. This procedure shall include an examination of the expenditures made with proceeds of the Obligations within 18 months after each project financed by the Obligations is placed in service and, if necessary, a reallocation

of expenditures in accordance with Section 1.148-6(d) of the Treasury Regulations.

- F. Monitor compliance with the applicable "temporary period" (as defined in the Code and Treasury Regulations) exceptions for the expenditure of proceeds of the issue, and provide for yield restriction on the investment of such proceeds if such exceptions are not satisfied.
- G. Ensure that investments acquired with proceeds of such issue are purchased at fair market value. In determining whether an investment is purchased at fair market value, any applicable Treasury Regulation safe harbor may be used.
- H. Avoid formal or informal creation of funds reasonably expected to be used to pay debt service on such issue without determining in advance whether such funds must be invested at a restricted yield.
- I. Consult with bond counsel prior to engaging in any post-issuance credit enhancement transactions or investments in guaranteed investment contracts.
- J. Identify situations in which compliance with applicable yield restrictions depends upon later investments and monitor implementation of any such restrictions.
- K. Monitor compliance with six-month, 18-month or 2-year spending exceptions to the rebate requirement, as applicable.
- L. Procure a timely computation of any rebate liability and, if rebate is due, to file a Form 8038-T and to arrange for payment of such rebate liability.
- M. Arrange for timely computation and payment of "yield reduction payments" (as such term is defined in the Code and Treasury Regulations), if applicable.

#### Section 4: Private Activity Concerns

The following polices relate to the monitoring and tracking of private uses and private payments with respect to facilities financed with the Obligations.

The Compliance Officer will:

- A. Maintain records determining and tracking facilities financed with specific Obligations and the amount of proceeds spent on each facility.
- B. Maintain records, which should be consistent with those used for arbitrage purposes, to allocate the proceeds of an issue and investment earnings to expenditures, including the reimbursement of pre-issuance expenditures.

- C. Maintain records allocating to a project financed with Obligations any funds from other sources that will be used for otherwise non-qualifying costs.
- D. Monitor the expenditure of proceeds of an issue and investment earnings for qualifying costs.
- E. Monitor private use of financed facilities to ensure compliance with applicable limitations on such use. Examples of potential private use include:
  - 1. Sale of the facilities, including sale of capacity rights;
  - 2. Lease or sub-lease of the facilities (including leases, easements or use arrangements for areas outside the four walls, e.g., hosting of cell phone towers) or leasehold improvement contracts;
  - 3. Management contracts (in which the Issuer authorizes a third party to operate a facility, e.g., cafeteria) and research contracts;
  - 4. Preference arrangements (in which the Issuer permits a third party preference, such as parking in a public parking lot);
  - 5. Joint-ventures, limited liability companies or partnership arrangements;
  - 6. Output contracts or other contracts for use of utility facilities (including contracts with large utility users);
  - 7. Development agreements which provide for guaranteed payments or property values from a developer;
  - 8. Grants or loans made to private entities, including special assessment agreements; and
  - 9. Naming rights arrangements.

Monitoring of private use should include the following:

- 1. Procedures to review the amount of existing private use on a periodic basis; and
- 2. Procedures for identifying in advance any new sale, lease or license, management contract, sponsored research arrangement, output or utility contract, development agreement or other arrangement involving private use of financed facilities and for obtaining copies of any sale agreement, lease, license, management contract, research arrangement or other arrangement for review by bond counsel.

If the Compliance Officer identifies private use of facilities financed with tax-exempt or tax-advantaged debt, the Compliance Officer will consult with the Issuer's bond counsel to determine whether private use will adversely affect the tax status of the issue and if so, what remedial action is appropriate. The Compliance Officer should retain all documents related to any of the above potential private uses.

Section 5: Qualified Tax-Exempt Obligations

If the Issuer issues "qualified tax-exempt obligations" in any year, the Compliance Officer shall monitor all tax-exempt financings (including lease purchase arrangements and other similar financing arrangements and conduit financings on behalf of 501(c)(3) organizations) to assure that the \$10,000,000 "small issuer" limit is not exceeded.

Section 6: Federal Subsidy Payments

The Compliance Officer shall be responsible for the calculation of the amount of any federal subsidy payments and the timely preparation and submission of the applicable tax form and application for federal subsidy payments for tax-advantaged obligations such as Build America Bonds, New Clean Renewable Energy Bonds and Qualified School Construction Bonds.

Section 7: Reissuance

The following policies relate to compliance with rules and regulations regarding the reissuance of Obligations for federal law purposes.

The Compliance Officer will identify and consult with bond counsel regarding any post-issuance change to any terms of an issue of Obligations which could potentially be treated as a reissuance for federal tax purposes.

Section 8: Record Retention

The following policies relate to retention of records relating to the Obligations issued.

The Compliance Officer will:

- A. Coordinate with staff regarding the records to be maintained by the Issuer to establish and ensure that an issue remains in compliance with applicable federal tax requirements for the life of such issue.
- B. Coordinate with staff to comply with provisions imposing specific recordkeeping requirements and cause compliance with such provisions, where applicable.

- C. Coordinate with staff to generally maintain the following:
1. The Transcript relating to the transaction (including any arbitrage or other tax certificate and the bond counsel opinion);
  2. Documentation evidencing expenditure of proceeds of the issue;
  3. Documentation regarding the types of facilities financed with the proceeds of an issue, including, but not limited to, whether such facilities are land, buildings or equipment, economic life calculations and information regarding depreciation.
  4. Documentation evidencing use of financed property by public and private entities (e.g., copies of leases, management contracts, utility user agreements, developer agreements and research agreements);
  5. Documentation evidencing all sources of payment or security for the issue; and
  6. Documentation pertaining to any investment of proceeds of the issue (including the purchase and sale of securities, SLGs subscriptions, yield calculations for each class of investments, actual investment income received by the investment of proceeds, guaranteed investment contracts, and rebate calculations).
- D. Coordinate the retention of all records in a manner that ensures their complete access to the IRS.
- E. Keep all material records for so long as the issue is outstanding (including any refunding), plus seven years.

