



Village of Shorewood Long Range Financial Plan 2026 - 2035

In preparation for the 2026 budget process





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Overview

This document has been developed with the goal of providing a “1000-foot view” of the village’s comprehensive financial outlook. The primary objective of this analysis is to be able to use this perspective to help evaluate the various fiscal impacts that would occur as a result of implementing the attached prospective capital infrastructure project schedule. We undertake this process not to solve all the future potential challenges but to better understand the context in which the numerous project planning and annual budgetary decisions will be made in the coming months and future years.

2025-2034 Capital Project Implementation Schedule [\(Appendix A\)](#)

This schedule’s main focus is on the projected future long-range needs for the village’s major capital projects that will require debt financing over the next 10 years. The current plan includes over \$104 million in capital projects. This includes:

\$28,479,000	Road and Alley Projects
\$21,500,000	Facility Improvement Projects
\$52,480,000	Water System Infrastructure
\$264,000	Sanitary Sewer and Storm Water Infrastructure
\$1,664,000	Refuse Trucks

The capital infrastructure projects included in the plan have been developed based on many supporting planning processes, including the village’s Lead Service Line Replacement Program Comprehensive Sanitary Sewer, Storm water and Drainage Plan, Pavement Management Plan, Comprehensive Parks Plan, Sustainability Action Plan, Central District Master Plan, and the village’s Strategic Vision Plan.

Key Indicators

There are several key indicators that this plan will help evaluate:

- 1) The debt service requirements to implement these projects as proposed, and their tax levy impact
- 2) The village’s debt capacity under State Statutes and municipal policy objectives
- 3) The village’s levy limit outlook under the current State Statutes
- 4) The village’s operational forecasts based on current fiscal trends
- 5) The projected financial performance of the village’s TID districts.
- 6) The future outlook of the village’s parking, water, and sewer utility fees

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Debt Service

This plan begins by looking at the Village’s current tax levy supported debt service schedule found below on **line 1**. Then, the projected future tax levy debt service needs that would likely be required to implement the proposed capital project schedules found in Appendix A are shown on **line 2**. The result is a projected total debt service need for the village which includes the anticipated costs to implement the proposed capital project schedule. In the village’s previous years' long-range planning, existing available resources (Debt Service Stabilization) were utilized to decrease the funding necessary from debt proceeds. Since those resources have been exhausted, they are no longer presented as an option for funding.

	Budget Year	projected 2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Tax Levy Debt Service												
1	Existing Debt Schedule	2,810,900	3,047,300	2,797,100	2,512,800	2,395,000	2,358,400	2,363,700	2,424,100	2,365,600	2,349,900	2,074,800
2	Future Debt - Per Project Plan	-	112,500	968,700	2,423,000	2,740,000	3,119,700	3,482,600	3,809,800	4,064,500	4,211,500	4,378,700
3	Total Projected Debt Service	2,810,900	3,159,800	3,765,800	4,935,800	5,135,000	5,478,100	5,846,300	6,233,900	6,430,100	6,561,400	6,453,500
4	\$ Change in Debt Service	152,900	348,900	606,000	1,170,000	2,477,000	343,100	368,200	387,600	1,494,300	131,300	(107,900)
5	% Chg in Debt Service	5.75%	12.41%	19.18%	31.07%	93.19%	6.68%	7.17%	7.08%	30.27%	2.04%	-1.68%
6	Gross Debt Service cost per household (\$340,000 assessed value - 2021 base year)	\$562	\$632	\$753	\$987	\$1,027	\$1,096	\$1,169	\$1,247	\$1,286	\$1,312	\$1,291

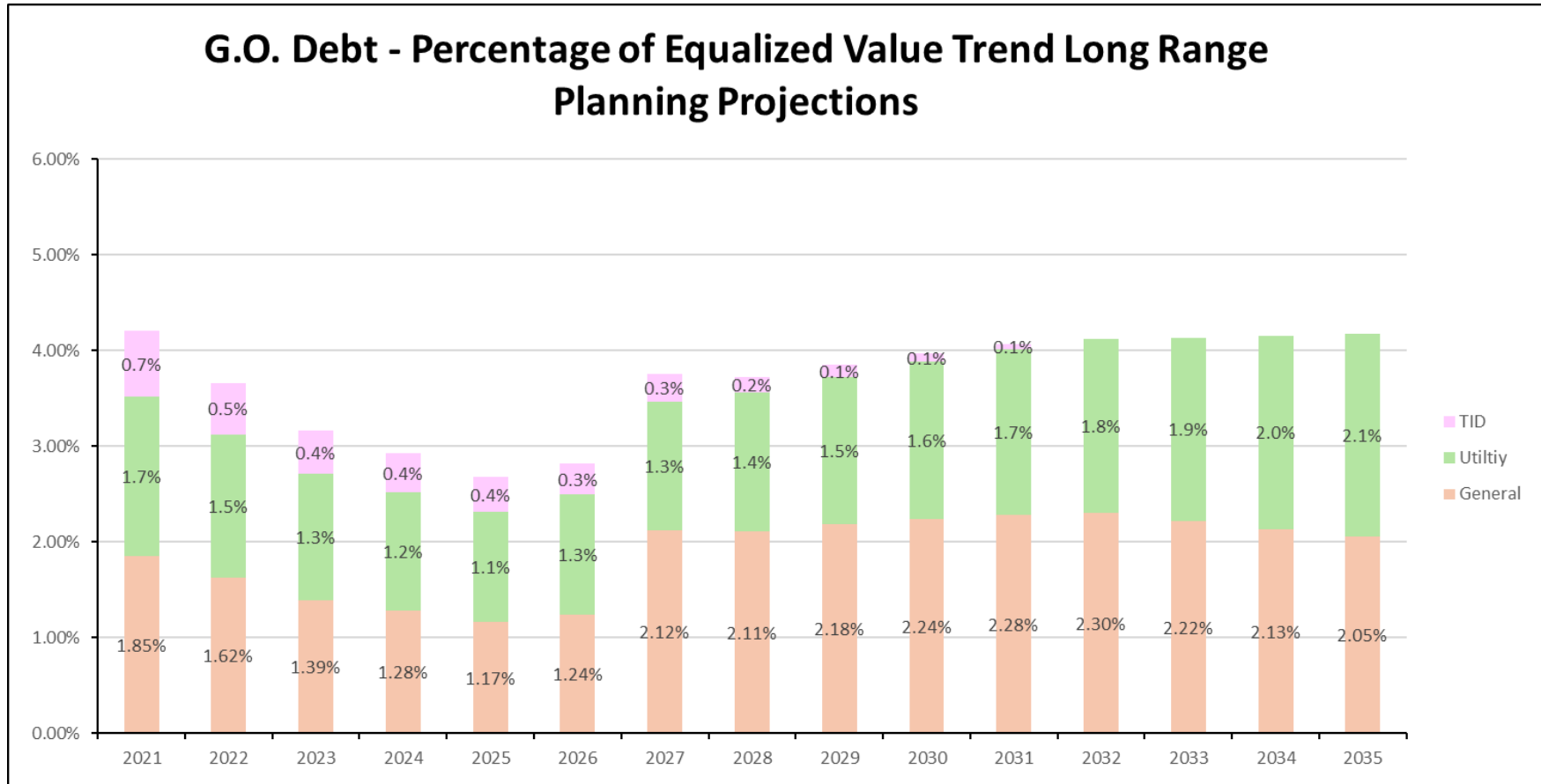


Debt Capacity

The total projected debt service amounts from the previous schedule can then also be used, in addition to other debt information, to help calculate the total amounts of the village's outstanding General Obligation (G.O.) debt and look at the village's trends in debt service capacity. In accordance with Wisconsin Statutes, the total general obligation indebtedness of the village may not exceed 5.0% of the total equalized value of property within the village's jurisdiction. This is also referred to as the Village's Direct Debt Burden. The village has also adopted additional policy criteria for the preservation of general obligation debt borrowing capacity which can be found in section 3 of the village's financial policy guidelines located in **Appendix B**.



Debt Capacity



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Levy Projections

The Village's property tax levy for operations and capital is limited by State Statute to increase no more than the growth factor equivalent to the village's net new construction percentage for each assessment year after an adjustment for debt service. The schedule on the following page evaluates the village's levy limit capacity outlook. This schedule is based on the current State of Wisconsin Levy Limit worksheets model.

While **line 2** of this schedule does reflect the projected allowable levy limit increase related to TID closures, for purposes of this financial plan we have assumed the village will not be able to increase taxes due to any anticipated net new construction factor (**line 6**) during the forecast period, and that the current law will remain in effect for all future years. Under these regulations, line 9 shows the village's maximum allowable levy limit

Budget Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
1 Prior Year's Tax Levy Limit	\$ 13,451,683	\$ 15,826,861	\$ 16,175,761	\$ 17,026,512	\$ 18,509,059	\$ 18,708,259	\$ 19,051,359	\$ 19,419,559	\$ 19,807,159	\$ 20,003,359	\$ 20,134,659
2 TID Closure adjustment (est.)			\$ 244,751	\$ 312,547	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3 Less: Prior Year's Tax Levy											
4 Limit adj. for Debt Service	(435,722)	(2,810,900)	(3,159,800)	(3,765,800)	(4,935,800)	(5,135,000)	(5,478,100)	(5,846,300)	(6,233,900)	(6,430,100)	(6,561,400)
5 Sub-total	13,015,961	13,015,961	13,260,712	13,573,259	13,573,259	13,573,259	13,573,259	13,573,259	13,573,259	13,573,259	13,573,259
6 Growth Factor	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
7 Sub-total	13,015,961	13,015,961	13,260,712	13,573,259	13,573,259	13,573,259	13,573,259	13,573,259	13,573,259	13,573,259	13,573,259
8 Plus Tax Levy for Debt Service	2,810,900	3,159,800	3,765,800	4,935,800	5,135,000	5,478,100	5,846,300	6,233,900	6,430,100	6,561,400	6,453,500
9 Maximum Allowable Levy	\$ 15,826,861	\$ 16,175,761	\$ 17,026,512	\$ 18,509,059	\$ 18,708,259	\$ 19,051,359	\$ 19,419,559	\$ 19,807,159	\$ 20,003,359	\$ 20,134,659	\$ 20,026,759
10 Change in Total Allowable Levy	\$ 2,375,178	\$ 348,900	\$ 850,751	\$ 1,482,547	\$ 199,200	\$ 343,100	\$ 368,200	\$ 387,600	\$ 196,200	\$ 131,300	\$ (107,900)
11 % Chg in Total Allowable Levy	17.7%	2.2%	5.3%	8.7%	1.1%	1.8%	1.9%	2.0%	1.0%	0.7%	-0.5%

Under the assumptions of a 0% growth factor which allows for no levy limit increases under State Statutes, and an ongoing moderate 2.0% annual levy increase for operations and capital equipment expenditures, **line 13** shows the trend in the village's reserve levy limit capacity would be over the next several years. While the village will certainly have some new construction in the future, this projection does not speculate on what those levels may be for the purpose of reviewing the reserve levy limit capacity trends.



Levy Projections

The following table on [page 8](#) shows a few additional metrics based on a 2% increase in the levy amount. Lines 12 and 13 show the total tax levy with an annual increase of 2%. Due to increased Infrastructure expenditures and rising interest rates, debt service will drive severe decreases in operational expenditures. In years 2026-2028, assuming infrastructure spending shown in Appendix A, levy financed operating/ capital will require a decrease of \$1.3 million, over the next three budget cycles. This assumes a conservative estimate of 5% for debt service interest and a 3% increase in operations and capital expenditures for the 2026 budget.

The projected changes in operating and capital equipment tax levies are shown on [lines 17-18](#). In order to more accurately calculate the tax levy impact that these amounts would have on property owners, the estimated incremental values of the TID's on [lines 19-24](#) are subtracted from the total assessed value of the village. This then derives the "net assessed value" which is the tax base that supports the local tax levies. The incremental values within the TIF districts generate the tax incremental revenues for the TID's.

The resulting estimated tax rates are then calculated and shown on [line 26](#). Following that, the estimated tax impact that this levy would have on a \$340,000 assessed value homeowner are shown on [lines 27-29](#). This schedule also tracks the estimated amount of pending annual tax relief generated in the Village's TIF districts on [lines 30-33](#). This pending tax relief will be realized as each TIF district closes in the coming years.

Debt service is expected to increase significantly starting in the 2027 budget cycle due to the construction of public works buildings at the same time as the TID 5 Closure. However, the village may change the projections between 2027 and 2029 as it evaluates the next three budget cycles.

