VILLAGE OF MCFARLAND *NOTICE OF PUBLIC MEETING*

FINANCE COMMITTEE

Wednesday, January 27, 2021 **6:30 PM** **McFarland Municipal Center**
Community Room

AGENDA

You are invited to this meeting through a Zoom webinar. The Public is strongly encouraged to watch and participate in these meetings remotely through either the webinar or telephone options listed below.

PLEASE CLICK THE LINK BELOW TO JOIN THE ZOOM WEBINAR:
https://us02web.zoom.us/j/84229542321

Or by Telephone: +1 (312) 626-6799
Webinar ID: 842 2954 2321

1. CALL TO ORDER, ROLL CALL.

2. PUBLIC APPEARANCES.

   a. This is an opportunity for members of the public to address the Village Board. Please remember this is a virtual meeting conducted through the Zoom online meeting platform. Zoom meeting attendees wishing to address the board may do so using the Question and Answer feature within the Zoom online meeting platform. You may state your name, address, and provide your comments to the board for their consideration. Members of the public who are present in person and wish to address the board should fill out a public comment form and turn into the meeting chairperson. Members of the public may speak during public appearances or during their selected agenda item as they designate on the public comment form. Please adhere to the 3-minute time limit. Additionally, you may send your public comments to cassandra.suettinger@mcfarland.wi.us to be included as part of the meeting.

3. APPROVAL OF MINUTES.

   a. Discussion and action regarding the minutes of the meeting held on December 10, 2020.

4. BUSINESS.

   a. Discussion and action regarding Resolution #2021-04: a resolution authorizing entry into an intergovernmental cooperation agreement relating to the "Wisconsin Investment Series Cooperative" and authorizing participation in the investment programs of the fund.

   b. Update regarding 2021 Borrowing process.

c. Discussion regarding the proposed Capital Improvement Plan for 2021-2025.

5. SCHEDULE NEXT MEETING DATE.
   a. Wednesday, February 24, 2021 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

Thursday, December 10, 2020 - 6:30 PM

1. **CALL TO ORDER, ROLL CALL.**
   Trustee Mike Flaherty called the regular meeting of the Finance Committee to order at 6:30 PM in the Community Room.

   Members present: Rod Clark, Michael Flaherty, Gina Kolpek, Eric Kryzenske, Mary Pat Lytle (at 6:37pm), Jon Michels, Chuck Mulcahy, Chris St. Clair

   Members not present:

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

   Others Present: Carol Wirth from Wisconsin Public Finance Professionals

2. **PUBLIC APPEARANCES.**

   a. *This is an opportunity for members of the public to address the Village Board. Please remember this is a virtual meeting conducted through the Zoom online meeting platform. Zoom meeting attendees wishing to address the board may do so using the Question and Answer feature within the Zoom online meeting platform. You may state your name, address, and provide your comments to the board for their consideration. Members of the public who are present in person and wish to address the board should fill out a public comment form and turn into the meeting chairperson. Members of the public may speak during public appearances or during their selected agenda item as they designate on the public comment form. Please adhere to the 3-minute time limit. Additionally, you may send your public comments to cassandra.suettinger@mcfarland.wi.us to be included as part of the meeting.*
   None.

3. **APPROVAL OF MINUTES.**

   a. *Discussion and action regarding minutes of the meeting held on October 21, 2020.*
   Motion by Rod Clark, second by Jon Michels, to accept the minutes of the meeting held on October 21, 2020. Motion carries 8 - 0 - 0 by acclamation.

4. **BUSINESS.**

   a. *Presentation of the approved 2021 Budget and resulting property tax information.*
   Village Administrator Matt Schuenke presented the Committee with the 2021 Budget and the resulting property tax information.

   b. *Presentation and discussion regarding the plan for borrowing in order to fund the 2021 Capital Improvement Plan as presented by Carol Wirth of Wisconsin Public Finance Professionals.*
   Carol Wirth of Wisconsin Public Finance Professionals presented the plan for borrowing

in order to fund the 2021 Capital Improvement Plan. The Committee discussed the various types of borrowing methods and the differences between bonds and notes.

c. *Discussion and action to make a recommendation to the Village Board regarding the plan for the general obligation note issuance borrowing in order to fund the 2021 Capital Improvement Plan as presented by Carol Wirth of Wisconsin Public Finance Professionals.*

   Motion by Member Mary Pat Lytle, second by Rod Clark, to recommend approval to the Village Board regarding the plan for the general obligation note issuance borrowing in order to fund the 2021 Capital Improvement Plan as presented by Carol Wirth of Wisconsin Public Finance Professionals using the Public Sale Method. Motion carries 8 - 0 - 0 by acclamation.

d. *Discussion and action to make a recommendation to the Village Board regarding Resolution #2020-27: a resolution authorizing the borrowing of not to exceed $18,500,000; and providing for the issuance and sale of general obligation Public Safety Center bonds therefor.*

   Motion by Member Mary Pat Lytle, second by Member Chris St. Clair, to recommend approval to the Village Board regarding Resolution #2020-27: a resolution authorizing the borrowing of not to exceed $18,500,000; and providing for the issuance and sale of general obligation Public Safety Center bonds therefor using the Public Sale Method. Motion carries 8 - 0 - 0 by acclamation.

5. SCHEDULE NEXT MEETING DATE.

a. *Wednesday, January 27, 2020 at 6:30 pm.*

6. ADJOURNMENT.

Motion by Rod Clark, second by Chuck Mulcahy, to adjourn at 8:14pm.

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 OF

McFarland

SUMMARY SHEET

MEETING DATE: **Wednesday, January 27, 2021**

SECTION: **Business**

DEPARTMENT: **Administration**

CONTACT: **Matt Schuenke, Village Administrator**

AGENDA ITEM: **Discussion and action regarding Resolution #2021-04: a resolution authorizing entry into an intergovernmental cooperation agreement relating to the "Wisconsin Investment Series Cooperative" and authorizing participation in the investment programs of the fund.**

PREVIOUS ACTION:

None.

ISSUE SUMMARY:

Enclosed is a presentation we will receive in our meeting next week about potential investment opportunities. Right now the Village is limited in its "investments" essentially through a money market account at our banking institution and the Local Government Investment Pool through the State. There are other opportunities municipalities explore to generate additional interest income on their fund balances. While we have robust savings as it is, initially our proposal is to test out short term investment options using funds incurred through the borrowings to be completed next month. This is also a common occurrence for municipalities to generate interest income on borrowing proceeds before they are needed, especially for large projects where the money is received well before its needed. In our case, we will have a $14 million bond closed in late February to early March where funds are not likely needed to be drawn from until August or September time period. We could use that delay to generate additional income through other programs if they were desired. This presentation is meant to provide an overview of potential options and ideas, and if desirable a means to move that type of relationship forward if desired. This is not required of course, but again might be desirable to take advantage of the additional sums of money in hand and pursue other means of investment albeit on the short term.

FINANCIAL/BUDGET IMPACT:

To be discussed as part of our meeting.

VILLAGE PLAN REFERENCE:

Enclosed is the Investment Policy (Chapter 5) which was updated a few years ago.

ORDINANCE REFERENCE:

None.

BOARD, COMMISSION OR COMMITTEE RECOMMENDATION:

Presented for discussion and if desired to move forward, recommendation to the Village Board to adopt the enclosed resolution.

ATTACHMENTS:

1. WISC Resolution 2020
2. Village of McFarland WISC BPM presentation
3. Chapter 5 - Investment Policy 01.15.2020
4. Chapter 5 - Investment Policy Appendix A 06252018

RESOLUTION TO PARTICIPATE IN THE FUND

Wisconsin Investment Series Cooperative ®

A RESOLUTION AUTHORIZING ENTRY INTO AN INTERGOVERNMENTAL COOPERATION AGREEMENT RELATING TO THE "WISCONSIN INVESTMENT SERIES COOPERATIVE" AND AUTHORIZING PARTICIPATION IN THE INVESTMENT PROGRAMS OF THE FUND

WHEREAS, Wisconsin school districts, technical college districts, cities, villages, counties and towns may invest their monies as authorized by Wisconsin Statutes, Section 66.0603 (1m); and

WHEREAS, Wisconsin Statutes, Section 66.0301 (the "Intergovernmental Cooperation Act") provides, among other things, that municipalities may contract with other municipalities for the joint exercise of any power or duty required or authorized by law, including investment of their monies; and

WHEREAS, the Wisconsin Investment Series Cooperative (formerly known as the Wisconsin School District Liquid Asset Fund) (the "Fund") was formed as of June 23, 1988 pursuant to the Intergovernmental Cooperation Act by the adoption of an Intergovernmental Cooperation Agreement relating to the Wisconsin School District Liquid Asset Fund by Oregon School District and Sheboygan Area School District, as the initial participants of the Fund, which Agreement was amended as of July 15, 1994 and July 12, 2002 (the "Intergovernmental Cooperation Agreement'); and

WHEREAS, the Fund is governed by the Wisconsin Investment Series Cooperative Commission (the "Commission") in accordance with the terms of the Intergovernmental Cooperation Agreement; and

WHEREAS, the Intergovernmental Cooperation Agreement has been presented to this governing body (the "Governing Body"); and

WHEREAS, the Intergovernmental Cooperation Agreement authorizes municipalities to adopt and enter into the Intergovernmental Cooperation Agreement and become participants of the Fund; and

WHEREAS, this Governing Body deems it to be advisable for this Municipality (the "Municipality") to adopt and enter into the Intergovernmental Cooperation Agreement and become a participant of the Fund for the purpose of exercising jointly with other municipalities the power to invest their monies, so as to enhance the investment earnings accruing to each; and

WHEREAS, this Governing Body deems it to be advisable for this Municipality to make use from time to time, in the discretion of the officials of the Municipality identified in Section 2 of this Resolution, of the Fixed Rate Investment Program available to participants of the Fund; and

WHEREAS, this Governing Body deems it advisable for this Municipality to make use of, from time to time, the services provided by PMA Financial Network, LLC, PMA Securities, LLC, U. S. Bank National Association, and/or their affiliates and successors, in connection with the Municipality's utilization of the Fund.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. This Municipality shall join with other Wisconsin municipalities in accordance with the Intergovernmental Cooperation Act by becoming a participant of the Fund and adopting and entering into the Intergovernmental Cooperation Agreement. A copy of the Intergovernmental Cooperation Agreement shall be filed in the minutes of the meeting at which this Resolution was adopted. The President (Chairperson) (Mayor) and the Clerk (Secretary) are authorized to take such actions and execute any and all such documents as they may deem necessary and appropriate to effectuate the entry of this Municipality into the Intergovernmental Cooperation Agreement and to utilize Fund programs through PMA Financial Network, LLC, PMA Securities, LLC, U. S. Bank National Association, and/or their affiliates and successors.

Section 2. This Municipality is authorized to invest its available monies from time to time and to withdraw such monies from time to time in accordance with the provisions of the Intergovernmental Cooperation Agreement, including investment in the fixed-income program of the Fund through the intermediaries PMA Financial Network, LLC and PMA Securities, LLC The following officers and officials of this Municipality and their respective successors in office each are designated as "Authorized Officials" with full power and authority to effectuate the investment and withdrawal of monies of this Municipality from time to time in accordance with the Intergovernmental Cooperation Agreement and pursuant to the Fixed Rate Investment Program available to participants of the Fund: (List the name(s) and title(s) of the officer(s) and official(s) who will be authorized to invest and withdraw monies in and from the Fund and pursuant to the Fixed Rate Investment Program. You may have any number of Authorized Officials; attach an additional list if necessary.)

Name: ____________________________________**Position**:_______________________________**Signature**:____________________________

Name: ____________________________________**Position**:_______________________________**Signature**:____________________________

Name: ____________________________________**Position**:_______________________________**Signature**:____________________________

Name: ____________________________________**Position**:_______________________________**Signature**:_____________________________

The Clerk (Secretary) shall advise the Commission of any changes in Authorized Officials in accordance with procedures established by the Commission.

Section 3. Members of this Governing Body and officials of this Municipality are authorized to serve as Commissioners of the Commission from time to time if selected as such pursuant to the provisions of the Intergovernmental Cooperation Agreement.

Section 4. This Municipality may open depository accounts, enter into wire transfer agreements, safekeeping agreements, and lockbox agreements, or other applicable or related documents with U. S. Bank National Association, and any other institutions participating in the Fund programs or programs of PMA Financial Network, LLC and PMA Securities, LLC, pursuant to Wisconsin Statutes, Section 34.05, Wisconsin Statutes, Section 120.12(7) (if applicable) and, when directed by one of the Authorized Officials, Wisconsin Statutes, Section 66.0603. PMA Financial Network, LLC and/or PMA Securities, LLC are authorized to act on behalf of this Municipality as its agent with respect to such accounts and agreements.

Section 5. Credit unions, banks, savings banks, trust companies and savings and loan associations authorized to transact business in the State of Wisconsin which qualify as depositories under Wisconsin law and are included on a list approved and maintained for such purpose by the Administrator of the Fund are designated as depositories of this Municipality pursuant to Wisconsin Statutes, Section 120.12(7) (if applicable) and Wisconsin Statutes, Section 34.05. Monies of this Municipality may be deposited in such depositories, from time to time in the discretion of the Authorized Officials, pursuant to the Fixed Rate Investment Program available to participants of the Fund through the intermediary PMA Financial Network, LLC

It is hereby certified that ***(insert name of the Municipality)***

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duly adopted the Model Resolution at a duly convened meeting of the Governing Body of the Municipality held on the ________ day of ______________, 20______, and that such Resolution is in full force and effect on this date, and that such Resolution has not been modified, amended, or rescinded since its adoption.

____

Signature of Clerk (Secretary) **Date**

It is only necessary to adopt this resolution for the first account (master account) opened by your entity.

