

Village of Mount Horeb

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Mount Horeb, WI 53572

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SPECIAL VILLAGE BOARD WEDNESDAY, NOVEMBER 30, 2016

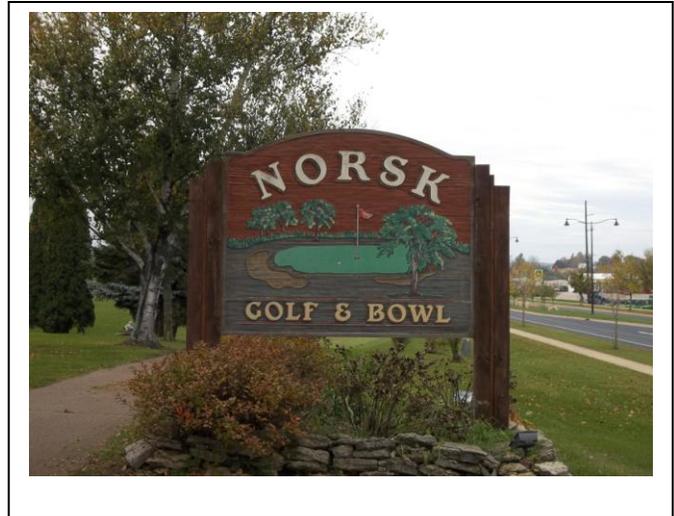
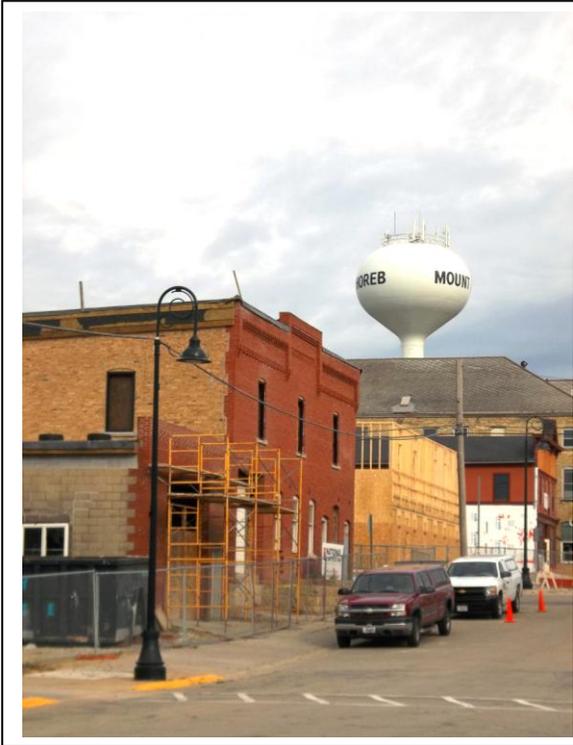
The Village Board of the Village of Mount Horeb will meet on the above date at 6:00pm in the Board Room of the Municipal Building, 138 E Main Street, Mount Horeb, WI. Agenda as follows:

- 1) Call to order
Roll call
- 2) PUBLIC HEARING: 2017 Operating Budget and 2017-2021 Capital Improvement Plan
- 3) Consider Resolution 2016-19, "A RESOLUTION ADOPTING THE 2017-2021 CAPITAL IMPROVEMENT PLAN"
- 4) Consider Resolution 2016-20, "A RESOLUTION ADOPTING THE 2017 BUDGET AND AUTHORIZING A LEVY AGAINST TAXABLE PROPERTY"
- 5) Adjourn

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 GROSS, CLERK, AT 138 E MAIN STREET, MOUNT HOREB, WI (608) 437-6884.

Village of Mount Horeb

2017 Budget



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Village Administrator Budget Message

This recommendation of the 2017 Village budget is the result of significant work on the part of Village staff and the Village Finance & Personnel Committee. Department heads met with the Village Administrator to discuss their budget recommendations so that staff can continue to provide the same high level of service to our residents, businesses, and visitors. The Finance & Personnel Committee met throughout the month of October to formulate a budget that protects the long-term interests of all Village taxpayers by keeping tax rates low, maintaining our high-quality service levels, maintaining healthy fund balances, accomplishing Village set goals, and reducing general obligation debt over the next five years.

By looking at the long-term financial affects of today's budgeting decisions, Board members are able to analyze whether their budget decisions are in the best interests of the community and whether those decisions provide for long-term financial stability. Members of the Finance & Personnel Committee and the Village Board accomplish this objective through a use of various budget-related methodologies that show revenues and expenditures five years into the future. By analyzing needs over the next five years and comparing them with realistic revenue expectations, we are able to determine if the decisions we make in 2017 are sustainable.

The 2016 total assessed value in the community is \$620,480,998; an increase of \$5,839,100 over 2015. Net new construction for 2016 was \$10,116,500 or 1.64% of our equalized value from 2015. The allowable levy increase for 2016 is 1.64%; excluding debt service requirements.

The 2016 budget again qualified us for the State's Expenditure Restraint Payment in 2017. For 2017 I am proposing budgeting this revenue in the Capital Projects Fund rather than the General Fund. The main reason being if we do not qualify for this payment in the future it is easier to work around the revenue loss in the Capital Fund

than it is in the General Fund. The formula for Expenditure Restraint Payment is 60% of the net new construction plus CPI-U Midwest September. The consumer price index numbers for September is 0.93% which is lower than historical averages but higher than the 2015 number. Adding the 0.984% for 60% of net new construction to this number and we can calculate our expenditure restraint requirement to be at or below 1.914%. Our actual number is currently at 0.15%.

Health insurance costs actually decreased for 2017 by 3.1% however, dental insurance rates increased by 12%.

The Village is fortunate to have a good group of employees overall including many long-term dedicated employees. This budget includes a 1.5% wage increase for a majority of the employees, with two employees receiving larger increases to keep them in line with comparable positions. Additionally, two wastewater employees will be due for larger increases upon achieving certifications in 2017.

