Joint Review Board Meeting Agenda

Monday, August 24, 2026
5:00 PM
235 Hickory Street, Pewaukee, WI
53072 Village Hall Board Room

1. Call to Order and Roll Call.

2. Joint Review Board Meeting Minutes
   a. August 20, 2025

3. New Business.
   a. Review of 2025 Annual TID Reports and Audits for TIDs #2, #3 and #4.

4. Adjournment.

Note: Notice is hereby given that a quorum of a Village Board, Committee and/or Commission may be present at this noticed meeting, and if so, this meeting shall be considered an informational meeting of that Committee or Commission and no formal action of that Committee or Commission shall occur. Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. To request such assistance, contact the Village Clerk at 262-691-5660.

Posted: August 20, 2026

VILLAGE OF PEWAUKEE
JOINT REVIEW BOARD REGULAR MEETING MINUTES
AUGUST 20, 2025
5:00 p.m.

1. Call to Order, Pledge of Allegiance, Moment of Silence, and Roll Call

President Knutson called the meeting to order at approximately 5:01 p.m.

The following Joint Review Board members were present:
Waukesha County Representative Andrew Thelke; Pewaukee School District Representative John Gahan; Village of Pewaukee Citizen Representative Chris Krasovich; Village President Jeff Knutson.

Excused: Waukesha County Technical College Representative Jan Kittel.

Also Present: Village Administrator Matt Heiser.

2. Joint Review Board Meeting Minutes

a. August 21, 2024

Andrew Thelke moved, seconded by John Gahan, to approve the Joint Review Board Meeting Minutes dated August 21, 2024, as presented. Motion carried 4-0.

3. New Business

a. Review of 2024 TID #2 Annual Report and Audit.

Administrator Heiser began by introducing the statutory requirement of the annual Joint Review Board and the annual TID report submitted to the state. He also provided a summary of all three open TIDs in the Village. He reported they are all in good financial health and all performing as envisioned; with good resulting development in the Village. Heiser also referenced the supporting materials that were part of the packet.

He reported TID #2 was the oldest TID, approximately through half of its life, with a fund balance of $488,000. He reported it will likely see the most interesting future activity with some public projects currently being considered.

b. Review of 2024 TID #3 Annual Report and Audit.

Administrator Heiser reviewed the location and status of TID #3. The fund balance was and the projects for this TID are complete. Heiser reported the developer reports this development is almost completely buillt-out. The future activity to anticipate from this TID would be the sharing of increment as defined in the developer's agreement.

c. Review of 2024 TID #4 Annual Report and Audit.

Administrator Heiser reviewed the location and status of TID #4. The major project with this TID was an up-front loan from the TID to the developer to defray the costs of demolition and environmental problems from the old nursing home. Heiser reported this TID will likely see the biggest change in value next year as it is also nearly built-out but most of the new value was added after the assessed values were set in 2024.

Board members had some general questions. Chris Krasovish asked if they were 30 year TIDs and Heiser responded they have 20 year lives with a legal ability to extend them for a small time if the financial need was there. John Gahan reminded the group the Village had previously advised the TIDs might close early. Heiser responded that it was still possible since the development had occurred so quickly in them.

4. <u>Adjournment</u>
Member Chris Krasovich moved, seconded by John Gahan, to adjourn the August 20, 2025 meeting at approximately 5:11 p.m. Motion carried 4-0.

Respectfully Submitted,

Matt Heiser
Village Administrator

To: Joint Review Board

From: Matt Heiser
Village Administrator

Date: August 18, 2026

Re: August 24, 2026 Joint Review Board Agenda Items 3(a):
Review of 2025 Annual TID Reports and Audits for TIDs #2, #3 and #4.

Background

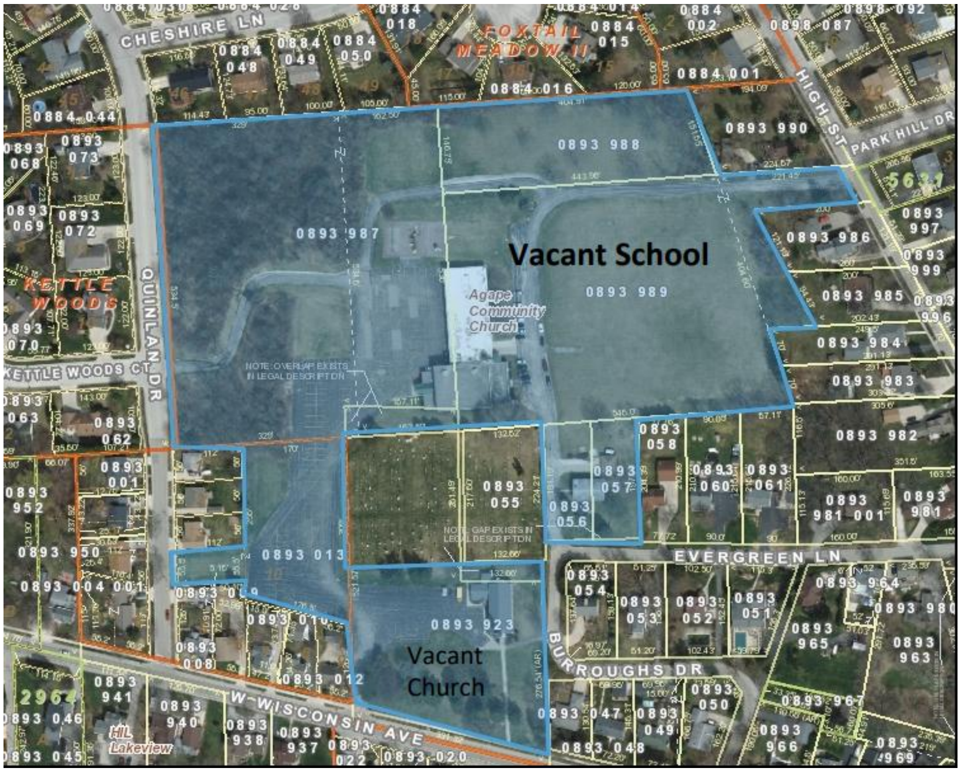
Tax Increment Districts, or TIDs, are the most powerful economic development tool allowed by the State of Wisconsin.

In summary; when a district is created it freezes the assessed value of the land for the other taxing jurisdictions (e.g. the school district, county and technical college). As development occurs in the district only the Village may tax the new value. This tax revenue is the "increment" of the district.

During the economic recession of 2007-2010, commonly referred to as the Great Recession, many TIDs in Wisconsin encountered financial problems. One outcome of the economic upheaval is the state now requires municipalities to file annual financial reports for active TIDs and for local Joint Review Boards to meet annually to review them. These reports and this meeting will examine TID performance in 2025. The reports were due to the Department of Revenue on July 1.

There are three active Tax Increment Districts in the Village of Pewaukee: TID #2, TID #3 and TID #4. TID #2 is downtown and was created in 2014 to aid development near the lake.

TID #3 was created in 2021 in the area formerly known as St. Mary's school and now contains the subdivision called "The Glen on Pewaukee Lake."



TID #4 was created in 2022 and in an area that had a nursing home and now contains the subdivision called "Riverside Preserve"

TID#2 Value Review

The 2025 TID value reported by the WI DOR on the 2025 Statement of Changes in TID Value was $23,740,600 (copy attached). This represents an increment value of $15,437,800 over the 2014 base value of $8,302,800. This statement oddly reports this is a four percent decrease from the 2024 statement. The Village Assessor, Associated Appraisals, opines that this is the result of arithmetic related to the determination of an equalized value and not a decrease in assessed value.

TID#2 2025 Review

2025 Revenues – TID#2 2025 revenues were $273,650 which is broken down as follows:

Tax Increment:	$197,159
Investment Income:	$8,642
Exempt Computer Aid:	$2,150
Other (Personal Prop. Tax Aid):	$65,699

2025 Expenses – TID#2 2025 expenses were $33,061 and are broken down as follows:

2025 Audit and WI DoR Annual TID Administration Fee:	$1,634
Principal on Debt:	$18,356
Interest on Debt:	$13,071

The debt born by TID#2 was $200,000 for Improvement #1 and $206,010 for Improvement #2 (Developer Grant).