Attach original signed Resolution to Master Account Application and mail to:

PMA Financial Network, LLC • 2135 CityGate Lane, 7th Floor • Naperville , IL 60563

Toll-Free 800.783.4273 • Fax: 630.718.8701

Wisconsin Investment Series Cooperative Presentation to Village of McFarland

Sara Schnoor
VP, WI Institutional Sales
PMA Financial Network, LLC

January 27, 2020

PMA Overview

Serving the Public Sector for over 35 Years	• PMA Financial Network has been a leading provider of financial services to public entities since 1984
The PMA Companies (under common ownership)	• PMA Financial Network • PMA Asset Management (SEC registered investment advisor) • PMA Securities (Registered broker-dealer and municipal advisor member (FINRA and SIPC))
PMA Statistics	• Work almost exclusively with public funds • The PMA companies collectively have 140+ employees to meet the ongoing needs of our clients
Over $29.4 Billion in Assets Under Administration as of 12/31/2020*	• PMA Asset Management had nearly $14 billion in investment advisory assets under management (as of 12/31/20)

*Total assets under administration include both money market pool assets for which the PMA Companies serve as fund administrator/accountant, marketer/distributer, fixed income program provider (brokerage services), and/or investment advisory, or separate institutional accounts.

The Wisconsin Investment Team

Sara Schnoor
Vice President,
Institutional Sales

Josh Barbian
Associate Vice President,
Investment Services

Brett Weeden
Vice President,
Investment Services

Matt Silkey
Senior
Portfolio Advisor

Rob Muilenburg
Portfolio Advisor

Wisconsin Investment Series Cooperative (WISC)

- Established as an Intergovernmental Agreement in 1988
- Governing board consists of representatives from Wisconsin public entities
  - Chad Trowbridge, Chippewa Falls Area School District serves as Board Chair
  - Margaret Hamers, Washington County Finance Director
  - Kathy Kasza, City of Waupaca Finance Director
- Local government investment pool available only to public entities in Wisconsin
  - PMA Financial Network serves as Fund Administrator and PMA Securities serves as Marketer and Distributor
  - US Bank, NA serves as Fund Investment Adviser and PMA Asset Management serves as Sub-Adviser responsible for the day to day management of the Fund
  - US Bank, NA serves as Fund Custodian
- Investment relationships with over 280 WI public entities including over 50 municipalities and counties

Our founding principle – The PMA Analysis

- Understanding credit quality
  - Is the bank well capitalized?
  - What type and quality of loans are made?
  - How profitable is the bank and what is the trend?
  - Does the bank face liquidity challenges?
- Other considerations
  - Does this investment hold undue headline risk?
  - Has the institution or management faced regulatory issues?
- Ongoing surveillance of credit quality is critical
  - Who is watching the bank while the deposit is outstanding?
  - When is it time to limit exposure to an institution?

Investment Philosophy and Approach

- Conservative and Disciplined Investment Philosophy
  - Strict compliance with Wisconsin State Statutes and the Village's Investment Policy
  - Investments made based on tenets of safety, liquidity and yield
  - Public sector focus and knowledge

- Relationship Driven Approach
  - Investment strategy developed to meet the Village's specific needs and goals

Full Range of Investment Options Available

Short and long term investment options available
depending on the County's needs throughout the project.

WISC Investment Options				
	WISC Cash Management Class	WISC Investment Class	WISC Limited Term Duration Series	Fixed Income Investment Program
Investor Highlights	AAAm	AAAm	Same Approved List	QPD or Government
	$1.00 NAV	$1.00 NAV	Floating NAV	Fixed Term
	Daily Liquidity	Daily Liquidity after 2 week aging requirement	Quarterly Liquidity	Customized Maturities
	Market Based Yield	Market Based Yield	Market Based Yield	Fixed Rate
	<60 Day WAM	<60 Day WAM	1 Year Duration	QPD Banks and Gov't Securities

PMA's Bond Proceeds Management Program

- National Network and Local Bank Bidding Platform
  - PMA's comprehensive competitive bidding platform gives you access to the inventory of 50 securities dealers and our network of more than 1,000 financial institutions, inclusive of your local banks.
  - Our investment process involves competitive bidding of each investment with the expectation that a broad representation of market conditions will increase the likelihood of obtaining the best execution rate for the dollars invested.
  - PMA does not maintain an inventory of securities; rather, we look to our extensive dealer network to execute a competitive fixed rate investment bid on the client's behalf.

Pre-Execution Stage

Prior to bond closing date, PMA will analyze the relevant aspects of the project with a goal of creating an optimal investment strategy

Understanding the project draw schedule is a critical component to maximizing interest earnings and adherence to potential arbitrage issues or concerns

PMA's approach is collaborative with a focus on developing an investment strategy tailored and unique to each situation

The Process/Ongoing Management
Arbitrage Reporting

Bond reports will track:

- Project variables
- Interest earnings
- Spend-down status
- Potential arbitrage rebate liability

Licensed experts provide:

- Monthly updates and explanations
- Detailed analysis of liability status
- Expected spending requirements on specific future dates
- Red flags or notice of approaching potential concerns

The Process/Ongoing Management
Arbitrage Reporting

- Monthly Reporting

Bond Portfolio Management Report

Sample Issuer - 2020 Bond Proceeds — ***As of 10/30/20***

Investment Earnings Detail

$71,125.71	Current Portfolio Interest Income Estimate
$188,633.28	Potential Interest Income on Balances (.7%)
$259,758.99	Estimated Interest Income (Not including Rebate)
$107,331.42	Original Portfolio Interest Income Estimate
0.530%	Total Return for Arbitrage Purposes
308	Weighted Avg Life of Future Projected Expenses

Investment Proceeds Information

	06/10/20	Closing Date - Investment Proceeds Received
	$40,700,000.00	Investment Proceeds Received
+	$259,758.99	Total Interest Income Net of Rebate
=	$40,959,758.99	Total Funding Available as of 10/30/20
-	$1,210,192.33	Cumulative Expenses Through 10/30/20
=	$39,749,566.66	Outstanding P & I Net of Rebate after 10/30/20

Portfolio Arbitrage Status

Yield Restriction: The bond proceeds currently fall under the three year temporary period and are therefore not yield restricted.

Arbitrage Rebate: The proceeds are subject to arbitrage rebate; however, the issuer is currently investing below the arbitrage yield and currently does not expect to pay arbitrage.

$259,758.99	Estimated Interest Income (Not including Rebate)
$0.00	Anticipated Arbitrage Rebate Liability
$259,758.99	Total Interest Income Net of Rebate

$259,758.99	0.530%	Current Interest Estimate for Arbitrage Purposes
$1,076,866.41	2.172%	Maximum Interest Limited by Arbitrage Yield
$0.00	-1.641%	Potential Arbitrage Rebate Liability

Regulatory Requirement			Actual/Projected Portfolio Status			Regulatory Status as of 10/30/20
Estimated Spend-Down Requirements			Cumulative Expenses			$1,210,192.33 Expenses to Date: 2.95%
12/10/20	10%	$4,095,975.90	4.24%	$1,736,471.33	Projected Expense	Need to spend an additional $2,885,783.57
06/10/21	45%	$18,431,891.55	11.34%	$4,646,372.33	Projected Expense	Need to spend an additional $17,221,699.22
12/10/21	75%	$30,719,819.25	94.37%	$38,655,077.33	Projected Expense	Need to spend an additional $29,509,626.92
06/10/22	100%	$40,959,758.99	100.00%	$40,959,758.99	Projected Expense	Need to spend an additional $39,749,566.66
06/10/23	100%	$40,959,758.99	100.00%	$40,959,758.99	Projected Expense	Need to spend an additional $39,749,566.66
06/10/25	100%	$40,959,758.99	100.00%	$40,959,758.99	Projected Expense	Need to spend an additional $39,749,566.66

PMA's Bond Proceeds Management Program

- Final wrap-up/arbitrage calculation
  - PMA provides a final bond wrap-up with all bond documents and monthly reporting once project spending is complete. If necessary, a third party will perform a final arbitrage calculation and legal opinion.
  - There has recently been increased scrutiny by the IRS on tax-exempt issuers. This has led to more incidents of IRS audits, which further stresses the importance of maintaining proper bond proceeds and arbitrage reporting.

WISC Fee Schedule

- Paid on a transactional basis utilizing a buy and hold strategy
- Maximum fees dictated by WISC Information Statement and limited to:

Investment Type	Annualized Fee - Not to Exceed
US Government Treasury Securities	15 bps
US Government Agency/Instrumentality Securities	15 bps
Municipal Securities	15 bps
FDIC Insured Certificates of Deposit	25 bps
Collateralized Certificates of Deposit	35 bps

- PMA is compensated on a per transaction basis which includes, but is not limited to the following:
  - Credit/Collateral Monitoring
  - Safekeeping Charges
  - Wire Transfers
  - Monthly Reporting
  - Administrative Costs

Speaker Biography

Sara Schnoor
Vice President,
Wisconsin Institutional Sales
PMA Financial Network, LLC

Sara joined PMA in 2006 and serves as Vice President of Wisconsin Institutional Sales. She is the primary contact for Wisconsin counties, technical colleges and municipalities related to cash management and investment activity. Sara provides cash flow analysis, bond proceeds management and investing expertise to public entities across the state. She also has experience as a municipal credit rating analyst and as a public sector budget analyst.

Sara received her Bachelor of Arts degree from St. Norbert College. She went on to receive a Masters in Public Affairs from the University of Wisconsin-Madison. She recently served as the Associate Board Member for the Wisconsin Government Finance Officers Association and regularly attends meetings of the Wisconsin Counties Association, the Wisconsin City/County Management Association and the Municipal Treasurers Association of Wisconsin. Sara holds Series 7, 50, 63 and 65 securities licenses.

Disclosure

PMA Asset Management, LLC. ("PMA") is an investment adviser registered with the U.S. Securities and Exchange Commission. The information presented herein is for general information purposes only and is not a specific/buy sell recommendation. The analysis or information presented in this presentation is based upon hypothetical projections and/or past performance that may have certain limitations and is solely intended to suggest/discuss potentially applicable financing applications or investment strategies with you. Any terms discussed herein are preliminary until confirmed in a definitive written agreement.

Investment in securities involves risks, including the possible loss of the amount invested. In addition, past performance is no indication of future performance and the price or value of investments may fluctuate. Asset allocation does not assure or guarantee better performance and cannot eliminate the risk of investment losses. You should consider certain economic risks (and other legal, tax, and accounting consequences) prior to entering into any type of transaction with PMA Asset Management, LLC. PMA Asset Management, LLC and its employees do not offer tax or legal advice. You should consult with your tax and/or legal advisors before making any tax or legal related investment decisions.

Securities, public finance and institutional brokerage services are offered through PMA Securities, LLC, PMA Securities, LLC is a broker-dealer and municipal advisor registered with the SEC and MSRB, and is a member of FINRA and SIPC. PMA Asset Management, LLC, an SEC registered investment adviser, provides investment advisory services to separately managed accounts and local government investment pools. All other products and services are provided by PMA Financial Network, LLC PMA Financial Network, LLC., PMA Securities, LLC and PMA Asset Management (collectively "PMA") are under common ownership. Securities and public finance services offered through PMA Securities, LLC are available in CA, CO, FL, IL, IN, IA, MI, MN, MO, NE, OH, OK, PA, SD, TX and WI. This document is not an offer of services available in any state other than those listed above, has been prepared for informational and educational purposes and does not constitute a solicitation to purchase or sell securities, which may be done only after client suitability is reviewed and determined.

CHAPTER 5 Investment

SECTION 5.01 Policy Purpose

The purpose of these investment guidelines is to formalize the framework for the Village's daily banking and investment activities. The guidelines are intended to be broad enough to allow Village Staff the ability to function properly within the parameters of responsibility and authority granted by the Village Board, yet specific enough to adequately safeguard the Village's accounts. The primary objectives of this policy, in order of priority, are safety, liquidity and yield. This policy shall apply to all cash and investments of the Village, including all funds, excluding the investment of employees' retirement funds that are contained within the Wisconsin Retirement System managed by the State of Wisconsin or other third party administrators elected by the employee. Unless prohibited by law or contract, the Village may pool cash from several different funds to maximize returns. Funds subject to additional federal, state and/or contractual laws and regulations will be invested according to those laws and regulations. Investment income will be allocated to the various funds based on the percentage of their respective participation. For the purposes of financial statements, all cash and investments with an original maturity of three months or less will be considered cash and cash equivalents. Investments will be reported at fair values, based on quoted market values.

SECTION 5.02 Application

(a) The investment program shall be operated in conformance with federal, state, local, and other legal requirements as applicable. The Clerk/Treasurer shall be the investment officer and is responsible for the day to day management of investment activities under the supervision of the Administrator and as is authorized according to this policy. The Clerk/Treasurer will establish internal control procedures over cash and investment accounts in conformance with this policy and all other Financial Policies as may be appropriate. All purchases and sales of investments will be authorized by the Village Administrator and/or Village Board as this policy dictates. The Village Auditor will maintain its review authority that shall be inclusionary of all investment activities.

(b) The standard of prudence to be used by Village Investment Officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment Officials acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

(c) The "prudent person" standard states that, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

(d) Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions. In accordance with Article VIII of the Village Code of Ordinance defining Village Ethics Code, Employees and investment officials shall disclose to the Village President any material financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial or investment positions that could be related to the performance of the Village, or particularly with regard to the time of purchases and sales.

SECTION 5.03 Safety, Credit Risk, and Authorized Investments

(a) Safety and preservation of principal in the overall portfolio is the foremost investment objective. To ensure the safety of the Village's deposits and investments, the Village's policy includes sections on what investments are suitable, on how balances are protected and provides guidelines for institutions to be used.

(b) Credit risk is the risk that the Village would lose money due to the default of a bond or securities issuer. The Village reduces its exposure to this risk by restricting its allowed investments. The Village's investments are restricted in accordance with Wisconsin Statutes 66.0603 (Appendix A). The Village chooses to further manage its risk by establishing levels of authorization for its cash and investments as follows:

(1) The Clerk/Treasurer is authorized to manage the following cash and investments:

(i) Checking and saving accounts.

(ii) Local government investment pools either state-administered or developed through joint powers statutes and other intergovernmental agreement legislation, such as the Local Government Investment Pool.

