

**Office of the Clerk/Treasurer**

W240N3065 Pewaukee Road  
Pewaukee, WI 53072  
(262) 691-0770 Fax 691-1798

~ REVISED ~

**COMMON COUNCIL  
MEETING NOTICE AND AGENDA**

**Monday, December 2, 2024**

**6:30 PM**

Common Council Chambers ~ Pewaukee City Hall  
W240 N3065 Pewaukee Road ~ Pewaukee Wisconsin

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1. Call to Order and Pledge of Allegiance
  2. Public Comment - Please limit your comments to two (2) minutes, if further time for discussion is needed please contact your District Alderperson prior to the meeting.
  3. Presentation of the Draft 2023 Audit [Paul Franz - Baker Tilly]
  4. Discussion and Possible Action Regarding the Engagement Letter from Baker Tilly for Auditing Services for 2024 - 2028 [Paul Franz - Baker Tilly / Klein]
  5. Discussion and Possible Action to Approve the Third Reduction of Cardinal Meadow Development Letter of Credit from \$155,420.16 to \$23,244.03 (A Reduction of \$131,996.13) [Wagner]
  6. Discussion and Possible Action Regarding We Energies' Request for an Easement on City Owned Land Located at W271N1275 Meadowbrook Rd (PWC 0940-990) [Wagner]
  7. **PUBLIC HEARING**, Discussion and Possible Action Regarding a Comprehensive Master Plan Amendment to Change the Year 2050 Land Use/Transportation Plan Use Designation for the City of Pewaukee for Shorepoint Church for Property Located on the Southwest Corner of Duplainville Road and Capitol Drive (PWC 0912-983, PWC 0912-984, PWC 0912-985) From Medium Density Residential (6,500 Sq. Ft. - 1/2 AC./D.U.) and Floodplains, Lowland and Upland Conservancy, and Other Natural Areas to Government/Institutional and Floodplains, Lowland and Upland Conservancy, and Other Natural Areas [Fuchs]
    - 6.1 Plan Commission **Resolution PC 24-09-19** Recommending the Adoption of an Ordinance to Amend the City of Pewaukee 20235 Comprehensive Master Plan and Neighborhood Plans 2015-20250 to change the year 2050 Land Use / Transportation Plan of properties located at approximately N34 W22407 Capitol Drive and W223 N3481 Duplainville Road bearing Tax Key Numbers PWC 0912-983, PWC 0912-984, and PWC 0912-985 from Medium Density Residential (6,500 Sq. Ft. - 1/2 Ac. / D.U.) and Floodplains, Lowland & Upland Conservancy and Other Natural Areas to Governmental / Institutional and Floodplains, Lowland & Upland Conservancy and Other Natural Areas, Pursuant to Wisconsin Statute §66.1001(4)(b)
    - 6.2 **Ordinance 24-10** Amending the City of Pewaukee 2035 Comprehensive Master Plan and Neighborhood Plans 2015-2025 to change the year 2050 Land Use / Transportation Plan of properties located at approximately N34 W22407 Capitol Drive and W233 N3481 Duplainville Road bearing Tax key numbers PWC 0912-983, PWC 0912-984 and PWC 0912-985 from Medium

Density Residential (6,500 Sq. Ft. - 1/2 AC. /D.U.) and Floodplains, Lowland & Upland Conservancy and other Natural Areas to Governmental / Institutional and Floodplains, Lowland & Upland Conservancy and Other Natural Areas.

8. Discussion and Possible Action Regarding **Ordinance 24-16** Rezoning the Vacant Property Located at the Southwest Corner of Duplainville Road and Capitol Drive (PWC 0912-983) and the Property Located at N34 W22407 Capitol Drive )PWC 0912-985) from Rs-1 Single-Family Residential to I-1 Urban Institutional, and to Rezone Property Located at W223 N3481 Duplainville Road (PWC 0912-984) from B-3 General Business to I-1 Urban Institutional for the Purpose of Constructing an Approximately 27,000 Square Foot Church as Requested by Shorepoint Church (*Plan Commission held and closed Public Hearing on 9/19/2024*)
9. Discussion and Possible Action Regarding a Certified Survey Map for Shorepoint Church for Property Located at the Southwest Corner of Duplainville Road and Capitol Drive (PWC 0912-983, PWC 0912-984, PWC 0912-985)for the Purpose of Combining Three Existing Parcels in Order to Construct Approximately a 27,000 Square Foot Church [Fuchs]
10. Discussion and Possible Action Regarding a Conditional Use Permit for Autumn Hill Academy for Property Located at N25 W23050 Paul Road (PWC 0917-995-006) for the Purpose of a Proposed Public Charter School [Fuchs]
11. Discussion and Possible Action Regarding Hickory Grove Estates
  - 11.1 Adoption of Preliminary **Resolution 24-12-26** Declaring Intent to Exercise Special Assessment Powers Authorizing the Construction of Hickory Grove Estates and Roger Road Rehabilitation, Municipal Utility Extension and Related Facilities Under Section 66.0703, Wisconsin Statutes.
  - 11.2 Adoption of Comfort **Resolution 24-12-27** Declaring Official Intent to Reimburse Expenditures for Hickory Grove Estates Road Reconstruction, Drainage Improvements and Utility Extension.
12. Discussion and Possible Action to Approve the 2025 Water & Sewer Utility Operations and Capital Budgets [Mueller / Wagner]
13. Consideration of Petition for Detachment of Waukesha County Technical College (WCTC) Parcel Located at N35 W255 Main Street (PWC 0925.998) [Attorney Riffle]
  - 13.1 Discussion and Possible Action to Waive the Second Reading and Approve **Ordinance 24-17** Providing for Detachment of a Portion of the City of Pewaukee, Waukesha County, State of Wisconsin to the Village of Pewaukee, Waukesha County, State of Wisconsin {*First Reading*}.
14. Discussion and Possible Action to Appoint Jared Lavin as the Agent to Kwik Trip Located at W229 N2086 Redford Blvd [Tarczewski]
15. Discussion and Possible Action Regarding the Accounts Payable Listing Dated December 2, 2024 [Tarczewski]
16. Public Comment - Please limit your comments to two (2) minutes, if further time for discussion is needed please contact your district Alderperson prior to the meeting.
17. Adjournment

Kelly Tarczewski  
Clerk/Treasurer

November 27, 2024

**NOTICE**

It is possible that members of other governmental bodies of the municipality may be in attendance to gather information that may form a

quorum. At the above stated meeting, no action will be taken by any governmental body other than the governmental body specifically referred to above in this notice.

Any person who has a qualifying disability under the Americans with Disabilities Act that requires the meeting or materials at the meeting to be in an accessible format must contact the Clerk/Treasurer, Kelly Tarczewski, at (262) 691-0770 three business days prior to the meeting so that arrangements may be made to accommodate your request.

**CITY OF PEWAUKEE  
COMMON COUNCIL AGENDA ITEM 3.**

**DATE:** December 2, 2024

**DEPARTMENT:** Clerk/Treasurer

**PROVIDED BY:**

***SUBJECT:***

Presentation of the Draft 2023 Audit [Paul Franz - Baker Tilly]

***BACKGROUND:***

***FINANCIAL IMPACT:***

***RECOMMENDED MOTION:***

**ATTACHMENTS:**

Description

2023 Audit Report

Draft 2023 Financial Statements



# Reporting and insights from 2023 audit:

City of Pewaukee

December 31, 2023

# Executive summary

November XX, 2024

To the Common Council  
City of Pewaukee  
Pewaukee, Wisconsin

We have completed our audit of the financial statements of the City of Pewaukee (the City) for the year ended December 31, 2023, and have issued our report thereon dated November XX, 2024. This letter presents communications required by our professional standards.

Your audit should provide you with confidence in your financial statements. The audit was performed based on information obtained from meetings with management, data from your systems, knowledge of your City's operating environment and our risk assessment procedures. We strive to provide you clear, concise communication throughout the audit process and of the final results of our audit.

Additionally, we have included information on key risk areas the City should be aware of in your strategic planning. We are available to discuss these risks as they relate to your organization's financial stability and future planning.

If you have questions at any point, please connect with us:

- Paul Frantz, CPA, Principal: [paul.frantz@bakertilly.com](mailto:paul.frantz@bakertilly.com) or +1 (414) 777 5506
- Casandra Chase, Senior Manager: [casandra.chase@bakertilly.com](mailto:casandra.chase@bakertilly.com) or +1 (608) 240 6785

Sincerely,

Baker Tilly US, LLP



Paul Frantz, CPA, Principal

THIS COMMUNICATION IS INTENDED SOLELY FOR THE INFORMATION AND USE OF THOSE CHARGED WITH GOVERNANCE, AND, IF APPROPRIATE, MANAGEMENT, AND IS NOT INTENDED TO BE AND SHOULD NOT BE USED BY ANYONE OTHER THAN THESE SPECIFIED PARTIES.

BAKER TILLY ADVISORY GROUP, LP AND BAKER TILLY US, LLP, TRADING AS BAKER TILLY, ARE MEMBERS OF THE GLOBAL NETWORK OF BAKER TILLY INTERNATIONAL LTD., THE MEMBERS OF WHICH ARE SEPARATE AND INDEPENDENT LEGAL ENTITIES. BAKER TILLY US, LLP IS A LICENSED CPA FIRM THAT PROVIDES ASSURANCE SERVICES TO ITS CLIENTS. BAKER TILLY ADVISORY GROUP, LP AND ITS SUBSIDIARY ENTITIES PROVIDE TAX AND CONSULTING SERVICES TO THEIR CLIENTS AND ARE NOT LICENSED CPA FIRMS.

# Responsibilities

## Our responsibilities

As your independent auditor, our responsibilities include:

- Planning and performing the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. Reasonable assurance is a high level of assurance.
- Assessing the risks of material misstatement of the financial statements, whether due to fraud or error. Included in that assessment is a consideration of the City's internal control over financial reporting.
- Performing appropriate procedures based upon our risk assessment.
- Evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management.
- Forming and expressing an opinion based on our audit about whether the financial statements prepared by management, with the oversight of those charged with governance:
  - Are free from material misstatement
  - Present fairly, in all material respects and in accordance with accounting principles generally accepted in the United States of America
- Our audit does not relieve management or those charged with governance of their responsibilities.

We are also required to communicate significant matters related to our audit that are relevant to the responsibilities of those charged with governance, including:

- Internal control matters
- Qualitative aspects of the City's accounting practice including policies, accounting estimates and financial statement disclosures
- Significant unusual transactions
- Significant difficulties encountered
- Disagreements with management
- Circumstances that affect the form and content of the auditors' report
- Audit consultations outside the engagement team
- Corrected and uncorrected misstatements
- Other audit findings or issues

# Audit status

## Significant changes to the audit plan

There were no significant changes made to either our planned audit strategy or to the significant risks and other areas of emphasis identified during the performance of our risk assessment procedures.



# Audit approach and results

## Planned scope and timing

### Audit focus

Based on our understanding of the City and environment in which you operate, we focused our audit on the following key areas:

- Key transaction cycles
- Areas with significant estimates

Our areas of audit focus were informed by, among other things, our assessment of materiality. Materiality in the context of our audit was determined based on specific qualitative and quantitative factors combined with our expectations about the City's current year results.

## Key areas of focus and significant findings

### Significant risks of material misstatement

A significant risk is an identified and assessed risk of material misstatement that, in the auditor's professional judgment, requires special audit consideration. Within our audit, we focused on the following areas below.

Significant risk areas	Testing approach	Conclusion
Management override of controls	Incorporate unpredictability into audit procedures, emphasize professional skepticism and utilize audit team with industry expertise	Procedures identified provided sufficient evidence for our audit opinion
Improper revenue recognition due to fraud	Confirmation or validation of certain revenues supplemented with detailed predictive analytics based on non-financial data and substantive testing of related receivables	Procedures identified provided sufficient evidence for our audit opinion

### Other areas of emphasis

We also focused on other areas that did not meet the definition of a significant risk, but were determined to require specific awareness and a unique audit response.

Other areas of emphasis		
Cash and investments	Revenues and receivables	General disbursements
Payroll	Pension and OPEB liabilities	Long-term debt
Capital assets including infrastructure	Net position calculations	Financial reporting and required disclosures

## Internal control matters

We considered the City's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing an opinion on the financial statements. We are not expressing an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis.

A material weakness is a deficiency or combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We identified the following deficiencies as material weaknesses:

- **Inadequate segregation of duties**

A properly designed system of internal control includes adequate staffing as well as policies and procedures to properly segregate duties. This includes systems that are designed to limit the access or control of any one individual to your government's assets or accounting records, and to achieve a higher likelihood that errors or irregularities in your accounting processes would be discovered by your staff in a timely manner.

At this time, due to staffing and financial limitations, the proper internal controls are not in place to achieve adequate segregation of duties:

- Adjusting journal entries and supporting documentation should be reviewed and approved by an appropriate person who is not the original preparer.
- Account reconciliations prepared throughout the year should be performed by someone independent of processing transactions in the account.

As a result, errors, irregularities or fraud could occur as part of the financial reporting process that may not be discovered by someone in your organization. Therefore, we are reporting a material weakness related to the internal control environment.

- **Financial statement close process**

Properly designed systems of internal control provide your organization with the ability to process and record accurate monthly and year-end transactions and annual financial reports.

Our audit includes a review and evaluation of the internal controls relating to financial reporting. Common attributes of a properly designed system of internal control for financial reporting are as follows:

- There is adequate staffing to prepare financial reports throughout the year and at year-end.
- Material misstatements are identified and corrected during the normal course of duties.
- Complete and accurate financial statements, including footnotes, are prepared.

- **Financial reports are independently reviewed for completeness and accuracy.**

Our evaluation of the internal controls over financial reporting has identified control deficiencies that are considered material weakness surrounding the preparation of financial statements and footnotes adjusting journal entries identified by the auditors, and an independent review of financial reports.

Management has not prepared financial statements that are in conformity with generally accepted accounting principles. In addition, material misstatements in the general ledger were identified during the financial audit.

## Other comments and recommendations

- **Departmental Controls**

As part of our annual audit process, we focus our efforts on the primary accounting systems, internal controls and procedures used by the City. This is in keeping with our goal to provide an audit opinion which states that the financial statements of the City are correct in all material respects.

In some cases, the primary system of accounting procedures and controls of the City are supported by smaller systems which are decentralized and reside within a department or location. In many cases, those systems are as simple as handling cash collections and remitting those collections to the Administrative Services Department.

Generally, the more centralized a function is, the easier it is to design and implement accounting controls that provide some level of checks and balances. That is because you are able to divide certain tasks over the people available to achieve some segregation of duties. For those tasks that are decentralized, it is usually very difficult to provide for proper segregation of duties. Therefore, with one person being involved in most or all aspects of a transaction, you lose the ability to rely on the controls to achieve the safeguarding of assets and reliability of financial records.

As auditors, we are required to communicate with you on a variety of topics. Since there is now more emphasis on internal controls and management's responsibilities, we believe it is appropriate to make sure that you are informed about the lack of segregation of duties that may occur at departments or locations that handle cash. Departments in your City that fit this situation may include the following:

- Parks and Recreation
- Cemetery
- Building Services
- Court
- Police Services

As you might expect, similar situations are common in most governments.

## Required communications

### Qualitative aspect of accounting practices

- Accounting policies: Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we have advised management about the appropriateness of accounting policies and their application. The significant accounting policies used by City are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing accounting policies was not changed during 2023. We noted no transactions entered into by the City during the year for which accounting policies are controversial or for which there is a lack of authoritative guidance or consensus or diversity in practice.
- Accounting estimates: Accounting estimates, including fair value estimates, are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements, the degree of subjectivity involved in their development and because of the possibility that future events affecting them may differ significantly from those expected. The following estimates are of most significance to the financial statements:

Estimate	Management's process to determine	Baker Tilly's conclusions regarding reasonableness
Compensated absences	Evaluation of hours earned and accumulated in accordance with employment policies and average wage per hour rates	Reasonable in relation to the financial statements as a whole
Net pension liability and related deferrals	Evaluation of information provided by the Wisconsin Retirement System	Reasonable in relation to the financial statements as a whole
Allowance for doubtful accounts	Evaluation of historical revenues and loss levels with the analysis on collectability of individual amounts	Reasonable in relation to the financial statements as a whole
Depreciation	Evaluate estimated useful life of the asset and original acquisition value	Reasonable in relation to the financial statements as a whole

There have been no significant changes made by management to either the processes used to develop the particularly sensitive accounting estimates, or to the significant assumptions used to develop the estimates, noted above.

- Financial statement disclosures: The disclosures in the financial statements are neutral, consistent and clear.

### **Significant unusual transactions**

There have been no significant transactions that are outside the normal course of business for the City or that otherwise appear to be unusual due to their timing, size or nature.

### **Significant difficulties encountered during the audit**

We encountered no significant difficulties in dealing with management and completing our audit.

### **Disagreements with management**

Professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting or auditing matter that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

### **Audit report**

There have been no departures from the auditors' standard report.

### **Audit consultations outside the engagement team**

We encountered no difficult or contentious matters for which we consulted outside of the engagement team.

### **Corrected misstatements**

Professional standards require us to accumulate misstatements identified during the audit, other than those that are clearly trivial and to communicate accumulated misstatements to management. Management is in agreement with the misstatements we have identified, and they have been corrected in the financial statements. The schedule within the Appendix summarizes the material corrected misstatements, that, in our judgment, may not have been detected except through our auditing procedures. The internal control matters section of this report describes the effects on the financial reporting process indicated by the corrected misstatements, other than those that we consider to be of a lesser magnitude than significant deficiencies and material weaknesses.

### **Other audit findings or issues**

We encountered no other audit findings or issues that require communication at this time.

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

## **Other information in documents containing audited basic financial statements**

The City's audited financial statements are "general purpose" financial statements. General purpose financial statements consist of the basic financial statements that can be used by a broad group of people for a broad range of activities. Once we have issued our audit report, we have no further obligation to update our report for events occurring subsequent to the date of our report. The City can use the audited financial statements in other client-prepared documents, such as official statements related to the issuance of debt, without our acknowledgement. Unless we have been engaged to perform services in connection with any subsequent transaction requiring the inclusion of our audit report, as well as to issue an auditor's acknowledgment letter, we have neither read the document nor performed subsequent event procedures in order to determine whether or not our report remains appropriate.

## **Management's consultations with other accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing or accounting matters.

## **Written communications between management and Baker Tilly**

The attachments include copies of other material written communications, including a copy of the management representation letter.

## **Compliance with laws and regulations**

We did not identify any non-compliance with laws and regulations during our audit.

## **Fraud**

We did not identify any known or suspected fraud during our audit.

## **Going concern**

Pursuant to professional standards, we are required to communicate to you, when applicable, certain matters relating to our evaluation of the City's ability to continue as a going concern for a reasonable period of time but no less than 12 months from the date of the financial statements, including the effects on the financial statements and the adequacy of the related disclosures, and the effects on the auditor's report. No such matters or conditions have come to our attention during our engagement.

## **Independence**

We are not aware of any relationships between Baker Tilly and the City that, in our professional judgment, may reasonably be thought to bear on our independence.

## **Related parties**

We did not have any significant findings or issues arise during the audit in connection with the City's related parties.

## Other matters

We applied certain limited procedures to the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information which accompanies the financial statements but is not RSI. With respect to the supplementary information, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

## Nonattest services

The following nonattest services were provided by Baker Tilly:

- Financial statement preparation
- Adjusting journal entries
- Compiled regulatory reports

In addition, we prepared GASB No. 34 conversion entries which are summarized in the "Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position" and the "Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities" in the financial statements.

None of these nonattest services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.

# Reports to those charged with governance

Visit our resource page for regulatory updates, trending challenges and opportunities in your industry and other timely updates.

Visit the resource page at <https://www.bakertilly.com/insights/audit-committee-resource-page>.



# Management representation letter

November 15, 2024

Baker Tilly US, LLP  
790 N. Water Street  
Suite 2000  
Milwaukee, WI 53202

Dear Baker Tilly US, LLP:

We are providing this letter in connection with your audit of the financial statements of the City of Pewaukee as of December 31, 2023 and for the year then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pewaukee, Wisconsin, and the respective changes in financial position and cash flows, where applicable, in conformity with accounting principles generally accepted in the United States of America (GAAP). We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control over financial reporting, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audit.

### **Financial Statements**

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated November 6, 2019, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
- 2) The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America. We have engaged you to advise us in fulfilling that responsibility. The financial statements include all properly classified funds of the primary government required by accounting principles generally accepted in the United States of America to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for 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.

- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, if any, are reasonable in accordance with U.S. GAAP.
- 6) All events subsequent to the date of the financial statements and for which accounting principles generally accepted in the United States of America require adjustment or disclosure have been adjusted or disclosed. No other events, including instances of noncompliance, have occurred subsequent to the financial statement date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.
- 7) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 8) All known audit and bookkeeping adjustments have been included in our financial statements, and we are in agreement with those adjustments.
- 9) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the appropriate accounts.
- 10) There are no known or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements. There are no unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with accounting principles generally accepted in the United States of America.

**Information Provided**

- 11) We have provided you with:
  - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as financial records and related data, documentation, and other matters.
  - b) Additional information that you have requested from us for the purpose of the audit.
  - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
  - d) Minutes of the meetings of City Council or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) We have not completed an assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 13) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
  - a) Management,
  - b) Employees who have significant roles in internal control, or
  - c) Others where the fraud could have a material effect on the financial statements.

- 14) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, regulators, or others.
- 15) We have no knowledge of known instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 16) There are no related parties or related party relationships and transactions, including side agreements, of which we are aware.

**Other**

- 17) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 18) We have a process to track the status of audit findings and recommendations.
- 19) We have identified to you any previous financial audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 20) The City has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources or fund balance or net position.
- 21) We are responsible for compliance with federal, state, and local laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits, debt contracts, and IRS arbitrage regulations; and we have identified and disclosed to you all federal, state, and local laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
- 22) There are no:
  - a) Violations or possible violations of budget ordinances, federal, state, and local laws or regulations (including those pertaining to adopting, approving and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, or for reporting on noncompliance, except those already disclosed in the financial statement, if any.
  - b) Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by accounting principles generally accepted in the United States of America.
  - c) Nonspendable, restricted, committed, or assigned fund balances that were not properly authorized and approved.
  - d) Rates being charged to customers other than the rates as authorized by the applicable authoritative body.
  - e) Violations of restrictions placed on revenues as a result of bond resolution covenants such as revenue distribution or debt service funding.

- 23) In regards to the nonattest services performed by you listed below, we acknowledge our responsibility related to these nonattest services and have 1) accepted all management responsibility; 2) designated an individual with suitable skill, knowledge, or experience to oversee the services; 3) evaluated the adequacy and results of the services performed, and 4) accepted responsibility for the results of the services.
- a) Financial statement preparation
  - b) Adjusting journal entries
  - c) Compiled regulatory reports

None of these nonattest services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.

- 24) The City of Pewaukee has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 25) The City of Pewaukee has complied with all aspects of contractual agreements that would have a material effect on the financial statement in the event of noncompliance.
- 26) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations, if any. Component units have been properly presented as either blended or discrete.
- 27) The financial statements include all fiduciary activities required by GASB No. 84.
- 28) The financial statements properly classify all funds and activities.
- 29) All funds that meet the quantitative criteria in GASB Statement No. 34 and No. 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 30) Components of net position (net investment in capital assets; restricted; and unrestricted) and components of fund balance (nonspendable, restricted, committed, assigned and unassigned) are properly classified and, if applicable, approved.
- 31) The City of Pewaukee has no derivative financial instruments such as contracts that could be assigned to someone else or net settled, interest rate swaps, collars or caps.
- 32) Provisions for uncollectible receivables, if any, have been properly identified and recorded.
- 33) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 34) Revenues are appropriately classified in the statement of activities within program revenues and general revenues.
- 35) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 36) Deposits and investments are properly classified, valued, and disclosed (including risk disclosures, collateralization agreements, valuation methods, and key inputs, as applicable).

- 37) Provision, when material, has been made to reduce excess or obsolete inventories to their estimated net realizable value.
- 38) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated/amortized. Any known impairments have been recorded and disclosed.
- 39) Tax-exempt bonds issued have retained their tax-exempt status.
- 40) We have appropriately disclosed the City of Pewaukee's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available and have determined that net position were properly recognized under the policy. We have also disclosed our policy regarding which resources (that is, restricted, committed, assigned or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available.
- 41) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 42) With respect to the supplementary information, (SI):
  - a) We acknowledge our responsibility for presenting the SI in accordance with accounting principles generally accepted in the United States of America, and we believe the SI, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the SI have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
  - b) If the SI is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
- 43) We assume responsibility for, and agree with, the information provided by the Wisconsin Retirement System as audited by the Legislative Audit Bureau relating to the net pension asset/liability and related deferred outflows and deferred inflows and have adequately considered the reasonableness of the amounts and disclosures used in the financial statements and underlying accounting records. We also assume responsibility for the census data that has been reported to the plan.
- 44) We have reviewed existing contracts and determined there are no items requiring accounting or reporting as leases or Subscription-Based Information Technology Arrangements.
- 45) We are responsible for the estimation methods and assumptions used in measuring assets and liabilities reported or disclosed at fair value, including information obtained from brokers, pricing services or third parties. Our valuation methodologies have been consistently applied from period to period. The fair value measurements reported or disclosed represent our best estimate of fair value as the measurement date in accordance with the requirements of GASB 72 – *Fair Value Measurement*. In addition our disclosures related to fair value measurements are consistent with the objectives outlined in GASB 72. We have evaluated the fair value information provided to us by brokers, pricing services or other parties that has been used in the financial statements and believe this information to be reliable and consistent with the requirements.

- 46) The auditing standards define an annual report as “a document, or combination of documents, typically prepared on an annual basis by management or those charged with governance in accordance with law, regulation, or custom, the purpose of which is to provide owners (or similar stakeholders) with information on the entity’s operations and the financial results and financial position as set out in the financial statements.” Among other items, an annual report contains, accompanies, or incorporates by reference the financial statements and the auditors’ report thereon. We confirm that we do not prepare and have no plans to prepare an annual report.

Sincerely,

City of Pewaukee

Signed: \_\_\_\_\_  
Scott Klein, City Administrator

Signed: \_\_\_\_\_  
Kelly Tarczewki, City Clerk/Treasurer

## Client service team



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# Accounting changes relevant to the City

## Future accounting standards update

GASB Statement Number	Description	Potentially impacts you	Effective date
100	Accounting Changes and Error Corrections	✓	12/31/24, 6/30/24
101	Compensated Absences	✓	12/31/24, 6/30/25
102	Certain Risk Disclosures	✓	12/31/25, 6/30/25
103	Financial Reporting Model Improvements	✓	12/31/26, 6/30/26

Further information on upcoming GASB pronouncements.

## Revised guidance for accounting changes and error corrections

GASB Statement No. 100, *Accounting Changes and Error Corrections, an amendment of GASB Statement No. 62*, seeks to provide more understandable, reliable, relevant, consistent and comparable information for making decisions and assessing accountability.

The standard establishes the following categories:

1. Accounting changes, which is comprised of:
  - a. Changes in accounting principles – result from a change from one generally accepted accounting principle to another that is justified on the basis that the newly adopted principle is preferable to the previously applied principle, or the implementation of a new pronouncement.
  - b. Changes in accounting estimates – occur when inputs change due to a change in circumstances, new information, or more experience. Note that the focus is on changes to the inputs used; a change in the value of an input such as an annual inflation update does not require disclosure under this standard.
  - c. Changes to or within the financial reporting entity – result from the addition or removal of a fund that results from the movement of continuing operations (such as moving sanitation operation from the general fund to its own separate fund), a change in a fund's presentation as major or nonmajor, the addition or removal of a component unit (with certain exceptions), or a change in a component unit's presentation as blended or discretely presented.
2. Error corrections – result from mathematical mistakes, mistakes in the application of accounting principles, or oversight or misuse of facts that existed at the time of the financial statements were issued (i.e., facts that could reasonably be expected to have been obtained and considered at that time).

A summary of the reporting impact of each category is as follows:

Reporting considerations	Accounting changes			
	Change in accounting principle	Change in estimate	Change to the financial reporting entity	Correction of an error
Basic financial statement schedules:	Restate earliest period presented	Report prospectively	Adjust current year beginning balances	Restate earliest period presented
Required supplementary information & supplementary information:	Should match the financial statement presentation noted above; no adjustments to earlier periods needed			Restate all periods impacted
Additional disclosures?	Yes	Yes	Yes	Yes

The District should become familiar with the new guidance in advance of the implementation effective date.

### Updated accounting and reporting for compensated absences

The Governmental Accounting Standards Board (GASB) issued its Statement No. 101, *Compensated Absences*, in June 2022. The objective of GASB 101 is to update the recognition and measurement guidance for compensated absences for state & local government employers. It supersedes GASB No. 16, *Accounting for Compensated Absences*, issued in 1992, as well as earlier guidance, and addresses changes resulting from the types of leave now being offered. GASB 101 is effective for fiscal years beginning after December 15, 2023 (i.e., December 31, 2024, and June 30, 2025 year-end reporting entities).

GASB 101 more appropriately reflects a liability *when* a government incurs an obligation for compensated absences, and will improve comparability of reporting between governments that offer different types of leave. It requires that liabilities be recognized for (1) leave that has not been used, and (2) leave that has been used but not yet paid in cash or settled-up via non-cash means. Compensated absences is defined as leave for which employees may receive one or more of the following:

- Cash payments when the leave is used for time off;
- Other cash payments, such as payment for unused leave upon termination of employment, or;
- Noncash settlements, such as conversion to defined benefit postemployment benefits.

Examples of compensated absences provided in GASB 101 include vacation, sick leave, paid time off (PTO), holidays, parental leave, bereavement leave, and certain types of sabbatical leave. Payment or settlement of compensated absences could occur during employment, or upon termination of employment. GASB 101 does not apply to benefits that are within the scope of GASB 47, *Accounting for Termination Benefits*.

GASB 101 requires that a liability should be recognized for leave that has not been used if all of the following are true:

- The leave is attributable to services already rendered;
- The leave accumulates, and;
- The leave is “more likely than not” (i.e., likelihood of more than 50%) to be used for time off or otherwise paid in cash or settled through noncash means (101 provides factors to assess this criteria). (This differs from GASB 16, which required payment to be “probable” to be recognized).

Under GASB 101, governments will now need to accrue for time that has accumulated and is likely to be used, even if the employee is not eligible for a payout upon termination. This was not a requirement under GASB 16, and thus may result in a higher compensated absence liability.

GASB 101 requires liabilities for compensated absences to be recognized in financial statements prepared using the economic resources measurement focus equal to the amount of leave that has not yet been used and leave that has been used but not yet paid or settled. GASB 101 did not change the report for financial statements prepared using the current financial resources measurement focus (i.e., governmental funds).

Other changes in financial statement disclosures include the change in compensated absences liability can now be disclosed as a net change, rather than gross increases/decreases in the liability. Also, governments are no longer required to disclose which fund has typically liquidated the liability.

We recommend that governments begin to review the guidance contained in GASB 101 within the context of your existing compensated absences policies and accounting practices, in order to be better informed in terms of the information that you will need for this implementation.

### **New guidance on disclosure of certain risks**

The requirements in GASB Statement No. 102, *Certain Risk Disclosures* is meant to provide financial statement users with information about certain risks when circumstances make a government vulnerable to a heightened possibility of loss or harm. It requires governments to disclose essential information about risks related to vulnerabilities due to certain concentrations or constraints.

- (a) The Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow or outflow of resources—for example, a small number of companies that represent a majority of employment in a government’s jurisdiction, or a government that relies on one revenue source for most of its revenue.
- (b) The Statement defines a constraint as a limitation imposed on a government by an external party or by formal action of the government’s highest level of decision-making authority - such as a voter-approved property tax cap or a state-imposed debt limit.

Concentrations and constraints may limit a government’s ability to acquire resources or control spending.

The Statement generally requires a government to disclose information about a concentration or constraint if all of the following criteria are met:

- (a) The concentration or constraint is *known* to the government prior to issuing the financial statements.

- (b) The concentration or constraint makes the government vulnerable to the risk of a substantial impact.
- (c) An event or events associated with the concentration or constraint that could cause a substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

The disclosures should include a description of the following:

- The concentration or constraint,
- Each event associated with the concentration or constraint that could cause a substantial impact if the event has occurred or has begun to occur prior to the issuance of the financial statements, and
- Actions taken by the government to mitigate the risk prior to the issuance of the financial statements.

### **Changes to the financial reporting model**

GASB Statement 103, *Financial Reporting Model Improvements*, builds on Statement 34 by providing key targeted improvements to the financial reporting model. Its requirements are designed to:

- Enhance the effectiveness of governmental financial reports in providing information essential for decision making and assessing a government's accountability, and
- Address certain application issues.

The targeted improvements contained in Statement 103 establish or modify existing accounting and financial reporting requirements related to:

- Management's discussion and analysis - While the overall requirements do not substantially change management's discussion and analysis, the modifications are meant to improve the analysis included in this section and provide details about the items that should be discussed as currently known facts, decisions, or conditions expected to have a significant financial effect in the subsequent period.
- Unusual or infrequent items (previously known as extraordinary and special items) - The new Statement simplifies GASB literature by eliminating the separate presentation of extraordinary and special items. Under the requirement of Statement 103, applicable items will either be identified as unusual or infrequent, or both.
- Presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position - The changes are designed to improve consistency around the classification of items in these statements by better defining what should be included in operating revenues and expenses and nonoperating revenues and expenses including, for example, the addition of subsidies received or provided as a new category of nonoperating revenues and expenses.
- Major component unit information, and Budgetary comparison information - Statement 103 is designed to improve the consistency of the reporting of major component unit information and budgetary comparison information by specifying required placement of that information.

## Material corrected misstatements

Description	Amount
To record current year activity related to GASB 68 in Utilities	\$ 647,764
To record correction of taxes receivables and deferred revenues	\$ 5,100,485
To record adjustment to depreciation in Utilities	\$ 1,339,265
To record adjustment to Utility non-capital assets	\$ 305,533
To record activity to eliminate negative cash	\$ 2,427,664
To record Utility non-operating loss on disposal	\$ 181,003
To record year-end inventory adjustments	\$ 155,312

The remaining misstatements that were identified and corrected by management were not material individually or in the aggregate to the financial statements taken as a whole.

# Two-way audit communications

As part of our audit of your financial statements, we are providing communications to you throughout the audit process. Auditing requirements provide for two-way communication and are important in assisting the auditor and you with more information relevant to the audit.

As this past audit is concluded, we use what we have learned to begin the planning process for next year's audit. It is important that you understand the following points about the scope and timing of our next audit:

- a. We address the significant risks of material misstatement, whether due to fraud or error, through our detailed audit procedures.
- b. We will obtain an understanding of the five components of internal control sufficient to assess the risk of material misstatement of the financial statements whether due to error or fraud, and to design the nature, timing and extent of further audit procedures. We will obtain a sufficient understanding by performing risk assessment procedures to evaluate the design of controls relevant to an audit of financial statements and to determine whether they have been implemented. We will use such knowledge to:
  - Identify types of potential misstatements.
  - Consider factors that affect the risks of material misstatement.
  - Design tests of controls, when applicable, and substantive procedures.
- c. We will not express an opinion on the effectiveness of internal control over financial reporting or compliance with laws, regulations and provisions of contracts or grant programs.
- d. The concept of materiality recognizes that some matters, either individually or in the aggregate, are important for fair presentation of financial statements in conformity with generally accepted accounting principles while other matters are not important. In performing the audit, we are concerned with matters that, either individually or in the aggregate, could be material to the financial statements. Our responsibility is to plan and perform the audit to obtain reasonable assurance that material misstatements, whether caused by errors or fraud, are detected.

Our audit will be performed in accordance with auditing standards generally accepted in the United States of America.

We are very interested in your views regarding certain matters. Those matters are listed here:

- a. We typically will communicate with your top level of management unless you tell us otherwise.
- b. We understand that the governing board has the responsibility to oversee the strategic direction of your organization, as well as the overall accountability of the entity. Management has the responsibility for achieving the objectives of the entity.
- c. We need to know your views about your organization's objectives and strategies, and the related business risks that may result in material misstatements.
- d. Which matters do you consider warrant particular attention during the audit, and are there any areas where you request additional procedures to be undertaken?
- e. Have you had any significant communications with regulators or grantor agencies?
- f. Are there other matters that you believe are relevant to the audit of the financial statements?

Also, is there anything that we need to know about the attitudes, awareness and actions of the governing body concerning:

- a. The entity's internal control and its importance in the entity, including how those charged with governance oversee the effectiveness of internal control?
- b. The detection or the possibility of fraud?

We also need to know if you have taken actions in response to developments in financial reporting, laws, accounting standards, governance practices, or other related matters, or in response to previous communications with us.

With regard to the timing of our audit, here is some general information. If necessary, we may do preliminary financial audit work during the months of October-December, and sometimes early in January. Our final financial fieldwork is scheduled during the spring to best coincide with your readiness and report deadlines. After fieldwork, we wrap up our financial audit procedures at our office and may issue drafts of our report for your review. Final copies of our report and other communications are issued after approval by your staff. This is typically 6-12 weeks after final fieldwork, but may vary depending on a number of factors.

Keep in mind that while this communication may assist us with planning the scope and timing of the audit, it does not change the auditor's sole responsibility to determine the overall audit strategy and the audit plan, including the nature, timing and extent of procedures necessary to obtain sufficient appropriate audit evidence.

We realize that you may have questions on what this all means, or wish to provide other feedback. We welcome the opportunity to hear from you.

# City of Pewaukee

Financial Statements and  
Supplementary Information

December 31, 2023



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## Independent Auditors' Report

To the City Council of  
City of Pewaukee

### Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Pewaukee, Wisconsin, (the City), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of December 31, 2023 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.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Management has omitted management discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinions on the basic financial statements are not affected by this missing information.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The supplementary information 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 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.

