

***AMENDED VILLAGE BOARD AGENDA
MONDAY, JUNE 22, 2020
6:30 PM
BOARD ROOM, MUNICIPAL BUILDING, 210 COTTONWOOD AVENUE**

Call to Order
Roll Call

Pledge of Allegiance – Trustee Wallschlager

Public Comments: Please be advised the Village Board will receive comments from the public related to any item(s) on the agenda for a three minute time period per person, with time extensions per the Village President’s discretion.

1. Presentation of the 2019 Financial Statements and Audit results by Wendi M. Unger, CPA, Partner, Baker Tilly.
2. Consideration of a motion to approve Village Board minutes of June 8, 2020.
3. Consideration of a motion to approve vouchers for payment.
4. Consideration of actions related to Licenses and Permits.
 - a. Consideration of an application for an Operator’s License recommended for denial
 - b. Consideration of a motion to approve Operator’s (Bartender) Licenses (renewals)
 - c. Consideration of a motion to approve Operator’s (Bartender) Licenses (new)
 - d. Consideration of an application for a Class “B” Beer/“Class B” Liquor License for the premises located at 600 Hartbrook Drive (Hartbrook Cafe, Steven Nguyen, Agent)
 - i. **Public Hearing** to receive comment on the liquor retailer’s license application
 - ii. Consideration of an action related to issuance of a Class “B” Beer/“Class B” Liquor License for Hartbrook Cafe.
 - e. Consideration of an application for a Class “B” Beer/“Class B” Liquor License for the premises located at 111 E. Capitol Drive (Tabi’s Lake Country, Tabitha McBride, Agent)
 - i. **Public Hearing** to receive comment on the liquor retailer’s license application
 - ii. Consideration of an action related to issuance of a Class “B” Beer/“Class B” Liquor License for Tabi’s Lake Country.
 - f. Consideration of an application for a Taxi Cab license for Lake Country Cares Cab
 - g. Consideration of an application for a Temporary Class B Beer/Wine License and Temporary Operator’s (Bartender) License for Greater Hartland Kiwanis Club

Items referred from the June 15, 2020 Plan Commission meeting

5. Consideration of actions related to development of property on Campus Drive east of Lake Country Lutheran which will include the construction of a public road.
 - a. Review of rezoning petition and proposed Planned Unit Development Agreement and related exhibits.

VILLAGE BOARD AGENDA
MONDAY, JUNE 22, 2020
6:30 PM
PAGE 2

- b. Consideration of a motion to set a two-part Public Hearing on the matter (details regarding the public road and details of the proposed project other than the public road) for Monday, July 20 at a joint meeting of the Joint Architectural Board/Plan Commission and Village Board which will occur in segments.

Other items for Consideration

6. Consideration of a motion to approve an agreement with Visu-Sewer Clean and Seal, Inc. of Pewaukee for the 2020 Sanitary Sewer Cleaning & Televising in the amount of \$22,160.
7. Consideration of a motion to approve Contractor's Application for Payment No. 5 (Final) for the Crystal Drive Lift Station Modifications in the amount of \$4,775.
8. Consideration of a motion to approve an exception to the Village's banner policy for St. Charles Church.
9. Discussion and consideration of temporary signage in the Village.
10. Discussion: Melm's Brewing request for Beer Garden in Hartbrook Park.
11. Consideration of Board, Commission and Committee appointments as presented by Village President Pfannerstill.
12. Announcements: The following individuals will be given an opportunity to make announcements at the meeting in regards to (1) activities taken since the previous meeting on behalf of the community, (2) future municipal activities, and (3) communications received from citizens. It is not contemplated that these matters will be discussed or acted upon. The following individuals may provide announcements: Village President or individual Village Board members or Village Administrator or other Village Staff members.
13. Adjournment.

Tim Rhode, Village Administrator

Notice: Please note that upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For additional information or to request this service, contact Darlene Igl, Village Clerk, at 262-367-2714. The Municipal Building is handicap accessible.

Individuals attending public meetings in person will be required to **maintain appropriate social distancing**, (i.e., maintain a 6-foot distance) and be **free of symptoms** related to COVID-19.



2019 Financial Highlights
Presented to the Village Board
Of the Village of Hartland

Presented by:
Wendi M. Unger, CPA, Partner

Audit Results

- **Audit Objective**
 - The objective of our audit was to express our opinion on the financial statements of the Village of Hartland as December 31, 2019.

- **Our Opinion**
 - An unmodified audit opinion has been issued on the financial statements for the year ending December 31, 2019.
 - The financial statements are fairly presented in accordance with generally accepted accounting principles.
 - All appropriate disclosures have been properly reflected in the financial statements.
 - Accounting principles changed from prior year.

- **Management's Discussion and Analysis**

Summary Financial Information

Results of Operations

	General Fund	Special Revenue Fund TIF #4	Special Revenue Fund TIF #5	Special Revenue Fund TIF #6	Debt Service
Revenues	\$ 7,447,445	\$ 23,383	\$ 22,221	\$ 154,650	\$ 1,483,957
Expenditures	7,245,657	320	320	139,128	1,521,727
Excess (deficiency)	201,788	23,063	21,901	15,522	(37,770)
Other sources/(uses)	(329,411)	-	-	-	258,413
Change in fund balance	(127,623)	23,063	21,901	15,522	220,643
Fund balance (deficit)					
Beginning of year	5,467,356	(602,580)	(36,504)	(953,653)	157,743
End of year	<u>\$ 5,339,733</u>	<u>\$ (579,517)</u>	<u>\$ (14,603)</u>	<u>\$ (938,131)</u>	<u>\$ 378,386</u>
Fund Balance consist of:					
Nonspendable	\$ 1,535,979	\$ -	\$ -	\$ -	\$ -
Restricted	14,806	-	-	-	378,386
Committed	-	-	-	-	-
Assigned	1,470,668	-	-	-	-
Unassigned (deficit)	2,318,280	(579,517)	(14,603)	(938,131)	-
Total	<u>\$ 5,339,733</u>	<u>\$ (579,517)</u>	<u>\$ (14,603)</u>	<u>\$ (938,131)</u>	<u>\$ 378,386</u>

Summary Financial Information (cont.)

Results of Operations

	<u>Capital Projects Village Projects</u>	<u>Capital Projects Corporate Reserve</u>	<u>Nonmajor Funds</u>
Revenues	\$ 79,199	\$ 35,383	\$ 566,769
Expenditures	<u>1,361,306</u>	<u>1,228,543</u>	<u>553,685</u>
Excess (deficiency)	(1,282,107)	(1,193,160)	13,084
Other sources/(uses)	<u>3,064,500</u>	<u>1,234,760</u>	<u>(1,750)</u>
Change in fund balance	1,782,393	41,600	11,334
Fund balance (deficit)			
Beginning of year	<u>3,845,078</u>	<u>1,561,458</u>	<u>598,651</u>
End of year	<u>\$ 5,627,471</u>	<u>\$ 1,603,058</u>	<u>\$ 609,985</u>
Fund Balance consist of:			
Nonspendable	\$ -	\$ -	\$ -
Restricted	4,366,420	-	506,252
Committed	-	-	103,733
Assigned	1,261,051	1,603,058	-
Unassigned (deficit)	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 5,627,471</u>	<u>\$ 1,603,058</u>	<u>\$ 609,985</u>

Summary Financial Information (cont.)

Results of Operations

	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Internal Service</u>
Revenues & capital contributions	\$ 2,222,592	\$ 2,281,523	\$ 66,081
Expenses, transfers & special items	<u>1,851,171</u>	<u>1,804,257</u>	<u>51,633</u>
Income (loss)	371,421	477,266	14,448
Net Position			
Beginning of year	<u>12,521,756</u>	<u>7,801,555</u>	<u>193,735</u>
End of year	<u>\$ 12,893,177</u>	<u>\$ 8,278,821</u>	<u>\$ 208,183</u>

Other Information

- **Total long-term obligations outstanding at December 31, 2019**
 - \$20,367,124 of governmental activities debt
 - \$5,042,436 of business-type activities debt
- **Debt capacity**
 - Ability to borrow up to 5% of equalized value or \$69,892,210, total general obligation debt outstanding at December 31, 2019 was \$21,384,561.

Required Communication

- **Communication to those Charged with Governance and Management**
 - Two Way Communication Regarding Audit
 - Comments and Recommendations
 - Required communications
 - Management Representation Letter

Conclusion and Questions

It is a pleasure to serve you. While we work with the Village's management and staff in reviewing the financial data and preparing the financial statements, our contract is with the Board and our responsibility is to report to the Board. Accordingly, if any Board member has any questions or comments concerning our audit, the financial statements, any of the reports presented, or anything else covered, please contact me at 414.777.5423 or wendi.unger@bakertilly.com.

VILLAGE OF HARTLAND

Hartland, Wisconsin

FINANCIAL STATEMENTS

Including Independent Auditors' Report

As of and for the Year Ended December 31, 2019

VILLAGE OF HARTLAND

TABLE OF CONTENTS As of and for the Year Ended December 31, 2019

	<u>Page</u>
Independent Auditors' Report	1 – 2
REQUIRED SUPPLEMENTARY INFORMATION	
Management's Discussion and Analysis	3 – 15
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Position	16
Statement of Activities	17 – 18
Fund Financial Statements	
Balance Sheet – Governmental Funds	19 – 20
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	21
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	22 – 23
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	24
Statement of Net Position – Proprietary Funds	25 – 26
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	27
Statement of Cash Flows – Proprietary Funds	28 – 29
Statement of Fiduciary Net Position – Fiduciary Fund	30
Statement of Changes in Fiduciary Net Position – Fiduciary Fund	31
Index to Notes to Financial Statements	32
Notes to the Financial Statements	33 – 80

VILLAGE OF HARTLAND

TABLE OF CONTENTS As of and for the Year Ended December 31, 2019

	<u>Page</u>
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP) – General Fund	81
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Special Revenue Fund – TIF #4 Fund	82
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Special Revenue Fund – TIF #5 Fund	83
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Special Revenue Fund – TIF #6 Fund	84
Schedule of Proportionate Share of the Net Pension Liability (Asset) – Wisconsin Retirement System	85
Schedule of Employer Contributions Pension – Wisconsin Retirement System	85
Schedule of Proportionate Share of the Net OPEB Liability – Local Retiree Life Insurance Fund	86
Schedule of Employer Contributions OPEB – Local Retiree Life Insurance Fund	86
Schedule of Changes in the Village’s Total OPEB Liability and Related Ratios	87
Schedule of Village’s OPEB Contributions	88
Notes to Required Supplementary Information	89 – 90
SUPPLEMENTARY INFORMATION	
Nonmajor Governmental Funds – Combining Balance Sheet	91 – 92
Nonmajor Governmental Funds – Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	93 – 94
Statement of Cash Flows – Component Unit	95
Summary of Governmental Activities Long-Term Debt	96
Comparative Schedule of Taxes and Valuation Data	97

INDEPENDENT AUDITORS' REPORT

To the Village Board
Village of Hartland
Hartland, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Hartland, Wisconsin, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Village of Hartland's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village of Hartland's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Village of Hartland's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Hartland, Wisconsin, as of December 31, 2019 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note I, Village of Hartland adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*, effective January 1, 2019. Our opinions are not modified with respect to this matter.

As discussed in Note I, Village of Hartland adopted the provisions of GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, effective January 1, 2019. Our opinions are not modified with respect to this matter.

To the Village Board
Village of Hartland

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit for the year ended December 31, 2019 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Hartland's basic financial statements. The supplementary information for the year ended December 31, 2019 as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2019, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2019.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Village of Hartland as of and for the year ended December 31, 2018 (not presented herein), and have issued our report thereon dated May 17, 2019, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information. The supplementary information for the year ended December 31, 2018 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2018 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2018 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2018.

Baker Tilly Virchow Krause, LLP

Milwaukee, Wisconsin
April 28, 2020

Village of Hartland
2019 Management's Discussion and Analysis
(Unaudited)

The management of the Village of Hartland offers this narrative overview and analysis of the Village of Hartland's financial activities for the fiscal year ended December 31, 2019. Readers of these financial statements are encouraged to consider the information presented here in conjunction with the additional information presented on the following pages.

The Village of Hartland is a community of approximately 9,335 residents located in Waukesha County, Wisconsin about 20 miles west of Milwaukee. The Village of Hartland has benefited from this location. There is easy access to major transportation routes and many residents commute to work in Waukesha, Milwaukee, Madison and other surrounding communities. Additionally, the ease of access provides opportunities for local businesses by providing quick and simple transportation for inbound and outbound goods and products.

The Village of Hartland is a progressive community with a commitment to maintaining assets through an aggressive capital projects program.

Overview of the Financial Statements

The information in this discussion and analysis is intended to serve as an introduction to the Village of Hartland's basic financial statements. The Village of Hartland's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Financial Highlights

- ❖ The assets and deferred outflows of resources of the Village of Hartland exceeded its liabilities and deferred inflows of resources at the close of 2019 by \$42,451,197 (net position). Of this amount, \$11,319,506 (unrestricted net position) may be used to meet the Village's ongoing obligations to citizens and creditors. Nearly all of the remaining balance of the net position (\$30,311,648) represents assets of the Village like roads, utility lines and buildings, net of any related debt. Shown on page 16 of this report.
- ❖ The total net position of the Village described on page 16 and elsewhere in these statements is impacted by liabilities, deferred inflows and deferred outflows related to pension despite the fact that pension for Village employees is provided through the State of Wisconsin Employee Trust Fund; the State's pension plan. Under governmental reporting requirements, the Village must show information related to the Village's portion of the overall State pension plan in order to demonstrate how well-funded the entire pension plan is based on actuarial assessments at a point in time. In 2019, the Trust Fund has slightly lower assets than actuarially necessary and, therefore, the Village of Hartland is required to show a net pension liability of \$1,012,842. It does not necessarily represent an asset or liability of the Village.
- ❖ As shown on pages 17 and 18 of this report, the Village of Hartland's total net position decreased by \$385,152 from \$42,836,349 in 2018 to \$42,451,197 in 2019. The funds comprising Governmental Activities realized a \$1,233,839 decrease in net position. The funds comprising Business-type Activities realized an \$848,687 increase in net position. All governmental funds, major and non-major, except three (TIF #4, TIF #5 and TIF #6, which are shown individually on pages 19 and 20) had a positive fund balance.
- ❖ As of the close of 2019, the Village of Hartland's governmental fund balance, which includes all activities of the Village except the Water and Sewer Utilities, reported combined ending funding balances of \$12,026,382. This is an increase of \$1,988,833 in comparison with the

Village of Hartland

2019 Management's Discussion and Analysis (cont.) (Unaudited)

prior year's balance of \$10,037,549. The increase was primarily due to a debt borrowing at the end of 2019 for the 2020 and 2021 capital projects and positive tax increments received for all three TIF Districts. Shown on pages 19 to 24 of this report.

- ❖ Of the Village's \$12,026,382 fund balance, 45% (\$5,369,597) of the fund balance is restricted or committed by the Village or statutes to be spent for specific purposes. Another 36% (\$4,334,777) is assigned by the Village for specific purposes. An additional 13% (\$1,535,979) of fund balance is considered nonspendable as it relates to non-current receivables and prepayments. Shown on pages 19 and 20 of this report.
- ❖ The remaining eight percent (6%), or \$786,029, of the Village's governmental fund balance is considered unassigned and is available for spending at the Village's discretion. The amount available is currently being offset, or reduced, by obligations in TIF Districts #4, #5 and #6 in the amount of \$1,532,251. Shown on pages 19 and 20 of this report.
- ❖ When considered as a gross figure (not reduced by TIF #4, TIF #5 or TIF #6), the General Fund unassigned fund balance totals \$2,318,280. This is equal to 31% of the operating budget for the general fund revenues. This amount has been allowed to grow so that it may be used to mitigate potential sudden negative impacts that may be experienced from time to time or to address singular unforeseen needs. When considered net of the offset for TIF #4, TIF #5 and TIF #6, the \$786,029 in unassigned fund balance referenced above is about 10% of the general fund operating revenues. Shown on pages 19 and 20 of this report.
- ❖ The Village of Hartland's total debt related to governmental activities had principal payments of \$1,054,854 during 2019. Total general obligation debt for the business-type activities had principal payments of \$185,000. Debt is shown on page 22 for Village debt payments and page 26 for Water and Sewer Utility outstanding balances. Long term obligation (debt) payment information is also contained on pages 54 through 57 of this report.

Government-wide Financial Statements

The **government-wide financial statements** are designed to provide a broad overview of the Village of Hartland's finances in a manner similar to private sector business. The government-wide financial statements can be found on pages 16 through 18 of this report.

The **statement of net position** (Page 16) presents information on all of the Village of Hartland's assets and deferred outflows of resources less liabilities and deferred inflows of resources, with the difference between these reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village of Hartland is improving or deteriorating. In the last several years (2013 – 2018), these figures have remained relatively steady.

The **statement of activities** (Pages 17 and 18) presents information showing how the Village of Hartland's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Therefore, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes, earned but unused vacation leave, and earned but unused comp time).

Both of the government-wide financial statements distinguish functions of the Village of Hartland that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Village of Hartland include general government, public safety, public works, environmental services, cemetery, library, parks and recreation. The governmental activities of the Village also include the Hartland Business

Village of Hartland

2019 Management's Discussion and Analysis (cont.) (Unaudited)

Improvement District, which is a component unit of the Village. In 2007, the Hartland Business Improvement District (BID) was created by the Village of Hartland at the request of property and business owners in Village Center to provide focused services and economic assistance in the downtown consistent with state statutes. The Village assists by managing the BID's revenues, expenses and audit process via a separate fund. The business type activities of the Village of Hartland include the Water Utility and the Sewer Utility.

In the government-wide financial statements the Village of Hartland is known as the **primary government**. The Water Utility and the Sewer Utility are designated as **business activities**. Although legally separate, they function for all practical purposes as departments of the Village of Hartland and have been included as an integral part of this financial statement.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Hartland, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village of Hartland can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds – pages 19 to 24. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so the readers may better understand the long term impact of the Village of Hartland's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Village of Hartland maintains twelve individual governmental funds. These funds include: General Fund, Capital Projects, Corporate Reserve, Debt Service, Refuse, TIF #4, TIF #5, TIF #6, Special Library, Impact Fee, MIU and Developers. The Village of Hartland participates in and manages the account for the Major Investigations Unit (MIU) Fund. MIU is a mutual agreement police operations among area police departments pursuant to Wisconsin Statutes §66.30, §66.305 and §66.315. MIU is funded by budgeted transfers from participating jurisdictions and the finances of the MIU are managed by the Village of Hartland. The expenses are what is necessary to operate the team and is a function of the number of times they are called and the type of training they need.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, TIF #4 fund, TIF #5 fund, TIF #6 fund, debt service fund, Village projects fund and corporate reserve fund. All of these funds are considered to be major funds. Individual fund data for the nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The Village of Hartland adopts an annual appropriated budget for all major funds and all nonmajor funds as required by state statute. Budgetary comparison statements have been provided for the general fund, TIF #4 special revenue fund, TIF #5 special revenue fund and the TIF #6 special revenue fund as part of the required supplementary information on pages 79 to 82.

Village of Hartland

2019 Management's Discussion and Analysis (cont.) (Unaudited)

Proprietary funds – pages 25 to 29. The Village of Hartland maintains three *Proprietary funds*. Proprietary funds are used to report *business-type activities* in the government-wide financial statements. The Village of Hartland uses enterprise funds (a type of proprietary fund) to account for its Water Utility and Sewer Utility.

The Village of Hartland also maintains an internal service fund (a second type of proprietary fund) to account for dental self-insurance activities.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information on the Water Utility and the Sewer Utility, both of which are considered to be major funds of the Village of Hartland.

Custodial funds – pages 30 and 31. Custodial funds are used to account for resources held for the benefit of parties outside the government. Custodial funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the Village of Hartland's own programs. The custodial fund maintained by the Village of Hartland is the Trust and Custodial Fund which records the tax roll and tax collections made by the Village for other taxing jurisdictions within the Village of Hartland. The accounting used for custodial funds is much like that used for governmental funds.

Notes to the financial statements – pages 33 to 78. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information – pages 89 to 95. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In recent years, the net position of the Village has increased and decreased annually based on the particulars of a given fiscal year. In the last five years, the total assets/net position of the Village has increased by 13% (\$4,982,204) to \$42,451,197. A majority of this difference is from the GASB 75 implementation related to accounting for certain retiree benefits.

In the case of the Village of Hartland, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$42,451,197 at the close of 2019. By far, the largest portion of the Village of Hartland's net position (71%) is found in net investment of capital assets which is capital assets (e.g., land, buildings, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The Village of Hartland uses these capital assets to provide services to citizens; consequently, these **assets are not available** for future spending. Although the Village of Hartland's net investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves generally cannot be used to liquidate these liabilities.

Village of Hartland

2019 Management's Discussion and Analysis (cont.) (Unaudited)

Following is a chart of the net position of the Village of Hartland. We are presenting the financial statements in this reporting model with a comparison to the prior year.

VILLAGE OF HARTLAND NET POSITION						
	Governmental Activities		Business Type Activities		Total	
	2019	2018	2019	2018	2019	2018
ASSETS						
Current and other assets	\$ 19,882,747	\$ 18,245,427	\$ 7,721,479	\$ 6,374,006	\$ 27,604,226	\$ 24,619,433
Capital Assets	<u>27,997,243</u>	<u>27,414,087</u>	<u>18,546,992</u>	<u>17,868,773</u>	<u>46,544,235</u>	<u>45,282,860</u>
TOTAL ASSETS	<u>47,879,990</u>	<u>45,659,514</u>	<u>26,268,471</u>	<u>24,242,779</u>	<u>74,148,461</u>	<u>69,902,293</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflow related to pensions	2,440,078	1,556,334	312,983	173,276	2,753,061	1,729,610
Deferred outflow related to OPEB	60,018	657,888	10,494	112,684	70,512	770,572
Refunding loss	<u>71,601</u>	<u>83,534</u>	<u>21,424</u>	<u>25,709</u>	<u>93,025</u>	<u>109,243</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>2,571,697</u>	<u>2,297,756</u>	<u>344,901</u>	<u>311,669</u>	<u>2,916,598</u>	<u>2,609,425</u>
LIABILITIES						
Long-term liabilities outstanding	20,363,844	16,670,857	5,042,436	3,890,884	25,406,280	20,561,741
Current and other liabilities	<u>639,077</u>	<u>515,629</u>	<u>222,985</u>	<u>162,800</u>	<u>862,062</u>	<u>678,429</u>
TOTAL LIABILITIES	<u>21,002,921</u>	<u>17,186,486</u>	<u>5,265,421</u>	<u>4,053,684</u>	<u>26,268,342</u>	<u>21,240,170</u>
DEFERRED INFLOWS OF RESOURCES						
Unearned revenue	6,870,785	6,579,438	-	-	6,870,785	6,579,438
Deferred inflows related to pensions	1,240,280	1,667,415	161,334	174,661	1,401,614	1,842,076
Deferred inflows related to OPEB	<u>58,502</u>	<u>10,893</u>	<u>14,619</u>	<u>2,792</u>	<u>73,121</u>	<u>13,685</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>8,169,567</u>	<u>8,257,746</u>	<u>175,953</u>	<u>177,453</u>	<u>8,345,520</u>	<u>8,435,199</u>
NET POSITION						
Net investment in capital assets	13,709,117	14,152,323	16,602,531	15,735,722	30,311,648	29,888,045
Restricted	820,043	1,135,458	-	92,616	820,043	1,408,074
Unrestricted	<u>6,750,039</u>	<u>7,045,257</u>	<u>4,569,467</u>	<u>4,494,973</u>	<u>11,319,506</u>	<u>11,540,230</u>
TOTAL NET POSITION	<u>\$ 21,279,199</u>	<u>\$ 22,513,038</u>	<u>\$ 21,171,998</u>	<u>\$ 20,323,311</u>	<u>\$ 42,451,197</u>	<u>\$ 42,836,349</u>

Village of Hartland

2019 Management's Discussion and Analysis (cont.) (Unaudited)

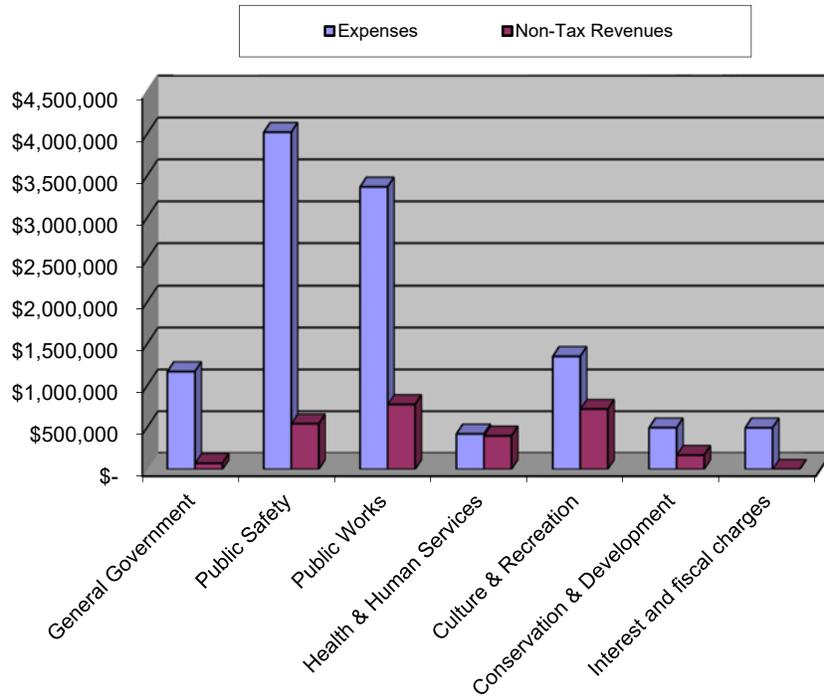
Following is a chart of the net position of the Village of Hartland. We are presenting the financial statements in this reporting model with a comparison to the prior year.

VILLAGE OF HARTLAND'S CHANGES IN NET POSITION								
For the year ending December 31								
	<i>Governmental Activities</i>		<i>Business Type Activity - Water Utility</i>		<i>Business Type Activity - Sewer Utility</i>		<i>Total</i>	
	2019	2018	2019	2018	2019	2018	2019	2018
Revenues								
<i>Program Revenues</i>								
Charges for services	\$ 1,703,539	\$ 1,654,418	\$ 1,757,377	\$ 1,794,284	\$ 1,631,885	\$ 1,717,328	\$ 5,092,801	\$ 5,166,030
Operating grants and contributions	982,131	966,866	-	-	-	-	982,131	966,866
Capital grants and contributions	-	-	430,152	-	560,005	-	990,157	-
<i>General Revenues</i>								
Property taxes	6,141,074	5,872,639	-	-	-	-	6,141,074	5,872,639
Inter governmental revenues not restricted to specific programs	470,030	576,663	-	-	-	-	470,030	576,663
Investment income	298,465	238,521	42,937	28,814	89,633	80,556	431,035	347,891
Miscellaneous	251,517	223,443	-	-	-	-	251,517	223,443
Gain on disposal of assets	39,000	26,563	-	-	-	-	39,000	26,563
Transfers	213,501	227,996	(207,000)	(221,220)	(6,501)	(6,776)	-	-
Total Revenues	<u>10,099,257</u>	<u>9,787,109</u>	<u>2,023,466</u>	<u>1,601,878</u>	<u>2,275,022</u>	<u>1,791,108</u>	<u>14,397,745</u>	<u>13,180,095</u>
Expenses								
<i>Primary Government</i>								
General government	1,171,662	1,091,123	-	-	-	-	1,171,662	1,091,123
Public safety	4,020,443	3,327,326	-	-	-	-	4,020,443	3,327,326
Public works	3,368,238	2,934,600	-	-	-	-	3,368,238	2,934,600
Health and human services	424,903	450,016	-	-	-	-	424,903	450,016
Culture, education and recreation	1,352,527	1,247,837	-	-	-	-	1,352,527	1,247,837
Conservation and development	497,873	326,974	-	-	-	-	497,873	326,974
Interest and fiscal charges	497,450	429,985	52,381	47,719	52,927	47,282	602,758	524,986
<i>Business Type Activities</i>								
Water Utility	-	-	1,599,664	1,184,337	-	-	1,599,664	1,184,337
Sewer Utility	-	-	-	-	1,744,829	1,598,769	1,744,829	1,598,769
Total Expenses	<u>11,333,096</u>	<u>9,807,861</u>	<u>1,652,045</u>	<u>1,232,056</u>	<u>1,797,756</u>	<u>1,646,051</u>	<u>14,782,897</u>	<u>12,685,968</u>
Change in Net Position	(1,233,839)	(20,752)	371,421	369,822	477,266	145,057	(385,152)	494,127
TOTAL NET POSITION - JAN 1	<u>22,513,038</u>	<u>22,533,790</u>	<u>12,521,756</u>	<u>12,151,934</u>	<u>7,801,555</u>	<u>7,656,498</u>	<u>42,836,349</u>	<u>42,342,222</u>
TOTAL NET POSITION - DEC 31	<u>\$ 21,279,199</u>	<u>\$ 22,513,038</u>	<u>\$ 12,893,177</u>	<u>\$ 12,521,756</u>	<u>\$ 8,278,821</u>	<u>\$ 7,801,555</u>	<u>\$ 42,451,197</u>	<u>\$ 42,836,349</u>

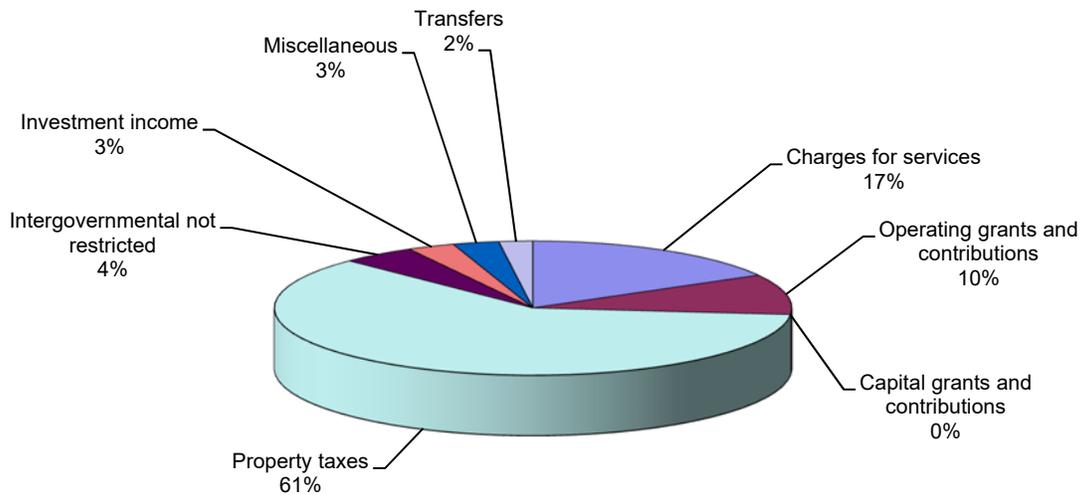
Village of Hartland

2019 Management's Discussion and Analysis (cont.) (Unaudited)

Expenses & Program Revenues - Governmental Activities



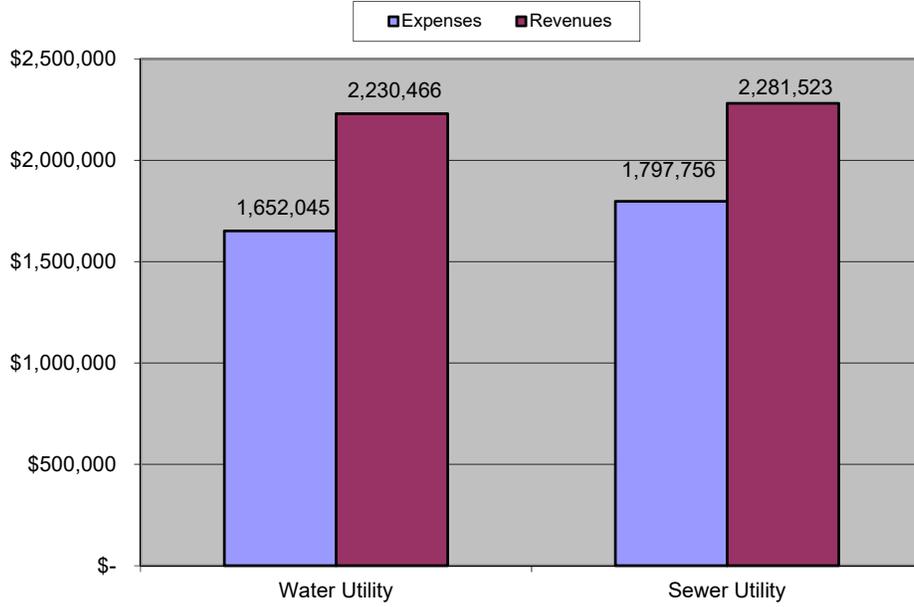
Program & General Revenues by Source - Governmental Activities



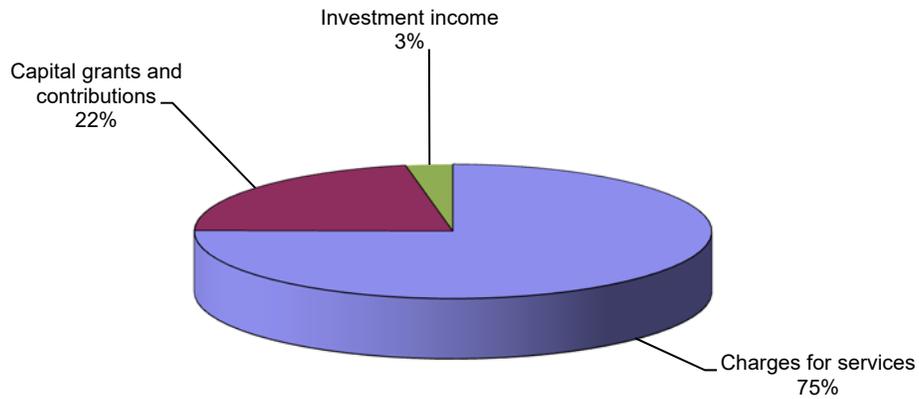
Village of Hartland

2019 Management's Discussion and Analysis (cont.) (Unaudited)

Expenses & Program Revenues - Business-Type Activities Excluding Transfers



Revenues by Source - Business-type Activities



Village of Hartland

2019 Management's Discussion and Analysis (cont.) (Unaudited)

General Budgetary Highlights

The general fund budget posted a deficit of revenues and other financing sources over expenditures and other financing uses of \$127,623. The Village of Hartland's 2019 operating budget received 98.31% of its budgeted revenues and spent 99.94% of its budgeted expenses. The Village anticipated using general fund cash to fund future corporate reserve purchases and current short term life capital projects.

- Recreation classes revenue was \$41,140 more than budgeted in 2019.
- Interest on Investments was \$58,930 more than budgeted in 2019.
- The Village had an expected use of fund balance of \$304,250 that it did not need to fully use.

On the expenditure side, all departments worked diligently to stay within the annual budget as there was constant monitoring of expenditures throughout the year. There were seven instances where operating expenditures were over budget. The seven areas over budget were Village Board which was over by \$1,926 mainly due to conferences; Administration, which was over budget by \$95,107, due to an increase in legal services; Municipal Building, which was over budget \$3,072 mainly due to increased labor, Ambulance, which was over budget \$43,887 due to increased supply purchases; Public Works, which was over budget \$71,630 due to higher snow and ice removal costs; Library, which was over budget \$14,618 due to increased labor; and Recreation Programs, which was over budget \$38,070 due to increased programming. The other operating accounts came in under budget to make our overall expenses approximately 0.06% below budget.

The Village of Hartland's budget for the proprietary funds is not adopted on a full accrual basis but is accounted for on a full accrual basis; therefore, the budgetary comparisons discussed below compare the actual results on a budgetary basis. In regards to the Village of Hartland's proprietary funds:

- Total revenues for the water utility were at 123% while expenses came in at 102% of budget resulting in a gain as intended. The rate for 2019 has been in effect since December 16, 2016. In the past, the use of unrestricted net position had allowed the operation to continue either without a rate increase or only small adjustments. The 2016 rate increase is intended to help the water utility fund and maintain the water system and infrastructure. There was no simplified rate increase during 2019. The Village will review the need for rate adjustments annually.
- Total revenues for the Sewer Utility were 130% of budget and the expenses were at 102% of budget, resulting in a gain. The Sewer Utility budgets to pay \$20,000 annually into an account that has been designated for lift station rehabilitation and replacement. A maintenance schedule has been put in place. At the end of 2019, the balance available for lift station maintenance was \$343,011. The Sewer Utility also has funds set aside for future improvements to the Sewer system for the north and northeast portion of the Village in the amount of \$854,196 and \$46,512 for the maintenance and replacement of the Four Winds West Subdivision Lift Station. Residents of that subdivision pay a special fee for the maintenance, operation and future replacement of that lift station, which is separate from the usual and customary rates.
- Management has been concerned that the Sewer Utility would not be able to meet its operating expenses in future years. Therefore, a 5% increase per year in the per-thousand-gallon rate to customers was implemented in 2002 through 2008. This practice was re-implemented in 2013 and annually thereafter. During the 2020 budget process, the Sewer Utility rate was increased an additional 5% effective December 2019. The financial health of the Sewer Utility will continue to be evaluated on a yearly basis.

Village of Hartland

2019 Management's Discussion and Analysis (cont.) (Unaudited)

TIF District #4, #5 and #6 are showing offsetting revenue (Property Taxes) and the deficits in those districts are reducing. Expenses in the TIF Districts are considered by the Village to be investments that are expected to be returned by the long term improvement in the property values and the related taxes paid within the districts. TIF #4, TIF #5 and TIF #6 will have minimal expenditures for the remainder of their lives.

The interest rates during 2019 increased significantly thus increasing interest income for all funds. The Village has \$3.0 million with a local bank in a CDARS program that is earning 2.5-2.55% annually. The Village also has a repurchase agreement account with an ending balance of \$8,515,439 and an ending interest rate of 1.13%. The Village has \$16,999,614 in the Local Government Investment Pool earning 1.63% at the end of the year. The remainder of the Village's balances are in a checking account or various minimal interest funds.

Capital Assets

The infrastructure-related capital assets of the Village of Hartland are managed through a six-year capital improvement plan for both governmental and business-type activities. Projects in the capital improvement plan include the purchase or improvement of land for Village purposes and construction or major improvement to buildings, park facilities, streets, street lighting, tree planting, sidewalks, curb and gutter, storm sewers, sanitary sewer facilities and water facilities. The majority of activities included in the capital improvement plan are generally funded by borrowing for up to three years' worth of projects at a time. The Village of Hartland maintains records related to all of its capital facilities in either our geographical information system (GIS) database or a fixed asset program. The computerization of these records has improved the availability and quality of our records system, which has streamlined the planning process and made it easier to manage these assets.

The Trustees and staff of the Village of Hartland continue to spend a great deal of time working with the Village's financial consultants, Ehlers and Associates, to create and maintain a long-term financial management plan that supports our six-year capital plan for infrastructure improvements.

The Village of Hartland also maintains a Corporate Reserve Fund that funds the purchase of the equipment portion of our capital assets. A vehicle and equipment schedule is maintained showing date purchased, cost, estimated year of replacement, and the estimated replacement cost. A repayment schedule over the life of the item purchased is also charted. Those repayments, which are currently based on the vehicle purchase cost not the future replacement cost, become an expense in the departmental budgets every year and help fund the purchase of replacement vehicles and equipment in future years. The general fund does not pay interest on the repayments to the corporate reserve fund. If the utilities borrow from this fund, they are charged an interest rate that is ¼% lower than would be available through a state trust fund loan.

Significant additions in the capital assets of the governmental activities include:

- Repaving of Lindenwood Drive, Manchester Court, Imperial Drives, Normandy Circle and Cottonwood Avenue between River Reserve and Cardinal Lane for \$952,487
- Village Hall Lock System for \$36,401
- Public Works Wheel Loader for \$183,468
- Public Works Freightliner Dump Truck for \$205,157
- Fire Department Pumper Truck for \$789,679
- One Police SUV's in the amount of \$30,135.

Village of Hartland

2019 Management's Discussion and Analysis (cont.) (Unaudited)

- Fire Department Decontamination Station for \$5,000
- Administration Copy Machine for \$7,595

In the business type activities, the Water Utility purchased meters for \$96,208, hydrants for \$81,177, main valve replacement for \$5,500, service for \$3,000 and had contributed water assets totaling \$430,152 from the Glen at Overlook Trails subdivision. The Sewer Utility put in a new lift station on Crystal Drive for \$218,316 and had contributed sewer assets totaling \$560,005 from the Glen at Overlook Trails subdivision.

The Village of Hartland is proud to be able to continue the aggressive maintenance of our infrastructure. More information is provided on the Village's capital assets activity for the year on pages 50 through 52 of the financial statements.

Long-term Debt

At the end of 2019, the Village bond rating was Aa2, which was in place when the Village executed the most recent borrowing in December of 2019. We are very proud that a community our size is able to attain this rating. This rating recognizes our strong financial position, stable tax base and moderate debt burden.

At the end of 2019, the total amount of general obligation outstanding debt was \$21,384,561, which entirely comprises general obligation bonds and notes. This is equal to approximately 1.5% of the Village of Hartland's 2019 equalized value. State statutes limit the amount of general obligation debt a governmental entity may issue to five percent of its total equalized valuation. Based on the Village's 2019 equalized value of \$1,397,844,200, the Village of Hartland's allowable indebtedness is \$69,892,210 (5% of the equalized value). At the end of 2019, the Village has used 30.59% of its allowable indebtedness.

84% of the Village's overall debt is related to governmental activities. The Water Utility owes just under of 11.5% of the debt and the Sewer Utility owes 4.5% of the debt.

In 2005, the Sewer Utility also partnered with the City of Delafield Sewer Utility to obtain a Clean Water Fund Loan for the Delafield-Hartland Waste Water Pollution Control Commission (Del-Hart). Del-Hart is the paying agent on this revenue bond because the sewer treatment revenues are funding the principal and interest payments. The balance of revenue bonds outstanding attributable to the Village of Hartland at December 31, 2019 is \$1,277,690.

More information on the Village of Hartland's long-term debt can be found on pages 54 through 57.

General Economic Factors

Despite the relative permanence of the changes brought about by the 2008 economic downturn, not only on our practices but the economic conditions in which we operate, the Village remains strong. The financial resources of the Village were impacted by these overall changes in the economy. In the years that lead up to 2008, property values and community growth steadily increased. With the change in the economy, the Village, like many other municipalities, saw an almost immediate decline in growth activity and began to experience decline in property values, which continued to 2013. Through January of 2013, the Village's equalized value had decreased by approximately 11% below the 2008 figure. However, home and commercial property prices stabilized and began to rise while commercial vacancy rates dropped in the Village. The Village has seen growth in property values for existing properties and, through the construction of recently approved residential subdivisions as well as other commercial and downtown development, has realized an expansion of the overall tax base.

Village of Hartland

2019 Management's Discussion and Analysis (cont.) (Unaudited)

In 2019, the Village's equalized value continued to grow and experienced an annual increase of just over 5.7% from the 2018 figure to \$1.3 billion. This continued the rebound and puts the Village's Equalized Value at about 12.8% greater than the 2009 figure. Growth in the Village's overall tax base will continue as previously-approved and newly approved developments build out and fill up. The Village continues to be approached about other potential subdivisions and developments, which was considered in the context of the Village's Comprehensive Plan, which was updated and finalized in 2019.

As alluded to above, the Village continues to see strong growth in the commercial sector. Several of the Village's industrial and large commercial businesses have grown at their existing Hartland locations and others continue to follow suit. Major expansions and increases in activity have occurred and continue to occur at a number of the larger commercial enterprises and Village staff have been responding to planned expansions and improvements at all types and sizes of commercial facilities. These factors continue to demonstrate the improving forecast. Despite the difficulties of the past, the Village of Hartland weathered the downturn in the way management expected; by taking care of our infrastructure; maintaining a careful and deliberate approach to financial management; maintaining our healthy reserves and responding to growth potential in a manner consistent with our plans. In difficult times, our reserves add strength to our financial position. We expect it to remain strong into the future as we predict modest increases in our tax base growth.

Tax Increment Financing

As noted earlier in this Analysis, TIF District #4, which was created just prior to the downturn in 2008, has improved and is realizing positive value and property tax revenue. TIF #4 has been reduced in size twice to mitigate the value loss it experienced after its inception. In 2015, the Village implemented the second reduction of TIF #4 to include only the two properties that received funding through the District, which have experienced a major increase in value. By doing so, TIF District #4 generated positive increment on which taxes were levied creating tax revenue in the district for the first time in 2016. This continued in 2019 and is expected to continue into the future. Taxes generated are expected to cover the cost of the loans made by the Village/TIF District to support the redevelopment but may not cover the costs it incurred to acquire land, which ultimately was used in TIF #6. Due to a 2017 change in State Law, the status of all of the Village's TIF Districts is reviewed annually at a public meeting of the Joint Review Boards for each District. The Joint Review Board includes representatives from Waukesha County, Waukesha County Technical College, Arrowhead High School, the local elementary school districts as well as the Village and the public.

The Mixed Use Tax Increment Financing District (TIF #6) created in 2015 to support a mixed use redevelopment on E. Capitol Drive in the downtown continues to develop. The project involved the demolition and redevelopment of a commercial building and three residential structures into a new mixed use commercial building and two residential buildings comprising up to 80 residential units and about 4,000 square feet of commercial space. During 2016, the financial assistance provided on the development was modified and includes up to \$1.955 million in monetary contributions, which comprises about \$733,000 in grants for infrastructure and other specific activities and rebates on incremental taxes paid by the property owner in an amount not to exceed \$1.222 million, plus two properties owned by the Village (purchased in TIF #4) in the redevelopment area. Construction was complete in 2018 and the value of the property rose to more than \$13 million in property value for tax payments received in 2020. TIF #6 is expected to cover all of its commitments in the years prior to its required closure date.

In 2011, the Village of Hartland created TIF #5 for rehabilitation of a blighted area south of Cardinal Lane near Highway 83. TIF #5 facilitated the redevelopment of the property in a manner which provided a higher and better use of the property and provided roadway improvements to better serve the neighborhood within which TIF #5 is located. The area has been redeveloped with a restaurant with drive through facilities. Since 2012, the development has realized growing levels of increment value. In 2015, after some one-time adjustments for previously unrecorded value, the value was \$1.6

Village of Hartland

2019 Management's Discussion and Analysis (cont.) (Unaudited)

million, which netted a tax increment payment of over \$21,000. In 2019, the incremental value of the property settled to approximately \$1.27 million, which is expected to increase in the future with appreciation of the property's value. Payments made on the increment are used to help pay down loans made to the developer of the project as an incentive.

Other Factors

The Village's economic development activities in the downtown continue to complement the Business Improvement District which was formed under Wisconsin Statutes section 66.1110 (1)(f)(4) at the end of 2006 by an active group of downtown business people. The Business Improvement District works to enhance the aesthetics and commercial atmosphere in the Village and, consequently, increase business activity. A director is employed by the BID and office space, a web site and regular electronic communications with members are maintained. The BID continues to operate a number of grant programs along with a highly successful revolving loan program and other activities to improve the Downtown including installation of directional signs, support of downtown events and activities, and provision of educational opportunities for businesses. Through its various loans and grants to downtown businesses and property owners who want to make a better street presence or otherwise improve their buildings, the BID has leveraged significant private investment in the downtown. The Business Improvement District is a public/private partnership in which property and business owners elect to make a collective contribution to the maintenance, development and promotion of their commercial district. The Village of Hartland assists in this effort by matching grants made by the BID to eligible property owners. The Business Improvement District has remained successful and expanded its boundaries in 2017 to include additional commercial properties adjacent to the then-existing District boundaries. Additionally, the District, which was a significant factor in the Village achieving its status as an Ice Age Trail Community, remains an active participant in this ongoing cross marketing relationship with the Ice Age Trail Alliance.

Requests for Information

This financial report is designed to provide a general overview of the Village of Hartland's finances. Questions concerning any of the information provided in this report, or requests for additional information should be addressed to the Village of Hartland Finance Director, 210 Cottonwood Avenue, Hartland, WI 53029.

VILLAGE OF HARTLAND

STATEMENT OF NET POSITION

As of December 31, 2019

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Totals	Business Improvement District
ASSETS				
Cash and investments	\$ 12,678,659	\$ 5,633,467	\$ 18,312,126	\$ 33,898
Receivables (net)				
Taxes	6,870,785	12,514	6,883,299	74,800
Accounts	84,758	774,985	859,743	-
Delinquent personal property taxes	365	-	365	-
Loans	221,001	-	221,001	-
Inventories and prepaid items	3,363	16,967	20,330	-
Restricted assets				
Accrued interest	23,816	5,856	29,672	-
Loans	-	1,277,690	1,277,690	-
Capital assets (net of accumulated depreciation/amortization)				
Land	612,637	22,291	634,928	-
Construction in progress	15,370	86,567	101,937	-
Other capital assets, net of depreciation/amortization	27,369,236	18,438,134	45,807,370	-
Total Assets	<u>47,879,990</u>	<u>26,268,471</u>	<u>74,148,461</u>	<u>108,698</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflow related to pensions	2,440,078	312,983	2,753,061	-
Deferred outflow related to OPEB	60,018	10,494	70,512	-
Refunding loss	71,601	21,424	93,025	-
Total Deferred Outflows of Resources	<u>2,571,697</u>	<u>344,901</u>	<u>2,916,598</u>	<u>-</u>
LIABILITIES				
Accounts payable and accrued expenses	\$ 498,071	\$ 202,202	\$ 700,273	\$ 1,163
Accrued interest payable	79,401	20,783	100,184	-
Deposits	57,300	-	57,300	-
Due to other governmental units	1,025	-	1,025	-
Noncurrent liabilities				
Due within one year	1,490,365	643,475	2,133,840	-
Due in more than one year	17,705,934	4,236,443	21,942,377	-
Net pension liability	904,511	108,331	1,012,842	-
OPEB liability	266,314	54,187	320,501	-
Total Liabilities	<u>21,002,921</u>	<u>5,265,421</u>	<u>26,268,342</u>	<u>1,163</u>
DEFERRED INFLOWS OF RESOURCES				
Unearned revenue	6,870,785	-	6,870,785	74,800
Deferred inflow related to pensions	1,240,280	161,334	1,401,614	-
Deferred inflow related to OPEB	58,502	14,619	73,121	-
Total Deferred Inflows of Resources	<u>8,169,567</u>	<u>175,953</u>	<u>8,345,520</u>	<u>74,800</u>
NET POSITION				
Net investment in capital assets	13,709,117	16,602,531	30,311,648	-
Restricted for				
Library	79,114	-	79,114	-
Impact fees	414,518	-	414,518	-
EMS Act 102	14,806	-	14,806	-
Developer fund	12,620	-	12,620	-
Debt service	298,985	-	298,985	-
Unrestricted	<u>6,750,039</u>	<u>4,569,467</u>	<u>11,319,506</u>	<u>32,735</u>
TOTAL NET POSITION	<u>\$ 21,279,199</u>	<u>\$ 21,171,998</u>	<u>\$ 42,451,197</u>	<u>\$ 32,735</u>

VILLAGE OF HARTLAND

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 1,171,662	\$ 72,304	\$ -	\$ -
Public safety	4,020,443	479,819	66,530	-
Public works	3,368,238	128,365	649,173	-
Health and human services	424,903	399,728	-	-
Culture, education and recreation	1,352,527	458,967	261,932	-
Conservation and development	497,873	164,356	4,496	-
Interest and fiscal charges	497,450	-	-	-
Total Governmental Activities	<u>11,333,096</u>	<u>1,703,539</u>	<u>982,131</u>	<u>-</u>
Business-type Activities				
Water Utility	1,652,045	1,757,377	-	430,152
Sewer Utility	1,797,756	1,631,885	-	560,005
Total Business-type Activities	<u>3,449,801</u>	<u>3,389,262</u>	<u>-</u>	<u>990,157</u>
Total Primary Government	<u>\$ 14,782,897</u>	<u>\$ 5,092,801</u>	<u>\$ 982,131</u>	<u>\$ 990,157</u>
Component Unit				
Business improvement district	<u>\$ 99,154</u>	<u>\$ -</u>	<u>\$ 19,978</u>	<u>\$ -</u>

General Revenues

Taxes

- Property taxes, levied for general purposes
- Property taxes, levied for debt service
- Property taxes, levied for TIF districts
- Other taxes

Intergovernmental revenues not restricted to specific programs

Investment income

Miscellaneous

Gain on disposal of assets

Total General Revenues

Transfers

Change in net position

NET POSITION - Beginning of Year

NET POSITION - END OF YEAR

Net (Expenses) Revenues and Changes in Net Position			
Primary Government			Component Unit
Governmental	Business-type		Business
Activities	Activites	Totals	Improvement
			District
\$ (1,099,358)	\$ -	\$ (1,099,358)	\$ -
(3,474,094)	-	(3,474,094)	-
(2,590,700)	-	(2,590,700)	-
(25,175)	-	(25,175)	-
(631,628)	-	(631,628)	-
(329,021)	-	(329,021)	-
(497,450)	-	(497,450)	-
<u>(8,647,426)</u>	<u>-</u>	<u>(8,647,426)</u>	<u>-</u>
-	535,484	535,484	-
-	394,134	394,134	-
<u>-</u>	<u>929,618</u>	<u>929,618</u>	<u>-</u>
<u>(8,647,426)</u>	<u>929,618</u>	<u>(7,717,808)</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(79,176)</u>
4,512,167	-	4,512,167	-
1,467,950	-	1,467,950	-
160,957	-	160,957	-
-	-	-	74,800
470,030	-	470,030	-
298,465	132,570	431,035	-
251,517	-	251,517	1,050
39,000	-	39,000	-
<u>7,200,086</u>	<u>132,570</u>	<u>7,332,656</u>	<u>75,850</u>
<u>213,501</u>	<u>(213,501)</u>	<u>-</u>	<u>-</u>
(1,233,839)	848,687	(385,152)	(3,326)
<u>22,513,038</u>	<u>20,323,311</u>	<u>42,836,349</u>	<u>36,061</u>
<u>\$ 21,279,199</u>	<u>\$ 21,171,998</u>	<u>\$ 42,451,197</u>	<u>\$ 32,735</u>

VILLAGE OF HARTLAND

BALANCE SHEET GOVERNMENTAL FUNDS As of December 31, 2019

	Special Revenue Funds			
	General	TIF #4	TIF #5	TIF #6
ASSETS				
Assets				
Cash and investments	\$ 4,053,406	\$ -	\$ -	\$ -
Receivables				
Taxes	4,573,846	26,444	16,758	179,052
Delinquent personal property tax	365	-	-	-
Accrued interest	23,816	-	-	-
Accounts (net)	84,758	-	-	-
Loans	-	175,201	45,800	-
Due from other funds	1,532,251	-	-	-
Inventories and prepayments	3,363	-	-	-
Total Assets	\$ 10,271,805	\$ 201,645	\$ 62,558	\$ 179,052
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)				
Liabilities				
Accounts payable	\$ 283,515	\$ -	\$ -	\$ -
Accrued liabilities	16,386	-	-	-
Due to other governments	1,025	-	-	-
Due to other funds	-	579,517	14,603	938,131
Deposits	57,300	-	-	-
Total Liabilities	358,226	579,517	14,603	938,131
Deferred Inflows of Resources				
Unearned revenues	4,573,846	26,444	16,758	179,052
Unavailable revenues	-	175,201	45,800	-
Total Deferred Inflows of Resources	4,573,846	201,645	62,558	179,052
Fund Balances (Deficits)				
Nonspendable	1,535,979	-	-	-
Restricted	14,806	-	-	-
Committed	-	-	-	-
Assigned	1,470,668	-	-	-
Unassigned (Deficits)	2,318,280	(579,517)	(14,603)	(938,131)
Total Fund Balances (Deficits)	5,339,733	(579,517)	(14,603)	(938,131)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)	\$ 10,271,805	\$ 201,645	\$ 62,558	\$ 179,052

Debt Service	Capital Projects Funds		Nonmajor Governmental Funds	Totals
	Village Projects	Corporate Reserve		
\$ 378,386	\$ 5,678,113	\$ 1,694,272	\$ 663,290	\$ 12,467,467
1,673,035	-	-	401,650	6,870,785
-	-	-	-	365
-	-	-	-	23,816
-	-	-	-	84,758
-	-	-	-	221,001
-	-	-	-	1,532,251
-	-	-	-	3,363
<u>\$ 2,051,421</u>	<u>\$ 5,678,113</u>	<u>\$ 1,694,272</u>	<u>\$ 1,064,940</u>	<u>\$ 21,203,806</u>
\$ -	\$ 50,642	\$ 91,214	\$ 53,305	\$ 478,676
-	-	-	-	16,386
-	-	-	-	1,025
-	-	-	-	1,532,251
-	-	-	-	57,300
-	<u>50,642</u>	<u>91,214</u>	<u>53,305</u>	<u>2,085,638</u>
1,673,035	-	-	401,650	6,870,785
-	-	-	-	221,001
<u>1,673,035</u>	-	-	<u>401,650</u>	<u>7,091,786</u>
-	-	-	-	1,535,979
378,386	4,366,420	-	506,252	5,265,864
-	-	-	103,733	103,733
-	1,261,051	1,603,058	-	4,334,777
-	-	-	-	786,029
<u>378,386</u>	<u>5,627,471</u>	<u>1,603,058</u>	<u>609,985</u>	<u>12,026,382</u>
<u>\$ 2,051,421</u>	<u>\$ 5,678,113</u>	<u>\$ 1,694,272</u>	<u>\$ 1,064,940</u>	<u>\$ 21,203,806</u>

See accompanying notes to financial statements.