The TID Fund balance as of 12/31/25 is $729,127. A copy of the TID #2 2025 Audit and WI DOR Annual Report comparison are attached for your review/reference regarding the above information. Also attached are spreadsheets reviewing the different TID Projects, Project Allocations, Project Expenditures/Allocations, and Project Balances.

2025 and Forward Projects

1. Redevelopment of 221 W. Wisconsin Avenue – vacant gas station property – the Village entered into a developer's agreement with Jade Reef Properties for the redevelopment of this property as a new location for Chiropractic and Wellness on Pewaukee Lake. The development agreement provided for up to $140,000 in TIF assistance on a pay-as-you-go (PAYGO) basis. No payments will be made for this project going forward as a minimum value requirement of not less than $1,100,00 was required by 1/1/2021.
2. Redevelopment of 203 W. Wisconsin Avenue – Brewfinity. In 2026 the Village contributed TID funds to a sprinkler fire suppression system required for the building renovation. The assistance was for $30,000.
3. Pedestrian Bridge #2 (Improvement #2) – While this project is listed in the TID Project Plan ($200,000), it is still not anticipated that funds will be allocated for this work as the Pewaukee River Partnership has indicated that they are raising funds to complete the project.
4. Downtown Redevelopment Plan (Improvement #4) – The Plan Commission and Village Board completed the Village Comprehensive Land Use Plan (LUP) in 2022. One component of the LUP update is a call out for a detailed plan for the downtown area. This focus may result in the Village Board utilizing the $20,000 allocation for Improvement #4 at some point in the future.

TID#3 Value Review

The 2025 TID value reported by the WI DOR on the 2025 Statement of Changes in TID Value was $26,211,200 (copy attached). This represents an increment value of $26,211,200 over the 2021 base value of $0.00. Changes in value are from assessment of new construction. There is a one year lag from when construction is completed to when it is assessed. The twenty-three percent increase in equalized value for TID#3 from the 2024 statement reflects the heavy construction that occurred in 2024. The development is now almost completely built-out.

TID#3 2025 Review

2025 Revenues – TID#3 2024 revenues were $256,958 which is broken down as follows: Investment Income: $2,778
Tax Increment: $254,180

2025 Expenses – TID#3 2024 expenses were $111,835 and are broken down as follows:

Developer Incentives:	$70,083
2025 Audit and WI DoR Annual TID Administrative Fee:	$1,634
Interest and Fiscal charges on Debt:	$40,118

The TID Fund balance as of 12/31/25 is $285,551. A copy of the TID #3 2025 Audit and WI DOR Annual Report are attached for your review/reference regarding the above information. Also attached are spreadsheets reviewing the different TID Projects, Project Allocations, Project Expenditures/Allocations, and Project Balances.

2025 and Forward Projects

1. Improvement #2 – Raze former school/remove parking lot – The development agreement with Cornerstone Development related to the redevelopment of the property provides for $55,915.48 in TIF assistance on a pay-as-you-go (PAYGO) basis.
2. Improvement #5 – Raze former rectory – The development agreement with Cornerstone Development related to the redevelopment of the property provides for $44,084.52 in TIF assistance on a pay-as-you-go (PAYGO) basis.

There are no further projects anticipated beyond the two projects referenced above for TID #3 at this time.

TID#4 Value Review

The 2025 TID value reported by the WI DOR on the 2025 Statement of Changes in TID Value was $9,729,200 (copy attached). This represents an increment value of $8,995,500 more than the 2022 base value of $733,700.

This memo last year reported that 2024 did not have enough development to make it into the annual assessment cycle. The cycle caught up in 2025 with the statement of changes reporting an astounding 1,858% increase from the 2024 statement. This development is also close to being built-out.

TID#4 2025 Review

2025 Revenues – TID#4 2025 revenues were zero. There is always a one-year lag between the assessment of new construction and when that construction is taxed. All the new value that was assessed in 2025 will be taxed at the end of this year.

2025 Expenses – TID#3 2025 expenses were $128,320 and are broken down as follows:

2025 Audit and WI DoR Annual TID Administrative Fee:	$813
Interest and Fiscal charges on Debt:	$127,507

The TID Fund balance as of 12/31/25 is $243,474. A copy of the TID #4 2025 Audit and WI DOR Annual Report are attached for your review/reference regarding the above information. Also attached are spreadsheets reviewing the different TID Projects, Project Allocations, Project Expenditures/Allocations, and Project Balances.

2025 and Forward Projects

1. Public Improvements: Proposed public project improvements may include, but not limited to infrastructure, importing of site fill, environmental remediation and demolition, storm water detention basin, professional and organizational services, administrative costs, and finance costs. The developer was reimbursed for these expenses in 2024.

There are no further projects anticipated beyond the two projects referenced above for TID #4 at this time.

Attachments:

1. 2025 Annual Report TID #2
2. 2025 Audit TID #2
3. Project Spreadsheet TID #2
4. 2025 Statement of Value TID #2
5. 2025 Annual Report TID #3
6. 2025 Audit TID #3
7. Project Spreadsheet TID #3
8. 2025 Statement of Value TID #3
9. 2025 Annual Report TID #4
10. 2025 Audit TID #4
11. Project Spreadsheet TID #4
12. 2025 Statement of Value TID #4

Form PE-300	TID Annual Report	2025 WI Dept of Revenue

Section 1 – Municipality and TID					
Co-muni code **67171**	Municipality **PEWAUKEE**		County **WAUKESHA**	Due date **07/01/2026**	Report type **AMENDED**
TID number **002**	TID type **2**	TID name **n/a**	Creation date **07/15/2014**	Mandatory termination date **07/15/2041**	Anticipated termination date **N/A**

Section 2 – Beginning Balance	Amount
TID fund balance at beginning of year	**$488,538**

Section 3 – Revenue		Amount
Tax increment		$197,159
Investment income		$8,642
Debt proceeds		$0
Special assessments		$0
Shared revenue		$0
Sale of property		$0
Allocation from another TID		
TID number		$0
Developer guarantees		
Developer name		$0
Transfer from other funds		
Source		$0
Grants		
Source		$0
Other revenue		
Source	Exempt Computer Aid	$2,150
Source 2	Personal Property Aid	$65,699
Total Revenue (deposits)		**$273,650**

Form PE-300	TID Annual Report	2025 WI Dept of Revenue

Section 4 – Expenditures	Amount
Capital expenditures	$0
Administration	$0
Professional services	$1,484
Interest and fiscal charges	$13,071
DOR fees	$150
Discount on long-term debt	$0
Debt issuance costs	$0
Principal on long-term debt	$18,356
Environmental costs	$0
Real property assembly costs	$0
Allocation to another TID	
TID number	$0
Developer grants	
Developer name n/a	$0
Transfer to other funds	
Fund	$0
Other expenditures	
Name	$0
Total Expenditures	**$33,061**

Section 5 – Ending Balance	Amount
TID fund balance at end of year	**$729,127**
Future costs	**$1,909,943**
Future revenue	**$1,423,754**
Surplus or deficit	**$242,938**

Section 6 – TID New Construction

Current Year TID New Construction Values				
TID	TID New Construction Increase	TID New Construction Decrease	Prior Year Correction	TID Net New Construction (NNC)
002	$45,900	$0	$0	$45,900
003	$3,858,600	$0	$95,000	$3,953,600
004	$9,381,000	$-8,500	$0	$9,372,500
Total	**$13,285,500**	**$-8,500**	**$95,000**	**$13,372,000**

Current Year Allowable Levy Increase Attributable to TID NNC					
TID	TID Net New Construction	Prior Year Municipal Equalized Value	TID Net New Construction %	Prior Year Adjusted Actual Levy	Allowable Levy Increase Attributable to TID Net New Construction
002	$45,900	$1,395,317,700	0.00	$3,396,113	$0
003	$3,953,600	$1,395,317,700	0.28	$3,396,113	$9,509
004	$9,372,500	$1,395,317,700	0.67	$3,396,113	$22,754
Total	**$13,372,000**	**$1,395,317,700**	**0.95**	**$3,396,113**	**$32,263**

Current Year Actual TID NNC Impact to Municipal Levy	
Levy Increase Attributable to TID Net New Construction	Increase per $100,000
$32,263	$0.32263

