



# City of Pewaukee Financial Management Plan Update

May 3, 2021

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# Objectives of the FMP

- Determines the overall financial impact to taxpayers to fund operational and capital needs.
- Is a tool to provide control and flexibility to meet financial needs by integrating operational and capital budgets.
- Examines existing financial strengths and weaknesses of the community.
- Establishes consensus and set of priorities to meet the City's financial objectives.



## Current Challenges

- Significant increase in the portion of the City's levy for General Fund operations from 2020 to 2021.
  - ✓ Levy to General Fund increased approximately \$1.3 million.
  - ✓ Required cuts to levy for capital equipment and roads.
- City is increasing its allowable levy by claiming adjustments for utility supported debt service.
  - ✓ Long-term model shows this is not sustainable.
  - ✓ The significant increase in operating costs from 2020 to 2021 have elevated levy limit concerns.



## Current Strengths

- City has an estimated fund balance as of 12/31/2020 in the capital equipment fund over \$4.0 million.
  - ✓ City has been able to transfer surpluses from General Fund into capital equipment for several years.
  - ✓ Reduces the need to borrow for smaller capital items.
- City has accumulated approximately \$1.3 million of special assessment funds as of 12/31/2020 that could be diverted to capital equipment or road fund as well.



## General Fund Forecast

- Most non-levy revenue sources held flat at current levels.
  - ✓ Garbage collection revenue increased 3% per year.
  - ✓ Fire Dues increasing 2% per year.
  - ✓ Ambulance revenue increasing 2% per year.
  - ✓ Cable TV revenue decreasing 2% per year.
- General Fund expenditure forecasts driven by codes assigned to each line item based on the type of expenditure.
  - Also added Highway labor position in 2022 budget.



## Table 1 Expenditure Forecast

*City of Pewaukee, WI*

EXPENDITURE CODES			
CODE	DEFINITION	INCREASE	EXPLANATION
C	Commodities	1.00%	Fuel & Mileage, Office Supplies, Operating Supplies, Utilities, Uniforms, Office Furniture & Equipment
E	Employee Insurance	8.00%	Health, Dental & Life Insurance, Post Employment Health Plan, Long Term Disability
I	Insurance	2.00%	Property & Liability
S	Services	2.00%	Advertising & Printing, Communications, Contractual Services, Dues & Memberships, Janitorial Services, Maintenance Agreements, Meetings & Training, Professional Services, Publications & Subscriptions, Repairs & Maintenance
W	Wages	5.00%	Regular & Seasonal Wages, Overtime, Holiday & Misc. Compensation, Longevity, Premium Pay, Social Security, Retirement, Unemployment Compensation



**Table 2**  
**General Fund Summary**

*City of Pewaukee, WI*

	Actual 2019	Projected 2020	Budget 2021	2022	2023	Projected 2024	2025	2026
<b>GENERAL FUND</b>								
<b>REVENUES</b>								
Taxes								
Property Taxes General	7,585,830	7,897,815	9,207,573	9,850,049	10,481,860	11,146,890	11,847,094	12,584,552
Special Assessments	-	-	-	-	-	-	-	-
Other Taxes	967,781	762,569	751,510	751,510	751,510	751,510	751,510	751,510
Special Charges	701,735	758,500	818,390	842,942	868,230	894,277	921,105	948,738
Intergovernmental Revenues	1,531,929	1,562,024	1,576,177	1,578,877	1,581,631	1,584,440	1,587,305	1,590,228
Licenses & Permits	1,015,744	796,531	863,752	861,686	859,660	857,676	855,731	853,825
Fines, Forfeitures & Penalties	580,483	308,000	451,000	451,000	451,000	451,000	451,000	451,000
Public Charges for Services	973,810	942,624	1,045,078	1,056,578	1,068,308	1,080,273	1,092,476	1,104,924
Intergovernmental Charges	1,899,674	1,892,705	1,917,320	1,942,693	1,968,530	1,994,842	2,021,639	2,048,934
Interest	368,283	299,513	293,500	293,500	293,500	293,500	293,500	293,500
Miscellaneous	107,903	185,423	76,140	76,140	76,140	76,140	76,140	76,140
<b>TOTAL REVENUES</b>	<b>15,733,172</b>	<b>15,405,704</b>	<b>17,000,440</b>	<b>17,704,974</b>	<b>18,400,370</b>	<b>19,130,547</b>	<b>19,897,501</b>	<b>20,703,352</b>
<b>EXPENDITURES</b>								
General Government	2,087,093	2,204,435	2,614,122	2,685,269	2,781,951	2,883,230	2,989,359	3,100,607
Public Safety	7,577,612	8,092,309	9,123,736	9,488,282	9,871,046	10,273,075	10,695,484	11,139,457
Public Works	2,726,598	2,779,282	2,967,273	3,162,382	3,303,786	3,452,603	3,609,264	3,774,225
Culture and Recreation	2,045,325	2,126,889	2,297,813	2,369,040	2,443,587	2,521,639	2,603,394	2,689,063
<b>TOTAL EXPENDITURES</b>	<b>14,436,628</b>	<b>15,202,915</b>	<b>17,002,944</b>	<b>17,704,974</b>	<b>18,400,370</b>	<b>19,130,547</b>	<b>19,897,501</b>	<b>20,703,352</b>
Change in General Fund levy from prior year		4.11%	16.58%	6.98%	6.41%	6.34%	6.28%	6.22%



## Road Fund & Capital Equipment

- Road Fund
  - ✓ Levy eliminated in 2021 budget.
  - ✓ 2021 projects funded by accumulated special assessment funds transferred from debt service & anticipated debt financing.
  - ✓ Ongoing smaller street reconstruction projects funded by future special assessment collections.
- Capital Equipment
  - ✓ Capital projects fund forecast utilizes a cash flow approach using levied funds, fund balance, and committed funds to pay for capital in year of acquisition.
  - ✓ Levy remains at 2021 levels