(2) The Clerk/Treasurer is authorized to manage the following cash and investments subject to approval of the Village Administrator:

(i) Conventional certificates of deposits (fully FDIC insured for principal and/or fully collateralized as described below) and certificates of deposit purchased through the Certificate of Deposit Account Registry Service (CDARS) as available through Authorized Financial Institutions contained within Section 5.05 of this policy.

(ii) Money market mutual funds regulated by the Securities and Exchange Commission and whose portfolios consist of only of dollar-denominated securities.

(3) The Clerk/Treasurer is authorized to manage the following cash and investments subject to approval of the Village Board upon recommendation of the Finance Committee under consultation of legal counsel and a Certified Public Funds Investment Manager (CPFIM) as applicable:

(i) Bonds and securities issued by the federal government or a commission, board or other instrumentality of the federal government.

(ii) Bonds of any county, city, drainage district, technical college, village, town or school district of this state.

(iii) Commercial paper if rated in the highest tier (e.g. A-1, P-1, AAA) by a nationally recognized rating agency.

(iv) Overnight repurchase agreements with a public depository as defined in statute 34.01 (5), provided that the agreement is secured by bonds or securities issued or guaranteed as to principal and interest by the federal government and held by a third party custodian. The Village shall be informed of the specific collateral and investments in the repurchase agreements and the agreement shall be collateralized at 102% of the value of the Village's investment.

(4) **Prohibited Investments.** Village funds will not be invested in derivative type investments such as collateralized mortgage obligations, strips, floaters, etc. Certain types of such investments may qualify under state statute but are not deemed appropriate for use by the Village.

(c) The Village will engage in diversification of investments (type, length of maturity and institution) to the extent practicable considering yield, collateralization, investment costs and available bidders. The Village will get quotes from Authorized Financial Institutions whenever seeking investment opportunities for funds as deemed necessary by the Investment Officials. Concentration of credit risk is the risk that losses become substantial due to the magnitude of the Village's investment in a single issuer. The Village shall make an effort to minimize credit risk as appropriate through the strict application of this policy. Credit risk is further defined as the loss of all or part of the investment due to the failure of the security issuer or backer.

SECTION 5.04 Custodial Credit Risk

(a) Custodial credit risk is the risk of default by the holding institution, i.e. the bank holding cash or securities. The Village shall reduce this risk by ensuring substantially all funds are either insured, collateralized or registered to the Village. The terms "substantially all funds" recognizes that there are times when minimal amounts may not be protected in this manner, such as with cash on hand or in cases where the market value exceeds the face value of an investment. This risk is also reduced through the Village's selection of authorized financial institutions.

(b) It shall be the responsibility of the Clerk/Treasurer to verify substantially all funds are insured, collateralized or registered at all times.

(1) Village deposits will be protected through insurance:

(i) The Federal Deposit Insurance Corporation (FDIC) currently protects deposits up to $250,000 for checking and $250,000 for savings accounts.

(ii) The Wisconsin State Deposit Guarantee Fund protects public deposits under Statutes 20.144(1)(a) and 34.08(2) up to $400,000, after FDIC coverage, for any one public depositor in any individual public depository.

(iii) Due to the generally safe investment instruments utilized in the Pool, the Local Government Investment Pool shall be exempt from this section.

(2) Village deposits in excess of insurance will be protected through collateral:

(i) With a market valued of at least 102% of the uninsured balances;

(ii) Consisting of bonds or securities issued by the federal government, its agencies or instrumentalities or by any county, city, drainage district, technical college, village, town, school district, or an irrevocable letter of credit issued by a federal home loan bank, state bank, national bank, federal or state savings bank, federal or state credit union, or federal or state savings and loan association; and

(iii) Held by an independent third party custodian with whom the Village has a current custodial agreement.

(3) Collateral agreements are to prohibit the release of pledged assets without the Village's authorization, however substitution of like collateral (value and type) is allowed. The market value increases on FDIC insured certificates of deposit are exempt from this requirement.

(4) Proof of Village ownership of securities will be protected by:

(i) Securities will be registered through the Direct Registration System in the Village's name.

(ii) Securities Investor Protection Corporation (SIPC) protects investors by obtaining the securities registered in the Village's name in the event of a failed brokerage firm. After securities have been obtained by the SIPC, other balances are covered through SIPC protection up to $500,000 maximum per customer, including $250,000 in cash balances.

(iii) Trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.

(5) Due to the generally safe investment instruments utilized by the pool, the Local Government Investment Pool shall be allowed in excess of the State guaranteed $400,000 insurable limit.

(6) Collateralization of Village funds through an irrevocable letter of credit shall be allowed. The Clerk/Treasurer is responsible for ensuring the letter of credit is renewed annually.

SECTION 5.05 Authorized Financial Institutions

(a) The Clerk/Treasurer shall recommend to the Village Board for approval financial institutions to be utilized by the Village. As required under State Statute 34.05, the Village will approve institutions as public depositories separately through a Village

Board resolution. For a financial institution to be considered for use by the Village, they must have:

(1) Provided proof of state registration.

(2) Completed a signed certificate of having read, understood and agreeing to comply with the Village's investment policy (Appendix B).

(3) Provide evidence of participation in FIDC and/or SIPC programs, such as FDIC certificate number and specific name of registration.

(4) A Safe and Sound rating of 3 (performing) or better according to the site www.bankrate.com. Another industry used rating system may be substituted, by Investment Officials or by Village Board approval.

(5) Meet the FDIC's threshold to be considered a well-capitalized bank:

(i) Total risk-based capital ratio of 10% or higher;

(ii) Has a Tier 1 risk-based capital ratio of 6% of greater; and

(iii) Has a leverage ratio of 5% or greater.

(6) Broker/dealers will provide their most recent Broker check report from the Financial Industry Regulatory Authority, Inc (FINRA) along with all Central Registration Depository (CRD) numbers.

(7) Safekeeping institutions will also provide a copy of their report on internal controls as applicable to custody procedures.

(b) The Village investment policy requires items 3-7 be reviewed by the Clerk/Treasurer or designee quarterly for financial institutions doing more than $1.0 million in investment purchases, deposits, or safekeeping balances. Items 3-7 will be reviewed by the Clerk/Treasurer or designee at a minimum of every three years for all other authorized intuitions.

(c) The Village may enter into a contract with one or more Certified Public Funds Investment Managers (CPFIM) only upon approval of the Village Board. If used, the selection of an CPFIM will be based on the utilization of request for proposal, interviews, and/or reference reviews.

SECTION 5.06 Liquidity

(a) Village Investment Officials shall ensure that we have adequate funds in usable form to be able to meet ongoing business needs that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

(b) Interest rate risk is the risk that changes in the market interest rates will negatively affect the fair value of an investment. Generally, the fair value of longer maturity investments is more sensitive to changes in the market interest rate. The Village shall mitigate this risk by:

(1) Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

(2) Limiting the maturities of all investments when purchased to less than five (5) years.

(3) Laddering investments to meet cash flow needs.

SECTION 5.07 Yield

(a) The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of the Village's investment strategy is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:

(1) A security with declining credit may be sold early to minimize loss of principal.

(2) A security sale would improve the quality, yield, or target duration in the portfolio.

(3) Liquidity needs of the portfolio require that the security be sold.

(b) Given the passive nature of the Village's investment strategy, appropriate benchmarks for comparison include: the average Federal Funds rate, local government investment pool rate, and average return on the U.S. Treasury Bills.

SECTION 5.08 Policy Considerations

The Clerk/Treasurer or designee shall provide a cash and investment report to the Village Board at least bi-annually. The report shall summarize investments held and transactions made. It shall also discuss the current portfolio in terms of maturity, rates of return, market values and other features. All bank and investment accounts will be reconciled monthly. All investments will be marked to market monthly and unrealized gains and/or losses will be included with the investment income and return calculations. Any investments currently held that do not meet the guidelines of this policy when it is adopted shall be exempted from the requirements of this policy. At maturity or liquidation such monies shall be reinvested only as provided in this policy.

Dated this 25th day of June, 2018.

Village of McFarland:	Attest:
By:______________________________	By:______________________________
Brad Czebotar Village President	Cassandra Suettinger Clerk/Treasurer

Appendix B

Investment Policy Compliance Certificate

All financial institutions, broker/dealers, and/or investment advisors the Village conducts banking and investment activities with are required to have completed this certificate, prior to receiving Village funds or within 90 days of approval of this policy.

Please read the following statements and initial each individual item and sign below to indicate receipt, acknowledgment, understanding and agreement to comply with the statements and overall investment policy.

______ I have received a copy of the cash and investment policy for the Village of McFarland.

_____ I have actually read the entire cash and investment policy for the Village of McFarland.

_____ I understand the rules, regulations and procedures set forth in the investment policy.

______ I agree to abide by the rules, regulations and procedures set forth in the cash and investment policy.

_____ I agree to notify all investment officials of the Village if I believe the Village is not in compliance with the rules, regulations and procedures established in the cash and investment policy.

______ I understand that my signature below indicates that I have read, understood and I agree to comply with the Village's written policy.

____________ Date

____________________________________ Bank Name

____________________________________ Bank Representative Name (Printed)

____________________________________ Bank Representative Title

____________________________________ Bank Representative Signature

Appendix C

Definitions

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate.

CERTIFIED PUBLIC FUNDS INVESTMENT MANAGER (CPFIM): A certification issued through a nationally recognized accreditation program offered to financial officers and public entities in the arena of fixed income investing.

COLLATERAL: Securities, evidence of deposit or other property that a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposit of public monies.

COMMERCIAL PAPER: An unsecured promissory note issued primarily by corporations for a specific amount and maturing on a specific day. The maximum maturity for commercial paper is 270 days.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to $250,000 per deposit.

FEDERAL HOME LOAN BANKS (FHLB): Government sponsored wholesale banks (currently 12 regional banks) which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit institutions and insurance companies. The mission of FHLB is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FUNDS: A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residuals or equities, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. Examples of some of the funds used by the Village include the General Fund (main operating fund), Capital Fund, TID Fund, Water Utility, or Sewer Funds

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase – reverse repurchase agreements that establish each party's rights in the transactions. A master agreement will often specify among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

PRUDENT PERSON RULE: An investment standard that states the trustee may invest in a security if it is one that would be bought by a prudent person of discretion and intelligence who is seeking preservation of capital and a reasonable income.

PUBLIC DEPOSITORY: Wisconsin State Statute 34.01(5) states the governing board of each public depositor shall, by resolution, designate one or more public depositories, organized and doing business under the laws of this state or federal law and located in this state, in which the treasurer of the governing board shall deposit all public moneys received by him or her and specify whether the moneys shall be maintained in time deposits subject to the limitations of s. 66.0603(1m), demand deposits, or savings deposits and whether a surety bond or other security shall be required to be furnished under s. 34.07 by the public depository to secure the repayment of such deposits. "Public depository" means a federal or state credit union, federal or state savings and loan association, state bank, savings and trust company, federal or state savings bank, or national bank in this state which receives or holds any public deposits or the local government pooled- investment fund.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

REPURCHASE AGREEMENT (RP OR REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security “buyer” in effect lends the “seller” money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money, that is, increasing bank reserves.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank’s vaults for protection.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

U.S. INSTRUMENTALITIES: An organization that serves a public purpose and is closely tied to federal government, but is not a government agency. Many instrumentalities are private companies, and some are charted directly by the federal government. Fannie Mae, Freddie Mac and Sallie Mae are all examples of federal instrumentalities and carry an implicit guarantee from the U.S. Treasury, not an explicit guarantee.

Menu

66.0603 Investments.

(1g) DEFINITION. In this secon, “governing board" has the meaning given under s. 34.01 (1) but does not include a local exposion district board created under subch. II of ch. 229 or a local cultural arts district board created under subch. V of ch. 229.

NOTE: Sub. (1g) is shown as renumbered from sub. (1g) (a) by the legislave reference bureau under s. 13.92 (1) (bm) 2.

(1m) INVESTMENTS.

(a) A county, city, village, town, school district, drainage district, technical college district or other governing board, other than a local professional football stadium district board created under subch. IV of ch. 229, may invest any of its funds not immediately needed in any of the following:

1. Time deposits in any credit union, bank, savings bank, trust company, or savings and loan associaon which is authorized to transact business in this state.
2. Bonds or securies issued or guaranteed as to principal and interest by the federal government, or by a commission, board or other instrumentality of the federal government.
3. Bonds or securies of any county, city, drainage district, technical college district, village, town or school district of this state.

3m. Bonds issued by a local exposion district under subch. II of ch. 229.

3p. Bonds issued by a local professional baseball park district created under subch. III of ch. 229.

3q. Bonds issued by a local professional football stadium district created under subch. IV of ch. 229.

3s. Bonds issued by the University of Wisconsin Hospitals and Clinics Authority.

3t. Bonds issued by a local cultural arts district under subch. V of ch. 229.

3u. Bonds issued by the Wisconsin Aerospace Authority.

4. Any security which matures or which may be tendered for purchase at the opon of the holder within not more than 7 years of the date on which it is acquired, if that security has a rang which is the highest or 2nd highest rang category assigned by Standard & Poor's corporaon, Moody's investors service or other similar naonally recognized rang agency or if that security is senior to, or on a parity with, a security of the same issuer which has such a rang.
5. Securies of an open-end management investment company or investment trust, if the investment company or investment trust does not charge a sales load, if the investment company or investment trust is registered under the investment company act of 1940, 15 USC 80a-1 to 80a-64, and if the porolio of the investment company or investment trust is limited to the following:
   a. Bonds and securies issued by the federal government or a commission, board or other instrumentality of the federal government.
   b. Bonds that are guaranteed as to principal and interest by the federal government or a commission, board or other instrumentality of the federal government.
   c. Repurchase agreements that are fully collateralized by bonds or securies under subd. 5. a. or b.

