

**CHAPTER 5**

**FISCAL MANAGEMENT**

**5.01 FISCAL MANAGEMENT ORDINANCE**

(1) **FISCAL YEAR.** The fiscal year for the Village of New Auburn is the calendar year.

(2) **BUDGET ADOPTION**

(A) The Village Board shall adopt an annual budget. (Reference Section 65.90, Wisconsin Statutes.)

(B) The Village Board shall establish the duties of the Village Clerk in preparing and presenting to the Village Board the Village annual budget. The duties, at a minimum, are the following:

(1) The Village Clerk will prepare a budget timetable for the Village Board.

(2) The Village Clerk will prepare a budget worksheet for the Village Board and Finance Committee.

(3) The Village Clerk will prepare estimates for the Village Board and Finance Committee on the revenues and the cash balance for the year end.

(List Other Duties)

The Village Clerk shall prepare a Quarterly Budget Report, when requested by the Village Board.

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(3) **BUDGET HEARING.** The Village Board shall conduct a budget hearing prior to the adoption of the budget, pursuant to Section 65.90, (1993-1994) Wisconsin Statutes. At least fifteen (15) days prior to the budget hearing, the Village Clerk shall publish a Class 1 notice containing the time and place of the budget hearing, a summary of the budget and notice of the place where the budget, in detail, is available. The Village Clerk shall publish notice of the budget hearing in at least three (3) public places at least fifteen (15) days prior to the budget hearing. The budget hearing shall be held at the Village Hall unless otherwise noted by the published or posted notice.

(4) **ESTIMATES OF BUDGET.** Each elected officer and each appointed officer responsible for a department, office, committee, commission, agency, board or other

special government unit of the Village shall cooperate with the Village Clerk (by a date established by the Village Clerk) in assembling the following data for their department, office, special office, committee, commission, agency, board or other special government unit of the Village. The Clerk shall assemble and prepare for the Finance Committee:

- (A) Prior year's receipts, revenues, disbursements, and expenditures.
- (B) Current year's receipts, revenues, disbursements, and expenditures.
- (C) Estimated receipts, revenues, disbursements and expenditures for next year.

(5) **ELEMENTS OF BUDGET.** Each budget prepared by and approved by the Village Board shall include the following:

- (A) All existing indebtedness.
- (B) All anticipated revenue from all sources for the ensuing year.
- (C) All proposed appropriations for departments, committees, commissions, and boards, active or reserve accounts for next year.
- (D) All actual revenues and expenditures for preceding year.
- (E) All actual revenue and expenditures for not less than six (6) months of current year.
- (F) All estimated revenues and expenditures for the balance of the year.
- (G) All anticipated unexpended or unappropriated balances and surpluses.

(6) **ELEMENTS IN BUDGET SUMMARY.** Each budget summary prepared by and approved by the Village Board shall include the following:

- (A) All expenditures by major expenditure category for the proposed budget, the budget in effect and the budget of the preceding year.
- (B) All revenues by major revenue service for the proposed budget, the budget in effect and the budget of the preceding year.
- (C) Any financial source and use not identified in subsection (A) and (B).
- (D) All beginning and year end balances for the proposed budget, the budget in effect and the budget of the preceding year.
- (E) Additional budget summary information can be included by order of

the Village Board but shall be reported separately under the heading "additional information".

**(7) INITIAL PREPARATION OF BUDGET**

**(A)** The annual budget shall be initially prepared by the Finance Committee and approved by the Village Board based on the data and estimates provided by the Finance Committee. The following Village employees, officers, and agents along with the Village Clerk shall assist the Village Board in preparing the annual budget:

(List)

Village Treasurer \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**(8) APPROVAL OF BUDGET.** The Village Board, after the public hearing, shall act upon the annual budget. The Village Board may amend the annual budget prior to final adoption. The annual budget shall be finally adopted by the Village Board on or before December 15 of each year in accordance with Sec. 65.90 Wis. Stats. The annual budget, as finalized shall be adopted by a majority roll call vote of the members of the Village Board.

**(9) CHANGES IN FINAL BUDGET.** The **amount of the tax** to be levied or certified, the **amounts of the various appropriations** and the **purposes** of the appropriations stated in the approved annual final budget **may not be changed** unless authorized by a roll call vote of **two-thirds (2/3rds)** of the members of the Village Board. (Reference Section 65.90(5)(A), Wisconsin Statutes.)