## Table 3 Roads

*City of Pewaukee, WI*

		2021 BUDGET	2022 PROJECTED	2023 PROJECTED	2024 PROJECTED	2025 PROJECTED	2026 PROJECTED
<b>REVENUES</b>							
Grouping	Description						
	Property Tax Levy	0					
	Proceeds from long-term debt	2,609,000	-	-	-	-	-
	Transfer from debt service fund	150,000	-	-	-	-	-
	Future Special Assessments	0	311,250	329,750	329,750	367,250	367,250
<b>TOTAL REVENUES</b>		<b>2,759,000</b>	<b>311,250</b>	<b>329,750</b>	<b>329,750</b>	<b>367,250</b>	<b>367,250</b>
<b>EXPENDITURES</b>							
	Street Reconstruction	2,609,000	-	-	-	-	-
	Street paving maintenance	100,000	400,000	400,000	400,000	400,000	400,000
<b>TOTAL EXPENDITURES</b>		<b>2,709,000</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>
<b>EXCESS/(DEFICIT) REVENUES TO EXPENDITURES</b>		<b>50,000</b>	<b>(88,750)</b>	<b>(70,250)</b>	<b>(70,250)</b>	<b>(32,750)</b>	<b>(32,750)</b>
<b>Beginning Fund Balance</b>		<b>352,657</b>	<b>402,657</b>	<b>313,907</b>	<b>243,657</b>	<b>173,407</b>	<b>140,657</b>
<b>Ending Fund Balance</b>		<b>402,657</b>	<b>313,907</b>	<b>243,657</b>	<b>173,407</b>	<b>140,657</b>	<b>107,907</b>

## Table 4

### Capital Projects Fund Project List

City of Pewaukee, WI

Projects	Dept.	Est. Life	Replace Year	Cost	2021	2022	2023	2024	2025	2026
Salt Shed Building	ADMIN	25	2021	350,290	350,290					
Assessment CAMA Software	IT	10	2026	55,000						55,000
AV Conferencing between stations	IT	10	2027	25,000						
Accounting Software/Cashiering & all equip/Special Assmt	IT	10	2030	90,000	45,123					
Building Software	IT	10	2021	35,720	35,270					
Common Council AV Upgrade	IT	10	2027	50,000						
Firewalls -Replace Internet Appliance (Sophos,etc)	IT	5	2022	20,000		20,000				
Replace Backup System	IT	4	2025	25,000					25,000	
Security (Cameras, door locks)	IT	10	2026	50,000						50,000
Server Replacements	IT	5	2024	45,000				45,000		
Special Assessment Software	IT	10	2028	31,500						
Upgrade Computer Infrastructure	IT	10	2028	45,000						
#1 Staff Car -carried over from 2019	FIRE	5	2021	14,108	14,108					
#1 Staff Car - new assignment	FIRE	5	2024	65,000				65,000		
#2 Staff Car	FIRE	5	2023	63,000			63,000			
#3 Staff Car	FIRE	5	2025	65,000				65,000		
#4 Staff Car	FIRE	5	2025	65,000				65,000		
#2851 Ambulance (2016)	FIRE	7	2023	375,000			375,000			
#2852 Ambulance (2014)	FIRE	7	2022	325,000		325,000				
#2853 Ambulance (2015)	FIRE	7	2022	350,000		350,000				
#2861 Front Line Engine (2010)	FIRE	10	2029	675,000						
#2862 Front Line Engine (2010)	FIRE	10	2030	695,000						
#2863 Front Line Engine (2018) carry over	FIRE	10	2021	687,500	687,500					
#2863 Front Line Engine (2028) new	Fire	10	2028	700,000						
#2871 Ladder Truck (2016)	FIRE	15	2031	1,200,000						
#2883 Grass Truck	FIRE	15	2027	75,400						
#2885 Utility/Tow Vehicle-Trailer/hovercraft (2001)	FIRE	7	2023	25,000			25,000			
#2887 Inspection Vehicle (2016)	FIRE	7	2023	40,000			40,000			
#2896 Gator Utility (2012-new)	FIRE	10	2022	25,000		25,000				
#2899 Hovercraft (2011-new)	FIRE	15	2023	67,500			67,500			
Advance Airways (40k in 2025)	FIRE	5	2025	50,000					50,000	
Defib 12 lead wires (160k in 2029)	FIRE	8	2021	200,000	200,000					
Mobile Data Communication Systems (9)	FIRE	3	2023	30,000			30,000			
Replacement Hose/Large Diameter	FIRE	3	2022	5,000		5,000				
SCBA Upgrades (370k in 2030)	FIRE	10	2030	370,000						
Thermal Imaging Cameras -2029 #1	FIRE	10	2030	52,700						
Thermal Imaging Cameras -2012 #2	FIRE	10	2031	55,000	25,000					
Thermal Imaging Cameras -2021 #3	FIRE	10	2021	25,000	25,000					
Inspection Vehicle	Bldg Insp	10	2030	30,000						
Inspection Vehicle	Bldg Insp	10	2030	30,000						