VILLAGE OF HARTLAND

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION For the Year Ended December 31, 2019

Total Fund Balances - Governmental Funds	\$ 12,026,382
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.	
Land	612,637
Construction in progress	15,370
Other capital assets	46,937,673
Less: Accumulated depreciation	(19,568,437)
Loans not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements	221,001
The net pension liability does not relate to current financial resources and is not reported in the governmental funds	(904,511)
The OPEB liabilities do not relate to current financial resources and are not reported in the governmental funds	(266,314)
The deferred outflows of resources related to pension does not relate to current financial resources and, therefore, is not reported in the governmental funds	2,440,078
The deferred outflows of resources related to OPEB's do not relate to current financial resources and, therefore, is not reported in the governmental funds	60,018
The deferred inflows of resources related to pension does not relate to current financial resources and, therefore, is not reported in the governmental funds	(1,240,280)
The deferred inflows of resources related to OPEB's do not relate to current financial resources and, therefore, is not reported in the governmental funds	(58,502)
Internal service funds are reported in the statement of net position as governmental activities	208,183
Some deferred outflows of resources and liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds	
Bonds and notes payable (including loss on refunding, debt discount, and premiums)	(18,654,546)
Compensated absences	(470,152)
Accrued interest payable	(79,401)
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 21,279,199</u>

VILLAGE OF HARTLAND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2019

	Special Revenue Funds			
	General	TIF #4	TIF #5	TIF #6
REVENUES				
Taxes	\$ 4,512,167	\$ 22,918	\$ 17,407	\$ 154,231
Intergovernmental	1,425,319	465	318	419
Licenses and permits	240,849	-	-	-
Fines, forfeitures and penalties	84,455	-	-	-
Public charges for services	857,632	-	-	-
Public improvement revenues	-	-	4,496	-
Interdepartmental revenue	60,298	-	-	-
Investment income	143,930	-	-	-
Miscellaneous revenues	122,795	-	-	-
Total Revenues	<u>7,447,445</u>	<u>23,383</u>	<u>22,221</u>	<u>154,650</u>
EXPENDITURES				
Current				
General government	1,032,105	170	170	170
Police	2,471,074	-	-	-
Fire protection	844,656	-	-	-
Public works	1,542,215	-	-	-
Health and human services	-	-	-	-
Library	711,168	-	-	-
Parks	480,130	-	-	-
Conservation and development	102,662	150	150	138,958
Capital Outlay	61,647	-	-	-
Debt Service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	<u>7,245,657</u>	<u>320</u>	<u>320</u>	<u>139,128</u>
Excess (deficiency) of revenues over expenditures	<u>201,788</u>	<u>23,063</u>	<u>21,901</u>	<u>15,522</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	6,828	-	-	-
Debt issued	-	-	-	-
Premium on long-term debt issued	-	-	-	-
Transfers in	213,501	-	-	-
Transfers out	(549,740)	-	-	-
Total Other Financing Sources (Uses)	<u>(329,411)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(127,623)	23,063	21,901	15,522
FUND BALANCES (DEFICITS) - Beginning of Year	<u>5,467,356</u>	<u>(602,580)</u>	<u>(36,504)</u>	<u>(953,653)</u>
FUND BALANCES (DEFICITS) - END OF YEAR	<u>\$ 5,339,733</u>	<u>\$ (579,517)</u>	<u>\$ (14,603)</u>	<u>\$ (938,131)</u>

Debt Service	Capital Projects Funds		Nonmajor Governmental Funds	Totals
	Village Projects	Corporate Reserve		
\$ 1,467,950	\$ -	\$ -	\$ -	\$ 6,174,673
-	-	-	2,450	1,428,971
-	-	-	-	240,849
-	-	-	-	84,455
-	-	-	540,373	1,398,005
-	-	-	6,998	11,494
-	-	-	-	60,298
16,007	79,199	35,383	16,948	291,467
-	-	-	-	122,795
<u>1,483,957</u>	<u>79,199</u>	<u>35,383</u>	<u>566,769</u>	<u>9,813,007</u>
-	-	-	-	1,032,615
-	-	-	-	2,471,074
-	-	-	-	844,656
-	-	-	-	1,542,215
-	-	-	425,554	425,554
-	-	-	7,215	718,383
-	-	-	-	480,130
-	19,978	-	-	261,898
-	1,300,178	1,219,854	120,916	2,702,595
1,050,000	4,854	-	-	1,054,854
435,232	-	-	-	435,232
36,495	36,296	8,689	-	81,480
<u>1,521,727</u>	<u>1,361,306</u>	<u>1,228,543</u>	<u>553,685</u>	<u>12,050,686</u>
<u>(37,770)</u>	<u>(1,282,107)</u>	<u>(1,193,160)</u>	<u>13,084</u>	<u>(2,237,679)</u>
-	-	99,520	-	106,348
-	2,945,000	705,000	-	3,650,000
256,663	-	-	-	256,663
1,750	119,500	430,240	-	764,991
-	-	-	(1,750)	(551,490)
<u>258,413</u>	<u>3,064,500</u>	<u>1,234,760</u>	<u>(1,750)</u>	<u>4,226,512</u>
220,643	1,782,393	41,600	11,334	1,988,833
<u>157,743</u>	<u>3,845,078</u>	<u>1,561,458</u>	<u>598,651</u>	<u>10,037,549</u>
<u>\$ 378,386</u>	<u>\$ 5,627,471</u>	<u>\$ 1,603,058</u>	<u>\$ 609,985</u>	<u>\$ 12,026,382</u>

VILLAGE OF HARTLAND

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended December 31, 2019

Net change in fund balances - total governmental funds	\$ 1,988,833
--	--------------

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets are capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities.

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	2,702,595
Some items reported as capital outlay were not capitalized	(405,946)
Depreciation is reported in the government-wide statements	(1,651,489)
Net book value of assets retired	(62,004)

Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.

	(33,599)
--	----------

Debt issued provides current financial resources to governmental funds but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Debt issued	(3,650,000)
Principal repaid	1,054,854

Governmental funds report debt premiums and discounts as other financing sources (uses) or expenditures. However, in the statement of net position, these are reported as other additions to or deductions from long-term debt. These are allocated over the period the debt is outstanding in the statement of activities and are reported as interest expense.

Premium on long-term debt issued	(256,663)
Amortization	35,009

Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Net pension liability	(1,644,574)
OPEB liability	35,949
Deferred outflows of resources related to pensions	1,083,269
Deferred outflows of resources related to OPEB	(597,870)
Deferred inflows of resources related to pensions	227,610
Deferred inflows of resources related to OPEB	(47,609)
Compensated absences	(10,905)
Accrued interest on debt	(3,814)
Refunding loss	(11,933)

Internal service funds are used by management to charge self insurance costs to individual funds. The increase in net position of the internal service fund reported with governmental activities.

	<u>14,448</u>
--	---------------

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ (1,233,839)</u>
--	------------------------------

VILLAGE OF HARTLAND

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 As of December 31, 2019

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal
				Service Fund
	Water Utility	Sewer Utility	Totals	Dental Insurance
ASSETS				
Current Assets				
Cash and investments	\$ 2,551,126	\$ 3,082,341	\$ 5,633,467	\$ 211,192
Receivables				
Accounts	379,634	395,351	774,985	-
Taxes	6,778	5,736	12,514	-
Inventories and prepayments	14,454	2,513	16,967	-
Restricted Assets				
Accrued interest	-	5,856	5,856	-
Current portion of loan receivable	-	306,544	306,544	-
Total Current Assets	<u>2,951,992</u>	<u>3,798,341</u>	<u>6,750,333</u>	<u>211,192</u>
Noncurrent Assets				
Restricted Assets				
Noncurrent portion of loan receivable	-	971,146	971,146	-
Capital Assets				
Land	22,291	-	22,291	-
Construction in progress	44,457	42,110	86,567	-
Property and equipment	19,873,949	11,219,849	31,093,798	-
Accumulated depreciation	(7,296,484)	(5,359,180)	(12,655,664)	-
Total Noncurrent Assets	<u>12,644,213</u>	<u>6,873,925</u>	<u>19,518,138</u>	<u>-</u>
Total Assets	<u>15,596,205</u>	<u>10,672,266</u>	<u>26,268,471</u>	<u>211,192</u>
DEFERRED OUTFLOWS OF RESOURCES				
Refunding loss	21,424	-	21,424	-
Deferred outflow related to OPEB	6,749	3,745	10,494	-
Deferred outflow related to pensions	194,668	118,315	312,983	-
Total Deferred Outflows of Resources	<u>222,841</u>	<u>122,060</u>	<u>344,901</u>	<u>-</u>

	Business-type Activities - Enterprise Funds			Governmental
				Activities - Internal
	Water Utility	Sewer Utility	Totals	Service Fund
				Dental Insurance
LIABILITIES				
Current Liabilities				
Accounts payable	\$ 120,271	\$ 81,931	\$ 202,202	\$ 3,009
Accrued interest	12,423	2,504	14,927	-
Current portion of general obligation debt	235,000	70,000	305,000	-
Compensated absences	21,234	10,697	31,931	-
Liabilities Payable from Restricted Assets				
Accrued interest	-	5,856	5,856	-
Current portion of revenue bonds	-	306,544	306,544	-
Total Current Liabilities	<u>388,928</u>	<u>477,532</u>	<u>866,460</u>	<u>3,009</u>
Noncurrent Liabilities				
Long-Term Debt				
General obligation debt	2,285,885	925,000	3,210,885	-
Compensated absences	33,723	20,689	54,412	-
Net pension liability	68,434	39,897	108,331	-
OPEB Liability	35,258	18,929	54,187	-
Liabilities Payable from Restricted Assets				
Revenue bonds	-	971,146	971,146	-
Total Noncurrent Liabilities	<u>2,423,300</u>	<u>1,975,661</u>	<u>4,398,961</u>	<u>-</u>
Total Liabilities	<u>2,812,228</u>	<u>2,453,193</u>	<u>5,265,421</u>	<u>3,009</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflow related to pensions	103,936	57,398	161,334	-
Deferred inflow related to OPEB	9,705	4,914	14,619	-
Total Deferred Inflows of Resources	<u>113,641</u>	<u>62,312</u>	<u>175,953</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	10,749,752	5,852,779	16,602,531	-
Unrestricted	<u>2,143,425</u>	<u>2,426,042</u>	<u>4,569,467</u>	<u>208,183</u>
TOTAL NET POSITION	<u>\$ 12,893,177</u>	<u>\$ 8,278,821</u>	<u>\$ 21,171,998</u>	<u>\$ 208,183</u>

VILLAGE OF HARTLAND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 PROPRIETARY FUNDS

For the Year Ended December 31, 2019

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Totals	Dental Insurance
OPERATING REVENUES				
Public charges for services	\$ 1,713,752	\$ 1,623,959	\$ 3,337,711	\$ -
Miscellaneous revenues	35,751	7,926	43,677	61,772
Total Operating Revenues	<u>1,749,503</u>	<u>1,631,885</u>	<u>3,381,388</u>	<u>61,772</u>
OPERATING EXPENSES				
Operation and maintenance	1,090,953	1,427,599	2,518,552	51,633
Depreciation expense	477,281	317,230	794,511	-
Taxes	23,556	-	23,556	-
Total Operating Expenses	<u>1,591,790</u>	<u>1,744,829</u>	<u>3,336,619</u>	<u>51,633</u>
Operating Income (loss)	<u>157,713</u>	<u>(112,944)</u>	<u>44,769</u>	<u>10,139</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	42,937	89,633	132,570	4,309
Interest expense	(55,970)	(52,927)	(108,897)	-
Amortization	3,589	-	3,589	-
Total Nonoperating Revenues (Expenses)	<u>(9,444)</u>	<u>36,706</u>	<u>27,262</u>	<u>4,309</u>
Income (loss) Before Transfers and contributions	<u>148,269</u>	<u>(76,238)</u>	<u>72,031</u>	<u>14,448</u>
TRANSFERS AND CONTRIBUTIONS				
Capital contributions	430,152	560,005	990,157	-
Transfers out	(207,000)	(6,501)	(213,501)	-
Total Transfers and Contributions	<u>223,152</u>	<u>553,504</u>	<u>776,656</u>	<u>-</u>
Change in Net Position	371,421	477,266	848,687	14,448
NET POSITION - Beginning of Year	<u>12,521,756</u>	<u>7,801,555</u>	<u>20,323,311</u>	<u>193,735</u>
NET POSITION - END OF YEAR	<u>\$ 12,893,177</u>	<u>\$ 8,278,821</u>	<u>\$ 21,171,998</u>	<u>\$ 208,183</u>

VILLAGE OF HARTLAND
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2019

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Totals	Dental Insurance
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 1,772,743	\$ 1,634,585	\$ 3,407,328	\$ 61,772
Payments to vendors	(564,096)	(1,220,460)	(1,784,556)	-
Payments to employees	(322,254)	(147,542)	(469,796)	(54,819)
Payments to other funds	(39,802)	(20,496)	(60,298)	-
Net Cash Flows From Operating Activities	<u>846,591</u>	<u>246,087</u>	<u>1,092,678</u>	<u>6,953</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	<u>42,937</u>	<u>51,761</u>	<u>94,698</u>	<u>4,309</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Paid to municipality for tax equivalent	<u>(207,000)</u>	<u>(6,501)</u>	<u>(213,501)</u>	<u>-</u>
Net Cash Flows From Noncapital Financing Activities	<u>(207,000)</u>	<u>(6,501)</u>	<u>(213,501)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Long-term debt issued	605,000	945,000	1,550,000	-
Debt issuance costs	(7,456)	(11,647)	(19,103)	-
Principal paid on long-term debt	(180,000)	(5,000)	(185,000)	-
Interest paid	(44,532)	(1,205)	(45,737)	-
Acquisition and construction of capital assets	(225,083)	(260,426)	(485,509)	-
Sale of capital assets	2,936	-	2,936	-
Payment of Del-Hart deposits	-	(20,716)	(20,716)	-
Net Cash Flows From Capital and Related Financing Activities	<u>150,865</u>	<u>646,006</u>	<u>796,871</u>	<u>-</u>
Net Change in Cash and Cash Equivalents	833,393	937,353	1,770,746	11,262
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>1,717,733</u>	<u>2,144,988</u>	<u>3,862,721</u>	<u>199,930</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 2,551,126</u>	<u>\$ 3,082,341</u>	<u>\$ 5,633,467</u>	<u>\$ 211,192</u>

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal
	Water Utility	Sewer Utility	Totals	Service Fund
				Dental Insurance
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 157,713	\$ (112,944)	\$ 44,769	\$ 10,139
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation	477,281	317,230	794,511	-
Depreciation charged to other funds	28,538	(28,538)	-	-
Amortization	(3,590)	-	(3,590)	-
Changes in assets, deferred outflows, liabilities and deferred inflows				
Accounts receivable	23,240	2,700	25,940	-
Inventory	(16)	-	(16)	-
Prepays	2,514	2,514	5,028	-
Pension related amounts	35,874	12,039	47,913	-
OPEB related amounts	63,059	38,063	101,122	-
Accounts payable	64,899	14,773	79,672	(3,186)
Compensated absences	(2,921)	250	(2,671)	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	\$ 846,591	\$ 246,087	\$ 1,092,678	\$ 6,953
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Change in Del-Hart loan payable/receivable	\$ -	\$ 298,338		\$ -
Interest expense on Del-Hart loan payable	\$ -	\$ 39,239		\$ -
Interest earned on Del-Hart loan receivable	\$ -	\$ 39,239		\$ -
Capital assets contributed	\$ 430,152	\$ 560,005		\$ -

VILLAGE OF HARTLAND

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUND As of December 31, 2019

	<u>Custodial Fund</u> <u>Tax Collection</u> <u>Fund</u>
ASSETS	
Cash and investments	\$ 10,607,386
Receivables	
Taxes	<u>2,966,670</u>
TOTAL ASSETS	<u>13,574,056</u>
LIABILITIES	
Due to other governments	<u>13,574,056</u>
NET POSITION	<u>\$ -</u>

VILLAGE OF HARTLAND

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUND For the Year Ended December 31, 2019

	<u>Custodial Fund</u> <u>Tax Collection</u> <u>Fund</u>
ADDITIONS	
Tax Collections	\$ 10,202,752
Total Additions	<u>10,202,752</u>
DEDUCTIONS	
Payments to overlying districts	<u>10,202,752</u>
Total Deductions	<u>10,202,752</u>
Change in Fiduciary Net Position	-
NET POSITION - Beginning of Year	<u>-</u>
NET POSITION - END OF YEAR	<u>\$ -</u>

VILLAGE OF HARTLAND

INDEX TO NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE	Page
I. Summary of Significant Accounting Policies	33
A. Reporting Entity	33
B. Government-Wide and Fund Financial Statements	34
C. Measurement Focus, Basis of Accounting and Financial Statement Presentation	37
D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity	39
1. Deposits and Investments	39
2. Receivables	40
3. Inventories and Prepaid Items	41
4. Restricted Assets	42
5. Capital Assets	42
6. Deferred Outflows of Resources	43
7. Compensated Absences	43
8. Long-Term Obligations/Conduit Debt	43
9. Deferred Inflows of Resources	44
10. Equity Classifications	44
11. Basis for Existing Rates – Proprietary Funds	46
12. Pension	46
13. Postemployment Benefits Other Than Pensions (OPEB)	46
II. Stewardship, Compliance, and Accountability	47
A. Budgetary Information	47
B. Excess Expenditures over Appropriations	47
C. Deficit Balances	47
D. Limitations on the Village’s Tax Levy	47
III. Detailed Notes on All Funds	48
A. Deposits and Investments	48
B. Receivables	49
C. Restricted Assets	50
D. Capital Assets	51
E. Interfund Receivables/Payables and Transfers	53
F. Long-Term Obligations	55
G. Lease Disclosures	58
H. Net Position/Fund Balances (Deficits)	59
I. Component Unit	63
IV. Other Information	63
A. Employees’ Retirement System	63
B. Local Retiree Life Insurance Fund (LRLIF)	69
C. Retiree Health Insurance Benefit	74
D. Risk Management	77
E. Commitments and Contingencies	78
F. Municipal Revenue Obligations	79
G. Effect of New Accounting Standards on Current-Period Financial Statements	79
H. Joint Ventures	80

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Village of Hartland (“Village”), Wisconsin conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

A. REPORTING ENTITY

This report includes all of the funds of the Village of Hartland. The reporting entity for the Village consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity’s financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization’s governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization’s governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of three methods, discrete presentation, blended or fiduciary. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens, or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2019

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

A. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements

Discretely Presented Component Unit

Hartland Business Improvement District

The government-wide financial statements include the Hartland Business Improvement District ("BID") as a component unit. The BID is a legally separate organization. The board of the BID is appointed by the Village board. Wisconsin Statutes provide for circumstances whereby the Village can impose its will on the BID, and also create a potential financial benefit to or burden on the Village. See Note III.I. As a component unit, the BID's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended December 31, 2019. The BID does not issue separate financial statements.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements

In January 2017, the GASB issues statement No. 84 – *Fiduciary Activities*. This statement establishes criteria for identifying fiduciary activities of all state and local governments for accounting and financial reporting purposes and how those activities should be reported. This standard was implemented January 1, 2019

In March 2018, the GASB issued statement No. 88 – *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This statement defines debt for purposes of disclosure in notes to financial statements and establishes additional financial statement note disclosure requirements related to debt obligations of governments, including direct borrowings and direct placements. This standard was implemented January 1, 2019.

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2019

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Village does not allocate indirect expenses to functions in the Statement of Activities. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

Financial statements of the Village are organized into funds each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues, and expenditures/expenses.

Funds are organized as major funds or non-major funds within the governmental and proprietary fund statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

- a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental fund or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the Village's management believes is particularly important to financial statement users may be reported as a major fund.

Separate financial statements are provided for governmental funds and proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

The Village reports the following major governmental funds:

- General Fund – accounts for the Village’s primary operating activities. It is used to account for and report all financial resources not accounted for and reported in another fund.
- Special Revenue Fund – TIF Fund #4 – used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the payment of TIF related costs.
- Special Revenue Fund – TIF Fund #5 – used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the payment of TIF related costs.
- Special Revenue Fund – TIF Fund #6 – used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the payment of TIF related costs.
- Debt Service Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of general long-term debt principal, interest and related costs.
- Capital Projects Fund – Village Projects Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditures for long-term borrowing and other resources to be used for capital improvement projects.
- Capital Projects Fund – Corporate Reserve Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditures for major capital equipment.

The Village reports the following major proprietary funds:

- Water Utility – accounts for operations of the water system.
- Sewer Utility – accounts for operations of the sanitary sewer system.

The Village reports the following non-major governmental funds:

- Special Revenue Funds – used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than major capital projects).

- Refuse and Garbage Collection
- Special Library

- Impact Fees
- Major Incident Task Force

- Capital Projects Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

- Developers

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

In addition, the Village reports the following fund types:

Internal Service Fund - used to account for the financing of goods and services provided by one department to other departments of the Village, or to other governmental units, on a cost-reimbursement basis.

Dental Insurance Fund

Custodial Fund - used to account for and report assets controlled by the Village and the assets are for the benefit of individuals, private organizations, and/or other governmental units.

Tax Collection Fund

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Village's Water and Sewer Utilities and the General Fund. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the Village is entitled to the resources and the amounts are available. Amounts owed to the Village which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Special assessments are recorded as revenues when they become measurable and available. Annual installments due in future years are reflected as receivables and unavailable revenues.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, and interest. Other general revenues such as fines and forfeitures, license, permit and inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)

Fund Financial Statements (cont)

Proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

The proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water Utility and Sewer Utility are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY

1. Deposits and Investments

For purposes of the statement of cash flows, the Village considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

Investment of Village funds is restricted by state statutes. Available investments are limited to:

- a. Time deposits in any credit union, bank, savings bank or trust company.
- b. Bonds or securities of any county, drainage district, technical college district, city, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority, or by Wisconsin Aerospace Authority.
- c. Bonds or securities issued or guaranteed by the federal government.
- d. The local government investment pool.
- e. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

1. Deposits and Investments (cont.)

- f. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- g. Repurchase agreements with public depositories, with certain conditions.

The Village has adopted an investment policy. The policy addresses credit risk by limiting investments to savings accounts, checking accounts, Wisconsin local government investment pool, certificates of deposit and any other investment authorized by Wisconsin State Statutes and by ensuring funds are insured or fully collateralized. The policy addresses interest rate risk by investing operating funds in shorter term securities, money market mutual funds, repurchase and sweep agreements or similar investment pools and keeping maturities of investments under 5 years and structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations. The policy addresses custodial credit risk by ensuring funds are insured or fully collateralized. The Village is in compliance with their policy.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average investment balances. The difference between the bank statement balance and the carrying balance is due to outstanding checks and/or deposits in transit.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2019, the fair value of the Village's share of the LGIP's assets was substantially equal to the amount as reported in these financial statements.

See Note III.A. for further information.

2. Receivables

Property taxes are levied in November on the assessed value as of the prior January 1. In addition to property taxes for the Village, taxes are collected for and remitted to the state and county governments as well as the local school district and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as receivables and due to other taxing units on the accompanying statement of fiduciary net position.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

2. Receivables (cont.)

Property tax calendar – 2019 tax roll:

Lien date and levy date	November 2019
Tax bills mailed	December 2019
Payment in full, or	January 31, 2020
First installment due	January 31, 2020
Second installment due	July 31, 2020
Personal property taxes in full	January 31, 2020
Tax Sale – 2019 delinquent real estate taxes	October 2022

Accounts receivable have been shown net of an allowance for uncollectible accounts of \$222,933 for ambulance billing. Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof. No provision for uncollectible accounts receivable of the Water and Sewer Utilities has been made in the accompanying enterprise fund financial statements because those funds have the right by law to place substantially all delinquent bills on the tax roll, and other delinquent bills are generally not significant.

During the course of operations transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as “due to and from other funds.” Long-term interfund loans (noncurrent portion) are reported as “advances from and to other funds.” Interfund receivables and payables between funds are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

In the governmental fund financial statements, advances to other funds are offset equally by a non-spendable fund balance account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation or by a restricted fund balance account, if the funds will ultimately be restricted when the advance is repaid.

3. Inventories and Prepaid Items

Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not significant. Proprietary fund inventories are generally used for operation and maintenance work. They are not for resale. They are valued at cost based on first in – first out method, and charged to construction or operation and maintenance expense when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

5. Capital Assets

Government–Wide Statements

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements, are defined by the government as assets with an initial cost of more than \$5,000 for general capital assets and \$5,000 for infrastructure assets, and an estimated useful life in excess of one year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. No interest was capitalized during the current year. The cost of renewals and betterments relating to retirement units is added to capital asset accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from capital asset accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation and amortization of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings and Building Improvements	20-40 Years
Machinery and Equipment	1-15 Years
Utility System	15-90 Years
Infrastructure	20-50 Years
Intangibles	5-20 Years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

6. Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position/fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

A deferred charge on refunding arises from the advance refunding of debt. The difference between the cost of the securities placed in trust for future payments of the refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide and proprietary fund financial statements.

7. Compensated Absences

Vacation time is cumulative from year to year to a maximum of 24 days. Sick leave benefits are cumulative up to a maximum of 150 days. There are no provisions for payment of accumulated sick leave benefit if employment is terminated. At retirement, a percentage of accumulated sick leave will be converted to health insurance benefits based on the employee's classification.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. In governmental fund financial statements, the cost of vacation and sick leave is recognized when payments are made to employees and liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, or are payable with expendable available resources.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2019 are determined on the basis of current salary rates and include salary related payments.

8. Long-Term Obligations/Conduit Debt

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable, and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts "plus any premiums" are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

8. Long-Term Obligations/Conduit Debt (cont.)

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the straight-line method. The balance at year end is shown as an increase or decrease in the liability section of the statement of net position.

The Village has approved the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the Village. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. There are no outstanding IRB's for the Village.

9. Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position/fund balance that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

10. Equity Classifications

Government–Wide Statements

Equity is classified as net position and displayed in three components:

- a. *Net investment in capital assets* – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets less any unspent debt proceeds.
- b. *Restricted net position*– Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, (2) law through constitutional provisions or enabling legislation.
- c. *Unrestricted net position*– All other net positions that do not meet the definition of “restricted” or “net investment in capital assets.”

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

10. Equity Classifications (cont.)

Fund Statements

Governmental fund balance is displayed as follows:

- a. **Nonspendable** – Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. **Restricted** – Consists of fund balances with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.
- c. **Committed** – Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the Village. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Village that originally created the commitment.
- d. **Assigned** – Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The Village Board has, by resolution, adopted a financial policy authorizing the Finance Director and Village Administrator to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.
- e. **Unassigned** – Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceeds amounts restricted, committed or assigned for those purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

The Village considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the Village would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

10. Equity Classifications (cont.)

See Note III.H. for further information.

The Village has a formal minimum fund balance policy. That policy is to maintain a working capital fund of at least 25% of total general fund annual revenues. The balance at year end was \$2,318,280 or 30.2%, and is included in unassigned general fund fund balance.

11. Basis for Existing Rates – Proprietary Funds

Water Utility

Rates for the water utility were established by the Wisconsin Public Service Commission. The rates for 2019 were effective December 16, 2016 due to a full rate case study.

Sewer Utility

The sewer utility revenues are based on rates established by the Village Board. The 2019 rates were effective December 16, 2018. Effective December 16, 2019 the sewer rates were increased 5.0% as part of the annual budget process.

12. Pension

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

13. Postemployment Benefits Other Than Pensions (OPEB)

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIFs fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, the Village OPEB plan recognizes benefit payments when due and payable in accordance with the benefit terms.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE II – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

A budget has been adopted for the general fund, special revenue funds, debt service and capital project funds. Budgets have been formally adopted for all funds. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

B. EXCESS EXPENDITURES OVER APPROPRIATIONS

Funds	Budgeted Expenditures	Actual Expenditures	Excess Expenditures Over Budget
Debt Service Fund	\$ 1,481,700	\$ 1,521,727	\$ 40,027
Capital Projects Funds			
Developers Fund	30,000	120,916	90,916
Special Revenue Funds			
TIF #6	103,820	139,128	35,308
Special Library	1,200	7,215	6,015

The Village controls expenditures at the fund level. Some individual departments experienced expenditures which exceeded appropriations. The detail of those items can be found in the Village’s year-end budget to actual report.

C. DEFICIT BALANCES

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

The Special Revenue - TIF #4 fund has a deficit balance of \$579,517, Special Revenue - TIF #5 fund has a deficit balance of \$14,603 and Special Revenue - TIF #6 fund has a deficit balance of \$938,131 at December 31, 2019. These deficits are anticipated to be funded by future tax increment revenues.

D. LIMITATIONS ON THE VILLAGE’S TAX LEVY

Wisconsin law limits the Village’s future tax levies. Generally, the Village is limited to its prior tax levy dollar amount (excluding TIF districts), increased by the greater of the percentage change in the Village’s equalized value due to new construction or zero percent. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions. The Village is required to reduce its allowable levy by the estimated amount of fee revenue it collects for certain services, if those services were funded in 2013 by the property tax levy. Levies can be increased above the allowable limits if the amount is approved by referendum.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE III – DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

The Village's cash and investments at year end were comprised of the following:

	Carrying Value	Bank Balance	Associated Risks
Demand deposits	\$ 11,953,246	\$ 12,348,396	Custodial Credit
LGIP	16,999,614	16,999,614	Credit
Petty cash	550	-	Not Applicable
Total Cash and Investments	\$ 28,953,410	\$ 29,348,010	

Reconciliation to financial statements:	
Per statement of net position	
Unrestricted cash and investments	\$ 18,312,126
Component unit cash and investments	33,898
Per statement of assets and liabilities –	
Agency Fund	10,607,386
Total Cash and Investments	\$ 28,953,410

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts), \$250,000 for demand deposit accounts (interest-bearing and noninterest-bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the nature of this fund, recovery of material principal losses may not be significant to individual municipalities. This coverage has not been considered in computing custodial credit risk.

The Village maintains collateral agreements with its banks. At December 31, 2019, the banks had pledged various government securities in the amount of \$8,773,662 to secure the Village's deposits. Of the remaining balance, \$3,524,734 is insured through the FDIC and \$50,000 is uninsured and uncollateralized.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the Village's deposits may not be returned to the Village.

As of December 31, 2019, \$8,823,662 of the Village's total bank balances were exposed to custodial credit risk as follows:

Uninsured and collateral held by the pledging financial institution	\$ 8,773,662
Uninsured and Uncollateralized	<u>50,000</u>
Total bank balance exposed to custodial credit risk	<u>\$ 8,823,662</u>

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

As of December 31, 2019, the Village's investments held in the Local Government Investment Pool were not rated.

See Note I.D.1. for further information on deposit and investment policies.

B. RECEIVABLES

All of the receivables on the balance sheet are expected to be collected within one year, except for delinquent personal property taxes of \$365 and loans of \$185,581.

Governmental funds report *unavailable or unearned revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *unavailable* and *unearned revenue* reported in the governmental funds were as follows:

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

B. RECEIVABLES (cont.)

	Unearned	Unavailable	Total
Property taxes receivable for subsequent year	\$ 6,469,135	\$ -	\$ 6,469,135
TIF Loans receivable not yet due	-	221,001	221,001
Charges for service - refuse and garbage collection	<u>401,650</u>	<u>-</u>	<u>401,650</u>
 Total Unearned/Unavailable Revenue for Governmental Funds	 <u>\$ 6,870,785</u>	 <u>\$ 221,001</u>	 <u>\$ 7,091,786</u>
 Unearned revenue included in deferred inflows	 \$ 6,870,785		
Unavailable revenue included in deferred inflows	<u>221,001</u>		
 Total Unearned/Unavailable Revenue for Governmental Funds	 <u>\$ 7,091,786</u>		

The TIF loans receivable of \$175,201 in TIF #4 and \$45,800 in TIF #5 for a total of \$221,001 consist of development loans to be payable from future tax increment revenue from the TIF #4 and TIF #5 fund. If there is not sufficient tax increment revenue generated in a given year, loan payments are required to be paid by the developers involved.

Currently, the sewer utility has a loan receivable due from the Delafield-Hartland Water Pollution Control Commission (DHWPC) in relation to the issuance of Clean Water Fund Revenue Bonds in 2005. The loan receivable balance at December 31, 2019 is \$1,277,690. See Note III.F. for additional information on the corresponding debt.

C. RESTRICTED ASSETS

Accrued Interest

Restricted assets have been reported for accrued interest for payment of a loan.

Loans Receivable

Restricted assets have been reported for loans receivable for payment of a loan.

Total restricted assets as of as of December 31, 2019 is \$1,307,362.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 612,637	\$ -	\$ -	\$ 612,637
Construction in progress	22,843	15,370	22,843	15,370
Total Capital Assets Not Being Depreciated	635,480	15,370	22,843	628,007
Capital assets being depreciated/amortized				
Buildings	7,632,381	-	-	7,632,381
Machinery and equipment	7,036,335	1,281,445	555,378	7,762,402
Intangibles	152,363	-	-	152,363
Roads	17,630,384	952,487	317,164	18,265,707
Other infrastructure	3,482,025	70,190	40,000	3,512,215
Storm sewers	9,248,662	-	-	9,248,662
Street lighting	363,943	-	-	363,943
Total Capital Assets Being Depreciated/Amortized	45,546,093	2,304,122	912,542	46,937,673
Less: Accumulated depreciation/amortization for				
Buildings	(3,434,321)	(186,904)	-	(3,621,225)
Machinery and equipment	(3,941,511)	(493,451)	(555,378)	(3,879,584)
Intangibles	(61,393)	(12,933)	-	(74,326)
Roads	(6,567,750)	(695,038)	(255,160)	(7,007,628)
Other infrastructure	(1,814,671)	(91,395)	(40,000)	(1,866,066)
Storm sewers	(2,730,367)	(153,571)	-	(2,883,938)
Street lighting	(217,473)	(18,197)	-	(235,670)
Total Accumulated Depreciation/Amortization	(18,767,486)	(1,651,489)	(850,538)	(19,568,437)
Net Capital Assets Being Depreciated/Amortized	26,778,607	652,633	62,004	27,369,236
Total Governmental Activities Capital Assets, Net of Depreciation/Amortization	\$ 27,414,087	\$ 668,003	\$ 84,847	\$ 27,997,243

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

Depreciation/amortization expense was charged to functions as follows:

Governmental Activities

General government	\$ 84,234
Police	76,575
Fire and ambulance	207,304
Public works, which includes the depreciation of roads, storm sewers and street lighting	1,130,876
Library	93,684
Parks and recreation	<u>58,816</u>
Total Governmental Activities Depreciation/Amortization Expense	<u>\$ 1,651,489</u>

	Beginning Balance	Additions	Deletions	Ending Balance
Business-Type Activities				
Capital assets not being depreciated				
Land	\$ 22,291	\$ -	\$ -	\$ 22,291
Construction in progress	<u>5,260</u>	<u>81,307</u>	<u>-</u>	<u>86,567</u>
Total Capital Assets Not Being Depreciated	<u>27,551</u>	<u>81,307</u>	<u>-</u>	<u>108,858</u>
Capital assets being depreciated				
Buildings and improvements	868,743	-	-	868,743
Machinery and equipment	1,591,521	-	-	1,591,521
Water distribution system	17,532,683	616,038	81,775	18,066,946
Sewer collection system	<u>9,788,267</u>	<u>778,321</u>	<u>-</u>	<u>10,566,588</u>
Total Capital Assets Being Depreciated	<u>29,781,214</u>	<u>1,394,359</u>	<u>81,775</u>	<u>31,093,798</u>
Less: Accumulated depreciation for				
Buildings and improvements	(381,719)	(26,362)	-	(408,081)
Machinery and equipment	(1,603,757)	(156,032)	-	(1,759,789)
Water distribution system	(5,075,119)	(360,922)	(78,839)	(5,357,202)
Sewer collection system	<u>(4,879,397)</u>	<u>(251,195)</u>	<u>-</u>	<u>(5,130,592)</u>
Total Accumulated Depreciation	<u>(11,939,992)</u>	<u>(794,511)</u>	<u>(78,839)</u>	<u>(12,655,664)</u>
Net Capital Assets Being Depreciated	<u>17,841,222</u>	<u>599,848</u>	<u>2,936</u>	<u>18,438,134</u>
Business-type Activities				
Capital Assets, Net of Depreciation	<u>\$ 17,868,773</u>	<u>\$ 681,155</u>	<u>\$ 2,936</u>	<u>\$ 18,546,992</u>

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

Depreciation expense was charged to functions as follows:

Business-Type Activities

Water	\$ 477,281
Sewer	<u>317,230</u>
Total Business-Type Activities	
Depreciation Expense	<u>\$ 794,511</u>

E. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
General Fund	Special Revenue - TIF #4	\$ 579,517	\$ 579,517
General Fund	Special Revenue - TIF #5	14,603	14,603
General Fund	Special Revenue - TIF #6	<u>938,131</u>	938,131
Subtotal - Fund financial statements		1,532,251	
Less: Fund eliminations		<u>(1,532,251)</u>	
Total Internal Balances - Government-Wide Statement of Net Position		<u>\$ -</u>	

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

E. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (cont.)

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
General Fund	Enterprise Fund - Water Utility	\$ 207,000	Payment of tax equivalent.
General Fund	Enterprise Fund - Sewer Utility	6,501	Payment of tax equivalent.
Capital Projects Fund Corporate Reserve	General Fund	430,240	Provide financing for the purchase of equipment
Capital Projects Fund Village Projects	General Fund	119,500	Provide financing for short term capital projects not borrowed for
Debt Service Fund	Special Revenue - Impact Fees	<u>1,750</u>	Provide funding for current debt service
Subtotal - Fund financial statements		764,991	
Less: Fund eliminations		<u>(551,490)</u>	
Total Transfers - Government-Wide Statement of Activities		<u>\$ 213,501</u>	

<u>Entity Transferred To</u>	<u>Entity Transferred From</u>	<u>Amount</u>
Governmental Activities	Business-Type Activities	<u>\$ 213,501</u>

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General obligation debt	\$ 14,690,000	\$ 3,650,000	\$ 980,000	\$ 17,360,000	\$ 1,215,000
General obligation debt from direct borrowings and direct placements	649,415	-	74,854	574,561	74,854
Add/(Subtract) Deferred Amounts For (Discounts)/Premiums	<u>569,932</u>	<u>256,663</u>	<u>35,009</u>	<u>791,586</u>	<u>-</u>
Sub-total	<u>15,909,347</u>	<u>3,906,663</u>	<u>1,089,863</u>	<u>18,726,147</u>	<u>1,289,854</u>
Other Liabilities					
Net pension liability	-	904,511	-	904,511	-
Net OPEB Liability - Life	184,916	-	35,581	149,335	-
Total OPEB Liability - Health	117,347	-	368	116,979	-
Compensated absences	<u>459,247</u>	<u>325,687</u>	<u>314,782</u>	<u>470,152</u>	<u>200,511</u>
Sub-total	<u>761,510</u>	<u>1,230,198</u>	<u>350,731</u>	<u>1,640,977</u>	<u>200,511</u>
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 16,670,857</u>	<u>\$ 5,136,861</u>	<u>\$ 1,440,594</u>	<u>\$ 20,367,124</u>	<u>\$ 1,490,365</u>
Business-type Activities					
Bonds and Notes Payable					
General obligation debt	\$ 2,085,000	\$ 1,550,000	\$ 185,000	\$ 3,450,000	\$ 305,000
Revenue bonds from direct borrowings and direct placements	1,576,028	-	298,338	1,277,690	306,544
Add/(Subtract) Deferred Amounts For (Discounts)/Premiums	<u>73,760</u>	<u>-</u>	<u>7,875</u>	<u>65,885</u>	<u>-</u>
Sub-total	<u>3,734,788</u>	<u>1,550,000</u>	<u>491,213</u>	<u>4,793,575</u>	<u>611,544</u>
Other Liabilities					
Net pension liability	-	108,331	-	108,331	-
Net OPEB Liability - Life	47,395	-	9,119	38,276	-
Total OPEB Liability - Health	19,687	-	3,776	15,911	-
Compensated absences	<u>89,014</u>	<u>61,053</u>	<u>63,724</u>	<u>86,343</u>	<u>31,931</u>
Sub-total	<u>156,096</u>	<u>169,384</u>	<u>76,619</u>	<u>248,861</u>	<u>31,931</u>
Total Business-type Activities					
Long-Term Liabilities	<u>\$ 3,890,884</u>	<u>\$ 1,719,384</u>	<u>\$ 567,832</u>	<u>\$ 5,042,436</u>	<u>\$ 643,475</u>

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the Village. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund.

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed 5% of the equalized value of taxable property within the Village's jurisdiction. The debt limit as of December 31, 2019, was \$69,892,210. Total general obligation debt outstanding at year end was \$21,384,561.

<u>Type/Series</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Amount</u>	<u>Balance 12/31/2019</u>
<u>Governmental Activities</u>					
General Obligation Debt					
2012	11/14/12	10/1/32	2.0-3.0%	\$ 3,780,000	\$ 2,530,000
2013	12/05/13	6/1/30	2.5-3.3	4,935,000	3,890,000
2014	11/10/14	2/15/22	-	38,831	14,561
2015	11/03/15	10/1/35	2.5-3.0	2,460,000	2,230,000
2017	8/1/17	8/1/27	1.75	700,000	560,000
2017	12/5/17	11/1/37	3.0-3.25	5,420,000	5,060,000
2019	12/12/19	12/1/39	2.0-4.0	3,650,000	<u>3,650,000</u>
Total Governmental Activities - General Obligation Debt					<u>\$ 17,934,561</u>
<u>Business-type Activities</u>					
General Obligation Debt					
2012	11/14/12	10/1/31	2.0-3.0%	\$ 2,300,000	\$ 1,550,000
2015	11/03/15	10/1/31	2.5-3.0	515,000	350,000
2019	12/12/19	12/1/39	2.0-4.0	1,550,000	<u>1,550,000</u>
Total Business-type Activities - General Obligation Debt					<u>\$ 3,450,000</u>

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

Debt service requirements to maturity are as follows:

Years	Governmental Activities					
	General Obligation Debt			General Obligation Debt Direct Placement		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 1,215,000	\$ 496,740	\$ 1,711,740	\$ 74,854	\$ 9,963	\$ 84,817
2021	1,260,000	461,721	1,721,721	74,854	8,694	83,548
2022	1,215,000	422,621	1,637,621	74,853	7,452	82,305
2023	1,225,000	387,546	1,612,546	70,000	6,210	76,210
2024	1,250,000	352,840	1,602,840	70,000	4,982	74,982
2025-2029	6,190,000	1,191,344	7,381,344	210,000	7,452	217,452
2030-2034	3,465,000	447,108	3,912,108	-	-	-
2035-2039	1,540,000	87,700	1,627,700	-	-	-
Totals	<u>\$ 17,360,000</u>	<u>\$ 3,847,620</u>	<u>\$ 21,207,620</u>	<u>\$ 574,561</u>	<u>\$ 44,753</u>	<u>\$ 619,314</u>

Years	Business-type Activities		
	General Obligation Debt		
	Principal	Interest	Total
2020	\$ 305,000	\$ 88,102	\$ 393,102
2021	285,000	79,776	364,776
2022	275,000	70,676	345,676
2023	280,000	63,176	343,176
2024	285,000	55,576	340,576
2025-2029	1,035,000	176,581	1,211,581
2030-2034	615,000	70,256	685,256
2035-2039	370,000	21,563	391,563
Totals	<u>\$ 3,450,000</u>	<u>\$ 625,706</u>	<u>\$ 4,075,706</u>

Revenue Bond Debt

The Village has issued Clean Water Fund Revenue Bonds in the amount of \$5,000,000 for expansion and upgrade of the sewerage treatment facility owned and operated by the Delafield-Hartland Water Pollution Control Commission (DHWPC). The proceeds of the bonds have been loaned to the DHWPCC. The loan receivable between the Village and DHWPCC is equal to the related debt service requirements. The total principal and interest remaining to be paid on the bonds is \$1,349,154. Principal and interest paid on the debt during the year was \$337,577.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

Revenue Bond Debt (cont.)

<u>Type/Series</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Orginal Amount</u>	<u>Balance 12/31/2019</u>
Revenue Bonds 2003	6/11/03	5/1/23	2.75%	\$ 5,000,000	<u>\$ 1,277,690</u>

Principal and interest to maturity are as follows:

<u>Years</u>	Business-type Activities Revenue Bond Debt from Direct Borrowings and Direct Placements		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 306,544	\$ 30,921	\$ 337,465
2021	314,974	22,376	337,350
2022	323,635	13,595	337,230
2023	<u>332,537</u>	<u>4,572</u>	<u>337,109</u>
Totals	<u>\$ 1,277,690</u>	<u>\$ 71,464</u>	<u>\$ 1,349,154</u>

Other Debt Information

Estimated payments of compensated absences and OPEB liability are not included in the debt service requirement schedules. The compensated absences attributable to governmental activities will be liquidated primarily by the general fund.

There are a number of limitations and restrictions contained in the various bond indentures and loan agreements. The Village believes it is in compliance with all significant limitations and restrictions, including federal arbitrage regulations.

The Village's outstanding notes from direct borrowings and/or direct placements related to governmental activities of \$560,000 contain a provision that in an event of default, outstanding amounts become immediately due and payable.

G. LEASE DISCLOSURES

The Village has no material leases as lessee or lessor.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

H. NET POSITION/FUND BALANCES (DEFICITS)

Net position reported on the government wide statement of net position at December 31, 2019 includes the following:

Governmental Activities

Net Investment in Capital Assets

Land	\$ 612,637
Construction in progress	15,370
Capital assets, net of accumulated depreciation/amortization	27,369,236
Less: capital related long-term debt outstanding	(17,934,561)
Plus: unspent capital related debt proceeds	4,366,420
Plus: unamortized loss on refunding	71,601
Less: unamortized premium/discount	<u>(791,586)</u>
Total Net Investment in Capital Assets	<u>13,709,117</u>

Restricted for:

Library	79,114
Impact fees	414,518
EMS Act 102	14,806
Developer fund	12,620
Debt Service	<u>298,985</u>
Total Restricted	<u>820,043</u>

Unrestricted

Total Governmental Activities Net Position	<u>\$ 21,279,199</u>
--	----------------------

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

H. NET POSITION/FUND BALANCES (DEFICITS) (cont.)

Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2019, include the following:

Nonspendable	
Major Fund	
General Fund	
Non-current receivables	\$ 1,532,616
Prepaid items	<u>3,363</u>
Total	<u>\$ 1,535,979</u>
Restricted	
Major Funds	
General Fund	
EMS Act 102	<u>\$ 14,806</u>
Debt Service Fund	<u>\$ 378,386</u>
Capital Projects Fund - Village Projects - Unspent bond proceeds	<u>\$ 4,366,420</u>
Non-Major Funds	
Special Revenue Funds	
Special Library Fund	<u>\$ 79,114</u>
Impact Fees Fund	<u>\$ 414,518</u>
Capital Projects Fund	
Developers Fund	<u>\$ 12,620</u>
Committed	
Non-Major Funds	
Special Revenue Funds	
Refuse and Garbage Collection Fund	<u>\$ 98,515</u>
Major Incident Task Force Fund	<u>\$ 5,218</u>

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

H. NET POSITION/FUND BALANCES (DEFICITS) (cont.)

Governmental Funds (cont.)

Assigned

Major Funds

General Fund

Future asset purchases	\$	522,774
Future assessment		171,200
Comprehensive planning		74,622
GIS system		22,421
Veterans memorial		1,399
Employee benefits		470,152
Recreation and celebrations		25,535
Municipal donations		5,361
Fine arts		4,271
Heritage Grant		100
Police armored vest		5,526
Cemetary perpetual care		74,877
Subdivision trees		9,297
Police donations		4,386
Ambulance donations		<u>78,747</u>
Total	\$	<u>1,470,668</u>

Capital Projects Funds

Village Projects

Boardwalk	\$	149,031
Future development		884,274
Community center development		50,000
Library development		50,843
Future road projects		70,720
Fees in lieu of dedication		<u>56,183</u>

Total	\$	<u>1,261,051</u>
-------	----	------------------

Corporate Reserve	\$	<u>1,603,058</u>
-------------------	----	------------------

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

H. NET POSITION/FUND BALANCES (DEFICITS) (cont.)

Governmental Funds (cont.)

Unassigned (Deficits)

Major Funds

General Fund \$ 2,318,280

Special Revenue Funds

TIF #4 \$ (579,517)

TIF #5 \$ (14,603)

TIF #6 \$ (938,131)

Total Governmental Fund Balances (Deficits) \$ 12,026,382

Business-Type Activities

Net Investment in Capital Assets

Land \$ 22,291

Construction in progress 86,567

Other Capital assets, net of accumulated depreciation 18,438,134

Less: Capital related long-term debt outstanding (3,450,000)

Add: unspent debt proceeds 1,550,000

Add: unamortized loss on refunding 21,424

Less: unamortized premium (65,885)

Total Net Investment in Capital Assets 16,602,531

Unrestricted 4,569,467

Total Net Position \$ 21,171,998

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

I. COMPONENT UNIT

This report contains the Hartland Business Improvement District (BID), which is included as a component unit. Financial information is presented as a discrete column in the statement of net position and statement of activities.

In addition to the basic financial statements and the preceding notes to the financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

a. Basis of Accounting/Measurement Focus

The BID follows the full accrual basis of accounting and the flow of economic resources measurement focus.

b. Deposits and Investments

At year end, the carrying amount of the BID's deposits was \$33,898 and is part of the Village's commingled cash. See Note III.A.

NOTE IV – OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

General Information About the Pension Plan

Plan description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

Vesting. For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998, and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Benefits provided. Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

Final average earnings is the average of the participant's three highest annual earnings periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

Vested participants may retire at age 55 (50 for protective occupation employees) and receive an actuarially-reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

The WRS also provides death and disability benefits for employees.

Post-Retirement adjustments. The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system's consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the "floor") set at retirement. The Core and Variable annuity adjustments granted during recent years are as follows:

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2009	(2.1)%	(42)%
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4
2018	2.4	17

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Contributions. Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, and Executives and Elected Officials. Starting January 1, 2016, the Executives and Elected Officials category merged into the General Employee category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$293,076 in contributions from the Village.

Contribution rates as of December 31, 2019 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (executives and elected officials)	6.55%	6.55%
Protective with Social Security	6.55%	10.72%

Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2019, the Village reported a liability of \$1,012,842 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension liability was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2018, the Village's proportion was .02846914% which was an increase of .00042446% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the Village recognized pension expense of \$678,221.