**(10) EXPENDITURE OF FUNDS.** The Village Board shall not authorize money to be drawn from the treasury of the Village nor shall the Village Board incur any obligation for the Village for the expenditure of money except as these expenditures or obligations that are made pursuant to the annual final budget appropriations or that are made pursuant to any revised annual budget appropriations. Any unencumbered budget balance of the authorized appropriations shall revert to the general fund and shall be subject to reappropriation by the Village Board. No order for payment may be issued in excess of funds available or appropriated for the purpose for which the order is drawn unless authorized by a two-thirds (2/3rds) roll call vote of the Village Board.

**(11) CLAIMS AND PAYMENTS**

**(A) Claims Procedure- for Claims Subject to Section 893.80 (Claims for damages).** The Village Board shall develop and maintain a policy to manage and control any legal claims against the Village of New Auburn, its officers, its employees and

its agents. All claims filed pursuant to Section 893.80, (1993-1994) Wisconsin Statutes, shall be filed with the Village Clerk. The Village Clerk shall immediately contact the Village President regarding the claims. The Village President shall arrange any appropriate and necessary meeting of the Village Board for actions pursuant to Section 893.80, (1993-1994) Wisconsin Statutes, to allow or disallow any claim. The Village President shall, at his or her discretion, contact the Village of New Auburn Attorney regarding the claim prior to the meeting of the Village Board. The Village Board and any other Village employee or Village officer involved with the claim or incident related to the claim shall respond as follows:

Notify the Village President or Village Clerk for consultation with the insurance carrier for Village insurance and the Village Attorney.

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**(B) General Policy for Claims**

**(1)** No claim, account or demand for payment against the Village shall be paid until a voucher has been filed with or prepared by the Village Clerk. All claims, accounts and demands for money shall be filed with the Village Clerk.

**(2)** The Village Board shall approve or disallow any claim made under Section 893.80, (1993-1994) Wisconsin Statutes.

**(3)** All vouchers shall be approved or rejected by the Village Board prior to payment. All claims, accounts and demands for payment shall be verified by the claimant or the claimant's agent. The Village Treasurer shall make disbursements from the Village Treasury upon receipt of the approved voucher and upon the written order of the Village Clerk for payment. Any disbursement of Village funds from demand deposits of the Village shall be by draft or order check. Any disbursement of Village funds from savings or time deposits of the Village shall be by written transfer order. All drafts or order checks and transfer orders shall be signed by the Village Treasurer and the Village Clerk. The Village President shall countersign all drafts, order checks, and transfer orders. (Reference 61.51 and 61.25(6), 66.285, Wisconsin Statutes.)

**(C) Exceptions to Village Board Approval of Claims**

**(1)** Any bills and vouchers not in excess of Two Thousand Five Hundred Dollars (\$2,500.00) may be paid by the Village Clerk without approval of the Village Board, after review and approval as a proper charge against the Village Treasury and after the Village Clerk determines:

**(a)** Funds are available under the Village budget to pay the bill or voucher.

(b) The item or service covered by the bill or voucher has been duly authorized.

(c) The item or service covered by the bill or voucher has been supplied or rendered in conformity with the authorization.

(d) The claim appears to be a valid claim against the Village.

(2) The Village Clerk shall file, at the next regular meeting, with the Village Board a written list of claims approved, the date paid, name of claimant, purpose, and amount of claim. The Village Clerk can demand proof of compliance with the above-noted sub-paragraphs (a)-(d) prior to approval.

(3) Pursuant to Section 61.51(2), (1993-1994) Wisconsin Statutes, regular wages or salaries by payroll, verified by the Village Clerk, are validated for payment on regular pay day without specific allocation by the Village Board.

(4) Tax settlements to the various taxing jurisdictions may be made by the Village Clerk, countersigned by the Treasurer and Village President without prior authorization by the Village Board.