## Table 4

### Capital Projects Fund Project List

City of Pewaukee, WI

Projects	Dept.	Est. Life	Replace Year	Cost	2021	2022	2023	2024	2025	2026
01- 1-Ton Dump Truck 2029 (80k) 2037 (88K)	HWY	8	2021	73,000	73,000					
03- Boom Mower 2038 (127K)	HWY	12	2026	113,000 W/Trade						113,000
05- Back Hoe 2033 (55k)	HWY	10	2023	50,000 W/Trade			50,000			
06- Plow Truck 2036 (222k)	HWY	10	2026	201,000						201,000
07- Plow truck 2031 (212k)	HWY	10	2021	192,000	192,000					
08- Plow Truck 2038 (227K)	HWY	10	2028	205,000						
09- Plow Truck 2033 (216k)	HWY	10	2023	195,000			195,000			
10- Plow Truck 2035 (221k)	HWY	10	2025	200,000					200,000	
11- Plow Truck 2035 (223k)	HWY	10	2024	200,000				200,000		
13- Pavement Roller 2038 (14k)	HWY	10	2028	12,000 W/Trade						
14- Broom 2038(15k)	HWY	10	2028	14,000						
16- Plow Truck 2037 (225k)	HWY	10	2027	203,000						
17- Tandem Plow Truck 2039 (243k)	HWY	10	2029	220,000						
18-Front End Loader 2036 (125k)	HWY	8	2026	116,000 W/Trade						116,000
19- Plow Truck 2032 (216K)	HWY	10	2022	195,000		195,000				
20- Asphalt Hot Box 2033 (35K)	HWY	10	2023	31,000			31,000			
24- Air Compressor	HWY	20	2021	TBD						
27 - Pre-storm Pre-Wet Unit 2035 (14k)	HWY	15	2025	12,000					12,000	
28- Highway Mower 2042 (91k)	HWY	12	2030	80,000 W/Trade						
29- Chipper 2034 (35K)	HWY	10	2024	32,000 W/Trade				32,000		
35- Shop Compressor 2042 (9,8k)	HWY	15	2032	8,400						
39-Walk Behind Concrete Saw 2037 (7.5k)	HWY	10	2027	7,000						
52- Shop Pressure Washer 2028 (9K) 2040 (10k)	HWY	12	2028	9,000 W/Trade						
54- Fork lift 2025 (25K) 2040 (30K)	HWY	15	2025	25,000					25,000	
55- 1-Ton Dump Truck 2023 (75K) 2031 (82K)	HWY	8	2023	75,000			75,000			
56- Sign Truck 2025 (94K) 2033 (102K)	HWY	8	2025	94,000					94,000	
58- Skidsteer 2029 (34K)trade 2039 (37k)	HWY	10	2029	34,000						
65- Compact Tractor/Multi-Unit (1/2 with SWM) 2029 (28K) 203	HWY	10	2029	28,000						
302- Spider Lift W/Trailer (1/2 Storm 1/2 Hwy	HWY		2021	80,000	80,000					
Pickup/SUV (1/2 Storm Water)- cost \$35k	ENG	5	2023	17,500			17,500			
Tennis Court/BB Court Resurfacing	PRCOP				20,000	20,000				20,000
Balmer Park - Dog park conversion	PRCOP		2023	16,000			16,000			
Kitchen Update at Wagner Park	PRCOP		2021	6,000	6,000					
Wagner Park Ice Rink	PRCOP		2022	15,000		15,000				
Wagner Playground Resurface	PRCOP		2024	26,000				26,000		
Scoreboards (2) Nettesheim Park (\$12,000)	PRCOP			sponsorship?						
#155 2016 Kifco Sprinkler-was #152	PRCOP	10	2026	9,500						9,500
#153 2016 Kifco Sprinkler	PRCOP	10	2026	9,500						9,500
Sports Complex Driveway Asphalt top coat	PRCOP		2021	21,862	21,862					
Sports Complex Bleacher Pads & ADA paths	PRCOP		2021	27,896	27,896					
PLAYGROUND EQUIPMENT	PRPLAY				5,200	9,000	25,000	20,400	8,000	24,600

## Table 4

### Capital Projects Fund Project List

City of Pewaukee, WI

Projects	Dept.	Est. Life	Replace Year	Cost	2021	2022	2023	2024	2025	2026
#72 Taurus (replace with truck)	PRSHARE	10	2030	25,900						
#73 GMC 2019 1/2 ton 4x4	PRSHARE	10	2029	31,500						
#74 GMC 1/2 ton 4x4	PRSHARE	10	2028	23,100						
#75 2012 4x4 Pick-Up	PRSHARE	10	2022	28,000		28,000				
#76 2013 Utility Truck/Diamond Trailer	PRSHARE	10	2023	29,050			29,050			
Diamond Trailer (break out from #76)	PRSHARE	10	2023	5,950			5,950			
#77 2014 1-Ton Dump	PRSHARE	10	2024	35,700				35,700		
#78 2014 Pickup Salter and Plow	PRSHARE	10	2024	33,950				33,950		
#79 2016 Utility Van	PRSHARE	10	2026	22,400						22,400
#80 2018 One Ton Pickup	PRSHARE	10	2028	32,200						
#81 2010 4x4 Pick-Up and Plow	PRSHARE	10	2030	31,500						
#82 2016 1-Ton Dump	PRSHARE	10	2026	35,700						35,700
#83 2017 Wing Mower	PRSHARE	3	2023	29,400			29,400			
#85 2013 Utility Dump	PRSHARE	10	2023	9,800			9,800			
#86 2018 Wing Mower	PRSHARE	3	2021	29,400	29,400					
#87 2008 Tractor/Loader	PRSHARE	10	2023	31,500			31,500			
#88 2017 60" 2-Turn Mower	PRSHARE	3	2023	5,600			5,600			
#89 2012 Trailer	PRSHARE	10	2022	10,500		10,500				
#91 2018 Sand pro	PRSHARE	3	2021	9,135	9,135					
#96 2013 Wing Mower (net of trade in)	PRSHARE	6	2026	42,700						42,700
#99 2017 Zero Turn Mower	PRSHARE	3	2023	5,600			5,600			
#100 2016 Trailer	PRSHARE	10	2026	7,000						7,000
#101 2014 Trailer	PRSHARE	10	2024	5,600				5,600		
#102 2010 Pressure Washer	PRSHARE	8	2021	4,200	4,200					
#114 2017 Trailer	PRSHARE	10	2027	7,000						
#133 2018 Trailer Mounted Water Tank	PRSHARE	10	2028	4,900						
#151 2017 5900 Wing Mower	PRSHARE	6	2023	36,750			36,750			
#154 2017 Slit Seeder	PRSHARE	10	2027	5,740						
#156 Toro MH-400 Material Handler (New)	PRSHARE	10	2023	23,800			23,800			
#110 Preseeder 2017	PRSHARE	10	2027	7,350						
#130 Top Dresser (smaller)* 2015	PRSHARE	10	2025	7,700					7,700	
#149 Aerator 687 - 2015	PRSHARE	10	2025	15,400					15,400	
Joint Park/Open Space Plan Update	PRSHARE	6	2024	3,500				3,500		
<b>Actual CIP Costs</b>					<b>1,850,984</b>	<b>1,002,500</b>	<b>1,187,450</b>	<b>597,150</b>	<b>437,100</b>	<b>706,400</b>



