

A Guide To Opening A Business In



Life comes **NATURALLY** here

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City's Welcome

Welcome to the City of Oconomowoc! We appreciate the personal and professional investment you are making in our business community. No matter what kind of business you are starting, whether large or small, we are committed to offering you the personal attention and expert guidance you need.

This guide is the first step in providing you valuable information and resources, as well as helping you become acquainted with the many services available to help you reach your business goals. We've also included state and local agencies which can be sources for financing, licensing, and business regulations.

There are also supportive organizations such as the Oconomowoc Area Chamber of Commerce where you will find networking opportunities and a chance to meet others who have invested in our business community.

May this wealth of valuable information and personal contacts serve you well and get your business off to a successful start.

Dave Nold
Mayor

Diane Gard
City Administrator

A Commitment to Excellence

You have chosen an excellent city in which to operate your business! Oconomowoc is strategically located and in one of the fastest growing and most dynamic areas of Wisconsin. Our business community enjoys easy access to all the major manufacturing and trade markets in the midwestern United States.

Oconomowoc has experienced rapid growth due to the areas economy and quality of life. The total labor force available within Waukesha County exceeds 210,000 people. The community is well served with efficient ground, air, and rail transportation.

The City of Oconomowoc's professional staff is committed to ensure high quality development, while providing a high level of support to entrepreneurs opening a business in our community. Small business is the back bone of our economy, and the city staff will make every effort to provide you with timely, efficient and courteous service.

Robert Duffy
Director
Bureau of Economic Development

Oconomowoc

Bureau of Economic Development

Figuring out where to start is not always easy, If you are not sure who to contact or what steps to take, Oconomowoc's Bureau of Economic Development is a great place to start.

The Bureau of Economic Development will be happy to assist you in determining the path you will need to take to get your business up and running. The Bureau will also introduce you to other city departments that can provide valuable services to help you along the way.

The Bureau of Economic Development will provide an **Economic Profile** of the community to help you define your market, assist you in **site availability** and introduce you to the appropriate real estate professionals and property owners. The Bureau of Economic Development will also assist in providing information to obtain **funding and financial assistance**. In addition, **infrastructure assistance** may be available to development projects that have a large impact on the community.

The Oconomowoc Bureau of Economic Development is located on the first floor of City Hall, 174 E. Wisconsin Avenue, Oconomowoc, WI 53066. The phone number is (262) 569-2185.

Oconomowoc Licenses and Taxes

The City of Oconomowoc has various types of licenses and taxes. These licenses and taxes are based on the type of business and services being provided. The specific licenses include liquor, soda water, cigarette, amusement device licenses and peddler permits.

Due to the fact that some types of licensing require background checks and publication, it is imperative to allow enough lead time for processing your license prior to opening your business. For specific questions on licenses and lead time, please contact the City Clerks Office.

The licensing period runs from July 1 each year to June 30 of the following year. License fees for new businesses are pro-rated based on the business start date.

A room tax has been established for furnishing of retail rooms and lodging. The tax is 5% of the gross receipts for room accommodations, and the business must submit a monthly report to the City Treasurer on a monthly basis.

Licenses may be obtained at the Oconomowoc City Clerks Office, located on the first floor of City Hall, 174 E. Wisconsin Avenue, Oconomowoc, WI 53066. The phone number is (262) 569-2175.

Oconomowoc Public Library

The Oconomowoc Public Library, located at 200 South Street, features a selection of information for starting a new business. The Library is a great resource for various business materials and “how to” publications on such topic as how to start a business, how to get a loan and how to write a business plan. For more information on the City’s Library collection, contact Ray McKenna, Library Director at (262) 569-2193.

Oconomowoc Chamber of Commerce

The Oconomowoc Area Chamber of Commerce is a good resource for both newly-established and existing businesses. Various Chamber member businesses have agreed to talk about the business climate in Oconomowoc to prospective new businesses. The Chamber provides businesses with an opportunity to network with other business owners in the community..

Membership to the Chamber offers various benefits that all businesses should take advantage of. The Oconomowoc Area Chamber of Commerce is located at 175 E. Wisconsin Avenue, Oconomowoc, WI 53066. The Chamber can be reached at (262) 567-2666. Visit the Chamber website at www.oconomowoc.org for more information.

Wisconsin Department of Commerce

The Wisconsin Department of Commerce provides a variety of resources to assist anyone interested in starting, expanding or relocating a business in the state. They offer various publications and technical assistance opportunities for people interested in starting a new business. The Department of Commerce has an Area Development Manager that is assigned to our county. The Area Development Manager can be contacted at (414) 220-5363. Visit the Commerce web site at: www.commerce.state.wi.us

Waukesha Co. Economic Development Corp.

