

Wednesday, January 7, 2026
5:00 p.m.

Tomahawk City Hall
23 N 2nd Street, Tomahawk, WI

**COMMITTEE
MEMBERS**

MICKEY LOKA
DISTRICT 1
CHAIRPERSON

PAT HASKIN
DISTRICT 1

JEFF KAHLE
DISTRICT 2

DALE ERNST
DISTRICT 2

STEVE "DING" BARTZ
DISTRICT 3

The Committee meeting will be held both in person and virtually. If you are attending remotely, you can do so by either of the following ways:

US Toll Free:
1-888-475-4499
Access Code:
903 385 0484
Passcode: 54487

-OR-

Via a smart device or computer:
www.zoom.com

AGENDA

- A. **Call to Order**
- B. **Public Comments** – During this item on the agenda the Committee listens to oral comments from members of the public on non-agenda items. When speaking please state your name and limit your time to five minutes.
- C. **Other Business**
 - 1. Review Levy Limit Referendum Materials and % of Increase and Cost to Taxpayers
 - 2. Proposed Resolution for Exceeding the State Imposed Levy Limit
- D. **Set Time and Date of Next Meeting(s)**
 - 1. January 27, 2026 at 5:15 p.m. – Regular Meeting
- E. **Meeting Adjournment**

Any additions to this agenda will be added to the original posted at City Hall. Any person who has a qualifying disability as defined by the Americans with Disabilities Act, that requires the meeting or materials at the meeting to be in an accessible location or format must contact the Clerk-Treasurer at City Hall, 453-4040, at least three days prior to the meeting so any necessary arrangements can be made to accommodate each request.

2025 (Payable 2026)

Assessed						
Value of the		2025				
City	371,053,000	Adjusted Levy	1,383,802			

Increase to				Per	Average
Levy	% of Increase	Mill Rate	Per \$1,000	\$100,000	\$177,173
69,190	5%	0.00018647	0.19	18.65	33.04
138,380	10%	0.000372939	0.37	37.29	66.07
207,570	15%	0.000559409	0.56	55.94	99.11
276,760	20%	0.000745878	0.75	74.59	132.15
345,951	25%	0.000932348	0.93	93.23	165.19

OPERATIONAL REFERENDUM



What will appear on the ballot?

The formal resolution requisition permission to exceed the state revenue limit will appear as follows on April 7, 2026 Ballot:

Under state law, the increase in the levy of the City of Tomahawk for the tax to be imposed for the next fiscal year, 2027, is limited to _____% which results in a levy of \$_____. Shall the City of Tomahawk be allowed to exceed this limit and increase the levy for the next fiscal year, 2027, for the purpose of funding the ongoing operations and services of the City, by a total of _____%, which results in a levy of \$_____ and on an ongoing basis, including the increase of \$_____ for each fiscal year going forward?

Why is the City asking for this increase now?

Our current funding mechanisms are insufficient to maintain the existing quality of services with operational cost increases beyond the City's Control, such as inflation. While our departments have risen to meet the needs of our community by working smarter, creating efficiencies, and prioritizing types of services we can provide, it has become increasingly difficult to provide services as expected, and a new funding solution is needed. The referendum will help sustain and improve the quality of life here in the City for the next several years.

Why do we need a referendum to raise property tax limits?

The State of Wisconsin limits the amount of property taxes a city can collect each year. In order to exceed the limit, the city needs voter approval through a city-wide referendum.

I've heard a lot about municipal referendums recently. Why is this a topic in the news?

The situation we are facing in the City of Tomahawk is not unique. Across the State, the needs of municipalities have grown, and it is becoming increasingly difficult to provide and maintain the level of service that the community has come to expect with the current funding available from the State.

How many referendums in 2025?

Why is the City asking for an additional \$_____ when the City continues to reconstruct roads, purchase police, fire, and street equipment, and construct new park facilities?

The City is able to leverage low interest loans for these types of projects making the City's annual "mortgage" payment lower and affordable for our residents. These loans are paid through the debt service portion of the property tax levy.

Unlike payments for debt service, the property tax levy for ongoing operational expenses are subject to levy limits that can only be exceeded through approval by referendum. These operational expenses include the day-to-day expenses that are required to ensure service to the community, including facility costs, facility expenses – such as fuel and utilities, personnel cost, personnel costs, liability, property, and worker's compensation insurance, and many others.

Since 2016, inflation has increased by nearly 35%, while the City's tax levy, because of state-imposed limits, only increased 11.62%.

What is the difference between the City's Operational Budget and the Capital Budget?

The City's Annual Budget is made up of two components: the Operating Budget and the Capital Budget.