At December 31, 2019, the Village reported deferred outflows of resources related to pensions and deferred inflows of resources related to pensions from the following sources:

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Summary of deferred outflows and inflows		
Differences between projected and actual experiences	\$ 788,851	\$ 1,394,405
Changes of actuarial assumptions	170,728	-
Net differences between projected and actual earnings on pension plan investments	1,479,188	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	6,056	7,209
Employer contributions subsequent to the measurement date	308,238	-
Totals	\$ 2,753,061	\$ 1,401,614

\$308,238 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (net)
2020	\$ 380,134
2021	94,955
2022	163,948
2023	404,172

Actuarial assumptions. The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Actuarial valuation date	December 31, 2017
Measurement date of net pension liability	December 31, 2018
Actuarial cost method	Entry age
Asset valuation method	Fair Value
Long-term expected rate of return	7.0%
Discount rate	7.0%
Salary increases	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	Wisconsin 2018 Mortality Table
Post Retirement adjustments*	1.9%

* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.9% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including the discount rate, mortality and separation rates. The Total Pension Liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Long-term expected Return on Plan Assets. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Core Fund Asset Class	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	49%	8.1%	5.5%
Fixed Income	24.5	4	1.5
Inflation Sensitive Assets	15.5	3.8	1.3
Real Estate	9	6.5	3.9
Private Equity/Debt	8	9.4	6.7
Multi-Asset	4	6.7	4.1
Total Core Fund	110	7.3	4.7
<u>Variable Fund Asset Class</u>			
U.S. Equities	70	7.6	5
International Equities	30	8.5	5.9
Total Variable Fund	100	8	5.4

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%
Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations

Single Discount rate. A single discount rate of 7.00% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.00% and a long term bond rate of 3.71%. Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Sensitivity of the Village's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the Village's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent, as well as what the Village's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% increase to Discount Rate (8.00%)
Village's proportionate share of the net pension liability (asset)	<u>\$ 4,025,143</u>	<u>\$ 1,012,842</u>	<u>\$ (3,102,973)</u>

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/cafr.htm>.

At December 31, 2019, the Village reported a payable to the pension plan of \$42,536, which represents contractually required contributions outstanding as of the end of the year.

B. LOCAL RETIREE LIFE INSURANCE FUND (LRLIF)

Plan description. The LRLIF is a multiple-employer defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Life Insurance Board have statutory authority for program administration and oversight. The plan provides post-employment life insurance benefits for all eligible employees.

ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

Vesting. For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998, and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

Benefits provided. The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired employees and pre-65 retirees who pay for their coverage.

Contributions. The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member's working lifetime funds a post-retirement benefit.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV – OTHER INFORMATION (cont.)

B. LOCAL RETIREE LIFE INSURANCE FUND (LRLIF) (cont.)

Employers are required to pay the following contribution based on employee contributions for active members to provide them with Basic Coverage after age 65. There are no employer contributions required for pre-age 65 annuitant coverage. If a member retires prior to age 65, they must continue paying the employee premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution rates for the plan year reported as of December 31, 2019 are:

<u>Coverage Type</u>	<u>Employer Contributions</u>
50% Post Retirement Coverage	40% of employee contribution
25% Post Retirement Coverage	20% of employee contribution

Employee contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the plan year are as listed below:

<u>Life Insurance Employee Contribution Rates For the Plan Year</u>	
<u>Attained Age</u>	<u>Basic</u>
Under 30	\$0.05
30-34	0.06
35-39	0.07
40-44	0.08
45-49	0.12
50-54	0.22
55-59	0.39
60-64	0.49
65-69	0.57

During the reporting period, the LRLIF recognized \$1,400 in contributions from the employer.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV – OTHER INFORMATION (cont.)

B. LOCAL RETIREE LIFE INSURANCE FUND (LRLIF) (cont.)

OPEB Liability, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

At December 31, 2019, the Village reported a liability of \$187,611 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The village's proportion of the net OPEB liability was based on the Village's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2018, the Village's proportion was 0.07270800% which was a decrease of 0.00450800% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the Village recognized OPEB expense of \$21,000

At December 31, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 9,517
Net Differences between projected and actual earnings on OPEB plan investments	4,483	-
Changes in assumptions	17,901	40,667
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	19,387
Employer contributions subsequent to the measurement date	8,366	-
Total	\$ 30,750	\$ 69,571

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV – OTHER INFORMATION (cont.)

B. LOCAL RETIREE LIFE INSURANCE FUND (LRLIF) (cont.)

\$8,366 reported as deferred outflows related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (net)
2020	\$ (7,005)
2021	(7,005)
2022	(7,005)
2023	(7,634)
2024	(8,283)
Thereafter	(10,255)

Actuarial assumptions. The total OPEB liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all period included in the measurement:

Actuarial Valuation Date:	January 1, 2018
Measurement Date of Net OPEB Liability:	December 31, 2018
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	4.10%
Long-Term Expected Rate of Return:	5.00%
Discount Rate:	4.22%
Salary Increases:	
Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the Total OPEB Liability changed from prior year, including the discount rate, wage inflation rate, mortality and separation rates. The Total OPEB Liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV – OTHER INFORMATION (cont.)

B. LOCAL RETIREE LIFE INSURANCE FUND (LRLIF) (cont.)

Long-term expected return on plan assets. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Investments for the LRLIF are held with Securian, the insurance carrier. Interest is calculated and credited to the LRLIF based on the rate of return for a segment of the insurance carriers' general fund, specifically 10-year A-Bonds (as a proxy, and not tied to any specific investments). The overall aggregate interest rate is calculated using a tiered approach based on the year the funds were originally invested and the rate of return for that year. Investment interest is credited based on the aggregate rate of return and assets are not adjusted to fair market value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto.

Local OPEB Life Insurance
Asset Allocation Targets and Expected Returns
As of December 31, 2018

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return %
US Government Bonds	Barclays Government	1%	1.44%
US Credit Bonds	Barclays Credit	40	2.69
US Long Credit Bonds	Barclays Long Credit	4	3.01
US Mortgages	Barclays MBS	54	2.25
US Municipal Bonds	Bloomberg Barclays Muni	1	1.68
Inflation			2.3
Long-Term Expected Rate of Return			5.0

Single discount rate. A single discount rate of 4.22% was used to measure the total OPEB liability. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV – OTHER INFORMATION (cont.)

B. LOCAL RETIREE LIFE INSURANCE FUND (LRLIF) (cont.)

Sensitivity of the Village's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the Village's proportionate share of the net OPEB liability calculated using the discount rate of 4.22 percent, as well as what the village's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.22 percent) or 1-percentage-point higher (5.22 percent) than the current rate:

	1% Decrease to Discount Rate (3.22%)	Current Discount Rate (4.22%)	1% Increase to Discount Rate (5.22%)
Village's proportionate share of the net OPEB liability	\$ 266,889	\$ 187,611	\$ 126,466

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/cafr.htm>.

C. RETIREE HEALTH INSURANCE BENEFIT

Plan description. The Village's defined benefit OPEB plan, Retiree Benefits Plan, provides OPEB for all permanent full-time employees of the Village. The Village's retiree health insurance plan is a single-employer defined benefit OPEB plan administered by the Village. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements of the Village Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits provided. The Village's retiree health insurance plan provides healthcare for retirees and their dependents. The benefit terms provide for payment of 100 percent of health insurance premiums for non-Medicare-eligible retirees and 100 percent of supplemental health insurance premiums for Medicare-eligible retirees.

Employees covered by benefit terms. At December 31, 2018, the following employees were covered by the benefit terms:

Retirees currently receiving benefit payments	8
Active plan members	50
Total	58

Total OPEB Liability

The Village's total OPEB liability of \$132,890 was measured as of December 31, 2018, and was determined by an actuarial valuation as of that date.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV – OTHER INFORMATION (cont.)

C. RETIREE HEALTH INSURANCE BENEFIT (cont.)

Actuarial assumptions and other inputs. The total OPEB liability in the December 31, 2018 actuarial valuation date was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	5 percent, average, including inflation
Healthcare cost trend rates	7.5% decreasing by 0.50% per year down to 6.50%, then by 0.10% per year down to 5.0%, and level thereafter
Retirees' share of benefit-related costs	Zero percent

The discount rate was based on Bond Buyer 20-Bond Go Index

Mortality rates were based on the Wisconsin 2012 Mortality Table

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study conducted in 2015 using Wisconsin Retirement System (WRS) experience from 2012-2014.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 12/31/2018	\$ <u>137,034</u>
Changes for the year:	
Service Cost	7,084
Interest	4,710
Changes in assumptions or other inputs	(3,944)
Benefit Payments	<u>(11,994)</u>
Net Changes	<u>(4,144)</u>
Balance at 12/31/2019	\$ <u><u>132,890</u></u>

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV – OTHER INFORMATION (cont.)

C. RETIREE HEALTH INSURANCE BENEFIT (cont.)

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.0 percent) or 1-percentage-point higher (5.0 percent) than the discount rate:

	1% Decrease (3.0%)	Discount Rate (4.0%)	1% Increase (5.0%)
Total OPEB Liability	\$ 140,910	\$ 132,890	\$ 125,395

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using healthcare trend rates that are 1-percentage-point lower (6.5 percent decreasing to 4.0 percent) or 1-percentage-point higher (8.5 percent decreasing to 6.0 percent) than the current healthcare cost trend rates:

	1% Decrease (6.5% Decreasing to 4.0%)	Healthcare Cost Trend Rates (7.5% decreasing to 5.0%)	1% Increase (8.5% Decreasing to 6.0%)
Total OPEB Liability	\$ 128,274	\$ 132,890	\$ 138,326

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended December 31, 2019, the Village recognized \$11,400 of OPEB expense. At December 31, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions or other inputs	-	3,550
Employer Contributions - subsequent to measurement date	39,763	-
Total	\$ 39,763	\$ 3,550

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV – OTHER INFORMATION (cont.)

C. RETIREE HEALTH INSURANCE BENEFIT (cont.)

\$39,763 reported as deferred outflows related to OPEB resulting from the Retiree Health Insurance Benefit Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (net)
2020	\$ (394)
2021	(394)
2022	(394)
2023	(394)
2024	(394)
Thereafter	(1,580)

D. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The Village purchases commercial insurance to provide coverage for losses from torts; theft of, damage to, or destruction of assets; errors and omission; workers compensation; and health care of its employees. However, risks related to dental care of its employees are accounted for and financed by the Village in an internal service fund.

Self Insurance

For dental claims, the uninsured risk of loss is \$1,500 per incident and \$1,500 in aggregate for a policy year. All funds of the Village participate in the risk management program. Amounts payable to the internal service fund are based on actuarial estimates of the amounts necessary to pay prior and current year claims and to establish a reserve for catastrophic losses.

All funds of the Village participate in the risk management programs. Amounts payable to the Dental fund are based on actuarial estimates of the amounts necessary to pay prior and current year claims and to establish a reserve for catastrophic losses. \$208,183 was assigned for that reserve at year end, and is included in unrestricted net position of the internal service fund.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV – OTHER INFORMATION (cont.)

D. RISK MANAGEMENT (cont.)

Self Insurance (cont.)

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. Liabilities include an amount for claims that have been incurred but not reported. The Village does not allocate overhead costs or other non-incremental costs to the claims liability.

	<u>Prior Year</u>	<u>Current Year</u>
Unpaid claims – Beginning of Year	\$ 4,443	\$ 6,195
Current year claims and changes in estimates	41,536	45,482
Claim payments	<u>(39,784)</u>	<u>(48,668)</u>
Unpaid Claims – End of Year	<u>\$ 6,195</u>	<u>\$ 3,009</u>

E. COMMITMENTS AND CONTINGENCIES

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

From time to time, the Village is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the Village attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Village's financial position or results of operations.

The Village has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE IV – OTHER INFORMATION (cont.)

F. MUNICIPAL REVENUE OBLIGATIONS

In 2016, the Village issued a municipal revenue obligation as part of a development agreement. The amount of the obligation is \$1.222 million, and is payable to the developer solely from tax increments collected from a specific development in TIF #6.

The obligation will be repaid with 90% of the TIF #6 increment annually. The obligation matures upon the earlier of 2034 or payment in full of the municipal revenue obligation. In no case, shall the term of this obligation and the Village's obligation to make payments, extend beyond 2034, nor shall the amount of principal to be paid under the obligation exceed \$1.222 million.

The obligation does not constitute a charge upon any funds of the Village. In the event that future tax increments are not sufficient to pay off the obligation, the obligation terminates with no further liability to the Village. Since the amount of future payments is contingent on the collection of future tax increments, the obligation is not reported as a liability in the accompanying financial statements. The balance of the commitment outstanding at year end is \$1.028 million.

G. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 87, *Leases*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 91, *Conduit Debt Obligations*

When they become effective, application of these standards may restate portions of these financial statements.

VILLAGE OF HARTLAND

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV – OTHER INFORMATION (cont.)

H. JOINT VENTURES

Delafield-Hartland Water Pollution Control Commission

The Delafield-Hartland Water Pollution Control Commission (Commission) was created for the purpose of providing sewage collection, treatment and distribution services. The Commission was created in 1971 by ordinances adopted by the City of Delafield and the Village of Hartland. Each municipality appoints 4 members to the commission. The Commission issued sewer revenue bonds in September 1978 (refinanced in 1992) for the purpose of constructing wastewater treatment facilities. The Commission issues separate financial statements and copies can be obtained by writing to them.

The Commission has entered into service contracts with the City of Delafield and the Villages of Hartland and Nashotah to treat wastewater. The contract requires monthly user charges based on the number of Domestic User Equivalent (DUE's) connected to the system. The municipalities are also required to pay connection charges for new customers added to the system. The Village of Hartland sewer utility accrued \$863,059 in user charges for the year ended December 31, 2019. As of December 31, 2019, the Village has a liability accrued of \$31,542 for connection fees. See Note III.F. regarding Village debt obligations related to the Commission.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF HARTLAND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL (NON - GAAP)
 GENERAL FUND
 For the Year Ended December 31, 2019

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Taxes	\$ 4,512,167	\$ 4,512,167	\$ -
Intergovernmental	1,408,695	1,422,012	13,317
Licenses and permits	266,500	240,849	(25,651)
Fines, forfeitures and penalties	72,000	84,455	12,455
Public charges for services	743,975	833,601	89,626
Interdepartmental revenue	54,000	60,298	6,298
Investment income	85,000	134,239	49,239
Miscellaneous revenues	427,000	122,727	(304,273)
Total Revenues	7,569,337	7,410,348	(158,989)
EXPENDITURES			
Current			
General government	1,054,967	1,019,965	35,002
Police	2,498,025	2,462,110	35,915
Fire protection	819,610	844,656	(25,046)
Public works	1,474,550	1,518,936	(44,386)
Library	696,550	705,555	(9,005)
Parks	440,475	480,130	(39,655)
Conservation and development	136,370	88,365	48,005
Capital Outlay	64,550	61,647	2,903
Total Expenditure	7,185,097	7,181,364	3,733
Excess of revenues over expenditures	384,240	228,984	(155,256)
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	500	6,828	6,328
Transfers in	230,000	213,501	(16,499)
Transfers out	(614,740)	(549,740)	65,000
Total Other Financing Sources (Uses)	(384,240)	(329,411)	54,829
Net Change in Fund Balances	\$ -	(100,427)	\$ (100,427)
Adjustment to Generally Accepted Accounting Principles Basis			
Appropriations credited to designated funds		13,000	
Revenue credited to designated funds		37,097	
Expenditures charged to designated funds		(77,293)	
Net change in fund balances - GAAP		(127,623)	
FUND BALANCES - Beginning of Year		5,467,356	
FUND BALANCES - END OF YEAR		\$ 5,339,733	

VILLAGE OF HARTLAND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE - TIF #4 FUND
For the Year Ended December 31, 2019

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Taxes	\$ 20,000	\$ 22,918	\$ 2,918
Intergovernmental	300	465	165
Total Revenues	<u>20,300</u>	<u>23,383</u>	<u>3,083</u>
EXPENDITURES			
Current			
General government	170	170	-
Conservation and development	150	150	-
Total Expenditures	<u>320</u>	<u>320</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ 19,980</u>	23,063	<u>\$ 3,083</u>
FUND BALANCES (DEFICIT) - Beginning of Year		<u>(602,580)</u>	
FUND BALANCES (DEFICIT) - END OF YEAR		<u>\$ (579,517)</u>	

See independent auditors' report and accompanying notes
to required supplementary information.

VILLAGE OF HARTLAND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE - TIF #5 FUND
For the Year Ended December 31, 2019

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Taxes	\$ 16,500	\$ 17,407	\$ 907
Intergovernmental	175	318	143
Public improvement revenues	5,400	4,496	(904)
Total Revenues	22,075	22,221	146
EXPENDITURES			
Current			
General government	170	170	-
Conservation and development	150	150	-
Total Expenditures	320	320	-
Net Change in Fund Balances	\$ 21,755	21,901	\$ 146
FUND BALANCES (DEFICIT) - Beginning of Year		(36,504)	
FUND BALANCES (DEFICIT) - END OF YEAR		\$ (14,603)	

VILLAGE OF HARTLAND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE - TIF #6 FUND
For the Year Ended December 31, 2019

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Taxes	\$ 115,000	\$ 154,231	\$ 39,231
Intergovernmental	-	419	419
Total Revenues	115,000	154,650	39,650
EXPENDITURES			
Current			
General government	170	170	-
Conservation and development	103,650	138,958	(35,308)
Total Expenditures	103,820	139,128	(35,308)
Net Change in Fund Balances	\$ 11,180	15,522	\$ 4,342
FUND BALANCES (DEFICIT) - Beginning of Year		(953,653)	
FUND BALANCES (DEFICIT) - END OF YEAR		\$ (938,131)	

VILLAGE OF HARTLAND

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) -
WISCONSIN RETIREMENT SYSTEM
For the Year Ended December 31, 2019

WRS Year End Date	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)		Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll		Plan Fiduciary Net Position as a Percentage of Total Pension Liability (Asset)
				Covered Payroll	Covered Payroll	
12/31/14	0.028203030%	\$ (692,744)	\$ 3,224,004	21.49%		102.74%
12/31/15	0.027710050%	450,282	3,278,242	13.74%		98.20%
12/31/16	0.027789430%	229,051	3,481,061	6.58%		99.12%
12/31/17	0.028044680%	(832,679)	3,350,298	24.85%		102.93%
12/31/18	0.028469140%	1,012,842	3,425,903	29.56%		96.45%

VILLAGE OF HARTLAND

SCHEDULE OF EMPLOYER CONTRIBUTIONS - WISCONSIN RETIREMENT SYSTEM
For the Year Ended December 31, 2019

Village Year End Date	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions		Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 264,330	\$ (264,330)	\$ -	\$ 3,278,242	8.06%	
12/31/16	275,377	(275,377)	-	3,481,061	7.91%	
12/31/17	288,348	(288,348)	-	3,350,299	8.61%	
12/31/18	296,613	(296,613)	-	3,425,903	8.66%	
12/31/19	308,238	(308,238)	-	3,593,500	8.58%	

VILLAGE OF HARTLAND

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET) -
LOCAL RETIREE LIFE INSURANCE FUND
For the Year Ended December 31, 2019

Plan Year End Date	Proportion of the Net OPEB Liability	Proportionate Share of the Net OPEB Liability	Covered Payroll	Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of Total OPEB Liability
12/31/17	0.077216000%	\$ 232,311	\$ 3,247,154	7.15%	44.81%
12/31/18	0.072708000%	187,611	3,471,000	5.41%	48.69%

VILLAGE OF HARTLAND

SCHEDULE OF EMPLOYER CONTRIBUTIONS - LOCAL RETIREE LIFE INSURANCE FUND
For the Year Ended December 31, 2019

Village Year End Date	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/18	\$ 7,720	\$ (7,720)	\$ -	\$ 3,471,000	0.22%
12/31/19	8,366	(8,366)	-	3,593,500	0.23%

VILLAGE OF HARTLAND

SCHEDULE OF CHANGES IN THE VILLAGE'S TOTAL OPEB LIABILITY AND RELATED RATIOS For the Year Ended December 31, 2019

	<u>2018</u>	<u>2019</u>
Total OPEB Liability		
Prior year activity	\$ 138,461	\$ -
Service cost	7,084	7,084
Interest	4,738	4,710
Changes of assumptions	-	(3,944)
Benefit payments	<u>(13,249)</u>	<u>(11,994)</u>
Net Change in Total OPEB Liability	137,034	(4,144)
Total OPEB Liability - Beginning	<u>-</u>	<u>137,034</u>
Total OPEB Liability - Ending	<u>\$ 137,034</u>	<u>\$ 132,890</u>
Covered-employee payroll	\$ 3,021,051	\$ 3,021,051
Total OPEB liability as a percentage of covered-employee payroll	4.54%	4.40%

VILLAGE OF HARTLAND

SCHEDULE OF VILLAGE'S OPEB CONTRIBUTIONS For the Year Ended December 31, 2019

	2018	2019
Actuarially determined contribution	\$ 13,249	\$ 11,994
Contributions in relation to the actuarially determined contribution	13,249	11,994
Contribution deficiency (excess)	\$ -	\$ -
 Covered-employee payroll	 \$ 3,301,608	 \$ 3,346,545
Contributions as a percentage of covered-employee payroll	0.40%	0.36%

Notes to Schedule

Valuation date:

Actuarially determined contribution rates are calculated as of December 31, 2018

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age Normal (level percent of salary)
Amortization method	Pay as you go
Amortization period	30 years
Asset valuation method	Market Value
Inflation	2.5 percent
Healthcare cost trend rates	7.5 percent initial, decreasing 0.5 percent per year down to 6.5%, then by 0.10% per year down to 5.0%, and level thereafter
Salary increases	3.0 percent, average, including inflation
Investment rate of return	4.0 percent, net of OPEB plan investment expense, including inflation.
Retirement age	In the 2018 actuarial valuation, expected retirement ages of general employees were adjusted to more closely reflect actuarial experience
Mortality	In the 2018 actuarial valuation, mortality assumptions were based on Wisconsin 2012 Mortality Table.

VILLAGE OF HARTLAND

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION As of and for the Year Ended December 31, 2019

BUDGETARY INFORMATION

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note I. C., except actual (non-GAAP) revenues and expenditures do not reflect certain transactions of designated funds.

The budgeted amounts presented are as presented in the original budget and no amendments were adopted during the year. The Village may authorize transfers of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by a two-thirds Village Board action.

Appropriations lapse at year end unless specifically carried over. Budgets are adopted at the function level of expenditure.

WISCONSIN RETIREMENT SYSTEM (WRS) PENSION

The amounts presented in relation to the schedule of employer's proportionate share of the net pension asset and the schedule of employer contributions represents the specific data of the Village. The information was derived using a combination of the employer's contribution data along with data provided by the Wisconsin Retirement System in relation to the Village as a whole.

Changes in benefit terms. There were no changes of benefit terms for any participating employer in WRS.

Changes in assumptions. Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015-2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop Total Pension Liability changed, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates.

The Village is required to present the last ten fiscal years data; however, the standards allow the Village to present as many years as are available until ten fiscal years are presented.

LOCAL RETIREE LIFE INSURANCE FUND

The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

The Village is required to present the last ten fiscal years data; however the standards allow the Village to present as many years as are available until ten fiscal years are presented.

VILLAGE OF HARTLAND

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION As of and for the Year Ended December 31, 2019

LOCAL RETIREE LIFE INSURANCE FUND (cont.)

Changes in benefit terms. There were no changes of benefit terms for any participating employer in LRLIF.

Changes in assumptions. Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015-2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop Total OPEB Liability changed, including the discount rate, wage inflation rate, and mortality and separation rates.

RETIREE HEALTH BENEFIT

Changes in benefit terms. There were no changes of benefit terms for any participating employer in WRS.

Changes in assumptions. The discount rate was changed to be reflective of a 20-year AA municipal bond rate (4.00%) as of the measurement date in order to be compliant with GASB 75.

The Village is required to present the last ten fiscal years data; however, the standards allow the Village to present as many years as are available until ten fiscal years are presented.

S U P P L E M E N T A R Y I N F O R M A T I O N

VILLAGE OF HARTLAND

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
As of December 31, 2019

	Special Revenue Funds		
	Refuse and Garbage Collection	Special Library	Impact Fees
ASSETS			
Cash and investments	\$ 134,211	\$ 79,114	\$ 414,518
Receivables			
Taxes	401,650	-	-
TOTAL ASSETS	\$ 535,861	\$ 79,114	\$ 414,518
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 35,696	\$ -	\$ -
Deferred inflows of resources			
Unearned revenues	401,650	-	-
Total Liabilities and Deferred Inflows of Resources	437,346	-	-
 Fund Balances			
Restricted	-	79,114	414,518
Committed	98,515	-	-
Total Fund Balances	98,515	79,114	414,518
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
	\$ 535,861	\$ 79,114	\$ 414,518

Special Revenue Funds	Capital Projects Fund	
Major Incident Task Force	Developers	Totals
\$ 5,218	\$ 30,229	\$ 663,290
-	-	401,650
<u>\$ 5,218</u>	<u>\$ 30,229</u>	<u>\$ 1,064,940</u>
\$ -	\$ 17,609	\$ 53,305
-	-	401,650
-	17,609	454,955
-	12,620	506,252
5,218	-	103,733
<u>5,218</u>	<u>12,620</u>	<u>609,985</u>
<u>\$ 5,218</u>	<u>\$ 30,229</u>	<u>\$ 1,064,940</u>

VILLAGE OF HARTLAND

NONMAJOR GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES
 For the Year Ended December 31, 2019

	Special Revenue Funds		
	Refuse and Garbage Collection	Special Library	Impact Fees
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Public charges for services	399,728	-	22,159
Public improvement revenues	-	6,998	-
Investment income	6,891	1,646	8,411
Miscellaneous revenues	-	-	-
Total Revenues	<u>406,619</u>	<u>8,644</u>	<u>30,570</u>
EXPENDITURES			
Current			
Health and human services	425,554	-	-
Library	-	7,215	-
Capital Outlay	-	-	-
Total Expenditure	<u>425,554</u>	<u>7,215</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(18,935)</u>	<u>1,429</u>	<u>30,570</u>
OTHER FINANCING USES			
Transfers out	-	-	(1,750)
Total Other Financing Uses	<u>-</u>	<u>-</u>	<u>(1,750)</u>
Net Change in Fund Balances	(18,935)	1,429	28,820
FUND BALANCES - Beginning of Year	<u>117,450</u>	<u>77,685</u>	<u>385,698</u>
FUND BALANCES - END OF YEAR	<u>\$ 98,515</u>	<u>\$ 79,114</u>	<u>\$ 414,518</u>

Special Revenue Funds	Capital Projects Fund	
Major Incident Task Force	Developers	Totals
\$ 2,450	\$ -	\$ 2,450
-	118,486	540,373
-	-	6,998
-	-	16,948
-	-	-
<u>2,450</u>	<u>118,486</u>	<u>566,769</u>
-	-	425,554
-	-	7,215
-	<u>120,916</u>	<u>120,916</u>
-	<u>120,916</u>	<u>553,685</u>
<u>2,450</u>	<u>(2,430)</u>	<u>13,084</u>
-	-	<u>(1,750)</u>
-	-	<u>(1,750)</u>
2,450	(2,430)	11,334
<u>2,768</u>	<u>15,050</u>	<u>598,651</u>
<u>\$ 5,218</u>	<u>\$ 12,620</u>	<u>\$ 609,985</u>

VILLAGE OF HARTLAND

STATEMENT OF CASH FLOWS
COMPONENT UNIT
For the Year Ended December 31, 2019

	Business Improvement District
CASH FLOWS FROM OPERATING ACTIVITIES	
Payments to vendors	\$ (70,125)
Payments to employees	<u>(29,344)</u>
Net Cash Flows From Operating Activities	<u>(99,469)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Taxes levied	74,800
Donation	1,050
Contribution from municipality	<u>19,978</u>
Net Cash Flows From Noncapital Financing Activities	<u>95,828</u>
Net Change in Cash and Cash Equivalents	(3,641)
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>37,539</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 33,898</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating loss	\$ (99,154)
Changes in assets and liabilities	
Accounts payable	<u>(315)</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ (99,469)</u>

VILLAGE OF HARTLAND

SUMMARY OF GOVERNMENTAL ACTIVITIES LONG-TERM DEBT

As of December 31, 2019

<u>Governmental Activities</u>	<u>Date of Issue</u>	<u>Interest Rate</u>	<u>Principal Payable</u>	<u>Interest Payable</u>	<u>Original Amount</u>	<u>Balance Outstanding 12/31/2018</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance Outstanding 12/31/2019</u>	<u>Interest Paid</u>	<u>Principal Due 2020</u>
General Obligation Debt	11/14/12	2.0-3.0%	10/1/13-32	4/1 & 10/1	\$ 3,780,000	\$ 2,820,000	\$ -	\$ 290,000	\$ 2,530,000	\$ 64,134	\$ 335,000
	12/05/13	2.5-3.3	06/1/14-30	6/1 & 12/1	4,935,000	4,160,000	-	270,000	3,890,000	123,838	300,000
	11/10/14	-	2/15/15-22	2/15	38,831	19,415	-	4,854	14,561	-	4,854
	11/03/15	2.5-3.0	10/1/17-35	4/1 & 10/1	2,460,000	2,320,000	-	90,000	2,230,000	68,100	35,000
	08/01/17	1.75	8/1/18-27	2/1 & 8/1	700,000	630,000	-	70,000	560,000	11,178	70,000
	12/05/17	3.0-3.25	11/1/18-37	5/1 & 11/1	5,420,000	5,390,000	-	330,000	5,060,000	163,050	330,000
	12/12/19	2.0-4.0	6/1/20-39	6/1 & 12/1	3,650,000	-	3,650,000	-	3,650,000	-	215,000
TOTAL GENERAL OBLIGATION DEBT						\$ 15,339,415	\$ 3,650,000	\$ 1,054,854	\$ 17,934,561	\$ 430,300	\$ 1,289,854

**ANNUAL PRINCIPAL AND INTEREST PAYMENTS
TO MATURITY ON LONG-TERM DEBT**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Balance Outstanding</u>
2019				\$ 17,934,561
2020	\$ 1,289,854	\$ 506,703	\$ 1,796,557	16,644,707
2021	1,334,854	470,415	1,805,269	15,309,853
2022	1,289,853	430,073	1,719,926	14,020,000
2023	1,295,000	393,756	1,688,756	12,725,000
2024	1,320,000	357,822	1,677,822	11,405,000
2025	1,350,000	319,535	1,669,535	10,055,000
2026	1,310,000	279,055	1,589,055	8,745,000
2027	1,310,000	239,088	1,549,088	7,435,000
2028	1,235,000	199,121	1,434,121	6,200,000
2029	1,195,000	161,996	1,356,996	5,005,000
2030	1,025,000	128,776	1,153,776	3,980,000
2031	675,000	105,769	780,769	3,305,000
2032	690,000	87,963	777,963	2,615,000
2033	540,000	69,700	609,700	2,075,000
2034	535,000	54,900	589,900	1,540,000
2035	540,000	40,150	580,150	1,000,000
2036	340,000	24,700	364,700	660,000
2037	340,000	15,250	355,250	320,000
2038	160,000	5,700	165,700	160,000
2039	160,000	1,900	161,900	-
	\$ 17,934,561	\$ 3,892,373	\$ 21,826,934	

VILLAGE OF HARTLAND

COMPARATIVE SCHEDULE OF TAXES AND VALUATION DATA
2015 - 2019 Tax Rolls

	2015	2016	2017	2018	2019
STATE TAXES	\$ 201,930	\$ 205,504	\$ -	\$ -	\$ -
COUNTY TAXES	2,425,107	2,412,903	2,503,714	2,475,078	2,515,164
LOCAL TAXES					
Village property taxes	5,357,668	5,465,692	5,805,720	5,980,117	6,246,881
Omitted taxes	-	-	-	-	-
Tax Increment District taxes	32,819	36,804	98,726	194,555	222,255
Total Local Taxes	<u>5,390,487</u>	<u>5,502,496</u>	<u>5,904,446</u>	<u>6,174,672</u>	<u>6,469,136</u>
SCHOOL TAXES					
Swallow School District	1,775,978	1,786,151	1,796,597	1,737,270	1,700,112
Merton Community School District	3,214	72,965	138,286	141,879	149,042
School District of Hartland - Lakeside School	5,805,802	5,381,565	4,930,278	4,522,751	4,025,163
Lake Country School District	807,610	797,802	732,889	722,094	708,901
Arrowhead Union High School District	4,072,343	4,071,296	4,171,344	4,022,515	3,977,881
Waukesha County Technical College	451,040	445,240	472,757	474,102	497,792
Total School Taxes	<u>12,915,987</u>	<u>12,555,019</u>	<u>12,242,151</u>	<u>11,620,611</u>	<u>11,058,891</u>
Total General Property Taxes	<u>20,933,511</u>	<u>20,675,922</u>	<u>20,650,311</u>	<u>20,270,361</u>	<u>20,043,191</u>
SPECIAL ASSESSMENTS AND SPECIAL CHARGES					
Refuse removal	389,035	393,675	395,850	399,765	401,650
BID District	70,000	70,000	72,800	74,800	74,800
Other	857	-	-	-	-
Total Special Assessments and Special Charges	<u>459,892</u>	<u>463,675</u>	<u>468,650</u>	<u>474,565</u>	<u>476,450</u>
DELINQUENT UTILITY CHARGES					
Water Utility	5,580	6,747	8,716	12,297	6,778
Sewer Fund	4,884	5,307	45,696	12,002	5,736
Total Delinquent Utility Charges	<u>10,464</u>	<u>12,054</u>	<u>54,412</u>	<u>24,299</u>	<u>12,514</u>
TOTAL TAX ROLL	<u>\$ 21,403,867</u>	<u>\$ 21,151,651</u>	<u>\$ 21,173,373</u>	<u>\$ 20,769,225</u>	<u>\$ 20,532,155</u>
ASSESSED VALUATION	<u>\$ 1,172,829,300</u>	<u>\$ 1,191,366,660</u>	<u>\$ 1,220,238,000</u>	<u>\$ 1,235,439,551</u>	<u>\$ 1,387,942,121</u>
EQUALIZED VALUATION	<u>\$ 1,189,880,500</u>	<u>\$ 1,210,941,600</u>	<u>\$ 1,288,968,100</u>	<u>\$ 1,322,284,700</u>	<u>\$ 1,397,844,200</u>
RATIO OF ASSESSMENT	<u>98.57%</u>	<u>98.38%</u>	<u>94.67%</u>	<u>93.43%</u>	<u>99.29%</u>

**VILLAGE BOARD MINUTES
TUESDAY, JUNE 8, 2020
6:30 PM
BOARD ROOM, MUNICIPAL BUILDING, 210 COTTONWOOD AVENUE**

Call to Order
Roll Call

Pledge of Allegiance – Trustee Ludtke

Present: Trustees Anson, Dorau, Meyers, Wallschlager, Ludtke, Conner, President Pfannerstill

Others Present: Administrator Rhode, Finance Director Bailey, Clerk Igl, Police Chief Misko, Interim Fire Chief Jambretz, Operations Supervisor Gerszewski, Rec Director Yogerst, Tom Ludtke, Dustin Pfeiffer, Rick Kalscheuer, Tim Sharpee, Utility Operations Supervisor Felkner, Craig Eisenhut, Attorney Hector de la Mora, Captain Kelsey Ryan Thomas, Matt Gaulke, Lori Huntington.

Public Comments: Please be advised the Village Board will receive comments from the public related to any item(s) on the agenda for a three minute time period per person, with time extensions per the Village President's discretion.

Residents Kris Sadler, 172 Willow Drive and Curtis Momsen, 153 Willow Drive, spoke against the road being connected through Chestnut Ridge to the proposed Lake Country Lutheran development outlining several concerns including traffic congestion at the intersection of Chestnut and North. President Pfannerstill stated that the development is to be discussed at the Plan Commission meeting scheduled for June 15. The residents commented that a petition is being circulated against the road connection.

1. Motion (Meyers/Conner) to approve Village Board minutes of May 26, 2020. Carried (7-0).
2. Motion (Wallschlager/Anson) to approve vouchers for payment in the amount of \$408,223.01. Carried (6-0). Meyers abstained.
3. Consideration of actions related to Licenses and Permits.
 - a. Consideration of an application for an Operator's License recommended for denial

Tom Ludtke, President of H.A.A.A., stated that he is looking for direction as the statute was brought to light that prohibits issuance of a license to an individual that has been convicted of a felony unless pardoned. President Pfannerstill commented that one individual with a bartending license must be on the premises to supervise those bartending without a license.

Attorney de la Mora stated that the statute is very clear and explained that there is a statutory process whereby an application may be submitted to the governor's office to request consideration of a pardon. He stated that he will share that information with the applicant. Trustee Ludtke commended Mr. Pfeiffer for his hard work and for

continuing to serve in the community. Motion (Dorau/Conner) to deny the Operator's License for Dustin Pfeiffer. Carried (6-0). Ludtke abstained.

- b. Consideration of the Annual Renewal of Licenses and Permits expiring June 30, 2020.
 - i. Consideration of motions to approve:
 - 1. Motion (Meyers/Ludtke) to approve Class "B" Beer/"Class B" Liquor licenses. Carried (6-0). Anson abstained.
 - 2. Motion (Dorau/Conner) to approve Reserve Class "B" Beer/"Class B" Liquor licenses. Carried (7-0).
 - 3. Motion (Meyers/Ludtke) to approve "Class A" Liquor licenses. Carried (7-0).
 - 4. Motion (Conner/Ludtke) to approve Class "A" Beer licenses. Carried (7-0).
 - 5. Motion (Meyers/Ludtke) to approve Class "A" Beer/"Class A" Liquor licenses. Carried (6-0). Anson abstained.
 - 6. Motion (Dorau/Conner) to approve Class "B" Beer licenses. Carried (6-0). Ludtke abstained.
 - 7. Motion (Dorau/Wallschlager) to approve "Class C" Wine licenses. Carried (7-0).
 - c. Consideration of motions to approve annual licenses expiring June 30, 2020 not requiring a public hearing:
 - i. Motion (Dorau/Conner) to approve Amusement Device Licenses. Carried (6-0). Anson abstained.
 - ii. Operator's (Bartender) Licenses
 - 1. Motion (Dorau/Ludtke) to approve new applications for Operator's Licenses with a term ending June 30, 2022 as submitted with the exception of Bradley Peterson. Carried (6-0). Anson abstained.
 - 2. Motion (Conner/Wallschlager) to approve renewal Operator's Licenses with a term ending June 30, 2022 as submitted. Carried (6-0). Anson and Ludtke abstained.
 - iii. Motion (Conner/Ludtke) to approve Cabaret Licenses. Carried (6-0). Anson abstained.
 - iv. Motion (Ludtke/Wallschlager) to approve Cigarette Licenses. Carried (7-0).
 - v. Motion (Wallschlager/Conner) to approve Weights and Measures Licenses. Carried (7-0).
 - d. Consideration of an application for a Class "B" Beer/"Class B" Liquor License for the premises located at 600 Hartbrook Drive (Hartbrook Cafe, Steven Nguyen, Agent)

Administrator Rhode stated that two applicants have applied for the one regular Class "B" Beer/"Class B" Liquor license that is available. It was stated that Tabi's Lake Country currently holds a Reserve license but is interested in reorganizing her business. The second applicant, Hartbrook Café, does not currently hold a liquor license.

- i. **Public Hearing** to receive comment on the liquor retailer's license application
- ii. Consideration of an action related to issuance of a Class "B" Beer/"Class B" Liquor License for Hartbrook Cafe.

VILLAGE BOARD MINUTES

TUESDAY, JUNE 8, 2020

6:30 PM

PAGE 3

Motion (Dorau/Ludtke) to postpone the Public Hearing until the June 22 meeting and to request that the applicant be present at that meeting. Carried (7-0).

- e. Consideration of an application for a Class "B" Beer/"Class B" Liquor License for the premises located at 111 E. Capitol Drive (Tabi's Lake Country, Tabitha McBride, Agent)
 - i. **Public Hearing** to receive comment on the liquor retailer's license application
 - ii. Consideration of an action related to issuance of a Class "B" Beer/"Class B" Liquor License for Tabi's Lake Country.

Motion (Conner/Ludtke) to postpone the Public Hearing until the June 22 meeting and to request that the applicant be present at that meeting. Carried (7-0).

- f. Items related to the Chamber of Commerce annual street dance, Saturday, July 19, 2020
 - i. Temporary Class "B" Beer/Wine Permit
 - ii. Public Dance License
 - iii. Temporary Operator's (Bartender) Licenses

It was stated that there has been a change of venue as the event will be held in Nixon Park. Motion (Meyers/Ludtke) to approve the licenses related to the event. Carried (6-0). Dorau abstained.

- 4. Discussion and consideration of financial support of the Chamber of Commerce.

Matt Gaulke, representing the Chamber, stated that revenues were eliminated due to COVID and requested consideration of a \$25,000 grant from the Village to be disbursed only if/when needed. There was discussion regarding other opportunities for fundraising by the Chamber including the dance which is scheduled to take place this summer as well as other funding opportunities which the Chamber may not be eligible for. It was stated that profits from the event could be helpful to the Chamber but there are many associated expenses and the event is weather dependent.

- 5. Discussion and re-approval of a revised PUD Agreement for the upgrading of the Sendik's store located at 600 Hartbrook Drive and substitution of same for the PUD Agreement previously approved by the Village Board on October 28, 2019 to reflect cost sharing by the developer of improvements required for appropriate water drainage and landscape changes.

Attorney de la Mora stated that an amended agreement was necessary as Sendik's is enlarging the capacity of the store and this was the most efficient way to accommodate that request. He stated that there were some water drainage issues and landscape issues that needed to be addressed after the first agreement was in place. He stated that after discussion a resolution was reached that included substantial cost sharing as well as replacement of landscaping as necessary. Those changes were included in the draft of the PUD amendment. Motion (Meyers/Ludtke) to approve a revised PUD Agreement with Sendik's, 600 Hartbrook Drive. Carried (7-0).

VILLAGE BOARD MINUTES

TUESDAY, JUNE 8, 2020

6:30 PM

PAGE 4

6. Consideration of a motion to approve payment for the 2020 Crack Sealing Program to Wolverine Sealcoating LLC in the amount of \$50,504.

Operations Supervisor Gerszewski stated that work was satisfactorily completed for less than the contracted amount as we pay for actual pounds of material used. Motion (Anson/Dorau) to approve payment for the 2020 Crack Sealing Program to Wolverine Sealcoating LLC in the amount of \$50,504. Carried (7-0).

7. Discussion and consideration of curbside pickup signs in the downtown.

Administrator Rhode provided maps noting proposed locations for the pickup signs. He suggested that the topic be revisited in 90-120 days to determine whether businesses still want them in place. He stated that the signs will read "Reserved parking curbside pickup" and the hours of 4:00 – 9:00 p.m. with the exception of the sign for Hometown Pharmacy which will have different hours. Motion (Ludtke/Anson) to approve installation of curbside pickup signs in the downtown as proposed. Carried (6-0). Conner abstained.

8. Discussion and consideration of a request for the installation of signage at 145 North Avenue.

Operations Supervisor Gerszewski stated that this item had previously been tabled pending more information. Owner of Wild Petals, Lori Huntington, requested one parking spot be designated as loading/unloading. The owner was asked whether the landlord would designate a space for her business in the lot, however, it was stated that there is no access to the business from the entrance in the back of the building. It was stated that other businesses would be able to use that spot for loading/unloading as well if approved.

Administrator Rhode commented that he believes consistency is important and that 15 minute parking allows for some flexibility. It was stated that it should be clear that the designated loading/unloading space will not be just for the Wild Petals business but rather anyone could park in the space for 15 minutes for that purpose. Motion (Conner/Meyers) to approve installation of signage at 145 North Avenue as proposed. Carried (7-0).

9. Consideration of a motion to approve Contractor's Application for Payment No. 3 for the Sunnyslope Drive Utility Improvements in the amount of \$201,160.08.

Utility Operations Supervisor Felkner stated that the project is moving along and staff is satisfied with the work being done. Motion (Meyers/Pfannerstill) to approve Contractor's Application for Payment No. 3 for the Sunnyslope Drive Utility Improvements in the amount of \$201,160.08. Carried (7-0).

10. Consideration of a motion to award the E. Industrial Drive & Progress Drive Bioretention contract to Soper Grading & Excavating, LLC in the amount of 316,250.

Utility Operations Supervisor Felkner stated that the project had been budgeted for \$465,000 but the contractor came in significantly under budget. Additionally, he stated that the Village received a \$150,000 grant from the DNR for the project. Motion (Meyers/Wallschlagler) to

award the E. Industrial Drive & Progress Drive Bioretention contract to Soper Grading & Excavating, LLC in the amount of 316,250. Carried (7-0).

11. Consideration of the cemetery plat creating Section G in the Village cemetery.

Operations Supervisor Gerszewski stated that the Village had purchased property west of Section F located off of Hill Street and budgeted to have it platted this year. Once the plat is approved and registered with the County, the Village will be able to sell graves in the new section. Motion (Conner/Anson) to approve the cemetery plat creating Section G in the Village cemetery. Carried (7-0).

12. Discussion and consideration of a motion to approve entering into an agreement for services with Tactical Athlete Health & Performance Institute.

Rick Kalsheuer, R & R Insurance, stated that the League of WI Municipalities insurance has entered into an agreement with TAHPI which provides concierge medicine and navigation to employees resulting in a reduction of overtime and workers compensation costs. Tim Sharpee, TAHPI, stated that the service provided expedites care through a very extensive network in the Milwaukee area. The goal of TAHPI is to provide ease and immediate access to top quality health care. He stated that the service is provided to immediate family members as well as staff. It was stated that the Village would enter into a contract with TAHPI and the League would reimburse 100% of the cost because it believes the service will significantly reduce workers comp costs.

Trustee Ludtke asked for Finance Director Bailey's thoughts on the program. He stated that he wouldn't have brought it forward to the Village Board if he didn't feel it was beneficial to the Village as the program gets staff back to work faster. Trustee Conner commented that the time of injury to time of treatment is crucial.

Motion (Conner/Anson) to approve entering into an agreement for services with Tactical Athlete Health & Performance Institute. Carried (7-0). Trustee Ludtke commented that the Village could use this program as a recruitment/retention tool and include in our offerings.

13. Discussion and consideration related to opening of Village facilities.

Rec Director Yogerst updated the Board on splash pad use stating that it could be open during camp hours as long as shelters 2 and 3 are available for camp use. She stated this will allow staff to manage the camp participants better and will provide the public an area to utilize away from the camp. She stated that signage will be posted of hours/days for camp use. Motion (Anson/Meyers) to open the splash pad on June 9. Carried (7-0). Trustee Dorau recommended removing some of the picnic tables from the shelters and posting that the shelters are "use at your own risk" as they are not being cleaned.

Motion (Ludtke/Conner) to authorize the use of shelters 2 and 3 for the recreation department camp program. Carried (7-0). Trustee Ludtke asked that the Village widely communicate that these shelters will be unavailable at those times.

VILLAGE BOARD MINUTES

TUESDAY, JUNE 8, 2020

6:30 PM

PAGE 6

14. Consideration of Board, Commission and Committee appointments as presented by Village President Pfannerstill.

None at this time.

15. Announcements: The following individuals will be given an opportunity to make announcements at the meeting in regards to (1) activities taken since the previous meeting on behalf of the community, (2) future municipal activities, and (3) communications received from citizens. It is not contemplated that these matters will be discussed or acted upon. The following individuals may provide announcements: Village President or individual Village Board members or Village Administrator or other Village Staff members.

Trustee Dorau commended Fire and Police Department staff in handling a missing person call and in particular, commended Officer Mueller for his compassion toward the individual.

Administrator Rhode stated that the apartments initially proposed as a part of the Lake Country Lutheran development have been dropped and the Village was notified formally in writing.

President Pfannerstill stated that a very peaceful protest had been held in front of the Police Department recently and thanked the PD staff for their service.

Interim Chief Jambretz stated that the billing company has informed the department that they are among the top collectors of ambulance fees. He provided an update on recent training activities.

Chief Misko stated that the Village currently had 5 active COVID cases. He stated that the civil disturbance unit has been very busy in surrounding communities. He stated that staff member Cindy Gardner has moved on to a full-time position with her last day on June 5.

Chief Misko stated that an individual with special needs had recently walked away from a group home. He stated that Trustee Dorau located the individual near North Shore Middle School. He thanked Trustee Dorau for going above and beyond and presented her with a challenge coin for her efforts.

16. Adjournment.

Motion (Conner/Ludtke) to adjourn at 8:52 p.m.

Respectfully submitted,

Darlene Igl
Village Clerk

TO: Village President & Board of Trustees

FROM: Kinsey Detert, Fiscal Clerk

DATE: June 17, 2020

RE: Voucher List

Attached is the voucher list for the June 22, 2020 Village Board meeting.