(b)

1. A town, city, or village may invest surplus funds in any bonds or securities issued under the authority of the municipality, whether the bonds or securities create a general municipality liability or a liability of the property owners of the municipality for special improvements, and may sell or hypothecate the bonds or securities. Funds of an employer, as defined by s. 40.02 (28), in a deferred compensaon plan may also be invested and reinvested in the same manner authorized for investments under s. 881.01.
2. Funds of any school district operang under ch. 119, held in trust for pension plans intended to qualify under secon 401 (a) of the Internal Revenue Code, other than funds held in the public employee trust fund, may be invested and reinvested in the same manner as is authorized for investments under s. 881.01.
3. A school district may invest and reinvest funds that are held in trust, other than funds held in the public employee trust fund, solely to provide any of the following benefits, in the same manner as is authorized for investments under s. 881.01:
   a. Post-employment health care benefits provided either separately or through a defined benefit pension plan.
   b. Other post-employment benefits provided separately from a defined benefit pension plan.
4. A school board may not discuss or vote on establishing a trust fund to provide the benefits described in subd. 3. unless the noce of the school board meeng at which the discussion or vote may occur includes the issue as a separate agenda item.
5. A city, village, town, county, drainage district, technical college district, or other governing board as defined by s. 34.01 (1) may invest and reinvest funds that are held in trust, other than funds held in the public employee trust fund, solely to provide any of the following benefits, in the same manner as is authorized for investments under s. 881.01:
   a. Post-employment health care benefits provided either separately or through a defined benefit pension plan.
   b. Other post-employment benefits provided separately from a defined benefit pension plan.
6. Funds that are held in trust to provide the benefits described in subds. 3. and 5. shall be held in a trust fund that is separate from all other trust funds created by, or under the control of, the local governmental unit.

(c) A local government, as defined under s. 25.50 (1) (d), may invest surplus funds in the local government pooled-investment fund. Cemetery care funds, including gis where the principal is to be kept intact, may also be invested under ch. 881.

(d) A county, city, village, town, school district, drainage district, technical college district or other governing board as defined by s. 34.01 (1) may engage in financial transacons in which a public depository, as defined in s. 34.01 (5), agrees to repay funds advanced to it by the local government plus interest, if the agreement is secured by bonds or securities issued or guaranteed as to principal and interest by the federal government.

(e) Subject to s. 67.11 (2) with respect to funds on deposit in a debt service fund for general obligaon promissory notes issued under s. 67.12 (12), a county having a populaon of 500,000 or more, or a person to whom the county has delegated investment authority under sub. (5), may invest and reinvest in the same manner as is authorized for investments and reinvestments under s. 881.01, any of the following:

1. Moneys held in any stabilizaon fund established under s. 59.87 (3).
2. Moneys held in a fund or account, including any reserve fund, created in connecon with the issuance of appropriaon bonds under s. 59.85 or general obligaon promissory notes under s. 67.12 (12) issued to provide funds for the payment of all or a part of the county's unfunded prior service liability.
3. Moneys appropriated or held by the county to pay debt service on appropriaon bonds or general obligaon promissory notes under s. 67.12 (12).
4. Moneys constung proceeds of appropriaon bonds or general obligaon promissory notes described in subd. 2. that are available for investment unl they are spent.
5. Moneys held in an employee rerement system of the county.

(f) Subject to s. 67.11 (2) with respect to funds on deposit in a debt service fund for general obligaon promissory notes issued under s. 67.12 (12), a 1st class city, or a person to whom the city has delegated investment authority under sub. (5), may invest and reinvest in the same manner as is authorized for investments and reinvestments under s. 881.01, any of the following:

1. Moneys held in any stabilizaon fund established under s. 62.622 (3).
2. Moneys held in a fund or account, including any reserve fund, created in connecon with the issuance of appropriaon bonds under s. 62.62 or general obligaon promissory notes under s. 67.12 (12) issued to provide funds for the payment of all or a part of the city's unfunded prior service liability.
3. Moneys appropriated or held by the city to pay debt service on appropriaon bonds or general obligaon promissory notes under s. 67.12 (12).
4. Moneys constung proceeds of appropriaon bonds or general obligaon promissory notes described in subd. 2. that are available for investment unl they are spent.
5. Moneys held in an employee rerement system of the city.

(g) A technical college district that receives funds from parcipaon in an aucon of digital broadcast spectrum administered by the federal communicaons commission may hold those funds in trust and may invest and reinvest those funds in the same manner authorized for investments under s. 881.01. Funds held in trust under this paragraph may only be distributed from the trust in a manner consistent with ch. 38 and in accordance with the terms of the trust. Any trust formed pursuant to this paragraph shall be separate from any other trust created by, or under the control of, the technical college district.

(2) Delegation of investment authority. A county, city, village, town, school district, drainage district, technical college district or other governing board, as defined in s. 34.01 (1), may delegate the investment authority over any of its funds not immediately needed to a state or naonal bank, or trust company, which is authorized to transact business in this state if all of the following condions are met:

(a) The instuon is authorized to exercise trust powers under s. 221.0316 or ch. 223.

(b) The governing board renews annually the investment agreement under which it delegates its investment authority, and reviews annually the performance of the instuon with which its funds are invested.

(3) Additional delegation of investment authority.

(a) In addion to the authority granted under sub. (2), a school district operang under ch. 119 may delegate the investment authority over any of its funds not immediately needed and held in trust for its qualified pension plans to an investment manager who meets the requirements and qualificaons specified in the trust's investment policy and who is registered as an investment adviser under the Investment Advisers Act of 1940, 15 USC 80b-3.

(b) In addion to the authority granted under sub. (2), a school district may delegate the investment authority over the funds described under sub. (1m) (b) 3. to an investment manager who meets the requirements and qualificaons specified in the trust's investment policy and who is registered as an investment adviser under 15 USC 80b-3.

(c)

1. In addion to the authority granted under sub. (2), a city, village, town, county, drainage district, technical college district, or other governing board as defined by s. 34.01 (1) may delegate the investment authority over the funds described under sub. (1m) (b) 5. to an investment manager who meets the requirements and qualificaons specified in the trust's investment policy and who is registered as an investment adviser under 15 USC 80b-3.
2. If a unit of government described under subd. 1. has established a trust described in sub. (1m) (b) 5., it shall annually publish a wrien report that states the amount in the trust, the investment return earned by the trust since the last report was published, the total disbursements made from the trust since the last report was published, and the name of the investment manager if investment authority has been delegated under subd. 1.

(d)

1. In addion to the authority granted under sub. (2), a technical college district may delegate the investment authority over the funds described under sub. (1m) (g) to an investment manager who meets the requirements and qualificaons specified in the trust's investment policy and who is registered as an investment adviser under the Investment Advisers Act of 1940, 15 USC 80b-3.
2. If a technical college district has established a trust described in sub. (1m) (g), it shall annually publish a wrien report that states the amount in the trust, the investment return earned by the trust since the last report was published, the total disbursements made from the trust since the last report was published, and the name of the investment manager if investment authority has been delegated under subd. 1.

(4) Invested fund proceeds in populous cities, use. In a 1st class city, all interest derived from invested funds held by the city treasurer in a custodial capacity on behalf of any polical enty, except for pension funds, is general revenue of the city and shall revert to the city's general fund upon the approval by the polical enty evidenced by a resoluon adopted for that purpose.

(5) Delegation of investment authority in connection with pension financing in populous cities and counties. The governing body of a county having a populaon of 500,000 or more, or a 1st class city, may delegate investment authority over any of the moneys described in sub. (1m) (e) or (f) to any of the following persons, which shall be responsible for the general administraon and proper operaon of the county's or city's employee rerement system, subject to the governing body's finding that such person has experse in the field of investments:

(a) A public board that is organized for such purpose under county or city ordinances.

(b) A trustee, investment advisor, or investment banking or consulng firm.

History: 1999 a. 9 ss. 1607, 1608; 1999 a. 65 ss. 15 to 17; 1999 a. 150 ss. 93, 95, 168; 1999 a. 167 ss. 31, 32; 1999 a. 186 ss. 43, 44; 2001 a. 30; 2003 a. 264; 2005 a. 99, 335; 2007 a. 82, 115; 2009 a. 28; 2015 a. 60; 2017 a. 59, 78; s. 13.92 (1) (bm) 2.

Cross-reference: See also s. 157.50 (6) as to investment of municipal care funds.

Based on the plain meaning of the word "investment," the exchange of surplus county funds for U.S. gold coins would be an investment within the meaning of s. 59.61 (3). This secon provides the authorized list of investments that a county can make with county funds, and the statute does not authorize an investment in U.S. gold coins. OAG 2-13.

Menu

VILLAGE OF
McFarland

SUMMARY SHEET

MEETING DATE: **Wednesday, January 27, 2021**

SECTION: **Business**

DEPARTMENT: **Administration**

CONTACT: **Matt Schuenke, Village Administrator**

AGENDA ITEM: **Update regarding 2021 Borrowing process.**

PREVIOUS ACTION:
The Finance Committee considered this item at its meeting on December 10, 2020.

The Village Board took up and approved the recommendation of the Finance Committee at its meeting on December 14, 2020.

ISSUE SUMMARY:
Just an update on our progress to complete the 2021 Borrowing for both the bonds and notes. The Village Board did accept the plan for the notes and approved the resolution for the bonds. The Official Statement is nearly complete, and Staff will be meeting with Moody's the week of January 25th. We would expect to release the Official Statement to Underwriters around January 28th and receive our rating back by February 3rd. Bids are scheduled to be received and considered by the Village Board on February 8th. Closing will happen with delivery of funds to the Village by March 1st. Everything is in order and on schedule to complete as listed.

FINANCIAL/BUDGET IMPACT:
None.

VILLAGE PLAN REFERENCE:
None.

ORDINANCE REFERENCE:
None.

BOARD, COMMISSION OR COMMITTEE RECOMMENDATION:
Presented as an update. No action needed.

ATTACHMENTS:
None

VILLAGE OF
McFarland

SUMMARY SHEET

MEETING DATE: **Wednesday, January 27, 2021**

SECTION: **Business**

DEPARTMENT: **Administration**

CONTACT: **Matt Schuenke, Village Administrator**

AGENDA ITEM: **Discussion regarding the proposed Capital Improvement Plan for 2021-2025.**

PREVIOUS ACTION:
None.

ISSUE SUMMARY:
Enclosed is the draft 2021-2025 Capital Improvement Plan. This is substantially higher than past years due to the need to borrow via large bonds rather than notes like we are accustomed to. The bonds are needed to borrow over a 20 year period in order to fund some of the larger facility projects that are included within this plan. Most notably is the Public Safety Center which is set to begin construction this Summer. As we have discussed, a bulk of the bonds to be borrowed will be issued this year with the remainder borrowed next year to reconcile all remaining project costs. The Community Center is the next biggest draw which has been pushed back a year and costs increased pending further study. The Committee of the Whole is working on this and discussing internally various aspects of need to develop into a plan later. Through these discussions it was noted a later construction start for this project might be prudent to allow more planning discussion. There are other substantial road projects, vehicle purchases, and park improvements as we normally might consider from year to year. This list though is meant to be all inclusive of the long term capital needs of the Village in order to better plan for these needs over time.

FINANCIAL/BUDGET IMPACT:
On average over the 5 year life of this plan, the average tax rate increase is $0.27 per thousand dollars of value. The median home value as of January 1, 2020 is $295,100 and an individual with that level of value would expect to pay approximately $78.99 more per year on average under this plan. By comparison, last year's plan was accepted at an average tax rate increase of $0.19 per thousand dollars of value which the average homeowner would have expected to pay on average $52.15 more per year. The increase between plans is attributed to increases in projected costs mainly for the Public Safety Center and proposed cost of the Community Center, nearly all other expenses planned for the next five years remain consistent with the previous year's plan. As we did last year, we also take in account average growth rates according to historical averages which as of late have been very good. Interest rates remain very low which is a benefit to the projected performance of this plan.

VILLAGE PLAN REFERENCE:

VILLAGE OF
McFarland

None.

ORDINANCE REFERENCE:
None.

BOARD, COMMISSION OR COMMITTEE RECOMMENDATION:
Presented for discussion as an introduction to the plan.