Historical Allowable Levy Increase Attributable to TID NNC						
Year	TID	TID Net New Construction	Prior Year Municipal Equalized Value	TID Net New Construction %	Prior Year Adjusted Actual Levy	Allowable Levy Increase Attributable to TID Net New Construction
2024	002	$0	$1,361,836,700	0.00	$3,458,215	$0
2024	003	$8,498,000	$1,361,836,700	0.62	$3,458,215	$21,441
2024	004	$-36,000	$1,361,836,700	0.00	$3,458,215	$0
2024	**Total**	**$8,462,000**	**$1,361,836,700**	**0.62**	**$3,458,215**	**$21,441**
2023	002	$0	$1,177,242,600	0.00	$4,054,585	$0
2023	003	$5,905,100	$1,177,242,600	0.50	$4,054,585	$20,273
2023	004	$-264,400	$1,177,242,600	-0.02	$4,054,585	$-811
2023	**Total**	**$5,640,700**	**$1,177,242,600**	**0.48**	**$4,054,585**	**$19,462**

Form PE-300	TID Annual Report	2025 WI Dept of Revenue

Section 7 – Preparer/Contact Information

Preparer name **Matt Heiser**	Preparer title
Preparer email **villageadmin@villageofpewaukeewi.gov**	Preparer phone **(262) 691-5660**
Contact name **Matt Heiser**	Contact title **Village Administrator**
Contact email **villageadmin@villageofpewaukeewi.gov**	Contact phone **(262) 691-5660**

Village of Pewaukee
Tax Incremental District No. 2

Financial Statements and
Supplementary Information

December 31, 2025

Accountants' Compilation Report

To the Village Board of
Village of Pewaukee

Management is responsible for the accompanying Balance Sheet, Historical Summary of Project Costs, Project Revenues and Net Cost to Be Recovered Through Tax Increments and Historical Summary of Sources, Uses and Status of Funds of the Village of Pewaukee's Tax Incremental District No. 2 (District) as of and for the year ended December 31, 2025 and from the date of creation through December 31, 2025, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

As discussed in Note 1, the financial statements present only the transactions of the District and do not purport to and do not, present fairly the financial position of the Village of Pewaukee as of December 31, 2025, the changes in its financial position or, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. This information is the representation of management. This information was subject to our compilation engagement; however, we have not audited or reviewed the information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusion about the District's financial position and changes in financial position. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Baker Tilly US, LLP

Madison, Wisconsin
June 11, 2026

Village of Pewaukee Tax Incremental District No. 2

Balance Sheet
December 31, 2025

	Capital Projects Fund
Assets	
Cash	$ 729,127
Taxes receivable	175,551
Total assets	$ 904,678
Deferred Inflows of Resources and Fund Balance	
Deferred Inflows of Resources	
Unearned revenue	$ 175,551
Total deferred inflows of resources	175,551
Fund Balance	
Restricted	729,127
Total fund balances	729,127
Total deferred inflows of resources and fund balance	$ 904,678

See notes to financial statements

Village of Pewaukee Tax Incremental District No. 2

Historical Summary of Project Costs, Project Revenues and Net Cost to Be Recovered
Through Tax Increments
Year Ended December 31, 2025 and From the Date of Creation Through December 31, 2025

	Year Ended	From the Date of Creation
Project Costs		
Capital expenditures	$ -	$ 408,921
Professional services	1,634	40,137
Developer grants	-	200,000
Interest and fiscal charges	13,071	113,225
Total project costs	14,705	762,283
Project Revenues		
Tax increments	197,159	1,066,293
Exempt computer aid	2,150	19,485
Personal property aid	65,699	65,699
Investment income	8,642	30,993
Miscellaneous revenues	-	23,772
Total project revenues	273,650	1,206,242
Net costs recoverable (recovered) through tax increments, December 31, 2025	$ (258,945)	$ (443,959)
Reconciliation of Recoverable Costs		
G.O. debt		$ 285,168
Less fund balance		(729,127)
Net costs recoverable through tax increments, December 31, 2025		$ (443,959)

See notes to financial statements

Village of Pewaukee Tax Incremental District No. 2

Historical Summary of Sources, Uses and Status of Funds
Through Tax Increments
Year Ended December 31, 2025 and From the Date of Creation Through December 31, 2025

	Year Ended	From the Date of Creation
Sources of Funds		
Tax increments	$ 197,159	$ 1,066,293
Exempt computer aid	2,150	19,485
Personal property aid	65,699	65,699
Investment income	8,642	30,993
Miscellaneous revenues	-	23,772
Long-term debt issued	-	406,000
Total sources of funds	273,650	1,612,242
Uses of Funds		
Capital expenditures	-	408,921
Professional services	1,634	40,137
Developer grants	-	200,000
Interest and fiscal charges	13,071	113,225
Principal on long-term debt	18,356	120,832
Total uses of funds	33,061	883,115
Excess of sources of funds over uses of funds	240,589	729,127
Fund Balance, Beginning	488,538	-
Fund Balance, Ending	$ 729,127	$ 729,127

See notes to financial statements

1. Summary of Significant Accounting Policies

The accounting policies of the Village of Pewaukee's Tax Incremental District No. 2 (the District) conform to accounting principles as applicable to governmental units and as defined by Wisconsin Statutes Section 66.1105.

The Village of Pewaukee (the Village) has implemented accounting principles generally accepted in the United States of America to the extent they apply in determining the scope of the activity of the District. The accompanying financial statements reflect all the significant operations of the District. The accompanying financial statements do not include the full presentation of the Village.

Description of Fund Structure and Long-Term Debt

This report contains the financial information of the District. The summary statements were prepared from data recorded in the following Village funds and the Village's long-term debt:

Tax Incremental District No. 2 - Capital Projects Fund

Detailed descriptions of the purpose of these funds and long-term debt can be found in the Village's basic financial statements.

The data was consolidated for purposes of this report. Therefore, the amounts shown in the accompanying statements will not directly correlate with amounts shown in the basic financial statements.

The District was created under the provisions of Wisconsin Statute Section 66.1105. The purpose of that section is to allow a municipality to recover development and improvement costs in a designated area from the property taxes generated on the increased value of the property after the creation date of the District. The tax on the increased value is called a tax increment.

The statutes allow the District to collect tax increments until the net project cost has been fully recovered, or until 27 years after the creation date, whichever occurs first. Project costs uncollected at the dissolution date are absorbed by the Village. Project costs may be incurred up to five years before the unextended termination date of the District.

Original Project Plan

	Creation Date	Last Date to Incur Project Costs	Last Year to Collect Increment
TID No. 2	January 1, 2014	July 15, 2036	2041

Basis of Accounting

The modified accrual basis of accounting was followed in the preparation of these statements. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Project costs, other than interest on long-term debt, are recorded when the related fund liability is incurred.

The District increments are recorded as revenues in the year due. Intergovernmental aids and grants are recognized as revenues in the period the related expenditures are incurred, if applicable, or when the District is entitled to the aids.

Other general revenues are recognized when received in cash or when measurable and available under the criteria described above.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Measurement Focus

The measurement focus of all governmental funds is the funds flow concept. Under the funds flow concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as unavailable or unearned revenue or as nonspendable fund equity. Liabilities for claims, judgments, compensated absences and pension contributions which will not be currently liquidated using expendable available financial resources are shown in the long-term debt footnote disclosure. The related expenditures are recognized when the liabilities are liquidated.

Project Plan Budget

The estimated revenues and expenditures of the District are adopted in the project plan. Those estimates are for the entire life of the District, and may not be comparable to interim results presented in this report.

Long-Term Debt

Short-term liabilities are recorded as fund liabilities. All other long-term liabilities are shown in the long-term debt footnote disclosure.

Proceeds of long-term debt issues not recorded as fund liabilities are reflected as "Sources of Funds" in the operating statement of the recipient fund. Retirement of these issues is reported as an expenditure in the year in which the debt matures or is repaid, whichever is earlier.

Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments is only reported in governmental funds if it has matured. Claims and judgments are disclosed in the long-term debt footnote when the related liabilities are incurred.

2. Cash and Temporary Investments

The District invests its funds in accordance with the provisions of the Wisconsin Statutes 66.0603(1m) and 67.11(2).

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income.