Milwaukee, Wisconsin  
November 15, 2024

**BASIC FINANCIAL STATEMENTS**

## City of Pewaukee

Statement of Net Position  
December 31, 2023

	Governmental Activities	Business- Type Activities	Total
<b>Assets</b>			
Cash and investments	\$ 30,599,003	\$ 20,443,416	\$ 51,042,419
Receivables (net):			
Taxes	13,434,982	-	13,434,982
Delinquent personal property taxes	7,596	-	7,596
Accounts	293,721	1,571,918	1,865,639
Special assessments	1,127,173	314,966	1,442,139
Due from other governments	222,747	-	222,747
Internal balances	(194,630)	194,630	-
Investment in Pewaukee Public Library	490,154	-	490,154
Inventories and prepaid expenses	571,366	12,009	583,375
Restricted assets:			
Cash and investments	-	4,433,304	4,433,304
Capital assets:			
Land	7,256,326	530,387	7,786,713
Construction in progress	29,428,699	3,226,438	32,655,137
Other capital assets, net of accumulated depreciation	48,933,965	75,010,348	123,944,313
Total assets	<u>132,171,102</u>	<u>105,737,416</u>	<u>237,908,518</u>
<b>Deferred Outflows of Resources</b>			
Pension related items	<u>9,304,298</u>	<u>651,035</u>	<u>9,955,333</u>
<b>Liabilities</b>			
Accounts payable and accrued expenses	2,269,817	1,241,332	3,511,149
Deposits	599,628	26,197	625,825
Unearned revenue	1,531,336	-	1,531,336
Due to other governments	7,666	-	7,666
Current portion of long-term obligations	2,605,621	984,772	3,590,393
Noncurrent liabilities:			
Net pension liability	2,476,025	170,785	2,646,810
Noncurrent portion of long-term obligations	39,548,069	14,770,985	54,319,054
Total liabilities	<u>49,038,162</u>	<u>17,194,071</u>	<u>66,232,233</u>
<b>Deferred Inflows of Resources</b>			
Unearned revenue	15,068,028	-	15,068,028
Pension related items	<u>5,213,600</u>	<u>377,138</u>	<u>5,590,738</u>
Total deferred inflows of resources	<u>20,281,628</u>	<u>377,138</u>	<u>20,658,766</u>
<b>Net Position</b>			
Net investment in capital assets	51,109,897	67,472,994	118,582,891
Restricted	5,013,835	60,156	5,073,991
Unrestricted	<u>16,031,878</u>	<u>21,284,092</u>	<u>37,315,970</u>
Total net position	<u>\$ 72,155,610</u>	<u>\$ 88,817,242</u>	<u>\$ 160,972,852</u>

See notes to the financial statements

**City of Pewaukee**

Statement of Activities

Year Ended December 31, 2023

	Program Revenues			Net (Expenses) Revenues and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental activities:							
General government	\$ 543,917	\$ 1,152,141	\$ 194,106	\$ -	\$ 802,330	\$ -	\$ 802,330
Public safety	10,828,742	2,692,199	30,539	4,913	(8,101,091)	-	(8,101,091)
Public works	8,568,698	3,715,249	576,852	3,349	(4,273,248)	-	(4,273,248)
Health and sanitation	316,874	23,675	-	-	(293,199)	-	(293,199)
Culture and recreation	2,446,278	906,048	-	74,938	(1,465,292)	-	(1,465,292)
Conservation and development	555,914	-	-	-	(555,914)	-	(555,914)
Interest and other related charges	1,311,553	-	-	-	(1,311,553)	-	(1,311,553)
Total governmental activities	24,571,976	8,489,312	801,497	83,200	(15,197,967)	-	(15,197,967)
Business-type activities:							
Water utility	3,374,812	3,049,287	-	661,199	-	335,674	335,674
Sewer utility	4,289,712	4,265,910	-	325,426	-	301,624	301,624
Total business-type activities	7,664,524	7,315,197	-	986,625	-	637,298	637,298
Total primary government	\$ 32,236,500	\$ 15,804,509	\$ 801,497	\$ 1,069,825	(15,197,967)	637,298	(14,560,669)
General revenues and transfers:							
Taxes:							
Property taxes					11,287,472	-	11,287,472
Other taxes					560,927	-	560,927
Intergovernmental revenues not restricted to specific programs					808,926	-	808,926
Investment income (loss)					1,766,788	351,806	2,118,594
Miscellaneous					176,725	(121,219)	55,506
Transfers					450,222	(450,222)	-
Total general revenues and transfers					15,051,060	(219,635)	14,831,425
Change in net position					(146,907)	417,663	270,756
<b>Net Position, Beginning</b>					72,302,517	88,399,579	160,702,096
<b>Net Position, Ending</b>					\$ 72,155,610	\$ 88,817,242	\$ 160,972,852

See notes to the financial statements



City of Pewaukee

Balance Sheet -  
Governmental Funds  
December 31, 2023

	General	Storm Water Management	Debt Service	Road Construction	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and Investments	\$ 7,573,940	\$ 5,876,285	\$ 2,698,414	\$ 3,013,046	\$ 11,437,318	\$ 30,599,003
Receivables (net):						
Taxes	10,559,600	703,755	1,686,627	-	485,000	13,434,982
Delinquent personal property taxes	7,596	-	-	-	-	7,596
Accounts	288,864	4,857	-	-	-	293,721
Special assessments	-	-	1,127,173	-	-	1,127,173
Due from other governments	222,747	-	-	-	-	222,747
Inventories	331,270	-	-	-	-	331,270
Prepaid items	240,096	-	-	-	-	240,096
Advance to other fund	1,213,832	-	-	-	-	1,213,832
<b>Total assets</b>	<b>\$ 20,437,945</b>	<b>\$ 6,584,897</b>	<b>\$ 5,512,214</b>	<b>\$ 3,013,046</b>	<b>\$ 11,922,318</b>	<b>\$ 47,470,420</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>						
<b>Liabilities</b>						
Accounts payable	\$ 450,848	\$ 247,198	\$ -	\$ 680,372	\$ 5,003	\$ 1,383,421
Accrued liabilities	391,755	-	-	-	-	391,755
Deposits	599,628	-	-	-	-	599,628
Unearned revenues	-	-	-	-	1,531,336	1,531,336
Due to other governments	7,666	-	-	-	-	7,666
Due to other funds	194,630	-	-	-	-	194,630
Advance from other fund	-	-	-	-	1,213,832	1,213,832
<b>Total liabilities</b>	<b>1,644,527</b>	<b>247,198</b>	<b>-</b>	<b>680,372</b>	<b>2,750,171</b>	<b>5,322,268</b>
<b>Deferred Inflows of Resources</b>						
Unearned revenues	10,973,073	1,663,878	1,686,627	-	744,450	15,068,028
Unavailable revenues	146,280	-	1,127,173	-	-	1,273,453
<b>Total deferred inflows of resources</b>	<b>11,119,353</b>	<b>1,663,878</b>	<b>2,813,800</b>	<b>-</b>	<b>744,450</b>	<b>16,341,481</b>
<b>Fund Balances</b>						
Nonspendable	1,792,794	-	-	-	-	1,792,794
Restricted	-	2,748,229	2,698,414	2,332,674	3,443,530	11,222,847
Committed	-	-	-	-	6,198,640	6,198,640
Assigned	-	1,925,592	-	-	-	1,925,592
Unassigned	5,881,271	-	-	-	(1,214,473)	4,666,798
<b>Total fund balances</b>	<b>7,674,065</b>	<b>4,673,821</b>	<b>2,698,414</b>	<b>2,332,674</b>	<b>8,427,697</b>	<b>25,806,671</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 20,437,945</b>	<b>\$ 6,584,897</b>	<b>\$ 5,512,214</b>	<b>\$ 3,013,046</b>	<b>\$ 11,922,318</b>	<b>\$ 47,470,420</b>

## City of Pewaukee

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position  
December 31, 2023

<b>Total Fund Balances, Governmental Funds</b>	\$ 25,806,671
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 (See Note 2).	85,618,990
The City's investment in the library joint venture is not a financial resource and, therefore, is not reported in the fund statements.	490,154
Some receivables that are 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.	1,273,453
The net pension liability does not relate to current financial resources and is not reported in the governmental funds.	(2,476,025)
Deferred inflows and outflows of resources related to pension do not related to current financial resources and are not reported in the governmental funds.	4,090,698
Some liabilities, including long-term debt, are not due and payable in the current period and therefore, are not reported in the funds (See Note 2).	<u>(42,648,331)</u>
<b>Net Position of Governmental Activities</b>	<u><u>\$ 72,155,610</u></u>

**City of Pewaukee**

Statement of Revenues, Expenditures and Changes in Fund Balances -  
 Governmental Funds  
 Year Ended December 31, 2023

	<u>General</u>	<u>Storm Water Management</u>	<u>Debt Service</u>	<u>Road Construction</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>						
Taxes	\$ 9,793,818	\$ -	\$ 2,243,518	\$ -	\$ 711,277	\$ 12,748,613
Intergovernmental	1,621,928	-	-	24,730	63,443	1,710,101
Licenses and permits	937,030	-	-	-	-	937,030
Fines forfeitures and penalties	311,268	-	-	-	-	311,268
Public charges for services	2,194,868	1,654,214	-	-	103,526	3,952,608
Intergovernmental charges for services	2,163,876	34,428	-	-	-	2,198,304
Investment income	1,712,224	378	28,993	-	15,212	1,756,807
Miscellaneous revenues	148,315	73,401	-	-	30,336	252,052
	<u>18,883,327</u>	<u>1,762,421</u>	<u>2,272,511</u>	<u>24,730</u>	<u>923,794</u>	<u>23,866,783</u>
Total revenues						
<b>Expenditures</b>						
Current:						
General government	2,495,205	-	-	-	70	2,495,275
Public safety	9,745,360	-	-	-	25,041	9,770,401
Public works	2,945,369	729,324	-	-	-	3,674,693
Health and human services	-	-	-	-	7,290	7,290
Culture and recreation	2,474,453	-	-	-	-	2,474,453
Conservation and development	-	-	-	-	385,178	385,178
Capital outlay	24,807	2,456,379	-	3,431,215	3,928,192	9,840,593
Debt service:						
Principal	-	-	2,143,980	-	-	2,143,980
Interest, issuance costs and fiscal charges	-	-	1,528,391	-	-	1,528,391
	<u>17,685,194</u>	<u>3,185,703</u>	<u>3,672,371</u>	<u>3,431,215</u>	<u>4,345,771</u>	<u>32,320,254</u>
Total expenditures						
Excess (deficiency) of revenues over expenditures	<u>1,198,133</u>	<u>(1,423,282)</u>	<u>(1,399,860)</u>	<u>(3,406,485)</u>	<u>(3,421,977)</u>	<u>(8,453,471)</u>
<b>Other Financing Sources (Uses)</b>						
Proceeds from sale of capital assets	-	-	-	-	82,675	82,675
Transfers in	470,222	65,072	437,552	-	919,000	1,891,846
Transfers out	(983,652)	(437,552)	-	-	(20,420)	(1,441,624)
	<u>(513,430)</u>	<u>(372,480)</u>	<u>437,552</u>	<u>-</u>	<u>981,255</u>	<u>532,897</u>
Total other financing sources (uses)						
Net change in fund balances	684,703	(1,795,762)	(962,308)	(3,406,485)	(2,440,722)	(7,920,574)
<b>Fund Balances, Beginning</b>	<u>6,989,362</u>	<u>6,469,583</u>	<u>3,660,722</u>	<u>5,739,159</u>	<u>10,868,419</u>	<u>33,727,245</u>
<b>Fund Balances, Ending</b>	<u>\$ 7,674,065</u>	<u>\$ 4,673,821</u>	<u>\$ 2,698,414</u>	<u>\$ 2,332,674</u>	<u>\$ 8,427,697</u>	<u>\$ 25,806,671</u>

**City of Pewaukee**

Reconciliation of the Statement of Revenues, Expenditures and Changes in  
Fund Balances of Governmental Funds to the Statement of Activities  
Year Ended December 31, 2023

**Net Change in Fund Balances, Total Governmental Funds** \$ (7,920,574)

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 is 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 statements	9,840,593
Some items reported as capital outlay were not capitalized	(374,302)
Depreciation is reported in the government-wide statements	(3,420,905)
Net book value of assets retired	(102,476)

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.	25,388
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The proportionate share of the change in net position related to joint ventures reported in the Statement of Activities neither provides nor uses current financial resources and is not reported in the fund financial statements.	21,386
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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.	
Principal repaid	2,143,980

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.	
Compensated absences	4,783
Accrued interest on debt	20,923
Net pension liability	(6,053,100)
Deferred inflows/outflows of resources related to pension	5,471,482

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 additions 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:	
Amortization of debt premiums	195,915

**Change in Net Position of Governmental Activities** \$ (146,907)

**City of Pewaukee**

Statement of Net Position -  
Proprietary Funds  
December 31, 2023

	<b>Business-Type Activities - Enterprise Funds</b>		
	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Total</u>
<b>Assets</b>			
Current assets:			
Cash and investments	\$ 2,003,949	\$ 18,439,467	\$ 20,443,416
Receivables:			
Accounts	610,381	961,537	1,571,918
Special assessments	244,230	70,736	314,966
Due from other funds	63,837	130,793	194,630
Inventory	12,009	-	12,009
Restricted assets, cash and investments	<u>2,082,258</u>	<u>2,351,046</u>	<u>4,433,304</u>
Total current assets	<u>5,016,664</u>	<u>21,953,579</u>	<u>26,970,243</u>
<b>Noncurrent Assets</b>			
Capital assets:			
Land	530,387	-	530,387
Construction in progress	2,012,232	1,214,206	3,226,438
Capital assets, net of accumulated depreciation	37,034,051	37,976,297	75,010,348
Advance to water	<u>-</u>	<u>2,092,032</u>	<u>2,092,032</u>
Total noncurrent assets	<u>39,576,670</u>	<u>41,282,535</u>	<u>80,859,205</u>
Total assets	<u>44,593,334</u>	<u>63,236,114</u>	<u>107,829,448</u>
<b>Deferred Outflows of Resources</b>			
Pension related items	<u>423,014</u>	<u>228,021</u>	<u>651,035</u>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	190,933	875,194	1,066,127
Accrued liabilities	117,390	3,523	120,913
Deposits	26,197	-	26,197
Current portion of general obligation debt	666,020	211,876	877,896
Current portion of compensated absences	26,447	14,241	40,688
Liabilities payable from restricted assets:			
Accrued interest payable	-	54,292	54,292
Current portion of revenue bonds	<u>-</u>	<u>66,188</u>	<u>66,188</u>
Total current liabilities	<u>1,026,987</u>	<u>1,225,314</u>	<u>2,252,301</u>
Noncurrent liabilities:			
General obligation debt	9,599,618	3,900,474	13,500,092
Revenue bonds	-	1,203,152	1,203,152
Compensated absences	44,032	23,709	67,741
Net pension liability	111,009	59,776	170,785
Advance from sewer	<u>2,092,032</u>	<u>-</u>	<u>2,092,032</u>
Total noncurrent liabilities	<u>11,846,691</u>	<u>5,187,111</u>	<u>17,033,802</u>
Total liabilities	<u>12,873,678</u>	<u>6,412,425</u>	<u>19,286,103</u>
<b>Deferred Inflows of Resources</b>			
Pension related items	<u>242,259</u>	<u>134,879</u>	<u>377,138</u>
<b>Net Position</b>			
Net investment in capital assets	31,313,135	36,159,859	67,472,994
Restricted for radium capital projects	60,156	-	60,156
Unrestricted	<u>527,120</u>	<u>20,756,972</u>	<u>21,284,092</u>
Total net position	<u>\$ 31,900,411</u>	<u>\$ 56,916,831</u>	<u>\$ 88,817,242</u>

See notes to the financial statements

## City of Pewaukee

Statement of Revenues, Expenses and Changes in Net Position -

Proprietary Funds

Year Ended December 31, 2023

	Business-Type Activities -		
	Enterprise Funds		
	Water	Sewer	Total
<b>Operating Revenues</b>	\$ 3,049,287	\$ 4,265,910	\$ 7,315,197
<b>Operating Expenses</b>			
Operation and maintenance	1,621,335	3,279,321	4,900,656
Depreciation	1,371,008	848,463	2,219,471
Taxes	33,019	-	33,019
Total operating expenses	3,025,362	4,127,784	7,153,146
Operating income	23,925	138,126	162,051
<b>Nonoperating Revenues (Expenses)</b>			
Interest income	6,212	345,594	351,806
Interest and fiscal charges	(349,450)	(161,928)	(511,378)
Miscellaneous revenue	-	12,815	12,815
Gain/ loss on sale of capital assets	(181,003)	16,000	(165,003)
Amortization	30,969	-	30,969
Advance forgiveness	5,312,577	(5,312,577)	-
Total nonoperating income (expense)	4,819,305	(5,100,096)	(280,791)
Income before contributions and transfers	4,843,230	(4,961,970)	(118,740)
<b>Contributions and Transfers</b>			
Capital contributions	661,199	325,426	986,625
Transfers	(450,222)	-	(450,222)
Total contributions and transfers	210,977	325,426	536,403
Change in net position	5,054,207	(4,636,544)	417,663
<b>Net Position, Beginning</b>	26,846,204	61,553,375	88,399,579
<b>Net Position, Ending</b>	\$ 31,900,411	\$ 56,916,831	\$ 88,817,242

See notes to the financial statements

## City of Pewaukee

Statement of Cash Flows -  
Proprietary Funds  
Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds		
	Water	Sewer	Total
<b>Cash Flows From Operating Activities</b>			
Receipts from customers	\$ 3,002,196	\$ 4,271,167	\$ 7,273,363
Paid to vendors for goods and services	(1,534,881)	(2,771,212)	(4,306,093)
Paid to employees for services	(122,709)	(182,876)	(305,585)
Net cash flows from operating activities	1,344,606	1,317,079	2,661,685
<b>Cash Flows From Noncapital and Related Financing Activities</b>			
Transfers to other funds	(450,222)	-	(450,222)
Net cash flows from noncapital and related financing activities	(450,222)	-	(450,222)
<b>Cash Flows From Capital and Related Financing Activities</b>			
Acquisition and construction of capital assets	(327,434)	(458,088)	(785,522)
Principal paid on long-term debt retirements	(651,020)	(266,519)	(917,539)
Proceeds from sale of capital assets	-	16,001	16,001
Collection of special assessments, net	(204,424)	86,082	(118,342)
Interest paid	(355,410)	(179,289)	(534,699)
Net cash from capital and related financing activities	(1,538,288)	(801,813)	(2,340,101)
<b>Cash Flows From Investing Activities</b>			
Investment income	6,212	345,594	351,806
Net change in cash and investments	(637,692)	860,860	223,168
<b>Cash and Investments, Beginning</b>	4,723,899	19,929,653	24,653,552
<b>Cash and Investments, Ending</b>	\$ 4,086,207	\$ 20,790,513	\$ 24,876,720

See notes to the financial statements

## City of Pewaukee

Statement of Cash Flows -  
Proprietary Funds  
Year Ended December 31, 2023

	<b>Business-Type Activities - Enterprise Funds</b>		
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
<b>Reconciliation of Operating Income to</b>			
<b>Net Cash From Operating Activities</b>			
Operating income	\$ 23,925	\$ 138,126	\$ 162,051
Nonoperating income	-	12,815	12,815
Adjustments to reconcile operating income (loss) to net cash from operating activities:			
Depreciation expense	1,371,008	848,463	2,219,471
Changes in assets, deferred outflows/inflows of resources and liabilities:			
Accounts receivable	(47,090)	(33,350)	(80,440)
Due from other funds	-	25,792	25,792
Pension related deferrals and liabilities	29,111	15,677	44,788
Accounts payable	(46,072)	303,880	257,808
Inventory	3,183	-	3,183
Accrued liabilities	10,541	5,676	16,217
<b>Net Cash Flows From Operating Activities</b>	<u>\$ 1,344,606</u>	<u>\$ 1,317,079</u>	<u>\$ 2,661,685</u>
<b>Reconciliation of Cash and Investments to the</b>			
<b>Statement of Net Position, Proprietary Funds</b>			
Cash and investments, statement of net position	\$ 2,003,949	\$ 18,439,467	\$ 20,443,416
Restricted cash and investments, statement of net position	<u>2,082,258</u>	<u>2,351,046</u>	<u>4,433,304</u>
<b>Cash and Cash Equivalents, Ending</b>	<u>\$ 4,086,207</u>	<u>\$ 20,790,513</u>	<u>\$ 24,876,720</u>
<b>Noncash Capital and Related Financing Activities</b>			
Amortization on premiums	<u>\$ 30,968</u>	<u>\$ 14,872</u>	
Advance forgiveness	<u>\$ 5,312,577</u>	<u>\$ (5,312,577)</u>	

See notes to the financial statements



**City of Pewaukee**

Statement of Fiduciary Net Position -  
 Fiduciary Fund  
 December 31, 2023

	<u>Custodial Fund</u> <u>Tax Collection</u> <u>Fund</u>
<b>Assets</b>	
Cash and investments	\$ 22,668,215
Taxes receivable	<u>14,213,885</u>
Total assets	<u>36,882,100</u>
<b>Liabilities</b>	
Due to other taxing units	<u>36,882,100</u>
<b>Net Position</b>	
Total net position	<u>\$ -</u>

**City of Pewaukee**

Statement of Changes in Fiduciary Net Position -  
 Fiduciary Fund  
 Year Ended December 31, 2023

	<u>Custodial Fund</u> <u>Tax Collection</u> <u>Fund</u>
<b>Additions</b>	
Tax collections	<u>\$ 27,134,249</u>
<b>Deductions</b>	
Tax disbursements to other entities	<u>27,134,249</u>
Change in fiduciary net position	-
<b>Net Position, Beginning</b>	<u>-</u>
<b>Net Position, Ending</b>	<u><u>\$ -</u></u>

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## 1. Summary of Significant Accounting Policies

The accounting policies of the City of Pewaukee, Wisconsin (the City) 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).

### Reporting Entity

This report includes all of the funds of the City. The reporting entity for the City 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 City has not identified any organizations that meet this criteria.

### Government-Wide and Fund Financial Statements

#### Government-Wide Financial Statements

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. 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.

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 City 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 City 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 nonmajor funds within the governmental and proprietary 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 City 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 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 City 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. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

**General Fund**

General Fund accounts for the City's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.

**Special Revenue Fund**

Storm Water Management Special Revenue Fund is used to account for and report resources accumulated and payments made for storm water management projects.

**Debt Service Fund**

Debt Service Fund is accounts for resources accumulated and payments made for principal and interest on long-term debt other than proprietary fund debt

**Capital Projects Fund**

Road Construction Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of infrastructure and other related capital assets..

**Enterprise Funds**

The City reports the following major enterprise funds:

Water Utility accounts for operations of the water system.

Sewer Utility accounts for operations of the sewer system.

The City reports the following nonmajor governmental funds:

**Special Revenue Funds**

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

Impact Fee  
Public Safety Grants  
American Rescue Plan

Tourism and Convention  
Expendable Cemetery

**Capital Projects Funds**

Capital Projects Funds are 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.

Capital Equipment  
City Hall Remodel

Bike Path  
DPW Building

**Permanent Fund**

Permanent Fund is used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry.

Nonexpendable Cemetery

In addition, the City reports the following fund type:

**Custodial Fund**

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

Tax Collection Fund

**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 City's water and sewer and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**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 City 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 City is entitled to the resources and the amounts are available. Amounts owed to the City 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 as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues. Delinquent special assessments being held by the County are reported as receivables and unavailable revenues. At December 31, 2023, there were \$2,662, \$3,905,083 and \$992,497 of unrecorded anticipated future assessments for City, Water and Sewer respectively, which are not recorded as receivables because collection is subject to certain events occurring in the future. No formal repayment schedule has been established.

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

**Proprietary and Fiduciary Funds**

Proprietary and fiduciary 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 and sewer funds are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary 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.

**Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity****Deposits and Investments**

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

Investment of City funds is restricted by Wisconsin 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, city, drainage district, technical college district, 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 the 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.
- 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 City has adopted an investment policy. That policy follows the state statute for allowable investments.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined in Note 4. 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 balances. The difference between the bank statement balance and carrying value 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, 2023, the fair value of the City's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note 4 for further information.



**Receivables**

Property taxes are levied in December on the assessed value as of the prior January 1. In addition to property taxes for the City, taxes are collected for and remitted to the county government 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.

Property tax calendar, 2023 tax roll:

Lien date and levy date	December 2023
Tax bills mailed	December 2023
Payment in full, or	January 31, 2024
First installment due	January 31, 2024
Second installment due	July 31, 2024
Personal property taxes in full	January 31, 2024
Tax sale, 2023 delinquent real estate taxes	October 2026

Accounts receivable have been shown net of an allowance for uncollectible accounts. 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 has been made for the water and sewer utilities because they 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 within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as internal balances.

**Inventories and Prepaid Items**

Governmental fund inventories, if material, are recorded at cost based on the FIFO method using the purchases method of accounting. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost based on weighted average and charged to construction and/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. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**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.

**Capital Assets**

**Government-Wide Financial Statements**

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 general capital assets and for infrastructure assets and an estimated useful life in excess of 1 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 and overhead. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant 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 and amortization reflected in the statement of net position. Depreciation and amortization is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Buildings and improvements	15-40 Years
Land improvements	10-40 Years
Equipment	2-20 Years
Water and sewer plant	4-100 Years
Infrastructure	20-60 Years
Intangibles	3-20 Years
Library	15-50 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 way as in the government-wide statements.

**Deferred Outflows of Resources**

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

**Compensated Absences**

Compensated absences represent liabilities arising from the City's sick and vacation leave policies. The sick leave policy allows employees (excluding firefighters) to accrue sick leave at a rate of one day per month to a maximum of 130 days. Represented firefighters are allowed to accrue up to 135 hours per year to a maximum of 1,920 hours. the maximum accumulation for full-time employees hired after January 1, 2016 is 1,456 hours. If such days are not taken as paid time off during the course of employment, payment may be received upon termination at a rate of 50% of total accrued benefits. A liability is recorded only to the extent that it is estimated to result in termination payments.

The City's vacation leave policy allows employees hired before 2015 to accrue vacation benefits beginning in the year of hire. Vacation leave accrues to a maximum of five weeks based upon each employee's length of service. Vacation leave can only be accrued to a maximum of 150% of the earned benefit based upon the employee's seniority at any point during the year. Represented firefighters are not allowed to carryover any days to the next year. For employees hired after January 1, 2015 vacation leave can only be accrued to a maximum of 100% of the earned benefit based upon the employee's seniority at any point during the year.

All vested vacation and sick leave pay is accrued when earned in the full-accrual government-wide and proprietary fund financial statements.

### Long-Term Obligations

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.

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.

### Deferred Inflows of Resources

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

### 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/amortization and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. **Restricted Net Position** - Consists of net position 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. **Unrestricted Net Position** - All other net positions that do not meet the definitions of "restricted" or "net investment in capital assets."

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

### Fund Statements

Governmental fund balances are 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 Common Council. 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 Common Council 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 Council may take official action to assign amounts. 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 exceed amounts restricted, committed or assigned for those purposes.

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

The City 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 City would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The City has a formal minimum fund balance policy. That policy is to maintain a working capital fund of 10% of subsequent years general fund budgeted expenditures. The balance at year end was \$1,982,214, and is included in unassigned general fund balance. Furthermore, the City's policy states that the unassigned fund balance shall be maintained as of December 31 of each year equal to a minimum of 20% of the ensuing year's budgeted general fund revenue. As of December 31, 2023, the City's unassigned fund balance was 29% of subsequent year's budgeted general fund revenue.

See Note 4 for further information.

**Pension**

The fiduciary net position of the Wisconsin Retirement System (WRS) has been determined using the flow of economic resources measurement focus and accrual basis of accounting. This includes for purposes of measuring the following:

- Net Pension Liability (Asset);
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions; and
- Pension Expense (Revenue).

Information about the fiduciary net position of the WRS and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by the 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.

**Basis for Existing Rates**

**Water and Sewer Rates**

Current water rates were approved by the Public Service Commission of Wisconsin and effective on December 21, 2023.

Current sewer rates were approved by the Common Council January 2021.

**2. Reconciliation of Government-Wide and Fund Financial Statements**

**Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Statement of Net Position**

Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.

Land	\$ 7,256,326
Construction in progress	29,428,699
Buildings and improvements	14,705,483
Land improvements	5,122,443
Equipment	12,430,999
Infrastructure	62,094,637
Intangibles	181,150
Library	1,026,196
Less accumulated depreciation	<u>(46,626,943)</u>
Combined adjustment for capital assets	<u>\$ 85,618,990</u>

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities-both current and long-term-are reported in the statement of net position.

Bonds and notes payable	\$ 38,973,980
Compensated absences	802,310
Accrued interest	494,641
Unamortized debt premium	<u>2,377,400</u>
Combined adjustment for long-term liabilities	<u>\$ 42,648,331</u>

**3. Stewardship, Compliance and Accountability**

**Excess Expenditures and Other Financing Uses Over Budget**

Funds	Budgeted Expenditures	Actual Expenditures	Excess Expenditures Over Budget
DPW building fund	\$ -	\$ 2,307,409	\$ 2,307,409
Tourism & convention fund	386,650	469,127	82,477
Public safety grants	-	25,041	25,041
American rescue fund	-	70	70
Capital equipment fund	1,003,842	1,267,801	263,959

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

**Deficit Balances**

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

As of December 31, 2023, the following individual funds held a deficit balance:

Fund	Amount	Reason
Capital Projects - DPW Building Fund	\$ 1,214,473	Expenditures exceeded original funding source

The DPW Building Fund deficit is anticipated to be funded with future contributions, general tax revenues or long-term borrowing.

**Limitations on the City's Tax Levy**

Wisconsin law limits the City's future tax levies. Generally the City is limited to its prior tax levy dollar amount (excluding TIF Districts), increased by the greater of the percentage change in the City's equalized value due to net 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 City 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.

4. Detailed Notes on All Funds

Deposits and Investments

The City's deposits and investments at year end were comprised of the following:

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Deposits	\$ 24,932,641	\$ 20,261,512	Custodial credit
U.S. agencies	4,405,161	4,405,161	Credit, custodial credit, interest, concentration of credit
U.S. treasuries	1,381,820	1,381,820	Custodial credit, interest rate
Certificate of deposits, negotiable	2,308,990	2,308,990	Credit, custodial credit, interest, concentration of credit
Municipal bonds	2,156,446	2,156,446	Credit, custodial credit, interest, concentration of credit
LGIP	42,957,244	42,957,244	Credit
Petty cash	<u>1,636</u>	<u>-</u>	N/A
Total deposits and investments	<u>\$ 78,143,938</u>	<u>\$ 73,471,173</u>	
Reconciliation to financial statements			
Per statement of net position:			
Unrestricted cash and investments	\$ 52,698,828		
Restricted cash and investments	2,776,895		
Per statement of fiduciary net position, custodial funds:			
Tax Collection Fund	<u>22,668,215</u>		
Total deposits and investments	<u>\$ 78,143,938</u>		

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) and \$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 City maintains collateral agreements with its banks. At December 31, 2023, the banks had pledged various government securities in the amount of \$26,935,879 to secure the City's deposits.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The valuation methods for recurring fair value measurements are as follows:

- Market value

Investment Type	December 31, 2023			Total
	Level 1	Level 2	Level 3	
Certificate of deposit, negotiable	\$ -	\$ 2,308,990	\$ -	\$ 2,308,990
Municipal bonds	-	2,156,446	-	2,156,446
U.S. treasuries	-	1,381,820	-	1,381,820
U.S. agencies	-	4,405,161	-	4,405,161
Total	\$ -	\$ 10,252,417	\$ -	\$ 10,252,417

**Custodial Credit Risk**

**Deposits**

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

The City does not have any deposits exposed to custodial credit risk.

**Investments**

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The City does not have any investments exposed to custodial credit risk.

**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, 2023, the City's investments were rated as follows:

Investment Type	Standard & Poors	Moody's Investors Services
U.S. agencies	AA+	Aaa
Municipal bonds	AA+ to AA-	Aaa
Certificates of deposit, negotiable	A+ to BBB-	N/A
U.S. treasuries	AA+	Aaa

The City also held investments in the following external pool which is not rated:

LGIP

**Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.



**Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of December 31, 2023, the City's investments were as follows:

Investment Type	Fair Value	Maturity (in Years)		
		Less Than 1	1-5	6-10
U.S. agencies	\$ 4,405,161	\$ -	\$ 4,405,161	\$ -
Certificate of deposits, negotiable	2,308,990	1,812,509	496,481	-
Municipal bonds	2,156,446	1,709,828	446,618	-
U.S. treasuries	1,381,820	996,460	385,360	-
Total	<u>\$ 10,252,417</u>	<u>\$ 4,518,797</u>	<u>\$ 5,733,620</u>	<u>\$ -</u>

**Investments Highly Sensitive to Interest Rate Changes**

At December 31, 2023, the City held \$4,405,161, \$2,308,990, \$2,156,446 and \$1,381,820 in U.S. agencies, certificates of deposit - negotiable, municipal bonds and U.S. treasuries, respectively which matures on . With all fixed income securities, as interest rates rise, the value will fall. The longer the time to maturity, the more sensitive the value will be to a change in interest rates. The longest time to maturity on any holding is 1-5 years.

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

**Receivables**

All of the receivables on the balance sheet are expected to be collected within one year, except for delinquent personal property taxes

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 revenue* and *unearned revenue* reported in the governmental funds were as follows:

	Unearned	Unavailable
Property taxes receivable for subsequent year	\$ 15,068,028	\$ -
Grants received prior to meeting all eligibility requirements	1,531,336	-
Special assessments not yet due	-	1,127,173
Ambulance revenue	-	146,280
Total unearned/unavailable revenue for governmental funds	<u>\$ 16,599,364</u>	<u>\$ 1,273,453</u>
Unearned revenue included in liabilities	\$ 1,531,336	
Unearned revenue included in deferred inflows	<u>15,068,028</u>	
Total unearned revenue for governmental funds	<u>\$ 16,599,364</u>	

Notes to Financial Statements  
December 31, 2023

### Restricted Assets

The following represent the balances of the restricted assets:

#### Long-Term Debt Accounts

**Redemption** - Used to segregate resources accumulated for debt service payments over the next twelve months.

**Construction** - Used to report proceeds of revenue bond issuances that are restricted for use in construction.

### Capital Assets

Capital asset activity for the year ended December 31, 2023, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>				
Capital assets not being depreciated/amortized:				
Land	\$ 7,256,326	\$ -	\$ -	\$ 7,256,326
Construction in progress	<u>22,257,783</u>	<u>7,908,225</u>	<u>737,309</u>	<u>29,428,699</u>
Total capital assets not being depreciated/amortized	<u>29,514,109</u>	<u>7,908,225</u>	<u>737,309</u>	<u>36,685,025</u>
Capital assets being depreciated/amortized:				
Buildings and improvements	14,705,483	-	-	14,705,483
Land improvements	4,848,838	273,605	-	5,122,443
Equipment	11,399,953	1,283,100	252,054	12,430,999
Infrastructure	61,393,815	700,822	-	62,094,637
Intangibles	144,597	36,553	-	181,150
Library	<u>1,024,901</u>	<u>1,295</u>	<u>-</u>	<u>1,026,196</u>
Total capital assets being depreciated/amortized	<u>93,517,587</u>	<u>2,295,375</u>	<u>252,054</u>	<u>95,560,908</u>
Total capital assets	<u>123,031,696</u>	<u>10,203,600</u>	<u>989,363</u>	<u>132,245,933</u>
Less accumulated for:				
Buildings and improvements	(6,594,850)	(411,174)	-	(7,006,024)
Land improvements	(2,143,109)	(229,688)	-	(2,372,797)
Equipment	(5,732,854)	(968,715)	149,578	(6,551,991)
Infrastructure	(28,485,582)	(1,767,615)	-	(30,253,197)
Intangibles	(77,235)	(25,065)	-	(102,300)
Library	<u>(321,986)</u>	<u>(18,648)</u>	<u>-</u>	<u>(340,634)</u>
Total accumulated	<u>(43,355,616)</u>	<u>(3,420,905)</u>	<u>149,578</u>	<u>(46,626,943)</u>
Net capital assets being depreciated/amortized	<u>50,161,971</u>	<u>(1,125,530)</u>	<u>102,476</u>	<u>48,933,965</u>
Total governmental activities capital assets, net as reported in the statement of net position	<u>\$ 79,676,080</u>	<u>\$ 6,782,695</u>	<u>\$ 839,785</u>	<u>\$ 85,618,990</u>

Depreciation/amortization expense was charged to functions as follows:

**Governmental Activities**

General government	\$ 308,254
Public safety	603,335
Public works	2,151,817
Culture and recreation	<u>357,499</u>
Total governmental activities depreciation/amortization expense	<u>\$ 3,420,905</u>

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Business-Type Activities</b>				
Capital assets not being depreciated/amortized:				
Land	\$ 530,387	\$ -	\$ -	\$ 530,387
Construction in progress	<u>2,493,313</u>	<u>1,439,253</u>	<u>706,128</u>	<u>3,226,438</u>
Total capital assets not being depreciated/amortized	<u>3,023,700</u>	<u>1,439,253</u>	<u>706,128</u>	<u>3,756,825</u>
Capital assets being depreciated/amortized:				
Buildings	11,091,867	-	-	11,091,867
Improvements other than buildings	97,659,286	869,766	230,816	98,298,236
Furniture and equipment	1,773,386	217,954	-	1,991,340
Intangibles	<u>10,772,106</u>	<u>-</u>	<u>-</u>	<u>10,772,106</u>
Total capital assets being depreciated/amortized	<u>121,296,645</u>	<u>1,087,720</u>	<u>230,816</u>	<u>122,153,549</u>
Total capital assets	<u>124,320,345</u>	<u>2,526,973</u>	<u>936,944</u>	<u>125,910,374</u>
Less accumulated for:				
Buildings	(4,980,800)	(309,140)	-	(5,289,940)
Improvements other than buildings	(27,795,669)	(1,799,425)	49,812	(29,545,282)
Furniture and equipment	(1,424,968)	(110,906)	-	(1,535,874)
Intangibles	<u>(10,772,105)</u>	<u>-</u>	<u>-</u>	<u>(10,772,105)</u>
Total accumulated	<u>(44,973,542)</u>	<u>(2,219,471)</u>	<u>49,812</u>	<u>(47,143,201)</u>
Net capital assets being depreciated/amortized	<u>76,323,103</u>	<u>(1,131,751)</u>	<u>181,004</u>	<u>75,010,348</u>
Business-type activities capital assets, net as reported in the statement of net position	<u>\$ 79,346,803</u>	<u>\$ 307,502</u>	<u>\$ 887,132</u>	<u>\$ 78,767,173</u>

Depreciation/amortization expense was charged to functions as follows:

**Business-Type Activities**

Sewer	\$ 848,463
Water	<u>1,371,008</u>
Total business-type activities, net as reported in the statement of net position expense	<u>\$ 2,219,471</u>

**Interfund Receivables/Payables, Advances and Transfers**

**Interfund Receivables/Payables**

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

Receivable Fund	Payable Fund	Amount
Water Utility	General Fund	\$ 63,837
Sewer Utility	General Fund	<u>130,793</u>
Total		<u>\$ 194,630</u>
Receivable Fund	Payable Fund	Amount
Governmental activities	Business-type activities	\$ -
Business-type activities	Governmental activities	<u>194,630</u>
Total government-wide financial statements		<u>\$ 194,630</u>

All amounts are due within one year.

The principal purpose of these interfunds is to fund timing differences and fund temporary cash deficits. All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

**Advances**

The sewer utility has advanced funds to the water utility. The amount advanced is determined by the water utility asset balance as of May 31, 2016 when the water and sewer divisions were split along with the debt payments from 2016-2021 for the water utility that were funded by the sewer utility. During 2023, the sewer utility established a repayment plan with the water utility which included a forgiven amount of the original advance (\$5,312,577).

The general fund has advance funds to the DPW building fund. The amount advanced was \$1,213,832. No repayment plan has been established.

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
Sewer Utility	Water Utility	\$ 2,092,032	\$ 2,022,298
General Fund	DPW Building	<u>1,213,832</u>	<u>1,213,832</u>
Total, fund financial statements		3,305,864	
Less fund eliminations		<u>(3,305,864)</u>	
Total, interfund advances, government-wide statement of net position		<u>\$ -</u>	

<u>Years</u>	<u>Water Utility Repayment Principal</u>
2024	\$ 69,734
2025	69,734
2026	69,734
2027	69,734
2028	69,734
2029-2033	348,672
2034-2038	348,672
2039-2043	348,672
2043-2047	348,672
2048-2052	<u>348,674</u>
Total	<u>\$ 2,092,032</u>

**Transfers**

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	Water Utility	\$ 450,222	Tax equivalent
	Storm Water Management		
Debt Service Fund	Fund	437,552	Debt service
Capital Equipment Fund	General Fund	919,000	Capital equipment
Storm Water Management			Council approved
Fund	General Fund	64,652	contribution
General Fund	Tourism and Convention	20,000	Operating subsidy
Storm Water Management			
Fund	Cemetery Fund	<u>420</u>	Funding for projects
Total, fund financial statements		1,891,846	
Less fund eliminations		<u>(1,441,624)</u>	
Total transfers, government-wide statement of activities		<u>\$ 450,222</u>	

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>
Governmental activities	Business-type activities	\$ 450,222
Business-type activities	Governmental activities	<u>-</u>
Total government-wide financial statements		<u>\$ 450,222</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.

**Long-Term Obligations**

Long-term obligations activity for the year ended December 31, 2023, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities</b>					
Bonds and notes payable:					
General obligation debt	\$ 41,117,960	\$ -	\$ 2,143,980	\$ 38,973,980	\$ 2,338,980
(Discounts)/Premiums	<u>2,573,315</u>	<u>-</u>	<u>195,915</u>	<u>2,377,400</u>	<u>-</u>
Total bonds and notes payable	<u>43,691,275</u>	<u>-</u>	<u>2,339,895</u>	<u>41,351,380</u>	<u>2,338,980</u>
Other liabilities:					
Vested compensated absences	<u>807,093</u>	<u>206,917</u>	<u>211,700</u>	<u>802,310</u>	<u>266,641</u>
Total governmental activities long-term liabilities	<u>\$ 44,498,368</u>	<u>\$ 206,917</u>	<u>\$ 2,551,595</u>	<u>\$ 42,153,690</u>	<u>\$ 2,605,621</u>
<b>Business-Type Activities</b>					
Bonds and notes payable:					
General obligation debt	\$ 14,332,039	\$ -	\$ 831,019	\$ 13,501,020	\$ 856,020
General obligation notes from direct borrowings and direct placements	182,356	-	21,300	161,056	21,876
Alternative revenue bonds	1,334,559	-	65,220	1,269,339	66,188
(Discounts)/Premiums	<u>761,753</u>	<u>-</u>	<u>45,841</u>	<u>715,912</u>	<u>-</u>
Total bonds and notes payable	<u>16,610,707</u>	<u>-</u>	<u>963,380</u>	<u>15,647,327</u>	<u>944,084</u>
Other liabilities:					
Vested compensated absences	<u>92,212</u>	<u>42,413</u>	<u>26,195</u>	<u>108,430</u>	<u>40,688</u>
Total business-type activities long-term liabilities	<u>\$ 16,702,919</u>	<u>\$ 42,413</u>	<u>\$ 989,575</u>	<u>\$ 15,755,757</u>	<u>\$ 984,772</u>
				<u>\$ 15,755,757</u>	<u>\$ 984,772</u>

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed 5% of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2023, was \$242,820,150. Total general obligation debt outstanding at year end was \$52,636,056.

