

# Wauwatosa Financial Snapshot

2022

## Understanding City Debt

The City of Wauwatosa borrows money to pay for the construction of roads, water lines, sewer lines, City buildings, and other capital infrastructure.

Much like families who borrow money for big ticket items like their home – but not to pay their electric bill – Wauwatosa borrows money for significant projects. Issuing bonds for important City projects allows the City to move forward to meet service needs like installing water infrastructure, but spreads the cost several years and allows for future taxpayers (who enjoy the benefit of the facility) to help pay for the asset.

### What is the City's current debt?

As of January 1, 2022 the City's total debt is \$133,610,000. This

total debt will decrease by \$4.3 million in 2022. One strategy we're using is to cash finance \$9.96 million (or 36%) of capital projects. By cash financing projects, we can keep our debt low and lower our overall project costs. We intend this to be an annual strategy.

### Comparing Wauwatosa's Debt to Others

It is important to consider the debt capacity of an organization as it compares to its stated policy and that of comparable peers. Wauwatosa has a debt limit of 15%, and we're currently comfortably below that limit at 11.18%. Our policy is not to go above 15% in debt compared to our total operating costs.

Wauwatosa's debt is \$1,003 per person. Comparable cities that

have Aaa ratings have \$1,531 per person in debt.

### How can I be sure the City is using debt responsibly?

Bond rating agencies review financial information to inform investors of key metrics associated with debt issuances. Ratings are assigned based on the investment risk. Moody's Investment Services has given Wauwatosa the highest rating for over 20 years.

### Where can I read more?

You can find audits of the City, current and past budgets, bond issue statements, and more at [wauwatosa.net/budget](http://wauwatosa.net/budget). Please contact city staff with questions.

## Tax Rates of Comparable Communities

Wauwatosa remains competitive in its tax rate compared to other communities. The 2021 tax rate decreased 5.3%, from \$22.01 per \$1000 of assessed value to \$20.85.

The rate is calculated by taking the overall tax levy dollars, net of tax credits, plus the tax increment for tax incremental financing districts, and dividing by the total local assessed value of property within Wauwatosa.

The city portion of that tax rate decreased 2.4%, from \$7.17 to \$7.00. This is the lowest the tax rate has been since 2011.

The overall assessed value in the City increased 10.2%, from \$6.67 billion to \$7.35 billion. The majority of the value change is mostly due to portions of the

Milwaukee Regional Medical Center (MRMC) becoming taxable following Milwaukee County's sale of the campus land to the MRMC.

The average residential property is valued at \$270,000, slightly up from last year's value of \$268,000.

The 2021 tax bill for the average residence in Wauwatosa is \$5,358. In 2020, the tax bill for the average residence was \$5,693.

To the right is a chart showing each comparable communities' tax rate per \$1000 of property value. This only reflects the city or village portion of their tax bill.

Municipality	Tax Rate per \$1000 of property value
Franklin	\$4.82
Whitefish Bay	\$5.01
Fox Point	\$5.95
Oak Creek	\$6.12
Bayside	\$6.74
River Hills	\$6.76
Wauwatosa	\$7.00
Shorewood	\$7.16
Glendale	\$7.20
Greendale	\$8.21
Hales Corners	\$8.42
St. Francis	\$8.82
Brown Deer	\$9.02
Greenfield	\$10.11
Milwaukee	\$10.22
West Allis	\$12.06





## Despite Pandemic, Wauwatosa Earns Top Rating for Financial Operations

Moody's Investor Services has given Wauwatosa the highest bond rating (Aaa), ranking the City of Wauwatosa with the strongest creditworthiness compared to other U.S. borrowers.

"The city's stable financial position is the result of strong financial management and conservative budgeting practices. Taxes, including property and room taxes, comprise the largest source of revenue for the city, accounting for about 74% of 2020 operating revenue.

Levy limits restrict the city's ability to increase its annual levy by more than the percentage of valuation change driven by net new construction exclusive of increases for debt service," said Moody's Investor Services in a press release.

This rating is important because our bonds finance street, water system, sewerage improvement, and other city projects. Earning Moody's top bond rating enables us to secure funding for lending at the most competitive rates.



## Where Do My Property Taxes Go?

Wauwatosa property owners received their 2021 tax bill in the mail in December. You can also view your tax bill online ([wauwatosa.net/taxes](http://wauwatosa.net/taxes)).

Notice that 31.6% of your total taxes support the City of Wauwatosa. The remaining amount supports Milwaukee County, Wauwatosa School District, Milwaukee Area Technical College, and the Metropolitan Milwaukee Sewer District.

See the dollar bill below for the percentages that each of these entities receive from your tax bill.

Some people may not realize that

although you pay your tax bill to the City, not all of it stays with us. The city portion of your tax bill supports an array of services.

For an average Wauwatosa home (valued at \$270,000), the monthly bill for city services is \$157.28.