The one large item still remaining is the completion of the contract renewal with the WPPA police union. We have had an initial meeting and traded proposals but have not come to an agreement yet.

This budget document explains the uses for numerous Village funds, it lists each expected fund balance in both January and December of 2017, and it provides the 2017 highlights for each fund. Due to the increases in levy required for debt service payments the budgeted levy for 2017 is higher than previous years with an overall increase of 8.54%. The budgeted change in the mil rate for 2018 is projected to be in the 2% range and then staying relatively flat 2019 - 2021. The budget methodology for predicting future changes in the levy and assessed value uses an annual 0.95% increase due to new construction. With the recent increases in new construction since 2014, it is probable that actual new construction will exceed the conservative estimate. If this occurs, there will be additional positive benefits to future budgets.

The Finance and Personnel Committee will meet on October 26th and make a recommendation on this budget to the Village Board. The Village Board will hear a presentation on the 2017 Budget on November 2, 2016 and set a public hearing for the 2017 budget and the 2017 - 2021 Capital Improvement Plan (CIP) for a special meeting on November 30, 2016 at 6:00 pm. Public comments on the budget are welcome at the public hearing and anyone with questions or comments is encouraged to contact the Village Administrator prior to the public hearing. You can reach the Village Administrator at 437-6884 x 109 or nic.owen@mounthorebwi.info. Following the November public hearing, the Board will vote to approve the 2017 budget and the 2017 - 2021 Capital Improvement Plan.

Elected Officials

VILLAGE PRESIDENT: Randy Littel

VILLAGE TRUSTEES: Ryan Czyzewski
Steve Grindle
Brenda Monroe
Mark Rooney
Cathy Scott
Vaughn Pakkala

MUNICIPAL JUDGE: Jody Morey

Village Officials

Administrator: Nicholas Owen ----- 437-6884 ext 109
Assistant Administrator: Kathy Hagen ----- 437-6884 ext 108
Assessor: Accurate Appraisal----- 1-800-770-3927
Attorney: Stafford Rosenbaum Law Office ----- 259-2618
Building Inspector: General Engineering----- 437-6884 ext 116
Chief of Police: Jeff Velloff----- 437-5522
Civil Defense Director: Craig Brinkmann----- 437-5571
Electrical Inspector: General Engineering ----- 437-6884 ext 116
Engineer: Rob Wright ----- 833-7373
Court Clerk: Jean Culberson ----- 437-7748
Clerk/Deputy Treasurer: Alyssa Gross ----- 437-6884 ext 104
Electric & Water Superintendent: Dave Herfel----- 437-3300
Finance Director: Cheryl Sutter----- 437-6884 ext 106
Fire Chief: Craig Brinkmann----- 437-5571
Librarian: Jessica Williams----- 437-5021
Outreach Director: Lynn Forshaug----- 437-6902
Parks & Urban Forestry Director: Jeff Gorman----- 437-7190
Public Broadcasting Coordinator: Diane Stojanovich----- 437-6884 ext 113
Public Works Director: Laurel Grindle ----- 437-3351
Recreation Director: Jill Dudley----- 437-3400
Wastewater Superintendent: John Klein ----- 437-3101

Chart of Budget Funds

The following funds are active with the Village's 2017 budget:

General Fund	Cable TV Fund
Terrace Tree Fund	Park Development Fund
Swimming Pool Fund	Highway 92 Improvement Fund
SW Dane (Outreach/Nutrition) Fund	Future Streets Fund
Employee Retirement Insurance Fund	Library Fund
General Debt Service Fund	Revolving Loan Fund
TID Debt Service Fund	Capital Projects Fund
TID #3 Fund	TID #3 Amendment Fund
TID #4 Fund	Electric Department Fund
Water Department Fund	Sewer Department Fund

Village Funds Definitions, Highlights, and Balances

General Fund: The General Fund includes the operating budget for most Village departments. At the end of each fiscal year, balances in the fund become part of the General Fund Balance. Village policy requires any general fund balance at the end of the fiscal year that is budgeted at more than 25% of the next year's budgeted expenditures, to transfer to the capital projects fund. This money is then used to either offset existing loan payment needs or to help pay cash for future capital projects.

Budget highlights for this fund include:

- The levy allocated to the general fund is up 0.85% or \$20,216
- Utility payment-in-lieu-of-taxes (PILOT) payments are up 3% or \$12,618
- State transportation aid payments are up by 1.62% or \$6,764
- Total intergovernmental revenue is up by just over 2% or \$14,244
- Total licenses and permit revenue is up slightly by \$1,094.
- Total revenues for the GF are up \$382,786 or 6.7%.
- The fire protection budget increased by \$18,895 or 4.8%.
- The Village provides funding to three outside organizations. The three organizations receiving donations include the youth center, the chamber, and the economic development corporation. Funding for the youth center is budgeted to reduce to \$12,000, the chamber is budgeted to remain at \$5,000 and the EDC is budgeted for \$7,500 for 2016. Additionally, the Village is considering the creation of a room tax that would provide approximately \$80,000 to the Village's designated tourism entity; at this point it appears the Chamber would be the likely tourism entity.
- The recreation administration budget includes an additional \$5,000 for a part-time position to help staff the office during the summer. With the increase of

recreation programming and the growth in participation this position will be a big help to the recreation department.

- The budgeted increase from the amended 2016 budget to the 2017 budget is 0.15%. We are budgeting to draw down fund reserves by just under \$7,000, which will leave the general fund unassigned and unrestricted reserve balance at \$937,306 or 21.58% of expenditures. This amount falls within the approved policy range of 20% - 25%. Budgeted reserves for 2018 - 2021 show reserves remaining above 20%.

Park Development Fund: The Village created the “Parkland” Development Fund when the Village implemented a fee to developers who create residential lots – in anticipation for the park service’s residential units demand (the more houses – the more demand for parks). There is an impact fee per new house constructed. The Village collects this fee prior to issuing a building permit.

