REPORT TO APC & VILLAGE BOARD

ITEM NAME: **Finance/Treasurer Office Update:**
List of 2026 Activities Progress Status –
Mid-July 2026 thru Mid-September 2026
PREPARED BY: **John Jacobs, Finance Director/Treasurer**
DATE PREPARED: **09/14/2026**

Here is an update of the activities that the Finance Department has been working on during the past two months (mid-July to mid-September 2026).

Financial Audit Update:
2025 Financial Audit:
The auditors are tentatively planning to return to the Village in mid-October 2026 to conduct the audit fieldwork for the 2025 financial audit. Village Staff are working on closing the books in September 2026. The Village will obtain access to the auditor's website portal in the coming weeks, so that the Finance Department can begin dropping completed documents into the audit folder, prior to CLA staff arriving around the week of October 12th for fieldwork.

After the 2025 audited financial statements are completed, I will go back and amend any 2025 reports for the Annual Water Utility Financial Report (to Wisconsin Public Service Commission), the Annual State Financial Report (to Wisconsin Department of Revenue), and the four TID reports (to Wisconsin Department of Revenue). I had submitted all of these reports "in-house" this year, based on preliminary 2025 numbers that I had at the time.

Bank Reconciliations Update:
Samantha and I will finish reconciling all of the Village's fringe benefit programs for 2025-2026 to our monthly bank statements during September 2026.

My goal is to work with Samantha to correctly post all ACH fringe benefits to the actual date and month that they were paid, starting from September 2026 and working backward into 2025, as necessary. We hope to have all of the fringe benefits correctly posted into our General Ledger by 9/20/2026, and then to have all of the bank reconciliations fully completed by 9/30/2026.

Beginning with July 2026, the Village's accounting software will be posting ACH fringe benefits on the "accrual basis" on when the ACH payments are actually occurring. This will make the monthly bank reconciliation process more efficient and less time-consuming. My predecessors had setup all of the fringe benefit programs on a "cash basis" incorrectly a few years ago, but the problem has been corrected with our accounting software program beginning in July 2026.

TID #3 Closure Financial Audit:
Our financial auditors (CLA) are also preparing to complete the 2026 TID #3 closure financial audit during October 2026, preferably by **early November 2026**, so that the final audited financial statements can be distributed to the Joint Review Board in November 2026.

RFP for Revaluation/Reassessment of Village Properties during 2026-2027:
Associated Appraisal has begun the on-site exterior inspection revaluation work on 8/24/2026 in the Village, and will keep me updated on their progress during the next 12 months. There are about 3,000 Village parcels with improvements ("buildings") on them, and there are over 4,400 land parcels in the Village that will be revalued for the 2027 revaluation process.

In addition, there are 10 manufacturing parcels that the Wisconsin Department of Revenue will revalue for the 2027 assessment roll. These parcels are not the responsibility for revaluation by Associated Appraisal.

The contract period began on 7/01/2026, and will provide the assessment company amble time to coordinate a schedule to complete a full revaluation of all Village properties, in time for submission to the Wisconsin Department of Revenue by 10/15/2027 the following year (in 2027). The Board of Review for 2027 would be scheduled sometime after Labor Day 2027, but before the 10/15/2027 deadline with the State. The new valuations would be in effect as of 1/01/2027, and would then impact the Dec 2027 tax bills for the first time.

There would be **no impact** from any preliminary revaluation numbers to the 1/01/2026 assessed valuation, nor any impact to the Dec 2026 tax bills. All numbers would be updated for the property assessed valuation and tax bills in Calendar Year 2027.

RFP for 2026-2030 Financial Auditing Services for Village:
After the 2025 financial audit has been almost completely finalized during Oct-Nov 2026, the Village can then send out a proposed (5) year RFP for financial auditing services for the Village for 2026-2030, which would be conducted in the years of 2027-2031. I would send out the RFP to various qualified CPA firms sometime during end of Nov 2026, so that APC and the Village Board could review them likely during **December 2026**.

Property Tax Collection Update for the Dec 2025 Tax Roll:
The final settlement for the Dec 2025 tax roll with the County Treasurer occurred on **August 20, 2026**, when the County Treasurer paid the Village the balance of the tax levy, special charges, and special assessments owed to us, which was $932,543.33.