**General Obligation Debt**

All general obligation debt payable is backed by the full faith and credit of the City. Debt in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

<u>Governmental Activities</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2023</u>
<b>General Obligation Debt</b>					
2012 G.O. Debt	06/12/12	12/01/24	1.05-2.15%	\$ 3,040,788	\$ 253,980
2013 G.O. Debt	05/30/13	09/01/32	2.0-3.0	3,060,000	1,565,000
2016 G.O. Debt	10/12/16	09/01/27	2.0-2.25	2,995,000	1,290,000
2021 G.O. Debt	12/01/21	03/01/29	2.00	7,730,000	5,945,000
2022 G.O. Debt	09/01/22	03/01/32	3.0-5.0	11,090,000	10,790,000
2022 G.O. Debt	09/01/22	03/01/42	4.0-5.0	19,620,000	<u>19,130,000</u>
Total governmental activities, general obligation debt					<u>\$ 38,973,980</u>

<u>Business-Type Activities</u>					<u>Balance</u>
<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>December 31, 2023</u>
2010 G.O. Note, direct	05/01/10	05/01/29	2.91%	\$ 222,618	\$ 84,222
2011 G.O. Note, direct	07/13/11	05/01/31	2.40	174,403	76,834
2012 G.O. Debt	06/12/12	12/01/24	1.05-2.15	834,212	86,020
2013 G.O. Debt	05/30/13	09/01/32	2.0-3.0	5,915,000	3,040,000
2016 G.O. Debt	10/12/16	09/01/36	2.0-2.25	2,550,000	1,735,000
2018 G.O. Debt	11/01/18	09/01/38	3.0-4.0	1,425,000	1,125,000
2022 G.O. Debt	09/01/22	03/01/42	4.0-5.0	7,785,000	<u>7,515,000</u>
Total business-type activities, general obligation debt					<u>\$ 13,662,076</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>General Obligation Debt</u>		<u>General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 2,338,980	\$ 1,455,588	\$ 856,020	\$ 484,488
2025	2,460,000	1,369,203	795,000	457,838
2026	2,545,000	1,279,503	815,000	432,188
2027	2,605,000	1,186,513	830,000	405,643
2028	2,670,000	1,084,025	860,000	377,479
2029-2033	12,975,000	3,918,075	4,275,000	1,415,122
2034-2038	7,295,000	1,960,525	3,050,000	702,213
2039-2042	<u>6,085,000</u>	<u>485,300</u>	<u>2,020,000</u>	<u>160,600</u>
Total	<u>\$ 38,973,980</u>	<u>\$ 12,738,732</u>	<u>\$ 13,501,020</u>	<u>\$ 4,435,571</u>

<u>Years</u>	<u>Business-Type Activities</u>	
	<u>General Obligation Notes From Direct Borrowings and Direct Placements</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 21,876	\$ 3,999
2025	22,468	3,400
2026	23,076	2,784
2027	23,700	2,151
2028	24,340	1,500
2029-2031	<u>45,596</u>	<u>1,329</u>
Total	<u>\$ 161,056</u>	<u>\$ 15,163</u>

**Revenue Debt**

Business-type activities revenue bonds are payable only from revenues derived from the operation of the sewer Utility.

The City has pledged future sewer utility revenues, net of specified operating expenses, to repay revenue bonds issued in 2021. Proceeds from the bonds provided financing for the Fox River Water Pollution Control Center Phosphorus Reduction Project. The bonds are payable solely from sewer revenues and are payable through May 1, 2040. Annual principal and interest payments on the bonds are expected to require 7.00% of net revenues. The total principal and interest remaining to be paid on the bonds is \$1,436,222. Principal and interest paid for the current year and total customer net revenues were \$65,220 and \$16,716, respectively.

Revenue debt payable at December 31, 2023, consists of the following:

**Business-Type Activities Revenue Debt**

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2023</u>
<b>Sewer Utility</b>					
2021 Clean Water Loan	01/27/21	05/01/40	1.485%	\$ 1,398,666	\$ 1,269,339 (1)
Total Sewer Utility					<u>1,269,339</u>

(1) - During 2021, the utility was authorized to issue \$1,619,516 of sewer system Clean Water Fund revenue bonds. The original amount reported above has been issued as of December 31, 2023. The repayment schedule is for the amount issued.

Total business-type activities, revenue debt \$ 1,269,339

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Business-Type Activities Revenue Debt From Direct Borrowings and Direct Placements</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 66,188	\$ 18,358
2025	67,171	17,368
2026	68,169	16,363
2027	69,181	15,343
2028	70,208	14,308
2029-2033	366,994	55,471
2034-2038	395,065	27,192
2039-2040	<u>166,363</u>	<u>2,480</u>
Total	<u>\$ 1,269,339</u>	<u>\$ 166,883</u>

**Other Debt Information**

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



**Net Position/Fund Balances**

Net position reported on the government-wide statement of net position at December 31, 2023, includes the following:

**Governmental Activities**

Net investment in capital assets:

Land	\$ 7,256,326
Construction in progress	29,428,699
Other capital assets, net of accumulated depreciation/amortization	48,933,965
Less long-term debt outstanding	(38,973,980)
Plus unspent capital related debt proceeds	6,842,287
Less unamortized debt premium	<u>(2,377,400)</u>
 Total net investment in capital assets	 <u>51,109,897</u>

Restricted:

Debt service	3,330,946
Cemetery	162,095
Tourism	955,830
Public safety grants	13,273
Impact fees	454,782
Cemetery perpetual care	<u>96,909</u>
 Total restricted	 <u>5,013,835</u>

Unrestricted

16,031,878

Total governmental activities net position

\$ 72,155,610

**Governmental Funds**

Governmental fund balances reported on the fund financial statements at December 31, 2023, include the following:

	<u>General Fund</u>	<u>Storm Water Management</u>	<u>Debt Service</u>	<u>Road Construction</u>	<u>Nonmajor Funds</u>	<u>Total</u>
<b>Fund Balances</b>						
<b>Nonspendable:</b>						
Prepaid items	\$ 240,096	\$ -	\$ -	\$ -	\$ -	\$ 240,096
Inventories	331,270	-	-	-	-	331,270
Noncurrent receivables	7,596	-	-	-	-	7,596
Advance to other fund	<u>1,213,832</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,213,832</u>
Subtotal	<u>1,792,794</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,792,794</u>
<b>Restricted for:</b>						
Debt service	-	-	2,698,414	-	-	2,698,414
Impact fees	-	-	-	-	454,782	454,782
Tourism	-	-	-	-	955,086	955,086
Cemetery	-	-	-	-	385,399	385,399
Public safety	-	-	-	-	13,273	13,273
Capital projects	<u>-</u>	<u>2,748,229</u>	<u>-</u>	<u>2,332,674</u>	<u>1,634,990</u>	<u>6,715,893</u>
Subtotal	<u>-</u>	<u>2,748,229</u>	<u>2,698,414</u>	<u>2,332,674</u>	<u>3,443,530</u>	<u>11,222,847</u>
<b>Committed to:</b>						
Capital projects	-	-	-	-	6,198,640	6,198,640
<b>Assigned to:</b>						
Storm water	-	1,925,592	-	-	-	1,925,592
<b>Unassigned (deficit):</b>	<u>5,881,271</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,214,543)</u>	<u>4,666,728</u>
Total fund balances	<u>\$ 7,674,065</u>	<u>\$ 4,673,821</u>	<u>\$ 2,698,414</u>	<u>\$ 2,332,674</u>	<u>\$ 8,427,627</u>	<u>\$ 25,806,601</u>

**Business-Type Activities**

Net investment in capital assets:

Land	\$ 530,387
Construction in progress	3,226,438
Other capital assets, net of accumulated depreciation	75,010,348
Plus unspent capital related debt proceeds	(14,931,415)
Plus noncapital debt proceeds	(715,912)
Plus noncapital debt proceeds	<u>4,353,148</u>

Total net investment in capital assets \$ 67,472,994

## 5. Other Information

### Employees' Retirement System

#### 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, 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 Annual Comprehensive Financial Report (ACFR), which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

Additionally, ETF issued a standalone Wisconsin Retirement System Financial Report, which can also be found using the link above.

#### 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

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

Final average earnings is the average of the participant's three highest annual earnings period. 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 occupations) 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.

**Postretirement 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:

Year	Core Fund Adjustment %	Variable Fund Adjustment %
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0

**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, Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category was 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 \$616,326 in contributions from the City.

Contribution rates for the plan year reported as of December 31, 2023 are:

Employee Category	Employee	Employer
General (Executives & Elected Officials)	6.50 %	6.50 %
Protective with Social Security	6.50	12.00
Protective without Social Security	6.50	16.40

**Pension Asset, Pension Expense (Revenue), Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2023, the City reported a liability of \$2,646,810 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2022, the City's proportion was 0.04996147%, which was an increase of 0.00252079% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the City recognized pension expense (revenue) of \$1,245,829.

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between projected and actual experience	\$ 4,215,549	\$ 5,538,285
Changes in assumptions	520,472	-
Net differences between projected and actual earnings on pension plan investments	4,496,320	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	10,151	52,453
Employer contributions subsequent to the measurement date	<u>712,841</u>	<u>-</u>
Total	<u>\$ 9,955,333</u>	<u>\$ 5,590,738</u>

\$712,841 reported as deferred outflows of resources 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 liability (asset) in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<b>Years Ending December 31:</b>	<b>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</b>
2024	\$ 144,542
2025	752,718
2026	769,714
2027	1,984,780

**Actuarial Assumptions**

The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2021
Measurement Date of Net Pension Liability (Asset):	December 31, 2022
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1%-5.6%
Mortality:	2020 WRS Experience Mortality Table
Postretirement Adjustments*:	1.7%

*\* No postretirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% is the assumed annual adjustment based on the investment return assumption and the postretirement discount rate.*

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The Total Pension Liability for December 31, 2022 is based upon a roll-forward of the liability calculated from the December 31, 2021 actuarial valuation.

**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 geometric real rates of return for each major asset class are summarized in the following table:

**Asset Allocation Targets and Expected Returns\* as of December 31, 2022**

<b>Core Fund Asset Class</b>	<b>Asset Allocation %</b>	<b>Long-Term Expected Nominal Rate of Return %</b>	<b>Long-Term Expected Real Rate of Return %**</b>
Public Equity	48	7.6	5
Public Fixed Income	25	5.3	2.7
Inflation Sensitive	19	3.6	1.1
Real Estate	8	5.2	2.6
Private Equity/Debt	15	9.6	6.9
Total Core Fund***	115	7.4	4.8
<b>Variable Fund Asset</b>			
U.S. Equities	70	7.2	4.6
International Equities	30	8.1	5.5
Total Variable Fund	100	7.7	5.1

\* Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations

\*\* New England Pension Consultants' Long-Term U.S. CPI (Inflation) Forecast: 2.5%

\*\*\* The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. This results in an asset allocation beyond 100%. Currently, an asset allocation target of 15% policy leverage is used subject to an allowable range of up to 20%.

**Single Discount Rate**

A single discount rate of 6.8% was used to measure the total pension liability for the current and prior year. This discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 4.05% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2022. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.) Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% 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 investment rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate**

The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80%, as well as what the City'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 (5.80%) or 1-percentage-point higher (7.80%) than the current rate:

	<u>1% Decrease to Discount Rate (5.8%)</u>	<u>Current Discount Rate (6.8%)</u>	<u>1% Increase to Discount Rate (7.8%)</u>
City's proportionate share of the net pension liability (asset)	\$ 8,784,678	\$ 2,646,810	\$ (1,575,515)

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

At December 31, 2023, the City reported a payable to the pension plan of \$140,256, which represents contractually required contributions outstanding as of the end of the year.

**Risk Management**

The City 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. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.



### 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 City 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 City attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position or results of operations.

The City has active construction projects as of December 31, 2023. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

### Joint Ventures

#### Pewaukee Public Library

The City of Pewaukee and the Village of Pewaukee jointly operate the library, which is called the Pewaukee Public Library (Library) and provides library services to both communities.

The governing body is made up of citizens from each community. Local representatives are appointed by the mayor. The governing body has authority to adopt its own budget and control the financial affairs of the library. The City is obligated by the joint venture agreement to remit an amount annually to the library. The City made a payment to the library of \$871,795 in 2023.

Financial information of the library as of December 31, 2023 is available directly from the library's office.

The equity interest (50% interest for the City) is reported in the governmental activities column of the government-wide statement of net position. Changes in the equity interest are reported on the statement of activities.

### Effect of New Accounting Standards on Current-Period Financial Statements

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

- Statement No. 100, *Accounting Changes and Error Corrections—an Amendment of GASB Statement No. 62*
- Statement No. 101, *Compensated Absences*
- Statement No. 102, *Certain Risk Disclosures*
- Statement No. 103, *Financial Reporting Model Improvements*

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

**REQUIRED SUPPLEMENTARY INFORMATION**

## City of Pewaukee

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget and Actual - General Fund  
 Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance With Final Budget
<b>Revenues</b>			
Taxes	\$ 9,736,431	\$ 9,793,818	\$ 57,387
Intergovernmental	1,451,726	1,621,928	170,202
Regulation and compliance	1,832,410	1,248,298	(584,112)
Charges for services	4,222,942	4,358,744	135,802
Interest income	118,100	1,712,224	1,594,124
Miscellaneous	114,600	148,315	33,715
	<u>17,476,209</u>	<u>18,883,327</u>	<u>1,407,118</u>
<b>Expenditures</b>			
Current:			
General government	2,720,957	2,495,205	225,752
Public safety	10,096,582	9,745,360	351,222
Public works	3,179,329	2,945,369	233,960
Culture and recreation	2,520,849	2,474,453	46,396
Capital outlay	31,000	24,807	6,193
	<u>18,548,717</u>	<u>17,685,194</u>	<u>863,523</u>
Excess (deficiency) of revenues over expenditures	<u>(1,072,508)</u>	<u>1,198,133</u>	<u>2,270,641</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in	580,000	470,222	(109,778)
Transfers out	(983,652)	(983,652)	-
	<u>(403,652)</u>	<u>(513,430)</u>	<u>(109,778)</u>
Net change in fund balance	<u>\$ (1,476,160)</u>	684,703	<u>\$ 2,160,863</u>
<b>Fund Balance, Beginning</b>		<u>6,989,362</u>	
<b>Fund Balance, Ending</b>		<u>\$ 7,674,065</u>	

## City of Pewaukee

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget and Actual - Storm Water Management Fund  
 Year Ended December 31, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>			
Intergovernmental charges for services	\$ 20,000	\$ 34,428	\$ 14,428
Licenses and permits	200	-	(200)
Public charges for services	1,618,000	1,654,214	36,214
Investment income	1,400	378	(1,022)
Miscellaneous revenues	50,000	73,401	23,401
	<u>1,689,600</u>	<u>1,762,421</u>	<u>72,821</u>
Total revenues			
<b>Expenditures</b>			
Current:			
Public works	1,092,285	729,324	362,961
Capital outlay	5,650,000	2,456,379	3,193,621
	<u>6,742,285</u>	<u>3,185,703</u>	<u>3,556,582</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>(5,052,685)</u>	<u>(1,423,282)</u>	<u>3,629,403</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in	65,072	65,072	-
Transfers out	(746,302)	(437,552)	308,750
	<u>(681,230)</u>	<u>(372,480)</u>	<u>-</u>
Total other financing sources (uses)			
Net change in fund balance	<u>\$ (5,733,915)</u>	<u>(1,795,762)</u>	<u>\$ 3,629,403</u>
<b>Fund Balance, Beginning</b>		<u>6,469,583</u>	
<b>Fund Balance, Ending</b>		<u>\$ 4,673,821</u>	

City of Pewaukee

Schedule of Proportionate Share of the Net Pension Liability/(Asset) - Wisconsin Retirement System  
 Year Ended December 31, 2023

WRS Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/14	0.03676663%	\$ (903,089)	\$ 4,320,562	-20.90%	102.74%
12/31/15	0.03685216%	598,841	4,450,859	13.42%	98.20%
12/31/16	0.03771766%	310,884	4,631,126	6.71%	99.12%
12/31/17	0.03933083%	(1,167,779)	4,938,228	-23.70%	102.93%
12/31/18	0.04138922%	1,472,498	5,206,135	28.28%	96.45%
12/31/19	0.04334531%	(1,397,650)	5,544,374	-25.21%	102.96%
12/31/20	0.04516810%	(2,819,907)	5,889,106	-47.88%	105.26%
12/31/21	0.04744068%	(3,823,806)	6,435,329	-59.42%	106.02%
12/31/22	0.04996147%	2,646,810	6,775,317	39.07%	95.72%

Schedule of Employer Contributions - Wisconsin Retirement System  
 Year Ended December 31, 2023

City Year Ending	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	\$ 360,217	\$ 360,217	\$ -	\$ 4,460,859	8.08%
12/31/16	367,821	367,821	-	4,631,126	7.94%
12/31/17	424,351	424,351	-	4,938,228	8.59%
12/31/18	446,999	446,999	-	5,206,135	8.59%
12/31/19	468,041	468,041	-	5,544,374	8.44%
12/31/20	535,948	535,948	-	5,889,107	9.10%
12/31/21	586,414	586,414	-	6,435,330	9.11%
12/31/22	619,420	619,420	-	6,775,317	9.63%

See notes to required supplementary information

**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 1.

The budgeted amounts presented include any amendments made. The City may authorize transfers of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by a two-thirds Board action.

Appropriations lapse at year end unless specifically carried over. There were no carryovers to the following year. Budgets are adopted at the department level of expenditure.

**Wisconsin Retirement System**

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

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

*Changes in benefit terms.* There were no changes of benefit terms for any participating employer in the Wisconsin Retirement System.

*Changes in assumptions.* Based on a three-year experience study conducted in 2021 covering January 1, 2018 through December 31, 2020, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end December 31, 2021, including the following:

- Lowering the long-term expected rate of return from 7.0% to 6.8%
- Lowering the discount rate from 7.0% to 6.8%
- Lowering the price inflation rate from 2.5% to 2.4%
- Lowering the postretirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

Based on a three-year experience study conducted in 2018 covering January 1, 2015 through December 31, 2017, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-ended December 31, 2018, including the following:

- Lowering the long-term expected rate of return from 7.2% to 7.0%
- Lowering the discount rate from 7.2% to 7.0%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Lowering the postretirement adjustments from 2.1% to 1.9%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table

**SUPPLEMENTARY INFORMATION**

**City of Pewaukee**

Combining Balance Sheet -  
 Nonmajor Governmental Funds  
 December 31, 2023

	Special Revenue Funds		Capital Project Funds				Permanent Fund Cemetery Perpetual Care	Total Governmental Funds		
	Tourism and Convention	Public Safety Grants	American Rescue Plan	Cemetery	Bike Path	City Hall Remodel			DPW Building	Capital Equipment
<b>Assets</b>										
Cash and Investments	\$ 454,782	\$ 14,413	\$ 1,531,336	\$ 288,753	\$ 652,703	\$ 983,892	\$ -	\$ 6,458,700	\$ 96,909	\$ 11,437,318
Receivables (net):										
Taxes	-	-	-	35,000	-	-	-	450,000	-	485,000
<b>Total assets</b>	<b>\$ 454,782</b>	<b>\$ 14,413</b>	<b>\$ 1,531,336</b>	<b>\$ 323,753</b>	<b>\$ 652,703</b>	<b>\$ 983,892</b>	<b>\$ -</b>	<b>\$ 6,908,700</b>	<b>\$ 96,909</b>	<b>\$ 11,922,318</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)</b>										
<b>Liabilities</b>										
Accounts payable	\$ -	\$ 744	\$ 1,140	\$ -	\$ 1,605	\$ -	\$ 641	\$ 610	\$ -	\$ 5,003
Advance to other fund	-	-	-	-	-	-	1,213,832	-	-	1,213,832
Unearned revenues	-	-	-	1,531,336	-	-	-	-	-	1,531,336
<b>Total liabilities</b>	<b>\$ -</b>	<b>\$ 744</b>	<b>\$ 1,140</b>	<b>\$ 263</b>	<b>\$ 1,605</b>	<b>\$ -</b>	<b>\$ 1,214,473</b>	<b>\$ 610</b>	<b>\$ -</b>	<b>\$ 2,750,171</b>
<b>Deferred Inflows of Resources</b>										
Unearned revenues	-	-	-	35,000	-	-	-	709,450	-	744,450
<b>Fund Balances (Deficit)</b>										
Restricted	454,782	955,086	13,273	288,490	651,098	983,892	-	-	96,909	3,443,530
Committed	-	-	-	-	-	-	(1,214,473)	6,198,640	-	6,198,640
Unassigned (deficit)	-	-	-	-	-	-	-	-	-	(1,214,473)
<b>Total fund balances (deficit)</b>	<b>\$ 454,782</b>	<b>\$ 955,086</b>	<b>\$ 13,273</b>	<b>\$ 288,490</b>	<b>\$ 651,098</b>	<b>\$ 983,892</b>	<b>\$ (1,214,473)</b>	<b>\$ 6,198,640</b>	<b>\$ 96,909</b>	<b>\$ 8,427,697</b>
<b>Total liabilities, deferred inflows of resources and fund balances (deficit)</b>	<b>\$ 454,782</b>	<b>\$ 955,830</b>	<b>\$ 14,413</b>	<b>\$ 323,753</b>	<b>\$ 652,703</b>	<b>\$ 983,892</b>	<b>\$ -</b>	<b>\$ 6,908,700</b>	<b>\$ 96,909</b>	<b>\$ 11,922,318</b>



**City of Pewaukee**  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances -  
 Nonmajor Governmental Funds  
 Year Ended December 31, 2023

	Special Revenue Funds			Capital Project Funds			Permanent Fund		Total Governmental Funds	
	Impact Fees	Tourism and Convention	Public Safety Grants	American Rescue Plan	Cemetery	Bike Path	City Hall Remodel	DPW Building		Capital Equipment
<b>Revenues</b>										
Taxes	\$ -	\$ 626,277	\$ -	\$ -	\$ 35,000	\$ -	\$ -	\$ -	\$ 50,000	\$ -
Intergovernmental	-	-	12,195	70	-	-	-	-	51,178	-
Public charges for services	79,851	-	-	-	16,387	-	-	-	-	7,288
Investment income	13,567	-	-	-	-	-	-	-	-	1,645
Miscellaneous revenues	-	-	-	-	-	-	-	-	30,336	-
<b>Total revenues</b>	<b>93,418</b>	<b>626,277</b>	<b>12,195</b>	<b>70</b>	<b>51,387</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>131,514</b>	<b>8,933</b>
<b>Expenditures</b>										
Current:										
General government	-	-	-	70	-	-	-	-	-	-
Public safety	-	-	25,041	-	-	-	-	-	-	-
Health and human services	-	-	-	-	7,290	-	-	-	-	-
Conservation and development	-	385,178	-	-	-	-	-	-	-	-
Capital outlay	-	63,949	-	-	273,605	9,177	6,251	2,307,409	1,267,801	-
<b>Total expenditures</b>	<b>-</b>	<b>449,127</b>	<b>25,041</b>	<b>70</b>	<b>280,895</b>	<b>9,177</b>	<b>6,251</b>	<b>2,307,409</b>	<b>1,267,801</b>	<b>-</b>
Excess (deficiency) of revenues over expenditures	93,418	177,150	(12,846)	-	(229,508)	(9,177)	(6,251)	(2,307,409)	(1,136,287)	8,933
<b>Other Financing Sources (Uses)</b>										
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-	82,675	-
Transfers in	-	-	-	-	-	-	-	-	919,000	-
Transfers out	-	(20,000)	-	-	(420)	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(20,000)</b>	<b>-</b>	<b>-</b>	<b>(420)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,001,675</b>	<b>-</b>
Net change in fund balances	93,418	157,150	(12,846)	-	(229,928)	(9,177)	(6,251)	(2,307,409)	(134,612)	8,933
<b>Fund Balances, Beginning</b>	<b>361,364</b>	<b>797,936</b>	<b>26,119</b>	<b>-</b>	<b>518,418</b>	<b>660,275</b>	<b>990,143</b>	<b>1,092,936</b>	<b>6,333,252</b>	<b>87,976</b>
<b>Fund Balances (Deficit), Ending</b>	<b>\$ 454,782</b>	<b>\$ 955,086</b>	<b>\$ 13,273</b>	<b>\$ -</b>	<b>\$ 288,490</b>	<b>\$ 651,098</b>	<b>\$ 983,892</b>	<b>\$ (1,214,473)</b>	<b>\$ 6,198,640</b>	<b>\$ 96,909</b>
										<b>\$ 8,427,697</b>

**CITY OF PEWAUKEE  
COMMON COUNCIL AGENDA ITEM 4.**

**DATE:** December 2, 2024

**DEPARTMENT:** Clerk/Treasurer

**PROVIDED BY:**

***SUBJECT:***

Discussion and Possible Action Regarding the Engagement Letter from Baker Tilly for Auditing Services for 2024 - 2028 [Paul Franz - Baker Tilly / Klein]

***BACKGROUND:***

***FINANCIAL IMPACT:***

***RECOMMENDED MOTION:***

**ATTACHMENTS:**

Description

Engagement Letter



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United States of America

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November 14, 2024

Mr. Scott Klein  
City Administrator  
City of Pewaukee  
W240 N3065 Pewaukee Road  
Pewaukee, WI 53072

Dear Mr. Klein:

Thank you for using Baker Tilly US, LLP (Baker Tilly, we, our) as your auditors.

The purpose of this letter (the Engagement Letter) is to confirm our understanding of the terms and objectives of our engagement and the nature of the services we will provide as independent accountants of the City of Pewaukee (Client, you, your).

### **Service and Related Report**

We will audit the basic financial statements of the City of Pewaukee as of and for the year ended December 31, 2024 through 2028, and the related notes to the financial statements. Upon completion of our audit, we will provide the City of Pewaukee with our audit report on the financial statements and supplemental information referred to below. If, for any reasons caused by or relating to the affairs or management of the City of Pewaukee, we are unable to complete the audit or are unable to or have not formed an opinion, or if we determine in our professional judgment the circumstances necessitate, we may withdraw and decline to issue a report as a result of this engagement.

The following supplementary information will also be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and our auditor's report will provide an opinion on it in relation to the financial statements as a whole.

- > Combining and Individual Fund Financial Statements and Schedules

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis, to supplement the City of Pewaukee's 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. As part of our engagement, we will apply certain limited procedures to the City of Pewaukee's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will 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. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- > Budget Comparison Schedules
- > Pension - related schedules

Our report does not include reporting on key audit matters.

### **Our Responsibilities and Limitations**

The objective of a financial statement audit is the expression of an opinion on the financial statements. We will be responsible for performing that audit in accordance with auditing standards generally accepted in the United States of America (GAAS). These standards require that we plan and perform our audit to obtain reasonable, rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. A misstatement is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user based on the financial statements. The audit will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit does not relieve management and those charged with governance of their responsibilities. Our audit is limited to the period covered by our audit and does not extend to any later periods during which we are not engaged as auditor.

The audit will include obtaining an understanding of the City of Pewaukee and its environment, including internal controls, sufficient to assess the risks of material misstatement of the financial statements and to determine the nature, timing and extent of further audit procedures. An audit is not designed to provide assurance on internal controls or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control matters that are required to be communicated under professional standards.

We are also responsible for determining that those charged with governance are informed about certain other matters related to the conduct of the audit, including (i) our responsibility under GAAS, (ii) an overview of the planned scope and timing of the audit, and (iii) significant findings from the audit, which include (a) our views about the qualitative aspects of your significant accounting practices, accounting estimates, and financial statement disclosures; (b) difficulties encountered in performing the audit; (c) uncorrected misstatements and material corrected misstatements that were brought to the attention of management as a result of auditing procedures; and (d) other significant and relevant findings or issues (e.g., any disagreements with management about matters that could be significant to your financial statements or our report thereon, consultations with other independent accountants, issues discussed prior to our retention as independent auditors, fraud and illegal acts, and all significant deficiencies and material weaknesses identified during the audit). Lastly, we are responsible for ensuring that those charged with governance receive copies of certain written communications between us and management including written communications on accounting, auditing, internal controls or operational matters and representations that we are requesting from management.

The audit will not be planned or conducted in contemplation of reliance of any specific third party or with respect to any specific transaction. Therefore, items of possible interest to a third party will not be specifically addressed and matters may exist that would be addressed differently by a third party, possibly in connection with a specific transaction.

### **Management's Responsibilities**

Our audit will be conducted on the basis that the City of Pewaukee's management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

- > For the preparation and fair presentation of the financial statements and supplementary information in accordance with accounting principles generally accepted in the United States of America;
- > For the design, implementation, establishment, and maintenance of internal control relevant to the preparation and fair presentation of financial statements and supplementary information that are free from material misstatement, whether due to fraud or error; and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met and;
- > To provide us with:
  - Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements and supplementary information such as records, documentation, and other matters;
  - Additional information that we may request from management for the purpose of the audit; and
  - Unrestricted access to persons within the City of Pewaukee from whom we determine it necessary to obtain audit evidence

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Management is responsible for (i) adjusting the basic financial statements to correct material misstatements and for affirming to us in a management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period under audit are immaterial, both individually and in the aggregate, to the basic financial statements taken as a whole, and (ii) notifying us of all material weaknesses, including other significant deficiencies, in the design or operation of your internal control over financial reporting that are reasonably likely to adversely affect your ability to record, process, summarize and report external financial data reliably in accordance with GAAP. Management is also responsible for identifying and ensuring that the City of Pewaukee complies with the laws and regulations applicable to its activities.

As part of our audit process, we will request from management and, when appropriate, those charged with governance written confirmation concerning representations made to us in connection with the audit.

Management is responsible for informing us on a timely basis of the name of any single investor in you that owns 20% or more of your equity at any point in time. Management is also responsible for informing us on a timely basis of any investments held by you which constitutes 20% or more of the equity/capital of the investee entity at any point in time.

Baker Tilly is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 15B of the Securities Exchange Act of 1934 (the Act). Baker Tilly is not recommending an action to the City of Pewaukee; is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Act to you with respect to the information and material contained in the deliverables issued under this engagement. Any municipal advisory services would only be performed by Baker Tilly Municipal Advisors LLC (BTMA) pursuant to a separate engagement letter between you and BTMA. You should discuss any information and material contained in the deliverables with any and all internal and external advisors and experts that you deem appropriate before acting on this information or material.

### **Nonattest Services**

Prior to or as part of our audit engagement, it may be necessary for either Baker Tilly US, LLP or Baker Tilly Advisory Group, LP to perform certain nonattest services.

Nonattest services that we or Baker Tilly Advisory Group, LP will be providing are as follows:

- > Financial statement preparation
- > Adjusting journal entries

None of these nonattest services constitute an audit under generally accepted auditing standards.

Baker Tilly US, LLP and Baker Tilly Advisory Group, LP will not perform any management functions or make management decisions on your behalf with respect to any nonattest services provided.

In connection with our performance of any nonattest services, Baker Tilly US, LLP or Baker Tilly Advisory Group, LP agree that you will:

- > Continue to make all management decisions and perform all management functions, including approving all journal entries and general ledger classifications when they are submitted to you.
- > Designate an employee with suitable skill, knowledge, and/or experience, preferably within senior management, to oversee the services performed.

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- > Evaluate the adequacy and results of the nonattest services performed.
- > Accept responsibility for the results of the nonattest services.
- > Establish and maintain internal controls, including monitoring ongoing activities related to the nonattest function.

On a periodic basis, as needed, we will meet with you to discuss your accounting records and the management implications of your financial statements. We will notify you, in writing, of any matters that we believe you should be aware of and will meet with you upon request.

### **Other Documents**

If you intend to reproduce or publish the financial statements in an annual report or other information (excluding official statements), and make reference to our firm name in connection therewith, you agree to publish the financial statements in their entirety. In addition, you agree to provide us, for our approval and consent, proofs before printing and final materials before distribution.

If you intend to reproduce or publish the financial statements in an official statement, unless we establish a separate agreement to be involved in the issuance, any official statements issued by the City of Pewaukee must contain a statement that Baker Tilly is not associated with the official statement, which shall read "Baker Tilly US, LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Baker Tilly US, LLP, has also not performed any procedures relating to this official statement."

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

The documentation for this engagement, including the workpapers, is the property of Baker Tilly and constitutes confidential information. We may have a responsibility to retain the documentation for a period of time sufficient to satisfy any applicable legal or regulatory requirements for records retention. Baker Tilly does not retain any original client records and we will return such records to you at the completion of the services rendered under this engagement. When such records are returned to you, it is the City of Pewaukee's responsibility to retain and protect its accounting and other business records for future use, including potential review by any government or other regulatory agencies. By your signature below, you acknowledge and agree that, upon the expiration of the documentation retention period, Baker Tilly shall be free to destroy our workpapers related to this engagement. If we are required by law, regulation or professional standards to make certain documentation available to regulators, the City of Pewaukee hereby authorizes us to do so.

### **Timing and Fees**

Our professional fees for these services will be \$80,000.

In addition to professional fees, our invoices will include our standard technology charge, plus travel and subsistence and other out-of-pocket expenses related to the engagement.

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Invoices for these fees will be rendered each month as work progresses and are payable on presentation. Fees are payable upon presentation. A charge of 1.5 percent per month shall be imposed on accounts not paid within thirty (30) days of receipt of our statement for services provided. In accordance with our firm policies, work may be suspended if your account becomes thirty (30) days or more overdue and will not be resumed until the account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notice of termination, even if we have not completed our report. The City of Pewaukee will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination. In the event that collection procedures are required, the City of Pewaukee agrees to be responsible for all expenses of collection including related attorneys' fees.

Our fee estimate is based on certain assumptions. Certain circumstances may arise during the course of our audit that could significantly affect the targeted completion date or our fee estimate, and additional fees may be necessary as a result. Such circumstances include but are not limited to the following:

- Changes to the timing of the engagement initiated by the City of Pewaukee, which may require the reassignment of our personnel.
- The City of Pewaukee's failure to provide all information requested by us (i) on the date requested, (ii) in the form acceptable to us, (iii) with no mathematical errors, and (iv) in agreement with the appropriate the City of Pewaukee records.
- Significant delays in responding to inquiries made of the City of Pewaukee personnel, or significant changes in the City of Pewaukee accounting policies or practices, or in the City of Pewaukee's accounting personnel, their responsibilities, or their availability.
- Significant delays or errors in the draft financial statements and necessary schedules prepared by the City of Pewaukee's personnel.
- Implementation of new general ledger software or a new chart of accounts by the City of Pewaukee.
- Significant changes in the City of Pewaukee's business operations, including business combinations, the creation of new entities, divisions, or subsidiaries within the City of Pewaukee, significant new employment or equity agreements, or significant subsequent events. Certain business transactions or changes in business operations or conditions, financial reporting, and/or auditing standards may require us to utilize the services of internal or external valuation or tax specialists.
- New financing arrangements or modifications to existing financing arrangements, or significant new federal or state funding.
- Significant deficiencies or material weaknesses in the design or operating effectiveness of the City of Pewaukee's internal control over financial reporting identified during the audit.
- A significant level of proposed audit adjustments.
- Issuance of additional accounting or auditing standards subsequent to or effective for the periods covered by this Engagement Letter.
- Circumstances beyond our control.



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- Fees do not include completion and/or submitting of the Wisconsin DOR Annual Report (Form C) and the WI PSC Report. If those services become necessary, we will complete them at time and materials at our standard hourly rate.

For new business transactions or changes in business operations or conditions, financial reporting and/or auditing standards may require us to utilize the services of internal or external valuation or tax specialists. This includes matters such as business combinations, impairment evaluations, and going concern evaluation, among other potential needs for specialists. The time and cost of such services are not included in the fee estimate provided.

Revisions to the scope of our work will be communicated to you and may be set forth in the form of an "Amendment to Existing Engagement Letter." In addition, if we discover compliance issues that require us to perform additional procedures and/or provide assistance with these matters, fees at our standard hourly rates apply.

Year	City	Water	Sewer	Totals
2024	\$ 47,000	\$ 17,500	\$ 17,500	\$ 82,000
2025	49,500	18,250	18,250	86,000
2026	51,000	19,000	19,000	89,000
2027	53,500	19,750	19,750	93,000
2028	56,000	20,500	20,500	97,000

To the extent applicable, Baker Tilly's fees are exclusive of any federal, national, regional, state, provincial or local taxes, including any VAT or other withholdings, imposed on this transaction, the fees, or on Client's use of the Services or possession of the Deliverable (individually or collectively, the Taxes). All applicable Taxes shall be paid by Client without deduction from any fees owed by Client to Baker Tilly. In the event Client fails to pay any Taxes when due, Client shall defend, indemnify, and hold harmless Baker Tilly, its officers, agents, employees and consultants from and against any and all fines, penalties, damages, costs (including, but not limited to, claims, liabilities or losses arising from or related to such failure by Client) and will pay any and all damages, as well as all costs, including, but not limited to, mediation and arbitration fees and expenses as well as attorneys' fees, associated with Client's breach of this section.

We may use temporary contract staff to perform certain tasks on your engagement and will bill for that time at the rate that corresponds to Baker Tilly staff providing a similar level of service. Upon request, we will be happy to provide details on training, supervision and billing arrangements we use in connection with these professionals. Additionally, we may from time to time, and depending on the circumstances, use service providers (e.g., to act as a specialist or audit an element of the financial statements) in serving your account. We may share confidential information about you with these contract staff and service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all contract staff and service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the contract staff or third-party service provider. Furthermore, the firm will remain responsible for the work provided by any such contract staff or third-party service providers.

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To the extent the Services require Baker Tilly to receive personal data or personal information from Client, Baker Tilly may process, and engage subcontractors to assist with processing, any personal data or personal information, as those terms are defined in applicable privacy laws. Baker Tilly's processing shall be in accordance with the requirements of the applicable privacy laws relevant to the processing in providing Services hereunder, including Services performed to meet the business purposes of the Client, such as Baker Tilly's tax, advisory, and other consulting services. Applicable privacy laws may include any local, state, federal or international laws, standards, guidelines, policies or regulations governing the collection, use, disclosure, sharing or other processing of personal data or personal information with which Baker Tilly or its Clients must comply. Such privacy laws may include (i) the EU General Data Protection Regulation 2016/679 (GDPR); (ii) the California Consumer Privacy Act of 2018 (CCPA); and/or (iii) other laws regulating marketing communications, requiring security breach notification, imposing minimum security requirements, requiring the secure disposal of records, and other similar requirements applicable to the processing of personal data or personal information. Baker Tilly is acting as a Service Provider/Data Processor, as those terms are defined respectively under the CCPA/GDPR, in relation to Client personal data and personal information. As a Service Provider/Data Processor processing personal data or personal information on behalf of Client, Baker Tilly shall, unless otherwise permitted by applicable privacy law, (a) follow Client instructions; (b) not sell personal data or personal information collected from the Client or share the personal data or personal information for purposes of targeted advertising; (c) process personal data or personal information solely for purposes related to the Client's engagement and not for Baker Tilly's own commercial purposes; and (d) cooperate with and provide reasonable assistance to Client to ensure compliance with applicable privacy laws. Client is responsible for notifying Baker Tilly of any applicable privacy laws the personal data or personal information provided to Baker Tilly is subject to, and Client represents and warrants it has all necessary authority (including any legally required consent from individuals) to transfer such information and authorize Baker Tilly to process such information in connection with the Services described herein. Client further understands Baker Tilly US, LLP and Baker Tilly Advisory Group, LP will co-process Client data as necessary to perform the Services, pursuant to the alternative practice structure in place between the two entities. Baker Tilly Advisory Group, LP maintains custody of client files for both entities. By executing this Engagement Letter, you hereby consent to the transfer to Baker Tilly Advisory Group, LP of all your Client files, workpapers and work product. Baker Tilly Advisory Group, LP is bound by the same confidentiality obligations as Baker Tilly US, LLP. Baker Tilly is responsible for notifying Client if Baker Tilly becomes aware that it can no longer comply with any applicable privacy law and, upon such notice, shall permit Client to take reasonable and appropriate steps to remediate personal data or personal information processing. Client agrees that Baker Tilly has the right to utilize Client data to improve internal processes and procedures and to generate aggregated/de-identified data from the data provided by Client to be used for Baker Tilly business purposes and with the outputs owned by Baker Tilly. For clarity, Baker Tilly will only disclose aggregated/de-identified data in a form that does not identify Client, Client employees, or any other individual or business entity and that is stripped of all persistent identifiers. Client is not responsible for Baker Tilly's use of aggregated/de-identified data.

