

Thursday, February 20, 2025

7:00 PM

McFarland Municipal Center  
5915 Milwaukee St, McFarland  
Community Room

## AGENDA

The public may attend in-person or remotely through the Zoom webinar or telephone options listed below. *Please Note: Virtual attendance is offered as a convenience, but technical difficulties beyond the Village's control may prevent or limit its availability at any meeting. The public is encouraged to attend the meeting in person to assure full access to the proceedings.*

PLEASE CLICK THE LINK BELOW TO JOIN THE ZOOM WEBINAR:

<https://us02web.zoom.us/j/84236376559>

Or by Telephone: +1 (312) 626-6799

Webinar ID: 842 3637 6559

Press \*9 to raise/lower hand. Press \*6 to mute/unmute.

## 1. CALL TO ORDER, ROLL CALL.

## 2. PUBLIC APPEARANCES.

- a. This is an opportunity for members of the public to address the Finance Committee for items that are not on the agenda. Please remember this is a hybrid meeting conducted in person and through the Zoom online meeting platform. Meeting attendees wishing to address the Committee about items not on the agenda may do so at this time. Zoom attendees should type their name and address in the Question and Answer feature within the Zoom online meeting platform at this time. Members of the public who are present in person and wish to address the Committee should fill out a public comment form and turn into the meeting chairperson. When you are called upon to speak, state your name, address, and provide your comments to the Committee for their consideration. Please adhere to the 3-minute time limit. Additionally, you may send your public comments to [finance@mcfarland.wi.us](mailto:finance@mcfarland.wi.us) to be included as part of the meeting.

Members of the public may also speak during their selected agenda item as they designate on the public comment form or in the Question and Answer feature on Zoom.

## 3. APPROVAL OF MINUTES.

- a. Motion to approve the minutes of the June 20, 2024 Finance Committee meeting.

## 4. BUSINESS.

- a. Discussion and action to make a recommendation to the Village Board for the creation of an ordinance requiring a referendum vote of the electors before certain public construction projects can be commenced.
- b. Discussion on updates to the Finance Committee work plan regarding policy reviews.
- c. Discussion regarding updates to Chapter 2 (Budget Development Policy) of the Fiscal Policy manual.

## 5. SCHEDULE NEXT MEETING DATE.

- a. Thursday, March 20, 2025 at 7:00 pm.

## 6. ADJOURNMENT.

Any person who has a qualifying disability as defined by the Americans with Disabilities Act that requires the meeting or materials at the meeting to be in an accessible location or format should contact the McFarland Municipal Center at (608)838-3153, 5915 Milwaukee Street, McFarland, Wisconsin, or [village.clerk@mcfarland.wi.us](mailto:village.clerk@mcfarland.wi.us) by 2:00 p.m. at least 5 business days prior to the meeting so that any necessary arrangements can be made to accommodate each request. If the meeting or request is less than 5 business days from the meeting, requests for accommodations may still be made and reasonable efforts will be made to accommodate each request.

VILLAGE OF MCFARLAND  
**Finance Committee Minutes**  
*Thursday, June 20, 2024 - 5:00 PM*

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

Trustee Hilary Brandt called the Finance Committee meeting to order at 5:00 pm in Community Room A of the McFarland Municipal Center.

Members present: Hilary Brandt, Stephanie Brassington, Miguel Peña

Members not present: N/A

Staff Present: Cassandra Suettinger, Lisa Skar

**2. PUBLIC APPEARANCES.**

- a. *This is an opportunity for members of the public to address the Finance Committee for items that are not on the agenda. Please remember this is a hybrid meeting conducted in person and through the Zoom online meeting platform. Meeting attendees wishing to address the Committee about items not on the agenda may do so at this time. Zoom attendees should type their name and address in the Question and Answer feature within the Zoom online meeting platform at this time. Members of the public who are present in person and wish to address the Committee should fill out a public comment form and turn into the meeting chairperson. When you are called upon to speak, state your name, address, and provide your comments to the Committee for their consideration. Please adhere to the 3-minute time limit. Additionally, you may send your public comments to [finance@mcfarland.wi.us](mailto:finance@mcfarland.wi.us) to be included as part of the meeting.*

*Members of the public may also speak during their selected agenda item as they designate on the public comment form or in the Question and Answer feature on Zoom.*  
None.

**3. APPROVAL OF MINUTES.**

- a. *Motion to approve the minutes of the 5/16/2024 meeting.*  
Motion by Village Trustee Hilary Brandt, second by Village Trustee Miguel Peña, to approve the minutes of the 5/16/2024 meeting. Motion carries 3 - 0 - 0 by acclamation.

**4. BUSINESS.**

- a. *Discussion and action to make a recommendation to the Village Board regarding a Community Grant Application from Kieson Bell, on behalf of McFarland Scout Troop 53 and the McFarland Community Garden.*  
Tim and Kris Bell were present on behalf of their son, Kieson Bell, to provide information and answer questions related to his Community Grant application. Motion by Village Trustee Hilary Brandt, second by Village Trustee Stephanie Brassington, to recommend approval to the Village Board of a Community Grant Application in the amount of \$750.00 for Kieson Bell, on behalf of McFarland Scout Troop 53 and the

McFarland Community Garden. Motion carries 3 - 0 - 0 by acclamation

b. Discussion and action to make a recommendation to the Village Board regarding a Community Grant Application from the McFarland Community Festival.

Motion by Village Trustee Hilary Brandt, second by Village Trustee Miguel Peña, to recommend approval to the Village Board of a Community Grant Application in the amount of \$5,000.00 for the McFarland Community Festival. Motion carries 2 - 0 - 1 by acclamation, with Stephanie Brassington abstaining.

**5. SCHEDULE NEXT MEETING DATE.**

The next Finance Committee meeting is scheduled on July 18, 2024 at 11:00 a.m.

**6. ADJOURNMENT.**

Motion by Village Trustee Hilary Brandt, second by Village Trustee Miguel Peña, to adjourn at 5:20 p.m.

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

Respectfully submitted,  
Lisa Skar  
Finance Manager/Treasurer

  
VILLAGE OF  
**McFarland**  
**SUMMARY SHEET**

**MEETING DATE:** Thursday, February 20, 2025

**SECTION:** Staff Reports

**DEPARTMENT:** Administration

**CONTACT:** Matt Schuenke, Village Administrator, Cassandra Suettinger, Deputy Administrator/Clerk

**AGENDA ITEM:** Discussion and action to make a recommendation to the Village Board for the creation of an ordinance requiring a referendum vote of the electors before certain public construction projects can be commenced.

**PREVIOUS ACTION:**

At the August 27, 2024 meeting, the Village Board reviewed and approved a referral request from Trustee Brassington on this matter to be discussed further within this Committee of the Whole meeting.

The Committee of the Whole considered the referral request at its meeting on September 10, 2024.

At the January 28, 2025 meeting, the Village Board took action to make a referral of this issue to the Finance Committee for them to review and make a recommendation.

**ISSUE SUMMARY:**

Last year, Trustee Brassington made a referral in August that was discussed at a Committee of the Whole meeting in September regarding the question of whether there should be a referendum requirement within local ordinance prior to certain public construction projects being commenced. The Village had previously had a few different variations of these requirements with in its code dating back several years before it was later removed entirely.

Within that discussion, Trustee Peña provided some ideas via a presentation regarding how we could address the referendum question in relation to our debt limit. Chapter 3 of our Fiscal Policy Manual address debt limitations as guidelines to follow which is different from what enacting an ordinance would require. The board recently approved referral of the question to Committee for review and recommendation with this meeting beginning that discussion.

