

2026 Proposed Budget

Presentation to the Committee of the Whole



November 10, 2025

Considerations for this budget

- Expenditure Restraint and Levy Limit Restrictions
- New Positions from the People and Operational Plan
- City Wide Revaluation, Property Values and Changing Equalized value
- A look back when local services didn't rely so much on the City
- Explaining the tax bill this year, not a straight percentage across the board

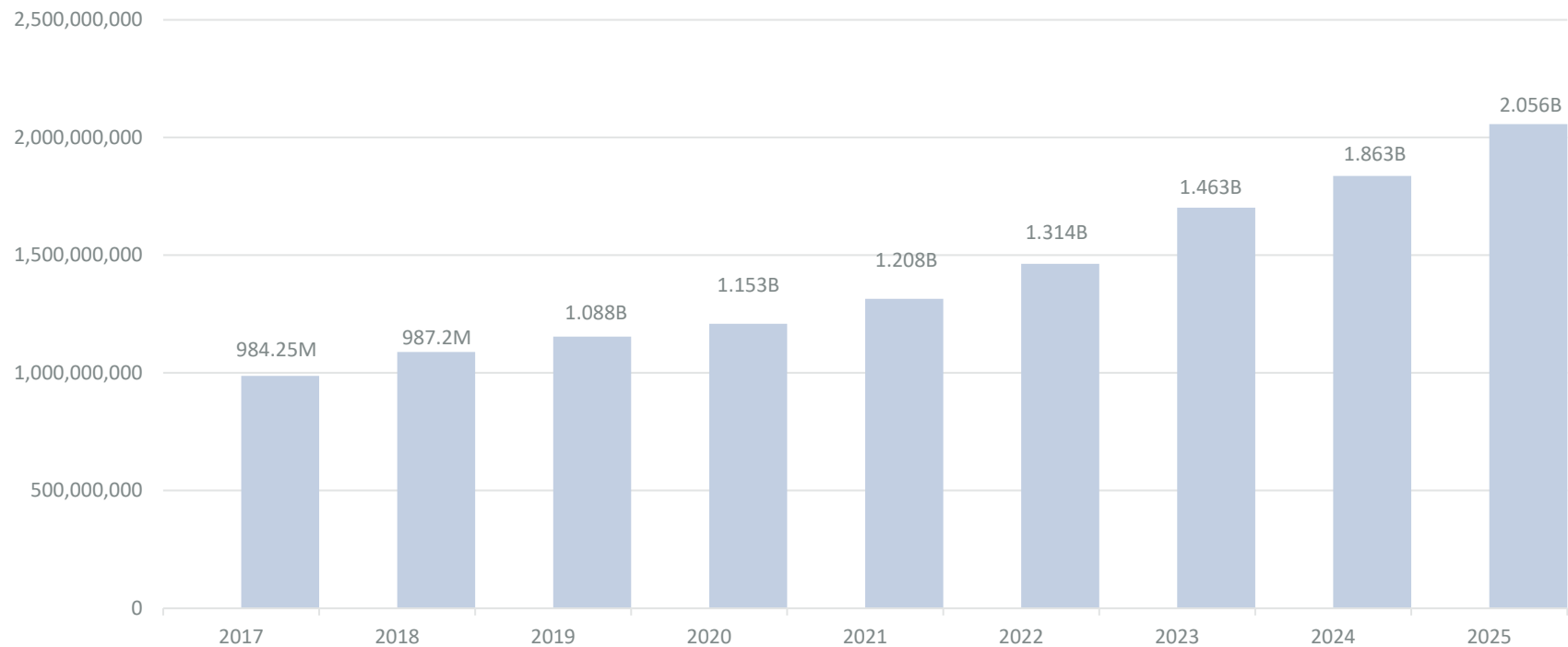


Property Values

What's Going on with Property Values

- Continue to have a healthy growth in citywide values
 - Equalized value increased 11.99%
- Citywide Revaluation
 - Assessed Value Increased 44.29%
- Personal Property No longer being taxed
- Net new construction of 4.23%
- Total Assessment Ratio is 98.8%

Equalized Value Comparison



Equalized Values

- Equalized value changes have been steadily increasing over the past several years.
- Second Largest increase since the 70's when it was a 16.3% increase
- Significant increases such as this have an immediate impact on assessment compliance under state law (sec. 70.05(5), Wis. Stats.)

