VILLAGE OF MOUNT HOREB
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# FINANCE AND PERSONNEL COMMITTEE AGENDA
## Wednesday, August 5, 2026 at 5:30 PM

Municipal Building Board Room
138 E. Main Street
Mount Horeb, WI

1) Call to order
   a. Roll Call
2) Public Comments on Non-Agenda Items*
3) Agenda Items
   a. Introduction of the new Village Administrator
   b. Presentation of Alternate Funding Sources for FY2027
   c. Consideration of June 3, 2026 Meeting Minutes
   d. Finance Director Report
   e. Human Resources Manager Report
4) Future agenda items
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 (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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WISCONSIN

# Alternative Funding Sources for FY 27

**Finance & Personnel Committee**

**Date:** August, 5th, 2026

# Tonight's Agenda

VILLAGE OF MOUNT HOREB

- Financial Management Planning
- Budget Challenges
- General Fund - Undesignated Fund Results & Trends
- Types of Funds
  - General Fund
  - Special Revenues
  - Debt Service
  - Capital Projects Fund
  - Enterprise Funds
- The Challenge we Must Address
- Special Charges
- Special Charges 2026 Rough Estimates

# Financial Managment Planning

VILLAGE OF MOUNT HOREB

The operating budget is based on strategic management principles, which allows the Village and Baird to utilize data-driven decision making to help us accomplish our goal of providing efficient and effective community based services.

Benefits of Financial Planning

Conduct five-year financial planning models through the FMP process. Preserve capacity to respond to future needs and meet quality of life needs. Invest in and plan for the future. Ability to prioritize public safety, parks and recreation, infrastructure, and employee retention.