The District, as a fund of the Village, maintains separate and common cash and investment accounts at the same financial institutions utilized by the Village. Federal depository insurance and the State of Wisconsin Guarantee fund insurance apply to the Village as an individual municipality, and, accordingly, the amount of insured funds is not determinable for the District.

3. Long-Term Debt

General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the Village. Notes and bonds borrowed to finance the District's expenditures will be retired by tax increments accumulated by the TID No. 2 funds. If those revenues are not sufficient, payments will be made by future tax levies.

Title of Issue	Date of Issue	Due Date	Interest Rate	Original Indebtedness	Repaid	Balance 12/31/2025
2015 State Trust Fund	09/23/2015	03/15/2035	3.75 %	$ 200,000	$ 75,459	$ 124,541
2019 State Trust Fund	03/12/2019	03/15/2038	4.75	68,670	15,554	53,116
2019 State Trust Fund	05/29/2019	03/15/2039	4.75	137,330	29,819	107,511
Total				$ 406,000	$ 120,832	$ 285,168

Aggregate maturities of all long-term debt relating to the District are as follows:

Calendar Year	Principal	Interest	Total
2026	$ 19,128	$ 12,300	$ 31,428
2027	19,931	11,497	31,428
2028	20,739	10,688	31,427
2029	21,641	9,786	31,427
2030	22,551	8,876	31,427
2031-2035	127,813	29,321	157,134
2036-2039	53,365	6,111	59,476
Total	$ 285,168	$ 88,579	$ 373,747

4. Developer Agreements

During 2014, the Village entered into an agreement for the redevelopment of a parcel of land and improvements within the District. As part of the agreement, the Village has issued a State Trust Fund Loan in the amount of $200,000 and contributed the proceeds to the developer for assistance with site development costs of properties within the District. The economic development grant is secured by a promissory note signed by the developer in the same amount. The project improvements when completed are guaranteed by the developer to produce tax revenue equal or greater to the guaranteed tax increment required of $1,350,000.

During 2019, the Village entered into an agreement for improvements within the District. As part of the agreement, the Village issued State Trust Fund Loans in the amount of $206,000 and contributed the proceeds to BeachScape, LLC for assistance with site development costs of properties within the District. The economic development grant was secured by a promissory note signed by the developer in the same amount. The project improvements when completed are guaranteed by the developer to produce tax revenue equal or greater to the estimated minimum assessed value of $3,000,000.

During 2025, the Village entered into an agreement with a developer that requires the Village to make a one-time payment of $30,000 within 45 days from the date an occupancy permit is issued. The funds are for the developer to install a modern fire suppression system. The developer has given a mortgage on the property in favor of the Village to secure the payment.

Village of Pewaukee Tax Incremental District No. 2

Detailed Schedule of Sources, Uses and Status of Funds
From the Date of Creation Through December 31, 2025

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total	Project Plan Estimate
Sources of Funds														
Tax increments	$ -	$ -	$ 11,767	$ 52,323	$ 92,665	$ 42,000	$ 54,330	$ 155,180	$ 147,472	$ 178,225	$ 135,172	$ 197,159	$ 1,066,293	$ 1,910,158
Exempt computer aid	-	-	267	2,069	2,099	2,150	2,150	2,150	2,150	2,150	2,150	2,150	19,485	-
Personal property aid	-	-	-	-	-	-	-	-	-	-	-	65,699	65,699	-
Investment income	-	-	-	-	-	1,640	686	81	2,280	8,086	9,578	8,642	30,993	2,919
Miscellaneous revenues	-	-	-	-	-	611	3,962	7,313	3,962	3,962	3,962	-	23,772	2,919
Proceeds from long-term debt	-	200,000	-	-	-	206,000	-	-	-	-	-	-	406,000	1,120,000
Total sources of funds	-	200,000	12,034	54,392	94,764	252,401	61,128	164,724	155,864	192,423	150,862	273,650	1,612,242	3,035,996
Uses of Funds														
Capital expenditures	-	10,190	10,228	79,456	2,272	208,760	25,000	-	-	73,015	-	-	408,921	720,000
Professional services	12,229	150	3,123	1,892	1,251	1,051	7,600	4,284	4,023	1,699	1,201	1,634	40,137	-
Developer grants	-	200,000	-	-	-	-	-	-	-	-	-	-	200,000	400,000
Interest and fiscal charges	-	-	-	11,075	7,347	7,053	15,266	15,851	15,198	14,518	13,846	13,071	113,225	553,058
Principal on long-term debt	-	-	-	4,090	7,819	8,112	16,161	15,576	16,229	16,909	17,580	18,356	120,832	1,120,000
Total uses of funds	12,229	210,340	13,351	96,513	18,689	224,976	64,027	35,711	35,450	106,141	32,627	33,061	883,115	2,793,058
Fund Balance, December 31, 2025													$ 729,127	

Village of Pewaukee Tax Incremental District No. 2

Detailed Schedule of Capital Expenditures
From the Date of Creation Through December 31, 2025

	Actual	Project Plan Estimate
Site remediation	$ 206,010	$ 200,000
Pedestrian bridges	129,896	400,000
Downtown redevelopment plan	-	20,000
Public fishing pier replacement	73,015	100,000
Total capital expenditures	$ 408,921	$ 720,000

TID #2 Project Expense Summary			
Projects	**Project Allocation**	**Total Expended**	**Balance**
Improvement 1 - Site Remediation	$ 200,000.00	$ 200,000.00	$ -
Improvement 2 - Pedestrian Bridge #1	$ 200,000.00	$ 102,146.82	$ 97,853.18
Improvement 2 - Pedestrian Bridge #2	$ 200,000.00	$ -	$ 200,000.00
Improvement 3 - Property Acquisition and/or Assistance	$ 400,000.00	$ -	$ 400,000.00
Improvement 4 - Downtown Redevelopment Plan	$ 20,000.00	$ -	$ 20,000.00
Improvement 5 - Public Fishing Pier	$ 100,000.00	$ -	$ 100,000.00
Total TID Plan Project Costs	$ 1,120,000.00	$ 302,146.82	$ 817,853.18
Administrative/Legal/Audit Expenses		$ 9,249.60	

Year Ending 12/31/25

2025 Statement of Changes in TID Value
Wisconsin Department of Revenue
Equalization Bureau

County	67	Waukesha
Village	171	Pewaukee
TID #	002	TID Type - Blight post-95
School District	4312	Sch D of Pewaukee

Special District - 1	None
Special District - 2	None
Special District - 3	None
Union High	None

Current Year Value

	Assessed Value *	Ratio	DOR Full Value	Amended Full Value **	Final Full Value
Non-Manufacturing Real Estate	$21,576,400	91.94%	$23,467,900		$23,467,900
Manufacturing Real Estate			$0		$0
Prior Year Corrections:					
Non-Manufacturing Real Estate			$272,700		$272,700
Manufacturing Real Estate			$0		$0
Frozen Overlap Value					$0
Current Year TID Value					$23,740,600
2014 TID Base Value					$8,302,800
TID Increment Value					$15,437,800

* Municipal Assessor's final values filed on 06/02/2025

** Amended Full Value based on information from Municipal Assessor

Changes in TID Equalized Values

2024 TID Value	2025 TID Value	Dollar Change	% Change
$24,774,200	$23,740,600	-$1,033,600	-4

Form PE-300	TID Annual Report	2025 WI Dept of Revenue

Section 1 – Municipality and TID					
Co-muni code	Municipality		County	Due date	Report type
67171	PEWAUKEE		WAUKESHA	07/01/2026	AMENDED
TID number	TID type	TID name	Creation date	Mandatory termination date	Anticipated termination date
003	2		03/02/2021	03/02/2049	N/A

Section 2 – Beginning Balance	Amount
TID fund balance at beginning of year	$140,428

Section 3 – Revenue	Amount
Tax increment	$254,180
Investment income	$2,778
Debt proceeds	$0
Special assessments	$0
Shared revenue	$0
Sale of property	$0
Allocation from another TID	
TID number	$0
Developer guarantees	
Developer name	$0
Transfer from other funds	
Source	$0
Grants	
Source	$0
Other revenue	
Source	$0
Total Revenue (deposits)	$256,958