Long Range Financial Plan 2026 - 2035



Levy Projections

Budget Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
12 Debt Service Tax Levy	2,810,900	3,159,800	3,765,800	4,935,800	5,135,000	5,478,100	5,846,300	6,233,900	6,430,100	6,561,400	6,453,500
13 Levy used for Operations & Equipment	10,640,783	10,560,917	10,229,331	9,339,234	9,425,534	9,373,645	9,302,480	9,217,855	9,330,691	9,514,606	9,704,899
14 Tax Levy annual Increase (2% Est Incr)	13,451,683	13,720,717	13,995,131	14,275,034	14,560,534	14,851,745	15,148,780	15,451,755	15,760,791	16,076,006	16,158,399
15 Change in Total Levy	853,355	269,034	274,414	279,903	285,501	291,211	297,035	302,976	309,035	315,216	82,392
16 % Change from prior year	7%	2%	2%	2%	2%	2%	2%	2%	2%	2%	1%
17 Change in Operating/Equipment Levy	700,455	(79,866)	(331,586)	(890,097)	86,301	(51,889)	(71,165)	(84,624)	112,835	183,916	190,292
18 % Chg in Operating/Equipment Levy	7.0%	-0.8%	-3.1%	-8.7%	0.9%	-0.6%	-0.8%	-0.9%	1.2%	2.0%	2.0%
19 Assessed Values (\$1,000's) 2% annual growth											
20 Total Assessed 1/1 prior year (AV)	2,124,315	2,166,801	2,210,137	2,254,340	2,299,427	2,345,415	2,392,324	2,440,170	2,488,974	2,538,753	2,589,528
21 TID 3 increment value (EV)	(52,487)	(53,537)	(54,608)	-	-	-	-	-	-	-	-
22 TID 4 increment value (EV)	(20,562)	(20,973)	(21,392)	-	-	-	-	-	-	-	-
23 TID 5 increment value (EV)	(61,539)	(62,770)	(64,026)	-	-	-	-	-	-	-	-
24 Net Assessed Value *	1,989,727	2,029,521	2,070,112	2,254,340	2,299,427	2,345,415	2,392,324	2,440,170	2,488,974	2,538,753	2,589,528
* The net assessed value is the total assessed value less the TID incremental values. The net assessed value is the tax base that supports the Village tax levy. The TID incremental values generate the revenues to support TID activities.											
25 Village Only Tax Rate											
26 Per \$1,000 net assessed value	6.761	6.761	6.761	6.332	6.332	6.332	6.332	6.332	6.332	6.332	6.240
27 Estimated Village Tax Bill for a											
27 \$340,000 home (2020 base)	\$ 2,759	\$ 2,815	\$ 2,871	\$ 2,928	\$ 2,987	\$ 3,047	\$ 3,107	\$ 3,170	\$ 3,233	\$ 3,298	\$ 3,315
28 Change from prior year	175	56	56	57	59	60	60	63	63	65	17
29 % Change from prior year	6.8%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	0.5%
30 Value of pending TID tax relief											
31 Village only - Total	\$ 909,892	\$ 928,090	\$ 946,652	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
32 Estimated all districts	\$ 1,819,784	\$ 1,856,180	\$ 1,893,303	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33 All districts / \$340,000 home	\$ 364	\$ 371	\$ 379	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Impact of Holding Operating/Capital Levy Flat to Prior Year Expenditures											
34 Ops and Capital Equipment Flat	13,451,683	13,800,583	14,326,717	15,165,131	14,474,234	14,903,634	15,219,945	15,536,380	15,647,955	15,892,091	15,968,106
35 Change in Operating/Capital Levy	853,355	348,900	526,134	838,414	(690,897)	429,401	316,311	316,435	111,576	244,135	76,016
36 % Change	6.8%	2.6%	3.8%	5.9%	-4.6%	3.0%	2.1%	2.1%	0.7%	1.6%	0.5%
37 Village Only Tax Rate											
38 Per \$1,000 net assessed value	6.761	6.800	6.921	6.727	6.295	6.354	6.362	6.367	6.287	6.260	6.166
39 Estimated Village Tax Bill for a											
40 \$340,000 home (2020 base)	\$ 2,759	\$ 2,831	\$ 2,939	\$ 3,111	\$ 2,969	\$ 3,057	\$ 3,122	\$ 3,187	\$ 3,210	\$ 3,260	\$ 3,276
41 Change from prior year	175	72	108	172	(142)	88	65	65	23	50	16
42 % Change from prior year	6.8%	2.6%	3.8%	5.9%	-4.6%	3.0%	2.1%	2.1%	0.7%	1.6%	0.5%



Operational Forecast

The schedule below summarizes the revenues and expenditures for the General Fund, Library, Senior Resource Center, Capital Projects, and Debt Service funds. The capital projects revenues and expenditures lines are based on the supplemental schedule in the next section. Please also note that the debt service projected revenues and expenditures include TID debt and the non-tax levy TID transfers received to make those payments.

This schedule starts with the current budget, followed by future revenue and expenditure projections. The future projections are based primarily on other revenues increasing at 1% per year, while expenditures increase by 3% for the remaining years. As a result of this structural imbalance, with baseline expenditures expected to grow at a higher rate than non-tax revenues, a cumulative funding gap would develop over time. This prospective funding gap, shown at the bottom of the schedule, illustrates the potential long-term impact of this imbalance. As a result, this gap must be addressed each year as part of the annual budget process, which requires a balanced budget to avoid this cumulative effect.

Long Range Financial Plan 2026 - 2035

Operational Forecast



	budget 2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Property Taxes											
Property Tax Levy - All Funds	\$ 13,451,683	\$ 13,720,717	\$ 13,995,131	\$ 14,275,034	\$ 14,560,534	\$ 14,851,745	\$ 15,148,780	\$ 15,451,755	\$ 15,760,791	\$ 16,076,006	\$ 16,397,527
Other Revenues (non-tax)											
General Fund (1%)	5,496,851 *	5,651,819	5,708,338	5,765,421	5,823,075	5,881,306	5,940,119	5,999,520	6,059,515	6,120,111	6,181,312
Library (1%)	130,000	131,300	132,613	133,939	135,279	136,631	137,998	139,378	140,771	142,179	143,601
Elder Services (1%)	94,000	94,940	95,889	96,848	97,817	98,795	99,783	100,781	101,789	102,806	103,834
Shorewood Today (1%)	104,000	105,040	106,090	107,151	108,223	109,305	110,398	111,502	112,617	113,743	114,881
Capital Projects (Debt Proceeds)	5,020,950	4,506,000	24,250,000	3,517,000	4,684,180	4,586,448	4,235,102	3,875,000	988,810	1,060,000	750,000
TID Debt Service	1,013,263	1,057,225	1,068,738	3,168,800	974,738	997,738	1,018,163	585,213	564,738	494,000	-
Subtotal Other Revenues	11,859,064	11,546,324	31,361,668	12,789,160	11,823,311	11,810,224	11,541,562	10,811,394	7,968,241	8,032,839	7,293,628
Total Revenues	25,310,747	25,267,041	45,356,799	27,064,193	26,383,846	26,661,969	26,690,342	26,263,149	23,729,031	24,108,846	23,691,154
Expenditures											
General Fund (3%)	\$14,070,345	\$14,492,456	\$14,927,229	\$15,375,046	\$15,836,298	\$16,311,386	\$16,800,728	\$17,304,750	\$17,823,892	\$18,358,609	\$18,909,367
Library (3%)	1,078,370	1,110,721	1,144,043	1,178,364	1,213,715	1,250,126	1,287,630	1,326,259	1,366,047	1,407,028	1,449,239
Elder Services (3%)	200,720	206,742	212,944	219,332	225,912	232,689	239,670	246,860	254,266	261,894	269,751
Shorewood Today (3%)	108,000	111,240	114,577	118,015	121,555	125,202	128,958	132,826	136,811	140,916	145,143
Capital Equipment Financed by Tax Levy	664,620	677,000	697,310	718,229	739,776	761,969	784,829	808,373	832,625	857,603	874,755
Capital Projects Financed by Debt	5,020,950	4,506,000	24,250,000	3,517,000	4,684,180	4,586,448	4,235,102	3,875,000	988,810	1,000,000	750,000
Capital (schedule)	5,685,570	5,183,000	24,947,310	4,235,229	5,423,956	5,348,418	5,019,930	4,683,373	1,821,435	1,857,603	1,624,755
Debt Svc Fund	2,810,900	3,159,800	3,765,800	4,935,800	5,135,000	5,478,100	5,846,300	6,233,900	6,430,100	6,561,400	6,453,500
TID	1,013,263	1,057,225	1,068,738	3,168,800	974,738	997,738	1,018,163	585,213	564,738	494,000	-
Debt Service (projected)	3,824,163	4,217,025	4,834,538	8,104,600	6,109,738	6,475,838	6,864,463	6,819,113	6,994,838	7,055,400	6,453,500
Total Expenditures	\$24,967,168	25,321,183	46,180,641	29,230,586	28,931,174	29,743,660	30,341,379	30,513,182	28,397,290	29,081,450	28,851,756
Prospective Funding Gap	343,579	(54,142)	(823,842)	(2,166,393)	(2,547,328)	(3,081,691)	(3,651,037)	(4,250,033)	(4,668,258)	(4,972,605)	(5,160,602)
Increase in Levy	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Increase in expenditure (input)	4.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
* 2025 Other Revenue - General Fund includes \$200K additional revenue from streetlight fees not included in the 2025 Budget.											



Capital Projects Forecasts

The Capital Projects Fund schedule shown on the following page organizes revenues and expenditures based on the nature of their funding sources. Annual capital funding sources include property taxes, state aid, and other revenue sources. Long Range Plan funding sources include bond proceeds, grants, and any special assessment related to specific projects.

Annual Capital projects (non-infrastructure) (funded by property taxes and other annual revenues)

The village's vehicle and equipment replacement needs, major facilities maintenance, and other various non-infrastructure projects or one-time initiatives are typically funded through annual revenues. Staff estimates that approximately \$677,000 of ongoing annual funding will be necessary to meet these needs over an extended period.

The Village maintains more than \$7 million in vehicles, equipment, and other capital assets used to provide services to the community, which must be periodically replaced. The items whose replacement costs must be funded within the general capital budget include \$600,000 in Police vehicles, \$2,000,000 in DPW general vehicles, \$1,000,000 in refuse collection trucks, \$1,500,000 in other DPW operational equipment, and \$200,000 in IT network equipment. The remaining equipment is within the Library and Water & Sewer utilities and is accounted for elsewhere in the budget.

To effectively manage the replacement of these items, department heads review and update the condition, estimated useful life, and anticipated replacement dates for each asset each year. Based on this input, these items are then prioritized and incorporated into the annual capital budget in a way that attempts to manage the annual funding levels needed to replace these assets in a fiscally sustainable manner.

Long Range Plan projects (infrastructure projects) (funded primarily through bond proceeds)

Appendix A identifies the various infrastructure projects and implementation schedules which will be funded primarily through debt financing. This plan captures the combination of planning efforts that have been done for the Village's infrastructure assets, including roads, water, sanitary sewer and stormwater systems, and other municipal infrastructure needs.

Long Range Financial Plan 2025 - 2033



General Capital Projects Fund - 400

Account Number	Account Name	Budget											
		2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
Revenues													
Annual Capital Funding Sources													
400-5700-41110	Property Taxes (2.0% growth)	\$ 664,620	\$ 677,000	\$ 697,310	\$ 718,229	\$ 739,776	\$ 761,969	\$ 784,829	\$ 808,373	\$ 832,625	\$ 857,603	\$ 874,755	
400-5700-43530	State Transportation Aids	-	-	-	-	-	-	-	-	-	-	-	
400-5700-43590	One-time Revenues	-	-	-	-	-	-	-	-	-	-	-	
400-9000-49700	Property Sales	-	-	-	-	-	-	-	-	-	-	-	
Total Annual Capital Revenues		664,620	677,000	697,310	718,229	739,776	761,969	784,829	808,373	832,625	857,603	874,755	
Long Range Plan Funding Sources													
400-9000-49800	Bond Proceeds / Reserves	5,020,950	4,506,000	24,250,000	3,517,000	4,684,180	4,586,448	4,235,102	3,875,000	988,810	1,060,000	750,000	
400-5700-43730	Other Revenues	-	-	-	-	-	-	-	-	-	-	-	
Total LRP Capital Revenues		5,020,950	4,506,000	24,250,000	3,517,000	4,684,180	4,586,448	4,235,102	3,875,000	988,810	1,060,000	750,000	
Total Revenue		5,685,570	5,183,000	24,947,310	4,235,229	5,423,956	5,348,418	5,019,930	4,683,373	1,821,435	1,917,603	1,624,755	
Expenditures													
General Annual Capital needs		\$ 664,620	\$ 677,000	\$ 697,310	\$ 718,229	\$ 739,776	\$ 761,969	\$ 784,829	\$ 808,373	\$ 832,625	\$ 857,603	\$ 874,755	
Long Range Plan projects													
Infrastructure		5,020,950	4,506,000	24,250,000	3,517,000	4,684,180	4,586,448	4,235,102	3,875,000	988,810	1,000,000	750,000	
Other General Projects in Plan		-	-	-	-	-	-	-	-	-	-	-	
Debt Issuance Costs (net)		-	-	-	-	-	-	-	-	-	60,000	-	
Sub-total LRP projects		5,020,950	4,506,000	24,250,000	3,517,000	4,684,180	4,586,448	4,235,102	3,875,000	988,810	1,060,000	750,000	
Total Expenditures		5,685,570	5,183,000	24,947,310	4,235,229	5,423,956	5,348,418	5,019,930	4,683,373	1,821,435	1,917,603	1,624,755	
Net Change in Fund Balance		-	-	-	-	-	-	-	-	-	-	-	

Long Range Financial Plan 2026 - 2035



TID Projections

The status of the village's TIDs impacts both the village's levy limit and the projected tax impact of future projects and pending tax relief due to the increased property values within each district. The following schedules reflect the status and projected closing dates for each of the village's TIF districts.

