



Village of Shorewood Long Range Financial Plan 2019 - 2028

In preparation for the 2019 budget process





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Overview

This document has been developed with the goal of providing a 100 foot view of the Village's comprehensive financial future. We undertake this process not to be able to solve all of the future potential problems, but in order to better understand the context in which the Village will be making annual budgetary decisions during the coming months, and in future years.

Debt Service / Debt Capacity

This plan begins by looking at the Village's current tax levy supported debt service schedule found on lines 1-7 on page 3. We then add, on line 8, the projected future tax levy debt service needs that would likely be required to complete the projects identified in this plan within the proposed project schedules. The result is a projected total debt service need for the plan implementation, which can then be used to calculate the projected amount of debt service stabilization support that would be required to limit debt service tax levy increases to 5% per year on line 16. These debt service amounts can then also be used in addition to other debt information to look at the Village's trends in debt service capacity, and is displayed in the chart found on page 4.

Levy Limits

The Village's property tax levy for operations and capital purchases is limited by State Statute to net new construction and any decrease in principal and interest payments on debt authorized before July 1, 2005 ("pre-2005 debt") and is illustrated in the schedule on page 5. This schedule is based on the current State of Wisconsin Levy Limit worksheets model. 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 during the forecast period, and that the current law will remain in effect for all future years.

Under these regulations, line 12 of the table on page 5 shows the Village's maximum allowable levy limit. This increase could be taken all at one time, or spread out over the next several years. The option manage the allowable increase over several years is referred to as the "moderate" tax levy amount, which is shown on line 13 and is the baseline used for this long range plan. This amount is calculated by limiting the growth of the tax levy for operations and capital to 2.0% per year based on the prior year's budget.

The table on page 6 shows a number of metrics based on this moderate levy amount. The amounts on line 14 shows the Village's projected reserve levy limit capacity. Over the ten year period, this moderate levy approach results in \$12.4 million less taxes being levied as a result of the village has been able keep taxes under the levy limit. Lines 29-32 show information on the estimated tax impact that this levy would have on a typical Shorewood homeowner. Lines 33-36 show the estimated amount of annual tax relief that has been generated in the Village's TIF districts and will be realized as each TIF district closes in the coming years.



Overview

Summary of Property Taxes by Fund

Based on the moderate tax levy option, the table on page 7 shows how the tax levy would be applied to each fund. We allocated any operational increase to each fund individually. As an example, in 2019 the overall operational levy increased 2.0%, so the levy for each fund was increased 2.0%, excluding the Debt Service Fund as this levy is based on the stabilized tax levy amount, which is capped at a 5% annual levy increase. This page also shows the impact of the tax increases on a \$300,000 home.

Operational Forecasts

The table on page 8 summarizes the revenues and expenditures for the General Fund, Library, Elder Services, Shorewood Today, Debt Service and Capital Projects funds. The schedule shows 2018 budget and preliminary projections. The 2019 – 2028 amounts are based primarily on the 2018 budgeted amounts and assumptions found at the back of this document. The Net Change in Fund Balance line on the bottom of the table shows the annual gap between projected revenues and expenditures which must be addressed each year as part of the annual budget process, which requires a balanced budget.

The long range financial plan includes many assumptions about services levels, cost increases from our vendors, revenues to be provided by the State of Wisconsin and many others. During the next ten years, the Village will very likely undergo a myriad of changes both in what services we offer and in the manner that we provide them. This plan, necessarily, does not include any of these possible changes in service, but because the Village revisits and updates this plan annually, we will incorporate these changes on an on-going basis as needed.

Capital Plan

This plan's main focus is on the projected future long range needs for the large capital projects that will require debt financing and includes capital investments of \$20,585,000 for Road Projects, \$18,330,000 in Sanitary Sewer and Storm water infrastructure projects, and \$6,780,000 in Water system infrastructure projects over the next 10 years. The capital infrastructure replacements included in the plan come from many supporting planning processes, including the Village's Comprehensive Sanitary Sewer, Stormwater and Drainage Plan and the Pavement Management Plan. Other projects have also been developed based on the Comprehensive Parks Plan, Sustainability Action Plan, Central District Master Plan, and the Village's Strategic Vision Plan.

Utility Costs

Finally, we also look at the Village's utilities and estimated future utility rates, and end with a look at the impact of all of these pieces on the average residential property owner payments, and a comparative look at other area community's utility rates.

Long Range Financial Plan 2019 - 2028



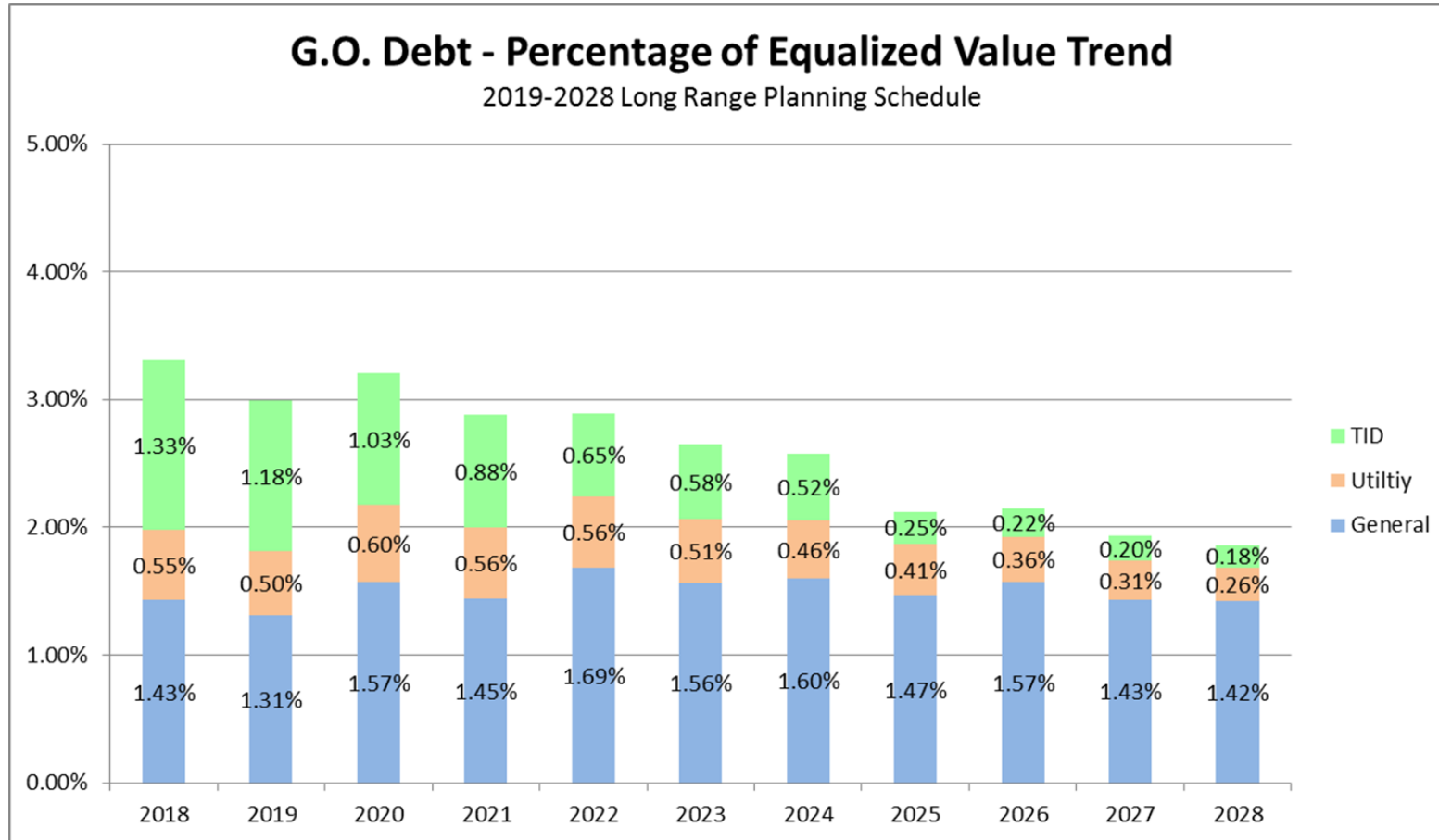
Debt Service Schedule – For Current and Projected Debt

| Budget Year | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|---|----------------|------------------|----------------|----------------|----------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| 1 P&I on Levy Funded Debt Issued Prior to 7/1/05 | | | | | | | | | | | | |
| 2 2002 Bonds | \$ 112,613 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 2002 WFB bonds (NSFD) | 62,121 | 61,747 | 62,132 | 62,313 | 62,311 | - | - | - | - | - | - | - |
| 4 Total P&I on Debt Prior to 7/1/05 | 174,734 | 61,747 | 62,132 | 62,313 | 62,311 | - | - | - | - | - | - | - |
| 5 Change in Pre- 7/1/05 Debt | 551 | (112,987) | 385 | 181 | (2) | (62,311) | - | - | - | - | - | - |
| 6 P&I on Levy Funded Debt Issued Post 7/1/05 | | | | | | | | | | | | |
| 7 Existing Debt Schedule | 1,915,807 | 2,073,253 | 2,101,275 | 1,914,090 | 1,966,588 | 2,007,072 | 2,079,782 | 2,032,176 | 1,957,274 | 1,604,890 | 1,169,588 | 1,171,588 |
| 8 Future Debt - Per Long Range Plan | - | - | - | 329,250 | 328,000 | 808,362 | 807,425 | 1,080,287 | 1,082,587 | 1,490,162 | 1,487,350 | 1,708,263 |
| 9 Total Projected Debt Service | 1,915,807 | 2,073,253 | 2,101,275 | 2,243,340 | 2,294,588 | 2,815,434 | 2,887,207 | 3,112,463 | 3,039,861 | 3,095,052 | 2,656,938 | 2,879,851 |
| 10 Total Levy Funded Debt Service | 2,090,541 | 2,135,000 | 2,163,407 | 2,305,653 | 2,356,899 | 2,815,434 | 2,887,207 | 3,112,463 | 3,039,861 | 3,095,052 | 2,656,938 | 2,879,851 |
| 11 \$ Change in Debt Service | 233,220 | 44,459 | 28,407 | 142,246 | 51,246 | 458,535 | 71,773 | 225,256 | (72,602) | 55,191 | (438,114) | 222,913 |
| 12 % Chg in Debt Service | 12.56% | 2.13% | 1.33% | 6.58% | 2.22% | 19.46% | 2.55% | 7.80% | -2.33% | 1.82% | -14.16% | 8.39% |
| 13 Gross Debt Service cost per household (\$300,000 assessed value - 2018 base year) | \$425 | \$434 | \$440 | \$469 | \$460 | \$550 | \$549 | \$592 | \$578 | \$580 | \$498 | \$535 |
| 14 Debt Service Tax Levy Stabilization | | | | | | | | | | | | |
| 15 5% stabilization Baseline | 1,745,799 | 1,833,089 | 1,924,744 | 2,020,981 | 2,122,030 | 2,228,131 | 2,339,538 | 2,456,515 | 2,579,341 | 2,708,308 | 2,656,938 | 2,879,851 |
| 16 Stabilization support needed (line 10 - line 15) | 344,742 | 301,911 | 238,663 | 284,672 | 234,869 | 587,303 | 547,669 | 655,948 | 460,520 | 386,744 | - | - |
| 17 Funds Available for Tax Levy Stabilization | | | | | | | | | | | | |
| 18 PY remaining funds available | 750,000 | 750,000 | 655,104 | 609,662 | 484,451 | 410,319 | (129,934) | (629,212) | (1,285,160) | (1,745,680) | (2,132,424) | (2,132,424) |
| 19 CY stabilization support needed (line 16) | - | (301,911) | (238,663) | (284,672) | (234,869) | (587,303) | (547,669) | (655,948) | (460,520) | (386,744) | - | - |
| 20 Additional funding streams: | | | | | | | | | | | | |
| 21 Bond Premium Reserves | - | 50,000 | 35,000 | | | | | | | | | |
| 22 Sewer Advance repayments | - | 42,015 | 43,221 | 44,461 | 45,737 | 47,050 | 48,391 | | | | | |
| 23 Water Advance repayments | - | 115,000 | 115,000 | 115,000 | 115,000 | - | - | - | - | - | - | - |
| 24 Running balance available funds | 750,000 | 655,104 | 609,662 | 484,451 | 410,319 | (129,934) | (629,212) | (1,285,160) | (1,745,680) | (2,132,424) | (2,132,424) | (2,132,424) |
| 25 Stabilized Debt Service cost per household | \$355 | \$370 | \$391 | \$411 | \$414 | \$435 | \$445 | \$467 | \$490 | \$508 | \$498 | \$535 |
| Savings per household (line 13 - line 25) | \$70 | \$64 | \$49 | \$58 | \$46 | \$115 | \$104 | \$125 | \$88 | \$72 | \$0 | \$0 |



Debt Service Schedule – For Current and Projected Debt

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.



For more information on how the completion of the projects included within this plan may affect the Village’s direct debt burden, please see the analysis included in Appendix A at the end of this report.

Long Range Financial Plan 2019 - 2028



Levy Limits

| 2019 - 2028 Financial Plan | | | | | | | | | | | | |
|----------------------------|---------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Tax Levy Limits | | | | | | | | | | | | |
| Budget Year | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | |
| 1 | Prior Year's Tax Levy Limit | \$ 11,250,022 | \$ 11,418,306 | \$ 13,562,745 | \$ 13,590,767 | \$ 13,732,832 | \$ 14,102,069 | \$ 14,622,915 | \$ 14,949,676 | \$ 15,174,932 | \$ 15,102,330 | \$ 15,338,121 |
| 2 | TID Closure adjustment (est.) | | | | | \$ 317,989 | | \$ 254,988 | | | \$ 180,600 | |
| 3 | Less: Prior Year's Tax Levy | | | | | | | | | | | |
| 4 | adjustment for Post 2005 Debt | (8,775) | (20,000) | (2,073,253) | (2,101,275) | (2,243,340) | (2,294,588) | (2,815,434) | (2,887,207) | (3,112,463) | (3,039,861) | (3,095,052) |
| 5 | Sub-total | 11,241,247 | 11,398,306 | 11,489,492 | 11,489,492 | 11,807,481 | 11,807,481 | 12,062,469 | 12,062,469 | 12,062,469 | 12,243,069 | 12,243,069 |
| 6 | Growth Factor | 1.40% | 0.80% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 7 | Sub-total | 11,398,624 | 11,489,492 | 11,489,492 | 11,489,492 | 11,807,481 | 11,807,481 | 12,062,469 | 12,062,469 | 12,062,469 | 12,243,069 | 12,243,069 |
| 8 | Increase in pre-7/1/05 Debt | 551 | - | - | - | - | - | - | - | - | - | - |
| 9 | P&I on post- 7/1/05 Debt | 1,915,807 | 2,073,253 | 2,101,275 | 2,243,340 | 2,294,588 | 2,815,434 | 2,887,207 | 3,112,463 | 3,039,861 | 3,095,052 | 2,656,938 |
| 10 | Allowable Tax Levy for Debt | 1,916,358 | 2,073,253 | 2,101,275 | 2,243,340 | 2,294,588 | 2,815,434 | 2,887,207 | 3,112,463 | 3,039,861 | 3,095,052 | 2,656,938 |
| 11 | | | | | | | | | | | | |
| 12 | Maximum Allowable Levy | <u>\$ 13,314,982</u> | <u>\$ 13,562,745</u> | <u>\$ 13,590,767</u> | <u>\$ 13,732,832</u> | <u>\$ 14,102,069</u> | <u>\$ 14,622,915</u> | <u>\$ 14,949,676</u> | <u>\$ 15,174,932</u> | <u>\$ 15,102,330</u> | <u>\$ 15,338,121</u> | <u>\$ 14,900,007</u> |
| 13 | Moderate Levy Used in Planning | <u>\$ 11,418,306</u> | <u>\$ 11,699,046</u> | <u>\$ 11,988,020</u> | <u>\$ 12,285,523</u> | <u>\$ 12,591,863</u> | <u>\$ 12,907,361</u> | <u>\$ 13,232,352</u> | <u>\$ 13,567,185</u> | <u>\$ 13,912,224</u> | <u>\$ 14,267,849</u> | <u>\$ 14,447,670</u> |
| 14 | Reserve levy limit capacity | \$ 1,896,676 | \$ 1,863,699 | \$ 1,602,747 | \$ 1,447,309 | \$ 1,510,206 | \$ 1,715,554 | \$ 1,717,324 | \$ 1,607,747 | \$ 1,190,106 | \$ 1,070,272 | \$ 452,337 |
| 15 | % reserve capacity to Moderate Levy | 16.6% | 15.9% | 13.4% | 11.8% | 12.0% | 13.3% | 13.0% | 11.9% | 8.6% | 7.5% | 3.1% |