Baker Tilly has established information security related operational requirements that support the achievement of our information security commitments, relevant information security related laws and regulations, and other information security related system requirements. Such requirements are communicated in Baker Tilly's policies and procedures, system design documentation and contracts with customers. Information security policies have been implemented that define our approach to how systems and data are protected. Client is responsible for providing timely written notification to Baker Tilly of any additions, changes or removals of access for Client personnel to Baker Tilly provided systems or applications. If Client becomes aware of any known or suspected information security or privacy related incidents or breaches related to this agreement, Client should timely notify Baker Tilly via email at [dataprotectionofficer@bakertilly.com](mailto:dataprotectionofficer@bakertilly.com).

Any additional services that may be requested, and we agree to provide, may be the subject of a separate engagement letter.

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We may be required to disclose confidential information to federal, state and international regulatory bodies or a court in criminal or other civil litigation. In the event that we receive a request from a third party (including a subpoena, summons or discovery demand in litigation) calling for the production of information, we will promptly notify the City of Pewaukee, unless otherwise prohibited. In the event we are requested by the City of Pewaukee or required by government regulation, subpoena or other legal process to produce our engagement working papers or our personnel as witnesses with respect to services rendered to the City of Pewaukee, so long as we are not a party to the proceeding in which the information is sought, we may seek reimbursement for our professional time and expenses, as well as the fees and legal expenses, incurred in responding to such a request.

We may be required to disclose confidential information with respect to complying with certain professional obligations, such as peer review programs. All participants in such peer review programs are bound by the same confidentiality requirements as Baker Tilly and its employees. Baker Tilly will not be required to notify the City of Pewaukee if disclosure of confidential information is necessary for peer review purposes.

We would expect to continue to perform our services under the arrangements discussed above from year to year, unless for some reason you or we find that some change is necessary. We will, of course, be happy to provide the City of Pewaukee with any other services you may find necessary or desirable.

### **Resolution of Disagreements**

In the unlikely event that differences concerning services or fees should arise that are not resolved by mutual agreement, both parties agree to attempt in good faith to settle the dispute by mediation administered by the American Arbitration Association (AAA) under its mediation rules for professional accounting and related services disputes before resorting to litigation or any other dispute-resolution procedure. Each party shall bear their own expenses from mediation.

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If mediation does not settle the dispute or claim, then the parties agree that the dispute or claim shall be settled by binding arbitration. The arbitration proceeding shall take place in the city in which the Baker Tilly office providing the relevant services is located, unless the parties mutually agree to a different location. The proceeding shall be governed by the provisions of the Federal Arbitration Act (FAA) and will proceed in accordance with the then current Arbitration Rules for Professional Accounting and Related Disputes of the AAA, except that no pre hearing discovery shall be permitted unless specifically authorized by the arbitrator. The arbitrator will be selected from Judicate West, AAA, Judicial Arbitration & Mediation Services (JAMS), the Center for Public Resources or any other internationally or nationally recognized organization mutually agreed upon by the parties. Potential arbitrator names will be exchanged within fifteen (15) days of the parties' agreement to settle the dispute or claim by binding arbitration, and arbitration will thereafter proceed expeditiously. Any issue concerning the extent to which any dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of any of these procedures, shall be governed by the FAA and resolved by the arbitrators. The arbitration will be conducted before a single arbitrator, experienced in accounting and auditing matters. The arbitrator shall have no authority to award nonmonetary or equitable relief and will not have the right to award punitive damages or statutory awards. Furthermore, in no event shall the arbitrator have power to make an award that would be inconsistent with the Engagement Letter or any amount that could not be made or imposed by a court deciding the matter in the same jurisdiction. The award of the arbitration shall be in writing and shall be accompanied by a well reasoned opinion. The award issued by the arbitrator may be confirmed in a judgment by any federal or state court of competent jurisdiction. Discovery shall be permitted in arbitration only to the extent, if any, expressly authorized by the arbitrator(s) upon a showing of substantial need. Each party shall be responsible for their own costs associated with the arbitration, except that the costs of the arbitrator shall be equally divided by the parties. Both parties agree and acknowledge that they are each giving up the right to have any dispute heard in a court of law before a judge and a jury, as well as any appeal. The arbitration proceeding and all information disclosed during the arbitration shall be maintained as confidential, except as may be required for disclosure to professional or regulatory bodies or in a related confidential arbitration. The arbitrator(s) shall apply the limitations period that would be applied by a court deciding the matter in the same jurisdiction, including the contractual limitations set forth in this Engagement Letter, and shall have no power to decide the dispute in any manner not consistent with such limitations period. The arbitrator(s) shall be empowered to interpret the applicable statutes of limitations.

Our services shall be evaluated solely on our substantial conformance with the terms expressly set forth herein, including all applicable professional standards. Any claim of nonconformance must be clearly and convincingly shown.

#### **Limitation on Damages and Indemnification**

The liability (including attorney's fees and all other costs) of Baker Tilly and its present or former partners, principals, agents or employees related to any claim for damages relating to the services performed under this Engagement Letter shall not exceed the fees paid to Baker Tilly for the portion of the work to which the claim relates, except to the extent finally determined to have resulted from the willful misconduct or fraudulent behavior of Baker Tilly relating to such services. This limitation of liability is intended to apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted, including the negligence of either party. Additionally, in no event shall either party be liable for any lost profits, lost business opportunity, lost data, consequential, special, incidental, exemplary or punitive damages, delays or interruptions arising out of or related to this Engagement Letter even if the other party has been advised of the possibility of such damages.

As Baker Tilly is performing the services solely for your benefit, you will indemnify Baker Tilly, its subsidiaries and their present or former partners, principals, employees, officers and agents against all costs, fees, expenses, damages and liabilities (including attorney's fees and all defense costs) associated with any third-party claim, relating to or arising as a result of the services, or this Engagement Letter.

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Because of the importance of the information that you provide to Baker Tilly with respect to Baker Tilly's ability to perform the services, you hereby release Baker Tilly and its present and former partners, principals, agents and employees from any liability, damages, fees, expenses and costs, including attorney's fees, relating to the services, that arise from or relate to any information, including representations by management, provided by you, its personnel or agents, that is not complete, accurate or current, whether or not management knew or should have known that such information was not complete, accurate or current.

Each party recognizes and agrees that the warranty disclaimers and liability and remedy limitations in this Engagement Letter are material bargained for bases of this Engagement Letter and that they have been taken into account and reflected in determining the consideration to be given by each party under this Engagement Letter and in the decision by each party to enter into this Engagement Letter.

The terms of this section shall apply regardless of the nature of any claim asserted (including, but not limited to, contract, tort or any form of negligence, whether of you, Baker Tilly or others), but these terms shall not apply to the extent finally determined to be contrary to the applicable law or regulation. These terms shall also continue to apply after any termination of this Engagement Letter.

You accept and acknowledge that any legal proceedings arising from or in conjunction with the services provided under this Engagement Letter must be commenced within twelve (12) months after the performance of the services for which the action is brought, without consideration as to the time of discovery of any claim or any other statutes of limitations or repose.

#### **Other Matters**

Neither this Engagement Letter, any claim, nor any rights or licenses granted hereunder may be assigned, delegated or subcontracted by either party without the written consent of the other party. Either party may assign and transfer this Engagement Letter to any successor that acquires all or substantially all of the business or assets of such party by way of merger, consolidation, other business reorganization or the sale of interest or assets, provided that the party notifies the other party in writing of such assignment and the successor agrees in writing to be bound by the terms and conditions of this Engagement Letter.

Our dedication to client service is carried out through our employees who are integral in meeting this objective. In recognition of the importance of our employees, it is hereby agreed that the City of Pewaukee will not solicit our employees for employment or enter into an independent contractor arrangement with any individual who is or was an employee of Baker Tilly for a period of twelve (12) months following the date of the conclusion of this engagement. If the City of Pewaukee violates this nonsolicitation clause, the City of Pewaukee agrees to pay to Baker Tilly a fee equal to the hired person's annual salary at the time of the violation so as to reimburse Baker Tilly for the costs of hiring and training a replacement.

The services performed under this Agreement do not include the provision of legal advice and Baker Tilly makes no representations regarding questions of legal interpretation. Client should consult with its attorneys with respect to any legal matters or items that require legal interpretation under federal, state or other type of law or regulation.

Baker Tilly US, LLP and Baker Tilly Advisory Group, LP and its subsidiary entities provide professional services through an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable laws, regulations and professional standards. Baker Tilly US, LLP is a licensed independent CPA firm that provides attest services to clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and business advisory services to their clients. Baker Tilly Advisory Group, LP and its subsidiary entities are not licensed CPA firms.

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Baker Tilly Advisory Group, LP and its subsidiaries and Baker Tilly US, LLP, trading as Baker Tilly, are independent members of Baker Tilly International. Baker Tilly International Limited is an English company. Baker Tilly International provides no professional services to clients. Each member firm is a separate and independent legal entity and each describes itself as such. Baker Tilly Advisory Group, LP and Baker Tilly US, LLP are not Baker Tilly International's agents and do not have the authority to bind Baker Tilly International or act on Baker Tilly International's behalf. None of Baker Tilly International, Baker Tilly Advisory Group, LP, Baker Tilly US, LLP, nor any of the other member firms of Baker Tilly International has any liability for each other's acts or omissions. The name Baker Tilly and its associated logo is used under license from Baker Tilly International Limited.

This Engagement Letter and any applicable online terms and conditions or terms of use ("Online Terms") related to online products or services made available to City of Pewaukee by Baker Tilly ("Online Offering") constitute the entire agreement between the City of Pewaukee and Baker Tilly regarding the services described in this Engagement Letter and supersedes and incorporates all prior or contemporaneous representations, understandings or agreements, and may not be modified or amended except by an agreement in writing signed between the parties hereto. For clarity and avoidance of doubt, the terms of this Engagement Letter govern Baker Tilly's provision of the services described herein, and the Online Terms govern City of Pewaukee's use of the Online Offering. This Engagement Letter's provisions shall not be deemed modified or amended by the conduct of the parties.

The provisions of this Engagement Letter, which expressly or by implication are intended to survive its termination or expiration, will survive and continue to bind both parties, including any successors or assignees. If any provision of this Engagement Letter is declared or found to be illegal, unenforceable or void, then both parties shall be relieved of all obligations arising under such provision, but if the remainder of this Engagement Letter shall not be affected by such declaration or finding and is capable of substantial performance, then each provision not so affected shall be enforced to the extent permitted by law or applicable professional standards.

If because of a change in the City of Pewaukee's status or due to any other reason, any provision in this Engagement Letter would be prohibited by, or would impair our independence under laws, regulations or published interpretations by governmental bodies, commissions or other regulatory agencies, such provision shall, to that extent, be of no further force and effect and this agreement shall consist of the remaining portions.

This agreement shall be governed by and construed in accordance with the laws of the state of Wisconsin, without giving effect to the provisions relating to conflict of laws.

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We appreciate the opportunity to be of service to you.

If there are any questions regarding this Engagement Letter, please contact Paul J. Frantz, the professional on this engagement who is responsible for the overall supervision and review of the engagement and determining that the engagement has been completed in accordance with professional standards. Paul J. Frantz is available at 414 777 5506, or at paul.frantz@bakertilly.com.

Sincerely,

BAKER TILLY US, LLP

Handwritten signature in black ink that reads "Baker Tilly US, LLP". The signature is written in a cursive, flowing style.

Enclosure

The services and terms as set forth in this Engagement Letter are agreed to by:

\_\_\_\_\_  
Official's Name

\_\_\_\_\_  
Official's Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**CITY OF PEWAUKEE  
COMMON COUNCIL AGENDA ITEM 5.**

**DATE:** December 2, 2024

**DEPARTMENT:** PW - Engineering

**PROVIDED BY:** Magdelene Wagner

***SUBJECT:***

Discussion and Possible Action to Approve the Third Reduction of Cardinal Meadow Development Letter of Credit from \$155,420.16 to \$23,244.03 (A Reduction of \$131,996.13) [Wagner]

***BACKGROUND:***

The Cardinal Meadow Subdivision construction is complete. The City accepted the improvements and we are within the 1 year warranty period of the development. We recommend the requested reduction. The remaining letter of credit value of \$23,244.03 is sufficient to during the warranty period.

***FINANCIAL IMPACT:***

***RECOMMENDED MOTION:***

Council approve the Third Reduction of Cardinal Meadow Development Letter of Credit from \$155,420.16 to \$23,244.03 (A Reduction of \$131,996.13)

**ATTACHMENTS:**

Description

LOC Reduction Request





Date: October 16th, 2024  
City of Pewaukee- via email  
Kelly Tarczewski  
City Clerk-Treasurer  
W240 N3065 Pewaukee Rd.  
Pewaukee, WI 53072

**Re: Letter of Credit Reduction Request #3: Cardinal Meadow Subdivision in the City of Pewaukee.**

Dear Maggie Wagner:


Due to the completion of the work described below, Bielinski is requesting a reduction on the work performed to date related to the Letter of Credit in place for the Cardinal Meadow Subdivision:

**Requesting the following letter of credit reductions:**

**SEE  
ATTACHED  
EXHIBIT B**

ORIGINAL LETTER OF CREDIT AMOUNT:	\$ <u>1,677,734.40</u>
NET REDUCTION #1:	\$ <u>1,216,605.83</u>
BALANCE OF LETTER OF CREDIT:	\$ <u>461,128.57</u>
NET REDUCTION #2:	\$ <u>305,708.41</u>
BALANCE OF LETTER OF CREDIT:	\$ <u>155,420.16</u>
<b>NET REDUCTIUON #3:</b>	<b>\$ <u>132,176.13</u></b>
<b>BALANCE OF LETTER OF CREDIT:</b>	<b>\$ <u>23,244.03</u></b>

By copy of this letter, we hereby request a reduction of the above amount.

Bielinski Homes, Inc.: 

Title: Development Manager

**EXHIBIT B**

**Cardinal Meadow, City of Pewaukee  
Letter of Credit Reduction #3**

10/16/2024

Description of Work	Balance	Reduction #3	Balance
	Reduction #2	Amount	
Grading & Erosion Control, Incl. Site Stabilization	\$0.00	\$0.00	\$0.00
Complete Sanitary Sewer Construction	\$0.00	\$0.00	\$0.00
Complete Water System Construction	\$0.00	\$0.00	\$0.00
Complete Storm Sewer Construction	\$0.00	\$0.00	\$0.00
Road Pavement: Stone, Curb/Gutter/Flumes, Binder & Surface Course	\$39,200.00	\$39,200.00	\$0.00
<b>Subtotal</b>	\$39,200.00	<b>\$39,200.00</b>	\$0.00
Contingencies (20%):	\$116,220.16	\$92,976.13	\$23,244.03
<b>Total Letter of Credit Amount:</b>	<b>\$155,420.16</b>	<b>\$132,176.13</b>	<b>\$23,244.03</b>

Letter of Credit Value

New Berlin Grading	1 LS	\$ 16,550.00	\$ 16,550.00	
Clear and Grub	1 LS	\$ 21,000.00	\$ 21,000.00	
Strip Topsoil	1 LS	\$ 34,400.00	\$ 34,400.00	
Rough Grading	1 LS	\$ 86,800.00	\$ 86,800.00	
Move Onsite Pile	1 LS	\$ 115,200.00	\$ 115,200.00	
Compaction of Site Fills	1 LS	\$ 20,000.00	\$ 20,000.00	
Compaction of Imported Fill	1 LS	\$ 45,550.00	\$ 45,550.00	
Clay Line Ponds	1 LS	\$ 16,000.00	\$ 16,000.00	
Mix & Place Infiltration Mix	1 LS	\$ 38,500.00	\$ 38,500.00	
Finish Grade to subgrade	1 LS	\$ 34,700.00	\$ 34,700.00	
Respread 6" of salvaged Topsoil	1 LS	\$ 68,600.00	\$ 68,600.00	
Place Rip Rap at FES	1 LS	\$ 7,200.00	\$ 7,200.00	
Seed and Erosion Mat	1 LS	\$ 41,800.00	\$ 41,800.00	
Seed, Fertilize and Mulch	1 LS	\$ 24,400.00	\$ 24,400.00	
Place Ditch and Rock Bags Checks	1 LS	\$ 5,400.00	\$ 5,400.00	
				\$ 576,100.00
Sanitary Sewer				
48" Precast Concrete Manhole	10 EA			
Connection to Existing Manhole	2 EA			
8" SDR-35 PVC Sanitary Sewer	1357 LF			
6" PVC sanitary lateral (24)	730 LF			\$ 226,765.00
Water Main				
Connection to Existing	2 EA			
Hydrant & Valve Assembly	4 EA			
8" C-900 PVC Water Main	1411 LF			
6" C-900 PVC Hydrant Lead	40 LF			
8" Gate Valves	4 EA			
1 1/4" Corp, curb stop, & Box	24 EA			
1 1/4" Water Lateral (24)	778 LF			\$ 222,803.00
Storm Sewer				
Curb Inlet w/ Frame & Grate	12 EA			
48" Precast Concrete Manhole	9 EA			
36" Precast Concrete OCS Pond MH	4 EA			
18" CL III RCP Storm Sewer	252 LF			
15" CL IV RCP Storm Sewer	450 LF			
15" CMP Storm Sewer	60 LF			
12" CL V RCP Storm Sewer	1234 LF			
18" RCP End Section w/ Trash Rack	3 EA			
15" RCP End Section	2 EA			
15" CMP End Section	4 EA			
12" RCP End Section	6 EA			
Anti Seep Collar	6 EA			\$ 172,879.00
Granular Backfill	13320 Ton	\$ 11.00	\$ 146,520.00	
Pavement & Shoulder Restoration in Road	1 LS	\$ 22,000.00	\$ 22,000.00	
Pavement				
Stone Placing	3733 SY	\$ 14.28	\$ 53,300.00	
Binder Course	3733 SY	\$ 17.13	\$ 63,931.00	
Surface Course	3733 SY	\$ 10.50	\$ 39,200.00	
Curb & Gutter/Flumes	2730 LF	\$ 15.80	\$ 43,134.00	\$ 199,565.00
				\$ 1,398,112.00
				\$ 1,677,734.40

**CITY OF PEWAUKEE  
COMMON COUNCIL AGENDA ITEM 6.**

**DATE:** December 2, 2024

**DEPARTMENT:** Public Works

**PROVIDED BY:** Magdelene Wagner

***SUBJECT:***

Discussion and Possible Action Regarding We Energies' Request for an Easement on City Owned Land Located at W271N1275 Meadowbrook Rd (PWC 0940-990) [Wagner]

***BACKGROUND:***

We Energies is requesting an easement across the City owned land at W271N1275 Meadowbrook Rd (PWC 0940990) near the intersection of Meadowbrook Road and Silvernail Road. The easement will assist We Energies providing service to an adjacent parcel. The easement has a minor impact to the parcel. Staff does not object to granting the easement.

***FINANCIAL IMPACT:***

***RECOMMENDED MOTION:***

Council approve the We Energies easement.

**ATTACHMENTS:**

Description

We Energies Request

November 25, 2024

Maggie Wagner  
City of Pewaukee  
W240N3065 Pewaukee Rd  
Pewaukee, WI 53072

Subject: Easement Request for W271N1275 Meadowbrook Rd

Dear Ms. Wagner:

We-Energies has a request for electric service for the parcel located at N13W27147 Silvernail Rd; Tax Key PWC0940994001. In order to bring electric service to that parcel we need to access our existing primary line on Hightop Circle. We are requesting an easement from the city of Pewaukee to bury underground cable and cross the parcel owned by the city at W271N1275 Meadowbrook Rd in order to connect the Silvernail Road parcel to the existing line on Hightop Circle.

Along with this letter, please find the map of the area, the Easement Document, Exhibit A and Legal Description of the Easement Area. We will boring our cable underground so there should be minimal disruption on the city parcel.

For your safety, we will have Diggers Hotline locate underground utilities, including natural gas, electric, phone, cable, sewer and water.

If you have questions, please call me at 414-944-5602 or email [maripat.nault@we-energies.com](mailto:maripat.nault@we-energies.com) and reference the WR 5029388.

Sincerely,



Mari Nault  
Right-of-Way Agent

**DISTRIBUTION EASEMENT  
UNDERGROUND**

Document Number

WR NO. **5029388** IO NO. **5463**

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **City of Pewaukee**, hereinafter referred to as "Grantor", owner of land, hereby grants and warrants to **WISCONSIN ELECTRIC POWER COMPANY, a Wisconsin corporation doing business as We Energies**, hereinafter referred to as "Grantee", a permanent easement upon, within, beneath, over and across a part of Grantor's land hereinafter referred to as "easement area".

The easement area is described as a strip of land of varying widths of Grantor's land being part of the **Southeast 1/4 of Section 19, Town 7 North, Range 19 East** in the city of Pewaukee, Waukesha County, Wisconsin.

The location of the easement area with respect to Grantor's land is as shown on the attached drawing, marked Exhibit "A", and made a part of this document.

RETURN TO:  
We Energies  
PROPERTY RIGHTS & INFORMATION GROUP  
231 W. MICHIGAN STREET, ROOM P277  
PO BOX 2046  
MILWAUKEE, WI 53201-2046

PWC0940990  
(Parcel Identification Number)

1. **Purpose:** The purpose of this easement is to construct, install, operate, maintain, repair, replace and extend underground utility facilities, conduit and cables, electric pad-mounted transformers, manhole, electric pad-mounted switch-fuse units, electric pad-mounted vacuum fault interrupter, concrete slabs, power pedestals, riser equipment, terminals and markers, together with all necessary and appurtenant equipment under and above ground as deemed necessary by Grantee, all to transmit electric energy, signals, television and telecommunication services, including the customary growth and replacement thereof. Trees, bushes, branches and roots may be trimmed or removed so as not to interfere with Grantee's use of the easement area.
2. **Access:** Grantee or its agents shall have the right to enter and use Grantor's land with full right of ingress and egress over and across the easement area and adjacent lands of Grantor for the purpose of exercising its rights in the easement area.
3. **Buildings or Other Structures:** Grantor agrees that no structures will be erected in the easement area or in such close proximity to Grantee's facilities as to create a violation of all applicable State of Wisconsin electric codes or any amendments thereto.
4. **Elevation:** Grantor agrees that the elevation of the ground surface existing as of the date of the initial installation of Grantee's facilities within the easement area will not be altered by more than 4 inches without the written consent of Grantee.
5. **Restoration:** Grantee agrees to restore or cause to have restored Grantor's land, as nearly as is reasonably possible, to the condition existing prior to such entry by Grantee or its agents. This restoration, however, does not apply to any trees, bushes, branches or roots which may interfere with Grantee's use of the easement area.
6. **Exercise of Rights:** It is agreed that the complete exercise of the rights herein conveyed may be gradual and not fully exercised until some time in the future, and that none of the rights herein granted shall be lost by non-use.
7. **Binding on Future Parties:** This grant of easement shall be binding upon and inure to the benefit of the heirs, successors and assigns of all parties hereto.
8. **Easement Review:** Grantor acknowledges receipt of materials which describe Grantor's rights and options in the easement negotiation process and furthermore acknowledges that Grantor has had at least 5 days to review this easement document or voluntarily waives the five day review period.

**Grantor:**

**City of Pewaukee**

By \_\_\_\_\_

(Print name and title): \_\_\_\_\_

By \_\_\_\_\_

(Print name and title): \_\_\_\_\_

Personally came before me in \_\_\_\_\_ County, Wisconsin on \_\_\_\_\_, \_\_\_\_\_,  
the above named \_\_\_\_\_, the \_\_\_\_\_  
and \_\_\_\_\_, the \_\_\_\_\_  
of the City of Pewaukee, for the municipal corporation, by its authority, and pursuant to Resolution File  
No. \_\_\_\_\_ adopted by its \_\_\_\_\_ on \_\_\_\_\_, \_\_\_\_\_.

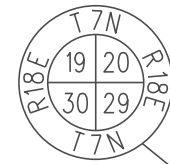
\_\_\_\_\_  
Notary Public Signature, State of Wisconsin

\_\_\_\_\_  
Notary Public Name (Typed or Printed)

(NOTARY STAMP/SEAL)

My commission expires \_\_\_\_\_

This instrument was drafted by Mari Nault on behalf of Wisconsin Electric Power Company, PO Box 2046, Milwaukee, Wisconsin 53201-2046.



N15° 28' 26" E

N 15° 28' 26" E  
30.00'

S 38° 45' 34" E  
35.07'

S 87° 00' 26" W  
30.00'

765.22' S 87° 00' 26" W

S/L SE 1/4 SEC 19-7-19

LOT 9  
ROLLING RIDGE

LOT 10  
ROLLING RIDGE

LOT 11  
ROLLING RIDGE

LOT 12  
ROLLING RIDGE

LOT 13  
ROLLING RIDGE

KEY

WE ENERGIES - EXHIBIT "A"

DRAWN BY: DAN COOPER



EASEMENT AREA  
AS INDICATED

EASEMENT IN  
PART OF THE SOUTH EAST 1/4 OF SECTION 19, T7N R19E  
CITY OF PEWAUKEE, WAUKESHA COUNTY, WISCONSIN

SCALE: 1" = 60'

DATE: 11-22-2024

ORDER #: 5029388



EASEMENT LEGAL DESCRIPTION:

An easement being located in the Southeast  $\frac{1}{4}$  (SE  $\frac{1}{4}$ ) of Section Nineteen (19), Town Seven (7) North, Range Nineteen (19) East, City of Pewaukee, Waukesha County, Wisconsin and more particularly described as follows:

Commencing at the Southeast corner of said  $\frac{1}{4}$  section;

Thence South eighty seven degrees zero minutes twenty six seconds West ( $S87^{\circ}00'26''W$ ) Seven hundred sixty five and twenty two hundredths (765.22) feet along the Southerly line of said  $\frac{1}{4}$  section to the point of beginning;

Thence continue South eighty seven degrees zero minutes twenty six seconds West ( $S87^{\circ}00'26''W$ ) Thirty and zero hundredths (30.00) feet to a point;

Thence North fifteen degrees twenty eight minutes twenty six seconds East ( $N15^{\circ}28'26''E$ ) Thirty and zero hundredths (30.00) feet to a point;

Thence South thirty eight degrees forty five minutes thirty four seconds East ( $S38^{\circ}45'34''E$ ) Thirty five and seven hundredths (35.07) feet to the point of beginning.



**CITY OF PEWAUKEE  
COMMON COUNCIL AGENDA ITEM 7.**

**DATE:** December 2, 2024

**DEPARTMENT:** Planning

**PROVIDED BY:**

***SUBJECT:***

**PUBLIC HEARING,** Discussion and Possible Action Regarding a Comprehensive Master Plan Amendment to Change the Year 2050 Land Use/Transportation Plan Use Designation for the City of Pewaukee for Shorepoint Church for Property Located on the Southwest Corner of Duplainville Road and Capitol Drive (PWC 0912-983, PWC 0912-984, PWC 0912-985) From Medium Density Residential (6,500 Sq. Ft. - 1/2 AC./D.U.) and Floodplains, Lowland and Upland Conservancy, and Other Natural Areas to Government/Institutional and Floodplains, Lowland and Upland Conservancy, and Other Natural Areas [Fuchs]

***BACKGROUND:***

***FINANCIAL IMPACT:***

***RECOMMENDED MOTION:***

**ATTACHMENTS:**

Description

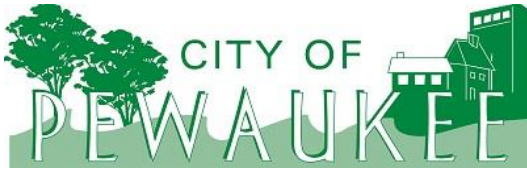
Shorepoint Church staff report 9.19.24

Shorepoint Church project narrative

Shorepoint Church comp plan exhibit

Resolution 24-09-19

Ordinance 24-10



**Office of the Planner & Community Development Director**  
W240 N3065 Pewaukee Road  
Pewaukee, Wisconsin 53072  
Phone (262) 691-0770 Fax (262) 691-1798  
[fuchs@pewaukee.wi.us](mailto:fuchs@pewaukee.wi.us)

## REPORT TO THE PLAN COMMISSION

Meeting of September 19, 2024

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**Date:** September 13, 2024

**Project Name:** Comprehensive Master Plan Amendment, Rezoning, Certified Survey Map, and Site & Building Plan Review Application

**Project Address/Tax Key No.:** Not Assigned/PWC 0912983, W223N3481 Duplainville Road/PWC 0912984, and N34W22407 Capitol Drive/PWC 0912985

**Applicant:** Pastor Brian Engl, Shorepoint City Church, Inc.

**Property Owner:** Duplainville LLC (PWC 0912983), Shorepoint City Church Inc. (PWC 0912984), and Oscar E. Picado Diaz (PWC 0912985)

**Current Zoning:** Rs-1 Single Family Residential (PWC 0912983 & 0912985) and B-3 General Business District (PWC 0912984)

**2050 Land Use Map Designation:** Medium Density Residential (6,500 Sq. Ft. - 1/2 Ac. / D.U.) and Floodplains, Lowland, & Upland Conservancy and Other Natural Areas

**Use of Surrounding Properties:** Capitol Drive and Two-Family Residential to the north, Quad Graphics to the south, M-1 District properties to the east, and agricultural land to the west.

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### Introduction

Shorepoint City Church, Inc. has filed applications for a Comprehensive Master Plan Amendment, Rezoning, Certified Survey Map, and Site & Building Plan Review. This submission follows the Conceptual Review Application, which was reviewed at the March 21, 2024, Plan Commission meeting.

At that meeting, much of the discussion revolved around traffic concerns and the potential access to Duplainville Road. Several members also commented on a preference for these properties to remain with their current land use plan designation of Medium Density Residential.

### Project Description/Analysis

The proposed church use and development utilizes three existing properties located at the southwest corner of Capitol Drive and Duplainville Road. The three properties consist of an old vacant residential home, a single-family home, and vacant land. The applicant would raze all existing structures.

### Comprehensive Master Plan Amendment

To accommodate the proposed development and rezoning, the applicant is requesting that the properties bearing Tax Key Nos. 0912984 and 0912985 are changed from Medium Density Residential to Governmental/Institutional and the property bearing Tax Key No. 0912983 is changed from Medium Density Residential and Floodplains, Lowland, & Upland Conservancy and Other Natural Areas to Governmental/Institutional and Floodplains, Lowland, & Upland Conservancy and Other Natural Areas.

Note the boundary of the Floodplains, Lowland, & Upland Conservancy and Other Natural Areas designation will follow the remaining wooded area located on the southern portion of the site.

The request to change the land use designation to Governmental/Institutional is consistent with the concurrent rezoning request described below.

### **Rezoning**

The subject properties are currently zoned Rs-1 Single Family Residential (PWC 0912983 & 0912985) and B-3 General Business District (PWC 0912984). The applicant is requesting to change the zoning of all three properties to the I-1 Institutional District and UC Upland Conservancy District. The UC District will match the boundary of the Floodplains, Lowland, & Upland Conservancy and Other Natural Areas designation noted above.

Note a church is a Permitted Use in the I-1 District.

### **Certified Survey Map**

The Certified Survey Map Application combines the three existing properties into a single lot. The total area of Lot 1 is 10.814 acres. The combined parcel conforms to the minimum lot size of 2-acres and minimum lot width of 200-feet of the I-1 District.

*The applicant will need to revise the signature lines of the CSM to include Colleen Brown as the Plan Commission Secretary for the Plan Commission Approval signature line and Kelly Tarczewski, City Clerk for the Common Council Approval signature line.*

### **Site & Building Plans**

The building has an area of approximately 27,745 square feet and includes a 600-capacity worship space, office space, a 1,350 square foot multi-purpose room with a stage, and classrooms. The plans provided illustrate the building location, exterior parking areas, landscaping, lighting, and storm water management facilities. A retaining wall is also shown to the south of the building and parking lot, which has a maximum height of about 12 feet and an average height of about 6 to 8 feet.

*Any dumpster enclosure kept onsite shall have its location and materials reviewed and approved by the City Planner.*

### **Access**

The site plan includes a driveway extending through the north end of the site connecting a Duplainville Road access point and a Capitol Drive access location. The Wisconsin Department of Transportation (WisDOT) has indicated that one right-in/right-out access location that is located a minimum of 450 feet from the center line of Duplainville Road will be allowed on Capitol Drive. *Staff recommends that the applicant provide a revised site plan, for Engineering Department review and approval, that shifts the Duplainville Road access location further south on the property.*

The applicant has also provided an exhibit that illustrates a future access location onto Capitol Drive, which is located on the property to the west and across from Wethersfield Road. *Staff recommends that the future cross-access location shall be provided and constructed upon availability and development*

of the property to the west along with the removal of the existing access to Capitol Drive as well as the abandonment of the Duplainville Road access.

### Traffic

As noted above, the site is proposed to be accessible from both Capitol Drive and Duplainville Road. Traffic exiting onto Capitol Drive must turn right and head east. If a car wishes to travel west on Capitol Drive, a U-turn is needed at Springdale Road. During the Conceptual Review, staff expressed traffic concerns with this in consideration of the traffic on Capitol Drive, particularly Spring Creek Church traffic, which likely has similar peak traffic times.

A Traffic Impact Analysis is currently under review by WisDOT. The applicant hopes to be able to provide WisDOT review comments prior to the September 19<sup>th</sup> meeting. If any action is taken by the Plan Commission, staff recommend including a condition that all improvements as required by WisDOT in accordance with the Traffic Impact Analysis be completed prior to occupancy.

### Parking

The Zoning Ordinance suggests a minimum parking ratio of one space for each two seats. In addition, one space for each two employees for school use.

The 600-seat worship space requires 300 parking spaces. Staff would not recommend additional parking for the classrooms as the classrooms are primarily utilized at different times than the worship space. With a large amount of parking already proposed, staff generally prefer areas of the site be designated as future parking and only improved if necessary.

### Natural Resources

In review of aerials and the DNR Surface Water Data Viewer, no wetlands exist onsite and only a small portion of the northwest corner of the site shows hydric soils. The southern portion of the site is wooded, and the site is steeply sloped. Moreover, no portion of the site is identified as a SEWRPC environmental corridor, and no floodplain is located on the property.

The applicant has agreed to preserve and zone the wooded area of the site to UC Upland Conservancy, which provides protection and limited allowed uses for that portion of the property.

### Landscaping

The Landscape Plan includes 37 deciduous trees, 41 evergreens, 35 decorative trees, and 272 shrubs. The applicant has addressed staff comments and there are no objections to the proposed landscape plan.

It can also be noted that the site complies with the City's requirement of maintaining a minimum of 40% greenspace onsite.

### Lighting

A Lighting Plan, including a photometric plan, has been provided illustrating exterior light poles throughout the site. The light poles and fixtures are noted to not exceed 20-feet in height, in conformance with City standards. Staff have no objections to the proposed Lighting Plan.

### I-1 District

The proposed uses are permitted under the I-1 District. The I-1 District development standards also appear to be met with this development.

### Architecture

The building primarily consists of precast panels and EIFS. The proposed building height is approximately 30-feet. The applicant is also proposing a 40-foot-tall cross that will extend about 10-feet above the roofline. *The applicant shall verify that the proposed height of the cross complies with height regulations of the Capitol Airport.*

Staff suggests that the south elevation be revised to include windows or other architectural features.

### **Recommendation**

Staff does not object to the proposed use or land combination; however, staff continues to have concerns with access and traffic. A review of WisDOT comments and the final TIA is needed prior to making a recommendation.

Staff also recommends that the applicant pursue cross-access with the adjacent property owner for construction as part of this development, opposed to in the future.

September 9, 2024

City of Pewaukee  
Attn: Nick Fuchs, Planner and Community Development Director  
W240N3065 Pewaukee Road  
Pewaukee, WI 53072 MN 5427

RE: Project Narrative Concerning Shorepoint Church

**A. CONTACT INFORMATION:**

Shorepoint Church Contact:

**Pastor Brian Engl**

PO Box 41

Pewaukee, WI 53072

[brian@shorepoint.cc](mailto:brian@shorepoint.cc)

262-444-3806

Vanman Architects and Builders Contact:

**Angie Knodel, AIA**

6701 West 23<sup>rd</sup> Street

St. Louis Park, MN 55426

[angie@vanmanab.com](mailto:angie@vanmanab.com)

612-965-8570

**B. LEGAL DESCRIPTION / SITE DATA:**

The site is located at the corner of Capitol Drive and Duplainville Road.  
This consists of three separate properties to be combined as one.

PWC 0912983 (8.1878 Acres) Current Zoning is RS-1 Residential District

PWC 0912984 (1.2244 Acres) Current Zoning is B-3 General Business

PWD 0912985 (1.3061 Acres) Current Zoning is RS-1 Residential District

The church would like to combine the (3) properties to be one property  
and Re-Zone that property to be I-1 Urban Institutional District with a south  
portion of the property to be Re-Zoned Upland Conservancy.



### **C. HISTORY NARRATIVE:**

Pastor Brian and his wife Bethany started Shorepoint Church in 2015, almost 20 years after God gave them a dream to plant a life-giving church in the Milwaukee area. Their heart is that everyone that walks through the doors of Shorepoint would find true community and a place to call home. They are currently holding services at Sharon Lynn Wilson Center for the Arts and with the current growth, they are ready to build their own building in Pewaukee.

### **D. PROPOSED PROJECT AND USES:**

The proposed plan for Shorepoint Church is to construct a slab-on-grade building on the southwest corner of Capitol Drive and Duplainville Road. The building will be approximately 27,000 sf and will include a 600-seat worship space. As you enter the main entry a spacious lobby/fellowship space will provide an opportunity to enjoy a coffee or sit by the fireplace to connect with others before and/or after services. The building will include five classrooms, a bank of offices and a multi-purpose space for classes and meetings. Utility spaces including ADA toilets, storage and mechanical rooms will be included in this new building.

The building would be occupied primarily on Sunday Mornings, from 8 am to 1 pm. The building would also be used throughout the week for classes and events. Office hours would be kept during the week from 8 am to 5 pm.

### **E. BUILDING AESTHETICS:**

The building exterior façade is shown in attached documents and will provide a welcoming, inviting entry with a large outdoor patio next to the main entry. The Worship Auditorium is intended to have parapet walls at approximately thirty feet tall while the adjacent classroom and lobby exterior walls will be approximately twenty-five feet tall. The office wing will have walls approximately twenty feet tall. Exterior materials are still being determined and anticipated to be glass and wood materials as well as precast concrete panels. The building will have a forty foot cross projecting above the roof line.

### **F. EXISTING SITE AND PARKING**

The new site plan will accommodate 300 parking spaces and a drop-off at the main entry. In conversations with the City of Pewaukee we understand the concerns regarding access to and from this site.

### **After Church Traffic Loads**

The Shorepoint Church community has a vibrant culture of fellowship and gathering following services enjoying coffee, donuts and conversation. After-services departures are currently more of a gradual stream of traffic rather than everyone leaving at about the same time.

### **Max Site Load and Supporting Future Growth**

Shorepoint is planning to maximize its capacity at this site with the construction of this initial project. Shorepoint's plan for future growth is to launch additional locations in neighboring communities rather than expand the future capacity of this location by acquiring adjacent parcels. The only consideration of future expansion at this site is possibly the children's classrooms depending on needs. Shorepoint's model is to create a 600-seat worship auditorium, offer multiple services and then launch additional campus locations in adjacent communities as we continue to grow. Our strategy is to continue to foster the mid-sized community feel that comes with this size auditorium and replicate that in other locations rather than grow to a much larger main location.

### **Capitol Drive Access**

In conversation with the Wisconsin Department of Transportation their only concern was that we move the access drive 50 feet to the west to create adequate space for an acceleration lane before reaching the Duplainville Road bridge. This has been accommodated in the plan we are submitting today. Our long-term objective is to move our Capitol Drive access point even farther to the west and connect to Wethersfield Road whenever the property to the west is developed.

### **Duplainville Access**

We understand there is a moratorium for access to utilities in this road until the summer of 2026. We have listened to additional concerns and would like to work with the City to create a safe way to both allow fire and safety access and also mitigate concerns regarding cut-through traffic that may occur with this access. We have heard multiple options and are looking forward to working with the City to identify and select the best overall approach.

## **G. SHOREPOINTS GOALS AND VISION**

Shorepoint has a heart to be in this community and will enhance this section of Capitol Drive. Since it began in 2015, Shorepoint has earned the reputation of being a positive presence both as a renter at the Wilson Center and as a member of the community. Shorepoint's involvement in local projects and events geared toward strengthening the community has been consistent and something they look forward to continuing in Pewaukee. Those projects include:

- Providing a place for connection and personal growth within our more than 55 different small groups that currently meet throughout the week in homes and convenient locations within our community.
- Providing a safe, drug and alcohol-free space for teenagers to build relationships and find a sense of community through organized gatherings and events.
- Providing marriage strengthening resources from pastoral counseling and seminars to small groups.
- Providing resources and direct support to help people struggling with addiction from pastoral counseling and appropriate referrals to small groups and courses offered.
- Providing resources and direct support for those in our community who are in a financial struggle through our benevolence program and Dave Ramsey's Financial Peace course.
- Providing resources and direct support for those involved in Foster Care through partnership with local and statewide non-profits.
- Providing a place for people to use their God-given gifts and abilities to serve others in a wide variety of ways. We currently have over 185 people actively serving in different capacities at and through the church.
- Three unique "Serve Weeks" throughout the year where countless hours are invested in local service initiatives within our community.