As mentioned, the ordinance requirements have been around in a few different versions. Each version is included in the packet and summarized as follows (versions noted by year):

- **2005** - Original adoption and required a referendum for any project in excess of \$1 million. There were no exceptions.
- **2014** - This was the first amendment to the original adoption where the standard was increased to \$1.25 million while creating some exceptions for streets, utilities, and



annual adjustment for inflation.

- **2018** - The second amendment changed calculation of the threshold to follow value of the Village based on a comparable example. It stated the new threshold would be 1% of equalized value which as of 2024 that would amount to a new threshold of approximately \$17 million. Additional exceptions were added to the existing list including TID projects, Federal/State/County required projects, projects shared with another unit of government, public safety related, and to address emergencies. Subsection (c) added clarity also to how the threshold is applied within the projects to be considered.
- **2022** - Finally, the requirements in place since 2018 were removed in their entirety.

There is no requirement for municipalities to have a referendum requirement for capital projects. The only limit we face is that we cannot borrow more than 5% of our equalized value (~\$85 million). The range seen above between 2005 to 2022 is the very strict standard to no standard applied with the two versions in between offering different amounts of flexibility. The 2018 version offered the most definition to date to the process while offering flexibility on the amount for the board to manage. The only project that would have required a referendum under the last version of this code would have been the Public Safety Center; however, it was specifically exempted based on its use. This requirement is not common in local government. There are a few examples in Sussex, Delafield, and Elm Grove we can look at but the vast supermajority of the State municipalities do not have this requirement.

It is proposed in the first meeting to review the background information we have provided here. Trustee Peña also requested to revisit his presentation as an alternative to consider within this discussion and he could provide further information on that within this meeting. Going forward then some things to consider:

1. **Ordinance** - Discuss elements of the former code we like or don't like while also asking about other elements not included that should be reviewed further.
2. **Policy** - Think about how the policy as a guideline influences the code as a requirement and what sort of updates could be considered to further address this issue within this format.
3. **Process** - This matter will have to be recommended back to the Village Board and the Committee might want to discuss how it gathers feedback from the board or through the Committee of the Whole before finalizing its work.

Staff will be present to assist the Committee to walk through this information and help navigate the issues as is needed.

#### **FINANCIAL/BUDGET IMPACT:**

Discussion of this referral and consideration for this ordinance has minimal costs as the Village Board weighs the policy implications of these standards.

Implementation of the ordinance will have fiscal implications both on the capital planning of our



projects and thinking of how various projects could come forward as well as their timing within the design process. There are also operational considerations for the inclusion of steps in the process to develop a project with these standards in place that are not insurmountable, but part of the process when considering policy matters such as these. We can discuss these in the meeting.

**VILLAGE PLAN REFERENCE:**

Enclosed is Chapter 3 of our Financial Policy Manual that is our Debt Management Policy. The former presentation provided looked at the question of debt limit as a matter of requirement through ordinance or continued guidance through policy like we have it now. The enclosed policy was not provided at that time, but if we were to shift our approach to looking at the debt limit as a requirement then we would want to further review this policy for possible updates.

Section 3.02(b), under subsection (1) establishes the link to State Statutes where we are not able to borrow more than 5% of our equalized value. As of 2024, our equalized value was \$1,701,717,900 where 5% of that amount would equal \$85,085,895. This 5% threshold applies uniformly to all municipalities within the State.

Whether we choose to use \$1 of this 5% limit or all of it, that is where the discretion lies and each community naturally is different in their approach. Our approach to establishing standards for a debt limit is tied to our utilization ratio. Within this same policy section, the utilization ratio is defined where we “intend” not to exceed 3.33% of that 5% max which would create a limit to max debt utilization at 67%. The key difference between the former ordinances and this policy are that the ordinance was a requirement, and the policy is presently established as a guideline. The policy helps guide our targets within forecast projections which as of the last accepted CIP we are showing we’ll stay under that amount. There are a few other subsections there too that could be considered or applied to a referendum requirement, but the debt utilization ratio is the main one related to his request.

**ORDINANCE REFERENCE:**

None.



**BOARD, COMMISSION OR COMMITTEE RECOMMENDATION:**

The item is listed as action as a recommendation to the Village Board but as the report indicates, the Committee should discuss various elements of what that action looks like as it thinks about what to recommend.

**ATTACHMENTS:**

1. Trustee Brassington 08162024 259 PM (CDT)
2. 2005-09
3. 2014-11
4. 2018-14
5. 2022-09 Charter Ordinance Repealing Section 23-94 of the McFarland Municipal Code Relateding to Public Construction Projects
6. Chapter 3 - Debt Management Policy 03232020

## Village Board Trustee Referral Form

<b>Requested By</b>	Trustee Brassington
<b>Item/Issue Referral</b>	Possible referendum requirement
<b>Action/Referral Request</b>	I would like the Village Board to review the history of the referendum requirement and to discuss the possibility of adding it back.
<b>Request Referral to (Please select all that apply)</b>	<ul style="list-style-type: none"><li>• Village Board</li></ul>
<b>Background Information</b>	the residents have lost some confidence in the village board as it relates to our fiscal responsibility. I think we need to discuss some sort of checks/balances
<b>Attachments</b>	<ul style="list-style-type: none"><li> 2022-09 Charter Ordinance Repealing Section 23-94 of the McFarland Municipal Code Relateding to Public Constructi</li><li> 2018-14.pdf</li></ul>

**ORDINANCE NO. 2005-09**

**AN ORDINANCE TO REQUIRE A BINDING REFERENDUM FOR PROJECTS  
REQUIRING A VILLAGE EXPENDITURE OF \$1 MILLION OR MORE**

The Village Board of the Village of McFarland, Dane County, Wisconsin, do ordain that the following direct legislation ordinance is hereby created:

“Prior to the start of any physical construction of any municipally financed (in whole or in part) project requiring a Village capital expenditure of \$1 million or more, the Village Board shall submit to the electorate a binding referendum for approval of the project. Failure of the binding referendum shall preclude the Village from proceeding with the project. The wording of any referendum shall provide the specific purpose, location, and cost of the project. Nothing in this provision shall be construed to preclude the Village from exercising its role in the planning or design of such publicly financed projects.”

*The foregoing ordinance was duly adopted by the Voters of the Village of McFarland at the Spring Election held on April 5, 2005. The vote was Yes 956, No 403.*

APPROVED:

  
\_\_\_\_\_  
Erik Thoresen

ATTEST:

  
\_\_\_\_\_  
Deb Neal, Clerk/Deputy Treasurer

ADOPTED: April 14, 2005  
PUBLISHED: April 14, 2005

PROOF OF PUBLICATION

STATE OF WISCONSIN }  
DANE COUNTY } SS.

Wayne Toske, being duly sworn, both depose and say that he is the general manager of the McFarland Thistle, a newspaper published at the Village of McFarland, in the County of Dane, State of Wisconsin, and that an advertisement of which the annexed is a true copy, taken from said paper, was published therein on

April 14, 2005

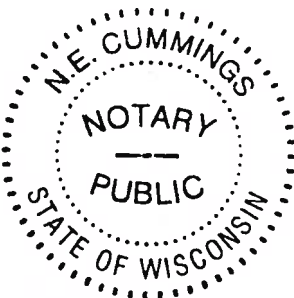
(Signed) Wayne Toske  
General Manager

Subscribed and sworn before me this 14th day of April, 2005

N.E. Cummings  
Notary Public, State of Wisconsin

My Commission expires Sept 14, 2008

No. Lines 37 No. Times 1 Affidavit Fees \$ 1.00  
Printers Fees \$ 21.50  
Total \$ 22.50



**Official Publication**

**ORDINANCE NO. 2005-09  
AN ORDINANCE TO REQUIRE A  
BINDING REFERENDUM FOR  
PROJECTS REQUIRING A  
VILLAGE EXPENDITURE OF  
\$1 MILLION OR MORE**

The Village Board of the Village of McFarland, Dane County, Wisconsin, do ordain that the following direct legislation ordinance is hereby created:  
"Prior to the start of any physical construction of any municipally financed (in whole or in part) project requiring a Village capital expenditure of \$1 million or more, the Village Board shall submit to the electorate a binding referendum for approval of the project. Failure of the binding referendum shall preclude the Village from proceeding with the project. The wording of any referendum shall provide the specific purpose, location, and cost of the project. Nothing in this provision shall be construed to preclude the Village from exercising its role in the planning or design of such publicly financed projects."  
The foregoing ordinance was duly adopted by the Voters of the Village of McFarland at the Spring Election held on April 5, 2005. The vote was Yes 856, No 403.