Long Range Financial Plan 2019 - 2028



Levy Limits

| Budget Year | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 13 Moderate Levy Used in Planning | \$ 11,418,306 | \$ 11,699,046 | \$ 11,988,020 | \$ 12,285,523 | \$ 12,591,863 | \$ 12,907,361 | \$ 13,232,352 | \$ 13,567,185 | \$ 13,912,224 | \$ 14,267,849 | \$ 14,447,670 |
| 14 Reserve levy limit capacity | \$ 1,896,676 | \$ 1,863,699 | \$ 1,602,747 | \$ 1,447,309 | \$ 1,510,206 | \$ 1,715,554 | \$ 1,717,324 | \$ 1,607,747 | \$ 1,190,106 | \$ 1,070,272 | \$ 452,337 |
| 15 % reserve capacity to Moderate Levy | 16.6% | 15.9% | 13.4% | 11.8% | 12.0% | 13.3% | 13.0% | 11.9% | 8.6% | 7.5% | 3.1% |
| 16 Total Tax Levy Debt Service | 1,745,799 | 1,833,089 | 1,924,744 | 2,020,981 | 2,122,030 | 2,228,131 | 2,339,538 | 2,456,515 | 2,579,341 | 2,708,308 | 2,656,938 |
| 17 Levy used for Operations & Capital | \$ 9,672,507 | \$ 9,865,957 | \$ 10,063,276 | \$ 10,264,542 | \$ 10,469,833 | \$ 10,679,229 | \$ 10,892,814 | \$ 11,110,670 | \$ 11,332,884 | \$ 11,559,541 | \$ 11,790,732 |
| 18 Change in Operating/Capital Levy | 85,151 | 193,450 | 197,319 | 201,266 | 205,291 | 209,397 | 213,585 | 217,856 | 222,213 | 226,658 | 231,191 |
| 19 % Chg in Operating/Capital Levy | 0.9% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% |
| 20 Assessed Values (\$1,000's) 2% annual | 1/1/17 A.V. | 1/1/18 A.V. | | | | | | | | | |
| 21 Total Assessed 1/1 prior year | 1,610,025 | 1,618,235 | 1,682,964 | 1,682,964 | 1,750,283 | 1,750,283 | 1,820,294 | 1,820,294 | 1,893,106 | 1,893,106 | 1,968,830 |
| 22 TID 1 increment value (EV) | (58,702) | (66,770) | (68,105) | (69,468) | - | - | - | - | - | - | - |
| 23 TID 3 increment value (EV) | (18,522) | (23,360) | (38,827) | (39,604) | (40,396) | (41,204) | (42,028) | (42,868) | (43,726) | - | - |
| 24 TID 4 increment value (EV) | (16,514) | (18,407) | (18,775) | (19,151) | (19,534) | (19,924) | (20,323) | (20,729) | (21,144) | (21,567) | (21,998) |
| 25 TID 5 increment value (EV) | (41,112) | (44,746) | (53,641) | (54,714) | (55,808) | (56,924) | - | - | - | - | - |
| 26 Net Assessed Value | 1,475,175 | 1,464,952 | 1,503,616 | 1,500,029 | 1,634,545 | 1,632,231 | 1,757,944 | 1,756,697 | 1,828,236 | 1,871,539 | 1,946,832 |
| 27 Village Only Tax Rate | | | | | | | | | | | |
| 28 Per \$1,000 net assessed * | 7.740306 | 7.985959 | 7.972795 | 8.190191 | 7.703587 | 7.907804 | 7.527176 | 7.723123 | 7.609642 | 7.623590 | 7.421117 |
| * 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 generates tax incremental revenues to support TID activ | | | | | | | | | | | |
| 29 Estimated Village Tax Bill for a | | | | | | | | | | | |
| 30 \$300,000 home (2018 base) | \$ 2,321 | \$ 2,378 | \$ 2,437 | \$ 2,497 | \$ 2,459 | \$ 2,521 | \$ 2,516 | \$ 2,579 | \$ 2,645 | \$ 2,674 | \$ 2,708 |
| 31 Change from prior year | 34 | 57 | 59 | 60 | (38) | 62 | (5) | 63 | 66 | 29 | 34 |
| 32 % Change from prior year | 1.5% | 2.5% | 2.5% | 2.5% | -1.5% | 2.5% | -0.2% | 2.5% | 2.7% | 1.1% | 1.3% |
| 33 Value of pending TID tax relief | | | | | | | | | | | |
| 34 Village only - Total | \$ 1,043,780 | \$ 1,224,112 | \$ 1,429,910 | \$ 1,498,278 | \$ 891,594 | \$ 933,534 | \$ 469,324 | \$ 491,172 | \$ 493,634 | \$ 164,416 | \$ 163,250 |
| 35 Estimated all districts | \$ 2,348,506 | \$ 2,754,251 | \$ 3,217,298 | \$ 3,371,125 | \$ 2,006,086 | \$ 2,100,451 | \$ 1,055,979 | \$ 1,105,138 | \$ 1,110,677 | \$ 369,936 | \$ 367,313 |
| 36 All districts / \$300,000 home | \$ 465 | \$ 545 | \$ 637 | \$ 668 | \$ 397 | \$ 416 | \$ 209 | \$ 219 | \$ 220 | \$ 73 | \$ 73 |

Long Range Financial Plan 2019 - 2028



Property Taxes by Fund

| Tax Levy | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| General Fund | \$ 8,152,737 | \$ 8,315,792 | \$ 8,482,108 | \$ 8,651,750 | \$ 8,824,785 | \$ 9,001,281 | \$ 9,181,307 | \$ 9,364,933 | \$ 9,552,232 | \$ 9,743,277 | \$ 9,938,143 |
| Debt Service Fund | 1,745,799 | 1,833,089 | 1,924,744 | 2,020,981 | 2,122,030 | 2,228,131 | 2,339,538 | 2,456,515 | 2,579,341 | 2,708,308 | 2,656,938 |
| Capital Projects Fund | 550,486 | 561,496 | 572,726 | 584,181 | 595,865 | 607,782 | 619,938 | 632,337 | 644,984 | 657,884 | 671,042 |
| Library Fund | 876,095 | 893,617 | 911,489 | 929,719 | 948,313 | 967,279 | 986,625 | 1,006,358 | 1,026,485 | 1,047,015 | 1,067,955 |
| Elder Services Fund | 87,339 | 89,086 | 90,868 | 92,685 | 94,539 | 96,430 | 98,359 | 100,326 | 102,333 | 104,380 | 106,468 |
| Shorewood Today Fund | 5,850 | 5,966 | 6,085 | 6,207 | 6,331 | 6,457 | 6,585 | 6,716 | 6,850 | 6,985 | 7,125 |
| Total Village Tax Levy | \$ 11,418,306 | \$ 11,699,046 | \$ 11,988,020 | \$ 12,285,523 | \$ 12,591,863 | \$ 12,907,360 | \$ 13,232,352 | \$ 13,567,185 | \$ 13,912,225 | \$ 14,267,849 | \$ 14,447,671 |
| % Chg in Total Levy | 1.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.6% | 1.3% |
| Net Assessed Value (\$1,000's) as of Prior Year 1/1 | 1,475,175 | 1,464,952 | 1,503,616 | 1,500,029 | 1,634,545 | 1,632,231 | 1,757,944 | 1,756,697 | 1,828,236 | 1,871,539 | 1,946,832 |
| Village Only Tax Rate Per \$1,000 net assessed | 7.740306 | 7.985959 | 7.972795 | 8.190192 | 7.703587 | 7.907804 | 7.527176 | 7.723123 | 7.609642 | 7.623590 | 7.421117 |
| Estimated Village Tax Bill for a \$300,000 home (2018 base) | \$ 2,321 | \$ 2,378 | \$ 2,437 | \$ 2,497 | \$ 2,459 | \$ 2,521 | \$ 2,516 | \$ 2,579 | \$ 2,645 | \$ 2,674 | \$ 2,708 |
| Change from prior year | 34 | 57 | 59 | 60 | (38) | 62 | (5) | 63 | 66 | 29 | 34 |
| % Change from prior year | 1.5% | 2.5% | 2.5% | 2.5% | -1.5% | 2.5% | -0.2% | 2.5% | 2.6% | 1.1% | 1.3% |

Long Range Financial Plan 2019 - 2028



Operational Forecast

This schedule projects potential future year deficits from the operating and capital components. These deficit forecasts occur in part because we have assumed that operating expenses will increase due to inflation annually; whereas, we are conservative on the expectation for future revenue growth. For example, we do not predict any revenue increases from state sources in future years, and have used a 2.0% baseline for any increases in the property tax levy for operations and capital. Each year as we review our annual budget, these operational deficits are addressed and the budget is balanced so that we are not drawing down on our reserves.

| Revenues, Expenditures and Changes in Fund Balances | | | | | | | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Governmental Funds - General Fund, Library, Elder Services, Shorewood Today, Debt Service and Capital Projects | | | | | | | | | | | |
| | budget | | | | | | | | | | |
| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
| Property Taxes | | | | | | | | | | | |
| Property Tax Levy - All Funds | \$ 11,418,306 | \$ 11,699,046 | \$ 11,988,020 | \$ 12,285,523 | \$ 12,591,863 | \$ 12,907,360 | \$ 13,232,352 | \$ 13,567,185 | \$ 13,912,225 | \$ 14,267,849 | \$ 14,447,671 |
| Other Revenues | | | | | | | | | | | |
| General Fund (1%) | 3,257,229 | 3,289,801 | 3,322,699 | 3,355,926 | 3,389,486 | 3,423,380 | 3,457,614 | 3,492,190 | 3,527,112 | 3,562,383 | 3,598,007 |
| Library (1%) | 132,306 | 133,629 | 134,965 | 136,315 | 137,678 | 139,055 | 140,445 | 141,850 | 143,268 | 144,701 | 146,148 |
| Elder Services (1%) | 70,484 | 71,189 | 71,901 | 72,620 | 73,346 | 74,079 | 74,820 | 75,568 | 76,324 | 77,087 | 77,858 |
| Shorewood Today (1%) | 89,150 | 90,042 | 90,942 | 91,851 | 92,770 | 93,698 | 94,635 | 95,581 | 96,537 | 97,502 | 98,477 |
| Capital Projects (schedule) | 4,589,000 | 1,474,000 | 4,554,000 | 2,774,000 | 3,004,000 | 4,474,000 | 1,529,000 | 2,274,000 | 1,894,000 | 3,474,000 | 1,764,000 |
| Debt Service (schedule) | 2,854,178 | 2,891,490 | 2,921,453 | 3,000,084 | 2,873,781 | 1,331,429 | 1,031,313 | 1,013,263 | 1,057,225 | 1,068,738 | 3,168,800 |
| Total Revenues | 22,410,653 | 19,649,197 | 23,083,980 | 21,716,319 | 22,162,923 | 22,443,002 | 19,560,179 | 20,659,637 | 20,706,691 | 22,692,261 | 23,300,961 |
| Expenditures | | | | | | | | | | | |
| General Fund (2%) | \$ 11,409,966 | \$ 11,638,165 | \$ 11,870,929 | \$ 12,108,347 | \$ 12,350,514 | \$ 12,597,524 | \$ 12,849,475 | \$ 13,106,464 | \$ 13,368,594 | \$ 13,635,966 | \$ 13,908,685 |
| Library (2%) | 1,008,401 | 1,028,569 | 1,049,140 | 1,070,123 | 1,091,526 | 1,113,356 | 1,135,623 | 1,158,336 | 1,181,502 | 1,205,133 | 1,229,235 |
| Elder Services (2%) | 157,823 | 160,979 | 164,199 | 167,483 | 170,833 | 174,249 | 177,734 | 181,289 | 184,915 | 188,613 | 192,385 |
| Shorewood Today (2%) | 95,000 | 96,900 | 98,838 | 100,815 | 102,831 | 104,888 | 106,985 | 109,125 | 111,308 | 113,534 | 115,804 |
| Capital Projects (schedule) | 5,139,486 | 2,035,496 | 5,126,726 | 3,358,180 | 3,599,864 | 5,081,781 | 2,148,937 | 2,906,335 | 2,538,982 | 4,131,882 | 2,435,039 |
| Debt Service (schedule) | 4,599,977 | 4,724,579 | 4,846,197 | 5,021,065 | 4,995,811 | 3,559,560 | 3,370,851 | 3,469,778 | 3,636,566 | 3,777,046 | 5,825,738 |
| Total Expenditures | 22,410,653 | 19,684,689 | 23,156,028 | 21,826,013 | 22,311,378 | 22,631,359 | 19,789,606 | 20,931,328 | 21,021,866 | 23,052,172 | 23,706,887 |
| Net Change in Fund Balances | - | (35,492) | (72,048) | (109,694) | (148,455) | (188,357) | (229,426) | (271,690) | (315,175) | (359,912) | (405,926) |



A. Capital Projects Fund

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 aids, and other miscellaneous revenues such as from the sale of old equipment. 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 maintains a schedule of all vehicles, equipment, and other capital assets over \$5,000. This schedule includes over \$7 million of equipment used to provide services to the community which must be periodically replaced. In order to effectively manage the replacement of these items, the estimated useful life and anticipated replacement dates for each asset is reviewed and updated by department heads each year. Based on this input, these items are then prioritized and incorporated in the annual capital budget in a way that manages the annual funding levels needed to replace these assets in a sustainable manner. Major facilities maintenance and other various non-infrastructure initiatives must also be funded through annual revenues.

Long Range Plan projects (infrastructure projects) (funded primarily through bond proceeds, special assessments, or grants)

These capital projects are those that have been identified in the Village's Long Range Financial Management Plan to 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 storm water systems. The Village is also currently working on a review of future facility needs. In addition, the Village also performs sidewalk replacement biennially in the odd calendar years. Most of this program is currently funded through individual property special assessments. The PPII Lateral Rehab Program is also substantially funded by grants from MMSD which will cover about 50% of total project costs.

The Long Range Financial Plan highlights all of these projects which would primarily be financed with long term debt or other funding sources as described. By reviewing these projects together the Village can review and monitor the impact of these projects on the Village's total outstanding general obligation debt and borrowing capacity. These schedules can be found on pages 12-13, which are then followed by additional descriptive narratives and/or illustrations of each item on [pages 14-30](#).

Long Range Financial Plan 2019 - 2028

General Capital Projects Fund - 400



| Account Number | Account Name | 2018 Projected | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|--|------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenues | | | | | | | | | | | | |
| Annual Capital Funding Sources | | | | | | | | | | | | |
| 400-5700-41110 | Property Taxes (2.0% growth) | \$ 550,486 | \$ 561,496 | \$ 572,726 | \$ 584,180 | \$ 595,864 | \$ 607,781 | \$ 619,937 | \$ 632,335 | \$ 644,982 | \$ 657,882 | \$ 671,039 |
| 400-5700-43530 | State Transportation Aids | 120,000 | 120,000 | 120,000 | 120,000 | 120,000 | 120,000 | 120,000 | 120,000 | 120,000 | 120,000 | 120,000 |
| 400-5700-43590 | Other Grants / revenues | - | - | - | - | - | - | - | - | - | - | - |
| 400-9000-49700 | Property Sales | 24,000 | 24,000 | 24,000 | 24,000 | 24,000 | 24,000 | 24,000 | 24,000 | 24,000 | 24,000 | 24,000 |
| 400-9000-49900 | Capital Reserves | - | - | - | - | - | - | - | - | - | - | - |
| Total Annual Capital Revenues | | 694,486 | 705,496 | 716,726 | 728,180 | 739,864 | 751,781 | 763,937 | 776,335 | 788,982 | 801,882 | 815,039 |
| Long Range Plan Funding Sources | | | | | | | | | | | | |
| 400-9000-49800 | Bond Proceeds / Reserves | 4,345,000 | 1,030,000 | 4,310,000 | 2,330,000 | 2,760,000 | 4,030,000 | 1,385,000 | 1,930,000 | 1,750,000 | 3,130,000 | 1,620,000 |
| 400-5700-42000 | Special Assmts (sidewalks) | | 200,000 | - | 200,000 | - | 200,000 | - | 200,000 | - | 200,000 | - |
| 400-5700-43730 | Local Sanitation Aids (PPII) | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | - | - | - | - | - |
| Total LRP Capital Revenues | | 4,445,000 | 1,330,000 | 4,410,000 | 2,630,000 | 2,860,000 | 4,330,000 | 1,385,000 | 2,130,000 | 1,750,000 | 3,330,000 | 1,620,000 |
| Total Revenue | | <u>5,139,486</u> | <u>2,035,496</u> | <u>5,126,726</u> | <u>3,358,180</u> | <u>3,599,864</u> | <u>5,081,781</u> | <u>2,148,937</u> | <u>2,906,335</u> | <u>2,538,982</u> | <u>4,131,882</u> | <u>2,435,039</u> |
| Expenditures | | | | | | | | | | | | |
| General Annual Capital needs | | \$ 694,486 | \$ 705,496 | \$ 716,726 | \$ 728,180 | \$ 739,864 | \$ 751,781 | \$ 763,937 | \$ 776,335 | \$ 788,982 | \$ 801,882 | \$ 815,039 |
| Long Range Plan projects | | | | | | | | | | | | |
| Roads / Alley | | 3,000,000 | 750,000 | 2,850,000 | 2,050,000 | 1,890,000 | 3,750,000 | 1,205,000 | 1,750,000 | 1,050,000 | 2,950,000 | 1,090,000 |
| Other General Projects in Plan | | 1,095,000 | 380,000 | 1,230,000 | 380,000 | 630,000 | 380,000 | 80,000 | 380,000 | 580,000 | 380,000 | 430,000 |
| Lateral Rehab Program | | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | - | - | - | - | - |
| Debt Issuance Costs (net) | | 150,000 | - | 130,000 | - | 140,000 | - | 100,000 | - | 120,000 | - | 100,000 |
| Sub-total LRP projects | | 4,445,000 | 1,330,000 | 4,410,000 | 2,630,000 | 2,860,000 | 4,330,000 | 1,385,000 | 2,130,000 | 1,750,000 | 3,330,000 | 1,620,000 |
| Total Expenditures | | 5,139,486 | 2,035,496 | 5,126,726 | 3,358,180 | 3,599,864 | 5,081,781 | 2,148,937 | 2,906,335 | 2,538,982 | 4,131,882 | 2,435,039 |
| Net Change in Fund Balance | | - | - | - | - | - | - | - | - | - | - | - |



The following Long Range Financial Management Plan project 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 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 also 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 in order to provide more refined cost estimates as the details of these projects can be better evaluated.