In 2017, \$10,500 is budgeted for park equipment and improvements. The estimated fund balance at the start of 2017 is \$30,712 and the projected ending balance is \$30,162.

Terrace Tree Fund: The Village requires developers to contribute to the Terrace Tree Fund for the planting of one tree every 50 feet in new subdivisions. State law permits developers to plant these trees themselves; however, given the quantity discount prices that the Village receives, it is likely developers will continue to contribute to this fund.

The budget includes \$38,492 for equipment and tree purchases. Future years have the fund budgeted to cover half of the cost for a tree inventory and \$40,000 toward a \$200,000 expenditure in 2019 for a bucket truck. This fund is budgeted to remain in the black through 2020.

The estimated fund balance at the start of 2017 is \$184,545 and the projected balance at the end of the year is \$146,553.

Highway 92 Improvements Fund: The Village established this fund to collect money from the developers of the Vista Ridge and Golf View subdivisions to cover future downstream storm sewer improvements necessitated by these developments. No money is budgeted to be spent in 2017.

The estimated fund balance at the start of 2017 is \$101,354 and the estimated ending balance is \$101,629.

Swimming Pool: The financial position of the pool fund is still strong. The levy will remain the same in 2017 as 2016 and is still significantly below previous years. The levy is projected to remain stable through 2021.

The estimated 2017 starting balance is \$35,800 and the expected ending balance is \$33,427.

Future Streets Fund: The Village established this fund to collect money from developers for street improvements, which would likely be necessary in the future but were not required at the time of platting. The fund includes money collected for completing streets where temporary turnarounds will be removed for future street continuations. No money is budgeted to be spent in 2017.

The estimated starting balance in the fund is \$81,290 and the expected ending balance is \$81,515.

Cable TV Fund: The Cable TV Budget includes \$15,000 for the purchase of a new digital server. The starting balance for this fund is \$29,722 and the expected ending balance is \$22,722. After the slight fund balance reduction in 2017, the balance is

projected to continue to grow from 2018-2021. The growing balance will allow for the funding of future anticipated capital equipment purchases.

SW Dane (Outreach/Nutrition) Fund: The Village collaborates with several neighboring communities to offer area seniors a place for nutritional assistance, meals, and other important services.

The Village will levy \$26,887 in 2017 to fund operations; an increase of \$1,000 over 2016. The Outreach Board created a funding formula for their municipal members and additionally asked for a 10% increase in 2017. The Finance Committee is recommended the \$1,000 increase; which is still higher than the formula amount for the Village. The County contribution is expected to increase by \$2,000 for 2017. The estimated starting fund balance is -\$13,669 and the estimated ending balance is -\$6,278. It is very important that a successful fundraising and donation campaign occur annually to help ensure this fund is financially viable for several years. To help regain a positive fund balance in the fund the levy is projected to increase slightly each year through 2020.

Library Fund: The Village Board authorizes a tax levy for the library every year and then the Library Board has authority to determine how the money is spent. The Library receives funding from several sources. Library revenues for 2017 are budgeted to increase by 1.79% and then by 1.3% - 2.16% annually through 2021. The budgeted library fund balance is set to steadily decrease and as proposed will be negative in 2019. With the Village paying for all capital improvement costs, the library does not need a fund balance; however, leaving some amount of money in the fund is appropriate in case of an unanticipated operating expense. In preliminary discussions with Library Director Williams we have discussed the Library maintaining a 10% fund balance to cover unexpected costs. At this point if any changes are needed, they should not be needed until 2019.

The budgeted starting balance is \$103,490 and the estimated ending balance is \$59,783. The ending amount is 9% of the library's operating expenses.

Employee Retirement Insurance Fund: The Village set up this fund several years ago to cover costs of benefits for qualified employees (those hired before August 2011). The benefit allows a portion of accumulated sick time to convert to cash upon retirement for use specifically to cover health premium costs.

This fund is budgeted to remain 100% funded after having levied \$15,000 into the fund to cover Village employee sick leave actuarial costs (including library and Outreach departments). The next few years we will need to increase the levy for this funded to remain fully funded.

The budgeted starting fund balance is \$375,810 and the estimated ending balance is \$366,560.

Revolving Loan Fund: The Village established this fund in 2010 to help promote economic development in the Village. The fund provided loans to two local businesses and the principal and interest repayments on those loans go into the fund's balance for future use.

The estimated starting balance in 2017 is \$75,330 and the estimated fund balance at the end of the year is \$88,420. We are anticipating the payoff of both existing loans in late 2016 and early 2017. The repayment of these loans will be a great opportunity to assist development in the Village.

General Debt Service Fund: This fund accounts for the debt payments due on Village loans. Because this fund is not associated with the state imposed levy limit, the Village can increase the 2017 levy by 1.64% plus the amount needed to fund loan repayments. The Village Board understands the importance of maintaining high-quality public

services and just as importantly, keeping taxes low. The Village transfers certain available cash into this fund from the Capital Projects fund in order to reduce the levy needed to fund loan repayments. This action keeps property taxes much lower than they otherwise would be. Unfortunately due to an increase in capital projects in 2017 we had to reduce the amount transferred to the Debt Service fund, requiring an increase in the Levy for debt service. The debt service levy will increase again in 2018 and then remain steady and begin to decrease through 2021.

The estimated 2017 starting fund balance is \$5,245. The estimated ending balance is \$23,119.

TID Debt Service Fund: This fund accounts for debt issued for TID 3 and TID 4. Tax increment revenues pay for the majority of the payments due from the TID-related loans. A property tax levy makes up the difference between the loan payment and the available increment created within both of the TIDs.

The Village is required to maintain a certain fund balance each year to account for costs associated with prior payments for the TID #3 amendment fund. The balance in this fund is restricted until TID #3 is fully paid off. If TID #3 is in the black at the end of its life, the additional money in the TID #3 fund, up to the balance in this fund plus certain monies already reserved in the General Fund, will become unrestricted. The Village fully complies with this requirement.