#### Section 9: Continuing Disclosure

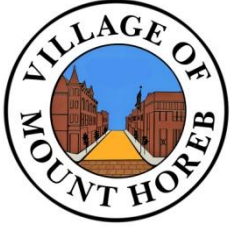
Under the provisions of SEC Rule 15c2-12 (the "Rule"), Participating Underwriters (as defined in the Rule) are required to determine that issuers (such as the Issuer) have entered into written Continuing Disclosure Agreements to make ongoing disclosure in connection with Offerings subject to the Rule. Unless the Issuer is exempt from compliance with the Rule or the continuing disclosure provisions of the Rule as a result of certain permitted exemptions, the Transcript for each issue of related obligations will include a Continuing Disclosure Agreement executed by the Issuer. In order to monitor compliance by the Issuer with its Continuing Disclosure Agreements, the Compliance Officer will, if and as required by such Continuing Disclosure Agreements:

- A. Assist in the preparation or review of annual reports ("Annual Reports") in the form required by the related Continuing Disclosure Agreements.
- B. Maintain a calendar, with appropriate reminder notifications, listing the filing due dates relating to dissemination of Annual Reports, which annual due date is generally expressed as a date within a certain number of days (e.g., 180 days) following the end of the Issuer's fiscal year (the "Annual Report Due Date"), as provided in the related Continuing Disclosure Agreements.
- C. Ensure timely dissemination of the Annual Report by the Annual Report Due Date, in the format and manner provided in the related Continuing Disclosure Agreements, which may include transmitting such filing to the Municipal Securities Rulemaking Board ("MSRB") through the Electronic Municipal Market Access ("EMMA") System at [www.emma.msrb.org](http://www.emma.msrb.org) in the format prescribed by the MSRB.
- D. Monitor the occurrence of any "Material Event" (as defined in the Continuing Disclosure Agreements) and timely file notice of the occurrence of any such Material Event in the manner provided under the Continuing Disclosure Agreements. To be timely filed, such notice must be transmitted within 10 days (or such other time period as set forth in the Continuing Disclosure Agreements) of the occurrence of such Material Event.
- E. Ensure timely dissemination of notice of any failure to perform under a Continuing Disclosure Agreement, if and as required by the Continuing Disclosure Agreement.
- F. Respond to requests, or ensure that the Issuer Contact (as defined in the Continuing Disclosure Agreement) responds to requests, for information under the Rule, as provided in the Continuing Disclosure Agreements.
- G. Monitor the performance of any dissemination agent(s) engaged by the Issuer to assist in the performance of any obligation under the Continuing Disclosure Agreements.

#### Section 10: Conduit Bond Financings

In conduit bond financings, such as industrial revenue bonds or Midwestern Disaster Area Bonds, the Issuer is not in a position to directly monitor compliance with arbitrage requirements and qualified use requirements because information concerning and control of those activities lies with the private borrower. The Issuer's policy in connection with conduit financings is to require that the bond documents in such financings impose on the borrower (and trustee or other applicable party) responsibility to monitor compliance with qualified use rules and

arbitrage and other federal tax requirements and to take necessary action if remediation of nonqualified bonds is required.



# Village of Mount Horeb

## Policies & Procedures

<u>Policy:</u> <b>Financial Investments</b>	<u>Number:</u> <b>100-10</b>	<u>Effective:</u> <b>July 2, 2014</b>
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Scope: Administration

Purpose: The purpose of this policy is to provide guidance to Village administration with regard to investing the financial assets of the various funds (including utility funds).

### Policy

#### Section 1: General Overview

The Village maintains fund reserves or otherwise has cash, cash equivalents, and investments available at any given time for investment.

Safety, liquidity, and return-on-investment shall be the factors used to determine where to invest those funds.

#### Section 2: Delegation and Authority

Authority to manage the Village of Mount Horeb's investment program is derived from Wisconsin State Statutes. Management of the program is hereby designated to the Village Finance Director who is responsible for the Village Investment program and no person shall invest or withdraw Village funds without the approval of the Village Administrator or the Village Finance Director.

#### Section 3: Safety and Diversification

Safety, liquidity, and return-on-investment shall be the factors used to determine where to invest those funds. Investments of the Village of Mount Horeb shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain the objective, diversification is preferred in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

Investment of Village funds is restricted by state statutes. The Village will limit investments to the following types of institutions:

1. Time deposits that mature in three years or less in any credit union, bank, savings bank, trust company, or savings and loan association. Investments in this category are limited to the amounts insured by FDIC at each financial institution unless the financial institution provides written verification that Village funds in excess of that amount will be guaranteed insured through collateral held by an independent third party bank in the name of the Village.
2. Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state so long as the bond or security has a prime, high-grade, or upper medium-grade rating from Moody's, S&P, or Fitch rating services.
3. Bonds or securities issued or guaranteed by the federal government.
4. Any security which matures not more than three years of the date on which it is acquired, if that security has a rating which is the highest or second highest rating category assigned by Standard & Poor's corporation, Moody's investors service or Fitch rating agency.
5. The Local Government Investment Pool (LGIP).

#### Section 4: Liquidity

To the extent possible the Village portfolio will remain sufficiently liquid to enable the Village to meet all operating requirements that may be reasonably anticipated.

For the Village's general operating funds, the Village will allow up to 50% of the General Fund "Unassigned Fund Balance" to be invested for a period of greater than one (1) year, but not more than three (3) years. The remaining operating funds may be invested for a shorter duration with maturities coming due in time to meet operating cash flow needs as determined by the Village Finance Director and approved by the Village Administrator.

Assigned, committed, or restricted fund balances may be invested in time deposits only if the monies will not be needed in the timeframe of the investment. All other designated fund balances shall be invested in liquid accounts.

No more than 25% of available investment dollars may be invested in corporate bonds.

#### Section 5: Reporting

The Village Administrator or his/her designee shall provide a semi-annual investment report to the Village Finance & Personnel Committee. The report shall summarize the investment portfolio in terms of securities held, maturities, rate of return, and amounts invested.

