

Collaboration Meeting

Village of
Winneconne
5/15/2025



Village of
WINNECONNE WI

Agenda

Capital Improvement Plan

- Presented by : Logan Fuller, Village Administrator & Mike Schoenberger, Village Treasurer

Infrastructure Selection Process

- Presented by: James Fluette, Director of Public Works & Brad Warner, Vice President McMahon Engineering

Understanding Municipal Fund Accounting

- Presented by : Logan Fuller, Village Administrator & Mike Schoenberger, Village Treasurer

Capital Improvement Plan

The **Capital Improvement Plan (CIP)** is a critical planning tool for municipal governments in Wisconsin. Its purpose is to help communities **strategically plan, finance, and implement major infrastructure and equipment investments** over a multi-year period.

Purpose of a Capital Improvement Plan (CIP) in Wisconsin Municipal Government

1. Strategic Long-Term Planning

- A CIP outlines a **5year schedule** of anticipated capital projects (e.g., streets, buildings, utilities, parks).
- It aligns infrastructure investments with the municipality's **growth, development goals, and comprehensive plan**.
- Encourages coordination across departments to avoid conflicting or redundant projects.

2. Financial Forecasting & Budgeting

- Helps local officials **forecast capital costs** and schedule major expenses in a way that fits within:
 - **Levy limits**
 - **Borrowing capacity**
 - **Utility rate plans**
 - **Grant timelines**
- Supports **financial stability** by avoiding sudden large expenditures.

3. Prioritization of Projects

- Provides a framework for prioritizing needs based on:
 - Asset condition (e.g., PASER ratings)
 - Safety concerns
 - Regulatory compliance
 - Economic development
 - Community input
- Ensures limited resources are used where they provide the most public value.

4. Transparency & Accountability

- Offers residents and stakeholders a **clear view** of planned investments.
- Builds trust by showing **why, when, and how** public funds will be spent.
- Encourages public input in shaping infrastructure priorities.

5. Support for Funding & Grants

- A formal CIP helps municipalities qualify for **state and federal funding** by demonstrating readiness and need.
- Examples: WisDOT programs, ARPA funds, or infrastructure grants often require a documented capital plan.



Capital Improvement Plan

Common Projects in a CIP

- Street and road reconstruction
- Water/sewer system upgrades
- Public building renovations (e.g., libraries, fire stations)
- Park improvements
- Major vehicle/equipment replacements

A Capital Improvement Plan is **not a budget**, but a **planning tool** that helps Wisconsin municipalities:

- Set infrastructure priorities,
- Schedule spending responsibly,
- And communicate clearly with the public.

ESTIMATED CAPITAL IMPROVEMENT PROJECTS (CIP) OVER THE NEXT 5 YEARS:	2025	2026	2027	2028	2029
Wolf Run Grading, Gravel and Storm Improvements	X				
Adams Street Resurfacing	X				
6th Avenue Water and Sanitary Relay with Street Resurfacing, Incl Riverview Terrace	X				
Wolf Run Improvements		X			
Wolf Run Estates Subdivision Street Paving		X			
1st Street: Main Street to Birch Street		X			
Marble Park - TBD					
Wolf Run Grading, Graveling & Storm Impr: Twin Harbor to Wentzel			X		
3rd Street (Main to Birch) and Division (3rd to 1st Street)			X		
Wolf Run Street Paving South of Twin Harbor Drive				X	
4th Street (Main to Birch)				X	
Division Street (5th to 3rd) and Prospect (5th to 3rd)					X

Infrastructure Selection Process

Street Project Planning Process

Our municipality follows a structured, data-informed process to prioritize and plan roadway improvement projects:

1. Street Condition Assessment – PASER Rating

- We assess street conditions using the **PASER (Pavement Surface Evaluation and Rating)** system developed by the University of Wisconsin–Madison.
- PASER is a 1–10 scale based on visual inspection, allowing us to quickly evaluate pavement conditions.
- Ratings are updated **biennially (every other year)** to guide long-term planning.

2. Infrastructure Evaluation

- We evaluate underground utilities by **televising storm and sanitary sewer lines**.
- The system is divided into sections, and **1/5 of the entire system is televised each year** to ensure full coverage over a 5-year cycle.

3. Coordination with Major Community Projects

- Street planning is aligned with anticipated **development, business expansion, school projects, and new construction** needs.
- This ensures road work supports broader growth and access.