Form PE-300	TID Annual Report	2025 WI Dept of Revenue

Section 4 – Expenditures		Amount
Capital expenditures		$0
Administration		$0
Professional services		$1,484
Interest and fiscal charges		$40,118
DOR fees		$150
Discount on long-term debt		$0
Debt issuance costs		$0
Principal on long-term debt		$0
Environmental costs		$0
Real property assembly costs		$0
Allocation to another TID		
TID number		$0
Developer grants		
Developer name	Cornerstone Development of SE WI LLC	$70,083
Transfer to other funds		
Fund		$0
Other expenditures		
Name		$0
Total Expenditures		**$111,835**

Section 5 – Ending Balance	Amount
TID fund balance at end of year	**$285,551**
Future costs	**$3,005,606**
Future revenue	**$9,628,658**
Surplus or deficit	**$6,908,603**

Form PE-300	TID Annual Report	2025 WI Dept of Revenue

Section 6 – TID New Construction

Current Year TID New Construction Values

TID	TID New Construction Increase	TID New Construction Decrease	Prior Year Correction	TID Net New Construction (NNC)
002	$45,900	$0	$0	$45,900
003	$3,858,600	$0	$95,000	$3,953,600
004	$9,381,000	$-8,500	$0	$9,372,500
Total	**$13,285,500**	**$-8,500**	**$95,000**	**$13,372,000**

Current Year Allowable Levy Increase Attributable to TID NNC

TID	TID Net New Construction	Prior Year Municipal Equalized Value	TID Net New Construction %	Prior Year Adjusted Actual Levy	Allowable Levy Increase Attributable to TID Net New Construction
002	$45,900	$1,395,317,700	0.00	$3,396,113	$0
003	$3,953,600	$1,395,317,700	0.28	$3,396,113	$9,509
004	$9,372,500	$1,395,317,700	0.67	$3,396,113	$22,754
Total	**$13,372,000**	**$1,395,317,700**	**0.95**	**$3,396,113**	**$32,263**

Current Year Actual TID NNC Impact to Municipal Levy

Levy Increase Attributable to TID Net New Construction	Increase per $100,000
$32,263	$0.32263

Historical Allowable Levy Increase Attributable to TID NNC

Year	TID	TID Net New Construction	Prior Year Municipal Equalized Value	TID Net New Construction %	Prior Year Adjusted Actual Levy	Allowable Levy Increase Attributable to TID Net New Construction
2024	002	$0	$1,361,836,700	0.00	$3,458,215	$0
2024	003	$8,498,000	$1,361,836,700	0.62	$3,458,215	$21,441
2024	004	$-36,000	$1,361,836,700	0.00	$3,458,215	$0
2024	**Total**	**$8,462,000**	**$1,361,836,700**	**0.62**	**$3,458,215**	**$21,441**
2023	002	$0	$1,177,242,600	0.00	$4,054,585	$0
2023	003	$5,905,100	$1,177,242,600	0.50	$4,054,585	$20,273
2023	004	$-264,400	$1,177,242,600	-0.02	$4,054,585	$-811
2023	**Total**	**$5,640,700**	**$1,177,242,600**	**0.48**	**$4,054,585**	**$19,462**

Form PE-300	TID Annual Report	2025 WI Dept of Revenue

Section 7 – Preparer/Contact Information

Preparer name **Matt Heiser**	Preparer title
Preparer email **villageadmin@villageofpewaukeewi.gov**	Preparer phone **(262) 691-5660**
Contact name **Matt Heiser**	Contact title **Village Administrator**
Contact email **villageadmin@villageofpewaukeewi.gov**	Contact phone **(262) 691-5660**

Village of Pewaukee
Tax Incremental District No. 3

Financial Statements and
Supplementary Information

December 31, 2025

Village of Pewaukee Tax Incremental District No. 3

Table of Contents
December 31, 2025

Accountants' Compilation Report

To the Village Board of
Village of Pewaukee

Management is responsible for the accompanying Balance Sheet, Historical Summary of Project Costs, Project Revenues and Net Cost to Be Recovered Through Tax Increments and Historical Summary of Sources, Uses and Status of Funds of the Village of Pewaukee's Tax Incremental District No. 3 (District) as of and for the year ended December 31, 2025 and from the date of creation through December 31, 2025, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

As discussed in Note 1, the financial statements present only the transactions of the District and do not purport to and do not, present fairly the financial position of the Village of Pewaukee as of December 31, 2025, the changes in its financial position or, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. This information is the representation of management. This information was subject to our compilation engagement; however, we have not audited or reviewed the information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusion about the District's financial position and changes in financial position. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Baker Tilly US, LLP

Madison, Wisconsin
June 11, 2026

Balance Sheet
December 31, 2025

	Capital Projects Fund
Assets	
Cash and investments	$ 285,551
Taxes receivable	298,061
Total assets	$ 583,612
Deferred Inflows of Resources and Fund Balance	
Deferred Inflows of Resources	
Unearned revenue	$ 298,061
Total deferred inflows of resources	298,061
Fund Balance	
Restricted	285,551
Total deferred inflows of resources and fund balance	$ 583,612

See notes to financial statements

Village of Pewaukee Tax Incremental District No. 3

Historical Summary of Project Costs, Project Revenues and
Net Cost to Be Recovered Through Tax Increments
Year Ended December 31, 2025 and From the Date of Creation Through December 31, 2025

	Year Ended	From the Date of Creation
Project Costs		
Capital expenditures	$ -	$ 1,887,947
Professional services, planning, engineering, other	1,634	42,486
Developer Incentives	70,083	100,000
Interest and fiscal charges on long-term debt	40,118	143,410
Debt issuance costs	-	105,551
Total project costs	111,835	2,279,394
Project Revenues		
Tax increments	254,180	348,887
Investment income	2,778	5,117
Sale of property	-	1,125,169
Premium on long-term debt	-	10,772
Total project revenues	256,958	1,489,945
Net cost recoverable (recovered) through tax increments, December 31, 2025	$ (145,123)	$ 789,449
Reconciliation of Recoverable Costs		
G.O. debt		$ 1,075,000
Less fund balance		(285,551)
Net cost recoverable (recovered) through tax increments, December 31, 2025		$ 789,449

See notes to financial statements

Village of Pewaukee Tax Incremental District No. 3

Historical Summary of Sources, Uses and Status of Funds
Year Ended December 31, 2025 and From the Date of Creation Through December 31, 2025

	Year Ended	From the Date of Creation
Sources of Funds		
Tax increments	$ 254,180	$ 348,887
Investment income	2,778	5,117
Sale of property	-	1,125,169
Premium on long-term debt	-	10,772
Long-term debt issued	-	3,205,000
Total sources of funds	256,958	4,694,945
Use of Funds		
Capital expenditures	-	1,887,947
Administration (in-house)	-	-
Professional services, planning, engineering, other	1,634	42,486
Developer incentives	70,083	100,000
Interest and fiscal charges on long-term debt	40,118	143,410
Debt issuance costs	-	105,551
Principal on long-term debt	-	2,130,000
Total uses of funds	111,835	4,409,394
Excess of sources of funds over (under) uses of funds	145,123	285,551
Fund Balance, Beginning	140,428	-
Fund Balance, Ending	$ 285,551	$ 285,551

See notes to financial statements

1. Summary of Significant Accounting Policies

The accounting policies of the Village of Pewaukee's Tax Incremental District No. 3 (the District) conform to accounting principles as applicable to governmental units and as defined by Wisconsin Statutes Section 66.1105.

The Village of Pewaukee (the Village) has implemented accounting principles generally accepted in the United States of America to the extent they apply in determining the scope of the activity of the District. The accompanying financial statements reflect all the significant operations of the District. The accompanying financial statements do not include the full presentation of the Village.

Description of Fund Structure and Long-Term Debt

This report contains the financial information of the District. The summary statements were prepared from data recorded in the following Village funds and the Village's long-term debt:

Tax Incremental District No. 3 - Capital Projects Fund

Detailed descriptions of the purpose of these funds and long-term debt can be found in the Village's basic financial statements.

The data was consolidated for purposes of this report. Therefore, the amounts shown in the accompanying statements will not directly correlate with amounts shown in the basic financial statements.

The District was created under the provisions of Wisconsin Statute Section 66.1105. The purpose of that section is to allow a municipality to recover development and improvement costs in a designated area from the property taxes generated on the increased value of the property after the creation date of the District. The tax on the increased value is called a tax increment.

