VILLAGE OF MCFARLAND *NOTICE OF PUBLIC MEETING*

FINANCE COMMITTEE

Wednesday, October 16, 2019 **6:30 PM** **McFarland Municipal Center**
Conference Room A

AGENDA

1. CALL TO ORDER, ROLL CALL.

2. PUBLIC APPEARANCES.

3. APPROVAL OF MINUTES.
   a. Discussion and action regarding the minutes of the meeting held on September 25, 2019.

4. BUSINESS.
   a. Presentation regarding the 2020 Budget for the General Fund (100) and Capital Projects Fund (400).

   b. Review of the 2019 Municipal Levy Limit Worksheet as it relates to the proposed 2020 Budget.

   c. Presentation regarding the feasibility of future inclusion within the State Expenditure Restraint Program.

   d. Presentation regarding fund balance analysis of the projected performance of the Retiree Fund (700).

   e. Discussion regarding updates and revisions to Chapter 12 Vehicle Replacement Policy of the Fiscal Policy Manual.

   f. Discussion and recommendation to the Village Board to write off 2015 personal property taxes.

5. SCHEDULE NEXT MEETING DATE.
   a. Thursday, December 5, 2019 at 6:30 pm.

6. ADJOURNMENT.

This meeting notice constitutes an official meeting of the above referenced group and was posted in accordance with all applicable laws related to Open Meetings Law. It is possible that members of and possibly a quorum of members of other governmental bodies of the municipality may be in attendance at the above stated meeting to gather information. No action will be taken by any governmental body at the above stated meeting other than the governmental body specifically referred to above in this notice. Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals. For additional information or to request this service, contact the McFarland Municipal Center at (608) 838-3153 or cassandra.suettinger@mcfarland.wi.us.

VILLAGE OF MCFARLAND

Finance Committee Minutes

Wednesday, September 25, 2019 - 6:30 PM

1. **CALL TO ORDER, ROLL CALL.**

   Mary Pat Lytle called the regular meeting of the Finance Committee to order at 6:30 PM in Conference Room A at the McFarland Municipal Center.

   Members present: Mary Pat Lytle, Clifford Strelow, Eric Kryzenske, Curtis Calnin, Rod Clark, Chuck Mulcahy, Jon Michels

   Members not present: None

   Staff Present: Village Administrator Matt Schuenke, Accountant/Deputy Treasurer Jennifer Haried

2. **PUBLIC APPEARANCES.**

   None.

3. **APPROVAL OF MINUTES.**

   a. *Discussion and action regarding the minutes of the meeting held on June 26, 2019.*
   Motion by Clifford Strelow, second by Rod Clark, to accept the minutes of the meeting held on June 26, 2019 with changes noted. Motion carries 7 - 0 - 0 by acclamation.

   b. *Discussion and action regarding the minutes of the meeting held on July 8, 2019.*
   Motion by Clifford Strelow, second by Village Trustee Eric Kryzenske, to accept the minutes of the meeting held on July 8, 2019. Motion carries 7 - 0 - 0 by acclamation.

4. **BUSINESS.**

   a. *Presentation and overview of draft 2020 Budget as submitted to the Village Board.*
   Administrator Schuenke provided an overview of the draft 2020 budget, including navigating the budget on the Village website. He stated that the draft 2020 Budget was distributed to Village Trustees at their September 23rd meeting, and the Finance Committee would conduct its review at the October meeting. No action was taken on this item.

   b. *Discussion regarding ongoing fiscal policy development.*
   Administrator Schuenke brought up the fiscal policies and what the next policy is the committee would like to update. The VB has asked the committee to review the policies and update accordingly. After reviewing a few of the policies, the Committee decided to review and update the Vehicle Replacement Policy and the Policy on Expenditure of Parks Capital Projects Fund Revenues. Administrator Schuenke will make necessary updates and bring back those changes along with examples from other municipalities and bring it back to the next meeting for the Committee to review.

c. *Discussion and presentation regarding a new monthly financial summary.*
Administrator Schuenke presented the updated monthly financial summary, with changes the Committee had requested at previous meetings. Administrator Schuenke will complete the summary for the remaining funds and then look into sending it out to the Committee with next month's information.

5. SCHEDULE NEXT MEETING DATE.

a. *Wednesday, October 16, 2019 at 6:30 pm.*

6. ADJOURNMENT.
Motion by Clifford Strelow, second by Rod Clark, to adjourn at 7:14pm.

Pursuant to law, written notice of this meeting was given to the public and posted on the public bulletin boards in accordance with Open Meetings Law.

Respectfully submitted,
Jennifer Haried
Accountant/Deputy Treasurer

VILLAGE BOARD SUMMARY SHEET

MEETING DATE: **Wednesday, October 16, 2019**

SECTION: **Business**

DEPARTMENT: **Administration**

CONTACT: **Matt Schuenke, Village Administrator**

AGENDA ITEM: **Presentation regarding the 2020 Budget for the General Fund (100) and Capital Projects Fund (400).**

PREVIOUS ACTION:

ISSUE SUMMARY:
The draft 2020 Budget was distributed to the Village Board for review at their meeting on September 23, 2019. They will work through the document page by page reviewing the details of what has been proposed. Final changes submitted by the Village Board will be done by October 31st and reviewed for inclusion on November 7th. A public hearing will be held on November 25th which following an ordinance will be presented to adopt the budget as they are agreeable.

Included within your packets are the fund summaries for those funds dependent on the property tax levy as well as summaries specifically for the General Fund and Capital Projects Fund. This information will be presented and discussed in the meeting.

Also at the meeting, we will discuss this proposed budget in relation to levy limits, expenditure restraint, and the performance of our retiree fund as separate agenda items.

Please click on this link to view a full copy of the budget on the Village website.

FINANCIAL/BUDGET IMPACT:
General Fund - Overall the total expense for the General Fund is expected to increase by around $444,750 or an increase of 7.5%. The Property Tax Levy will increase by 5.26% or by $190,750 to a level of $3,817,250 from the previous year. This will lead to a significant decrease in the tax rate because the Village's assessed value will increase from the previous year. The total assessed value in 2018 was $942 million and it is projected to grow over $1.023 billion in 2019. This allows for the levy to be spread amongst more of the tax value causing the rate to drop. The Village rate in last year's budget was $6.77 per thousand and for next year is projected to drop to $6.49 per thousand which amounts to a decrease of 27 cents or a reduction of 4.06%. Property owners of a median valued home the last two years would see a small

decrease in their actual payment of around $2.43 or an decrease of 0.14%.

Capital Projects Fund - The main source of revenue to fund capital projects is borrowed money. There are funds from other sources as well as tax levy but the money for the projects mainly comes from borrowing. The amount proposed to be borrowed next year is around $4.0 million and is about the same amount proposed last year. Additionally the tax levy for this fund is increased from $310,000 the previous year to $320,000.

All of which of course is subject to change as the Village Board completes its review.

VILLAGE PLAN REFERENCE:

None.

ORDINANCE REFERENCE:

None.

BOARD, COMMISSION OR COMMITTEE RECOMMENDATION:

No action is needed on this item as the information is being presented for discussion.