(5) Utility bills/normal Gas bills

**(12) FINANCE BOOK**

(A) The Village Clerk shall maintain a finance book which shall contain a complete record of the finances of the Village. This book shall show the receipts with the date, amount, and source of each receipt to disbursement, with the date, amount and object of the disbursement. (Reference: Section 61.25(3), (1993-1994) Wisconsin Statutes)

(B) The following information shall also be included in the Finance Book:  
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**(13) PUBLIC CONTRACTS**

(A) **Items Required for Bids** (Reference Wis. Stats. §61.55, §61.56, §62.15, and §66.29.)

(1) The Village Board shall advertise for bids for any public contract as defined in subparagraph 5.01(13)(E) hereof. A public contract means a contract for the construction, execution, repair, remodeling, or improvement of any public work or building or for the furnishing of materials or supplies, with an estimated cost to the

Village greater than Fifteen Thousand Dollars (\$15,000.00). The Village Board shall, prior to execution of any public contract, require proof of notice of publication, if publication is required.

(2) The Village of New Auburn shall not enter a public contract with an estimated project cost of more than Five Thousand Dollars (\$5,000.00) but not more than Fifteen Thousand Dollars (\$15,000.00) unless the Village Board or a Village official or employee designated by the Village Board gives a Class 1 notice under Wis. Stats. Ch. 985, before the execution of the contract.

(3) This ordinance shall be interpreted to comply with the public bidding requirements of Wis. Stats. §61.55, as it may be amended from time to time. To the extent permitted in Wis. Stats. §61.55, this ordinance shall not apply to public construction if the materials for such a project are donated or if the labor for such a project is provided by volunteers. To the extent permitted by Wis. Stats. §61.55, this ordinance is not mandatory for the repair and reconstruction of public facilities when damage or threatened damage thereto creates an emergency as determined by Resolution of the Village Board, in which the public health or welfare of the Village is endangered.

(4) The Village Board may, in addition, require that the estimated amounts less than Fifteen Thousand Dollars (\$15,000.00) be placed for bid and that certain additional items such as equipment to be sold and services to be rendered to the Village be contracted for by bid. The Village Board shall require that the following additional items be bid:

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(B) **Procedure/Advertising Required for Bids.** In accordance with the authority granted by Section 61.56, (1993-1994) Wisconsin Statutes, the Village Board of the Village of New Auburn directs that as a complete alternative to the requirements established by Sections 61.54 and 61.55, (1993-1994) Wisconsin Statutes, the provisions of Section 61.15, (1993-1994) Wisconsin Statutes, shall be applicable to Village contracts for public construction. The authority vested in the board of public works under Section 62.15, (1993-1994) Wisconsin Statutes, shall be exercised by the Village Board.

(C) **Lowest Bidder**

(1) The Village of New Auburn shall let a public contract for which advertising for proposals is required to the lowest responsive and responsible bidder.

(2) The Village Board shall comply with the requirements in Section 66.29, (1993-1994) Wisconsin Statutes, relating to bidder's proof of financial responsibility, correction of errors, separation of contracts, bidder's certificate, settlement of disputes and payment of public contracts.

**(D) Exceptions to Bid Process**

**(1)** This ordinance does not apply to any public contract entered into by the Village with another municipality. Municipality, for this ordinance is defined as: the State or any department or agency thereof, or any city, village, town, county, school district, public library system, public inland lake protection and rehabilitation district, sanitary district, farm drainage district, metropolitan sewerage district, sewer utility district, water utility district, mosquito control district, municipal electric company, county or city transit commission or regional planning commission.

**(2)** In addition, the public bid requirements are optional with respect to public contract for the repair and construction of public facilities in the Village when damage or threatened damage creates an emergency. The emergency must be declared by the Village Board prior to entering into a contract and the emergency must endanger the public health or welfare of the Village. This exception does not apply when the Village Board declares that the emergency no longer exists.

**(3)** Finally, the public bid requirements do not apply to any public work performed directly by the Village of New Auburn. Non-bid contracts are to be reported to the Village Board (Ref. 62.15(14), 61.56 Wis. Stats.)

**(E)** The following definition of "public contract" as defined in Section 66.29(1)(c), (1993-1994) Wisconsin Statutes, is adopted by the Village Board:

The term "**Public Contract**" shall mean and include any contract for the construction, execution, repair, remodeling, improvement of any public work, building, furnishing of supplies, material of any kind whatsoever, proposals for which are required to be advertised for by law.