The estimated 2017 starting balance is \$212,183. The estimated 2017 ending balance is \$268,320.

Capital Projects Fund: The Village annually funds various capital projects – projects that have a value of \$5,000 or more and that have a useful life of more than one year. This fund tracks all revenues and expenditures for those projects.

To reduce the levy increase for 2017, the Finance and Personnel Committee has recommended the following changes from the Departmental Capital requests:

- Delaying until 2018
 - Police server purchase, \$5,000;
 - Replacement of Public Works dump truck, \$40,000;
 - Replacement of Public Works gator, \$11,000;
 - Replacement of Parks and Forestry mower, \$22,500;
 - Replacement of Tennis Court Lights/Joint project with School, \$30,000;
 - Upgrades to Parks surveillance equipment, \$6,000;
- Purchasing a Ford Police Interceptor SUV rather than a Tahoe, saving \$7,400.

Non-utility capital projects for 2017 include:

- Urban Service Amendment, \$35,000;
- Emerald Ash Borer treatment, \$7,000;
- Pool skimmers and Water heater, \$17,200 ;
- New police vehicle, \$34,600;
- Street maintenance, \$100,000; includes \$17,800 for the STH 78 project;
- Norsk Property tax payment: \$27,500;
- Second installment payment for the Norsk Golf Bowl Purchase, \$716,667;

Total non-utility capital projects in 2017 are \$1,266,767. Budgeted revenues include \$6,000 for the sale of village equipment, \$12,500 in transfers from other funds, and a levy of \$440,000. The 2017 levy is 4.27% higher than in 2016.

The estimated 2016 starting balance is \$1,483,586 and the estimated ending balance is \$764,694. The fund balance is artificially high because the proceeds from the debt for the Norsk purchase are being held here until they are required to be paid out.

Utilities pay for their capital projects directly from their respective depreciation accounts.

TID 3 Fund: This fund manages revenues and expenses associated with Tax Increment District (TID) #3. The revenue typically comes from taxes paid within the specific TID jurisdiction, with additional revenues coming from a levy to cover a portion of the shortfall needed between the known debt payment and the revenues coming into the fund from increment created from the base value when the district was created. In addition to the levy, two local developers pay the remaining costs associated with the shortfall. The Village is responsible for 33.86% of the shortfall between the increment collected and any given year's annual debt payment on the loan(s) for the cost of projects already completed. Developers pay 66.14% of the shortfall.

The 2016 increment value in TID #3 is \$24,805,900. The overall assessed value in TID #3 grew by \$6,650,900 or 32% in 2016. 2016 saw the construction of the Mark It (Auds and Ends) building and the start of the 20 unit apartment building in North Cape.

In preparing the 2017 Budget it was noticed that the previously estimated increment was significantly too high. After adjusting the amount using last year's overall mill rate TID 3 will be back in the red in 2018 rather than 2020 as previously expected. For 2017 the beginning fund balance will be \$13,798 but that will reduce to \$12,329 by year end. While we are still seeing decent growth in this TID the debt service payments increased by \$40,000 from last year and will see an even more significant increase of \$348,800 in 2020.

TID 3 Amendment Fund: In 2006, the Village approved an amendment to TID 3 and incurred additional expenses. It is unknown if the TID will be able to fully support repayment of these additional expenses (which will only happen after the original TID 3 fund fully covers all of its debt obligations throughout the life of the TID). If this occurs, then the District can remain open in order to repay the costs associated with this fund. Because of the nature of this fund, it will carry a negative balance.

The estimated fund balance at the start 2017 is -\$466,981 and at the end of 2017 - \$523,118.

TID 4 Fund: This fund manages the revenues and expenses associated with Tax Increment District #4. TID 4 is in good financial shape with an original estimated closing date for the district in 2025. The Village has one loan payment remaining in this TID. There is approximately \$200,000 remaining in the TID project plan for a future project as incentive to create jobs and increased assessed value in the district.

The estimated starting balance in this fund for 2017 is \$91,722 and the expected ending balance is \$142,824.

TID 5 Fund: TID 5 was created in August of 2016. The preliminary costs associated with this district are the costs of creation including planning and legal reviews. We will not see increment in this account until 2018. As projects come up the Village will need to determine the best way to fund these projects until increment is available.

Electric Utility: This fund is used for the operation of the Village's electric utility. The utility purchases power from WPPI Energy and distributes it to customers within and outside of the Village's corporate limits. Expenses include costs for maintaining two substations and 127 miles of primary distribution lines.

The estimated starting cash balance in the electric fund for 2017 is \$2,030,255 and the estimated ending balance is \$2,109,631. The electric utility's capital projects in 2016 are:

- Reroof 301 E Lincoln, \$20,000;

The electric utility will pay cash for all of its 2017 capital projects.

Water Utility: This fund is for the operation of the Village's water utility. The water utility operates two water towers with 700,000 gallons of elevated water storage capacity,

600,000 gallons of ground level storage capacity, has over 231,000 linear feet of water mains, and operates four wells.

The estimated starting cash balance in the water fund for 2017 is \$671,226 and the estimated ending balance is \$711,711. The water utility was approved for a rate increase in 2016. The water utility's capital projects in 2017 are:

- Lead service replacements, \$39,000;
- Meter replacements, \$42,500;
- Well #6 inspection, \$32,000;
- Well #5 reroof, \$24,000;

The water utility will pay cash for all of its 2017 capital projects.

Sewer Utility: This fund is used for the operation of the Village's sewer utility. The utility operates the wastewater treatment plant, 236,782 feet of sewer main, and eleven lift stations. The plant is currently planning for future expansion (estimated in 2017-2018).

Design for the new plant has begun and we anticipate construction starting in 2017 for a 2018 completion. We are budgeting to pay over \$3M in cash toward the estimated \$13M in costs for an estimated \$10M loan. We will have more accurate numbers after preliminary engineering work is complete in the fall of 2016.