ATTACHMENTS:

1. 2020 Budget - Fund Summaries
2. 2020 Budget - General Fund (100) Summary
3. 2020 Budget - Capital Projects Fund (400) Summary

2020 Annual Budget

Village of McFarland

Fund Summaries

100
GENERAL FUND

	2019 Budget	2020 Budget	Difference	Percentage
Revenue				
Property Tax Levy	3,626,500	3,817,250	190,750	5.26%
Other Revenue	2,305,500	2,559,500	254,000	11.02%
Total Revenue	5,932,000	6,376,750	444,750	7.50%
Expense				
Personal Services	4,058,750	4,472,500	413,750	10.19%
Contractual Services	979,750	977,250	(2,500)	-0.26%
Supplies and Expenses	416,500	432,500	16,000	3.84%
Fixed Charges	467,000	481,500	14,500	3.10%
Debt Service	0	0	0	0.00%
Grants and Other	4,000	7,000	3,000	0.00%
Capital Outlay	6,000	6,000	0	0.00%
Total Expense	5,932,000	6,376,750	444,750	7.50%

200
Comm/Tech

	2019 Budget	2020 Budget	Difference	Percentage
Revenue				
Property Tax Levy	24,500	24,500	0	0.00%
Other Revenue	118,500	131,500	13,000	10.97%
Total Revenue	143,000	156,000	13,000	9.09%
Expense				
Personal Services	109,500	112,250	2,750	2.51%
Contractual Services	8,000	16,000	8,000	100.00%
Supplies and Expenses	17,500	19,750	2,250	12.86%
Fixed Charges	8,000	8,000	0	0.00%
Debt Service	0	0	0	0.00%
Grants and Other	0	0	0	0.00%
Capital Outlay	0	0	0	0.00%
Total Expense	143,000	156,000	13,000	9.09%

2020 Annual Budget

Village of McFarland

Fund Summaries

205
LIBRARY FUND

	2019 Budget	2020 Budget	Difference	Percentage
Revenue				
Property Tax Levy	544,500	583,250	38,750	7.12%
Other Revenue	299,250	326,000	26,750	8.94%
Total Revenue	843,750	909,250	65,500	7.76%
Expense				
Personal Services	627,750	667,750	40,000	6.37%
Contractual Services	118,750	133,000	14,250	12.00%
Supplies and Expenses	97,250	108,500	11,250	11.57%
Fixed Charges	0	0	0	0.00%
Debt Service	0	0	0	0.00%
Grants and Other	0	0	0	0.00%
Capital Outlay	0	0	0	0.00%
Total Expense	843,750	909,250	65,500	7.76%

210
YOUTH CENTER

	2019 Budget	2020 Budget	Difference	Percentage
Revenue				
Property Tax Levy	25,750	25,000	(750)	-2.91%
Other Revenue	56,250	56,000	(250)	-0.44%
Total Revenue	82,000	81,000	(1,000)	0.00%
Expense				
Personal Services	0	0	0	0.00%
Contractual Services	500	500	0	0.00%
Supplies and Expenses	41,250	40,250	(1,000)	0.00%
Fixed Charges	0	0	0	0.00%
Debt Service	0	0	0	0.00%
Grants and Other	40,250	40,250	0	0.00%
Capital Outlay	0	0	0	0.00%
Total Expense	82,000	81,000	(1,000)	0.00%

2020 Annual Budget

Village of McFarland

Fund Summaries

300
DEBT SERVICE FUND

	2019 Budget	2020 Budget	Difference	Percentage
Revenue				
Property Tax Levy	1,414,750	1,449,500	34,750	2.46%
Other Revenue	196,000	258,000	62,000	31.63%
Total Revenue	1,610,750	1,707,500	96,750	6.01%
Expense				
Personal Services	0	0	0	0.00%
Contractual Services	0	0	0	0.00%
Supplies and Expenses	0	0	0	0.00%
Fixed Charges	0		0	0.00%
Debt Service	1,610,750	1,707,500	96,750	6.01%
Grants and Other	0	0	0	0.00%
Capital Outlay	0	0	0	0.00%
Total Expense	1,610,750	1,707,500	96,750	6.01%

400
CAPITAL PROJECTS FUND

	2019 Budget	2020 Budget	Difference	Percentage
Revenue				
Property Tax Levy	310,000	320,000	10,000	3.23%
Other Revenue	6,351,000	5,905,750	(445,250)	-7.01%
Total Revenue	6,661,000	6,225,750	(435,250)	-6.53%
Expense				
Personal Services	0	0	0	0.00%
Contractual Services	285,000	610,000	325,000	114.04%
Supplies and Expenses	0	0	0	0.00%
Fixed Charges	201,000	201,750	750	0.37%
Debt Service	0	0	0	0.00%
Grants and Other	0	0	0	0.00%
Capital Outlay	6,175,000	5,414,000	(761,000)	-12.32%
Total Expense	6,661,000	6,225,750	(435,250)	-6.53%

Village of McFarland

Fund Summaries

610
SOLID WASTE

	2019 Budget	2020 Budget	Difference	Percentage
Revenue				
Property Tax Levy	95,750	101,000	5,250	5.48%
Other Revenue	443,500	454,750	11,250	2.54%
Total Revenue	539,250	555,750	16,500	3.06%
Expense				
Personal Services	59,500	61,000	1,500	2.52%
Contractual Services	460,750	476,250	15,500	3.36%
Supplies and Expenses	7,500	8,500	1,000	13.33%
Fixed Charges	0	0	0	0.00%
Debt Service	0	0	0	0.00%
Grants and Other	0	0	0	0.00%
Capital Outlay	11,500	10,000	(1,500)	-13.04%
Total Expense	539,250	555,750	16,500	3.06%

700
RETIREE

	2019 Budget	2020 Budget	Difference	Percentage
Revenue				
Property Tax Levy	50,000	50,000	0	0.00%
Other Revenue	100,000	100,000	0	0.00%
Total Revenue	150,000	150,000	0	0.00%
Expense				
Personal Services	0	0	0	0.00%
Contractual Services	150,000	150,000	0	0.00%
Supplies and Expenses	0	0	0	0.00%
Fixed Charges	0	0	0	0.00%
Debt Service	0	0	0	0.00%
Grants and Other	0	0	0	0.00%
Capital Outlay	0	0	0	0.00%
Total Expense	150,000	150,000	0	0.00%

2020 Annual Budget

Village of McFarland

Fund Total

100, 200, 205, 210, 300, 400, 610, 700
ALL TAX LEVY SUPORTED FUNDS

	2019 Budget	2020 Budget	Difference	Percentage
Revenue				
Property Tax Levy	6,091,750	6,370,500	278,750	4.58%
Other Revenue	9,870,000	9,791,500	(78,500)	-0.80%
Total Revenue	15,961,750	16,162,000	200,250	1.25%
Expense				
Personal Services	4,855,500	5,313,500	458,000	9.43%
Contractual Services	2,002,750	2,363,000	360,250	17.99%
Supplies and Expenses	580,000	609,500	29,500	5.09%
Fixed Charges	676,000	691,250	15,250	2.26%
Debt Service	1,610,750	1,707,500	96,750	6.01%
Grants and Other	44,250	47,250	3,000	6.78%
Capital Outlay	6,192,500	5,430,000	(762,500)	-12.31%
Total Operating Exp	8,158,500	9,024,500	866,000	10.61%
Total Debt Service Exp	1,610,750	1,707,500	96,750	6.01%
Total Capital Exp	6,192,500	5,430,000	(762,500)	-12.31%
Total Expense	15,961,750	16,162,000	200,250	1.25%

Property Tax Rate

	2019 Budget	2020 Budget	Difference	Percentage
Total Assessed Valuation *	$ 942,877,508	$ 1,023,552,695	$ 80,675,187	8.56%
TID Increment Assessed Valuation	$ 42,850,857	$ 42,536,094	$ (314,763)	-0.73%
Assessed Valuation minus TID Increment	$ 900,026,651	$ 981,016,601	$ 80,989,950	9.00%
Municipal Property Tax Levy	**$ 6,091,750**	**$ 6,370,500**	**$ 278,750**	**4.58%**
Municipal Tax Rate	**$ 6.77**	**$ 6.49**	**$ (0.27)**	**-4.06%**

Estimated property taxes for a single family home based on the following assessments:

1/1/2018 Median Home Value	$ 264,200	$ 1,788.21	
1/1/2019 Median Home Value	$ 275,000	$ 1,785.79	$ (2.43)
	4.09%	-0.14%	

Village of McFarland

2020 General Fund Operating Budget

Index Expenditures Summary

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ALL TAX LEVY SUPORTED FUNDS

PERSONAL SERVICES

	100	2018 Actual	2019 Budget	YTD 6/30/2019	2019 Projected	2020 Budget	% Change vs. 2019
110, 111	Salaries	3,015,520	2,880,750	1,312,937	2,644,441	3,185,750	10.59%
120, 121	Part-Time	292,782	556,750	221,597	458,076	501,250	-9.97%
124	Seasonal	18,425	60,000	26,906	53,811	91,250	52.08%
130	Health Insurance	548,633	607,250	272,962	546,096	661,750	8.97%
131	Retirement	258,693	272,250	135,697	272,541	328,500	20.66%
132	Social Security/Medicare	255,545	273,250	127,948	257,505	301,000	10.16%
135	Other Employee Benefits	7,835	13,750	2,709	6,439	14,750	7.27%
140	Wage Adjustment	31,138	37,250	0	24,994	52,500	40.94%
141	Expense Reimbursement	2,526	9,500	1,203	8,750	9,750	2.63%
142	Uniform	27,721	28,250	9,149	28,200	32,000	13.27%
190	Overtime	117,159	116,500	56,583	129,033	135,000	15.88%
Total	**PERSONAL SERVICES Exp**	**4,575,976**	**4,855,500**	**2,167,690**	**4,429,887**	**5,313,500**	**9.43%**

CONTRACTUAL SERVICES

	200	2018 Actual	2019 Budget	YTD 6/30/2019	2019 Projected	2020 Budget	% Change vs. 2019
210	Support Services	486,558	584,000	183,796	397,995	752,750	28.90%
211	Consultant Services	219,095	325,750	158,822	291,980	499,500	53.34%
212	Refuse Collection	264,829	243,000	101,696	203,400	250,000	2.88%
213	Recycling Collection	125,924	161,000	68,983	138,000	167,500	4.04%
214	Yard Waste Services	0	53,000	15,757	52,000	56,000	5.66%
220	Utilities	106,263	121,250	53,881	109,280	117,750	-2.89%
221	Communication	50,049	59,250	17,020	55,160	55,250	-6.75%
230	Streets Maintenance	97,789	95,000	2,753	97,000	97,000	2.11%
240	Equipment	79,892	75,000	34,104	70,063	71,750	-4.33%
241	Vehicles	62,513	79,750	29,704	76,750	79,250	-0.63%
242	Facility	93,508	86,750	26,573	72,039	91,250	5.19%
290	OTH Contracted Services	0	0	2,535	2,535	0	------------
291	Street Lighting	121,678	119,000	61,977	119,000	125,000	5.04%
Total CONTRACTUAL SERVICES Exp		**1,708,098**	**2,002,750**	**757,603**	**1,685,201**	**2,363,000**	**17.99%**

Village of McFarland

2020 General Fund Operating Budget

Index Expenditures Summary

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ALL TAX LEVY SUPORTED FUNDS

SUPPLIES AND EXPENSE		2018 Actual	2019 Budget	YTD 6/30/2019	2019 Projected	2020 Budget	% Change vs. 2019
	200						
310	Office Supplies	32,302	32,250	10,452	28,950	30,000	-6.98%
311	Postage	8,469	8,000	3,043	8,150	8,250	3.13%
320	Dues and Subscriptions	19,328	26,250	16,311	27,200	29,000	10.48%
321	Printing/Publication	12,890	19,250	10,817	19,450	21,500	11.69%
330	Meeting Expenses	49,263	10,250	3,252	9,150	13,000	26.83%
331	Training Expenses	19,839	61,250	16,921	55,800	62,000	1.22%
340	Operating Supplies	109,171	107,750	46,980	113,575	119,250	10.67%
341	Fuel	68,428	67,500	32,768	63,500	65,250	-3.33%
342	Technology	53,811	14,500	13,502	15,755	23,250	60.34%
343	Safety	8,839	7,000	2,015	6,900	7,000	0.00%
344	Collection - Print	10,157	53,250	25,804	55,000	55,000	3.29%
345	Collection - Audio/Visual	3,331	12,000	5,761	12,500	12,500	4.17%
370	Roadway Supplies	62,165	90,000	64,906	90,000	90,000	0.00%
390	Miscellaneous	229,767	49,000	211,455	623,378	47,250	-3.57%
391	Programming	12,701	21,750	8,561	20,429	26,250	20.69%
Total SUPPLIES AND EXPENSE Exp		**700,461**	**580,000**	**472,548**	**1,149,737**	**609,500**	**5.09%**

FIXED CHARGES		2018 Actual	2019 Budget	YTD 6/30/2019	2019 Projected	2020 Budget	% Change vs. 2019
	500						
510	Liability	30,532	31,000	30,632	30,632	31,500	1.61%
511	Property	7,483	7,750	6,269	6,269	7,750	0.00%
512	Workers Compensation	74,322	76,750	81,155	81,155	76,750	0.00%
513	Employee Assistance Prog	2,300	2,500	1,150	2,300	2,250	-10.00%
514	Flex Program Admin	1,750	2,000	905	2,000	2,000	0.00%
530	Rent	320,250	323,000	166,546	333,092	333,250	3.17%
590	Facility Reserve	0	150,000	0	160,000	150,000	0.00%
591	Vehicle Reserve	0	11,000	0	11,000	11,750	6.82%
592	Property Reserve	0	40,000	0	40,000	40,000	0.00%
595	Annexation Payments	0	32,000	32,095	32,095	36,000	12.50%
Total FIXED CHARGES Exp		**436,637**	**676,000**	**318,751**	**698,543**	**691,250**	**2.26%**

DEBT SERVICE		2018 Actual	2019 Budget	YTD 6/30/2019	2019 Projected	2020 Budget	% Change vs. 2019
	600						
610	Principal Payments	1,180,000	1,325,000	0	1,325,000	1,440,000	8.68%
620	Interest Payments	182,826	285,750	166,468	285,603	267,500	-6.39%
690	Other Debt Service	57,850	0	0	36,152	0	------------
Total DEBT SERVICE Exp		**1,420,676**	**1,610,750**	**166,468**	**1,646,755**	**1,707,500**	**6.01%**

Village of McFarland

2020 General Fund Operating Budget

Index Expenditures Summary

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ALL TAX LEVY SUPORTED FUNDS

GRANTS & OTHER		2018 Actual	2019 Budget	YTD 6/30/2019	2019 Projected	2020 Budget	% Change vs. 2019
	700						
720	Community Groups	42,250	44,250	44,250	44,250	44,250	0.00%
790	Tourist Entity Payment	0	0	1,805	3,000	3,000	------------
Total GRANTS & OTHER Exp		**42,250**	**44,250**	**46,055**	**47,250**	**47,250**	**6.78%**

CAPITAL OUTLAY		2018 Actual	2019 Budget	YTD 6/30/2019	2019 Projected	2020 Budget	% Change vs. 2019
	800						
810	Small Capital	16,080	67,500	1,655	29,000	166,000	145.93%
811	Equipment	136,074	122,000	49,449	136,622	151,500	24.18%
812	Vehicle	886,573	604,000	184,721	599,228	875,000	44.87%
813	Technology	57,463	189,500	136,751	187,469	347,000	83.11%
820	Streets - Maintenance	1,113,039	450,000	11,372	450,000	475,000	5.56%
821	Streets - Construction	2,496,064	955,000	31,938	1,000,000	846,500	-11.36%
822	Utilities	261,850	0	0	0	0	------------
823	Stormwater Utility	106,424	0	0	0	0	------------
824	Pedestrian Ways	17,060	80,000	0	80,000	200,000	150.00%
825	Facility	552,086	273,250	2,488	58,250	1,444,000	428.45%
826	Property	0	2,708,750	855,535	860,000	0	-100.00%
827	Park Development	1,056,956	742,500	22,585	150,000	925,000	24.58%
Total CAPITAL OUTLAY Exp		**6,699,671**	**6,192,500**	**1,296,495**	**3,550,569**	**5,430,000**	**-12.31%**