4. Urban vs. Rural Considerations

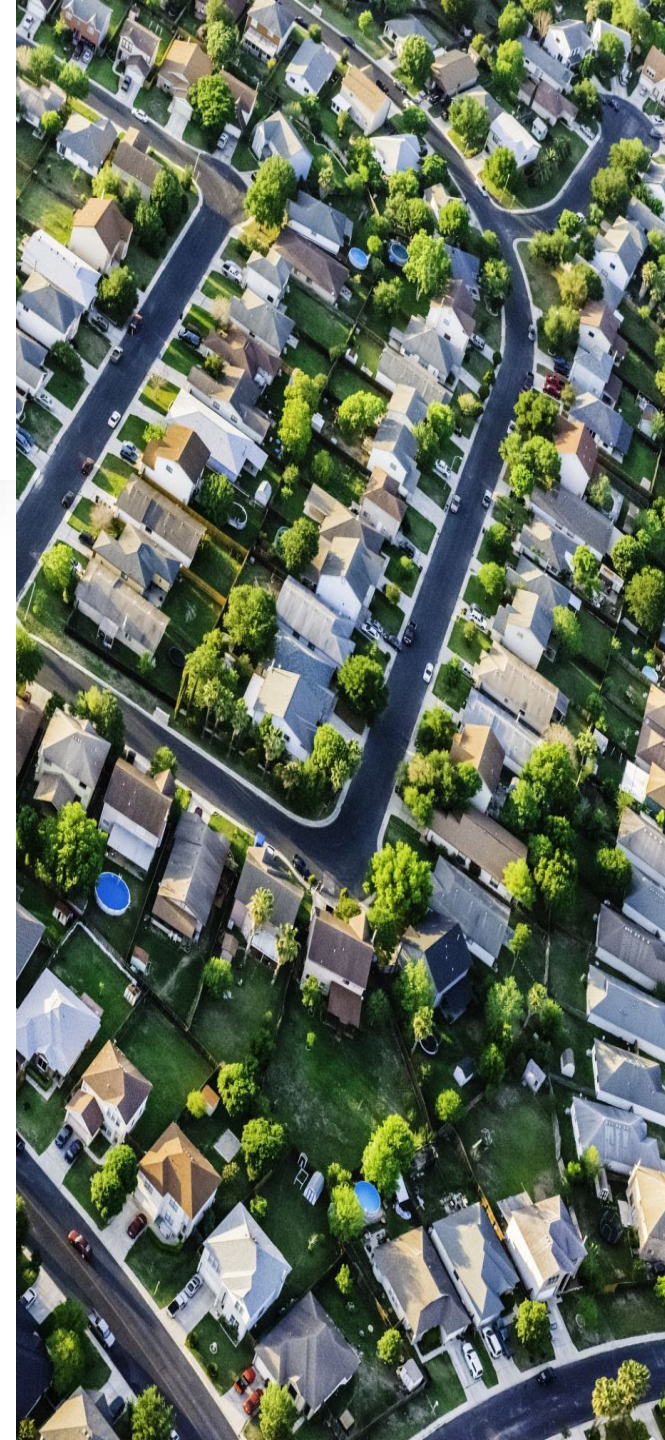
- Urbanization is only pursued where it logically connects to existing urban infrastructure.
- Roads that are not adjacent to already urbanized areas are **not eligible for urban upgrades** until connectivity is feasible.

5. Curb, Gutter, and Surface Condition

- If curb and gutter are in **poor condition**, the road is typically **fully reconstructed with concrete**.
- If they are in **good condition**, we consider a **mill and overlay** using asphalt to extend the pavement life cost-effectively.

6. Budget Review and Final Approval

- Final project selection is based on available funding.
- Projects are reviewed collaboratively by **Public Works, Administration, and Finance**, ensuring fiscal responsibility and operational feasibility.



PASER Chart

Quality	Rating	Treatment (<u>Asphalt</u>)	Treatment (<u>PCC</u>)
Excellent	9-10	No maintenance required	No maintenance required
Good	7-8	Crack sealing and minor patching	Routine maintenance
Fair	5-6	Preservation treatments (non-structural)	Surface repairs, partial-depth patching
Poor	3-4	Structural renewal (overlay)	Extensive slab or joint rehabilitation
Failed	1-2	Reconstruction	Reconstruction

Understanding Municipal Fund Accounting

How Your Local Government Manages Public Dollars

A white downward-pointing arrow with a blue outline, indicating a flow from the first box to the second.

Presented by: Village Administrator, Logan Fuller, Village Treasurer Mike Schoenberger

A white downward-pointing arrow with a blue outline, indicating a flow from the second box to the third.

Date: 5/15/2025

What Is Fund Accounting?

Fund accounting is a system used by Wisconsin municipalities to ensure transparency, legal compliance, and proper use of taxpayer money.

Each fund is like a separate **financial "bucket"** that tracks specific revenues and expenses for designated purposes.