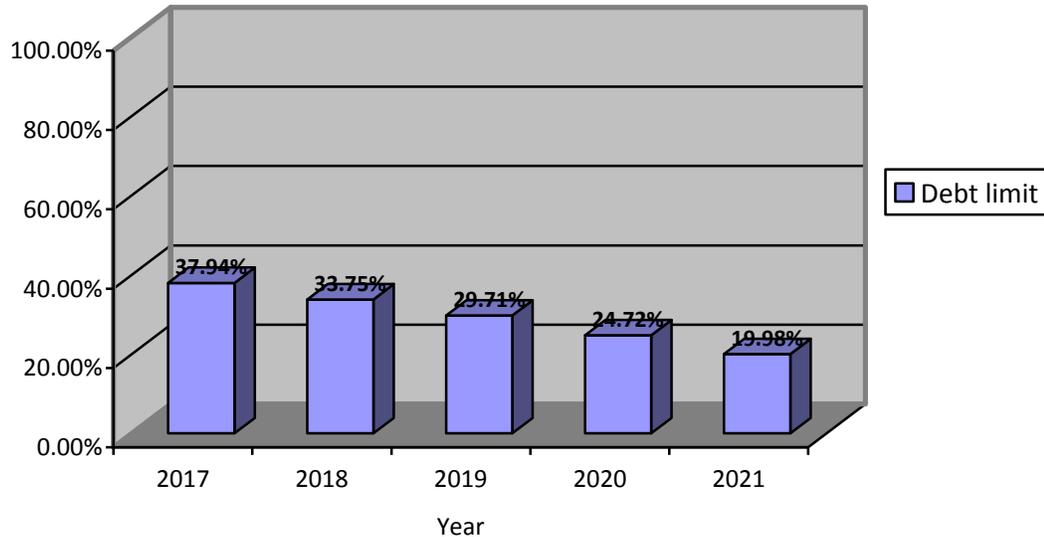
The estimated starting cash balance in the sewer fund for 2017 is \$1,639,869 and the estimated ending balance is \$1,509,042. The sewer utility's capital projects in 2017 are:

- Brookwood lift-station pump replacement, \$42,000;
- Stewart Park West Liftstation Transducer, \$8,500;

The sewer utility will pay cash for all of its 2017 capital projects.

Charts & Graphs

Village Debt Limit by Year



Debt

Debt Types:

- General Obligation Debt – The defining feature of general obligation debt is the source that secures its repayment - an ad valorem tax levied on all taxable property within the limits of the municipality at the time the general obligation is issued. Chapter 67 of the Wisconsin statutes governs the issuance of various obligations generally known as general obligation bonds or notes.
- Revenue Debt – Revenue bonds and notes are payable from the revenues derived from the operation of the water, electric, or sewer utilities. These bonds are not secured by the full faith and credit of the taxing ability of the municipality and as such, they are generally considered a slightly higher risk to investors.
- The Village, like all municipalities in the State of Wisconsin, is required to borrow no more than 5% of its equalized assessed value within the community. This limit applies only to general obligation debt. The estimated 2017 equalized value is \$625,172,738.

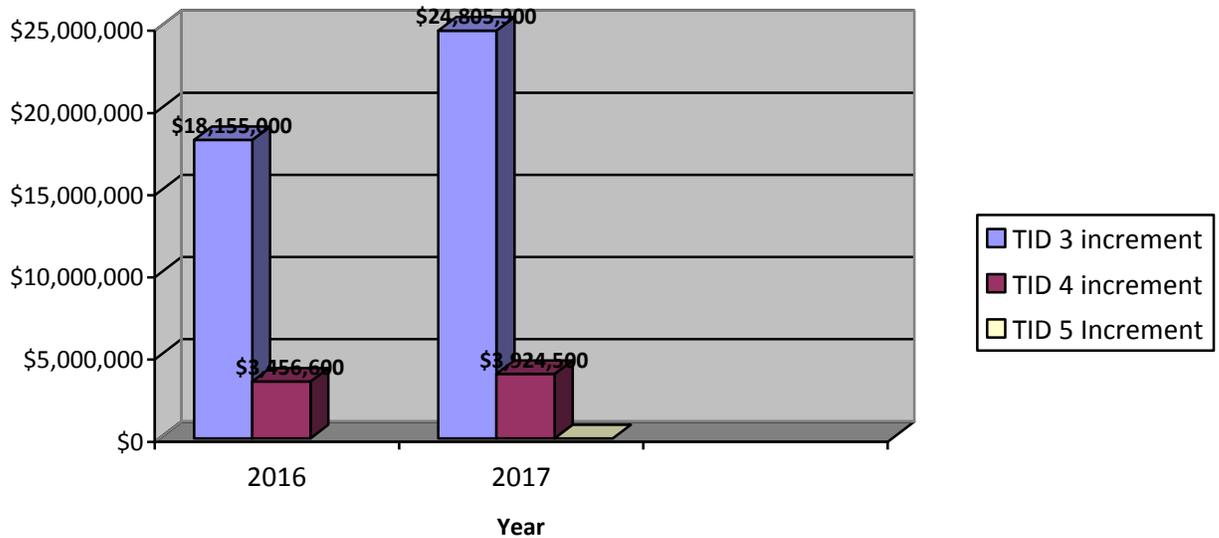
This means that the Village can legally borrow \$31,258,937. No additional borrowing is anticipated until 2019, unless borrowings are needed for the Joint Public Safety Building and TID #5. The Village will be at 37.94% of its debt limit in 2017 and 19.98% of its debt limit in 2021.

Debt Highlights:

- Total sewer-related debt payments in 2017 are \$112,978.
- Total water-related debt payments in 2017 are \$186,450
- Total electric-related debt payments in 2017 are \$256,479.
- Total general Village-related debt payments in 2017 are \$1,722,772.
- Of the \$1,722,772 amount, \$1,126,595 is from the debt service fund and \$596,177 is from the TID debt service fund.
- Total general obligation debt service payments in 2017 are \$1,833,022. Total revenue debt service payments in 2017 are \$445,657.
- Total revenue debt for 2017 is \$17,328,129. This includes the borrowing for the new WWTF. Total General Obligation debt will be \$11,860,266.