Equated Assessed Values by Class

	JANUARY 1, 2024	JANUARY 1, 2025	INCREASE / (DECREASE)	%
REAL ESTATE				
Residential	1,101,274,500	1,622,306,400	521,031,900	47.31%
Commercial	207,726,300	270,926,400	63,200,100	30.42%
Manufacturing	99,704,300	139,398,800	39,694,500	39.81%
Agricultural	52,300	72,100	19,800	37.86%
Undeveloped	4,600	7,000	2,400	52.17%
Other	0	0	0	-
TOTAL REAL ESTATE	1,408,762,000	2,032,710,700	623,926,500	44.29%
PERSONAL PROPERTY				
Machinery, Tools & Patterns	0	0	0	0.00%
Furniture, Fixtures & Equipment	0	0	0	0.00%
All Other Personal Property	0	0	0	0.00%
TOTAL PERSONAL PROPERTY	0	0	0	0.00%
TOTAL ASSESSED VALUATION	1,408,762,000	2,032,710,700	623,926,500	44.29%

Major Class Comparison

- Estimated total Ratio is 98.9%
- City can be less than +/- 10% of full value for up to 5 years
- If City is more than +/- 10% for more than 5 years and does not perform a revaluation, then the DOR issues an order for a supervised assessment

Year	Property Class	Municipal Assessed Value	DOR Base Value	% of DOR Base Value	Ratio (%)	Major Class Municipal Compliance Status
2025	Residential	1,622,306,400	1,642,729,700	85.76	98.76	YES
	Commercial	270,926,400	272,509,200	14.23	99.42	YES
	Agricultural	73,700	73,600	0.00	100.14	
	Sum Of 5, 5M, 6, 7	77,500	111,200	0.01	69.69	
	Total	1,893,384,000	1,915,423,700	100.00	98.85	YES

Year	Res	Comm	Total
2025	98.76	99.42	98.85
2024	74.66	89.86	76.7
2023	81.65	88.44	82.74
2022	93.24	98.14	94.05
2021	104.3	100.18	103.56
2020	83.81	97.44	86.25
2019	84.52	100.56	87.32
2018	89.76	100.21	91.68
2017	94.76	102.33	96.13

Ratio's Over the Years

- Prior to 2021, the last Citywide Revaluation was done in 2009
 - Fell out of compliance in 2019
- Did a Citywide Revaluation in 2021
 - Fell Out of compliance two years later
- Did a Citywide Revaluation in 2025
 - How long will we stay in compliance?



Revenue and Expenses

Overview of Revenue and Expense

2025 Budget	2026 Budget	\$ Difference	% Difference
19,756,868	20,706,263	949,395	4.8%

With a balanced budget, both the revenues and expenses are increasing by 4.8% or about \$949k.



Revenue

Revenue Type



Revenue Source	2026 Budget	% of Total
Total Taxes	\$10,875,590	52.5%
Total Intergovernmental	\$5,682,917	27.4%
Total Regulation & Compliance	\$673,600	3.3%
Total Charges For Service	\$1,602,249	7.7%
Total Use of Money & Property	\$514,600	2.5%
Total Miscellaneous and Operating Transfers	\$1,357,307	6.6%
Total	\$20,706,263	100%

Taxes

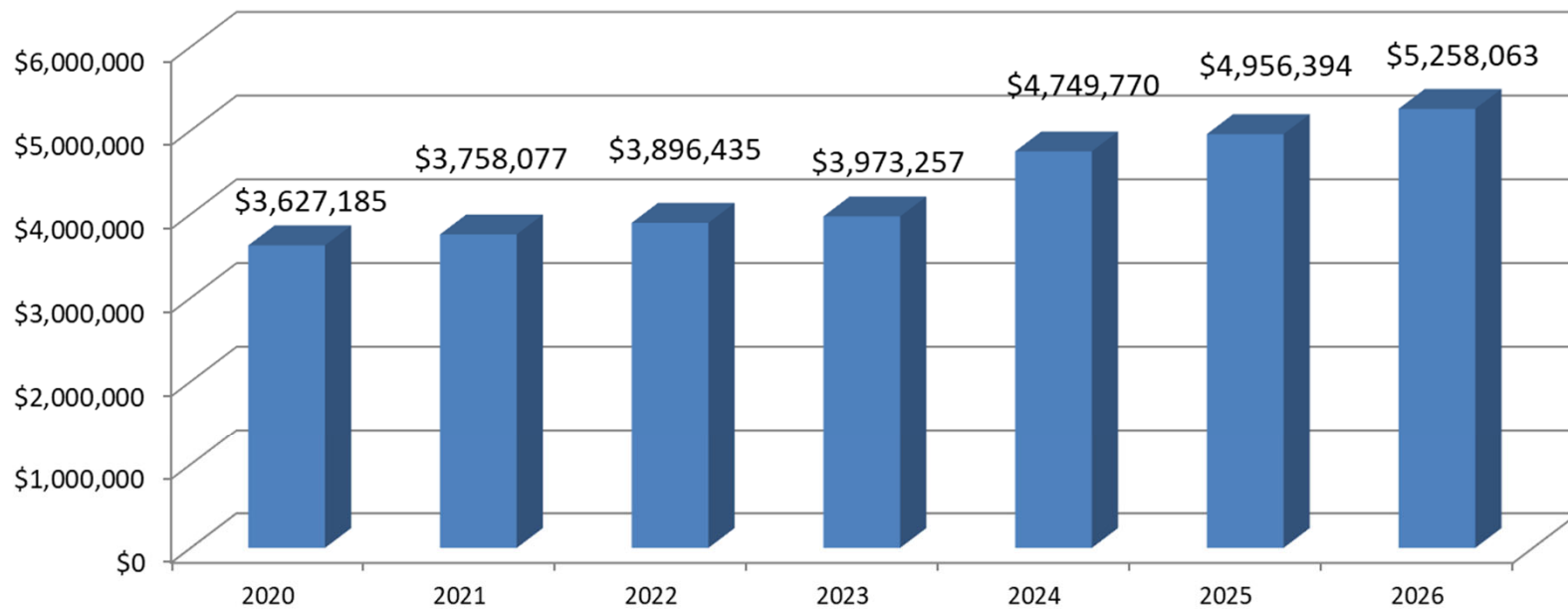
Tax Type	% of Total Revenue
Property Taxes - General	40.9%
In Lieu of Taxes - Utilities	9.7%
In Lieu of Taxes - Round House	0.1%
In Lieu of Taxes - Housing Authority	0.1%
In Lieu of Taxes - Local 400	0.0%
In Lieu of Taxes - WPPI	0.5%
County Sales Tax	1.1%