The Waukesha County Economic Development Corporation (WCEDC) helps businesses, on a confidential basis, take full advantage of everything that the County has to offer by providing:

- A one-stop location for information on available buildings and sites, energy rates, labor market data and tax rate comparisons.
- A cost effective approach to site location and expansion decisions.
- A development partner to assist you with financing, work force training, programs and technology development programs.

WCEDC is your link to opportunity, they can be contacted at (262) 695-7900, or by email at wcedc@wauknet.com.

UW-W Small Business Development Center

The Small Business Development Center is a program of the University of Wisconsin System. The center provides one-on-one counseling to small business owners.

The organizations mission is to give small business the support it needs to grow and succeed through its management assistance program. The Center provides free support services that include assistance in start-ups and acquisitions, sources of capital, marketing and sales, accounting, financial management, research and development, personnel issues and business plans. The Small Business Development Center is located at the University of Wisconsin-Whitewater, 402 McCutchan Hall, Whitewater, WI 53190. The Center can be contacted at (262) 472-3217.

WCTC Small Business Center

Waukesha County Technical College's Small Business Center is a One-Stop Small Business Resource Center. The Center offers the following:

- Free one-on-one counseling to help start-up entrepreneurs and existing small business owners.
- Access to small business educational courses.
- Connections to financing assistance through an established lender referral network.

Contact the WCTC Small Business Center for all of your business needs at (262) 695-3468 or email at rroberts@waukesha.tec.wi.us.

Service Corps of Retired Executives

The Service Corps of Retired Executives (SCORE) is a group of retired business professionals who donate their time to provide guidance and advice to business owners. The expertise that this group provides can be helpful whether you are just starting out or have been in business for years.

The group provides counseling services by appointment. The local SCORE office is located at Olympia Resort, 1350 Royale Mile Rd, Oconomowoc, WI 53066. SCORE can be contacted at (414) 297-3942.

WI Manufacturing Extension Partnership

WMEP provides manufacturing, technical and management assistance to Wisconsin's small and midsize manufacturers, delivering bottom line improvements. Drawing on real world experience of our manufacturing specialists, WMEP assists companies to modernize their manufacturing operation and effectively manage their business. The Wisconsin Manufacturing Extension Partnership Southeast Regional manager can be contacted at (414) 906-9630. Visit the web site at www.wmep.org.

Establishing A Business

Determination of a Business Structure

The most common forms of business structures are sole proprietorships, general and limited partnerships, limited liability partnerships, limited liability companies, foreign corporations, C Corporations, and S Corporations. The most beneficial structure for your particular business may be best determined by your attorney or certified public accountant.

A **Sole proprietorship** is a business owned by one person and is the simplest form of business structure. The owner is responsible for all debts, and profits are taxed as personal income.

A **general partnership** is a business owned by two or more persons, with at least one general partner responsible for all debts of the business.

A **limited partnership** is a business owned by two or more persons, with at least one general partner responsible for the operation and liability of the business. Limited partners are not active managers and are not liable for debts of the business.

A **limited liability partnership** is a business owned by two or more persons. Professional advice concerning this type of business should be obtained from an attorney.

Establishing A Business (continued)

Determination of Business Structure (continued)

A **limited liability company** provides owners with the protection of a corporation and the single taxation benefits of a partnership.

A **foreign corporation** is a business organized under the laws of another state or country and must be registered to conduct business in Wisconsin.

A **C Corporation** is the most complex form of business structure. It is formed by law as a separate entity, distinct from the owners of the business, and has its own rights and responsibilities.

A **S Corporation** is not subject to federal corporate income tax. The owners of the business include their shares of the company's profits and losses as part of their personal income.

Registration of Business Name

Registering a business name in Wisconsin is a simple process. The type of business structure you choose will determine how you must register your company. The Secretary of State's Office issues certificates of business or trade name for a small fee. The Secretary of State's Office is located at 30 W. Mifflin, 10th Floor; PO Box 7848; Madison, WI 53707-7848. The phone number is (608) 266-5633.

City or Township?

Our primary focus is on the City of Oconomowoc and the local checklist is oriented towards new ventures within the City limits and properties within 3 miles of the City limits (otherwise described as the “Extraterritorial Zone”). If you are locating outside the City and the ETZ you should contact the town clerk and county zoning office to determine what local zoning and permitting requirements may apply to your business. Contacts for the Town\ Village surrounding Oconomowoc are:

Town of Oconomowoc	(920) 474-4449
Village of Summit	(262) 567-2757
Waukesha County Zoning	(262) 548-7790

Getting Started in Oconomowoc

The City of Oconomowoc provides coordinated departmental review and approval of business projects, enabling a more efficient and streamlined permitting process. Oconomowoc's staff review process coordinates the centralized functions of the development review process and team. The team includes members from the City's Administration, Finance, Economic Development, Planning, Engineering, Public Works and Utility departments.