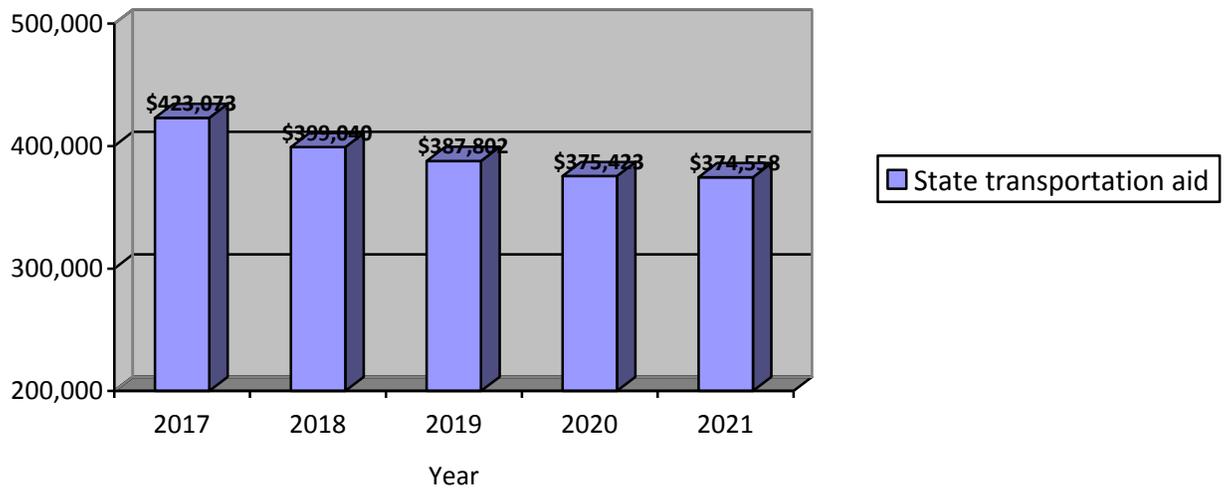
Debt Forecast: The five-year financial forecast shows general obligation debt dropping significantly by the end of 2020. Revenue debt will increase as a result of the new wastewater treatment facility scheduled for 2017. General obligation debt should drop from \$11,860,266 in 2017 to \$6,435,205 in 2021; depending on new debt.

TID Increment Values



- The increment value in the two tax increment districts (TIDs) has a direct effect on the amount of property tax levy required from taxpayers to cover any shortfall in the district for required loan payments. TID #4 has a good cash flow for its remaining life and some additional funding to help facilitate the right project that could bring additional value to the district. TID #3 has shown improvement over the last two years but could benefit greatly in the long-term from additional development.

State Transportation Aid



- The State of Wisconsin provides financial aid for transportation-related projects based in part on a 6-year rolling average of actual road projects in the Village. The Village will see an increase in state transportation aid in 2017, and then funding will be slightly lower in 2018 through 2021. The Village is budgeting accordingly each year based on anticipated transportation aid revenues. Beginning in 2019 the Village will again be doing annuals street projects which increase the transportation aid and provide a more stable source of funding.

Five-Year Capital Improvement Plan

The Village completes a 5-year Capital Improvement Plan (CIP) to provide budget decision makers with a solid tool for planning for the future of the Village. Department heads provide the Village Administrator with detailed capital needs for their department. The Village projects capital needs for five years into the future. The 5-year CIP is a separate document and the Village Board will review it for approval apart from the operating budget.

The 5-year capital budget includes the following budgeted expenses for combined "Village" and "Utility" projects:

- \$10,657,200 in projects for 2017;
- \$941,150 in projects for 2018;
- \$1,308,700 in projects for 2019;
- \$1,420,900 in projects for 2020;
- \$1,373,150 in projects for 2021

The higher costs in 2017 are associated with the construction of a new wastewater treatment facility. The 2019, 2020 and 2021 budgets include \$750,000, \$1,175,000 and \$500,000 respectively for street reconstruction projects.

Levy

The Village levies from ten (10) different funds and eight (8) of these funds are inter-related due to their connection to the state imposed levy limit. The following funds are at least partially funded by a levy:

- General Fund
- Library
- Outreach/Nutrition (Senior Center)
- Capital Projects
- Revolving Loan
- Employee Retirement Insurance Fund
- Swimming Pool
- Tax Increment Districts (TID)
- Debt Service
- TID Debt Service

The total combined levy from levy-limit funds cannot be more than the state imposed limit, which for 2017 is 1.64% more than the levy in 2016. The levy for 2017 complies with this requirement. The two debt service levies are not subject to the levy limit. For 2017, the Village's levy toward the levy limit is \$3,362,403. The total general levy is \$4,186,140. The total levy amount will be added to the TID increment to determine the total final levy. Not including the TID increment calculations, still pending from the State, the general levy is set to increase by 10.03%; however, with additional assessed value in the community, the net levy to the taxpayer is set to increase by 9%. This represents an annual increase of \$140 on a \$250,000 assessed property.