June 22, 2020 Checks:	\$ 98,366.55
May Wires:	\$ 890,916.71
Total amount to be approved:	<u>\$ 989,283.26</u>

VILLAGE OF HARTLAND
VOUCHER LIST - JUNE 22, 2020

Account Descr	Search Name	Comments	Amount
EXPENSE Descr			
R 101-46730 RECREATION CLASSES	CROWLEY, MARIE	BOATERS SAFETY	\$10.00
G 101-12110 PROPERTY TAX REFUNDS	DUESTERHOEFT, TERRY J	0430117	\$98.86
G 804-21520 RETIREMENT DEDUCTIONS PAYABLE	EDWARD JONES	MAY IRA/GARDNER	\$298.98
G 101-21550 UNION DUES DEDUCTIONS PAYABLE	HARTLAND PROFESSIONAL POLICE	JUNE DUES	\$439.00
G 101-23000 SPECIAL DEPOSITS	JJ ENTERPRISES	ROW BOND/251 FOUR WINDS CT	\$1,000.00
G 101-31630 4TH OF JULY PARADE DONATIONS	JUDI WELCH SIGNS	HOMETOWN CELEBRATION BANNERS/CAR MAGNETS	\$877.00
R 101-46730 RECREATION CLASSES	MARGARET WIELAND	OVERPAYMENT	\$24.00
R 101-46730 RECREATION CLASSES	SUSITTI, DIANNA	OVERPAYMENT	\$65.00
G 204-34187 FWW LIFT STATION REPLACEMENT	WE ENERGIES	MAY-JUNE FWW LIFT STATION	\$61.90
R 101-46730 RECREATION CLASSES	WHELAN, CHRISTINE	CUTTING THE CORD PROGRAM	\$45.00
EXPENSE Descr			<u>\$2,919.74</u>
EXPENSE Descr AMBULANCE			
E 101-52300-300 OPERATING SUPPLIES/EXPENSES	AIRGAS USA LLC	OXYGEN	\$190.99
E 101-52300-800 CAPITAL OUTLAY	CONWAY SHIELDS, PAUL	TURN OUT GEAR	\$1,249.80
E 101-52300-300 OPERATING SUPPLIES/EXPENSES	EMERGENCY MEDICAL PRODUCTS	PHYSIO CONTROL CHART PAPER	\$108.48
E 101-52300-300 OPERATING SUPPLIES/EXPENSES	EMERGENCY MEDICAL PRODUCTS	OXYGEN MASK/SODIUM CHLORIDE	\$47.88
E 101-52300-300 OPERATING SUPPLIES/EXPENSES	EMERGENCY MEDICAL PRODUCTS	EMS SUPPLIES	\$575.26
E 101-52300-300 OPERATING SUPPLIES/EXPENSES	OFFICE PRO INC	OFFICE SUPPLIES	\$16.57
E 101-52300-290 OUTSIDE SERVICES/CONTRACTS	ONTECH SYSTEMS, INC	ONSITE HOURS	\$60.00
E 101-52300-290 OUTSIDE SERVICES/CONTRACTS	PROHEALTH CARE (LAB BILLING)	QUEST LAB/PHYSICAL	\$325.00
E 101-52300-290 OUTSIDE SERVICES/CONTRACTS	PROHEALTH CARE (LAB BILLING)	QUEST LAB/PHYSICAL	\$218.00
E 101-52300-300 OPERATING SUPPLIES/EXPENSES	WCTC(BILLING)	PARAMEDIC TRAINING/REFRESHER	\$883.68
EXPENSE Descr AMBULANCE			<u>\$3,675.66</u>
EXPENSE Descr ECONOMIC DEVELOPMENT			
E 804-56700-140 RETIREMENT BENEFITS	EDWARD JONES	MAY IRA/GARDNER	\$97.47
E 804-56700-732 GENERAL OPERATION OVERSIGHT	ONTECH SYSTEMS, INC	SKYKICK MIGRATION	\$12.50
E 804-56700-715 STREETScape PROGRAM	PATIO PETALS	CONTAINER PLANTERS	\$6,212.00
E 804-56700-750 COPIES/DUPLICATION	VILLAGE GRAPHICS	PARK KIOSK ITEMS	\$2.80
E 804-56700-750 COPIES/DUPLICATION	VILLAGE GRAPHICS	PARK KIOSK ITEMS	\$17.60
EXPENSE Descr ECONOMIC DEVELOPMENT			<u>\$6,342.37</u>
EXPENSE Descr ELECTIONS			
E 101-51440-300 OPERATING SUPPLIES/EXPENSES	PITNEY BOWES	POSTAGE	\$30.00
EXPENSE Descr ELECTIONS			<u>\$30.00</u>
EXPENSE Descr ENVIRONMENTAL SERVICES			
E 201-53635-450 YARDWASTE	RENEWABLE FOREST PRODUCTS INC	BRUSH GRINDING	\$5,950.00

Account Descr	Search Name	Comments	Amount
EXPENSE Descr ENVIRONMENTAL SERVICES			\$5,950.00
EXPENSE Descr FINANCIAL ADMINISTRATION			
E 101-51500-319 COVID-19 EXPENSES	AGROCHEM, INC	HAND SANITIZER	\$124.89
E 101-51500-319 COVID-19 EXPENSES	BIEBELS TRUE VALUE	ACRYLIC SHEETS	\$134.95
E 101-51500-290 OUTSIDE SERVICES/CONTRACTS	DIVERSIFIED BENEFIT SERVICES	JUNE FSA FEES	\$94.25
E 101-51500-290 OUTSIDE SERVICES/CONTRACTS	DIVERSIFIED BENEFIT SERVICES	JUNE ADMIN SERVICES	\$172.09
E 101-51500-290 OUTSIDE SERVICES/CONTRACTS	ONTECH SYSTEMS, INC	ONSITE HOURS	\$242.48
E 101-51500-290 OUTSIDE SERVICES/CONTRACTS	ONTECH SYSTEMS, INC	SKYKICK MIGRATION	\$10.00
E 101-51500-319 COVID-19 EXPENSES	ONTECH SYSTEMS, INC	LAPTOPS/DOCKS	\$6,740.00
E 101-51500-290 OUTSIDE SERVICES/CONTRACTS	ONTECH SYSTEMS, INC	ONSITE HOURS	\$303.35
EXPENSE Descr FINANCIAL ADMINISTRATION			\$7,822.01
EXPENSE Descr FIRE PROTECTION			
E 101-52200-300 OPERATING SUPPLIES/EXPENSES	BATTERY PRODUCTS INC	BATTERIES	\$15.12
E 101-52200-255 BLDGS/GROUNDS	HAHN ACE HARDWARE	THROTTLE CABLE	\$24.99
E 101-52200-290 OUTSIDE SERVICES/CONTRACTS	NATIONAL HOSE TESTING	2020 FIRE HOSE TESTING	\$3,342.20
E 101-52200-300 OPERATING SUPPLIES/EXPENSES	OFFICE PRO INC	OFFICE SUPPLIES	\$79.17
E 101-52200-290 OUTSIDE SERVICES/CONTRACTS	ONTECH SYSTEMS, INC	ONSITE HOURS	\$60.00
E 101-52200-300 OPERATING SUPPLIES/EXPENSES	ONTECH SYSTEMS, INC	SKYKICK MIGRATION	\$24.00
E 101-52200-290 OUTSIDE SERVICES/CONTRACTS	WI DEPT OF JUSTICE (CHKS)	MAY RECORD CHECKS	\$7.00
E 101-52200-300 OPERATING SUPPLIES/EXPENSES	XEROX CORPORATION	APR-MAY COPIER	\$25.04
EXPENSE Descr FIRE PROTECTION			\$3,577.52
EXPENSE Descr GENERAL ADMINISTRATION			
E 101-51400-210 LEGAL SERVICES	BUELOW VETTER BUIKEMA OLSON &	LEGAL SERVICES	\$637.00
E 101-51400-300 OPERATING SUPPLIES/EXPENSES	FOX BROS PIGGLY WIGGLY	WATER	\$30.00
E 101-51400-290 OUTSIDE SERVICES/CONTRACTS	ONTECH SYSTEMS, INC	ONSITE HOURS	\$270.00
E 101-51400-290 OUTSIDE SERVICES/CONTRACTS	ONTECH SYSTEMS, INC	ONSITE HOURS	\$180.00
E 101-51400-300 OPERATING SUPPLIES/EXPENSES	ONTECH SYSTEMS, INC	SKYKICK MIGRATION	\$16.00
E 101-51400-290 OUTSIDE SERVICES/CONTRACTS	WI DEPT OF AGRICULTURE,	WEIGHTS AND MEASURES INSPECTION	\$2,400.00
E 101-51400-290 OUTSIDE SERVICES/CONTRACTS	WI DEPT OF JUSTICE (CHKS)	MAY RECORD CHECKS	\$609.00
EXPENSE Descr GENERAL ADMINISTRATION			\$4,142.00
EXPENSE Descr INSPECTION			
E 101-52400-300 OPERATING SUPPLIES/EXPENSES	ONTECH SYSTEMS, INC	SKYKICK MIGRATION	\$4.00
EXPENSE Descr INSPECTION			\$4.00
EXPENSE Descr LAW ENFORCEMENT			
E 101-52100-360 VEHICLE MAINT/EXPENSE	10-33 VEHICLE SERVICES	SETINA PUSH BUMPER SQ #3	\$471.22
E 101-52100-290 OUTSIDE SERVICES/CONTRACTS	ATLAS BUSINESS SOLUTIONS INC	SCHEDULE ANYWHERE LICENSE	\$450.00
E 101-52100-300 OPERATING SUPPLIES/EXPENSES	BATTERY PRODUCTS INC	CAMERA BATTERIES	\$143.70
E 101-52100-290 OUTSIDE SERVICES/CONTRACTS	LEXISNEXIS	MAY USER FEE	\$139.50

Account Descr	Search Name	Comments	Amount
E 101-52100-300 OPERATING SUPPLIES/EXPENSES	ONTECH SYSTEMS, INC	SKYKICK MIGRATION	\$88.00
E 101-52100-290 OUTSIDE SERVICES/CONTRACTS	ONTECH SYSTEMS, INC	ONSITE HOURS	\$180.00
E 101-52100-290 OUTSIDE SERVICES/CONTRACTS	ONTECH SYSTEMS, INC	ONSITE HOURS	\$510.00
E 101-52100-290 OUTSIDE SERVICES/CONTRACTS	PROHEALTH CARE (LAB BILLING)	LEGAL BLOOD DRAW	\$105.00
E 101-52100-300 OPERATING SUPPLIES/EXPENSES	STOP STICK LTD	STOP STICKS	\$946.00
EXPENSE Descr LAW ENFORCEMENT			\$3,033.42
EXPENSE Descr LIBRARY			
E 101-55110-310 BOOKS & MATERIALS	BLACKSTONE AUDIO INC	BOOKS	\$100.00
E 101-55110-310 BOOKS & MATERIALS	FINDAWAY WORLD LLC	BOOKS	\$91.94
E 101-55110-255 BLDGS/GROUNDS	GROUND KEPPER, INC.	OUTSIDE LAWN/FLOWER BED MAINTENANCE	\$319.00
E 101-55110-325 PERIODICALS	NADA APPRAISAL GUIDES	USED CAR GUIDE RENEWAL	\$99.00
E 101-55110-290 OUTSIDE SERVICES/CONTRACTS	ONTECH SYSTEMS, INC	ONSITE HOURS	\$120.00
E 101-55110-310 BOOKS & MATERIALS	RECORDED BOOKS LLC	AUDIOBOOK	\$99.00
E 101-55110-255 BLDGS/GROUNDS	WIL-KIL	EXTERIOR INSECT CONTRACT	\$150.00
E 101-55110-255 BLDGS/GROUNDS	WIL-KIL	COMMERCIAL CONTRACT	\$50.00
EXPENSE Descr LIBRARY			\$1,028.94
EXPENSE Descr MUNICIPAL BUILDING			
E 101-51600-255 BLDGS/GROUNDS	GROUND KEPPER, INC.	OUTSIDE LAWN/FLOWER BED MAINTENANCE	\$319.00
E 101-51600-255 BLDGS/GROUNDS	PATIO PETALS	SUMMER CONTAINER PLANTERS	\$1,170.00
EXPENSE Descr MUNICIPAL BUILDING			\$1,489.00
EXPENSE Descr PARKS			
E 101-55200-365 BLDGS/GROUNDS MAINT EXPENSE	BIEBELS TRUE VALUE	SMALL GARBAGE CANS	\$13.81
E 101-55200-365 BLDGS/GROUNDS MAINT EXPENSE	BIEBELS TRUE VALUE	NUTS/BOLTS	\$25.10
E 101-55200-365 BLDGS/GROUNDS MAINT EXPENSE	BIEBELS TRUE VALUE	HARDWARE	\$32.42
E 101-55200-365 BLDGS/GROUNDS MAINT EXPENSE	BIEBELS TRUE VALUE	TOTE	\$14.37
E 101-55200-365 BLDGS/GROUNDS MAINT EXPENSE	BIEBELS TRUE VALUE	DRAIN SCREWS	\$3.60
E 101-55200-370 ATHLETIC FACILITY MAINTENANCE	CA LIGHTING LENSES INC	WALL PACK LIGHT	\$71.00
E 101-55200-370 ATHLETIC FACILITY MAINTENANCE	FAULKS BROS/WAUPACA SAND	INFIELD MIX	\$1,003.11
E 101-55200-370 ATHLETIC FACILITY MAINTENANCE	FRONTIER FS MAPLETON	SPRAY GARLIC MUSTARD/FERTILIZE AND SPRAY FIELD	\$1,485.00
E 101-55200-365 BLDGS/GROUNDS MAINT EXPENSE	ROTO-ROOTER	CLEAN SEWER/NIXON PARK	\$630.00
E 101-55200-220 UTILITY SERVICES	WE ENERGIES	MAY-JUNE CENTENNIAL	\$4.01
E 101-55200-365 BLDGS/GROUNDS MAINT EXPENSE	WISTL SOD FARM INC	SOD	\$325.00
EXPENSE Descr PARKS			\$3,607.42
EXPENSE Descr PUBLIC WORKS			
E 101-53000-365 BLDGS/GROUNDS MAINT EXPENSE	BIEBELS TRUE VALUE	TOILET PARTS	\$6.74
E 101-53000-360 VEHICLE MAINT/EXPENSE	BOBCAT PLUS INC	BUCKET TOOTH	\$33.74
E 101-53000-360 VEHICLE MAINT/EXPENSE	E.H. WOLF	DIESEL FUEL	\$513.30
E 101-53000-360 VEHICLE MAINT/EXPENSE	E.H. WOLF	DIESEL FUEL	\$323.28
E 101-53000-360 VEHICLE MAINT/EXPENSE	E.H. WOLF	UNLEADED GASOLINE	\$1,309.76

Account Descr	Search Name	Comments	Amount
E 101-53000-290 OUTSIDE SERVICES/CONTRACTS	FLEMINGS FIRE 1, INC.	ANNUAL INSPECTIONFIRE EXTINGUISHERS	\$195.90
E 101-53000-360 VEHICLE MAINT/EXPENSE	HAHN ACE HARDWARE	STRING TRIMMER HEAD/GAS CAP	\$25.35
E 101-53000-180 OTHER BENEFITS	ITU ABSORBTECH INC	UNIFORMS	\$117.63
E 101-53000-180 OTHER BENEFITS	ITU ABSORBTECH INC	UNIFORMS	\$90.63
E 101-53000-360 VEHICLE MAINT/EXPENSE	KAESTNER AUTO ELECTRIC CO	CHIPPER LIGHT	\$169.00
E 101-53000-360 VEHICLE MAINT/EXPENSE	KAESTNER AUTO ELECTRIC CO	LIGHT	\$139.00
E 101-53000-410 STREETS GEN MAINT	KAESTNER AUTO ELECTRIC CO	FLAGS	\$101.94
E 101-53000-410 STREETS GEN MAINT	OKAUCHEE REDI-MIX INC	CONCRETE	\$372.00
E 101-53000-410 STREETS GEN MAINT	OKAUCHEE REDI-MIX INC	CONCRETE	\$374.00
E 101-53000-300 OPERATING SUPPLIES/EXPENSES	OLSEN SAFETY EQUIPMENT CORP	SAFETY GLASSES	\$41.80
E 101-53000-290 OUTSIDE SERVICES/CONTRACTS	ONTECH SYSTEMS, INC	ONSITE HOURS	\$150.00
E 101-53000-300 OPERATING SUPPLIES/EXPENSES	ONTECH SYSTEMS, INC	SKYKICK MIGRATION	\$32.00
E 101-53000-290 OUTSIDE SERVICES/CONTRACTS	ONTECH SYSTEMS, INC	ONSITE HOURS	\$150.00
E 101-53000-290 OUTSIDE SERVICES/CONTRACTS	PROHEALTH CARE (LAB BILLING)	DRUG SCREENS	\$202.00
E 101-53000-360 VEHICLE MAINT/EXPENSE	TRUCK COUNTRY OF WISCONSIN	HOSE ASSEMBLY	\$532.67
E 101-53000-360 VEHICLE MAINT/EXPENSE	WAUPUN EQUIPMENT CO, INC	BLADES FOR MOWER	\$673.32
EXPENSE Descr PUBLIC WORKS			\$5,554.06
EXPENSE Descr RECREATION PROGRAMS/EVENTS			
E 101-55300-303 SUMMER REC EXPENSES	EGGERS IMPRINTS	CAMP SHIRTS	\$895.00
E 101-55300-290 OUTSIDE SERVICES/CONTRACTS	ELLIOTT, ROBERT	YOUTH GOLF LESSONS	\$326.40
E 101-55300-303 SUMMER REC EXPENSES	GAPPA SECURITY SOLUTIONS	SUMMER CAMP KEYS	\$23.60
E 101-55300-290 OUTSIDE SERVICES/CONTRACTS	NAGAWAUKEE YACHT CLUB	ADULT SAILING CLASSES	\$480.00
E 101-55300-290 OUTSIDE SERVICES/CONTRACTS	NAGAWAUKEE YACHT CLUB	NIGHT OPTI SAILING	\$560.00
E 101-55300-290 OUTSIDE SERVICES/CONTRACTS	ONTECH SYSTEMS, INC	ONSITE HOURS	\$90.00
E 101-55300-300 OPERATING SUPPLIES/EXPENSES	ONTECH SYSTEMS, INC	SKYKICK MIGRATION	\$10.00
E 101-55300-290 OUTSIDE SERVICES/CONTRACTS	PROHEALTH CARE (LAB BILLING)	DRUG SCREENS	\$87.00
E 101-55300-290 OUTSIDE SERVICES/CONTRACTS	PROHEALTH CARE (LAB BILLING)	DRUG SCREENS	\$58.00
E 101-55300-290 OUTSIDE SERVICES/CONTRACTS	WI DEPT OF JUSTICE (CHKS)	MAY RECORD CHECKS	\$14.00
EXPENSE Descr RECREATION PROGRAMS/EVENTS			\$2,544.00
EXPENSE Descr REFUSE & GARBAGE COLLECTION			
E 201-53620-200 GARBAGE COLLECTION FEES	ADVANCED DISPOSAL SERVICES	MAY SERVICES	\$36,168.02
EXPENSE Descr REFUSE & GARBAGE COLLECTION			\$36,168.02
EXPENSE Descr SEWER SERVICE			
E 204-53610-290 OUTSIDE SERVICES/CONTRACTS	DIVERSIFIED BENEFIT SERVICES	JUNE ADMIN SERVICES	\$26.47
E 204-53610-290 OUTSIDE SERVICES/CONTRACTS	DIVERSIFIED BENEFIT SERVICES	JUNE FSA FEES	\$14.50
E 204-53610-800 CAPITAL OUTLAY	HOGEN ELECTRIC, INC.	CRYSTAL LIFT STATION	\$4,775.00
E 204-53610-300 OPERATING SUPPLIES/EXPENSES	ONTECH SYSTEMS, INC	SKYKICK MIGRATION	\$6.00
E 204-53610-220 UTILITY SERVICES	WE ENERGIES	APR-MAY CRYSTAL	\$10.94
EXPENSE Descr SEWER SERVICE			\$4,832.91

Account Descr	Search Name	Comments	Amount
EXPENSE Descr TRUSTEES			
E 101-51100-300 OPERATING SUPPLIES/EXPENSES	ONTECH SYSTEMS, INC	SKYKICK MIGRATION	\$28.00
EXPENSE Descr TRUSTEES			\$28.00
EXPENSE Descr WATER UTILITY			
E 620-53700-678 HYDRANTS	CORE & MAIN LP	HYDRANT/HYDRANT KIT	\$4,254.55
E 620-53700-923 OUTSIDE SERVICES	DIVERSIFIED BENEFIT SERVICES	JUNE ADMIN SERVICES	\$66.19
E 620-53700-923 OUTSIDE SERVICES	DIVERSIFIED BENEFIT SERVICES	JUNE FSA FEES	\$36.25
E 620-53700-923 OUTSIDE SERVICES	FLEMINGS FIRE 1, INC.	ANNUAL INSPECTIONFIRE EXTINGUISHERS	\$108.95
E 620-53700-625 MAINTENANCE OF PUMPING PLANT	GAPPA SECURITY SOLUTIONS	REPLACE DOOR LOCK WELL #3	\$872.00
E 620-53700-921 OFFICE SUPPLIES & EXPENSES	ONTECH SYSTEMS, INC	SKYKICK MIGRATION	\$6.00
E 620-53700-622 POWER FOR PUMPING	WE ENERGIES	APR-MAY BRISTLECONE	\$211.27
E 620-53700-625 MAINTENANCE OF PUMPING PLANT	WE ENERGIES	APR-MAY BRISTLECONE	\$12.83
E 620-53700-622 POWER FOR PUMPING	WE ENERGIES	MAY-JUNE MICRO BOOSTER	\$23.44
E 620-53700-923 OUTSIDE SERVICES	WI STATE LABORATORY OF HYGIENE	FLUORIDE	\$26.00
EXPENSE Descr WATER UTILITY			\$5,617.48
			\$98,366.55

VILLAGE OF HARTLAND

06/08/20 12:47 PM

Page 1

Payments

Current Period: MAY 2020

Payment Batch MAY20WIRE \$890,916.71



Refer	651	FIRST BANK FINANCIAL CENTRE	Ck# 2020284E	5/31/2020			
Cash Payment	E 101-51500-300	OPERATING SUPPLIES	MONTHLY BANKING FEES				\$20.00
Invoice							
Transaction Date	5/31/2020	Due 0	GF Checking	11100	Total		\$20.00
Refer	652	AFLAC	Ck# 2020285E	5/1/2020			
Cash Payment	G 101-21592	AFLAC INS PAYABLE	MAY EMPLOYEE AFLAC CONTRIBUTIONS				\$195.82
Invoice							
Transaction Date	5/1/2020	Due 0	GF Checking	11100	Total		\$195.82
Refer	653	PAYROLL DATA SERVICES INC	Ck# 2020286E	5/14/2020			
Cash Payment	E 804-56700-110	SALARIES	MAY 15 BID PAYROLL WIRE				\$1,167.05
Invoice							
Cash Payment	G 804-21520	RETIREMENT DEDUCTION	MAY 15 BID PAYROLL WIRE				-\$99.66
Invoice							
Cash Payment	E 804-56700-760	PAYROLL SERVICE CH	MAY 15 BID PAYROLL WIRE				\$40.43
Invoice							
Transaction Date	5/15/2020	Due 0	GF Checking	11100	Total		\$1,107.82
Refer	654	PAYROLL DATA SERVICES INC	Ck# 2020287E	5/29/2020			
Cash Payment	E 804-56700-110	SALARIES	MAY 29 BID PAYROLL WIRE				\$1,167.05
Invoice							
Cash Payment	G 804-21520	RETIREMENT DEDUCTION	MAY 29 BID PAYROLL WIRE				-\$99.66
Invoice							
Cash Payment	E 804-56700-760	PAYROLL SERVICE CH	MAY 29 BID PAYROLL WIRE				\$40.43
Invoice							
Transaction Date	5/29/2020	Due 0	GF Checking	11100	Total		\$1,107.82
Refer	655	WI RETIREMENT SYSTEM	Ck# 2020288E	5/29/2020			
Cash Payment	E 101-55300-140	RETIREMENT BENEFIT	APRIL WRS PREMIUMS				\$349.87
Invoice							
Cash Payment	E 101-51400-140	RETIREMENT BENEFIT	APRIL WRS PREMIUMS				\$810.97
Invoice							
Cash Payment	E 101-51500-140	RETIREMENT BENEFIT	APRIL WRS PREMIUMS				\$328.55
Invoice							
Cash Payment	E 101-51600-140	RETIREMENT BENEFIT	APRIL WRS PREMIUMS				\$47.17
Invoice							
Cash Payment	E 101-52100-140	RETIREMENT BENEFIT	APRIL WRS PREMIUMS				\$13,363.92
Invoice							
Cash Payment	E 101-52100-140	RETIREMENT BENEFIT	APRIL WRS PREMIUMS				\$577.66
Invoice							
Cash Payment	E 101-52200-140	RETIREMENT BENEFIT	APRIL WRS PREMIUMS				\$103.97
Invoice							
Cash Payment	E 101-52200-140	RETIREMENT BENEFIT	APRIL WRS PREMIUMS				\$837.49
Invoice							
Cash Payment	E 101-52300-140	RETIREMENT BENEFIT	APRIL WRS PREMIUMS				\$103.97
Invoice							
Cash Payment	E 101-52300-140	RETIREMENT BENEFIT	APRIL WRS PREMIUMS				\$1,904.37
Invoice							

VILLAGE OF HARTLAND

06/08/20 12:47 PM

Page 2

Payments

Current Period: MAY 2020

Cash Payment Invoice	E 101-53000-140 RETIREMENT BENEFIT	APRIL WRS PREMIUMS				\$3,112.34
Cash Payment Invoice	E 101-55110-140 RETIREMENT BENEFIT	APRIL WRS PREMIUMS				\$1,331.54
Cash Payment Invoice	E 620-53700-926 EMPLOYEE PENSIONS	APRIL WRS PREMIUMS				\$1,591.61
Cash Payment Invoice	E 204-53610-110 SALARIES	APRIL WRS PREMIUMS				\$151.73
Cash Payment Invoice	E 204-53610-110 SALARIES	APRIL WRS PREMIUMS				\$343.65
Cash Payment Invoice	E 204-53610-390 BILLING/COLLECTION/	APRIL WRS PREMIUMS				\$383.04
Cash Payment Invoice	G 101-21520 RETIREMENT DEDUCTION	APRIL WRS PREMIUMS				\$9,236.06
Cash Payment Invoice	G 101-21520 RETIREMENT DEDUCTION	APRIL WRS PREMIUMS				\$9,260.13
Transaction Date	5/29/2020	Due 0	GF Checking	11100	Total	\$43,838.04
Refer	656 EMPLOYEE TRUST FUNDS			Ck# 2020289E 5/26/2020		
Cash Payment Invoice	E 101-51400-150 HEALTH/DENTAL/LIFE	JUNE HEALTH INSURANCE PREMIUMS				\$3,254.16
Cash Payment Invoice	E 101-51500-150 HEALTH/DENTAL/LIFE	JUNE HEALTH INSURANCE PREMIUMS				\$3,918.40
Cash Payment Invoice	E 101-55300-150 HEALTH/DENTAL/LIFE	JUNE HEALTH INSURANCE PREMIUMS				\$664.24
Cash Payment Invoice	E 101-52100-150 HEALTH/DENTAL/LIFE	JUNE HEALTH INSURANCE PREMIUMS				\$27,382.09
Cash Payment Invoice	E 101-53000-150 HEALTH/DENTAL/LIFE	JUNE HEALTH INSURANCE PREMIUMS				\$18,283.85
Cash Payment Invoice	E 101-55110-150 HEALTH/DENTAL/LIFE	JUNE HEALTH INSURANCE PREMIUMS				\$2,962.08
Cash Payment Invoice	E 101-52200-150 HEALTH/DENTAL/LIFE	JUNE HEALTH INSURANCE PREMIUMS				\$3,606.61
Cash Payment Invoice	E 101-52300-150 HEALTH/DENTAL/LIFE	JUNE HEALTH INSURANCE PREMIUMS				\$3,606.61
Cash Payment Invoice	G 101-34140 UNFUNDED EMPLOYEE BE	JUNE HEALTH INSURANCE PREMIUMS				\$2,378.68
Cash Payment Invoice	G 101-21530 INSURANCE DEDUCTIONS	JUNE HEALTH INSURANCE PREMIUMS				\$1,437.02
Transaction Date	5/26/2020	Due 0	GF Checking	11100	Total	\$67,493.74
Refer	657 WI DEFERRED COMPENSATION P			Ck# 2020290E 5/31/2020		
Cash Payment Invoice	G 101-21570 DEFERRED COMP DEDUCT	EMPLOYEE DEFERRED COMP CONTRIBUTIONS				\$17,112.10
Transaction Date	5/31/2020	Due 0	GF Checking	11100	Total	\$17,112.10
Refer	658 BOND TRUST SERVICES CORP			Ck# 2020291E 5/29/2020		
Cash Payment Invoice	E 301-58000-610 PRINCIPAL REDEMP TI	2013 GO BONDS PRINCIPAL AND INTEREST PAYMENT				\$300,000.00

VILLAGE OF HARTLAND

06/08/20 12:47 PM

Page 3

Payments

Current Period: MAY 2020

Cash Payment E 301-58000-615 DEBT SERVICE - INTER 2013 GO BONDS PRINCIPAL AND INTEREST PAYMENT \$59,893.75

Invoice

Transaction Date 5/29/2020 Due 0 GF Checking 11100 Total \$359,893.75

Refer 659 BOND TRUST SERVICES CORP Ck# 2020292E 5/29/2020

Cash Payment E 301-58000-610 PRINCIPAL REDEMPTI 2019 GO BOND INTEREST AND PRINCIPAL PAYMENT \$215,000.00

Invoice

Cash Payment E 301-58000-615 DEBT SERVICE - INTER 2019 GO BOND INTEREST AND PRINCIPAL PAYMENT \$52,718.61

Invoice

Cash Payment E 620-53700-610 PRINCIPAL REDEMPTI 2019 GO BOND INTEREST AND PRINCIPAL PAYMENT \$45,000.00

Invoice

Cash Payment E 620-53700-427 INTEREST ON LONG T 2019 GO BOND INTEREST AND PRINCIPAL PAYMENT \$8,508.68

Invoice

Cash Payment E 204-53610-610 PRINCIPAL REDEMPTI 2019 GO BOND INTEREST AND PRINCIPAL PAYMENT \$65,000.00

Invoice

Cash Payment E 204-58000-615 DEBT SERVICE - INTER 2019 GO BOND INTEREST AND PRINCIPAL PAYMENT \$13,367.43

Invoice

Transaction Date 5/29/2020 Due 0 GF Checking 11100 Total \$399,594.72

Refer 660 PAYMENT SERVICE NETWORK Ck# 2020293E 5/3/2020

Cash Payment E 620-53700-923 OUTSIDE SERVICES APRIL PSN CC PROCESSING FEES \$276.45

Invoice

Cash Payment E 204-53610-290 OUTSIDE SERVICES/C APRIL PSN CC PROCESSING FEES \$276.45

Invoice

Transaction Date 5/3/2020 Due 0 GF Checking 11100 Total \$552.90

Fund Summary

	11100 GF Checking	
804 BUSINESS IMPROVEMENT DISTRICT	\$2,215.64	
620 WATER FUND	\$55,376.74	
301 DEBT SERVICE FUND	\$627,612.36	
204 SEWER	\$79,522.30	
101 GENERAL FUND	\$126,189.67	
	<u>\$890,916.71</u>	

Pre-Written Checks	\$890,916.71
Checks to be Generated by the Computer	\$0.00
Total	<u>\$890,916.71</u>



**Village of Hartland
Administration**

210 Cottonwood Ave, Hartland, WI 53029
www.villageofhartland.com

Committee: Village Board	Date: June 17, 2020
Village Board Item Number: 4	Meeting Date: June 22, 2020
Submitted By: Darlene Igl, Village Clerk	
Subject: Consideration of Applications for "Regular" Class "B" Beer/"Class B" Liquor Licenses	

Details: With the non-renewal of the liquor license previously held by the Hartland Inn, the Village has available one Regular liquor license. You may recall that the Village has a total of thirteen (13) Regular liquor licenses and a total of five (5) Reserve liquor licenses. Reserve licenses require a one-time fee of \$10,000.

Tabi's Lake Country currently holds a Reserve liquor license. It is my understanding that the business is interested in a regular license to allow for changes to the business structure. The intended changes would render the establishment a "new" business requiring payment of the Reserve fee of \$10,000.

Hartbrook Café has applied for a liquor license as the business is interested in offering alcohol for sale at their restaurant.

Financial Remarks: N/A

Options & Alternatives: The Village Board may authorize issuance of the regular liquor license available to one of the two applicants or may opt to hold the available license for future use.

Executive Recommendation: The Village Board is asked to discuss the pros/cons of issuance of the license to one of the applicants or whether to hold the license. Consideration should be given to meeting the long-term goals for the best use of the available license.

VILLAGE OF HARTLAND
LICENSES AND PERMITS
JUNE 08, 2020

Bartender (Operator's) License – Recommended for Denial

Bradley Peterson

Bartender (Operator's) License (renewals)

Janine Bendlin
Cynthia Lanser
Andrew Yuri Drenoske
Karen Mary Banaszak
Rae Lee Miller
Sara Garcia
Robert Thomas Arndt
Pamela Jean Walter
Vicki Lynn Nold
Frederick Paul Schwartz
Kurt Baur
Dale Elvin Hansen
Terence Allen Casper
Kim Penkert
David Richard Marklund
Amy Jo Benson
Amber Sansone
Megan Dowd
Milena Luksich
Rami Leigh Kausalik
Kayla Sautelle
Michelle Leaman

Bartender (Operator's) License

Rachel Ann Hopwood
Anthony Scott Gourley
Michael J Steger
Adam Michael Martin
Jaqueline Marie Fellin
Megan Leigh McFadden
Ann Kathleen Glor

Class "B" Beer/"Class B Liquor" License

Applicant: Hartbrook Cafe
Location: 600 Hartbrook Drive
Agent: Steven Nguyen

The following documents are complete and on file

- Original Alcohol Beverage Retail License Application
- Auxiliary Questionnaire

- Schedule of Appointment of Agent

Class “B” Beer/”Class B Liquor” License

Applicant: Tabi’s Lake Country
Location: 111 E. Capitol Drive
Agent: Tabitha McBride

The following documents are complete and on file

- Original Alcohol Beverage Retail License Application
- Auxiliary Questionnaire
- Schedule of Appointment of Agent

Taxi Cab - expires June 30, 2021

Lake Country Cares Cab, Inc., W287N3700 E. North Shore Drive, Pewaukee, WI 53072

Temporary Class B Beer/Wine License

Applicant: Greater Hartland Kiwanis Club
Location: Nixon Park, Shelter #4
Event: Hometown Celebration Fireworks
Date: June 26, 2020

Temporary Operator License

Todd Eckhart

June 4, 2020

Bradley Peterson
W201 N1669 Hemlock St. #6
Jackson WI 53057

RE: Bartender License

Dear Mr. Peterson:

The Police Chief is recommending that your application for a Bartender License in the Village of Hartland be denied based upon a previous felony conviction.

This license application will be reviewed at the June 22, 2020 Village Board meeting. You may appear at that meeting to discuss this recommendation with the Village Board. The meeting begins at 6:30 p.m. and will be held in the Board Room located in the Municipal Building, 210 Cottonwood Avenue.

Sincerely,

Darlene Igl, MMC/WCPC
Village Clerk

cc: Chief of Police Torin Misko
Zesti

Village of Hartland

**Notice of New Class “B”
Beer/“Class B” Liquor
License Application
Village Board Meeting
Monday, June 22, 2020
6:30 p.m.**

Notice that the applicant Hartbrook Cafe has made and filed an application for a Class “B” Beer/“Class B” Liquor License to be issued by the Village of Hartland, Waukesha County, Wisconsin pursuant to the approval of said applications, for the license period of July 1, 2020 ending June 30, 2021.

This application will be considered by the Village Board on June 22, 2020 at 6:30 p.m. in the Board Room, Municipal Building, 210 Cottonwood Avenue.

Agent: Steven Nguyen, 1034 Dresser Ave., Waukesha WI 53188
Trade Name: Hartbrook Cafe
Location: 600 Hartbrook Drive,
#110, Hartland, WI 53029

All interested parties will be heard.

Darlene Igl, MMC/WCPC
Village Clerk

Village of Hartland

**Notice of New Class “B”
Beer/“Class B” Liquor
License Application
Village Board Meeting
Monday, June 22, 2020
6:30 p.m.**

Notice that the applicant Bin & Brew, Inc. has made and filed an application for a Class “B” Beer/“Class B” Liquor License to be issued by the Village of Hartland, Waukesha County, Wisconsin pursuant to the approval of said applications, for the license period of July 1, 2020 ending June 30, 2021.

This application will be considered by the Village Board on June 22, 2020 at 6:30 p.m. in the Board Room, Municipal Building, 210 Cottonwood Avenue.

Agent: Tabitha McBride,
W282N6668 Meadowlark Lane,
Hartland, WI 53029

Trade Name: Tabi’s Lake
Country

Location: 111 E. Capitol Drive,
Hartland, WI 53029

All interested parties will be heard.

Darlene Igl, MMC/WCPC
Village Clerk

VILLAGE OF HARTLAND

210 Cottonwood Avenue
Hartland, WI 53029

Phone: 262-367-2714
Fax: 262-367-2430

FEE: \$25
Receipt No.: <u>216639</u>
License No: _____

**TAXI AND PUBLIC TRANSPORTATION
LICENSE APPLICATION**

For the license period of July 1, 2020 through June 30, 2021

Please Print:

Name of Business Lake Country Cares Cab, Inc.

Mailing Address PO Box 605 Hartland WI 53029-0506

Street Address W287 N3700 E North Shore Dr Pewaukee WI 53072

Business Phone 262-695-2670

Applicant's Name Ethel D Rowen

Applicant's Address PO Box 506 Hartland WI 53029-0506

Applicant's Phone 262-695-2670 **Email:** lccctaxi@milwpc.com

Signature of Applicant _____

Date of Application April 23, 2020

Hours of Operation 7:30 AM to 5:30 PM Monday thru Friday

Vehicles Being Licensed:

VIN No. and Description of Vehicle: 1G4GC5EG5AF180160 2010 Buick Lacrosse
4 door sedan Gray

VIN No. and Description of Vehicle: 2GNALDEK3H1553780 2017 Chevy Equinox

pd receipt # 217037
6-16-20

Application for Temporary Class "B" / "Class B" Retailer's License

See Additional Information on reverse side. Contact the municipal clerk if you have questions.

FEE \$ 10.00

Application Date: 6/16/2020

Town Village City of HARTLAND

County of WAUKESHA

The named organization applies for: (check appropriate box(es).)

- A Temporary Class "B" license to sell fermented malt beverages at picnics or similar gatherings under s. 125.26(6), Wis. Stats.
- A Temporary "Class B" license to sell wine at picnics or similar gatherings under s. 125.51(10), Wis. Stats.

at the premises described below during a special event beginning 6/26/2020 and ending 6/26/2020 and agrees to comply with all laws, resolutions, ordinances and regulations (state, federal or local) affecting the sale of fermented malt beverages and/or wine if the license is granted.

1. Organization (check appropriate box) →
- Bona fide Club
 - Church
 - Lodge/Society
 - Chamber of Commerce or similar Civic or Trade Organization
 - Veteran's Organization
 - Fair Association

(a) Name Greater Hartland Kiwanis Club

(b) Address P.O. Box 444 Hartland, WI 53029
(Street) Town Village City

- (c) Date organized _____
- (d) If corporation, give date of incorporation _____
- (e) If the named organization is not required to hold a Wisconsin seller's permit pursuant to s. 77.54 (7m), Wis. Stats., check this box:

(f) Names and addresses of all officers:

President Suzanne Thomas, 2515 S 3909 Rickert Dr. Waukesha WI 53189

Vice President NA

Secretary Suzanne Thomas, 2515 S 3909 Rickert Dr. Waukesha, WI 53189

Treasurer Rebecca Rebolz, 133 Merton Ave. Hartland, WI 53029

(g) Name and address of manager or person in charge of affair: James Schneeberger, 251 Circle Dr. Hartland, WI 53029

2. Location of Premises Where Beer and/or Wine Will Be Sold, Served, Consumed, or Stored, and Areas Where Alcohol Beverage Records Will be Stored:

(a) Street number Nixon Park Shelter 4 3:06 P.M. 11:59 P.M.

(b) Lot _____ Block _____

- (c) Do premises occupy all or part of building? _____
- (d) If part of building, describe fully all premises covered under this application, which floor or floors, or room or rooms, license is to cover: _____

3. Name of Event

(a) List name of the event Hometown Celebration

(b) Dates of event 6/26/20

DECLARATION

The Officer(s) of the organization, individually and together, declare under penalties of law that the information provided in this application is true and correct to the best of their knowledge and belief.

Officer Suzanne Thomas
(Signature/date)

Officer _____
(Signature/date)

Date Filed with Clerk _____

Date Granted by Council _____

Greater Hartland Kiwanis Club
(Name of Organization)

Officer _____
(Signature/date)

Officer _____
(Signature/date)

Date Reported to Council or Board _____

License No. _____



**Village of Hartland
Administration**

210 Cottonwood Ave, Hartland, WI 53029
www.villageofhartland.com

Committee: Village Board	Date: 6-17-2020
Village Board Item Number: 5	Meeting Date: 6-22-2020
Submitted By: Tim Rhode, Village Administrator	

Subject: Consideration of actions related to REZONING and development of property on Campus Drive east of Lake Country Lutheran WHICH WILL INCLUDE THE CONSTRUCTION OF A PUBLIC ROAD.

- a. Review of rezoning petition and proposed Planned Unit Development Agreement AND RELATED EXHIBITS.
- b. Consideration of a motion...

Details: The Village Board and Village Plan Commission have actively been working with Neumann Development on the Lake Country Lutheran Property for the last nine months. The Village refers to the project as the LCL project. While originally, the project was two components, the first a Single Family condo-style 47 home units on lot #1 and the second a 280 unit multifamily project on lot #2. The lot #2 multifamily project is not moving forward at this time.

The current schedule of meetings moving forward is the following:

June 22, 2020, Village Board review the rezoning application and PUD application for the development. If favorable, they will set the Public Hearing for a joint Plan Commission/Village Board special meeting for **July 20, 2020, at that special meeting**, the Village Board will hold a public hearing. Following the public hearing, and taking into account the comments at the public hearing, the Village Board and Plan Commission can take final action on the rezoning and PUD agreement if they so desire.

Financial Remarks:

The 47 new homes, including a public road, is estimated at 24 million of new construction when complete.

Options & Alternatives:

The Village Board can approve, deny, or table for a future meeting. The Village Board can approve with the Willow Road connecting to Chestnut Ridge subdivision, or they can approve without the road connecting to Chestnut Ridge subdivision.

Executive Recommendation:

Review the attached email letter from Melm's and discuss.

MEMO

TO: Tim Rhode, Village Administrator
 FROM: Ryan Amtmann, Village Engineer
 DATE: June 10, 2020
 SUBJECT: LCL Development Area – Petition for Rezone and PUD

BASIC INFORMATION	
Project Name	Lake Country Lutheran East Lands
Applicant Name	Neumann Development Inc
Consulting Planner and/or Engineer	TRIO
Existing Zoning	Public/Institutional
Requested Zoning	Rs-5 PUD Single-Fam Res
Address/Abbreviated Legal	Tax Key HAV0423981
Comprehensive Land Map Designation	Low Density Res 2.5 to 5 u/a

ADJACENT LAND USE/ZONING MATRIX		
<i>Direction</i>	<i>Land Use</i>	<i>Zoning</i>
North	Single Family	Town of Merton R-1 Single Fam
South	N/A	Hwy 16
East	Single Family Res	Rs-5
West	Public/Institutional	C-1

NEW INFORMATION

Neuman has submitted a new rezoning application and PUD petition (dated 6/5/2020), replacing the previous application that included a proposed multi-family development on the south side of the public road on land that was referred to as Lot 2. The current rezoning application, PUD petition and related documents are for the Lot 1 area for the single-family condo development that Neumann Development, Inc. is proposing. Neumann has subsequently submitted the following information via an email dated June 5, 2020. The following are the documents that were included:

1. Halen Concept Renderings No. 1, 2, 3 and 4 for the single-family condo units (**new information**).
2. Hartland Lake Cntry Lutheran Res TIA 4-8-20.pdf (**previously submitted**).
3. Heartland Corridor Report – Campus Drive_20200303.pdf (**previously submitted**).
4. Heartland Tree Survey Memo-20200116.pdf (**previously submitted**).
5. INRA Exhibit 2020-06-05.pdf. (**previously submitted**).
6. Lake Country Lutheran_Preliminary SWMP_2020-04-08.pdf. (**previously submitted**).
7. LCL PUD Petition Supplemental Letter 6.15.20.docx (**new information**).
8. Lutheran High School CSM 6_05_20.pdf (**revised information**).
 - a. This is the draft CSM consisting of 7 pages, prepared by Trio Engineering, dated June 5, 2020.
9. PARADISE TRAILS CONDO PrePLAT_6-04-20 (003).pdf (**new information**).
10. Paradise Trails Condominium By-laws Draft.docx (**new information**).
11. Paradise Trails Condominium Declarations Draft.docx (**new information**).

12. PRELIMINARY SITE PLAN & CIVIL_LAKE COUNTRY LUTHERAN PLAN SET.pdf (**revised information**).
13. PUD Petition Letter Revised 6.15.20.docx (**revised information**).
14. Re-Zone application signed by LCL.pdf (**revised information**).
 - a. This is signed by LCL, dated May 28, 2020 and identifies the rezone of both RS-5 PUD and RM-1 PUD. This rezoning shall only apply to the RS-5 with a PUD overlay.
15. Rezone Exhibit_6-05-20.pdf (**revised information**).
16. Tree-Survey-Points.xls (**previously submitted**).
17. Draft PUD Agreement, dated June 10, 2020 prepared by Village Attorney (**new information**).

Village Staff has met with Neumann representatives to discuss their proposed development. Key items of discussion that have occurred to further their development planning:

Public/Private Infrastructure

- Neumann is proposing that the east/west road will be a public roadway. Public sanitary sewer and water facilities already exist along the alignment of this future.
- Neumann is proposing that all other infrastructure for the single-family condo units will be Private, including sewer, water, storm, sidewalks, roads, parking, etc.

Willow Drive Connection

- Neumann's development proposal does not include a connection to Willow Drive.
- The current utility easement that runs from Willow Drive to Campus Drive will be vacated and replaced with a 60-foot right-of-way dedicated to the Village.
- The east/west public road will dead end and not connect to Willow Drive.
- There will be an emergency pathway that connects to Willow Drive – for use by pedestrians and emergency vehicles only. The path will have bollards/gate so cars cannot pass.
- Neumann is open to constructing a Village roadway connection to Willow Drive, however, Neumann requests that this item be stand alone and considered separately from their development planning/approvals.

NEXT STEPS

- Per Sec. 46-807(1) *Meeting with Plan Commission* - The Plan Commission has met at the 5/18/2020 Plan Commission whereby Neumann presented the General Conceptual Development Plan. The Plan Commission was supportive of the General Conceptual Development Plan that included the single-family condo and multi-family development proposal.
- Per Sec. 46-807(2) *Petition* – Applicant is submitting a PUD Petition and General Development Plan and the Village Attorney has prepared a draft PUD Agreement for discussion and input from the Plan Commission at the 6/15/2020 meeting. Neumann desires to complete the PUD Petition, General Development Plan, Precise Plans as well as the PUD Agreement for approval at a subsequent Plan Commission meeting. Following Plan Commission approval at a subsequent meeting, the PUD Petition, General Development Plan, Precise Plans and PUD Agreement would be forwarded to the Village Board whereby, prior to approving the PUD Petition, the Village Board would conduct a public hearing.

RTA:rt



Halen Concept #1



Halen Concept #2



Halen Concept #3

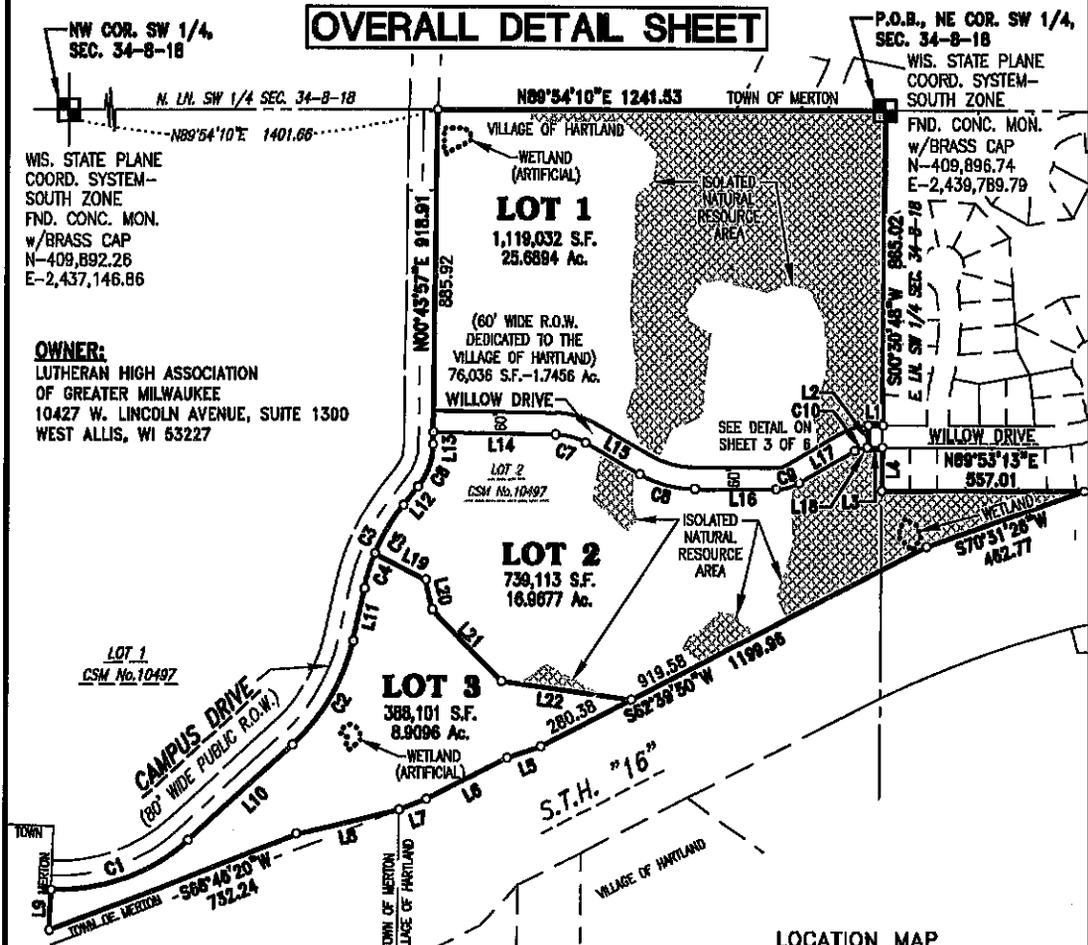


Halen Concept #4

CERTIFIED SURVEY MAP NO.

BEING A REDMISION OF LOT 2 OF CERTIFIED SURVEY MAP NO. 10497, LOCATED IN A PART OF THE NORTHEAST 1/4, SOUTHWEST 1/4, NORTHWEST 1/4 AND SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 AND PART OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 34, TOWN 8 NORTH, RANGE 18 EAST, IN THE VILLAGE OF HARTLAND, WAUKESHA COUNTY, WISCONSIN.

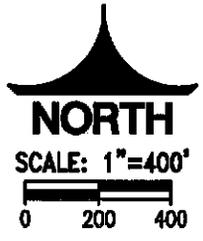
OVERALL DETAIL SHEET



WIS. STATE PLANE
COORD. SYSTEM-
SOUTH ZONE
FND. CONC. MON.
w/BRASS CAP
N-409,892.26
E-2,437,146.86

OWNER:
LUTHERAN HIGH ASSOCIATION
OF GREATER MILWAUKEE
10427 W. LINCOLN AVENUE, SUITE 1300
WEST ALLIS, WI 53227

PREPARED BY:
TRIO ENGINEERING, LLC
4100 N. CALHOUN ROAD
SUITE 300
BROOKFIELD, WI 53005
PHONE: 262-790-1480
FAX: 262-790-1481

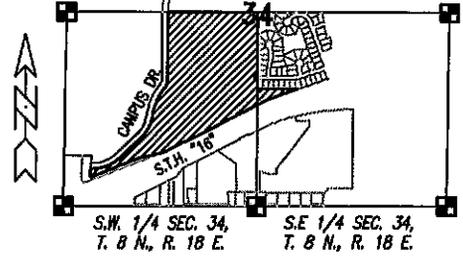


NOTES:
ALL BEARINGS ARE REFERENCED TO GRID NORTH OF THE WISCONSIN STATE PLANE COORDINATE SYSTEM, SOUTH ZONE (NAD-27), IN WHICH THE NORTH LINE OF THE S.W. 1/4 OF SECTION 34, TOWN 8 NORTH, RANGE 18 EAST, BEARS N89°54'10"E.

- LEGEND:**
- - INDICATES Section Corner (See Plan for Details)
 - - INDICATES "Set" 0.750" O.D. X 18" long reinforcing bar weighing 1.502 lbs. per lineal foot.
 - - INDICATES "Found" 1" iron pipe, unless noted otherwise.

P.O.B., NE COR. SW 1/4,
SEC. 34-8-18
WIS. STATE PLANE
COORD. SYSTEM-
SOUTH ZONE
FND. CONC. MON.
w/BRASS CAP
N-409,896.74
E-2,439,789.79

LOCATION MAP



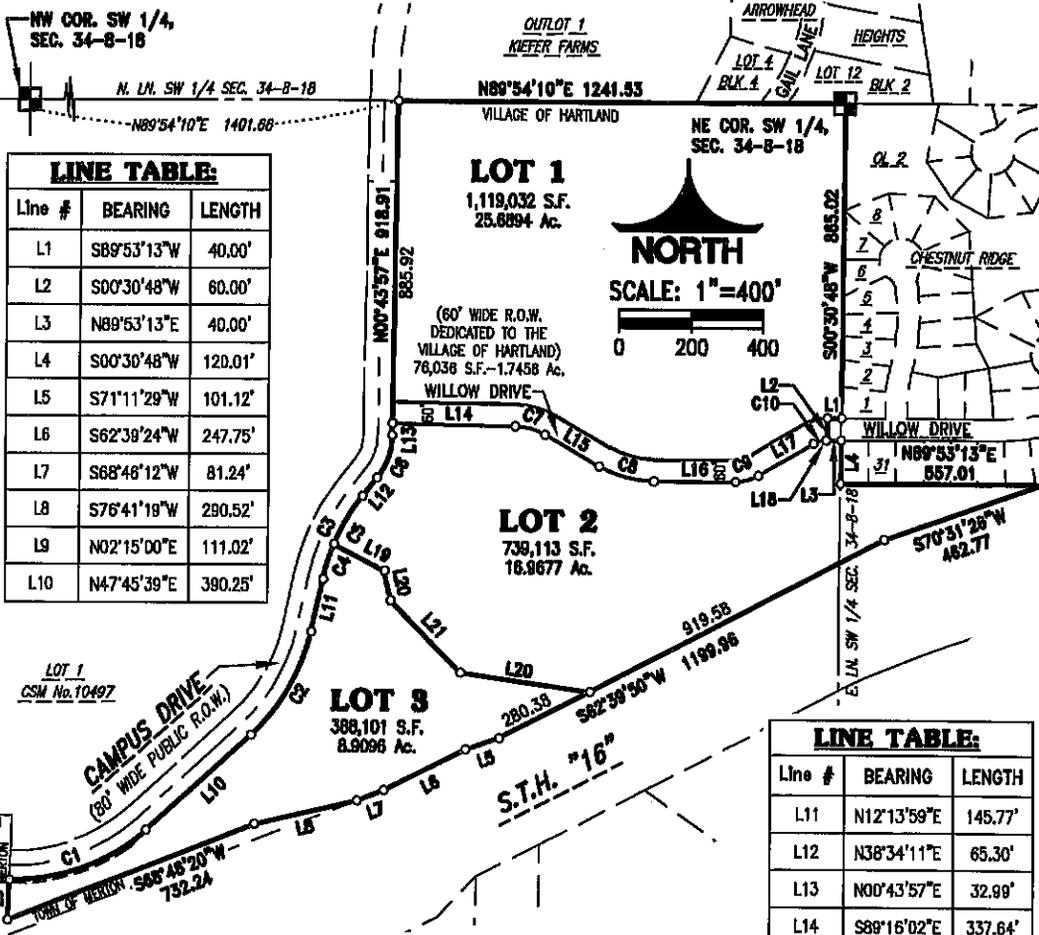
DRAFTED THIS 5TH DAY OF JUNE, 2020
THIS INSTRUMENT WAS DRAFTED BY DEBORAH L. JOERS, S-2132

JOB NO. 19-023-953-01
SHEET 1 OF 7

C:\Users\field\appdata\local\temp\10497\10497.dwg

CERTIFIED SURVEY MAP NO.

BEING A REDMENSION OF LOT 2 OF CERTIFIED SURVEY MAP NO. 10497, LOCATED IN A PART OF THE NORTHEAST 1/4, SOUTHWEST 1/4, NORTHWEST 1/4 AND SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 AND PART OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 34, TOWN 8 NORTH, RANGE 18 EAST, IN THE VILLAGE OF HARTLAND, WALKESHA COUNTY, WISCONSIN.



LINE TABLE:

Line #	BEARING	LENGTH
L1	S89°53'13"W	40.00'
L2	S00°30'48"W	60.00'
L3	N89°53'13"E	40.00'
L4	S00°30'48"W	120.01'
L5	S71°11'29"W	101.12'
L6	S62°39'24"W	247.75'
L7	S68°46'12"W	81.24'
L8	S76°41'19"W	290.52'
L9	N02°15'00"E	111.02'
L10	N47°45'39"E	390.25'

LINE TABLE:

Line #	BEARING	LENGTH
L11	N12°13'59"E	145.77'
L12	N38°34'11"E	65.30'
L13	N00°43'57"E	32.99'
L14	S89°16'02"E	337.64'
L15	S60°06'51"E	172.81'
L16	N89°53'09"E	226.34'
L17	N59°53'09"E	177.43'
L18	N89°53'13"E	2.23'
L19	S63°08'36"E	158.46'
L20	S12°19'27"E	82.57'
L21	S44°05'55"E	273.03'
L22	S82°02'10"E	363.51'

CURVE TABLE:

NO.	RADIUS	CENTRAL ANGLE	ARC	CHORD	CHORD BEARING	TANGENT IN	TANGENT OUT
C1	530.68	44°29'23"	412.07	401.79	N70°00'21"E	S87°44'58"E	N47°45'39"E
C2	540.00	35°31'40"	334.84	329.50	N29°59'49"E	N47°45'39"E	N12°13'59"E
C3	580.00	26°20'41"	257.49	255.23	N25°24'20"E	S38°34'40"W	S12°13'59"W
C4	560.00	10°23'41"	101.60	101.46	N17°25'50"E	S22°37'40"W	S12°13'59"W
C5	580.00	15°57'00"	155.89	155.39	N30°36'10"E	S38°34'40"W	S22°37'40"W
C6	190.00	37°50'14"	125.47	123.21	N18°39'04"E	N38°34'11"E	N00°43'57"E
C7	170.00	29°09'11"	86.50	85.57	S74°41'26"E	N60°06'51"W	N89°16'02"W
C8	305.00	30°00'00"	159.70	157.88	S75°06'51"E	S60°06'51"E	N89°53'09"E
C9	130.00	30°00'00"	66.07	67.29	N74°53'09"E	N89°53'09"E	N59°53'09"E
C10	70.00	30°00'04"	36.65	36.24	N74°53'11"E	S89°53'13"W	S59°53'09"W

LEGEND:

- - INDICATES Section Corner (See Plan for Details)
- - INDICATES "Set" 0.750" O.D. X 18" long reinforcing bar weighing 1.502 lbs. per lined foot.
- - INDICATES "Found" 1" iron pipe, unless noted otherwise.