Municipalities use this method to **segregate resources by purpose**, meet legal requirements, and show how public dollars are managed.

These accounting principles affords governments to avoid co-mingling of funds, ensures compliance with Governmental Accounting Standards Board (GASB), and enforces transparency on use of taxpayer dollars.

Municipal Funds utilized by the Village

- General Fund – Main operating fund
 - General Government
 - Public Safety
 - Public Works
 - Health & Human Services
 - Culture & Recreation
 - Conservation & Development
- Special Revenue Funds – Restricted for specific purposes
 - Grants
 - Donations
- Capital Projects Fund – For large, one-time investments.
 - Buildings
 - Roads
- Debt Service Fund – Tracks payment of long-term debt.
 - Bonds
 - Notes
- Enterprise Funds – Self-supporting services
 - Water utility
 - Sewer utility
 - Storm water utility

- **General Fund – Main operating fund**
 - General Government
 - 10 Village Board
 - 11 General Government
 - 12 Municipal Court
 - Public Safety
 - 14 Police Department
 - 15 Fire & EMS
 - Public Works
 - 17 Public Works
 - Health & Human Services
 - 22 Cemetery
 - Culture & Recreation
 - 19 Library
 - 20 Parks
 - Conservation & Development
 - 18 Economic Development

How are these funds funded?

1. General Fund

Purpose: Core operating fund for most day-to-day government services (police, fire, public works, admin, etc.)

Common Revenue Sources:

- **Property Taxes** (largest source)
- **State shared revenues** (e.g., General Transportation Aids, Shared Revenue)
- **Permit and license fees**
- **Court fines and forfeitures**
- **Service charges** (e.g., garbage, recreation)
- **Interest income**

2. Special Revenue Funds

Purpose: Tracks revenues that are legally restricted or committed to specific purposes.

Common Revenue Sources:

- **Dedicated tax revenues** (e.g., room taxes, special assessments)
- **State or federal grants** (e.g., ARPA, library aids)
- **User fees or charges** for specific services (e.g., recycling or stormwater)
- **Donations or special gifts** designated for specific uses
- **TIF (Tax Increment Financing) revenue**

3. Capital Projects Funds

Purpose: Used for financing large-scale infrastructure projects (roads, facilities, parks, utilities).

Common Revenue Sources:

- **Borrowing proceeds** (general obligation bonds, revenue bonds, or notes)
- **Grants** (state/federal infrastructure programs)
- **Transfers** from the general or utility funds
- **Developer contributions or impact fees**

4. Debt Service Fund

Purpose: Used to make payments on principal and interest for municipal borrowing.

Common Revenue Sources:

- **Property taxes** (levied specifically for debt repayment)
- **Transfers from utility or enterprise funds** (if utility-related debt)
- **Capitalized interest** or excess bond proceeds
- **Special assessments** on benefiting properties

5. Enterprise Funds (Utility Funds)

Purpose: Business-like operations that charge customers for services—meant to be self-sustaining.

Common Revenue Sources:

- **User fees** (monthly bills for water, sewer, stormwater)
- **Connection fees or impact fees** for new development
- **Interest income**
- **Grants or borrowing**, if used for capital improvements

Fund Type	Primary Funding Sources
General Fund	Property taxes, state aids, fees, fines
Special Revenue	Restricted taxes, grants, user fees, TIF revenue
Capital Projects	Borrowing, grants, transfers
Debt Service	Property taxes, transfers, assessments
Enterprise/Utility	User fees, connection fees, grants, borrowing

Municipal Fund Accounting vs. Private Industry Accounting

The key differences between **municipal (government) fund accounting** in Wisconsin and **private industry accounting** come down to **purpose, accountability, and financial reporting**. Here's a side-by-side breakdown:

Aspect	Municipal (Fund) Accounting	Private Industry Accounting
Primary Purpose	Accountability and legal compliance	Profitability and financial performance
Governing Standards	GAAP for Government (via GASB – Governmental Accounting Standards Board)	GAAP for Business (via FASB – Financial Accounting Standards Board)
Accounting Basis	Modified accrual for governmental funds; full accrual for proprietary funds	Primarily accrual basis accounting
Structure	Uses funds (self-balancing accounts for specific purposes)	Uses departments, divisions, or cost centers under one entity
Financial Focus	Focus on sources and uses of resources ; are funds used legally and as intended?	Focus on net income , profitability, and return to owners/shareholders
Measurement Focus	Current financial resources (e.g., cash, receivables, short-term obligations)	Economic resources (e.g., assets, liabilities, equity, revenue, expenses)
Reporting Objective	Ensure transparency, budget compliance, and stewardship of public funds	Provide financial statements to inform investors, lenders, and owners
Revenue Recognition	Recognized when measurable and available (in fund accounting)	Recognized when earned , regardless of cash timing
Budget Role	Budget is legally binding and central to operations	Budget is a management tool , not legally binding