Section 6: Authorized Financial Institutions and Dealers

The following depositories have been designated by the Village Board as public depositories for the funds of the Village of Mount Horeb as stated in Wisconsin Statutes 34.01(5) and 34.05(1). These institutions are:

- Farmers Savings Bank
- State Bank of Cross Plains
- Harris Bank
- The Bancorp Bank
- Mound City Bank
- State of Wisconsin Local Government Investment Pool



HERITAGE  
COMMUNITY  
OPPORTUNITY

## VILLAGE OF MOUNT HOREB

E. Main Street  
Mount Horeb, WI 53572  
Phone: (608) 437-6884 Fax: (608) 437-3190  
Email: mhinfo@mounthorebwi.info Web: mounthorebwi.info

### Finance & Personnel Committee Meeting

June 3, 2026

#### FINANCE DIRECTOR REPORT

1. Financial Reporting Update
  - a. Internal village financial statements are complete thru March 2026 and have been distributed to department heads. We hope to complete April 2026 by June 5<sup>th</sup>, and anticipate completion of May by July 2<sup>nd</sup>.
  - b. 2027 Budgeting Calendar is included in this month's agenda for committee review and approval. This could be subject to change, based on new administrator preferences.
  - c. First Quarter 2026 Permits & Fees Reporting included in this meeting packet. Seeking input from committee regarding the value this report adds vs. time spent to generate the report.
2. Administration Focus
  - a. I attended the League of Wisconsin Municipalities Spring Meeting on May 7<sup>th</sup>. There was a strong training track opportunity for my role with focused information sessions on Municipal Debt Financing, Levy Limit Referendum Planning, and Finance Leadership.
  - b. Leases & Rents follow up questions are still in process. I have submitted questions to our auditors to try to identify how we established the calculations for office space for Utilities and the Senior Center. I was able to track down additional information on the Verizon lease, and have provided an updated Lease Report in this month's meeting packet. I will continue to provide updates as they become available.
  - c. *At the suggestion of Kevin Mullen, our financial partner with RW Baird, we are working with the Village attorney to confirm the process and necessary filings to release Lines of Credit currently held by (2) developers in TID3. Per Kevin, this TID has reached sufficient standing to consider this release. We hope to complete this review for approval at the June VB meeting. (May report item; still in process-under legal review. DS 5/29/26)*
3. Future Item Notes as Discussed in previous F&P meetings:
  - a. Internship Program discussion (Healy request deferred to Summer 2026)
  - b. Norsk Lease—WHAT does VMH get for/from Norsk? Can we request a presentation of some kind?
  - c. TID 3 projection run-thru for budgeting
  - d. AI Policy guidance – financial information focused – (UW Extension AI training?)

Denise J. Schwenn  
Finance Director / Treasurer

Annual Recurring items:

Jan-Property Tax update, Year-End P/R Tax Reporting Update  
Feb-Q4 Permit Fees Reported, Memberships Reporting, Vendor Review Begins  
Mar-Vendor Review status update; F&P Annual PILOT review  
Apr-Vendor Review status update, Lease rates updated (NORSK; based on financials)  
May-Q1 Permit Fees Reported, Vendor Review Summary Provided, Bond payment summary (Spring)  
Jun-Baker Tilly audit presentations (VB/UTIL Comm); Budget Calendar for approval  
Jul-Denise & Niki attending UW-GB Treasurer training classes; (Jul/Aug-Energy Plan continued discussions for Dept Head use in budgeting)  
Aug-Q2 Permit Fees Reported, budget process under way, (Jul/Aug-Energy Plan continued discussions for Dept Head use in budgeting)  
Sep-Budget planning continues  
Oct-Weekly meetings—BUDGET  
Nov-Q3 Permit Fees Reported, update on collections as noted in Sept 2025 FD report (pilot, room taxes, RLF), Bond payment summary (Fall)  
Dec-

Specific Budget-Related items:

Village Energy Plan discussion as part of budgeting (per May 2026 F&P meeting minutes)  
Reconsider Wheel Tax  
Permit Fees, Park Fees, Rec Fees, Other Fees Reviewed/Updated –ALL Departments  
Referendum process  
Other Non-property tax revenue ideas

Village of Mount Horeb  
Rent/Lease Tracking  
2026

To be reviewed by Finance & Personnel Committee annually (Feb-Apr)

Contract With	Department	Staff Member	Revenue / Expense	What	Start Date	End Date	2026		Pmt Cycle	Notes
							Terms	2026 Annual Amount		
Center Ground Studios	Water Utility	Nic	Revenue	302 E. Lincoln Street rent	7/1/2025	6/30/2030	\$ 1,380.00		20% split qtrly pmts	New lease=incremental rate increases as follows(split to qtrly pmts): 7/1/25-6/30/26=\$6,000 7/1/26-6/30/27=\$7,800 7/1/27-6/30/28=\$9,600 7/1/28-6/30/29=\$11,400 7/1/29-6/30/30=\$13,200
Center Ground Studios	Electric Utility	Nic	Revenue	302 E. Lincoln Street rent	7/1/2025	6/30/2030	\$ 5,520.00		80% split qtrly pmts	
Community Center; MH Area Senior Center allocation	Administration	Nic	Revenue	I have submitted an inquiry to our auditors to see if we can find out how/when this value was established. DS 5/20/26	?	?	\$ 3,600.00		\$300 monthly	Same rates since 2018 or before
Friends of the Norsk, Inc.	Administration	Nic	Revenue	Norsk Golf Course rent	8/6/2021	1/1/2027	\$ 8,661.97		721.83/month 2026	Lease Renewal per Addendum 08/06/2021: Renewal year beginning with 1/1/2022 rent is greater of 2% of gross sales or \$600/month; thereafter it is the amount for the 2022 year plus the average annual % change in the US DOL CPI for 10/1-9/30 of the prior year. 5 year renewal notice rec'd 3/3/26 (thru 1/1/27)
Utility Rent-VMH Office allocation	Administration	Nic	Revenue	I have submitted an inquiry to our auditors to see if we can find out how/when this value was established. DS 5/20/26	?	?	\$ 30,204.00		\$2,517 monthly	Same rates since 2018 or before
Verizon Wireless	Water Utility	Utility Commission, Temby/Owen	Revenue	Water tower rent (Downtown)	10/1/2022	9/30/2047	\$ 24,000.00		\$1200 monthly	10/1/27, rent increases by 10% for each 5 year extension; (4 extension options remain, which will carry through 9/30/2047) 2027-2032 \$26,400 2032-2037 \$29,040 2037-2042 \$31,944 2042-2047 \$35,138
Landmarks Foundation		Cathy Scott					\$ 10.00		year	
Mark Nortman & Associates/First Weber		Nic	Revenue	Lukken Farm Buildings Rental	4/1/2025		\$ 21,600.00		\$1800 monthly	Rent, \$2000 (-) \$200 Mgmt Fee to Nortman = \$1800 Revenue
Rayellen Hollfelder		Nic	Revenue	Lukken Farm Land Rent	1/1/2025	3/31/2027	\$ -		\$10,965 twice/yr	This was a VERBAL agreement between Administrator Owen and Ms. Hollfelder. This was anticipated to be a one-year agreement in 2025; due to anticipated sale/development of said farmland in 2026. Contract extended 3/4/2026 thru 03/31/2027 by Nic Owen.