ATTACHMENTS:
1. 2021-2025 McFarland CIP - DRAFT - 01222021 mgs

VILLAGE OF McFarland

5 Year
Capital Improvement Program

2021-2025

TBD
Finance Committee Review and Recommendation

TBD
Village Board Review and Approval

DRAFT

2021-2025 McFarland Capital Improvement Plan

Funding Summary

By Department…	2021	2022	2023	2024	2025	Total
Administration	58,000	59,000	65,500	42,500	42,500	267,500
Facilities	14,837,000	5,351,000	7,650,000	151,000	601,000	28,590,000
Communications/Technology	0	15,000	5,000	5,000	5,000	30,000
Police	109,250	127,000	125,000	85,000	115,000	561,250
Fire and Rescue	1,485,250	179,250	159,000	57,000	345,250	2,225,750
Emergency Management	0	0	0	0	0	0
Public Works	2,500,500	2,119,750	5,971,000	6,394,500	2,503,500	19,489,250
Senior Outreach	2,500	0	0	0	0	2,500
Library	43,000	64,000	108,000	8,000	8,000	231,000
Parks	873,000	1,315,000	1,315,000	1,315,000	1,315,000	6,133,000
Community Development	264,000	79,000	129,000	34,000	54,000	560,000
Total	20,172,500	9,309,000	15,527,500	8,092,000	4,989,250	58,090,250

By Fund…	2021	2022	2023	2024	2025	Total
General - Fund 100	804,500	29,500	29,500	29,500	29,500	922,500
Comm/Tech - Fund 200	-	15,000	5,000	5,000	5,000	30,000
TID #3 - Fund 305	25,000	25,000	-	-	-	50,000
TID #4 - Fund 310	25,000	-	50,000	-	200,000	275,000
TID #5 - Fund 315	-	-	-	-	-	-
Capital Projects - Fund 400	17,600,750	7,720,250	11,261,000	3,215,750	2,800,250	42,598,000
Parks - Fund 405	449,000	565,000	565,000	565,000	565,000	2,709,000
Utility - Fund 600	974,750	901,250	3,220,250	3,737,750	1,357,000	10,191,000
Stormwater - Fund 605	293,500	53,000	396,750	539,000	32,500	1,314,750
Total	20,172,500	9,309,000	15,527,500	8,092,000	4,989,250	58,090,250

Within Fund 400…	2021	2022	2023	2024	2025	Total
Tax Levy	280,000	290,000	300,000	310,000	320,000	1,500,000
Grants	5,000	-	508,000	1,260,750	-	1,773,750
Intergovernmental	329,000	-	-	-	-	329,000
Borrowing	16,490,000	6,661,500	10,428,000	1,645,000	2,445,250	37,669,750
Reserves	496,750	768,750	25,000	-	35,000	1,325,500
Total	17,600,750	7,720,250	11,261,000	3,215,750	2,800,250	42,598,000

Within Borrowing…	2021	2022	2023	2024	2025	Total
Bonds	14,000,000	4,500,000	7,500,000	-	-	26,000,000
Notes	2,490,000	2,161,500	2,928,000	1,645,000	2,445,250	11,669,750
Total	16,490,000	6,661,500	10,428,000	1,645,000	2,445,250	37,669,750

Within Fund 600 and 605…	2021	2022	2023	2024	2025	Total
Water	233,500	824,750	2,202,750	1,699,250	1,346,000	6,306,250
Sewer	741,250	76,500	1,017,500	2,038,500	11,000	3,884,750
Storm Sewer	293,500	53,000	396,750	539,000	32,500	1,314,750
Total	1,268,250	954,250	3,617,000	4,276,750	1,389,500	11,505,750

Capital Improvement Program

Village of McFarland | *Prior Plan Approval/Inclusion Year:* **2018** **2019** **2020** **2021** **2022** **2023** **2024** **2025** | Program Year: 2021

Funding by Project

Projects	Dept	General Fund 100	Comm/Tech Fund 200	TID #3 Fund 305	TID #4 Fund 310	TID #5 Fund 315	Capital Projects - Fund 400 General	Grants	Intergov	Borrow	Reserve	Total	Parks Fund 405	Utility - 600 Water	Sewer	Stormwater Fund 605	Total
Digital Records Mgmt	Admin										25,000	25,000					25,000
Equipment/Furniture	Admin	2,500										-					2,500
Library Impact Fee	Admin									20,000		20,000					20,000
Workstation Replace	Admin						10,500					10,500					10,500
Facility Plan/Design - CS	Facilities									20,000	30,000	50,000					50,000
Facility Plan/Design - PS	Facilities									500,000	137,000	637,000					637,000
Land Acquisition	Facilities						40,000					40,000					40,000
Network Equip	Facilities						2,500					2,500		2,500	2,500	2,500	10,000
Public Safety Center I	Facilities									14,000,000		14,000,000					14,000,000
Sinking Fund	Facilities						100,000					100,000					100,000
	C/T											-					-
	C/T											-					-
	C/T											-					-
Equipment	Police	5,500										-					5,500
Patrol Vehicle (Lease)	Police						35,250				500	35,750					35,750
Technology	Police	38,000										-					38,000
Traffic Safety	Police	6,500								23,500		23,500					30,000
Car 1 Sinking Fund	Fire/EMS						5,750					5,750					5,750
Equipment - EMS	Fire/EMS	1,250										-					1,250
Equipment - Fire	Fire/EMS	23,750										-					23,750
Equipment - General	Fire/EMS						5,000	5,000		28,000	250	38,250					38,250
Equipment - Medical	Fire/EMS						4,250					4,250					4,250
Ladder Truck	Fire/EMS	700,000								685,000	20,000	705,000					1,405,000
Technology	Fire/EMS						7,000					7,000					7,000
	EM											-					-
	EM											-					-
	EM											-					-
CTH MN 4 (Build)	DPW								329,000	170,000		499,000				119,000	618,000
E. Interceptor I (Build)	DPW									100,000		100,000			676,000		776,000
Equipment - General	DPW						25,000					25,000					25,000
Exchange Street (Design)	DPW									125,000		125,000					125,000
Leased Equipment	DPW						17,250					17,250		4,250	4,250	4,250	30,000
Patrol Truck	DPW									47,500	35,000	82,500		47,500	47,500	47,500	225,000
Pickup Truck	DPW										10,000	10,000		10,000	10,000	10,000	40,000
Sinking Fund	DPW						1,000					1,000		1,000	1,000	1,000	4,000
Small Capital	DPW											-				2,500	2,500
Street Maintenance	DPW									300,000		300,000					300,000
Street Sweeper	DPW											-				20,000	20,000
Street Tree Planting	DPW	25,000										-					25,000
Stormwater Projects	DPW											-				86,750	86,750
Technology	DPW									55,000		55,000					55,000
Water Valve Turner	DPW											-		125,000			125,000
Well #3 (N. Autumn)	DPW											-		43,250			43,250
	Outreach											-					-
Tables	Outreach						2,500					2,500					2,500
	Outreach											-					-
Comp - Workstation	Library						8,000					8,000					8,000
Equipment - Furniture	Library										5,000	5,000					5,000
Equipment - Other	Library						5,000					5,000					5,000
Facility - Mechanicals	Library									16,000		16,000					16,000
Facility - Structural	Library										9,000	9,000					9,000
Brandt Park	Parks											-					-
Consultant Services	Parks										15,000	15,000					15,000
Equipment - General	Parks						9,000					9,000					9,000
Equipment - Park	Parks											-	15,000				15,000
General Improve	Parks											-	75,000				75,000
Park Improvements	Parks									350,000		350,000	350,000				700,000
Property Acquisition	Parks											-					-
Ridgeview Tot Lot	Parks											-	9,000				9,000
Siggelkow Road Park	Parks											-					-
Urso/Schuetz	Parks										50,000	50,000					50,000
Brand Development	CD			25,000	25,000						85,000	85,000					135,000
East Side Plan	CD									50,000		50,000					50,000
Econ Devel Plan	CD										50,000	50,000					50,000
Small Capital	CD	2,000										-					2,000
Sinking Fund	CD						2,000					2,000					2,000
Sustainability Plan	CD										25,000	25,000					25,000
Total Projects		804,500	-	25,000	25,000	-	280,000	5,000	329,000	16,490,000	496,750	17,600,750	449,000	233,500	741,250	293,500	20,172,500

Capital Improvement Program

Village of McFarland | *Prior Plan Approval/Inclusion Year:* 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | Program Year: 2022

Funding by Project

Projects	Dept	General Fund 100	Comm/Tech Fund 200	TID #3 Fund 305	TID #4 Fund 310	TID #5 Fund 315	Capital Projects - Fund 400 General	Grants	Intergov	Borrow	Reserve	Total	Parks Fund 405	Utility - 600 Water	Sewer	Stormwater Fund 605	Total
Comp/Class Study	Admin									20,000		20,000					20,000
Digital Records Mgmt	Admin									25,000		25,000					25,000
Equipment/Furniture	Admin	2,500										-					2,500
Workstation Replace	Admin						11,500					11,500					11,500
Land Acquisition	Facilities						40,000					40,000					40,000
Muni Center Roof	Facilities										700,000	700,000					700,000
Network Equip	Facilities						5,000					5,000		2,000	2,000	2,000	11,000
Public Safety Center II	Facilities									4,500,000		4,500,000					4,500,000
Sinking Fund	Facilities						100,000					100,000					100,000
												-					-
Equipment Upgrade	C/T		15,000									-					15,000
												-					-
Equipment	Police						7,000				8,000	15,000					15,000
Patrol Vehicle (Lease)	Police						50,000					50,000					50,000
Traffic Safety	Police									20,000		20,000					20,000
Vehicle (Chief)	Police									42,000		42,000					42,000
ATV Replace	Fire/EMS									30,000		30,000					30,000
Car 1 Replacement	Fire/EMS										60,000	60,000					60,000
Car 1 Sinking Fund	Fire/EMS						6,000					6,000					6,000
EMS Equipment	Fire/EMS						7,500					7,500					7,500
Fire Equipment	Fire/EMS						24,250					24,250					24,250
Patient Cots	Fire/EMS									42,000		42,000					42,000
Technology	Fire/EMS						9,500					9,500					9,500
	EM											-					-
	EM											-					-
	EM											-					-
Chipper	DPW									70,000		70,000					70,000
CTH MN 5 (Design)	DPW									50,000		50,000					50,000
Exchange Street (Design)	DPW									50,000		50,000					50,000
GIS/Asset Mgmt	DPW									75,000		75,000					75,000
Large Mower	DPW									100,000		100,000					100,000
Leased Equipment	DPW						9,000					9,000		8,000	8,000	8,000	33,000
Lift Station #2 (Design)	DPW											-			45,000		45,000
Paulson Road (Design)	DPW									100,000		100,000					100,000
Pedestrian Ways	DPW						9,250				750	10,000					10,000
Pickup Truck (1-Ton)	DPW									21,000		21,000		20,500	20,500	20,500	82,500
Sinking Fund	DPW						1,000					1,000		1,000	1,000		3,000
Small Capital	DPW											-				2,500	2,500
Street Constr	DPW									500,000		500,000		500,000			1,000,000
Street Maintenance	DPW									150,000		150,000					150,000
Street Sweeper	DPW											-				20,000	20,000
Street Tree Planting	DPW	25,000										-					25,000
Stump Grinder	DPW									10,500		10,500					10,500
Well #1 (Discovery)	DPW											-		43,250			43,250
Well Rehab	DPW											-		250,000			250,000
	Outreach											-					-
	Outreach											-					-
	Outreach											-					-
	Library											-					-
Comp - Workstation	Library						8,000					8,000					8,000
Mechanicals	Library									38,000		38,000					38,000
Site Work	Library									18,000		18,000					18,000
General Improve	Parks											-	50,000				50,000
Park Equipment	Parks											-	15,000				15,000
Park Improvements	Parks									750,000		750,000	500,000				1,250,000
Property Acquisition	Parks											-					-
Brand Development	CD									25,000		25,000					25,000
Housing Study	CD									25,000		25,000					25,000
Small Capital	CD	2,000										-					2,000
Sinking Fund	CD						2,000					2,000					2,000
TID Project Planning	CD			25,000								-					25,000
Total Projects		29,500	15,000	25,000	-	-	290,000	-	-	6,661,500	768,750	7,720,250	565,000	824,750	76,500	53,000	9,309,000

Capital Improvement Program

Village of McFarland | *Prior Plan Approval/Inclusion Year:* **2018** **2019** **2020** **2021** **2022** **2023** **2024** **2025** | Program Year: 2023

Funding by Project

Projects	Dept	General Fund 100	Comm/Tech Fund 200	TID #3 Fund 305	TID #4 Fund 310	TID #5 Fund 315	Capital Projects - Fund 400 General	Grants	Intergov	Borrow	Reserve	Total	Parks Fund 405	Utility - 600 Water	Sewer	Stormwater Fund 605	Total
Digital Records Mgmt	Admin									25,000		25,000					25,000
Equipment/Furniture	Admin	2,500										-					2,500
Split Polling Place	Admin									25,000		25,000					25,000
Workstation Replace	Admin						13,000					13,000					13,000
Comm Center	Facilities									7,500,000		7,500,000					7,500,000
Land Acquisition	Facilities						40,000					40,000					40,000
Network Equip	Facilities						4,000					4,000		2,000	2,000	2,000	10,000
Sinking Fund	Facilities						100,000					100,000					100,000
	C/T											-					-
Equipment Upgrade	C/T		5,000									-					5,000
	C/T											-					-
Equipment	Police						10,000				5,000	15,000					15,000
Patrol Vehicle (Lease)	Police						50,000					50,000					50,000
Traffic Safety	Police									20,000		20,000					20,000
Vehicle (Invest.)	Police									40,000		40,000					40,000
Car 1 Sinking Fund	Fire/EMS						6,250					6,250					6,250
EKG Monitors	Fire/EMS									84,500		84,500					84,500
EMS Equipment	Fire/EMS						12,000					12,000					12,000
Fire Equipment	Fire/EMS						35,250			11,500		46,750					46,750
Technology	Fire/EMS						9,500					9,500					9,500
	EM											-					-
	EM											-					-
	EM											-					-
CTH MN 5 (Build)	DPW							508,000		260,000		768,000		571,000		184,750	1,523,750
E. Interceptor II (Design)	DPW											-			30,000		30,000
Exchange Street (Design)	DPW									50,000		50,000					50,000
Leased Equipment	DPW						9,000					9,000		8,000	8,000	8,000	33,000
Lift Station #2 (Build)	DPW											-			800,000		800,000
Patrol Truck	DPW									45,000	20,000	65,000		45,000	45,000	45,000	200,000
Paulson Road (Build)	DPW									770,000		770,000		363,750	119,500	122,500	1,375,750
Pedestrian Ways	DPW									10,000		10,000					10,000
Pickup Truck	DPW									12,000		12,000		12,000	12,000	12,000	48,000
Sinking Fund	DPW						1,000					1,000		1,000	1,000		3,000
Small Capital	DPW											-				2,500	2,500
Street Constr	DPW									500,000		500,000		500,000			1,000,000
Street Maintenance	DPW									150,000		150,000					150,000
Street Sweeper	DPW											-				20,000	20,000
Street Tree Planting	DPW	25,000										-					25,000
Tower Paint (Burma)	DPW											-		700,000			700,000
	Outreach											-					-
	Outreach											-					-
	Outreach											-					-
Boiler Replacement	Library									100,000		100,000					100,000
Comp - Workstation	Library						8,000					8,000					8,000
	Library											-					-
General Improve	Parks											-	50,000				50,000
Park Equipment	Parks											-	15,000				15,000
Park Improvements	Parks									750,000		750,000	500,000				1,250,000
Property Acquisition	Parks											-					-
Downtown Plan	CD				50,000							-					50,000
Small Capital	CD	2,000										-					2,000
Sinking Fund	CD						2,000					2,000					2,000
Zoning Code	CD									75,000		75,000					75,000
Total Projects		29,500	5,000	-	50,000	-	300,000	508,000	-	10,428,000	25,000	11,261,000	565,000	2,202,750	1,017,500	396,750	15,527,500