APPROVED:  
Erik Thoresen  
ATTEST:

Deb Neal, Clerk/Deputy Treasurer  
ADOPTED: April 14, 2005  
PUBLISHED: April 14, 2005  
PUB. The McFarland Thistle: April 14, 2005

## ORDINANCE NO. 2014-11

### **A CHARTER ORDINANCE TO REVISE SECTION 23-94 OF THE MCFARLAND MUNICIPAL CODE RELATING TO PUBLIC CONSTRUCTION PROJECTS**

**Purpose:** On April 5, 2005, effective April 14, 2005, the electors of the Village of McFarland adopted a direct legislation petition creating a cap on Village capital expenditures of \$1,000,000 for projects that could be implemented without first having a binding referendum. The Village Board finds that while requiring certain capital projects to be subject to a binding referendum of the electorate is in the public interest, the passage of time and the breadth of the current ordinance is hindering the Village Board's ability to govern. Pursuant to Wis. Stats. § 9.20(8), the Village Board has had the right to amend Section 23-94 of the McFarland Municipal Code since April 14, 2007. This ordinance would implement modifications of Section 23-94, while preserving the right of the voters to approve significant capital projects.

**Sponsor:** Village Board

**Public Hearing:** Oct. 13 [date], 2014, preceded by Class I notice

**Effective Date:** As a charter ordinance, this proposal will not take effect until 60 days after its adoption pursuant to Wis. Stats. § 66.0101(5), within which time citizens may petition to hold a referendum on the effectiveness of this ordinance.

The Village Board of the Village of McFarland do hereby ordain as follows:

1. Section 23-94 of the McFarland Municipal Code is hereby amended to read as follows:

**"Sec. 23-94. Direct legislation ordinance to require a binding referendum for projects requiring a Village expenditure of ~~\$1,000,000.00~~\$1,250,000.00 or more.**

**(a)** Prior to the start of any physical construction of any ~~municipally-Village-financed~~ (~~in whole or in part~~) project requiring a net Village capital expenditure of ~~\$1,000,000.00~~\$1,250,000.00 or more, the Village Board shall submit to the electorate a binding referendum for approval of the project. Failure of the binding referendum shall preclude the Village from proceeding with the project. The wording of any referendum shall provide the specific purpose, location, and cost of the project. Nothing in this provision shall be construed to preclude the Village from exercising its role in the planning or design of such publicly financed projects.

- (b) Subsection (a) shall not apply to public street projects, public projects paid for by McFarland Utilities (water, sewer and storm water), or to any other capital expenditures that are not public construction projects.
- (c) The maximum capital expenditure amount in subsection (a) shall be adjusted annually for inflation or deflation in November of each year for the subsequent calendar year, utilizing the Consumer Price Index for all Urban Consumers, National Series (CPI-U), assuming [November 1, 2014] = 100, for all nonfood items as published by the U.S. Department of Labor, Bureau of Labor Statistics. The Village shall maintain a file open to the public and published on the Village website showing the said maximum amount for all years after the initial effective date.
- (d) This is a charter ordinance and shall take effect 60 days after its passage and publication, unless within such 60 day period a referendum petition as provided by Wis. Stats. § 66.0101 shall be filed, in which case this ordinance shall not take effect until it shall have been submitted to a referendum vote of the electors and approved by a majority of the electors voting thereon.”

The above and foregoing charter ordinance was duly adopted at a regular meeting of the McFarland Village Board on the 13th day of October, 2014, at McFarland, Wisconsin.

APPROVED:

  
 Brad Czebotar, Village President

ATTEST:

  
 Tracey K. Berman, Village Clerk

ORDINANCE 2014 – 11			
MOTION	SECOND		
Czebotar	Lytle		
ACTION	DATE		
Adopted	10/13/14		
Referred			
Tabled			
Withdrawn			
Defeated			
Published			
INDIVIDUAL VOTING RECORD			
Adrian	Aye	Kolk	Aye
Babcock	Aye	Lytle	Aye
Czebotar	Aye	Utter, B	Nay
Gletty-Syoen	Absent		
VOTING RESULTS			
Motion Carried:	5-1		
Motion Defeated:			

## ORDINANCE 2018-14

### A CHARTER ORDINANCE AMENDING SECTION 23-94 OF THE MCFARLAND MUNICIPAL CODE RELATING TO PUBLIC CONSTRUCTION PROJECTS.

**WHEREAS**, the Village Board previously enacted Ordinance No. 2014-11, a charter ordinance amending §23-94 of the McFarland Municipal Code which required a binding referendum vote of the electors before certain public construction projects could be commenced; and

**WHEREAS**, the Village Board desires to modify the restrictions to apply only to larger construction projects;

**NOW, THEREFORE**, the Village Board of McFarland, Wisconsin, does ordain as follows:

**Section 1.** Section 23-94 of the McFarland Municipal Code is amended to read as follows:

#### **23-94 - Referendum requirement for large capital construction projects.**


- a) Except as provided in par. (b), prior to the start of any physical construction on any Village-financed project involving a net cost to the Village exceeding 1% of the Village's equalized value as most recently determined by the Wisconsin Department of Revenue, the Village Board shall submit to the electorate a binding referendum for approval of the project. Failure of the binding referendum shall preclude the Village from proceeding with the project. The wording of any referendum shall provide the specific purpose, location, and cost of the project. Nothing in this provision shall be construed to preclude the Village from exercising its role in the planning or design of such publicly financed projects. As used in this section, the term "net cost" means the total amount paid or to be paid by the Village less any amounts received or to be received in connection with the project in the form of governmental grants, private donations, developer contributions or other third-party funding sources.
- b) Subsection (a) shall not apply to the following:
  - (1) public street projects;
  - (2) public projects funded by a Village Utility (water, sewer and/or stormwater);
  - (3) projects qualifying as project costs in an approved tax incremental district project plan;
  - (4) Projects required by any Federal, State or County statute, regulation, rule or ordinance, any court order or any previously approved agreement;
  - (5) Projects undertaken jointly with another unit of government;
  - (6) Public safety facilities, limited to fire, police, EMS and municipal court;
  - (7) Projects undertaken to address emergency conditions as determined by the Village Board.

- c) The following provisions shall apply to the determination of a single project for purposes of establishing the applicability of this section:
- (1) Demolition of an existing structure to facilitate the construction of a designated new building or structure shall be considered part of the construction cost of the approved building.
  - (2) All public construction included in a single solicitation for bids or covered under the same general contract shall be deemed part of a single project.
  - (3) A contract for construction, remodeling, additions or alterations to a single building or structure awarded prior to, or within 6 months after, the substantial completion of any other such work on the same building or structure shall be deemed part of the initial project.
  - (4) Any number of contracts with individual trades for interrelated work on an integrated construction, remodeling or building addition project shall be deemed part of the same project.
  - (5) Construction of two or more buildings or structures on the same building lot shall be considered a single project if construction on the second building or structure is commenced prior to, or within 6 months of, substantial completion of the first building.
  - (6) Periodic repairs, replacement or resurfacing of parking lots, driveways, roofs, exterior lighting fixtures or similar improvements shall not be deemed part of the cost of construction activities within an existing building if all of the following conditions are met:
    - a. The repair, replacement or resurfacing is necessitated by damage or normal wear unrelated to the construction on the same site;
    - b. The improvement is not materially altered in any dimension or in location;
    - c. The repair, replacement or resurfacing neither necessitates, nor is necessitated by, the construction occurring on the site.
    - d. The repair, replacement or resurfacing is accomplished with substantially the same materials and quality as the existing improvement.