DRAFTED THIS 5TH DAY OF JUNE, 2020
THIS INSTRUMENT WAS DRAFTED BY DEBORAH L. JOERS, S-2132

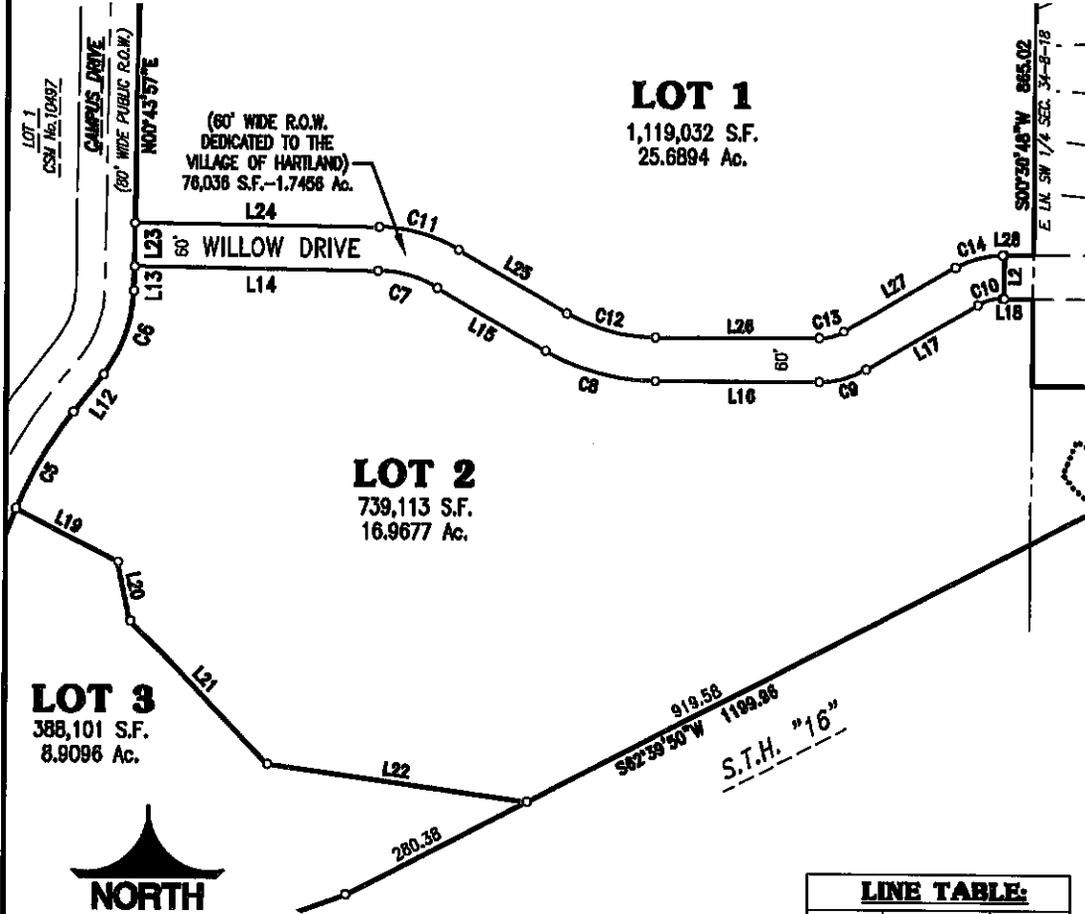
JOB NO. 19-023-953-01
SHEET 2 OF 7

C:\Users\field\computer\Documents\Debra West Lake County Luthran\3303CSM01.dwg

CERTIFIED SURVEY MAP NO. _____

BEING A REDMISION OF LOT 2 OF CERTIFIED SURVEY MAP NO. 10497, LOCATED IN A PART OF THE NORTHEAST 1/4, SOUTHEAST 1/4, NORTHWEST 1/4 AND SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 AND PART OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 34, TOWN 8 NORTH, RANGE 18 EAST, IN THE VILLAGE OF HARTLAND, WAUKESHA COUNTY, WISCONSIN.

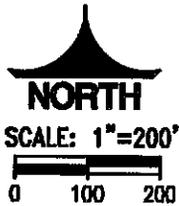
WILLOW DRIVE DETAIL SHEET



LOT 3
388,101 S.F.
8.9096 Ac.

LOT 2
739,113 S.F.
16.9677 Ac.

LOT 1
1,119,032 S.F.
25.6894 Ac.



CURVE TABLE:

NO.	RADIUS	CENTRAL ANGLE	ARC	CHORD	CHORD BEARING	TANGENT IN	TANGENT OUT
C11	230.00	29°09'11"	117.03	115.77	N74°41'26"W	N60°06'51"W	N89°16'02"W
C12	245.00	30°00'00"	128.28	126.82	S76°06'51"E	S60°06'51"E	N89°53'09"E
C13	70.00	30°00'00"	36.65	36.23	N74°53'09"E	N89°53'09"E	N59°53'09"E
C14	130.00	30°00'04"	68.07	67.30	S74°53'11"W	S89°53'13"W	S59°53'09"W

LINE TABLE:

Line #	BEARING	LENGTH
L23	S0°43'57"W	80.00'
L24	N89°16'02"W	337.64'
L25	N60°06'51"W	172.81'
L26	S89°53'09"W	228.34'
L27	S59°53'09"W	177.43'
L28	S89°57'29"W	2.89'

LEGEND:

- - INDICATES Section Corner (See Plan for Details)
- - INDICATES "Set" 0.750" O.D. X 18" long reinforcing bar weighing 1.502 lbs. per lineal foot.
- - INDICATES "Found" 1" iron pipe, unless noted otherwise.



DRAFTED THIS 5TH DAY OF JUNE, 2020
THIS INSTRUMENT WAS DRAFTED BY DEBORAH L. JOERS, S-2132

JOB NO. 19-023-953-01
SHEET 4 OF 7

CERTIFIED SURVEY MAP NO.

BEING A REDIVISION OF LOT 2 OF CERTIFIED SURVEY MAP No. 10497, LOCATED IN A PART OF THE NORTHEAST 1/4, SOUTHEAST 1/4, NORTHWEST 1/4 AND SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 AND PART OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 34, TOWN 8 NORTH, RANGE 18 EAST, IN THE VILLAGE OF HARTLAND, WAUKESHA COUNTY, WISCONSIN.

SURVEYOR'S CERTIFICATE:

STATE OF WISCONSIN)
) ss
COUNTY OF WAUKESHA)

I, Deborah L. Joers, Professional Land Surveyor, do hereby certify:

That I have surveyed, divided, mapped and dedicated a redivision of Lot 2 of Certified Survey Map No. 10497, located in a part of the Northeast 1/4, Southeast 1/4, Northwest 1/4 and Southwest 1/4 of the Southwest 1/4 and part of the Northwest 1/4 of the Southeast 1/4 of Section 34, Town 8 North, Range 18 East, in the Village of Hartland, Waukesha County, Wisconsin, bounded and described as follows:

Beginning at the Northeast Corner of the said Southwest 1/4 of said Section 34; Thence South 00°30'48" West and along the East line of the said Southwest 1/4 Section, 865.02 feet to a point; Thence South 89°53'13" West, 40.00 feet to a point; Thence South 00°30'48" West, 60.00 feet to a point; Thence North 89°53'13" East, 40.00 feet to a point on the East line of the said Southwest 1/4 Section; Thence South 00°30'48" West and along the said East line, 120.01 feet to a point; Thence North 89°53'13" East, 557.01 feet to a point on the Northwesterly Right-of-Way line of S.T.H. "16"; Thence South 70°31'26" West and along the said Northwesterly Right-of-Way line, 462.77 feet to a point; Thence South 62°39'50" West and along the said Northwesterly Right-of-Way line, 1199.96 feet to a point; Thence South 71°11'29" West and along the said Northwesterly Right-of-Way line, 101.12 feet to a point; Thence South 62°39'24" West and along the said Northwesterly Right-of-Way line, 247.75 feet to a point; Thence South 68°46'12" West and along the said Northwesterly Right-of-Way line, 81.24 feet to a point; Thence South 76°41'19" West and along the said Northwesterly Right-of-Way line, 290.52 feet to a point; Thence South 68°46'20" West and along the said Northwesterly Right-of-Way line, 732.24 feet to a point; Thence North 02°15'00" East, 111.02 feet to a point on the Southeasterly Right-of-Way line of "Campus Drive"; Thence Northeasterly 412.07 feet along said Southeasterly Right-of-Way line and the arc of a curve, whose center lies to the Northwest, whose radius is 530.68 feet, whose central angle is 44°29'23", and whose chord bears North 70°00'21" East, 401.79 feet to a point; Thence North 47°45'39" East, along said Southeasterly Right-of-Way line, 390.25 feet to a point; Thence Northeasterly 334.84 feet along said Southeasterly Right-of-Way line and the arc of a curve, whose center lies to the Northwest, whose radius is 540.00 feet, whose central angle is 35°31'40", and whose chord bears North 29°59'49" East, 329.50 feet to a point; Thence North 12°13'59" East, along said Southeasterly Right-of-Way line, 145.77 feet to a point; Thence Northeasterly 257.49 feet along said Southeasterly Right-of-Way line and the arc of a curve, whose center lies to the Southeast, whose radius is 560.00 feet, whose central angle is 26°20'41", and whose chord bears North 25°24'20" East, 255.23 feet to a point; Thence North 38°34'11" East, along said Southeasterly Right-of-Way line, 65.30 feet to a point; Thence Northeasterly 125.47 feet along said Southeasterly Right-of-Way line and the arc of a curve, whose center lies to the Northwest, whose radius is 190.00 feet, whose central angle is 37°50'14", and whose chord bears North 19°39'04" East, 123.21 feet to a point; Thence North 00°43'57" East, along the East Right-of-Way line of "Campus Drive", 918.91 feet to a point on the North line of the said Southwest 1/4; Thence North 89°54'10" East and along said North line, 1241.53 feet to the point of beginning of this description.

Said Parcel contains 2,322,282 Gross Square Feet (or 53.3123 Acres) of land, more or less, including the Willow Drive right-of-way dedication.

CERTIFIED SURVEY MAP NO. _____

BEING A REDIVISION OF LOT 2 OF CERTIFIED SURVEY MAP No. 10497, LOCATED IN A PART OF THE
NORTHEAST 1/4, SOUTHEAST 1/4, NORTHWEST 1/4 AND SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 AND
PART OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 34, TOWN 8 NORTH, RANGE 18
EAST, IN THE VILLAGE OF HARTLAND, WAUKESHA COUNTY, WISCONSIN.

VILLAGE BOARD APPROVAL:

This Certified Survey Map is hereby approved by the Village Board of Hartland on this ____ day of
_____, 20 _____.

Jeffrey Pfannerstill, President

Date:

Darlene Igl, Clerk/Treasurer

Date:

Drafted this 5th Day of JUNE, 2020

THIS INSTRUMENT WAS DRAFTED BY DEBORAH L. JOERS, S-2132

Job. No. 19-023-953-01

SHEET 7 OF 7

L:\LOBBYS\WPD\DCS\DOCUMENT\1787\19009-03\530-Certified Survey Map\Martin Lulber_CSM.doc

**BY-LAWS
OF
PARADISE TRAILS
CONDOMINIUM ASSOCIATION, INC.**

INDEX

**ARTICLE I
Name and Purpose**

**ARTICLE II
Members, Voting and Meetings**

- 2.1 Members.**
- 2.2 Quorum and Proxies for Member's Meetings.**
- 2.3 Act by Majority.**
- 2.4 Time, Place, Notice and Calling of Members' Meetings.**
- 2.5 Annual and Special Meetings.**

**ARTICLE III
Board of Directors**

- 3.1 Number and Membership in Association.**
- 3.2 Term of Office.**
- 3.3 Determination of Declarant Control.**
- 3.4 Election and Term of Directors.**
- 3.5 Vacancies on Board.**
- 3.6 Removal of Directors.**
- 3.7 Annual Meeting and Notice.**
- 3.8 Regular Meetings and Notice**
- 3.9 Special Meetings and Notice.**
- 3.10 Waiver of Notice.**
- 3.11 Quorum of Directors - Adjournments.**
- 3.12 Fidelity Bonds.**
- 3.13 Action Taken Without a Meeting**

**ARTICLE IV
OFFICERS**

- 4.1 Designation, Election and Removal.**
- 4.2 President.**
- 4.3 Vice-President**
- 4.4 Secretary/Treasurer.**
- 4.5 Liability of Directors and Officers**
- 4.6 Compensation.**

**ARTICLE V
Declarant Control**

**ARTICLE VI
Operation of the Property**

- 6.1 The Association.**
- 6.2 Rules and Regulations.**
- 6.3 Common Expenses.**
- 6.4 Operating Budget.**
- 6.5 Default and Liens.**

**ARTICLE VII
Repairs and Maintenance**

- 7.1 Individual Units.**
- 7.2 Common Elements and Facilities.**
- 7.3 Association Services.**

**ARTICLE VIII
Duties and Obligations of Unit Owners**

- 8.1 Rules and Regulations.**

**ARTICLE IX
General**

- 9.1 Fiscal Year.**
- 9.2 Address.**
- 9.3 Seal.**

**ARTICLE X
Amendments**

- 10.1 By Members.**
- 10.2 Rights of Declarant.**

ARTICLE XI
Miscellaneous

- 11.1 Record of Ownership.**
- 11.2 Statement of Assessments.**
- 11.3 Subordination**
- 11.4 Interpretation.**
- 11.5 Transfer Fee.**
- 11.6 Number and Gender.**

ARTICLE XII
Liability and Indemnity

- 12.1 General Scope and Definitions.**
- 12.2 Mandatory Indemnification.**
- 12.3 Determination of Right to Indemnification.**
- 12.4 Allowance of Expenses as Incurred.**
- 12.5 Partial Indemnification.**
- 12.6 Indemnification of Employees and Agents.**
- 12.7 Limited Liability of Directors and Officers.**
- 12.8 Severability of Provisions.**
- 12.9 Non-exclusivity of Rights.**
- 12.10 Purchase of Insurance.**
- 12.11 Benefit.**
- 12.12 Amendment**

**BY-LAWS
OF
PARADISE TRAILS
CONDOMINIUM ASSOCIATION, INC.**

ARTICLE 1

Name and Purpose

Pursuant to the Articles of Incorporation of PARADISE TRAILS CONDOMINIUM ASSOCIATION, INC., and the Condominium Declaration for Paradise Trails, a Condominium recorded in the Office of the Register of Deeds for Waukesha County, Wisconsin (hereinafter "Declaration"), the following are adopted as the By-Laws of PARADISE TRAILS CONDOMINIUM ASSOCIATION, INC. (hereinafter sometimes referred to as the "Association"), which is a non-profit non-stock corporation formed and organized to serve as an association of Unit Owners who own real estate and improvements in Paradise Trails Condominium (hereinafter the "Property") under the condominium form of ownership, as provided in the condominium Ownership Act of the State of Wisconsin and subject to the terms and conditions of the Declaration.

These By-Laws shall be deemed covenants running with the land and shall be binding on the Unit Owners, their heirs, personal representatives, successors and assigns.

ARTICLE II

Members, Voting and Meetings

2.1 Members. The rights and qualifications of the members are as follows:

a. Defined. Members of the Association shall be all Unit Owners, and members shall have one vote for each unit owned. Every Unit Owner upon acquiring title to a unit under the terms of the Declaration shall automatically become a member of the Association and shall remain a member thereof until such time as his/her ownership of such unit ceases for any reason, at which time his/her membership in the Association shall automatically cease.

b. One Membership and Vote Per Unit. One membership and one vote shall exist for each unit. If title to a unit is held by more than one person, the membership related to that unit

shall be shared by such owners in the same proportionate interests and by the same type of tenancy in which the title to the unit is held. Voting rights may not be split. When more than one person holds an interest in any unit the vote for such unit shall be exercised as they, among themselves, determine, but in no event shall there be more than one vote cast with respect to any unit. If only one of multiple owners of a unit is present at a meeting of the Association, the owner present is entitled to cast the vote allocated to that unit. If more than one of the multiple owners is present, and any one of them purports to cast the vote allocated to that unit on any issue without protest being made promptly by any other owner(s) of such unit to the person presiding over the meeting, it shall be conclusively presumed that such voting owner had the authority to cast the vote. In the event of such a protest, if such dispute is not resolved by the multiple owners prior to the vote being completed, they shall not be entitled to cast a vote.

c. Membership List. The Association shall maintain a current Membership List showing the membership pertaining to each unit, the address to which notice of the meetings of the Association shall be sent, and the name and address of any mortgagee of a unit from which the Association has received a written demand for notice of meetings.

d. Transfer of membership. Each membership shall be appurtenant to the unit upon which it is based and shall be transferred automatically upon conveyance of that unit. Membership in the Association may not be transferred, except in connection with the transfer of a unit. Upon transfer of a unit, the Association shall, as soon as possible thereafter, be given written notice of such transfer, including the name and address of the new owner, identification of unit, date of transfer, and any other information about the transfer which the Association may deem pertinent, and the association shall make appropriate changes to the Membership List effective as of the date of transfer. The Association may provide Membership Certificates to its members.

2.2 Quorum and Proxies for Member's Meetings. The Presence at the meeting of members entitled to cast, or of proxies entitled to cast, twenty-five percent (25%) of the votes shall constitute a quorum for any action except as otherwise provided in the Declaration or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to

adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented. At such adjourned meeting at which a quorum shall be present or represented any business may be transacted which might have been transacted at the meeting as originally noticed. Votes may be cast in person or by proxy. All proxies shall be in writing and filed with the Association, by delivery to any Officer or Director. The Officer or Director receiving same shall promptly transmit same to the Secretary of the Association. Every proxy shall be effective for a maximum period of one hundred eighty (180) days (unless granted to a Mortgagee or lessee), shall be revocable and shall automatically cease upon conveyance by the Member of his, her or their unit.

2.3 Act by Majority. The act of a majority of votes of the Association present in person or by proxy at any meeting at which quorum is present shall be the act of the Association, unless otherwise provided in the Declaration, By-Laws, Articles of Incorporation or the Condominium Ownership Act of the State of Wisconsin.

2.4 Time, Place, Notice and Calling of Members' Meetings. Written notice of all meetings stating the date, time and place of the meeting shall be given by the President or Secretary, unless waived in writing by all Unit Owners entitled to vote, to each member at his address as it appears on the books of the Association and shall be mailed, emailed or personally delivered not less than ten (10) days nor more than sixty (60) days prior to the date of the meeting. The inadvertent failure to give notice to any Unit Owner or mortgagee entitled to notice shall not invalidate any action taken at the meeting, unless such invalidation is otherwise required by law. Notice of meetings may be waived before or after meetings. Meetings shall be held at such time and place as may be designated by the Board of Directors, and may be held at the principal office of the property or at such other suitable place convenient to the Owners as may be designated by the Board of Directors. Notice of Special Meetings shall further specify the purpose of the meeting.

2.5 Annual and Special Meetings. The first annual meeting of the Members shall be held prior to the conveyance of twenty-five percent (25%) of the Common Element interest to purchasers, but in no event more than within one (1) year from the date of recording of the Declaration, and each subsequent annual meeting of Members shall be held on such date as may be determined each year by the Board of Directors, providing such date shall be a date within thirty (30) days prior to the anniversary date of the first annual meeting. The purpose of each annual meeting of the Members shall be for the election of Directors and the transaction of such other business as may come before the meeting. Special meetings of the members shall be held whenever called by the President or by the Board of Directors and must be called by such Officers and Directors upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes.

ARTICLE III

Board of Directors

3.1 Number and Membership in Association. The affairs of the Association shall be managed initially by a board of directors ("Board of Directors") composed of three (3) directors selected by the Declarant. No more than one director at any given time may be a person who is not also a Unit owner; provided, however, that during the period of Declarant control, any person named by the Declarant to the Board of Directors shall be deemed to be a "Unit Owner" for purposes of this requirement only and provided further, that in the case of a Unit that is owned by an entity rather than an individual, any person who is an officer, member, partner, director, employee or designee of such entity shall be deemed to be a "Unit Owner" for purposes of this requirement only.

3.2 Term of Office. The initial Board of Directors shall serve until the Declarant has conveyed seventy-five percent (75%) of the percentage interest in the Common Elements to purchasers. Prior to the conveyance of seventy-five percent (75%) of the Common Element interest of the Condominium to purchasers, the Association shall hold a meeting, and the Unit Owners other than the Declarant shall elect at least thirty-three and one-third percent (33 1/3%) of the directors on the board of directors. Not later than thirty (30) days after the expiration of the period of Declarant control, a special meeting of the Unit Owners shall be called, and the Unit Owners shall elect all three (3) directors to serve on the Board of Directors. Such directors shall take office upon such election and shall serve until the first annual meeting of the Unit Owners.

3.3 Determination of Declarant Control. For purposes of calculating the percentages set forth in the Declaration and these Bylaws with respect to determination of Declarant Control, the percentage of Common Element interest conveyed shall be calculated based on the percentage of undivided interest pertaining to each Unit conveyed, assuming that all Units Declarant has the right create by expansion are included in the Condominium.

3.4 Election and Term of Directors. At the first annual meeting of the Association after Association control passes to the Unit Owners, the members shall elect three (3) Directors to the classified with respect to the terms for which they hold office by dividing them into three (3) classes as follows:

- (a) One Director whose term will expire at the first annual meeting of the Association after his or her election, or at such time as his or her successor is duly elected and qualified (Class "A" Director).

(b) One Director whose term will expire at the second annual meeting of the Association after his or her election, or at such time as his or her successor is duly elected and qualified (Class "B" Director).

(c) One Director whose term will expire at the third annual meeting of the Association after his or her election, or at such time as his or her successor is duly elected and qualified (Class "C" Director).

The successors to the class of Directors whose terms expire as set forth above shall be elected to hold office for a term of two (2) years or until their successors are duly elected and qualified, or until any of said Directors shall have been removed in the manner hereinafter provided, so that the term of one class of Directors shall expire in each year.

3.5 Vacancies on Board. Vacancies on the Board of Directors caused by any reason other than the removal of a Director by a vote of the members shall be filled by a vote of the majority of the remaining Directors, even though they may constitute less than a quorum, and each person so elected shall be a Director until a successor is elected at the next annual meeting of the members at which that class of Directors is to be elected.

3.6 Removal of Directors. At any annual meeting of the membership, or at any special meeting of the membership called for that purpose, any one or more of the Directors may be removed with or without cause by a majority of the votes of the membership present or represented at such meeting, provided a quorum is in attendance, and a successor may then and there be elected to fill the vacancy thus created.

3.7 Annual Meeting and Notice. An annual meeting of the Board of Directors shall be held immediately after, and at the same place as, the annual meeting of the members, for the purpose of election of Officers and transacting such business as may come before the meeting. Notice of the regular annual meeting of the Board of Directors shall not be required.

3.8 Regular Meetings and Notice. The Board of Directors may provide by resolution for regular or periodic meetings of the Board, to be held at a fixed time and place, and upon the passage of any such resolution, such meetings shall be held at the stated time and place without the necessity of notice other than such resolution. Regular meetings may further be called by the President or by any two Directors upon not less than 1 day's written notice to each Director, given personally or by mail, or email, or facsimile transmission.

3.9 Special Meetings and Notice. Special meetings of the Board of Directors may be called by the President or by two (2) Directors on twenty-four (24) hours prior

written notice to each Director, given personally or by mail, or email, or facsimile transmission, which notice shall state the time, place and purpose of the meeting.

3.10 Waiver of Notice. Before, at or after any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver by him of notice of the time and place thereof. If all of the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

3.11 Quorum of Directors - Adjournments. At all meetings of the Board of Directors, a majority of the Directors then in office (but not counting any Director who has tendered a written resignation to any other Director) shall constitute a quorum for the transaction of business, and the act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. If, at any meeting of the Board of Directors, there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time without further notice. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted.

3.12 Fidelity Bonds. The Board of Directors may require that some or all Officers and/or employees of the association handling or responsible for Association's funds shall furnish adequate fidelity bonds. The premiums on any such bonds shall be paid for by the Association.

3.13 Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors, including approval via email. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE IV

OFFICERS

4.1 Designation, Election and Removal. The principal Officers of the Board of Directors shall be a President, Vice-President, and Secretary/Treasurer, to be elected annually by the Board of Directors, and such other Officers as the Board of Directors may from time to time by resolution create. At any meeting of the Board of Directors at which

a quorum is present, and upon the affirmative vote of a majority of the members of the Board of Directors in attendance at such meeting, any Officer may be removed, either with or without cause, and his successor elected. Any two or more offices, except a combination of the offices of President and Secretary and a combination of the offices of President and Vice-President, may be held by the same person.

4.2 President. The President shall be selected from among the members of the Board of Directors and shall be the chief executive Officer of the Association. He or she shall preside at all meetings of the Association and of the Board of Directors. He or she shall have the general powers and duties which are usually vested in the office of President, including but not limited to, the power to sign, together with any other Officer designated by the Board, any contracts, checks, drafts or other instruments on behalf of the Association in accordance with the provisions herein. The President shall perform such other duties and have such other authority as may be delegated by the Board of Directors.

4.3 Vice-President. The Vice-President shall take the place of the President and perform his or her duties whenever the President shall be absent or unable to act. If both the President and the Vice-President are unable to act, the Board of Directors shall appoint some other member of the Board to act on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him or her by the Board of Directors.

4.4 Secretary/Treasurer. The Secretary/Treasurer shall keep the minutes of all meetings of the Board of Directors and of the Association and shall have charge of the Association's books and records, and shall, in general, perform all duties incident to the office of the Secretary/Treasurer. The Secretary/Treasurer shall be responsible for maintaining the Membership List and, if so required by the Board, the issuance of membership certificates for the Association. The Secretary/Treasurer shall have responsibility for the Association's funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements and financial records and books of account on behalf of the Association. He or she shall be responsible for the deposit of all monies and all valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors. The Secretary/Treasurer shall also be responsible for the billing and collection of all common and special charges and assessments made by the Association. The Secretary/Treasurer shall count votes at meetings of the Association.

4.5 Liability of Directors and Officers. No person shall be liable to the Association for any loss or damage suffered by it on account of any action taken or omitted to be taken by him or her as a Director or Officer of the Association, if such person (a) exercised and used the same degree of care and skill as prudent person would have exercised or used under the circumstances in the conduct of his or her own affairs, or (b) took or omitted to take such action in reliance upon advice of counsel for the association

or upon statements made or information furnished by Officers or employees of the association which he or she had reasonable grounds to believe to be true. The foregoing shall not be exclusive of other rights or defenses to which he may be entitled as a matter of law. The Board of Directors may provide Directors' and Officers' liability insurance in such amounts and with such coverage as may be determined by the Board of Directors to be necessary or advisable from time to time, and the premiums on any such insurance shall be a common expense of the Association.

4.6 Compensation. No Director or Officer of the corporation shall receive any fee or other compensation for services rendered to the Association except by specific resolution of the membership. No Director or Officer shall receive any fee or compensation for performing his or her duties as an Officer or Director. However, any Director or Officer may be reimbursed for his or her actual expenses incurred in the performance of his or her duties.

ARTICLE V

Declarant Control

Notwithstanding any other provision contained in these By-Laws (other than the provisions of Section 3.1 above), and to the extent not limited or prohibited by applicable law, Declarant, its successors and assigns, shall have the right at its option to appoint and remove the members of the Board of Directors and Officers of the Association, to amend these By-Laws and/or the Rules and Regulations of the Association, and/or to have sufficient votes to constitute a majority of all votes until the earlier of: (a) ten (10) years after the first sale of a unit in Paradise Trails Condominium by Declarant, (b) thirty (30) days after the conveyance of one hundred percent (100%) of the Common Element interest to purchasers by Declarant, or (c) until such earlier time as may be determined by Declarant, subject in each case to provisions of the Condominium Ownership Act of Wisconsin. Each owner of a condominium unit in Paradise Trails Condominium shall be deemed by acceptance of any deed to any unit to agree, approve and consent to the right of Declarant to so control the Association. The determination of Common Element interest conveyed shall be made in the same manner as provided in Section 3.3 of these By-Laws.

ARTICLE VI

Operation of the Property

6.1 The Association. The Association, acting through the Board of Directors, shall be responsible for administration, maintenance, management and operation of the condominium property, in accordance with the Condominium Ownership Act, the Declaration, the Articles of Incorporation, and these By-Laws. The Association, by

resolution of the Board of Directors, shall have full power and authority to borrow money and acquire and convey property on behalf of the Association, provided that any single Association loan, acquisition, or conveyance, involving the sum of \$10,000.00 or more, shall first be approved by majority vote of the membership at an annual or special meeting called for such purpose. The Association may, to the extent it deems advisable, contract for management services or for a managing agent with respect to the administration and operation of the condominium.

6.2 Rules and Regulations. The Association, through the Board of Directors, shall from time to time adopt rules and regulations governing the operation, maintenance and use of the units and the Common and Limited Common Elements and facilities by the Unit Owners and occupants. Such Rules and Regulations of the Association shall not be inconsistent with the terms of the Declaration or the documents and easements referred to in the Declaration, and shall be designed to prevent unreasonable interference with the use of the respective units and the Common Elements and facilities by persons entitled thereto. The Association members, their lessees or guests, and any occupants of the units shall conform to and abide by all such Rules and Regulations. A violation of any such Rules or Regulations shall constitute a violation of the Declaration. The Association through its Board of Directors shall designate such means or enforcement thereof as it deems necessary and appropriate. The Rules and Regulations may be adopted, altered, amended or repealed by either the members of the Association or the Board of Directors, in each case by an affirmative vote of 67% or more of the votes present or represented at a meeting at which a quorum is an attendance, provided that no Rule or Regulation adopted by the members shall be amended or repealed by the Board of Directors if the Rule or Regulation so adopted so provides.

6.3 Common Expenses. The Board of Directors shall determine the common expenses of the Association, and shall prepare an annual operating budget for the Association in order to determine the amount of the assessments payable by each unit to meet the estimated common expenses of the Association for the ensuing year. The amounts required by such budget shall be assessed against the units and allocated among the members of the Association according to their respective percentages of ownership in the Common Elements and facilities of the Condominium and as set forth in the Declaration. The assessments shall be made on an annual basis and shall be prorated and due and payable monthly. Commencement of assessments as to each Unit shall be in the manner provided in the Declaration. Any assessments, or installments thereof, which are not paid when due shall be delinquent. If the assessment is not paid within ten (10) days after the due date, the assessment shall bear interest from the date of delinquency at a rate of interest which is two percent higher than the rate prescribed by the Wisconsin Statutes to be collected upon execution upon judgments. (In lieu of charging such interest the Board may, from time to time, fix a reasonable late fee, for each month or fraction thereof that such assessment is delinquent.) If delinquent for more than thirty (30) days, the Association may accelerate the annual assessment remaining unpaid with respect to such delinquent unit for purposes of collection or foreclosure action by the Association.

In the event the annual budget and assessments are not determined prior to the beginning of a fiscal year of the Association, the assessment for the prior year shall remain in effect until revised by the Board of Directors.

6.4 Operating Budget. The annual operating budget shall provide for two funds, one of which shall be designated the "operating fund" and the other the "reserve fund". The operating fund shall be used for all common expenses which occur annually or more frequently, such as amount required for the cost of maintenance and repair of the Common Elements, management services, security, insurance, common services and utilities, administration, materials and supplies. The reserve fund shall be used for contingencies and periodic expenses such as painting or renovation. In the event the Association incurs extraordinary expenditures not originally included in the annual budget, then such sums, as may be required in addition to the operating fund may be charged against the reserve fund, up to a maximum of 10% of the reserve fund. In the event that such funds prove inadequate to meet the necessary common expenses, or at the discretion of the Board of Directors, the Directors may levy further assessment(s) against the Unit Owners or by majority vote of the Unit Owners authorize additional funds to be withdrawn from the reserve fund.

The reserve fund may also be used to discharge mechanic's liens or other encumbrances levied against the entire property, or against any unit, if resulting from action by the Association. The Unit Owner or owners responsible for any lien which is paid by the Association but not the obligation of the Association shall be specifically assessed for the full amount thereof. The Directors may also use the reserve fund for the maintenance and repair of any unit if such maintenance and repair, although the obligation of the Unit Owner, is necessary to protect the common property. The full amount of the cost of any such maintenance or repair shall be specifically assessed to the Unit Owner responsible therefor. Any charges against the reserve fund in accordance with the foregoing paragraphs which are not otherwise repaid to the fund shall be replenished by additional assessments against the Unit Owners in subsequent years.

An annual budget shall be prepared and determined prior to the annual meeting of each calendar year. The Board of Directors shall advise all members of the Association in writing of the amount of common assessments payable on behalf of each unit by the date of the annual membership meeting and shall furnish copies of the budget on which such common assessments are based to each member.

If within fifteen (15) days after the annual membership meeting a petition is presented to the Board of Directors protesting the budget, and the petition is signed by members representing more than fifty percent (50%) of the membership entitled to vote, the Association may revise the budget, and such revised budget and corresponding assessments shall replace for all purposes the ones previously established, provided, however, that the annual budget and assessments may not be revised downward to a point lower than the average total budget for the preceding two years and provided

further, that if a budget and assessments have not been established and made for any two preceding years, then the budget and assessments may not be revised downward until two years of experience exist.

The reserve account referred to above shall not be construed as a Statutory Reserve Account pursuant to Section 703.163 of the Wisconsin Statutes, unless the Association decides to establish a Statutory Reserve Account in a manner allowed by law. If the Association establishes a Statutory Reserve Account, the use of said account shall comply with the statutory provisions.

6.5 Default and Liens. All assessments of common expenses and special assessments until paid, together with interest and actual costs of collections, constitute a lien on the units on which they are assessed and on the undivided interest in the Common Elements appurtenant thereto, to the extent permitted by law. If a member of the Association is delinquent in payment of any charges or assessments, the Board of Directors, in the name of the Association, may file liens therefor and bring suit for and on behalf of the Association, as representative of all members, to enforce collection of such delinquencies or to foreclose the lien therefor, as provided by law, and there shall be added to the amount due the costs of collection and interest, together with attorney's fees. Liens shall be signed and verified on behalf of the Association by any Officer or agent of the Association. The owners of a unit against which a lien has been filed by the Association shall not be entitled to vote at Association meetings until the lien has been paid in full.

ARTICLE VII

Repairs and Maintenance

7.1 Individual Units. Each Unit Owner, at his sole expense, shall be responsible for keeping the interior and exterior of his unit and all of its equipment, fixtures and appurtenances in good order, condition and repair and in a clean and sanitary condition. Each Unit Owner must perform properly or cause to be performed all maintenance and repair work within his own unit which, if omitted, would affect the project in its entirety or a portion belonging to other owners, and such owner shall be personally liable to the Association or the adjoining Unit Owner(s) as the case may be, for any damages caused by his or her failure to do so. As set forth in the Declaration, the Association may, by resolution, assume responsibility, in whole or in part, for the maintenance, repair and/or replacement of some or all of those portions of Units which affect the exterior appearance of the condominium.

7.2 Common Elements and Facilities. The Association shall be responsible for the management and control of the Common Elements and facilities and shall cause the same to be maintained, repaired and kept in good, clean, attractive and sanitary condition, order and repair, except to the extent individual Unit Owner(s) are responsible

therefor as provided by the Association with respect to Common Elements and/or Limited Common Elements. Without in any way limiting the foregoing, the Association shall be responsible, at Association expense (unless necessitated by the negligence or misuse of a Unit Owner, in which case such expense shall be charged and specially assessed to such Unit Owner, or except as delegated to the Unit Owners), for accomplishment of the following specific items of maintenance and repair with respect to the Common Elements:

- All Maintenance, repair, painting, cleaning and decorating of common areas and fixtures including sidewalks and parking areas.
- Lawn care, including landscaping, fertilizing, watering, weed control, tree pruning, grass cutting, edging and trimming, as required, except as delegated to the Unit Owners as set forth herein.
- Repair, replacement or restoration of sidewalks, driveways, retaining walls and parking areas which are a part of the Condominium property.
- Snow and ice removal and salting and cleaning walks, drives and parking areas, except as delegated to the Unit Owners as set forth herein or by the Declaration.
- General repair, maintenance and replacement of Common Element exterior fixtures including exterior lighting fixtures and associated equipment, entry signs into the condominium project and roadway signs therein.
- General repair, maintenance and replacement of common fixtures and equipment such as mailboxes, and associated fixtures and equipment.
- General repair, maintenance and replacement of all sewer (sanitary and storm) and water mains and connecting pipes and conduits not dedicated to the utility or the municipality.
- Provisions for maintenance and storage of equipment and materials required to accomplish the foregoing.

7.3 Association Services. The Association may provide any service or maintenance requested by a Unit Owner or owners with respect to individual units that the Association is able and willing to provide or perform and shall specially assess such requesting owner or owners therefore. The Board of Directors may establish policies requiring prepayment for some or all of such service or maintenance, and/or may refuse to provide same to Unit Owners who are delinquent in the payment of any sum due the Association.

ARTICLE VIII

Duties and Obligations of Unit Owners

8.1 Rules and Regulations. The units and the Common Elements and facilities and Limited Common Elements shall be occupied and used in accordance with the Declaration, the Articles of Incorporation, these By-Laws, and the rules and regulations adopted by the Association from time to time, including but not limited to the following:

(a) Use. No Unit Owner shall occupy or use his or her unit or permit the same or any part thereof to be occupied or used for any purpose other than as a private residence for the owner, the owner's family, or the owner's lessees or guests. No trade or business shall be conducted on the condominium property or from any unit without the prior written approval of the Board of Directors of the Association and in full compliance with all applicable law.

(b) Occupancy. Units in Paradise Trails Condominium shall not be rented for transient or hotel purposes, which shall be defined as: (i) any rental for periods of less than 6 months (or a greater period if required by the Declaration); or (ii) any rental if the occupants of the unit are provided customary hotel services, such as room service for food and beverage, maid service, bellboy service or laundry service.

(c) Leases. Owners of Units in Paradise Trails Condominium may lease their units on whatever terms and conditions they may wish, provided that in each instance the following terms and conditions are met:

- The lease must be in writing, signed by the owner and the tenant.
- The lease must be for a period of no less than one hundred eighty (180) consecutive days.

- The lease must specifically obligate the tenant to abide by the terms and conditions of the Declaration, these By-Laws, and all Rules and Regulations of the Association.
- Prior to the beginning of the lease term, the owner must give the Association notice of the name and permanent address of the tenant, and the term of the lease.
- Such other requirements as are set forth in the Declaration.

(d) Animals and Poultry. No animals, livestock or poultry of any kind shall be raised, bred or kept in any unit or in any of the Common Elements, except that birds and fish, and not more than a total of 2 dogs and cats (2 dogs, or 1 dog and 1 cat, or 2 cats), may be kept as household pets by Unit Owners, provided they are not kept or maintained for commercial or breeding purposes, and are kept subject to Rules and Regulations set forth below and such other Rules and Regulations which may be adopted by the Association regarding same.

(e) Pet Rules and Regulations.

(1) Leashes. Dogs and cats shall not be permitted on the Common Elements unless on a leash and within control of a person.

(2) Waste. The Unit Owners shall be responsible for the proper disposal of their pet's waste, without regard to their control over the pet at the time or location of the waste. Clean up of pet waste shall be contemporaneous.

(3) Exercise. If the Board designates an area of the Common Element as a "pet's area", then pets shall be exercised only within this area. Such designation shall not operate to diminish the Unit Owner's responsibility under (8) hereof.

(4) Behavior. Unit Owners are responsible for the behavior of pet occupying their unit and any handler thereof.

(5) Housing. Exterior pens or cages are not allowed. Pets shall not be left outside unattended in Paradise Trails

(6) Licenses. Pets shall be licensed by the municipality if required, and a copy of such license shall be furnished to the Association within 10 days after issuance by the municipality.

(7) Noises. All pets shall be maintained in a manner as to keep any noise at a minimum level which, in any event, must not be an unreasonable annoyance to the other condominium residents.

(8) Insurance. No dogs or cats shall be allowed unless the Unit Owner provides continuous proof to the Association, in the form of an insurance binder or policy, confirming that the Unit Owner has liability insurance in effect providing coverage for actions of the pet. Uninsured dogs and cats and uninsurable dogs and cats are prohibited.

(f) Window Treatments. All windows within a unit open to exterior view shall be either uncovered or treated with draperies or curtains properly hung on drapery or curtain rods, shades and/or window blinds. For purpose of uniformity of exterior appearance, the Association, by Rule and Regulation, may from time to time determine and specify the type, quality and appearance of draperies and window treatments which will be visible from the exterior of the building. Unless and until such Rules and Regulations are adopted, all window treatments shall have a neutral, wood, white or off-white backing.

(g) Increase of Insurance Rates. Nothing shall be done or kept in any unit or in the Common Elements that will increase the rate of insurance on the units or the Common Elements, without the prior consent of the Association. No Unit Owner shall permit anything to be done or kept in his or her unit or in the Common Elements which will result in the cancellation of insurance on any unit or any part of the Common Elements, or which would be in violation of any law or ordinance. No waste shall be committed in the Common Elements.

(h) Signs. No sign of any kind shall be displayed to the public view on or from any unit or the Common Elements, without the prior consent of the Association. The Association

may establish Rules and Regulations for the size and placement of "For Sale" and "For Rent" signs. This provision shall not prohibit Declarant from erecting signs to expedite the sale of its units.

(i) Noxious Activity. No noxious or offensive activity shall be carried on in any units or in the Common Elements, nor shall anything be done therein which may be or become an annoyance or nuisance to others.

(j) Alteration, Construction or Removal. Nothing shall be altered or constructed in or removed from the Common Elements and facilities, except upon the written consent of the Association.

(k) Use of Common Areas. No owner may keep or store, or permit to be kept or stored any of the following items on any portion of the Common Elements or Limited Common Elements, including but not limited to all driveways:

(1) Any truck larger than a 3/4-ton pickup truck.

(2) Any truck used as a commercial vehicle containing any type of signage.

(3) Junked, inoperative or unlicensed vehicles.

(4) Boats, campers, recreational vehicles, snowmobiles, or any type of trailer.

Notwithstanding the foregoing, such vehicles as are reasonably necessary for the construction, reconstruction, repair and/or remodeling of units and Common Elements, and/or for moving or delivery purposes, shall be allowed, providing same do not remain on the property for any time period longer than is reasonably necessary, and providing further that all owners of the Unit, jointly and severally, shall be responsible and liable to the Association for the repair of any damage to the Common or Limited Common Elements resulting there from. Permanent parking of any vehicle outside of the homeowner's garage or on the street will be limited to a maximum of 10 days.

(l) Temporary Structures. Temporary structures, such as sheds or other storage facilities, are prohibited on Common Elements.

(m) Storage. Patios and decks shall not be used for any storage of any kind, including, but not limited to, the storage of motorcycles, baby carriages, bicycles, or wagons, nor shall patios be used for the drying or airing of laundry, carpets, rugs, or clothing. Furthermore, no grills shall be used or stored on patios or decks unless they are of a type using a cover in place while in use. No clotheslines shall be hung in Common or Limited Common Elements.

(n) Access. No vehicle shall occupy, park upon or otherwise block access to or exit from another unit or the approach thereto.

(o) Vehicle Maintenance. No maintenance or lubrication of any vehicle shall be permitted anywhere on the Common or Limited Common Elements.

(p) Rummage Sales. No rummage or garage type sales shall be conducted in or about any unit on more than four (4) calendar days in any calendar year.

(q) Seasonal Decorations. Exterior home decorating for seasonality shall be subject to Association authority and control. Offensive or inappropriate decorations will not be allowed. Halloween decorations may be placed between October 1st and November 7th of each year, and decorations for December holidays may be placed from the day following Thanksgiving to the day after New Year's Day.

(r) Other Exterior Decorations. All exterior decorating, including hanging baskets, bird houses and the like are subject to Association approval.

(s) Enforcement. The Declaration, these By-Laws and the Rules and Regulations as may be adopted by the Association from time to time may be enforced by such means as the Association deems necessary and appropriate, including recourse to civil authorities, court action if necessary, and monetary fines in such amounts as may be enacted from time to time as a part of the Rules and Regulations to be charges and

assessed against the owners of units who violate or whose guests or unit occupants violate these provisions or the rules and regulations. Such fines shall be charged and assessed against the subject unit and may be enforced and collected as an assessment for common expenses, including the foreclosure of a lien therefore.

ARTICLE IX

General

9.1 Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the last day of December in each year, unless a different fiscal year is elected on the first annual tax return filed by the Association.

9.2 Address. The mailing address of the Association shall be Paradise Trails, c/o: Steve DeCleene, N27 W24025 Paul Ct, Suite 100, Pewaukee, WI 53072. or such other address as may be designated by the Board of Directors from time to time.

9.3 Seal. The Board of Directors may provide a corporate seal which, if provided, shall be circular in form and shall have inscribed thereon the name of the corporation and the words "Corporate Seal, Wisconsin".

ARTICLE X

Amendments

10.1 By Members. These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by the members, at any meeting called for such purpose, by the affirmative vote of Unit Owners having sixty-seven percent (67%) or more of the votes in the Association.

10.2 Rights of Declarant. No amendment, repeal or alteration of these By-Laws shall alter or abrogate the rights of Declarant as contained in the Declaration or these By-Laws.

ARTICLE XI

Miscellaneous

11.1 Record of Ownership. Every Unit Owner shall, upon the acquisition of a Unit, or any interest therein, promptly notify the Association, in writing, of the change of ownership, which notification shall include the Unit Number, the names of all owners of the Unit, and the address to which notices should be sent for such Unit. Every Unit Owner shall further promptly notify the Association, in writing, of any change of address.

11.2 Statement of Assessments. The Association, at the request of any mortgagee or any prospective purchaser of any unit or interest therein, shall provide a statement to such person as to the amount of any assessments against such unit then due and unpaid, within ten (10) business days after such request is received.

11.3 Subordination. These By-Laws are subordinate and subject to all provisions of the Declaration and any amendments thereto and the Condominium Ownership Act under the laws of the State of Wisconsin, which shall control in case of any conflict. All terms herein (except where clearly repugnant to the context) shall have the same meanings as set forth in the Declaration and in said Condominium Ownership Act.

11.4 Interpretation. In case any provision of these By-Laws shall be held invalid, such invalidity shall not render invalid any other provision thereof which can be given effect. Nothing in these By-Laws shall be deemed or construed to authorize the Association or Board of Directors to conduct or engage in any active business for profit on behalf of any or all of the Unit Owners.

11.5 Transfer Fee. The Condominium Association may charge a reasonable fee to a Unit Owner upon the sale of a Unit. This fee may be determined from time to time by the Board of Directors of the Condominium Association as a part of the Rules and Regulations. The transfer fee shall not be charged on initial sales by the Developer.

11.6 Number and Gender. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall include all genders.

ARTICLE XII

Liability and Indemnity

12.1. General Scope and Definitions.

(a) The rights of directors and officers of the Association provided in this Article shall extend to the fullest extent permitted by the Wisconsin Nonstock Corporation Law and other applicable laws as in effect from time to time.

(b) For purposes of this Article, "director or officer" means a natural person (i) who is or was a director or officer of the Association, (ii) who, while a director or officer of the Association, is or was serving at the Association's request as a director, officer, partner, trustee, member of any governing or decision-making committee, employee, or agent of another corporation or foreign corporation, partnership, limited liability company, joint venture, trust, or other enterprise, or (iii) who, while a director or officer of the Association, is or was serving an employee benefit plan because his or her duties to the Association also imposed duties on, or otherwise involved services by, the person to the plan or to participants in or beneficiaries of the plan. Unless the context requires otherwise, "director or officer" shall also mean the estate and personal representative of a director or officer.

(c) For purposes of this Article, "proceeding" means any threatened, pending or completed civil, criminal, administrative, or investigative action, suit, arbitration, or other proceeding, whether formal or informal, which involves foreign, federal, state, or local law (including federal or state securities laws) and which is brought by or in the right of the Association or by any other person.

(d) For purposes of this Article, "expenses" means fees, costs, charges, disbursements, attorneys' fees, and any other expenses incurred in connection with a proceeding, including a proceeding in which a director or officer asserts his or her rights under this Article, and, if the context requires, liabilities, including the obligation to pay a judgment, settlement, penalty, assessment, forfeiture, or fine, including any excise tax assessed with respect to an employee benefit plan.

12.2. Mandatory Indemnification.

(a) To the extent that a director or officer has been successful on the merits or otherwise in the defense of any proceeding (including, without limitation, the settlement, dismissal, abandonment, or withdrawal of any action where he or she does not pay or assume any material liability), or in connection with any claim, issue, or matter therein, he or she shall be indemnified by the Association against expenses actually and reasonably incurred by him or her in connection therewith to the extent that he or she

was a party to the proceeding because he or she is or was a director or officer of the Association.

(b) In cases not included under Section 12.2(a), the Association shall indemnify any director or officer against expenses actually and reasonably incurred by the director or officer in a proceeding to which the director or officer was a party because he or she is or was a director or officer, unless liability was incurred because the director or officer breached or failed to perform a duty he or she owed to the Association and the breach or failure to perform constituted any of the following: (i) a willful failure to deal fairly with the Association or its members in connection with a matter in which the director or officer had a material conflict of interest; (ii) a violation of criminal law, unless the director or officer had reasonable cause to believe his or her conduct was lawful or no reasonable cause to believe his or her conduct was unlawful; (iii) a transaction from which the director or officer derived an improper personal profit or benefit; or (iv) willful misconduct. The termination of a proceeding by judgment, order, settlement, or conviction, or upon a plea of no contest or an equivalent plea, does not, by itself, create a presumption that indemnification of the director or officer is not required under this subsection.

(c) Indemnification under this Section is not required to the extent that the director or officer has previously received indemnification or allowance of expenses from any person, including the Association, in connection with the same proceeding.

(d) To the extent indemnification is required under this Article XIII, the Association has purchased or is required under Section 12.10 to purchase insurance on behalf of the indemnified person and the insurance policy includes a provision obligating the insurer to defend such person, the Association shall be obligated to extend such defense. To the extent possible under such insurance policy, the defense shall be extended with counsel reasonably acceptable to the indemnified person. The Association shall keep the indemnified person advised of the status of the claim and the defense thereof and shall consider in good faith the recommendations made by the indemnified person with respect thereto.

12.3. Determination of Right to Indemnification. Unless otherwise provided by written agreement between the director or officer and the Association, the director or officer seeking indemnification under Section 12.2 shall make a written request for indemnification which shall designate one of the following means for determining his or her right to indemnification: (a) by a majority vote of a quorum of the Board of Directors or a committee of directors consisting of directors not at the time parties to the same or related proceedings; (b) by independent legal counsel selected by a quorum of the Board of Directors or its committee in the manner prescribed in Section 12.3(a) or, if unable to obtain such a quorum or committee, by a majority vote of the full Board of Directors, including directors who are parties to the same or related proceedings; (c) by arbitration;

or (d) by an affirmative vote of a majority of the Unit Owners entitled to vote; provided, however, that Unit Owners who are at the time parties to the same or related proceedings, whether as plaintiffs or defendants or in any other capacity, may not vote in making the determination. Any determination under this Section shall be made pursuant to procedures consistent with the Wisconsin Non-stock Corporation Law unless otherwise agreed by the Association and the person seeking indemnification. Such determination shall be completed, and eligible expenses, if any, shall be paid to the person requesting indemnification hereunder within sixty (60) days of the Association's receipt of the written request required hereunder.

12.4. Allowance of Expenses as Incurred. Within thirty (30) days after a written request by a director or officer who is a party to a proceeding because he or she is or was a director or officer, the Association shall pay or reimburse his or her reasonable expenses as incurred if the director or officer provides the Association with all of the following: (a) a written affirmation of his or her good faith belief that he or she has not breached or failed to perform his or her duties to the Association; and (b) a written undertaking, executed personally or on his or her behalf, to repay the allowance and, if required by the Association, to pay reasonable interest on the allowance to the extent that it is ultimately determined under Section 12.3 that indemnification under Section 12.2 is not required and indemnification is otherwise not ordered by a court. The undertaking under this Section shall be an unlimited general obligation of the director or officer and may be accepted without reference to his or her ability to repay the allowance. The undertaking may be secured or unsecured.

12.5. Partial Indemnification.

(a) If it is determined pursuant to Section 12.3 that a director or officer is entitled to indemnification as to some claims, issues, or matters in connection with any proceeding, but not as to other claims, issues, or matters, the person or persons making such determination shall reasonably determine and indemnify the director or officer for those expenses which are the result of claims, issues, or matters that are a proper subject for indemnification hereunder in light of all of the circumstances.

(b) If it is determined pursuant to Section 12.3 that certain expenses (other than liabilities) incurred by a director or officer are for any reason unreasonable in amount in light of all the circumstances, the person or persons making such determination shall authorize the indemnification of the director or officer for only such amounts as he or she or they shall deem reasonable.

12.6. Indemnification of Employees and Agents. The Board of Directors, may, in its sole discretion, provide indemnification and/or defense and/or allowance of expenses in advance of a final determination of any proceeding to an employee or agent of the Association who is not a director or officer in connection with any proceeding in which the employee or agent was a defendant because of his or her actions as an employee or

agent of the Association; provided, however, that prior to such indemnification, defense, or allowance of expenses, the Board of Directors shall first determine that the employee or agent acted in good faith and in a manner he or she reasonably believed to be in, and not opposed to, the best interests of the Association.