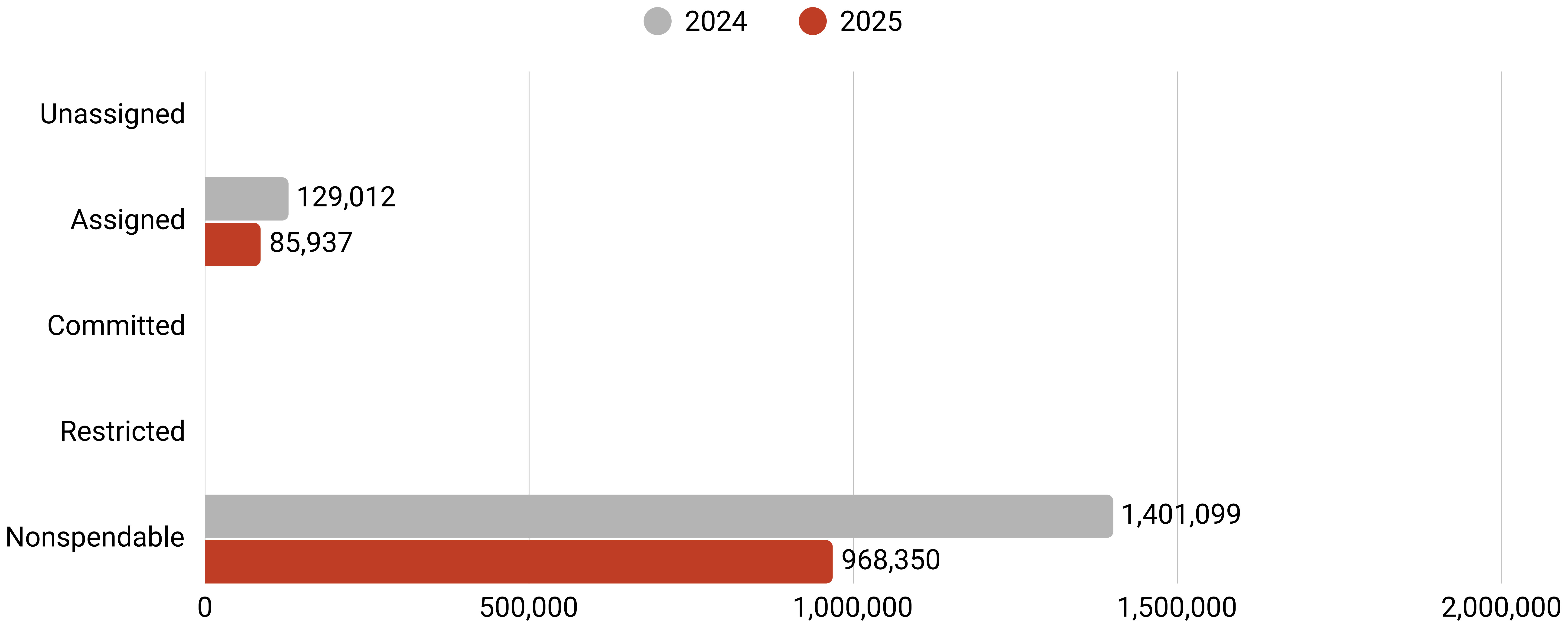
Major Financial Indicators

- Debt
- Average Annual Growth
- Undesignated Fund Balances

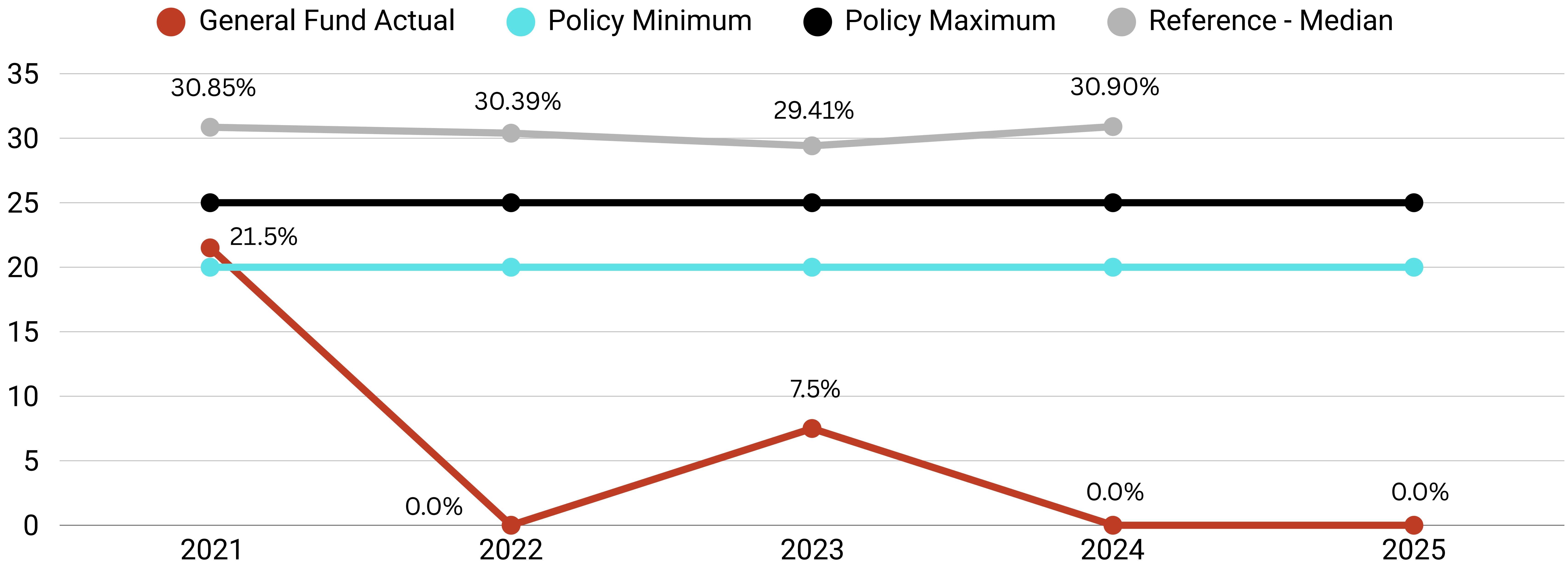
# Budget Challenges

- Levy Limits
- Health Insurance Costs
- Resident’s Financial Capacity
- Infrastructure Costs
- Inflationary Pressures
- Fleet / Equipment Costs

# General Fund - Fund Balance Results



# General Fund - Fund Balance Trends



# Types of Funds

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The Village records its financial transactions in individual funds. A fund is a grouping of related accounts used to maintain control over resources designated for specific activities or objectives.