The development process starts at the Planning Department (262) 569-2166 to determine if you require a plan amendment, rezoning, conditional use permit, variance, land division, or conceptual and architectural design review prior to construction plan review. The Planner will help you through the necessary review and public hearing process.

The City Planner will explain applicable plans and permits as they guide you through the permitting process and help you analyze what development plans are required for your particular business.

Tenant improvements to the interior of a building are normally handled by the Building Inspector. The Inspectors can be contacted at (262) 569-2195.

Getting Started in Oconomowoc (continued)

Specific information about development and fees relating to planning, zoning, building safety, permits, inspections, signage, engineering, underground utilities, street improvements and fire prevention can be obtained by the City Planner. The City reviews its permit and development fees regularly, to ensure they remain competitive in relation to other cities.

The Oconomowoc sign ordinance was adopted by the Oconomowoc City Council to standardize uniform commercial signage and provide effective business identification while enhancing the appearance of the community.

Business owners must obtain a sign permit, even if they are not making any other modifications to the building. The City does not allow signage that presents a traffic hazard, emits sounds or has intermittent illumination. Certain types of signs such as roof signs and some temporary signs such as real estate signs, projecting signs, rummage sale signs, and window signs, located on the premises do not require a sign permit.

Questions about business zoning and signage may be directed to the City Planner by calling (262) 569-2166.

Home Based Businesses

There are many home based businesses operating in Oconomowoc. Your home based business must comply with the same license and permit requirements as a business located at a commercial site. In addition, your home based business must comply with residential zoning laws and any rules outlined by a homeowners association or deed restrictions.

An occupation or profession is considered to be home based if it has no employees other than family members, generates no customer traffic of more than one commercial delivery vehicle a day, and there is no activity or storage within the garage, accessory structure, or in outdoor areas. Sales of products not manufactured on site is not permitted.

The business cannot produce any offensive noise, smoke, dust odors, vibration, heat or glare beyond the boundaries of the property. No signage can be installed on the home exterior. Any accessory parking must be provided on site.

Please contact the City Planner at (262) 569-2166 to ensure that your home based business complies with city zoning laws.

For more information about regulations governing licensing of home based businesses, contact the City Clerk's office at (262) 569-2175.

Local Utilities and Inspections

Electric Utility:	Oconomowoc City Utilities - Service information	(262) 569-2198
Water Utility:	Oconomowoc City Utilities -Service information	(262) 569-2198
Sanitary Sewerage:	Oconomowoc City Utilities - Service information	(262) 569-2198
Telephone:	Ameritech, In Service information	(800) 660-3000
Natural Gas:	Wisconsin Natural Gas Co.: Service Information	(800) 242-9137
Solid Waste:	Businesses contract individually for refuse pick-up	
Building Inspection	City of Oconomowoc	(262) 569-2195
Fire Inspection	Oconomowoc Fire Department	(262) 569-3229
Zoning Compliance	Oconomowoc City Planner	(262) 569-2166

Requirements for Companies with Employees

Unemployment Compensation - Coverage for employees must be contributed to by most employers. This is done in the form of a percentage of payroll tax. Call (608) 266-3114 for more information.

Workers Compensation Insurance - Most Wisconsin employers must carry special insurance to cover liability due to work related employee injury or illness. Call DILHR's Worker's Compensation Division at (608) 266-1340.

Immigration Law - Regulations require that employers take steps to ensure that employees are eligible to work. For information on your responsibilities, call the Immigration and Naturalization Service 24-hour information line at (800) 777-7700.

Equal Rights & Equal Opportunity - In Wisconsin, It is illegal to discriminate against job seekers and current employees on the basis of sex, age, race color, national origin, ancestry, religion, handicap, sexual orientation, marital status, and in most cases, arrest or conviction record. Call DILHR's Equal Rights Division at (608) 266-6860.

Fair Labor Standards - Both federal and state laws cover a variety of issues relating to the pay and treatment of employees. Area covered by regulations include minimum wage, employment of children, overtime pay, prevailing wage requirements and sexual harassment.

Requirements for Companies with Employees (continued)

Labor Law Posters - Employers are required to post various posters to inform workers of their rights under labor regulations. Each regulating agency contacted should be asked about posting. Requirements include the posting of non-discrimination and safety law notices.

