

DATE: February 17, 2010
TO: Merger Advisory Committee
FROM: Christy Cramer, Ruekert/Mielke
RE: City and Village Taxes and Tax Rates

The question of the historical trends in City and Village tax rates and overall taxes was raised at the February 4, 2010 Merger Advisory Committee meeting. Alderman Hathaway questioned a statement in the draft resident newsletter indicating that the City's tax rate had increased between 2000 and 2009 while the Village's tax rate had decreased during that time period. In the ensuing discussion, it was agreed to remove that sentence from the newsletter. It was also discussed that the important factor was not whether the tax rate increased but whether the amount of taxes paid increased.

In the interest of making sure that the information I provide the Committee is factual and accurate, I cross-checked the report I was using for tax rate information with alternate sources. Based on these other sources, I found that the tax rate for the City did, in fact, fluctuate rather than steadily increasing between 2000 and 2009, while the Village's tax rate declined (see attached tables). These figures indicate other interesting trends, as well. The tax base in both the City and the Village increased in value by very similar percentages. However, the amount of total taxes levied increased by a higher percentage in the City than in the Village. The result is that City properties saw a higher percentage increase in the amount of taxes paid as compared to Village properties during this time period.

It should be pointed out that these figures represent a relatively limited time period and do not necessarily indicate future trends. However, I do think that these historical facts are important points to keep in mind when evaluating assumptions about the future of the City and the Village.

City of Pewaukee Taxes and Tax Rates: 2000-2009

| Year Levied | Assessed Tax Rate ⁽¹⁾ | Assessment Ratio ⁽¹⁾ | Equalized Tax Rate (Wauk. Co. Website) ⁽¹⁾ | Taxes Paid for Parcel 0920-994 ⁽¹⁾ | Taxes Paid for Parcel 0929-052 ⁽¹⁾ | Equalized Tax Rate (WI Dept. of Revenue) ⁽²⁾ | Total EV ⁽²⁾ | Total City Tax Levy ⁽²⁾ |
|-----------------------|----------------------------------|---------------------------------|---|---|---|---|-------------------------|------------------------------------|
| 2000 | \$2.90 | 96.12% | \$2.79 | \$11,661 | \$1,095 | \$2.77 | \$1,530,504,700 | \$4,243,612 |
| 2001 | \$2.99 | 92.59% | \$2.77 | \$12,027 | \$1,129 | \$2.78 | \$1,680,713,400 | \$4,677,230 |
| 2002 | \$3.15 | 86.79% | \$2.73 | \$12,650 | \$1,188 | \$2.73 | \$1,870,277,100 | \$5,106,930 |
| 2003 | \$2.62 | 97.70% | \$2.56 | \$11,790 | \$1,201 | \$2.56 | \$2,040,054,500 | \$5,222,388 |
| 2004 | \$3.00 | 90.37% | \$2.71 | \$13,507 | \$1,376 | \$2.70 | \$2,239,922,900 | \$6,057,582 |
| 2005 | \$3.20 | 83.78% | \$2.68 | \$14,408 | \$1,567 | \$2.69 | \$2,454,567,500 | \$6,614,244 |
| 2006 | \$2.46 | 99.04% | \$2.44 | \$13,211 | \$1,497 | \$2.45 | \$2,697,045,500 | \$6,594,759 |
| 2007 | \$2.49 | 96.94% | \$2.42 | \$13,384 | \$1,517 | \$2.42 | \$2,804,890,100 | \$6,794,657 |
| 2008 | \$2.53 | 97.64% | \$2.47 | \$13,573 | \$1,538 | \$2.47 | \$2,822,705,900 | \$6,961,642 |
| 2009 | \$2.69 | 99.44% | \$2.68 | \$14,444 | \$1,637 | \$2.68 | \$2,817,885,000 | \$7,550,766 |
| Increase: 2000 - 2009 | | | | 24% | 49% | | 84% | 78% |

1) Waukesha County website, tax listing database.

2) *Town, Village and City Taxes*, Wisconsin Department of Revenue for 2000-2008; Adopted 2010 City Budget.

Village of Pewaukee Taxes and Tax Rates: 2000-2009

| Year Levied | Assessed Tax Rate ⁽¹⁾ | Assessment Ratio ⁽¹⁾ | Equalized Tax Rate (Wauk. Co. website) ⁽¹⁾ | Taxes Paid for Parcel 0899-956 ⁽¹⁾ | Taxes Paid for Parcel 0899-992 ⁽¹⁾ | Equalized Tax Rate (WI Dept. of Revenue) ⁽²⁾ | Total EV ⁽²⁾ | Total Village Tax Levy ⁽²⁾ |
|-----------------------|----------------------------------|---------------------------------|---|---|---|---|-------------------------|---------------------------------------|
| 2000 | \$5.99 | 97.03% | \$5.81 | \$2,426 | \$4,664 | \$5.80 | \$537,846,450 | \$3,120,022 |
| 2001 | \$6.19 | 94.22% | \$5.83 | \$2,507 | \$4,820 | \$5.83 | \$564,012,250 | \$3,288,461 |
| 2002 | \$6.34 | 88.11% | \$5.59 | \$2,569 | \$4,940 | \$5.59 | \$619,461,450 | \$3,462,810 |
| 2003 | \$6.53 | 82.73% | \$5.40 | \$2,645 | \$5,086 | \$5.40 | \$673,457,150 | \$3,639,948 |
| 2004 | \$7.01 | 74.23% | \$5.20 | \$2,838 | \$5,455 | \$5.20 | \$763,432,250 | \$3,970,432 |
| 2005 | \$7.00 | 69.05% | \$4.83 | \$2,835 | \$5,450 | \$4.83 | \$849,188,350 | \$4,104,634 |
| 2006 | \$4.73 | 98.36% | \$4.66 | \$2,703 | \$4,626 | \$4.34 | \$898,580,950 | \$3,901,742 |
| 2007 | \$4.53 | 98.49% | \$4.46 | \$2,624 | \$4,505 | \$4.50 | \$915,806,350 | \$4,122,733 |
| 2008 | \$4.65 | 93.72% | \$4.36 | \$2,695 | \$4,627 | \$4.30 | \$990,036,850 | \$4,253,548 |
| 2009 | \$4.73 | 95.91% | \$4.54 | \$2,741 | \$4,853 | \$4.51 | \$958,411,050 | \$4,322,939 |
| Increase: 2000 - 2009 | | | | 13% | 4% | | 78% | 39% |

1) Waukesha County website, tax listing database.

2) *Town, Village and City Taxes*, Wisconsin Department of Revenue for 2000-2008; Adopted 2010 Village Budget. Excludes Tax Incremental Finance District incremental property value and tax levy.