**Section 2. Effective Date.**

This is a charter ordinance and shall take effect 60 days after its passage and publication, unless within such 60-day period a referendum petition as provided by Wis. Stats. § 66.0101 shall be filed, in which case this ordinance shall not take effect until it shall have been submitted to a referendum vote of the electors and approved by a majority of the electors voting thereon.

Adopted at a regular meeting of the McFarland Village Board this 8<sup>th</sup> day of October, 2018

  
\_\_\_\_\_

Brad Czebotar, Village President

Attest:   
\_\_\_\_\_

Cassandra Suettinger, Clerk/Treasurer

ORDINANCE 2018 – 12	
MOTION	SECOND
Czebotar	Kolk
ACTION	DATE
Adopted	10/08/2018
Referred	
Tabled	
Withdrawn	
Defeated	
Published	
INDIVIDUAL	
VOTING RECORD	
Adrian – Aye	Kolk – Aye
Brassington – Aye	Lytle– Aye
Clow - Nay	O'Hearn - Nay
Czebotar– Aye	
VOTING	
RESULTS	
Motion Carried:	5-2
Motion Defeated:	

ORDINANCE 2022-09

A CHARTER ORDINANCE REPEALING SECTION 23-94 OF THE MCFARLAND MUNICIPAL CODE RELATING TO PUBLIC CONSTRUCTION PROJECTS.

Purpose: To repeal §23-94 of the McFarland Municipal Code which requires a binding referendum vote of the electors before certain public construction projects can be commenced.

Sponsor: Village President Carolyn Clow

Recommended Referral: None.

Public Hearing: None required.

WHEREAS, Charter Ordinance 2005-09 was enacted by direct legislation on April 5, 2005 requiring a referendum vote prior to commencement of certain public construction projects, the provisions of which have since been codified as §23-94 of the McFarland Municipal Code; and

WHEREAS, the Village Board previously adopted Ordinances No. 2014-11 and No. 2018-14 as charter ordinances that further amended the provisions of §23-94; and

WHEREAS, the Village Board desires to repeal §23-94 as a matter of public interest maintaining their ability to govern the capital needs of the Village without the need for a binding referendum.

NOW, THEREFORE, the Village Board of McFarland, Wisconsin, does ordain as follows:

Section 1. Section 23-94 of the McFarland Municipal Code is repealed in its entirety.

Section 2. Effective Date.

This is a charter ordinance and shall take effect 60 days after its passage and publication, unless within such 60-day period a referendum petition as provided by Wis. Stats. § 66.0101 shall be filed, in which case this ordinance shall not take effect until it shall have been submitted to a referendum vote of the electors and approved by a majority of the electors voting thereon.

Adopted at a regular meeting of the McFarland Village Board this 12th day of July, 2022.

ORDINANCE 2022-09	
MOTION	SECOND
Clow	Wreh
ACTION	DATE
Adopted	07/12/2022
Referred	
Tabled	
Withdrawn	
Defeated	
Published	
INDIVIDUAL VOTING RECORD	
Clow - Aye	Wreh - Aye
Brassington - Aye	Flaherty - Aye
Nelson - Aye	Jerke - Aye
Vacant -	
VOTING RESULTS	
Motion Carried	6 - 0 - 0
Motion Defeated:	

APPROVED: Carolyn A. Clow, Village President

ATTEST: Cassandra Suettinger, Village Clerk/Treasurer

## **CHAPTER 3            Debt Management Policy**

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### **SECTION 3.01      Policy Purpose**

- (a)    The Village acknowledges that certain costs incurred on an annual basis reflect an investment in the future of the Village. These types of costs include development, acquisition, and replacement of assets that will be used by the residents of the Village over a long period of time. Financing of these long-term assets is often appropriately accomplished through the issuance of long-term debt instruments, special assessments, or any other combination of these.
  
- (b)    It is the responsibility of the Village Board and Village administrative staff to monitor the financial health of the Village. A significant portion of the Village's financial health is determined by its ability to manage its debt, so the role of debt in the Village's total financial strategy must be carefully defined in order to avoid using debt in a way that weakens other parts of its financial structure. It is the responsibility of the Village Administrator and Clerk/Treasurer to regularly monitor the Village's outstanding debt and to recommend issuance, replacement and retirement of outstanding debt to the Finance Committee and the Village Board.

### **SECTION 3.02      Policy Implementation Objectives**

#### **(a)    Financing Considerations.**

- (1)    The Village will confine long-term borrowing to capital improvements, equipment, or other long-term projects which cannot and, appropriately should not, be financed from current annual operating revenues.
  
- (2)    The Village will not use long-term debt to finance current operations, nor will long-term debt be used to finance the cost of short-lived (less than five years) depreciable assets (for example, vehicles).
  
- (3)    In general, the final maturity of bonds and notes issued by the Village should not exceed the expected useful life of the underlying project for which it is being issued.
  
- (4)    The Village will issue general obligation debt by borrowing from the State Trust Fund or through a competitive bidding process or negotiated sale, depending upon which approach is deemed most advantageous to the Village.

- (5) Periodic reviews of outstanding debt will be undertaken by the Village Administrator and Clerk/Treasurer at least every two years to determine refinancing opportunities. Refinancing will be considered (within federal tax law constraints) if and when there is a net economic benefit of the refunding.

(b) **Debt Limits and Structure.**

- (1) Section 67.03 of Wisconsin Statutes and Article XI, §3(2) of the Wisconsin Constitution require that general obligation debt outstanding not exceed 5% of the equalized valuation of the taxable property within the Village. Revenue bonds and notes are not considered debt for purposes of determining compliance with constitutional debt limitations. The Village intends to keep total outstanding general obligations debt within 3.33% of the equalized valuation unless otherwise authorized by the Village Board. Debt levels should further be consistent with the Village's credit objectives and long-term financial plan.
- (2) The Village will keep the maturity of all outstanding general obligation bonds at or below 20 years unless otherwise allowed by Wisconsin State Statutes and authorized by the Village Board.
- (3) The total annual debt service expense for general obligation debt (exclusive of that funded by proprietary operations) should not exceed 25% of the Village's total operating expense less capital outlay, unless otherwise authorized by the Village Board. The Village will make every effort realistic and reasonable to maintain debt service expenditures at a proportionately even level for tax rate stabilization.

(c) **Municipal Advisor.**

- (1) The Village will utilize the services of a qualified Municipal Securities Rulemaking Board (MSRB) Registered Municipal Advisor ("Municipal Advisor") that meets all current certification requirements in the monitoring of its debt and debt service.
- (2) The Village should strive to maintain a long-term relationship with a Municipal Advisor to allow for continuity and consistency in services provided by the advisor. However, the arrangement between the Municipal Advisor and the Village should be examined every five (5) years or as deemed necessary by Village administrative staff and the Village Board.

- (3) All feasible alternatives (for example, State Trust Fund loans, Clean Water Fund loans, and private placements with local financial institutions) for borrowing funds should be considered by the Village and the Municipal Advisor depending on the uniqueness of the items or projects being financed by long-term debt.
- (4) All costs of issuing long-term debt, including fees for professional services, underwriting fees, and the interest costs over the term of the debt issue, must be considered and carefully evaluated for each borrowing.
- (5) The Village will work with the Municipal Advisor to ensure that long-term debt issues are structured to protect the interest of the Village for the present and in the future (for example, the inclusion of call provisions to protect the Village against future interest rate fluctuations or other circumstances).