## SECOND AMENDMENT TO TOWER/LAND AGREEMENT

This Second Amendment to Tower/Land Agreement (“Second Amendment”) is made, and shall be effective, as of the last date of the signatures below (“Effective Date”), between Village of Mt. Horeb, Wisconsin, acting through the Mt. Horeb Utilities Commission (“MT. HOREB”), and Cellco Partnership d/b/a Verizon Wireless (“COMPANY”). MT. HOREB and COMPANY (or their predecessors in interest) entered into that certain Tower/Land Agreement dated November 26, 2002, as may have been previously amended and/or assigned, (the “Lease”), pursuant to which COMPANY is leasing or licensing from MT. HOREB a portion of that certain property located in the Village of Mt. Horeb in the County of Dane, State of Wisconsin, as more particularly described in the Lease. MT. HOREB and COMPANY may be referenced in this Second Amendment individually as a “Party” or collectively as the “Parties.”

In consideration of the mutual covenants and promises contained in this Second Amendment, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, the Parties agree to amend the Lease as follows:

1. Use. Notwithstanding anything contained in the Lease to the contrary, all improvements, equipment, antennas and conduits shall be at COMPANY’s expense and their installation shall be at the discretion and option of COMPANY. COMPANY shall have the right to replace, repair, add or otherwise modify its utilities, equipment, antennas and/or conduits or any portion thereof and the frequencies over which the equipment operates (“COMPANY Modifications”), whether the equipment, antennas, conduits, or frequencies are specified or not on any exhibit attached to the Lease.

MT. HOREB acknowledges and agrees that any provision in the Lease that provides for (i) COMPANY to obtain MT. HOREB’s consent for COMPANY Modifications or send notice to MT. HOREB prior to making COMPANY Modifications, (ii) an increase in rent as consideration for COMPANY Modifications, (iii) COMPANY to submit engineering designs, including but not limited to, a structural analysis, to MT. HOREB for approval prior to making COMPANY Modifications and (iv) an amendment to memorialize COMPANY Modifications, are hereby deleted.

2. Term. Notwithstanding anything contained in the Lease to the contrary, the current term of the Lease shall expire on 09/30/2022. Commencing on 10/01/2022, the Lease shall be extended for 5 years (“Initial Extension Term”). The term of the Lease shall thereafter automatically extend for 5 additional terms of 5 years each (each, an “Additional Extension Term”), unless COMPANY terminates the Lease by giving MT. HOREB notice of such termination at least 30 days prior to the expiration of the Initial Extension Term or then-current Additional Extension Term.

3. Rent. Commencing on 10/01/2022, the annual rent during the Initial Extension Term shall be \$24,000.00 to be paid in equal monthly installments on the first day of the month in advance to MT. HOREB or such other person as MT. HOREB may designate in writing at least 30 days in advance of any rental payment date. Thereafter, commencing on 10/01/2027, annual rent for each Additional Extension Term shall increase by 10% upon commencement of each Additional Extension Term.

4. Holdover. Notwithstanding anything contained in the Lease to the contrary, the Parties agree that a holding over beyond the expiration or termination of the Lease shall operate as an extension of the Lease from month-to-month only (the "Holdover Period"), with rent due monthly in an amount equaling the monthly rent applicable during the month immediately preceding such expiration or earlier termination. Either Party may terminate the Lease at the end of any month during the Holdover Period by providing 30 days written notice.

5. Rent Credit. This Second Amendment provides for a reduction in rent, effective 10/01/2022. The Parties acknowledge and agree that COMPANY shall be entitled to a credit in the event of any overpayment of rent resulting from said reduction in rent. Such credit shall be applied against COMPANY's rent due under the Lease.

6. Continued Effect. Except as amended hereby, all of the other terms and conditions of the Lease shall remain in full force and effect. In the event of a conflict between any term and provision of the Lease and this Second Amendment, the terms and provisions of this Second Amendment shall control. In addition, except as otherwise stated in this Second Amendment, all initially capitalized terms shall have the same respective defined meaning stated in the Lease. All captions are for reference purposes only and shall not be used in the construction or interpretation of this Second Amendment.

7. Ratification and Reaffirmation. MT. HOREB and COMPANY do hereby ratify, reaffirm, adopt, contract for and agree to be, or continue to be, bound by all of the terms and conditions of the above-referenced Lease. Except as modified by this Second Amendment, all of the terms and conditions of the Lease are incorporated by reference herein as if set forth at length. It is acknowledged and agreed that the execution of this Second Amendment by the Parties is not intended to and shall not constitute a release of either Party from any obligation or liability which said Party has to the other pursuant to the Lease.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the authorized representatives of the Parties hereto execute this Second Amendment below, intending to be bound.