The statutes allow the District to collect tax increments until the net project cost has been fully recovered, or until 27 years after the creation date, whichever occurs first. Project costs uncollected at the dissolution date are absorbed by the Village. Project costs may be incurred up to five years before the unextended termination date of the District.

Original Project Plan

	Creation Date	Last Date to Incur Project Costs	Last Year to Collect Increment
TID No. 3	January 1, 2021	March 2, 2043	2049

Basis of Accounting

The modified accrual basis of accounting was followed in the preparation of these statements. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Project costs, other than interest on long-term debt, are recorded when the related fund liability is incurred.

The District increments are recorded as revenues in the year due. Intergovernmental aids and grants are recognized as revenues in the period the related expenditures are incurred, if applicable, or when the District is entitled to the aids.

Other general revenues are recognized when received in cash or when measurable and available under the criteria described above.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Measurement Focus

The measurement focus of all governmental funds is the funds flow concept. Under the funds flow concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as unavailable or unearned revenue or as nonspendable fund equity. Liabilities for claims, judgments, compensated absences and pension contributions which will not be currently liquidated using expendable available financial resources are shown in the long-term debt footnote disclosure. The related expenditures are recognized when the liabilities are liquidated.

Project Plan Budget

The estimated revenues and expenditures of the District are adopted in the project plan. Those estimates are for the entire life of the District, and may not be comparable to interim results presented in this report.

Long-Term Debt

Short-term liabilities are recorded as fund liabilities. All other long-term liabilities are shown in the long-term debt footnote disclosure.

Proceeds of long-term debt issues not recorded as fund liabilities are reflected as "Sources of Funds" in the operating statement of the recipient fund. Retirement of these issues is reported as an expenditure in the year in which the debt matures or is repaid, whichever is earlier.

Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments is only reported in governmental funds if it has matured. Claims and judgments are disclosed in the long-term debt footnote when the related liabilities are incurred.

2. Cash and Temporary Investments

The District invests its funds in accordance with the provisions of the Wisconsin Statutes 66.0603(1m) and 67.11(2).

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income.

The District, as a fund of the Village, maintains separate and common cash and investment accounts at the same financial institutions utilized by the Village. Federal depository insurance and the State of Wisconsin Guarantee fund insurance apply to the Village as an individual municipality, and, accordingly, the amount of insured funds is not determinable for the District.

3. Long-Term Debt

General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the Village. Notes and bonds borrowed to finance the District's expenditures will be retired by tax increments accumulated by the capital projects funds. If those revenues are not sufficient, payments will be made by future tax levies.

Aggregate maturities of all long-term debt relating to the District are as follows:

Title of Issue	Date of Issue	Due Date	Interest Rate	Original Indebtedness	Repaid	Balance 12/31/2025
2021 Tax Anticipation Note	03/23/2021	07/01/2022	0.600 %	$ 2,130,000	$ 2,130,000	$ -
2022 G.O Refunding Bond	06/30/2022	06/01/2033	3.750-3.800	1,075,000	-	1,075,000
Total				$ 3,205,000	$ 2,130,000	$ 1,075,000

Aggregate maturities of all long-term debt relating to the District are as follows:

Calendar Year	Principal	Interest	Total
2026	$ 115,000	$ 37,962	$ 152,962
2027	120,000	33,556	153,556
2028	125,000	28,962	153,962
2029	130,000	24,180	154,180
2030	135,000	19,312	154,312
2031-2033	450,000	25,921	475,921
Total	$ 1,075,000	$ 169,893	$ 1,244,893

4. Development Agreement

The Village has entered into a development agreement with Cornerstone Development of Southeastern Wisconsin LLC. The agreement guarantees the developer will receive incentive payments if certain conditions are met. The incentive is calculated based on 80% of tax increment and the developer commitment includes completing the initial construction of the buildings set forth in the project plan, such that the assessed value of the constructed improvements will be not less than $7.2 million. Additionally, the developer shall complete construction of the improvements as part of the project plan such that the value of said improvements shall not be less than $16 million by January 1, 2025 and $23.69 million by January 1, 2026. The Village made a payment to the developer in 2025 of $70,083 for a cumulative amount paid to date of $100,000.

Village of Pewaukee Tax Incremental District No. 3

Detailed Schedule of Sources, Uses and Status of Funds
From the Date of Creation Through December 31, 2025

	2021	2022	2023	2024	2025	Total	Project Plan Estimate
Sources of Funds							
Tax increments	$ -	$ -	$ 14,483	$ 80,224	$ 254,180	$ 348,887	$ 9,973,631
Investment income	-	918	610	811	2,778	5,117	174,972
Sale of property	1,125,169	-	-	-	-	1,125,169	-
Premium on long-term debt	-	10,772	-	-	-	10,772	-
Long-term debt issued	2,130,000	1,075,000	-	-	-	3,205,000	4,175,000
Total sources of funds	3,255,169	1,086,690	15,093	81,035	256,958	4,694,945	14,323,603
Uses of Funds							
Capital expenditures	1,500,000	325,394	62,553	-	-	1,887,947	2,490,000
Administration (in-house)	-	-	-	-	-	-	143,558
Professional services, planning, engineering, other	30,504	6,438	1,200	2,710	1,634	42,486	-
Developer incentives	-	-	-	29,917	70,083	100,000	-
Interest and fiscal charges on long-term debt	-	16,259	46,915	40,118	40,118	143,410	499,672
Debt issuance costs	28,075	77,476	-	-	-	105,551	106,770
Principal on long-term debt	-	2,130,000	-	-	-	2,130,000	4,175,000
Total uses of funds	1,558,579	2,555,567	110,668	72,745	111,835	4,409,394	7,415,000
Fund Balance, December 31, 2025						$ 285,551	

Village of Pewaukee Tax Incremental District No. 3

Detailed Schedule of Capital Expenditures
From the Date of Creation Through December 31, 2025

	Actual	Project Plan Estimate
Capital expenditures:		
Purchase of St. Mary's Property	$ 1,500,000	$ 1,500,000
Offsite sanitary sewer line upsizing from 8" to 12"	385,600	405,000
Evergreen Lane watermain relay	2,347	285,000
Razing of school/gym, environmental remediation	-	200,000
Razing of rectory, environmental remediation	-	100,000
Total capital expenditures	$ 1,887,947	$ 2,490,000

TID #3 Project Expense Summary Projects	Project Allocation	Total Expended/Allocated	Balance
Improvement 1 - Purchase of Properties	$ 1,500,000.00	$ 1,500,000.00	$ -
Improvement 2 - Raze former School/remove parking lot - **FUTURE ALLOCATION - PAYGO**	$ 200,000.00	$ 55,915.48	$ 144,084.52
Improvement 3 - Sanitary Sewer Main upsizing	$ 500,000.00	$ 330,050.90	$ 169,949.10
Improvement 4 - Evergreen Lane Water Main Relay	$ 285,000.00	$ 13,142.72	$ 271,857.28
Improvement 5 - Raze former Rectory - **FUTURE ALLOCATION - PAYGO**	$ 100,000.00	$ 74,001.52	$ 25,998.48
Total TID Plan Project Costs	$ 2,585,000.00	$ 1,973,110.62	$ 611,889.38
Administrative/Legal/Audit Expenses		$ 11,982.00	

Year Ending 12/31/25

2025 Statement of Changes in TID Value
Wisconsin Department of Revenue
Equalization Bureau

County	67	Waukesha
Village	171	Pewaukee
TID #	003	TID Type - Blight post-95
School District	4312	Sch D of Pewaukee

Special District - 1	None
Special District - 2	None
Special District - 3	None
Union High	None

Current Year Value

	Assessed Value *	Ratio	DOR Full Value	Amended Full Value **	Final Full Value
Non-Manufacturing Real Estate	$23,867,800	91.94%	$25,960,200		$25,960,200
Manufacturing Real Estate			$0		$0
Prior Year Corrections:					
Non-Manufacturing Real Estate			$251,000		$251,000
Manufacturing Real Estate			$0		$0
Frozen Overlap Value					$0
Current Year TID Value					$26,211,200
2021 TID Base Value					$0
TID Increment Value					$26,211,200