(d) **Other Considerations.**

- (1) The maintenance of the best possible credit rating shall be a significant factor in all financial decisions.
- (2) The Village will maintain good communications with bond rating agencies regarding its financial condition.
- (3) The Village will follow a policy of full disclosure in all financial reporting including bond prospectuses and continuing disclosure agreements required under SEC Rule 15c2-12(b)(5).

Adopted: October 10, 2011

Amended: July 8, 2019  
March 23, 2020

  
**VILLAGE OF**  
**McFarland**  
**SUMMARY SHEET**

**MEETING DATE:** Thursday, February 20, 2025

**SECTION:** Business

**DEPARTMENT:** Administration

**CONTACT:** Matt Schuenke, Village Administrator, Cassandra Suettinger, Deputy Administrator/Clerk, Jennifer Haried, Inactive

**AGENDA ITEM:** Discussion on updates to the Finance Committee work plan regarding policy reviews.

**PREVIOUS ACTION:**

None.

**ISSUE SUMMARY:**

[Please click on this link to review the Fiscal Policy Manual for the Village.](#) We currently have the following chapters established listed with their effective date:

- Chapter 01 - Accounting and Audit 2023
- Chapter 02 - Budget Development 2012
- Chapter 03 - Debt Management 2020
- Chapter 04 - Fund Balance 2015
- Chapter 05 - Investment 2020
- Chapter 06 - Capitalization of Fixed Assets 2012
- Chapter 07 - Expenditure of Parks Capital Projects Fund Revenues 2020
- Chapter 08 - Interfund Advances 2012
- Chapter 09 - Revenue Collection Write-Off Policy 2023
- Chapter 10 - Purchasing 2018
- Chapter 11 - Revenues 2011
- Chapter 12 - Vehicle Replacement 2020
- Chapter 13 - Community Grant Program 2023
- Chapter 14 - Affordable Housing Fund 2023

We have made some progress this year with new policies in Chapter 13 and 14 as well as updating Chapter 9 this year. We need to get into some of the other existing policies as part of this process which

The following work plan is proposed for the Finance Committee to update our fiscal policies into the next year:

- February 20 - Chapter 2 (Budget Development) and Chapter 3 (Debt Management)
- March 20 - Chapter 2 (Budget Development), Chapter 3 (Debt Management), and



Chapter 11 (Revenues).

- April 17 - Chapter 4 (Fund Balance), Chapter 6 (Capitalization), and Chapter 8 (Interfund).

The next three meetings are planning out to attempt to finish and/or start updates to policies that have not otherwise been updated to date. Based on our progress, then we'll add other policies to this as the year progress to check in and continue until we've completed some review on each chapter.

**FINANCIAL/BUDGET IMPACT:**

Most of this work will be conducted by Village Staff but may at time require reviews by the Village Attorney, Auditor, and Financial Advisor where applicable. Costs for which will be accounted for within normal operating budgets.

**VILLAGE PLAN REFERENCE:**

None.

**ORDINANCE REFERENCE:**

None.

**BOARD, COMMISSION OR COMMITTEE RECOMMENDATION:**

Presented for discussion. No action needed.

**ATTACHMENTS:**

None

  
**VILLAGE OF**  
**McFarland**  
**SUMMARY SHEET**

**MEETING DATE:** Thursday, February 20, 2025

**SECTION:** Business

**DEPARTMENT:** Administration

**CONTACT:** Cassandra Suettinger, Deputy Administrator/Clerk, Lisa Skar,  
Finance Manager/Treasurer, Matt Schuenke, Village Administrator

**AGENDA ITEM:** Discussion regarding updates to Chapter 2 (Budget Development Policy) of the Fiscal Policy manual.

**PREVIOUS ACTION:**

N/A

**ISSUE SUMMARY:**

Included within the packet is the current Chapter 2 for Budget Development. The document is updated to the current format with the language currently carried over from the 2012 adoption.

We will review the whole document for updates/changes, but areas of emphasis are added that we will discuss as we review this in the meeting.

One new guiding tool in this process is adapting to the format to apply for a Government Finance Officers Association (GFOA) Distinguished Budget Award. The award itself is notable recognition for the hard work we do in a budget process, but the real value is the structured added to enhance the budget as a key tool within the organization. Included is the application to provide an overview and most of what is required is something we already do. There are elements we want to add for the 2026 process to be able to apply for the next cycle to be able to receive this recognition. Including reference in the policy will help maintain that link going forward to continue to set the standard for that process within these guidelines.

Our main objective in this first meeting is to introduce the current policy, show some areas for some new ideas, and discuss what other thoughts members have as we begin to update this document. The next meeting then we'll present an updated version of the former policy to begin working on as the specific update.

**FINANCIAL/BUDGET IMPACT:**

None

**VILLAGE PLAN REFERENCE:**

None

**ORDINANCE REFERENCE:**

None

**BOARD, COMMISSION OR COMMITTEE RECOMMENDATION:**



No action needed. Presented for discussion only.

**ATTACHMENTS:**

1. Chapter 2 - Budget Development Policy 02132025
2. GFOA Distinguished Budget Award Application

## **CHAPTER 2      Budget Development Policy**

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### **SECTION 2.01      Policy Purpose**

- (a) The process for the publication and legislative consideration of the annual budget for the Village is stated in Wis. Stats. § 62.12 and § 65.90 and Chapter 23, Article II, Division 2 of the McFarland Code of Ordinances. Those legislative guidelines provide the overall framework and minimum legal requirements for the Village budget process. This policy outlines the process to be followed by Village staff and the Village Board in developing and presenting the annual operating and capital budgets for all Village operations, including utilities, for review and adoption.

### **SECTION 2.02      Policy ~~Implementation~~ Objectives**

- (a)
- (b)

### **SECTION 2.03      Basis of Budgeting.**

- (a) The Village adopts annual budgets for the general, special revenue, debt service and capital project funds that are prepared on the modified accrual basis of accounting. The enterprise funds budgets are prepared on the accrual basis of accounting.
- (b) The adopted budget indicates the amount that can be expended by each fund based on detailed budget estimates for individual expenditure accounts. Management may make budget modifications within the department level. All budget revisions at the fund level must be authorized by the Village Board at the request of the Administrator/ Treasurer. The Board, under Wis. Stats. § 65.06, can modify or amend the budget if unappropriated funds are available. All supplemental appropriations are financed either by transfers from reserves or by revenues received in excess of the budgeted amounts.
- (c) All budget amounts lapse at the end of the year to the extent they have not been expended.
- (d) The basis of budgeting for the Village's funds is the same as the basis used for the fund statements in the Village's annual financial statements.

(e) Create reference to GFOA to follow their distinguished budget award format.

**SECTION 2.04 General Budget Procedures.**

- (a) The annual budget for the Village developed for consideration by the Village Board will include all operations of the Village, including utilities, and will include both the operating budget for the ensuing fiscal year and a capital budget based upon a five-year capital improvement plan.
- (b) Before commencement of the annual budget process, the Village Board and the Administrator/Treasurer will develop recommended budget parameters and the budget calendar. Budget parameters will include allowable increases/decreases in operating budgets, projected wage increases, targets for borrowing in accordance with the Village's debt management policy, anticipated changes in revenue sources or tax base growth, and other factors.
- (c) Certain elements of budgets that are common across departments will be calculated and/or monitored by the Administrator/Treasurer on a centralized basis to ensure comparability and budgetary control. These areas include:
  - (1) Salaries and benefits.
  - (2) Liability, worker's compensation, and property insurance coverages.
  - (3) Fuel and utility cost assumptions.
  - (4) Public Fire Protection Charge.
- (d) The Administrator/Treasurer is responsible for coordination and initial review of departmental budget submissions. As necessary, meetings will be held with departments to review their budget requests prior to finalizing the budget.
- (e) The budget, consisting of the Administrator/Treasurer's recommendations on department requests shall be submitted to the Village Board for its consideration. Along with the executive budget submission, the following information will be reported to the Village Board:
  - (1) All budget requests by departments, whether recommended for funding or not in the budget; and
  - (2) A report from the Administrator/Treasurer as to whether the budget falls within the initial parameters established by the Village Board and areas in which changes/adjustments could be considered.