**MT. HOREB:**

**The Village of Mt. Horeb, Wisconsin,  
acting through the Mt. Horeb Utilities Commission**

By: *Nicholas Owen*  
Name: Nicholas Owen  
Title: Administrator  
Date: 08/16/2022

**COMPANY:**

**Cellco Partnership d/b/a Verizon Wireless**

By: *Sergei Mislavy*  
Sergei Mislavy (Aug 23, 2022 09:24 EDT)  
Name: Sergei Mislavy  
Title: Executive Director-Network Reg/RE  
Date: Aug 23, 2022

Village of Mount Horeb 2026 Permits Summary  
 Fees Reporting to Finance & Personnel Committee  
 January thru March 2026

**PERMIT & PROJECT COSTS SUMMARY:**

Row Labels	# of Permits	Est. Construction		Est. Electrical Cost	Est. Plumbing Cost	Est. HVAC Cost	Sum of Permit Fees
		Cost					
Commercial-Industrial	11	\$	424,699	\$ 85,000	\$ 73,480	\$ 136,680	\$ 7,513
Duplex	1	\$	-	\$ -	\$ -	\$ 10,431	\$ 104
Multi-Family	1	\$	-	\$ -	\$ -	\$ 3,605	\$ 60
Multi-Family-NEW	1	\$	1,300,000	\$ 935,000	\$ 764,500	\$ 804,500	\$ 59,034
Raze Garage/Shed	1	\$	8,500	\$ -	\$ -	\$ -	\$ 60
Single Family	49	\$	631,716	\$ 23,200	\$ 62,462	\$ 86,532	\$ 7,947
Single Family-NEW	2	\$	750,829	\$ 27,515	\$ 29,882	\$ 27,489	\$ 3,614
<b>Grand Total</b>	<b>66</b>	<b>\$</b>	<b>3,115,744</b>	<b>\$ 1,070,715</b>	<b>\$ 930,324</b>	<b>\$ 1,069,237</b>	<b>\$ 78,332</b>

Inspection Fees Q1 - 3C Inspect \$ 63,088

**NEW CONSTRUCTION SUMMARY:**

	# Bldgs	Total Residential		Est. Project Costs	Ave. Value per REU	Ave. Value Per Bldg
		Units				
NEW RESIDENTIAL	2	2	\$	750,829	\$ 375,415	\$ 375,415
NEW DUPLEX						
NEW MULTI-FAMILY	1	63	\$	1,300,000	\$ 20,635	\$ 1,300,000
NEW COMMERCIAL						
<b>Toatal Value of New Construction</b>			<b>\$</b>	<b>2,050,829</b>		

**PERMIT ISSUANCE BY TYPE & MONTH:**

	Commercial	Duplex	Multi-Family	New Multi-Fam	Raze	Single Family	New Single Family
January		4					15
February		4			1	1	8
March		3	1	1			26
<b>Total Permits</b>	<b>66</b>	<b>11</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>49</b>



## Finance and Personnel Committee Report June 3, 2026

### Staffing Updates

#### Hires

- Gabe Altenbernd – Administration – Village Administrator (Start Date: 06.30.2026)
- Noah Gibbs – Public Services Seasonal (Start Date: 05.26.26)
- Tatum Purin – Recreation Assistant Seasonal (Start Date: 05.19.26)
- Emily Consigny- Library- Summer Library Assistant (Start Date: 06.09.2026)

#### Retirements

- Lynn Forshaug – Director, SW Dane Outreach (Retirement Date: 05/29/2026)

### Recruitment – Onboarding

- **Summer Seasonal Staff (Rec Department)**
  - Rec Department Orientation completed 05/27/26
  - Pool is scheduled to Open June 10, 2026
  - Final Hiring Numbers:
    - New Hires- 15
    - Rehires- 24

### Human Resources Updates

#### Administration

- Attended GMA SHRM Human Capital Conference on May 19<sup>th</sup>
- Actively involved in the launch of “My Insurance Benefits” for all local government employees. The new portal replaces the former system and allows members to manage health, dental, vision and life insurance in one place. Open enrollment for benefits for 2027 will transition to a fully online process. As part of this transition, ETF will also assume responsibility for COBRA administration.

- Currently working through ETF Readiness Checklist to ensure a smooth transition to the “My Insurance Benefits System”
- Completing reporting requirements for the Occupational Employment and Wage Statistics Program

#### **ETF Benefit Renewal**

- The Group Insurance Board (GIB) approved health insurance program rates for 2027.
- Weighted average premium increase for local employees will be 8.5%
- Currently working on updating rate sheets for Village employees.
- Income Continuation Insurance (ICI) program will continue to be on a premium holiday for local employees through 2027.