<u>Types of Funds</u>

- General Fund
- Special Revenue Funds
- Debt Service Fund
- Capital Projects Fund
- Enterprise Funds

# General Fund - *Fund #100*

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The General Fund is the primary operating fund of the Village; it accounts for the revenues and expenditures necessary to carry out basic governmental activities.

The general fund tax levy is constricted through levy limits. The prior year's actual levy may be increased by a percentage equal to net new construction in the preceding year (or zero, if none).

<u>Fund Sections</u>

- General Government
- Public Safety
- Public Works
- Health & Human Services
- Culture & Recreation
- Conservation & Development

# Special Revenue Funds - *Fund #200's*

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All of the Village's Special Revenue Funds are non-major funds, and are designated for specific purposed. The Village of Mount Horeb has the following special revenue funds:

- Park Development Fund - *Fund #200*
- Terrace Tree Fund - *Fund #201*
- Future Streets Fund - *Fund #202*
- Swimming Pool Fund - *Fund #215*
- Cable Programming Fund - *Fund #225*
- Southwest Dane Outreach Fund - *Fund #230*
- Southwest Dane Outreach Special Projects Fund - *Fund #231*
- Library Fund - *Fund #240*
- Library Special Projects Fund - *Fund #241*
- Employee Retirement Insurance Fund - *Fund #250*
- Revolving Loan Fund - *Fund #280*
- Tourism Promotion Fund - *Fund #260*

# Debt Service Fund - *Fund #300*

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The Debt Service Fund is a major fund used to account for the accumulation of resources for and the payment of, general obligation long-term debt principal, interest, and related costs not abated by the proprietary fund operations.

The Village has currently reached 40% of our debt limit.

# Capital Projects Fund - *Fund #400*

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The Capital Projects fund is a major fund for acquiring, constructing, and rehabilitating village-owned assets funded by the all the funds, general obligation debt, and grants/donations.

Tax Incremental Financing Districts

The Village has three (3) active Tax Incremental Financing Districts currently classified as capital project funds. TIF #5 and #6 has not reached the end of the expenditure period as defined by state statute.

# Enterprise Funds - *Fund #900's*

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Enterprise funds account for operations like those of a private business. User fees are established and revised to ensure that revenues are adequate to meet all necessary expenses.

<u>Electric - *Fund #910:*</u> The Electric Utility is responsible for meeting federal and state electric management requirements. The Electric Utility is regulated by the Public Service Commission (PSC).

<u>Water - *Fund #920:*</u> The Water Utility is responsible for meeting federal and state water management requirements. The Water Utility is regulated by the Public Service Commission (PSC).

<u>Wastewater - *Fund #930:*</u> The Sewer Utility is responsible for meeting federal and state sewer management requirements and operating the wastewater treatment plant.

# The Challenge We Must Address

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The 2026 budget was balanced using one-time resources.

**The Issue:**

- The 2026 budget was balanced using one-time resources.
- Approximately $700,000 must be addressed in the next budget cycle for 2026 budget.
- Does not include any 2027 increases to the budget.

**The Goal:**

Replace one-time funding with sustainable, recurring funding.

**Step 1:** Stop using general fund cash to pay for capital projects (saves $300,000).
**Step 2:** Remove any capital projects out of general fund budget.
**Step 3:** Review all sections for potential budget cuts / find inefficiencies.
**Step 4:** Review for correct budgets allocations for Salaries and Benefits/TIF usage.
**Step 5:** Review current Waste Management Special Charge numbers to ensure 100% coverage.
**Step 6:** Implement Special Charges for Urban Forestry, Snow & Ice Removal, Fire Protection

# Special Charges

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The Village may "impose a special charge against real property for current services rendered by allocating all or part of the cost of the service to the property served." Wis. Stat. § 66.0627(2).