- (f) Village Board review and deliberation on the budget and municipal services will generally be done in consultation with department heads, as determined appropriate by the Board. The annual operating and capital budgets will be submitted to the Village Board for adoption by formal Resolution.

**SECTION 2.05 Operating Budget.**

- (a) The operating budgets will serve as the annual financial plans for the Village and as the policy documents for implementing Board goals and objectives. The budget will provide the staff the resources necessary to accomplish Village Board determined service levels. The Village's annual budget document will be presented by department, with a logical breakdown of programs and line-item detail. Separate summary budget information will also be presented for discussion and review by the Village Board and the public.
- (b) The Village will annually adopt a balanced budget for the General Fund where operating revenues and other funding sources are equal to, or exceed, operating expenditures. Funding sources that can be considered in adhering to this provision include applying some portion of the general fund balance (reserves) that exceeds the minimum level required to be maintained per the Village's fund balance policy. Any increase in expenditures, decrease in revenues, or combination of the two that would result in a significant budget imbalance during the current fiscal year will be reported to the Finance Committee for consideration and recommendation to the Village Board of budget revisions or use of fund balance reserves to support ongoing operations. Any year-end operating surpluses will revert to unreserved fund balance for use in maintaining reserve levels set by policy.
- (c) Enterprise funds (e.g., the Water and Sewer Utility and Stormwater Utility) shall be supported by their own rates and specified revenue sources, including property taxes as deemed appropriate by the Village Board, and not be subsidized by the General Fund. Enterprise fund operating surpluses will not be used to subsidize other Village funds.
- (d) Enterprise funds and special revenue funds will pay their proportionate share of overhead services provided by General Fund departments.
- (e) The Village Board exercises legal budgetary control at the fund level, however reports are provided at functional and departmental levels as defined in the Village budget document. Budget accountability rests primarily with the operating departments of the Village, with general oversight by the Finance Committee and the Public Utilities Committee.

**SECTION 2.06 Capital Improvement Budgets.**

**Commented [MS1]:** Break this up into two sections to note guidelines (update what was here before) and then create new section to focus on process/timeline.

- (a) The Village will enact an annual capital improvement budget based upon a five-year capital improvement plan. Projects or future capital expenditures to be included in the capital improvement plan shall include those items resulting from changes in population, changes in real estate development, changes in economic base, or developments anticipated as part of the master and neighborhood planning process. The capital improvements plan will also include consideration of major equipment replacement needs. The five-year capital improvement plan will be updated annually.
- (b) The Village will coordinate development of the annual capital improvement budget and the vehicle/equipment replacement program with the development of the operating budget. Future operating costs or savings associated with new capital improvements or major equipment purchases will be projected and included in the operating budget. Approval of the annual capital improvement budget shall take place at the same time as approval of the annual operating budget.
- (c) As part of the annual capital improvement budget process, the Administrator/Treasurer will develop for consideration by the Village Board a projection of changes in the property tax levy necessary for debt service in subsequent budget years. Such target will be used to develop guidelines for the level of borrowing to be used in supporting the annual capital improvement budget. The projection will be based on a combination of factors including, but not limited to, expected growth in tax base, inflation rates, or similar factors.
- (d) Utility projects not funded via special assessments, grants, or similar funding sources other than utility rates will be analyzed for future rate impacts as part of the annual budget process. Utility projects will be coordinated with Village projects to minimize costs and inconvenience to residents.
- (e) Development-related projects for which tax incremental financing might be considered will be considered outside of the borrowing projections noted above due to the dedicated revenue stream (tax increments or other sources) used to pay the debt.
- (f) Each department head will develop the annual capital improvement budget for his or her respective department. These initial budgets should be reviewed by the appropriate board or committee which is responsible for overseeing the operations of each department. The final review of the annual capital improvement budget will then be completed by the Administrator/Treasurer prior to being presented to the Village Board for approval.

- (g) Capital improvement expenditures shall include any amounts expended for equipment or other assets with a useful life of more than five years and/or which involve amounts more than \$2,500. Expenditures not meeting these criteria, or which have a useful life of less than the payback period of the funds to be borrowed, shall be included in the Village's annual operating budget or equipment replacement program as applicable.
- (h) Requests for new or replacement vehicles and similar equipment will be analyzed in conjunction with the Village's equipment replacement program. Sinking funds will be established when feasible to fund future vehicle and equipment replacements.
- (i) Facility improvement projects to be included in the capital improvement budget should involve major renovations that change the floor plan, wall locations, modifications to the structure, or modifications to building mechanical systems. Items that do not meet these criteria should be included in department operating budgets.
- (j) The Village will make all capital improvements in accordance with the approved annual capital improvements budgets. Any variance from the approved budget that would require a supplemental appropriation, or to add, delete or substitute projects, requires approval by the Village Board.
- (k) Financing Considerations:
  - (1) The Village will utilize the least costly financing method for all new projects.
  - (2) Each department will identify the estimated costs and potential alternate funding sources for each capital improvement project proposal.
  - (3) The Village will utilize available grant funds and other intergovernmental assistance to finance only those capital improvements that are consistent with the capital improvement plan and the Village's priorities.
- (l) Other Considerations:
  - (1) The Village will maintain all of its assets at a level adequate to protect the Village's capital investment and to minimize future maintenance or replacement costs.
  - (2) The Village will maintain adequate equipment utilization and maintenance records to support its five-year capital improvement plan and to assure proper maintenance of equipment.

**SECTION 2.07 Budget Contents**

(a)

**Commented [MS2]:** Reference the current table of contents to spell out what is needed to be included within the document.  
Link back to GFOA Award.

**SECTION 2.08 Budget Development Process.**

**Commented [MS3]:** Update this to follow the current schedule.

- (a) The formal budget process begins in late June of each year when the Village Board determines the details of the budget calendar and budget review process to be used that year. Informally, aspects of upcoming budgets are discussed throughout the year with the Village Board and staff. [Refer to the attached Budget Schedule which describes the process and timetable for the current year.]
- (b) In July the Village Board is presented with pertinent background information for the upcoming budget and fiscal policy recommendations from the Finance Committee. The Board determines general budget parameters and guidelines to be followed by the departments when compiling their budget requests. As appropriate, the Administrator/Treasurer details alternative budget scenarios for the department heads to submit.
- (c) The Administrator/Treasurer provides each department with historical financial information and projected salary and benefit figures based on the authorized positions. Department heads are then responsible for completing budget requests in accordance with the guidelines provided by the Administrator/Treasurer and the Village Board. Capital budget requests and changes in staffing levels or significant service level/policy changes are reviewed with committees of jurisdiction in July and August. Departmental budget requests are returned to the Administrator/Treasurer in late August for compilation.
- (d) Simultaneously, the Administrator/Treasurer reviews current year revenue trends and completes revenue estimates for the budget year. The Administrator/Treasurer reviews the budget amounts requested and meets with department heads individually to discuss potential cost savings measures and overall financial goals of the Village.
- (e) In late August each department reviews with the Village Board any significant budget problem areas or opportunities for the coming year and any requested changes in staffing. The Village board determines budget assumptions to be made regarding requested staffing changes and wages and benefits for non-represented and represented employees.