**(14) PRIVATE INTEREST IN PUBLIC CONTRACT PROHIBITED**

**(A)** All Village officers and employees shall comply fully with Section 8.01 relating to ethics and shall not violate Section 946.13, (1993-1994) Wisconsin Statutes.

**(B)** In addition, pursuant to Section 946.13, (1993-1994) Wisconsin Statutes, no Village officers and employees shall negotiate a public contract, bid a public contract or enter into any contract or participate in the making of a public contract in which he or she has a private pecuniary interest, direct or indirect, which involve receipts and disbursements by the Village of New Auburn aggregating more than Seven Thousand Five Hundred Dollars (\$7,500.00) in any year.

**(15) LATE PAYMENT INTEREST**

**(A)** The Village shall comply with the provisions of Section 66.285 and 66.286 Wis. Stats. (1993-1994) with respect to payment of Interest on Late Payments for Public Works Contracts, contracts for materials or services.

**(16) BONDING**

**(A) General Authority.** The Village Board is authorized to bond pursuant to Chapter 67, (1993-1994) Wisconsin Statutes, and this ordinance. This ordinance is not applicable to the following types of bonds and borrowing:

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**(B) Amount of Bond and General Obligations.** The Village Board is authorized to bond, except as provided in Section 67.01(9), Wisconsin Statutes, to the amount of five percent (5%) of the value of the taxable property in the Village as equalized for State purposes with the percentage amount not to exceed five percent (5%) of the value of the taxable property located in the Village as equalized for such purposes. Maximum amount of bonds noted herein and other obligations do not apply to revenue bonds issued by the Village. The following projects, as projects are defined in Chapter 67, (1993-1994) Wisconsin Statutes, and for this ordinance can be undertaken for public purposes as public purpose is defined in Chapter 67, (1993-1994) Wisconsin Statutes, by the Village by issuance of bonds:

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**(C) Procedure.** The Village Board, if the Village of New Auburn seeks to issue a bond, must, pursuant to Chapter 67, (1993-1994) Wisconsin Statutes, adopt a resolution prior to issuance of the bond, except as noted below. This initial resolution adopted by the Village Board must state the purpose and maximum amount of the borrowing. After the adoption of the initial resolution by the Village Board, the Village Clerk shall initially record the resolution and call a special referendum election for the purpose of submitting the resolution to the electors of the Village for their approval. The Village shall follow the referendum procedure established in Section 67.05, (1993-1994) Wisconsin Statutes. Referendums are not required for:

**(1)** Refunding obligations.

**(2)** Acquiring, developing, remodeling, constructing and equipping lands, buildings and facilities for regional properties either alone or acting jointly under Section 66.30, (1993-1994) Wisconsin Statutes.

**(D) Term of Bond.** All Village of New Auburn bonds by this ordinance shall be made payable not later than twenty (20) years after the original date. The Village Board may require that the bonds be made payable prior to the twenty (20) years.



**(E) Debt Service Fund.** The Village Board shall, pursuant to Section 67.11, (1993-1994) Wisconsin Statutes, establish a Debt Service Fund to service the municipal obligations under the bond.

**(F) Temporary Borrowing.** The Village Board may, pursuant to Section 67.12, (1993-1994) Wisconsin Statutes, and this ordinance, issue municipal obligations in anticipation of receiving Federal or State aids, taxes levied or other deferred payments. The municipal obligations issued under the section shall not exceed, by this ordinance, forty percent (40%) but, pursuant to Section 67.12, (1993-1994) Wisconsin Statutes, never more than sixty percent (60%) of the municipality's total actual and anticipated receipts in the borrowing fiscal year and shall be repaid no later than twelve (12) months but, pursuant to Section 67.12, (1993-1994) Wisconsin Statutes, never more than eighteen (18) months after the first day of the fiscal year. This amount does not constitute an indebtedness for purpose of determining the municipal constitution debt limitation. In addition, the Village Board may issue for the Village of New Auburn promissory notes as evidence of indebtedness for any public purpose. Each note, plus interest, shall be paid within ten (10) years but, pursuant to Section 67.12, (1993-1994) Wisconsin Statutes, never to exceed ten (10) years. Promissory notes issued for treatment plants under Section 144.241, (1993-1994) Wisconsin Statutes shall be repaid within twenty (20) years after completion of the treatment work project.