Service includes: snow and ice removal, weed elimination, street sprinkling, oil and tarring, repair of sidewalks or curb and gutter, garbage and refuse disposal, recycling, storm water management, tree care…

**Pro:** The Village has the ability to alter the fee based on how the financials look. A good year, the village could do 50% levy supported and 50% fee supported. A bad year could be 100% fee and 0% levy supported.

**Con:** Doesn't actually cut anything out of the budget. Residents are still paying, just in a different way.

**Neutral:** Must cut levy by 2013 expenditure amount. (Not Forestry).

# Special Charges Continued

Village has the authority to impose a special charge, any "fee that is imposed by a political subdivision shall bear a reasonable relationship to the service for which the fee is imposed." Wis. Stat. § 66.0628(2).

The phrase "reasonable relationship" is defined as "the cost charged by a political subdivision for a service provided to a person may not exceed the … reasonable direct costs that are associated with any activity undertaken … that is related to the fee." Wis. Stat. § 66.0628(1)(b).

To satisfy this requirement, the Village would need to design a special charge structure that ensures the amount of revenue collected does not exceed the Village's costs of maintaining [insert fee purpose]. In other words, the fee cannot generate general purpose revenue, but may only be used to reimburse the Village's actual and documentable costs.

# Special Charges *(Rough Estimates)*

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**Urban Forestry** *(fee based on acreage)*

2026 Budget = $107,172 2013 Budget = N/A Levy Impact = $107,172

0.10 acres = $2.97 0.20 acres = $5.94 0.30 acres = $8.91 0.40 acres = $11.88

**Snow/Ice Removal** *(fee based on acreage)*

2026 Budget = $171,853 2013 Budget = $57,965 Levy Impact = $113,888

0.10 acres = $4.73 0.20 acres = $9.47 0.30 acres = $14.20 0.40 acres = $18.94

**Fire Protection Special Charge** *(fee based on sf)*

2026 Budget = $697,908 2013 Budget = $326,223 Levy Impact = $371,685

2,500 sf = $173.46 3,000 sf = $208.15 3,500 sf = $242.84 4,000 sf = $277.53

Total Positive Levy Impact = $592,745

**VILLAGE OF MOUNT HOREB**
**FINANCE/PERSONNEL COMMITTEE MINUTES**
**WEDNESDAY, APRIL 1, 2026**

The Finance/Personnel Committee met in regular session in-person on the above date.

**Call to Order/Roll Call:** Committee Chair Ben Jones called the meeting to order at 5:30pm. Present were Committee members Kelley, Hook, Healy, and Best. Healy was absent. Also present were Interim Administrator Jon Hochkammer, Treasurer/Finance Director Schwenn, and Village Clerk Gaffney.

**Public Comments:** None

**Consideration of May 6, 2026 Meeting Minutes:** Hook moved, Healy seconded to approve the minutes. Motion carried by unanimous voice vote.

**Consideration of April 30, 2026 F&P Ad Hoc Administrator Recruiting Committee Meeting minutes:** Jones moved, Best seconded to approve the minutes. Motion carried by unanimous voice vote.

**Discussion of Fundraising Agreement and Funding for Mount Horeb Recreation Complex (Lukken Property):** Hochkammer and Public Services Director Jeff Gorman spoke about the fundraising and agreement proposal. The committee discussed and gave their input.

**Consideration of Village of Mount Horeb 2027 Budget Calendar:** Schwenn presented the 2027 budget calendar. Jones moved, Best seconded to approve the calendar. Motion carried by unanimous voice vote.

**Review All Financial Policies:** The committee discussed the polices that were included in the meeting packet.

**Finance Director Report: Updated Lease Information and Quarter 1 2026 Permits:** Schwenn presented her report. The updates were in her report that was included in the packet. The committee decided that going forward, the permit information could be presented bi-annually.