Capital Improvement Program

Village of McFarland | *Prior Plan Approval/Inclusion Year:* **2018** **2019** **2020** **2021** **2022** **2023** **2024** **2025** | Program Year: 2024

Funding by Project

Projects	Dept	General Fund 100	Comm/Tech Fund 200	TID #3 Fund 305	TID #4 Fund 310	TID #5 Fund 315	Capital Projects - Fund 400 General	Capital Projects - Fund 400 Grants	Capital Projects - Fund 400 Intergov	Capital Projects - Fund 400 Borrow	Capital Projects - Fund 400 Reserve	Capital Projects - Fund 400 Total	Parks Fund 405	Utility - 600 Water	Utility - 600 Sewer	Stormwater Fund 605	Total
Digital Records Mgmt	Admin									25,000		25,000					25,000
Equipment/Furniture	Admin	2,500										-					2,500
Workstation Replace	Admin						15,000					15,000					15,000
Land Acquisition	Facilities						40,000					40,000					40,000
Network Equip	Facilities						5,000					5,000		2,000	2,000	2,000	11,000
Sinking Fund	Facilities						100,000					100,000					100,000
	C/T											-					-
Equipment Upgrade	C/T		5,000									-					5,000
	C/T											-					-
Equipment	Police						15,000					15,000					15,000
Patrol Vehicle (Lease)	Police						50,000					50,000					50,000
Traffic Safety	Police									20,000		20,000					20,000
Car 1 Sinking Fund	Fire/EMS						6,500					6,500					6,500
EMS Equipment	Fire/EMS						12,000					12,000					12,000
Fire Equipment	Fire/EMS						28,000					28,000					28,000
Technology	Fire/EMS						10,500					10,500					10,500
	EM											-					-
	EM											-					-
	EM											-					-
E. Interceptor II (Build)	DPW											-			750,000		750,000
Exchange Street	DPW							1,260,750		156,000		1,416,750		1,176,250	1,265,500	264,500	4,123,000
Leased Equipment	DPW						9,000					9,000		8,000	8,000	8,000	33,000
Pedestrian Ways	DPW									10,000		10,000					10,000
Pickup Truck	DPW									12,000		12,000		12,000	12,000	12,000	48,000
Sinking Fund	DPW						1,000					1,000		1,000	1,000		3,000
Small Capital	DPW											-				2,500	2,500
Street Constr	DPW									500,000		500,000		500,000			1,000,000
Street Maintenance	DPW									150,000		150,000					150,000
Street Sweeper	DPW											-				250,000	250,000
Street Tree Planting	DPW	25,000										-					25,000
	Outreach											-					-
	Outreach											-					-
	Outreach											-					-
	Library											-					-
Comp - Workstation	Library						8,000					8,000					8,000
	Library											-					-
General Improve	Parks											-	50,000				50,000
Park Equipment	Parks											-	15,000				15,000
Park Improvements	Parks									750,000		750,000	500,000				1,250,000
Property Acquisition	Parks									-		-					-
Outdoor Rec Plan	CD						8,000			22,000		30,000					30,000
Small Capital	CD	2,000										-					2,000
Sinking Fund	CD						2,000					2,000					2,000
Total Projects		29,500	5,000	-	-	-	310,000	1,260,750	-	1,645,000	-	3,215,750	565,000	1,699,250	2,038,500	539,000	8,092,000

Capital Improvement Program

Village of McFarland | *Prior Plan Approval/Inclusion Year:* **2018** **2019** **2020** **2021** **2022** **2023** **2024** **2025** | Program Year: 2025

Funding by Project

Projects	Dept	General Fund 100	Comm/Tech Fund 200	TID #3 Fund 305	TID #4 Fund 310	TID #5 Fund 315	Capital Projects - Fund 400 General	Grants	Intergov	Borrow	Reserve	Total	Parks Fund 405	Utility - 600 Water	Sewer	Stormwater Fund 605	Total
Digital Records Mgmt	Admin						12,750			12,250		25,000					25,000
Equipment/Furniture	Admin	2,500										-					2,500
Workstation Replace	Admin						15,000					15,000					15,000
Land Acquisition	Facilities						40,000					40,000					40,000
Network Equip	Facilities						5,000					5,000		2,000	2,000	2,000	11,000
Parking Lots	Facilities				200,000					250,000		250,000					450,000
Sinking Fund	Facilities						100,000					100,000					100,000
	C/T											-					-
Equipment Upgrade	C/T		5,000									-					5,000
	C/T											-					-
Equipment	Police						15,000					15,000					15,000
Patrol Vehicle (Lease)	Police						50,000					50,000					50,000
Squad Car Video	Police									30,000		30,000					30,000
Traffic Safety	Police									20,000		20,000					20,000
Ambulance	Fire/EMS									283,000		283,000					283,000
Car 1 Sinking Fund	Fire/EMS						6,500					6,500					6,500
EMS Equipment	Fire/EMS						4,750					4,750					4,750
Fire Equipment	Fire/EMS						26,500					26,500					26,500
Technology	Fire/EMS						24,500					24,500					24,500
	EM											-					-
	EM											-					-
	EM											-					-
Leased Equipment	DPW						9,000					9,000		8,000	8,000	8,000	33,000
Pedestrian Ways	DPW									10,000		10,000					10,000
Pickup Truck (Director)	DPW										35,000	35,000					35,000
Property Acquisition	DPW									350,000		350,000					350,000
Sinking Fund	DPW						1,000					1,000		1,000	1,000		3,000
Small Capital	DPW											-				2,500	2,500
Street Constr	DPW									500,000		500,000		500,000			1,000,000
Street Maintenance	DPW									150,000		150,000					150,000
Street Sweeper	DPW											-				20,000	20,000
Street Tree Planting	DPW	25,000										-					25,000
Tool Cat Machine	DPW									40,000		40,000					40,000
Tower Paint (Holscher)	DPW											-		835,000			835,000
	Outreach											-					-
	Outreach											-					-
	Outreach											-					-
	Library											-					-
Comp - Workstation	Library						8,000					8,000					8,000
	Library											-					-
General Improve	Parks											-	50,000				50,000
Park Equipment	Parks											-	15,000				15,000
Park Improvement	Parks									750,000		750,000	500,000				1,250,000
Property Acquisition	Parks											-					-
East Side TID Planning	CD									50,000		50,000					50,000
Small Capital	CD	2,000										-					2,000
Sinking Fund	CD						2,000					2,000					2,000
Total Projects		29,500	5,000	-	200,000	-	320,000	-	-	2,445,250	35,000	2,800,250	565,000	1,346,000	11,000	32,500	4,989,250

Village of McFarland
2021 - 2025 Capital Improvement Program
Estimated Debt Service - Village Purposes Notes & Bonds - With Growth

Year Due	Existing Debt Service	2021 $2,490,000 Notes Principal	2021 $2,490,000 Notes Interest	2021 $14,000,000 Bonds Principal	2021 $14,000,000 Bonds Interest	2022 $2,165,000 Notes Principal	2022 $2,165,000 Notes Interest	2022 $4,500,000 Bonds Principal	2022 $4,500,000 Bonds Interest	2023 $2,930,000 Notes Principal	2023 $2,930,000 Notes Interest	2023 $7,500,000 Bonds Principal	2023 $7,500,000 Bonds Interest	2024 $1,645,000 Notes Principal	2024 $1,645,000 Notes Interest	2025 $2,445,000 Notes Principal	2025 $2,445,000 Notes Interest	Combined Debt Service	Tax Rate	Est. Tax Rate Increase *	Est. Tax Increase ****	*** Percentage of Legal Debt Limit Used	
2021	1,817,805																	1,817,805	$1.64			32.64%	2021
2022	1,741,973	100,000	75,540	170,000	444,821													2,532,334	$2.14	$0.49	$144.78	54.68%	2022
2023	1,799,522	200,000	45,360	260,000	289,248	100,000	55,956	125,000	133,750									3,008,836	$2.36	$0.23	$67.64	58.11%	2023
2024	1,860,923	200,000	39,360	260,000	281,448	100,000	35,263	125,000	86,250		87,900	140,000	335,400					3,551,543	$2.60	$0.24	$69.83	64.17%	2024
2025	1,923,175	230,000	32,910	330,000	272,598	150,000	33,075	150,000	83,500	225,000	56,350	300,000	216,300	100,000	54,394			4,157,301	$2.84	$0.24	$69.80	60.68%	2025
2026	1,912,225	240,000	25,860	600,000	258,648	200,000	30,013	150,000	80,500	275,000	51,350	325,000	206,925	110,000	33,525	100,000	90,438	4,689,483	$2.98	$0.15	$42.93	51.81%	2026
2027	1,487,075	325,000	19,010	660,000	239,748	250,000	26,075	175,000	77,250	325,000	45,350	330,000	197,100	115,000	30,994	125,000	57,063	4,484,664	$2.76	($0.23)	($66.92)	44.96%	2027
2028	835,125	330,000	12,460	720,000	219,048	315,000	21,131	175,000	73,750	355,000	38,550	350,000	186,900	145,000	28,069	150,000	53,625	4,008,658	$2.38	($0.38)	($110.92)	38.62%	2028
2029	680,050	355,000	7,385	750,000	196,998	325,000	15,531	175,000	70,250	375,000	31,250	350,000	176,400	215,000	24,019	325,000	47,688	4,119,570	$2.36	($0.02)	($4.98)	33.09%	2029
2030		510,000	2,805	850,000	172,998	350,000	9,625	200,000	66,500	425,000	23,250	375,000	165,525	225,000	19,069	335,000	39,438	3,769,209	$2.09	($0.27)	($80.90)	27.78%	2030
2031				850,000	154,723	375,000	3,281	225,000	62,250	450,000	14,500	380,000	154,200	235,000	13,894	345,000	30,938	3,293,785	$1.76	($0.33)	($96.00)	23.16%	2031
2032				855,000	143,213			300,000	57,000	500,000	5,000	400,000	142,500	245,000	8,494	350,000	22,250	3,028,456	$1.57	($0.20)	($58.13)	19.31%	2032
2033				855,000	130,815			300,000	51,000			425,000	130,125	255,000	2,869	355,000	13,438	2,518,246	$1.26	($0.31)	($90.92)	16.00%	2033
2034				855,000	117,563			300,000	45,000			450,000	117,000			360,000	4,500	2,249,063	$1.09	($0.17)	($50.94)	13.32%	2034
2035				855,000	103,455			300,000	39,000			450,000	103,500					1,850,955	$0.86	($0.22)	($65.68)	11.01%	2035
2036				855,000	88,706			300,000	33,000			450,000	90,000					1,816,706	$0.82	($0.04)	($13.18)	9.17%	2036
2037				855,000	73,530			300,000	27,000			450,000	76,500					1,782,030	$0.78	($0.04)	($12.63)	7.42%	2037
2038				855,000	57,926			300,000	21,000			450,000	63,000					1,746,926	$0.74	($0.04)	($12.11)	5.79%	2038
2039				855,000	41,895			300,000	15,000			450,000	49,500					1,711,395	$0.70	($0.04)	($11.60)	4.26%	2039
2040				855,000	25,436			300,000	9,000			475,000	35,625					1,700,061	$0.67	($0.03)	($8.26)	2.88%	2040
2041				855,000	8,550			300,000	3,000			475,000	21,375					1,662,925	$0.63	($0.04)	($10.83)	1.57%	2041
2042												475,000	7,125					482,125				0.34%	2042
2043																		0				0.00%	2043
2044																		0					2044
	$14,057,873	$2,490,000	$260,690	$14,000,000	$3,321,363	$2,165,000	$229,950	$4,500,000	$1,034,000	$2,930,000	$353,500	$7,500,000	$2,475,000	$1,645,000	$215,325	$2,445,000	$359,375	$59,982,076		$0.27	$78.99	64.17%	
Est. Int. Rate		1.06%		1.68%		1.75%		2.00%		2.00%		3.00%		2.25%		2.50%				Average for 2021-2025 CIP			

*Based on Villages 2020 Assessed Valuation - $1,105,206,249 **

** Assuming 7.3% growth for five years, 3.5% growth thereafter.

*** Calculation based on All General Obligations, 5% of Equalized Value
using same growth assumptions as above.

**** Median Home Value as of 1/1/2020 $ 295,100

1/21/2021

McFarland Capital Improvement Program (CIP)
2021 – 2025

Administration

Planned Projects:

Compensation and Classification Study
- *Description* – The Village's compensation platform is based upon a Compensation and Classification Study that was completed on January 5, 2015 by Springsted Incorporated. Section 3.05(2) of the Village's Compensation and Benefits Manual details the "Maintenance of the Pay Plan Integrity Over Time" in order to maintain internal equity and market competitiveness. Subsection B states that the Village should complete a comprehensive update every three to four years. A market adjustment was provided in 2020 based on preliminary comparable data, but the full study needs to be completed at some point to also evaluate the grades, grid, and other associated aspects.
- *Year(s)* – 2022.
- *Funding* – Borrowed money within Capital Projects Fund (400).

Digital Records Management
- *Description* – In an effort to continue paperless initiatives and be more efficient the intent of this project would be to convert the current paper method of storing documents to digital record keeping.
- *Years* – All
- *Funding* – Combination of general revenue, reserves, and borrowed money within Capital Projects Fund (400).

Equipment/Furniture
- *Description* – Small capital contribution from the General Fund to purchase various small office, furniture, and other related needs.
- *Years* – All.
- *Funding* – Tax Levy within General Fund (100).

Library Impact Fee Study
- *Description* – The current Library Impact fee was created to retroactively fund the last major facility project to fund the construction of the Library. Going forward, to continue this fee it needs to be studied on how it could be applied to a future project of a similar nature.
- *Years* – 2021
- *Funding* – Borrowed money within General Fund (100).

Administration (continued)

<u>Splitting Polling Places</u>

- *Description* – Ward boundaries will be redrawn in 2021 through the redistricting process following the 2020 Census. The Village currently has one of the largest polling places in Dane County, and with a continually increasing population, the Village will undertake this process to prepare for a split at some point in the future. The project is identified to b first considered for implementation in 2023.
- *Years* – 2023.
- *Funding* – Borrowed money within Capital Projects Fund (400).