* Municipal Assessor's final values filed on 06/02/2025

** Amended Full Value based on information from Municipal Assessor

Changes in TID Equalized Values

2024 TID Value	2025 TID Value	Dollar Change	% Change
$21,235,100	$26,211,200	$4,976,100	23

Form PE-300	TID Annual Report	2025 WI Dept of Revenue

Section 1 – Municipality and TID					
Co-muni code	Municipality		County	Due date	Report type
67171	**PEWAUKEE**		**WAUKESHA**	**07/01/2026**	**AMENDED**
TID number	TID type	TID name	Creation date	Mandatory termination date	Anticipated termination date
004	**2**	**RIVERSIDE PRESERVE**	**04/06/2022**	**04/06/2050**	**N/A**

Section 2 – Beginning Balance	Amount
TID fund balance at beginning of year	**$371,794**

Section 3 – Revenue	Amount
Tax increment	$0
Investment income	$0
Debt proceeds	$0
Special assessments	$0
Shared revenue	$0
Sale of property	$0
Allocation from another TID	
TID number	$0
Developer guarantees	
Developer name	$0
Transfer from other funds	
Source	$0
Grants	
Source	$0
Other revenue	
Source	$0
Total Revenue (deposits)	**$0**

Form PE-300	TID Annual Report	2025 WI Dept of Revenue

Section 4 – Expenditures	Amount
Capital expenditures	$0
Administration	$0
Professional services	$663
Interest and fiscal charges	$127,507
DOR fees	$150
Discount on long-term debt	$0
Debt issuance costs	$0
Principal on long-term debt	$0
Environmental costs	$0
Real property assembly costs	$0
Allocation to another TID	
TID number	$0
Developer grants	
Developer name RIVERSIDE 321 PARTNERS, LLC	$0
Transfer to other funds	
Fund	$0
Other expenditures	
Name	$0
Total Expenditures	**$128,320**

Section 5 – Ending Balance	Amount
TID fund balance at end of year	**$243,474**
Future costs	**$2,844,424**
Future revenue	**$6,638,012**
Surplus or deficit	**$4,037,062**

Section 6 – TID New Construction

Current Year TID New Construction Values				
TID	TID New Construction Increase	TID New Construction Decrease	Prior Year Correction	TID Net New Construction (NNC)
002	$45,900	$0	$0	$45,900
003	$3,858,600	$0	$95,000	$3,953,600
004	$9,381,000	$-8,500	$0	$9,372,500
Total	**$13,285,500**	**$-8,500**	**$95,000**	**$13,372,000**

Current Year Allowable Levy Increase Attributable to TID NNC					
TID	TID Net New Construction	Prior Year Municipal Equalized Value	TID Net New Construction %	Prior Year Adjusted Actual Levy	Allowable Levy Increase Attributable to TID Net New Construction
002	$45,900	$1,395,317,700	0.00	$3,396,113	$0
003	$3,953,600	$1,395,317,700	0.28	$3,396,113	$9,509
004	$9,372,500	$1,395,317,700	0.67	$3,396,113	$22,754
Total	**$13,372,000**	**$1,395,317,700**	**0.95**	**$3,396,113**	**$32,263**

Current Year Actual TID NNC Impact to Municipal Levy	
Levy Increase Attributable to TID Net New Construction	Increase per $100,000
$32,263	$0.32263

Historical Allowable Levy Increase Attributable to TID NNC						
Year	TID	TID Net New Construction	Prior Year Municipal Equalized Value	TID Net New Construction %	Prior Year Adjusted Actual Levy	Allowable Levy Increase Attributable to TID Net New Construction
2024	002	$0	$1,361,836,700	0.00	$3,458,215	$0
2024	003	$8,498,000	$1,361,836,700	0.62	$3,458,215	$21,441
2024	004	$-36,000	$1,361,836,700	0.00	$3,458,215	$0
2024	**Total**	**$8,462,000**	**$1,361,836,700**	**0.62**	**$3,458,215**	**$21,441**
2023	002	$0	$1,177,242,600	0.00	$4,054,585	$0
2023	003	$5,905,100	$1,177,242,600	0.50	$4,054,585	$20,273
2023	004	$-264,400	$1,177,242,600	-0.02	$4,054,585	$-811
2023	**Total**	**$5,640,700**	**$1,177,242,600**	**0.48**	**$4,054,585**	**$19,462**

Form PE-300	TID Annual Report	2025 WI Dept of Revenue

Section 7 – Preparer/Contact Information

Preparer name **Matt Heiser**	Preparer title
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Contact name **Matt Heiser**	Contact title **Village Administrator**
Contact email **villageadmin@villageofpewaukeewi.gov**	Contact phone **(262) 691-5660**

Village of Pewaukee
Tax Incremental District No. 4

Financial Statements and
Supplementary Information

December 31, 2025

Village of Pewaukee Tax Incremental District No. 4

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December 31, 2025

Accountants' Compilation Report

To the Village Board of
Village of Pewaukee

Management is responsible for the accompanying Balance Sheet, Historical Summary of Project Costs, Project Revenues and Net Cost to Be Recovered Through Tax Increments and Historical Summary of Sources, Uses and Status of Funds of the Village of Pewaukee's Tax Incremental District No. 4 (District) as of and for the year ended December 31, 2025 and from the date of creation through December 31, 2025, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

As discussed in Note 1, the financial statements present only the transactions of the District and do not purport to and do not, present fairly the financial position of the Village of Pewaukee as of December 31, 2025, the changes in its financial position or, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. This information is the representation of management. This information was subject to our compilation engagement; however, we have not audited or reviewed the information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusion about the District's financial position and changes in financial position. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Baker Tilly US, LLP

Madison, Wisconsin
June 11, 2026

Village of Pewaukee Tax Incremental District No. 4

Balance Sheet
December 31, 2025

	Capital Projects Fund
Assets	
Cash and investments	$ 243,474
Taxes receivable	102,293
Total assets	$ 345,767
Deferred Inflows of Resources and Fund Balance	
Deferred Inflows of Resources	
Unearned revenue	$ 102,293
Total deferred inflows of resources	102,293
Fund Balance	
Restricted	243,474
Total fund balance	$ 345,767

See notes to financial statements

Village of Pewaukee Tax Incremental District No. 4

Historical Summary of Project Costs, Project Revenues and
Net Cost to Be Recovered Through Tax Increments
Year Ended December 31, 2025 and From the Date of Creation Through December 31, 2025

	Year Ended	From the Date of Creation
Project Costs		
Capital expenditures	$ -	$ 1,942,950
Professional services, planning, engineering, other	813	1,163
Interest and fiscal charges on long-term debt	127,507	217,413
Total project costs	128,320	2,161,526
Project Revenues	-	-
Total project revenues	-	-
Net cost recoverable (recovered) through tax increments, December 31, 2025	$ 128,320	$ 2,161,526
Reconciliation of Recoverable Costs		
G.O. debt		$ 2,405,000
Less fund balance		(243,474)
Net cost recoverable (recovered) through tax increments, December 31, 2025		$ 2,161,526

See notes to financial statements

Village of Pewaukee Tax Incremental District No. 4

Historical Summary of Sources, Uses and Status of Funds
Year Ended December 31, 2025 and From the Date of Creation Through December 31, 2025

	Year Ended	From the Date of Creation
Sources of Funds		
Long-term debt issued	$ -	$ 2,405,000
Total sources of funds	-	2,405,000
Use of Funds		
Capital expenditures	-	1,942,950
Professional services, planning, engineering, other	813	1,163
Interest and fiscal charges on long-term debt	127,507	217,413
Total uses of funds	128,320	2,161,526
Excess of sources of funds over (under) uses of funds	(128,320)	243,474
Fund Balance, Beginning	371,794	-
Fund Balance, Ending	$ 243,474	$ 243,474

See notes to financial statements

1. Summary of Significant Accounting Policies

The accounting policies of the Village of Pewaukee's Tax Incremental District No. 4 (the District) conform to accounting principles as applicable to governmental units and as defined by Wisconsin Statutes Section 66.1105.

The Village of Pewaukee (the Village) has implemented accounting principles generally accepted in the United States of America to the extent they apply in determining the scope of the activity of the District. The accompanying financial statements reflect all the significant operations of the District. The accompanying financial statements do not include the full presentation of the Village.

