

REPORT, FINDINGS AND RECOMMENDATION OF THE VILLAGE AND CITY
OF PEWAUKEE CONSOLIDATION COMMITTEE

Executive Summary

Committee Objective:

Are there means by which the two municipalities can consolidate into one municipal government that could provide benefits to all taxpayers of the combined municipality?

The Committee finds:

- A combined municipality can achieve operating budget savings of between \$700,000 and \$1,000,000 annually.
- The Combination of the water and sewer utilities will achieve capital cost savings of approximately \$8.2 Million, provided the merger is accomplished in a timely fashion.
- There are at least two means by which the City and Village can successfully combine and achieve operating cost savings and benefits to all taxpayers of the combined municipality:
 - Pursue and obtain legislation that will allow for differential taxing of former village and city residents such that the taxpayers of both can realize the operating cost savings
 - Enter into a consolidation agreement under the terms of which, the Village makes a contribution of approximately \$4.75 Million to the combined municipality to reduce the tax levy requirements of the combined municipality
- The Village has sufficient reserves in its utility reserves to make a payment to the combined municipality that would reduce the general tax levy requirements such that all taxpayers of the combined utility would receive benefits from the combination.

The Committee recommends: The City and Village should continue to pursue merging to form one municipality.

Adopted October 7, 2009

The Committee further recommends:

The Committee recognizes that there are significant additional steps, and costs to be undertaken in order to provide an appropriate consolidation referendum to the voters of the City and Village to determine whether consolidation should occur. The further steps identified by the Committee are as follows:

- Approval of the continued efforts to consolidate by the legislative bodies of the City and Village and the appropriation of funds from both municipalities to continue with the consolidation efforts
- Revise the hypothetical operating budget to reflect approved budgets following the budget approval process of the City and Village
- Retention of necessary consultants and the development of an estimated budget for the continued effort to consolidate
- Development of and approval by the legislative bodies of the City and Village of a consolidation agreement between the City and Village that specifies the terms and conditions of consolidation, including the structure of a new municipal government
- Development of and approval of a joint consolidation referendum to be presented to the electorate of both the City and Village in the April 2010 elections