<u>Workstation Replacement</u>

- *Description* – The Village sets aside funds in order to replace computer workstations as they fail and on a rotating scheduling to cycle out obsolete and aging machines on an annual basis.
- *Years* – All.
- *Funding* – General revenue within Capital Projects Fund (400).

McFarland Capital Improvement Program (CIP)
2021 – 2025

Facilities

Planned Projects:

Community Center

- *Description* – The Village continues to plan out future priorities with respect to facility development. The most recent option allowing for the construction of a Community Center requires first the completion of a new Public Safety Building (see below). The space vacated by Police, Municipal Court, and Fire/Rescue will be studied to remodel and repurpose for the remaining Departments in the Municipal Center and add in new elements of a Community Center.
- *Year(s)* – 2023.
- *Funding* – Borrowed money within the Capital Projects Fund (400).

Facility Plan/Design

- *Description* – To prepare for the construction of a Public Safety Building beginning in 2021, funds were set aside to finalize the planning process and initiate the design process in 2020. Design work and bidding carried into 2021 for this project. Likewise for the Community Center implementation in 2023, funds are set aside for planning work in 2021 to be used for consulting assistance yet to be determined.
- *Year(s)* – 2021.
- *Funding* – Borrowed money and reserves within the Capital Projects Fund (400).

Land Acquisition

- *Description* – This reserve account sets aside funds to be used by the Organization to fund land acquisitions as might be necessary for the Village. The reserve was created as an assignment for land acquisition and not earmarked for any specific use other than that general purpose.
- *Years* – All.
- *Funding* – General revenue within Capital Projects Fund (400).

Municipal Center Roof

- *Description* – The roof for the Municipal Center Facility has been previously identified for replacement as early as 2022 according to an assessment that was completed in 2015. Could be combined with other facility improvement projects in the future as appropriate but also dependent on its ongoing condition.
- *Year(s)* – 2022.
- *Funding* – Reserves within the Capital Projects Fund (400).

Facilities (continued)

<u>Network Equipment</u>

- *Description* – Funds are set aside annually for the replacement and upgrading of network equipment to help maintain the Village's technology network.
- *Years* – All.
- *Funding* – Tax Levy within the Capital Projects Fund (400) with equal shares from the Utility Fund (600) and Stormwater Utility Fund (605).

<u>Parking Lots</u>

- *Description* – Multiple items were combined and moved to the last year of the plan. This included construction of a new parking lot at the corner of Milwaukee and Anthony (Village purchased the land in 2020). Additionally includes the reconstruction of the parking lots at the Municipal Center and Library. All three of which are dependent upon ongoing usability, necessity for additional spaces, and ongoing facility planning.
- *Year(s)* – 2025.
- *Funding* – Increment within Tax Increment District #4 Fund (310) and borrowed money within the Capital Projects Fund (400).

<u>Public Safety Center</u>

- *Description* – A new Public Safety Center to house Fire/Rescue, Municipal Court, and Police Departments will begin construction in 2021 at the southeast corner of Holscher and Broadhead roads. Planning work was completed in 2020 followed by the beginning of design work. Police, Municipal Court, and Fire/Rescue has been recommended following analysis that was completed in 2019. The project will break ground around midyear and be completed in 2022. A majority of the funds needed for the project will be borrowed through bonds in 2021 and a final borrowing will take place in 2022 to reconcile final project costs. The construction of this facility will free up space to remodel and repurpose the Municipal Center for remaining departments and new Community Center spaces (see above).
- *Year(s)* – 2021 and 2022.
- *Funding* – Borrowed money within the Capital Projects Fund (400).

<u>Sinking Fund</u>

- *Description* – Savings set aside for the development, expansion, and/or maintenance of Village owned facilities.
- *Years* – All.
- *Funding* – General revenue within Capital Projects Fund (400).

McFarland Capital Improvement Program (CIP)
2021 – 2025

Communications and Technology

Planned Projects:

<u>Equipment/Technology Upgrade</u>

- *Description* – Funding for equipment purchases, replacements, and general upgrades to support operations and service delivery.
- *Year(s)* – 2022, 2023, 2024, and 2025.
- *Funding* – General revenues from within the Communications and Technology Fund (200).

McFarland Capital Improvement Program (CIP)
2021 – 2025

Police Department

Planned Projects:

<u>Equipment</u>

- *Description* – Several small equipment items are included within this item on a year to year basis including but not limited to Taser replacements, annual MDC replacements, evidence camera, helmets, vests, shields, radios, and other items of need as prioritized within the Department.
- *Years* – All.
- *Funding* – General revenue and reserves within Capital Projects Fund (400).

<u>Patrol Vehicle (Leases)</u>

- *Description* – This includes the annual lease payments for the Department's vehicles as they need to be replaced. Typically there are 3 vehicles used for regular patrol replaced every 3 to 4 years.
- *Years* – All.
- *Funding* – Tax Levy within the Capital Projects Fund (400).

<u>Technology</u>

- *Description* – Funding for technology advancements within the Department including mobile identification unit, GPS tracking equipment, replacement monitors for security cameras, and traffic collection systems.
- *Year(s)* – 2021.
- *Funding* – Surplus funds within the General Fund (100).

<u>Squad Car Video</u>

- *Description* – The current Watchguard brand in-squad video system was purchased and deployed in 2015. The normal shelf life for a squad car video recording system is 8 to 10 years. In 2025 the current system will be 10 years old.
- *Years* – 2025.
- *Funding* – Borrowed Money as detailed within the Capital Projects Fund (400).

Police Department (Continued)

Traffic Safety

- *Description* – Annual allocation for the Department to implement various traffic safety measures including speed boards, RRFB's, flashing signs, and other related improvements.
- *Years* – All.
- *Funding* – Combination of Tax Levy and Borrowed Money as detailed within the Capital Projects Fund (400).

Vehicle Replacement

- *Description* – This includes the replacement of the Chief and Investigator vehicle within the years indicated. The Chief's vehicle was purchased in 2012 and the Investigator vehicle purchased in 2014. Both will be in use for approximately a 10 year period. Both vehicles will be unmarked and outfitted appropriately to support the positions that use them.
- *Years* – 2022 and 2023.
- *Funding* – Borrowed Money as detailed within the Capital Projects Fund (400).

McFarland Capital Improvement Program (CIP)
2021 – 2025

Fire and Rescue

Planned Projects:

Ambulance Replacement

- *Description* – The replacement of the 2015 Ambulance which is used for providing back-up to the primary 2019 Ambulance when out of service for repairs and maintenance. Additionally, the 2015 Ambulance is used for additional incidents while the primary ambulance is assigned to another incident. Current schedule has one ambulance operate for five years in the primary role and five years in the secondary role. Staff will evaluate replacing both ambulances (2015 & 2019) at the same time to save about 5% in costs for reduced engineering and sales cost. Additionally, then the ambulances would be rotated regularly providing equal utilization. Staff would benefit from having identical equipment layout for all incident responses.
- *Year(s)* – 2025.
- *Funding* – Borrowed Money within the Capital Projects Fund (400).

ATV Replacement

- *Description* – This vehicle was first acquired in 2004 by the Firefighter's Association and assists the Department in responding to grass/marsh fire, ice rescues, remote rescues, and personnel transports to larger scenes.
- *Year(s)* – 2022.
- *Funding* – Borrowed money within the Capital Projects Fund (400).

Car 1 Replacement

- *Description* – The replacement of Car 1 which is the suburban style emergency response vehicle used as the main incident command response vehicle. There is a sinking fund setup as a vehicle replacement assignment that will be used to pay for the cost of this item.
- *Year(s)* – 2022.
- *Funding* – Reserves within the Capital Projects Fund (400).

Car 1 Sinking Fund

- *Description* – Annual savings set aside for the replacement of Car 1 which is the suburban style used as the main incident command response vehicle.
- *Years* – All.
- *Funding* – General revenue within Capital Projects Fund (400).

Fire and Rescue (continued)

EMS Equipment

- *Description* – Provides annual funding for small equipment needs, turnout gear as is needed from year to year, and other general items needed to support this service. 2023 and 2024 include increased replacement of EMS turnout gear as majority was placed at one time from a grant and will need replacement during those years.
- *Years* – All.
- *Funding* – General revenue within Capital Projects Fund (400).

EKG Monitors

- *Description* – The monitors used on the ambulance to obtain vital signs, 12-Lead defibrillation and capnography. Current units were purchased in 2013.
- *Year(s)* – 2023.
- *Funding* – Borrowed Money within the Capital Projects Fund (400).

Extrication Equipment Replacement

- *Description* – This equipment is used to extract individuals who are trapped typically within vehicles as a result of car accidents.
- *Year(s)* – 2021.
- *Funding* – Combination of general revenues and borrowed money within the Capital Projects Fund (400).

Fire Equipment Replacement

- *Description* – Provides annual funding for small equipment needs, turnout gear as is needed from year to year, and other general items needed to support this service. 2023 includes the replacement of a majority of the firefighter helmets.
- *Years* – All.
- *Funding* – General revenue within Capital Projects Fund (400).

Ladder Truck

- *Description* – The largest truck in the fleet and is used as part of elevated fire and rescue operations within the coverage area. Additionally, the truck may act as an engine and provides the required pump capacity that is required for the Village. Acquired in 2007 as a used truck and was originally manufactured in 1997.
- *Year(s)* – 2021.
- *Funding* – Reserves from the General Fund (100) and borrowed money within the Capital Projects Fund (400).

Fire and Rescue (continued)

Patient Cots

- *Description* – There are currently two of these cots in use within each ambulance. They were purchased separately in 2013 and 2015. They are specialized pieces of equipment that assist in the lifting and transportation of patients into and out of the ambulance helping to save on worker's compensation claims.
- *Year(s)* – 2022.
- *Funding* – Borrowed Money within the Capital Projects Fund (400).

Technology

- *Description* – Annual replacement for mobile computers located within fleet vehicles. The computers provide information from dispatch and department pre-plan data for facilities. The funding provides for one replacement per year. This line also assists with other Department specific technology needs as they arise. 2025 includes the replacement of the Department's thermal imaging cameras.
- *Years* – All.
- *Funding* – General revenue within Capital Projects Fund (400).

McFarland Capital Improvement Program (CIP)
2021 – 2025

Emergency Management

Planned Projects:

Nothing planned at the present.

McFarland Capital Improvement Program (CIP)
2021 – 2025

Department of Public Works

Planned Projects:

Chipper
- *Description* – Replacement of the Village's chipper used for tree trimming, brush removal, and other landscaping jobs.
- *Years* – 2022.
- *Funding* – Borrowed money within the Capital Projects Fund (400).

County MN – Phase 4
- *Description* – Phase 1, 2, and 3 of the County MN project have been completed in 2016, 2017, and 2018, respectively. A fourth phase is contemplated for design in 2020 and construction in 2021 on Broadhead Street from Holscher Road to N. Peninsula Way.
- *Years* – 2021.
- *Funding* – Road construction costs split with Dane County and Village share paid for through Borrowed Money within the Capital Projects Fund (400). Adjoining property owners on the two developed sites will also contribute to the project. Construction costs also spread to various utility funds as applicable.

County MN – Phase 5
- *Description* – A fifth phase of this project is planned in the future to pace with future development. This would be from N. Peninsula Way through the County Highway AB interchange. Finalizing design and further study of the CTH AB intersection would be conducted in 2022 with construction to follow the year after. Tentative and again to follow pace of adjoining development as practical.
- *Years* – 2022 and 2023.
- *Funding* – Road construction costs split with Dane County and Village share paid for through Borrowed Money within the Capital Projects Fund (400). Adjoining property owners on the two developed sites will also contribute to the project. Construction costs also spread to various utility funds as applicable.

East Side Interceptor – Phase 1

- *Description* – The Village's growth pattern to the East requires a new sanitary sewer interceptor to collect wastewater from new developments and convey into the existing system in order to reach MMSD for treatment. The pipe will be constructed on existing public right of way and permissible easements off of Devil's Lake Way to north of the Rosewood Fields Subdivision. The cost will initially be born by the Village and then converted to special assessments to be paid for by future development.
- *Year(s)* – 2021.
- *Funding* – Borrowed money within the Utilities Fund (600).

East Side Interceptor – Phase 2

- *Description* – The second phase will carry the pipe from the northern end of the Rosewood Fields Subdivision to the north side of County Highway MN (Broadhead). The progression of this pipe will likely flow with the progression of development that it is meant to serve. Tentative it is schedule to finalize design in 2023 and construction the year after. This will also be paid back through the special assessment process through new development.
- *Year(s)* – 2023 and 2024.
- *Funding* – Borrowed money within the Utilities Fund (600).

Equipment - General

- *Description* – Includes skid steer and loader attachments as well as other small general equipment, tool needs for the Department.
- *Years* – 2021.
- *Funding* – General revenues from within the Capital Projects Fund (400).

Exchange Street

- *Description* – This project will be a complete reconstruction (street, curb/gutter, sidewalk, utilities, etc.) from Farwell to the Yahara River. The Village has been approved for Federal funding through the Madison Area Transportation Planning Board within their 5-year Transportation Improvement Program. This will allow the Village to access Federal money set aside for smaller communities within this regional transportation area. There will be multiple years of planning and engineering for the project leading up to construction.
- *Years* – 2021, 2022, 2023, and 2024.
- *Funding* – Combination of Grants and Borrowed Money within the Capital Projects Fund (400) as well as from the Utilities Fund (600) and Stormwater Utility Fund (605).

GIS/Asset Management

- *Description* – It is being reviewed whether or not to further enhance the Village's GIS capabilities, development a new asset management platform, or both in helping to better oversee infrastructure improvements within the Department. Discussion on the topic could yield the desire to expend funds for such an improvement within the next year as might be planned.
- *Years* – 2022.
- *Funding* – Borrowed money within the Capital Projects Fund (400).