Tax Incremental District #3 Moderate assumptions

Created: 2008, Mandatory Close: 2035

Cash Flow Projections

Property appreciation factor 2.00%

Tax rate appreciation factor 1.50%

6/24/2024

Budget / Revenue Year	Property Valuation Estimates				Taxes	Revenue Estimates			Expenditure Estimates				Cash Position / Debt			Budget / Revenue Year
	PY equalized value	Change / Inflationary Increase	Projected Equalized Value	Increment Value	Projected Tax Rate / 1,000	Incremental Revenues	*	Total Revenues	Debt Service	Other Expenditures	Total Expenditures	Annual Change	Cumulative Ending Cash Balances	Year-end Outstanding Debt	Difference	
2019			31,108,900		28.38								\$ 180,000	\$ 6,963,450	\$ (6,783,450)	2019
2020	31,108,900	4,326,100	35,435,000	27,686,600	27.11	\$ 800,650	\$ 30,000	\$ 830,650	\$ 530,550	\$ 65,000	\$ 595,550	\$ 235,100	\$ 460,000	\$ 6,611,500	\$ (6,151,500)	2020
2021	35,435,000	11,600,000	47,035,000	39,286,600	27.44	\$ 1,199,830	\$ 30,000	\$ 1,229,830	\$ 906,587	\$ 20,000	\$ 926,587	\$ 303,243	\$ 777,000	\$ 6,252,830	\$ (5,475,830)	2021
2022	47,035,000	(8,380,000)	38,655,000	30,906,600	24.83	\$ 767,411	\$ 30,000	\$ 797,411	\$ 678,470	\$ 60,000	\$ 738,470	\$ 58,941	\$ 1,135,000	\$ 5,880,000	\$ (4,745,000)	2022
2023	38,646,400	17,288,100	55,934,500	48,186,100	24.92	\$ 1,200,798	\$ 30,000	\$ 1,230,798	\$ 610,400	\$ 15,000	\$ 625,400	\$ 605,398	\$ 1,771,520	\$ 5,545,000	\$ (3,773,480)	2023
2024	55,934,500	4,666,600	60,601,100	52,852,700	25.51	\$ 1,348,368	\$ 30,000	\$ 1,378,368	\$ 345,500	\$ 15,000	\$ 360,500	\$ 1,017,868	\$ 1,669,439	\$ 3,400,956	\$ (1,731,518)	2024
2025	60,601,100	1,212,022	61,813,122	54,064,722	25.89	\$ 1,399,979	\$ 30,000	\$ 1,429,979	\$ 500,000	\$ 15,000	\$ 515,000	\$ 914,979	\$ 2,584,417	\$ 2,900,956	\$ (316,539)	2025
2026	61,813,122	1,236,262	63,049,384	55,300,984	26.28	\$ 1,453,471	\$ 30,000	\$ 1,483,471	\$ 525,000	\$ 15,000	\$ 540,000	\$ 943,471	\$ 3,527,888	\$ 2,375,956	\$ 1,151,932	2026
2027	63,049,384	1,260,988	64,310,372	56,561,972	26.68	\$ 1,508,912	\$ 30,000	\$ 1,538,912	\$ 551,250	\$ 15,000	\$ 566,250	\$ 972,662	\$ 4,500,551	\$ 1,824,706	\$ 2,675,844	2027
2028	64,310,372	1,286,207	65,596,580	57,848,180	27.08	\$ 1,566,373	\$ 30,000	\$ 1,596,373	\$ 578,813	\$ 15,000	\$ 593,813	\$ 1,002,561	\$ 5,503,111	\$ 1,245,894	\$ 4,257,217	2028
2029	65,596,580	1,311,932	66,908,511	59,160,111	27.48	\$ 1,625,925	\$ 30,000	\$ 1,655,925	\$ 607,753	\$ 15,000	\$ 622,753	\$ 1,033,172	\$ 6,536,283	\$ 638,141	\$ 5,898,142	2029
2030	66,908,511	1,338,170	68,246,681	60,498,281	27.90	\$ 1,687,643	\$ 30,000	\$ 1,717,643	\$ 638,141	\$ 15,000	\$ 653,141	\$ 1,064,502	\$ 7,600,786	\$ -	\$ 7,600,786	2030

Long Range Financial Plan 2026 - 2035



TID Projections

Tax Incremental District #4 Cash Flow Projections

Moderate assumptions

Created: 2011, Mandatory Close: 2038

Property appreciation factor 2.00%

Tax rate appreciation factor 1.50%

6/24/2024

Budget / Revenue Year	Property Valuation Estimates				Taxes	Revenue Estimates			Expenditure Estimates				Cash Position / Debt			Budget / Revenue Year
	PY equalized value	Change / Inflationary Increase	Projected Equalized Value	Increment Value	Projected Tax Rate / 1,000	Incremental Revenues	Other Revenues	Total Revenues	Debt Service	Other Expenditures	Total Expenditures	Annual Change	Cumulative Ending Cash Balances	Year-end Outstanding Debt	Difference	
2019			19,603,200		28.38								\$ 900,000	\$ 6,650,000	\$ (5,750,000)	2019
2020	19,603,200	(578,700)	19,024,500	17,829,100	27.11	\$ 515,600	\$ 200,000	\$ 715,600	\$ 506,270	\$ 5,000	\$ 511,270	\$ 204,330	\$ 1,150,000	\$ 6,340,000	\$ (5,190,000)	2020
2021	19,024,500	(737,100)	18,287,400	17,092,000	27.44	\$ 469,004	\$ 200,000	\$ 669,004	\$ 514,700	\$ 5,000	\$ 519,700	\$ 149,304	\$ 1,321,250	\$ 6,015,000	\$ (4,693,750)	2021
2022	18,287,400	2,422,600	20,710,000	19,514,600	24.83	\$ 484,548	\$ 200,000	\$ 684,548	\$ 532,000	\$ 5,000	\$ 537,000	\$ 147,548	\$ 1,450,000	\$ 5,665,000	\$ (4,215,000)	2022
2023	20,712,400	1,804,800	22,517,200	21,321,800	24.92	\$ 531,339	\$ 200,000	\$ 731,339	\$ 543,340	\$ 5,000	\$ 548,340	\$ 182,999	\$ 1,818,060	\$ 5,295,000	\$ (3,476,940)	2023
2024	22,517,200	327,200	22,844,400	21,649,000	25.51	\$ 552,305	\$ 200,000	\$ 752,305	\$ 543,700	\$ 5,000	\$ 548,700	\$ 203,605	\$ 1,867,233	\$ 4,915,000	\$ (3,047,767)	2024
2025	22,844,400	456,888	23,301,288	22,105,888	25.89	\$ 572,421	\$ 200,000	\$ 772,421	\$ 553,840	\$ 5,000	\$ 558,840	\$ 213,581	\$ 2,080,814	\$ 4,515,000	\$ (2,434,186)	2025
2026	23,301,288	466,026	23,767,314	22,571,914	26.28	\$ 593,256	\$ 200,000	\$ 793,256	\$ 556,650	\$ 5,000	\$ 561,650	\$ 231,606	\$ 2,312,419	\$ 4,100,000	\$ (1,787,581)	2026
2027	23,767,314	475,346	24,242,660	23,047,260	26.68	\$ 614,835	\$ 200,000	\$ 814,835	\$ 554,000	\$ 5,000	\$ 559,000	\$ 255,835	\$ 2,568,255	\$ 3,675,000	\$ (1,106,745)	2027
2028	24,242,660	484,853	24,727,513	23,532,113	27.08	\$ 637,186	\$ 2,215,000	\$ 2,852,186	\$ 2,616,075	\$ 5,000	\$ 2,621,075	\$ 231,111	\$ 2,799,366	\$ 1,175,000	\$ 1,624,366	2028
2029	24,727,513	494,550	25,222,064	24,026,664	27.48	\$ 660,336	\$ 25,000	\$ 685,336	\$ 411,250	\$ 5,000	\$ 416,250	\$ 269,086	\$ 3,068,452	\$ 800,000	\$ 2,268,452	2029
2030	25,222,064	504,441	25,726,505	24,531,105	27.90	\$ 684,313	\$ 25,000	\$ 709,313	\$ 425,000	\$ 5,000	\$ 430,000	\$ 279,313	\$ 3,347,765	\$ 400,000	\$ 2,947,765	2030

Long Range Financial Plan 2026 - 2035



TID Projections

Tax Incremental District #5 Cash Flow Projections

6/24/2024

Moderate assumptions

Property appreciation factor 2.00%

Tax rate appreciation factor 1.50%

Created: 2014, Mandatory Close: 2041

Budget / Revenue Year	Property Valuation Estimates				Taxes	Revenue Estimates			Expenditure Estimates				Cash Position / Debt			Budget / Revenue Year
	PY equalized value	Change / Inflationary Increase	Projected Equalized Value	Increment Value	Projected Tax Rate / 1,000	Incremental Revenues	Other Revenues	Total Revenues	Debt Service	Other Expenditures	Total Expenditures	Annual Change	Cumulative Ending Cash Balances	Year-end Outstanding Debt	Difference	
2019			52,831,900		28.38								\$ 2,075,000	\$ 5,690,000	\$ (3,615,000)	2019
2020	52,831,900	2,241,500	55,073,400	46,987,600	27.11	\$ 1,358,800	\$ 40,000	\$ 1,398,800	\$ 415,625	\$ 25,000	\$ 440,625	\$ 958,175	\$ 3,050,000	\$ 5,465,000	\$ (2,415,000)	2020
2021	55,073,400	6,150,000	61,223,400	53,137,600	27.44	\$ 1,438,096	\$ 40,000	\$ 1,478,096	\$ 435,900	\$ 25,000	\$ 460,900	\$ 1,017,196	\$ 4,295,000	\$ 5,215,000	\$ (920,000)	2021
2022	61,223,400	8,231,500	69,454,900	61,369,100	24.83	\$ 1,523,795	\$ 40,000	\$ 1,563,795	\$ 425,150	\$ 25,000	\$ 450,150	\$ 1,113,645	\$ 5,275,000	\$ 4,970,000	\$ 305,000	2022
2023	69,452,800	4,872,700	74,325,500	66,239,700	24.92	\$ 1,650,693	\$ 50,000	\$ 1,700,693	\$ 444,150	\$ 50,000	\$ 494,150	\$ 1,206,543	\$ 6,481,543	\$ 4,700,000	\$ 1,781,543	2023
2024	74,325,500	(10,764,800)	63,560,700	55,474,900	25.51	\$ 1,415,265	\$ 50,000	\$ 1,465,265	\$ 442,125	\$ 100,000	\$ 542,125	\$ 923,140	\$ 7,404,684	\$ 4,425,000	\$ 2,979,684	2024
2025	63,560,700	1,271,214	64,831,914	56,746,114	25.89	\$ 1,469,412	\$ 50,000	\$ 1,519,412	\$ 459,425	\$ 5,000	\$ 464,425	\$ 1,054,987	\$ 8,459,671	\$ 4,125,000	\$ 4,334,671	2025
2026	64,831,914	1,296,638	66,128,552	58,042,752	26.28	\$ 1,525,532	\$ 50,000	\$ 1,575,532	\$ 500,575	\$ -	\$ 500,575	\$ 1,074,957	\$ 9,534,628	\$ 3,775,000	\$ 5,759,628	2026
2027	66,128,552	1,322,571	67,451,123	59,365,323	26.68	\$ 1,583,698	\$ 50,000	\$ 1,633,698	\$ 514,725	\$ 5,000	\$ 519,725	\$ 1,113,973	\$ 10,648,601	\$ 3,400,000	\$ 7,248,601	2027
2028	67,451,123	1,349,022	68,800,146	60,714,346	27.08	\$ 1,643,981	\$ 50,000	\$ 1,693,981	\$ 552,725	\$ 5,000	\$ 557,725	\$ 1,136,256	\$ 11,784,857	\$ 2,975,000	\$ 8,809,857	2028
2029	68,800,146	1,376,003	70,176,149	62,090,349	27.48	\$ 1,706,458	\$ 50,000	\$ 1,756,458	\$ 563,500	\$ 5,000	\$ 568,500	\$ 1,187,958	\$ 12,972,815	\$ 2,525,000	\$ 10,447,815	2029
2030	70,176,149	1,403,523	71,579,672	63,493,872	27.90	\$ 1,771,207	\$ 50,000	\$ 1,821,207	\$ 572,750	\$ 5,000	\$ 577,750	\$ 1,243,457	\$ 14,216,273	\$ 2,050,000	\$ 12,166,273	2030



Parking Utility

Current Rates and Customer Information

General rate and permit data for the utility is shown below:

General Rate and Permit Data	Monthly	Annually
Hourly Restricted	\$30	\$360
Unrestricted 24 Hr	\$50	\$600
Amount paid to private lot owners	\$12	\$144
		Budget
	<u>2024</u>	<u>2025</u>
Permits sold - Village lots	1,908	1,800
Permits sold - private lots	<u>184</u>	<u>140</u>
Total	2,092	1,940

Long Range Plan Notes

- Past years' budgets for the parking utility have included costs for software and other technology to automate the parking permit process. The village's permit solution now offers online permitting and payments for most of the village's permitted parking activities.