INDEX SUMMARIES		2018 Actual	2019 Budget	YTD 6/30/2019	2019 Projected	2020 Budget	% Change vs. 2019
100	Personal Services	4,575,976	4,855,500	2,167,690	4,429,887	5,313,500	9.43%
200	Contractual Services	1,708,098	2,002,750	757,603	1,685,201	2,363,000	17.99%
300	Supplies and Expense	700,461	580,000	472,548	1,149,737	609,500	5.09%
500	Fixed Charges	436,637	676,000	318,751	698,543	691,250	2.26%
600	Debt Service	1,420,676	1,610,750	166,468	1,646,755	1,707,500	6.01%
700	Grants and Other	42,250	44,250	46,055	47,250	47,250	6.78%
800	Capital Outlay	6,699,671	6,192,500	1,296,495	3,550,569	5,430,000	-12.31%
Total Operating Expenses		*7,463,422*	*8,158,500*	*3,762,647*	*8,010,618*	*9,024,500*	*10.61%*
Total Debt Service Expenses		*1,420,676*	*1,610,750*	*166,468*	*1,646,755*	*1,707,500*	*6.01%*
Total Capital Expenses		*6,699,671*	*6,192,500*	*1,296,495*	*3,550,569*	*5,430,000*	*-12.31%*
Total Expenses		**15,583,770**	**15,961,750**	**5,225,610**	**13,207,942**	**16,162,000**	**1.25%**

Village of McFarland

2020 General Fund Operating Budget

FUND 100

SUMMARY of REVENUES

		2018 Actual	2019 Budget	YTD 6/30/2019	2019 Projected	2020 Budget	% Change vs. 2019
41000	Taxes	3,507,250	3,626,500	3,626,500	3,623,500	3,817,250	5.26%
41000	Taxes (Non Property Taxes)	349,881	371,750	249,390	360,144	356,000	-4.24%
43000	Intergovernmental Revenues	536,485	604,250	239,317	609,978	698,750	15.64%
44000	Licenses and Permits	534,677	339,500	204,735	408,208	393,750	15.98%
45000	Fires, Forfeits, and Penalties	94,986	89,000	62,047	119,952	102,000	14.61%
46000	Public Charges for Services	315,985	313,750	156,442	305,340	330,000	5.18%
47000	Intergovernmental Charges for Services	318,147	326,750	135,559	327,250	364,000	11.40%
48000	Miscellaneous Revenues	239,367	183,000	136,494	277,005	247,500	35.25%
49000	Other Financing Sources	42,250	77,500	0	327,500	67,500	-12.90%
	Total Budget Revenue	**5,939,028**	**5,932,000**	**4,810,484**	**6,358,877**	**6,376,750**	**7.50%**

SUMMARY of EXPENDITURES

		2018 Actual	2019 Budget	YTD 6/30/2019	2019 Projected	2020 Budget	% Change vs. 2019
51100	VILLAGE BOARD	45,854	71,000	25,682	80,750	56,750	-20.07%
51200	MUNICIPAL COURT	55,322	60,250	28,489	60,163	62,000	2.90%
51300	LEGAL	145,754	96,000	46,308	105,000	105,000	9.38%
51410	VILLAGE ADMINISTRATOR	0	75,750	37,087	78,863	78,750	3.96%
51420	ADMINISTRATION	325,042	271,500	168,928	264,541	275,500	1.47%
51440	ELECTIONS	15,242	8,000	6,709	7,793	16,500	106.25%
51450	INFORMATION TECHNOLOGY	54,229	48,750	23,798	48,095	54,500	11.79%
51530	VILLAGE ASSESSOR	40,169	40,500	40,561	40,561	41,000	1.23%
51540	INSURANCE ADMINISTRATION	112,778	116,250	116,501	118,747	116,500	0.22%
51600	FACILITY MANAGEMENT	90,912	82,000	44,160	102,484	97,500	18.90%
52100	POLICE DEPARTMENT	2,056,635	2,094,250	961,054	1,975,486	2,202,750	5.18%
52200	FIRE AND RESCUE DEPARTMENT	1,252,275	1,286,500	592,478	1,233,510	1,442,500	12.13%
52400	COMMUNITY DEVELOPMENT	212,605	212,750	106,349	494,490	225,250	5.88%
52500	EMERGENCY MANAGEMENT	6,928	9,250	3,306	8,750	9,750	5.41%
53000	PUBLIC WORKS	817,985	861,000	393,586	871,186	928,500	7.84%
54600	SENIOR OUTREACH	217,709	241,750	106,048	213,296	253,250	4.76%
55200	PARKS	277,087	356,500	97,288	208,563	410,750	15.22%
59200	TRANSFERS TO OTHER FUNDS	166,219	0	210,000	326,428	0	------------
	Total Budget Expenditures	**5,892,744**	**5,932,000**	**3,008,331**	**6,238,706**	**6,376,750**	**7.50%**
	Difference in Revenues over Expenditures	**46,284**	**0**	**1,802,153**	**120,171**	**0**	

Village of McFarland

2020 General Fund Operating Budget

Index Expenditures Summary

PERSONAL SERVICES

		2018 Actual	2019 Budget	YTD 6/30/2019	2019 Projected	2020 Budget	% Change vs. 2019
	100						
110, 111	Salaries	2,507,170	2,507,250	1,139,636	2,279,271	2,757,250	9.97%
120, 121	Part-Time	282,923	339,250	140,390	296,724	300,250	-11.50%
124	Seasonal	18,425	60,000	26,906	53,811	89,500	49.17%
130	Health Insurance	452,279	490,500	225,549	451,270	558,000	13.76%
131	Retirement	234,560	242,500	121,326	242,651	292,250	20.52%
132	Social Security/Medicare	220,200	228,750	108,748	218,019	251,500	9.95%
135	Other Employee Benefits	6,821	11,000	2,136	4,636	11,750	6.82%
140	Wage Adjustment	20,422	27,000	0	15,210	37,000	37.04%
141	Expense Reimbursement	2,215	8,500	1,203	8,250	8,750	2.94%
142	Uniform	27,721	28,250	9,149	28,200	32,000	13.27%
190	Overtime	117,159	115,750	56,583	129,033	134,250	15.98%
	Total PERSONAL SERVICES Exp	**3,889,895**	**4,058,750**	**1,831,624**	**3,727,076**	**4,472,500**	**10.19%**

CONTRACTUAL SERVICES

		2018 Actual	2019 Budget	YTD 6/30/2019	2019 Projected	2020 Budget	% Change vs. 2019
	200						
210	Support Services	331,096	298,500	162,155	300,047	313,000	4.86%
211	Consultant Services	105,949	100,250	85,630	192,900	85,000	-15.21%
220	Utilities	80,411	92,250	40,990	82,500	89,750	-2.71%
221	Communication	48,009	56,750	15,473	51,876	51,250	-9.69%
230	Streets Maintenance	97,789	95,000	2,753	97,000	97,000	2.11%
240	Equipment	71,952	66,000	27,262	61,050	62,250	-5.68%
241	Vehicles	62,513	79,750	29,704	76,750	79,250	-0.63%
242	Facility	72,486	72,250	17,604	54,100	74,750	3.46%
290	OTH Contracted Services	0	0	2,535	2,535	0	------------
291	Street Lighting	121,678	119,000	61,977	119,000	125,000	5.04%
	Total CONTRACTUAL SERVICES Exp	**991,883**	**979,750**	**446,082**	**1,037,758**	**977,250**	**-0.26%**