**(G) Protest Action.** The Village Board may not issue, pursuant to Section 67.22, (1993-1994) Wisconsin Statutes, for the Village any bonds, except refunding bonds, if within thirty (30) days after the adoption of the initial resolution a petition is filed with the Village Clerk contesting the issuance of bonds which is signed by a majority of the electors as defined in Section 6.02(1), (1993-1994) Wisconsin Statutes, in the Village of New Auburn and which requests that the contested bond issue not be made.

**(H) Diversion of Funds.** Every Village officer and employee, the surety on these bonds of these officers and employees, and any other person participating directly or indirectly in any impairment of the borrowed money fund of the Village of New Auburn or a debt service fund of the Village shall be liable to the Village to restore such fund in total. The Village Board, upon knowledge of such diversion, shall immediately inform the Village Attorney of the diversion and request the appropriate legal advice regarding the diversion.

## **(17) PROPERTY TAX COLLECTION**

**(A) Multiple Payments of Property Taxes.** The Village Board requires that all taxes on real property shall be paid pursuant to Sec. 74.11 Wis. Stats. (1993-1994).

**(B)** All taxes are to be paid in full on or before January 31 or in two (2) equal installments unless the total real property tax is less than One Hundred Dollars (\$100.00). If less than One Hundred Dollars (100.00), the taxes are due by January 31. If paid in two (2) installments, the first installment is due on or before January 31 and the second payment is due on or before July 31. All special assessments, special charges, and taxes are due on or before January 31. The first payment is to be paid to the Village

Treasurer of the Village of New Auburn and the second payment is to be paid to the County Treasurer.

**(18) SPECIAL ASSESSMENT PROCEDURE**

**(A) Scope of Special Assessment/Policy.** The Village Board of the Village of New Auburn may levy and collect special assessments and charges, pursuant to Section 66.60, (1993-1994) Wisconsin Statutes, to pay for all or part of the cost of any public work or improvement. Special assessments in the Village may serve as a method of payment for public improvements or as a method to pay the bonds wherein the bond is only issued to pay the costs for public improvements. Special assessment policies, including deferment policies and interest rates will be set forth in a resolution adopting guidelines with respect to the manner of assessment, deferment of charges and interest rate on deferred charges as set forth in Appendix F.

**(B) Special Assessment Projects.** The Village Board may levy and collect special assessments upon property in a limited and determinable area for special benefits conferred by a Village project on the property and may provide for payments of all or part of the cost of the Village project out of the proceeds of such special assessments. The following projects are subject to special assessment:

- (1) Sanitary Sewers
- (2) Water Mains
- (3) Storm Sewers
- (4) Curb and Gutters
- (5) Other public improvements including road work when approved by the Village Board.
- (6) Sidewalks

**(C) Procedure.** The Village of New Auburn shall follow the following special assessment procedure established in Section 66.60, (1993-1994), Wisconsin Statutes and this ordinance; namely:

(1) The Village Board shall adopt a preliminary resolution declaring its intention to exercise special assessment powers for a stated Village purpose. The resolution shall describe the contemplated purpose, the limits of the project assessment district, the number of installments in which special assessments will be paid or that the number of installments will be determined by the Village Board at a hearing. The resolution will also direct the proper municipal officer or employee to make a report to the Village Board. Finally, the resolution may limit the proportion of the cost to be assessed.

(2) The Village Board shall receive a written report pursuant to Section 66.60, (1993-1994) Wisconsin Statutes. This report shall be completed and filed with the Village Clerk sixty (60) days after adoption of the preliminary resolution by the Village Board unless waived to a later date by the Village Board. The Village Clerk shall provide the report for public inspection. If the State of Wisconsin may be subject to special

assessment, then the Village Clerk shall file the report with the appropriate state agency or with the State Building Commission if the assessment is established at Fifty Thousand Dollars (\$50,000.00) or more.

(3) The Village Clerk shall provide the proper notice for a public hearing pursuant to Section 66.60, (1993-1994) Wisconsin Statutes. This notice shall contain the nature of the project, the general boundary lines, the time and place the report may be inspected and the time and place for the hearing.