## AGENDA ITEM REPORT

### MEETING DATE

June 3, 2026

### PREPARED BY

### AGENDA ITEM # 3.h

2025 Village Audit Presentation by Baker Tilly

### BACKGROUND

### RECOMMENDATION

### ATTACHMENTS

1. 200.13 FS Highlights - Final for 2025 Audits - Muni



## Village of Mount Horeb

### Financial highlights

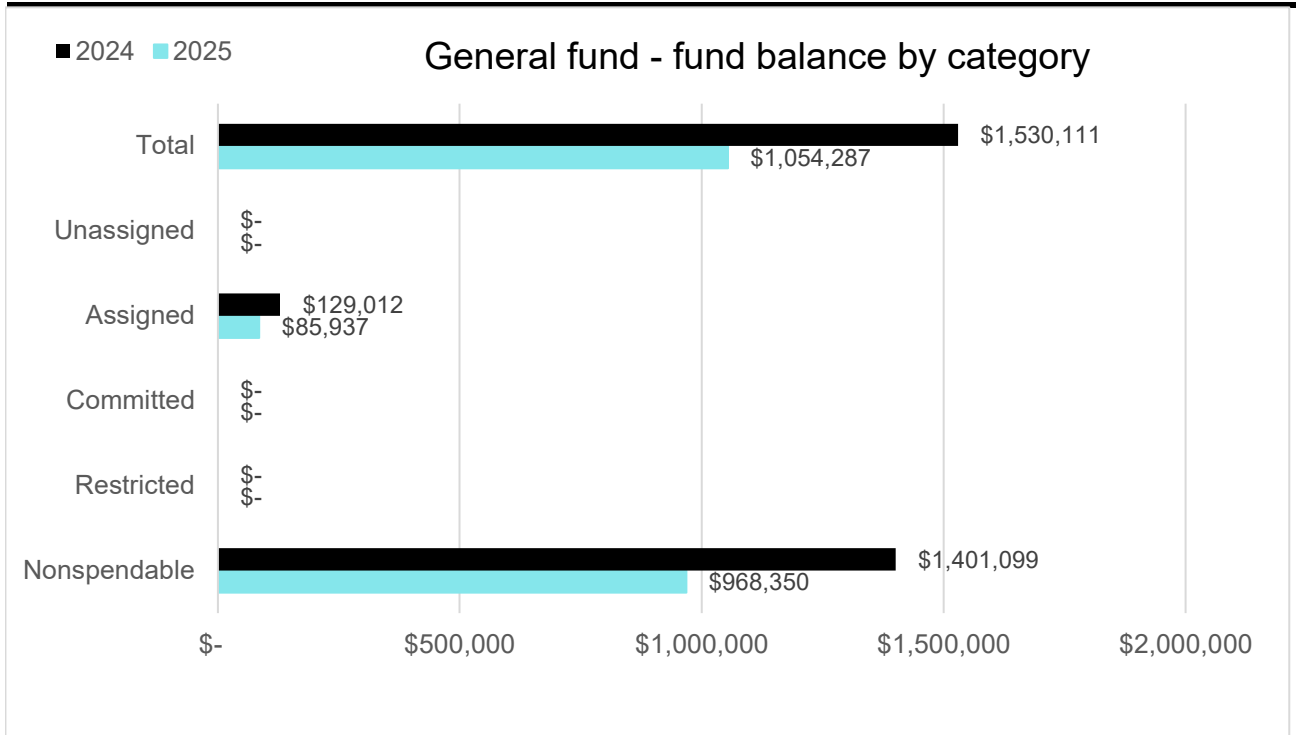
June 3, 2026

#### Client service team

John Rader, CPA, Managing Director  
Casandra Chase, CPA, Senior Manager

# Village of Mount Horeb

## General fund results



### Summarized income statement

	<u>Actual</u>	<u>Final budget</u>	<u>Variance</u>
Revenues and other financing sources	\$ 6,166,126	\$ 6,297,363	\$ (131,237)
Expenditures and other financing uses	<u>6,641,950</u>	<u>7,321,959</u>	<u>680,009</u>
Net change in fund balance	<u>\$ (475,824)</u>	<u>\$ (1,024,596)</u>	<u>\$ 548,772</u>

### Fund balance category definitions

Nonspendable - amounts cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained in tact.

Restricted - amounts that can be spent only for the specific purposes stipulated by an external source.

Committed - amounts constrained for specific purposes that are internally imposed through formal action of the governing body.

Assigned - spendable amounts that are intended to be used for specific purposes that are not considered restricted or committed.

Unassigned - residual amounts that have not been classified within other categories above.