SUPPLIES AND EXPENSES

		2018 Actual	2019 Budget	YTD 6/30/2019	2019 Projected	2020 Budget	% Change vs. 2019
	300						
310	Office Supplies	21,970	23,000	7,368	19,700	20,750	-9.78%
311	Postage	8,208	7,750	2,998	7,650	7,750	0.00%
320	Dues and Subscriptions	16,729	21,750	13,137	22,500	26,250	20.69%
321	Printing/Publication	11,984	16,250	8,817	16,950	18,500	13.85%
330	Meeting Expenses	46,009	8,500	2,856	7,400	10,750	26.47%
331	Training Expenses	18,078	56,750	15,858	51,550	57,750	1.76%
340	Operating Supplies	100,104	97,500	41,611	102,325	105,500	8.21%
341	Fuel	68,428	67,500	32,768	63,500	65,250	-3.33%
343	Safety	8,839	7,000	2,015	6,900	7,000	0.00%
370	Roadway Supplies	62,165	90,000	64,906	90,000	90,000	0.00%
390	Miscellaneous	189,475	6,250	211,121	581,128	5,750	-8.00%
391	Programming	12,701	14,250	5,752	11,629	17,250	21.05%
	Total SUPPLIES AND EXPENSES Exp	**564,691**	**416,500**	**409,207**	**981,232**	**432,500**	**3.84%**

Index Expenditures Summary (continued)

FIXED CHARGES

		2018 Actual	2019 Budget	YTD 6/30/2019	2019 Projected	2020 Budget	% Change vs. 2019
	500						
510	Liability	30,532	31,000	30,632	30,632	31,500	1.61%
511	Property	7,483	7,750	6,269	6,269	7,750	0.00%
512	Workers Compensation	74,322	76,750	81,155	81,155	76,750	0.00%
513	Employee Assistance Program	2,300	2,500	1,150	2,300	2,250	-10.00%
514	Flex Program Admin	1,750	2,000	905	2,000	2,000	0.00%
530	Rent	313,250	315,000	162,546	325,092	325,250	3.25%
595	Annexation Payments	0	32,000	32,095	32,095	36,000	12.50%
	Total FIXED CHARGES Exp	**429,637**	**467,000**	**314,751**	**479,543**	**481,500**	**3.10%**

GRANTS, CONTRIBUTIONS, INDEMNITIES, AND OTHER

		2018 Actual	2019 Budget	YTD 6/30/2019	2019 Projected	2020 Budget	% Change vs. 2019
	700						
720	Community Groups	2,000	4,000	4,000	4,000	4,000	0.00%
790	Tourist Entity Payment	0	0	1,805	3,000	3,000	-----------
	Total GRANTS, CONTR, & OTHER Exp	**2,000**	**4,000**	**5,805**	**7,000**	**7,000**	**75.00%**

CAPITAL OUTLAY

		2018 Actual	2019 Budget	YTD 6/30/2019	2019 Projected	2020 Budget	% Change vs. 2019
	800						
810	Small Capital	14,639	6,000	861	6,000	6,000	0.00%
	Total CAPITAL OUTLAY Exp	**14,639**	**6,000**	**861**	**6,000**	**6,000**	**0.00%**

5,892,744	**5,932,000**	**3,008,331**	**6,238,609**	**6,376,750**	**7.50%**

Village of McFarland

2020 Capital Projects Fund Operating Budget

FUND 400

SUMMARY of REVENUES

		2018 Actual	2019 Budget	YTD 6/30/2019	2019 Projected	2020 Budget	% Change vs. 2019
41000	Taxes	300,000	310,000	310,000	310,000	320,000	3.23%
43000	Intergovernmental Revenues	6,651	0	0	0	38,000	------------
46000	Public Charges for Services	0	50,000	29,464	60,000	60,000	20.00%
47000	Intergovernmental Charges for Service	925,540	167,500	0	0	0	-100.00%
48000	Miscellaneous Revenues	153,676	70,000	18,324	75,000	70,000	0.00%
49000	Other Financing Sources	1,346,583	2,099,500	225,805	1,953,250	1,737,750	-17.23%
49100	Other Financing Sources - Borrowing	3,550,000	3,964,000	0	1,690,000	4,000,000	0.91%
	Total Budget Revenue	**6,282,449**	**6,661,000**	**583,593**	**4,088,250**	**6,225,750**	**-6.53%**

SUMMARY of EXPENDITURES

		2018 Actual	2019 Budget	YTD 6/30/2019	2019 Projected	2020 Budget	% Change vs. 2019
57120	ADMINISTRATION	47,381	48,500	19,227	34,000	34,500	-28.87%
57140	FACILITY MANAGEMENT	104,644	510,000	69,585	235,000	1,575,000	208.82%
57150	COMMUNICATIONS AND TECHNOLOGY	0	15,000	16,622	16,622	30,000	100.00%
57210	POLICE DEPARTMENT	122,808	160,000	84,568	159,969	87,000	-45.63%
57220	FIRE AND RESCUE DEPARTMENT	829,580	341,500	684	341,500	749,250	119.40%
57250	EMERGENCY MANAGEMENT	3,722	1,500	0	1,500	0	-100.00%
57310	PUBLIC WORKS	4,442,318	1,950,000	233,525	1,850,228	2,445,500	25.41%
57500	SENIOR OUTREACH	0	10,000	1,022	7,500	0	-100.00%
57610	LIBRARY	104,544	121,250	29,156	144,250	67,500	-44.33%
57620	PARKS	1,056,956	3,451,250	878,120	1,010,000	1,035,000	-70.01%
57700	COMMUNITY DEVELOPMENT	58,620	52,000	793	12,000	202,000	288.46%
59200	TRANSFERS TO OTHER FUNDS	0	0	0	0	0	------------
	Total Budget Expenditures	**6,770,573**	**6,661,000**	**1,333,303**	**3,812,569**	**6,225,750**	**-6.53%**
	Difference in Revenues over Expenditures	**(488,123)**	**0**	**(749,710)**	**275,681**	**0**	

Village of McFarland

2020 Capital Projects Fund Operating Budget

Index Expenditures Summary

CONTRACTUAL SERVICES

		2018 Actual	2019 Budget	YTD 6/30/2019	2019 Projected	2020 Budget	% Change vs. 2019
	200						
210	Support Services	20,832	110,000	13,586	25,000	250,000	127.27%
211	Consultant Services	66,150	175,000	24,083	45,000	360,000	105.71%
	Total CONTRACTUAL SERVICES Exp	**86,982**	**285,000**	**37,669**	**70,000**	**610,000**	**114.04%**

SUPPLIES AND EXPENSES

		2018 Actual	2019 Budget	YTD 6/30/2019	2019 Projected	2020 Budget	% Change vs. 2019
	300						
390	Miscellaneous	0	0	0	0	0	------------
	Total SUPPLIES AND EXPENSES Exp	**0**	**0**	**0**	**0**	**0**	**------------**

FIXED CHARGES

		2018 Actual	2019 Budget	YTD 6/30/2019	2019 Projected	2020 Budget	% Change vs. 2019
	500						
590	Facility Reserve	0	150,000	0	160,000	150,000	0.00%
591	Vehicle Reserve	0	11,000	0	11,000	11,750	6.82%
592	Property Reserve	0	40,000	0	40,000	40,000	0.00%
	Total FIXED CHARGES Exp	**0**	**201,000**	**0**	**211,000**	**201,750**	**0.37%**