Debt Analysis

Once a general estimate of the total project costs and implementation schedule can be established, then the estimates of the impact of implementing this plan on debt capacity and the related debt service costs can be integrated into the fiscal schedules. This information is used to help evaluate the sustainability of the plan from the perspective of debt capacity and the fiscal impact on the future taxes that will need to be assessed in order to support the debt service payments for the bonds that would be necessary to implement these projects.

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 has to 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 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.

Long Range Financial Plan 2019 - 2028

Infrastructure – Financial Management Plan



| VILLAGE OF SHOREWOOD: 2019-2029 LONG RANGE PLAN PROJECTS | | | | | | | | | | | | |
|--|---------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------------|
| General Capital Projects | GO/Rev. Bonds | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2020-2029 Total |
| Biennial Road Program | G.O. | 2,350,000 | | 1,140,000 | | 1,205,000 | | 1,050,000 | | 1,090,000 | | 6,835,000 |
| Alley Reconstruction | G.O. | | 750,000 | | 750,000 | | 750,000 | | 750,000 | | 750,000 | 3,750,000 |
| Sidewalk Program | G.O. | | 200,000 | | 200,000 | | 200,000 | | 200,000 | | 200,000 | 1,000,000 |
| Lake Dr. Reconstruction | G.O. | | | | | | 3,500,000 | | | | | 3,500,000 |
| Downer (south) Resurfacing | G.O. | | 300,000 | | | | | | | | | 300,000 |
| Oakland (North) Reconstruction | G.O. | | | | 3,000,000 | | | | | | | 3,000,000 |
| Oakland (South) Reconstruction | G.O. | | | | | | | | 2,200,000 | | | 2,200,000 |
| PPII Lateral Rehab | G.O. | 200,000 | 200,000 | 200,000 | 200,000 | | | | | | | 800,000 |
| Street Lighting Box | G.O. | | 100,000 | | 100,000 | | 100,000 | | 100,000 | | | 300,000 |
| NSFD Capital costs | G.O. | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 | 800,000 |
| Street Lighting LED | G.O. | 500,000 | | | | | | | | | | |
| Hubbard Parking Lot | G.O. | | | 300,000 | | | | | | | | |
| DPW Facilities – Wall / Salt Shed | G.O. | 150,000 | | 250,000 | | | | | | | | |
| Police Facility - Garage | G.O. | 500,000 | | | | | | | | | | |
| Wilson Drive – Phase II | G.O. | | 500,000 | | | | | | | | | |
| Edgewood Avenue | G.O. | | | 750,000 | | | | | | | | |
| Village Center HVAC | G.O. | | | | | | | | | 350,000 | | |
| Future Facilities - VH | G.O. | | | | | | | 500,000 | | | | |
| Unscheduled Roads (SE) | G.O. | 500,000 | 500,000 | | | | | | | | | |
| TOTAL COSTS | G.O. | 4,280,000 | 2,630,000 | 2,720,000 | 4,330,000 | 1,285,000 | 4,630,000 | 1,630,000 | 3,230,000 | 1,520,000 | 1,030,000 | 24,885,000 |

Long Range Financial Plan 2019 - 2028

Infrastructure – Financial Management Plan



| Water Capital Projects | GO. Bonds | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2020-2029 Total |
|---|-----------|-----------|---------|---------|---------|------|------|------|------|------|------|-----------------|
| Biennial Road Program (Water) | G.O. | 100,000 | | 480,000 | | | | | | | | 580,000 |
| Water Relay (non-roads) | G.O. | | 375,000 | | 375,000 | | | | | | | 750,000 |
| Oakland Ave Meter Pit | G.O. | | 500,000 | | | | | | | | | |
| Water Meter Replacement | G.O. | 1,500,000 | | | | | | | | | | 1,500,000 |
| | | | | | | | | | | | | |

| Water Capital Projects | Revenue Bonds | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2020-2029 Total |
|---|---------------|------|------|------|------|-----------|------|---------|-----------|---------|-----------|-----------------|
| Biennial Road Program (Water) | Revenue | | | | | 250,000 | | 405,000 | | 295,000 | | 950,000 |
| Water Relay (non-roads) | Revenue | | | | | | | | 1,000,000 | | 1,000,000 | 2,000,000 |
| Lake Drive – Water Main | Revenue | | | | | 1,000,000 | | | | | | 1,000,000 |
| | | | | | | | | | | | | |

| Sewer Capital Projects | Revenue Bonds | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2020-2029 Total |
|---|---------------|------|------|-----------|------|-----------|-----------|-----------|------|-----------|------|-----------------|
| Combined Sewer South Area | Revenue | | | 6,070,000 | | 2,450,000 | | 2,660,000 | | 3,300,000 | | 14,480,000 |
| Lake Drive – Sewer Main | Revenue | | | | | | 3,850,000 | | | | | 3,850,000 |
| | | | | | | | | | | | | |



BIENNIAL ROAD PROGRAM (Local Roads)

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 roads maintenance programs (resurfacing) 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 developed in response to the July 2010 flooding. In 2012 and 2016 combined road and sewer improvement programs were implemented. The proposed 2020 program is illustrated on the right.

Reconstruction programs are identified based upon pavement condition ratings with a goal of geographically grouping street segments to form a cohesive project area. The residential road reconstruction schedule drives many of the Village's other infrastructure improvement programs, including the replacement of water main, street lighting systems, signage and ash trees.

The 2022 through 2028 proposed programs were designed in conjunction with anticipated sewer improvements in the southeast area of the village. The schedules associated with the sewer program illustrate those efforts, with road program funding at a \$1.0 to \$1.25 million level per year during that project period. Please see the maps related to the Combined Sewer Southeast Area project for more detailed information on these coordinated efforts.



[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.



ALLEY RECONSTRUCTION PROGRAM

In addition to street reconstruction and maintenance, the Pavement Management Plan includes an alley component which addresses the reconstruction and maintenance of alleys in odd calendar years. The first alley program under the PMP was funded in 2017 and reconstructed approximately 2,880 lineal feet of asphalt pavement in the northwest area of the Village.

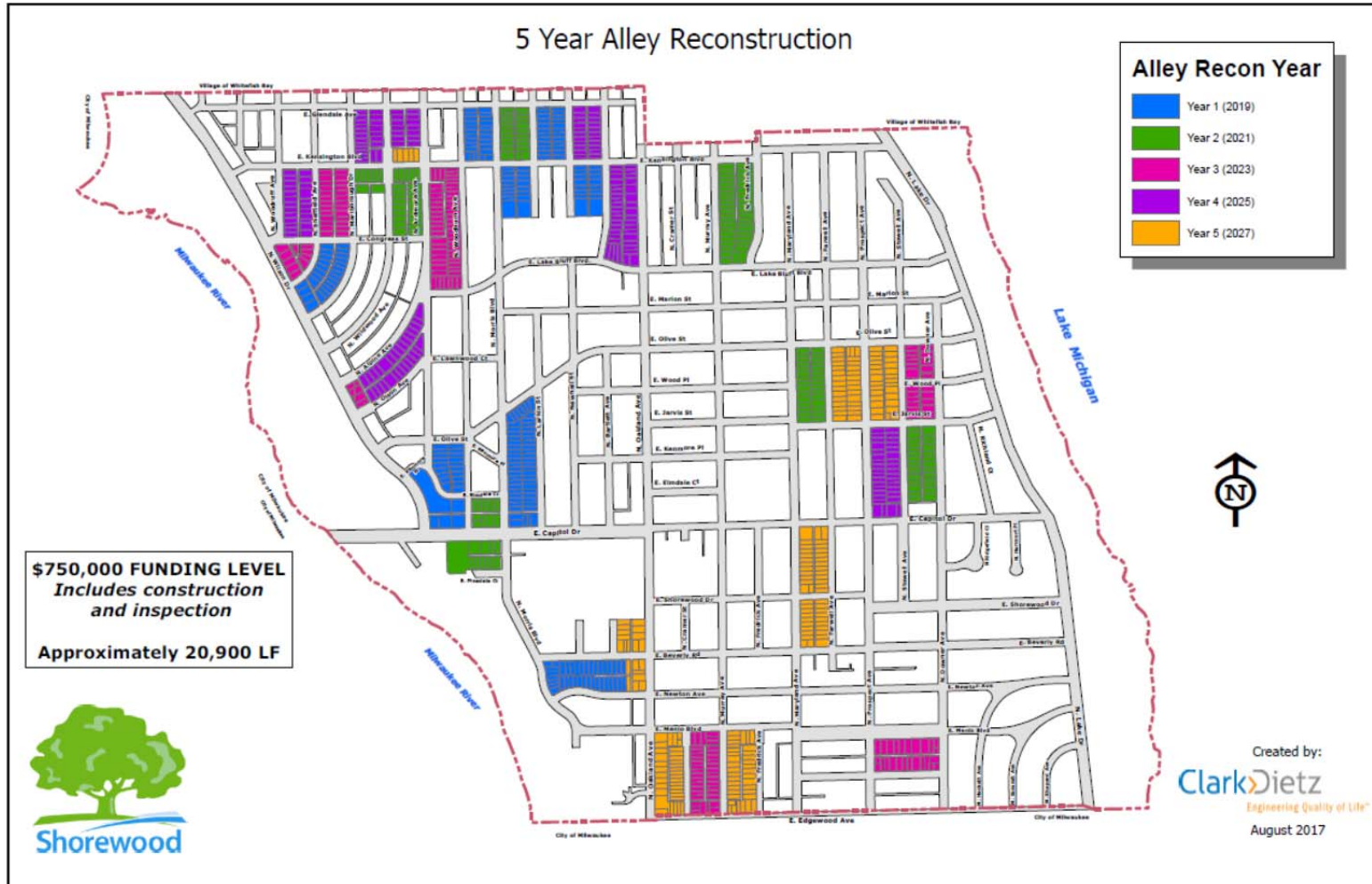
Reconstruction programs are identified based upon pavement condition rating with a goal of geographically grouping alleys to form a cohesive project area. In many cases, storm sewer improvements are recommended to address drainage concerns. The PMP calls for alley reconstruction programs to be funded at an approximate \$350,000 level every other year. The attached schedules illustrate replacement at the \$750,000 and \$500,000 funding levels.

Feel free to visit [Page 17](#) to look at the proposed timeline of the alley maintenance reconstruction program for the years 2019 through 2028.

[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.

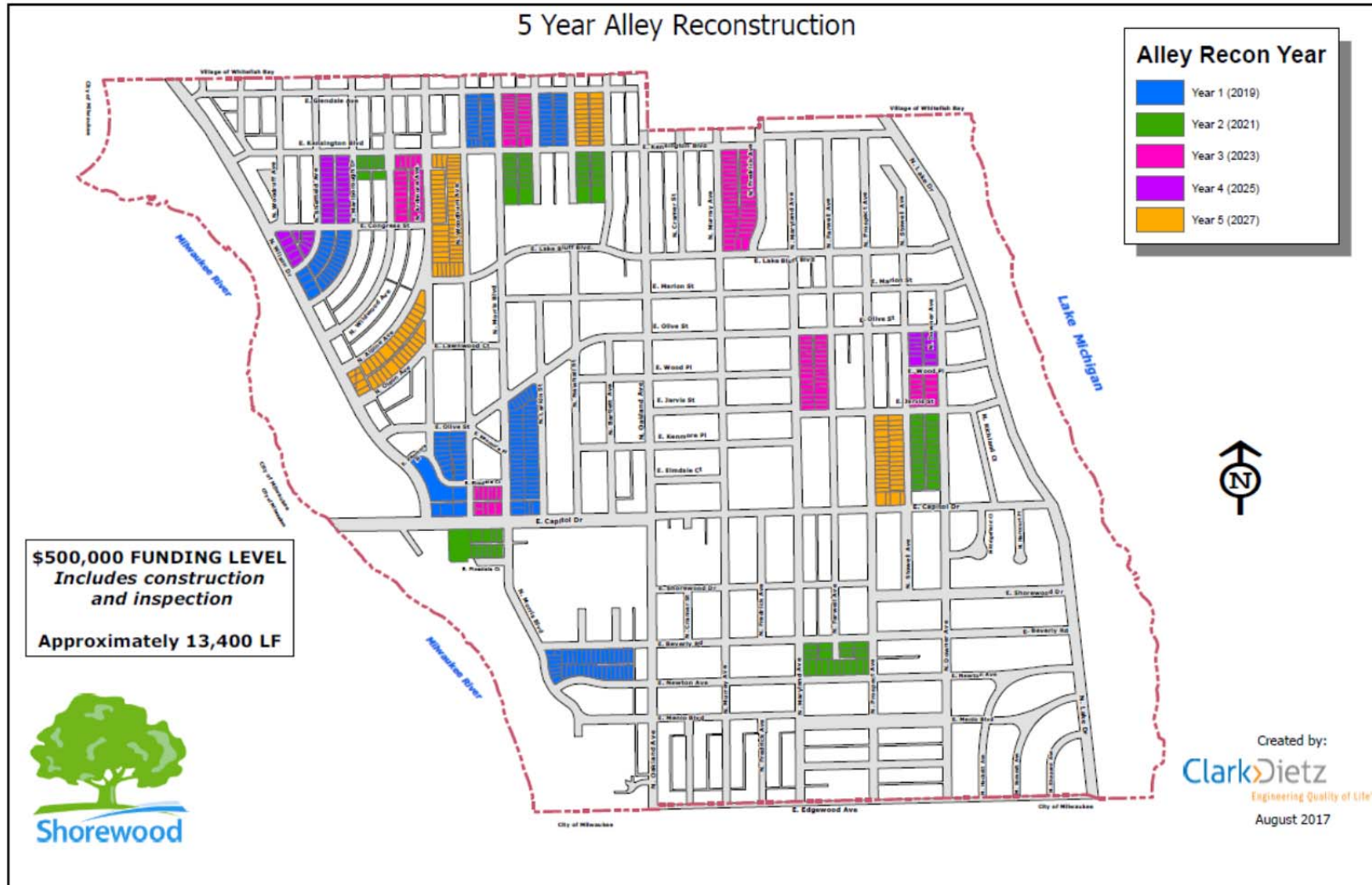


Alley Plan - \$750,000 funding level program schedule





Alley Plan - \$500,000 funding level program schedule



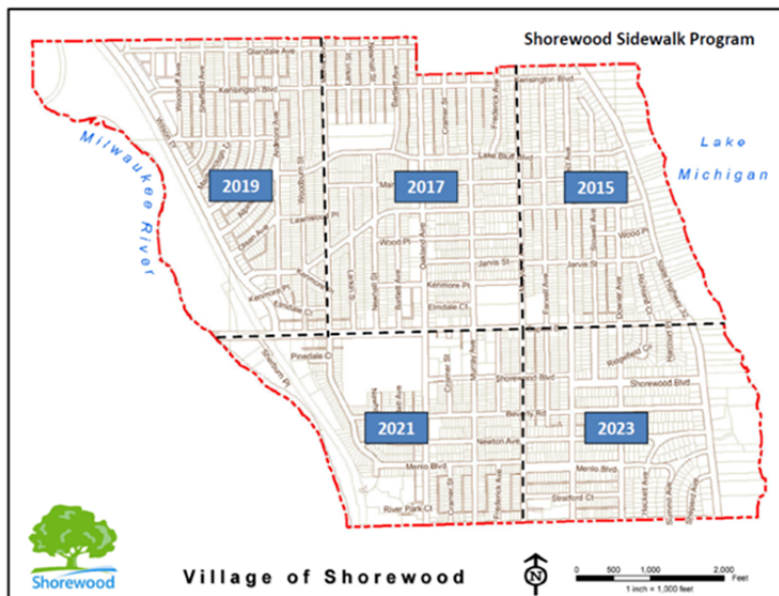


SIDEWALK PROGRAM

There are approximately 60 miles of public sidewalk pavement within the Village of Shorewood. To ensure these walks remain in good condition, the Department of Public Works administers a biennial sidewalk replacement program in each of five defined areas of the Village on a rotating cycle. The Village's sidewalk replacement program is contracted every other year in odd calendar years. All public sidewalks and carriage walks in the target area are reviewed, and defective areas are identified for removal and replacement.