Recommended Future Rates

The parking utility includes the cost for managing the village's overnight parking lot permit program and the maintenance costs associated with keeping the lots clear of snow and ice in the winter.

Historically, the costs associated with writing and collecting parking tickets have been reported in the General Fund, along with parking ticket revenue. The utility then gets charged the cost of ¼ of a police civilian staff's salary and benefits for enforcement in the permitted lots.

The parking utility also accumulated reserve funds for lot resurfacing, or the acquisition of additional public parking lots as may be needed in future years.

Long Range Financial Plan 2023 - 2032



Parking Utility

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Revenues												
Monthly Permit Fees	\$ 87,200	\$ 87,200	\$ 87,200	\$ 87,200	\$ 87,200	\$ 87,200	\$ 87,200	\$ 87,200	\$ 87,200	\$ 87,200	\$ 87,200	\$ 87,200
Daily permit fees	-	-	-	-	-	-	-	-	-	-	-	-
Other Revenues	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Total Revenues	92,200	92,200	92,200	92,200	92,200	92,200	92,200	92,200	92,200	92,200	92,200	92,200
Expenses												
Staff Costs (2%)	16,320	16,646	16,979	17,319	17,665	18,019	18,379	18,747	19,121	19,504	19,894	20,292
PILOT expenses (2.5%)	20,705	21,223	21,753	22,297	22,854	23,426	24,011	24,612	25,227	25,858	26,504	27,167
Other Expenses (2%)	40,086	40,888	41,705	42,540	43,390	44,258	45,143	46,046	46,967	47,906	48,865	49,842
Total Expenses	77,111	78,757	80,438	82,156	83,910	85,703	87,534	89,405	91,316	93,268	95,263	97,301
Net Change in Equity	15,089	13,443	11,762	10,044	8,290	6,497	4,666	2,795	884	(1,068)	(3,063)	(5,101)
Beginning Equity	716,613	731,702	745,145	756,907	766,951	775,241	781,739	786,405	789,200	790,085	789,017	785,954
Ending Equity	\$ 731,702	\$ 745,145	\$ 756,907	\$ 766,951	\$ 775,241	\$ 781,739	\$ 786,405	\$ 789,200	\$ 790,085	\$ 789,017	\$ 785,954	\$ 780,853
Rate increase included above	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
* - The Parking Utility budgets on a full accrual method. The estimated cash position of the utility is also affected by capital purchases and principal repayment of bonds and is shown below.												
Estimated YE cash position	\$ 509,282	\$ 531,925	\$ 528,687	\$ 518,731	\$ 532,021	\$ 543,519	\$ 553,185	\$ 560,980	\$ 566,865	\$ 570,797	\$ 572,734	\$ 572,633



Water Utility

Current Rates and Customer Information

General rate and permit data for the utility is shown below:

General Rate Data	Quarterly	Annual
Meter service charge (3/4")	\$ 30.00	\$120.00
Public Fire Fees (3/4")	\$ 20.91	\$83.64
Plus Volumetric per 1,000 Gallons	\$ 4.52	\$271.20
Last Full Rate Increase	1/1/23	
Quarterly Bill (10,000 gal.)	\$6.00	\$24.00
	No. of	Consumption
Five Year Estimate	Customers	1000 gal.
Residential Customers	3,234	190,000
Multi-Family	162	110,000
Commercial	102	25,000
Public Authority	40	9,000
	<u>3,538</u>	<u>334,000</u>

Long Range Plan Notes

- Significant new lead service lateral replacement future capital projects are included in the plan for water main replacements done in conjunction with road projects and other stand along water main projects.

Recommended Future Rates

In 2022 the Public Service Commission (PSC) approved a 13.67% overall water rate increase effective 1/6/23.

The Public Service Commission (PSC) reviews and designs the village's water utility rates. Rate increase requests can only be made under certain conditions. This long-range plan calls for the Water utility to bond for nearly \$31 million of system improvements over the next 10 years.

The Village also targets cash reserves for this fund to be approximately 25% of operating expenses, as customers are billed quarterly for the previous quarter's consumption, while utility vendors are paid monthly.

Based upon projected estimates in the water utility, a rate increase of 40% is anticipated in 2025. However, as these future capital projects are completed, additional large rate increases will also likely be needed in 2029 (30%) and 2033 (20%), primarily to support the increased debt service payments for these projects as well as other general cost increases. The Utility will also need to apply for annual simplified rate increases over the next 10 years to absorb inflationary costs.

Staff will continue to monitor the utility's purchased water costs from the Milwaukee Water Works as any significant increases in these costs will also have an impact on rates.

Long Range Financial Plan 2026 - 2035



Water Utility

The revenue projections shown below are based on estimated rates, which are subject to change pending final approval of the Public Service Commission (PSC) rate case.

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
1 Revenues											
2 User Fees	\$ 2,994,849	\$ 2,994,849	\$ 3,121,321	\$ 3,254,118	\$ 4,230,170	\$ 4,230,170	\$ 4,418,409	\$ 5,406,662	\$ 5,406,662	\$ 5,653,725	\$ 5,913,142
3 Other Revenues	89,208	89,208	89,208	89,208	89,208	89,208	89,208	89,208	89,208	89,208	89,208
4 Total Operating Revenues	<u>3,084,057</u>	<u>3,084,057</u>	<u>3,210,529</u>	<u>3,343,326</u>	<u>4,319,378</u>	<u>4,319,378</u>	<u>4,507,617</u>	<u>5,495,870</u>	<u>5,495,870</u>	<u>5,742,933</u>	<u>6,002,350</u>
5 Expenses											
6 Purchase Water	\$ 622,614	\$ 641,292	\$ 660,531	\$ 680,347	\$ 700,758	\$ 721,780	\$ 743,434	\$ 765,737	\$ 788,709	\$ 812,370	\$ 836,741
7 Taxes & Tax Equivalent	240,336	261,786	344,500	417,888	491,275	564,663	638,051	711,439	784,826	858,214	931,602
8 Depreciation	278,488	305,972	411,953	505,985	600,017	694,049	788,082	882,114	976,146	1,070,178	1,164,210
9 Other Expenses	\$ 658,261	\$ 671,966	\$ 686,064	\$ 700,566	\$ 715,486	\$ 730,836	\$ 746,630	\$ 762,883	\$ 779,608	\$ 796,820	\$ 814,537
10 PLSL Grant Expense	685,800	685,800	685,800	685,800	685,800	685,800	685,800	685,800	685,800	685,800	685,800
11 Total Operating Expenses	<u>2,485,499</u>	<u>2,566,816</u>	<u>2,788,848</u>	<u>2,990,586</u>	<u>3,193,336</u>	<u>3,397,129</u>	<u>3,601,996</u>	<u>3,807,971</u>	<u>4,015,088</u>	<u>4,223,382</u>	<u>4,432,890</u>
12 Net Operating Revenue	\$ 598,558	\$ 517,240	\$ 421,681	\$ 352,739	\$ 1,126,042	\$ 922,249	\$ 905,621	\$ 1,687,899	\$ 1,480,782	\$ 1,519,551	\$ 1,569,460
13 PSC Rate of Return	6.20%	4.27%	2.65%	1.82%	4.96%	3.55%	3.11%	5.25%	4.21%	4.00%	3.85%
14 Rate increase included above	39.48%	0.00%	5.00%	5.00%	35.00%	0.00%	5.00%	25.00%	0.00%	5.00%	5.00%
15 Revenue coverage 125% target	116.00%	109.00%	62.00%	67.00%	94.00%	88.00%	70.00%	106.00%	93.00%	96.00%	84.00%
16 Borrowings	-	8,369,120	-	7,869,120	-	7,869,120	-	7,869,120	-	7,869,120	-
17 P&I Payments	758,728	755,497	1,337,169	1,273,017	1,844,889	1,842,413	2,422,298	2,420,249	2,655,456	2,696,455	3,239,424
18 Capital Expenses	1,150,000	4,434,560	3,934,560	3,934,560	3,934,560	3,934,560	3,934,560	3,934,560	3,934,560	3,934,560	3,934,560
19 Estimated cash position	<u>2,669,698</u>	<u>2,752,413</u>	<u>2,263,879</u>	<u>1,864,586</u>	<u>1,760,757</u>	<u>1,549,643</u>	<u>836,047</u>	<u>1,000,810</u>	<u>817,282</u>	<u>1,709,196</u>	<u>1,218,442</u>



Sewer Utility

Current Rates and Customer Information

General rate and permit data for the utility is shown below:

General Rate Data	Quarterly	Annual
Service charge	\$ 16.63	\$66.52
Plus Volumetric per 1000 Gallons	\$ 11.69	\$59.76
Last Rate Increase	1/1/24	
Quarterly Bill (1,000 Gallons Usage)	\$168.60	\$674.40

Long Range Plan Notes

- The Village continues to plan substantial capital investment in Sanitary Sewer infrastructure in the coming years. This plan includes the assumption that future sewer borrowings to fund these projects will be Revenue bond borrowings.
- These borrowings require that utility rates be set at a level so that operating revenues will cover debt service by 125%. In addition, the utility will also be required to set aside separate bonding cash reserves. The fiscal schedule on the next page includes estimates of these needs and trends over time.

Recommended Future Rates

The Village’s Sewer Utility Rates are reviewed by the Village on an annual basis. The Village targets cash reserves for this fund to be approximately 25% of operating expenses, as customers are billed quarterly for the previous quarter’s consumption, while utility vendors are paid monthly.

After the 2010 flood, the Village began substantial capital reinvestment to reduce the possibility of recurrence of sewer backups. Since then, the Village has spent nearly \$22 million on stormwater and sanitary sewer projects. The total remaining south improvements are expected to require an additional \$2.2 million over the next five years.

In January 2024, the sewer utility approved a 22% net rate increase to begin preparing for the upcoming projects. Additional rate increases will also be needed to continue funding capital improvements for the southeast portion of the village and other ongoing cost increases in the coming years.

Rate increases of 11.0% in 2026 are currently projected to be necessary to support these efforts.