Intergovernmental

- These funds come from state shared revenue, transportation aids, and other state/federal programs.
- They help offset local costs for mandated services, infrastructure, and special programs.
- Notably, state aids have increased modestly but remain sensitive to legislative changes.

State Financial Aid - General Fund
Shared Revenue, Highway Aid, Expenditure Restraint,
Computer Aid, Fire Insurance Dues, Personal Property Aid





Charges for Services

- Fees for services such as ambulance, recreation, aquatics, and refuse collection.
- These revenues reflect the city's commitment to balancing general tax support with user contributions for specific benefits.
- This budget does consider a few new fees and updated ones

Charges for Services Types



Ground Emergency Medical Transportation (GEMT)

- Aims to ensure that EMS providers receive adequate reimbursement for their services.
- Particularly for transporting Medicaid members



Ambulance Service Coverage Agreement

- Town of Vandebroek
- Town of Holland



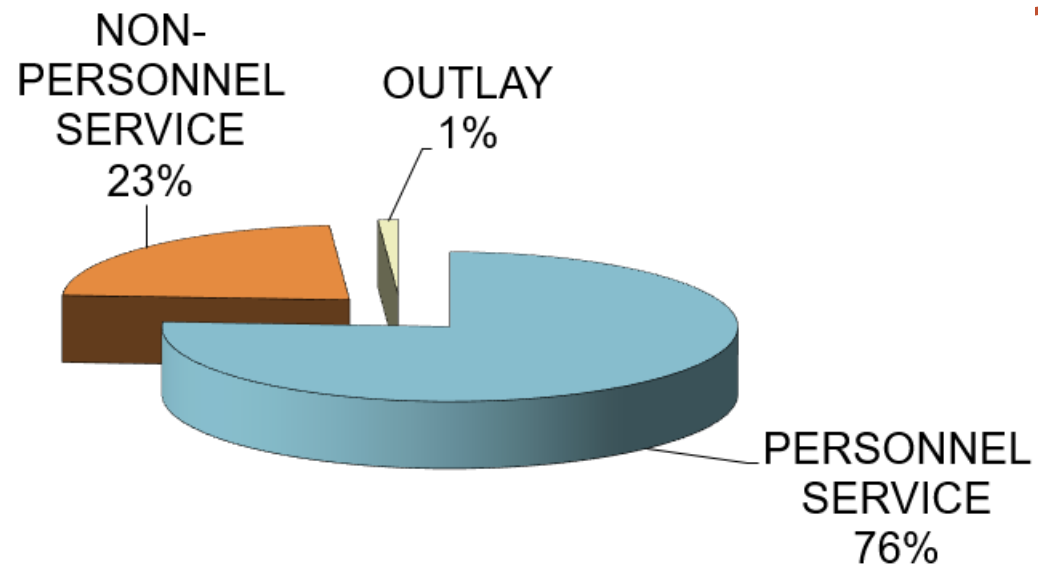
Recreation Fees Adjustment

- CPR Training
- Various Programs

Revenue Increase/(Decrease)