Per Village policy, public walk replacement is assessed to the adjacent private property owner at 100% of the cost (on a corner lot the secondary frontage is assessed at 50%).

Please see the map illustrating the 2015 - 2023 sidewalk program areas.



[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.



LAKE DRIVE RECONSTRUCTION (Arterial Road)

The Lake Drive, State Highway 32, is currently scheduled by the Wisconsin Department of Transportation for construction in 2025. The construction will be subject to a cost share agreement. Very preliminary estimates put the Village's share at \$1.0 million, which also include some local costs not included under the cost sharing agreement with the Wisconsin Department of Transportation.

[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.

DOWNER AVENUE (SOUTH) RESURFACING (Arterial Road)

The segment of North Downer Avenue south of East Capitol Drive is classified as an arterial and therefore not included in the residential street Pavement Management Plan. Staff recommends it be resurfaced to extend the pavement life.

[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.

OAKLAND AVENUE RECONSTRUCTION (Arterial Road)

Oakland Avenue south of Capitol Drive was constructed in 1979.
Oakland Avenue north of Capitol Drive was reconstructed in 1996.

Both areas are concrete roadways and are showing significant signs of pavement deterioration which must be addressed. Due to the scope and potential disruptiveness of completing these road reconstruction efforts, these areas will be implemented during separate construction cycles.

Streetscape improvements for both were installed in 2007-2008.

[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.



PPII LATERAL REHABILITATION PROGRAM

In the MMSD-designated underperforming sewersheds, the Village of Shorewood is utilizing its Private Property Inflow/Infiltration (PPII) funding to rehabilitate private sewer laterals to reduce inflow and infiltration into the public sanitary sewer. The Village's 2012 approved funding policy budgets an amount equal to the annual MMSD program allocation to set the annual project funding level. Staff estimates a net amount of \$100,000 of G.O. bond funding be utilized each year through the life of the program.

[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.

STREET LIGHTING BOX (*STREETLIGHT CONTROL CABINETS*)

The age of the Village's residential streetlight system's control cabinets has exceeded their design life. Staff proposes a proactive replacement program to address this infrastructure before significant problems pose troublesome and perhaps lengthy street light outages. Cabinets are proposed to be replaced at a rate of two every other year. The first of these cabinets was replaced in 2016; the remaining 10 will be replaced over the next several years.

[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.

NSFD CAPITAL

As part of the intergovernmental agreements for North Shore Fire Department services, the Village of Shorewood must contribute a portion of the capital costs for the NSFD's replacement of their heavy equipment. This amount is currently estimated to be about \$80,000 per year and will allow the NSFD to accumulate sufficient funds to replace the numerous pieces of their heavy equipment serving our communities over time.

[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.



STREET LIGHTING LED

Village staff is proposing to convert the Village's street lighting system to LED lighting. The lighting fixture replacement with LED lighting was first proposed as an annual replacement program that would take until 2038 to install all the new LED lighting. However, staff determined it would be a more efficient and effective approach to contract out this project with the appropriate resources to complete this project within a single season at a cost of roughly \$500,000. Current estimates are that the Village could achieve nearly \$100,000 per year in annual savings for electricity and maintenance cost efforts once this project has been completed.

[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.

HUBBARD PARK PARKING LOT

Village staff has identified several benefits with reconstructing this parking lot. The current layout of the lot, while charming, is inefficient. A redesign and reconstruction of the lot would provide the Village an opportunity to redo the layout of the parking lot in order to add more parking spaces. In addition, the Village will also be able to address certain safety issues with the current layout of the parking lot. The preliminary estimate for the cost of this project is \$300,000.

[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.



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 two compactors and 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 efficiencies and service delivery.

As part of this Plan, the replacement of the retaining walls that separate the village property for the neighborhood properties was specified as in need of repair or replacement. This plan also identified the need to replace the Village’s current salt storage shed due to its deteriorated conditions. The replacement of the retaining walls are estimated to cost \$150,000 and the salt shed at \$300,000.

While there were numerous other recommendations for long term facilities improvements, these two items have been added to the project schedule for initial consideration while the remaining recommendations will continue to be evaluated.

[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.



POLICE DEPARTMENT FACILITY – GARAGE

The Village Board purchased the A.B. Data building on Wilson Drive in 2017 to become the new site of the Shorewood Police Department. While this site has been renovated to facilitate basic operational needs, the rear of the building where it was anticipated to include a police garage as well as an opportunity for alternate use or community space remains unfinished.

Current estimates range from between \$500,000 - \$1,200,000 to complete this project depending on final use and design decisions.

[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.

WILSON DRIVE – PHASE 2

Following the completion of the Wilson Drive road reconstruction project in 2018, there are several other additional beautification enhancements that the Village Board contemplated for this corridor that were not funded as part of the road reconstruction effort.

Once a feel for the impact of the work done to date can be assessed, the Village Board may consider implementing some or all of the other enhancement concepts. The current plan uses a placeholder estimate of \$500,000 to complete this project.

[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.

EDGEWOOD AVENUE (Joint Roadway – City of Milwaukee)

The Village anticipates significant construction activity along this roadway as MMSD completes some major underground work on the interceptor piping that will ultimately help facilitate the implementation of the Village's Combined Sewer Southeast project in the coming years. As such, the Village Board would like to explore the reconstruction of this roadway in conjunction with the City of Milwaukee upon completion or in concert with the MMSD construction effort.

A placeholder amount of \$750,000 has been included in this plan pending any actual project engineering and design estimates, or the establishment of a cost sharing agreement with the City of Milwaukee.

[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.



VILLAGE CENTER HVAC

The Village Board has included a placeholder of \$350,000 for the replacement of the Village Center HVAC system. This has been scheduled for 2028, which will be 10 years after the current rehabilitation efforts have been completed.

[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.

VILLAGE HALL - FUTURE FACILITIES

The Village Board has included a placeholder of \$500,000 for the replacement of the Village Hall mechanical systems. This has been scheduled for 2026 pending additional evaluation of facility needs.

[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.

UNSCHEDULED ROADS SOUTHEAST (resurfacing)

The Village Board has included placeholders of \$500,000 in 2020 and \$500,000 in 2021 for the interim resurfacing of the various local streets in the southern area of the village that will not otherwise be schedule for reconstruction until after the southeast combined sewer project has been completed in 2028. Reconstruction would then be anticipated in the early 2030's.

[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.



WATER RELAY PROJECTS

Water relay projects can be identified as road and non-road projects. Road projects are completed during even calendar years while non-road projects are completed during odd calendar years. The Village identifies main segments identified for replacement based on condition and repair or break history.

Road projects occur near planned street reconstruction projects in order for the Village to efficiently complete all projects in that area at one time to minimize costs and traffic interference. The lists for upcoming projects between road and non-road projects are separate lists. The chart to the right shows some of the key non-roads water main segments that have been identified to be replaced.

The Village and the Public Service Commission establish a goal for the Village of Shorewood to replace approximately 1.5% to 2% of all Village water mains annually. Since 2012, the Village has replaced a total of 3.9% of its distribution system.

Priority Watermain Replacement Areas non-reconstruction areas



[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.



OAKLAND AVENUE PIT REBUILD

The water purchased from Milwaukee Water Works enters the Village through two meters housed in sub-surface structures (“pits”) located along Edgewood Avenue at the intersections of N. Downer and N. Oakland Avenues. The Village is responsible for the maintenance and operation of the pit and all equipment located within with the exception of the master meters and meter test port piping owned and maintained by Milwaukee Water Works.

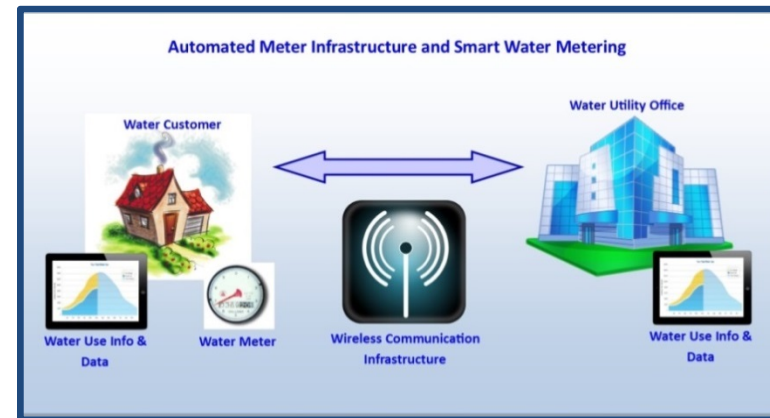
A placeholder amount of \$500,000 has been included in the project schedule as it would seem to be advantageous for this work to be done in conjunction with the MMSD work, prospective Edgewood Avenue reconstruction, or Oakland Avenue (south) reconstruction efforts.

[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.

WATER METER REPLACEMENT

The Public Service Commission guidelines on water meters state for entities to either inspect water meters every ten years or conduct an automatic replacement cycle every twenty years. Two decades ago the Village elected to do the automated replacement for water meters. The last replacement occurred in 1995, meaning that Shorewood’s twenty years have expired requiring the Village to replace its water meters.

Under current Wisconsin Public Service Commission regulations, the Village must begin replacement of its residential and commercial water meters to ensure the accuracy and reliability of its billing system. Staff has proposed implementation of an AMI (automated meter integration/infrastructure) program with new meters which allows for wireless communication, providing the potential to significantly reduce labor hours spent reading meters. AMI meters also have the capability to directly provide customers with frequent usage updates. Replacement for all the water meters in the Village will take approximately six months to complete.



[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.



LAKE DRIVE WATER MAIN

The current condition of the watermain in Lake Drive from E. Edgewood Avenue to approximately E. Kensington Boulevard warrants full length replacement. The roadway currently appears on the Wisconsin Department of Transportation funding calendar for 2024 construction though that date is certainly subject to change. Staff anticipates that the utility work will occur during the same year as the roadway construction. The project is expected to include approximately 7,000 lineal feet of main and approximately 125 services.

[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.

WATER MAINS (Unscheduled)

The Village Board has recognized that there is significant additional water main and service lateral replacement needs that will not likely be addressed in the current 10 year planning cycle. This line item has been added pending completion of additional planning efforts to address these broader system needs. A placeholder amount of \$10 million (\$1 million per year) has been used for these anticipated projects and to assist in evaluating the extended fiscal impact if this work is to be completed between 2030-2039.

[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.



COMBINED SEWER SOUTHEAST AREA

The Village's 2011 Comprehensive Facility Plan outlined recommendations for significant improvements/additions to the combined sewer system which serves approximately the eastern half of the Village. The recommended improvements for the north combined area were constructed in 2016 with the Northeast Area Combined Sewer Improvements project. To address both the regulatory feasibility and the environmental impacts of proposed improvements to the southeast area system, the Village commissioned a Combined Sewer Environmental Assessment which was completed in early 2017.

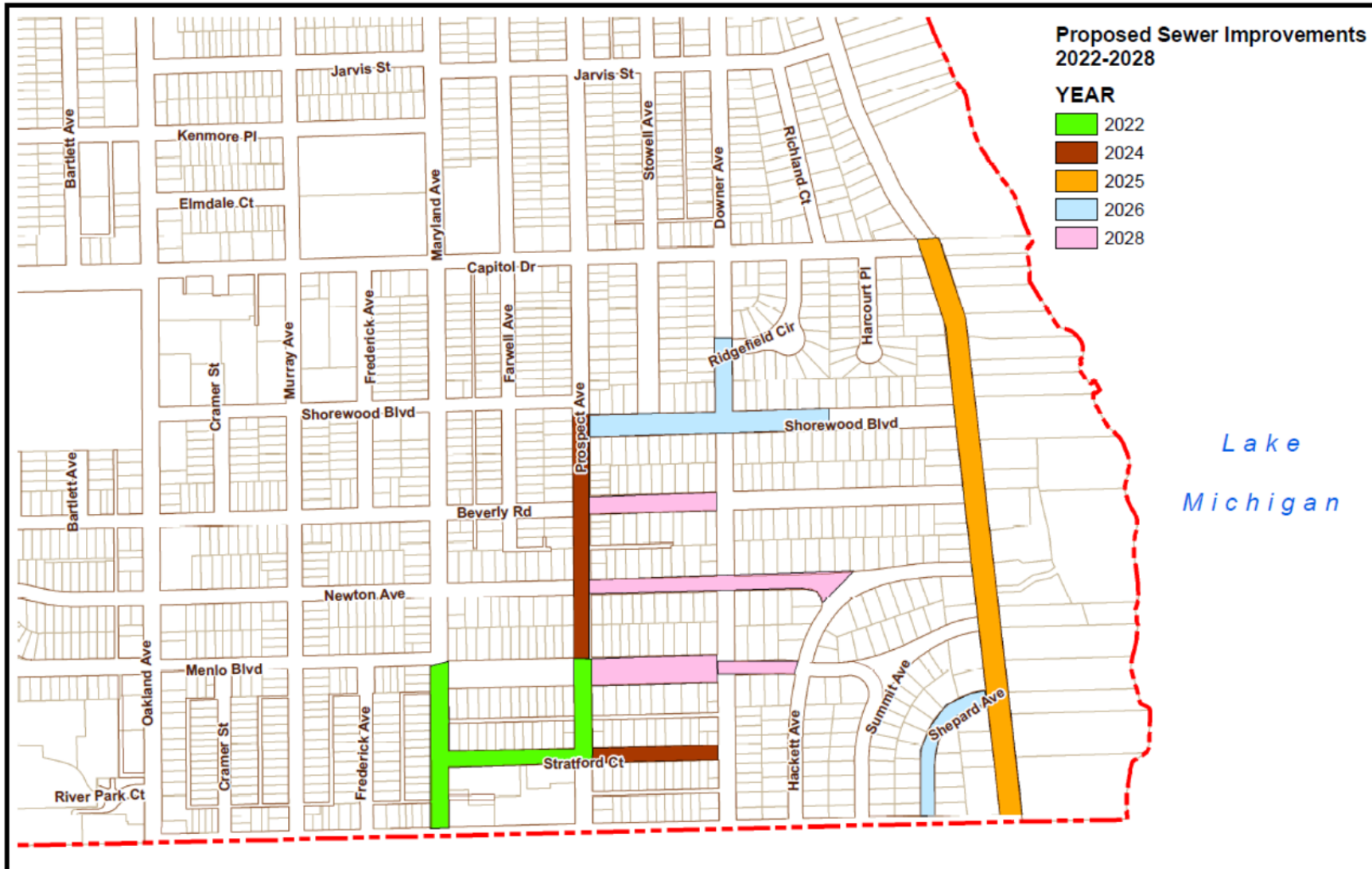
Service improvements evaluated by MMSD in the same area were later incorporated into the CSSA Report's recommendations which include multiple construction and funding phases. The initial phase is to be designed, constructed and funded by MMSD. As of this date, Shorewood's first construction is anticipated to begin in 2022. As noted previously, the proposed road reconstruction schedules included in this plan have been identified so as to allow the two projects to be incorporated into a single contract, allowing the Village to realize construction efficiencies and cost savings.