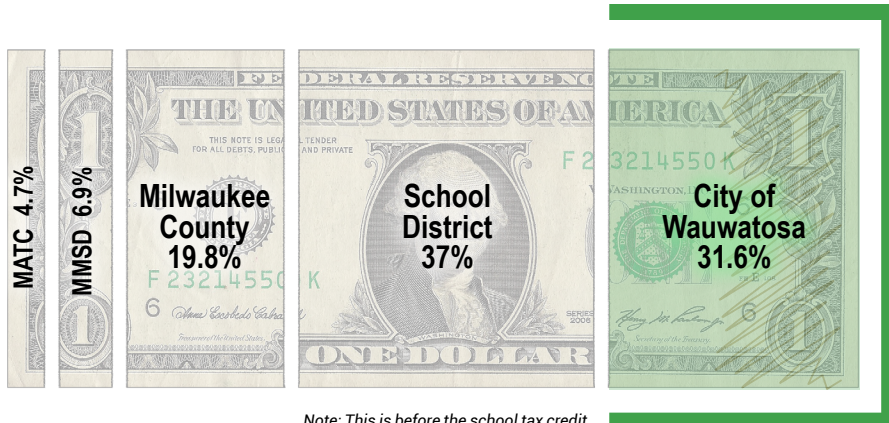
This means for \$157.28 per month, you get fire protection and police response in the event you need it. You get your trash and recycling collected, leaf and yard waste collection (which some other cities don't offer), public health services, parks to play in, access to books, media, and programming at the library, well-maintained streets to

drive on, and plowed streets to get you where you need to go in the winter.

These services are based on the city's budget - which is created in conjunction with the Common Council, city staff, and the public considering the fiscal and strategic goals each year.

## What's an Average Tax Bill?

Average Monthly Bill = \$157.28  
*The average monthly tax bill for city services is \$157.28. Here's a breakdown of what that supports:*



- \$17.50 General Government
- \$43.58 Police
- \$31.21 Fire
- \$2.40 Other Public Safety
- \$12.18 Public Works
- \$3.58 Health
- \$6.73 Conservation and Development
- \$9.08 Library
- \$25.51 Debt
- \$2.62 Parks
- \$2.87 Capital





## How Will Wauwatosa Spend \$24 Million in COVID-19 Relief?

As part of the American Rescue Plan Act (ARPA), Wauwatosa City government has been allocated \$24,663,875 in ARPA funds, and the Wauwatosa School District has been allocated an additional \$3,027,252.

There are federal guidelines about how these funds can be spent, limited to:

- Supporting public health expenditures
- Addressing negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector
- Replacing lost public sector revenue
- Providing premium pay for essential workers
- Investing in water or sewer infrastructure

These funds are to be used for costs incurred between March 3, 2021, and December 31, 2024. Any funds not obligated by December 31, 2024, or expended by December 31, 2026, must be returned to the Department of the Treasury.

The City is required to file quarterly reports with the Federal Government on the use and status of allocated funds.

Through December of 2021, the City has allocated \$2,346,015 in ARPA funds, leaving \$22,317,860, or 90%, of ARPA funds available for future project allocation. The City has also identified approximately \$950,000 of “Lost Revenue” to be covered by ARPA funds.

The first phase of the community engagement plan included a workshop with the Common Council to develop a consensus on a set of funding priorities. These key funding priorities support the process of evaluating and prioritizing proposals for ARPA funding.

The Common Council affirmed their commitment to the strategic priorities included in the City’s most recent strategic plan and identified key themes within those priorities that may relate to potential uses of ARPA funds. The Council also identified one additional priority: service to underserved populations.

We held 10 focus groups, 7 one-on-one interviews with stakeholders, and two community meetings. Additionally, we accepted general ideas and specific funding proposals online.

A total of 45 funding proposals were received and evaluated. A full report will be available on [wauwatosa.net](http://wauwatosa.net) and presented to the Committee of the Whole on January 18, 2022.

We anticipate the Common Council to consider initial funding packages in early 2022. Please follow [wauwatosa.net/ARPA](http://wauwatosa.net/ARPA) for details.



## New City Software



In May 2022, the City will be launching new software to make more services available online, track a permit or work order, and complete customer service actions more easily.

Employees from across the city will be able to access budget information, complete customer transaction rather than routing them to a different department, and manage our vendors.

If you regularly interact with our staff or will be requesting certain permits, we will have more information about these processes closer to May 2022. Please find more information about permits and electronic payment on [wauwatosa.net](http://wauwatosa.net), or contact us with questions.





## Wauwatosa Elected Officials

**Mayor Dennis McBride**  
 mayor@wauwatosa.net  
 (414) 479-8915

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**Common Council**  
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**District 1**

**James Moldenhauer**  
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**Matt Stippich**  
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**District 2**

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**District 3**

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**District 4**

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**District 5**

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**District 6**

**Meagan O'Reilly**  
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**Allison L. Byrne**  
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**District 7**

**Mike Morgan**  
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**Jason Kofroth**  
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**District 8**

**Jason Wilke**  
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**Craig Wilson**  
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## 2021 BY THE NUMBERS



Calls for Police Service

**23,224**



Trees Pruned

**3,000**



Calls for Fire/EMS Service

**7,498**



Tons of Materials Recycled

**5,000**



Water Meters Inspected & Repaired

**15,500**



Tons of Garbage Collected

**11,000**



COVID-19 Cases Follow-up

**6,020**



Tons of Yard Waste Collected

**1,500**



Library Checkouts

**635,865**



Fire Department Medical Calls

**3,849**



Building Permits Issued

**4,821**



Tons of Asphalt Patch

**608**



Building and Safety Inspections

**1,029**



Wauwatosa.net Web views (million)

**1.65**