12.7. Limited Liability of Directors and Officers.

(a) Except as provided in subsection 12.7(b) and (c), a director or officer is not liable to the Association, its members or creditors, or any person for damages, settlements, fees, fines, penalties, or other monetary liabilities arising from a breach of, or failure to perform, any duty resulting solely from his or her status as a director or officer, unless the person asserting liability proves that the breach or failure to perform constitutes any of the acts of misconduct listed in Section 12.2(b).

(b) Except as provided in Section 12.7(c), this Section 12.7 does not apply to any of the following: (i) a civil or criminal proceeding brought by or on behalf of any governmental unit, authority, or agency; (ii) a proceeding brought by any person for a violation of state or federal law where the proceeding is brought pursuant to an express private right of action created by state or federal statute; or (iii) the liability of a director under Wisconsin Statutes Sections 181.0832 and 181.0833.

(c) Wisconsin Statutes Sections 12.7(b)(i) and (ii) do not apply to a proceeding brought by a governmental unit, authority, or agency in its capacity as a private party or contractor.

12.8. Severability of Provisions. The provisions of this Article and the several rights to indemnification, advancement of expenses, and limitation of liability created hereby are independent and severable and, if any such provision or right shall be held by a court of competent jurisdiction in which a proceeding relating to such provisions or rights is brought to be against public policy or otherwise to be unenforceable, the other provisions of this Article shall remain enforceable and in full effect.

12.9. Non-exclusivity of Rights. The rights to indemnification, defense and advancement of expenses provided for in this Article shall not be deemed exclusive of any other rights to which those seeking indemnification, defense, or advancement of expenses may be entitled under any agreement authorized by the Board of Directors, any of the Bylaws, any vote of the members or disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office. Notwithstanding the foregoing, the Association may not indemnify a director or officer, or permit a director or officer to retain any allowance of expenses, pursuant to any such additional rights unless it is determined by or on behalf of the Association that the director or officer did not breach or fail to perform a duty he or she owes to the Association which constitutes conduct under Section 12.2(b). A director or officer who is a party to the same or related proceeding for which indemnification, defense, or an

allowance of expenses is sought may not participate in a determination under this Section.

12.10. Purchase of Insurance. The Association shall use its reasonable best efforts to purchase and maintain insurance on behalf of any person who is or was a director or officer of the Association, to the extent that such director or officer is insurable and such insurance coverage can be secured by the Association at rates, and in amounts and subject to such terms and conditions as shall be determined in good faith to be reasonable and appropriate by the Board of Directors of the Association, and whose determination shall be conclusive (provided, however, that such insurance shall contain a provision obligating the insurer to defend the director or officer, if such provision is available at reasonable rates), against liability asserted against or incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the Association would have the power to indemnify or defend him or her against such liability under the provisions of this Article.

12.11. Benefit. The rights to indemnification, defense, and advancement of expenses provided by, or granted pursuant to, this Article shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors, and administrators of such a person.

12.12. Amendment. No amendment or repeal of this Article shall be effective to reduce the obligations of the Association under this Article with respect to any proceeding based upon occurrences which take place prior to such amendment or repeal.

These Bylaws were adopted by the unanimous consent of all of the directors on the _____ day of _____, 2020.

Secretary/Treasurer

Paradise Trails

Condominium Declarations

**DECLARATION OF CONDOMINIUM FOR
PARADISE TRAILS CONDOMINIUM**

Index of Declaration

1. STATEMENT OF DECLARATION.
2. NAME.
3. LEGAL DESCRIPTION.
4. DEFINITIONS.
5. DESCRIPTIONS OF BUILDINGS AND UNITS.
6. EXPANSION OF CONDOMINIUM.
7. COMMON ELEMENTS AND FACILITIES.
8. LIMITED COMMON ELEMENTS.
9. PERCENTAGE OF OWNERSHIP IN COMMON ELEMENTS AND FACILITIES AND LIMITED COMMON ELEMENTS.
10. ASSOCIATION OF UNIT OWNERS.
11. RESIDENTIAL PURPOSE.
12. REPAIRS AND MAINTENANCE.
13. DESTRUCTION AND RECONSTRUCTION.
14. INSURANCE.
15. COVENANT FOR ASSESSMENTS.
16. PARTITION OF COMMON ELEMENTS PROHIBITED.
17. CONVEYANCE TO INCLUDE INTEREST IN COMMON ELEMENTS AND FACILITIES AND LIMITED COMMON ELEMENTS.
18. EASEMENTS, RESERVATIONS, ENCROACHMENTS & GRADING.
19. ARCHITECTURAL CONTROL.
20. MORTGAGEE RIGHTS.
21. REALLOCATION OF BOUNDARIES AND MERGER AND SEPARATION OF UNITS.
22. CONDEMNATION.
23. INTENTIONALLY LEFT BLANK.
24. GENERAL PROVISIONS.

- | | |
|-------------------------|---|
| <u>EXHIBIT A</u> | Land Legal Description |
| <u>EXHIBIT B</u> | Expansion Real Estate Legal Description |
| <u>EXHIBIT B</u> | Condominium Plat |
| <u>EXHIBIT C</u> | Unit Addresses |

**DECLARATION OF CONDOMINIUM
FOR
PARADISE TRAILS CONDOMINIUM**

THIS DECLARATION OF CONDOMINIUM FOR PARADISE TRAILS CONDOMINIUM (the "Declaration") is made pursuant to The Condominium Ownership Act of the State of Wisconsin, Chapter 703 of the Wisconsin Statutes (hereinafter sometimes referred to as the "Act"), by Paradise Trails LLC, a Wisconsin limited liability company, (hereinafter "Declarant").

1. STATEMENT OF DECLARATION.

Declarant, as the sole owner of the Land described in Section 3 hereof, together with all buildings and improvements constructed or to be constructed thereon all easements, rights, and appurtenances thereto (hereinafter referred to as "The Property") hereby submits and subjects said Property to the condominium form of ownership pursuant to the Act and this Declaration, which property shall be held, conveyed, devised, leased, encumbered, used, improved, and in all respects otherwise affected subject to the provisions, conditions, covenants, restrictions and easements of this Declaration and of the Act. All provisions hereof shall be deemed to run with the land and shall constitute benefits and burdens to the Declarant, its successors and assigns, and all parties hereafter having any interest in the Property.

2. NAME.

The name of the condominium created by this Declaration ("Condominium") shall be **PARADISE TRAILS CONDOMINIUM.**

3. LEGAL DESCRIPTION.

The real property comprising the Property (the "Land") which is hereby submitted and subjected to the provisions of the Act is legally described as set forth on **EXHIBIT A** attached hereto and incorporated herein.

4. DEFINITIONS.

For the purpose of brevity and clarity, certain words and terms used in this Declaration are defined as follows:

- (a) "**ASSESSMENTS**" refers to both General Assessments and Special Assessments and means the amount determined by the Association to be due with respect to a Unit for Common Expenses and other charges.
- (b) "**ACC**" shall mean the Architectural Control Board as established by the Declarant.
- (c) "**ASSOCIATION**" shall mean and refer to **PARADISE TRAILS CONDOMINIUM ASSOCIATION, INC.** a corporation formed

under the Non-Stock Corporation Statute, Chapter 181, Wis. Stats, its successors and assigns.

- (d) "**BUILDING**" shall mean any freestanding structure constructed or to be constructed upon the Property containing Units.
- (e) "**BY-LAWS**" means the by-laws of the Association.
- (f) "**COMMON ELEMENTS**" shall mean all portions of the Condominium other than Units.
- (g) "**DECLARANT**" shall mean and refer to Paradise Trails, LLC and its successors and assigns.
- (h) "**EXPANSION REAL ESTATE**" means the real property together with all buildings and improvements constructed or to be constructed thereon and all easements, rights, and appurtenances thereto, described on **EXHIBIT B**, which may be added in whole or in part at any time within ten (10) years of the date of recording of this Declaration of Condominium in accordance with the provisions of this Declaration and the Act.
- (i) "**LIMITED COMMON ELEMENTS**" shall mean those Common Elements identified in this Declaration or on the Condominium Plat as reserved for the exclusive use of one or more, but less than all, of the Unit Owners.
- (j) "**MAJORITY**" shall mean the Condominium Unit Owners with more than fifty percent (50%) of the votes assigned to the Units in this Declaration.
- (k) "**MORTGAGE**" shall mean any recorded mortgage, land contract or other security instrument by which a Unit or any part thereof is encumbered.
- (l) "**MORTGAGEE**" shall mean the holder of any Mortgage or any land contract vendor.
- (m) "**OWNER**" shall mean and refer to the Person who holds legal title to a Unit, or the holder of an equitable interest as a land contract vendee, but excluding any Mortgagee before such Mortgagee takes title to a Unit by foreclosure or process in lieu thereof.
- (n) "**PERCENTAGE INTEREST**" means the undivided percentage interest from time to time of each Unit, determined as provided in Section 9, below.

- (o) **"PERSON"** shall mean an individual, corporation, partnership, association, trust, limited liability company or other legal entity.
- (p) **"PLAT"** shall mean the condominium plat of the condominium a copy of which is attached hereto as **EXHIBIT C**, being recorded pursuant to the Act contemporaneously with this Declaration, as the same may be amended from time to time.
- (q) **"RULES AND REGULATIONS"** means the Rules and Regulations of the Association, and as amended from time to time.
- (r) **"UNIT"** shall mean that part of the Condominium designed and intended for the exclusive use by an Owner, as further defined herein.
- (s) **"UNIT NUMBER"** shall mean the number identifying a Unit.

5. DESCRIPTIONS OF BUILDINGS AND UNITS

5.1 UNIT IDENTIFICATION. Each Unit shall be specifically designated by a Unit number. The Unit numbers are set forth on the Condominium Plat. Every deed, lease, mortgage or other instrument may legally describe a Unit by identifying its Unit number, and every such description shall be deemed good and sufficient for all purposes, as provided in the Act. The street addresses of the Units are set forth on the attached **EXHIBIT D**.

5.2 DESCRIPTION OF UNITS.

(a) The Initial Condominium shall consist of thirty-five (35) units (individually, a "Unit" and collectively, the "Units"). Units are identified by number as indicated on the Condominium Plat. Each Unit and common area to which it has access are shown on the Condominium Plat.

(b) Each Unit shall consist of a cubicle of air enclosed within the exterior boundaries described as follows:

(i) The vertical or perimetrical boundaries of the Unit shall be the planes of the Unit boundaries shown on the Condominium Plat, extended in each case to an intersection with the upper and lower boundaries.

(ii) The lower boundary of the Unit shall be parallel to, and extending 25 feet below the horizontal plane of the surface of the Land within, and perpendicular to, the vertical boundaries.

(iii) The upper boundary of the Unit shall be parallel to, and extending 100 feet above, the horizontal plane of the surface of the Land within, and perpendicular to, the vertical boundaries.

(c) If any portion of the common elements or limited common elements (as hereinafter defined) shall encroach upon any Unit, or if any Unit shall encroach upon any other Unit or upon any portion of the common or limited common elements as a result of the duly authorized construction, reconstruction or repair of any improvements or as a result of settling or shifting of any improvements, a valid easement for the encroachment and for its maintenance shall exist so long as the improvements, common or limited elements exist.

5.3 **DECLARANT'S RIGHT TO CHANGE PLANS.** Declarant reserves the right to change, without the approval of the Unit Owners or the Association, the layout, location, dimensions and construction details of the Buildings, Units and Common Elements, including, but not limited to any Limited Common Elements shown on the Condominium Plat, which are not yet constructed, provided that such changes shall not substantially alter the nature and quality of the Buildings, Units or Common Elements.

6. EXPANSION OF CONDOMINIUM

6.1 **Option to Expand.** The Declarant, its successors and assigns, for a period of ten (10) years from the date of the recording of this Declaration, hereby expressly reserves an option to expand the Property in compliance with Section 703.26 of the Act without the consent of any Unit Owner or Mortgagee. Declarant shall be under no obligation to and makes no representations that it will expand or construct any part or all of the Condominium and no Unit Owner or other person shall have the right to require the same. The option to expand is subject to the following:

(a) the total area of Expansion Real Estate added to the Condominium shall not exceed the total area of the Expansion Real Estate as depicted on the Condominium Plat and described in **Exhibit C**.

(b) the maximum number of Units in the Condominium as expanded will not exceed 47.

(c) each time Declarant desires to exercise its right to expand, Declarant shall execute and record an amendment to this Declaration, and an Addendum to the Condominium Plat which shall describe the portion of the Expansion Real Estate to be added to the Condominium, the number of Units to be added, a description of the additional Units and any additional Common Elements, the percentage Interest of each Unit, and any complimentary additions and modifications to the Declaration as may be necessary and desirable to reflect the different character, if applicable, of the Expansion Real Estate being submitted to the Declaration, including a provision for additional easements, or to reflect any adjustment to the Common Expenses in connection with the condominium as expanded.

(d) the Declarant has the sole right to determine the location, size, quality and other similar features of the Expansion Real Estate, including without limitation the Common Elements, Limited Common Elements, building size, and the Units; provided, however, the improvements to the Expansion Real Estate shall be completed in a manner which is substantially similar in quality and workmanship to the improvements theretofore subject to this Declaration. The Expansion Real Estate added to the Condominium shall be subject to the same use restrictions contained herein.

(e) in the event the Declarant exercises its right to expand the Condominium pursuant hereto, then upon any such expansion all references in this Declaration to the "Buildings," the "Condominium," "Units," "Property," "Owners," "Association," "Common Expenses" and all other terms which refer to the Condominium automatically shall refer to the Condominium as expanded.

(f) in the event the Condominium is expanded, the Percentage Interest shall be adjusted as set forth herein and the Common Expenses, Assessment and other similar expenses assessed by this Declaration and any other Condominium document shall be adjusted according to the then existing needs of the Condominium.

(g) in the event the Condominium is expanded, Unit Owners of Units added to this Declaration shall be entitled to vote, with each Unit having one vote, upon the recording of the Amendment to this Declaration which adds the Units to the Condominium, subject, however, to the prohibited voting provisions set forth elsewhere in this Declaration

6.2. **Consent.** By acceptance of a deed of conveyance of a Unit, the grantee is hereby deemed to:

(a) agree to the expansion of the Condominium and shall make no attempts to prevent the expansion of the Condominium in the event the Declarant decides to exercise its option to expand the Condominium; and

(b) acknowledge that the Expansion Real Estate or parts thereof may be developed for uses other than as part of the Condominium.

7. COMMON ELEMENTS AND FACILITIES.

7.1 Description. The common elements shall include all of the Condominium except its Units and shall include, but not be limited to, the following: the private roadways located on the Land, all access easements that provide access to the Land, the retention ponds and other storm water management improvements serving the Land, and all other utilities serving the Land. By way of explanation but not by way of limitation, the common elements shall include:

(a) Private Roadways (Private Driveways) as depicted and described on the Condominium Plat recorded on _____, as Document No. _____;

(b) The land that is subject to the Stormwater Maintenance Agreement recorded on _____, as Document No. _____;

The common elements shall be operated, repaired and maintained by and at the expense of Paradise Trails Condominium Association, Inc. (the "Association"), except as otherwise provided in this Declaration or the By-Laws of the Association.

7.2 Owner's Right to Ingress and Egress and Easement of Enjoyment.

Each Owner shall have the right to use the Common Elements, except for Limited Common Elements not appurtenant to their Unit, as may be required for any purpose, including, but not limited to ingress and egress to and from and the use, occupancy, and enjoyment of the Unit owned by such Owner. Such rights shall extend to the Unit Owner, his family members, agents, guests and invitees. The use of the Common Elements and the rights of Unit Owners with respect thereto shall be subject to and governed by the provisions of the Act and the Declaration, By-Laws and the Rules and Regulations.

7.3 Easements.

(a) Common Elements Easement. The Common Elements are hereby made subject to the following easements in favor of the Units benefited:

(i) for the installation, repair, maintenance, use, removal and/or replacement of air conditioning, heating and hot water systems and equipment, any chutes, flues, exhaust fans, ducts, conduits, wires, cables, electrical, security, telephone, television and other communication systems, water, sewer and gas mains and laterals, and all other utility lines and distribution systems, to the extent any such system or that portion of a system serves a particular Unit or is necessary for service to a Unit;

(ii) for the installation, repair, maintenance, use, removal and/or replacement of lighting fixtures, electrical receptacles, panel boards and other electrical installations which are a part of or serve any Unit but which encroach into a part of a Common Element adjacent to such Unit; provided that the installation, repair, maintenance, use, removal or replacement of any such item does not unreasonably interfere with the common use of any part of the Common Elements, adversely affect either the thermal or acoustical character of the Building or impair or structurally weaken the Building; or

(iii) for the maintenance of the encroachment of any lighting devices, outlets, medicine cabinets, shelving, wall safes, exhaust fans, ventilation ducts, registers, grilles and similar fixtures which serve only one Unit but which encroach into any part of any Common Elements.

(b) Unit Owner's Grant of Easement. By acceptance of a deed of conveyance, each Unit Owner thereby grants a right of access to his Unit, including, without limitation, the right of access provided by Section 703.32 of the Act, to the Association or their respective agents and employees, for the purpose of exercising their respective powers and responsibilities, including

without limitation making inspections, correcting any condition originating in a Unit and threatening another Unit or the Common Elements, performing installations, alterations or repairs to the mechanical or electrical services or the Common Elements in a Unit or elsewhere in the Condominium, or to correct any condition which violates the provisions of this Declaration and the By-Laws and Rules and Regulations; provided, that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. Notwithstanding the foregoing, in case of an emergency, such right of entry shall be immediate and without notice, whether or not the Unit Owner is present at the time. Any exercise of the rights herein conferred to the extent practicable shall be in a manner so as not to interfere unreasonably with the use of a Unit.

8. LIMITED COMMON ELEMENTS.

8.1 Description. Certain Common Elements shall be reserved for exclusive use of one or more Unit Owners, but less than all Units. The Limited Common Elements shall include those areas specifically designated as Limited Common Elements in this Declaration and/or on the Condominium Plat, The following common elements are designated as limited common elements and are assigned to and limited to the use of Units as follows (the "limited common elements"):

(a) the land immediately adjacent to the lower boundary of each Unit and located within the vertical boundaries of each Unit as shown on the Condominium Plat; and

(b) a permanent exclusive easement to construct and install footings, foundations, underground utilities and similar underground improvements reasonably necessary to construct and occupy a single-family residence within the Unit.

8.3 Use. The manner of use of the Limited Common Elements shall be governed by the Act, this Declaration, the By-laws, and Rules and Regulations, and no Unit Owner shall alter, remove, repair, paint, decorate, landscape or adorn any Limited Common Element, or permit such, in any manner contrary to the Act, this Declaration, the By-Laws and/or the Rules and Regulations. No major or structural changes or alternations, and no changes affecting the visual look of the exterior of a Unit or any common or Limited Common Element, shall be made by any Unit Owner to any Unit or to any of the Common or Limited Common Elements, without the prior written approval of the Association, which approval may be given or denied upon such terms and conditions as the Association deems appropriate.

9. PERCENTAGE OF OWNERSHIP IN COMMON ELEMENTS AND FACILITIES AND LIMITED COMMON ELEMENTS.

Each Unit Owner shall own an undivided interest in the Common Elements as a tenant in Common with all other Unit Owners and, except as otherwise limited by the Act, this Declaration, the By-laws, and the Rules and Regulations, shall have the right to use and occupy the Common Elements (other than Limited Common Elements not appurtenant to the Unit Owner's Unit) for all purposes incident to the use and occupancy of the Unit as a place of residence, and such other incidental uses permitted by this Declaration, which rights shall be appurtenant to and run with the Unit. The Percentage Interest in Common Elements shall be determined by dividing one (1) by the number of Units then included in the Condominium, except as modified by merger or separation of units per section 21 of this Declaration.

10. ASSOCIATION OF UNIT OWNERS.

10.1 Membership, Duties and Obligations. All Unit Owners shall be entitled and required to be a member of the Association of Unit Owners known as Paradise Trails Condominium Association, Inc. which shall be responsible for carrying out the purposes of this Declaration, including the exclusive management and control of the Common Elements and facilities and Limited Common Elements. Such Association shall be incorporated as a non-stock, non-profit corporation under the laws of the State of Wisconsin. Each Unit Owner and the occupants of the Units shall abide by and be subject to all of the rules, regulations, duties and obligations of the Act, this Declaration and the By-Laws and Rules and Regulations including the sharing of common expenses as described therein.

10.2 Voting Rights. Each Unit shall be entitled to one vote at meetings of the Association, except as modified by merger or separation of units per section 21 of this Declaration, subject, however, to the prohibited voting provisions set forth elsewhere in this Declaration (including section 15.13 hereof) and/or otherwise allowed by law. When more than one person holds an interest in any Unit the vote for such Unit shall be exercised as they, among themselves, determine, but in no event shall there be more than one vote cast with respect to any Unit. There can be no split vote. If only one of multiple Owners of a Unit is present at a meeting of the Association, the Owner present is entitled to cast the vote allocated to that Unit. If more than one of the multiple Owners is present, and any one of them purports to cast the vote allocated to that Unit on any issue without protest being made promptly by any other Owner(s) of such Unit to the person presiding over the meeting, it shall be conclusively presumed that such voting Owner had the authority to cast the vote. In the event of such a protest, if such dispute is not resolved by the multiple Owners prior to the vote being completed, said Unit shall not be entitled to cast a vote on that issue.

The respective rights, qualifications, prohibitions and obligations of the members relative to voting may be further set forth in the Articles of Incorporation and/or the By-Laws of the Association.

10.3 Control. Notwithstanding anything contained in this Declaration to the contrary, the Declarant shall totally govern the affairs of the Condominium until the first Unit has been sold to any person other than the Declarant. The Declarant may exercise any rights granted to, or perform any obligations imposed upon, Declarant under this Declaration through its duly authorized agent. Except as provided in Section 10.4, after the first Unit has been sold by

Declarant to any person other than Declarant, the Declarant shall have the right to appoint and remove the officers of the Association and to exercise any and all of the powers and responsibilities assigned to the Association and its officers by the Articles, Bylaws, the Condominium Ownership Act, this Declaration, and the Wisconsin Nonstock Corporation Law, until the earliest of: (a) ten (10) years from the date of recording of this Declaration, unless the statute governing expansion of condominiums is amended to permit a longer period, in which event, such longer period shall apply; or (b) thirty (30) days after the conveyance of seventy-five percent (75%) of the Common Element interest to purchasers. Nothing herein contained shall be construed to prevent Declarant from waiving its right to control at an earlier date. Each owner of a condominium Unit in the Condominium shall be deemed, by acceptance of any deed to any Unit, to agree, approve and consent to the right of Declarant to so control the Association.

10.4 Board of Directors. The affairs of the Association shall be governed by a board of directors ("Board of Directors"). Prior to the conveyance of seventy-five percent (75%) of the Common Element interest of the Condominium to purchasers, the Association shall hold a meeting, and the Unit Owners other than the Declarant shall elect at least thirty-three and one-third percent (33 1/3%) of the directors on the board of directors. For purposes of calculating the percentages set forth in Section 10.3 and this Section 10.4, the percentage of Common Element interest conveyed shall be calculated based on the percentage of undivided interest pertaining to each Unit conveyed, assuming that all Units Declarant has the right create by expansion are included in the Condominium.

10.5 Association Personnel. The Association may obtain and pay for the service of any person or entity to manage its affairs to the extent it deems advisable, and may hire such other personnel as it shall determine to be necessary or advisable for the proper operation of the Condominium. The Association may contract for common services or utilities as may be required for the Condominium or individual Units. All amounts payable by the Association to under such contracts shall be chargeable to the Owners as a Common Expense.

11. RESIDENTIAL PURPOSE.

The Buildings and the Units contained therein, and the Common Elements, are intended for and restricted exclusively to residential use as governed by the terms and conditions contained herein and by the By-Laws and/or Rules and Regulations. Notwithstanding the foregoing, until such time as the Declarant has sold all of its Units in the Condominium, the Declarant shall have the right to use any or all unsold Units, and any portion of the Common Elements (including but not limited to the Clubhouse) as may be necessary to expedite the sale of Units, including but not limited to the maintaining of a sales office, the maintaining of one or more model Units, the holding of open houses and the erecting of signs. The Association may not charge rent or bill the Declarant while the Declarant exercises its rights to use any portion of the Common Elements. The use of Units and Common Elements is further subject to the following:

- (a) The Declarant may lease a Unit on such terms and conditions as it desires in its sole discretion. After a Unit has been conveyed by Declarant to an Owner, it may not thereafter be leased except for a term of no less than ninety (90) days. If a Unit is leased by an Owner, the Owner of such Unit shall notify the Association of the tenant's or tenants' name or names, telephone number, and email address, and such Owner shall notify the Association prior thereto of the Unit Owner's forwarding address and of a telephone number and email address

where the Unit Owner can be reached. Within five (5) business days after entering into or renewing a written condominium rental agreement, the Unit Owner shall provide a copy of the agreement to the Association along with proof of rental insurance. Any rental agreement shall contain a provision obligating the tenant to abide by this Declaration, the Articles, the By-laws, and/or the Rules and Regulations and shall provide that any default arising out of the tenant's failure to abide by the Declaration, the Articles, the By-laws, and the Rules and Regulations shall be enforceable by the Association as a third-party beneficiary to the lease and that the Association shall have, in addition to all rights and remedies provided under the Declaration, the Articles, the By-laws and/or the Rules and Regulations, the right to evict the tenant and/or terminate the lease should any such violation continue for a period of ten (10) days following delivery of written notice to the tenant specifying the violation. The Association shall keep a copy of any condominium rental agreement on file while the agreement is in effect. Before a tenant occupies a Unit, the Unit Owner shall provide a copy of the Declaration, By-laws and Rules and Regulations to the tenant or place the information in the Unit. In no event shall a Unit Owner be relieved from any obligation imposed by the Act, this Declaration, the By-Laws and/or Articles of Incorporation, and/or Rules and Regulations adopted pursuant thereto, including but not limited to the duty to pay Assessments and Common Expenses. The rental of Units is further subject to such further conditions and restrictions as may be set forth in the By-Laws and/or Rules and Regulations of the Association, including but not limited to a limit on the percentage of Units that are not owner occupied.

(b) A Unit shall not be rented for transient or hotel purposes, which shall be defined as: (i) any rental for periods of less than one hundred eighty (180) days; or (ii) any rental if the occupants of the Unit are provided customary hotel services, such as room service for food and beverage, maid service, bellboy service or laundry service.

(c) No sign of any kind shall be displayed to the public view on any Unit without the written consent of the Association or, if Declarant owns at least one Unit, the Declarant. The Declarant reserves the right to erect signs, gates, or other entryway features surrounded with landscaping at the entrances to the Condominium and to erect appropriate signage for the sales of Units.

(d) Parking areas (including driveways on which parking is allowed), whether designated Units, Common Elements or Limited Common Elements, shall be used only for the parking of private passenger automobiles, pickup trucks, motorcycles and bicycles. Such vehicles shall at all times, be in running condition and bear current license plates. Persons using such parking areas shall, at reasonable times, for a reasonable period and upon reasonable notice, remove their vehicles therefrom to permit the parking areas to be repaired, resurfaced, repainted or to permit cleaning thereof or the removal of snow therefrom or for similar purposes. No more than two (2) vehicles shall be parked on a driveway, except multiple vehicles may be parked on a driveway on a temporary, short-term basis when several guests may be visiting a Unit at one time. In no case may a

vehicle be parked outside of a garage and not moved for more than three (3) consecutive days.

(e) Pets are permitted, subject to conditions, restrictions and prohibitions as may be set forth in the By-laws and/or the Rules and Regulations.

(f) Exterior antennae may not be placed on any building. Satellite dishes may be placed on the Buildings or the Limited Common Element appurtenant to an Owner's Unit, but only with prior approval of the Association, which approval shall not be unreasonably withheld, conditioned or delayed.

(g) A Unit Owner's may not plant any flowers, vegetables, trees, shrubbery or other plants in any Common Element unless specific written approval is provided by the Association. Such approval may be granted or denied at the sole discretion of the Association. If planting approval is granted, the Association shall have the right to remove, dispose of, relocate, trim and/or prune any such planting as it may thereafter determine, in its sole discretion, at unit owner expense. Approval, if granted, may include restrictions.

12. REPAIRS AND MAINTENANCE.

12.1 Individual Units. Each Unit Owner, at his sole expense, shall be responsible for keeping his Unit, including those items set forth in Section 5.3 and all of the equipment, fixtures and appurtenances, located on or upon the Unit and the Limited Common Elements, in good order, condition and repair and in a clean and sanitary condition all as may be more fully set forth in the By-Laws and/or Rules and Regulations of the Association along with Board of Directors' approval. Without in any way limiting the foregoing, in addition to decorating and keeping the Unit in good repair, each Unit Owner shall be responsible for the maintenance, repair or replacement of any plumbing fixtures, doors and windows (including washing and replacement of broken glass), screens and screening, lighting fixtures, refrigerators, ranges, heating and air conditioning equipment, dishwashers, disposals, planting areas, laundry equipment such as washers and dryers, interior electrical wiring and fixtures, all communication systems, water, sewer, and gas main and laterals and other utility lines, distribution systems and other fixtures and equipment and any portions thereof exclusively serving that Unit, while any portions thereof serving more than one Unit or any portion of the Common Elements shall be deemed a part of the Common Elements. The Unit Owner shall be solely responsible for the cost of repair of any damage to the Condominium caused by the Unit Owner's failure to discharge his obligation pursuant to this Section 12.1. If a Unit Owner fails to discharge his obligations pursuant to this Section 12.1, then the Association shall have the right, but not the obligation, to discharge such obligations on behalf of the Unit Owner and any if the costs so incurred by the Association are not promptly repaid to the Association, then the Board of Directors shall assess a Special Assessment against the Unit for such expense.

12.2 Common Elements and Facilities. Except as otherwise set forth herein, the Association shall be responsible for the management and control of the Common Elements, including any Limited Common Elements serving more than one Unit, and shall cause the same to be kept in good, clean, attractive and sanitary condition, order and repair. Without in any way limiting the foregoing, this shall include all repair and maintenance of the Buildings, including, the exterior walls and roofs, parking, upkeep and maintenance of private roadways, water, sanitary

and storm sewer mains and laterals, sidewalks, drives, snow and ice removal from paved roadways, sidewalks, pedestrian walk, driveways and parking areas of the Property, lawn care, including landscaping, fertilizing, watering, weed control, tree pruning, grass cutting, edging and trimming and such actions as may be necessary to maintain the Common Elements in compliance with all applicable laws, codes and ordinances. All expenses of the Association, except as otherwise set forth in this Declaration and/or the By-Laws, and/or the Rules and Regulations shall be charged to the Unit Owners as a Common Expense.

12.3 Prohibition Against Structural Changes by Owner. A Unit Owner shall not, without first obtaining the written consent of the Board of Directors of the Association, make or permit to be made any structural alterations, or major changes or improvements to his Unit, or in or to the exterior of the Building in which his Unit is located or any Common Element, including, but not limited to any Limited Common Elements and facilities or make or install any improvements or equipment which may affect other Unit(s) or the Owner(s) of other Unit(s). A Unit Owner shall not perform, or allow to be performed, any act which will impair the structural soundness or integrity of any Building, or the safety of property, or impair any easement or hereditament, without the prior written consent of the Association.

12.4 Decorating. Each Unit Owner shall have the exclusive right to paint, repaint, tile, panel, paper or otherwise refurbish and decorate the interior surfaces of the walls, ceilings, floors and doors forming the boundaries of their Unit and all walls, ceilings, floors and doors within such boundaries, and to erect partition walls of a non-structural nature within their Unit.

12.5 Assumption by Association of Unit Maintenance. The Association may, by resolution adopted by the affirmative vote of the majority of all members (not merely the majority vote of the members present at a meeting at which a quorum is present) authorize the Association to assume responsibility, in whole or in part, for the maintenance, repair and/or replacement of some or all of those portions of the Units (such as windows, window frames, exterior doors, garage doors, patios, porches, decks, etc.) which affect the exterior appearance of Units in the Condominium, and to charge the expenses for same as a Common Expense. Any such resolution may be amended, modified and/or rescinded at any time by the affirmative vote of the majority of all members, provided, however, if work has been completed as to some, but not all, of the Units, work on the remaining Units shall be completed and paid for as a common expense pursuant to the original resolution so as to put all Units in a comparable state of repair.

12.6 Delegation of the Maintenance of Common Elements. Notwithstanding any other provision of this Declaration, the Association is hereby expressly granted the power to delegate to Unit Owners some or all of the routine maintenance of Common Elements and/or Limited Common Elements, and the expense of repair and/or replacement occasioned by the failure of the Unit Owner to properly maintain same shall be the responsibility of the Unit Owner. The delegation of maintenance responsibilities shall be as authorized in the Bylaws. The Association, at its option, may establish specific maintenance requirements for said delegated maintenance responsibilities in its Rules and Regulations.

13. DESTRUCTION AND RECONSTRUCTION.

13.1 Repair and Reconstruction. In the event the common element improvements, including, without limitation, private roadways serving the Condominium are destroyed or damaged, action by the Association by vote of 100% of all Unit owners taken within

90 days after such damage or destruction shall be necessary to determine not to repair or reconstruct the common element improvements.

13.2 Assessments and Partition. In the event that the proceeds of any insurance collected are insufficient to pay the estimated or actual costs of repair or reconstruction, the excess cost shall be a Common Expense; provided, however, that in the event of damage to an extent more than the available insurance, this Condominium shall be subject to an action for partition, upon obtaining the written consent of the Unit Owners having no less than seventy-five percent (75%) of the votes. In the event of partition, the net proceeds of sale, together with any net proceeds of insurance shall be considered as one fund and shall be divided among all Unit Owners in proportion to their Percentage Interest, and shall be distributed in accordance with the priority interests in each Unit.

14. INSURANCE.

The Association shall obtain and maintain fire and broad form extended coverage insurance on the Buildings, General Common Elements, Units, and Limited Common Elements ("Covered Elements") in an amount not less than the full replacement value of the Covered Elements, including endorsements for automatic changes in insurance coverage as fluctuating values may warrant, contingency endorsements covering nonconforming use and a Special Condominium Endorsement. Each Unit Owner shall obtain and maintain fire, casualty, and special form insurance coverage all personal property located therein for not less than the full replacement value thereof. Association Insurance coverage shall be written in the name of the Association as trustee for each of the Unit Owners and their respective Mortgagees in accordance with their Percentage Interest. Premiums shall be a Common Expense. To the extent the Board determines it is reasonably possible at a reasonable price, the insurance shall provide that the insurer waives its rights of subrogation as to any claim against Unit Owners, the Association, and their respective servants, agents and guests, and that the insurance cannot be canceled, invalidated nor suspended on account of conduct of any one or more Unit Owners, or the Association, or their servants, agents and guests, without thirty (30) days prior written notice to the Association giving it opportunity to cure the defect within that time. The amount of protection and the types of hazards to be covered shall be reviewed by the Board of Directors of the Association at least annually and the amount of coverage may be increased or decreased at any time as deemed necessary as determined by the Board of Directors to conform to the requirements of full insurable value. The amount of protection and the types of hazards to be covered shall be reviewed by the Board annually and the amount of coverage may be increased or decreased at any time it is deemed necessary by the Board to conform to the requirements of replacement value insurance. Any Mortgagee may receive an insurance certificate upon ten (10) days prior written notice.

In the event of partial or total destruction of the all or part of the Condominium insured hereunder, and the repair or reconstruction of the same in accordance with the Section 13 hereof, the proceeds of such insurance shall be paid to the Association as trustee to be applied to the cost thereof. If it is determined not to reconstruct or repair, then the insurance proceeds together with the net proceeds of sale of the property shall be distributed to the Unit owners and their mortgagees, if any, as their respective interests may appear, in the manner provided in Section 13.2.

If insurance coverage is available to combine protection for the Association and some or all of the Unit Owners' personal property, located on or about the individual Units, the Board of Directors is hereby given discretionary power to negotiate and obtain such combination of protection on an equitable cost-sharing basis under which the Unit Owner would be assessed individually for the amount of insurance the Association includes in such policies for the Unit owner's additional protection. Copies of all such policies shall be provided to each Mortgagee. Individual Unit Owners may or may not be given the option to refuse participation in such combined insurance. Nothing contained in this paragraph shall be deemed to prohibit any Unit Owner, at the unit owner's expense, from obtaining any additional insurance coverage on the Unit.

The Association shall provide public liability insurance covering the Common Elements in such amounts as may be determined at the discretion of the Board of Directors from time to time; provided, however, the amount of coverage shall not be less than One Million Dollars (\$1,000,000.00) per single occurrence. All premiums for such insurance shall be Common Expenses. Each Unit Owner shall have the right to insure its own Unit for personal benefit. The Association shall also provide workman's compensation insurance when appropriate, and may provide directors' and officers' liability insurance and fidelity bonds on such officers and employees in such amounts and with such coverage, as is determined by the Board of Directors to be necessary or advisable from time to time.

All required insurance shall be issued by an insurance company with a minimum of an A general policyholder's rating and of a class III financial size category in the Best's Key Rating Guide.

15. COVENANT FOR ASSESSMENTS.

15.1 Agreement to Pay Assessment. The Declarant for each Unit owned by it hereby covenants, and each Owner of any Unit by the acceptance of a deed therefore, whether or not it be so expressed in the deed shall be deemed to covenant and agree with each other and with the Association to pay to the Association for the purpose provided in this Declaration, the share of the Common Expenses of Association assessed against such Owner, as well the Unit itself. Except as otherwise provided herein, "Common Expenses" shall be any and all expenses incurred by the Association in connection with the management of the Condominium, the maintenance and repair of the Common Elements and administration of the Association, which shall include, by way of illustration and not limitation, utilities, water usage, insurance, management services, landscaping, the clubhouse, and other amenity maintenance and servicing, reserves, capital improvements, office supplies and such other reasonable and necessary expenses as determined by the Association's Board of Directors from time to time. Such Assessments shall be fixed, established and collected from time to time in the manner provided in the By-laws. No Unit Owner may exempt them self from any Assessment by waiver of use and enjoyment of any of the Common Elements or by abandonment of their Unit.

15.2 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the Members and for the improvement and maintenance of the Common Elements, and such emergency repairs as the Association may deem necessary and such other purposes as are permitted by the terms of the Board of Directors of the Association. Notwithstanding the foregoing, the Association shall not be liable or responsible for, or in any manner a guarantor or insurer of, the health, safety or welfare of any Unit Owner, occupant or user of any portion of the Property including, invitees,

agents, servants, contractors or subcontractors or for any property of any such persons. Without limiting the generality of the foregoing, each Unit Owner and each other person having an interest in or lien upon, or making a use of, any portion of the Property shall be bound by this Section and shall be deemed to have automatically waived any and all rights, claims, demands and causes of action against the Association arising from or connected with any matter for which the liability of the Association has been disclaimed in this Article.

15.3 General Assessments. The Board of Directors of the Association shall from time to time, and at least annually, prepare a budget and fix the General Assessment, which shall include reserves for replacement of Common Elements.

15.4 Special Assessments. In addition to the General Assessments authorized above, the Association may levy Special Assessments for the purposes of: (a) defraying, in whole or in part, the costs of any acquisition, construction, reconstruction, repair or replacement of a capital improvement and/or personal property for common use; (b) offsetting shortages resulting from non-collection of annual or special assessments or underestimation of same; and (c) unusual or unpredicted costs including but not limited to the cost of collecting annual or special assessments or enforcement of the provisions of the Declaration, By-laws and/or Rules & Regulations.

15.5 Special Assessments Against a Particular Unit. Special assessments may be made by the Board of Directors of the Association against a particular Unit Owner and his Unit for:

(a) Costs and expenses (anticipated or incurred) for damage to the Common Elements caused by or at the direction of that Unit Owner or guests or tenants of the Unit Owner or other occupants of the Unit;

(b) Costs, expenses and actual attorneys' fees incurred in, or in anticipation of, any suit, action or other proceeding to enforce the Act, the Declaration, the By-Laws, or the Rules and Regulations where there is found to be a violation thereof;

(c) Costs and expenses (anticipated or incurred) for emergency repairs to a Unit;

(d) Liabilities, costs and expenses incurred by the Association as a result of any temporary or permanent condition or defect in the Unit or any Limited Common Elements;

(e) Interest due on General Assessments and Special Assessments;

(f) Forfeitures and other penalties as provided for in the By-Laws and/or Rules and Regulations levied by the Board for violations of the Act, the Declaration, the By-Laws, or the Rules and Regulations by a Unit Owner or the tenants or guests of the Unit Owner or occupants of a Unit.

(g) Costs and expenses incurred by the Association for the maintenance, repair and/or replacement of Common Elements and facilities resulting from the failure of a Unit Owner to perform delegated maintenance.

(h) Sums due the Association under the Declaration, the By-Laws, or the Rules and Regulations, including, among others, those pursuant to Sec. 8.2 and/or Sec. 19.1 of this Declaration.

(i) All other costs and expenses anticipated or incurred by the Association which are subject to special assessments as provided under this Declaration or the By-Laws.

15.6 Working Capital. Each purchaser of a Unit from Declarant shall pay to the Association, at time of conveyance of the Unit by Declarant, for working capital purposes, a sum equal to five hundred dollars (\$500.00), to be allocated for such purposes as the Association may determine in its discretion. As long as Declarant is in control of the Association, Declarant shall not use any of said working capital funds to defray Declarant's expenses or construction costs.

15.7 Uniform Rate of Assessment. Both Annual Assessments and Special Assessments must be fixed at a uniform rate for all Units subject to Assessment; provided, however, the Association shall assess an individual Unit for all sums due solely from that Unit as provided in Section 15.5 above.

15.8 Date of Commencement of Assessments. The General Assessments provided for herein shall be payable in monthly installments and the monthly installments shall commence as to each Unit on the date of the conveyance of said Unit by the Declarant. The first annual assessment for each Unit shall be adjusted and prorated according to the number of months then remaining in the calendar year. Partial months shall be prorated on a daily basis. Written notice of the General Assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall have the authority to modify Assessments during any fiscal year. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Unit have been paid.

15.9 Declarant's Obligation for Common Expenses During Period of Declarant Control. Notwithstanding anything to the contrary herein, as set forth during the period of Declarant control of the Association as described in Section 10.3 above and under Sec. 703.15 (2)(c), Wis. Stats., no General Assessments shall be assessed against any Unit owned by Declarant for any time period prior to the first day of the first month following the commencement of actual occupancy of the Unit for residential purposes. During the period of Declarant Control, however, if any unit owned by the Declarant is exempt from assessments for common expenses until the unit is sold, the total amount assessed against units that are not exempt from assessments may not exceed the amount that equals nonexempt units' budgeted share of common expenses, based on the anticipated common expenses set forth in the annual budget. The Declarant is liable for the balance of the actual common expenses.

15.10 Lien for Assessments. All Assessments, when due, together with interest thereon and actual costs of collection, as provided herein, shall become a personal liability of the Unit Owner and also a lien, until paid, on such Unit in favor of the Association. Such lien shall be superior to all other liens and encumbrances on such Unit, except only for:

- (a) Liens of general and special taxes; and
- (b) A Lien for all sums unpaid on a first Mortgage, or on any Mortgage to the Declarant, duly recorded in the Washington County, Wisconsin, Register of Deeds Office, prior to the making of such Assessment, including all unpaid obligatory advances to be made pursuant to such Mortgage and all amounts advanced pursuant to such mortgage and secured by the lien thereof in accordance with the terms of such instrument; and
- (c) Mechanics liens filed prior to the making of the Assessment;
- (d) All sums unpaid on any Mortgage loan made pursuant to Section 45.80 Wis. Stats.; and
- (e) A lien under Section 292.31 (8) (i) or 292.81, Wis. Stats.

All other lienors acquiring liens on any Unit after this Declaration has been recorded shall be deemed to consent that such liens shall be inferior to future liens for Assessments, as provided herein, whether or not such consent be specifically set forth in the instruments creating such liens.

To evidence a lien for sums assessed pursuant to this Declaration, the Association may prepare and file a written notice of lien in any manner allowed by law at the time of filing of the lien. No notice of lien shall be filed until there is a delinquency in payment of the Assessment. Such lien may be foreclosed or otherwise enforced in any manner permitted by law at the time of enforcement. Except to the extent limited or prohibited by applicable law in effect at that time, the Association shall be entitled to recover all costs and expenses of filing the notice of lien, and all costs and expenses incurred by the Association in and/or relating to such action, including but not limited to reasonable attorney's fees. All such costs and expenses shall be secured by the lien. The Owner shall also be required to pay to the Association any Assessments against the Unit which shall become due during the period of foreclosure. The Association shall have the right and power to bid at the foreclosure sale or other legal sale and to acquire, hold, convey, lease, rent, encumber, use and otherwise deal with the Unit as the Owner thereof.

Any encumbrancer holding a mortgage or other lien on a Unit may pay, but shall not be required to pay, any amounts secured by the lien created by this Section, and upon such payment such encumbrancer shall be subrogated to all rights of the Association with respect to such lien, including priority.

The Association shall, upon written request, report to any encumbrancer of a Unit any unpaid assessments remaining unpaid for longer than sixty (60) days after the same shall have become due and any default in the performance by the individual Unit of any obligation under the this Declaration, the By-Laws or the Rules and Regulations, which is not cured within sixty (60)

days; provided, however, that such encumbrancer first shall have furnished to the Association written notice of such encumbrance.

15.11 Effect of Non-payment; Remedies. Any Assessments not paid when due shall be delinquent. Any Assessment or installment thereof not paid within ten (10) days after the due date shall bear interest from the due date at a rate of interest which is two percent (2%) higher than the rate prescribed by the Wisconsin Statutes to be collected upon execution upon judgment. (In lieu of charging such interest, the Board may, from time to time, fix a reasonable late fee for each month or fraction thereof that such assessment is not paid.) All payments on account shall be first applied to the interest or late charge, if any, and then to the assessment payment first due. The Association may bring an action at law against any or all past or present Unit Owners, occupants and tenants personally obligated to pay the same, or foreclose the lien against the property. A suit to recover a money judgment for unpaid assessments hereunder may be maintainable without waiving the lien securing the same. Except to the extent limited or prohibited by applicable law in effect at that time, the Association shall be entitled to recover all costs and expenses incurred by the Association in and/or relating to such action, including but not limited to reasonable attorney's fees. If any installment of any assessment becomes delinquent, the privilege of paying such assessment in installments may, at the option of the Association, be terminated and, if such delinquent installment be of an annual assessment, the entire annual assessment for the remainder of the fiscal year, or if the delinquent installment be of a special assessment, the entire special assessment, may, at the option of the Association, be declared, without further notice, due and payable and, in such event, same shall be considered delinquent. The Association shall be entitled to recover from the applicable Unit Owners responsible for payment (past or present), jointly and severally, all costs and expenses of collection, including but not limited to reasonable attorney's fees.

15.12 Sale or conveyance. The Sale or transfer of any Unit shall not affect the assessment lien. The sale or transfer of any Unit pursuant to the foreclosure of a mortgage or other lien having priority as set forth in Section 15.10 shall extinguish the lien of such assessments (to the extent of the priority of such mortgage or other lien) as to payments which became due prior to such sale or transfer. No sale or transfer pursuant to foreclosure shall relieve such Unit from liability for any Assessments which thereafter become due or from the lien thereof.

15.13 Prohibited Voting. A Unit Owner shall be prohibited from voting at a meeting of the Association if the Association has recorded a statement of condominium lien on the Owner's Unit and the amount necessary to release the lien has not been paid at the time of the meeting.

15.14 Statutory Reserve Account. The Declarant elects not to establish a Statutory Reserve Account at the time of creation of this condominium. Pursuant to the provisions of sec. 703.163 (4), Wis. Stats., the issue of a Statutory Reserve Account shall be addressed at the first annual meeting of the Association held after, or at a special meeting of the Association held within one year after, the expiration of the period of Declarant control.

15.15 Association Dues on Unbuilt Units. In the event units are created but no construction has occurred on these pads, association dues are not payable for the first twelve months after the creation of the vacant unit. In the event construction has not completed within twelve months, and to acknowledge the reduced cost burden associated with unbuilt units, special provision is made to assess the owners of these vacant pads thirty-five percent of the dues

assessed on the remaining units. This special provision shall not apply to the Declarant if the Declarant instead opts to fund association shortfalls.

16. PARTITION OF COMMON ELEMENTS PROHIBITED.

There shall be no partition of the Common Elements through judicial proceedings or otherwise, except as otherwise provided in the Act or this Declaration, until this Declaration is terminated and the property is withdrawn from its terms or from the terms of the applicable statutes regarding Unit ownership or condominium ownership; provided, however, that if any Unit shall be owned by two or more co-owners as tenants in common or as joint tenants, nothing contained herein shall be deemed to prohibit a voluntary or judicial partition (by sale, but not in kind) of said single Unit as between such co-owners. No Unit may be subdivided or separated.

17. CONVEYANCE TO INCLUDE INTEREST IN COMMON ELEMENTS AND FACILITIES AND LIMITED COMMON ELEMENTS.

The percentage of the undivided interest in the Common and Limited Common Elements and facilities shall not be separated from the Unit to which it appertains. No Unit owner shall execute any deed, mortgage, lease or other instrument affecting title to such Unit ownership without including therein both the Unit owner's interest in the Unit and the corresponding percentage of ownership in the Common and Limited Common Elements and facilities, it being the intention thereof to prevent any severance of such combined ownership. Any such deed, mortgage, lease or other instrument purporting to affect the one without including also the other shall be deemed and taken to include the interest so omitted even though the latter is not expressly mentioned or described therein.

18. EASEMENTS, RESERVATIONS AND ENCROACHMENTS.

18.1 Utilities. Easements may hereafter be declared and granted through or over the Common Elements by the Association, provided, however, that as long as Declarant owns any unsold Unit, no easement shall be granted by the Association without Declarant's prior written consent. Easements for the benefit of Unit Owners are hereby declared and granted, for utility purposes, for all utility service lines now existing or hereafter installed by or with the consent of Declarant over, under, along and on any part of the Units, Common Elements and Limited Common Elements and facilities.

18.2 Construction Easement. Notwithstanding anything to the contrary in this Declaration, the Condominium Plat, By-laws, or Rules and Regulations, until Declarant shall have constructed and sold all Buildings and Units, completed all improvements to the Common Elements and satisfied all of its rights and obligations under any or all of the foregoing, Declarant reserves an easement for itself and its duly authorized agents, representatives, and employees, over portions of the Common Elements and any Units owned by Declarant for construction or renovation on the Property or the Expansion Real Estate or related purposes including: storing tools, machinery, equipment, building materials, appliances, supplies and fixtures; maintaining and correcting drainage of surface, roof or storm water; cutting any trees, bushes, or shrubbery; grading the soil or taking any other action reasonably necessary. In the event the Declarant exercises its rights under this Section, the Declarant shall upon, completion of the construction, promptly restore the affected property as closely as possible to the condition it was in prior to the

construction. Each Unit Owner hereby acknowledges that the activities of the Declarant may temporarily impair the view and cause inconveniences to the Unit Owners.

18.3 Easement to Facilitate Sales. The Declarant reserves the right to use the Clubhouse Building or any Units owned or leased by the Declarant as models, management offices, sales offices (for this and other projects) or customer service offices. The Declarant reserves the right to relocate the same from time to time within the Property; upon relocation, the furnishings thereof may be removed. The Declarant further reserves the right to maintain on the Property such advertising signs as may comply with applicable governmental regulations, which may be placed in any location on the Property and may be relocated or removed, all at the sole discretion of the Declarant. The Declarant shall have the right to restrict the use of certain Common Element parking spaces for sales purposes and to use such spaces for sales purposes. Further, the Declarant shall have the right to erect, maintain, relocate and remove temporary offices on the Property. The reservation of this easement to facilitate sales also applies to the Expansion Property. This easement shall continue until the Declarant has sold all the Units it owns.

18.4 Encroachments. In the event that by reason of the construction, reconstruction, settlement, or shifting of any of the buildings or the design or construction of any Unit, any part of the Common Elements and facilities, or Limited Common Elements, encroaches or shall hereafter encroach upon any part of any Unit, or any part of any Unit encroaches or shall hereafter encroach upon any part of the Common Elements and facilities, or Limited Common Elements, or any portion of any Unit encroaches upon any part of any other Unit, valid easements for the maintenance of such encroachment are hereby established and shall exist for the benefit of such Unit so long as all or any part of the building shall remain standing, and Unit and Common Element boundaries shall be as provided in the Act. Provided, however, that in no event shall a valid easement for any encroachment be created in favor of the owner of any Unit or in favor of the owner or owners of the Common Elements or facilities, or Limited Common Elements, if such encroachment occurred due to the willful and knowing conduct or acquiescence of said owner or owners.

18.5 Access Utility and Storm Water Easements. The Condominium Plat for Paradise Trails Condominium sets forth various easements, including, but not necessarily limited to, Utility, Access, Sanitary Sewer, Water Main, Storm Water Management Access, and Drainage Easement areas. All of said easement areas are for the use and benefit of the lands within Paradise Trails Condominium, as described on the attached **Exhibit A**, as well as all of the Expansion Lands, as described on the attached **Exhibit B**. To the extent said easement areas are within lands now or (after expansion of the Condominium) hereafter included within Paradise Trails Condominium, Declarant retains a permanent, perpetual, and non-exclusive easement in each of said easement areas, for the purposes intended, for the use and benefit of the lands described on the attached **Exhibit C**. To the extent that said easement areas are within the Expansion Lands, as described on the attached **Exhibit B**, or so much thereof as are not hereafter added to Paradise Trails Condominium by expansion of the Condominium, Declarant hereby grants to Paradise Trails Condominium, a permanent, perpetual and non-exclusive easement in each of said areas, for the purposes intended, for the use and benefit of the lands now or hereafter included within Paradise Trails Condominium. A separate document titled "Paradise Trails Easement Agreement" may be executed and recorded for the purpose of further documenting and defining said easements, including but not limited to maintenance and repair responsibilities, and for the purpose of

preventing the termination of the easements in the event of the amendment of this Declaration and/or termination of the condominium status.

18.6. Binding Effect. All easements and rights described in this Section 18 are easements appurtenant, running with the land. All easements and rights described herein are granted and reserved to, and shall inure to the benefit of and be binding on, the Declarant, its successors and assigns, and on all Unit Owners, purchasers and mortgagees and their heirs, personal representatives, successors and assigns. The Association or the Declarant shall have the authority to execute and record all documents necessary to carry out the intent of this Section 18.