**Table 5**  
**Capital Equipment**  
*City of Pewaukee, WI*

		2021 BUDGET	2022 PROJECTED	2023 PROJECTED	2024 PROJECTED	2025 PROJECTED	2026 PROJECTED
<b>REVENUES</b>							
Grouping	Description						
	Tax Levy	50,000	50,000	50,000	50,000	50,000	50,000
	Transfer from General Fund	615,000	-	-	-	-	-
	Transfer from Debt (special assessments)	339,400					
<b>TOTAL REVENUES</b>		<b>1,004,400</b>	<b>225,000</b>	<b>225,000</b>	<b>225,000</b>	<b>225,000</b>	<b>225,000</b>
<b>EXPENDITURES</b>							
	Planned Capital Expenditures	1,850,984	1,002,500	1,187,450	597,150	437,100	706,400
<b>TOTAL EXPENDITURES</b>		<b>1,850,984</b>	<b>1,002,500</b>	<b>1,187,450</b>	<b>597,150</b>	<b>437,100</b>	<b>706,400</b>
<b>EXCESS/(DEFICIT) REVENUES TO EXPENDITURES</b>		<b>(846,584)</b>	<b>(777,500)</b>	<b>(962,450)</b>	<b>(372,150)</b>	<b>(212,100)</b>	<b>(481,400)</b>
<b>Beginning Fund Balance</b>		<b>4,974,403</b>	<b>4,127,819</b>	<b>3,350,319</b>	<b>2,387,869</b>	<b>2,015,719</b>	<b>1,803,619</b>
<b>Ending Fund Balance</b>		<b>4,127,819</b>	<b>3,350,319</b>	<b>2,387,869</b>	<b>2,015,719</b>	<b>1,803,619</b>	<b>1,322,219</b>



**Table 6**  
**Existing G.O. Debt Base Case**

*City of Pewaukee, WI*

Year Ending	Existing Debt									Year Ending
	Total G.O. Debt Payments	Less: Water	Less: Sewer	Less: Storm	Less: Interest	Net Tax Levy	Equalized Value (TID OUT)	Tax Rate Per \$1,000	Annual Taxes \$250,000 Home	
2021	1,598,911	(635,000)	(122,989)	(198,653)	(6,000)	636,269	3,526,148,000	\$0.19	\$47.72	2021
2022	1,573,714	(636,493)	(122,778)	(200,653)		613,790	3,611,182,218	\$0.17	\$43.52	2022
2023	1,547,108	(630,690)	(122,545)	(197,553)		596,320	3,698,267,063	\$0.17	\$41.28	2023
2024	1,545,500	(627,260)	(123,547)	(199,453)		595,241	3,787,451,989	\$0.16	\$40.24	2024
2025	1,208,483	(544,393)	(123,237)	(196,253)		344,600	3,878,787,638	\$0.09	\$22.75	2025
2026	1,208,125	(544,072)	(122,901)	(198,053)		343,100	3,972,325,876	\$0.09	\$22.11	2026
2027	1,196,881	(542,073)	(123,720)	(199,588)		331,500	4,068,119,820	\$0.08	\$20.86	2027
2028	869,045	(545,502)	(122,993)	(200,550)		0	4,166,223,866	\$0.00	\$0.00	2028
2029	861,586	(543,280)	(122,131)	(196,175)		0	4,266,693,723	\$0.00	\$0.00	2029
2030	848,578	(543,288)	(108,490)	(196,800)		0	4,369,586,444	\$0.00	\$0.00	2030
2031	842,550	(539,090)	(107,060)	(196,400)		0	4,474,960,457	\$0.00	\$0.00	2031
2032	840,518	(542,092)	(97,576)	(200,850)		0	4,582,875,599	\$0.00	\$0.00	2032
2033	253,040	(253,040)	0	0		0	4,693,393,150	\$0.00	\$0.00	2033
2034	256,900	(256,900)				0	4,806,575,868	\$0.00	\$0.00	2034
2035	250,238	(250,238)				0	4,922,488,024	\$0.00	\$0.00	2035
2036	253,575	(253,575)				0	5,041,195,440	\$0.00	\$0.00	2036
2037	96,600	(96,600)				0	5,162,765,524	\$0.00	\$0.00	2037
2038	78,000	(78,000)				0	5,287,267,311	\$0.00	\$0.00	2038
2039	0	0				0	5,414,771,500	\$0.00	\$0.00	2039
Total	15,329,351	(8,061,586)	(1,419,967)	(2,380,978)	(6,000)	3,460,819				Total

