



**Village of  
Shorewood Hills**

December 2018

Dear Village Taxpayer:

Enclosed please find your property tax bill. Most property taxpayers in the Village show a decrease in property taxes. The Village is paying less proportionally than other Dane County communities are for our share of Madison Colleges, Dane County and Madison Metropolitan School District tax levies. Communities outside of the Village grew faster than the Village in the last year. Therefore, their share of taxes payable to those overlapping jurisdictions is larger. Dane County as a whole grew at a rate of about 6% while the Village grew by roughly 2%.

The Village property tax levy of \$2,902,179 is up 2.5% or \$ 69,719 over last year. \$31,873.00 of that amount is due to a fixed cost increase in debt service. The rest (\$37,846) is to help defray additional expenses based on an expenditure budget of \$3,889,719. This was the maximum amount the Village could increase the tax levy due to State imposed levy limits. Property taxes constitute 75% of the revenue the Village generates to provide services. As stated above, this only provided an additional \$37,000 to maintain basic operations. Just over \$2M of the budget is to provide 24/7 Police, Fire, Paramedic and Public Works services like leaf pick up, snowplowing, garbage and recycling. Close to \$1M of the budget is annual debt service being paid for street, sewer and water infrastructure improvements. The Village has lived under levy limits for well over fifteen years and has occasionally relied on its fund balance to cure deficits. Our fund balance has also been buoyed by one-time events such as the liquidation of fire/ems equipment, property sales and increased fees from large commercial building permits. However, these revenue sources are not sustainable. The Village needs to maintain an acceptable level of fund balance in order to be able to deal with unforeseen events, such as the massive flooding we had this past August and to help maintain our AAA bond rating. We try to keep fund balance in the range of \$650,000 - \$900,000 or between 15-25% of annual expenses.

In an effort to mitigate budget shortfalls (partially due to the inability to increase the levy to a sustainable level), the Village has shifted an expense that is paid to the water utility from the property tax levy to a fee. This expense is called hydrant rental or public fire protection (PFP). It is an annual expense that the Public Service Commission calculates and mandates be paid to water utilities for the cost of water infrastructure devoted to fighting fires as opposed to supplying potable water for consumption. Most residential property owners will see a fee of roughly \$15.00 per month on the utility bill for PFP. This revenue shift freed up about \$169,000 in tax levy capacity and will ensure that property tax exempt properties pay their fair share of that expense.

For the first time in many years, the Village is adjusting staffing levels in two critical service areas. First, the addition of one police patrol officer and adjusting the Police Sergeant to night shifts. This will increase the level of night supervision, coverage and help ensure that there is an officer available to proactively patrol the Village during nighttime hours. We are also adding

one-half time position to assist with forestry and horticultural activities. Proper management and renewal of our aging urban forest is a high priority for sustainability, aesthetic and safety reasons. The position will also help maintain our bio-retention/infiltration areas, as well as up keep of our parks and natural areas.

The Village has approved an exciting new mixed-use development on Marshall Court that will open in late 2019. It will consist of shared coworking space, an extended hour's drop-in daycare and a full service restaurant with grab-and-go food service. That project also helped enable the Village to finally complete the missing link in the Blackhawk/Campus commuter bike path.

Lastly, we highly encourage you to participate in the development of a neighborhood plan for Garden Homes that was devastated by the August floods. Public meetings will begin in January.

Thank you for the opportunity to serve you and for the contributions all of you make to the quality of life we enjoy in Shorewood Hills. Always feel free to contact Village Hall with questions or concerns you may have.

Sincerely,



David J. Benforado  
Village President



Karl Frantz  
Village Administrator