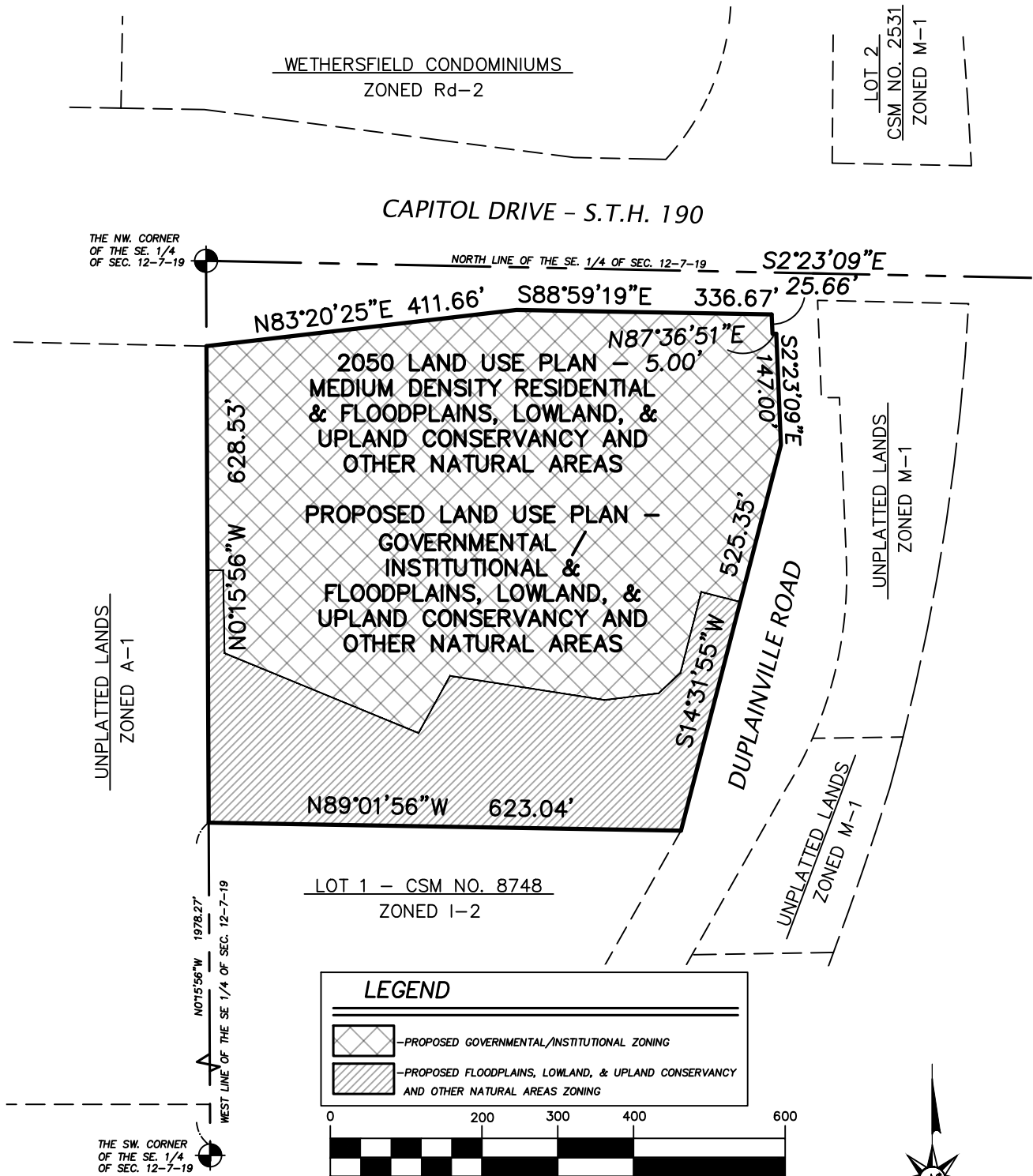
Studies have shown that greater connection to a faith community leads to healthier people in multiple categories. Healthier people lead to stronger communities. As Pewaukee grows in homes and commerce, Shorepoint sees this land as an opportunity to help Pewaukee grow in its options for a healthy faith community.

**END OF NARRATIVE**



# COMPREHENSIVE MASTER PLAN - EXHIBIT

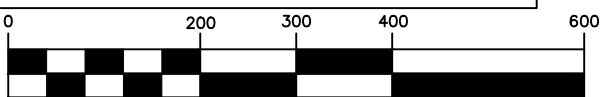
PART OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 12, TOWNSHIP 7 NORTH,  
RANGE 19 EAST, CITY OF PEWAUKEE, WAUKESHA COUNTY, WISCONSIN.

DATED 8-15-2024



## LEGEND

-  - PROPOSED GOVERNMENTAL/INSTITUTIONAL ZONING
-  - PROPOSED FLOODPLAINS, LOWLAND, & UPLAND CONSERVANCY AND OTHER NATURAL AREAS ZONING



SCALE 1" = 200'

### Bearing Reference:

All Bearings are referenced to the West line of the SE. 1/4 SEC. 12-7-19, which bears N0°15'56"W (NAD-83)

### Prepared For:

Shorepoint Church



www.thesigmagroup.com  
1300 West Canal Street  
Milwaukee, WI 53233  
Phone: 414-643-4200  
Fax: 414-643-4210

**RESOLUTION NO. PC 24-09-19**

**A RESOLUTION RECOMMENDING THE ADOPTION OF AN ORDINANCE TO AMEND THE CITY OF PEWAUKEE 2035 COMPREHENSIVE MASTER PLAN AND NEIGHBORHOOD PLANS 2015-2050 TO CHANGE THE YEAR 2050 LAND USE/TRANSPORTATION PLAN OF PROPERTIES LOCATED AT APPROXIMATELY N34 W22407 CAPITOL DRIVE AND W223 N3481 DUPLAINVILLE ROAD BEARING TAX KEY NUMBERS PWC 0912-983, PWC 0912-984, AND PWC 0912-985 FROM MEDIUM DENSITY RESIDENTIAL (6,500 SQ. FT. - 1/2 AC. / D.U.) AND FLOODPLAINS, LOWLAND & UPLAND CONSERVANCY AND OTHER NATURAL AREAS TO GOVERNMENTAL / INSTITUTIONAL AND FLOODPLAINS, LOWLAND & UPLAND CONSERVANCY AND OTHER NATURAL AREAS, PURSUANT TO WIS. STAT. § 66.1001(4)(b)**

**WHEREAS,** pursuant to Wis. Stat. §§ 62.23(2) and (3) and 66.1001(4), the City of Pewaukee is authorized to prepare and adopt and to amend a comprehensive plan as defined in Wis. Stat. §§ 66.1001(1)(a) and 66.1001(2); and

**WHEREAS,** pursuant to Wis. Stat. § 66.1001(4)(b), the Plan Commission may recommend the amendment of the Comprehensive Master Plan to the Common Council by adopting a resolution by a majority vote of the entire Commission, which vote shall be recorded in the official minutes of the Plan Commission; and

**WHEREAS,** The Applicant, Shorepoint City Church, Inc. has applied for an amendment to the Comprehensive Master Plan to change the Year 2050 Land Use/Transportation Plan of properties located at approximately N34 W22407 Capitol Drive and W223 N3481 Duplainville Road bearing Tax Key Numbers PWC 0912-983, PWC 0912-984, and PWC 0912-985 from Medium Density Residential (6,500 Sq. Ft. - 1/2 Ac. / D.U.) and Floodplains, Lowland & Upland Conservancy and Other Natural Areas to Governmental/Institutional and Floodplains, Lowland & Upland Conservancy and Other Natural Areas, more particularly described as follows:

All of Certified Survey Map No. 1295, and Lands, all being part of the Northwest 1/4 of the Southeast 1/4 of Section 12, Town 7 North, Range 19 East, in the City of Pewaukee, Waukesha County, Wisconsin, bounded and described as follows: Commencing at the Southwest corner of the Southeast 1/4 of said Section 12; thence N0°15'56"W along the West line of said 1/4 Section, 1978.27 feet to the point of beginning of lands to be described; thence continuing N0°15'56"W along the West line of said 1/4 Section, 628.53 feet to a point in the South right of way line of Capitol Drive (S.T.H. 190); thence N83°20'25"E along said South right of

way line, 411.66 feet; thence S88°59'19"E along said South right of way line, 336.67 feet to a point in the Westerly right of way of Duplainville Road, said point also being the Northeasterly corner of Certified Survey Map (CSM) No. 1295, thence S2°23'09"E along said Westerly right of way line and the Easterly line of said CSM, 25.66 feet; thence N87°36'51"E along said Westerly right of way line and the Easterly line of said CSM, 5.00 feet, thence S2°23'09"E along said Westerly right of way line and the Easterly line of said CSM, 147.00 feet to a point; thence S14°31'55"W along said Westerly right of way line and the Easterly line of said CSM, 525.35 feet, thence N89°01'56"W, 623.04 feet to the point of beginning.

Said lands containing 10.814 acres of land, more or less

**WHEREAS,** the Plan Commission having determined that the proposed amendment in form and content as presented to the Commission on September 19, 2024, is consistent with the Comprehensive Master Plan’s goals, objectives and policies and in proper form and content for adoption by the Common Council as an amendment to the Comprehensive Master Plan, subject to such modifications the Common Council may consider reasonable and necessary, following public hearing, in order to protect and promote the health, safety and welfare of the City of Pewaukee.

**NOW, THEREFORE, BE IT RESOLVED,** by the Plan Commission of the City of Pewaukee, Wisconsin, that the application for and the proposed ordinance to amend the City of Pewaukee Comprehensive Master Plan to change the Year 2050 Land Use/Transportation Plan of a properties located at approximately N34W22407 Capitol Drive and W223N3481 Duplainville Road from Medium Density Residential (6,500 Sq. Ft. - 1/2 Ac. / D.U.) and Floodplains, Lowland & Upland Conservancy and Other Natural Areas to Governmental/Institutional and Floodplains, Lowland & Upland Conservancy and Other Natural Areas, such properties bearing Tax Key Numbers PWC 0912-983, PWC 0912-984, and PWC 0912-985, be and the same is hereby recommended for adoption and incorporation into the Comprehensive Master Plan by the Common Council:

Passed and adopted this 19<sup>th</sup> day of September, 2024.

FOR THE PLAN COMMISSION OF THE CITY OF PEWAUKEE, WAUKESHA COUNTY, WISCONSIN

ATTEST:

\_\_\_\_\_  
Steve Bierce, Mayor

\_\_\_\_\_  
Colleen Brown, Plan Commission Secretary

**ORDINANCE NO. 24-10**

**AN ORDINANCE TO AMEND THE CITY OF PEWAUKEE 2035 COMPREHENSIVE MASTER PLAN AND NEIGHBORHOOD PLANS 2015-2050 TO CHANGE THE YEAR 2050 LAND USE/TRANSPORTATION PLAN OF PROPERTIES LOCATED AT APPROXIMATELY N34 W22407 CAPITOL DRIVE AND W223 N3481 DUPLAINVILLE ROAD BEARING TAX KEY NUMBERS PWC 0912-983, PWC 0912-984, AND PWC 0912-985 FROM MEDIUM DENSITY RESIDENTIAL (6,500 SQ. FT. - 1/2 AC. / D.U.) AND FLOODPLAINS, LOWLAND & UPLAND CONSERVANCY AND OTHER NATURAL AREAS TO GOVERNMENTAL/INSTITUTIONAL AND FLOODPLAINS, LOWLAND & UPLAND CONSERVANCY AND OTHER NATURAL AREAS**

**WHEREAS,** pursuant to Wis. Stat. §§ 62.23(2) and (3) and 66.1001(4), the City of Pewaukee is authorized to prepare and adopt and to amend a comprehensive plan as defined in Wis. Stat. §§ 66.1001(1)(a) and 66.1001(2); and

**WHEREAS,** The Applicant, Shorepoint City Church, Inc. has applied for an amendment to the Comprehensive Master Plan to change the Year 2050 Land Use/Transportation Plan of properties located at approximately N34W22407 Capitol Drive and W223N3481 Duplainville Road bearing Tax Key Numbers PWC 0912-983, PWC 0912-984, and PWC 0912-985 from Medium Density Residential (6,500 Sq. Ft. - 1/2 Ac. / D.U.) and Floodplains, Lowland & Upland Conservancy and Other Natural Areas to Governmental/Institutional and Floodplains, Lowland & Upland Conservancy and Other Natural Areas; and

**WHEREAS,** the Plan Commission of the City of Pewaukee by a majority vote of the entire Commission on September 19, 2024, recorded in its minutes, has adopted a resolution recommending to the Common Council the adoption of the Ordinance to Amend the City of Pewaukee Comprehensive Master Plan to change the Year 2050 Land Use/Transportation Plan of properties located at approximately N34W22407 Capitol Drive and W223N3481 Duplainville Road bearing Tax Key Numbers PWC 0912-983, PWC 0912-984, and PWC 0912-985 from Medium Density Residential (6,500 Sq. Ft. - 1/2 Ac. / D.U.) and Floodplains, Lowland & Upland Conservancy and Other Natural Areas to Governmental/Institutional and Floodplains, Lowland & Upland Conservancy and Other Natural Areas; and

**WHEREAS,** the City of Pewaukee held a public hearing upon this proposed Ordinance, in compliance with the requirements of Wis. Stat. § 66.1001(4)(d); the Common Council having received input from the public at a duly noticed public hearing on December 2, 2024; and

**NOW THEREFORE, BE IT RESOLVED,** by the Mayor and Common Council of the City of Pewaukee, Wisconsin, do ordain as follows:

**SECTION 1: Adoption**

The City of Pewaukee Comprehensive Master Plan is hereby amended to change the Year 2050 Land Use/Transportation Plan of properties located at approximately N34 W22407 Capitol Drive and W223 N3481 Duplainville Road bearing Tax Key Numbers PWC 0912-983, PWC 0912-984, and PWC 0912-985 from Medium Density Residential (6,500 Sq. Ft. - 1/2 Ac. / D.U.) and Floodplains, Lowland & Upland Conservancy and Other Natural Areas to Governmental/Institutional and Floodplains, Lowland & Upland Conservancy and Other Natural Areas.

**SECTION 2: Document Transmittal**

The City Common Council hereby directs the City Clerk/Treasurer to transmit a copy of the amendment as well as a signed copy of both the **Resolution Number PC 24-09-19** and this **Ordinance Number 24-10** to the Wisconsin Department of Administration, the Southeastern Wisconsin Regional Planning Commission, the Waukesha Park and Land Use Department, the Pewaukee Public Library and to each town, village and city that abuts the City of Pewaukee.

**SECTION 3: Severability**

The several sections and portions of this ordinance are declared to be severable. If any section or portion thereof shall be declared by a decision of a court of competent jurisdiction to be invalid, unlawful, or unenforceable, such decision shall apply only to the specific section or portion thereof directly specified in the decision, and shall not affect the validity of all other provisions, sections, or portions thereof of the ordinance. The remainder of the ordinance shall remain in full force and effect. Any other ordinances whose terms are in conflict with the provisions of this ordinance are hereby repealed as to those terms that conflict.

**SECTION 4: Effective Date**

This ordinance shall take effect immediately upon passage and posting of publication as provided by law.

Passed and adopted this 2<sup>nd</sup> day of December, 2024.

FOR THE COMMON COUNCIL OF THE CITY OF PEWAUKEE, WAUKESHA COUNTY, WISCONSIN

ATTEST:

\_\_\_\_\_  
Steve Bierce, Mayor

\_\_\_\_\_  
Kelly Tarczewski, Clerk/Treasurer



**CITY OF PEWAUKEE  
COMMON COUNCIL AGENDA ITEM 8.**

**DATE:** December 2, 2024

**DEPARTMENT:** Planning

**PROVIDED BY:**

***SUBJECT:***

Discussion and Possible Action Regarding **Ordinance 24-16** Rezoning the Vacant Property Located at the Southwest Corner of Duplainville Road and Capitol Drive (PWC 0912-983) and the Property Located at N34 W22407 Capitol Drive (PWC 0912-985) from Rs-1 Single-Family Residential to I-1 Urban Institutional, and to Rezone Property Located at W223 N3481 Duplainville Road (PWC 0912-984) from B-3 General Business to I-1 Urban Institutional for the Purpose of Constructing an Approximately 27,000 Square Foot Church as Requested by Shorepoint Church (*Plan Commission held and closed Public Hearing on 9/19/2024*)

***BACKGROUND:***

***FINANCIAL IMPACT:***

***RECOMMENDED MOTION:***

**ATTACHMENTS:**

Description

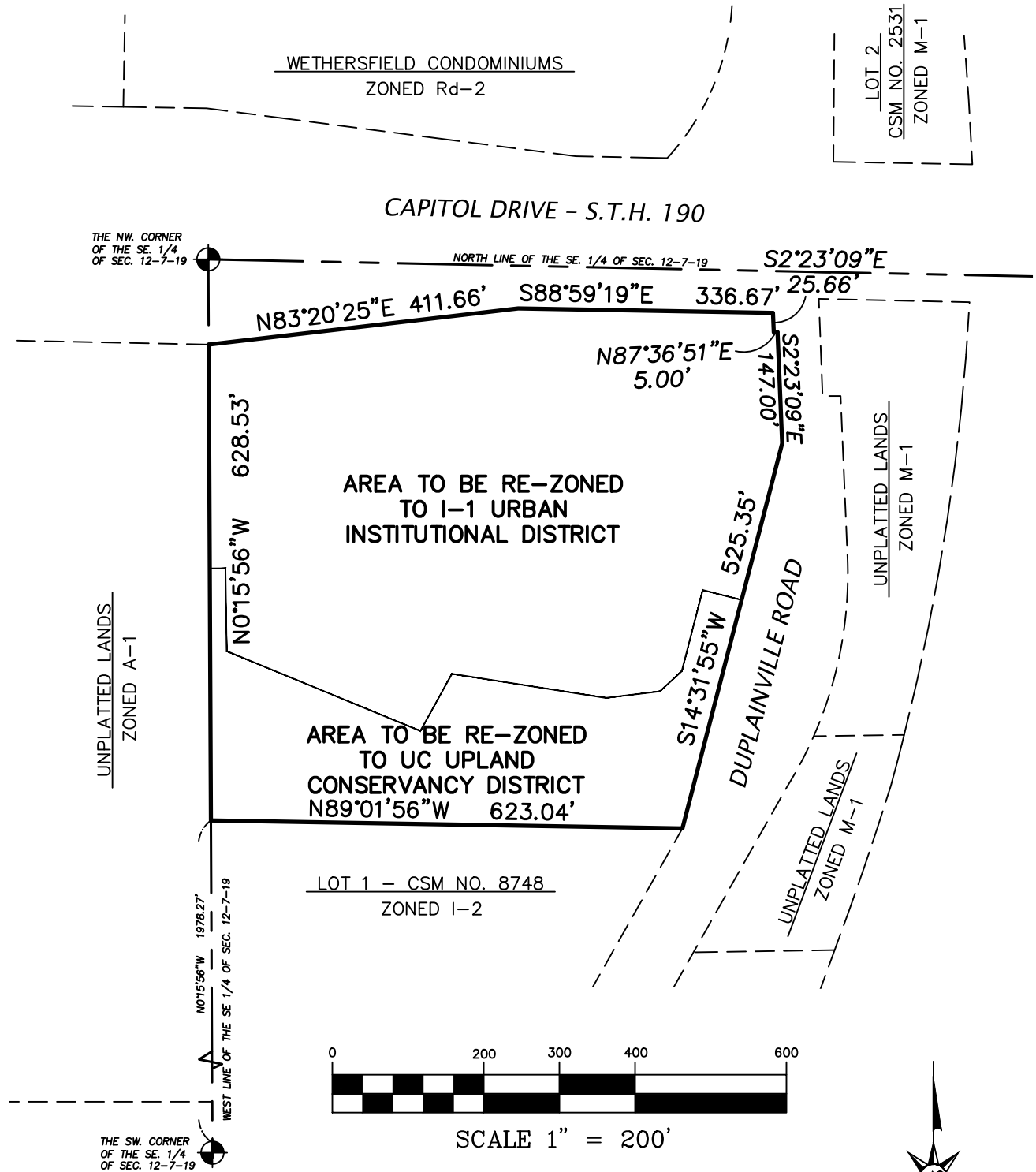
Shorepoint Church rezoning exhibit

Ordinance 24-16

# RE-ZONING - EXHIBIT

PART OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 12, TOWNSHIP 7 NORTH,  
RANGE 19 EAST, CITY OF PEWAUKEE, WAUKESHA COUNTY, WISCONSIN.

DATED 8-15-2024



**Bearing Reference:**

All Bearings are referenced to the West line of the SE. 1/4 SEC. 12-7-19, which bears  $N0^{\circ}15'56''W$  (NAD-83)

**Prepared For:**

Shorepoint Church



www.thesigmagroup.com  
1300 West Canal Street  
Milwaukee, WI 53233  
Phone: 414-643-4200  
Fax: 414-643-4210

# RE-ZONING - EXHIBIT

PART OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 12, TOWNSHIP 7 NORTH,  
RANGE 19 EAST, CITY OF PEWAUKEE, WAUKESHA COUNTY, WISCONSIN.

## LEGAL DESCRIPTION

All of Certified Survey Map No. 1295, and Lands, all being part of the Northwest 1/4 of the Southeast 1/4 of Section 12, Town 7 North, Range 19 East, in the City of Pewaukee, Waukesha County, Wisconsin, bounded and described as follows:

Commencing at the Southwest corner of the Southeast 1/4 of said Section 12; thence  $N0^{\circ}15'56''W$  along the West line of said 1/4 Section, 1978.27 feet to the point of beginning of lands to be described; thence continuing  $N0^{\circ}15'56''W$  along the West line of said 1/4 Section, 628.53 feet to a point in the South right of way line of Capitol Drive (S.T.H. 190); thence  $N83^{\circ}20'25''E$  along said South right of way line, 411.66 feet; thence  $S88^{\circ}59'19''E$  along said South right of way line, 336.67 feet to a point in the Westerly right of way of Duplainville Road, said point also being the Northeasterly corner of Certified Survey Map (CSM) No. 1295, thence  $S2^{\circ}23'09''E$  along said Westerly right of way line and the Easterly line of said CSM, 25.66 feet; thence  $N87^{\circ}36'51''E$  along said Westerly right of way line and the Easterly line of said CSM, 5.00 feet, thence  $S2^{\circ}23'09''E$  along said Westerly right of way line and the Easterly line of said CSM, 147.00 feet to a point; thence  $S14^{\circ}31'55''W$  along said Westerly right of way line and the Easterly line of said CSM, 525.35 feet, thence  $N89^{\circ}01'56''W$ , 623.04 feet to the point of beginning.

Said lands containing 10.814 acres of land, more or less.

DATED 8-15-2024



www.thesigmagroup.com  
1300 West Canal Street  
Milwaukee, WI 53233  
Phone: 414-643-4200  
Fax: 414-643-4210

Prepared For:  
Shorepoint Church

ORDINANCE 24-16

TO AMEND THE ZONING MAP OF THE CITY OF PEWAUKEE, WAUKESHA COUNTY, WISCONSIN

The Common Council of the City of Pewaukee, Waukesha County, Wisconsin do ordain that the Zoning Map of the City of Pewaukee, Wisconsin is hereby amended to change the zoning classification of the property described below as follows:

FROM: RS-1 Single Family Residential & B-3 General Business

TO: I-1 Urban Institutional & UC Upland Conservancy

SECTION 1 - DESCRIPTION

Common Description:

ALL OF CERTIFIED SURVEY MAP NO. 1295, AND LANDS, ALL BEING PART OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 12, TOWN 7 NORTH, RANGE 19 EAST, IN THE CITY OF PEWAUKEE, WAUKESHA COUNTY, WISCONSIN, BOUNDED AND DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF THE SOUTHEAST 1/4 OF SAID SECTION 12; THENCE N0°15'56"W ALONG THE WEST LINE OF SAID 1/4 SECTION, 1978.27 FEET TO THE POINT OF BEGINNING OF LANDS TO BE DESCRIBED; THENCE CONTINUING N0°15'56"W ALONG THE WEST LINE OF SAID 1/4 SECTION, 628.53 FEET TO A POINT IN THE SOUTH RIGHT OF WAY LINE OF CAPITOL DRIVE (STH 190); THENCE N83°20'25"E ALONG SAID SOUTH RIGHT OF WAY LINE, 411.66 FEET; THENCE S88°59'19"E ALONG SAID SOUTH RIGHT OF WAY LINE, 336.67 FEET TO A POINT IN THE WESTERLY RIGHT OF WAY OF DUPLAINVILLE ROAD, SAID POINT ALSO BEING THE NORTHEASTERLY CORNER OF CERTIFIED SURVEY MAP (CSM) NO. 1295, THENCE S2°23'09"E ALONG SAID WESTERLY RIGHT OF WAY LINE AND THE EASTERLY LINE OF SAID CSM, 25.66 FEET; THENCE N87°36'51"E ALONG SAID WESTERLY RIGHT OF WAY LINE AND THE EASTERLY LINE OF SAID CSM, 5.00 FEET, THENCE S2°23'09"E ALONG SAID WESTERLY RIGHT OF WAY LINE AND THE EASTERLY LINE OF SAID CSM, 147.00 FEET TO A POINT; THENCE S14°31'55"W ALONG SAID WESTERLY RIGHT OF WAY LINE AND THE EASTERLY LINE OF SAID CSM, 525.35 FEET, THENCE N89°01'56"W, 623.04 FEET TO THE POINT OF BEGINNING. SAID LANDS CONTAINING 10.814 ACRES OF LAND, MORE OR LESS.

Tax Key Numbers: PWC 0912-983, PWC 0912-984, PWC 0912-985

Address: Vacant land on Capitol Drive, W223 N3481 Duplainville Road, N34 W22407 Capitol Drive

This Amendment to the Zoning Map (Change in zoning) is being proposed for the purpose of: constructing a 27,000 square foot church.

SECTION 2 –SEVERABILITY

The several sections of this Ordinance are declared to be severable. If any section shall be declared by a decision of a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the other provisions of the Ordinance.

SECTION 3 - ACTION

This Ordinance shall take effect upon passage and posting.

Dated this 2<sup>nd</sup> day of December, 2024.

COMMON COUNCIL OF THE CITY OF PEWAUKEE

WAUKESHA COUNTY, WISCONSIN

Attest:

\_\_\_\_\_  
Steve Bierce, Mayor

\_\_\_\_\_  
Kelly Tarczewski, Clerk/Treasurer

**CITY OF PEWAUKEE  
COMMON COUNCIL AGENDA ITEM 9.**

**DATE:** December 2, 2024

**DEPARTMENT:** Planning

**PROVIDED BY:**

***SUBJECT:***

Discussion and Possible Action Regarding a Certified Survey Map for Shorepoint Church for Property Located at the Southwest Corner of Duplainville Road and Capitol Drive (PWC 0912-983, PWC 0912-984, PWC 0912-985) for the Purpose of Combining Three Existing Parcels in Order to Construct Approximately a 27,000 Square Foot Church [Fuchs]

***BACKGROUND:***

***FINANCIAL IMPACT:***

***RECOMMENDED MOTION:***

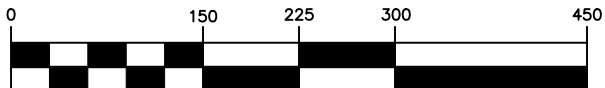
**ATTACHMENTS:**

Description

Shorepoint Church CSM

CERTIFIED SURVEY MAP NO. \_\_\_\_\_

ALL OF CERTIFIED SURVEY MAP NO. 1295, AND LANDS, ALL BEING PART OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 12, TOWN 7 NORTH, RANGE 19 EAST, IN THE CITY OF PEWAUKEE, WAUKESHA COUNTY, WISCONSIN.



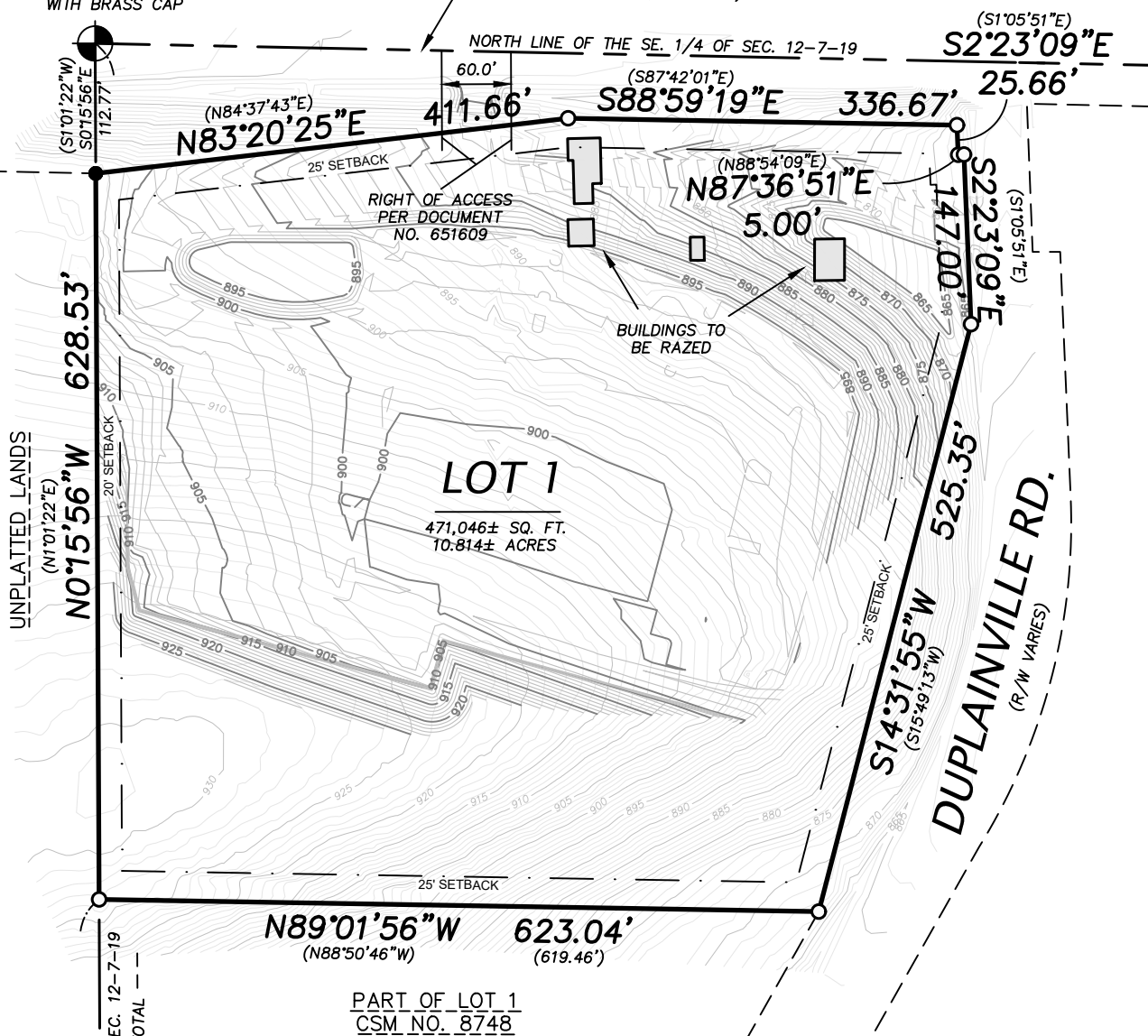
www.thesigmagroup.com  
 1300 West Canal Street  
 Milwaukee, WI 53233  
 Phone: 414-643-4200  
 Fax: 414-643-4210

SCALE 1" = 150'

THE NW. CORNER OF THE SE. 1/4 OF SEC. 12-7-19 CONC. MONUMENT WITH BRASS CAP

**CAPITOL DR. - S.T.H. 190**

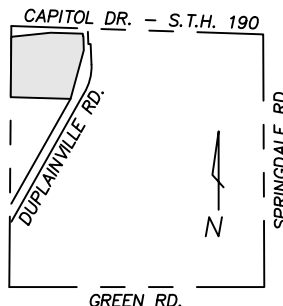
(R/W VARIES)



**LEGEND**

- - DENOTES 1.315"X18" STEEL PIPE WEIGHING 1.13 LBS. PER LINEAL FOOT (SET)
- - DENOTES STEEL PIPE (FOUND)
- ( ) - DENOTES ALSO RECORDED AS

ALL BEARINGS REFERENCED TO GRID NORTH OF THE WISCONSIN STATE PLANE COORDINATE SYSTEM, SOUTH ZONE (WEST LINE OF THE SE. 1/4 OF SECTION 12-7-19 WHICH BEARS N015°56'W) DATUM NAD-83



**LOCATION MAP**

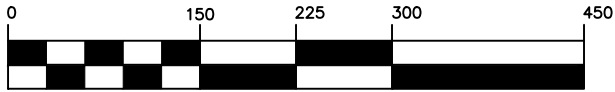
SOUTHEAST 1/4 SEC. 12-7-19 (SCALE 1"=2000')

**OWNER :**  
 SHOREPOINT CHURCH  
 c/o BRIAN ENGEL  
 19900 RIVER ROAD  
 BROOKFIELD, WI 53005

WEST LINE OF THE SE 1/4 OF SEC. 12-7-19 2719.57' TOTAL  
 N015°56'W (N1°01'22'E)  
 1978.27'  
 THE SW. CORNER OF THE SE. 1/4 OF SEC. 12-7-19 CONC. MONUMENT WITH BRASS CAP

CERTIFIED SURVEY MAP NO. \_\_\_\_\_

ALL OF CERTIFIED SURVEY MAP NO. 1295, AND LANDS, ALL BEING PART OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 12, TOWN 7 NORTH, RANGE 19 EAST, IN THE CITY OF PEWAUKEE, WAUKESHA COUNTY, WISCONSIN.



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SCALE 1" = 150'

THE NW. CORNER  
OF THE SE. 1/4  
OF SEC. 12-7-19  
CONC. MONUMENT  
WITH BRASS CAP

**CAPITOL DR. - S.T.H. 190**

(R/W VARIES)

NORTH LINE OF THE SE. 1/4 OF SEC. 12-7-19

STORM WATER MAINTENANCE  
ACCESS EASEMENT

PROPOSED  
STORM SEWER  
(TYP)

**LOT 1**

471,046± SQ. FT.  
10.814± ACRES

PROPOSED WATER MAIN  
(TYP)

PROPOSED  
SANITARY SEWER  
(TYP)

**DUPLAINVILLE RD.**  
(R/W VARIES)

WEST LINE OF THE SE 1/4 OF SEC. 12-7-19  
1978.27'

(N1°01'22"E)  
N0°15'56"W

THE SW. CORNER  
OF THE SE. 1/4  
OF SEC. 12-7-19  
CONC. MONUMENT  
WITH BRASS CAP



CERTIFIED SURVEY MAP NO. \_\_\_\_\_

*ALL OF CERTIFIED SURVEY MAP NO. 1295, AND LANDS, ALL BEING PART OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 12, TOWN 7 NORTH, RANGE 19 EAST, IN THE CITY OF PEWAUKEE, WAUKESHA COUNTY, WISCONSIN.*

SURVEYOR'S CERTIFICATE

I, James G. Schneider, Professional Land Surveyor, do hereby certify:

THAT I have surveyed, divided and mapped the following parcel of land:

All of Certified Survey Map No. 1295, and Lands, all being part of the Northwest 1/4 of the Southeast 1/4 of Section 12, Town 7 North, Range 19 East, in the City of Pewaukee, Waukesha County, Wisconsin, bounded and described as follows:

Commencing at the Southwest corner of the Southeast 1/4 of said Section 12; thence N0°15'56"W along the West line of said 1/4 Section, 1978.27 feet to the point of beginning of lands to be described; thence continuing N0°15'56"W along the West line of said 1/4 Section, 628.53 feet to a point in the South right of way line of Capitol Drive (S.T.H. 190); thence N83°20'25"E along said South right of way line, 411.66 feet; thence S88°59'19"E along said South right of way line, 336.67 feet to a point in the Westerly right of way of Duplainville Road, said point also being the Northeasterly corner of Certified Survey Map (CSM) No. 1295, thence S2°23'09"E along said Westerly right of way line and the Easterly line of said CSM, 25.66 feet; thence N87°36'51"E along said Westerly right of way line and the Easterly line of said CSM, 5.00 feet, thence S2°23'09"E along said Westerly right of way line and the Easterly line of said CSM, 147.00 feet to a point; thence S14°31'55"W along said Westerly right of way line and the Easterly line of said CSM, 525.35 feet, thence N89°01'56"W, 623.04 feet to the point of beginning.

Said lands containing 10.814 acres of land, more or less.

That I have made such survey, land division, and plat at the direction of Shorepoint Church, OWNER of said lands.

That such map is a correct representation of all the exterior boundaries of the land surveyed and the land division thereof made.

That I have complied with Chapter 236.34 of the Wisconsin Statutes and the Regulations of the City of Pewaukee in surveying, dividing, and mapping the same.

---

James G. Schneider S-2127

This instrument was drafted by James G. Schneider

Sheet 3 of 5 Sheets

CERTIFIED SURVEY MAP NO. \_\_\_\_\_

*ALL OF CERTIFIED SURVEY MAP NO. 1295, AND LANDS, ALL BEING PART OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 12, TOWN 7 NORTH, RANGE 19 EAST, IN THE CITY OF PEWAUKEE, WAUKESHA COUNTY, WISCONSIN.*

CORPORATE OWNER'S CERTIFICATE

I, Brian Engel (Pastor) of Shorepoint Church, OWNER, do hereby certify: THAT, I have caused the lands described in the foregoing certificate of James G. Schneider, Surveyor, to be surveyed, divided, and mapped.

WITNESS the hand and seal of said OWNERS on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Brian Engel (Pastor)

STATE OF WISCONSIN)

WAUKESHA COUNTY )<sup>ss</sup>

PERSONALLY came before me on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ the above named Brian Engel (Pastor) to me known to be the person who executed the foregoing certificate and acknowledged the same.

\_\_\_\_\_  
Notary Public

My Commission expires \_\_\_\_\_

This instrument was drafted by James G. Schneider

CERTIFIED SURVEY MAP NO. \_\_\_\_\_

*ALL OF CERTIFIED SURVEY MAP NO. 1295, AND LANDS, ALL BEING PART OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 12, TOWN 7 NORTH, RANGE 19 EAST, IN THE CITY OF PEWAUKEE, WAUKESHA COUNTY, WISCONSIN.*

CITY OF PEWAUKEE PLAN COMMISSION APPROVAL

APPROVED by the City of Pewaukee Plan Commission on this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

\_\_\_\_\_  
Steve Bierce, Chairman

\_\_\_\_\_  
Date

\_\_\_\_\_  
Ami Hurd, Deputy Clerk

\_\_\_\_\_  
Date

COMMON COUNCIL CERTIFICATE OF APPROVAL

I certify that this Certified Survey Map was approved under Resolution File No. \_\_\_\_\_, adopted by the Common Council of the City of Pewaukee on \_\_\_\_\_, and is hereby approved.