Employee Benefits - Insurance, pension, and profit sharing: Employers who pay voluntary benefits are subject to regulations aimed at protecting workers from mismanagement of funds and discrimination. If you provide voluntary benefits, consult an attorney about the Employee Retirement Income Security Act (ERISA), Section 89 regulations and other applicable laws.

Payroll Taxes - There are two types of payroll taxes: those withheld from employees' pay (which include wages, business, tips, cash and non-cash benefits) and taxes paid by the employer. Withholding from employee pay is required for Social Security (FICA) taxes and for federal and state personal income taxes. Employers need a federal tax I.D. number and employees need to file out W-4 and WT-4 forms. For more information, call the Wisconsin Department of Revenue at (608) 266-2776. Internal Revenue Service provides the *Your Business Tax Kit* which includes publications and forms required for the federal employer identification number, tax and reporting requirements and federal payroll tax requirements by calling (800) 829-3676

State Requirements

Business License - Certain businesses and professions in Wisconsin must be licensed to operate. For information contact the Permit Information Center, (800) 435-7287.

Wisconsin's Seller's Permit/ Sales Tax Number - The sale of almost all products and many services requires you to collect and pay tax to the state. Manufacturers and wholesalers may be exempt. Contact the Permit I information Center/Department of Revenue at (608) 266-2776.

Health Inspection - If your business involves the sale of food or lodging, the Health Department is usually involved with inspecting and permitting the operation. The Waukesha County Office of Environmental Health can be contacted at (262) 896-8300.

Safety & Buildings - Employers must inform workers about toxic substances, infectious agents and pesticides in the work place. Also, any major remodeling of structures will require that plans be submitted to the Department of Commerce Division of Safety and Building sat (262) 548-8600.

Business Planning

A business plan can be a key part of your future success. Not only can you learn a great deal about your market, your competition and your own strengths and weaknesses in the process of developing a business plan, but the plan can also serve as your benchmark for measuring future progress after you begin operations. Of course, you won't be able to anticipate every situation that may arise in the future, but a thorough business plan with financial projections does help you visualize how the business might work on paper. When your plan identifies the key success factors for the new enterprise, you can best focus your efforts and resources. There are many local sources of help for creating a business plan and determining the feasibility of your idea. Please consult the identified contacts during your business planning process. It is recommended that you draft a business plan and consult your tax advisor before beginning the process of formally organizing your business and applying for identification numbers, permits and so on.

Business Plan Outline

The following is an example Business Plan Outline. It may not cover all of the items a financial institution may require, so please check with their requirements.

Name of Business

Description of Business

Provide what goods or services:

The customers are located:

The customers purchase or use:

Possible expansion areas include:

Competitive Position

The primary competitors are:

The competitors are good at:

The competitors are weak in:

Our business is very good at:

Business Plan Outline (continued)

The Business Environment

General economic and business conditions outside our firm are:

Local economic and business conditions:

Our business strengths are:

Our business weaknesses are:

Market Potentials

Potential gross sales are:

Our estimated market share is:

Possibilities for growth are:

Goals and Objectives:

The prioritized goals and objectives for our business:

Market Plan

Products and/or services that we plan to market include:

Our advertising and promotional plan will consist of:

Business Plan Outline (continued)

Financial Data

My past, present, and future financial performance is attached:

The business could use improvement in the following areas financially:

Any financial objectives for the next year include:

Management and Organization

The following people are responsible for each of the areas listed:

This plan will be reviewed and revised on the following proposed schedule:

The following people are responsible for each of the areas listed:

Business Loan Proposal Sample

Business Description

Company Name

Address

City, State, Zip

Phone/Fax/Email

Industry/Type of business

Markets& Customer Description

Competitive position

Form of Business Organization

Federal/State employer ID numbers

Principal's Name and address

Other owners

Other locations

Years in Business

Years under current management

Business Loan Proposal Sample

Loan Proposal

Amount Requested

Purpose(s) of loan (and business goals to be achieved)

Use of Funds (land, building, equipment, inventory, working capital, etc.)

Loan structure, timing and terms requested

Sources of repayment and security

Supporting Documents

List of equipment/furnishings to be purchased

Bids/quotes as appropriate (source of loan amount estimates)

Collateral listing

Business Plan

Last 3 years financial statements: balance sheet, income statement

Projected financial statements: cash flow (monthly, year 1)

Income statement (annual, years 1-3)/ Balance sheet (annual years 1-3)

Income tax returns

Resumes of key managers

References: Credit/Business/Personal