Village of LONE ROCK Est. 1887 Wisconsin

P.O. Box 338 - 314 E Forest St. - Lone Rock WI 53556 - (608) 583-0088.

Finance Committee

Meeting Minutes

August 3, 2026, 7:00 PM, Village Office

1. Attendance

Present: Mary Litviak, Brandon Bindl, and Corey Ewers.

Also in attendance: Dan Quinn and Brad Seymour.

2. Approval Of Agenda

> A motion to approve the agenda was made by Bindl and seconded by Ewers. The motion carried unanimously.

3. Approval Of Minutes

No recent Finance Committee minutes could be located. The item was tabled to the next meeting.

> A motion to table the Approval of Minutes was made by Ewers and seconded by Bindl. The motion carried unanimously.

4. Finance Committee Review of Borrowing Capacity and Loan Terms – Committee

The committee reviewed the village's overall debt position and borrowing capacity in the context of a proposed Phase 1 infrastructure development (sewer and water) for the Forest Street lots.

Debt Capacity Overview: The village's general debt limit is $3,389,495. Revenue bonds associated with the Clean Water Fund and Clean Drinking Water Fund fall outside this limit, as those are serviced exclusively by utility revenues. Current general fund obligations include approximately $27,000 remaining on the fire station loan and a $1,000,000 line of credit (unused) established for the forest development utility project, leaving meaningful borrowing capacity available.

TID Revenue: In 2025, the village received its first TID (Tax Increment District) payment of $86,230.97 — the first of up to 20 annual installments. The committee noted this figure represents a minimum, expected to grow as properties develop. It was noted that a 2–3-year lag exists before newly built homes generate taxable value and corresponding TID revenue. The committee discussed using the accumulated TID balance as collateral to support borrowing.

TID Boundary Issue: It was noted that the original TID boundary map exceeded the statutory limit by 12%, prompting the Southwest Wisconsin Regional Planning Commission to remove certain properties from the map without formal communication back to the village. As a result, at least one parcel (originally attributed to Michael Allgor) was removed from TID eligibility.

Loan Terms Explored: The committee reported that multiple financial institutions were contacted. Richland County Bank emerged as the most favorable option, offering an interest rate of 4.6–4.7% and expressing strong willingness to work with municipalities. Royal Bank indicated a rate of 5.5% over 19 years and required extensive documentation before committing. BMO did not respond. Marine Credit Union, Heartland, and WCCU were noted as not offering this type of municipal financing. The committee recommended structuring any loan for the longest available term with no prepayment penalty, to preserve flexibility for early payoff.

Phase 1 Recommendation: The committee discussed the financial viability of proceeding with Phase 1 of the Forest Street lot development, concluding that TID revenues are expected to cover debt service on a $1,000,000 loan. The committee agreed that Phase 2 should be contingent on lot sales activity following Phase 1, with a general goal of initiating Phase 2 within 2–3 years if market conditions warrant.

> A motion was made to recommend to the Village Board that it accept Bart's plans for Phase 1 of the development of the school lots, based on the committee's review of financial records and borrowing capacity by Litviak. The motion was seconded Ewers. The motion carried unanimously.

FDIC Insurance: A brief discussion arose regarding FDIC insurance coverage for village accounts. It was noted that the village's library CD had been moved to WCCU in part due to concerns that all village accounts, regardless of number, may be collectively insured up to only $250,000 as a single entity under one federal ID number. The matter was not resolved and a committee member agreed to follow up with the bank for clarification.

Fire Station Loan: It was noted that the fire station loan is nearing payoff, and the committee briefly discussed maintaining the existing rent arrangement with the fire district upon loan retirement.

5. Adjourn

The meeting was adjourned at 7:56 PM

Respectfully submitted by Tammy Christianson, Clerk.