Department of Public Works (continued)

Leased Equipment

- *Description* – Includes annual charges for the use of the skid steer and front-end loader. Increase in 2022 is to add a second skid steer that operates with a tracks instead of wheels.
- *Years* – All.
- *Funding* – General revenue within Capital Projects Fund (400) plus equal shares from Utility Fund (600) and Stormwater Utility (605).

Lift Station #2

- *Description* –Full replacement is recommended towards the middle of the current 5-year plan. It could be delayed further based on the pace of development feeding into it necessitating the improvement. Design would occur in the first year with construction in the year to follow.
- *Year(s)* – 2022 and 2023.
- *Funding* – Funding provided through Utility Fund (600).

Mower Replacement

- *Description* – A larger format mower is scheduled for acquisition in 2022.
- *Year(s)* – 2022.
- *Funding* – Borrowed money within the Capital Projects Fund (400).

Patrol Truck Replacement

- *Description* – Includes the full replacement with trade in of a Patrol Truck (Snowplow) with associated equipment for both listed years.
- *Year(s)* – 2021 and 2023.
- *Funding* – Trade-in value deducted from gross cost of the vehicle. Remaining expense split equally between Capital Projects Fund (400), Utility Fund (600), and Stormwater Utility Fund (605).

Paulson Road Reconstruction

- *Description* – This would be the full reconstruction of the current Paulson Road from Siggelkow Road to the dead end. The current road remains a rural cross section and this would convert it to an urban cross section with replacement to the road, sewer, water, stormwater, etc.
- *Year(s)* – 2022 and 2023.
- *Funding* – Borrowed money within the Capital Projects Fund (400) as well as associated support from utilities for their respective work in the project.

Department of Public Works (continued)

Pedestrian Ways

- *Description* – Annual funds to repair and replace sidewalks, bike paths, and other pedestrian ways. The 2021 project is a combined project with the Sanitary Sewer Utility to construct a path adjacent the Eastside Sanitary Sewer Interceptor. Future year's projects to be determined as needed.
- *Year(s)* – All.
- *Funding* – Borrowed Money and/or Tax Levy as applicable within the Capital Projects Fund (400). Some fund in 2020 from Stormwater Utility Fund (605).

Pickup Truck Replacement

- *Description* – Replacement of various levels of pickup trucks for general service responsibilities.
- *Year(s)* – All.
- *Funding* – Cost split equally between the Capital Projects Fund (400), Utilities Fund (600), and Stormwater Utility Fund (605).

Property Acquisition

- *Description* – At some point in the future neighboring properties to the existing Public Works Center are likely to come up for sale. This placeholder is included to pursue those options if that does happen or we desire to pursue such an opportunity.
- *Year(s)* – 2025.
- *Funding* – Borrowed money within the Capital Projects Fund (400).

Sinking Fund

- *Description* – Annual savings set aside for the replacement of the Director's vehicle.
- *Year(s)* – All.
- *Funding* – General revenues within the Capital Projects Fund (400) plus Utility Fund (600).

Small Capital

- *Description* – The Stormwater Utility is provided funds for small capital items for its administration including equipment, materials, and other supplies as needed.
- *Year(s)* – All.
- *Funding* – Charges for Public Services collected within the Stormwater Utility Fund (605).

Stormwater Projects

- *Description* – Replacement of various failed culverts in different areas of the Village to improve drainage and runoff conveyance.
- *Year(s)* – 2021.
- *Funding* – Charges for Public Services collected within the Stormwater Utility Fund (605).

Department of Public Works (continued)

Street Construction

- *Description* – The Village is at a point within its road maintenance schedule where there are many street in need of repair that also have underground water mains in equal need of attention. In 2018-2020, the Village focused paving efforts on areas where water main replacement was also needed to address both areas of need. Beginning again in 2022 a similar effort will be conducted to align road repairs with aging pipe repairs throughout the Village.
- *Year(s)* – 2022, 2023, 2024, and 2025.
- *Funding* – Borrowed Money within the Capital Projects Fund (400) with corresponding contribution from the Utility Fund (600).

Street Maintenance

- *Description* – Includes street repairs needed on an annual basis that have a longer than one year useful life including chip sealing, crack filling, and various areas for patch work.
- *Year(s)* – All.
- *Funding* – Borrowed Money within the Capital Projects Fund (400).

Street Sweeper

- *Description* – Annual savings set aside for the future replacement of the street sweeper. Street sweep is scheduled for replacement in 2024 following 10 years' worth of service.
- *Year(s)* – All.
- *Funding* – Charges for Public Services collected within the Stormwater Utility Fund (605).

Street Tree Planting

- *Description* – Implementation of a program to address the Ash Tree population as a response to the Emerald Ash Borer as well as annual efforts to replace and install new street trees.
- *Year(s)* – All.
- *Funding* – Fund Balance within the General Fund (100).

Stump Grinder

- *Description* – Another piece of equipment to aid in the tree management program and other related landscaping projects. The stump grinder would be used to remove stumps when trees need to be removed from the public rights of way, parks, and/or conservancy areas.
- *Year(s)* – 2022.
- *Funding* – Borrowed money within the Capital Projects Fund (400).

Department of Public Works (continued)

<u>Technology</u>

- *Description* – Radio replacement in combination to replace communication equipment within the Department as well as compatibility with DaneCom.
- *Year(s)* – 2021.
- *Funding* – Borrowed money within the Capital Projects Fund (400).

<u>Tool Cat Machine</u>

- *Description* – Purchase of a second tool cat machine which is a multi-faceted vehicle that provides for a variety of different tasks from snow plowing sidewalks, small excavating projects, heavy lifting, utility work, and many more features. Present vehicle is indispensable and adding a second one would expand these capabilities.
- *Year(s)* – 2025.
- *Funding* – Borrowed money within the Capital Projects Fund (400).

<u>Tower Clean/Paint</u>

- *Description* – Consideration for cleaning and repainting the water towers to keep up with their exterior maintenance requirements. Burma Road tower will go first followed by Holscher Road tower.
- *Year(s)* – 2023 and 2025.
- *Funding* – Cost is paid for by water funding within the Utilities Fund (600).

<u>Water Valve Turner</u>

- *Description* – This piece of equipment within the water utility will improve the efficiency of exercising water valves for general maintenance and during main breaks as needed. It takes what is currently an invasive manual function into a controlled mechanical operation which is good for the worker and the infrastructure.
- *Year(s)* – 2021.
- *Funding* – Cost is paid for by water funding within the Utilities Fund (600).

<u>Well Maintenance</u>

- *Description* – Every so often the water wells need to be removed from service for general maintenance, cleaning, and repair in order to prolong their useful life. The facilities that house the wells also need some improvement through basic maintenance.
- *Year(s)* – 2021 and 2022.
- *Funding* – Cost is paid for by water funding within the Utilities Fund (600).

McFarland Capital Improvement Program (CIP)
2021 – 2025

Senior Outreach

Planned Projects:

Tables

- *Description* – Replacement of tables and related furnishings that support the meal program.
- *Year(s)* – 2021.
- *Funding* – Tax Levy within the Capital Projects Fund (400).

McFarland Capital Improvement Program (CIP)
2021 – 2025

Library

Planned Projects:

<u>Boiler Replacement</u>

- *Description* – The boiler will have exceeded its useful life by this point and could be evaluated for replacement based upon projected maintenance needs.
- *Year(s)* – 2023.
- *Funding* – Borrowed money within the Capital Projects Fund (400).

<u>Computer – Workstation(s)</u>

- *Description* – Includes funds to replace both computers used by the public for either adults, teens, or children and those used by Staff on an annual basis.
- *Year(s)* – All.
- *Funding* – Tax Levy within the Capital Projects Fund (400).

<u>Equipment – Furniture/Other</u>

- *Description* – Includes the replacement of some furniture within the Library and other small needs.
- *Year(s)* – 2021.
- *Funding* – Tax Levy and reserves within the Capital Projects Fund (400).

<u>Facility Improvements</u>

- *Description* – Some mechanical improvements to the HVAC equipment and outside improvements to replace failed parking bollards.
- *Year(s)* – 2021 and 2022.
- *Funding* – Borrowed money and reserves within the Capital Projects Fund (400).

<u>Site Improvements</u>

- *Description* – Externally it is proposed for site improvements to the exterior of the facility.
- *Year(s)* – 2022.
- *Funding* – Tax levy within the Capital Projects Fund (400).

McFarland Capital Improvement Program (CIP)
2021 – 2025

Parks

Planned Projects:

Consulting Services
- *Description* – The Village has four open ended planning projects in process for Aquatics and Pickle Ball as well as Master Plan development at McFarland Park and the new Community Park.
- *Year(s)* – 2021.
- *Funding* – Reserves within the Capital Projects Fund (400).

General Improvements
- *Description* – Money set aside annually to be used for general park improvements through the use of fees collected within new developments.
- *Year(s)* – All.
- *Funding* – Impact Fees collected within Parks Fund (405).

Park Equipment
- *Description* – Annually the Village looks to replace and/or repair certain park amenities and play structures as well as park signage as needed.
- *Year(s)* – All.
- *Funding* – Impact Fees collected within Parks Fund (405).

Park Improvements
- *Description* – Included as a placeholder for each of the years within the plan, meant to set aside funds for future designation as might be determined. Planning work continues in early 2021 on several large scale improvements that when combined with other priorities will yield more detailed direction on the utilization of these funds. Again held in place to allow for their use once determined.
- *Year(s)* – All.
- *Funding* – Borrowed money and impact Fees collected within Parks Fund (405).

Property Acquisition
- *Description* – Annually this is held as a placeholder depending on needs and opportunities that may arise. No acquisitions are presently targeted within this 5 year plan.
- *Year(s)* – All.
- *Funding* – Borrowed Money within the Capital Projects Fund (400).

Parks (continued)

Ridgeview Tot Lot

- *Description* – Funding is included to replace and reconstruct this playground which has amenities designed for very young kids but has outlived its useful life.
- *Year(s)* – 2021.
- *Funding* – Impact Fees collected within Parks Fund (405).

Urso/Schuetz Park

- *Description* – In 2019 we approved a contract to construct a Frisbee golf course in accordance with the Master Plan for the property. This will be completed in the Spring of 2021. A shelter, parking lot, and improvements to the small dog area were completed in 2020 as well as an expansion to large dog area. This work will also be finished up in the Spring of 2021. Remaining funds are to finish out these projects.
- *Year(s)* – 2021.
- *Funding* – Reserves within the Capital Projects Fund (400).

McFarland Capital Improvement Program (CIP)
2021 – 2025

Community Development

Planned Projects:

Affordable Housing Study

- *Description* – As an action step within their Goals and Objectives, the Village desires to move forward several initiatives related to affordable housing. This study is meant to better understand the gap and what alternatives could be offered to help close it in the future.
- *Year(s)* – 2022.
- *Funding* – Borrowed money within Capital Projects Fund (400).

Branding Development

- *Description* – The rebranding study was completed in 2018 and funding in future years is put into phases to support this effort through new signage, vehicle identification, personal items, and other organization materials containing the brand.
- *Year(s)* – 2021 and 2022.
- *Funding* – Reserves within Capital Projects Fund (400).

Comprehensive Economic Development Plan

- Description – Analyze the Village's current retail and industry market, labor force, and land base, identify gaps in the current market, and identify target business growth opportunities by locale within the Village. Assess the viability of a new east side business park. Set forth the Village's vision, goals, and action steps for the Village's economic development efforts and priorities.
- *Years* – 2021.
- *Funding* – Reserves within the Capital Projects Fund (400).

Downtown Redevelopment Plan

- *Description* – An update to the 1999 Downtown Master Plan. Update Redevelopment District No. 2 as needed. Adopt new TID #7 Project Plan as an overlay to existing TID #4 as needed.
- *Years* – 2023.
- *Funding* – Increment within the Tax Increment District #4 Fund (310).

East Side Business Park TID

- *Description* – Adopt a new TID Project Plan for the development of an east side business park.
- *Years* – 2025.
- *Funding* – Borrowed money within the Capital Projects Fund (400).

Community Development (continued)

East Side Neighborhood Growth Plan/Comprehensive Plan Update

- *Description* – Update the East Side Neighborhood Growth Plan to include lands annexed since 2017. Revisit existing plan policies as necessary to reflect changes since plan adoption in 2008. Update the Comprehensive Plan to include the revised East Side Neighborhood Growth Plan.
- *Years* – 2021.
- *Funding* – Borrowed money within the Capital Projects Fund (400).

Outdoor Recreation and Open Space Plan

- *Description* – An update to the Village's 2019 Outdoor Recreation and Open Space Plan. This plan analyzes the Village's current system of parks, trails, and open space and sets forth the Village's vision, goals, and action steps for future improvement projects. The plan is updated every five years to remain eligible for WDNR recreational grant funding.
- *Years* – 2024.
- *Funding* – General revenue and borrowed money within the Capital Projects Fund (400).

Small Capital

- *Description* – The Department is provided funds for small capital items within the office including furniture, equipment, and other supplies as needed.
- *Years* – All.
- *Funding* – Tax Levy within the General Fund (100).

Sinking Fund

- *Description* – Annual contribution towards savings for the future replacement of the Building Inspector's vehicle.
- *Years* – All.
- *Funding* – General revenue within the Capital Projects Fund (400).

Sustainability Plan

- *Description* – Develop a Sustainability Plan to help the Village and community practically implement ideas for operating more efficient and sustainable. Integrate WDNR Green Tier Scoresheet action items.
- *Year(s)* – 2021.
- *Funding* – Reserves within the Capital Projects Fund (400).

TID Project Planning

- *Description* – Adopt a new TID #6 Project Plan as an overlay to existing TID #3. Update Redevelopment District No. 1 as needed.
- *Years* – 2022.
- *Funding* – Increment within the Tax Increment District #3 Fund (305).

Community Development (continued)

Zoning Code

- *Description* – A comprehensive update to the Village's Zoning Code resulting in the repeal of the existing Code and enactment of a replacement Code, including updates to the Official Zoning Map as necessary.
- *Years* – 2023.
- *Funding* – Borrowed money within the Capital Projects Fund (400).