19. ARCHITECTURAL CONTROL.

19.1 Architectural Control Authority. No exterior additions or alterations (including painting or decorating) of any Unit, Buildings, porches, patios, decks, awnings, additional fences, or changes in existing fences, hedges, shrubs, trees, landscaping, walls, walkways and other structures or plantings, or improvement to or enclosure of any Limited Common Element, shall be constructed, erected, planted or maintained (except such as are installed or approved by the Declarant in connection with the Construction) of the building until the plans and specifications showing the nature, kind, shape, height, materials, location, color, approximate cost, proposed impact on the appearance of the Condominium, and a statement identifying the project contractor shall have been submitted to and approved in writing by the Board of Directors of the Association. Approval may be granted or denied at the discretion of the Board. Approval is further subject to compliance with the provisions of Sec. 703.13 (5m) of the Wisconsin Statutes. The approval of any work shall not in any way be construed so as to impair the right of the Association to undertake any decoration or alteration to any Common Element, including any such work as may alter or eliminate the Owner's work approved, and no such decoration or alteration work by the Association shall create any liability by the Association to such Owner. Neither the members of the Board of Directors nor its designee(s) representative(s) or committee members shall be entitled to compensation to themselves for services performed pursuant to this paragraph, but compensation may be allowed to independent professional advisors retained by the Board or their designee(s). Any costs and expenses incurred by the Association relative to any application for approval (whether or not approval is granted) and/or enforcement of the provisions of this section, including but not limited to reasonable actual fees of attorneys, architects, engineers, surveyors, designers and/or construction experts, may be charged by the Association as a special assessment against the applicable Unit. In addition to the Association approval required above, the Unit Owner instituting any additions, modifications or changes is responsible, at the sole cost and expense of the Owner(s) of such Unit, for obtaining any required governmental approvals. The Owner(s) of such Unit (jointly and severally) shall further indemnify and hold harmless the Association and all other Unit Owners, upon demand, from all loss, costs, expenses, damages and costs of enforcement, including but not limited to fines, reasonable attorney's fees, and costs of modification and/or removal, resulting from the failure of the owner(s) of such Unit to properly obtain Association and/or governmental approval.

19.2 Declarant Control. During the period of Declarant Control, Declarant shall have the exclusive right to act as the representative of the Board for Architectural Control purposes.

19.3 Building and Use Restrictions.

(a) The Units shall be used solely for single family residential purposes. One single family residence may be constructed within each Unit, in accordance with the building standards and restrictions set forth in this Section. A Unit shall not be used for any commercial purpose, except home offices and occupations as permitted by the By-Laws.

(b) All buildings, structures and improvements constructed or installed within a Unit, other than a driveway extending to the private road located within the common elements, shall be located within the Building Site for such Unit as shown on the Condominium Plat. The owner of the Unit shall have the right to modify and/or relocate the Building Site within any Unit, as shown on the Condominium Plat, provided the Building Site maintains a minimum setback from any abutting street curb or right-of-way of 27 feet, a side yard setback of 7.5 feet, and a rear yard or INRA/UCO setback of 10 feet. The Unit owner shall record an amendment to the Condominium Plat to show any revisions to the Building Site within any Unit.

(c) No building or improvements shall be constructed, erected or placed within a Unit without the prior determination by the Board of Directors of the Association that the building or improvements comply with the building standards and restrictions set forth in this Section. All single family residences constructed within a Unit shall be subject to the following standards and restrictions:

(i) Only one single-family home building not to exceed two stories in height may be constructed within each Unit. The following types of buildings within Units shall have the following minimum sizes:

HOME TYPE:	MINIMUM SIZE:
One story	1,600 square feet
More than one story	1,800 square feet

For purposes hereof, "more than one story" includes homes referred to as one and a half story, two-story, split level or bi-level. The type of home and the number of square feet shall be determined on a uniform basis by the ACC and shall not include basement, attic, garage, porch or patio areas in the computation.

(ii) All residences shall be sided with vinyl, cedar, cement board siding, stone, brick or stucco. Fascia and soffit may be aluminum. Window and door wraps shall be at least four inch (4") nominal in width and used on all locations except on windows with shutters. All corners shall be six inch (6") trim boards. Front Elevation should contain at least one prominent architectural feature such as a front porch or a minimum of 100 square feet of stone or brick accent material. Stone or brick must terminate at an inside corner or have an acceptable termination point, as determined by the ACC. Side elevations of homes shall require a minimum of two (2) architectural elements for each ranch elevation and three (3) architectural elements for each two-story elevation. Architectural elements shall include any window, door, closed shutter (false window), typon, horizontal trim, or break in elevation or foundation.

The ACC shall be acting reasonably if it disapproves the Drawings, or any portion thereof, for a home because such home would be similar in appearance, or color, to other homes in close proximity, as determined by the ACC.

(iii) Garages. Each residence shall have a garage for not less than two cars attached to the residence containing a minimum of 440 square feet. All garage doors facing the street shall be decorative garage doors (raised panels shall not be considered decorative) with either glass inserts or have architectural design such as carriage style or similar. The Garage front shall not protrude more than four feet forward of the main building, and if the garage front protrudes it shall be matched in depth with some architectural detail of the main building.

(iv) Driveways. All drives shall be asphalt or concrete or some other hard surface as approved by the ACC and shall be installed no later than twelve (12) months from occupancy. No permanent gravel drive will be permitted.

(v) Curbing & Roadways. Unit Owner shall be responsible for repairing and/or replacing any curbing damaged during construction of the home. Damaged curbing shall be removed and replaced per municipal requirements as part of the driveway installation if allowed by the Municipality. The Declarant is responsible for placing the surface course of asphalt on the public roadways; the Lot Owner is hereby notified that it may occur after the structure is built on the Lot. Prior to installing the surface course of paving, the Municipality will inspect the roadways and curbing, if the Declarant is notified by the Municipality that curbing needs replacement, the owner of the Lot shall be responsible for costs associated with the replacement of the damaged curbing.

(vi) A residence shall have a roof made of dimensional shingles, or better, with a minimum pitch ratio of 6:12, 8:12 for front facing gables, or such other pitch as is specifically approved by the ACC. "3-tab" shingles shall not be allowed.

(vii) At the time of construction of a single family residence, the owner shall install, at the owner's expense, one (1) outdoor electric lamppost (the design and quality of which shall be specified by the Association), with an unswitched photo-electric cell, at a location on the Unit deemed appropriate by the Association, in the Association's discretion. The lamppost shall be maintained by the owner, at the owner's expense;

(viii) Cluster Box Units ("CBU"). The United States Postal Service requires the use of Cluster Box Units ("CBUs") within the condominium. At each unit closing, Buyer will pay a \$450.00 fee to cover the costs of installation of the CBUs for the condominium. The Association shall be responsible for all costs associated with the CBUs, including contracting and payment for the materials and installation. The Association will be responsible for coordinating maintenance and repairs of the CBUs along with initial distribution of the mailbox keys to the initial Unit owners. The Association will be responsible for providing a clear path free of snow or debris to the CBUs for the mail delivery carrier and residents. Upon the initial request from an Owner, the Association shall turn over all of the mailbox keys for that respective unit to the initial Owner in exchange for a signed agreement from the Owner. In the event keys are damaged, lost or not transferred to subsequent Owners; the current Owner shall have sole responsibility for coordinating obtaining keys to their box in the CBU and payment of all costs incurred.

(ix) No soil shall be removed from any Unit without the prior consent of the Association or its duly appointed agent. Any excess soil resulting from excavations shall be transported, at the Unit owner's expense, away from the Land or to such other areas of the Land or such other property as may be designated by the Association. The grading of any Unit shall substantially conform to the intent of the approved Master Grading Plan on file at the Town of Waukesha; and

(x) Within six (6) months from the substantial completion of the development of a single family residence on the Unit, the owner of the Unit shall plant at least one (1) tree with a minimum two inch (2") trunk diameter at grade along the street right-of-way of such Units in such locations as are specified by the Association. Additionally, each Unit must plant and maintain a minimum of one (1) – 2" caliper ornamental tree located in the front yard and a minimum of twelve (12) foundation plantings and mulched bed along the front foundation wall.

(xi) No outbuildings, above ground swimming pools, tennis courts, or satellite dish antennas greater than 24 inches in diameter shall be permitted on any Unit. All satellite dish antennas under 24 inches in diameter must be screened from the roadway and the view of the other Units by landscaping or other screening acceptable to the Association.

(xii) Alternative Energy. No solar collectors, wind turbines, or other exterior energy producing devices shall be erected or installed unless approved by the ACC.

(xiii) Dog Kennels. Dog kennels shall not be allowed on any Unit even one would otherwise be permitted by Municipal ordinance or code.

(xiv) Play Equipment. If an Owner chooses to install a play set of any size, whether temporary or permanent, said playground equipment must be approved in advance by the ACC and conform to Municipal codes and ordinances. Play equipment shall be located a minimum of ten feet (10') away from any property lines.

(xv) All utility lines, pipes and conduits bringing service to the improvements located within a Unit and, to the extent possible, all utility lines, pipes and conduits bringing utility services to the Condominium shall be located underground.

20. MORTGAGEE RIGHTS. Mortgagees of Units shall have the rights set forth below. In the event any provision of this Article conflict with any other provision of this Declaration, The Articles of Incorporation of the Association, or the By-Laws of the Association (collectively, the "project documents"), the provision more favorable to a Mortgagee shall control. If any provision of this Article conflicts with any required minimum provision of the Act, the more restrictive provision shall control. Mortgagee Rights are as follows:

20.1 Right of 1st Refusal. No right of first refusal in the condominium project documents shall adversely impact the rights of a mortgagee or its assignee to:

20.1.1 Foreclose or take title to a condominium Unit pursuant to the remedies in the mortgage;

20.1.2 Accept a deed or assignment in lieu of foreclosure in the event of default by a mortgagor; or

20.1.3 Sell or lease a Unit acquired by the mortgagee or its assignee.

20.2 Amendments to Project Documents. Amendments to the project documents of a material adverse nature to mortgagees must be agreed to by mortgagees that represent at least 51% of the votes of the Units that are subject to mortgages. Amendments to annex property and/or Units to the Condominium pursuant to Section 6 of this Declaration shall not be deemed or construed as amendments of a material adverse nature to mortgages.

20.3 Termination of Condominium. Any action to terminate the legal status of the condominium after substantial destruction or condemnation occurs, or for other reasons, must be agreed to by mortgagees that represent at least 51% of the votes of the Units that are subject to mortgages.

20.4 Implied Approval Presumed. If otherwise allowed by law, implied approval by a mortgagee shall be assumed when a mortgagee fails to submit a response to any written proposal for an amendment within 60 days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a "return receipt" requested.

20.5 Right to Notice. Any mortgagee of a Unit, and any guarantor of the mortgage, upon the submission of a request to the Association in writing delivered to the Registered Agent of the Association, shall be entitled to receive timely written notice from the Association of the following matters:

20.5.1 Any condemnation or casualty loss that affects either a material portion of the project or the Unit securing its mortgage;

20.5.2 Any 60-day delinquency in the payment of assessments or charges owned by the Owner of any Unit on which it holds the mortgage;

20.5.3 Any lapse, cancellation, or material modification of any insurance policy maintained by the Association; and

20.5.4 Any proposed action that requires the consent of a specified percentage of mortgagees.

20.6 Priority of Insurance Proceeds. Neither a Unit Owner nor any other party shall have priority over any rights of the first mortgagee of the Unit pursuant to its mortgage in the case of payment to the Unit Owner of insurance proceeds or condemnation awards for losses to or a taking of condominium Units(s) and/or Common Elements.

21. REALLOCATION OF BOUNDARIES AND MERGER AND SEPARATION OF UNITS.

Unit Owners may, subject to the approval of the Board of Directors of the Association, reallocate Unit boundaries between adjoining Units, merge two adjoining Units into one Unit and/or separate a previously merged Unit into the number of Units which originally existed, upon

compliance with the applicable provisions of the Act. The Board of Directors may approve or deny such request in its sole discretion, and may condition any approval upon compliance with such conditions as it may determine to be reasonable and appropriate. All work in connection with reallocation, merger, or separation shall be completed in a good, workmanlike manner and free from all liens. The Unit Owner(s) who initiate or whose actual boundaries are relocated, merged or separated shall indemnify and hold harmless the other Unit Owners, the Board, the Declarant and the Association from and against all claims of third parties for personal injury or property damage from work performed in connection with any relocation, merger or separation. The Board of Directors shall have the authority to assess a Special Assessment against any Unit for any cost incurred by the Association as a result of nonpayment of relocation cost by the Unit Owner.

A reallocation of boundaries between adjoining Units shall not result in any change in the number of votes, the Percentage Interests, or responsibility for Association expenses and assessments for either Unit. In the event two adjoining Units are merged into one Unit, the resulting Unit shall have the same number of votes at meetings of the Association as the total number of votes assigned to the two previous Units (a total of 2 votes, 1 for each of the original Units), and shall have the same undivided Percentage Interest in the Common Elements as the total undivided Percentage Interest applicable to the two previous Units. To avoid any increased burden for Association expenses on other Units and the owners thereof, the resulting merged Unit shall be responsible for the same share of Association expenses and assessments (both Annual and Special) as the total which would have been applicable to the two Units if they had not been merged. If a merged Unit is later separated into 2 units, each of the 2 separated Units shall then have the originally allocated vote, Percentage Interest, and assessment responsibility.

22. CONDEMNATION

In the event of a "taking under the power of eminent domain" as defined in the Act, the Association shall proceed with rebuilding, relocation or restoration and/or an allocation of any award as provided in the By-laws or, if not provided for in the By-laws, in the Act. In any event, if the taking under the power of eminent domain is to the extent where the remaining Condominium portion has been diminished to such an extent that reconstruction or restoration is not practical, the Condominium shall be subject to an action for partition upon obtaining the written consent of the Unit Owners having 75% or more of the vote. In the case of partition, the net proceeds of sale, together with any net proceeds of the award for taking, shall be considered as one fund and shall be divided among all Unit Owners in proportion to their Percentage Interest and shall be distributed in accordance with the priority of interests in each Unit. A taking of all or part of a Unit may not include any of the Percentage Interests or vote appurtenant to the Unit. The Owner of each Unit taken shall have the individual right of appeal of the necessity of taking and of the condemnation award made for the taking. The Association shall have the right of appeal of the necessity of taking of the Common Elements and the right of appeal of the condemnation award made for the taking of the Common Elements. An appeal by the Association shall be binding upon the Unit Owners for the necessity of taking or the condemnation award made for the taking of the Common Elements. Unit Owners having an interest in the ownership of Limited Common Elements may individually or as a group appeal the necessity of taking or the condemnation award made for the taking of the Limited Common Elements. The Association shall act as the designated agent and/or attorney-in-fact for each Unit Owner and their Mortgagees for the purpose of representing, negotiating and settling any proceeds or awards to be made to the Association or any Unit Owner on account of any casualty damage to the Condominium or eminent domain proceedings which involve the Condominium.

23. Construction Obligation and Repurchase Rights

Construction Obligation:

Each Owner shall promptly begin, diligently pursue and ultimately complete construction with Halen Homes, LLC of the Building and other improvements on its Building Pad pursuant to approved plans by the Association. **Halen Homes, LLC is the exclusive builder of all Buildings and improvements within the Condominium. Owner acknowledges that the purchase of the Building Pad is separate from any construction contract to build the improvements on the Building Pad and the limited common elements appurtenant to the Building Pad. It is Owner's obligation to secure a construction contract for the Building Pad from Halen Homes, LLC which is a separate entity from the Declarant.**

In the event that construction of improvements has not been commenced with Halen Homes, LLC within one (1) year after the date of closing of the initial sale of a Building Pad by Declarant, then, until such construction is commenced, the Declarant shall have the option of repurchasing the Building Pad from the Owner (the "Commencement Option"). Commencement of construction is defined to mean that footings and foundation have been poured. To exercise the Commencement Option, the Declarant shall provide written notice of exercise of the Commencement Option (the "Notice") to Owner at Owner's last known address, including the date of repurchase closing. Notice shall be deemed to be received two days after deposit of the notice, postage prepaid, in the U.S. mail. The repurchase shall occur within sixty (60) days after delivery of the Notice on the date specified in the Notice.

If after commencing construction work on any Building Pad, construction ceases for a period of one hundred eight (180) consecutive days at any time before the substantial completion of construction as provided in Owner's approved plans ("Cessation of Construction"), the Declarant shall each have the option to repurchase the Building Pad from the Owner at any time prior to obtaining an occupancy permit (the "Construction Option"). To exercise the Construction Option, the Declarant shall provide written Notice as described above. Repurchase shall occur within sixty (60) days after delivery of the Notice on the date specified in the Notice. "Substantial completion of construction" means that construction has been completed to a point that a certificate of occupancy could be obtained.

If Owner does not complete construction of the improvements as described in the approved plans and obtain an occupancy permit for the improvements within two (2) years after the date of closing of Owner's purchase of the Building Pad from Declarant the Declarant shall have an option to repurchase the Building Pad from the Owner (the "Completion Option") at any time thereafter but prior to obtaining an occupancy permit. To exercise the Completion Option, the Declarant shall provide written Notice as described above. Repurchase shall occur within sixty (60) days after deliver of the Notice on the date specified in the Notice.

Terms of Repurchase:

If the Declarant exercises any of the options described above, at repurchase closing the Owner shall tender a warranty deed free and clear of all liens and encumbrances except municipal and zoning ordinances, recorded easements for public utilities and these Declaration in exchange for a sum equal to Owner's original purchase price for the Building Pad from Declarant less any unpaid real estate taxes, the proration for the then current year's real estate taxes, and the title insurance

premium. Owner shall provide the party exercising the option with a title insurance policy for the full amount of Owner's purchase price.

In the event of repurchase as provided in this section, Owner shall also be liable to the Declarant for all reasonable costs and expenses incurred in retaking and restoring the Building Pad to marketable condition, and such costs and expenses shall be deducted from the amount of the purchase price paid to the Owner. Owner shall be deemed to consent to enforcement of the options described on the above terms by specific performance.

24. GENERAL PROVISIONS.

24.1 Enforcement & Restriction Precedence. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, and reservations, now or hereafter imposed by the provisions of this Declaration, the By-laws and Rules and Regulations. Failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Declarant, its successors and assigns, and all parties hereafter having an interest in the Property, are subject to all applicable rules, codes, regulations, and ordinances of the Village of Germantown, Washington County, the State of Wisconsin and the federal government, and the same may be more restrictive than these the restrictions, conditions, and reservations, now or hereafter imposed by the provisions of this Declaration, the By-laws and Rules and Regulations. In the event there is a conflict between the requirements of Declaration, the By-laws and Rules and Regulations and any provision of the City, County, State or federal law or regulation, the more restrictive provisions shall apply.

24.2 Severability. If any provision, or any part hereof, of this Declaration or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Declaration, or the application of such provision, or any part thereof, to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each provision or any part thereof, of this Declaration shall be valid, and be enforced to the fullest extent.

24.3 Termination. This Declaration may be terminated in the manner allowed by the Act as of the time of termination.

24.4 Notices. All notices and other documents required or permitted to be given by this Declaration or the By-Laws of the Association to a Unit Owner shall be sufficient if given to one (1) Owner of a Unit regardless of the number of Owners who have an interest therein. All Owners shall provide the Association with an address for the mailing and emailing or service of any notice or other documents and the Association shall be deemed to have discharged its duty with respect to the giving of notice by mailing it, emailing it or having it delivered personally to such address as is on file with the Association.

24.5 Non-waiver. The failure of the Association to insist, in any one or more instances, upon the strict performance of any of the terms, covenants, conditions or restrictions of this Declaration, or to exercise any right or option herein contained, or to serve any notice or to term, covenant, condition or restriction, shall not be deemed a waiver of same, but such term, covenant, condition or restriction shall remain in full force and effect. The receipt by the Association of payment of any Assessment from a Unit Owner, with knowledge of the breach of

any covenant hereof, shall not be deemed as a waiver of such breach, and no waiver by the Association of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Association.

24.6 Amendments. This Declaration may be amended in the manner allowed by the Act at the time of amendment (to the extent not subject to further restrictions as set forth in this Declaration); provided, however, that, as long as Declarant owns any unsold Unit and so long as the Condominium is subject to expansion as set forth in Section 6 above, no Amendment to this Declaration shall be effective unless consented to in writing by Declarant.

24.7 Registered Agent. Steve DeCleene is hereby appointed by Declarant as the registered agent for the condominium. The address of said registered agent is: N27 W24025 Paul Court, Pewaukee, WI 53072. The registered agent may be changed in accordance with any provision allowed by law in effect at the time of such change. As of the date of filing of this Declaration, the provisions regarding the qualification, designation and filing of the name and address of the registered agent are set forth in Sec. 703.23, Wis. Stats. As set forth in said statutory section, if the Association is incorporated, the registered agent for the association shall be the registered agent for the condominium.

24.8 Assignment. The rights and obligations of Declarant may be assigned in any manner allowed by law at the time of assignment. Upon the recording of any such amendment, such assignee shall become "Declarant" under this Declaration and shall succeed to all such rights, powers and obligations. Such amendment need be signed only by the assignor and assignee named therein

24.9 Number and Gender. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall include all genders.

24.10 Captions. The captions and Article headings herein are intended only as matters of convenience and for reference and in no way define or limit the scope or intent of the various provisions hereof.

EXHIBIT A
LEGAL DESCRIPTION OF PARADISE TRAILS CONDOMINIUM



EXHIBIT C

PARADISE TRAILS CONDOMINIUM PLAT

(See Attached)

Please note that the attached Condominium Plat may not be sufficiently legible due to size.



EXHIBIT D

**UNIT ADDRESSES FOR
PARADISE TRAILS CONDOMINIUM**

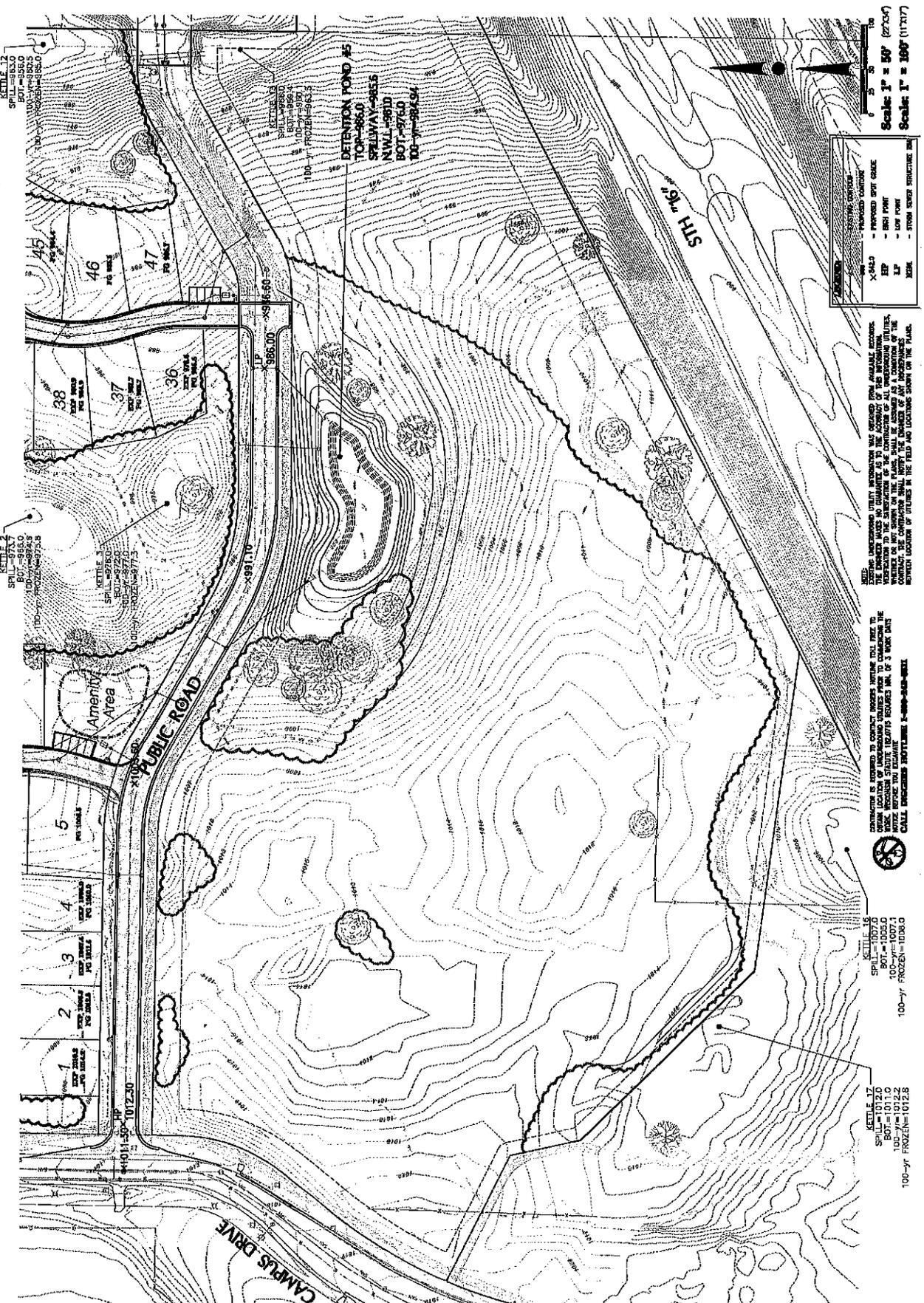
Unit #	Address





RESIDENTIAL DEVELOPMENT
PROJECT: "EAST 50 ACRES"
 LAKE COUNTRY LUTHERAN LAND
 VILLAGE OF HARTLAND, WISCONSIN
 BY: NEUMANN DEVELOPMENTS, INC.
 PERMITS: N274426 PALM COURT, SUITE 100
 PERMITS: WI 83072

DATE: JUNE 5, 2020
 JOB NUMBER: 19023-988
 DESCRIPTION: GRADING PLAN - SOUTH



LCL Site Plan

KETTLE 16
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 17
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 18
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 19
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 20
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 21
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 22
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 23
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 24
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 25
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 26
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 27
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 28
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 29
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 30
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 31
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 32
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 33
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 34
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 35
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 36
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 37
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 38
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 39
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 40
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 41
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 42
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 43
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 44
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 45
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 46
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 47
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 48
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 49
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5

KETTLE 50
 SPILL=1012.0
 BOT.=1011.0
 100-yr.=1007.1
 100-yr. FROZEN=1012.5



June 4, 2020

Village of Hartland
210 Cottonwood Avenue
Hartland, WI 53029

Dear Plan Commission,

We are excited to be submitting for consideration our request to re-zone lands east of Campus Drive in Hartland for the purposes of a single family condominium development. Neumann Developments Inc. has been creating single-family residential subdivisions in South-Eastern and South-Central Wisconsin since the year 2000 and has had the proud distinction to have their communities selected for the Metropolitan Builders Association Parade of Homes in seven of the past nine years. Since the year 2000, Neumann Developments has developed over 4000 home sites, built over 40 miles of roads, and preserved over 2000 acres of land. We look forward to the opportunity to bring another great neighborhood to the Village of Hartland.

The land we are proposing for development includes the northern portion of tax key HAV0423981 and is located north of STH 16, East of Campus Drive and Lake Country Lutheran High School, West of residential development on Willow Drive, and south of residential lands in the Town of Merton. Historically, these lands have been used for agriculture and for the past several decades have been left fallow. Currently, sewer and water extensions have been run through the center of the lands connecting Campus Drive to Willow Drive. Additionally, there is a trail system that runs around the area that the current owner has allowed neighbors as well as the various nearby school districts to use. Our proposed development would re-route some of these trails and permanently preserve them through easements for the benefit of the public use.

In 2019, the Village revised and approved a new comprehensive plan and Smart Growth map. The included exhibits and proposed zoning changes are consistent with the vision laid out for this area in the Comprehensive Plan for the Village of Hartland. The proposed development respects the boundary of the Isolated Natural Resource Area (INRA) on the property as previously discussed and agreed upon by SEWRPC and the Village. Through the rezoning process, this boundary can be protected by including it in an Upland Conservancy Overlay (UCO) as is described in the Village's zoning ordinance.

At the time of this re-zoning request wetlands have been delineated and confirmed by the DNR. The limited wetland areas included on the site will be avoided with this proposed development. Additionally, per the Village's ordinance a tree inventory survey was conducted of species with a DBH greater than 6". Exhibits showing the full inventory of trees as well as those intended to be preserved accompanies this submittal.

The northern portion of the site identified as Area A on the attached Rezoning Exhibit is currently identified as Low/Medium Density Residential on the Village of Hartland Comprehensive Plan's Future Land Use map. We are proposing single family condominium homes with RS-5 PUD zoning on this parcel. The RS-5 zoning is consistent with the existing residential in the adjacent lands to the east in the Village. We are proposing a PUD overlay to develop this parcel as a condominium and design an urban style clustered community preserving more adjacent open space. Clustering the homes will allow us to keep as much of the existing wooded areas along the west and northern portions of the property.

NEUMANN DEVELOPMENTS, INC. * N27 W24025 PAUL CT. SUITE 100 * PEWAUKEE, WI 53072
262-542-9200 * FAX: 262-349-9324 * NEUMANNDEVELOPMENTSINC.COM

Re-Zoning Letter



Zoning details include:

Proposed Zoning: RS-5 PUD
Total Area: 27.435 acres
INRA (UCO) Area: 11.018 acres
R.O.W. Dedication: 1.75 Acres
Net Area: 14.667 acres
Maximum Density: 88 units (5.4 units/net acre) – 148 units with density transfer from UCO
Proposed Density: 47 units (3.20 units/net acre)

Setbacks: 15 feet between buildings
27 feet from back of curb
10 feet from INRA
20 feet from Area A boundaries

We are proposing the streets and utilities in Area A to be private infrastructure. We envision this condominium of single family homes to be designed with a neo-traditional urban style feel appealing to first time home buyers and downsizers. An additional amenity area with a tot lot style play structure is proposed for the development. The development will be established with a condominium association responsible for architectural oversight, enforcement, budget, and management of neighborhood common and private elements. Units and limited common elements would be maintained by the homeowner.

The total area to be included in the PUD is the full 27.435 acres included in Area A. As proposed the project preserves 11.018 acres of open space. This development would connect to municipal sewer and water service currently located adjacent to the property.

The proposed development costs are estimated at three million dollars to include necessary road improvements, neighborhood amenities, walking trails, community landscaping, and necessary infrastructure improvements. It is estimated that individual single family condominiums will retail between \$399,000 and \$500,000. Upon completion the development will add an estimated \$19-\$24 million dollars in tax base to the Village of Hartland.

If approved the commencement of development work is anticipated to be Summer of 2020. We anticipate an approximate 3-4 year time frame for full completion of the units.

This petition is being made after careful consideration regarding the market supply and demand of different residential product types in the Hartland area and we feel it provides a housing option that will benefit the Village for many years to come.

Thank you for your consideration of this proposed project.

Sincerely,

Bryan Lindgren

Bryan Lindgren
Neumann Developments Inc

NEUMANN DEVELOPMENTS, INC. * N27 W24025 PAUL CT. SUITE 100 * PEWAUKEE, WI 53072
262-542-9200 * FAX: 262-349-9324 * NEUMANNDEVELOPMENTSINC.COM

REZONING EXHIBIT "A"

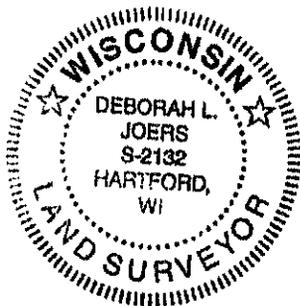
LEGAL DESCRIPTION of lands to be REZONED to RS-5 (PUD):

All that part of the Northeast 1/4 of the Southwest 1/4 of Section 34 Town 8 North, Range 18 East, in the Village of Hartland, Waukesha County, Wisconsin, now being more particularly bounded and described as follows:

Beginning at the Northeast Corner of the said Southwest 1/4 of said Section 34; Thence South 00°30'48" West and along the East line of the said Southwest 1/4 Section, 865.02 feet to a point; Thence South 89°53'13" West, 40.00 feet to a point; Thence South 00°30'48" West, 60.00 feet to a point; Thence South 89°53'13" West, 2.23 feet to a point of curvature; Thence Southwesterly 36.65 feet along the arc of a curve, whose center lies to the Southeast, whose radius is 70.00 feet, whose central angle is 30°00'04", and whose chord bears South 74°53'11" West, 36.24 feet to a point of tangency; Thence South 59°53'09" West, 177.43 feet to a point of curvature; Thence Southwesterly 68.07 feet along the arc of a curve, whose center lies to the Northwest, whose radius is 130.00 feet, whose central angle is 30°00'00", and whose chord bears South 74°53'09" West, 67.29 feet to a point of tangency; Thence South 89°53'09" West, 226.34 feet to a point of curvature; Thence Northwesterly 159.70 feet along the arc of a curve, whose center lies to the Northeast, whose radius is 305.00 feet, whose central angle is 30°00'00", and whose chord bears North 75°06'51" West, 157.88 feet to a point of tangency; Thence North 60°06'51" West, 172.81 feet to a point of curvature; Thence Northwesterly 86.50 feet along the arc of a curve, whose center lies to the Southwest, whose radius is 170.00 feet, whose central angle is 29°09'11", and whose chord bears North 74°41'26" West, 85.57 feet to a point of tangency; Thence North 89°16'02" West, 337.64 feet to a point on the said East Right-of-Way line of "Campus Drive"; Thence North 00°43'57" East and along said East Right-of-Way line, 885.92 feet to a point on the North line of said Southwest 1/4 Section; Thence North 89°54'10" East along said North line, 1241.53 feet to the point of beginning of this description.

Said Parcel contains 1,195,068 Square Feet (or 27.4350 Acres) of land, more or less.

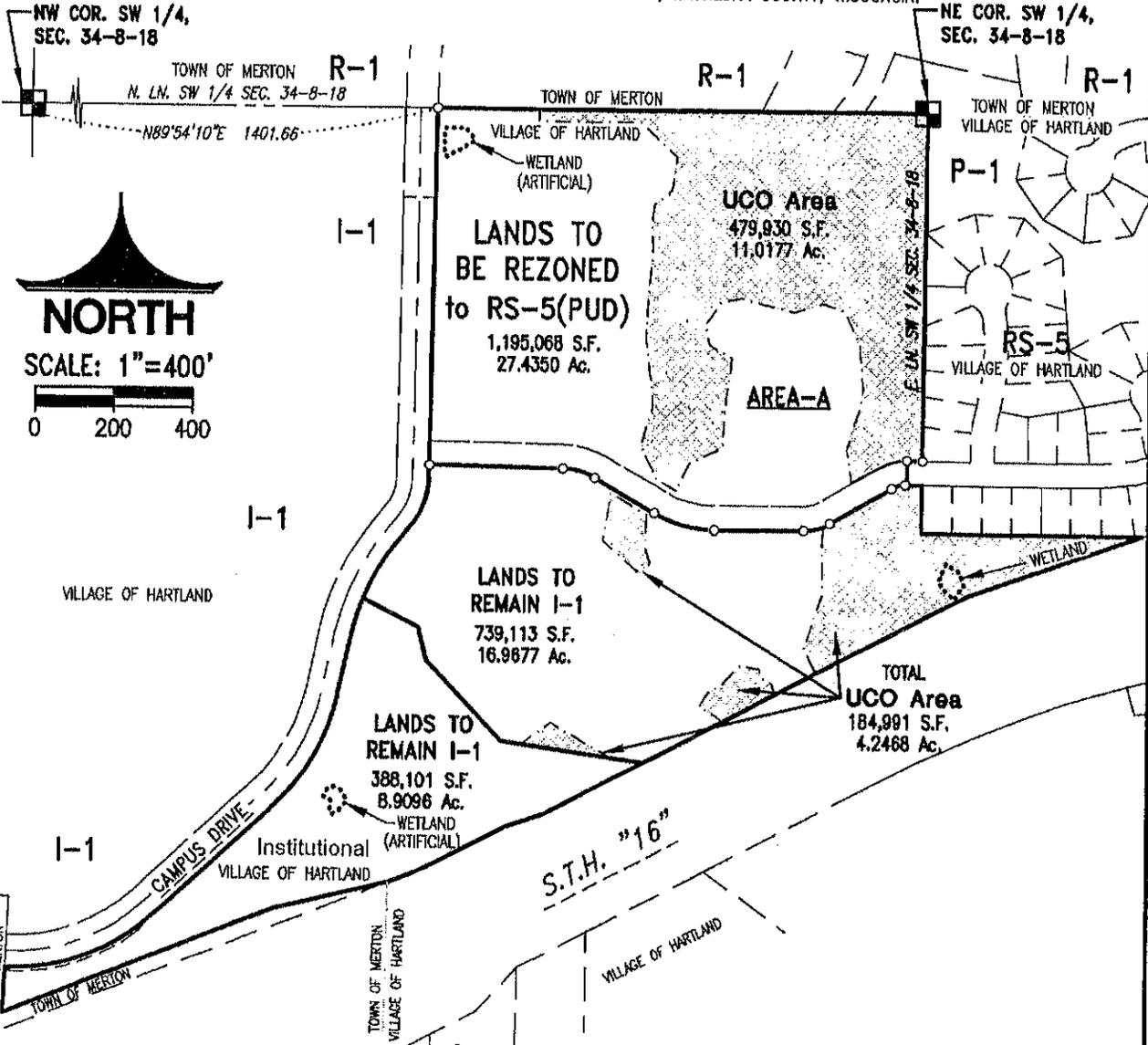
Date: 6/05/2020



Deborah L. Joers, P.L.S.
Professional Land Surveyor, S-2132
TRIO ENGINEERING, LLC
4100 N. Calhoun Road, Suite 300
Brookfield, WI 53005
Phone: (262)790-1480 Fax: (262)790-1481

REZONING EXHIBIT "A"

BEING A PART OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 34, TOWN 8 NORTH, RANGE 18 EAST, IN THE VILLAGE OF HARTLAND, WAUKESHA COUNTY, WISCONSIN.



WETLAND PER HEARTLAND ECOLOGICAL GROUP INC

LAND AREA SUMMARY	
AREA-A	RS-5 (PUD)
TOTAL AREA=	1,195,068 S.F. (27.4350 Ac.)
UCO AREA=	479,930 S.F. (11.0177 Ac.)
NET AREA=	715,138 S.F. (16.4173 Ac.)



4100 N. CALHOUN ROAD
Suite 300
Brookfield, WI 53005
Phone: (262) 790-1480
Fax: (262) 790-1481

THIS EXHIBIT WAS PREPARED BY DEBORAH L. JOERS, P.L.S. (S-2132)

DATE: 6-05-20

C:\Users\jfoers\computer\Documents\Debs Work\Lake County Lutheran\REZONING EXHIBIT

PLANNED UNIT DEVELOPMENT AGREEMENT

BY AND BETWEEN

THE VILLAGE OF HARTLAND

AND

LAKE COUNTRY LUTHERAN

[INSERT DATE]

LAKE COUNTRY LUTHERAN

PLANNED UNIT DEVELOPMENT AGREEMENT

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36

THIS PLANNED UNIT DEVELOPMENT AGREEMENT (the “Agreement”) is entered into as of the ____ day of _____ 2020, by and between LAKE COUNTRY LUTHERAN OR ASSIGN upon approval of the Village hereafter, (the “Developer”) and the VILLAGE OF HARTLAND, a Wisconsin Municipality, (the “Village”).

RECITALS

- A. Developer is the owner of approximately 27.435 acres of real property located in the Village and legally described on Exhibit A attached hereto (the “Site”) and desires to develop it for single-family residential purposes with condominium ownership (the “Project”).
- B. Developer desires to develop 47 single-family residences under condominium ownership in one (1) phase as generally depicted on Exhibit B (Site Plan) and requested zoning and development permission.
- C. Upon consideration of a conceptual plan for the proposed development, it was determined by the Plan Commission and Village Board that a total site density of not more than 47 residential units was consistent with the general density requirements of the low density cluster development land use as described in the Village of Hartland Comprehensive Development Plan: 2035.
- D. In order to preserve portions of an Isolated Natural Resources Area (INRA) within the Site, the Village and the Developer have agreed to cluster the improvements on the Site and that the Developer create or improve certain trail areas within the INRA and dedicate same to the Village as amenities accessible to the general public and therefore, certain requirements of the Zoning Code will be adjusted via PUD Zoning.
- E. Upon Execution of this Agreement, the Site has zoned to RS-5 Residential Single-Family District with both Planned Unit Development (PUD) and Upland Conservancy Overlay Districts as shown in the attached Exhibit C to facilitate the proposed residential use.
- F. The Developer submitted a proposed Preliminary Condominium Plat for development of the Project within the Village of Hartland, a copy of which is attached hereto as Exhibit D (the “Proposed Condominium Plat”), which was considered by the Plan Commission and recommended for approval as amended on INSERT _____ DATE

37 subject to representations made during the consideration process by the Developer, final
38 approval of the engineering by Village Staff, and execution of this Planned Unit
39 Development Agreement.

40

41 G. Developer will submit for approval by the Village a Certified Survey Map along with a Final
42 Condominium Plat for the Site in substantial conformance with the approved Proposed
43 Condominium Plat and reflecting final engineering of the Site and said Certified Survey Map
44 and Final Condominium Plat will be considered by the Board of Trustees in accordance with
45 State Law.

46

47 H. The Village of Hartland is requiring that, as conditions of its approval of development on the
48 Site, Developer must make and install all public improvements necessary to service the
49 development of the Site and that the acceptance of the dedication of all public improvements
50 shall be contingent upon the construction of said improvements according to applicable State
51 and municipal specifications and ordinances.

52

53 I. The Village Board has duly approved Developer’s plans and specifications for the Project,
54 conditioned upon Developer’s entry into this Agreement.

55

56 J. Developer agrees to develop the Site as herein described in strict accordance with this
57 Agreement.

58 FINDINGS

59 The Village of Hartland Plan Commission and Village Board of Trustees have made the
60 following findings as they relate to the Project.

61 A. The proposed site will be provided with adequate drainage facilities for surface water and
62 storm water conditioned on the Developer completing the design in accordance with Village
63 ordinances and subject to Village Engineer approval.

64

65 B. The proposed site will be accessible from public roads [**whose length and connectivity with**
66 **other public roads will be the subject of a final determination by the Board of Trustees**
67 **after a separate public hearing to be held for that purpose]** and private roads that are
68 adequate to carry the traffic that can be expected to be generated by the proposed
69 development conditioned on development of private and public roads within the site and
70 proper development-related improvements on the adjacent Village road if deemed necessary
71 by the Village.

72

- 73 C. No undue constraint or burden will be imposed on public services and facilities, such as fire
74 and police protection, street maintenance, water, sanitary sewer and storm drainage, and
75 maintenance of public areas by the proposed development.
76
- 77 D. The streets and driveways on the site of the proposed development will be adequate to serve
78 the residents of the proposed development and will meet the minimum standards of all
79 applicable ordinances or administrative regulations of the Village.
80
- 81 E. Centralized public water and sewer facilities will be provided.
82
- 83 F. The entire Site to be included in this Planned Unit Development Overlay District will be held
84 under single ownership during development.
85
- 86 G. The locations of entrances and exits have been designated to prevent unnecessary
87 interference with the safe and efficient movement of traffic on surrounding streets, and the
88 development will not create an unreasonable adverse effect upon the general traffic pattern of
89 the surrounding neighborhood. Insofar as is practicable, consolidation of driveways, parking,
90 and curb cuts and connection driveways between properties, where appropriate, will be
91 provided to enhance safety and provide more efficient and economical access and parking.
92
- 93 H. The size, quality and design of all buildings, landscaping and other site development features
94 in the Project will be compatible with the general character of the Village and specifically to
95 the surrounding neighborhood, and the design of the development will result in an attractive
96 and harmonious development compatible with and not adversely affecting the property
97 values of the surrounding neighborhood conditioned on final Architectural Board approval of
98 the proposed façades.
99
- 100 I. Such Project will create an attractive residential environment of sustained desirability and
101 economic stability, including structures in relation to terrain, consideration of safe pedestrian
102 flow, ready access to recreation space, and coordination with overall plans for the
103 community.
104
- 105 J. The total net residential density within the Planned Unit Development Overlay District is
106 compatible with the Village of Hartland Comprehensive Development Plan: 2035. The total
107 net density is also consistent with and does not exceed the density of development permitted
108 in the underlying basic use zoning district.
109
- 110 K. Structure types will be compatible with other structural types permitted in the underlying
111 basic use district.
112

- 113 L. Provision has been made for the installation of adequate public facilities and the continuing
114 maintenance and operation of such facilities.
115
- 116 M. Provision has been made for adequate, continuing fire and police protection.
117
- 118 N. The population density of the development will not have an adverse effect upon the
119 community's capacity to provide needed school or other municipal service facilities.
120
- 121 O. Adequate guarantee is provided for permanent preservation of open space areas conditioned
122 on the zoning of the Isolated Natural Resource Area under Upland Conservancy Overlay
123 District and that no other development will occur except that which is approved herein.
124
- 125 P. The care and maintenance of private open space is ensured by establishment of an
126 appropriate management organization for the Project conditioned on the establishment of an
127 incorporated homeowners' association that will be charged with the care and maintenance of
128 said open space.
129
- 130 Q. Ownership and tax liability of private open space reservation areas shall be established in a
131 manner acceptable to the village.
132
- 133 R. Clustering of residential development is permitted provided that permanent common open
134 space is set aside so that the overall density of development permitted in the underlying basic
135 zoning district is complied with.

136 NOW, THEREFORE, in consideration of the future granting of final approval of the certified
137 Survey Map and Final Condominium Plat for the Site by the Village, the incorporation of all of
138 the above Recitals, the covenants of the Village set forth herein, and other good and valuable
139 consideration, the receipt and sufficiency of which is hereby acknowledged, Developer does
140 hereby agree to develop the Site as follows:

141 Section I. PUD Requirements

- 142 A. Developer shall comply with this Agreement.
143
- 144 B. The Project shall include not more than forty-seven (47) single family residential units as
145 generally portrayed the Site Plan (Exhibit B).
146
- 147 C. The Project shall at all times comply with the requirements of the RS-5 Single Family
148 Residential District, except as defined below, and the requirements of the UCO - Upland
149 Conservancy Overlay District as that district is mapped on the Site except for initial

150 development work as authorized to accommodate utilities, storm water facilities and path
151 construction.

152

153 D. The following requirements of the RS-5 Single Family Residential District are hereby
154 modified as defined herein:

155

156 a. [?????????]46-235 regarding lot area and width is hereby waived and the area
157 devoted to residential units shall be as defined on the Condominium Plat.

158 b. [?????????]46-237 regarding yards is hereby waived except that residential units
159 may not be constructed closer than fifteen (15) feet from the Right of Way nor
160 closer than twenty (20) feet from each other.

161 Section II. Improvements.

162 Developer shall prepare the Site and construct the improvements on and off the Site described
163 below (all at Developer’s sole expense) in accordance with the Final Condominium Plat and the
164 plans and specifications attached to this Agreement as exhibits (“Project”).

165 A. Streets.

166 1. Developer shall, at its sole expense, grade, construct and surface public and private
167 streets on and off of the Site as shown on and in accordance with the plans and
168 specifications set forth on Exhibit E.

169 2. Developer shall dedicate and the Village shall accept any public streets on the Site upon
170 approved completion of the second lift of asphalt on such streets as approved by the
171 Village Engineer and DPW Director. Said second lift of asphalt shall be installed on both
172 the public and private roads within fourteen (14) months after installation of the first lift
173 of asphalt unless an extension is authorized by the Village Engineer and DPW Director at
174 their discretion. The Village may at its sole discretion and to the extent feasible, perform
175 snow and ice removal on undedicated public streets after the first lift of asphalt has been
176 installed, including installation of interim inlets and asphalt wedges at the curb/gutter line
177 and around manholes and other infrastructure protrusions in the roadway, and an
178 occupied residence is located in the subdivision. The Developer shall otherwise be
179 responsible for snow and ice removal activities from undedicated and private street(s) and
180 to provide access to the interior of the Site for public safety and utility purposes to the
181 extent not otherwise available.

182 3. Developer shall construct and surface the public streets called for under this Section in
183 one (1) phase as shown on Exhibit E.

184

185 B. Sanitary Sewer.

186 1. Developer shall, at its sole expense, construct, install, and provide a complete sanitary
187 sewage collection system throughout the entire Site and perform in accordance with the

188 plans and specifications set forth on Exhibit E and at no cost to the Village. The
189 construction of the sanitary sewer system required hereunder shall be constructed so as to
190 fully service the Project.

- 191 2. Subject to the provisions of Sections II. and Section IV. of this Agreement and upon
192 completion of the sanitary sewage collection system serving the Site in accordance with
193 the plans and specifications set forth on Exhibit E, Developer shall dedicate only that
194 portion of the sanitary sewage collection system installed within the right of way or
195 easement actually transferred to the Village. The Village reserves the right to limit, or
196 condition the connection of public or private portions of newly installed sanitary sewage
197 collection system to the existing Village sewage collection system.
- 198 3. The Village Board has no obligation to accept dedication of any component of any sewer
199 improvements or to allow the improvements to be connected to the existing Village
200 sewage collection system until the applicable components of the sanitary sewer have been
201 installed in accordance with plans and specifications approved and accepted by the
202 Village as set out in Exhibit E. At its sole expense, Developer shall clean and televise the
203 sewer system prior to its connection to the Village sanitary sewer system and shall
204 provide a written report and DVD copy of the televised inspection thereof.
- 205 4. No occupancy permits shall be processed or issued until the sanitary sewer collection
206 system servicing the Site has been accepted by the Village through dedication or
207 otherwise.

208
209 C. Water.

- 210 1. Developer shall, at its sole expense construct, install, furnish, and provide a completed
211 system of water distribution throughout the entire Project, in accordance with the plans
212 and specifications attached hereto as Exhibit E and including such provisions for
213 connection to future development or expansion of the water system as deemed necessary
214 by the Village. The construction of the municipal water system required hereunder shall
215 be conducted so as to fully service the Project.
- 216 2. Upon completion of the water system serving the Site in accordance with the plans and
217 specifications set forth in Exhibit E, Developer shall dedicate, and the Village shall
218 accept, such segment of the water system, if it deems appropriate and, subject to the
219 terms of this Agreement, allow connection to the Village water system.
- 220 3. The Village Board has no obligation to accept any component of the water distribution
221 system until the applicable component of the water distribution system has been
222 inspected by the Village Engineer and DPW Director and is determined to be installed in
223 accordance with plans and specifications approved by the Village.
- 224 4. No occupancy permits shall be processed or issued until the water distribution system
225 servicing the Site has been dedicated to, and accepted by, the Village.

226
227 D. Storm/Surface Water System & Site Grading.

- 228 1. Developer shall, at its sole expense, construct, install, furnish, and provide facilities for
229 storm and surface water drainage servicing the Site in accordance with the plans and
230 specifications set forth on Exhibit E.
- 231 2. The Village Board shall have no obligation to accept the dedication of the storm/surface
232 water system until the system has been inspected by the Village Engineer/DPW Director
233 and installed in accordance with plans and specifications approved by the Village as set
234 out in Exhibit E.
- 235 3. Developer and the Homeowners Association for the Site provided for in this Agreement
236 shall be jointly and severally responsible for the maintenance of all detention and
237 retention basins and private storm sewer as shown on Exhibit E both before and after
238 completion of said facilities. This includes the responsibility for routinely conducting all
239 dredging and cleaning of detention and retention basins and private storm sewer to assure
240 that they perform adequately. This responsibility shall be recorded in a Storm Water
241 Management Facility Maintenance Agreement with respect to the Site in the form
242 attached hereto as Exhibit F. Developer may, at Developer's sole option, transfer its
243 maintenance obligations for the detention and retention basins to the Homeowners
244 Association at any time after more than twenty-eight (28) condominium homes have been
245 improved and occupied and thereby may be released from all individual obligations under
246 this paragraph provided the Homeowners Association, of which the Developer, as a lot
247 owner, is a member, has been established and is functioning in the normal course of
248 business. In any event, Developer's (but not the Homeowners Association's) obligations
249 under this paragraph shall cease without further action upon the termination of all of
250 Developer's fee simple interests in title to all lots provided the Homeowners Association
251 has been established and is functioning in the normal course of business.
- 252 4. Developer shall, at its sole expense, grade the Site in accordance with the final Master
253 Grading plans and specifications set forth on Exhibit E. Developer will be allowed to
254 deviate up to 6 inches from the Master Grading plans upon completion of interim Site
255 grading for the interior portions of individual lots. Developer shall be required to
256 complete elements of the Master Grading plans related to surface water drainage for
257 individual lots and for the entirety of all Outlots and Right of Way areas prior to
258 acceptance of improvements by the Village. A lot grading plan in compliance with the
259 final Master Grading plans and specifications shall be submitted by the Developer at the
260 time of permitting for each individual condominium unit to the Village Engineer or
261 Building Inspector for their respective approval. Said grading, as approved, shall be
262 implemented prior to occupancy of that condominium unit.
- 263
- 264 E. Site Clearing/Restoration.
- 265 1. Developer shall, at its sole expense, remove and dispose of all destroyed trees, brush, tree
266 trunks, and shrubs, and all rubbish currently located on the Site in accordance with all
267 applicable State, Federal and municipal codes and ordinances.

- 268 2. Developer shall not destroy or remove any live vegetation nor conduct any grading,
269 filling or other construction related activities, except as approved in Exhibit [????],
270 within the Isolated Natural Resource Area zoned UCO – Upland Conservancy Overlay
271 District except as set forth in the finally approved plans and specifications and under any
272 required issued DNR permit.
- 273 3. Developer shall be responsible for compliance with all applicable provisions of Chapter
274 90 of the Village Code of Ordinances pertaining to clearing, protection, and replacement
275 of trees including, but not limited to submission of a tree protection plan and obtaining of
276 a tree permit prior to start of work on the Site.
- 277 4. Developer shall not establish any private wells or septic systems on the Site.