VILLAGE OF MOUNT HOREB
2017 GENERAL FUND BUDGET SUMMARY
(AS REQUIRED BY SECTION 65.90(3))

	2015 ACTUAL	2016 BUDGET	2017 BUDGET	% CHANGE
<u>REVENUES</u>				
TAXES (UTILITY AND OTHER)	412,252	453,739	466,531	2.82%
INTERGOVERNMENTAL REVENUE	631,585	627,765	634,409	1.06%
LICENSES & PERMITS	87,788	87,503	88,597	1.25%
FINES, FORFEITURES & PENALTIES	20,827	32,500	32,500	0.00%
PUBLIC CHARGES FOR SERVICES	657,790	590,252	617,795	4.67%
INTERGOVERNMENTAL CHARGES	3,191	3,090	3,183	3.01%
MISCELLANEOUS REVENUE	65,189	55,527	55,552	0.05%
OTHER FINANCING SOURCES	51,880	1,953	13,129	0.00%
TOTAL REVENUES	1,930,502	1,852,329	1,911,696	3.20%
<u>EXPENDITURES</u>				
GENERAL GOVERNMENT	603,121	680,217	675,161	-0.74%
PUBLIC SAFETY	1,873,112	1,863,361	1,913,316	2.68%
PUBLIC WORKS	1,012,458	1,082,213	1,108,714	2.45%
CULTURE, RECREATION & EDUCATION	541,031	530,182	534,087	0.74%
CONSERVATION & DEVELOPMENT	177,585	88,414	79,153	-10.47%
TRANSFER TO OTHER FUNDS	1,497,971	1,454,921	1,818,024	0.00%
CAPITAL OUTLAY	0	0	0	0.00%
TOTAL EXPENDITURES	5,705,278	5,699,308	6,128,455	7.53%
NET-REVENUES OVER(UNDER) EXPEND	(3,774,776)	(3,846,979)	(4,216,759)	
LOCAL PROPERTY TAX	3,703,182	3,820,321	4,203,640	
NET SURPLUS (DEFICIT)	(71,594)	(26,658)	(13,119)	
FUND BALANCE - START OF YEAR	1,528,978	1,457,384	1,430,726	
FUND BALANCE - END OF YEAR	1,457,384	1,430,726	1,417,607	

**VILLAGE OF MOUNT HOREB
2017 FUND SUMMARY**

	GENERAL FUND	DEBT SERVICE FUND	LIBRARY FUND	OUTREACH NUTRITION FUND	CAPITAL PROJECTS FUND	TIF DISTRICT FUNDS	SWIMMING POOL FUND	EMPLOYEE RETIRE INS FUND	OTHER SPECIAL REV FUNDS	TOTAL VILLAGE FUNDS	ENTERPRISE FUNDS	TOTAL ALL FUNDS
TOTAL REVENUES	6,115,336	1,796,782	650,263	178,219	524,475	539,164	125,000	15,750	69,540	10,014,529	10,063,382	20,077,911
TOTAL EXPENDITURES	6,128,455	1,722,771	693,745	190,283	1,270,367	605,877	127,373	40,400	101,442	10,880,713	9,788,217	20,668,930
EXCESS (DEFICIT)	(13,119)	74,011	(43,482)	(12,064)	(745,892)	(66,713)	(2,373)	(24,650)	(31,902)	(866,184)	275,165	(591,019)
BALANCE JANUARY 1	1,391,726	217,428	109,174	33,635	1,483,586	(301,461)	35,800	375,810	508,313	3,854,011	19,920,133	23,774,144
BALANCE DECEMBER 31	1,378,607	291,439	65,692	21,571	737,694	(368,174)	33,427	351,160	476,411	2,987,827	20,195,298	23,183,125
PROPERTY TAX CONTRIBUTION	2,385,616	841,237	449,900	26,887	440,000	535,190	45,000	15,000	0	4,738,830	0	4,738,830

PROPERTY TAXES ARE

<u>SUMMARIZED AS FOLLOWS:</u>	<u>2016</u>	<u>2017</u>	<u>% CHANGE</u>
GENERAL FUND	2,365,400	2,385,616	0.85%
DEBT SERVICE FUND	507,638	841,237	65.72%
LIBRARY FUND	436,796	449,900	3.00%
OUTREACH/NUTRITION FUND	25,887	26,887	3.86%
CAPITAL PROJECTS FUND	422,000	440,000	4.27%
SWIMMING POOL FUND	50,000	45,000	-10.00%
EMPLOYEE RETIRE. INS. FUND	12,600	15,000	19.05%
TOTAL GENERAL LEVY	3,820,321	4,203,640	10.03%
TID INCREMENT	446,261	535,190	19.93%
TOTAL PROPERTY TAX CONTRIB.	4,266,582	4,738,830	11.07%

OUTSTANDING VILLAGE INDEBTEDNESS (THRU 12/31/2016)

VILLAGE GENERAL OBLIGATION BONDS	4,479,500
VILLAGE GENERAL OBLIGATION DEBT	2,905,634
TID #3 GENERAL OBLIGATION BONDS	7,400,500
TID #4 GENERAL OBLIGATION DEBT	121,919
UTILITY REVENUE BONDS	3,556,474
UTILITY GENERAL OBLIGATION DEBT	500,000
TOTALS	<u>18,964,027</u>

ASSESSED VALUE	614,641,900	620,480,998	0.95%
MIL RATE PER \$1,000 ASSESSED	6.215523	6.774809	9.00%

RESOLUTION 2016-19

**A RESOLUTION ADOPTING THE 2017-2021
VILLAGE CAPITAL IMPROVEMENT PLAN**

WHEREAS, the Board of Trustees of the Village of Mount Horeb understands the importance of long-term capital planning as a budget tool to manage finances over a period of several years; and

WHEREAS, the Board of Trustees of the Village of Mount Horeb has reviewed the attached "Mount Horeb Capital Improvement Plan 2017 thru 2021";

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Village of Mount Horeb adopts the 2017 thru 2021 Capital Improvement Plan.

Introduced and passed this 30th day of November 2016.