DESCRIPTION	Diff
Property Taxes - General	374,982
Ambulance Fees - EMS Coverage Contracts	191,509
State General Transportation Aid	189,928
Ambulance Fees - GEMT Aid	100,000
State Shared Revenue	90,705
Community Enrichment Event Fees	47,900
Swimming Pool Fees	28,900
Building Permits	25,000
Right of Way Permits	15,000
1000 Island Donations	15,000
County Library Aid	14,147
State Expenditure Restraint	10,746
Fire Insurance Dues - Covered Services	10,000
Grignon Mansion Donations & Contributions	(5,000)
Snow Removal - Covered Services	(10,000)
1000 Island Grant Contribution	(25,000)
In Lieu of Taxes - Utilities	(148,519)

General Fund Expenditures by Type





Personnel Expenses

Personnel Expenses

Expense Category	2025 BUDGET	2026 BUDGET	\$ Diff	% Diff
Total Personnel	\$14,940,275	\$15,736,245	\$795,970	5.3%

Personnel Expenditure Types



SALARY AND WAGES



BENEFITS



Salary and Wages

CITY OF KAUKAUNA

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Salary and Wages Categories

Type	2025	2026	\$ Diff	% Diff
Holiday Pay	\$217,281	\$242,170	\$24,889	11.5%
Regular Payroll	\$8,824,937	\$9,434,992	\$610,055	6.9%
Temporary Payroll	\$509,434	\$479,755	(\$29,679)	-5.8%
Overtime Pay	\$245,000	\$245,000	\$0	0.0%
Shift Premium Pay	\$700	\$700	\$0	0.0%
Job Class Premium Pay	\$7,485	\$8,400	\$915	12.2%
Merit Incentives	\$16,000	\$0	(\$16,000)	-100.0%
Total Salary & Wages	\$9,820,836	\$10,411,017	\$590,181	6.0%

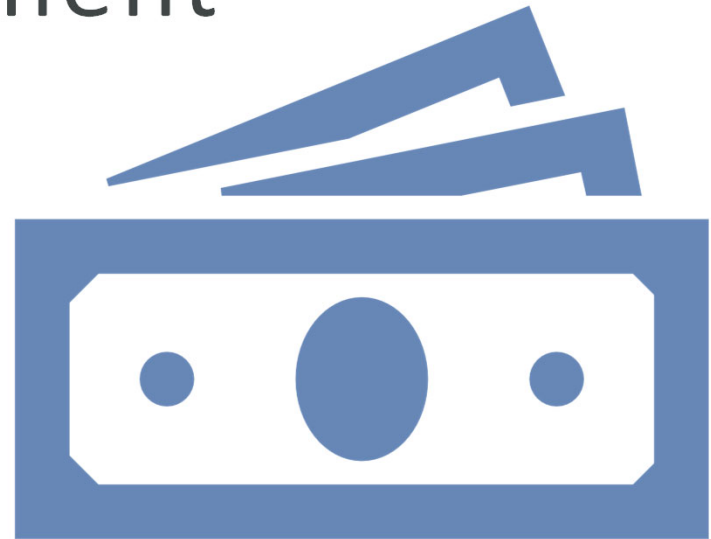
Regular Payroll

- New/Reclassified Positions
 - Human Resource Coordinator
 - Account Specialist AR moving to FT
 - Assistant Library Director
 - Parks Foreman
 - Part-time Fire Inspector
- Wage Scale Adjustment 3.5%
- Adjusted Pay Schedule to be consistent from step to step at 2.25%
- Recreation & Pool Changes



Wage Scale Adjustment

- Overall Wage Scale proposed adjustment is at 3.5%
- Adjusting the pay scale step to step consistent at 2.25%
- Average increase for employees will be 2.8% - 3.5%