**(19) INVESTMENT PROCEDURE/PUBLIC DEPOSITORY**

(A) **Long Term Investment Depository.** The Village Board may order the Village Treasurer to invest long term funds and temporary funds not needed by the Village of New Auburn and to order specific dollar investments in specific financial institutions and in specific types of investments. These funds, however, must be invested in one of the approved financial institutions and approved investments noted in Section 66.04, (1993-1994) Wisconsin Statutes.

(B) **Temporary and Long Term Fund Depository.** The Village Board shall name the public depository or public depositories for any temporary fund investments and long term fund investments. The Village Treasurer shall deposit funds promptly on a weekly basis or when he or she receives over One Hundred Dollars (\$100.00) at any one time, whichever is earlier. These public depositories shall be approved financial institutions as noted in Section 66.04, (1993-1994) Wisconsin Statutes. The public depositories approved are:

- (1) Security Bank of New Auburn
- (2)

**(20) APPROPRIATIONS**

(A) **Non-Appropriation Items.** The Village Board may appropriate Village of New Auburn funds as established by law. The Village of New Auburn specifically cannot appropriate funds for the following:

(1) No appropriation of any kind shall be made by the Village nor any municipal liability created or tax levied as a consideration or inducement to the State of Wisconsin to locate any public education, charitable, reformatory or penal institution.

(2) No appropriation of any kind to authorize funds or pay to a physician, surgeon or a hospital, clinic or other medical facility for which the performance of an abortion except those permitted under and which are performed in accordance with Section 20.927, (1993-1994) Wisconsin Statutes.

(B) **Items to Review in Appropriations.** The Village Board, prior to approving any appropriations, shall review, at minimum, the following:

(1) The current availability of funds under the approved Village budget.

(2) That the proper Village authority approved the purchase of the item or service.

(3) That the item or items to be received by the Village are of the same type, amount and designation as the item originally approved by the Village authority.

(4) That the item or items to be received by the Village are in satisfactory quality and quantity.

(5) That the item or items have been and will continue to be received in a timely manner by the Village.

(6) That the Village has had no past legal or financial problems with or concerns regarding the vendor or the service provider.

(7) That the Village has complied with the proper bidding law and ordinances regarding the item or items.

(8) That the proper Village authority that approved the item or service and the Village Board has no direct or indirect conflict or interest regarding the item or service.

(9) That the Village has not been charged any sales tax.

(10) That the Village has not already paid previously for the item or service.

(11) That the vendor or service provider has the financial, the commercial and the legal ability to fully comply with any contract.

(12) That no real or alleged conflict of interest or ethical concerns have been raised regarding the appropriation.

**(21) FIRE COST REIMBURSEMENT**

**(A)** The Village Board of the Village of New Auburn may develop and maintain the proper funding for fire protection. The Village Board may charge property owners a fee for the cost of fire protection provided to their property according to a written schedule established by the Village Board. This will include fire protection provided by a fire department created by municipal intergovernmental cooperation agreement pursuant to Section 66.30, Wisconsin Statutes, and specifically to the "New Auburn Area Fire Department".

**(B)** If the Village Board establishes a schedule for the cost of fire protection, it will be as set forth as Appendix G, which Schedule may be changed by Resolution from time-to-time. Copies of future Resolutions shall be included in Appendix G.

**(1)** In the event charges for a fire call remain unpaid following a billing notice to the landowner, the cost shall be put on the property tax bill as a special charge, pursuant to Section 66.60(16)(a), (1993-1994) Wisconsin Statutes.

**(22) FINANCIAL AUDIT**

**(A) Scope of Audit.** The Village Board shall provide for financial audits of the Village. The following accounts of the Village will be audited:

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**(B) Audit Regularity**

**(1)** The Village Board shall receive interim financial statements from the Village Treasurer. These statements shall be prepared on a monthly basis. The Village Clerk shall cooperate and aid the Village Treasurer in the preparation of these financial statements. These statements shall be received by the Village Board at the meeting after the report is submitted.

**(2)** The Village Board may, at their discretion, arrange for a financial audit of the Village. The audit will be completed by a certified public accountant or by the Department of Revenue if the Department of Revenue provides this service. The Village Treasurer and the Village Clerk will cooperate with these audits.