CAPITAL OUTLAY

		2018 Actual	2019 Budget	YTD 6/30/2019	2019 Projected	2020 Budget	% Change vs. 2019
	800						
810	Small Capital	0	50,000	793	10,000	150,000	200.00%
811	Equipment	136,074	122,000	49,449	136,622	151,500	24.18%
812	Vehicle	886,573	604,000	184,721	599,228	875,000	44.87%
813	Technology	57,463	189,500	136,751	187,469	347,000	83.11%
820	Streets - Maintenance	1,113,039	450,000	11,372	450,000	475,000	5.56%
821	Streets - Reconstruction	2,496,064	955,000	31,938	1,000,000	846,500	-11.36%
822	Utilities	261,850	0	0	0	0	------------
823	Stormwater Utility	106,424	0	0	0	0	------------
824	Pedestrian Ways	17,060	80,000	0	80,000	200,000	150.00%
825	Facility Improvement	552,086	273,250	2,488	58,250	1,444,000	428.45%
826	Property	0	2,708,750	855,535	860,000	0	-100.00%
827	Park Development	1,056,956	742,500	22,585	150,000	925,000	24.58%
	Total CAPITAL OUTLAY Exp	**6,683,591**	**6,175,000**	**1,295,633**	**3,531,569**	**5,414,000**	**-12.32%**
		6,770,573	**6,661,000**	**1,333,303**	**3,812,569**	**6,225,750**	**-6.53%**

VILLAGE BOARD SUMMARY SHEET

MEETING DATE: **Wednesday, October 16, 2019**

SECTION: **Business**

DEPARTMENT: **Administration**

CONTACT: **Matt Schuenke, Village Administrator**

AGENDA ITEM: **Review of the 2019 Municipal Levy Limit Worksheet as it relates to the proposed 2020 Budget.**

PREVIOUS ACTION:

ISSUE SUMMARY:
Annually the Village must comply with tax levy limits that set how much money the Village can raise to support its budget. The formula works by picking up where the levy was approved the year prior and removing whatever debt service was applied as a an adjustment. A growth factor is applied for net new construction which the Village received 5.53% as a result of new development from the previous year (second highest in Dane County). Then new adjustments for debt service and carry forward are applied to come up with the limit. There are two adjustments proposed for 2019 including the use of debt service and for property annexed in 2019. As proposed, the budget is presented within the limitation set for our tax levy and well under between $30,000 to $50,000. We are continuing to evaluate a new adjustment based on occupancy permits and credits that go towards public safety costs. This is not presently factored in but will be evaluated further before filing.

FINANCIAL/BUDGET IMPACT:
The levy limit for 2019 is presently set at $6,403,700 and the levy was initially proposed at $6,370,500 leaving approximately $33,200 of unspent funds. The high net new construction number is driving the capacity beyond what is needed for the coming year.

VILLAGE PLAN REFERENCE:
None.

ORDINANCE REFERENCE:
None.

BOARD, COMMISSION OR COMMITTEE RECOMMENDATION:
No action needed.

ATTACHMENTS:

1. 2019 Levy Limit DRAFT 10102019

DRAFT

Form SL-202m

2019 Municipal Levy Limit Worksheet

WI Dept of Revenue

Year	Co-muni Code	County / Municipality	Account No.	Report Type
2019	13154	County: DANE Municipality: VILLAGE OF MCFARLAND	0383	

Section A: Determination of 2019 Payable 2020 Allowable Levy Limit

1	2018 payable 2019 actual levy plus 2019 personal property aid (23,760.09)	$6,115,509
2	Exclude prior year levy for unreimbursed expenses related to an emergency	$0
3	Exclude 2018 levy for new general obligation debt authorized **after** July 1, 2005	$1,414,750
4	2018 payable 2019 adjusted actual county levy *(Line 1 minus Lines 2 and 3)*	$4,700,759
5	0.00% growth, plus terminated TID% (0), plus TID subtraction % (0) applied to 2018 adjusted actual levy	$4,700,759
6	Net new construction % (5.532), plus terminated TID% (0), plus TID subtraction % (0) applied to 2018 adjusted actual levy	$4,960,805
7	Greater of Line 5 or Line 6	$4,960,805
8	2019 levy limit before adjustments **less 2020 personal property aid** ($8,855.41)	$4,951,950
9	Total adjustments *(from Sec. D, Line T)*	$1,451,750
10	**2019 Payable 2020 Allowable Levy** *(sum of Lines 8 and 9)*	$6,403,700
11	Higher levy approved by special resolution at a special meeting of Town electors	

Section B: Adjustment for Previous Year's Unused Levy (sec. 66.0602(3)(f), Wis. Stats.)

1	Previous year's allowable levy	$6,100,465
2	Previous year's actual levy	$6,091,749
3	Previous year's unused levy *(Line 1 minus Line 2)*	$8,716
4	Previous year's actual levy $6,091,749 x 0.015	$91,376
5	**Allowable Increase** *(lesser of Lines 3 or 4)*	$8,716

Section C: Adjustment for Prior Years Unused Levy Carryforward (sec. 66.0602(3)(fm), Wis. Stats.)

1	2018 unused percentage	0.000%
2	2017 unused percentage	0.330%
3	2016 unused percentage	0.000%
4	2015 unused percentage	0.000%
5	2014 unused percentage	1.159%
6	Total unused percentage *(sum of Lines 1 through 5)*	1.489%
7	Previous year's actual levy due to valuation factor	$4,685,519
8	**Allowable Increase** *(Line 6 multiplied by Line 7)*	$69,767

Section D: Adjustments to Allowable Levy Limit

		Additions	Subtractions
A	Increase for unused levy from previous year *(from Sec. B, Line 5)*		
B	Decrease in 2020 debt service levy as compared to 2019 debt service levy for debt authorized **prior to** July 1, 2005		
C	Increase in 2020 debt service levy as compared to 2019 debt service levy for debt authorized **prior to** July 1, 2005		
D	Increase for town, village, or city's share of refunded or rescinded taxes certified under sec. 74.41(5), Wis. Stats.		
E	Debt service levy for general obligation debt authorized **after** July 1, 2005	$1,449,500	
F	Increase in 2019 payable 2020 levy approved by a referendum.		
G	Amount levied in 2019 to pay unreimbursed expenses related to an emergency		
H	Increase/decrease in costs associated with an intergovernmental cooperation agreement		
I	Adjustment to 2019 payable 2020 levy for increase in charges assessed by a joint fire department		
J	Adjustment to 2019 payable 2020 levy for transfer of services during 2019 **to** other governmental units		
K	Adjustment to 2019 payable 2020 for transfer of services during 2019 **from** other governmental units		
L	Adjustment to 2019 payable 2020 levy for annexation of land during 2019 by a city or village *(towns only)*		
M	Adjustment to 2019 payable 2020 levy for annexation of land during 2019 from a town *(villages or cities only)*	$2,250	
N	Lease payment for lease revenue bond issued **before** July 1, 2005		
O	Levy for shortfall of debt service on revenue bond issued under sec. 66.0621, Wis. Stats., or special assessment B bond issued under sec. 66.0713(4), Wis. Stats.		
P	Increase in levy for shortfall in general fund due to loss of revenue from the sale of water or other commodity to a manufacturer that has discontinued operations		
Q	Adjustment to 2019 payable 2020 levy for the adoption of a new fee or fee increase for covered services partly or wholly funded by levy in 2013		
R	Increase for unused levy carryforward from prior years *(from Sec. C, Line 8)*		
S	Increase in levy for each occupancy permit issued in 2018 for qualifying new single-family residential dwelling units		
T	**Total Adjustments** *(sum of Lines A through S)*	$1,451,750	

Attachments

You must provide DOR with the documents listed below.