Recreation & Pool Changes



Dance is now included in Youth Sports rather than own department



Job titles are consolidated



Wage adjustments for season not mirroring the regular staff scale adjustment



Holiday Pay

Holiday Pay is for both Fire
and Police Union
Members

Fire Department +\$18,506

- Police Department +\$6,383

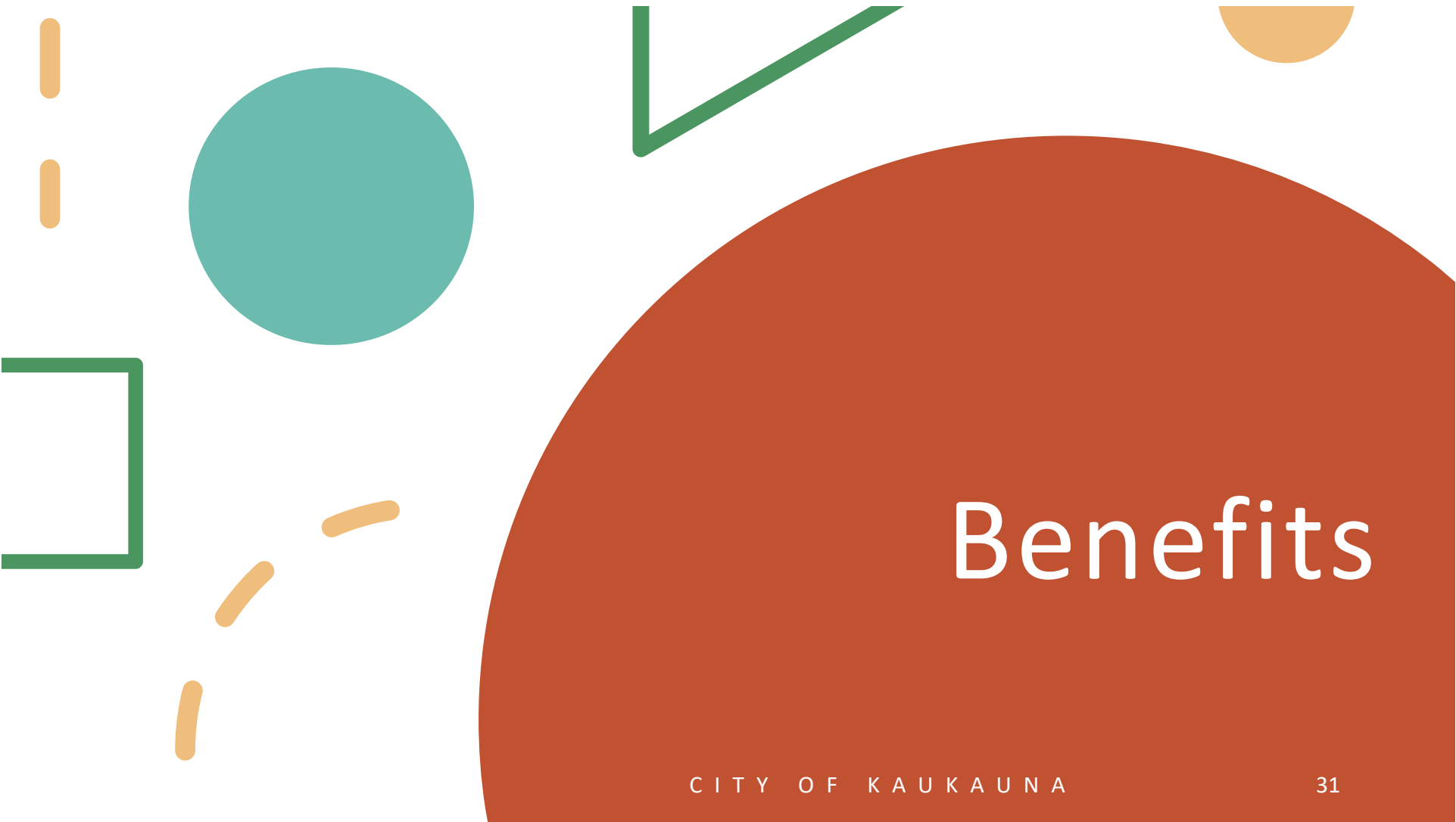
Temporary Payroll Changes

- Significant Decreases

<u>Department</u>	<u>2025 Temp Payroll</u>	<u>2026 Temp Payroll</u>	<u>Change</u>
Dance Classes	\$28,264	\$0	-\$28,264
Street Maintenance	\$112,152	\$107,358	-\$4,794
Adult Programs	\$30,670	\$27,120	-\$3,550

- Significant Increases

- Swimming Pool \$8,718
- Youth Programs \$7,684



Benefits

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Benefit Types

Type	2025	2026	\$ Diff	% Diff
Workers Compensation	\$213,181	\$216,096	\$2,915	1.4%
Group Health Insurance	\$3,005,060	\$3,089,779	\$84,719	2.8%
Group Life Insurance	\$10,744	\$11,867	\$1,123	10.5%
Residency	\$207,677	\$219,277	\$11,600	5.6%
Retirement Plan	\$1,107,714	\$1,177,331	\$69,617	6.3%
Social Security	\$575,062	\$606,393	\$31,331	5.4%
Total Benefits	\$5,119,438	\$5,320,743	\$201,305	3.9%

Group Health Insurance

- City offers ten (10) different health plans through the State (Employee Trust Fund)
- All plans had a range of 9%-13% increase in premiums
- Overall plan mix had an 8% increase in premiums
- Overall Cost increase is budgeted at 2.8%
- Budgeting for the unknowns
 - New or Vacant positions don't have previous year as benchmark

Retirement

Category	2025	2026	% Diff
WRS General	6.95%	7.20%	0.25%
WRS Elected	6.95%	7.20%	0.25%
WRS Protective W	15.01%	14.80%	-0.21%
WRS Protective W/O	19.01%	18.60%	-0.41%

- The City participates in the Wisconsin Retirement System (WRS).
- The City has 4 category classes within the system in which 2 had a slight increase and 2 had slight decreases.
- Most City employees eligible are in the General Category. These are employees who work at least 1,200 hours
- With this being tied to wages, it fluctuates the same direction as overall wages.