**Notes:**

**Legend:**

Represents +/- 25% Change over previous year



**Table 7**  
**Capital Projects Funded with Debt**

*City of Pewaukee, WI*

Projects	Issue	2021	2022	2023	2024	Totals
Duplainville (Tracks to Weyer)	2021 G.O. Notes	100,000				100,000
Duplainville (Tracks to Weyer)	2022 G.O. Notes		1,600,000			1,600,000
Roundy's Ind. Park	2021 G.O. Notes	1,000,000				1,000,000
Joseph Road	2021 G.O. Notes	375,000				375,000
Shady Lane & Shady Nook	2021 G.O. Notes	65,000				65,000
Shady Lane & Shady Nook	2021 G.O. Notes	260,000				260,000
Spice Creek/Meadowbrook Farms Ph.1	2021 G.O. Notes	56,000				56,000
Spice Creek/Meadowbrook Farms Ph.1	2021 G.O. Notes	224,000				224,000
Busse Road Bridge Replacement	2021 G.O. Notes	350,000				350,000
Shooting Star/Meadowbrook Farms	2021 G.O. Notes	280,000				280,000
Lexington/Tacoma	2021 G.O. Notes	950,000				950,000
Duplainville Bridge Replacement	2021 G.O. Notes	50,000				50,000
Duplainville Bridge Replacement	2022 G.O. Notes		300,000			300,000
Lindsay/Redford Intersection Improvements	2021 G.O. Notes	20,000				20,000
Spice Creek/Meadowbrook Farms Ph.2	2021 G.O. Notes	15,000				15,000
Sherwood Forest/Bussee	2021 G.O. Notes	60,000				60,000
Sherwood Forest/Bussee	2022 G.O. Notes		1,400,000			1,400,000
Green Road Micro Surfacing	2022 G.O. Notes		150,000			150,000
Watertown Road	2022 G.O. Notes		100,000			100,000
Watertown Road	2023 G.O. Notes			100,000		100,000
Watertown Road	2024 G.O. Notes				1,100,000	1,100,000
Spice Creek/Meadowbrook Farms Phase 2	2022 G.O. Notes		370,000			370,000
Spice Creek/Meadowbrook Farms Phase 3	2022 G.O. Notes		15,000			15,000
Spice Creek/Meadowbrook Farms Phase 3	2023 G.O. Notes			470,000		470,000
Rolling Ridge I	2022 G.O. Notes		40,000			40,000
Rolling Ridge I	2023 G.O. Notes			625,000		625,000
Hickory Grove Estates	2023 G.O. Notes			57,000		57,000
Hickory Grove Estates	2024 G.O. Notes				700,000	700,000
Spice Creek/Meadowbrook Farms Phase 4	2023 G.O. Notes			15,000		15,000
Spice Creek/Meadowbrook Farms Phase 4	2024 G.O. Notes				400,000	400,000
Rolling Ridge II	2023 G.O. Notes			42,000		42,000
Rolling Ridge II	2024 G.O. Notes				600,000	600,000
Glacier Road	2024 G.O. Notes				75,000	75,000
Geenhill/Yench	2024 G.O. Notes				20,000	20,000
Wethersfield Phase 1	2024 G.O. Notes				15,000	15,000
Jospeh Road	2024 G.O. Notes				30,000	30,000
Public Works Garage and Land Aquisition	2021 G.O. Bonds	11,000,000				11,000,000
City Hall Improvements	2021 G.O. Notes	1,000,000				1,000,000
<b>Total</b>						<b>24,029,000</b>

Debt Obligations						
2021 G.O. Notes	4,805,000	0	0	0	0	4,805,000
2021 G.O. Bonds	11,000,000	0	0	0	0	11,000,000
2022 G.O. Notes	0	3,975,000	0	0	0	3,975,000
2023 G.O. Notes	0	0	1,309,000	0	0	1,309,000
2024 G.O. Notes	0	0	0	2,940,000	0	2,940,000
<b>Total</b>	<b>15,805,000</b>	<b>3,975,000</b>	<b>1,309,000</b>	<b>2,940,000</b>	<b>0</b>	<b>24,029,000</b>

**Notes:**



**Table 8**  
**Financing Plan Tax Impact**  
*City of Pewaukee, WI*

Year Ending	Existing Debt			Levy and Tax Rate									Year Ending
	Equalized Value Tax Rate Dated: 6/1/2021	Tax Rate Per \$1,000	2021 G.O. Notes 4,930,000 Dated: 6/1/2021	2021 G.O. Bonds 11,245,000 Dated: 6/1/2021	2022 G.O. Notes 4,085,000 Dated: 6/1/2022	2023 G.O. Notes 1,380,000 Dated: 6/1/2023	2024 G.O. Notes 3,035,000 Dated: 6/1/2024	Levy and Tax Rate					
								Total Net Debt	Total Tax Rate for Debt Service	Levy Change from Prior Year	Annual Taxes \$250,000 Home		
2021	636,269	3,526,148,000	\$0.19	0	0	0	0	0	636,269	\$0.18		\$45	2021
2022	613,790	3,611,182,218	\$0.17	90,908	344,040	0	0	0	1,048,738	\$0.29	412,469	\$73	2022
2023	596,320	3,698,267,063	\$0.17	60,605	279,223	519,450	0	0	1,455,598	\$0.39	406,860	\$98	2023
2024	595,241	3,787,451,989	\$0.16	324,678	278,910	474,550	183,375	0	1,856,753	\$0.49	401,155	\$123	2024
2025	344,600	3,878,787,638	\$0.09	710,966	378,098	466,450	164,438	194,775	2,259,326	\$0.58	402,573	\$146	2025
2026	343,100	3,972,325,876	\$0.09	715,024	326,985	458,350	161,063	222,225	2,226,746	\$0.56	(32,580)	\$140	2026
2027	331,500	4,068,119,820	\$0.08	708,208	325,960	450,250	157,688	218,175	2,191,780	\$0.54	(34,966)	\$135	2027
2028	0	4,166,223,866	\$0.00	700,394	622,910	442,150	154,313	253,525	2,173,291	\$0.52	(18,489)	\$130	2028
2029	0	4,266,693,723	\$0.00	696,380	617,510	434,050	150,938	272,900	2,171,778	\$0.51	(1,514)	\$127	2029
2030	0	4,369,586,444	\$0.00	686,330	611,510	425,950	147,563	291,525	2,162,878	\$0.49	(8,900)	\$124	2030
2031	0	4,474,960,457	\$0.00	680,569	605,110	417,850	144,188	284,775	2,132,491	\$0.48	(30,386)	\$119	2031
2032	0	4,582,875,599	\$0.00	0	1,113,760	444,400	140,813	425,775	2,124,748	\$0.46	(7,744)	\$116	2032
2033	0	4,693,393,150	\$0.00	0	1,097,200	0	167,063	783,900	2,048,163	\$0.44	(76,585)	\$109	2033
2034	0	4,806,575,868	\$0.00	0	1,079,720	0	0	766,325	1,846,045	\$0.38	(202,118)	\$96	2034
2035	0	4,922,488,024	\$0.00	0	1,061,320	0	0	0	1,061,320	\$0.22	(784,725)	\$54	2035
2036	0	5,041,195,440	\$0.00	0	1,042,000	0	0	0	1,042,000	\$0.21	(19,320)	\$52	2036
2037	0	5,162,765,524	\$0.00	0	1,021,760	0	0	0	1,021,760	\$0.20	(20,240)	\$49	2037
2038	0	5,287,267,311	\$0.00	0	1,000,600	0	0	0	1,000,600	\$0.19	(21,160)	\$47	2038
Total	3,460,819			5,374,060	14,667,550	4,533,450	1,571,438	3,713,900					Total