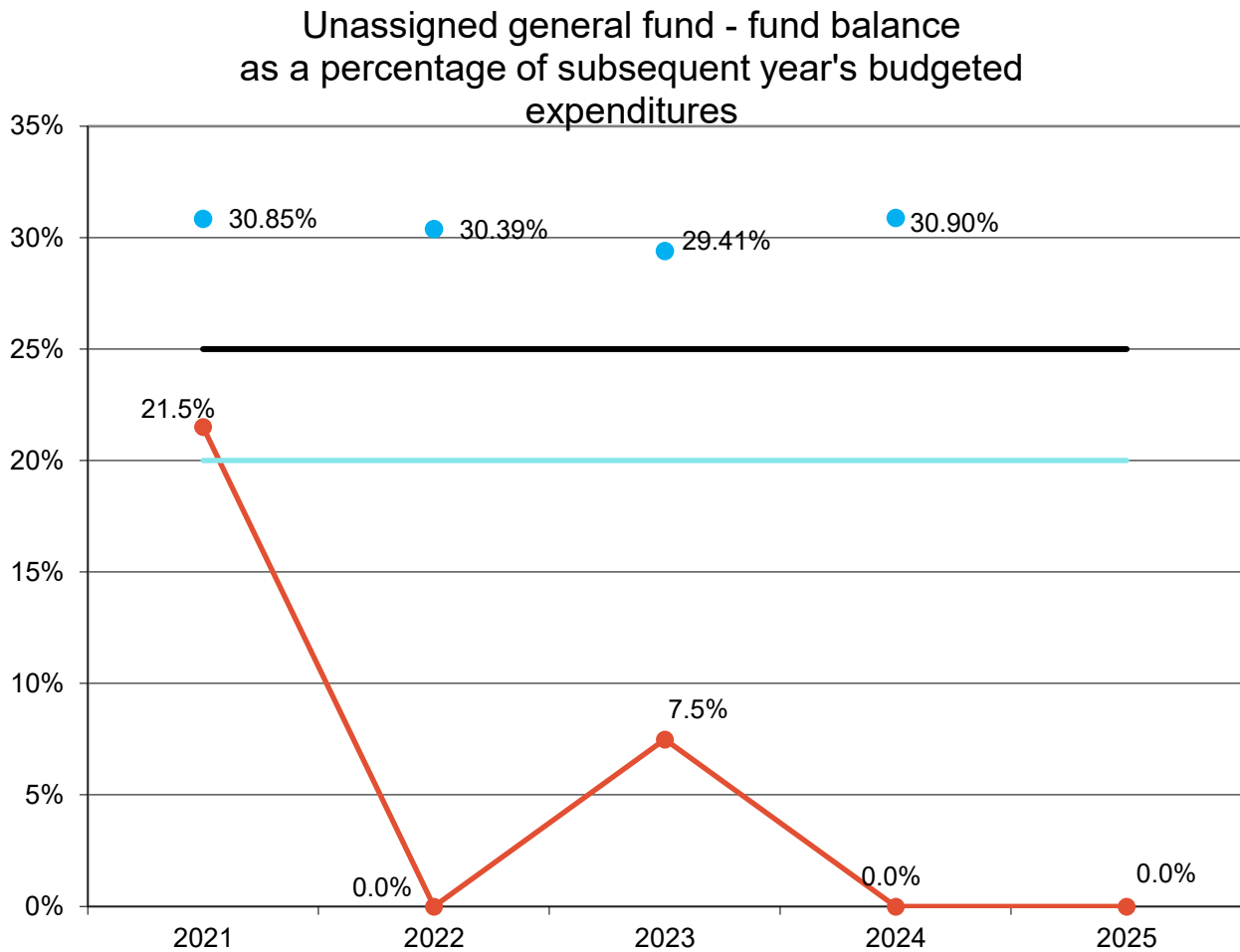
# Village of Mount Horeb

## General fund - fund balance trends

### Fund balance policy:

To maintain unassigned fund balance between 20-25% of the subsequent years budgeted general fund expenditures. Unassigned fund balance that exceeds this range shall be transferred to the capital improvement projects fund to reduce future borrowing needs.

—●— General Fund Actual    — Policy minimum    — Policy maximum    ● Reference - Median



### Other reference values

GFOA recommends a minimum of no less than 2 months (16.7%) of general fund expenditures.

Median reference value generated from 2021 - 2024 Baker Tilly municipal client data for population ranges less than 10,000.

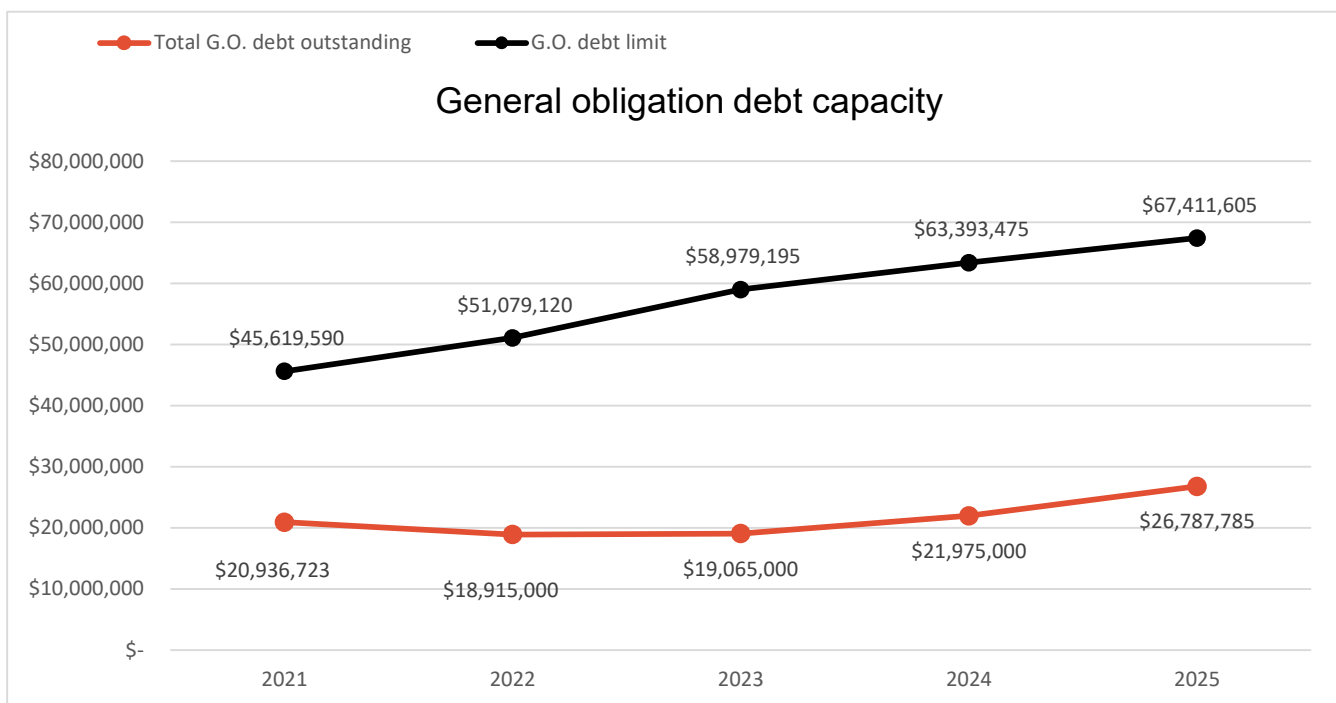
# Village of Mount Horeb

## General obligation debt

### Debt management policy:

Total outstanding general debt obligations should remain within 50% of the Village's legal debt margin capacity (5% of the Village's total equalized value). Non-utility and non-TIF related general debt obligations should remain within 40% of the legal debt margin unless otherwise authorized by the Village Board.

Actual percentage of debt limit at 12/31/25: **Total GO Debt 40%** **Non-Utility Non-TIF GO Debt 30%**



### Total debt outstanding by type at 12/31/2025

	General obligation	Revenue debt	Other	Total
Village	\$ 20,005,260	\$ -	\$ 834,526	\$ 20,839,786
Utility	1,722,785	19,670,414	-	21,393,199
TIF	5,059,740	-	-	5,059,740
<b>Total</b>	<b>\$ 26,787,785</b>	<b>\$ 19,670,414</b>	<b>\$ 834,526</b>	<b>\$ 47,292,725</b>