- (f) In mid-September the Village Board is given an overview of the compiled departmental budget requests. Budget policy issues are identified and discussed and final direction is provided to staff by the Board on tentative tax levy, revenue, expense, staffing, and service change assumptions to be incorporated in the proposed budget.
- (g) The recommended five-year capital improvement plan is typically distributed to the Village Board in mid-September and reviewed at a working session in late September or early October. The recommended operating budgets are typically distributed to the Village Board in mid-October and reviewed in multiple working sessions in late October or early November following the public hearing. The operating and capital budgets of the Water and Sewer Utility and the Stormwater Utility are typically reviewed by the Public Utilities Committee in November and forwarded to the Village Board for action in December.
- (h) In late October the Village Board holds a public hearing on the proposed budgets following publication of budget summaries in accordance with statutory requirements. Members of the public are encouraged to comment at the public hearing on the proposed budgets and their impact on municipal services.
- (i) For a one week period following the final budget review meeting Village Board members may submit requests for changes to the proposed budgets. Any proposed changes will be circulated to all other Board members and staff for proper evaluation and analysis of operational and service impacts prior to discussion and possible action at the subsequent Village Board meeting. Consideration of budget changes not submitted by the deadline will be determined by a majority of the Village Board.
- (j) The budget for each individual fund is adopted separately by the Village Board which also approves the overall tax levy for Village purposes and the composite tax levy to be collected for all taxing jurisdictions. The adoption of non-utility budgets typically occurs on the second Monday in November. ñ

**SECTION 2.09 Budget Publication**

- (a) Print at Municipal Center and Library.
- (b) Electronic via website.
- (c) Tax bill insert.
- (d) Hearing notice.
- (e) Budget summary.

Adopted: August 27, 2012

Amended: XXXX XX, 2025

**Commented [MS4]:** Or could be titled engagement to build out these elements and other suggestion we need to address from Trustee Peña.



## DETAILED LOCATION CRITERIA GUIDE

Budgets with a Fiscal Year Beginning 1/1/25 or later

### CITE SPECIFIC PAGE REFERENCES ON THE LINES IN THE RESPONSE TO EACH QUESTION

(Citations may include links or section titles for online budget books)

Name of Entity: \_\_\_\_\_

State/Province: \_\_\_\_\_

First Submission? Yes  No

#### #C1. | Table of Contents

**Mandatory:** Include a table of contents that facilitates easy access to information.

1. Is a comprehensive table of contents provided for easy navigation (may take a variety of forms related to the approach used to present budgetary information)?  
\_\_\_\_\_

2. Do all pages in the table of contents electronically link to the corresponding content location (pages in a traditional document or other content in an electronic form)?  
\_\_\_\_\_

3. Are the page numbers or similar reference points in the table of contents consistent with the referenced page numbers? \_\_\_\_\_

#### #P1. | Strategic Goals and Strategies

**Mandatory:** Provide a coherent statement of organization-wide, strategic goals and strategies that address long-term concerns and issues.

1. Are strategic goals included? \_\_\_\_\_

2. Is the process for creating the strategic goals explained? \_\_\_\_\_

3. Are action plans and/or strategies included to show how these goals will be accomplished? \_\_\_\_\_

#### #P2. | Priorities and Issues

**Mandatory:** Provide a budget message that articulates priorities and issues for the upcoming year. The message should describe significant changes in priorities from the current year and explain the factors that led to those changes. The message may take one of several forms (e.g., transmittal letter, budget summary section).

1. Does the message highlight the principal issues facing the governing body in developing the budget (e.g., policy issues, economic factors, regulatory, and legislative challenges)?  
\_\_\_\_\_

2. Does the message describe the actions to be taken to address these issues?  
\_\_\_\_\_

3. Does the message explain how the priorities for the budget year differ from the priorities of the current year? \_\_\_\_\_
4. Are major changes in service levels, fees, and/or taxes presented? \_\_\_\_\_

## #C2. | Budget Overview

**Mandatory: An overview of significant budgetary items and trends should be provided. The overview should be presented within the budget as a separate section (e.g., budget-in-brief) or integrated within the transmittal letter.**

1. Is an overview contained in the budget message/transmittal letter, executive summary, or in a separate budget-in-brief? \_\_\_\_\_
2. Is summary information on significant budgetary items conveyed in an easy to consume format? \_\_\_\_\_
3. Is summary information on budgetary trends provided? \_\_\_\_\_
4. Is a summary of changes presented between the proposed to adopted budget?  
\_\_\_\_\_

## #O1. | Organization Chart

**Mandatory: Provide an organization chart for the entire entity.**

1. Is a legible organization chart provided that shows the entire entity?  
\_\_\_\_\_

## #F1. | Fund Descriptions and Fund Structure

**Describe all funds that are subject to appropriation.**

1. Are a narrative and/or a graphic overview of the entity's budgetary fund structure included in the document? \_\_\_\_\_
2. Do the materials indicate which funds are appropriated? (*Other funds for which financial plans are prepared also may be included in the document.*) \_\_\_\_\_
3. Is each individual major fund described? \_\_\_\_\_
4. If additional or fewer funds are included in the audited financial statements, is this indicated? \_\_\_\_\_

## #O2. | Department/Fund Relationship

**Provide narrative, tables, schedules, or matrices to show the relationship between functional units, major funds, and nonmajor funds in the aggregate.**

1. Is the relationship between the entity's functional units, major funds, and nonmajor funds in the aggregate explained or illustrated? \_\_\_\_\_

## #F2. | Basis of Budgeting

**Explain the basis of budgeting for all funds, whether cash, modified accrual, or some other statutory basis.**

Name of Entity:

State/Province:

First Submission? Yes      No

1. Is the basis of budgeting defined (e.g., *modified accrual, cash, or accrual*) for all funds?  
\_\_\_\_\_
2. If the basis of budgeting is the same as the basis of accounting used in the entity's audited financial statements, is that fact clearly stated? \_\_\_\_\_
3. If the basis of budgeting is not the same as the basis of accounting used in the entity's audited financial statements, are the differences described? \_\_\_\_\_

### #P3. | Financial Policies

**Mandatory: Include a coherent statement of entity-wide long-term financial policies.**

1. Is there a summary of financial policies? \_\_\_\_\_
2. Do the financial policies include the entity's definition of a balanced budget?  
\_\_\_\_\_
3. Does the budget comply with relevant financial policies? \_\_\_\_\_

### #P4. | Budget Process

**Mandatory: Describe the process for preparing, reviewing, and adopting the budget for the coming fiscal year. Also, describe the procedures for amending the budget after adoption.**

1. Is a description of the process (including amendments) used to develop, review, and adopt the budget included? \_\_\_\_\_
2. Is a budget calendar provided to supplement (not replace) the narrative information on the budget process? \_\_\_\_\_
3. Is there a discussion of how the public is involved in the budget process?  
\_\_\_\_\_

### #F3. | Consolidated Financial Schedule

**Mandatory: Present a summary of major revenues and expenditures, as well as other financing sources and uses, to provide an overview of the total resources budgeted by the organization.**

1. Is an overview of revenues and other financing sources and expenditures and other financing uses of all appropriated funds included? \_\_\_\_\_
2. Are revenues and other financing sources and expenditures and other financing uses presented either (1) together in a single schedule or (2) in separate but adjacent/sequential schedules or (3) in a matrix? \_\_\_\_\_
3. Are revenues presented by major type in this schedule (e.g., property taxes, intergovernmental, sales taxes, fees and charges)? \_\_\_\_\_
4. Are expenditures presented by function, program, or spending component in this schedule? \_\_\_\_\_

### #F4. | Three Year Consolidated and Fund Financial Schedules

**Include summaries of revenues and other financing sources, and of expenditures and other financing uses for the prior year actual, the current year budget and/or estimated current year actual, and the proposed budget year.**

Name of Entity:

State/Province:

First Submission? Yes      No

1. Are revenues and other financing sources and expenditures and other financing uses for the prior year, the current year, and the budget year presented together on the same schedule(s) or on schedules presented on adjacent/sequential pages? \_\_\_\_\_
2. Is this information presented for the appropriated funds in total? \_\_\_\_\_
3. Is this information also presented at a minimum for each major fund and for other (i.e. nonmajor) funds in the aggregate (or for each significant fund and other funds in the aggregate if no appropriated funds are included)? \_\_\_\_\_
4. Are revenues presented by major type in this schedule (e.g., *property taxes, intergovernmental, sales taxes, fees and charges*)? \_\_\_\_\_
5. Are expenditures presented by function, program, or spending component in this schedule? \_\_\_\_\_

## #F5. | Fund Balance

**Mandatory: Include projected changes in fund balance/net position for appropriated funds included in the budget presentation.**

1. Is the entity's definition of fund balance/net position included? \_\_\_\_\_
2. Is the fund balance/net position information presented for the budget year?  
\_\_\_\_\_
3. Is there a schedule showing (1) beginning fund balances/net positions, (2) increases or decreases in total fund balances/net positions, and (3) ending fund balances/net positions for appropriated governmental funds? \_\_\_\_\_
4. Is this information presented at a minimum for each major fund and for nonmajor governmental funds in the aggregate? \_\_\_\_\_
5. If the fund balances of any major fund or the nonmajor funds in the aggregate are anticipated to increase or decline by more than 10%, does the document include a discussion of the causes and/or consequences of these changes in fund balance?  
\_\_\_\_\_
6. If an entity has no governmental fund, is the change in net position presented for (1) the entity as a whole, (2) the main operating fund, and (3) each significant fund?  
\_\_\_\_\_
7. If an entity has no governmental funds and the net position is anticipated to change by more than 10%, do the materials include a discussion of the causes and/or consequences of those changes? \_\_\_\_\_

## #F6. | Revenues

**Mandatory: Describe major revenue sources, explain the underlying assumptions for the revenue estimates, and discuss significant revenue trends.**

1. Are individual revenue sources described? \_\_\_\_\_
2. Do the revenue sources that are described represent at least 75% of the total revenues of all appropriated funds? \_\_\_\_\_

Name of Entity:

State/Province:

First Submission? Yes No

3. Are the methods used to estimate revenues for the budget year described (e.g., *trend analysis, estimates from another government or consulting firm*)? \_\_\_\_\_
4. If revenues are projected based on trend information, are both those trends and the underlying assumptions adequately described? \_\_\_\_\_

### #F7. | Long-range Operating Financial Plans

**Explain long-range operating financial plans and their effect upon the budget and the budget process.**

1. Do your long-range financial plans for major funds (beyond just the General Fund) extend out at least two years beyond the budget year? \_\_\_\_\_
2. Are the assumptions used in the long-range operating financial plans identified?  
\_\_\_\_\_
3. Is there a concise explanation of the significance of the long-range operating financial plans in its relation to achieving strategic goals? \_\_\_\_\_

### #F8. | Capital Program

**Mandatory: Include budgeted capital expenditures, whether authorized in the operating budget or in a separate capital budget.**

1. Are “capital expenditures” defined? \_\_\_\_\_
2. Do the materials indicate the total dollar amount (for both sources and uses) of the capital program for the budget year(s) and/or multi-year capital plan? \_\_\_\_\_
3. Are significant nonrecurring capital expenditures described along with dollar amounts?  
\_\_\_\_\_
4. What is the process to identify funded projects? \_\_\_\_\_
5. Is there a description and quantification of how specific nonrecurring capital projects will affect the entity’s current and future operating budget? \_\_\_\_\_

### #F9. | Debt

**Mandatory: Include financial data on current debt obligations, describe the relationship between current debt levels and legal debt limits, and explain the effects of existing debt levels on current operations.**

1. Are debt limits and coverage requirements described and calculated? \_\_\_\_\_
2. Is the amount of principal and interest payments presented through maturity for each fund? \_\_\_\_\_
3. Are bond ratings shown? \_\_\_\_\_
4. Is the purpose of the different debt obligations included? \_\_\_\_\_

### #O3. | Position Summary Schedule

**Mandatory: A schedule or summary table of personnel or position counts for prior, current and budgeted years shall be provided.**

1. Is a summary table of position counts provided for the entire entity? \_\_\_\_\_

Name of Entity:

State/Province:

First Submission? Yes No

2. Does the table include the prior year, the current year, and budget year position counts? \_\_\_\_\_

3. Are changes in staffing levels for the budget year explained? \_\_\_\_\_

#### #O4. | Departmental/Program Descriptions

**Mandatory: Include departmental/program descriptions.**

1. Are organizational units clearly presented (e.g., *divisions, departments, offices, agencies, or programs*)? \_\_\_\_\_

2. Are descriptions provided along with major priorities in each organizational program? \_\_\_\_\_

#### #O5. | Departmental/Program Goals and Objectives

**Include clearly stated goals and objectives of the department or program.**

1. Are departmental/program goals and objectives described? \_\_\_\_\_

2. Are departmental/program goals clearly linked to the strategic goals of the entity? \_\_\_\_\_

3. Are objectives quantifiable? \_\_\_\_\_

4. Are time frames on objectives noted? \_\_\_\_\_

#### #O6. | Performance Measures

**Mandatory: Provide objective measures of progress toward accomplishing the government's mission as well as goals and objectives for specific departments and programs.**

1. Are performance data for individual departments or programs included in the document? \_\_\_\_\_

2. Are performance data directly related to the strategic goals and objectives of the department or program? \_\_\_\_\_

3. Do performance measures focus on results and accomplishments (e.g., *output measures, efficiency and effectiveness measures*) rather than inputs (e.g., *dollars spent*)? \_\_\_\_\_

#### #C3. | Statistical/Supplemental Section

**Include statistical and supplemental data that describe the organization, its community, and population. It should also furnish other pertinent background information related to the services provided.**

1. Is statistical information that defines the community included (e.g., *population, composition of population, land area, and average household income*)? \_\_\_\_\_

2. Is supplemental information on the local economy included (e.g., *major industries, top taxpayers, employment levels, and comparisons to other local communities*)? \_\_\_\_\_

3. Is other pertinent information on the community (e.g., *local history, location, public safety, education, culture, recreation, transportation, healthcare, utilities, and governmental structure*) included? \_\_\_\_\_

Name of Entity:

State/Province:

First Submission? Yes No

## #C4. | Glossary

A glossary should be included for any terminology (including abbreviations and acronyms) that is not readily understandable to an informed lay reader.

1. Is a glossary that defines technical terms related to finance and accounting, as well as non-financial terms related to the entity? \_\_\_\_\_
2. Are acronyms or abbreviations used in the document defined in the glossary?  
\_\_\_\_\_
3. Is the glossary written in non-technical language? \_\_\_\_\_

## #C5. | Charts and Graphs

Charts and graphs should be used, where appropriate, to highlight financial and statistical information. Narrative interpretation should be provided when the messages conveyed by the graphs are not self-evident.

1. Are charts and graphs used in the document to convey essential information (e.g., key policies, trends, choices and impacts)? \_\_\_\_\_
2. Are graphics explained? \_\_\_\_\_

## #C6. | Understandability and Usability

The budget information should be produced and formatted in such a way as to enhance its understanding for the average reader. It should be attractive, consistent, and oriented to the reader's needs.

1. Are page formatting and font consistent? \_\_\_\_\_
2. Is the level of detail appropriate? \_\_\_\_\_
3. Are text, tables, and graphs legible and accurate? \_\_\_\_\_
4. Are links included to other forms of budget communication, like videos, social media, etc.?  
\_\_\_\_\_

Name of Entity:

State/Province:

First Submission? Yes No