Randy J Littel, Village President

ATTEST:

Cheryl J Sutter, Village Deputy Clerk

Village of Mount Horeb, Wisconsin
Mount Horeb Capital Improvement Plan
 2017 thru 2021

PROJECTS BY YEAR

Project Name	Department	Project #	Priority	Project Cost
2017				
Business Park USA	Administration	ADM-17-001	n/a	35,000
Reroof Old Shop 301 E Lincoln	Electric	E-17-002	3	20,000
Bathhouse Water Heater	Parks & Urban Forestry	P&UF-17-003	3	7,200
Emerald Ash Borer Treatment	Parks & Urban Forestry	P&UF-17-005	3	7,000
Wading and Plunge Pool Skimmer Housings	Parks & Urban Forestry	P&UF-17-006	3	10,000
Aquatic Center Waterslide Restoration	Parks & Urban Forestry	P&UF-17-008	3	29,000
Mo Ho Station	Parks & Urban Forestry	P&UF-17-009	3	5,500
New Police Vehicle	Police	PD-13-003	3	42,000
Streets Project	Public Works	PW-13-002	2	100,000
Replacement Plant	Sewer	SW-13-002	1	10,200,000
Brookwood liftstation pump	Sewer	SW-15-02	3	42,000
Stewart Park Lifstation Transducer	Sewer	SW-17-001	3	8,500
Lead Service Replacements	Water	WA-13-003	1	39,000
Meter Replacement	Water	WA-13-004	1	42,000
Well Inspections	Water	WA-14-002	2	11,000
Pickup Truck Replacement	Water	WA-16-001	3	35,000
Reroof Well 5	Water	WA-17-002	3	24,000
Total for 2017				10,657,200
2018				
Skidsteer	Electric	E-14-001	3	29,500
Digger Derrick	Electric	E-15-001	3	245,000
One Ton Truck	Electric	E-17-001	3	65,000
Library Capital Projects	Library	L-15-001	3	106,000
Mower Replacement	Parks & Urban Forestry	P&UF-17-002	2	22,500
Viking Park Tennis Court Lights	Parks & Urban Forestry	P&UF-17-004	4	30,000
Emerald Ash Borer Treatment	Parks & Urban Forestry	P&UF-17-005	3	8,000
Surveillance System Upgrades	Parks & Urban Forestry	P&UF-17-007	3	6,000
Utility Vehicle	Parks & Urban Forestry	P&UF18-001	3	10,000
New Police Vehicle	Police	PD-13-003	3	42,000
Computer Server	Police	PD-16-001	3	5,000
Streets Project	Public Works	PW-13-002	2	100,000
John Deere Gator	Public Works	PW-17-001	3	11,000
1Ton Dump Truck	Public Works	PW-17-002	3	40,000
Recarpet Senior Center	Public Works	PW-18-002	3	12,000
Municipal building roof replacement	Public Works	PW-18-004	2	35,000
Minivan	Recreation	REC-20-001	3	30,000
Lawn Tractor	Sewer	SW-18-001	3	8,500
Lead Service Replacements	Water	WA-13-003	1	39,500
Meter Replacement	Water	WA-13-004	1	42,750
Tower cleaning	Water	WA-17-001	2	8,400
Dump Truck	Water	WA-18-001	4	45,000
Total for 2018				941,150

Project Name	Department	Project #	Priority	Project Cost
2019				
Meter test bench	Electric	E-19-001	3	40,000
Library Capital Projects	Library	L-15-001	3	5,200
Bucket Truck Replacement	Parks & Urban Forestry	P&UF-19-001	2	200,000
New Police Vehicle	Police	PD-13-003	3	43,000
Computers	Police	PD-19-001	2	13,000
Streets Project	Public Works	PW-13-002	2	750,000
Street sweeper replacement	Public Works	PW-19-001	3	175,000
Lead Service Replacements	Water	WA-13-003	1	39,500
Meter Replacement	Water	WA-13-004	1	43,000
Total for 2019				1,308,700
2020				
Library Capital Projects	Library	L-15-001	3	73,900
2011 Dump Truck	Parks & Urban Forestry	P&UF-20-001	n/a	45,000
New Police Vehicle	Police	PD-13-003	3	44,000
Streets Project	Public Works	PW-13-002	2	1,175,000
Lead Service Replacements	Water	WA-13-003	1	40,000
Meter Replacement	Water	WA-13-004	1	43,000
Total for 2020				1,420,900
2021				
Mini Excavator	Electric	E-21-001	3	58,000
Library Capital Projects	Library	L-15-001	3	5,650
2012 Dump Truck	Parks & Urban Forestry	P&UF-21-001	n/a	40,000
CORP	Parks & Urban Forestry	P&UF-21-002	n/a	15,000
New Police Vehicle	Police	PD-13-003	3	45,000
Mobile Data Computers	Police	PD-21-001	3	24,500
Streets Project	Public Works	PW-13-002	2	500,000
Patrol Truck	Public Works	PW-20-001	3	165,000
Jetter/Vacuum Truck	Sewer	SW-21-001	3	350,000
Lead Service Replacements	Water	WA-13-003	1	40,000
Meter Replacement	Water	WA-13-004	1	43,000
Well Inspections	Water	WA-14-002	2	15,000
Pickup Truck Replacement	Water	WA-16-001	3	50,000
Reroof Well 3	Water	WA-21-001	3	22,000
Total for 2021				1,373,150
GRAND TOTAL				15,701,100

RESOLUTION 2016-20

**A RESOLUTION ADOPTING THE 2017 BUDGET
AND AUTHORIZING A LEVY AGAINST TAXABLE PROPERTY**

WHEREAS, the Board of Trustees of the Village of Mount Horeb has reviewed the attached "**VILLAGE OF MOUNT HOREB 2017 FUND SUMMARY**", and has reviewed the proposed revenues and expenditures on the accompanying individual Fund Summaries; and

WHEREAS, the 2017 Proposed Budget and notice of the November 30, 2016 public hearing was published in the Mount Horeb Mail on November 10, 2016 to fully comply with requirements of Section 65.90 (3), Wis. Stats.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Village of Mount Horeb to adopt the 2017 proposed budget as attached, with the following totals:

Total Revenues for all Funds	\$20,077,911
Total Expenditures for all Funds	\$20,668,930
Total General Tax Levy	\$4,203,640
Estimated TID Increment	\$535,190
Total Property Tax Contribution	\$4,738,830

Introduced and passed this 30th day of November 2016.

Randy J Littel, Village President

ATTEST:

Cheryl Sutter, Village Deputy Clerk