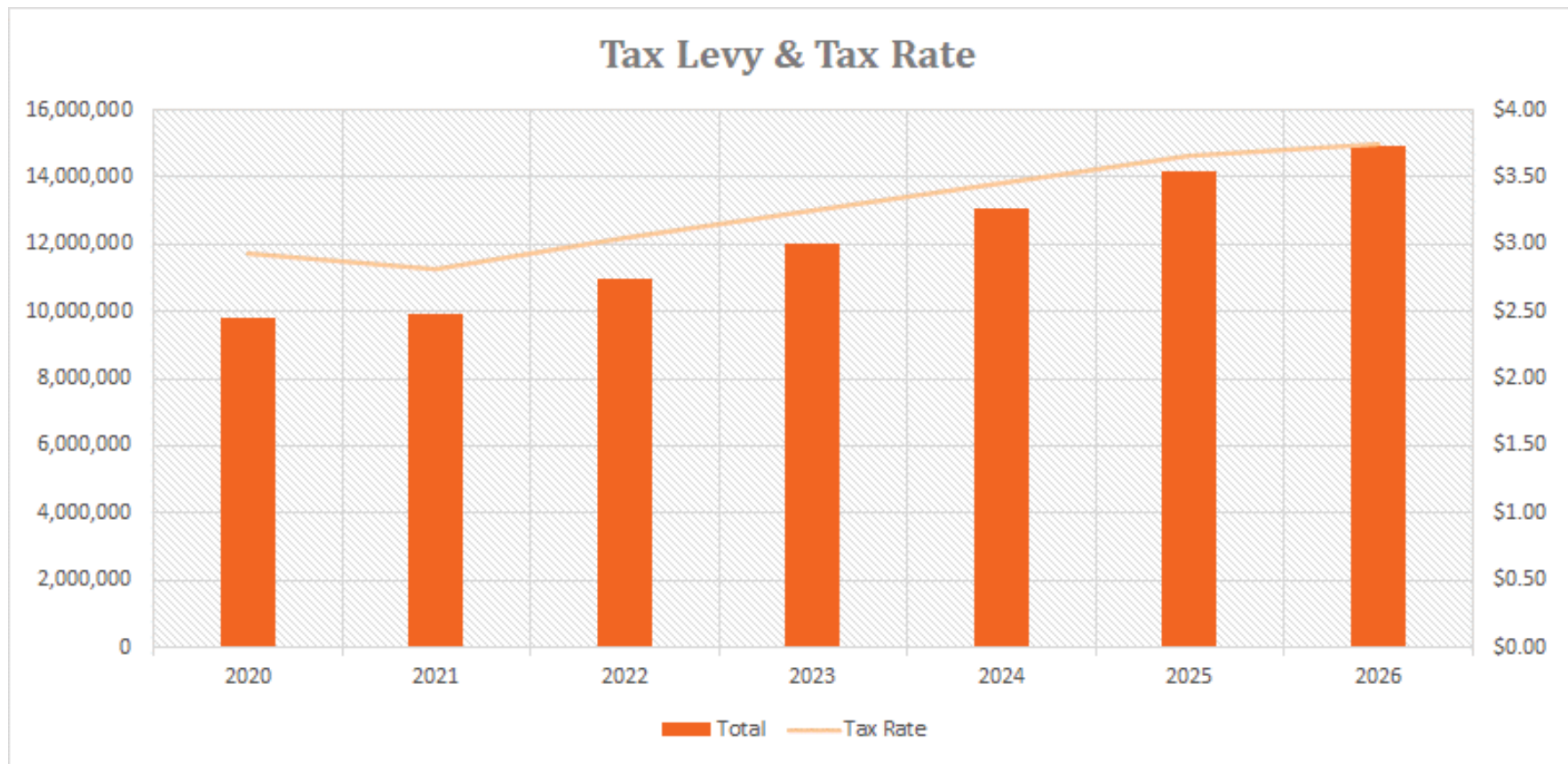
**Notes:**

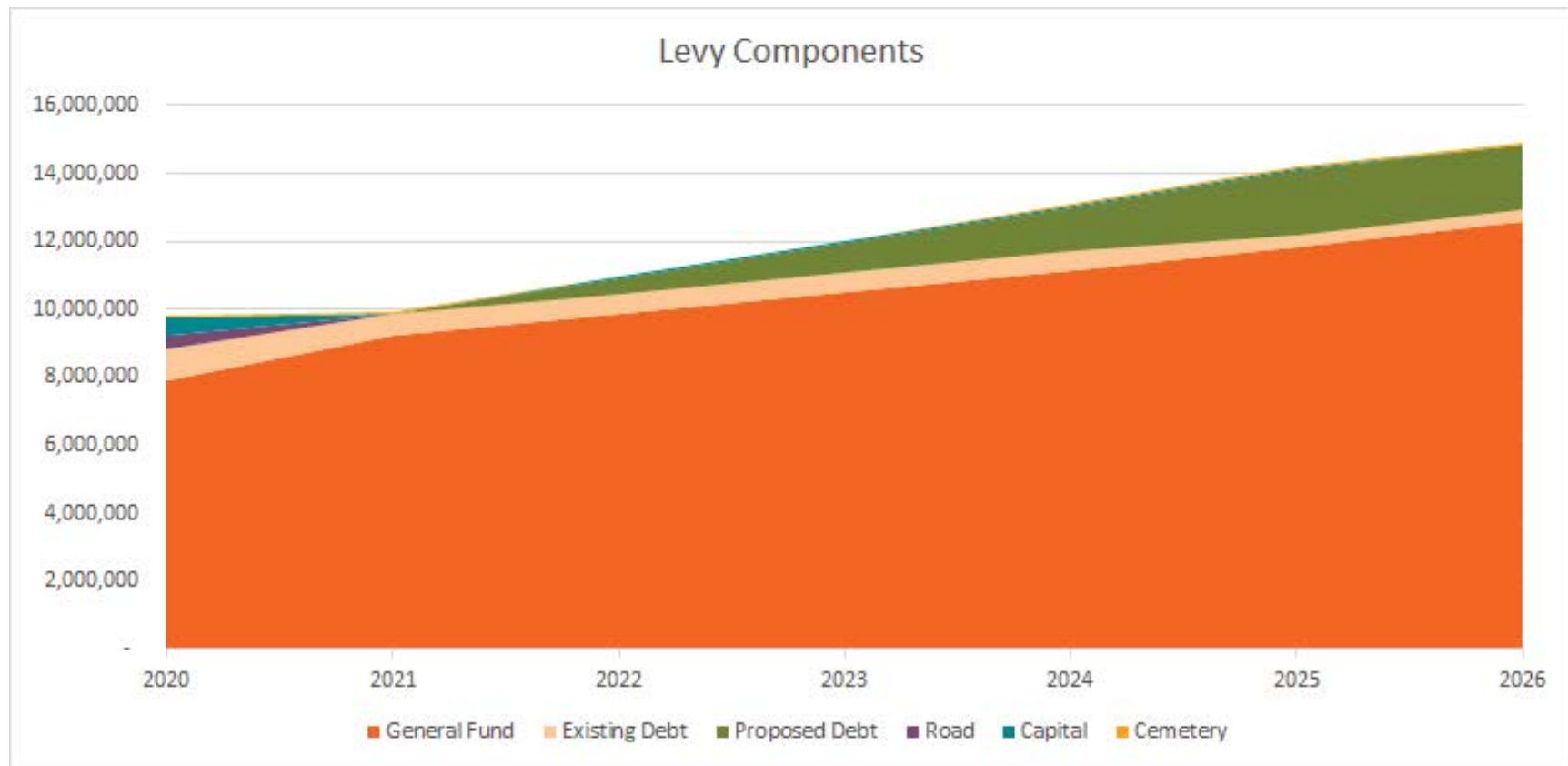


**Table 9**  
**Tax Levy and Rate Projection**

*City of Pewaukee, WI*

	Actual 2019	Projected 2020	Budget 2021	Projected				
				2022	2023	2024	2025	2026
<b>GENERAL FUND</b>								
<b>REVENUES</b>								
Taxes								
Property Taxes General	7,585,830	7,897,815	9,207,573	9,850,049	10,481,860	11,146,890	11,847,094	12,584,552
Special Assessments	-	-	-	-	-	-	-	-
Other Taxes	967,781	762,569	751,510	751,510	751,510	751,510	751,510	751,510
Special Charges	701,735	758,500	818,390	842,942	868,230	894,277	921,105	948,738
Intergovernmental Revenues	1,531,929	1,562,024	1,576,177	1,578,877	1,581,631	1,584,440	1,587,305	1,590,228
Licenses & Permits	1,015,744	796,531	863,752	861,686	859,660	857,676	855,731	853,825
Fines, Forfeitures & Penalties	580,483	308,000	451,000	451,000	451,000	451,000	451,000	451,000
Public Charges for Services	973,810	942,624	1,045,078	1,056,578	1,068,308	1,080,273	1,092,476	1,104,924
Intergovernmental Charges	1,899,674	1,892,705	1,917,320	1,942,693	1,968,530	1,994,842	2,021,639	2,048,934
Interest	368,283	299,513	293,500	293,500	293,500	293,500	293,500	293,500
Miscellaneous	107,903	185,423	76,140	76,140	76,140	76,140	76,140	76,140
<b>TOTAL REVENUES</b>	<b>15,733,172</b>	<b>15,405,704</b>	<b>17,000,440</b>	<b>17,704,974</b>	<b>18,400,370</b>	<b>19,130,547</b>	<b>19,897,501</b>	<b>20,703,352</b>
<b>EXPENDITURES</b>								
General Government	2,087,093	2,204,435	2,614,122	2,685,269	2,781,951	2,883,230	2,989,359	3,100,607
Public Safety	7,577,612	8,092,309	9,123,736	9,488,282	9,871,046	10,273,075	10,695,484	11,139,457