**Human Resources Manager Report:** Murleau presented her report, which was included in the meeting packet.

**2025 Village Audit Presentation by Baker Tilly:** John Rader of Baker Tilly presented the 2025 audit results.

**Future Agenda Items:** Energy Plan

**Consider/Confirm July meeting date/time:** The committee decided to cancel the July meeting.

**Meeting Adjournment:** There being no further business before the Committee, Healy moved, Best seconded to adjourn the meeting at 6:56pm. Motion carried by unanimous voice vote.

Minutes by Alyssa Gaffney, Village Clerk

AGENDA ITEM REPORT

| MEETING DATE | PREPARED BY |
| --- | --- |
| August 5, 2026 | |

## AGENDA ITEM # 3.d

Finance Director Report

## BACKGROUND

## RECOMMENDATION

## ATTACHMENTS

1. Fiance Director Report 2026-08

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**Finance & Personnel Committee Meeting**
**8/5/2026**
**FINANCE DIRECTOR REPORT**

1. Financial Reporting Update
    a. Internal village financial statements are complete thru June 2026 and have been distributed to department heads.
    b. 2027 Budgeting Calendar will be included in all meeting packets thru October, as a calendar reminder and a point of reference during the budgeting season.
2. Administration Focus
    a. I attended the UW Green Bay 2026 Clerks & Treasurers Institute (CTI) training classes held in July. CTI offers educational sessions covering a broad spectrum of topics for clerks and treasurers, such as leadership, communication, organizational development, collaboration, diversity and inclusion and more. This was my final year of the 3-year course of training. This year, the classes covered employment law, ethics, fraud, TIF, budgeting and capital planning; along with several other various treasurer-specific topics.
    b. Throughout July, I have been working with Gabe to provide whatever information and resources I can to help acclimate him into the Village office and our procedures such as payroll and accounts payable.
    c. Gabe and I have begun the work of building the 2027 CIP and Budget files, and will begin holding 1:1 department head discussions in August.
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-Memberships Reporting, Vendor Review Begins
Mar-Vendor Review status update; F&PAnnual PILOT review
Apr-Vendor Review status update, Lease rates updated (NORSK; based on financials)
May-Annual Permit Fees Reported, Vendor Review Summary Provided, Bond payment summary (Spring)
Jun-Baker Tilly audit presentations (VB/UTIL Comm); Budget Calendar for approval
Jul- (Jul/Aug-Energy Plan continued discussions for Dept Head use in budgeting)
Aug-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- 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

From June 2026: "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." – no updates available DS

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# Finance and Personnel Committee Report
# August 5, 2026

## Staffing Updates

### Hires

- Louisa Strohl – Senior Center, Case Manager (Start Date: 07.20.2026)

### Resignations

- Julie Schmocker – Senior Center, Case Manager (Last Day: 06/19/2026)
- Braden Folbrecht- Police Department, Patrol Officer (Last Day: 07/25/2026)

### Recruitment – Onboarding

- **Patrol Officer – Mount Horeb Police Department**
  - Assessment Center was held July 14, 2026.
  - A contingent Offer extended has been extended.

- **Case Manager – Sr. Center**
  - Full recruitment process took place in June.
  - Offer was extended and accepted.

## Human Resources Updates

**Benefits Administration**

- The My Insurance Benefits system went into effect for employees on 07/01/2026.
- Currently reconciling and becoming familiar with new monthly insurance billing process.

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**ETF Benefit Renewal 2027**

- I am scheduled to attend training on Open Enrollment late September.
- ETF Local Health Insurance rates have been released. A summary of the Village's 2027 rates will be prepared for Denise and Gabe to review the first week of August.
- Open Enrollment for 2027 benefits will take place October 5 –30, 2026.

**Wage/ Salary Planning**

- Working with Gabe and Denise on wage and salary adjustments as part of the development of the 2027 budget.

**Police Department Leadership Coverage**

- Chief Vierck will attend a training program and is expected to be away from the office for approximately 10 -12 weeks.
- Administration is working with PD Leadership to develop an interim coverage plan to ensure continuity of operations during the Chief's absence.