Description of Fund Structure and Long-Term Debt

This report contains the financial information of the District. The summary statements were prepared from data recorded in the following Village funds and the Village's long-term debt:

Tax Incremental District No. 4 - Capital Projects Fund

Detailed descriptions of the purpose of these funds and long-term debt can be found in the Village's basic financial statements.

The data was consolidated for purposes of this report. Therefore, the amounts shown in the accompanying statements will not directly correlate with amounts shown in the basic financial statements.

The District was created under the provisions of Wisconsin Statute Section 66.1105. The purpose of that section is to allow a municipality to recover development and improvement costs in a designated area from the property taxes generated on the increased value of the property after the creation date of the District. The tax on the increased value is called a tax increment.

The statutes allow the District to collect tax increments until the net project cost has been fully recovered, or until 27 years after the creation date, whichever occurs first. Project costs uncollected at the dissolution date are absorbed by the Village. Project costs may be incurred up to five years before the unextended termination date of the District.

Original Project Plan

	Creation Date	Last Date to Incur Project Costs	Last Year to Collect Increment
TID No. 4	January 1, 2022	April 6, 2045	2050

Basis of Accounting

The modified accrual basis of accounting was followed in the preparation of these statements. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Project costs, other than interest on long-term debt, are recorded when the related fund liability is incurred.

The District increments are recorded as revenues in the year due. Intergovernmental aids and grants are recognized as revenues in the period the related expenditures are incurred, if applicable, or when the District is entitled to the aids.

Other general revenues are recognized when received in cash or when measurable and available under the criteria described above.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Measurement Focus

The measurement focus of all governmental funds is the funds flow concept. Under the funds flow concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as unavailable or unearned revenue or as nonspendable fund equity. Liabilities for claims, judgments, compensated absences and pension contributions which will not be currently liquidated using expendable available financial resources are shown in the long-term debt footnote disclosure. The related expenditures are recognized when the liabilities are liquidated.

Project Plan Budget

The estimated revenues and expenditures of the District are adopted in the project plan. Those estimates are for the entire life of the District, and may not be comparable to interim results presented in this report.

Long-Term Debt

Short-term liabilities are recorded as fund liabilities. All other long-term liabilities are shown in the long-term debt footnote disclosure.

Proceeds of long-term debt issues not recorded as fund liabilities are reflected as "Sources of Funds" in the operating statement of the recipient fund. Retirement of these issues is reported as an expenditure in the year in which the debt matures or is repaid, whichever is earlier.

Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments is only reported in governmental funds if it has matured. Claims and judgments are disclosed in the long-term debt footnote when the related liabilities are incurred.

2. Cash and Temporary Investments

The District invests its funds in accordance with the provisions of the Wisconsin Statutes 66.0603(1m) and 67.11(2).

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income.

The District, as a fund of the Village, maintains separate and common cash and investment accounts at the same financial institutions utilized by the Village. Federal depository insurance and the State of Wisconsin Guarantee fund insurance apply to the Village as an individual municipality, and, accordingly, the amount of insured funds is not determinable for the District.

3. Long-Term Debt

General Obligation Debt

All general obligation notes payable are backed by the full faith and credit of the Village. Notes borrowed to finance the District's expenditures will be retired by tax increments accumulated by the capital projects funds. If those revenues are not sufficient, payments will be made by future tax levies.

Aggregate maturities of all long-term debt relating to the District are as follows:

Title of Issue	Date of Issue	Due Date	Interest Rate	Original Indebtedness	Repaid	Balance 12/31/2025
2025 Taxable G.O Promissory Note	08/12/2025	03/01/2044	4.95-5.15 %	$ 2,405,000	$ -	$ 2,405,000
Total				$ 2,405,000	$ -	$ 2,405,000

Aggregate maturities of all long-term debt relating to the District are as follows:

Calendar Year	Principal	Interest	Total
2026	$ -	$ 121,115	$ 121,115
2027	-	121,115	121,115
2028	-	121,115	121,115
2029	100,000	118,615	218,615
2030	105,000	113,490	218,490
2031-2035	615,000	480,734	1,095,734
2036-2040	790,000	306,239	1,096,239
2041-2044	795,000	84,400	879,400
Total	$ 2,405,000	$ 1,466,823	$ 3,871,823

4. Development Agreement

The Village has entered into a development agreement with Riverside 321 Partners LLC. The agreement guarantees the developer will receive incentive payments if certain conditions are met. The Village shall make payment to developer as subject by a disbursement schedule within 20 days of the Village's receipt of that pay of a cumulative amount of $1,942,950. The Village made these developer payments during 2024 and was presented as part of capital expenditures.

Village of Pewaukee Tax Incremental District No. 4

Detailed Schedule of Sources, Uses and Status of Funds
From the Date of Creation Through December 31, 2025

	2024	2025	Total	Project Plan Estimate
Sources of Funds				
Tax increments	$ -	$ -	$ -	$ 6,708,835
Investment income	-	-	-	59,177
Long-term debt issued	2,405,000	-	2,405,000	2,275,000
Total sources of funds	2,405,000	-	2,405,000	9,043,012
Uses of Funds				
Capital expenditures	1,942,950	-	1,942,950	1,942,950
Professional services, planning, engineering, other	350	813	1,163	356,014
Interest and fiscal charges on long-term debt	89,906	127,507	217,413	431,986
Principal on long-term debt	-	-	-	2,275,000
Total uses of funds	2,033,206	128,320	2,161,526	5,005,950
Fund Balance, December 31, 2025			$ 243,474	

Village of Pewaukee Tax Incremental District No. 4

Detailed Schedule of Capital Expenditures
From the Date of Creation Through December 31, 2025

	Actual	Project Plan Estimate
Capital expenditures:		
Demolition/on-site recycling of existing building	$ 795,000	$ 795,000
Environmental remediation/asbestos abatement	167,950	167,950
Demolition, dewatering allowance	60,000	60,000
Site/demolition fill allowance	200,000	200,000
Site earthwork/stabilization of wet soils allowance	120,000	120,000
Structural fill import allowance	600,000	600,000
Total capital expenditures	$ 1,942,950	$ 1,942,950

TID #4 Riverside Preserve Project Expense Summary		
Projects	**Project Allocation**	
Improvement 1 - Demolition of Existing Building	$	795,000.00
Improvement 2 - Environmental Remediation/Asbestos Abatement	$	167,950.00
Improvement 3 - Demolition/Dewatering Allowance	$	60,000.00
Improvement 4 - Site work - Demolition/Fill Allowance	$	200,000.00
Improvement 5 - Site Work - Stabilization of Wet Soils Allowance	$	120,000.00
Improvement 6 - Structural Fill Import Allowance	$	600,000.00
Total TID Plan Project Costs	$	1,942,950.00

Administrative/Legal/Audit Expenses

Year Ending 12/31/25

Total Expended	Balance
$ 795,000.00	$ -
$ 167,950.00	$ -
$ 60,000.00	$ -
$ 200,000.00	$ -
$ 120,000.00	$ -
$ 600,000.00	$ -
$ 1,942,950.00	$ -
$ 1,163.00	

2025 Statement of Changes in TID Value
Wisconsin Department of Revenue
Equalization Bureau

County	67	Waukesha
Village	171	Pewaukee
TID #	004	TID Type - Blight post-95
School District	4312	Sch D of Pewaukee

Special District - 1	None
Special District - 2	None
Special District - 3	None
Union High	None

Current Year Value

	Assessed Value *	Ratio	DOR Full Value	Amended Full Value **	Final Full Value
Non-Manufacturing Real Estate	$8,940,100	91.94%	$9,723,800		$9,723,800
Manufacturing Real Estate			$0		$0
Prior Year Corrections:					
Non-Manufacturing Real Estate			$5,400		$5,400
Manufacturing Real Estate			$0		$0
Frozen Overlap Value					$0
Current Year TID Value					$9,729,200
2022 TID Base Value					$733,700
TID Increment Value					$8,995,500

* Municipal Assessor's final values filed on 06/02/2025

** Amended Full Value based on information from Municipal Assessor

Changes in TID Equalized Values

2024 TID Value	2025 TID Value	Dollar Change	% Change
$496,900	$9,729,200	$9,232,300	1,858