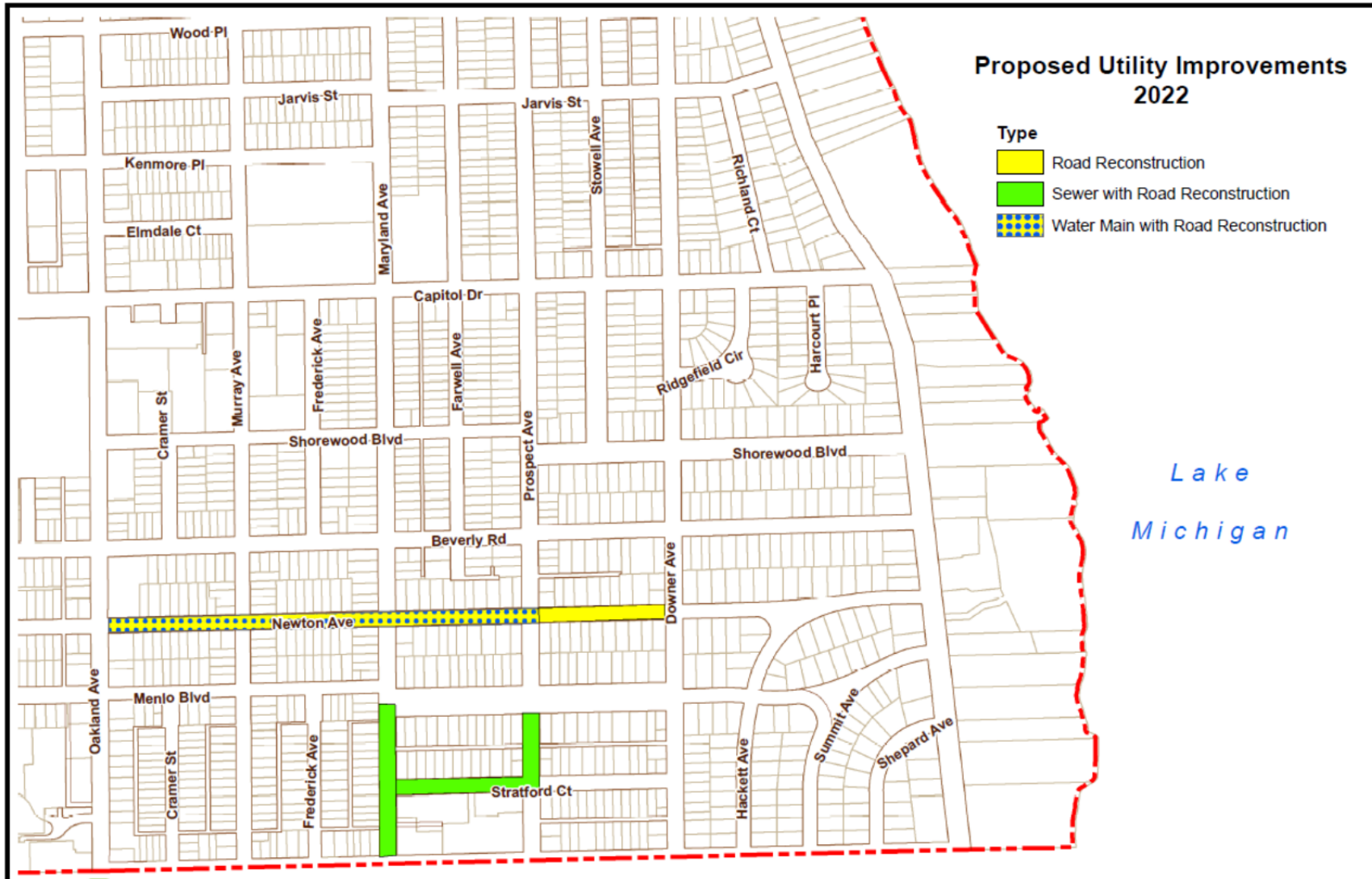
Construction of this program (currently proposed as five phased projects) would provide a level of protection (from basement backups) in the combined sewer service area of 2.5 inches per hour of rainfall. This would be comparable to the current level of protection in the separated sewer area of the Village which is 3 inches of rainfall in one hour. The separated sewer area improvement projects were constructed in three phases from 2012 to 2014 at a combined total cost of approximately \$8.5 million.

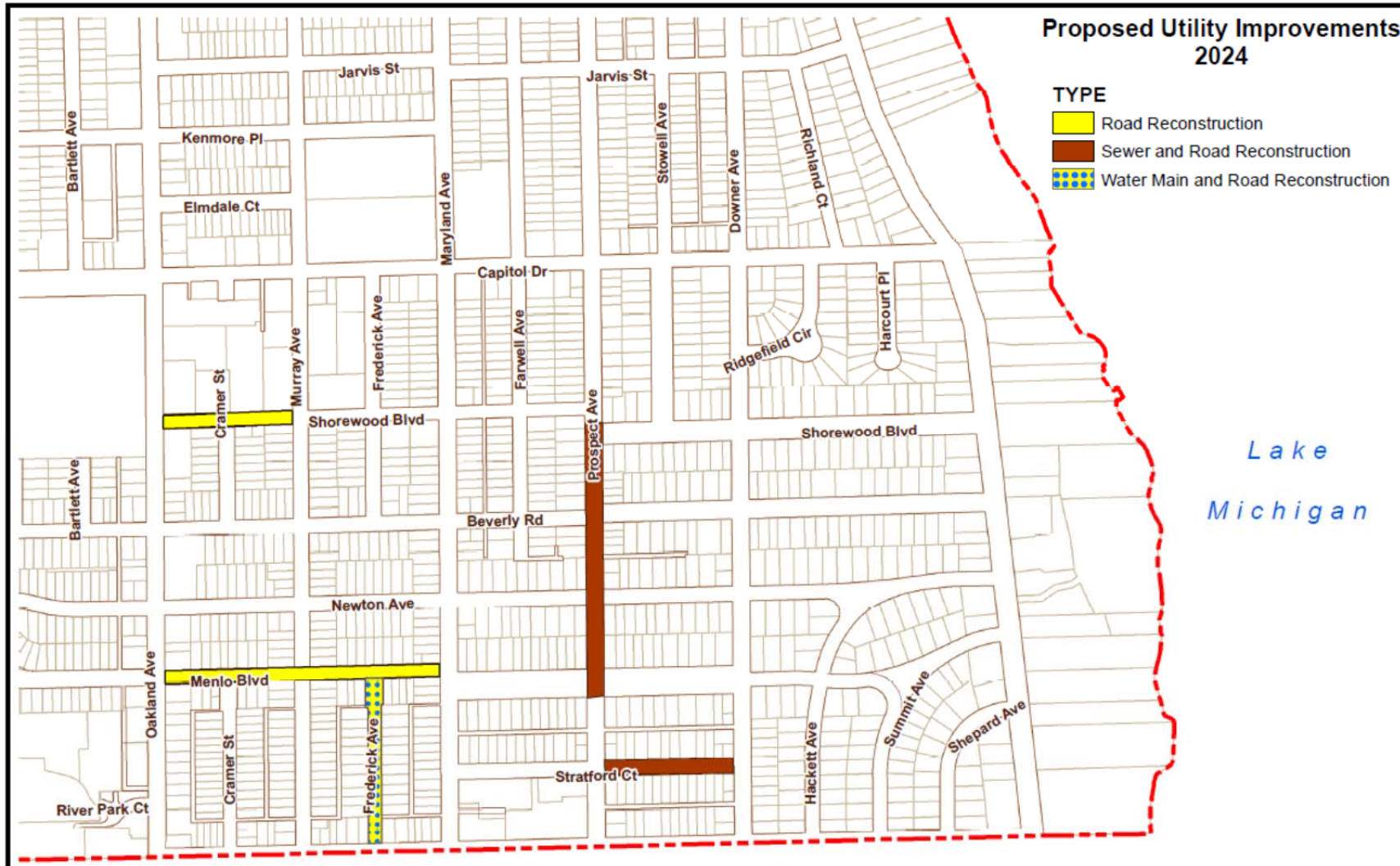
The combined sewer south area will be broken up on a biennial phase basis in order to complete the project in a timely fashion while allowing for proper traffic flow during construction. Ultimately the project will build a parallel system that will collect storm water to keep separate from the current system and carry the collected storm water to a separate body of water (i.e. the Milwaukee River). Over the next ten years, over \$18 million is allocated to fund continuous projects to improve the combined sewer south area.

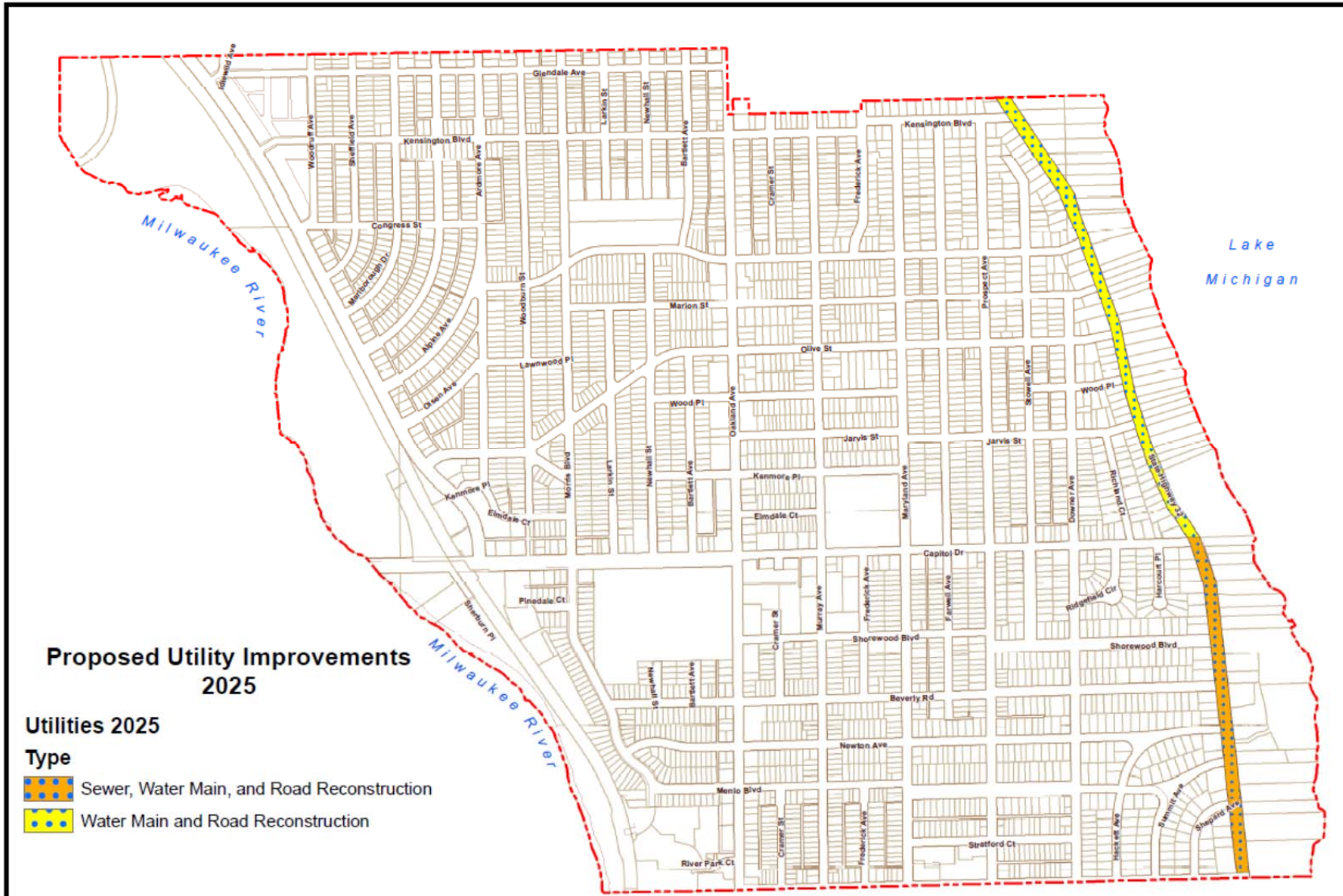
Please see the maps on the following pages illustrating the anticipated project schedule, and showing how various road reconstruction and water main replacements have been integrated into these project areas.

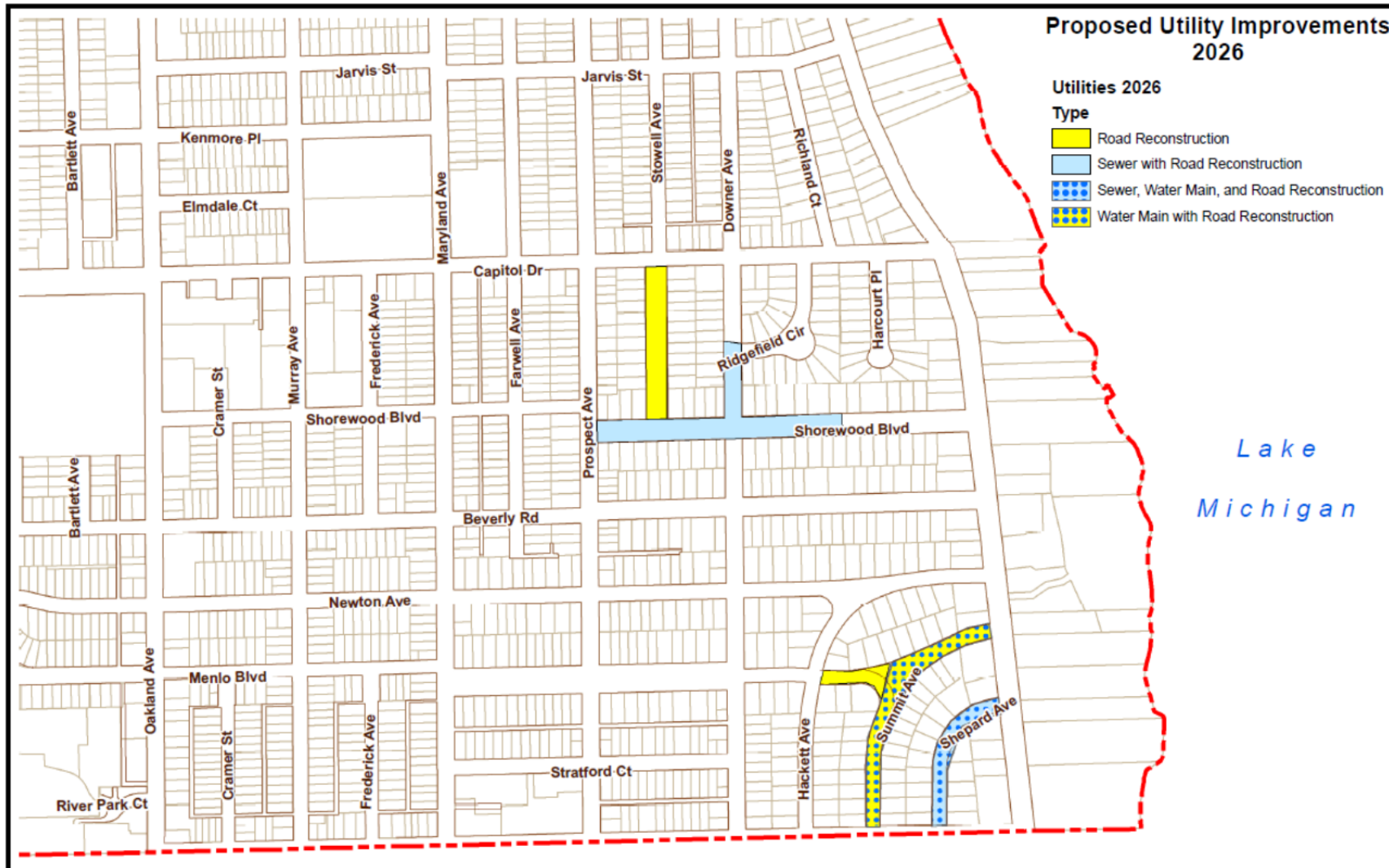
[Click here](#) to go back to the Village of Shorewood Large Capital Debt Plan Spreadsheet.