\_\_\_\_\_  
Steve Bierce, Village President

\_\_\_\_\_  
Date

\_\_\_\_\_  
Ami Hurd, Deputy Clerk

\_\_\_\_\_  
Date

This instrument was drafted by James G. Schneider

Sheet 5 of 5 Sheets

**CITY OF PEWAUKEE  
COMMON COUNCIL AGENDA ITEM 10.**

**DATE:** December 2, 2024

**DEPARTMENT:** Planning

**PROVIDED BY:**

***SUBJECT:***

Discussion and Possible Action Regarding a Conditional Use Permit for Autumn Hill Academy for Property Located at N25 W23050 Paul Road (PWC 0917-995-006) for the Purpose of a Proposed Public Charter School [Fuchs]

***BACKGROUND:***

***FINANCIAL IMPACT:***

***RECOMMENDED MOTION:***

**ATTACHMENTS:**

Description

Autumn Hill Academy staff report 10.17.24

Autumn Hill Academy traffic plan

Autumn Hill Academy narrative

Autumn Hill Academy occupancy letter

Autumn Hill Academy exterior entry paint

Autumn Hill Academy traffic control plan

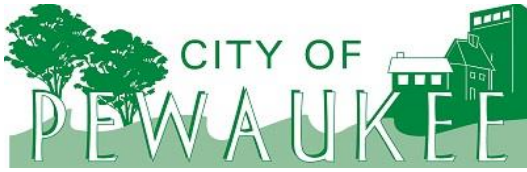
B-4 District

B-5 District

B-6 District

Autumn Hill Academy Cecilia Coons email 10.17.24

Autumn Hill Academy draft Conditional Use Permit



**Office of the Planner & Community Development Director**  
W240 N3065 Pewaukee Road  
Pewaukee, Wisconsin 53072  
Phone (262) 691-0770 Fax (262) 691-1798  
[fuchs@pewaukee.wi.us](mailto:fuchs@pewaukee.wi.us)

## REPORT TO THE PLAN COMMISSION

Meeting of October 17, 2024

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**Date:** October 10, 2024

**Project Name:** Autumn Hill Academy Conditional Use

**Project Address/Tax Key No.:** N25W23050 Paul Road / PWC 0917995006

**Applicant:** Autumn Hill Academy

**Property Owner:** Daily Bread LLC

**Current Zoning:** B-6 Mixed Use Business District

**2050 Land Use Map Designation:** Manufacturing/Fabrication/Warehousing

**Use of Surrounding Properties:** M-4 zoned properties to the north, south, and west and B-1, B-6, and M-1 zoned properties to the east

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### Project Description

The applicant, Autumn Hill Academy, filed a Conditional Use Permit requesting approval to locate within an existing building at N25W23050 Paul Road.

Autumn Hill Academy is a public charter school sponsored through the University of Wisconsin-Milwaukee. The school will initially include grades sixth through tenth with plans to add grades eleventh and twelfth. The school will initially be available to 216 students with plans to have a maximum enrollment of 360 students in subsequent years. Note the maximum enrollment was revised following a previous letter referenced by the applicant as Attachment 1 that states an enrollment of up to 432 students.

Hours of operation are primarily between 7:30 a.m. to 4:45 p.m., Monday through Friday, with occasional events being held outside of those days and times.

The applicant is proposing to paint the existing blue accents on the building, but otherwise, no exterior site or building modifications are proposed.

### Zoning/Use

The property is zoned B-6 Mixed Use Business District and is designated as Manufacturing/Fabrication/Warehousing on the City's 2050 Future Land Use Map. The proposed use is not specifically listed within the B-6 District; however, the B-6 District does allow, as a Conditional Use, "Any retail, service or office use that is compatible with those uses listed above as determined by the Plan Commission."

The uses allowed within the B-6 District include those Permitted and Conditional Uses allowed within the B-4 and B-5 zoning districts. These zoning districts are attached for Plan Commission review of uses. Generally, the B-4 District allows office type uses as well as studios for fine arts. The B-5

District allows uses that are generally compatible with and dependent upon highway traffic or serving the needs of highway traffic.

In staff's opinion, the most similar use is below, which is Permitted in the B-4 District. A school, however, is at a much larger scale than a studio type use. As such, if considered for approval, the Plan Commission should consider how this site and location accommodates such a use to ensure there are no conflicts or adverse impacts to the surrounding area.

Studios for photography, painting, music, sculpture, dance, or other recognized fine art.

The applicant's narrative includes surrounding uses that they find to be similar with the proposed use, such as CESA #1 Learning Center West and Pewaukee Insight, which both offer student learning opportunities. These schools are both located across the street from the subject property at N25W23131 Paul Road. Note this property is zoned M-4 Industrial Park.

It should be noted that rezoning the property to the I-1 District to accommodate the school use is an option, opposed to the Conditional Use process; however, staff would not support a rezoning of the subject property considering its potential long-term use and the comprehensive master plan future land use designation.

If allowed, staff suggests that the Plan Commission limit enrollment to a certain capacity and require the applicant to return to the Plan Commission and Common Council to amend the Conditional Use to allow for greater enrollment. This will help ensure that the use is compatible with the zoning district and the site is adequate to accommodate the proposed enrollment.

#### Traffic and Parking

The subject parcel is located on the northwest corner of Paul Road and Redford Boulevard (CTH F). The parking lot to the east of the building contains 77 parking spaces and 17 parking spaces are located in front of the building for a total of 94 parking spaces. According to the applicant there are 26 staff members at full enrollment, and they anticipate 22 student drivers.

Considering the Zoning Code suggested parking minimum below, staff calculates that 85 parking spaces are recommended for this use, based upon 26 staff members and 216 students 16 years of age or older.

Colleges, secondary schools, and elementary schools.

One (1) space for each two (2) employees plus One (1) space for each three (3) students of 16 years of age or more.

Staff has met with the applicant and expressed significant concerns related to traffic and parking. Staff indicated concerns regarding queueing and the potential for cars to back up onto Paul Road and Highway F. The school use will also potentially create a significant amount of traffic heading north and turning left from Highway F onto Paul Road.

Staff also mentioned concerns about the use of the parking lot while cars are queuing onsite. A substantial number of cars queuing will make it difficult for the faculty and students to utilize parking spaces.

To address these concerns, the applicant has provided a Traffic Control Plan (Attachment 3). This plan generally states that cars will enter the westernmost drive of the site to allow for cars to queue through the entire front and east side of the property.

The applicant also indicated that the school will initially issue only 50 “car passes” that will allow for family drop-off and pick-up at the school. If it appears more can be accommodated, the school will then propose to issue more. Staff recommends that the school shall issue no more than fifty car passes allowing students to be dropped-off and picked-up at the school property. Plan Commission and Common Council review and approval of an amendment to the Conditional Use Permit shall be required to allow for the issuance of any additional car passes for drop-off and pick-up at the school.

The school plans to hire school busses to transport students from designated “cluster stops.” It is anticipated that three to four buses will be utilized and potentially increase to five or six at full enrollment. Moreover, the school intends to stagger bus arrival times, so not all buses will arrive at the school at the same time. Staff is concerned with bus turning movements onsite. Staff recommends that the applicant provide a plan, for Plan Commission review and approval, which illustrates bus turning movements throughout the site and demonstrates there is no interference with other vehicles, particularly the two-way traffic along the front or south side of the building.

According to the applicant, car arrivals will also be staggered as the school offers an optional soft start from 8:00 a.m. to 8:40 a.m. Departures are also anticipated to be staggered as some students will have after-school activities. The start time of middle school and high school grade levels will only be staggered if determined necessary to ease and control traffic volumes.

The applicant also stated that student departures will not be allowed until the pick-up line has dissipated to help with congestion within the parking lot.

If approved, staff recommends that the applicant shall follow the Traffic Control Plan, dated October 7, 2024, and provided as Attachment 3. Failure to adhere to the Traffic Control Plan shall result in Plan Commission and Common Council review of the Conditional Use Permit and possible revocation.

### **Recommendation**

Staff recommends denial of the proposed school use based upon the compatibility of the use with other uses listed within the B-6 District as well as the concerns expressed in this staff report related to traffic and parking.

If the Plan Commission wishes to allow this use, staff recommends requiring the conditions of approval that are underlined and italicized in this report.



## Traffic Plan Amendment

November 11, 2024

### Bus Turning Radius:

- Attached is an assessment from a professional engineer showing satisfactory bus turning radius.
- To ensure buses can make the turns, staff will be posted at both the entry and exit merge points and keep turning radius areas clear.

### Fire Truck Turning Radius:

- Attached is an assessment from a professional engineer showing satisfactory bus turning radius.
- When a car line is present, fire trucks will be directed to the West building entry, where they are not impacted by the car route.
- As soon as a fire alarm sounds, school personnel will immediately clear any car traffic in front of the building so that by the time the emergency vehicle arrives, a second entry option is available.

### Student Drivers:

Autumn Hill Academy will not issue more than 22 student parking passes. This is achievable because:

- In year one, Autumn Hill will only offer grades 6-10 and there will be no student drivers.
- In year two, there will be a maximum of 24 students in the 11<sup>th</sup> grade. 22 student parking passes will exceed demand.
- In year three, there will be a maximum of 48 students in the 11<sup>th</sup> grade and 24 students in the 12<sup>th</sup> grade. We will prioritize issuing parking passes to seniors.
- **By year four, Autumn Hill Academy will need to either make significant changes to the property or move to a different site.**

### Occupancy Limit:

- The conditional use permit needs to specifically limit occupancy to 386 people to satisfy building code requirements.



**TRANSMITTAL**


**To:** Mr. Glen Luther  
**Project Name:** Autumn Hill Charter School Circulation Assessment  
**Project Number:** \_\_\_\_\_  
**Date:** November 8, 2024

<b>The Items Below are Transmitted:</b>	<b>Via:</b>
For Your Information _____	U.S. Mail _____
For Your Use <u>X</u> _____	UPS Ground Delivery _____
For Your Approval _____	UPS Next Day Air - Early AM (by 8:00am) _____
As Requested _____	UPS Next Day Air - (by 10:30am) _____
For Your Review and Comment _____	UPS Next Day Air - Saver (by 3:00pm) _____
	Messenger Service - Priority _____
	Messenger Service - Regular _____
	Pick-Up _____
	Personal Delivery _____

<b>Copies/Date/Description:</b>		
1	11/6/24	School Bus Movement Exhibit
1	11/6/24	Fire Truck Movement Exhibit

**Remarks:** Hello Glen, attached please find two truck turning exhibits for the Autumn Hill school site, one for a standard school bus and one for a standard fire truck. The bus routing shown is based on the proposed bus drop-off and pick-up routes. The fire truck routing was selected to show access to all paved areas around the building. Both exhibits show the site will accommodate the anticipated maneuvers for buses and fire trucks, and the exhibits should satisfy the City's questions/comments regarding internal circulation.

**Copies to:**

**Signed:**   
 \_\_\_\_\_  
 Patrick E Hawley, P.E., PTOE, RSP1  
 Assistant Director of Transportation Services  
 Senior Traffic Project Manager







## Autumn Hill Academy Project Narrative

October 7, 2024

### **Introduction**

Autumn Hill Academy is a new public charter school that has applied for charter authorization through the University of Wisconsin at Milwaukee (UWM). On September 30, 2024, UWM's Office of Charter School's review committee approved the school to begin charter contract negotiations.

There is overwhelming community support for Autumn Hill Academy. We recently surveyed 462 people and found 86.5% of respondents supported the establishment of the school.

We plan to open in the fall of 2025 serving grades 6-10, and gradually add grades 11 and 12 as students promote. In our inaugural year, we will have seats available for 216 students, rising to 360 students in year 3. More detailed information about our enrollment plan is described in Attachment 1: Letter to Nick Fuchs dated 9/23/24.

### **Proposed Location - Hausmann Building**

Our survey found that the greatest enrollment interest is coming from families in Waukesha, Sussex and Oconomowoc. Our proposed location in Pewaukee is within commuting distance of these locations and is accessible to most residents of Waukesha County.

We seek to occupy a building located at N25W23050 Paul Road, which is currently owned by Daily Bread, LLC and leased to the Hausmann Group (the "Hausmann Building"). The building will not support enrollment of more than 360 students without significant remodeling. (See Attachment 1). We have negotiated a short-term lease to keep our options open.

At this time, we are seeking a conditional use permit allowing maximum occupancy of 386 people, which is sufficient to accommodate our student and staff population for three years (possibly longer if enrollment growth is slower than expected). There are buildings within the Riverwood Corporate Center that might better accommodate our long-term growth plan, but are too large and expensive for us at this time.

### **Building Improvements**

We intend to avoid interior remodeling projects in our first few years of operation. During the 2025-26 school year, teaching will occur in spaces large enough to serve as classrooms and other square footage

will be left unused. We will install lock mechanisms and exit bars on exterior doors and complete other upgrades as needed to ensure safety and building code compliance.

We plan to update the accent paint surrounding the main exterior entry, which is currently faded and water-stained. A rendering of this exterior change is included as Attachment 2. No other changes to the exterior of the building are planned except for the replacement of existing signage panels, for which we will request approval at a later date.

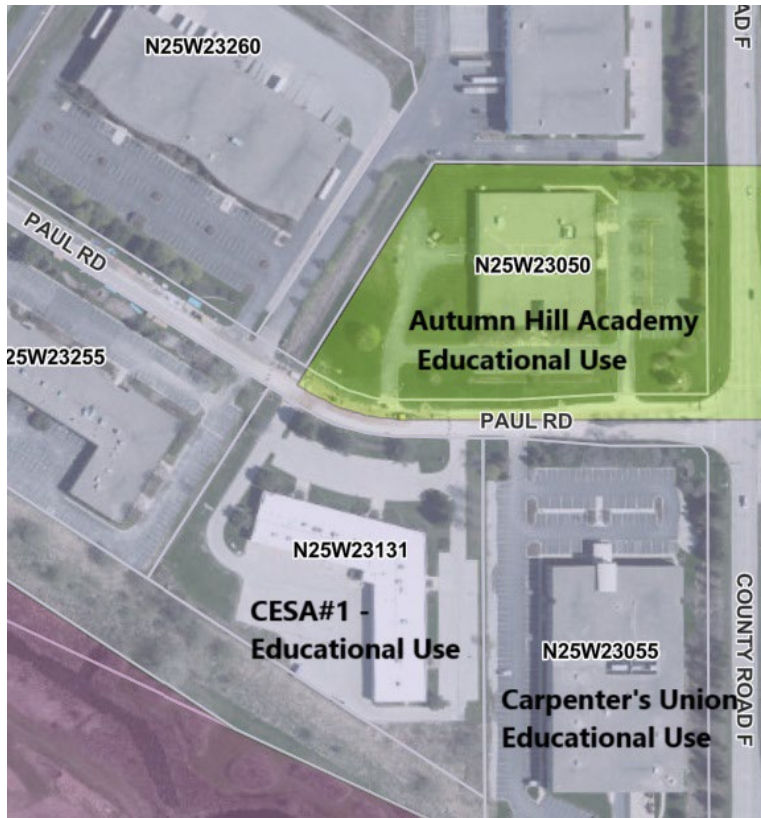
### **Zoning**

The Hausmann Building is currently zoned B-6 and we are requesting a conditional use permit to use it as a school. We are not seeking zoning reclassification to “Institutional” use because our lease is short-term. If we exit the building, flexibility is needed for the next tenant to continue using the property as commercial office space.

The building is located within the Pewaukee Business Park. Our school will constitute a service use compatible with the following other conditional uses:

- Our school is compatible with “Research and Development”, as our use involves learning and discovery;
- Our school is compatible with “Day Care Facilities”, as our use involves the supervision and education of minors;
- Our school is compatible with “Studios for photography, painting, music, sculpture, dance or other recognized fine art”, as our use involves arts education and arts skill development;
- Our school is compatible with “State certified adult day care facilities,” as our use involves oversight of individuals who are not legally competent adults;
- Our school is compatible with “Clinics”, in that Autumn Hill Academy’s school design is built around well-being and includes curriculum on mental health, including techniques for regulating emotions and anxiety. We plan to allow independent therapists to use our facilities in providing mental health services to students.

Two other properties neighboring the building are already used for educational purposes. Across the street, CESA #1 uses building space for a high school credit recovery school, with up to 50 high school students coming to the program for morning and afternoon sessions. The Pewaukee School District also leases space within the CESA building, educating teens in a program referred to as the “Insight School.” The Carpenters Union, also across the street, provides education and apprenticeship programs. Autumn Hill Academy would complement these 3 existing schools and create a compact triangle of buildings used for educational purposes.



### **Hours of Operation**

Our normal hours of operation will be Monday through Friday, 7:30am to 4:45pm. We will occasionally hold special events on evenings and weekends. Because the building does not contain a gym or other space suitable for large gatherings, we intend to partner with the Sharon Lynn Wilson Center or other local facilities and hold large-attendance events offsite.

### **Parking & Traffic**

We recognize the importance of avoiding any back-up of traffic on Paul Road or Highway F and have included a comprehensive Traffic Control Plan as Attachment 3.



# Attachment 1

Nick Fuchs  
 Planner & Community Development Director  
 City of Pewaukee  
 W240N3065 Pewaukee Road  
 Pewaukee, WI 53072

September 23, 2024

John Cunningham  
 Director of Operations, E-Plan Exam  
 12605 W. North Avenue #189  
 Brookfield, WI 53005

Dear Nick and John,

During the preparation of our Conditional Use Evaluation, we learned that the intended Autumn Hill Academy school building currently meets code requirements for plumbing fixtures so long as the building educational occupancy does not exceed 392 people. We would like to clarify that due to the building’s configuration, it is not possible to exceed this occupancy. Much of the space in the building is built out as small offices, which can’t be used for classrooms.

Attached is a floor plan showing there are only 16 spaces in the building that are suitable for classrooms. We plan to have a maximum of 24 students in most classes (a “section”). This number is not only driven by educational preferences, but also building design. Many of the classroom spaces are only large enough for 24 students. Two spaces can only hold 18-20 students (Specials Classroom # 13 and Phys Ed Space #16), requiring that one section be split during the day and consume two rooms. Below is a chart showing our school growth plan:

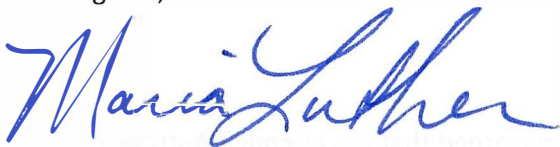
<b>Grade</b>	<b>Y1 (25-26)</b>	<b>Y2 (26-27)</b>	<b>Y3 (27-28)</b>	<b>Y4 (28-29)</b>	<b>Y5 (29-30)</b>
Grade 6	48	48	48	48	48
Grade 7	48	48	48	48	48
Grade 8	48	48	48	48	48
Grade 9	48	72	72	72	72
Grade 10	24	48	72	72	72
Grade 11		24	48	72	72
Grade 12			24	48	72
<b>TOTAL STUDENTS</b>	<b>216</b>	<b>288</b>	<b>360</b>	<b>408</b>	<b>432</b>
<b>TOTAL SECTIONS</b>	<b>9</b>	<b>12</b>	<b>15</b>	<b>17</b>	<b>18</b>

One teacher is needed for each of the 16 sections, plus we will have 5 administrators and 5 special education teachers/paraprofessionals. In summary, Autumn Hill Academy is expected to reach a maximum capacity of 386 people by year 3, and will be capped at that number due to the current building configuration.

Our enrollment plan presumes a large-scale building remodel (or exit from the building) after our third year of operation. During a building remodel, we would be required to obtain building permits, allowing the City of Pewaukee to enforce code requirements applicable to a larger building occupancy. At such time, we would expect to re-evaluate the plumbing fixtures and comply with the required number of fixtures.

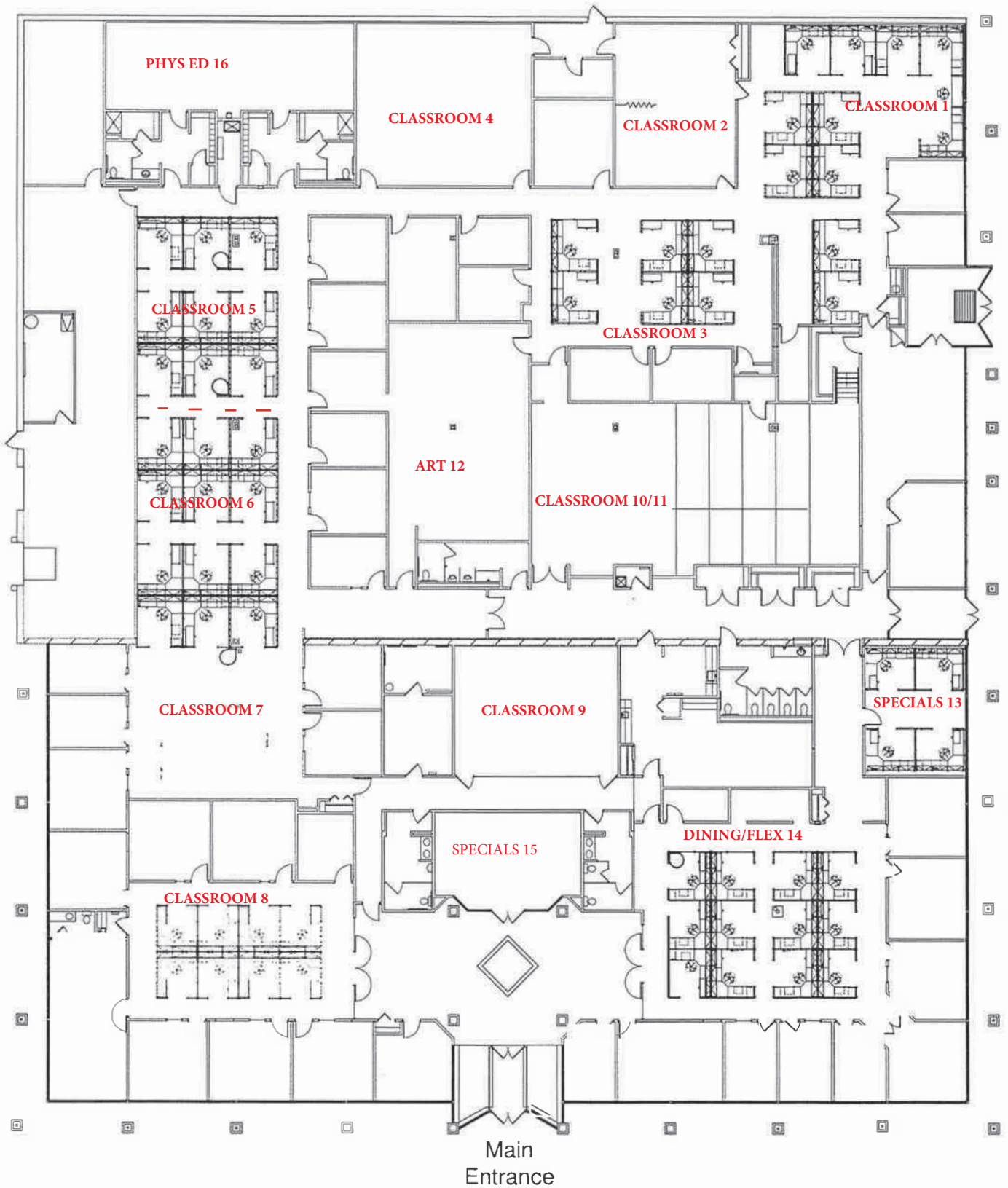
In conclusion, we are asking that Pewaukee consider the physical reality that our school occupancy cannot and will not exceed 386 people, and apply code requirements applicable to that number.

Best regards,



Maria Luther  
Board Chair, Autumn Hill Academy  
2420 Milwaukee Street  
Delafield, WI 53018  
(414) 312-0259





Attachment 2: Exterior Entry Accent Paint

Current:



Proposed by Autumn Hill Academy:





- Families will hang car passes on their rearview mirrors and staff attendants will watch to ensure each car dropping off or picking up students has one displayed. Families without annual passes will be issued 3 “drop cards” and 3 “pick up” cards that can be used to drive a student to school if they miss the bus, are bringing a large object to school, or otherwise are in need of an exception.
- If a vehicle arrives without an annual pass and fails to produce a drop card/pick-up card, the student’s name will be noted and a monetary fine will be added to their school account. Fines will increase with repeat violations and disciplinary action may be pursued in cases of egregious policy disregard.

### **Bus Cluster Stops**

- We will hire school busses to transport students from designated “cluster stops” within Waukesha County to the school building.
- We anticipate 3-4 busses in our first year, rising to 5-6 when enrollment reaches 360 students. Bus arrivals and departures will be staggered to avoid having all of the busses on school property at the same time.

### **Staggered Arrival/Departure Times**

- There will be natural staggering of car arrivals in the morning because of the schools’ optional “soft start” activity period, which runs from 8:00am to 8:40am. Breakfast will be served during this time and optional activities will be offered such as study hall, independent reading, weight training and yoga. The regular school day will begin at 8:40am.
- There will be a natural staggering of car departures in the afternoon because of the school’s after-school activities and programs. The ending times for extra-curricular activities will be intentionally varied so that students depart at different times.
- If we encounter traffic difficulties, we will stagger school hours for middle school and high school students. We do not anticipate this will be needed.

### **Parking**

- The building has 94 parking spaces.
- We plan to have 26 staff members in our third year and anticipate 22 student drivers. Our student numbers are based on the assumption that 20% of juniors will drive and 50% of seniors will drive (class sizes of 48 and 24, respectively).
- According to our projections, only half of the parking spots will be occupied by year 3.
- The movement of the car line will not be significantly disrupted by student drivers arriving at the school because turning into a parking spot is a momentary process and there will be many spots to choose from.
- Congestion and safety concerns are more apt to arise when students are leaving because they need to back up out of parking spots. To alleviate this issue, student drivers will not be permitted to leave the building until the car line has dissipated and staff issue a student release announcement (we estimate a 10-minute delay). Violations may result in the revocation of the student’s parking privileges.
- Student drivers will be required to use designated crossing areas, monitored by a staff member.

### **Staff Monitoring**

- Staff members will monitor the designated loading/unloading area in front of the building, and the parking lot on the East side of the building. We expect to assign at least 4 staff members to traffic duty.
- At the beginning of the year, we will post additional staff members at both of our Paul Road driveway entrances to help traffic flow and ensure no cars are stopping on Paul Road. Once families adapt to proper procedures and efficient traffic flow is established, the school will evaluate the continued need for these additional monitors.

### **Student and Parent Communication**

- We will include a Traffic Procedures document in our enrollment materials and require parents to sign an acknowledgement form stating they understand the procedures and agree to abide by them.
- The form will ask for the make, model and license plate numbers of each family vehicle, so that we can identify and communicate with violators.
- We will train parents on Traffic Procedures at our live family orientation events.

### **School Traffic Compared to Office Traffic**

- The building is approximately 37,700 square feet and has a parking lot with 94 spaces. Any use of the building can be expected to generate traffic of up to 84 cars at the beginning and end of each work day. Given Autumn Hill's car pass system, regular school traffic will be generally comparable to that from an office occupancy. However, this traffic will only occur during the 180 days school is in session, meaning Autumn Hill's use of the building will generate less overall traffic than an office use.

**17.0420 B-4, OFFICE DISTRICT**

The B-4, Office District is intended to provide for Individual or limited office, professional, and special service uses where the office activity would be compatible with neighborhood residential uses and not necessarily exhibit the intense activity of other business districts.

a. Permitted Principal Uses

- (1) Administrative and public service offices.
- (2) Banks and financial or tax consultants.
- (3) Interior decorators.
- (4) Professional offices of an architect, landscape architect, lawyer, doctor, dentist, clergy, engineer, or other similarly recognized profession.
- (5) Real estate and insurance offices.
- (6) Studios for photography, painting, music, sculpture, dance, or other recognized fine art.

b. Permitted Accessory Uses

- (1) Accessory garages for storage of licensed vehicles used in conjunction with the operation of the business or for occupants of the premises.
- (2) Off-street parking areas.

c. Conditional Uses (See Section 17.0500)

- (1) Office uses similar in character to the above permitted residential compatible uses and conducted as a business on the premises and catering to the general public.
- (2) Residences when in conjunction with a principal use and not more than 50 percent of the floor area of the principal building.

d. Lot Area and Width

- (1) Lots shall have a minimum area of two (2) acres.
- (2) Lots shall have a minimum width of 140 feet at the building setback line.

e. Building Height and Size (See Section 17.0210)

- (1) No principal building or parts of a principal building shall exceed four (4) stories or 55 feet in height.
- (2) No accessory building shall exceed 18 feet in height.
- (3) The sum total of the floor area of the principal building and all accessory buildings shall not exceed 35 percent of the lot area.

f. Setback and Yards

- (1) There shall be a minimum building (or street) setback equal to the average of the required setback of the adjacent district on each side of the proposed use, but not less than 25 feet.
- (2) There shall be a minimum side yard equal to the required side yard in the adjacent district, but not less than 20 feet.
- (3) There shall be a rear yard of not less than 25 feet.
- (4) All structures shall be set back a minimum of 75 feet from the designated 100 year recurrence interval (base flood) floodplain of all navigable streams and bodies of water and 25 feet from any designated wetland. (Also see sub-section 17.0435)

- g. Parking and Loading Space
  - (1) There shall be adequate paved off-street parking and loading space provided for every structure/use approved by the City Plan Commission after August 1982 and such parking and loading areas shall be adequately screened as determined by the Plan Commission.
  - (2) There shall be no parking or loading area within 30 feet of a street right-of-way. (See sections 17.0600 and 17.0700).
  
- h. Minimum Utility Service

Electricity and public sanitary sewerage and water supply facilities.
  
- i. Special Regulations

To encourage a business use environment that is compatible with the residential character of the City, Building and/or Zoning permits for permitted uses in the B-4 Office District shall not be issued without prior review by and approval of the City Plan Commission. Said review and approval shall be concerned with adjacent existing and planned uses, general site layout, building and operation plans, ingress, egress, parking, loading and unloading, drainage, lighting, signage, screening and landscape plans.

**17 .0421 B-5, HIGHWAY BUSINESS DISTRICT**

The B-5, Highway Business District is intended to provide for the orderly and attractive grouping at appropriate locations along principal highway routes of those businesses and customer service establishments which are logically related to and dependent upon highway traffic or which are specifically designed to serve the needs of such traffic.

a. Permitted Principal Uses

- (1) Auto sales/service (indoor).
- (2) Auto and truck accessory sales.
- (3) Building supply stores (enclosed storage).
- (4) Motels and hotels.
- (5) Restaurants. (no drive-thru)
- (6) Transit station.
- (7) Commercial Kennels. (Cr. 13-09)

b. Permitted Accessory Uses

- (1) Accessory garages for storage of licensed vehicles used in conjunction with the operation of the business or for occupants of the premises.
- (2) Off-street parking and loading areas.
- (3) (see Section 17.0700).

c. Conditional Uses

Uses similar in character to the above permitted uses and conducted as a business on the premises and catering to the general public. Also the following uses:

- (1) "Drive-in" and "fast food" establishments.
- (2) Fuel service stations with or without convenience stores and with no alcoholic beverage sales.
- (3) Motor vehicle sales and/or service.
- (4) Temporary or seasonal uses on vacant or principal use parcels.
- (5) Truck stop not for the purpose of transferring goods between trucks.
- (6) Trailer and tractor sales, rental and service.

d. Lot Area and Width

- (1) Lots shall have a minimum area of two (2) acres.
- (2) Lots shall be not less than 160 feet in width at the building setback line.

e. Building Height and Size (See Section 17.0210)

- (1) No principal building or parts of a principal building shall exceed one (1) story or 18 feet in height.
- (2) No accessory building shall exceed 18 feet in height.

f. Setback and Yards

- (1) There shall be a minimum building (or street) setback of 40 feet from the right-of-way of all streets.
- (2) There shall be a minimum side yard equal to the required side yard in the adjacent district, but not less than 15 feet.
- (3) There shall be a rear yard of not less than 25 feet.
- (4) All structures shall be set back a minimum of 75 feet from the designated 100 year recurrence interval (base flood) floodplain of all navigable streams and bodies of water and 25 feet from a designated wetland. (Also see subsection 17.0435)



g. Parking and Loading Space

- (1) There shall be adequate paved off-street parking and loading space provided for every building/use approved by the City Plan Commission after August 1982 and such parking and loading areas shall be adequately screened as determined by the Plan Commission.
- (2) There shall be no parking or loading area within 30 feet of a street right-of-way.
- (3) (See Section 17.0600).

h. Minimum Utility Service

Electricity and public sanitary sewerage and water supply facilities.

i. Special Regulations

To encourage a business use environment that is compatible with the residential character of the City, Building and/or Zoning permits for permitted uses in the B-5 Highway Business District shall not be issued without prior review by and approval of the City Plan Commission. Said review and approval shall be concerned with adjacent existing and planned uses, need for public or private water supply and sanitary sewage disposal facilities, general site layout, building site and operation plans, ingress, egress, parking, loading and unloading, drainage, lighting, signage, screening and landscape plans.

**17.0422 B-6, MIXED USE BUSINESS DISTRICT**

The B-6, Mixed Use Business District is intended to provide for the orderly and attractive grouping of buildings which encompass more than one type of non-industrial business use which are compatible from a traffic, density and general use standpoint.

- a. Permitted Principal Uses  
All B-4 and B-5 uses having no outside storage of equipment, materials or vehicles.
- b. Permitted Accessory Uses  
None
- c. Conditional Uses
  - (1) All principal and accessory uses permitted in the B-4 and B-5 districts with outside storage.
  - (2) Any retail, service or office use that is compatible with those uses listed above as determined by the Plan Commission.
- d. Lot Area and Width
  - (1) Lots in a Mixed Use development shall be not less than two (2) acres in net area.
  - (2) The lot or parcel width along any abutting street shall be no less than 160 feet.
- e. Building Height and Size (See Section 17.0210)
  - (1) No part of a principal structure shall exceed three stories or 45 feet in height and no accessory structure shall exceed 18 feet in height.
  - (2) The sum total of the first floor area of all principal and accessory buildings shall not exceed 35 percent of the total parcel area.
  - (3) The sum total of the first floor area of all principal and accessory buildings and all paved or gravel surfaces not within a principal building shall not exceed 60 percent of the total parcel area.
- f. Setback and Yards
  - (1) There shall be a minimum building (or street) setback of 55 feet from any street or highway right-of-way or not less than 30 feet from any other parcel boundary.
  - (2) Except for ingress/egress points, all paved area shall be not less than ten (10) feet from any property boundary.
  - (3) Signs and fences may be located as set forth in Section 17.1700.
  - (4) All structures shall be set back a minimum of 75 feet from the designated 100 year recurrence interval (base flood) floodplain of all navigable streams and bodies of water and 25 feet from a designated wetland. (Also see subsection 17.0435)
- g. Parking and Loading Space
  - (1) Off-street parking and loading space adequate to meet the initial and projected needs of the principal use(s) shall be provided for individual lot development within the "park" or development (see section 17.0600).
  - (2) No parking, loading or unloading will be allowed on streets or access ways within the development or on adjacent public streets, roads, or highways.

- (3) All parking and loading areas shall be adequately screened as determined by the Plan Commission.
  - (4) There shall be no parking or loading area within 30 feet of a street right-of-way.
- h. Minimum Utility Service  
Public sanitary sewerage and water supply facilities, electricity.
- i. Special Regulations
- (1) The owner or developer of the Mixed Use Business, who shall also be the applicant for a conditional use permit, shall submit with such application, for review and approval, large scale, detail site plan showing building location, landscaping, paved areas, drainage facilities, lighting, signage and other visible on-site appurtenances and as set forth in sub-sections 17.0207 and 17.0210, prior to approval of a conditional use permit and issuance of a building permit.
  - (2) If the development is proposed to be completed in phases or divided into saleable parcels, the owner/developer of each phase or separate parcel will be required to submit, and receive approval of a detailed site and operations plan, as set forth herein and in sub-sections 17.0207 and 17.0210, prior to issuance of a building permit.
  - (3) Parking and loading areas and any permitted outside storage areas shall be appropriately screened from view of the general motoring public.
  - (4) Any division of the overall development parcel shall be accomplished in accordance with Chapter 18 of the City Codes and Ordinances.

**From:** [Cecilia Coons](#)  
**To:** [Fuchs, Nick](#); [Mayor](#)  
**Subject:** Autumn Hill Academy  
**Date:** Wednesday, October 16, 2024 4:37:51 PM

---

Hello!

I am writing to express my strong support for Autumn Hill Academy's establishment in Pewaukee. While I reside in Hartland, I am deeply interested in enrolling my daughter in Autumn Hill Academy when they are able to expand to her grade. As a charter school, Autumn Hill Academy offers an educational model that appeals to many families in the surrounding areas, including mine.

I believe that bringing Autumn Hill Academy to Pewaukee would not only benefit local families but also attract families from neighboring communities. The school's commitment to providing a high-quality, alternative education option makes it a valuable addition to the educational landscape of the region. Its presence would increase opportunities for children, foster academic excellence, and contribute positively to the community as a whole.

I hope that you will consider supporting Autumn Hill Academy's proposal to occupy the space in Pewaukee. Their growth will have a lasting positive impact on both the city and the surrounding areas, including Hartland, where many families like mine are eager for such opportunities.

Thank you for your consideration, and I look forward to seeing the continued development of our communities through your leadership.

Sincerely,  
Cecilia Coons  
912 E Capitol Drive  
Hartland, WI 53029

**A COVENANT  
REGARDING THE ISSUANCE OF A  
CONDITIONAL USE PERMIT  
BY THE  
CITY OF PEWAUKEE**

**TAX KEY NUMBER(S)  
OR PARCEL(S) INVOLVED:**      **CONDITIONAL USE  
PERMIT:  
NO. CUP-24-11-1**

**PWC 0917995006**

**LEGAL DESCRIPTION:**

LOT 1 CSM #5835 VOL 47/274 REC AS DOC #1536344 REDIV PT  
LOT 2 CSM #4788 PT NE1/4 OF SE1/4 SEC 14 T7N R19E

**PERSON(S), AGENT(S) OR CORPORATION(S) PETITIONING  
FOR PERMIT:**

Autumn Hill Academy, Inc.

Recording area

Name & Return Address

City of Pewaukee  
W240N3065 Pewaukee Rd  
Pewaukee, WI 53072

**WHEREAS,** It is understood by all parties to this covenant that Section 62.23 of WIS. Statutes prescribes the legal basis for the granting of a conditional use permit by a City and Chapter 17 of the City Codes and Ordinances provides for the issuance of such permits as well as the standards by which all such uses will be measured; and,

**WHEREAS,** The City Plan Commission has held a meeting on November 21, 2024; has reviewed the various elements of the petitioner’s proposal; and has recommended that a Conditional Use Permit be granted to the above-named petitioner for the property/parcel identified above; and,

**WHEREAS,** The City Common Council held a public hearing meeting on December 2, 2024.

**NOW, THEREFORE,** let it be known that the City Common Council by its action on December 2, 2024 has, hereby, granted a Conditional Use Permit for the following use(s):

Operating a new public charter school.

**FURTHER,** such approved use of the above designated parcel(s) are hereby allowed based on the following conditions being continually met:

1. The school shall issue no more than fifty car passes allowing students to be dropped-off and picked-up at the school property, and no more than 22 student driver passes allowing students to drive and park at the school property in the designated student parking spaces. Plan Commission and Common Council review and approval of an amendment to the Conditional Use Permit shall be required to allow for the issuance of any additional car passes for drop-off and pick-up at the school.
2. The applicant shall follow the Traffic Control Plan, dated October 7, 2024, and amended November 11, 2024. Failure to adhere to the Traffic Control Plan shall result in Plan Commission and Common Council review of the Conditional Use Permit and possible revocation.
3. Enrollment shall not exceed 386 students.
4. The fire lane shall remain open and clear at all times.

The parties hereto, namely the City of Pewaukee and the Equitable Owner of the property for which this conditional use has been sought, set their signatures or the signatures of their representatives below, thereby agreeing to the provisions and conditions set forth in this covenant.

\_\_\_\_\_  
Attest:

\_\_\_\_\_  
Signature of equitable owner

\_\_\_\_\_  
Date

\_\_\_\_\_  
Kelly Tarczewski  
City Clerk

\_\_\_\_\_  
Steve Bierce  
Mayor, City of Pewaukee

\_\_\_\_\_  
Date

State of Wisconsin  
County of Waukesha

Signed or attested before me on \_\_\_\_\_, 2024 by Steve Bierce, Mayor and Kelly Tarczewski, Clerk.

(Seal)

\_\_\_\_\_  
Ami Hurd  
My Commission expires \_\_\_\_\_

This instrument was drafted by Ami Hurd, Deputy Clerk

**CITY OF PEWAUKEE  
COMMON COUNCIL AGENDA ITEM 11.**

**DATE:** December 2, 2024

**DEPARTMENT:** PW - Engineering

**PROVIDED BY:** Magdelene Wagner

***SUBJECT:***

Discussion and Possible Action Regarding Hickory Grove Estates

***BACKGROUND:***

Hickory Grove Estates includes Hickory Grove Drive, Patricia Lane, Roger Road, and Shari Drive. This project is in the 2025 budget for Road Reconstruction and Utility Extension. A public information for the neighborhood will be scheduled in early 2025 to discuss the project with the residents while under design.

Adoption of the Preliminary Resolution allows for the cost of the project to be included in the special assessments. Adoption of the Comfort Resolution allows the funds spent to be reimbursed by any future borrowing.

***FINANCIAL IMPACT:***

***RECOMMENDED MOTION:***

Council to approve resolutions.