Long Range Financial Plan 2026 - 2035

Sewer Utility



	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
1 Revenues												
2 User Fees	\$ 3,900,000	\$ 4,329,000	\$ 4,329,000	\$ 4,329,000	\$ 4,329,000	\$ 4,329,000	\$ 4,761,900	\$ 4,928,567	\$ 5,076,423	\$ 5,228,716	\$ 5,385,578	\$ 5,547,145
3 Other Revenues	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000
4 Total Revenues	3,955,000	4,384,000	4,384,000	4,384,000	4,384,000	4,384,000	4,816,900	4,983,567	5,131,423	5,283,716	5,440,578	5,602,145
5 Expenses												
6 Treatment Expense (3%)	\$ 1,008,949	\$ 1,039,217	\$ 1,070,394	\$ 1,102,505	\$ 1,135,580	\$ 1,169,648	\$ 1,204,737	\$ 1,240,879	\$ 1,278,106	\$ 1,316,449	\$ 1,355,942	\$ 1,396,621
7 Depreciation	600,000	618,000	618,000	636,540	636,540	655,636	655,636	655,636	655,636	655,636	655,636	655,636
8 Other Expenses (3%)	1,058,129	1,089,873	1,122,570	1,156,247	1,190,934	1,226,662	1,263,462	1,301,366	1,340,407	1,380,619	1,422,037	1,464,699
9 Interest Expense	442,922	531,007	619,444	698,466	774,183	847,612	916,892	986,495	1,058,278	1,129,103	1,196,580	1,191,909
10 Total Expenses	3,110,000	3,278,097	3,430,407	3,593,758	3,737,238	3,899,558	4,040,728	4,184,376	4,332,426	4,481,807	4,630,196	4,708,865
11 Net Change in Equity	845,000	1,105,903	953,593	790,242	646,762	484,442	776,172	799,190	798,997	801,909	810,382	893,280
12 Beginning Equity	12,083,149	12,928,149	14,034,052	14,987,645	15,777,887	16,424,649	16,909,091	17,685,264	18,484,454	19,283,451	20,085,361	20,895,742
13 Ending Equity	12,928,149	14,034,052	14,987,645	15,777,887	16,424,649	16,909,091	17,685,264	18,484,454	19,283,451	20,085,361	20,895,742	21,789,023
14 Rate increase included above	0.00%	11.00%	0.00%	0.00%	0.00%	0.00%	10.00%	3.50%	3.00%	3.00%	3.00%	3.00%
15 Revenue coverage 125% target	101.00%	121.00%	127.00%	132.00%	128.00%	125.00%	149.00%	157.00%	202.00%	177.00%	186.00%	168.00%
* - The Sewer Utility budgets on a full accrual method. The estimated cash position of the utility is also affected by capital purchases and principal repayment of bonds and is shown below.												
16 Self-funded capital costs	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
17 Bond principal payments	1,163,918	1,278,324	1,172,942	1,094,808	1,122,296	1,149,162	1,171,650	1,188,516	916,626	934,114	881,602	1,081,512
Self-funded bond reserves	-	-	-	-	-	-	-	-	-	-	-	-
18 Estimated cash position	\$ 469,675	\$ 665,253	\$ 813,905	\$ 895,878	\$ 806,885	\$ 547,801	\$ 557,960	\$ 574,270	\$ 862,277	\$ 1,135,709	\$ 1,470,125	\$ 1,687,529
19 Cash Target 25% Oper'g Exp	\$ 627,500	\$ 665,000	\$ 703,100	\$ 739,300	\$ 775,200	\$ 811,000	\$ 846,300	\$ 882,200	\$ 919,200	\$ 956,500	\$ 993,600	\$ 1,013,300



Comparative Utility Rates

This table provides some comparative data illustrating where the Village of Shorewood currently ranks based on total non-tax levy quarterly charges per household.

The challenge with this chart is that not all communities allocate all of their costs in the same manner. Some communities have separate stormwater utilities, while some integrate these costs within the sewer utility.

Other communities may not even separate these costs at all as they may be integrated into their general operations budget costs for culvert installation and maintenance in above-ground stormwater systems, or they could just be part of typical road construction and maintenance costs.

Note that this list was compiled in 2024. It is compiled biennially and will be updated in next year’s LRP.

Estimated Annual Cost of Service Comparison							
2024 Rate Survey							
Rank	Municipality	Water	Sewer	Storm	Refuse / Recycling	Total	Quarterly
1	Mequon	\$ 557.28	\$ 653.64	\$ -	\$ 280.00	\$ 1,490.92	\$ 372.73
2	South Milwaukee	\$ 583.76	\$ 440.47	\$ 107.40	\$ 81.93	\$ 1,213.56	\$ 303.39
3	Bayside	\$ 376.24	\$ 536.00	\$ 264.00	\$ -	\$ 1,176.24	\$ 294.06
4	Port Washington	\$ 691.54	\$ 395.40	\$ -	\$ 54.10	\$ 1,141.04	\$ 285.26
5	Sauville	\$ 435.68	\$ 456.80	\$ -	\$ 219.00	\$ 1,111.48	\$ 277.87
6	Shorewood	\$ 384.44	\$ 674.40	\$ -	\$ -	\$ 1,058.84	\$ 264.71
7	Fox Point	\$ 463.48	\$ 346.56	\$ 159.16	\$ 78.00	\$ 1,047.20	\$ 261.80
8	Cedarburg	\$ 430.20	\$ 580.00	\$ -	\$ -	\$ 1,010.20	\$ 252.55
9	Franklin	\$ 328.88	\$ 487.84	\$ -	\$ 159.60	\$ 976.32	\$ 244.08
10	Glendale	\$ 528.60	\$ 258.68	\$ 128.00	\$ -	\$ 915.28	\$ 228.82
11	Greenfield	\$ 306.88	\$ 261.00	\$ 83.68	\$ 235.95	\$ 887.51	\$ 221.88
12	Grafton	\$ 231.04	\$ 578.80	\$ -	\$ 34.80	\$ 844.64	\$ 211.16
13	Greendale	\$ 352.88	\$ 259.84	\$ 88.20	\$ 60.00	\$ 760.92	\$ 190.23
14	Wauwatosa	\$ 414.36	\$ 215.36	\$ 130.52	\$ -	\$ 760.24	\$ 190.06
15	Cudahy	\$ 268.68	\$ 242.24	\$ 100.00	\$ 140.00	\$ 750.92	\$ 187.73
16	Milwaukee	\$ 215.76	\$ 159.88	\$ 98.40	\$ 256.24	\$ 730.28	\$ 182.57
17	West Allis	\$ 283.96	\$ 267.52	\$ -	\$ 142.64	\$ 694.12	\$ 173.53
18	Whitefish Bay	\$ 327.56	\$ 205.40	\$ 100.00	\$ -	\$ 632.96	\$ 158.24
19	Brown Deer	\$ 262.96	\$ 131.88	\$ 140.52	\$ 80.00	\$ 615.36	\$ 153.84
20	Oak Creek	\$ 331.72	\$ 252.44	\$ -	\$ -	\$ 584.16	\$ 146.04

Long Range Financial Plan 2026 - 2035



Estimated Average Residential Property Owner Payments

When contemplating the total fiscal impact that the implementation of this capital project schedule will have on residents, it is important to consider the combined impact of both any increased property taxes and any resulting increases in the village's municipal utility charges that our residents will incur because of these various infrastructure projects.

Given the parameters identified in this plan, the following schedule shows the aggregate impact of both factors.

Payment Type	approx 2024	Projected 2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Tax Bill (Village Portion)	\$ 2,759	\$ 2,815	\$ 2,871	\$ 2,928	\$ 2,987	\$ 3,047	\$ 3,107	\$ 3,170	\$ 3,233	\$3,298	\$3,315	\$3,315
Water Flat Quarterly	50.02	50.02	51.64	54.22	56.93	74.02	74.02	77.72	94.81	94.81	94.81	104.29
Water Consumption	3.60	3.60	3.72	3.90	4.10	5.33	5.33	5.59	6.82	6.82	6.82	7.51
Water Bill	387	387	400	420	441	573	573	602	734	734	734	808
Sewer Flat	16.30	16.30	16.30	16.30	16.30	16.30	16.30	16.30	16.30	16.30	16.30	16.30
Sewer Consumption	11.69	11.69	12.98	12.98	12.98	12.98	12.98	14.27	14.77	15.22	15.67	16.14
Sewer Bill	673	673	740	740	740	740	740	807	833	856	880	905
Sub-total Utility Bill	1,060	1,060	1,140	1,160	1,181	1,313	1,313	1,409	1,568	1,591	1,614	1,712
Total	\$ 3,819	\$ 3,875	\$ 4,011	\$ 4,088	\$ 4,168	\$ 4,360	\$ 4,420	\$ 4,579	\$ 4,801	\$4,889	\$4,929	\$5,027
Change from Prior Year	\$ 431	\$ 56	\$ 135	\$ 77	\$ 80	\$ 192	\$ 60	\$ 159	\$ 221	\$ 88	\$ 41	\$ 98
% Change from Prior Year	12.72%	1.47%	3.50%	1.92%	1.96%	4.61%	1.38%	3.60%	4.83%	1.83%	0.83%	1.99%
Property tax amounts shown are based on a \$340,000 current* assessed property.												
* Prior years tax bills are approximated based on current values applied backwards												
Change and percentage change assume that rate increases are in place for the entire calendar year.												
Water and Sewer bills are based on 1,300 cubic feet of water consumption per quarter.												



APPENDIX A

APPENDIX A



Project Implementation Schedule

The following project implementation schedule is first and foremost a management tool. The various fiscal projections, accompanying project narratives, and prospective implementation maps that support this schedule all serve to provide context to the implementation of the proposed plan. Therefore, it is important to understand the context of the following items.

Project cost estimates

All project cost estimates are all in current dollars and are not intended to reflect allowances for unpredictable changes in materials costs, or other market conditions that may ultimately impact on the actual future project costs. This is done for simplicity in order to be able to compare the relative distribution of fiscal resources across various projects over an extended period of time.

With each annual update of this plan, cost estimates will be updated in an attempt to keep in line with current market conditions, or changes in various project implementation scopes or schedules. Most project costs are based on very broad engineering and construction estimates or assumptions. However, as projects get closer to their implementation dates, additional engineering analysis is performed too, in order to provide more refined cost estimates as the details of these projects can be better evaluated.

Implementation Schedules

The implementation schedules in this plan try to take into consideration several factors. At one level is an analysis of just how much work can be accomplished per year and what are the most critical priorities given the current conditions, competing needs, and limited resources of the Village. Then there also must be an evaluation of the impact that the scheduling of these projects will have on the neighborhoods where the construction is occurring, as well as the community as a whole. Additionally, several different project schedules may need to be coordinated in order to help reduce costs, as well as minimize the impact to the community.

All of this is done within the context of what we know when the plan is prepared each year. Therefore, as more information becomes available and the plan is updated each year, changes to the details of these implementation schedules may also need to be adjusted in order to be responsive to the changes in these various factors.

APPENDIX A



Project Implementation Schedule

Village of Shorewood
2026-2035 Long Range Plan
Infrastructure Projects

Updated Jun-09-2025

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2026 to 2035 SUB TOTAL
General Infrastructure Financed by GO Bonds											
1						3,260,000	3,875,000		1,000,000		8,135,000
2						750,000		750,000		750,000	2,250,000
4	40,000	200,000		212,180		225,102		238,810			916,092
5	4,075,000										4,075,000
6	(4,075,000)										(4,075,000)
7					4,586,448						4,586,448
8	2,966,000	3,218,000	3,517,000	3,640,000							13,341,000
9	1,000,000	20,000,000									21,000,000
10	500,000										500,000
12		832,000		832,000							1,664,000
Sub Totals:	4,506,000	24,250,000	3,517,000	4,684,180	4,586,448	4,235,102	3,875,000	988,810	1,000,000	750,000	52,392,541
Sewer Capital Projects Financed by Utility											
13	235,000										235,000
14	(235,000)										(235,000)
15					264,495						264,495
Sub Totals:	0	0	0	0	264,495	0	0	0	0	0	264,495
Water Capital Projects Financed by Utility											
16	2,951,000	3,039,530	3,130,716	3,224,637	3,321,376	3,421,018	3,523,648	3,629,358	3,738,239	3,850,386	33,829,908
17	984,000	1,013,000	1,043,390	984,000	1,013,000	1,043,000	1,074,000	1,106,000	1,139,000	1,173,000	10,572,390
18	661,000	680,830	701,255	722,293	743,961	766,280	789,269	812,947	837,335	862,455	7,577,624
19	1,935,500										1,935,500
20	(1,935,500)										(1,935,500)
21	500,000										500,000
22	2,330,000										2,330,000
23	(2,330,000)										(2,330,000)
24					2,622,436						2,622,436
Sub Totals:	5,096,000	4,733,360	4,875,361	4,930,930	7,700,773	5,230,298	5,386,917	5,548,304	5,714,574	5,885,841	52,479,922
Grand Total All Projects	9,602,000	28,983,360	8,392,361	9,615,110	12,551,716	9,465,400	9,261,917	6,537,115	6,714,574	6,635,841	105,136,957

APPENDIX A

Project Implementation Schedule



LEAD SERVICE LINE REPLACEMENT PROGRAM

With the 2022 the adoption of it Lead Service Line Replacement Program [Policy 44](#) and [Ordinance 3043](#), the Village of Shorewood stated its goal to remove all lead service lines - public and private - from the Village's water system within 20 years. The subsequent release of the federal lead and Copper Rule Improvements (LCRI) has set a standard of 10 years for public water utilities to replace all public and private lead service lines within their systems.