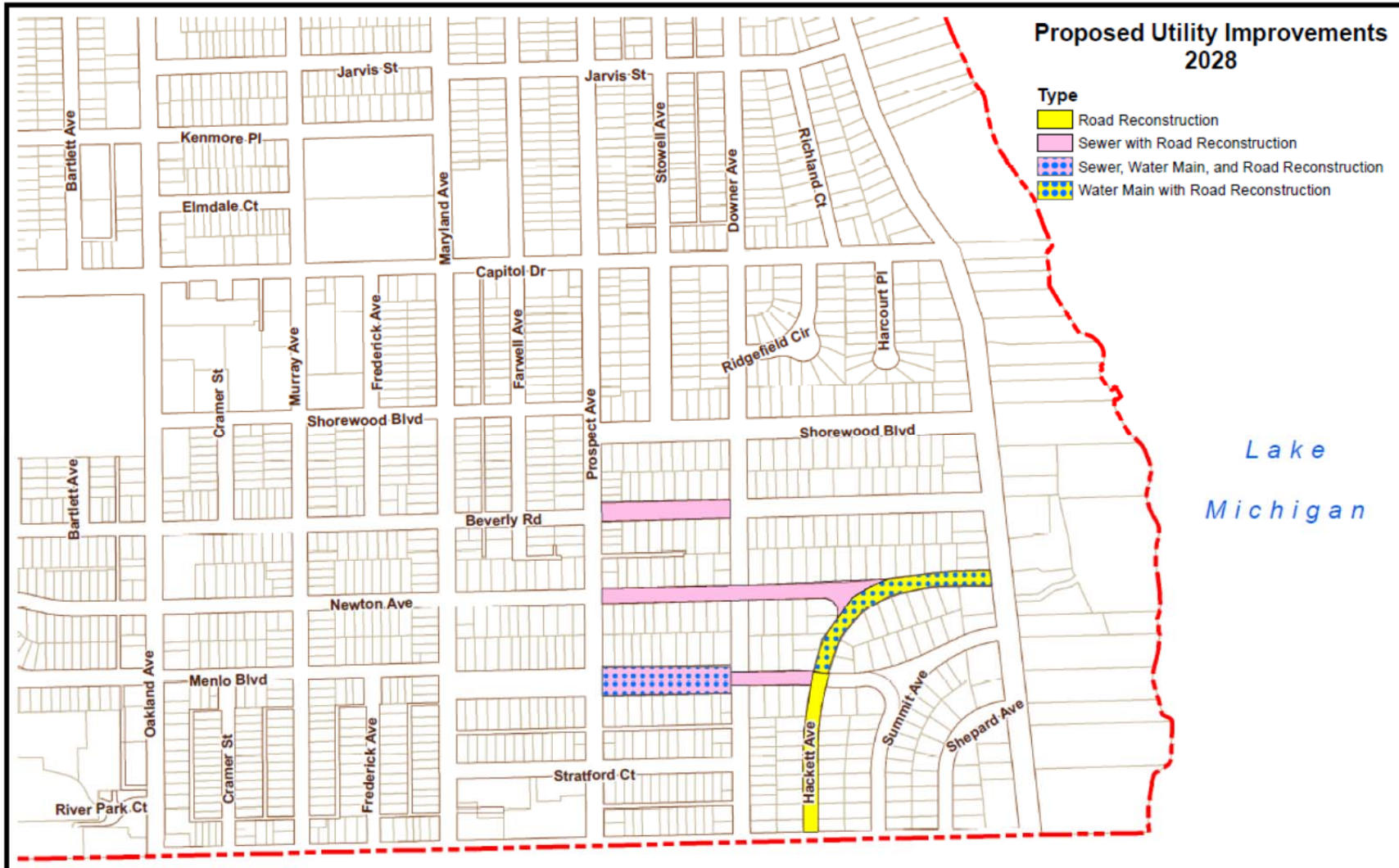














Current Rates and Customer Information

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

| General Rate and Permit Data | Monthly | Annually |
|--------------------------------------|--------------|------------------|
| Current Overnight Parking Permit Fee | \$50 | \$600 |
| Amount paid to private lot owners | \$18 | \$216 |
| Last Rate Increase | 1/1/15 | |
| | | |
| | <u>2017</u> | <u>2018 est.</u> |
| Permits sold - Village lots/streets | 4,300 | 4,300 |
| Permits sold - private lots | <u>1,350</u> | <u>1,500</u> |
| Total | 5,650 | 5,800 |

Long Range Plan Notes

- Past years' budgets for the parking utility have included costs to purchase software and other technology to automate the parking permit process. The Village's new permit solution now offers online permitting and payments for most of the village's permitted parking activities.
- In addition, this system automates the exchange of vehicle information for parking enforcement which has eliminated the need for our customers to come in monthly and pick-up physical permits or decals to display in their vehicles.

Recommended Future Rates

The parking utility includes the cost for issuing parking lot and other nighttime permits to authorized vehicles, as well as the maintenance costs associated with keeping the lots clear of snow and ice in the winter.

The parking utility is also accumulating reserve funds to be used for existing lot resurfacing or the acquisition of additional public parking lots as may be needed in future years.

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 ½ of a police civilian staff's salary and benefits for enforcement in the permitted lots and other overnight permits.

Based on estimated permit sales and anticipated expenses, staff is projecting that there will not be a need for any fee increases over the next several years.

Long Range Financial Plan 2019 - 2028



Parking Utility - 600

| | 2017 | projected 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenues | | | | | | | | | | | | |
| Monthly Permit Fees | \$ 275,000 | \$ 275,000 | \$ 175,000 | \$ 175,000 | \$ 175,000 | \$ 175,000 | \$ 175,000 | \$ 175,000 | \$ 175,000 | \$ 175,000 | \$ 175,000 | \$ 175,000 |
| Daily permit fees | - | 60,000 | - | - | - | - | - | - | - | - | - | - |
| Other Revenues | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Total Revenues | 285,000 | 345,000 | 185,000 | 185,000 | 185,000 | 185,000 | 185,000 | 185,000 | 185,000 | 185,000 | 185,000 | 185,000 |
| Expenses | | | | | | | | | | | | |
| Permitting System fees | 45,000 | 50,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Lot Rental Expenses | 20,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| PILOT expenses | 35,000 | 35,000 | 38,500 | 39,270 | 40,055 | 40,857 | 41,674 | 42,507 | 43,357 | 44,224 | 45,109 | 46,011 |
| Other Expenses (2%) | 160,000 | 160,000 | 120,000 | 122,400 | 124,848 | 127,345 | 129,892 | 132,490 | 135,139 | 137,842 | 140,599 | 143,411 |
| Total Expenses | 260,000 | 270,000 | 193,500 | 196,670 | 199,903 | 203,201 | 206,565 | 209,997 | 213,497 | 217,067 | 220,708 | 224,422 |
| Net Change in Equity | 25,000 | 75,000 | (8,500) | (11,670) | (14,903) | (18,201) | (21,565) | (24,997) | (28,497) | (32,067) | (35,708) | (39,422) |
| Beginning Equity | 547,415 | 572,415 | 647,415 | 638,915 | 627,245 | 612,342 | 594,140 | 572,575 | 547,578 | 519,081 | 487,014 | 451,306 |
| Ending Equity | \$ 572,415 | \$ 647,415 | \$ 638,915 | \$ 627,245 | \$ 612,342 | \$ 594,140 | \$ 572,575 | \$ 547,578 | \$ 519,081 | \$ 487,014 | \$ 451,306 | \$ 411,884 |
| 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 | \$ 340,000 | \$ 400,000 | \$ 371,500 | \$ 339,830 | \$ 304,927 | \$ 266,725 | \$ 225,160 | \$ 180,163 | \$ 131,666 | \$ 79,599 | \$ 23,891 | \$ (15,531) |



Current Rates and Customer Information

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

| General Rate Data | Quarterly | Annual |
|---|--------------|----------------|
| Meter service charge (5/8") | \$ 22.80 | \$91.20 |
| Plus Volumetric per 100 Cubic Feet | \$ 3.00 | \$180.00 |
| Last Full Rate Increase | 1/1/17 | |
| Quarterly Bill (1,300 Cubic Feet Usage) | \$61.80 | \$247.20 |
| | No. of | Consumption |
| Five Year Estimate | Customers | 100 Cubic Ft |
| Residential Customers | 3,217 | 250,000 |
| Multi-Family | 153 | 135,000 |
| Commercial | 124 | 35,000 |
| Public Authority | 39 | 13,000 |
| | <u>3,533</u> | <u>433,000</u> |

Long Range Plan Notes

- Significant future capital projects are included in the plan for meter replacements, an upgrade of the meter reading system, and substantial biennial borrowing for water main replacements done with the biennial road projects and other stand along water main projects.

Recommended Future Rates

In 2016 the Public Service Commission approved a 14% overall water rate increase to be effective on January 1, 2017.

The Village’s Water Utility Rates are reviewed and designed by the Public Service Commission (PSC). Rate increase requests can only be made under certain conditions. This long range plan calls for the Water utility to bond for nearly \$6.8 million of additional system improvements over the next 10 years.

Based upon projected estimates in the water utility, a rate increase of 15% is anticipated in 2021. A similar increase will also likely be needed in 2023, primarily to support the increased debt service payments for the planned capital projects as well as other general cost increases.

Thereafter, future rate increases are expected to decline over time as the utility costs will tend to stabilize based on current projections. Staff will also continue to monitor our 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 2019 - 2028

Water Utility - 610



| | projected | | | | | | | | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
| Revenues | | | | | | | | | | | |
| User Fees | \$ 2,085,000 | \$ 2,085,000 | \$ 2,085,000 | \$ 2,397,750 | \$ 2,397,750 | \$ 2,637,525 | \$ 2,637,525 | \$ 2,901,278 | \$ 2,901,278 | \$ 3,046,341 | \$ 3,046,341 |
| Other Revenues | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Total Revenues | 2,110,000 | 2,110,000 | 2,110,000 | 2,422,750 | 2,422,750 | 2,662,525 | 2,662,525 | 2,926,278 | 2,926,278 | 3,071,341 | 3,071,341 |
| Expenses | | | | | | | | | | | |
| Purchase Water (3%) | \$ 700,000 | \$ 721,000 | \$ 742,630 | \$ 764,909 | \$ 787,856 | \$ 811,492 | \$ 835,837 | \$ 860,912 | \$ 886,739 | \$ 913,341 | \$ 940,741 |
| PILOT expenses | 150,000 | 157,000 | 167,000 | 189,000 | 229,000 | 234,000 | 250,000 | 264,000 | 299,000 | 305,000 | 321,000 |
| Depreciation | 150,000 | 159,000 | 183,000 | 189,000 | 196,000 | 202,000 | 220,000 | 220,000 | 226,000 | 241,000 | 246,000 |
| Other Expenses (5%) | \$ 689,465 | \$ 723,938 | \$ 760,135 | \$ 798,142 | \$ 838,049 | \$ 879,951 | \$ 923,949 | \$ 970,146 | \$ 1,018,654 | \$ 1,069,587 | \$ 1,123,066 |
| Interest Expense | 110,535 | 98,982 | 89,093 | 145,427 | 133,864 | 149,601 | 139,289 | 167,988 | 156,068 | 140,049 | 131,395 |
| Total Expenses | 1,800,000 | 1,859,920 | 1,941,858 | 2,086,478 | 2,184,769 | 2,277,044 | 2,369,075 | 2,483,046 | 2,586,461 | 2,668,977 | 2,762,202 |
| Net Change in Equity | 310,000 | 250,080 | 168,142 | 336,272 | 237,981 | 385,481 | 293,450 | 443,231 | 339,817 | 402,365 | 309,139 |
| Beginning Equity | 2,485,000 | 2,795,000 | 3,045,080 | 3,213,222 | 3,549,494 | 3,787,475 | 4,172,955 | 3,549,494 | 3,787,475 | 4,172,955 | 4,466,406 |
| Ending Equity | \$ 2,795,000 | \$ 3,045,080 | \$ 3,213,222 | \$ 3,549,494 | \$ 3,787,475 | \$ 4,172,955 | \$ 4,466,406 | \$ 3,992,725 | \$ 4,127,291 | \$ 4,575,320 | \$ 4,775,545 |
| Rate increase included above | 0.00% | 0.00% | 0.00% | 15.00% | 0.00% | 10.00% | 0.00% | 10.00% | 0.00% | 5.00% | 0.00% |
| * - The Water 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. | | | | | | | | | | | |
| Self-funded capital costs | - | 50,000 | - | 50,000 | - | 50,000 | - | 50,000 | - | 50,000 | - |
| Self-funded bond reserves | - | - | - | - | - | - | 100,000 | 100,000 | 225,000 | 225,000 | 325,000 |
| Estimated cash position | 119,442 | 152,243 | 168,329 | 232,556 | 238,003 | 398,360 | 403,909 | 523,653 | 460,010 | 621,134 | 696,253 |
| Cash Target 25% Oper'g Exp | \$ 412,500 | \$ 425,200 | \$ 439,700 | \$ 474,400 | \$ 497,200 | \$ 518,800 | \$ 537,300 | \$ 565,800 | \$ 590,100 | \$ 607,000 | \$ 629,100 |



Current Rates and Customer Information

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

| General Rate Data | Quarterly | Annual |
|---|-----------|----------|
| Service charge | \$ 11.25 | \$45.00 |
| Plus Volumetric per 100 Cubic Feet | \$ 4.60 | \$31.40 |
| Last Rate Increase | 11/15/14 | |
| Quarterly Bill (1,300 Cubic Feet Usage) | \$71.05 | \$284.20 |

Long Range Plan Notes

- The Village continues to have substantial capital investment planned for Sanitary Sewer infrastructure in the coming years. This plan includes the assumption that the 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 has included estimates of these needs and trends over time.

The Village’s Sewer Utility Rates are reviewed and designed by the Village. The Village targets cash reserves for this fund to be at approximately one quarter’s worth of operating expenses, as customers are billed quarterly for the previous quarter’s consumption, while sewer utility vendors are paid monthly.

After the 2010 flood, the Village began substantial capital re-investment to reduce the possibility of a reoccurrence of sewer backups. Since that time the Village has spent nearly \$12 million for storm water and sanitary sewer projects. The total planned combined south improvements are expected to require an additional \$18 million of borrowing over the next 10 years.

After many years without any change, sewer rates were increased by 33% in 2013 and 7% in 2015. Additional rates increases will also needed in order to continue to fund capital improvements for sanitary sewer back-up protection planned for the southeast portion of the village and other ongoing cost increases in the coming years. Future rate increases of 10% in 2020 and 15% in 2022 are currently projected in order to support these efforts.

Recommended Future Rates

Long Range Financial Plan 2018 - 2027

Sewer Utility - 620



| | projected 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenues | | | | | | | | | | | |
| User Fees | \$ 2,150,000 | \$ 2,150,000 | \$ 2,365,000 | \$ 2,365,000 | \$ 2,719,750 | \$ 2,719,750 | \$ 3,127,713 | \$ 3,127,713 | \$ 3,440,484 | \$ 3,440,484 | \$ 3,784,532 |
| Other Revenues | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 |
| Total Revenues | <u>2,180,000</u> | <u>2,180,000</u> | <u>2,395,000</u> | <u>2,395,000</u> | <u>2,749,750</u> | <u>2,749,750</u> | <u>3,157,713</u> | <u>3,157,713</u> | <u>3,470,484</u> | <u>3,470,484</u> | <u>3,814,532</u> |
| Expenses | | | | | | | | | | | |
| Treatment Expense (3%) | \$ 700,000 | \$ 721,000 | \$ 742,630 | \$ 764,909 | \$ 787,856 | \$ 811,492 | \$ 835,837 | \$ 860,912 | \$ 886,739 | \$ 913,341 | \$ 940,741 |
| Depreciation | 275,000 | 280,000 | 298,125 | 301,250 | 304,375 | 380,250 | 385,000 | 414,000 | 462,125 | 495,000 | 498,500 |
| Other Expenses (3%) | 525,000 | 540,750 | 556,973 | 573,682 | 590,892 | 608,619 | 626,877 | 645,684 | 665,054 | 685,006 | 705,556 |
| Interest Expense | 235,000 | 219,379 | 206,604 | 193,273 | 179,086 | 400,596 | 378,462 | 610,926 | 577,553 | 653,960 | 618,540 |
| Total Expenses | <u>1,735,000</u> | <u>1,761,129</u> | <u>1,804,332</u> | <u>1,833,114</u> | <u>1,862,209</u> | <u>2,200,957</u> | <u>2,226,176</u> | <u>2,531,521</u> | <u>2,591,471</u> | <u>2,747,307</u> | <u>2,763,338</u> |
| Net Change in Equity | 445,000 | 418,871 | 590,669 | 561,886 | 887,541 | 548,793 | 931,536 | 626,191 | 879,012 | 723,177 | 1,051,195 |
| Beginning Equity | <u>9,745,627</u> | <u>10,190,627</u> | <u>10,609,498</u> | <u>11,200,167</u> | <u>11,762,053</u> | <u>12,649,594</u> | <u>13,198,387</u> | <u>11,762,053</u> | <u>12,649,594</u> | <u>13,198,387</u> | <u>14,129,923</u> |
| Ending Equity | <u>10,190,627</u> | <u>10,609,498</u> | <u>11,200,167</u> | <u>11,762,053</u> | <u>12,649,594</u> | <u>13,198,387</u> | <u>14,129,923</u> | <u>12,388,244</u> | <u>13,528,606</u> | <u>13,921,563</u> | <u>15,181,118</u> |
| Rate increase included above | 0.00% | 0.00% | 10.00% | 0.00% | 15.00% | 0.00% | 15.00% | 0.00% | 10.00% | 0.00% | 10.00% |
| Revenue coverage 125% target | 110.00% | 128.00% | 152.00% | 145.00% | 183.00% | 111.00% | 140.00% | 95.00% | 112.00% | 102.00% | 116.00% |
| * - 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. | | | | | | | | | | | |
| Self-funded capital costs | 225,000 | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 |
| Self-funded bond reserves | 160,000 | 160,000 | 410,000 | 410,000 | 910,000 | 910,000 | 910,000 | 910,000 | 910,000 | 910,000 | 910,000 |
| Estimated cash position | <u>\$ 636,147</u> | <u>\$ 608,963</u> | <u>\$ 504,545</u> | <u>\$ 602,261</u> | <u>\$ 491,498</u> | <u>\$ 403,048</u> | <u>\$ 655,793</u> | <u>\$ 356,203</u> | <u>\$ 339,441</u> | <u>\$ 158,917</u> | <u>\$ 240,382</u> |
| Cash Target 25% Oper'g Exp | <u>\$ 365,000</u> | <u>\$ 370,300</u> | <u>\$ 376,600</u> | <u>\$ 383,000</u> | <u>\$ 389,500</u> | <u>\$ 455,200</u> | <u>\$ 460,300</u> | <u>\$ 529,400</u> | <u>\$ 532,300</u> | <u>\$ 563,100</u> | <u>\$ 566,200</u> |

Long Range Financial Plan 2019 - 2028



Estimated Average Residential Property Owner Payments

| Payment Type | 2015 | 2016 | Actual 2017 | Budget 2018 | Projected 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|--|-----------------|-----------------|-----------------|-----------------|-------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Tax Bill (Village Portion) | \$ 2,174 | \$ 2,232 | \$ 2,287 | \$ 2,321 | \$ 2,378 | \$ 2,437 | \$ 2,497 | \$ 2,459 | \$ 2,521 | \$ 2,516 | \$ 2,579 | \$ 2,645 | \$ 2,674 | \$ 2,743 |
| Water Bill | 211 | 211 | 242 | 242 | 242 | 242 | 279 | 279 | 307 | 307 | 337 | 337 | 354 | 354 |
| Sewer Bill | 284 | 284 | 284 | 284 | 284 | 313 | 313 | 360 | 360 | 413 | 413 | 455 | 455 | 500 |
| Sub-total Utility Bill | 495 | 495 | 527 | 527 | 527 | 555 | 591 | 638 | 666 | 720 | 751 | 792 | 809 | 855 |
| Total | \$ 2,669 | \$ 2,727 | \$ 2,814 | \$ 2,848 | \$ 2,905 | \$ 2,992 | \$ 3,088 | \$ 3,097 | \$ 3,187 | \$ 3,236 | \$ 3,330 | \$ 3,437 | \$ 3,483 | \$ 3,598 |
| Change from Prior Year | \$ 39 | \$ 58 | \$ 87 | \$ 34 | \$ 57 | \$ 87 | \$ 96 | \$ 9 | \$ 90 | \$ 49 | \$ 94 | \$ 107 | \$ 46 | \$ 114 |
| % Change from Prior Year | 1.49% | 2.17% | 3.18% | 1.21% | 2.00% | 3.01% | 3.22% | 0.29% | 2.90% | 1.54% | 2.89% | 3.22% | 1.33% | 3.29% |
| Change and percentage change assume that rate increases are in place for the entire calendar year. | | | | | | | | | | | | | | |
| Property tax amounts shown are based on a \$300,000 assessed property. | | | | | | | | | | | | | | |
| Water and Sewer bills are based on 1,300 cubic feet of water consumption per quarter. | | | | | | | | | | | | | | |



Comparative Utility Rates

This chart provides some comparative data illustrating where the Village of Shorewood currently ranks on the basis of total quarterly utility 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. Others communities may not even separate these costs at all as they may be integrated into their general operations budgets costs for culvert installation and maintenance in above ground stormwater systems; or they could just be part of typical road construction and maintenance costs.