1. Attachments - if your town approved a higher levy by special resolution

   Board resolution proposing to exceed the allowable levy limit:

   Notice of special town meeting:

   Signed resolution of electors approving to exceed the allowable levy limit (with voting results):

2. Attachments - if your municipality passed a referendum

   Copy of the ballot:

   Voting results:

3. Other additional attachments

4. Residential permit documentation

VILLAGE BOARD SUMMARY SHEET

MEETING DATE: **Wednesday, October 16, 2019**

SECTION: **Business**

DEPARTMENT: **Administration**

CONTACT: **Cassandra Suettinger, Village Clerk/Treasurer**

AGENDA ITEM: **Presentation regarding the feasibility of future inclusion within the State Expenditure Restraint Program.**

PREVIOUS ACTION:
N/A

ISSUE SUMMARY:
The expenditure restraint program is administered through the Wisconsin Department of Revenue as a program to provide aid to qualifying municipalities that limit growth in spending.

A municipality qualifies for the ERP payment if they meet two conditions:

1. The municipal property tax rate must be at least five mills.

2. Its municipal budget for the year before payment has not increased over the prior year's budget by more than an inflation factor plus a valuation factor.

This ERP notice does not generally get published until the end of October. So as of today's date, the Village has not received the final notification of ERP limits for the 2020 budget. However, based on data that is already available, the Village estimates the expenditure restraint program limit for our 2020 budget will likely be around 3.9%. This is based on the following:

1. Net new construction - the Wisconsin Department of Revenue has already released the Village's 2019 net new construction value of 5.53%. Notably, this was the second highest net new construction value in Dane County. The ERP programs allows you to recognize the 60% of the value of your net new construction up to a maximum of 2%. So for this value we know we will be capped at 2%

2. CPI Index from October 1, 2018 through September 30, 2018 - at the time this report was created, CPI numbers for September 2019 have not yet been released. However if we use a reporting period of September 1, 2018 through August 30, 2019, we can estimate our CPI inflation will provide an additional 1.9% of growth.

Total Estimated 2020 Budget Increase Limit - 3.9%

This preliminary numbers provide that inclusion in the 2021 ERP program will be challenging for the Village. A reduction of approximately $195,806.50 from the draft budget submitted by staff will be required to received 2021 ERP funds. ERP funds have historically been around $120,000

It is important to remember the Village is allowed to increase its tax levy by the net new construction value from the previous year. So our levy limits allow us to increase our levy by 5.53%; however, ERP limits this growth to 3.9%.

Staff will continue to evaluate inclusion into the 2021 ERP program, and will provide final data to the Village Board on required reductions to the 2020 budget submittal for inclusion in the 2021 Expenditure Restraint Program.

FINANCIAL/BUDGET IMPACT:
The expenditure restraint payment is generally around $120,000.

VILLAGE PLAN REFERENCE:
N/A

ORDINANCE REFERENCE:
N/A

BOARD, COMMISSION OR COMMITTEE RECOMMENDATION:
No recommendation.

ATTACHMENTS:
None

VILLAGE BOARD SUMMARY SHEET

MEETING DATE: **Wednesday, October 16, 2019**

SECTION: **Business**

DEPARTMENT: **Administration**

CONTACT: **Cassandra Suettinger, Village Clerk/Treasurer**

AGENDA ITEM: **Presentation regarding fund balance analysis of the projected performance of the Retiree Fund (700).**

PREVIOUS ACTION:

ISSUE SUMMARY:

Attached is an updated summary and projected performance of the Retiree Fund. The financial forecast would indicate stability for the near future with the $50,000 per year contribution with the caution that at this moment in time the value of those would have reached the minimum retirement age and could choose to retire is $430,086.40. The Village will need to closely monitor the fund.

FINANCIAL/BUDGET IMPACT:

N/A

VILLAGE PLAN REFERENCE:

N/A

ORDINANCE REFERENCE:

N/A

BOARD, COMMISSION OR COMMITTEE RECOMMENDATION:

No action recommended at this time.

ATTACHMENTS:

1. 10.16.19 - Finance Committee Presentation

Forecasted Sick Leave Payout - as of 10/09/2019

$ -

FUND BALANCE SINCE 2018 AUDIT		
Fund Balance as of 12/31/18 (Audited)		
Beginning Fund Balance		132,318
Budgeted 2019 Transfer to new Fund/Revenues		54,800
Available Fund Balance for 2018		132,318
2019 Expenses (Actual & Forecasted)		(48,098)
Preliminary Ending Balance at 12/31/19	$	139,020

Year		Payout by Year		# of Retirees
2020		91,394		**4**
2021		14,760		**1**
2022		-		**0**
2023		-		**0**
2024		125,040		**3**
2025		28,601		**1**
2026		78,963		**2**
2027		95,499		**3**
2028		39,938		**1**
2029		154,553		**3**
2030		34,855		**3**
TOTAL		$ 663,603		

	Annual Contrib	Payout Projected	Fund Balance	# of Payouts
			$ 132,318	
2019	54,800	(48,098)	139,020	**1**
2020	50,000	(91,394)	97,626	**4**
2021	50,000	(14,760)	132,866	**1**
2022	50,000	-	182,866	**0**
2023	50,000	-	232,866	**0**
2024	50,000	(125,040)	157,826	**3**
2025	50,000	(28,601)	179,225	**1**
2026	50,000	(78,963)	150,262	**2**
2027	50,000	(95,499)	104,763	**3**
2028	50,000	(39,938)	114,825	**1**
2029	50,000	(154,553)	210	**3**
2030	50,000	(34,855)	129,970	**3**
		(711,701.00)		

VILLAGE BOARD SUMMARY SHEET

MEETING DATE: **Wednesday, October 16, 2019**

SECTION: **Business**

DEPARTMENT: **Administration**

CONTACT:

AGENDA ITEM: **Discussion regarding updates and revisions to Chapter 12 Vehicle Replacement Policy of the Fiscal Policy Manual.**

PREVIOUS ACTION:

ISSUE SUMMARY:
At our last meeting we wanted to look closer at the Vehicle Replacement Policy since its approval in 2015. This policy was approved by the Village Board on September 14, 2015 after work completed by the Finance Committee leading up to it but does not appear to have been implemented. Enclosed is the current policy that has been updated only to reflect the new format for how finance policies are codified. As we have done before, we will begin our discussion with the current policy to see what if any revisions are desired and schedule it for additional review at future meetings as might be necessary.

There are some vehicles proposed for replacement in the 2020 Budget. Staff has evaluated the vehicles scheduled for replacement will provide a scoring according to this policy in the meeting. This is presented for comparison and discussion as we begin our evaluation of the policy in place.

FINANCIAL/BUDGET IMPACT:

VILLAGE PLAN REFERENCE:

ORDINANCE REFERENCE:

BOARD, COMMISSION OR COMMITTEE RECOMMENDATION:

ATTACHMENTS:
1. Chapter 12 - Vehicle Replacement Policy 10102019 mgs

Village of McFarland

CHAPTER 12 Vehicle Replacement Policy

SECTION 12.01 Policy Purpose

(a) This policy outlines the procedures to be used by the Village Department Heads, in coordination with the Village Administrator, to recommend vehicles for replacement during the budget creation process. The intent is to minimize capital and maintenance costs and to maximize the length of use for each vehicle. The matrix is designed to equitably grade the eligibility for replacement of any type of vehicle across all departments, and to establish a prioritized list to be incorporated in the capital budget.