Residency

- The City provides a 6% of salary in residency incentive for those employee's who live within the city corporate limits.
- The city capped this overall benefit to an aggregate of \$250,000. If the City reaches this amount, it will then adjust the overall percentage by employee of the incentive to stay within that total amount.
- The City is at \$219,000 in the 2026 budget
- Budgeting for the unknowns
 - New or Vacant positions don't have previous year as benchmark

Noteworthy Items



Retiree health benefit usage and cost increase

- 24 Participants (2 more than last year)
- 2026 is budgeted to increase of \$19,539 over 2025 budget



Foundation Grant for Environmental Center is included again this year



Removed Merit Incentive



Non-Personnel Expenses

Non-Personnel Expenditure

Expense Category	2025 BUDGET	2026 BUDGET	\$ Diff	% Diff
Non Personnel	\$3,960,848	\$4,077,315	\$116,467	2.9%

What are Non-Personnel Items

The top 25 Categories by Spend across the City

- | | |
|--------------------------------------|-----------------------------------|
| 1. Contractual Services | 14. Service Contract |
| 2. Utilities | 15. Hydro Live Expenses |
| 3. Maintenance – Building | 16. Maintenance - Other Equipment |
| 4. Maintenance - Automotive | 17. Clothing Expense |
| 5. General Insurance | 18. Seminar Expense |
| 6. Automotive Supplies | 19. Advertising |
| 7. Lease - Building | 20. Chemical & Ordinance |
| 8. Maintenance - Roads & Walks | 21. Office Supplies |
| 9. Library Material | 22. Education & Memberships |
| 10. General Supplies | 23. Miscellaneous |
| 11. Electric City River Jam Expenses | 24. Tuition Reimbursement Program |
| 12. Communications | 25. Medical & Lab Supplies |
| 13. Concession Product | |

Larger Variances

- The table to the right is showing any large variances +/- from 2025 to 2026 budget by category

Expense Category	2025	2026	\$ Diff	% Diff
	BUDGET	BUDGET		
Electric City River Jam Expenses	0	60,000	\$60,000	0.00%
Contractual Services	1,226,500	1,275,330	\$48,830	3.98%
Tuition Reimbursement Program	8,000	28,675	\$20,675	258.44%
Maintenance - Roads & Walks	108,000	125,000	\$17,000	15.74%
Communications	48,118	63,266	\$15,148	31.48%
Library Material	107,552	122,552	\$15,000	13.95%
Automotive Supplies	187,200	194,400	\$7,200	3.85%
Advertising	33,500	39,100	\$5,600	16.72%
Office Supplies	30,800	35,800	\$5,000	16.23%
Concession Product	61,700	55,000	-\$6,700	-10.86%
General Insurance	214,423	207,526	-\$6,897	-3.22%
Cybersecurity	29,000	22,000	-\$7,000	-24.14%
Water, Sewer & Electric	518,650	510,525	-\$8,125	-1.57%
Bank & Credit Card Fees	15,180	1,200	-\$13,980	-92.09%
Service Contracts	69,784	55,000	-\$14,784	-21.19%
Data Center	40,000	22,000	-\$18,000	-45.00%

Contractual Services – Detailed Changes (Increases)



Information Technology (\$41k) – Intranet setup, Increased Managed Service for new staffing and new computer setups



Human Resources (\$17k) – Increase for Union negotiation and wage study vendor



Finance (\$12k)– Increased cost for costs related to Payroll, Accounting Software as well as Ambulance billing services



Ambulance (\$7k) – EMS software Image Trend, maintenance agreements (Cot, defibrillator)



Equipment Maintenance (\$5k) - Truck towing, equipment sent out for maintenance



Forestry (\$5k) - Stump Grinding



Building Inspections (\$5k) – Increasing budgeted funds for commercial inspection to match what has happen and expected to happen in 2026



Assessment (-\$35k) – Prepaid Bowmar Contract for Revaluation



Parks (-\$30k) – One time parks project in 2025 (Flock Camera's for 3 Parks)



Bus Subsidy (-\$7k) – Estimated net difference between City bus and subsidy is a decrease



Adult Program (-\$5k) - Removing programs (Zumba, Pickleball) which were contracted to bring them in house with seasonal staff.