Public Works	2,726,598	2,779,282	2,967,273	3,162,382	3,303,786	3,452,603	3,609,264	3,774,225
Culture and Recreation	2,045,325	2,126,889	2,297,813	2,369,040	2,443,587	2,521,639	2,603,394	2,689,063
<b>TOTAL EXPENDITURES</b>	<b>14,436,628</b>	<b>15,202,915</b>	<b>17,002,944</b>	<b>17,704,974</b>	<b>18,400,370</b>	<b>19,130,547</b>	<b>19,897,501</b>	<b>20,703,352</b>
Change in General Fund levy from prior year		4.11%	16.58%	6.98%	6.41%	6.34%	6.28%	6.22%
<b>EXISTING DEBT SERVICE LEVY</b>	<b>1,000,000</b>	<b>930,802</b>	<b>636,269</b>	<b>613,790</b>	<b>596,320</b>	<b>595,241</b>	<b>344,600</b>	<b>343,100</b>
<b>PROPOSED DEBT SERVICE LEVY</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>434,948</b>	<b>859,278</b>	<b>1,261,513</b>	<b>1,914,726</b>	<b>1,883,646</b>
<b>ROAD PROJECTS</b>	<b>400,000</b>	<b>400,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CAPITAL LEVY</b>	<b>425,000</b>	<b>525,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>
<b>CEMETERY LEVY</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>
<b>TOTAL PROPERTY TAX LEVY</b>	<b>9,445,830</b>	<b>9,788,617</b>	<b>9,928,842</b>	<b>10,983,786</b>	<b>12,022,458</b>	<b>13,088,643</b>	<b>14,191,420</b>	<b>14,896,298</b>
<b>Change in Levy</b>		<b>3.63%</b>	<b>1.43%</b>	<b>10.63%</b>	<b>9.46%</b>	<b>8.87%</b>	<b>8.43%</b>	<b>4.97%</b>
<b>Taxes on \$250000 home</b>	<b>\$740</b>	<b>\$734</b>	<b>\$704</b>	<b>\$760</b>	<b>\$813</b>	<b>\$864</b>	<b>\$915</b>	<b>\$938</b>
EQUALIZED VALUE (TID OUT)	3,192,028,300	3,333,311,300	3,526,148,000	3,611,182,218	3,698,267,063	3,787,451,989	3,878,787,638	3,972,325,876
<b>TAX RATE</b>	<b>\$2.96</b>	<b>\$2.94</b>	<b>\$2.82</b>	<b>\$3.04</b>	<b>\$3.25</b>	<b>\$3.46</b>	<b>\$3.66</b>	<b>\$3.75</b>