SECTION 12.02 Eligibility for Replacement and Prioritization

(a) Vehicles will be evaluated annually on four criteria for replacement eligibility: age, mileage, condition, maintenance cost, and predicted lifespan. Each vehicle will be scored individually to determine eligibility for replacement consideration as follows:

(1) **Expected Years of Usage.** Points are assigned on a scale from one (1) to five (5) based on percentage of the expected years of usage the vehicle will be in service as per the chart in Section 12.03(a) below. One (1) point is assigned for each 20% of initial expected usage based on the date the vehicle was placed in service with the Village.

(2) **Expected Mileage and Hours.** Points are assigned on a scale from one (1) to five (5) based on a percentage of the expected mileage or hours, depending on the type of vehicle or equipment, of usage the vehicle will be in service as per the chart in Section 12.03(a) below. One (1) point is assigned for each 20% of initial expected usage based on the date the vehicle was placed in service with the Village.

(3) **Condition.** Consideration is given for the condition of the body, rust, interior, accident status, anticipated repairs, and etc. Points are given on a scale from one (1) to five (5) with five (5) being extremely poor condition. Any ranking over three (3) requires a written repair estimate.

(4) **Maintenance Cost.** Points are assigned on a scale from one (1) to five (5) based on a ratio of total accumulated maintenance costs to the cost of the original vehicle. A five (5) would be equal to total maintenance costs, internal and external, equaling 100% of the original purchase price while one (1) would equal total maintenance costs equaling 20% of original purchase price.

(b) Points for each of the four criteria should be added for a total score:

Score	Condition
0 – 7 Points	Excellent; not eligible for replacement.
8 – 12 points	Good; not eligible for replacement.
13 – 16 points	Fair; eligible for replacement.
17 – 20 Points	Poor; eligible for immediate replacement.

The score for each vehicle will determine eligibility for replacement. Eligible vehicles will be then ranked based upon the score. Final replacement determination will be contingent on approval of the annual capital budget.

SECTION 12.03 Vehicle Lifespan

(a) Each vehicle is to be scored according to its own criteria. However, in order to provide a predictable capital expenditure plan for annual budgeting purposes, each type of vehicles is expected to have the following lifespan for Village use:

Score	Condition
Lawn Mowers	5 years/ 3,750 hours
Skid-Steer	5 years/ 1,000 hours
Police Squad	5 years/ 225,000 miles *
Street Sweeper	10 years/ 6,000 hours
Backhoe, Front End Loader	10 years/ 2,000 hours
Patrol/Dump Trucks	10 years/ 2,000 hours
Car, Light Duty Pickup, SUV	10 years/ 75,000 miles
Ambulance	10 years (5 reserve)/ 200,000 miles *
Tractors and other Small Engine Equipment	15 years/ 2,250 hours
Medium- and Heavy-duty Pickups, Utility Truck, and Bucket Truck	15 years/ 150,000 miles
Fire Engine	15 years/ 4,500 hours
Fire Other Apparatus	15 years/ 2,250 hours
Fire Ladder Truck	20 years/ 3,000 hours
Used Vehicles and Equipment	To be determined prior to purchase

* Add 25 miles for each hour of idle time for certain vehicles require a high amount of idling under normal usage.

SECTION 12.04 Other Considerations

(a) All Village vehicles eligible for replacement will be prioritized by the Department Heads and the Administrator, with the highest priority given to vehicles eligible for immediate replacement. The Village Board will make the final replacement determination as part of the annual capital budget approval process.

(b) Based upon the scoring of each vehicle and its expected lifespan, adjustments to the 5 year capital improvement plan will be made by the Village Board on an annual basis during the budgeting process.

(c) Judgements on vehicle replacements need will be based upon maximizing the use of each vehicle at a reasonable maintenance cost, and not upon maximizing, trade-in or resale value. However, strategies that lower net replacement costs may be considered by the Village Board.

(d) No vehicle will be listed for sale, sold, or auctioned until its replacement is placed in service with the Village, unless the vehicle is traded in at the time of the new purchase of its replacement.

(e) The Finance Committee will review with Department Heads and the Administrator on an annual basis the scoring matrix and predicted lifespan of vehicles in order to make any appropriate adjustments.

Adopted: September 14, 2015 Amended: XXXX XX, 2019

FINANCE COMMITTEE SUMMARY SHEET

MEETING DATE: **Wednesday, October 16, 2019**

SECTION: **Business**

DEPARTMENT: **Administration**

CONTACT: **Cassandra Suettinger, Village Clerk/Treasurer**

AGENDA ITEM: **Discussion and recommendation to the Village Board to write off 2015 personal property taxes.**

PREVIOUS ACTION:

ISSUE SUMMARY:
The Village does property tax collection annually for two types of taxes: real estate taxes and personal property taxes. Personal property taxes are taxes for businesses on certain types of equipment. All personal property taxes are due by January 31st of each year. After January 31st the Village settles to make all of the other jurisdictions (state, county, school district, and tech college) whole for the amount of uncollected taxes. It is then the Village's responsible to go collect on those taxes. The Village typically attempts collection on the personal property taxes each year. The Village has fairly limited options by which it can pursue collection for accounts that won't pay. Those options are:

1. The Village can choose to take the delinquent personal property taxes to small claims court and recoup the taxes, penalty & interest, and legal fees up to the amount allowed by state law.

2. If the business entity has ceased operations, filed for bankruptcy, or the personal property has been removed from the next assessment roll, the Village can chargeback the amounts. Basically what this means is the other entities state, county, school district, and tech college all need to reimburse the Village for their portion of the taxes as they are uncollectible. The Village has until between February 2 and April 1 of the the following year to chargeback uncollected personal property. After that date, the Village loses its ability to chargeback, and is responsible for the entire amount. It is also of note, that the Village can only chargeback an account once. It is the Village's responsibility to remove the personal property from the tax roll the next year if it becomes aware they are out of business.

Attached is a report from staff on the 8 personal property amounts recommended for write off. The report also details the status of the account and why write off is recommended.

FINANCIAL/BUDGET IMPACT:
The Village will write off $1333.52 of uncollectible personal property.

VILLAGE PLAN REFERENCE:
Village Fiscal Policy Chapter 9: Procedure for collection of delinquent personal property taxes and for the write off of uncollectible personal property taxes.

ORDINANCE REFERENCE:
N/A

BOARD, COMMISSION OR COMMITTEE RECOMMENDATION:
Staff recommends write off of uncollectible personal property.

ATTACHMENTS:
1. 2015 PP Write Off - 10.10.19

2015 DELINQUENT PERSONAL PROPERTY TAXES WRITTEN OFF IN 2019

100-1214

NAME	TAX AMOUNT	PENALTIES	STATUS	CHARGE BACK	BALANCE TO BE WRITTEN OFF
2015					
Karate America	179.40		Out of Business; never charged back		**179.40**
Lawrence National Leasing	303.95		Out of Business; never charged back		**303.95**
K Custom Screening	278.61	4.39	Out of Business;chargedback in 2014;could not chargeback in 2015		**283.00**
Double D Tours	109.76	1.73	Out of Business;chargedback in 2014;could not chargeback in 2015		**111.49**
Dana Hess Design	105.54	9.51	Out of Business; never charged back		**115.05**
Chris' Confections	103.43	3.12	Out of Business; chargedback in 2015	71.23	**35.32**
Wisconsin Cheese & Sausage		7.31	Out of Business; chargedback in 2014;could not chargeback in 2015		**7.31**
Crossfit Ancile	293.38	4.62	Out of Business; chargedback in 2014;could not chargeback in 2015		**298.00**
Sub-Total	1,374.07			**71.23**	**1,333.52**
Balance to be Written-Off					**1,333.52**

The last column represents the McFarland portion to be written off.
The amount that was charged back to the State, Dane County, McFarland Schools and MATC is reflected in the CHARGE BACK column.

*We are only allowed to chargeback one year for being out of business. If the Village doesn't remove the parcel from the tax roll for the next year, the Village is responsible.