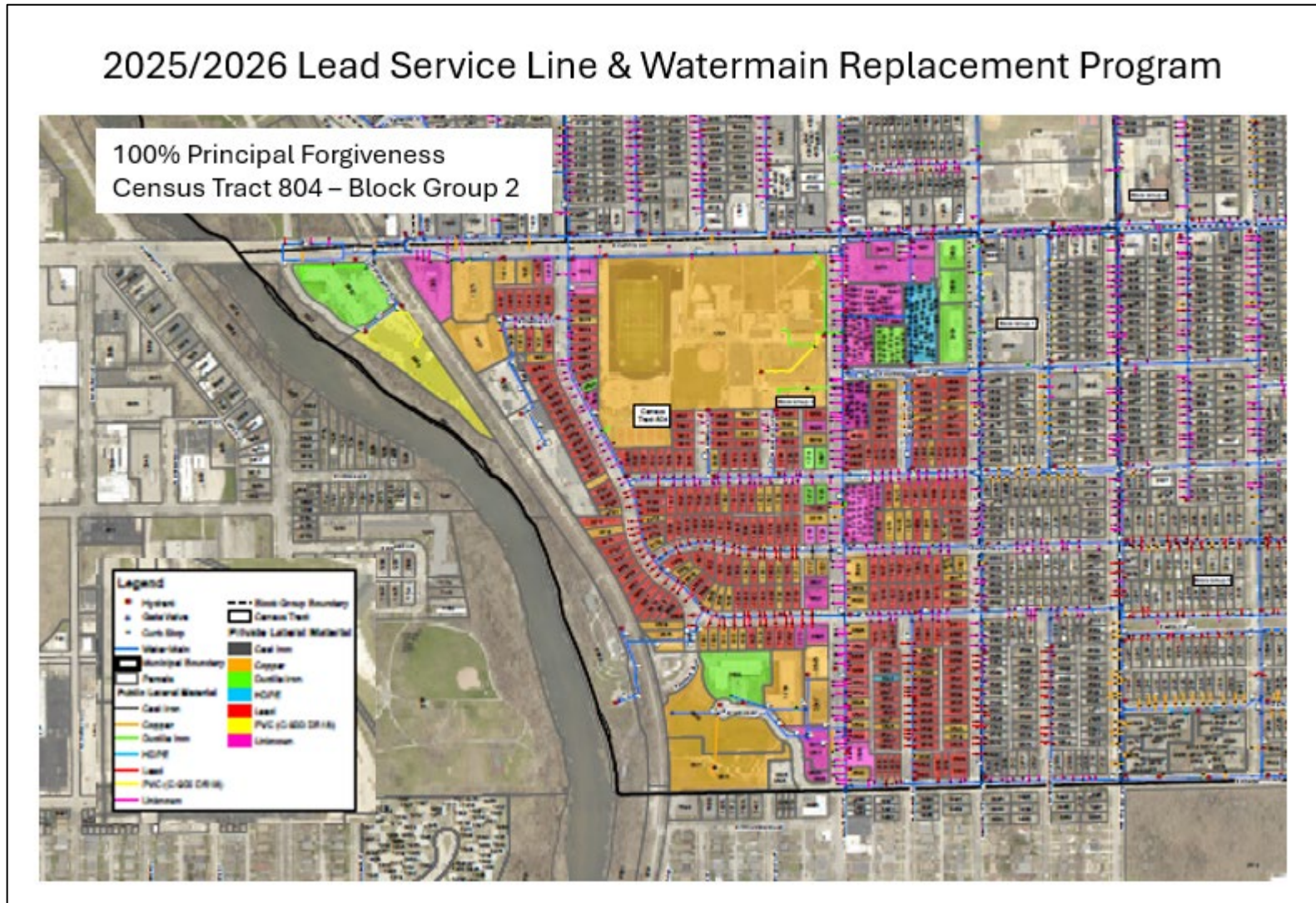
Regardless of the time frame, the implementation of this program begins a commitment to a monumental infrastructure investment. The replacement of public and private lead services lines will drive the development of the Village's infrastructure projects for the foreseeable future. Since the year 2000, the Village of Shorewood has replaced the municipal portion of existing lead water services with copper. However, the replacement of watermain in general has not kept pace with Wisconsin Public Service Commission recommended replacement rates. In some locations, the age and condition of the existing water main will not permit the connection of dozens of new services in each block. The water main condition will be evaluated during the engineering of each project.

The Bipartisan Infrastructure Law has identified three Census block group areas in the Village of Shorewood as eligible for federal funding in the form of some level of principal forgiveness for the replacement of private (only) lead service lines.

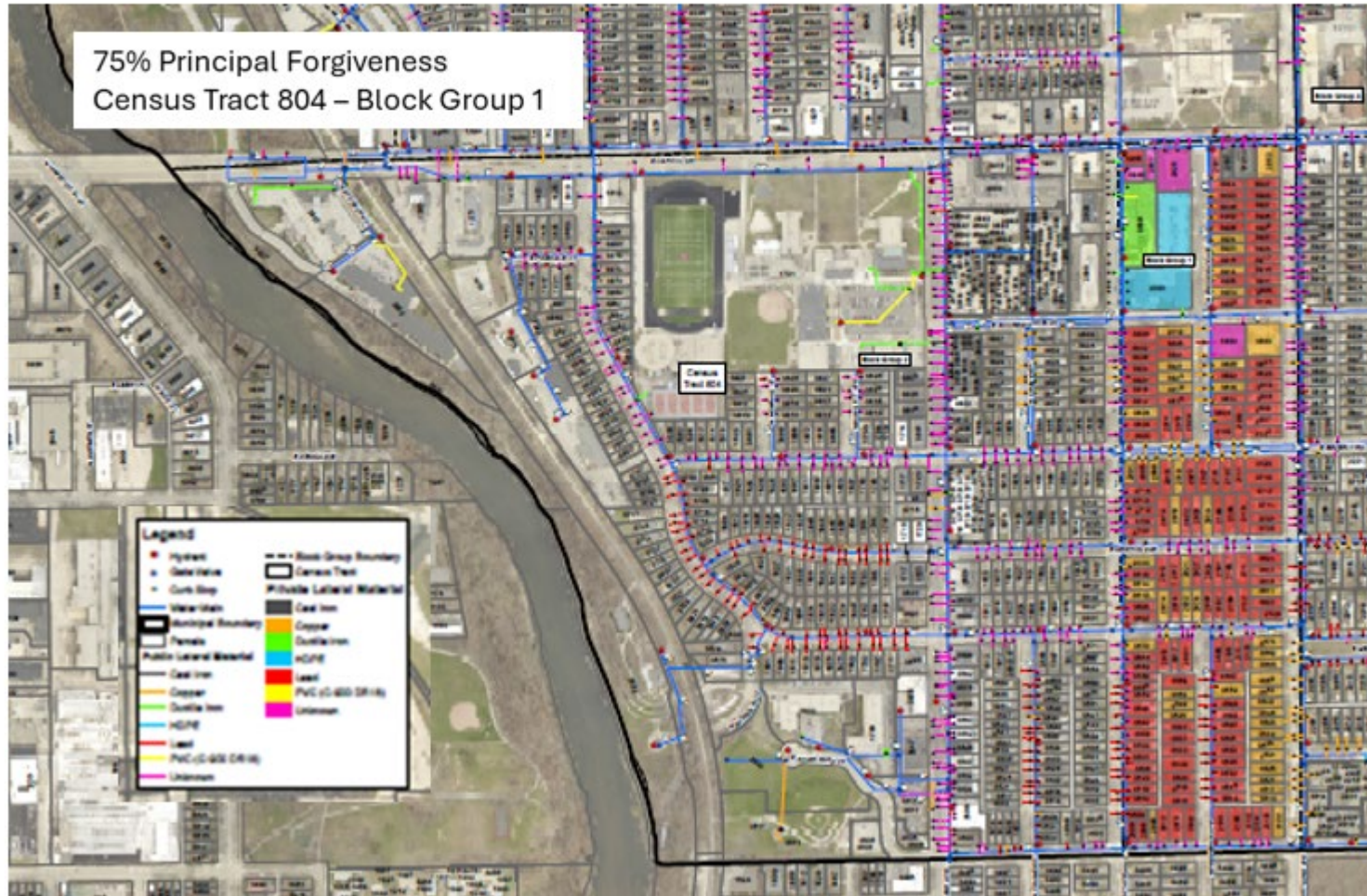
The Village has applied for and received funding for the largest eligible area and construction is scheduled to begin in September 2025. Applications for funding in the remaining two areas will be submitted by June 30, 2025. If approved, construction is anticipated to begin in 2027



2025/2026 Lead Service Line & Watermain Replacement Program



2026/2027 Lead Service Line & Watermain Replacement Program

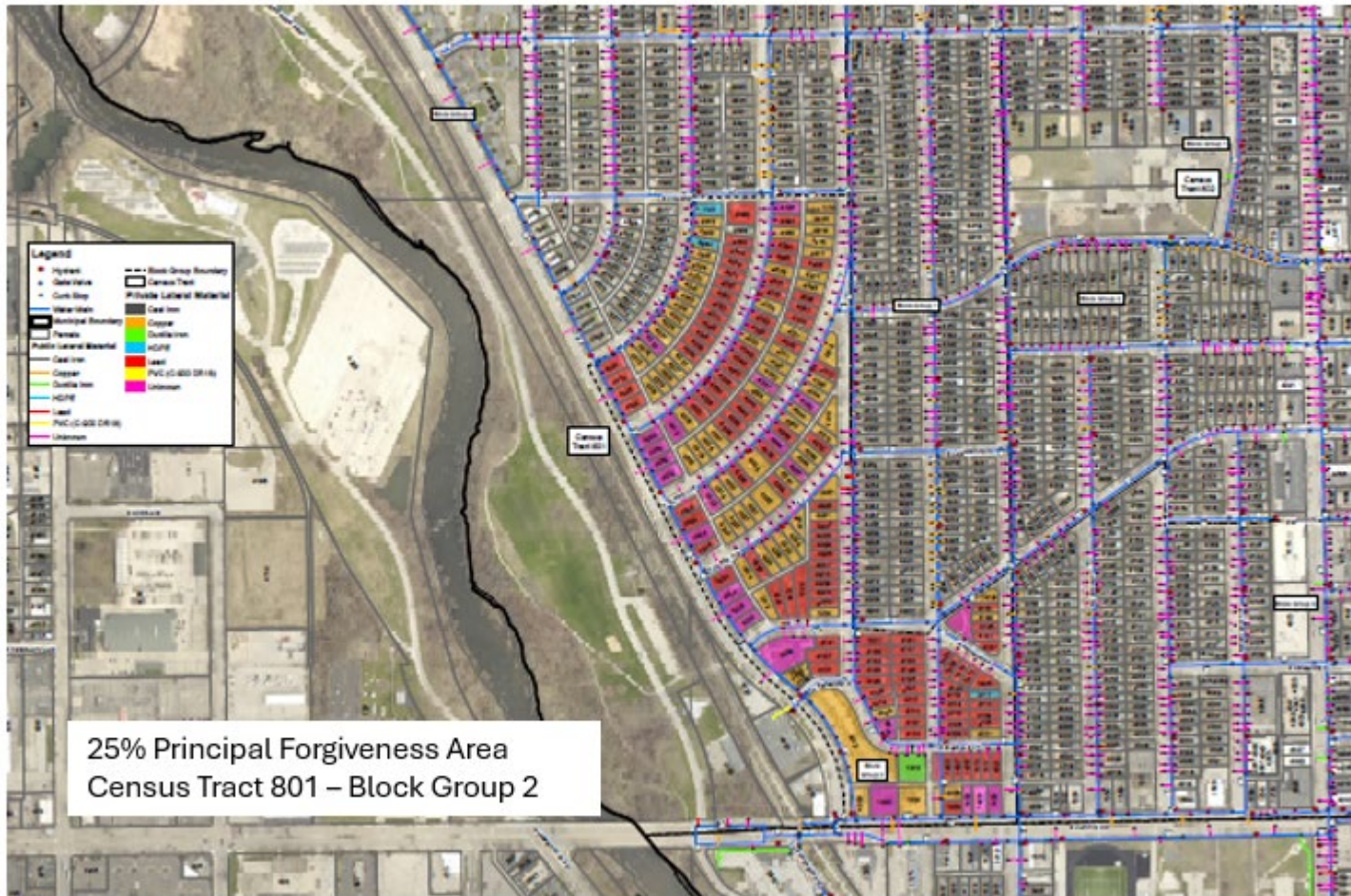


APPENDIX A

Project Implementation Schedule



2025/2026 Lead Service Line & Watermain Replacement Program



PAVEMENT MANAGEMENT PLAN

APPENDIX A



Project Implementation Schedule

The Village's [Pavement Management Plan](#) (PMP), adopted in 2009 by the Shorewood Village Board of Trustees, comprehensively addresses improvement and maintenance activities in order to maximize the useful life of existing pavements. As set forth in the plan, residential street reconstruction is scheduled in even calendar years with major maintenance programs and alley projects completed in odd calendar years. The plan has been updated several times since its adoption, most notably in response to the 2011 [Comprehensive Sewer Facility Plan](#) developed in response to the July 2010 flooding. In 2012, 2014 and 2016 combined road and sewer improvement programs were implemented. It is anticipated that the PMP will be updated following the finalization of a Lead Service Line Replacement Program schedule.