Another example is that all of these communities, except Shorewood and Greendale, include their water utility's public fire protection costs as a quarterly charge to utility customers based on meter sizing, while Shorewood and Greendale, tax their residents for these costs based on property values. These fees tend to average about \$20-\$25 per quarter.

| Estimated Annual Cost of Service Comparison | | | | | | | |
|---|------------------|------------------|------------------|-------------|--------------------|------------------|------------------|
| 2018 Rate Survey | | | | | | | |
| Rank | Municipality | Water | Sewer | Storm | Refuse / Recycling | Total | Quarterly |
| 1 | Mequon | \$ 551.64 | \$ 541.60 | \$ - | \$ 280.00 | \$ 1,373.24 | \$ 343.31 |
| 2 | Bayside | \$ 365.68 | \$ 480.00 | \$ 223.00 | \$ - | \$ 1,068.68 | \$ 267.17 |
| 3 | Saukville | \$ 353.40 | \$ 415.28 | \$ - | \$ 186.00 | \$ 954.68 | \$ 238.67 |
| 4 | Port Washington | \$ 389.36 | \$ 518.40 | \$ - | \$ 36.00 | \$ 943.76 | \$ 235.94 |
| 5 | Cudahy | \$ 209.51 | \$ 425.00 | \$ 125.28 | \$ 125.00 | \$ 884.79 | \$ 221.20 |
| 6 | Fox Point | \$ 364.56 | \$ 300.28 | \$ 128.64 | \$ - | \$ 793.48 | \$ 198.37 |
| 7 | Franklin | \$ 328.88 | \$ 354.20 | \$ - | \$ 107.00 | \$ 790.08 | \$ 197.52 |
| 8 | Greenfield | \$ 289.48 | \$ 184.00 | \$ 68.00 | \$ 182.42 | \$ 723.90 | \$ 180.98 |
| 9 | Cedarburg | \$ 343.40 | \$ 380.00 | \$ - | \$ - | \$ 723.40 | \$ 180.85 |
| 10 | South Milwaukee | \$ 360.64 | \$ 231.20 | \$ 36.00 | \$ 62.60 | \$ 690.44 | \$ 172.61 |
| 11 | Grafton | \$ 231.04 | \$ 394.80 | \$ - | \$ 34.00 | \$ 659.84 | \$ 164.96 |
| 12 | Whitefish Bay | \$ 280.48 | \$ 199.68 | \$ 160.00 | \$ - | \$ 640.16 | \$ 160.04 |
| 13 | Wauwatosa | \$ 304.88 | \$ 178.08 | \$ 118.40 | \$ - | \$ 601.36 | \$ 150.34 |
| 14 | Brown Deer | \$ 281.96 | \$ 121.40 | \$ 106.08 | \$ 80.00 | \$ 589.44 | \$ 147.36 |
| 15 | West Allis | \$ 274.04 | \$ 210.44 | \$ - | \$ 90.00 | \$ 574.48 | \$ 143.62 |
| 16 | Milwaukee | \$ 192.12 | \$ 95.88 | \$ 64.52 | \$ 202.84 | \$ 555.36 | \$ 138.84 |
| 17 | Glendale | \$ 358.04 | \$ 114.40 | \$ 80.00 | \$ - | \$ 552.44 | \$ 138.11 |
| 18 | Shorewood | \$ 247.20 | \$ 284.20 | \$ - | \$ - | \$ 531.40 | \$ 132.85 |
| 19 | Oak Creek | \$ 331.72 | \$ 99.60 | \$ - | \$ - | \$ 431.32 | \$ 107.83 |
| 20 | Greendale | \$ 214.28 | \$ 83.20 | \$ 79.60 | \$ 53.56 | \$ 430.64 | \$ 107.66 |



FINANCIAL POLICY GUIDELINES

Adopted in November, 2006,
Updated January, 2010, August, 2011 and August, 2012, 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



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.



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.



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.

1. 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.

2. 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.

3. 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.

Village of Shorewood, WI



Updated 11/12/18

| Existing Debt Only | | | | | | | | | | | | | | | | | | | | | | | | | |
|--------------------|---------------------------|-------------|-----------------|-------------------|-----------|-------------------|-----------|-------------------|-----------|-------------------|-----------|-------------------|-----------|----------------------------|-----------|--------------------|---------------------|--|------------|-----------------|---------------|--------------|----------|------|--|
| | | | | Proposed GO Bonds | | Proposed GO Bonds | | Proposed GO Bonds | | Proposed GO Bonds | | Proposed GO Bonds | | Proposed Bi-annual GO Debt | | Total | | New Issue Abatement Sources (G.O. Water) | | Equalized Value | | Projected | | | |
| Year | Projected Equalized Value | Growth Rate | G.O. Debt P & I | Dated 9/1/20 | | Dated 9/1/22 | | Dated 9/1/24 | | Dated 9/1/26 | | Dated 9/1/28 | | 30,32,34,36,38 | | Debt Payments | | Existing Abatement Sources | Tax Levy | Change in Levy | Tax Base | Change in EV | Tax Rate | Year | |
| | | | | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest | | | | | | | | | | |
| 2017 | 1,512,654,479 | 0.85% | 5,408,333 | | | | | | | | | | | | | 5,408,333 | (3,607,872) | 1,800,460 | 14.30% | 1,512,654,479 | 0.85% | 1.19 | 2017 | | |
| 2018 | 1,525,335,158 | 0.84% | 5,893,557 | | | | | | | | | | | | | 5,893,557 | (3,885,386) | 2,008,171 | 11.54% | 1,525,335,158 | 0.84% | 1.32 | 2018 | | |
| 2019 | 1,538,015,836 | 0.83% | 5,859,736 | | | | | | | | | | | | | 5,859,736 | (3,809,642) | 2,050,094 | 2.09% | 1,538,015,836 | 0.83% | 1.33 | 2019 | | |
| 2020 | 1,550,696,515 | 0.82% | 5,913,625 | | | | | | | | | | | | | 5,913,625 | (3,750,218) | 2,163,406 | 5.53% | 1,550,696,515 | 0.82% | 1.40 | 2020 | | |
| 2021 | 1,621,046,993 | 4.54% | 5,820,103 | 275,000 | 454,750 | | | | | | | | | | | 6,549,853 | (3,843,701) | 2,505,902 | 15.83% | 1,621,046,993 | 4.54% | 1.55 | 2021 | | |
| 2022 | 1,633,727,672 | 0.78% | 5,770,138 | 290,000 | 441,000 | | | | | | | | | | | 6,501,138 | (3,741,240) | 2,558,398 | 2.09% | 1,633,727,672 | 0.78% | 1.57 | 2022 | | |
| 2023 | 1,646,408,350 | 0.78% | 4,219,155 | 305,000 | 426,500 | 225,000 | 397,688 | | | | | | | | | 5,573,342 | (2,212,083) | 3,088,347 | 20.71% | 1,646,408,350 | 0.78% | 1.88 | 2023 | | |
| 2024 | 1,659,089,029 | 0.77% | 4,004,177 | 320,000 | 411,250 | 235,000 | 385,875 | | | | | | | | | 5,356,302 | (1,924,395) | 3,159,557 | 2.31% | 1,659,089,029 | 0.77% | 1.90 | 2024 | | |
| 2025 | 1,671,769,708 | 0.76% | 3,964,227 | 330,000 | 395,250 | 250,000 | 373,538 | 95,000 | 179,575 | | | | | | | 5,587,589 | (1,932,050) | 3,384,001 | 7.10% | 1,671,769,708 | 0.76% | 2.02 | 2025 | | |
| 2026 | 1,684,450,386 | 0.76% | 3,963,547 | 350,000 | 378,750 | 260,000 | 360,413 | 100,000 | 174,350 | | | | | | | 5,587,059 | (2,006,273) | 3,310,324 | -2.18% | 1,684,450,386 | 0.76% | 1.97 | 2026 | | |
| 2027 | 1,697,131,065 | 0.75% | 3,423,950 | 365,000 | 361,250 | 270,000 | 346,763 | 105,000 | 168,850 | 135,000 | 276,575 | | | | | 5,452,387 | (1,819,060) | 3,364,190 | 1.63% | 1,697,131,065 | 0.75% | 1.98 | 2027 | | |
| 2028 | 1,709,811,743 | 0.75% | 5,013,375 | 385,000 | 343,000 | 290,000 | 332,588 | 110,000 | 163,075 | 140,000 | 268,813 | | | | | 7,045,850 | (3,843,788) | 2,929,500 | -12.92% | 1,709,811,743 | 0.75% | 1.71 | 2028 | | |
| 2029 | 1,722,492,422 | 0.74% | 2,816,543 | 405,000 | 323,750 | 305,000 | 317,363 | 115,000 | 157,025 | 150,000 | 260,763 | 65,000 | 150,313 | | | 5,065,755 | (1,644,955) | 3,150,325 | 7.54% | 1,722,492,422 | 0.74% | 1.83 | 2029 | | |
| 2030 | 1,735,173,100 | 0.74% | 2,804,971 | 430,000 | 303,500 | 320,000 | 301,350 | 120,000 | 150,700 | 160,000 | 252,138 | 70,000 | 146,250 | | | 5,058,909 | (1,662,234) | 3,123,538 | -0.85% | 1,735,173,100 | 0.74% | 1.80 | 2030 | | |
| 2031 | 1,747,853,779 | 0.73% | 2,824,264 | 450,000 | 282,000 | 335,000 | 284,550 | 130,000 | 144,100 | 170,000 | 242,938 | 70,000 | 141,875 | 130,000 | 204,750 | 5,409,476 | (1,671,314) | 3,462,863 | 10.86% | 1,747,853,779 | 0.73% | 1.98 | 2031 | | |
| 2032 | 1,760,534,458 | 0.73% | 2,447,656 | 470,000 | 259,500 | 355,000 | 266,963 | 135,000 | 136,950 | 175,000 | 233,163 | 75,000 | 137,500 | 140,000 | 196,300 | 5,028,031 | (1,231,456) | 3,524,625 | 1.78% | 1,760,534,458 | 0.73% | 2.00 | 2032 | | |
| 2033 | 1,773,215,136 | 0.72% | 2,069,456 | 495,000 | 236,000 | 375,000 | 248,325 | 145,000 | 129,525 | 190,000 | 223,100 | 80,000 | 132,813 | 280,000 | 391,950 | 4,996,169 | (858,031) | 3,864,788 | 9.65% | 1,773,215,136 | 0.72% | 2.18 | 2033 | | |
| 2034 | 1,785,895,815 | 0.72% | 1,982,150 | 520,000 | 211,250 | 390,000 | 228,638 | 150,000 | 121,550 | 200,000 | 212,175 | 85,000 | 127,813 | 295,000 | 373,750 | 4,897,325 | (784,119) | 3,838,969 | -0.67% | 1,785,895,815 | 0.72% | 2.15 | 2034 | | |
| 2035 | 1,798,576,493 | 0.71% | 1,077,938 | 545,000 | 185,250 | 410,000 | 208,163 | 160,000 | 113,300 | 210,000 | 200,675 | 90,000 | 122,500 | 450,000 | 559,325 | 4,332,150 | (153,913) | 3,908,613 | 1.81% | 1,798,576,493 | 0.71% | 2.17 | 2035 | | |
| 2036 | 1,811,257,172 | 0.71% | 1,087,775 | 575,000 | 158,000 | 435,000 | 186,638 | 170,000 | 104,500 | 220,000 | 188,600 | 95,000 | 116,875 | 475,000 | 530,075 | 4,342,463 | (159,575) | 3,908,125 | -0.01% | 1,811,257,172 | 0.71% | 2.16 | 2036 | | |
| 2037 | 1,823,937,850 | 0.70% | 454,925 | 600,000 | 129,250 | 455,000 | 163,800 | 180,000 | 95,150 | 235,000 | 175,950 | 105,000 | 110,938 | 640,000 | 703,950 | 4,048,963 | (74,725) | 3,705,100 | -5.19% | 1,823,937,850 | 0.70% | 2.03 | 2037 | | |
| 2038 | 1,836,618,529 | 0.70% | 445,050 | 630,000 | 99,250 | 480,000 | 139,913 | 185,000 | 85,250 | 250,000 | 162,438 | 110,000 | 104,375 | 675,000 | 662,350 | 4,028,625 | (67,275) | 3,688,088 | -0.46% | 1,836,618,529 | 0.70% | 2.01 | 2038 | | |
| 2039 | 1,849,299,208 | 0.69% | | 660,000 | 67,750 | 510,000 | 114,713 | 200,000 | 75,075 | 260,000 | 148,063 | 115,000 | 97,500 | 855,000 | 823,225 | 3,926,325 | | 3,654,700 | -0.91% | 1,849,299,208 | 0.69% | 1.98 | 2039 | | |
| 2040 | 1,861,979,886 | 0.69% | | 695,000 | 34,750 | 530,000 | 87,938 | 210,000 | 64,075 | 280,000 | 133,113 | 125,000 | 90,313 | 905,000 | 767,650 | 3,922,838 | | 3,653,363 | -0.04% | 1,861,979,886 | 0.69% | 1.96 | 2040 | | |
| 2041 | 1,874,660,565 | 0.68% | | | | 560,000 | 60,113 | 220,000 | 52,525 | 295,000 | 117,013 | 130,000 | 82,500 | 970,000 | 708,825 | 3,195,975 | | 3,124,150 | -14.49% | 1,874,660,565 | 0.68% | 1.67 | 2041 | | |
| 2042 | 1,887,341,243 | 0.68% | | | | 585,000 | 30,713 | 230,000 | 40,425 | 310,000 | 100,050 | 140,000 | 74,375 | 1,025,000 | 645,775 | 3,181,338 | | 3,112,925 | -0.36% | 1,887,341,243 | 0.68% | 1.65 | 2042 | | |
| 2043 | 1,900,021,922 | 0.67% | | | | | | 245,000 | 27,775 | 330,000 | 82,225 | 150,000 | 65,625 | 1,095,000 | 579,150 | 2,574,775 | | 2,574,775 | -17.29% | 1,900,021,922 | 0.67% | 1.36 | 2043 | | |
| 2044 | 1,912,702,600 | 0.67% | | | | | | 260,000 | 14,300 | 345,000 | 63,250 | 160,000 | 56,250 | 1,165,000 | 507,975 | 2,571,775 | | 2,571,775 | -0.12% | 1,912,702,600 | 0.67% | 1.34 | 2044 | | |
| 2045 | 1,925,383,279 | 0.66% | | | | | | | | 365,000 | 43,413 | 170,000 | 46,250 | 1,240,000 | 432,250 | 2,296,913 | | 2,296,913 | -10.69% | 1,925,383,279 | 0.66% | 1.19 | 2045 | | |
| 2046 | 1,938,063,958 | 0.66% | | | | | | | | 390,000 | 22,425 | 180,000 | 35,625 | 985,000 | 351,650 | 1,964,700 | | 1,964,700 | -14.46% | 1,938,063,958 | 0.66% | 1.01 | 2046 | | |
| 2047 | 1,950,744,636 | 0.65% | | | | | | | | | | 190,000 | 24,375 | 1,050,000 | 287,625 | 1,552,000 | | 1,552,000 | -21.01% | 1,950,744,636 | 0.65% | 0.80 | 2047 | | |
| 2048 | 1,963,425,315 | 0.65% | | | | | | | | | | 200,000 | 12,500 | 785,000 | 219,375 | 1,216,875 | | 1,216,875 | -21.59% | 1,963,425,315 | 0.65% | 0.62 | 2048 | | |
| 2049 | 1,976,105,993 | 0.65% | | | | | | | | | | | | 835,000 | 168,350 | 1,003,350 | | 1,003,350 | -17.55% | 1,976,105,993 | 0.65% | 0.51 | 2049 | | |
| 2050 | 1,988,786,672 | 0.64% | | | | | | | | | | | | 555,000 | 114,075 | 669,075 | | 669,075 | -33.32% | 1,988,786,672 | 0.64% | 0.34 | 2050 | | |
| 2051 | 2,001,467,350 | 0.64% | | | | | | | | | | | | 590,000 | 78,000 | 668,000 | | 668,000 | -0.16% | 2,001,467,350 | 0.64% | 0.33 | 2051 | | |
| 2052 | 2,014,148,029 | 0.63% | | | | | | | | | | | | 295,000 | 39,650 | 334,650 | | 334,650 | -49.90% | 2,014,148,029 | 0.63% | 0.17 | 2052 | | |
| 2053 | 2,026,828,708 | 0.63% | | | | | | | | | | | | 315,000 | 20,475 | 335,475 | | 335,475 | 0.25% | 2,026,828,708 | 0.63% | 0.17 | 2053 | | |
| 2054 | 2,039,509,386 | 0.63% | | | | | | | | | | | | 0 | 0 | 0 | | 0 | -100.00% | 2,039,509,386 | 0.63% | 0.00 | 2054 | | |
| 2055 | 2,052,190,065 | 0.62% | | | | | | | | | | | | 0 | 0 | 0 | | 0 | | | 2,052,190,065 | 0.62% | 0.00 | 2055 | |
| 2056 | 2,064,870,743 | 0.62% | | | | | | | | | | | | 0 | 0 | 0 | | 0 | | | 2,064,870,743 | 0.62% | 0.00 | 2056 | |
| 2057 | 2,077,551,422 | | | | | | | | | | | | | 0 | 0 | 0 | | 0 | | | 2,077,551,422 | 0.61% | 0.00 | 2057 | |
| 2058 | 0 | | | | | | | | | | | | | | | 0 | | 0 | | | | | | | |
| 2059 | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2060 | | | | | | | | | | | | | | | | | | | | | | | | | |
| TOTAL | | | 77,264,647 | 9,095,000 | 5,502,000 | 7,575,000 | 4,836,038 | 3,265,000 | 2,198,075 | 4,810,000 | 3,406,875 | 2,405,000 | 1,876,563 | 15,750,000 | 9,366,500 | 147,350,697 | (44,683,303) | (5,437,288) | 97,230,107 | | | | | | |

