



RESOLUTION 2026-10

A RESOLUTION OF THE VILLAGE BOARD OF THE VILLAGE OF HOBART, WISCONSIN, AUTHORIZING A LOWER PAYMENT IN LIEU OF TAXES (PILOT) FROM THE VILLAGE OF HOBART WATER UTILITY

BY THE VILLAGE BOARD OF THE VILLAGE OF HOBART, WISCONSIN:

WHEREAS, the Village of Hobart, Brown County, Wisconsin, owns and operates a municipal water utility known as the Village of Hobart Water Utility (the "Utility"); and

WHEREAS, pursuant to Wis. Stat. § 66.0811(2) and Public Service Commission of Wisconsin (PSC) regulations, the Utility is permitted to pay a tax equivalent, also referred to as a Payment in Lieu of Taxes (PILOT), to the Village's general fund; and

WHEREAS, the maximum allowable PILOT payment is determined annually using a standardized formula established by the PSC, which is directly tied to the gross book value of the Utility's local infrastructure and assets; and

WHEREAS, due to recent infrastructure investments and rising asset values, the maximum allowable PILOT payment calculated for the 2027 fiscal year has increased to \$195,286 , which represents a significant increase over the prior year's payment; and

WHEREAS, the Village Board finds that collecting the full maximum allowable PILOT payment would place an unnecessary financial burden on the Utility, potentially forcing an escalation of utility rates for local residents and business owners; and

WHEREAS, Wisconsin municipalities maintain the local authority to accept a lower or flat PILOT payment than the maximum amount permitted by the PSC formula via a formal governing body action; and

WHEREAS, the Village Board determines it is in the best financial interest of the community and its utility customers to reduce the PILOT payment by \$118,000 each year to minimize the financial impacts.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Village of Hobart, Brown County, Wisconsin, as follows:

1. **Authorization of Lower PILOT:** The Village hereby waives its right to collect the maximum calculated PSC tax equivalent and explicitly authorizes a lower, fixed PILOT payment from the Utility as stated above.
2. **Direction to Staff:** The Village Administrator, Clerk, Treasurer, and Utility staff are hereby authorized and directed to execute all necessary accounting adjustments and documentation required to reflect this reduced payment in the municipal and utility budgets.
3. **Severability:** If any section, clause, or provision of this Resolution is declared invalid by a court of competent jurisdiction, the remaining portions shall remain in full force and effect.
4. **Effective Date:** This Resolution shall take effect immediately upon its passage and adoption.

Adopted this 15th day of September, 2026.

Richard Heidel, Village Board President

Attest:

Aaron Kramer, Village Administrator

CERTIFICATION

The undersigned, being the duly appointed Clerk of the Board of the Village of Hobart, certifies that the foregoing is a true copy of a resolution passed by the Board of the Village of Hobart at a duly called meeting of the Board on September 15, 2026.

Lisa Vanden Heuvel, Village Clerk