APPENDIX A

Project Implementation Schedule



ALLEY RECONSTRUCTION PROGRAM

The current Pavement Management Plan includes an alley component that addresses the reconstruction and maintenance of alleys in odd calendar years. Reconstruction programs have been identified based upon pavement condition ratings with a goal of geographically grouping alleys to form a cohesive project area. In many cases, storm sewer improvements are also recommended to address drainage concerns. In the separated sewer area MMSD Green Solutions funds have been used to offset the costs of green infrastructure components which will provide a mechanism for the Village to move toward TMDL (stormwater pollution) compliance.

The fiscal and staffing resources necessary to implement the Lead Service Line Replacement program will impact the previously developed alley replacement schedule. The current funding schedule does not propose alley reconstruction before 2031; it is anticipated that additional operating funds will be identified to address short-term alley pavement maintenance issues in the interim.

APPENDIX A

Project Implementation Schedule



OAKLAND AVENUE RECONSTRUCTION

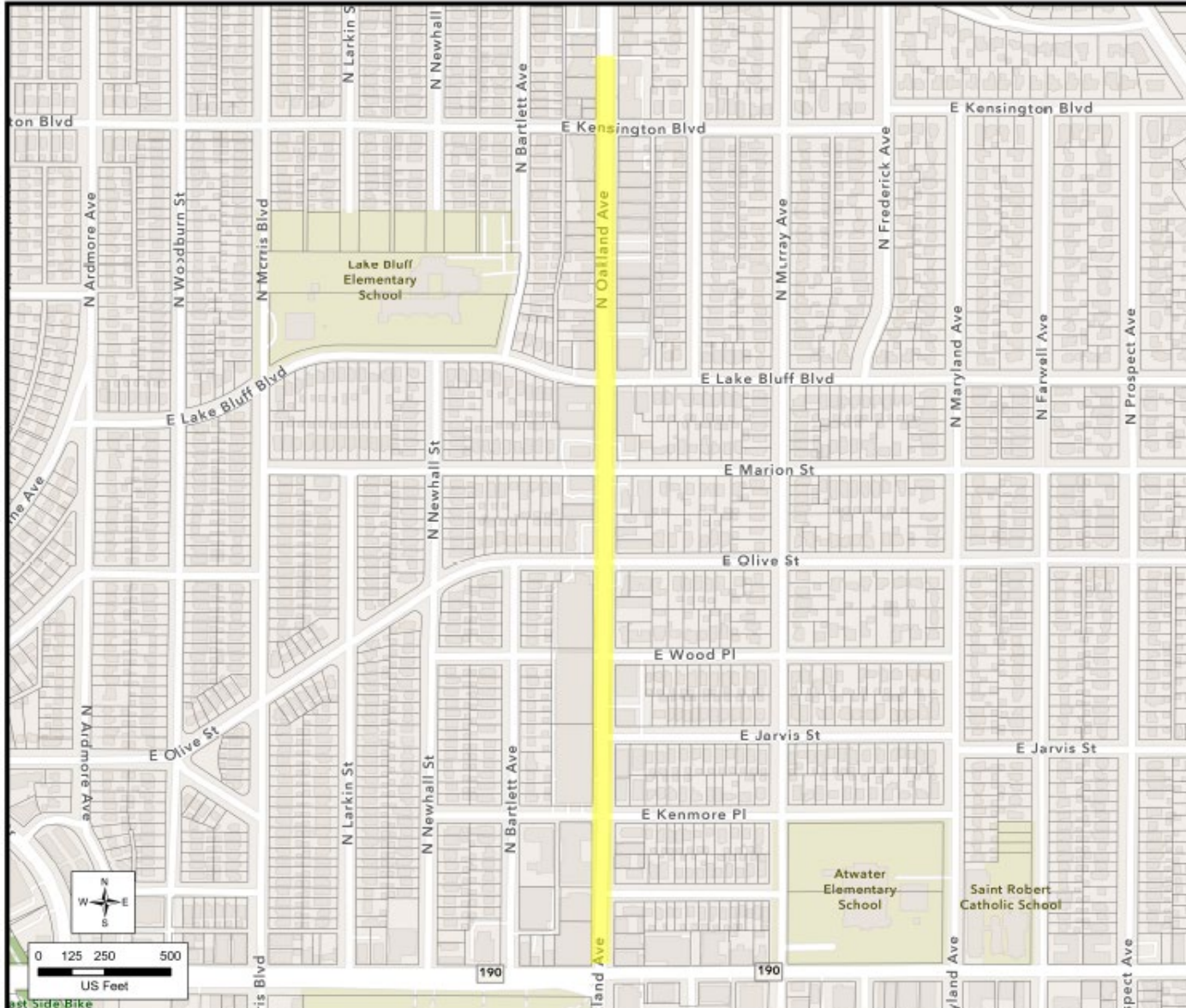
NORTH OAKLAND AVENUE RECONSTRUCTION

Reconstruction of [Oakland Avenue north of Capitol Drive](#) is planned for 2026. The engineering effort, which includes pedestrian and bicycle safety improvements identified in the 2020 Transportation and Parking Analysis as well as green infrastructure enhancements, is completed. In addition to roadway improvements, the water main – including private lead service lines - will be replaced for the length of the project. The current project schedule includes the selection of a construction inspection/management firm in September -2025 and a construction contract award in early November 2025. Construction is anticipated to begin in early spring of 2026.



APPENDIX A

Project Implementation Schedule



2026
NORTH OAKLAND AVENUE (NORTH OF CAPITAL DRIVE)
WATER MAIN, LEAD SERVICE REPLACEMENT,
AND ROAD RECONSTRUCTION
VILLAGE OF SHOREWOOD
MILWAUKEE COUNTY, WISCONSIN



FIGURE 1
3646.011

APPENDIX A

Project Implementation Schedule

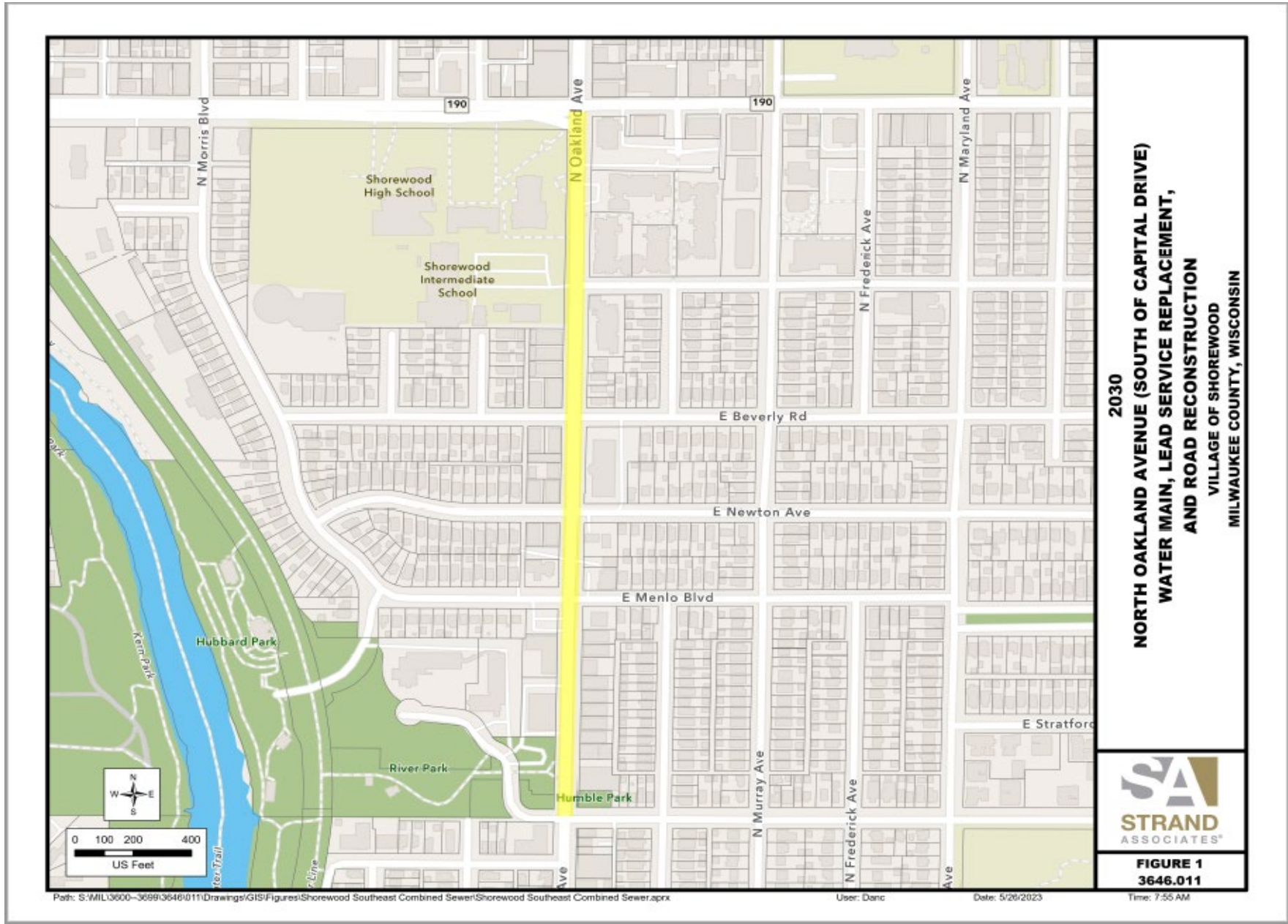


SOUTH OAKLAND AVENUE RECONSTRUCTION

The segment of Oakland Avenue south of Capitol Drive was resurfaced during the summer of 2021 as an interim measure. Full reconstruction is proposed to occur in 2030. It is anticipated that design engineering, to include a green infrastructure analysis, will begin in 2028.

APPENDIX A

Project Implementation Schedule



APPENDIX A

Project Implementation Schedule



OAKLAND METER VAULT RELOCATION

The water purchased from Milwaukee Water Works enters the Village through meters housed in sub-surface vaults along Edgewood Avenue at the intersections of N. Downer and N. Oakland Avenues. The Downer structure was replaced in late 2020.

The Oakland structure does not meet current DNR codes or confined space entry requirements. The Village is responsible for the maintenance and operation of the vault and all equipment located within except for the master meters owned and maintained by Milwaukee Water Works. It is proposed that this structure be relocated out of the roadway, likely into the parking lane. The replacement structure will comply with all current safety requirements.