**ATTACHMENTS:**

Description

Resolution 24-12-26

Resolution 24-12-27

**RESOLUTION 24-12-26  
 PRELIMINARY RESOLUTION  
 DECLARING INTENT TO EXERCISE SPECIAL ASSESSMENT POWERS  
 AUTHORIZING THE CONSTRUCTION OF HICKORY GROVE ESTATES AND  
 ROGER RD REHABILITATION, MUNICIPAL UTILITY EXTENSION AND  
 RELATED FACILITIES  
UNDER SECTION 66.0703, WISCONSIN STATUTES**

**WHEREAS,** The Common Council of the City of Pewaukee has determined that the pavement within the Hickory Grove Estates and Roger Road are in need of rehabilitation and municipal utility extension; and

**WHEREAS,** The Common Council of the City of Pewaukee has determined that all property owners abutting the Hickory Grove Estates and Roger Road Roads should share in the cost of such improvements.

**NOW, THEREFORE, BE IT HEREBY RESOLVED:** That the Common Council of the City of Pewaukee determines that it is in the best interest of the City and in the exercise of its police power under Section 66.0703, Wisconsin Statutes, to levy special assessments upon the following described property for special benefits conferred upon such properties by the improvements of the pavement reconditioning:

Hickory Grove Drive, from Patricia Lane southerly to Glacier Road, approximately 1,000 feet and;

Patricia Lane, from Ishnala Trails easterly to its termini, approximately 1,650 feet and;

Roger Road, from Glacier Road northerly and westerly to its termini, approximately 1,700 feet and;

Shari Drive, from Patricia Lane southerly to its termini, approximately 400 feet.

Before such improvements are made, the City Engineer is directed to prepare a report consisting of:

- a. Preliminary plans and specifications for said improvements.
- b. An estimate of the entire cost of the proposed reconstruction improvements.
- c. A schedule of the proposed assessment against each affected parcel and a statement that all property is benefited.
- d. The formula for assessing.

The exact amount of the assessment and the method of permitted payments will be determined at the public hearing, prior to the Final Resolution.

Upon receiving the report of the City Engineer, the Clerk shall publish a Class I notice to be given stating the nature of the proposed work, the general boundary lines of the proposed assessment district, a small map and the place and time at which the report can be inspected and



the time of the public hearing for interested parties to appear and comment. The Clerk shall also mail the notices to the post-office address of every interested party at least 10 days before the hearing. The public hearing shall be held at the City Hall, W240N3065 Pewaukee Road not less than 10 and not more than 40 days after such publication.

SEVERABILITY

The several sections of this Resolution shall be declared to be severable. If any section shall be declared by a decision of a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the other provisions of the Resolution.

ADOPTED THIS 2<sup>nd</sup> Day of December, 2024.

CITY OF PEWAUKEE

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Steve Bierce, Mayor

ATTEST:

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Kelly M. Tarczewski, Clerk/Treasurer

RESOLUTION 24-12-27

**RESOLUTION DECLARING OFFICIAL INTENT TO REIMBURSE EXPENDITURES  
HICKORY GROVE ESTATES ROAD & ROGER ROAD REHABILITATION,  
DRAINAGE IMPROVEMENTS, AND UTILITY EXTENSIONS**

**WHEREAS**, the City of Pewaukee, Waukesha County, Wisconsin (the” City”) owns and operates a roadway system, drainage system, water main system, and sanitary sewer system (the “System”) as a public entity; and

**WHEREAS**, the City expects to receive a loan (the “Loan”) to finance the Project and expects to issue tax exempt bonds (the “Bonds”) to the Program in evidence of the Loan; and

**WHEREAS**; it is necessary, desirable, and in the best interests of the city to seek interim financing to fund project costs until the Loan becomes available and the Bonds can be issued.

Section 1. Expenditure of Funds. The City shall make expenditures as needed from its funds on hand to pay the costs of the Project until Bond proceeds become available.

Section 2. Declaration of Official Intent. The City Hickory Grove Estates & Roger Road Road Rehabilitation and Utility Extension Project.

Section 3. Unavailability of Long-Term Funds. No funds for payment of the Project from sources other than the Bonds are, or are reasonable expected to be reserved, allocated on a long-term basis, or otherwise set aside by the City pursuant to its budget or financial policies.

Section 4. Public Availability of Official Intent Resolution. This Resolution shall be made available for public inspection at the City office within 30 days after its approval in compliance with applicable State law governing the availability of records of official acts including Subchapter II of Chapter 19 and shall remain available for public inspection until the bonds are issued.

Section 5. Effective Date. This Resolution shall be effective upon its adoption and approval.

Adopted this 2nd day of December 2024.

CITY OF PEWAUKEE

ATTEST:

\_\_\_\_\_  
Steve Bierce, Mayor

\_\_\_\_\_  
Kelly Tarczewski, Clerk/Treasurer

**CITY OF PEWAUKEE  
COMMON COUNCIL AGENDA ITEM 12.**

**DATE:** December 2, 2024

**DEPARTMENT:** PW - Water/Sewer

**PROVIDED BY:** Jane Mueller

***SUBJECT:***

Discussion and Possible Action to Approve the 2025 Water & Sewer Utility Operations and Capital Budgets [Mueller / Wagner]

***BACKGROUND:***

As you may recall, the Public Service Commission assigned the City of Pewaukee into a higher level reporting classification starting reporting year 2024. With this AB Water Utility classification, we are required to track our accounting to a more detailed level as well as the implementation of an asset management program which aids in the documentation of our assets condition. We created and began implementing the new AB Chart of Accounts at the beginning of 2024.

Our budget format has been based on the Utility Chart of Accounts. You will note that the 2023 and 2024 budget entries does not align with the new AB Chart of Account numbers in every category, which leads to some confusion when reviewing the budget document. This will become easier to view over the next couple of budget cycles when the old account numbers drop off.

You will also see some discrepancies in the budgets between 2024 and 2025 in some shared accounts between Water & Sewer. Previous budgets calculated/allocated a variety of percentages of costs between the Water & Sewer Utility. These allocations were decided by previous auditors and accountants. Beginning in the 2025 budget, the shared accounts will be split 50%/50% between Water & Sewer. This will provide a consistent allocation moving forward.

It should also be noted that the Sewer Utility shows a negative operating budget of \$889,709. Depreciation further exacerbates this to \$1,765,209. We will be completing a rate study in 2025 to increase the sewer rates to cover the operating expenses. The increase in expenses are due to increase maintenance on our aging infrastructure, inflation increases, reconciling the allocations between sewer and water, and increased rates charged by LPSD and Waukesha for properties within their service boundaries. As a reminder, the City may only charge 1 sewer rate for our customers. The City's current sewer rate is \$141 per REC per quarter. LPSD currently is charging \$164 per REC per quarter and Waukesha is currently charging \$145.70 per REC per month (\$437.10 per REC per quarter). In the meantime, the Sewer Utility has savings to cover the costs until a rate study is done and approved.

The Water Utility is shown to be a negative as well. However, this is a loss due to the depreciation expense (\$1.383,000). If you take this out, the Utility is operating within an allowable excess of \$66,659.

***FINANCIAL IMPACT:***

***RECOMMENDED MOTION:***

Recommendation that the Common Council Approve the 2025 Water & Sewer Operations and Water & Sewer Capital Budgets as presented.

**ATTACHMENTS:**

Description

2025 Water Operations Summary

2025 Water Operations Detail

2025 Sewer Operations Summary

2025 Sewer Operations Detail

WS Capital Improvement Plan 2025

**CITY OF PEWAUKEE  
WATER UTILITY  
2025 OPERATING BUDGET SUMMARY**

	2023 Actual	2024		2024 Budget	2025 Budget
		6 Month Actual	Year End Forecast		
<b>Operating Revenues</b>	2,888,381	1,438,246	3,189,700	3,227,300	3,226,500
<b>Operating Expenses</b>					
Wages Not Charged to Projects	187,200	-	-	177,971	-
Fringe Benefits	68,958	17,217	80,085	61,750	79,178
Source of Supply Expenses	20,248	24,281	167,044	151,175	207,794
Pumping Expenses	417,688	149,645	404,245	434,600	485,858
Water Treatment Expenses	195,826	94,929	224,184	214,750	258,129
Transmission & Distribution	163,196	160,300	443,931	426,767	617,470
Consultants & Studies	22,185	-	20,000	80,000	250,000
Shared Transportation & Maintenance	9,240	892	-	27,000	-
Shared Administrative Expenses	728,750	268,162	716,675	668,358	758,412
PSC Remainder Tax	2,448	-	3,546	3,000	3,000
Property Tax Equivalent	450,222	-	515,000	515,000	500,000
<b>Total Operating Expenses</b>	2,265,960	715,425	2,574,710	2,760,371	3,159,841
<b>Operating Profit before Depreciation</b>	622,421	722,821	614,990	466,929	66,659
<b>Depreciation Expense</b>	1,371,008	-	1,360,000	1,320,000	1,383,000
<b>Net (Loss) from Operations</b>	(748,587)	722,821	(745,010)	(853,071)	(1,316,341)
<b>Non-Operating Revenue</b>					
Interest on Investments/AR	6,214	-	8,026	30,000	6,000
Long Term Debt Premium	-	-	-	-	-
Interest on Special Assessments	-	-	-	-	-
Water Construction	661,199	158,335	318,000	322,018	155,000
Deferred/Contemplated Sp Assmt Payoff	190,107	84,238	130,000	75,000	75,000
Gain/Loss on Fixed Asset Disposal	(181,003)	16,000	16,000	5,000	5,000
Other Non-Operating Revenue	5,312,575	1	10	50	50
<b>Total Non-Operating Revenues</b>	5,989,091	258,574	472,036	432,068	241,050
<b>Non-Operating Expenses</b>					
Interest on Long Term Debt and Debt Ex	293,284	170,182	335,988	335,988	316,564
Other Non-Operating Expenses	-	-	42,500	75,000	42,500
<b>Total Non-Operating Expenses</b>	293,284	170,182	378,488	410,988	359,064
<b>Net Profit (Loss)</b>	4,947,220	811,213	(608,962)	(831,991)	(1,391,855)

**CITY OF PEWAUKEE  
WATER UTILITY  
2025 OPERATING BUDGET**

Original GL	New GL #	Descr	2023 Actual	2024			2025 Budget
				6 Month Actual	Year End Forecast	2024 Budget	
<b>Operating Revenues</b>							
600-00432-4624	600-00432-46241	Private Fire Protection	80,314	40,819	82,000	81,500	82,000
600-00461-4645	600-00461-46450	Metered Sales-Residential	1,297,383	654,121	1,470,000	1,492,000	1,500,000
600-00461-4645	600-00461-46451	Metered Sales-Industrial	102,049	47,079	105,000	157,800	105,000
600-00461-4645	600-00461-46452	Metered Sales Commercial	457,801	227,520	577,000	557,000	577,000
600-00461-4645	600-00461-46453	Metered Sales Public	13,163	3,357	6,700	14,500	8,500
600-00461-4645	600-00461-46454	Metered Sales-Multi Family	210,392	135,252	281,000	276,000	283,000
600-00463-4624	600-00463-46242	Public Fire Protection	697,908	316,388	634,000	615,000	637,000
			<b>2,859,009</b>	<b>1,424,536</b>	<b>3,155,700</b>	<b>3,193,800</b>	<b>3,192,500</b>

**Other Revenues**

600-00470-4511	600-00470-45111	Late Payment Penalty - Water	10,237	4,670	9,000	8,500	9,000
600-00474-4890	600-00474-48901	Other Water Revenues	14,435	7,316	20,000	20,000	20,000
600-00474-4619	600-00474-46191	Other Revenue-Spec Assmt Ltr	4,700	1,725	5,000	5,000	5,000
			<b>29,372</b>	<b>13,710</b>	<b>34,000</b>	<b>33,500</b>	<b>34,000</b>

<b>Total Revenues</b>			<b>2,888,381</b>	<b>1,438,246</b>	<b>3,189,700</b>	<b>3,227,300</b>	<b>3,226,500</b>
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**Expenses**

**Wages Not Charged to Projects**

600-00600-5110	600-00600-51100	Wages	23,968	-		34,729	
600-00620-5110	600-00620-51100	Wages	55,206	-		70,555	
600-00630-5110	600-00630-51100	Wages	19,671	-		16,424	
600-00920-5122	600-00920-51220	Internal Engineering Wages	88,356	-	-	56,263	
			<b>187,200</b>	<b>-</b>	<b>-</b>	<b>177,971</b>	<b>-</b>

**Fringe Benefits**

600-00926-5139	600-10926-51390	Vac/Sick Liability Expense	68,958	17,217	80,085	61,750	79,178
			<b>68,958</b>	<b>17,217</b>	<b>80,085</b>	<b>61,750</b>	<b>79,178</b>

**Plant Operation & Maintenance**

**Source of Supply Expenses**

600-10600-5110	600-10600-51100	Source Ops- Supv & Engineer Wages	-	4,819	9,890	-	10,157
600-10601-5120	600-10601-51200	Source Ops- Operation Labor	156	16,078	17,365	-	14,756
600-10602-5290	600-10602-52900	Source Ops-Purchased Water	-	-	-	300	300

600-10603-522( 600-10603-52200	Source Ops-Safety	-	354	2,000	-	2,200
600-10603-529( 600-10603-52900	Source Ops- Water Withdraw Fee Dnr	125	125	125	125	125
600-10603-534( 600-10603-53400	Source Ops- Supplies And Expenses	229	83	300	750	500
600-10610-511( 600-10610-51100	Source Maint-Wages	-	-	17,364	-	14,756
600-10611-523( 600-10611-52310	Source Maint-Buildings And Grounds	11,464	2,039	15,000	50,000	50,000
600-10614-524( 600-10614-52400	Source Maint-Maint Of Wells	-	350	100,000	-	110,000
600-10616-524( 600-10616-52400	Source Maint-Maint Of Supply Mains	8,274	-	2,000	100,000	2,000
600-10617-524( 600-10617-52400	Source Maint-Misc Water Source Plant	-	433	3,000	-	3,000
		<b>20,248</b>	<b>24,281</b>	<b>167,044</b>	<b>151,175</b>	<b>207,794</b>

### Pumping Expenses

600-10620-511( 600-10620-51100	Pumping Ops-Superv & Eng-Wages	-	4,819	4,945	-	5,079
600-10621-539( 600-10621-53900	Pumping Ops-Fuel To Power Generator	-	948	1,200	-	1,300
600-10623-522( 600-10623-52200	Pumping Ops-Natural Gas	10,229	3,126	9,200	9,200	10,500
600-10623-522( 600-10623-52210	Pumping Ops- Electricity	326,795	94,760	285,000	310,000	310,000
600-10624-512( 600-10624-51200	Pumping Ops-Labor And Exps	401	36,384	60,555	-	73,500
600-10625-590( 600-10625-59000	Pumping Ops-Expenses Transferred Credit	-	-	-	-	-
600-10626-534( 600-10626-53400	Pumping Ops-Misc Expense	469	95	400	400	400
600-10630-511( 600-10630-51100	Pump Maint Supv & Engin-Wages	-	-	4,945	-	5,079
600-10631-523( 600-10631-52310	Pump Maint-Build & Grounds	11,313	14	3,000	50,000	3,000
600-10632-512( 600-10632-51239	Pump Maint-Generator Maint & Labor	66	3,178	10,000	-	12,000
600-10633-524( 600-10633-52400	Pump Maint-Maint And Repair	68,415	6,322	25,000	65,000	65,000
			-		-	
		<b>417,688</b>	<b>149,645</b>	<b>404,245</b>	<b>434,600</b>	<b>485,858</b>

### Water Treatment Expenses

600-10640-511( 600-10640-51100	Treat Ops-Oper Super & Eng-Wages	-	4,819	4,945	-	5,079
600-10641-534( 600-10641-53410	Treatment Ops-Chemicals	104,684	32,536	97,000	97,000	100,000
600-10642-512( 600-10642-51200	Treatment Ops-Labor	178	7,154	16,424	-	24,221
600-10642-523( 600-10642-52310	Treatment Ops-Water Testing & Lab Exps	29,569	10,264	20,500	28,000	28,000
600-10643-534( 600-10643-53400	Treatment Ops-Supplies And Misc	48	-	350	750	750
600-10650-511( 600-10650-51100	Treat Maint- Superv & Eng-Wages	-	-	4,945	-	5,079
600-10651-523( 600-10651-52310	Treatment Maint-Buildings & Grounds	-	2,407	3,000	-	3,000
600-10652-524( 600-10652-52400	Treatment Maint-Maint Of Treatment Equip	14,867	12,366	25,000	35,000	36,500
600-10652-529( 600-10652-52900	Treatment Maint-Wrt Radium Treatment	46,480	25,382	52,020	54,000	55,500
			-		-	
			-		-	
		<b>195,826</b>	<b>94,929</b>	<b>224,184</b>	<b>214,750</b>	<b>258,129</b>

### Transmission & Distribution

600-10660-511( 600-10660-51100	Trans & Dist Ops-Supv & Eng-Wages	-	37,554	9,891	-	42,360
600-10661-524( 600-10661-52401	Trans & Dist Ops-Reservoirs & Standpipes	-	-	2,000	-	2,000

600-10663-534( 600-10663-53400	Trans & Dist Ops-Meter Supplies	1,349	-	250	500	500
600-10664-524( 600-10664-52401	Trans & Dist Ops-Customer/Private Side	-	-	300	-	300
600-10664-529( 600-10664-52900	Trans & Dist Ops-Cross Connection Inspec	11,944	6,440	15,500	15,500	16,000
600-10665-534( 600-10665-53400	Trans & Dist Ops-Misc Expenses	1,240	287	900	1,750	1,750
600-10665-52450	Trans & Dist Ops-Diggers Hotline Water	18,052	12,420	19,600	28,500	23,000
600-10665-5341( 600-10665-53410	Trans & Dist Ops-Uniforms	2,938	1,482	3,900	3,300	3,900
600-10670-511( 600-10670-51100	Trans & Dist Maint-Supv & Eng Wages	-	-	9,890	-	42,360
600-10671-5231( 600-10671-52310	Trans & Dist Maint-Buildings & Grounds	-	66	200	-	300
600-10672-524( 600-10672-52400	Trans & Dist Maint-Reservoirs & Standpip	680	50	7,500	40,000	25,000
600-10673-524( 600-10673-52400	Trans & Dist Maint-Trans& Distr Mains	48,726	12,566	150,000	195,717	202,000
600-10675-524( 600-10675-52400	Trans & Dist Maint-Maint Of Services	28,464	1,838	20,000	32,000	37,000
600-10676-524( 600-10676-52400	Trans & Dist Maint-Maint Of Meters	24,590	17,339	28,000	24,500	31,000
600-10677-524( 600-10677-52400	Trans & Dist Maint-Maint Of Hydrants	24,541	62,857	100,000	82,000	110,000
600-10678-521( 600-10678-52100	Trans & Dist Maint-Scada Maint	-	3,623	20,000	-	15,000
600-10678-524( 600-10678-52400	Trans & Dist Maint-Misc Plant Repairs	671	3,778	56,000	3,000	65,000
			-			
			-			
		<b>163,196</b>	<b>160,300</b>	<b>443,931</b>	<b>426,767</b>	<b>617,470</b>

**Consultants & Studies**

600-00923-523( 600-00923-52399	Water Facilities Plan	22,185	-	20,000	80,000	250,000
		<b>22,185</b>	<b>-</b>	<b>20,000</b>	<b>80,000</b>	<b>250,000</b>

**Shared Transportation and Maintenance Expenses**

600-00950-521( 600-00950-52100	Scada/Telemetry	8,816	892	-	25,000	
600-00950-522( 600-00950-52200	Safety	424	-	-	2,000	
		<b>9,240</b>	<b>892</b>	<b>-</b>	<b>27,000</b>	<b>-</b>

**Shared Administrative Expenses**

600-10920-511( 600-10920-51100	Admin & Gen Exps-Admin Wages	105,185	48,639	84,000	159,887	34,789
600-10920-512( 600-10920-51200	Admin & Gen Exps-Admin Salaries	-	-	39,562	-	56,387
600-10925-551( 600-10925-55110	Admin & Gen Ops-Workers Comp Ins	7,062	(735)	28,250	8,358	29,000
600-10926-513( 600-10926-51300	Admin & Gen Ops Soc Sec/Med	30,571	19,676	31,000	39,510	32,328
600-10926-5131( 600-10926-51310	Admin & Gen Ops- Health Insurance	84,169	48,270	141,625	141,625	126,855
600-10926-5132( 600-10926-51320	Admin & Gen Ops-Dental Insurance	4,594	2,607	6,040	6,040	5,407
600-10926-5133( 600-10926-51330	Admin & Gen Ops- Optical Ins	555	252	694	694	853
600-10926-5134( 600-10926-51340	Admin & Gen Ops - Life Insurance	1,027	638	1,231	1,231	967
600-10926-5135( 600-10926-51350	Admin & Gen Ops - Disability Ins	1,463	918	1,903	1,903	1,457
600-10926-5136( 600-10926-51360	Admin & Gen Ops- Pension	59,930	17,693	42,813	42,813	58,737
600-10926-5136( 600-10926-51361	Admin & Gen Ops-Pension Exp Gasb 68	161,379	-	23,000	16,250	23,000
600-10926-519( 600-10926-51950	Admin & Gen Ops-Benef Chgd To/From Othe	19,340	10,421	24,970	24,970	59,746
600-10901-511( 600-10901-51100	Customer Accts Ops-Superv Wages	-	7,325	9,890	-	15,777



600-10902-512( 600-10902-51200	Customer Accts Ops-Meter Reading Wages	6,589	4,605	8,000	8,164	8,200
600-10903-512( 600-10903-51200	Customer Accts Ops-Billing Labor Wages	-	-	-	-	3,133
600-10903-524( 600-10903-52401	Customer Accts Ops-Cust Records Bill Exp	15,936	9,377	17,500	15,500	16,000
600-00901-522( 600-10902-52401	Meter Reading Expenses	10,531	5,170	8,000	4,500	8,000
600-10904-574( 600-10904-57400	Customer Accts Ops-Uncollectable Accts	-	-	25	100	100
600-10905-524( 600-10905-52401	Customer Accts Ops-Misc Cust Acct Exps	-	-	2,850	-	2,850
600-10906-524( 600-10906-52401	Customer Accts Ops-Cust Serv & Info Exps	-	-	200	7,500	200
600-10921-522( 600-10921-52230	Admin & Gen Ops-Phone, Internet Cell	2,547	1,565	31	4,250	3,540
600-10921-523( 600-10921-52301	Admin & Gen Ops-Equip & Maint	1,246	1,156	2,750	2,750	2,750
600-10921-523( 600-10921-52303	Admin & Gen Ops-Bank Service Charges	-	-	100	-	100
600-10921-523( 600-10921-52331	Admin & Gen Ops-Answering Service	717	152	700	550	725
600-10921-524( 600-10921-52400	<b>Admin &amp; Gen Ops-Transp Exps Repairs</b>	7,190	2,096	7,000	5,000	8,200
600-10921-531( 600-10921-53100	Admin & Gen Exps Ops-Office Supplies	3,164	897	2,850	2,850	3,000
600-10921-531( 600-10921-53140	Admin & Gen Ops-Trans Vehicle Fuel	8,736	5,500	11,000	11,000	11,000
600-10921-532( 600-10921-53210	Admin & Gen Ops-Meals & Incidentals	61	7	250	325	325
600-10921-533( 600-10921-53300	Admin & Gen Ops-Mileage	510	219	700	400	800
600-10921-533( 600-10921-53305	Admin & Gen Ops-Books & Periodicals	-	-	150	50	300
600-10921-533( 600-10921-53306	Admin & Gen Ops-Postage	197	52	500	350	350
600-10921-533( 600-10921-53307	Admin & Gen Ops-Notices & Publication	45	-	100	250	250
600-10922-590( 600-10922-59000	Admin & Gen Ops-Transfer Credit	-	-	-	-	-
600-10923-521( 600-10923-52100	Admin & General Ops-Attorney	-	-	1,000	4,000	12,500
600-10923-521( 600-10923-52120	Admin & Gen Ops-Audit/Accountant	51,015	4,003	64,403	37,500	55,886
600-10923-521( 600-10923-52160	Admin & Gen Ops-Gen Manage Dpw	40,000	-	-	40,000	-
600-10923-521( 600-10923-52170	Admin & Gen Ops-Outside Engineering	26,005	47,857	78,000	7,500	75,000
600-10923-521( 600-10923-52180	Admin & Gen Ops-Public Relations	-	-	500	-	20,000
600-10924-551( 600-10924-55120	Admin & Gen Ops-Property Insurance	12,675	473	11,900	16,500	12,400
600-10924-551( 600-10924-55121	Admin & Gen Ops-Boiler & Machine Ins	1,038	-	1,090	1,038	1,200
600-10924-551( 600-10924-55122	Admin & Gen Ops-Vehicle Ins	1,653	-	4,400	2,000	5,000
600-10928-523( 600-10928-52381	Oper & Maint Exp-Regulatory & Comm Exp	660	-	8,000	8,000	8,000
600-10928-523( 600-10928-52383	Admin & Gen Ops-Outside Prof & Consult	27,521	8,198	8,198	5,000	15,000
600-10930-531( 600-10930-53100	Admin & Gen Ops-Misc Gen Supplies	-	-	-	-	300
600-10930-532( 600-10930-53200	Admin & Gen Ops-Utility Memb & Cont Educ	5,915	1,331	5,000	5,250	5,500
600-10930-533( 600-10930-53307	Admin & Gen Ops-Publish Newsletter & Cc	9,011	1,800	5,000	3,250	5,500
600-10931-553( 600-10931-55391	Admin & Gen Ops-Rent	18,000	18,000	18,000	18,000	18,000
600-10933-521( 600-10933-52120	Admin & Gen Ops-Gis & Asset Manage Main	2,510	-	13,500	13,500	9,000
		<b>728,750</b>	<b>268,162</b>	<b>716,675</b>	<b>668,358</b>	<b>758,412</b>

600-00408-553( 600-00408-55300	Property Tax Equivalent	450,222	-	515,000	515,000	500,000
600-00408-552( 600-00408-55200	Psc Remainder Tax	2,448	-	3,546	3,000	3,000
		<b>2,265,960</b>	<b>715,425</b>	<b>2,574,710</b>	<b>2,760,371</b>	<b>3,159,841</b>

		<b>622,421</b>	<b>722,821</b>	<b>614,990</b>	<b>466,929</b>	<b>66,659</b>
600-00403-550( 600-00403-55000	Depreciation Exp. - Water	1,371,008	-	1,360,000	1,320,000	1,383,000
		<b>(748,586.97)</b>	<b>722,820.97</b>	<b>(745,010.00)</b>	<b>(853,071.00)</b>	<b>(1,316,341.00)</b>

**Non-Operating Revenue**

600-00419-481( 600-00419-48100	Interest Income	3,188	-	5,000	27,000	3,000
600-00419-481( 600-00419-48102	Interest/Special Assmts.	3,026	-	3,026	3,000	3,000
600-00429-491( 600-00429-49120	Long Term Debt Premiun	-	-	-	-	-
600-00432-461( 600-00432-46161	Accounts Receivable Finance Charges	(2)	1	10	50	50
600-00464-463( 600-00464-46313	Water Construction	661,199	158,335	318,000	322,018	155,000
600-00464-463( 600-00464-46320	Deferred/Contemplated Sp Assmt Payoffs	190,107	84,238	130,000	75,000	75,000
600-00475-483( 600-00475-48300	Gain/Loss On Fixed Asset Disposal	(181,003)	16,000	16,000	5,000	5,000
600-00499-499( 600-00499-49999	Special Item Sewer Debt Forgiveness	5,312,577	-	-	-	-
		<b>5,989,091</b>	<b>258,574</b>	<b>472,036</b>	<b>432,068</b>	<b>241,050</b>

**Non-Operating Expenses**

600-00407-551( 600-00407-55100	Amort Property Losses	-	-	-	-	-
600-00427-561( 600-00427-56100	Interest/Long Term Debt	293,284	170,182	335,988	335,988	316,564
600-00428-562( 600-00428-56200	Bond Discount/Issue Costs	-	-	-	75,000	-
600-00430-554( 600-00430-55400	Amoritization Still River Well	-	-	42,500	-	42,500
		<b>293,284</b>	<b>170,182</b>	<b>378,488</b>	<b>410,988</b>	<b>359,064</b>

	<b>4,947,220</b>	<b>811,213</b>	<b>(651,462)</b>	<b>(831,991)</b>	<b>(1,434,355)</b>
	(4,947,225)				
	(5)				
Balance per Trial Balance	<b>1,106,009</b>	<b>(162,679)</b>			

**CITY OF PEWAUKEE  
SEWER UTILITY  
2025 OPERATING BUDGET SUMMARY**

	2023	2024			2025
		6 Month	Year End	2024	
	Actual	Actual	Forecast	Budget	Budget
<b>Operating Revenues</b>	4,237,679	2,136,168	4,298,225	4,048,025	4,324,025
<b>Operating Expenses</b>					
Wages	182,877	126,115	250,361	250,361	256,534
Fringe Benefits	248,595	83,182	232,683	181,349	326,850
Plant Operation & Maintenance	2,604,954	1,240,483	3,593,850	2,870,750	3,907,650
Consultants & Studies	44,811	-	25,000	63,500	250,000
Shared Transportation & Maintenance	136,186	49,918	131,763	143,263	138,805
Shared Administrative Expenses	130,734	52,137	237,500	180,971	333,895
<b>Total Operating Expenses</b>	3,348,158	1,551,836	4,471,157	3,690,194	5,213,734
<b>Operating Profit before Depreciation</b>	889,521	584,332	(172,932)	357,831	(889,709)
<b>Depreciation Expense</b>	848,463	-	850,000	800,000	875,500
<b>Net Profit (Loss) from Operations</b>	41,058	584,332	(1,022,932)	(442,169)	(1,765,209)
<b>Non-Operating Revenue</b>					
Interest on Investments/AR	345,594	266,535	266,735	158,000	202,000
Interest on Special Assessments	-	-	-	-	-
Sewer Service Connection Fees	325,426	90,759	235,030	328,154	241,530
Deferred Special Assmt Payoff	96,369	381	6,000	25,000	25,000
Other Non-Operating Revenue	16,137	2	5,250	5,150	5,250
<b>Total Non-Operating Revenue</b>	783,526	357,676	513,015	516,304	473,780
<b>Non-Operating Expenses</b>					
Interest on Long Term Debt and	159,238	96,622	170,856	170,856	162,041
Other Non-Operating Expenses	5,297,086	-	-	-	-
<b>Total Non-Operating Expenses</b>	5,456,325	96,622	170,856	170,856	162,041
<b>Net Profit (Loss) - Sewer</b>	<b>(4,631,741)</b>	<b>845,387</b>	<b>(680,773)</b>	<b>(96,721)</b>	<b>(1,453,470)</b>

**CITY OF PEWAUKEE  
SEWER UTILITY  
2025 OPERATING BUDGET**

Old GL Number	New GL Number	Description	2024			2025 Budget	
			2023 Actual	6 Month Actual	Year End Forecast		2024 Budget
<b>Sewer Revenues</b>							
<b>Operating Revenues - Sewer</b>							
650-01621-46410	650-01621-46410	Residential Revenue Sewer	2,625,472	1,311,750	2,630,000	2,650,000	2,650,000
650-01621-46411	650-01621-46411	Industrial Revenue - Sewer	177,208	79,999	178,000	189,000	180,000
650-01621-46412	650-01621-46412	Commerical Revenue - Sewer	886,788	451,016	900,000	883,000	900,000
650-01621-46413	650-01621-46413	Public Revenue - Sewer	10,891	5,461	11,000	11,000	11,000
650-01621-46414	650-01621-46414	Multi Family Revenue - Sewer	509,241	278,771	559,000	297,000	563,000
<b>Total Operating Revenues</b>			<b>4,209,600</b>	<b>2,126,996</b>	<b>4,278,000</b>	<b>4,030,000</b>	<b>4,304,000</b>
<b>Other Revenues - Sewer</b>							
650-01631-45112	650-01631-45112	Late Payment Penalty - Sewer	10,700	7,447	15,200	13,000	15,000
650-01635-48902	650-01635-48902	Other Sewer Revenues	12,678	-	25	25	25
650-01635-46191	650-01635-46191	Other Revenue - Special Assessment Letters	4,700	1,725	5,000	5,000	5,000
<b>Total Other Revenues</b>			<b>28,078</b>	<b>9,172</b>	<b>20,225</b>	<b>18,025</b>	<b>20,025</b>
<b>Total Revenues</b>			<b>4,237,679</b>	<b>2,136,168</b>	<b>4,298,225</b>	<b>4,048,025</b>	<b>4,324,025</b>
<b>Expenses</b>							
<b>Wages</b>							
650-01820-51100	650-01820-51100	Wages	77,692	57,623	90,474	90,474	126,133
650-00920-51200	650-10920-51100	Salaries - Administrative	105,185	68,493	159,887	159,887	130,401
<b>Total Wages</b>			<b>182,877</b>	<b>126,115</b>	<b>250,361</b>	<b>250,361</b>	<b>256,534</b>
<b>Fringe Benefits</b>							
650-01820-51300	650-01820-51300	Fica Expense-REMOVE	16,543	6,443	-	21,275	
650-00926-51310	650-10926-51310	Benefits - Health Insurance	45,292	33,330	76,260	76,260	126,855
650-00926-51320	650-10926-51320	Benefits - Dental Insurance	2,473	1,833	3,253	3,253	5,407
650-00926-51330	650-10926-51330	Benefits - Optical Insurance	299	181	374	374	853
650-00926-51360	650-10926-51360	Benefits - Pension	28,081	23,340	23,053	23,053	29,369
650-00926-51340	650-10926-51340	Benefits - Life Insurance	550	344	663	663	967
650-00926-51350	650-10926-51350	Benefits - Disability Insurance	785	494	1,025	1,025	1,457
650-00926-51390	650-10926-51390	Vac/Sick Liability Expense	38,364	17,217	80,085	33,250	79,178
650-00926-51950	650-10926-51950	Benefits - Charged To/From Other Depts	19,340	-	24,970	13,446	59,764
650-00926-51361	650-10926-51361	Pension Expense GASB 68	96,869	-	23,000	8,750	23,000
<b>Total Fringe Benefits</b>			<b>248,595</b>	<b>83,182</b>	<b>232,683</b>	<b>181,349</b>	<b>326,850</b>

**CITY OF PEWAUKEE  
SEWER UTILITY  
2025 OPERATING BUDGET**

Old GL Number	New GL Number	Description	2024			2025 Budget	
			2023 Actual	6 Month Actual	Year End Forecast		2024 Budget
<b>Plant Operation &amp; Maintenance</b>							
650-01821-52200	650-01821-52200	Power/Electricity	49,863	18,807	55,000	50,000	56,000
650-01821-52210	650-01821-52210	Power/Natural Gas	2,432	6,867	2,500	2,500	2,700
650-01821-53215	650-01821-53215	Power/Other Fuel	257	-	400	750	250
650-01827-53400	650-01827-53400	Supplies and Expenses	990	748	1,750	2,800	2,800
650-01827-53410	650-01827-53410	Uniforms	2,843	1,482	3,700	3,700	3,900
650-01827-52340	650-01827-52340	Sewer Service Charge - Brookfield	1,360,359	861,410	2,060,000	1,100,000	2,100,000
650-01827-52341	650-01827-52341	Sewer Service Charge - LPSD	604,636	159,825	640,000	650,000	701,000
650-01827-52342	650-01827-52342	Sewer Service Charge - Village of Pewaukee	120,559	29,225	140,000	140,000	140,000
650-01827-52343	650-01827-52343	Sewer Service Charge - SD #4	18,846	1,652	9,000	9,000	9,000
650-01827-52344	650-01827-52344	Sewer Service Charge - WCC	300,965	137,965	330,000	365,000	365,000
650-01827-56982	650-01827-56982	LPSD Debt Service Chg	-	-	-	-	-
650-01831-52400	650-01831-52400	Maintenance of Collection System	66,397	1,335	200,000	320,000	300,000
650-01831-52410	650-01831-52410	Maintenance SCS Sewer Cleaning	42,404	-	100,000	150,000	150,000
650-01831-52420	650-01831-52420	Maintenance/SCS - Flowmeter	2,936	-	7,500	15,000	15,000
650-01831-52430	650-01831-52430	Maintenance/SCS - Control Panel	2,478	2,523	7,000	7,000	7,000
650-01832-52400	650-01832-52400	Maintenance of Pumping Equipment	13,225	16,656	20,000	20,000	20,000
650-01834-52400	650-01834-52400	Maintenance of General Plant Structure	15,766	1,989	17,000	35,000	35,000
<b>Total Plant Operation &amp; Maintenance</b>			<b>2,604,954</b>	<b>1,240,483</b>	<b>3,593,850</b>	<b>2,870,750</b>	<b>3,907,650</b>
<b>Consultants &amp; Studies</b>							
650-01850-52100	650-01850-52100	OPS - Sewer Studies	43,890	-	25,000	25,000	250,000
650-01852-52380	650-01852-52380	OPS - Engineer - Sewer	921	-	-	7,500	-
650-01852-52382	650-01852-52382	OPS - Attorney - Sewer	-	-	-	6,000	-
650-01852-52383	650-01852-52383	OPS - Auditor/Accountant - Sewer	-	-	-	25,000	-
<b>Total Consultants &amp; Studies</b>			<b>44,811</b>	<b>-</b>	<b>25,000</b>	<b>63,500</b>	<b>250,000</b>
<b>Shared Transportation and Maintenance Expenses</b>							
650-00933-53340	650-10921-53140	Transportation Expense - Vehicle Fuel	8,736	4,281	11,000	11,000	12,000
650-00933-55370	650-10924-55122	Transportation Expense - Vehicle Insurance	1,654	-	4,400	2,000	5,000
650-00933-52400	650-10921-52400	Transportation Expense - Repair & Maintenance	7,203	2,157	5,000	5,000	8,200
650-00950-52100	650-00950-52100	Scada/Telemetry	8,485	51	-	25,000	-
650-01831-52100	650-01831-52100	Scada/Telemetry	-	3,152	20,000	-	15,000
650-00950-52200	650-00950-52200	Safety	1,391	-	-	2,000	-

**CITY OF PEWAUKEE  
SEWER UTILITY  
2025 OPERATING BUDGET**

Old GL Number	New GL Number	Description	2023 Actual	2024			2025 Budget
				6 Month Actual	Year End Forecast	2024 Budget	
650-01827-52200	650-01827-52200	Safety	-	354	2,000	-	2,200
	650-10660-51100	Trans & Dist Ops & Eng- Wages	88,356	27,909	56,263	56,263	64,405
650-00950-52440	650-10665-52450	Diggers Hotline	17,851	12,014	19,600	28,500	23,000
650-00950-52445	650-10933-52120	GIS Software Maintenance	2,510	-	13,500	13,500	9,000
<b>Total Shared Transportation and Maintenance Expenses</b>			<b>136,186</b>	<b>49,918</b>	<b>131,763</b>	<b>143,263</b>	<b>138,805</b>

**Shared Administrative Expenses**

	650-10901-51100	Customer Accts Ops-Superv Wages	-	7,315	9,890	-	10,157
	650-10926-51300	Admint & Gen Ops Soc Sec/Med	-	8,726	31,000	-	32,328
650-00901-52200	650-10902-52401	Meter Reading Expenses	6	-	-	4,500	-
650-00903-53300	650-10903-52401	Billing	14,828	9,377	17,500	15,500	16,000
650-00904-57420	650-00904-57420	Sewer Utility Uncollectible	-	-	20	200	20
650-00906-53300	650-10906-52401	Conservation/Public Relations	749	-	500	7,500	10,000
650-00921-53100	650-10921-53100	Office Supplies & Expenses	3,180	885	2,750	2,850	2,750
650-00921-52301	650-10921-52301	Office Equipment Maintenance	1,246	1,156	1,600	2,750	1,600
650-00921-52303	650-10921-52303	Bank Service Charges	179	-	100	100	100
650-00921-53305	650-10921-53305	Books & Periodicals	-	-	-	50	50
650-00921-53306	650-10921-53306	Postage	-	52	200	350	375
650-00921-53307	650-10921-53307	Notices & Publications	-	-	75	250	250
650-00921-52330	650-10921-52230	Telephone	2,546	1,565	3,450	4,250	3,540
650-00921-52331	650-10921-52331	Answering Service	717	152	550	550	600
650-00921-53300	650-10921-53300	Mileage	13	131	425	400	450
650-00921-53210	650-10921-53210	Meals & Incidentals	-	7	250	325	325
650-00923-52380	650-10923-52170	OPS - Engineer	-	-	7,500	7,500	50,000
650-00923-52100	650-10923-52100	OPS - Attorney	-	-	6,000	4,000	30,000
650-00923-52120	650-10923-52120	OPS - Auditor/Accountant	26,652	4,003	80,000	37,500	100,000
650-00923-52160	650-10923-52160	General Management	40,000	-	-	40,000	-
650-00924-55120	650-10924-55120	Insurance - Property & Liability	12,674	473	11,900	16,500	12,400
650-00924-55110	650-10925-55110	Insurance - Workers Compensation	7,062	(735)	28,250	8,358	29,000
650-00924-55121	650-10924-55121	Insurance - Boiler & Machinery	1,038	-	1,090	1,038	1,200
650-00930-53200	650-10930-53200	Utility Memberships & Continuing Education	1,883	1,011	14,450	5,250	10,000
	650-10930-53100	Admin & Gen Ops-Misc Gen Supplies	6	20	500	-	3,250
650-00930-55391	650-10931-55391	Rent	18,000	18,000	18,000	18,000	18,000
650-00930-53399	650-10930-53307	Miscellaneous General Expense	(44)	-	1,500	3,250	1,500
<b>Total Shared Administrative Expenses</b>			<b>130,734</b>	<b>52,137</b>	<b>237,500</b>	<b>180,971</b>	<b>333,895</b>