278

279 F. Landscaping and Erosion Control.

- 280 1. Developer, and all its agents, contractors and subcontractors shall grade, seed and
281 otherwise landscape the Site in strict compliance with the plans and specifications set
282 forth on Exhibit E, and shall at all times remain in compliance with all applicable
283 municipal and state erosion control restrictions and requirements. Developer shall
284 complete required erosion control inspections and reports in accordance with the erosion
285 control permit standards. Developer shall be responsible for costs of periodic compliance
286 inspections of erosion control facilities that will be conducted by the Village Engineer or
287 his designee.
- 288 2. If any erosion control facilities (including but not limited to bales, silt fence and berms)
289 are washed out or otherwise rendered ineffective as determined by the Village Engineer
290 or DPW Director or Building Inspector, Developer shall repair or replace said facilities
291 within 48 hours of being so notified in writing by the Village Engineer or DPW Director
292 or Building Inspector. If Developer fails to repair or replace said facilities within 48
293 hours of being so notified by the Village Engineer or DPW Director or Building Inspector
294 the Village may, but is not required to, repair or replace such facilities and charge 125%
295 percent of all costs incurred by the Village in so reinstalling said facilities to Developer.
296 The Village may collect this amount from any amounts payable to Developer that the
297 Village is holding pursuant to this Agreement.
- 298 3. Developer shall, simultaneous with the execution of this Agreement, provide the Village
299 a temporary access easement to the Village in the form attached hereto and incorporated
300 by reference as Exhibit G to permit repair or replacement of said facilities in the event of
301 a default by Developer.

302

303 G. Street Signs, Pavement Markings and Street Lights.

- 304 1. Developer shall provide and install (subject to Village approval) all signs and pavement
305 markings as specified in Exhibit E.
- 306 2. Developer shall also provide and install public streetlights for the Site as specified in
307 Exhibit E at no cost to the Village utilizing lights available from WE Energies as

308 approved by the Village DPW Director. Public streetlights shall become the property of
309 Wisconsin Energy Corporation. Thereafter, all repairs, maintenance, operation and
310 replacement shall be performed by Wisconsin Energy Corporation.

311 3. Following installation of public streetlights by Developer and acceptance of the
312 installation by the Village with other infrastructure, operational and electrical expenses
313 for public streetlight shall be paid for by the Village.

314

315 H. Hazardous Substances.

316 Developer hereby represents and warrants to the Village that Developer has conducted a
317 Phase I environmental assessment of the Site, the resulting report for which is attached as
318 Exhibit H, and that Developer has no knowledge of, nor reason to believe that, any
319 “hazardous substances” as defined in U.S.C. § 9601 or listed in Chapter 40 of the Code of
320 Federal Regulations nor any petroleum, crude oil, natural gas or other petroleum product are
321 currently present on the Site. If, during the course of carrying out its obligations under this
322 Agreement, Developer acquires information indicating the possible existence of a hazardous
323 substance or petroleum product on the Site, Developer shall immediately notify the Village
324 Engineer/DPW Director of this information and be responsible for appropriate removal and
325 cleanup.

326

327 I. Sidewalk/Pedestrian Pathways/Public Trails.

328 1. Developer shall provide, install and pave (1) within dedicated Right of Ways concrete
329 *sidewalk* ; (2) with asphalt all *pedestrian pathways* servicing the condominium units,
330 their owners and invitees; and (3) with varying suitable materials as specified on Exhibit
331 _____ the *public trails* within the Site that shall be made available as described in the
332 next sentence and as specified in Exhibit E. Developer shall grant on the Certified Survey
333 Map and other document as appropriate, a permanent access easement to the general
334 public for unrestricted passage and enjoyment of public trails outside the Right of Way as
335 described in Exhibit I – Public Access Easement.

336 2. Public trails constructed or established by Developer shall be accessible by the general
337 public. The maintenance and marking of all public trails in a manner that meets
338 standards prescribed by the Village from time to time shall be the responsibility of the
339 Homeowners Association.

340 3. Passage ways accessible to the general public, including paved areas used for emergency
341 access to this development shall be maintained year-round including winter maintenance
342 performed in compliance with the Village Code requirements for snow and ice removal
343 and control on public sidewalks. Pedestrian pathways not intended for use by the general
344 public may be maintained during winter at the discretion of the Homeowners
345 Association.

346 4. At the time of entry into this Agreement, Developer shall grant the Village and its agents
347 or subcontractors a permanent easement to access said public trails and to repair/maintain

348 them at the Village’s sole option in the event of default by the Homeowners’ Association
349 in the maintenance thereof, in the form attached hereto as Exhibit J. Any repair or
350 maintenance performed by the Village hereunder shall be assessed against equally against
351 all condominium unit property owners as a *special charge* pursuant to the Wisconsin
352 Statutes.

353

354 J. Street Trees.

- 355 1. Developer has provided a plan for the installation of street trees as shown in the Street
356 Tree Plan set forth in the attached Exhibit E, which plan shall be in compliance with all
357 applicable provisions of Chapter 90 of the Village Code of Ordinances pertaining to trees.
358 2. Upon application for a building permit for a given condominium unit, the Developer shall
359 pay to the Village the cost of providing and planting trees as required by the Village Code
360 and as identified on the Street Tree Plan as such cost is determined by the Village. The
361 Village will provide for the installation of street trees adjacent to the public Right of Way
362 in accordance with Exhibit E for which the fees, as provided by Village publication, have
363 been paid.

364

365 K. As Built Drawings

366 Developer shall, at its sole expense, furnish one set of reproducible “as built” plans for the
367 Project improvements described in this Section II including the final location and elevation
368 of the various improvements as required by the Village Engineer and/or Public Works
369 Director including, but not limited to roads, sanitary sewer facilities, water facilities, storm
370 water facilities, sidewalks/paths, street signs, street lights and street trees. Reproducible plans
371 shall be provided on Mylar or another similar media acceptable to the Village Engineer and
372 to the Director of Public Works together with an electronic file copy of said plans compatible
373 with the Village’s GIS software prior to Village acceptance of dedication. Electronic plans
374 provided hereunder shall include GPS locations for manholes, valves and other included
375 items at a fixed location. Electronic plans provided hereunder shall also include size and
376 species for all street trees.

377

378 Section III. Dedication.

- 379 A. Subject to all of the other provisions of this Agreement and the exhibits attached, Developer
380 shall, without charge to the Village, upon completion of all public improvements on the Site
381 described as such in the Certified Survey Map and Final Condominium Plat and in
382 accordance with any plans and specifications attached hereto as exhibits, unconditionally
383 give, grant, convey and fully dedicate the same to the Village, its successors and assigns,
384 forever, free and clear of all encumbrances whatever, together with, including, without
385 limitation, all buildings, structures, mains, conduits, pipes, lines, machinery, equipment and
386 appurtenances which may in any way be a part of such public improvements and together

387 with any and all necessary easements for access thereto. Developer shall obtain title
388 insurance to insure the transfer of ownership in portions of the Site that are dedicated to the
389 Village. Developer shall also pay, when due, all transfer taxes that arise as a result from said
390 dedications.

391
392 B. Developer shall notify the Village, in writing when any public improvement described as
393 such in the applicable Certified Survey Map and on the attached exhibits is complete in
394 accordance with the plans and specifications attached hereto as exhibits. Within fourteen (14)
395 days of the date of such notice, the Village Engineer and DPW Director shall inspect and/or
396 re-inspect as necessary any public improvements described in Developer’s notice and prepare
397 and deliver to Developer a written punch list of repairs necessary to bring such public
398 improvement into conformance with the applicable plans and specifications. Upon
399 Developer’s written notice to the Village Engineer and DPW Director that all punch list
400 repairs for any such public improvement are complete, and following satisfactory completion
401 of any applicable re-inspection, the Village shall, subject to the re-inspection and approval of
402 the Village Engineer and DPW Director, by separate resolution, accept the dedication of such
403 public improvement.

404
405 C. Unless previously provided, simultaneous with the acceptance by the Village of any sanitary
406 sewer, water or storm/surface water improvement on the Site, Developer shall, at its sole
407 expense, furnish one set of reproducible “as built” plans of such public improvement.
408 Reproducible plans shall be provided on Mylar or another similar media acceptable to the
409 Village Engineer and to the Director of Public Works together with an electronic file copy of
410 said plans compatible with the Village’s GIS software prior to Village acceptance of
411 dedication. Electronic plans provided hereunder shall include GPS locations for manholes,
412 inlets, valves and other structures.

413 Section IV. Building/Occupancy Permits.

414 A. No building permits will be processed or issued for the Site until the first lift of asphalt has
415 been installed on necessary private and public streets, said first lift has been approved by the
416 Village Engineer and DPW Director, and the underlying utilities (including gas, electric,
417 telephone, cable television and any other installation that would otherwise require opening
418 the asphalt), storm water drainage, water and sanitary sewer improvements are constructed,
419 inspected (and re-inspected as necessary) and approved by the Village Engineer and DPW
420 Director.

421
422 B. The Village will have no obligation to process or to issue Occupancy Permits for any
423 building until all utilities for the Site have been completed, dedicated and accepted by the
424 Village (acceptance of which shall not be unreasonably delayed or deferred) and the first lift
425 of asphalt for all streets have been installed.

- 426 Section V. Miscellaneous Requirements and Provisions.
- 427 A. Survey Monuments. Developer agrees to properly place all survey or other monuments
428 required by applicable state statute or municipal ordinance, and further agrees to permanently
429 monument the boundaries of the environmental corridor (constituting either wetlands or other
430 environmental corridor) by placing monuments that comply with the specifications set out in
431 Chapter 236, Wis. Stats., at every point where a lot boundary line intersects the
432 environmental corridor and at the mid-point of the environmental corridor boundary within
433 each lot and at any change in direction of the boundary lines.
434
- 435 B. Outside Irrigation. Developer shall include in the Declaration of Restrictions and
436 Homeowner’s Association, as required below, a provision indicating that the use of water for
437 purposes of outside irrigation is limited to the hours of 10:00pm through 2:00am only or as
438 otherwise directed by the Village of Hartland from time to time.
439
- 440 C. Declaration of Restrictions and Homeowner’s Association. Developer hereby agrees to
441 execute and record a Declaration of Restrictions and Homeowners’ Association with respect
442 to the Site in the form of Exhibit J attached hereto. No occupancy permits shall be granted
443 until both the Declaration of Restrictions has been approved by the Village and recorded and
444 the Homeowners’ Association incorporated.
445
- 446 D. Grade. Exhibit E sets out maximum yard grade elevations that shall be required on the Site.
447 One set of an as-built version of Exhibit E shall be provided by the Developer, at its sole
448 expense, in a Mylar reproducible format and in electronic format compatible with the
449 Village’s GIS software, to the Village prior to the dedication of the public streets.
450
- 451 E. Underground Utilities. All new electrical, telephone, gas and cable television utilities and
452 services on the Site shall be buried underground in accordance with Chapter 50 of the
453 Municipal Code of the Village of Hartland. Coordination of installation of such utilities and
454 services shall be the responsibility of Developer.
455
- 456 F. Manner of Performance. Developer shall cause all construction called for by this Agreement
457 to be carried out and performed in a good and workmanlike manner.
458
- 459 G. Permits. Developer hereby agrees to obtain, at its sole expense, all necessary permits and
460 approvals from all governmental authorities with jurisdiction over the Site, including, but not
461 limited to, the Village, Waukesha County, Delafield Hartland Water Pollution Control
462 Commission, and Department of Natural Resources, when required prior to the start of
463 construction, demolition or hazardous waste abatement with respect to the applicable portion
464 of the Site work. Developer or the Purchaser of individual condominium units shall be solely
465 responsible for paying, at the time of building permit application, all applicable sewer or

466 water connection fees pertaining to connection of such utilities servicing the Project which
467 are customarily and uniformly assessed.

468

469 H. Locations. The parties agree that the locations of existing Village water, sanitary sewer and
470 storm sewer facilities as indicated on Exhibit E are approximate locations only. It is
471 Developer's sole responsibility to definitively locate all such Village facilities in the field,
472 and the Village bears no liability if any of said facilities are not located where indicated in
473 the documents described in this subsection.

474

475 I. Developer Disclosure to Buyers. Developer shall be required to disclose to buyers prior to
476 executing a contract for sale/purchase of a given condominium unit anticipated future
477 expenses of buyer related to developer and lot owner obligations in this Agreement including
478 payment of impact fees, connection charges, RSAC, street tree installation, potential Special
479 Charge, potential Special Charges and other applicable items.

480 Section VI. Time.

481 A. Provided that the Village grants approval to commence within fifteen (15) business days
482 from the request by Developer and following the execution and recording of this Agreement
483 and its Exhibits, Developer shall complete the following aspects of said improvements on the
484 Site for the Project, all in compliance with the requirements of this Agreement, on or before
485 the following dates:

- 486 1. Completion of installation of the first lift of asphalt on the public streets serving the
487 Project pursuant to Exhibit E on or before _____ unless extended by
488 the Village Board upon recommendation of the DPW Director and Village Engineer.
- 489 2. Installation of sanitary sewage collection and water distribution systems servicing the
490 Site pursuant to Exhibit E on or before _____.
- 491 3. Completion of storm/surface water drainage facilities servicing the Site as specified in
492 Exhibit E on or before _____.
- 493 4. Completion and recording of the Certified Survey Map and Final Condominium Plat on
494 or before _____.

495

496 B. Except as set forth in subsection C below, time is of the essence as to all deadlines set forth
497 in this section. Upon failure of Developer to meet one or more deadlines specified in this
498 section, Village may (but is not required to) complete that aspect of the project and charge
499 Developer 125 percent (125%) of the actual costs incurred by Village in so completing that
500 aspect of the Project. Village may draw upon the security provided in this Agreement for the
501 payment of said charges against Developer.

502

503 C. If delay in completion of any public improvements on the Site described in this Agreement is
504 caused or contributed to by act, omission, misconduct or neglect of the Village or those

505 acting for or under the Village, labor disputes, casualties, acts of God or the public enemy,
506 governmental embargo restrictions, shortages of fuel, labor or materials, action or non-action
507 of public utilities or of local, state or federal governments affecting the work or other causes
508 beyond Developer’s reasonable control, then the time of completion of such public
509 improvements shall be extended for the additional time caused by such delay.

510 Section VII. Payment of Village Fees.

511 Developer agrees to provide to the Village the following:

- 512 1. Developer and Village acknowledge that the Village has caused a needs assessment study
513 to be performed pursuant to Wis. Stat. § 66.55 and that the Village has enacted an
514 ordinance (§ 50-232) that imposes impact fees pertaining to the Village's services and
515 facilities. The Parties acknowledge that the ultimate occupants of the Site will likely
516 utilize these Village services and facilities and that the impact fees imposed by Village
517 Ordinances are necessary to pay for the capital costs of the facilities in order to
518 accommodate land development. Accordingly, Developer represents and warrants that it
519 will pay or cause the lot owner to make concurrent payment to the Village impact fees in
520 the then current amount in accordance with the Village Code upon application for
521 building permits.
- 522 2. An inspection fee deposit, for inclusion in the Developer escrow maintained by the
523 Village, in cash or check, in the amount of \$50,000 at the time of execution of this
524 Agreement. Developer shall be responsible for actual inspection costs and fees incurred
525 by the Village which shall first be deducted from such deposit.
- 526 3. Developer shall, in cash or check, continue to maintain an escrow balance with the
527 Village of Hartland through which the Village will reimburse itself for legal,
528 administrative, engineering and fiscal expenses paid by the Village on behalf of the
529 Project. From time to time during the development process, after said escrow deposit is
530 diminished by expenses incurred or to be incurred by the Village, the Village may require
531 additional funds to be deposited into the escrow, which additional funds shall be paid
532 within 30 days after written demand.
- 533 4. Developer acknowledges that sanitary sewer service the Site is subject to payment of
534 both Connection Charges under Section 86-276 of the Village Code and Regional Sewer
535 Availability Charges (“RSAC”) under Section 86-277 of the Village Code of Ordinances
536 as those sections and fees may be adjusted from time to time. Developer represents and
537 warrants that it will pay or cause the unit owners to make concurrent payment to the
538 Village of the then current Connection Charge and RSAC fee for each of the forty-seven
539 (47) condominium homesites on the Site upon application for building permits including
540 connection to the sanitary sewer system.

541 Section VIII. Security for Payment and Performance of Developer’s Obligations

- 542 A. Security Required. Prior to commencement of construction activities related to the
543 Development, Developer shall deliver or cause to be delivered to the Village acceptable
544 security equal to one hundred fifteen percent (115%) of the Village Engineer’s cost estimate
545 of all public and public interest (i.e. retention/detention ponds, walkways and paths,
546 monument signage, sanitary sewer, storm sewer, water, and other improvements)
547 improvements for the Site shown on the applicable Plat and the plans and specifications
548 pertaining thereto (including, but not limited to, temporary and permanent landscaping and
549 erosion control provisions, landscaping, seeding, and other improvements); and
550
- 551 B. Form of Security. Pursuant to §236.13 (2) (1m.) (c.) of the Wisconsin Statutes, as determined
552 by Developer, security provided hereunder shall be in the form of a performance bond or an
553 original, irrevocable letter of credit issued by a federally insured banking institution, the
554 financial condition of which is acceptable to the Village, naming the Village as payee and
555 expiring no sooner than twelve months, and being in a form acceptable to the Village
556 Attorney. It is the preference however of the Village that security be provided in the form of
557 a letter of credit. The amount of such security shall reduce subject to the provisions of
558 Section VIII.D. hereafter and when work secured hereby is completed and dedicated to the
559 Village.
560
- 561 C. Maintenance of Security. Security as described in this Section shall be renewed in a form
562 acceptable to the Village Attorney no later than 30 days prior to its expiration and shall be
563 maintained as described below for a period of time expiring 14 months after the
564 improvements for which the security is provided are substantially complete in accordance
565 with §236.13 (2) (am) 2. of the Wisconsin Statutes which provides:
566
- 567 *For purposes of subd. 1., public improvements reasonably necessary for a project*
568 *or a phase of a project are considered to be substantially completed at the time*
569 *the binder coat is installed on roads to be dedicated or, if the required public*
570 *improvements do not include a road to be dedicated, at the time that 90 percent of*
571 *the public improvements by cost are completed.*
572
- 573 In the event it is not renewed at least 30 days prior to its expiration, the Village may draw
574 upon such security for purposes of completion of Improvements provided for in this
575 Agreement.
576
- 577 D. Reduction of Security Upon Partial Completion. The amount of the Security may be reduced
578 as the improvements described in the Plat and the plans and specifications set forth on the
579 attached exhibits are completed and approved by the Village Engineer and DPW Director in
580 accordance with the following procedure.

- 581 1. From time-to-time during the course of construction, Developer may request the Village
582 Engineer and DPW Director to inspect the construction work completed to that date, and
583 the Village Engineer and DPW Director, as agent of the Village, shall use its best efforts
584 to make such inspection within seven (7) days after the request.
- 585 2. The request to inspect shall be accompanied by a certification prepared by Developer’s
586 engineer and stating the work completed, an estimate of the dollar value of the work
587 completed to date of the request and since Developer’s engineer’s last certification and
588 that the work has been completed in a good and workmanlike manner and in compliance
589 with the Plat and applicable plans and specifications.
- 590 3. The request for inspection shall also be accompanied by a certification from Developer’s
591 engineer estimating the cost to complete the remaining balance of the improvements,
592 with the estimated dollar value of the improvements completed and the estimated cost to
593 complete the remaining improvements being on a form and presented in a manner
594 reasonably acceptable to the Village Engineer and DPW Director.
- 595 4. Prior to reduction of the security amount, Developer shall deliver to the Village a sworn
596 contractor’s statement and appropriate photocopies or originals of lien waivers showing
597 that all work in place and for which a reduction in the security is requested has been fully
598 paid for or that all mechanic’s or other liens have been waived.
- 599 5. The Village Engineer and DPW Director shall approve a reduction in the Security
600 provided the following are met:
- 601 i. Receipt of the required documentation from the Developer
 - 602 ii. Inspection by the Village Engineer
 - 603 iii. Certification by the Village Engineer to the Village and to the financial
604 institution issuing any letter of credit:
 - 605 1. The dollar value of the work completed to the date of the request for
606 inspection and since the last certification by the Village Engineer
 - 607 2. That the work has been completed in a good and workmanlike manner
608 and in compliance with the Plat and the applicable plans and
609 specifications
 - 610 3. That no mechanic’s or other liens will attach to the Site or to any
611 property of the Village as a result of the installation of the
612 improvements
 - 613 4. That Developer’s engineer’s or Village Engineer’s estimate of the
614 dollar value of the work completed and the cost to complete the
615 remaining improvements are reasonable.
 - 616 iv. The balance remaining in the security is at least equal to one hundred percent
617 (100%) of the cost to complete all the remaining public and private
618 improvements plus fifteen percent (15%) of the total cost of any completed
619 improvements.
- 620

- 621 E. Release of Security Upon Completion. Upon final completion of all of the improvements, the
622 acceptance by the Village of the development and posting of any required warranty or
623 maintenance bond security, the then remaining balance of the security shall be released and
624 returned, after first drawing upon the security for any fees and costs due and owing to the
625 Village pursuant to all applicable ordinances and this Agreement.
626
- 627 F. Return of Excess Proceeds After Default. In the event of default by Developer under this
628 Agreement, if any of the security funds remain in the possession of the Village after all of the
629 public and private improvements have been completed in a good and workmanlike manner
630 and in accordance with the applicable Final Plat and applicable plans and specifications, all
631 warranty or maintenance obligations satisfied and all fees, costs and expenses of the Village,
632 including reasonable attorney’s fees, engineering fees, consultant fees, or other out-of-pocket
633 expenses incurred in completing the improvements, in releasing liens thereon in paying for
634 work completed prior to default are paid, or other costs incurred as a result of the default of
635 Developer; then any remaining balance shall be paid to Developer, subject to any claim to
636 said funds exerted by any financial institution issuing any letter of credit given as security.

637 Section IX. Guarantee of Improvements.

- 638 A. Guarantee. Developer guarantees that all materials and workmanship furnished by Developer
639 pursuant to this Agreement shall meet or exceed all state, federal and local requirements and
640 specifications and that the public improvements are and will remain in good and sound
641 condition for and during a period of twelve (12) months from the date of final acceptance of
642 dedication by the Village.
643
- 644 B. Guarantee Security. Notwithstanding the following in this section, it is the preference of the
645 Village that security be provided in the form of a letter of credit. Developer shall furnish to
646 the Village, prior to final acceptance of dedication of the public improvements by the
647 Village, guarantee security pursuant to §236.13 of the Wisconsin Statutes consisting, as
648 determined by Developer, of a performance bond or an original, irrevocable letter of credit
649 issued by a federally insured banking institution, the financial condition of which is
650 acceptable to the Village, naming the Village as payee, expiring no sooner than fourteen
651 months from the date of substantial completion of the covered improvements and equaling in
652 the aggregate to ten percent (10%) of the total final cost of the improvements, which
653 guarantee security will be retained by the Village for a period of fourteen (14) months after
654 the substantial completion of the improvements as initial security for Developer’s guarantee
655 that the workmanship and materials furnished meet or exceed all state, federal and local
656 requirements and specifications, and that the improvements are and will remain in good and
657 sound condition for and during the twelve-month period from and after their acceptance.
658 Separate bonds or letters of credit may be utilized because the time frame for the acceptance
659 of each type of improvement may be different.

660
661
662
663
664
665
666
667
668
669
670
671
672
673
674
675
676
677
678
679
680
681
682
683
684
685
686
687
688
689
690
691
692
693
694
695

C. Obligation to Repair. Developer shall make or cause to be made, at its own expense, any and all repairs which may become necessary under and by virtue of Developer’s guarantee and shall leave the improvements in good and sound condition, satisfactory to the Village and Village Engineer and DPW Director at the expiration of the guarantee period; provided, however, Developer’s obligation to repair shall not extend to repairs necessitated by or related to any act, omission, neglect or misconduct of the Village, its agents, employees or contractors (and the guarantee security may not be drawn against in such instances).

D. Notice of Repair. If during a respective guarantee period, the improvements shall, in the professional opinion of the Village Engineer and DPW Director, require any repairs or replacements which in his judgment are necessitated by reason of settlement of foundation, structure or backfill, or other defective workmanship or materials, Developer shall, upon written notification by the Village Engineer and DPW Director of the necessity for such repairs, make such repairs, at its own cost and expense. Should Developer fail to make such repairs within a reasonable time after written notice has been sent as provided herein, or fail to start work within fourteen (14) calendar days after such written notice, weather permitting, the Village may cause such work to be done, but has no obligation to do so, either by contract or otherwise, and the Village may draw upon said guarantee security to pay any costs or expenses incurred in connection with such repairs or replacements. Should the cost or expense incurred by the Village in repairing or replacing any portion of the improvements covered by this guarantee exceed the amount of the guarantee security, the Developer shall, within thirty (30) days of being invoiced by the Village, pay 125 percent of any excess cost or expense actually incurred in the correction process.

E. Maintenance Prior to Acceptance. Developer shall maintain the public improvements until such time as they are accepted by the Village in dedication. This maintenance shall include routine maintenance, such as dust suppression, crack filling, roadway patching and the like. In cases where emergency maintenance is required, such as sewer blockages, the Village retains the right to complete the required emergency maintenance in a timely fashion and bill Developer for all actual associated costs. The Village shall not be responsible for snow removal prior to acceptance of the public street improvements except as set forth in subsection II. A. 2 unless mutually agreed in writing signed by both parties hereto to the contrary. All improvements shall be maintained so they conform to the applicable plans and specifications attached as exhibits to this Agreement at the time of their acceptance by the Village.

Section X. Method of Improvement.

Developer hereby agrees to engage contractors for all work included in this Agreement who are qualified to perform the work. Developer further agrees to use materials and make the various

699 installations in accordance with the applicable plans and specifications made a part of this
700 Agreement by exhibit reference and including those standard specifications as the Village Board
701 or its Commissions may have adopted and published prior to this date.

702 Section XI. Zoning.

703 The Village does not guarantee or warrant that the subject lands of this agreement will not at
704 some later date be rezoned, nor does the Village herewith agree to rezone the lands into a
705 different zoning district.

706 Section XII. Indemnification and Insurance.

707 A. Indemnification.

708 1. In addition to, and not to the exclusion or prejudice of, any provisions of this Agreement
709 or documents incorporated herein by reference, Developer shall INDEMNIFY AND
710 SAVE HARMLESS the Village, its officers, agents and employees, and shall DEFEND
711 the same from and against any and all liability, claims, loss damages, interest, actions,
712 suits, judgments, costs, expenses, attorneys' fees, and the like, which result from or arise
713 in the course of out of, or as a result of the performance, mis-performance, or
714 nonperformance of Developer's obligations under this agreement or the negligent
715 construction or operation of public improvements covered thereby until the dedication of
716 said public improvements is accepted by the Village and after the dedication of said
717 improvements only if the occurrence giving rise to the claim predates the dedication.

718 2. In every case where judgment is recovered against the Village if notice and opportunity
719 to defend has been given to the Developer of the pendency of the suit within ten (10)
720 days after service of the summons and complaint on the Village, the judgment shall be
721 conclusive upon the Developer not only as to the amount of damages, but also as to its
722 liability to the Village.

723 B. Insurance. Developer and/or Developer's contractors shall maintain at all times, until the
724 acceptance by the Village of all public improvements' insurance with minimum limits and
725 coverage as shown below:

726 1. For Developer's contractors and others working on the Site, Worker's Compensation,
727 including Occupational Disease, Insurance meeting the statutory requirements of the
728 State of Wisconsin, and Employer's Liability insurance in an amount of at least Five
729 Hundred Thousand Dollars (\$500,000.00).

730 2. For Developer and Developer's contractors, Comprehensive Liability Insurance
731 providing limits for bodily injury and personal injury of One Million Dollars
732 (\$1,000,000.00) combined single limit. The policy must include the Village and its
733 agents, officers and employees as "additional insured" and provide premises, operations,
734 elevators, damage, blanket contractual covering indemnities within contract documents,
735 products and completed operations coverage and be endorsed as "primary and non -

736 contributory" to any insurance of the additional insured, except from their sole
737 negligence.

738 3. For Developer's contractors and others working on the Site, Comprehensive Automobile
739 Liability Insurance, on occurrence basis, covering all owned, non-owned and hired
740 vehicles with limits of liability equal to those set forth in paragraph B (2) above.

741 C. Proof of Insurance Coverage for Village. Developer shall furnish to the Village, prior to
742 commencement of construction or Site preparation activities, evidence of the issuance of
743 policies covering the above recited insurance requirements in the form of a Declaration
744 referencing all applicable policies along with endorsements referencing the policy numbers
745 of the applicable polices and signed by an authorized person. **An ACORD 25 certificate**
746 **shall not be acceptable.** All endorsements to those policies must state that notice of any
747 material change in coverage or nonrenewal or cancellation will be provided to the Village not
748 less than thirty (30) days prior to the effective date of any such change, nonrenewal or
749 cancellation. All endorsements shall name the Village of Hartland, its officers, employees
750 and agents as an additional insured. The form of the endorsement of insurance will be subject
751 to the approval of the Village or its attorney, prior to commencement of construction or Site
752 preparation activities, which shall not be unreasonably withheld.

753 D. No Limit on Liability. It is understood and agreed that the insurance coverage and limits
754 required above shall not limit the extent of Developer's responsibilities and liabilities
755 pursuant to this Agreement or imposed by law.

756 Section XIII. Agreement for Benefit of Purchasers.

757 Developer agrees that in addition to the Village's rights herein, the purchaser of any lot or any
758 interest in any lot or parcel of land in the development and the Homeowners' Association for the
759 Site shall be third-party beneficiaries for the limited purpose of ensuring that condominium units
760 are ultimately made available for purchase in accordance with the terms of this Agreement.
761 Notwithstanding the foregoing, or any other provision of this Agreement, it is expressly
762 understood and agreed that any or all of the provisions of this Agreement may be amended,
763 modified, waived, and/or annulled by written agreement by and between the Developer and the
764 Village alone, without any requirement that the purchaser or owner of any lot or parcel of land in
765 the Subdivision, or the holder of any interest in any lot or parcel of land in the subdivision, join
766 in or consent to same.

767 Section XIV. General Conditions and Regulations.

768 All the provisions of the Village ordinances relating to the development of land through the use
769 of Preliminary and Final Plats, as amended from time-to-time, are incorporated herein by
770 reference, and all such provisions shall bind the parties hereto and be a part of this Agreement as
771 fully as if set forth at length herein. This Agreement and all work and improvements required
772 hereunder shall be performed and carried out in strict accordance with and subject to the
773 provisions of said ordinances and this Agreement. This Agreement shall not be deemed to

774 modify or suspend any provisions of the Village Ordinances (now existing or as subsequently
775 amended) relating to the development or use of land. All such provisions shall apply to the
776 Project in accordance with applicable law.

777 Section XV. Assignment.

778 Developer shall not assign this Agreement without the prior written consent of the Village.

779 Section XVI. Amendments.

780 The Village Board and Developer, by mutual consent, may amend this Agreement at any
781 meeting of the Village Board of the Village of Hartland. The Village Board shall not, however,
782 be obligated to consider consenting to an amendment until after first having received a
783 recommendation from the Village Plan Commission.

784 Section XVII. Exculpation of Village Elected Officials in Personal Capacity.

785 The parties agree that the President, Village Clerk, Board of Trustees and Plan Commission of
786 the Village of Hartland, entered into and are signatory to this Agreement solely in their official
787 capacity and not individually, and shall have no personal liability or responsibility hereunder;
788 and personal liability as may otherwise exist, being expressly released and/or waived.

789 Section XVIII. Miscellaneous Provisions

790 A. This Agreement may be executed in one or more counterparts, each of which shall be
791 deemed an original but all of which together shall constitute one and the same instrument.
792

793 B. This Agreement is the complete and entire agreement of the parties with respect to the
794 matters covered by this Agreement, and it shall supersede all prior agreements to the
795 contrary. No agreements, promises, or representations made during or in connection with
796 the negotiations for or approval of this Agreement shall be binding or effective unless
797 they are included herein. This Agreement may be introduced into evidence by any party
798 without objection in any action to enforce the terms of this Agreement. No modification
799 of this Agreement shall be binding unless in writing and signed by Developer and
800 Village.
801

802 C. The Parties acknowledge and represent that this Agreement is the subject of negotiation
803 by all parties and that all parties together shall be construed to be the drafter hereof and
804 this Agreement shall not be construed against any party individually as drafter.
805

806 D. Legal Relationship. Nothing in this Agreement shall be construed to create an
807 employer/employee relationship, joint employer, a joint venture or partnership
808 relationship, or a principal/agent relationship.

809
810 E. Survival. All agreements, representations, or warranties made herein shall survive the
811 execution of this Agreement and the making of the grants hereunder. This Agreement
812 shall be binding upon the Parties, their respective successors and assigns.

813
814 F. Recording of Agreement. This Agreement shall be recorded with the Register of Deeds
815 for Waukesha County.

816
817 G. Easements. Developer shall provide documentation satisfactory to the Village that it has
818 legal power and authority to grant all easements required under this Agreement.

819 IN WITNESS WHEREOF, Developer and the Village have caused this Agreement to be signed
820 by their appropriate officers and their corporate seals to be hereunto affixed in three (3) original
821 counter-parts the day and year first above written.

Lake Country Lutheran

By: _____
Mathew Neumann, CEO, Neumann Developments Inc., ????????

VILLAGE OF HARTLAND

By: _____
Jeffrey Pfannerstill, Village President

Attest: _____
Darlene Igl
Village Clerk

[NOTARY STATEMENTS FOLLOW]

822

SCHEDULE OF EXHIBITS

Exhibit A Legal Description

Exhibit B Site Plan

Exhibit C Zoning

Exhibit D Proposed Condominium Plat

Exhibit E Plans and Specifications

Exhibit F Storm Water Management Facility Maintenance Agreement

Exhibit G Temporary Access Easement

Exhibit H Phase I Evaluation

Exhibit I Public Access Easement

Exhibit J Permanent Access/Maintenance Easement

Exhibit K Subdivision Declarations

MEMO

TO: Tim Rhode, Village Administrator
FROM: Dave Felkner, Utility Supervisor
DATE: June 16, 2020
SUBJECT: 2020 Sanitary Sewer Cleaning and Televising Proposal

As part of our normal sanitary sewer system maintenance efforts, we will be performing our yearly sewer cleaning of a third or 80,000 linear feet of the collection system and televising 2,000 linear feet of the collection system and will focus on streets scheduled to be paved in the near future. The work is done annually to minimize the potential of sewer backups and to allow time to plan and execute repairs before road paving takes place.

The attached proposal is from Visu-Sewer to complete this work. The work amounts to approximately \$20,800 for the cleaning and the televising is approximately \$1,360. The cleaning comes in at \$0.26 per linear foot (LF) and the televising will cost \$0.68 per (LF). The funds to cover this work have been budgeted under the Sewer Utility Maintenance-Sewage System Collection account (#204-53610-380).

It is my recommendation that the Village accept the proposal from Visu-Sewer to carry out the 2020 sewer cleaning and televising work. Visu-Sewer has done very good work for the Village in the past. Please place this on the upcoming Village Board agenda for consideration and approval.

Attachment

cc: Darlene Igl, Village Clerk
Michael D. Gerszewski, Operations Supervisor DPW



2020 Sewer Maintenance Agreement

To: Dave Felkner
Village of Hartland
P.O. Box 247
Hartland, WI 53029
262-367-4750

From: Drew Setzer
Visu-Sewer, Inc.
W230 N4855 Betker Drive
Pewaukee, WI 53072
262-695-2340

Date: 3/3/2020

Project: 2020 Sanitary Sewer Maintenance Agreement

Visu-Sewer is pleased to offer the following proposal to perform 2020 sanitary sewer maintenance for the Village of Hartland. The prices to complete this work are as follows:

- 1.) Sanitary Sewer Cleaning (+/-) 80,000 linear feet at \$0.26 per LF.
- 2.) CCTV Inspection (Includes one (1) pas with a jet) – Minimum 2,000 LF at \$0.68 per LF.

Note: CCTV inspection includes a detailed analysis of collected data with rehabilitation recommendations and prioritization schedule. The sanitary sewer maintenance cleaning will be completed with a combination sewer jetting and high-volume vacuum unit.

The Village of Hartland is asked to provide the following: Access to all manholes on the project, water from nearby hydrants for cleaning equipment (without charge), a dumpsite for all the debris removed from the system (without charge), and traffic control beyond cones and signs. Pricing does not include work in easement areas.

Visu-Sewer will provide all labor, equipment and materials to complete the above described work per NASSCO PACP guidelines. Upon completion of the cleaning and TV Inspection, Visu-Sewer will provide associated reports and DVD media for the inspection work performed.

If you have any questions regarding this quotation, please contact Randy Belanger or me at 262-695-2340.

All material guaranteed to be as specified. All work to be completed in a substantial workmanlike manner according to specifications submitted, per standard practices. Any alteration or deviation from the above specifications involving extra costs will be executed only upon written orders and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workmen's Compensation Insurance. This proposal may be withdrawn if not accepted within 30 days of issue. Terms - Net 30 days.

Acceptance of Proposal

The above prices, specifications and conditions are satisfactory and are hereby accepted. VSC&S, Inc. is authorized to do the work as specified.

Date: _____

Signature: _____

www.visu-sewer.com

WISCONSIN - ILLINOIS - MINNESOTA - IOWA - MISSOURI - VIRGINIA

MEMO

TO: Tim Rhode, Village Administrator
FROM: Dave Felkner, Utilities Supervisor
DATE: June 16, 2020
SUBJECT: Crystal Lift Station Contractor's Application for Payment

Hogen Electric Inc. is seeking the final payment for work completed at the Crystal Drive Lift Station for the sum of \$4,775.00. This will complete the scope of work for the Crystal Drive lift station. The Village will have a one year warranty if anything may arise.

As you recall, the Crystal Lift Station consists of a building, generator and pump controls. This building replaces the free standing control panel and provides for a backup generator which we did not have previously at this site. The Village staff and Ruekert & Mielke are satisfied with the completion of this project. We recommend payment to Hogen Electric Inc. in the sum of \$4,775.00

Please place this on the next Village Board agenda for consideration.

Cc: Darlene Igl, Village Clerk
Mike Gerszewski, Operations Supervisor
Ryan Bailey, Finance Director/Treasurer

Contractor's Application for Payment No. 5

To (Owner): Village of Hartland	Application Date: 6/12/2020	From (Contractor): Hogen Electric	Application Period: To 5/31/20
Contact: Dave Felkner	Contact: Todd Hogen	Contact: Alan J. Labisch	Via (Engineer): Ruekert & Melke, Inc.
Project: Crystal Drive Lift Station Modifications	Address: 1131 Linnaeck Lane Hartford, WI 53027	Address: W233 N2080 Ridgeview Parkway Waukesha, WI 53188	
Owner's Contract No.: N/A		Engineer's Project No.: 09-10039.300	

Change Order Summary

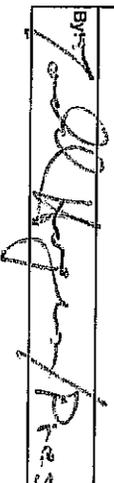
Approved Change Orders	Number	Additions	Deductions (Enter as Positive Number)	Description
	Gas Allowance		\$5,000.00	
TOTALS			\$5,000.00	
NET CHANGE BY CHANGE ORDERS			-\$5,000.00	

1. ORIGINAL CONTRACT PRICE \$ 195,000.00
2. Net change by Change Orders \$ (5,000.00)
3. CURRENT CONTRACT PRICE (Line 1 + Line 2) \$ 191,000.00
4. TOTAL COMPLETED TO DATE
(Column F Total on Progress Estimates) \$ 191,000.00
5. RETAINAGE:
5% X Work Completed \$ -
6. RETAINAGE REDUCTION TO DATE (Enter as Positive Number) \$ 191,000.00
7. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5 + Line 6) \$ 186,225.00
8. LESS PREVIOUS PAYMENTS (Line 7 from Prior Application) \$ 4,775.00
9. AMOUNT DUE THIS APPLICATION (Line 7 - Line 8) \$ -
10. BALANCE TO FINISH, PLUS RETAINAGE:
(Column H Total on Progress Estimates + Line 5 - Line 6) \$ -

Contractor's Certification

The undersigned Contractor certifies that to the best of its knowledge:

- (1) all previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with Work covered by prior Applications for Payment;
- (2) title to all Work, materials and equipment incorporated in said Work or otherwise listed in or covered by this Application for Payment will pass to Owner per Article 15 of the General Conditions; and
- (3) all Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

By:  Date: 6/12/20

Payment of: \$ 4,775.00 (Line 9 or other - attach explanation of the other amount)

Recommended by:  Alan J. Labisch 6/12/2020 (Date)

Payment of: \$ _____ (Line 9 or other - attach explanation of the other amount)

Approved by: _____ (Owner) _____ (Date)

Progress Estimate - Lump Sum Work

Contractor's Application for Payment No. 5

For (Project): Crystal Drive Lift Station Modifications

Application Date: 6/12/2020

Application Period: To 5/31/20

Engineer's Project No.: 09-10039.300

Specification Section No.	Description	Scheduled Value (\$)	Work Completed to Date		Total Work Completed to Date (D + E)	% Complete (F / C)	Balance to Finish (C - F)
			From Previous Applications	This Period			
1	Bond and Insurance	\$ 4,000.00	\$ 4,000.00		\$ 4,000.00	100.0%	\$ -
2	Arrow Building w/Generator	\$ 144,500.00	\$ 144,500.00		\$ 144,500.00	100.0%	\$ -
3	Excavation & Concrete	\$ 13,500.00	\$ 13,500.00		\$ 13,500.00	100.0%	\$ -
4	Electrical Site Work	\$ 19,600.00	\$ 19,600.00		\$ 19,600.00	100.0%	\$ -
5	Start up and O&M's	\$ 2,000.00	\$ 2,000.00		\$ 2,000.00	100.0%	\$ -
6	Landscaping	\$ 7,400.00	\$ 7,400.00		\$ 7,400.00	100.0%	\$ -
7	Gas & Electric Allowance	\$ -	\$ -		\$ -	100.0%	\$ -
Totals		\$ 191,000.00	\$ 191,000.00	\$ -	\$ 191,000.00		\$ -

APPLICATION AND CERTIFICATE FOR PAYMENT

AIA DOCUMENT G702

PAGE 1 OF 2 PAGES

TO: Village of Hartland
210 Cottonwood Avenue
Hartland, WI 53029

PROJECT: Crystal Drive Lift Station
Modifications APPLICATION NO: 5R

Distribution to:

OWNER
 ENGINEER
 CONTRACTOR

FROM (CONTRACTOR): Hogen Electric, Inc.

VIA:

Ruekert / Mielke

PROJECT NO: 09-10039.200

1131 Limerick Lane

W233 N2080 Ridgeway Pkwy

Hartford, WI 53027

Maukasha, WI 53188-1020

CONTRACT FOR: Crystal Dr. Lift Station Modifications

Attn:

David Arnot, P.E.

CONTRACT DATE: 5/6/2019

CONTRACTOR'S APPLICATION FOR PAYMENT

CHANGE ORDER SUMMARY		
Change Orders approved in previous months by Owner	ADDITIONS	DEDUCTIONS
TOTAL		
Approved this Month		
Number	Date Approved	
	Gas Allowance	N/C
		-5000
TOTALS		-5000

Net change by Change Orders

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR: Hogen Electric, Inc.

By: _____ Date: _____

ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

Application is made for Payment, as shown below, in connection with the Contract. Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM \$ 196,000.00
 2. Net change by Change Orders \$ 5,000.00
 3. CONTRACT SUM TO DATE (Line 1+/-2) \$ 191,000.00
 4. TOTAL COMPLETED & STORED TO DATE \$ 191,000.00
 (Column G on G703)

5. RETAINAGE: a. 5 % of first 50% of Work \$ -
 (Column D+E on G703)
 b. _____ % of Stored Material \$ -
 (Column F on G703)

Total Retainage (Line 5a +5b or Total in Column I of G703) \$ -
 6. TOTAL EARNED LESS RETAINAGE \$ 191,000.00
 (Line 4 less Line 5 Total)

7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate) \$ 186,225.00
 8. CURRENT PAYMENT DUE \$ 4,775.00
 9. BALANCE TO FINISH, PLUS RETAINAGE \$ -
 (Line 3 less Line 6)

State of: WISCONSIN County of: WASHINGTON
 Subscribed and sworn to before me this _____ day of _____
 Notary Public: _____
 My Commission expires: _____

AMOUNT CERTIFIED \$ _____
 (Attach explanation if amount certified differs from the amount applied for.)
 ARCHITECT: _____

By: _____ Date: _____
 This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

CONTINUATION SHEET

APPLICATION NUMBER: 5
 APPLICATION DATE: 5/26/2020
 PERIOD TO: 4/30/2020
 ARCHITECT'S PROJECT NO.: 8117-10039
 PROJECT: Crystal Drive

A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		E THIS PERIOD	F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G TOTAL COMPLETED AND STORED TO DATE (D+E+F)		H BALANCE TO FINISH (C-G)	I RETAINAGE
			FROM PREVIOUS APPLICATION (D+E)				% (G/C)			
	Bond and Insurance	4,000.00	4,000.00		0.00		4,000.00	100%	0.00	
	Arrow Building w/Generator	144,500.00	144,500.00		0.00		144,500.00	100%	0.00	
	Excavation & Concrete	13,500.00	13,500.00		0.00		13,500.00	100%	0.00	
	Electrical Site Work	19,600.00	19,600.00		0.00		19,600.00	100%	0.00	
	Start up and O&Ms	2,000.00	2,000.00		0.00		2,000.00	100%	0.00	
	Landscaping	7,400.00	7,400.00		0.00		7,400.00	100%	0.00	
	Gas Allowance (N/C)	0.00	0.00		0.00		0.00	0%	0.00	
		191,000.00	191,000.00		0.00	0.00	191,000.00	100%	0.00	0.00



**Village of Hartland
Administration**

210 Cottonwood Ave, Hartland, WI 53029
www.villageofhartland.com

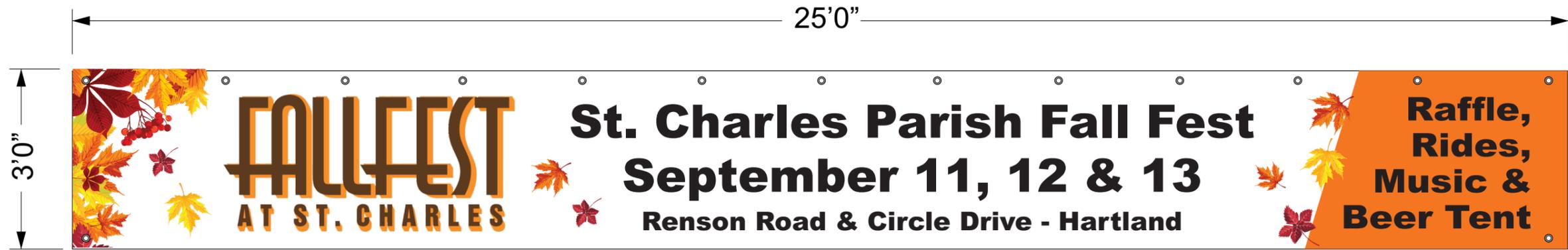
Committee: Village Board	Memo Date: June 16, 2020
Village Board Item Number: 8	Meeting Date: June 22, 2020
Submitted By: Ryan Bailey	
Subject: St. Charles Fall Festival over the road street banner request	

Details: St. Charles has submitted a design for a banner for their fall festival to hang over the intersection of Capitol and Maple avenue by Citgo. Our Banner Policy is attached to this Memo. Only the Village of Hartland, Hartland BID and Hartland Chamber of Commerce are allowed to hang banners per our banner policy. Our policy also states that, "Any events not on this list that bring people to Hartland may submit a request to the Village Board to be added to this list." St. Charles is asking that a waiver be granted to allow them to hang their fall fest banner or be permanently added to the list on the banner policy for fall fast.

Financial Remarks: Financial implications to the Village would be the time for DPW to hang the banner and remove the banner after the event. Approximately 1-2 hours each for hanging and taking down banner.

Options & Alternatives: The Village board can either approve or deny St. Charles request to hang the fall fest banner. We have no previous precedence so the Village Board's action on this banner would pave a path for other user groups to possibly desire to hang banners in the future.

Executive Recommendation: This approval or denial will set precedence for our banner policy. Staff neither recommends for or against this request as it is up to the Village Board to set the banner policy moving forward.



Scale 1/2" = 1'0"

Village of Hartland Banner Policy

Purpose Statement

The purpose of allowing advertising on municipal property is not to provide a public forum for dissemination, debate or discussion of public issues but to provide organizations an opportunity to draw attention to an event in Hartland. This policy is intended to provide guidelines and standards for banners that will be hung over the streets in downtown Hartland.

Guidelines, Standards and Criteria

The purchaser of the banner will determine all of the artwork and details for the sign with their printer. The Village Board must approve the banner, its design and message before it is displayed on the approved locations. Approval will be determined based upon the purchaser being current on all payments due and owing to the Village of Hartland as well as following of the guidelines and standards in this policy.

The Village of Hartland reserves the right to amend the policy and standards at any time and to later limit or prohibit advertising at any and all locations even though previously allowed.

Approval of the content of the sign will be based on the following criteria:

- No advertisements shall contain information that is false, misleading or deceptive.
- Advertising may not promote unlawful or illegal goods, services or activities, or infringe on any copyright, trade, or service mark, title or slogan.
- Advertising may not be demeaning or disparaging to individuals or groups on the basis of race, color, religion, national origin, ancestry, gender, age, disability, ethnicity, or sexual orientation.
- The advertising shall state a disclaimer on the banner, that the ad is not sponsored by and does not necessarily reflect the views of the municipality.
- Village Board has right of refusal of any banner for any reason

Approved areas:

- Locations will be determined based on approval by the Village Board and WE Energies

The banners must comply with the following standards:

- Banners must be made of vinyl (for all season). No poster board or weather reducing material. Must be 3' tall by 25' long
- Grommets must be placed around the top border of the sign to be hung from wires and two metal grommets in the corners of the bottom border for hanging purposes

Guidelines of the program:

- All banners are temporary and seasonal and may only be up for a maximum of 3 weeks and minimum of 2 weeks.

- The Village of Hartland reserves the right to remove any sign that is in poor condition as it may determine. The user group shall be responsible for the replacement of the sign that is removed
- The Village of Hartland will not be responsible for any damage to the sign. Repairs or replacement of the sign due to damage caused by wear and tear, wind, vandalism theft or damage caused by any other reason will be at the purchaser's sole expense
- The banners will be placed using carabiners.

Horizontal Banners that will hang over the street

1. Organizations must submit banner sketches to Village Board and must be approved by the Village Board.
2. Banners will be hung by the Village of Hartland personnel or contracted out, after Village Board approval, on day banner is requested to be hung
3. Banners will stay up for no longer than 3 weeks time.

The Following Events are eligible to hang banners after Village Board Approval. Any events not on this list that bring people to Hartland may submit a request to the Village Board to be added to this list.

1. Hartland Hometown Celebration – Village of Hartland
2. Hartland Concerts and Movies – Village of Hartland – Recreation Department
3. Holiday Train and Hartland Lights – Village of Hartland and Hartland BID
4. Hartland Neighborhood Night Out – Village of Hartland and Hartland BID
5. Street Dance – Hartland Chamber of Commerce

Vertical Banners and seasonal lighting that will hang on telephone poles in downtown Hartland

1. Hartland BID will be organization allowed to hang these banners.
2. Hartland BID will submit designs to Village Board for approval of banners and lighting
3. Hartland BID must meet with Village of Hartland Department of Public Works to get specifications of what is need to hang banners properly.
4. Banners will be hung by the Department of Public Works, after Village Board, approval on requested date.
5. Banners will be in place until Hartland BID wants them removed.



**Village of Hartland
Administration**

210 Cottonwood Ave, Hartland, WI 53029
www.villageofhartland.com

Committee: Village Board	Date: 6-17-2020
Village Board Item Number: 10	Meeting Date: 6-22-2020
Submitted By: Tim Rhode, Village Administrator	
Subject: Discussion Only. Melm's Brewing request for Beer Garden in Hartbrook Park	

Details: Melms Brewing of Hartland reached out to the Village to discuss the possibility of making a pop-up type beer garden this summer at Hartbrook Park. The staff has had multiple email/phone conversation about the logistics of our Lake Country Beer Garden in Nixon Park as an example. Melm's owners would like the Village Board and the Village Park Board to discuss the possibility of an additional beer garden. This agenda item is informational only, and the request should go for discussion and action by the Village Park Board before the action of the Village Board.

Financial Remarks:
Weekly rental fees comparable to the Lake Country Beer Garden lease has been discussed.

Options & Alternatives:
Melm's also reviewed the option of Centennial Park, but prefer Hartbrook Park.

Executive Recommendation:
Review the attached email letter from Melm's and discuss.

First, we would like to keep moving toward a beer garden this summer, and we'd like to focus on Hartbrook Park. The layout and combination of sunny space and shady space, the volleyball court, and proximity of the shelter to the parking lot all make that appear to be the best choice.

Hours of operation would be

Friday - 5-9

Saturday 2-9

Sunday 12 - 6

(hours subject to modification based on demand)

As for the rent, we appreciate and understand the need to maintain consistency and parity with the Nixon Park operation.

We would either plan to bring in food trucks, or, potentially look into the requirements to be able to sell burgers and brats and the like. As mentioned, working with civic groups for a food booth is another option but sounds like that is harder and harder to come by. We do think availability of food will be key.

Live music would not be a regular feature but we might have it from time to time. We would have games such as corn-hole and giant jenga and perhaps others.

Finally, in order to make this work we would like to have permission for temporary signage at the following locations:

On the corner leading into the park off Harkbrook Dr.

On the corner of Hartbrook and North

At Centennial Park by the walking trail.

Please let us know what else you need from us at the moment. We are very excited about this opportunity and look forward to working with the Village to make it a reality.

Kind regard,

Robert Stack, President
Melms Brewing Company, Inc.
418 Merton Ave.
Hartland, WI 53029
(262) 993-2566

Follow us on Facebook: <https://www.facebook.com/MelmsBrewery>
and Twitter @MelmsBrewery