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APPENDIX A

Project Implementation Schedule



LAKE DRIVE PRIVATE LEAD SERVICE LINE REPLACEMENT

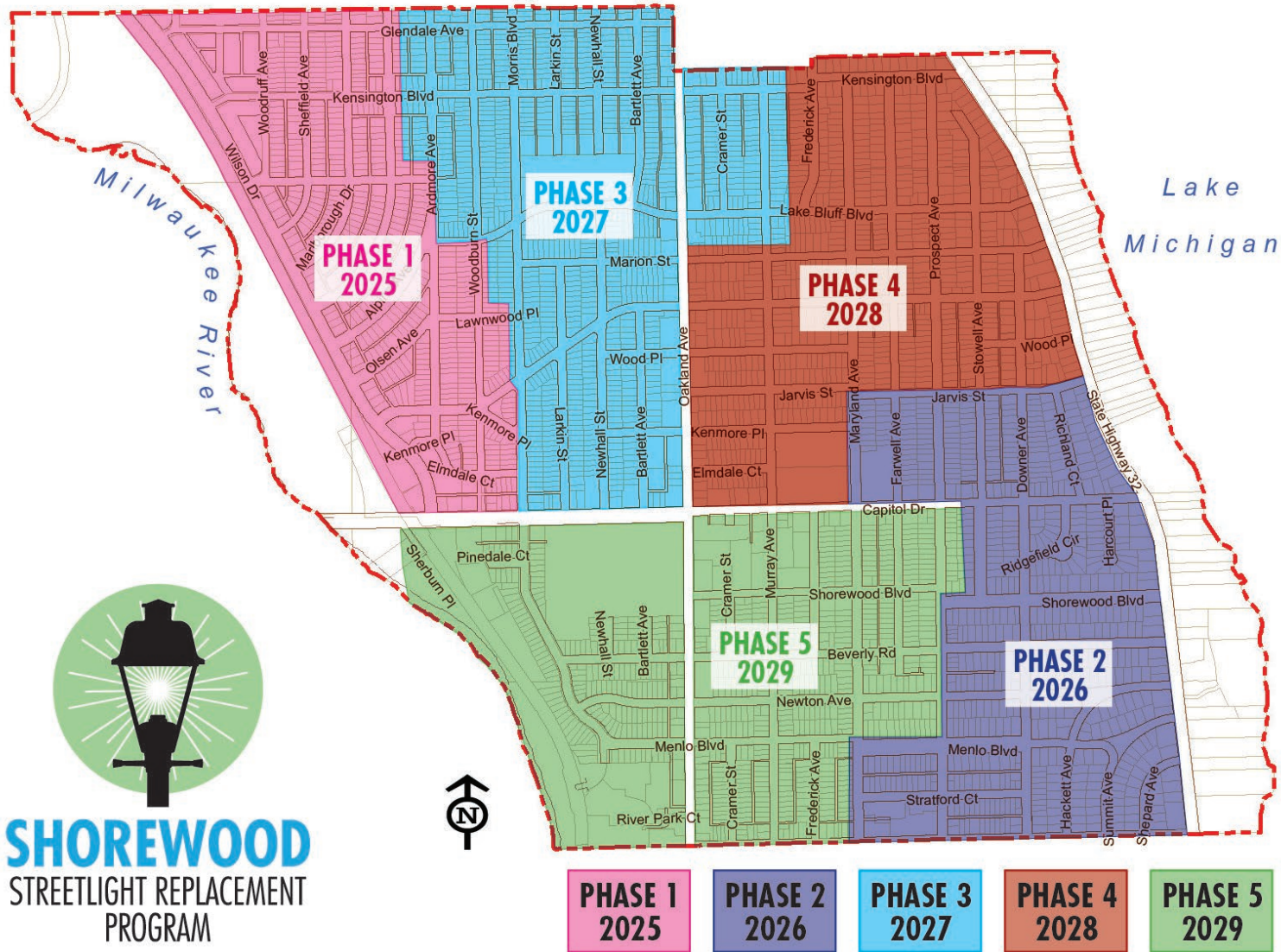
Watermain and municipal services will be replaced under the 2025 WisDOT Lake Drive reconstruction. Due to WisDOT requirements for the purchase of easements for private property work, the private portion of the lead service lines are scheduled to be replaced under a Village-let project in 2026.

STREET LIGHTING SYSTEM REPLACEMENT PROGRAM

A [Street Lighting System Replacement Plan](#) was presented to the Village Board in April 2023. The plan recommends phased replacement of the Village's existing system, including wiring, control cabinets, poles, and fixtures. KL Engineering was selected to prepare an implementation plan and design the replacement system. The plan identifies five project phases with construction to occur 2025-2029. Phase I, located in the northwest area of the Village is currently under construction. Phase II, located in the eastern/southeastern area of the Village is scheduled for 2026 installation.

APPENDIX A

Project Implementation Schedule



APPENDIX A

Project Implementation Schedule



SIDEWALK REPLACEMENT PROGRAM

Prior to 2023, sidewalk replacement had historically been funded through special assessments. Beginning in 2023, the Village Board approved the funding of public sidewalk replacement through general revenues. No formal program was identified for 2023, but Public Works staff addressed trip hazards and other significant issues throughout the Village utilizing a combination of grinding and replacement. The work was funded through a combination of operating revenues and a small capital allocation for concrete replacement.

The fiscal and staffing resources necessary to implement the Lead Service Line Replacement program will impact sidewalk replacement. It is the goal to return to comprehensive rotating geographic programs in the latter part of the 2020's; in the meantime, Public Works staff will continue to monitor general conditions and respond to hazards as they are identified utilizing a smaller annual funding allocation.

APPENDIX A

Project Implementation Schedule



FUTURE PUBLIC WORKS FACILITY

Over the last 15 years, the Village has procured two design studies and three organizational studies related to the Village’s Public Works Facility. (These studies are located in the Public Buildings and Plans, Studies & Reports pages of our website.) These studies have shown that the current DPW facilities are undersized and physically spread over various outdated buildings. This condition has resulted in a drag on operational efficiency by requiring more staff-hours to perform work, exposing vehicles to the elements, and necessitating frequent repair costs. The facilities compromise employee safety, were not designed with environmental sustainability in mind and are not compliant with ADA regulations. This was re-confirmed by the most recent 2022 Process Evaluation Report for Major Investments in Department of Public Works conducted by UW Milwaukee.

The Village of Shorewood is continuing to undertake a concerted effort to improve or replace the current DPW facilities located at 3801 N. Morris Blvd. The Village hired Barrientos Design and Consulting in November 2022 to conduct a needs assessment, site evaluation and conceptual plan for an improved facility. Included in the LRP are estimated costs for continued evaluation of current and future sites, environmental, construction and associated impacts. As more information becomes available, cost estimates will be refined annually for LRP planning purposes. The Village Manager, Planning & Development Director and Public Works Director will initiate the next immediate steps of securing real estate services, discussions with the City of Milwaukee, Milwaukee County and other jurisdictions, site investigation, environmental assessments, identification of permits and approvals for contemplated facility locations. Following this step, a design team for the future facility would be engaged to continue the design of a future facility.

APPENDIX A

Project Implementation Schedule



DEPARTMENT OF PUBLIC WORKS FACILITIES

The Department of Public Works is housed in a collection of buildings at 3801 N. Morris Boulevard. The main building, which includes the offices and work areas of all the divisions, was constructed as a Works Progress Administration project in 1936. In the years following a warehouse building and equipment garage were added in the same style as the main building. The garage was rebuilt following extensive damage suffered in a 1991 fire. Today the “yard” also includes a small storage building acquired in 1999 and originally constructed as a residence/garage.



Though the buildings were originally constructed for use as public works facilities, a facility designed for early 20th century tasks and equipment poses significant challenges today. A 2010 Service Prioritization Study called the facility “obsolete and inefficient” (p. 15) and noted its “negative impact on operating efficiency” (p.27).

A master plan for the Public Works facilities was completed in 2014. The final report included multiple recommendations for upgrading and reconfiguring both work and storage space to improve efficiency and service delivery. A facility condition assessment to be conducted in 2022 is expected to identify facility upgrade recommendations.

As the village completes a new facilities condition assessment for public works, staff has added a placeholder of \$5 million in 2024 in order to include the impact of that level of spending on the fiscal analysis.

APPENDIX A

Project Implementation Schedule



FUTURE FACILITIES – VILLAGE HALL

Staff were asked to reflect a placeholder value in the schedule for potential future costs. Additional information and recommendations will be prepared as part of the 2021 Facilities Condition Assessment initiative which was approved in the 2021 Capital budget. 2026 Plan includes upgrades to the HVAC System



APPENDIX B



FINANCIAL POLICY GUIDELINES

Adopted November, 2006,
Last revision: October 2017

In adopting the original financial management plan, the Board established policies related to debt management and tax rate impact. The Board will review these policy guidelines each time the financial management plan is reviewed.

1. GENERAL FUND UNDESIGNATED AND UNRESERVED FUND BALANCE

The Village shall seek to maintain its unassigned fund balance at a minimum of 30% of total general fund annual revenues. The purpose of the first 25% of this balance is to provide adequate cash flow during the year. Any use of these funds would require a two thirds vote of the Village Board.

The additional 5% is to provide the ability of the Village to respond to unforeseeable contingencies and opportunities that may not have been known at the time of budget preparation. Any use of the 5% fund balance referred to above must be replenished during the next budget process. *(It is noted, that as long as "levy limits" remain in place, the ability to replenish these funds will be possible only through cuts in other expenses or the raising of new non-levy revenues.) These uses are subject to approval by a two thirds vote of the Village Board.

In addition, the use of any amounts in excess of 30%, shall not be made, unless one of the following applies:

- A. Non-annually recurring expenses such as strategic plans or studies.
- B. Capital Expenses
- C. Debt Service Expenses
- D. Expenses which, in the opinion of the Village Board would constitute "an investment in the community" such as an investment in a revolving loan program.

These uses are subject to majority approval by the Village Board

APPENDIX B

Long-Range Planning Guiding Policies



2. TAX RATE STABILITY

A. Growth Projections and Assumptions

The long range financial plan reviews the impact of property taxes on a \$300,000 home. For purposes of calculating this impact, the Village has used the assessed values from the most current year and held that value constant into the future.

For debt capacity planning purposes, the future equalized values projections, assume 0.50% annual economic value increase. Adjustments for additional value were made for new construction within the Tax Increment Districts related to estimated future investments to be made by the Village at a ratio of \$4 of improvement value for every \$1 of estimated capital investment.

B. Capital Improvement Financing

The Village shall seek to maintain an equalized tax rate for debt at a level which does not exceed \$1.35 / \$1,000 of equalized valuation for purposes of financing its defined capital improvement plan. Any debt or new projects subsequently authorized by referendum would be in addition to this rate.

C. Operating Expenses & Staffing

The Village will project operating expenses and staffing needs and will integrate the projected impact of these needs with capital financing plans so that the tax rate required to finance both operations and capital can be coordinated and maintained at affordable levels but to avoid a “rollercoaster” effect upon taxpayers going forward. This will require annually reviewing projections and amending the operating and/or capital plan to address changing environmental conditions as part of the annual budget process. It is the Village’s intent to stay within the current state law on levy limitations. In the event that the levy limits are eliminated, the increase in the levy would be evaluated annually within the context of the needs of the Village and this multi-year management plan.

APPENDIX B

Long-Range Planning Guiding Policies



3. PRESERVATION OF GENERAL OBLIGATION BORROWING CAPACITY

It is the Village's philosophy that its general obligation borrowing authority must be protected and conserved. Wisconsin allows municipalities to borrow up to 5% of its Equalized Valuation on a general obligation basis.

The Village of Shorewood has the intention to limit itself to the use of no more than 50%, with a goal of 25%, of its general obligation debt capacity for tax levy supported capital needs and no more than a total of 75%, with a goal of 45%, of its general obligation debt capacity including all debt service funding sources. Utility debt, when feasible, shall be considered to be financed through utility revenue bonds. This policy would allow the Village to control its direct debt burden while still meeting its capital needs.

The Village Board acknowledges that the current long range financial plan includes significant capital infrastructure and economic development investments, the size and scope of which may cause the Village to exceed its goals for general obligation debt capacities for a period of time. It is the intention of the Village to continue to use these guidelines and to look for ways to decrease debt levels to within these targets over the long term.

4. DEBT PAYMENT STRUCTURE/DURATION

- A. The Village of Shorewood shall generally amortize its ongoing road maintenance plan with the issuance of general obligation debt with not more than 15 years duration. Exceptions may be considered for unusually costly projects.
- B. The financing of Tax Increment District expenses where the debt will be structured to match the projected cash flow of the district. It is also generally the policy of the Village to require development agreements in advance of the issuance of TID debt. The Community Development Authority will make recommendations in this regard.
- C. Larger building projects with projected useful lives of 20 or more years may be financed with 20-year General Obligation Bonds.
- D. It is also generally the philosophy of the Village to avoid balloon payment structures or significant back loading of the issue where more than 50% of the principal is matured in the last 2 to 3 years of the issue. An exception may be made to accommodate cash flow constraints of tax increment financing.

APPENDIX B

Long-Range Planning Guiding Policies



5. INTERFUND ADVANCES

Interfund advances may be made from time to time to support projects within the Enterprise funds, these advances will be repaid in full based upon an approved arrangement. It is the intent of the Village that the Enterprise funds be self-supported by way of their own operating revenues.

6. MAINTENANCE AND ENHANCEMENT OF CREDIT RATING

Shorewood recognizes that a high quality credit rating is important to achieving the lowest possible cost of debt when debt is used to finance capital needs. In addition, a high quality rating is reflective of sound financial management and prudent operating practices. It is therefore the Village's policy that its current Aa2 credit rating be maintained and that efforts be made where possible to seek to upgrade this rating. To this end the Village is committed to maintaining positive working relationships with the Credit rating agencies and will cooperate with the representatives of such agencies through the provision of information and, when appropriate, through personal presentations to the analysts responsible for review of the Shorewood account.

7. FEES FOR SERVICE

The Village currently utilizes user fees for certain services it provides. Examples are water usage fees and sewerage fees. Due to the State imposed levy limits; the Village may consider expanding this practice of user of fees in lieu of property tax levy to provide revenue to defray the costs of certain services. Other examples of these types of fees would be Storm Water management fees, transportation fees and special assessments. The Village Board would review these fees annually to ensure that they are adequately covering the costs of providing such services.

8. SUMMARY

The Village has developed these policy objectives with the intent of setting forth its philosophy related to fiscal management. The Village Board and staff recognize that circumstances change and that these objectives must be reviewed annually, however it is the intent of the Village of Shorewood to follow these general principals in subsequent years in order to assure the continued improvement of the Village's fiscal integrity. This multi-year financial plan has thus been developed in a manner to be fully consistent with the policy guidelines set forth above.