Example: Municipal Fund Accounting (Wisconsin)

- Tracks public money across **multiple funds**: General Fund, Utility Fund, Capital Projects, etc.
- Required to demonstrate that money is used for **specific legal or voter-approved purposes**.
- Must report in a way that reflects **financial stewardship**, not profit

Example: Private Business Accounting

- Tracks **revenue and expenses** to show how much **profit or loss** is generated.
- Consolidates all operations into **one financial entity**.
- Stakeholders are **owners, shareholders, and lenders**

In short:

- Municipal accounting** is about **accountability and transparency** to the public.
 - Private accounting** is about **profit and value** for investors or owners.
- Both follow GAAP, but they apply different standards (GASB vs FASB), frameworks, and objectives.

The Village Budgeting Process

1. Establish Budget Goals & Priorities – Initial inputs provided at the board workshop typically 30-45 days after April elections

- Identify key financial objectives for the upcoming fiscal year.
- Consider community needs, infrastructure projects, and service levels.
- Review financial policies, including debt management and reserve funds.

2. Review Financial Health & Past Budgets

- Analyze the prior year's audit and financial statements.
- Assess revenue trends, expenditures, and fund balances.
- Identify areas for cost savings or necessary increases.
- Basis of estimates (BOEs) from department heads

3. Gather Revenue Projections

- Estimate property tax revenue within Wisconsin's levy limits.
- Forecast state and federal funding, grants, and fees.
- Consider utility revenues, special assessments, and other income sources.

4. Develop Departmental Budgets with BOEs

- Each department submits budget requests based on operational needs.
- Prioritize essential services like public safety, transportation, and utilities.
- Evaluate capital improvement plans for long-term infrastructure projects.

5. Draft the Budget Proposal

- Compile department budgets into a comprehensive municipal budget.
- Ensure compliance with Wisconsin Statutes §65.90, which governs municipal budgeting.
- Include a budget summary detailing expenditures and revenue sources.

6. Public Engagement & Hearings

- Publish a budget summary at least 15 days before the public hearing.
- Hold public hearings to gather community input and address concerns.
- Revise the budget based on feedback and financial constraints.

7. Budget Approval & Adoption

- The governing body (village board) votes on the final budget.
- Adopt the budget through an ordinance or resolution.
- Ensure transparency by making the approved budget publicly accessible.

8. Implementation & Monitoring

- Allocate funds and begin executing the budget.
- Monitor expenditures and revenue collection throughout the fiscal year.
- Adjust as needed through budget amendments while maintaining statutory compliance.

Example of budget development timeline

2025 Budget Development Glide Path

 July 26, 2024

Begin 2025 Budget Workbook & CIP Refresh

- Start compiling departmental input
- Review/update Capital Improvement Plan

 August 9, 2024

Kick Off Internal Budget of Expenditures (BOE) Development

- Launch internal collaboration on budget estimates
- Clarify roles, deadlines, and expectations

 August 23, 2024

Departmental Review of Draft BOE & Workbook Refinement

- Initial draft review
- Begin iterative refinement process

 September 9, 2024

Present Draft Budget to Personnel & Finance Committee

- Share high-level figures and projections
- Gather committee input for next phase

 October 25, 2024

Refine Workbooks & Update Debt Maps

- Incorporate latest financial data
- Refresh long-term debt and funding visuals

 November 8, 2024

Conduct Board Budget Workshop

- Detailed discussion with Village Board
- Prepare for final edits

 November 11, 2024

Refine Budget Based on Workshop; Update PFC

- Integrate feedback
- Final pre-publication revisions

 November 19, 2024

Public Hearing & Budget Adoption Vote

- Present final 2025 budget to the public
- Village Board votes on adoption

 December 16, 2024

Submit Approved Budget to the State

- Final step in compliance
- Official transmission to Department of Revenue

Finance Reporting

- Annual Financial Report (Form C) to WI Dept. of Revenue.
- Audits are targeted to begin in February of each year for the previous year. CLA our subcontractor provides the external audit and sends those findings to the state and subsequently briefs the board.
- Follows GASB standards.

Accountability & Common Questions

Your property taxes support these funds.

Transparency tools: Budget documents, audit reports, financial summaries.

Q: Can money be moved between funds?

A: Only with legal rules and board approval.

Q: Why not use surplus from one fund in another?

A: Many funds are legally restricted.

Thank you for your participation



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