(1) Includes Bid Premium deposits to debt service
 Total Debt Payments Include Future Capital Project Borrowings for 2018 through 2024 and Street & Sewer related projects through 2040.
 No assumptions included for use of debt service reserve funds to offset revenue bond payments



Village of Shorewood

Current and Projected Debt Limit Calculations (Total Debt)

Updated 11/12/18

| YEAR | PROJECTED EQ VALUE | Growth Rate | DEBT LIMIT | Total Debt Service | | | | | Non-TID Debt Service | | | | TID Debt Service | | | | | | |
|------|--------------------|-------------|-------------|-----------------------------------|------------|--------------------|------------|---------------------------|----------------------|-------------------|---|------------|---------------------------|--------------------|---------------------------------------|------------|---------------------------|--------------------|------|
| | | | | EXIST DEBT PRIN OUTS ¹ | % OF LIMIT | Direct Debt Burden | New Issues | COMBINED EXIST & NEW PRIN | Direct Debt Burden | RESIDUAL CAPACITY | EXIST DEBT Non TID PRIN OUTS ¹ | New Issues | COMBINED EXIST & NEW PRIN | Direct Debt Burden | EXIST DEBT TID PRIN OUTS ² | New Issues | COMBINED EXIST & NEW PRIN | Direct Debt Burden | YEAR |
| 2017 | 1,634,825,200 | 4.29% | 81,741,260 | 51,471,699 | 62.97% | 3.15% | 0 | 51,471,699 | 3.15% | 30,269,561 | 27,217,405 | 0 | 27,217,405 | 1.66% | 22,810,000 | 0 | 22,810,000 | 1.40% | 2017 |
| 2018 | 1,714,159,900 | 4.85% | 85,707,995 | 53,419,281 | 62.33% | 3.12% | | 53,419,281 | 3.12% | 32,288,714 | 31,521,612 | 0 | 31,521,612 | 1.84% | 20,635,000 | 0 | 20,635,000 | 1.20% | 2018 |
| 2019 | 1,735,050,019 | 1.22% | 86,752,501 | 49,105,041 | 56.60% | 2.83% | | 49,105,041 | 2.83% | 37,647,460 | 29,665,000 | 0 | 29,665,000 | 1.71% | 18,360,000 | 0 | 18,360,000 | 1.06% | 2019 |
| 2020 | 1,755,991,058 | 1.21% | 87,799,553 | 44,625,595 | 50.83% | 2.54% | 9,095,000 | 53,720,595 | 3.06% | 34,078,958 | 27,740,000 | 9,095,000 | 36,835,000 | 2.10% | 15,990,000 | 0 | 15,990,000 | 0.91% | 2020 |
| 2021 | 1,776,974,199 | 1.19% | 88,848,710 | 40,109,395 | 45.14% | 2.26% | 8,820,000 | 48,929,395 | 2.75% | 39,919,315 | 25,925,000 | 8,820,000 | 34,745,000 | 1.96% | 13,475,000 | 0 | 13,475,000 | 0.76% | 2021 |
| 2022 | 1,797,991,127 | 1.18% | 89,899,556 | 35,511,441 | 39.50% | 1.98% | 16,105,000 | 51,616,441 | 2.87% | 38,283,115 | 23,975,000 | 16,105,000 | 40,080,000 | 2.23% | 11,015,000 | 0 | 11,015,000 | 0.61% | 2022 |
| 2023 | 1,819,043,004 | 1.17% | 90,952,150 | 32,344,000 | 35.56% | 1.78% | 15,575,000 | 47,919,000 | 2.63% | 43,033,150 | 21,910,000 | 15,575,000 | 37,485,000 | 2.06% | 10,040,000 | 0 | 10,040,000 | 0.55% | 2023 |
| 2024 | 1,840,120,339 | 1.16% | 92,006,017 | 29,300,500 | 31.85% | 1.59% | 18,285,000 | 47,585,500 | 2.59% | 44,420,517 | 19,665,000 | 18,285,000 | 37,950,000 | 2.06% | 9,340,000 | 0 | 9,340,000 | 0.51% | 2024 |
| 2025 | 1,861,341,933 | 1.15% | 93,067,097 | 26,207,000 | 28.16% | 1.41% | 17,610,000 | 43,817,000 | 2.35% | 49,250,097 | 17,370,000 | 17,610,000 | 34,980,000 | 1.88% | 8,640,000 | 0 | 8,640,000 | 0.46% | 2025 |
| 2026 | 1,882,563,528 | 1.14% | 94,128,176 | 23,023,500 | 24.46% | 1.22% | 21,710,000 | 44,733,500 | 2.38% | 49,394,676 | 15,050,000 | 21,710,000 | 36,760,000 | 1.95% | 7,875,000 | 0 | 7,875,000 | 0.42% | 2026 |
| 2027 | 1,903,785,122 | 1.13% | 95,189,256 | 20,295,000 | 21.32% | 1.07% | 20,835,000 | 41,130,000 | 2.16% | 54,059,256 | 13,220,000 | 20,835,000 | 34,055,000 | 1.79% | 7,075,000 | 0 | 7,075,000 | 0.37% | 2027 |
| 2028 | 1,925,006,716 | 1.11% | 96,250,336 | 15,905,000 | 16.52% | 0.83% | 19,910,000 | 35,815,000 | 1.86% | 60,435,336 | 11,755,000 | 19,910,000 | 31,665,000 | 1.64% | 4,150,000 | 0 | 4,150,000 | 0.22% | 2028 |
| 2029 | 1,946,228,311 | 1.10% | 97,311,416 | 13,580,000 | 13.96% | 0.70% | 18,935,000 | 32,515,000 | 1.67% | 64,796,416 | 10,255,000 | 18,935,000 | 29,190,000 | 1.50% | 3,325,000 | 0 | 3,325,000 | 0.17% | 2029 |
| 2030 | 1,967,449,905 | 1.09% | 98,372,495 | 11,200,000 | 11.39% | 0.57% | 21,055,000 | 32,255,000 | 1.64% | 66,117,495 | 8,750,000 | 21,055,000 | 29,805,000 | 1.51% | 2,450,000 | 0 | 2,450,000 | 0.12% | 2030 |
| 2031 | 1,988,671,500 | 1.08% | 99,433,575 | 8,730,000 | 8.78% | 0.44% | 19,840,000 | 28,570,000 | 1.44% | 70,863,575 | 7,205,000 | 19,840,000 | 27,045,000 | 1.36% | 1,525,000 | 0 | 1,525,000 | 0.08% | 2031 |
| 2032 | 2,009,893,094 | 1.07% | 100,494,655 | 6,560,000 | 6.53% | 0.33% | 21,715,000 | 28,275,000 | 1.41% | 72,219,655 | 5,560,000 | 21,715,000 | 27,275,000 | 1.36% | 1,000,000 | 0 | 1,000,000 | 0.05% | 2032 |
| 2033 | 2,031,114,689 | 1.06% | 101,555,734 | 4,700,000 | 4.63% | 0.23% | 20,230,000 | 24,930,000 | 1.23% | 76,625,734 | 4,225,000 | 20,230,000 | 24,455,000 | 1.20% | 475,000 | 0 | 475,000 | 0.02% | 2033 |
| 2034 | 2,052,336,283 | 1.04% | 102,616,814 | 2,865,000 | 2.79% | 0.14% | 21,825,000 | 24,690,000 | 1.20% | 77,926,814 | 2,865,000 | 21,825,000 | 24,690,000 | 1.20% | 0 | 0 | 0 | 0.00% | 2034 |
| 2035 | 2,073,557,878 | 1.03% | 103,677,894 | 1,880,000 | 1.81% | 0.09% | 20,050,000 | 21,930,000 | 1.06% | 81,747,894 | 1,880,000 | 20,050,000 | 21,930,000 | 1.06% | 0 | 0 | 0 | 0.00% | 2035 |
| 2036 | 2,094,779,472 | 1.02% | 104,738,974 | 855,000 | 0.82% | 0.04% | 21,325,000 | 22,180,000 | 1.06% | 82,558,974 | 855,000 | 21,325,000 | 22,180,000 | 1.06% | 0 | 0 | 0 | 0.00% | 2036 |
| 2037 | 2,116,001,066 | 1.01% | 105,800,053 | 430,000 | 0.41% | 0.02% | 19,215,000 | 19,645,000 | 0.93% | 86,155,053 | 430,000 | 19,215,000 | 19,645,000 | 0.93% | 0 | 0 | 0 | 0.00% | 2037 |
| 2038 | 2,137,222,661 | 1.00% | 106,861,133 | 0 | 0.00% | 0.00% | 20,145,000 | 20,145,000 | 0.94% | 86,716,133 | 0 | 20,145,000 | 20,145,000 | 0.94% | 0 | 0 | 0 | 0.00% | 2038 |
| 2039 | 2,158,444,255 | 0.99% | 107,922,213 | 0 | 0.00% | 0.00% | 17,660,000 | 17,660,000 | 0.82% | 90,262,213 | 0 | 17,660,000 | 17,660,000 | 0.82% | 0 | 0 | 0 | 0.00% | 2039 |
| 2040 | 2,179,665,850 | 0.98% | 108,983,292 | 0 | 0.00% | 0.00% | 15,040,000 | 15,040,000 | 0.69% | 93,943,292 | 0 | 15,040,000 | 15,040,000 | 0.69% | 0 | 0 | 0 | 0.00% | 2040 |
| 2041 | 2,200,887,444 | 0.97% | 110,044,372 | 0 | 0.00% | 0.00% | 12,995,000 | 12,995,000 | 0.59% | 97,049,372 | 0 | 12,995,000 | 12,995,000 | 0.59% | 0 | 0 | 0 | 0.00% | 2041 |
| 2042 | 2,222,109,039 | 0.96% | 111,105,452 | 0 | 0.00% | 0.00% | 10,845,000 | 10,845,000 | 0.49% | 100,260,452 | 0 | 11,895,000 | 11,895,000 | 0.54% | 0 | 0 | 0 | 0.00% | 2042 |
| 2043 | 2,243,330,633 | 0.96% | 112,166,532 | 0 | 0.00% | 0.00% | 9,175,000 | 9,175,000 | 0.41% | 102,991,532 | 0 | 10,075,000 | 10,075,000 | 0.45% | 0 | 0 | 0 | 0.00% | 2043 |
| 2044 | 2,264,552,228 | 0.95% | 113,227,611 | 0 | 0.00% | 0.00% | 7,405,000 | 7,405,000 | 0.33% | 105,822,611 | 0 | 8,145,000 | 8,145,000 | 0.36% | 0 | 0 | 0 | 0.00% | 2044 |
| 2045 | 2,285,773,822 | 0.94% | 114,288,691 | 0 | 0.00% | 0.00% | 5,800,000 | 5,800,000 | 0.25% | 108,488,691 | 0 | 6,370,000 | 6,370,000 | 0.28% | 0 | 0 | 0 | 0.00% | 2045 |
| 2046 | 2,306,995,416 | 0.93% | 115,349,771 | 0 | 0.00% | 0.00% | 4,425,000 | 4,425,000 | 0.19% | 110,924,771 | 0 | 4,815,000 | 4,815,000 | 0.21% | 0 | 0 | 0 | 0.00% | 2046 |
| 2047 | 2,328,217,011 | 0.92% | 116,410,851 | 0 | 0.00% | 0.00% | 3,375,000 | 3,375,000 | 0.14% | 113,035,851 | 0 | 3,575,000 | 3,575,000 | 0.15% | 0 | 0 | 0 | 0.00% | 2047 |
| 2048 | 2,349,438,605 | 0.91% | 117,471,930 | 0 | 0.00% | 0.00% | 2,590,000 | 2,590,000 | 0.11% | 114,881,930 | 0 | 2,590,000 | 2,590,000 | 0.11% | 0 | 0 | 0 | 0.00% | 2048 |
| 2049 | 2,370,660,200 | 0.90% | 118,533,010 | 0 | 0.00% | 0.00% | 1,755,000 | 1,755,000 | 0.07% | 116,778,010 | 0 | 1,755,000 | 1,755,000 | 0.07% | 0 | 0 | 0 | 0.00% | 2049 |
| 2050 | 2,391,881,794 | 0.90% | 119,594,090 | 0 | 0.00% | 0.00% | 1,200,000 | 1,200,000 | 0.05% | 118,394,090 | 0 | 1,200,000 | 1,200,000 | 0.05% | 0 | 0 | 0 | 0.00% | 2050 |
| 2051 | 2,413,103,389 | 0.89% | 120,655,169 | 0 | 0.00% | 0.00% | 610,000 | 610,000 | 0.03% | 120,045,169 | 0 | 610,000 | 610,000 | 0.03% | 0 | 0 | 0 | 0.00% | 2051 |
| 2052 | 2,434,324,983 | 0.88% | 121,716,249 | 0 | 0.00% | 0.00% | 315,000 | 315,000 | 0.01% | 121,401,249 | 0 | 315,000 | 315,000 | 0.01% | 0 | 0 | 0 | 0.00% | 2052 |
| 2053 | 2,455,546,578 | 0.87% | 122,777,329 | 0 | 0.00% | 0.00% | 0 | 0 | 0.00% | 122,777,329 | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% | 2053 |
| 2054 | 2,476,768,172 | 0.86% | 123,838,409 | 0 | 0.00% | 0.00% | 0 | 0 | 0.00% | 123,838,409 | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% | 2054 |
| 2055 | 2,497,989,766 | 0.86% | 124,899,488 | 0 | 0.00% | 0.00% | 0 | 0 | 0.00% | 124,899,488 | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% | 2055 |

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