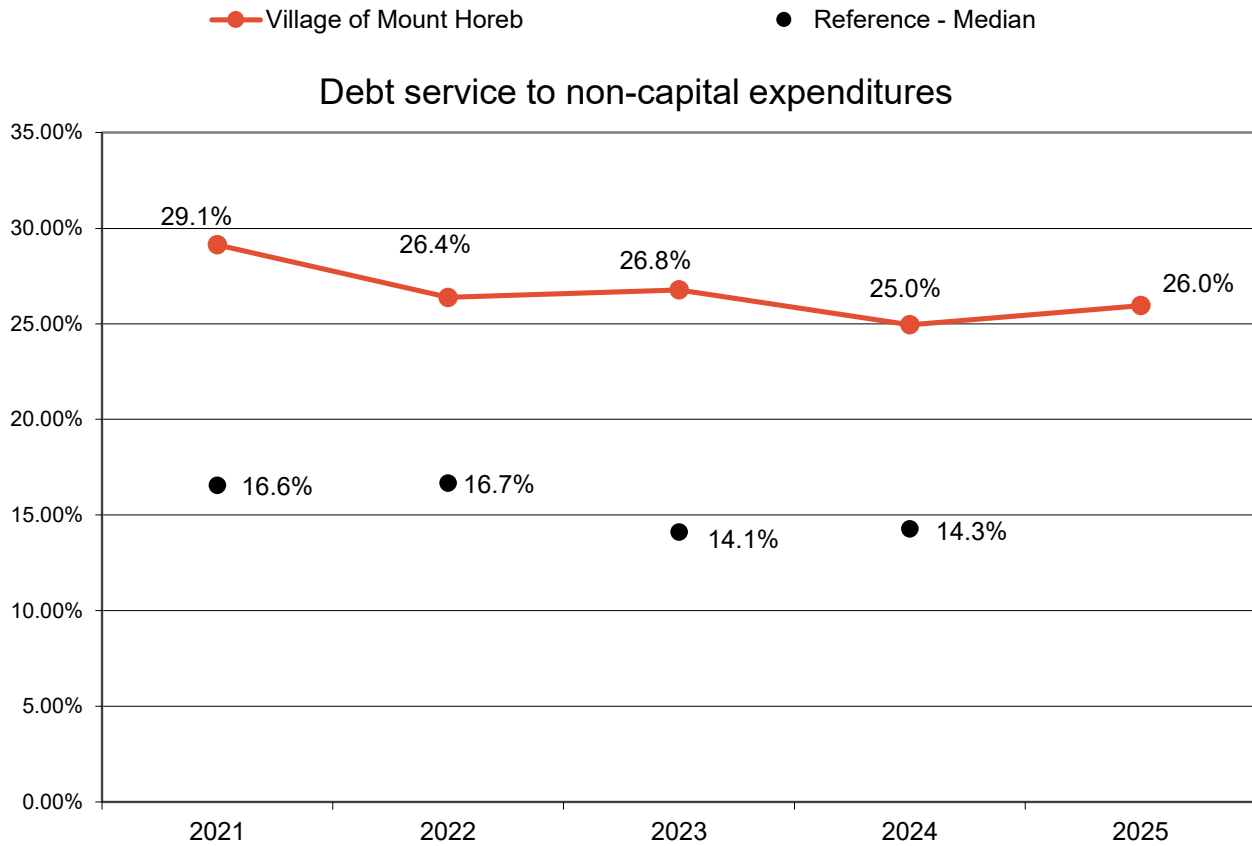
Comparative metrics available online through the Wisconsin Policy Forum.

<https://wispolicyforum.org/research/municipal-datatool-examining-and-comparing-wisconsin-cities-and-villages/>

Select "Debt" -- options for custom comparisons or comparisons by county

# Village of Mount Horeb

## Governmental funds - debt service



### Current and prior year data

	<u>2025</u>	<u>2024</u>
Principal (excludes refunding)	\$ 2,195,000	\$ 2,090,000
Interest	712,141	686,746
<b>Total</b>	<b><u>\$ 2,907,141</u></b>	<b><u>\$ 2,776,746</u></b>

Non-capital expenditures	<b><u>\$ 11,199,620</u></b>	<b><u>\$ 11,128,676</u></b>
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### Other reference values

Median reference value generated from 2021 - 2024 Baker Tilly municipal client data for population ranges less than 10,000.

# Village of Mount Horeb

TIF District Historical Summary Through December 31, 2025

	TIF District No. 3	%	TIF District No. 5	%
<b>Sources of funds</b>				
Tax increments	\$ 8,783,035	27%	\$ 4,453,980	40%
Transfer from general fund	860,834	3%	-	0%
Exempt computer aid	45,637	0%	404,970	4%
Investment income	359,601	1%	100,568	1%
Developer guarantees	20,000	0%	-	0%
WEDC Grant	-	0%	180,738	2%
Miscellaneous Revenues	329,537	1%	109,802	1%
Sales of property	-	0%	1,174,934	11%
Premium on debt Issuance	394,829	1%	-	0%
Long-term debt issued	21,638,703	67%	4,740,740	42%
<b>TOTAL</b>	<b>\$ 32,432,176</b>	<b>100%</b>	<b>\$ 11,165,732</b>	<b>100%</b>

<b>Uses of Funds</b>				
Capital, administration, and professional services	\$ 7,170,740	22%	\$ 2,756,228	27%
Interest on long-term debt	4,659,244	14%	1,201,799	12%
Discount and issuance costs	-	0%	-	0%
Developer grants	-	0%	4,830,531	47%
Debt issuance costs	321,426	1%	90,513	1%
Payment escrow	389,739	1%	-	0%
Principal on long-term debt	19,969,703	61%	1,350,000	13%
<b>TOTAL</b>	<b>\$ 32,510,852</b>	<b>100%</b>	<b>\$ 10,229,071</b>	<b>100%</b>

TIF Fund Balance (Deficit) - December 31, 2025	\$ (78,676)	\$ 936,661
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## Calculation of Net Cost Recoverable through TIF Increments

General obligation debt outstanding	1,669,000	3,390,740
Levy/ transfer from general fund to be repaid	860,834	-
TIF Fund (Balance)/Deficit - December 31, 2025	78,676	(936,661)
<b>Net cost recoverable through TIF increments - December 31, 2025</b>	<b>\$ 2,608,510</b>	<b>\$ 2,454,079</b>

Creation date:	March 24, 2004	August 18, 2016
Last date to incur project costs:	March 24, 2022	August 18, 2038
Last year to collect increment:	2027	2043