The Capital Budget funds major improvements to City facilities and infrastructure. The Capital Budget is supported through multiple funding sources, including different types of bonds (i.e. borrowing, debt), grants, and cash as well as other smaller sources of funding. Capital Budgets are not restricted by the state's levy limits and are funded through the debt levy portion of the City's property tax.

The Operating Budget pays for expenses such as personnel costs, facility operating costs and other expenses that fund City services. It is funded primarily through local property taxes, shared revenue from the State, licenses, such as building and other fees, charges for services, fines, and other

smaller sources of revenue. Increases to the property tax levy for the Operating Budget are limited to the City's annual percentage of net new construction by Wisconsin State Statutes and can otherwise only be increased through a referendum.

How much has the City received in shared revenue from Act 12?

While increases in shared revenue from the State of Wisconsin have provided a much-needed boost in municipal funds, it is not enough to offset the decades of underfunding and rising costs. The City received an additional \$125,441 in 2025, which has been used to fund general City operating expenses. This amount, while helpful, has not come close to covering the funding gap across all services from the last decade of levy limits.

Why is the increase in the State's shared revenue not the solution?

The City received an additional \$124,441 in shared revenue in 2024 – 3.5% of the overall operating budget – which has been used to fund general City operational expenses.

This amount, while helpful, has not come close to covering the gap across all services from the last decade of levy limits, given the way costs for goods and services are also increasing.

Is the referendum a result of previous City mismanagement of funds?

No. The City's budget has been well-managed for years, within the constraints provided by State law. We knew that, eventually, additional funding would be necessary because of those constraints, but the need has been accelerated in recent years as the impact of inflation on all our costs has been greater than in the past.

The City is facing operational cost increases just like the average resident, with fuel, utilities, and insurance increasing year after year. In the past decade, inflation has increased 34.99% over the last decade (approximately 3.39% annually) while the City's operation levy has increased \$166,031 over the same time period. Over that same time frame, the

City's share of property taxes on a \$200,000 home has only gone up 4.17%, well below the rate of inflation.

My property taxes have increased in the past without a referendum, why is that?

The property tax collected by the City of Tomahawk includes funds from other taxing jurisdictions, including the school district and Lincoln County. The City specific property taxes are a result of the operational levy and debt levy. The operational levy can only be increased by "net new construction" in the city due to limits imposed by the State of Wisconsin.

To increase the operational levy beyond that amount requires approval from voters in a referendum. The levy also includes funds required to

Resolution for Exceeding the State Imposed Levy Limit

Whereas, the State of Wisconsin has imposed limits on town, village, city and county property tax levies under Wis. Stat. sec. 66.0602; and

Whereas, Wis. Stat. sec. 66.0602 limits the increase in 2026 to the local property tax levy to no more than the greater of (a) 0% of last year's actual levy or (b) a percentage equal to the percentage change in equalized value due to new construction less improvements removed; which for the City of Tomahawk is estimated to be 2.079 percent; and

Whereas, the Common Council of the City of Tomahawk, Lincoln County believes it is in the City's best interest to exceed the state levy limit as described above by a greater percentage than 2.079 for the purpose of funding the ongoing operations and services of the City, and to manage budget shortfalls from inflation; and

Whereas, the City of Tomahawk's adjusted actual levy in 2025 (collectable in 2026) was \$1,396,433; and state law would limit the increase to \$29,032 for a total allowable 2026 (collected in 2027) City tax levy of \$1,424,724.

Now, Therefore the Common Council of the City of Tomahawk, Lincoln County does hereby resolve and order as follows:

The Common Council hereby supports an increase in the City's tax levy for 2026 (to be collected in 2027) to exceed the state levy limit. The Common Council intends that the levy increase be applied on an ongoing basis for each fiscal year going forward. The purpose for the increased levy will be for funding the ongoing operations and services of the City and to manage budget shortfalls from inflation.

The Common Council directs that the following question be submitted to the electors in a referendum at the Spring Election to be held on April 7, 2026: "Under state law, the increase in the levy of the City for the tax to be imposed for the next fiscal year, 2026, is limited to 2.079%, which results in a levy of \$1,424,724. Shall the City of Tomahawk be allowed to exceed this limit and increase the levy for the next fiscal year, 2026, for the purpose of funding the ongoing operations and services of the City, and to manage budget shortfalls due to inflation, by a total of _____%, which results in a levy of _____, and include the increase of _____ for each fiscal year going forward?"

ADOPTED on this _____ day of _____, 20_____.

Moved: _____

Mayor Steven E. Taskay

Seconded: _____

Passed: _____

Clerk/Treasurer Amanda L. Bartz