Proposed Capital Borrowing during 2026:
The tentative timeline to borrow funds for the Sewer Utility projects, and also perhaps some of the Street projects for 2026, would be in the **fourth quarter of 2026 (or possibly in early 2027)**. In order to borrow any debt in 2026, both the 2024 and 2025 audited financial statements would need to be available. Both sets of audited financial statements would be forwarded to our bond rating agency (presently Standard & Poor's) for a rating revaluation for the Village. Also, if we borrow after 7/1/2026, then no debt service payment would need to be made until calendar year 2027. The first interest payment would be scheduled in 2027, and the first principal payment would likely occur in 2028.

Caselle Accounting Software Conference Update:
Kim, Samantha, and I had attended a 2-day conference on 9/09-9/10/2026 (last week) for accounting software updates and initiatives that the Village is pursuing in 4th Quarter 2026 and continuing into 2027.

These are some of the goals that we are pursuing in the coming months:

- Migrating from paper timesheets for payroll to electronic timesheets, saving processing time by managers in reviewing staff timesheets and in data entry of timesheets by Finance Team.
- Setting up "journal entry templates" for reoccurring monthly/quarterly journal entries
- Setting up year-end journal entry templates for year-end auditing purposes.
- Subsetting of sections of the bank reconciliation process to more easily clear groups of items on the monthly bank reconciliations.
- Setup "categories" for similar expense codes of items paid by the Village, to uniformly extract costs of individual expenses, for similar costs.
- Setup "project codes" to track project costs for individual approved contract costs.
- Research moving our Caselle accounting software from our local server to the "cloud". This would transfer the storage capability from our contracted I/T provider to Caselle, if done in the future. About 50% of the Caselle government clients have already moved their accounting software hosting duties to the cloud as of September 2026. Presently, Caselle will not force any client to the cloud in the next 2-3 years; however, it may likely be required at some point in the future eventually. We are scheduling a demo in the next month, to research more into this possibility in the next year or two.

CLIPP Committee Update and 10-Year CIP Budget Plan:
At the Feb 2026 CLIPP committee meeting, Public Works Director Ulman and myself presented the proposed future infrastructure projects, possible priority order of the projects, and one scenario if the Village were to execute these street projects beginning in 2028, without a major impact to the Village's debt service tax levy and tax rate (starting in 2029 budget year). However, the committee asked questions about what if the streets projects timetable was accelerated to begin in 2026, and how much would that impact the debt service tax levy & tax rate beginning with the 2027 budget (2 years earlier).

Village Staff will prepare and present additional information at the upcoming **Sept-Oct 2026 meetings** of CLIPP, APC, and Village Board upon the direction from Administrator Davel on how he would like us to proceed with this ongoing discussion over the next several months. The Village has purchased a software program license for Village Staff to streamline the CIP Budget process for the 2027-2036 (10-year) CIP Budget document. It will be very easy to add/subtract/move projects between the 10-year period.

Here is the upcoming CIP Budget review discussion with the various committees and Village Board:
9/28/2026 – next CIP review with Village Board
10/05/2026 – next CIP review with CLIPP committee
10/06/2026 – next CIP review with Utility committee
10/13/2026 – next CIP review with APC committee
10/19 & 10/20/2026 – 2027 Budget Workshops (final review with Village Board & APC)

The Village has never had a long-term capital plan for infrastructure, facilities, and equipment purchases or replacements. Funding options will be discussed for all projects during this 10-year period. This is the first-time that a comprehensive budgeting plan will be discussed by various committees and Village Board members. Any revisions to the second draft of the CIP Budget can take place after these 9/28 – 10/13/2026 meeting dates.

All changes to the 2027 CIP Budget (just the 1st year of the 10-year plan) will be included in the total 2027 operating budget, which is scheduled for the Public Hearing and Budget Adoption on 11/09/2026.

2025 Preliminary/Pre-Audited Internal Financial Statements:

I will complete the 2025 preliminary/pre-audited internal financial statements by mid-October 2026, and will distribute them to APC and Village Board **in early November 2026** meetings.