**CITY OF PEWAUKEE  
SEWER UTILITY  
2025 OPERATING BUDGET**

Old GL Number	New GL Number	Description	2024			2025 Budget	
			2023 Actual	6 Month Actual	Year End Forecast		2024 Budget
<b>Total Operating Expenses</b>			<b>3,348,158</b>	1,551,836	4,471,157	3,690,194	5,213,734
<b>Operating Profit (Loss) before Depreciation</b>			889,521	584,332	(172,932)	357,831	(889,709)
650-01403-55410	650-01403-55410	Depreciation Exp. - Sewer	848,463	-	850,000	800,000	875,500
<b>Net Operating Profit (Loss) - Sewer</b>			<b>41,058</b>	<b>584,332</b>	<b>(1,022,932)</b>	<b>(442,169)</b>	<b>(1,765,209)</b>
<b>Non-Operating Revenue</b>							
650-01623-46314	650-01623-46314	Sewer Construction	169,208	58,509	120,000	140,000	140,000
650-01623-46320	650-01623-46320	Deferred Special Assmt Payoffs	96,369	381	6,000	25,000	25,000
650-01622-46315	650-01622-46315	ICA-Bluemound Road	20,762	9,942	22,000	9,000	8,500
650-01622-46316	650-01622-46316	ICA - Green Road	39,732	-	6,800	13,224	6,800
650-01622-46317	650-01622-46317	ICA - West Side	(2,430)	-	1,230	1,230	1,230
650-01622-46318	650-01622-46318	ICA Capitol Drive North	98,154	22,308	85,000	164,700	85,000
650-01660-48100	650-01660-48100	Interest Income	333,500	266,535	266,535	156,000	200,000
650-01660-48102	650-01660-48102	Interest/Special Assmts.	12,094	-	200	2,000	2,000
650-01660-46161	650-01660-46161	Accounts Receivable Finance Charges	137	2	150	150	150
650-01660-48300	650-01660-48300	Gain or Loss on Sale of Assets	16,000	-	5,000	5,000	5,000
650-01660-48900	650-01660-48900	Other Revenues	-	-	100	-	100
<b>Total Non-Operating Revenues</b>			<b>783,526</b>	<b>357,676</b>	<b>513,015</b>	<b>516,304</b>	<b>473,780</b>
<b>Non-Operating Expenses</b>							
650-01880-56100	650-01880-56100	Interest/Long Term Debt	159,238	96,622	170,856	170,856	162,041
650-09999-59998	650-09999-59998	Special Item Water Debt Forgiveness	5,312,577	-	-	-	-
650-01990-56981	650-01990-56981	Bond Discount	-	-	-	-	-
650-01690-55400	650-01690-55400	Amortization of Premium	(15,491)	-	-	-	-
650-01827-52999	650-01827-52999	Refund Of Prior Years Revenue	-	-	-	-	-
<b>Total Non-Operating Expenses</b>			<b>5,456,325</b>	<b>96,622</b>	<b>170,856</b>	<b>170,856</b>	<b>162,041</b>

**WATER FACILITIES**

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>
<b>Water--Wells and Pumphouses</b>									
Well No. 1--City Hall Well Pump	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -
Well No. 2-Green Rd. pump & motor repl.	\$ -	\$ -	\$ -	\$ 85,000	\$ -	\$ -	\$ -	\$ -	\$ -
Well No. 4 & 7 Wispark	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Well No. 5 - Northmound pump & motor repl. - Abandon site	\$ -	\$ -	\$ 50,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -
Well No. 3 & 6 - North Ave Deep pump & motor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105,000	\$ -	\$ -	\$ -
Well No. 8--Still River I add vacuum prime system &PFAS treatment	\$ -	\$ 125,000	\$ 1,500,000	\$ 1,500,000	\$ 3,300,000	\$ -	\$ -	\$ -	\$ -
Well No. 9&10	\$ 110,000	\$ -	\$ -	\$ -	\$ -	\$ 110,000	\$ -	\$ -	\$ -
Well No. 11 &12-- Deer Haven - PFAS treatment	\$ -	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000	\$ -	\$ -	\$ 140,000	\$ -
<b>BLUEMOUND WELL 5 COMPLIANCE-Funds expended eng. &amp; design</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Well No. 13 - Still River II	\$ -	\$ 100,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Well No. 14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ 100,000	\$ 1,000,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Well house security upgrades	\$ -	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ -	\$ -	\$ -
Well house Motor Control upgrade 2025 - 2026 Wispark #4 & #7	\$ -	\$ -	\$ 75,000	\$ 350,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Chemical feed pump upgrades	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000
<b>Subtotal</b>	<b>\$ 124,000</b>	<b>\$ 269,000</b>	<b>\$ 2,869,000</b>	<b>\$ 3,579,000</b>	<b>\$ 5,094,000</b>	<b>\$ 409,000</b>	<b>\$ 189,000</b>	<b>\$ 404,000</b>	<b>\$ 1,164,000</b>

**Water--Storage Facilities**

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>
City Hall Tower	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -
City Hall Tower Foundation	\$ -	\$ -	\$ 25,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -
Carmelite Standpipe rehab/paint	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -
Green Rd Reservoir Paint & Repairs	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ -
Old City Hall Tower Removal - foundation	\$ -	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal</b>	<b>\$ -</b>	<b>\$ 50,000</b>	<b>\$ 25,000</b>	<b>\$ 325,000</b>	<b>\$ 300,000</b>	<b>\$ 0</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>\$ -</b>

**Water - Transmission Maintenance Equipment**

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>
<b>Water--Transmission Mains</b>									
Prospect Avenue & Spring Creek	\$ -	\$ -	\$ 25,000	\$ 60,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -
Bluemound Road (Busse Rd. to Foster Ct)** Well 5 Alternative***	\$ -	\$ -	\$ 4,500,000	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -
Lindsay Rd. (Balmer Park/Swan Vw. Farms to Sports Com.)	\$ -	\$ 700,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lindsay Road (Swan Road to Balmer Park)	\$ -	\$ -	\$ -	\$ 700,000	\$ -	\$ -	\$ -	\$ -	\$ -
Sherwood Forest	\$ -	\$ -	\$ 100,000	\$ 1,200,000	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Water Equipment</b>	\$ -	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Bulk Water Fill Station</b>	\$ -	\$ 35,000	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal</b>	<b>\$ -</b>	<b>\$ 735,000</b>	<b>\$ 4,650,000</b>	<b>\$ 3,460,000</b>	<b>\$ 1,000,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Water Meter Program**

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>
Water Meter Program	\$ 78,000	\$ 85,000	\$ 110,000	\$ 120,000	\$ 125,000	\$ 125,000	\$ 130,000	\$ 130,000	\$ 135,000
Data collector / Cellular	\$ -	\$ -	\$ -	\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$ -
Meter Reading Software & Hardware Upgrade	\$ -	\$ -	\$ -	\$ 20,000	\$ 25,000	\$ -	\$ 20,000	\$ 20,000	\$ -
<b>Subtotal</b>	<b>\$ 78,000</b>	<b>\$ 85,000</b>	<b>\$ 110,000</b>	<b>\$ 152,000</b>	<b>\$ 150,000</b>	<b>\$ 125,000</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ 135,000</b>



<b>Sewer Facilities</b>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>
Gun Club Rehab or replacement	\$ 434,000	\$ 2,750,000	\$ 3,980,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Spice Creek Lift Station Rehab	\$ -	\$ -	\$ -	\$ 125,000	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Kopmeier Lift Station Village of Pewaukee</b>		<b>\$ 750,000</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sherwood Lift Station	\$ -	\$ -	\$ 250,000	\$ 3,500,000	\$ -	\$ -	\$ -	\$ -	\$ -
Lift Station Security Upgrades	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
<b>Subtotal</b>	<b>\$ 434,000</b>	<b>\$ 3,525,000</b>	<b>\$ 4,255,000</b>	<b>\$ 3,650,000</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>

<b>Equipment</b>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>
Trailer - Tools/equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000	\$ 10,000
Sewer Jetter(Shared w/stormwater)	\$ -	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000
Truck Mount Automatic Valve turner-Water only	\$ -	\$ 30,000	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
Subtotal	\$ -	\$ 48,000	\$ 18,000	\$ 48,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 63,000	\$ 28,000
<b>Subtotal</b>	<b>\$ -</b>	<b>\$ 96,000</b>	<b>\$ 36,000</b>	<b>\$ 96,000</b>	<b>\$ 36,000</b>	<b>\$ 36,000</b>	<b>\$ 36,000</b>	<b>\$ 126,000</b>	<b>\$ 28,000</b>

<b>Sewer Projects</b>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>
Sherwood Forest/Busse Rd	\$ -	\$ -	\$ 100,000	\$ 3,250,000	\$ -	\$ -	\$ -	\$ -	\$ -
Rolling Ridge Sewer	\$ -	\$ -	\$ 125,000	\$ 1,200,000	\$ -	\$ -	\$ -	\$ -	\$ -
Kopmeier sewer re-lay under Pewaukee Lake	\$ -	\$ 15,000	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hickory Grove Estates	\$ -	\$ 35,000	\$ 950,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Future Sewer rehabilitation road construction	\$ -	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 100,000	\$ 100,000	\$ 100,000
<b>Sewer--Facilities Infrastructure Study (Operations budget)</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Southwest Sewer Study -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Northwest Sewer Study - Village of Pewaukee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal</b>	<b>\$ -</b>	<b>\$ 125,000</b>	<b>\$ 2,750,000</b>	<b>\$ 4,525,000</b>	<b>\$ 75,000</b>	<b>\$ 75,000</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>

<b>COMBINED SEWER &amp; WATER FACILITIES</b>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>
Facilities study -- Buildings & Grounds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SCADA software upgrade (Split W/S)	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	\$ 75,000
PLC & Control Upgrades @ Stations	\$ 45,000	\$ 75,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 50,000	\$ 50,000	\$ 55,000
Radio Upgrade-SCADA	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -
Surveying equipment	\$ -	\$ -	\$ -	\$ 26,000	\$ -	\$ -	\$ -	\$ -	\$ 35,000
Mapping GIS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000	\$ 15,000
<b>Subtotal</b>	<b>\$ 65,000</b>	<b>\$ 95,000</b>	<b>\$ 65,000</b>	<b>\$ 91,000</b>	<b>\$ 115,000</b>	<b>\$ 115,000</b>	<b>\$ 70,000</b>	<b>\$ 65,000</b>	<b>\$ 180,000</b>

<b>Vehicle purchase</b>																		
Utility Truck	\$	102,000	\$	67,000	\$	80,000	\$	82,000	\$	93,000	\$	72,000	\$	72,000	\$	75,000	\$	75,000

**Shared City purchases**

Utility Computers and mobil devices	\$	-	\$	16,000	\$	8,000	\$	8,000	\$	8,000	\$	8,200	\$	8,200	\$	8,500	\$	8,500
Utility Billing Software	\$	35,000	\$	-	\$	-	\$	-	\$	-	\$	20,000	\$	40,000	\$	-	\$	-
Cashiering Acct. & Special Assess. Software	\$	-	\$	-	\$	-	\$	20,000	\$	20,000	\$	-	\$	-	\$	-	\$	-
ESRI - Software for GIS & Open Gov	\$	20,000	\$	20,000	\$	-	\$	-	\$	-	\$	-	\$	-	\$	20,000	\$	20,000
Asset Management	\$	35,000	\$	15,000	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Furniture/Remodel	\$	-	\$	20,000	\$	35,000	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
<b>Total Shared City Purchases</b>	\$	<b>90,000</b>	\$	<b>71,000</b>	\$	<b>43,000</b>	\$	<b>28,000</b>	\$	28,000	\$	28,200	\$	48,200	\$	28,500	\$	<b>28,500</b>

Water Share 50% of City Purchases	\$	30,000	\$	35,500	\$	21,500	\$	14,000	\$14,000.00	\$14,100.00	\$24,100.00	\$14,250.00	\$	14,250
Sewer Share 50% Of City Purchases	\$	30,000	\$	35,500	\$	21,500	\$	14,000	\$14,000.00	\$14,100.00	\$24,100.00	\$14,250.00	\$	14,250

**SUMMARY**

	2023	2024	2025	2026	2027	2028	2029	2030	2031
Water--Wells and Pumphouses	\$ 124,000	\$ 269,000	\$ 2,869,000	\$ 3,579,000	\$ 5,094,000	\$ 409,000	\$ 189,000	\$ 404,000	\$ 1,164,000
Water--Storage Facilities	\$ -	\$ 50,000	\$ 25,000	\$ 325,000	\$ 300,000	\$ -	\$ 200,000	\$ -	\$ -
Water--Transmission Mains	\$ -	\$ 735,000	\$ 4,650,000	\$ 3,460,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -
Water Meter Program	\$ 78,000	\$ 85,000	\$ 110,000	\$ 152,000	\$ 150,000	\$ 125,000	\$ 150,000	\$ 150,000	\$ 135,000
Sewer Facilities	\$ 434,000	\$ 3,525,000	\$ 4,255,000	\$ 3,650,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Equipment	\$ -	\$ 48,000	\$ 18,000	\$ 48,000	\$ -	\$ -	\$ -	\$ -	\$ 28,000
Sewer Projects	\$ -	\$ 125,000	\$ 2,750,000	\$ 4,525,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
City Road Projects-Adjustments & Repairs O&M budget	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	#REF!
<b>COMBINED SEWER &amp; WATER FACILITIES</b>	\$ 65,000	\$ 95,000	\$ 65,000	\$ 91,000	\$ -	\$ -	\$ -	\$ -	\$ 180,000
Vehicle purchase	\$ 102,000	\$ 67,000	\$ 80,000	\$ 82,000	\$ 93,000	\$ 72,000	\$ 72,000	\$ 75,000	\$ 75,000
Shared City purchases	\$ 90,000	\$ 71,000	\$ 43,000	\$ 28,000	\$ -	\$ -	\$ -	\$ -	\$ 28,500
<b>TOTAL</b>	\$ <b>893,000</b>	\$ <b>5,070,000</b>	\$ <b>14,865,000</b>	\$ <b>15,940,000</b>	\$ 6,662,000	\$ 631,000	\$ 636,000	\$ 654,000	#REF!

O&M Road paving Projects

\$	127,500	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-

Fox River Water Polution Control Center (RCA's)	\$	-	\$	96,000	\$	36,000	\$	96,000	\$	-	\$	-	\$	28,000
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**CITY OF PEWAUKEE  
COMMON COUNCIL AGENDA ITEM 13.**

**DATE:** December 2, 2024

**DEPARTMENT:** Clerk/Treasurer

**PROVIDED BY:**

***SUBJECT:***

Consideration of Petition for Detachment of Waukesha County Technical College (WCTC) Parcel Located at N35 W255 Main Street (PWC 0925.998) [Attorney Riffle]

***BACKGROUND:***

***FINANCIAL IMPACT:***

***RECOMMENDED MOTION:***

**ATTACHMENTS:**

Description

Detachment Memo

Petition to Detach

Ordinance 24-17

Exhibit A

# Municipal LAW

& LITIGATION GROUP

DALE W. ARENZ (1935-2022)  
DONALD S. MOLTER, JR. (Retired)  
JOHN P. MACY  
H. STANLEY RIFFLE (Court Commissioner)  
ERIC J. LARSON  
REMZY D. BITAR

730 N. GRAND AVENUE  
WAUKESHA, WISCONSIN 53186  
Telephone (262) 548-1340  
Direct (262) 806-0212  
Facsimile (262) 548-9211  
Email: sriffle@ammr.net

PAUL E. ALEXY  
MATTEO REGINATO  
LUKE A. MARTELL  
SAMANTHA R. SCHMID  
CHRISTOPHER R. SCHULTZ  
LUCAS C. LOGIC  
GREGORY M. PROCOPIO  
BENJAMIN T. CROCKETT  
ADAM J. MEYERS  
-----  
STEPHEN J. CENTINARIO, JR.  
MICHAEL J. MORSE

November 27, 2024

## MEMO

From: City Attorney Stan Riffle  
To: Common Council

Re: WCTC Petition to Detach Parcel from the City to the Village

Council Members:

WCTC has filed a petition to detach a vacant former single family residential parcel from the City to be attached to the Village of Pewaukee. This parcel, now owned by WCTC, is essentially an island located on the northeast portion of the College campus west of STH 16. It is tax exempt (as part of WCTC).

The reason for the request is to facilitate the development of a new YMCA, which will be constructed in part on the subject parcel and straddle the lot line to the south on other WCTC lands. It is anticipated that there will be realignment of access roads and parking areas to facilitate the development. The rationale for the request is to avoid duplication of approval processes by both the City and Village for land use and building code approvals (since the building would otherwise be located in both the City and the Village).

I am on the Board of Directors (and have been as President and now Chief Volunteer Legal Officer) for about 25 years). So, I cannot represent the City on this one. I will, however, be able to answer any questions related to WCTC's petition.

WCTC requests that the City approve the Detachment Ordinance.

Stan

**PETITION FOR DETACHMENT OF LAND FROM THE  
CITY OF PEWAUKEE TO THE VILAGE OF PEWAUKEE,  
WAUKESHA COUNTY, STATE OF WISCONSIN**

PLEASE TAKE NOTICE, that pursuant to §66.0227 Wis. stats., the undersigned Owner of the following described Property, lying and being in the City of Pewaukee, do hereby petition the City to detach said Property from the City to the Village of Pewaukee, Waukesha County, State of Wisconsin.

The Property is described as follows: Tax Parcel No: PWT. 0925. 998

All that part of Northeast ¼ of Section 16, Town 7 North, Range 19 East, City of Pewaukee, County of Waukesha, State of Wisconsin, bound and described as follows:

Commencing at the North quarter corner of said Section 16 and running thence North 83° 49' East along the North line of said Northeast ¼ 339.82 feet to the point of beginning; thence continuing North 83° 49' East along said line 259.30 feet to a point on the West right-of-way of U.S. Highway #16; thence South 30° 41' East along said right-of-way line 164.84 feet to a point; thence South 83° 49' West parallel to the North line of said Northwest ¼ 321.50 feet to a point; thence North 6° 11' West 150 feet to the point of beginning.

EXCEPTING therefrom that part conveyed by Award of Damages recorded February 3, 1978 on Reel 283, Image 1238, as Document 1034318.

ADDRESS: N35 W255 Main Street, Pewaukee, WI 53072

The undersigned verifies that this Property is owned in its entirety by the undersigned and contains approximately 0.962 acres, more or less, with a current population of zero (0). A map reasonably showing the boundaries of the Property in relation to the City and Village is attached as Exhibit A.

DATED this 8 day of Oct, 2024.

WAUKESHA COUNTY TECHNICAL COLLEGE

By: 

STATE OF WISCONSIN

CITY OF PEWAUKEE

WAUKESHA COUNTY

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE PROVIDING FOR DETACHMENT OF A PORTION OF THE CITY OF PEWAUKEE, WAUKESHA COUNTY, STATE OF WISCONSIN, TO THE VILLAGE OF PEWAUKEE, WAUKESHA COUNTY, STATE OF WISCONSIN**

WHEREAS, the City has received a petition for detachment of land from the City of Pewaukee in the County of Waukesha, State of Wisconsin, to the Village of Pewaukee in the County of Waukesha, State of Wisconsin, for the following-described Property;

The Property is described as follows: Tax Parcel No: PWT. 0925. 998

All that part of Northeast ¼ of Section 16, Town 7 North, Range 19 East, City of Pewaukee, County of Waukesha, State of Wisconsin, bound and described as follows:

Commencing at the North quarter corner of said Section 16 and running thence North 83° 49' East along the North line of said Northeast ¼ 339.82 feet to the point of beginning; thence continuing North 83° 49' East along said line 259.30 feet to a point on the West right-of-way of U.S. Highway #16; thence South 30° 41' East along said right-of-way line 164.84 feet to a point; thence South 83° 49' West parallel to the North line of said Northwest ¼ 321.50 feet to a point; thence North 6° 11' West 150 feet to the point of beginning.

EXCEPTING therefrom that part conveyed by Award of Damages recorded February 3, 1978 on Reel 283, Image 1238, as Document 1034318.

ADDRESS: N35 W255 Main Street, Pewaukee, WI 53072

WHEREAS, the Property contains approximately .9618 acres with a current population of zero persons; and

WHEREAS, a scale map reasonably showing the boundaries of the Property in relation to the City of Pewaukee and the Village of Pewaukee is attached as Exhibit A; and

WHEREAS, the said petition has been executed by all owners of the Property; and

WHEREAS, it appears that all requirements of §66.0227, Wis. Stats., have been fully complied with; and

WHEREAS, it appears in the best interest of the City of Pewaukee that the Property be detached from the City; and

WHEREAS, the City Common Council by at least a three-fourths majority has approved the detachment petition.

NOW, THEREFORE, the City Common Council of the City of Pewaukee, Waukesha County, Wisconsin, DOES HEREBY ORDAIN AS FOLLOWS:

**SECTION 1.** The Property legally described above situated in the City of Pewaukee be and the same is hereby detached from the City and attached to the Village of Pewaukee, Waukesha County, State of Wisconsin;

**SECTION 2.** The Clerk for the City of Pewaukee is directed to provide a copy of this Ordinance to the Village of Pewaukee so that the Village may act upon the Ordinance within the time period requirements set forth in §66.0227(2), Wis. Stats. The City Clerk is further directed to make the mailings, filings and recordings required pursuant to §66.227(5), Wis. Stats.

**SECTION 3.** Severability.

The several sections of this ordinance are severable. If any section or portion thereof shall be declared by a court of competent jurisdiction to be invalid, unlawful or unenforceable, such decision shall apply only to the specific section or portion thereof directly specified in the decision, and shall not affect the validity of any other provisions, sections or portions thereof of the ordinance. The remainder of the ordinance shall remain in full force and effect. Any other ordinances whose terms are in conflict with the provisions of this ordinance are hereby repealed as to those terms that conflict.

**SECTION 4.** Effective Date.

This ordinance shall take effect immediately following passage and posting or publication as provided by law.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

CITY OF PEWAUKEE

By: \_\_\_\_\_  
Steve Bierce, City Mayor

Attest: \_\_\_\_\_  
Kelly Tarczewski, City Clerk

ACKNOWLEDGMENT

State of Wisconsin    )  
                                  ) s  
Waukesha County     )

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 2024, the above-named Steve Bierce and Kelly Tarczewski to me known to be the persons who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
Notary Public, State of Wisconsin.  
My Commission \_\_\_\_\_.

Published and/or posted this \_\_\_\_\_ day of \_\_\_\_\_, 2024.



**EXHIBIT A**



**CITY OF PEWAUKEE  
COMMON COUNCIL AGENDA ITEM 14.**

**DATE:** December 2, 2024

**DEPARTMENT:** Clerk/Treasurer

**PROVIDED BY:**

***SUBJECT:***

Discussion and Possible Action to Appoint Jared Lavin as the Agent to Kwik Trip Located at W229 N2086 Redford Blvd [Tarczewski]

***BACKGROUND:***

***FINANCIAL IMPACT:***

***RECOMMENDED MOTION:***

**ATTACHMENTS:**

Description

Request Letter



**Legal**

PHONE 608-781-8988

FAX 608-793-6120

1626 Oak St., P.O. Box 2107

La Crosse, WI 54602

[www.kwiktrip.com](http://www.kwiktrip.com)

October 22, 2024

City Clerk/Treasurer  
City of Pewaukee  
W240 N3065 Pewaukee Rd.  
Pewaukee, WI 53072-4044

RE: Agent Appointment  
Kwik Trip 396  
W229 N2086 Redford Blvd

Dear City Clerk:

A new manager, Jared Lavin, has been assigned to oversee the Kwik Trip 396 convenience store. Therefore, we would like to appoint Jared as the agent of the store.

Enclosed please find the completed agent forms and \$10.00 payment for the processing fee for this service. I respectfully request that you include this item on the agenda of your next City Council meeting for consideration.

If you require anything further, please don't hesitate to contact me. I can be reached at (608) 793-6262 or [DHafner@kwiktrip.com](mailto:DHafner@kwiktrip.com). Thank you in advance for your assistance with this matter.

Yours truly,

Deanna Hafner  
Licensing Agent

Enclosures

**CITY OF PEWAUKEE  
COMMON COUNCIL AGENDA ITEM 15.**

**DATE:** December 2, 2024

**DEPARTMENT:** Clerk/Treasurer

**PROVIDED BY:**

***SUBJECT:***

Discussion and Possible Action Regarding the Accounts Payable Listing Dated December 2, 2024 [Tarczewski]

***BACKGROUND:***

***FINANCIAL IMPACT:***

***RECOMMENDED MOTION:***

**ATTACHMENTS:**

Description

A/P 12/2/2024

Check Date	Bank	Check #	Payee	Description	Account	Dept	Amount
Fund: 100 GENERAL FUND							
11/22/2024	100	142475*#	A&M CLEANING SOLUTIONS	HIGHWAY - CONTRACTED JANITORIAL	52400	53100	906.66
11/22/2024	100	142478	AUTOMOTIVE SUPPLY OF SUSSEX	HIGHWAY - OPERATING SUPPLIES	53400	53100	52.25
11/22/2024	100	142479	CARLIN SALES CORPORATION	PARKS - EQUIPMENT PURCHASED WITH	53900	55200	864.32
11/22/2024	100	142481#	CONLEY MEDIA	CLERK/TREASURER - NOTICES &	53470	51420	198.02
				CLERK/TREASURER - NOTICES &	53470	51420	435.46
				ELECTIONS - NOTICES & PUBLICATIONS	53470	51440	79.48
				ELECTIONS - NOTICES & PUBLICATIONS	53470	51440	20.38
				PLANNER - NOTICES & PUBLICAT	53470	56300	210.28
				PLANNER - NOTICES & PUBLICAT	53470	56300	46.50
				CHECK 100 142481 TOTAL FOR FUND 100:			990.12
11/22/2024	100	142482	COREY OIL	HIGHWAY - FUEL	53420	53100	1,982.37
				HIGHWAY - FUEL	53420	53100	1,420.81
				CHECK 100 142482 TOTAL FOR FUND 100:			3,403.18
11/22/2024	100	142483	DIVERSIFIED BENEFIT SERVICES, INC.	INSURANCE CONSULTANT	52150	51930	209.30
11/22/2024	100	142485	ELLIOTTS ACE HARDWARE	PARKS - GROUNDS MAINTENANCE	52420	55200	21.37
				PARKS - NEW EQUIPMENT	53950	55200	115.91
				CHECK 100 142485 TOTAL FOR FUND 100:			137.28
11/22/2024	100	142486	ENVIRONMENTAL SYSTEMS	IT - SOFTWARE MAINTENANCE & UPDATES	52480	51450	550.00
11/22/2024	100	142487	FAMBRO MANAGEMENT	RECREATION PROGRAM - CONTRACTED	52190	55300	1,024.00
11/22/2024	100	142488	FORCE AMERICA, INC.	HIGHWAY - EQUIP REPAIR & MAINT	52430	53100	600.00
11/22/2024	100	142489#	FORWARD TS	COURT - OPERATING SUPPLIES	53400	51200	18.29
				POLICE - OPERATING SUPPLIES	53400	52100	18.28
				CHECK 100 142489 TOTAL FOR FUND 100:			36.57
11/22/2024	100	142491	HARTLAND OVERHEAD DOOR	PARKS - BUILDING REPAIRS & MAINT	52410	55200	275.00
11/22/2024	100	142493	HECKEL DANCE LLC	RECREATION PROGRAM - CONTRACTED	52190	55300	830.40
11/22/2024	100	142495	HUMANE ANIMAL WELFARE SOCIETY	PREPAID EXPENSES	16200	00000	6,899.97
11/22/2024	100	142496	J.F. AHERN COMPANY	CITY HALL - BUILDING REPAIRS & MAINT	52410	51600	505.00
11/22/2024	100	142497	JOHNSON'S NURSERY	PARKS - EQUIPMENT PURCHASED WITH	53900	55200	860.00

Check Date	Bank	Check #	Payee	Description	Account	Dept	Amount
Fund: 100 GENERAL FUND							
11/22/2024	100	142498	JX ENTERPRISES, INC.	HIGHWAY - EQUIP REPAIR & MAINT	52430	53100	137.99
				HIGHWAY - EQUIP REPAIR & MAINT	52430	53100	457.92
				CHECK 100 142498 TOTAL FOR FUND 100:			<u>595.91</u>
11/22/2024	100	142499	KAESTNER AUTO ELECTRIC CO.	HIGHWAY - EQUIP REPAIR & MAINT	52430	53100	17.94
11/22/2024	100	142500	KEN WEBER TRUCK SERVICE	PARKS - VEHICLE REPAIR & MAINT	52440	55200	250.00
11/22/2024	100	142501	LANGE ENTERPRISES, INC	HIGHWAY - ROAD SIGNS & MARKINGS	53720	53100	69.48
11/22/2024	100	142502	MALECKI GRAPHIC ARTS SERVICES	RECREATION PROGRAM - PROGRAM PRINTING	53120	55300	1,000.00
11/22/2024	100	142503*#	MENARDS	HIGHWAY - EQUIP REPAIR & MAINT	52430	53100	84.57
				HIGHWAY - OPERATING SUPPLIES	53400	53100	38.55
				HIGHWAY - OPERATING SUPPLIES	53400	53100	58.84
				HIGHWAY - OPERATING SUPPLIES	53400	53100	32.26
				HIGHWAY - ROAD SIGNS & MARKINGS	53720	53100	144.75
				PARKS - BUILDING REPAIRS & MAINT	52410	55200	193.61
				PARKS - VEHICLE REPAIR & MAINT	52440	55200	40.51
				PARKS - NEW EQUIPMENT	53950	55200	14.99
				PARKS - NEW EQUIPMENT	53950	55200	19.85
				CHECK 100 142503 TOTAL FOR FUND 100:			<u>627.93</u>
11/22/2024	100	142504	MILLER-BRADFORD & RISBERG, INC	HIGHWAY - EQUIP REPAIR & MAINT	52430	53100	968.06
				HIGHWAY - EQUIP REPAIR & MAINT	52430	53100	325.65
				HIGHWAY - EQUIP REPAIR & MAINT	52430	53100	5.35
				HIGHWAY - EQUIP REPAIR & MAINT	52430	53100	3,573.79
				HIGHWAY - EQUIP REPAIR & MAINT	52430	53100	(100.00)
				HIGHWAY - EQUIP REPAIR & MAINT	52430	53100	(5.35)
				HIGHWAY - EQUIP REPAIR & MAINT	52430	53100	(316.29)
				HIGHWAY - EQUIP REPAIR & MAINT	52430	53100	(3,566.65)
				CHECK 100 142504 TOTAL FOR FUND 100:			<u>884.56</u>
11/22/2024	100	142507*#	ODP BUSINESS SOLUTIONS LLC	CLERK/TREASURER - OPERATING SUPPLIES	53400	51420	11.57
				ELECTIONS - OPERATING SUPPLIES	53400	51440	55.90
				ELECTIONS - OPERATING SUPPLIES	53400	51440	64.71
				CITY HALL - JANITORIAL SUPPLIES	52400	51600	109.38
				CHECK 100 142507 TOTAL FOR FUND 100:			<u>241.56</u>
11/22/2024	100	142508	ONSOLVE	HIGHWAY - PHONE & CELL	52260	53100	645.52
11/22/2024	100	142509	R&R INSURANCE SERVICES	WORKER'S COMPENSATION	55110	51930	19,292.00

Check Date	Bank	Check #	Payee	Description	Account	Dept	Amount
Fund: 100 GENERAL FUND							
11/22/2024	100	142511*#	RUEKERT & MIELKE, INC.	ENGINEERING - OUTSIDE ENGINEERING	52190	53110	383.00
				ENGINEERING - OUTSIDE ENGINEERING	52190	53110	1,193.00
				ENGINEERING - OUTSIDE ENGINEERING	52190	53110	8,185.80
				CHECK 100 142511 TOTAL FOR FUND 100:			<u>9,761.80</u>
11/22/2024	100	142512	SCHOOL DISTRICT OF MENOMONEE FALLS	RECREATION PROGRAM - CONTRACTED	52190	55300	409.80
11/22/2024	100	142513	STATE OF WI COURT FINES & ASSMTS	COURT PENALTIES	45110	00000	4,492.59
11/22/2024	100	142514	STRAIGHT-UP	PARKS - UNIFORMS	53410	55200	821.28
11/22/2024	100	142516	TOM SCOTT	PARKS - SAFETY EQUIPMENT	53480	55200	90.60
11/22/2024	100	142517	TRUGREEN PROCESSING	CITY HALL - GROUNDS MAINTENANCE	52420	51600	54.08
11/22/2024	100	142519	VESTIS	HIGHWAY - UNIFORMS	53410	53100	93.76
11/22/2024	100	142520	VILLAGE OF PEWAUKEE	AMBULANCE RUNS	46230	00000	5,920.23
				AMBULANCE RUNS	46230	00000	1,877.09
				SHARED PARK & RECREATION PROGRAMS	47370	00000	13,052.55
				CHECK 100 142520 TOTAL FOR FUND 100:			<u>20,849.87</u>
11/22/2024	100	142522	WAUKESHA CO TREASURER	COURT PENALTIES	45110	00000	1,504.92
11/22/2024	100	142523	WISCONSIN LEGAL BLANK	ELECTIONS - PRINTING	53120	51440	1,147.00
				Total for fund 100 GENERAL FUND			80,994.65

Check Date	Bank	Check #	Payee	Description	Account	Dept	Amount
Fund: 230 STORM WATER MANAGEMENT							
11/22/2024	100	142475*#	A&M CLEANING SOLUTIONS	CONTRACTED JANITORIAL	52400	53650	453.34
11/22/2024	100	142511*#	RUEKERT & MIELKE, INC.	OUTSIDE ENGINEERING	52190	53650	284.01
				OUTSIDE ENGINEERING	52190	53650	599.74
				OUTSIDE ENGINEERING	52190	53650	196.10
				OUTSIDE ENGINEERING	52190	53650	280.73
				OUTSIDE ENGINEERING	52190	53650	253.88
				OUTSIDE ENGINEERING	52190	53650	590.54
				OUTSIDE ENGINEERING	52190	53650	556.49
				OUTSIDE ENGINEERING	52190	53650	690.42
				OUTSIDE ENGINEERING	52190	53650	709.13
				OUTSIDE ENGINEERING	52190	53650	540.22
				PROJECTS - HILL 'N DALE	58210	57301	999.96
				PROJECTS - VALLEY BROOK SUB. DITCH	58210	57354	189.00
				CHECK 100 142511 TOTAL FOR FUND 230:			<u>5,890.22</u>
				Total for fund 230 STORM WATER MANAGEMENT			6,343.56



11/22/2024 11:17 AM  
User: FIORENTINO  
DB: City Of Pewaukee

CHECK DISBURSEMENT REPORT FOR PEWAUKEE  
CHECK DATE FROM 11/16/2024 - 11/22/2024

Check Date	Bank	Check #	Payee	Description	Account	Dept	Amount
Fund: 250 TOURISM & CONVENTION							
11/22/2024	100	142510	R.A. SMITH & ASSOC., INC.	TOURISM - SPORTS COMPLEX TURF	58210	56700	2,057.70
Total for fund 250 TOURISM & CONVENTION							2,057.70

Check Date	Bank	Check #	Payee	Description	Account	Dept	Amount
Fund: 420 CAPTIAL ROAD PROJECTS							
11/22/2024	100	142511*#	RUEKERT & MIELKE, INC.	ROUNDY'S INDUSTRIAL PARK #2	58210	57422	2,875.00
				LEXINGTON/TACOMA	58210	57426	31,483.89
				SPICE CREEK/MEADOWBROOK FARMS PH 4	58210	57557	17,991.87
				JOSEPH ROAD NEW CONTRACT	58210	57566	5,150.48
				SHADY LANE NEW CONTRACT	58210	57567	20,868.69
				CHECK 100 142511 TOTAL FOR FUND 420:			<u>78,369.93</u>
				Total for fund 420 CAPTIAL ROAD PROJECTS			78,369.93

Check Date	Bank	Check #	Payee	Description	Account	Dept	Amount
Fund: 600 WATER UTILITY							
11/22/2024	100	142476	ALL-WAYS CONTRACTORS, INC	TRANS & DIST MAINT-TRANS& DISTR MAINS	52400	10673	57.00
11/22/2024	100	142477*	AMERICAN TIRE DISTRUTORS	ADMIN & GEN OPS-TRANSP EXPS REPAIRS	52400	10921	364.98
11/22/2024	100	142480*#	CINTAS CORP	TRANS & DIST OPS-UNIFORMS	53410	10665	51.84
				TRANS & DIST OPS-UNIFORMS	53410	10665	52.75
				CHECK 100 142480 TOTAL FOR FUND 600:			<u>104.59</u>
11/22/2024	100	142484*	DWD-UI	UNEMPLOYMENT	51370	10926	555.00
11/22/2024	100	142492	HAWKINS, INC.	TREATMENT OPS-CHEMICALS	53410	10641	2,318.74
11/22/2024	100	142494*	HEIDI SCHILL	CUSTOMER ACCOUNTS RECEIVABLE	13100	00142	52.63
11/22/2024	100	142505*	NAPA	ADMIN & GEN OPS-TRANSP EXPS REPAIRS	52400	10921	0.86
11/22/2024	100	142506#	NORTHERN LAKE SERVICE, INC	PRE - PAYMENTS	16200	00143	55.00
				TREATMENT OPS-WATER TESTING & LAB EXPS	52310	10642	880.00
				CHECK 100 142506 TOTAL FOR FUND 600:			<u>935.00</u>
11/22/2024	100	142507*#	ODP BUSINESS SOLUTIONS LLC	ADMIN & GEN EXPS OPS-OFFICE SUPPLIES	53100	10921	22.29
11/22/2024	100	142518	UTILITY SERVICE CO., INC	TRANS & DIST MAINT-RESERVOIRS &	52400	10672	1,325.00
				TRANS & DIST MAINT-RESERVOIRS &	52400	10672	1,800.00
				CHECK 100 142518 TOTAL FOR FUND 600:			<u>3,125.00</u>
11/22/2024	100	142521	VIRTUE CONSTRUCTION CORPORATION	TRANS & DIST MAINT-TRANS& DISTR MAINS	52400	10673	16,835.22
				Total for fund 600 WATER UTILITY			24,371.31

Check Date	Bank	Check #	Payee	Description	Account	Dept	Amount
Fund: 650 SEWER UTILITY							
11/22/2024	100	142477*	AMERICAN TIRE DISTRUTORS	ADMIN & GEN OPS-TRANSP EXPS & REPAIRS	52400	10921	364.98
11/22/2024	100	142480*#	CINTAS CORP	Uniforms & Protective Equipment	53410	01827	51.85
				Uniforms & Protective Equipment	53410	01827	52.75
				CHECK 100 142480 TOTAL FOR FUND 650:			<u>104.60</u>
11/22/2024	100	142484*	DWD-UI	UNEMPLOYMENT	51370	10926	555.00
11/22/2024	100	142490	GILES ENGINEERING ASSOCIATES, INC	Gun Club Sewer Study	12831	00107	2,414.00
11/22/2024	100	142494*	HEIDI SCHILL	CUSTOMER ACCOUNTS RECEIVABLE	13100	00142	141.00
11/22/2024	100	142503*#	MENARDS	SUPPLIES AND EXPENSES	53400	01827	5.97
11/22/2024	100	142505*	NAPA	ADMIN & GEN OPS-TRANSP EXPS & REPAIRS	52400	10921	0.86
11/22/2024	100	142515	STRAND ASSOCIATES, INC	Gun Club Sewer Study	12831	00107	28,624.26
				Total for fund 650 SEWER UTILITY			32,210.67
			TOTAL - ALL FUNDS				224,347.82

'\*'-INDICATES CHECK DISTRIBUTED TO MORE THAN ONE FUND  
 '#'-INDICATES CHECK DISTRIBUTED TO MORE THAN ONE DEPARTMENT