Contractual Services – Detailed Changes (Decreases)



Noteworthy Items

- **Community Enrichment** – Electric City Reiver Jam Expense as well as revenue being budgeted in this year's budget. (\$60k)
- **Tuition Reimbursement Program** – Fire department hired EMT staff who are finishing school to become paramedic. City to pay for training (\$20k)
- **Maintenance Road & Sidewalk**- Increase for actual expenses from previous year (\$10k)
- **Library Material** – Working on getting back to material budget line from 5 years ago (\$15k)
- **Automotive Supplies** – Increased cost based on previous years as well as known routine expense (\$7k)
- **Concession Product** – Buying less to match expected sales using sales history. (- \$6)
- **Service Contracts** – Library switched vendors from Bibliotheca to mK solutions for the gates and self checks (-\$14.5k)
- **Data Center and Cybersecurity** – One-time projects completed in last years budget (-\$25k)

Strategic Plan Items



Phone Answering System

Upgrade – Improve the phone answering System to provide a better experience for the callers

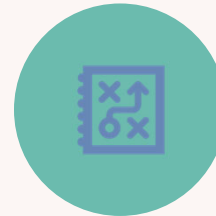


Intranet Creation– This item has been discussed for 2 plus years.



Council Chambers AV/Audio

Improvement – Looking to upgrade the video and sound and improve our technology to run efficient meetings



Strategic Plan Update – Current Strategic Plan is coming to an end. Budget accounts for cost to get the plan updated with an outside facilitator. Expected to update plan for year 2027-2029 or as determine best for the city



Capital Outlay Expenditure

Capital Outlay Expenditure

2025	2026	\$ Diff	% Diff
BUDGET	BUDGET		
237,745	232,703	(5,042)	-2.1%

Larger Variances

Expense Category	2025	2026	\$ Diff	% Diff
	BUDGET	BUDGET		
Machinery, Tools & Instruments	\$89,564	\$97,440	\$7,876	8.79%
Automotive	\$84,561	\$81,863	-\$2,698	-3.19%
Office Equipment	\$46,120	\$37,400	-\$8,720	-18.91%
Park Equipment	\$3,500	\$7,000	\$3,500	100.00%
Infrastructure	\$5,000	\$0	-\$5,000	-100.00%