**Table 10**  
**Levy Limit Worksheet Forecast Model**

*City of Pewaukee, WI*

Levy Year		2020	2021	2022	2023	2024	2025
Calendar/Budget Year		2021	2022	2023	2024	2025	2026
Line		Actual	Projected	Projected	Projected	Projected	Projected
	Prior Year's Actual Levy	9,788,617	9,928,842	10,983,786	12,022,458	13,088,643	14,191,420
	Prior Year's Personal Property Aid	150,106	150,106	150,106	150,106	150,106	150,106
1	Prior Year's Actual Levy plus Personal Property Aid	9,938,723	10,078,948	11,133,892	12,172,564	13,238,749	14,341,526
2	Exclude Prior Year Levy for Unreimbursed Emergency Expenses		0	0	0	0	0
3	Exclude Prior Year Levy for G.O. Debt Authorized After July 1, 2005	(1,377,460)	(1,397,827)	(2,331,236)	(3,246,671)	(4,187,894)	(5,163,959)
4	<b>Adjusted Actual Levy</b>	<b>8,561,263</b>	<b>8,681,121</b>	<b>8,802,656</b>	<b>8,925,893</b>	<b>9,050,855</b>	<b>9,177,567</b>
Line 5 - 6 Ac	Net New Construction						
	Enter Assumed Net New Construction Percentage	1.400%	1.400%	1.400%	1.400%	1.400%	1.400%
	Applied to Prior Year Adjusted Actual Levy	119,858	121,536	123,237	124,963	126,712	128,486
	Less: Next Year's Personal Property Aid	(150,106)	(150,106)	(150,106)	(150,106)	(150,106)	(150,106)
	<b>Levy Limit Before Adjustments</b>	<b>8,531,015</b>	<b>8,652,550</b>	<b>8,775,787</b>	<b>8,900,750</b>	<b>9,027,461</b>	<b>9,155,947</b>
E	Debt Service for G.O. Debt Authorized After July 1, 2005	1,397,827	2,331,236	3,246,671	4,187,894	5,163,959	5,740,351
	Total Adjustments	1,397,827	2,331,236	3,246,671	4,187,894	5,163,959	5,740,351
9	<b>Total Adjustments</b>	<b>1,397,827</b>	<b>2,331,236</b>	<b>3,246,671</b>	<b>4,187,894</b>	<b>5,163,959</b>	<b>5,740,351</b>
10	<b>Allowable Levy</b>	<b>9,928,842</b>	<b>10,983,786</b>	<b>12,022,458</b>	<b>13,088,644</b>	<b>14,191,420</b>	<b>14,896,298</b>
	<b>Actual or Projected levy</b>	<b>9,928,842</b>	<b>10,983,786</b>	<b>12,022,458</b>	<b>13,088,643</b>	<b>14,191,420</b>	<b>14,896,298</b>
	<b>Amount Allowable Levy Exceeds Actual Levy</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Post July 1, 2005 G.O. Debt	1,598,911	2,008,662	2,406,386	2,807,013	3,123,209	3,091,771
	Levy for Debt Service	636,269	1,048,738	1,455,598	1,856,753	2,259,326	2,226,746
	Adjustment E that exceeds debt service levy	761,558	1,282,498	1,791,073	2,331,141	2,904,633	3,513,605
	Adjustment E that exceeds total G.O. debt service		322,575	840,286	1,380,882	2,040,750	2,648,580



## Levy Limit Comments

- A portion of the City's levy limit adjustment for debt service includes debt service that is paid by utilities.
- Relying on this technique to help fund the operating levy is problematic because if the utility supported debt service payments decrease or end the debt adjustment is no longer permissible.
  - ✓ This will require cuts to the operational budget
- Future debt issued that is repaid by the levy doesn't eliminate this problem because the allowable levy increase will be needed to pay for the new debt.





## Summary

1. The large increase in the General Fund levy from 2020 to 2021 primarily for staffing is not sustainable going forward under levy limits as the model stands presently.
2. Additional increases in the operating levy combined with debt service for approximately \$24 million in capital projects results in an average levy increase of 8.47% from 2022-2026 (budget year).
3. Strategies to address this problem (can use some or all):
  - ✓ Cuts to operational costs.
  - ✓ Increase non-levy revenue sources to address levy limits.
  - ✓ Levy limit referendum for operating costs.



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