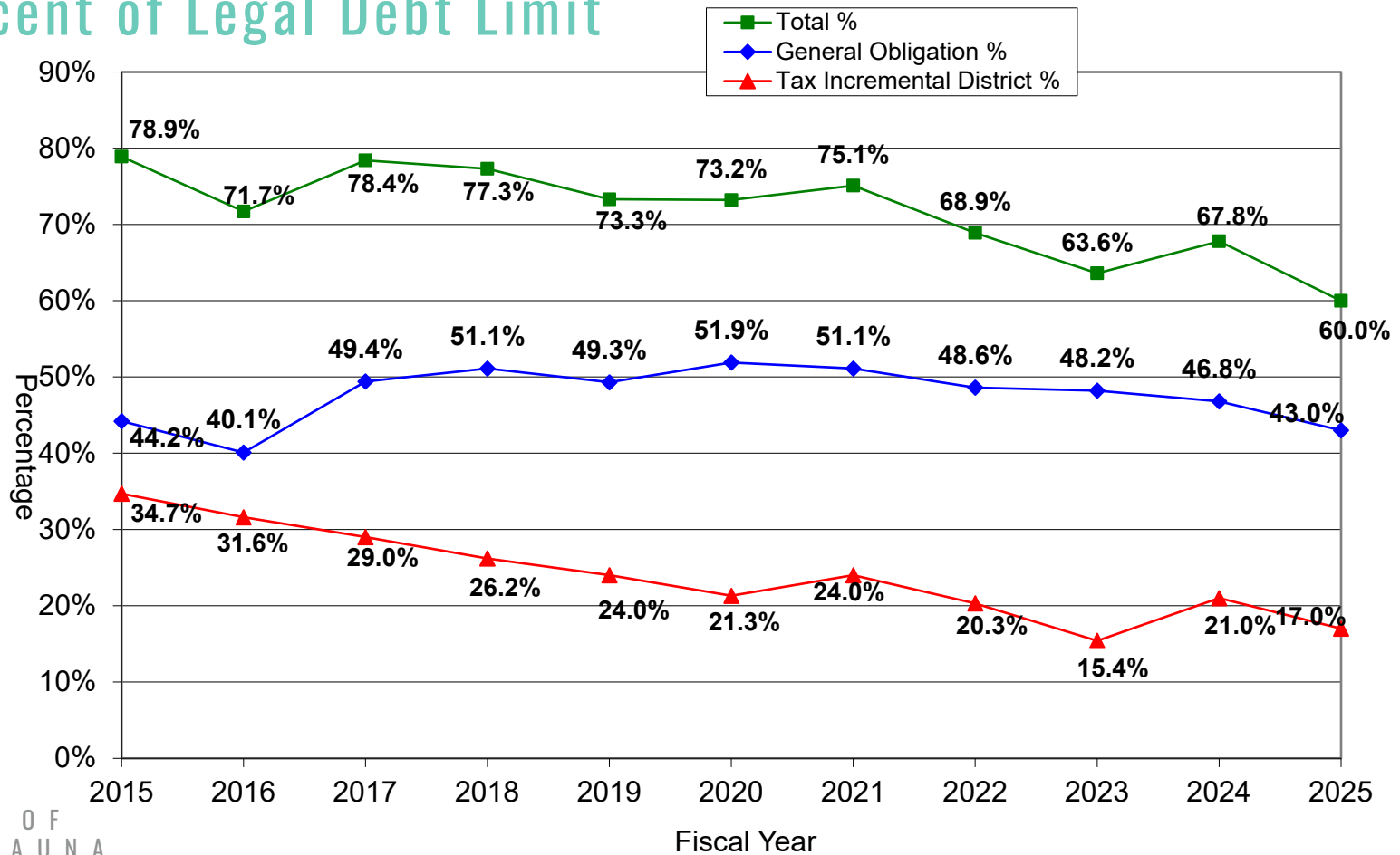
Noteworthy Capital Outlay Items

- **Municipal Service Building** – Upgrade AV/Audio in Council Chambers
- **Traffic Controls** – Updating Controller CTH Q/CE. Using capital funding as this will extend the life for more than three-years (Line decreasing \$15,000)
- **Computer Upgrade** – Various departments have computer upgrades. Many of these computers are from the 2020 timeframe.
- **Police** – Patrol Squads are purchased and outfitted out of this outlay line as these vehicles
- **Various Tools** – Various smaller tools and equipment are purchased



Debt Service

Percent of Legal Debt Limit



Bonds Issuances

2025 Issuance

- 2025A G. O. Note \$4,800,000

Bonds to be Retired in 2025

- 2020A – G.O. - \$3,050,000

Bonds to be Added in 2026

- 2026A G.O. Note of \$5,000,000
- 2026B Bond Anticipation Note \$2,500,000 (Storm Water)

2026 Tentative Projects 1 of 4

YEAR	Fund	CLASSIFICATIONS/ DESCRIPTIONS	PROJECT TOTAL	GENERAL OBLIGATION BORROWING
2026		EQUIPMENT		
	421 - Equipment	Replace 2003 Pierce Fire Engine	\$1,250,000	\$1,250,000
	421 - Equipment	Replace 2011 John Deere Gator (Keep 118 add new unit)	\$35,000	\$35,000
	421 - Equipment	Replace 2001 Snow Go Snow Blower	\$250,000	\$250,000
	421 - Equipment	Replace 2014 F350 4x4 Dump (Truck 8)	\$70,000	\$70,000
	421 - Equipment	Replace 2012 GMC Sierra (Truck 11)	\$45,000	\$45,000
	421 - Equipment	Extrication Equipment - Combination Tool (Fire)	\$14,500	\$14,500
2026		PARK & POOL IMPROVEMENTS		
	422- Parks and Pools	Red Hills Trail to 1000 Islands/OCC	\$600,000	
	422- Parks and Pools	Kakalin Trail Extension (TIF 12)	\$50,000	
	422- Parks and Pools	1000 Islands Nature Center Entrance Way Accessibility	\$65,000	\$65,000
	422- Parks and Pools	Pool Coating/Joint Sealing/Surface Grinding	\$100,000	\$100,000

2026 Tentative Projects 2 of 4

YEAR	Fund	CLASSIFICATIONS/ DESCRIPTIONS	PROJECT TOTAL	STORM WATER UTILITY	SANITARY SEWER UTILITY
2026		STORM SEWER			
	601 - Storm	Washington, Florence, Plank	\$325,000	\$250,000	
	601 - Storm	Ninth Street - east of Kenneth	\$200,000	\$135,000	
	601 - Storm	Brill Street (7th to 9th)	\$120,000	\$99,000	
	601 - Storm	Tower Drive Pump Replacement	\$200,000	\$200,000	
	601 - Storm	2016 Elgin HE Street Sweeper (#26)	\$350,000	\$350,000	
	601 - Storm	Erosion Control / Remediation - Shoreline/Outfalls/Streambank	\$35,000	\$35,000	
2026		*SANITARY SEWER			
	602- Sanitary	Industrial Park Sanitary Sewer	\$1,600,000		\$1,600,000
	602- Sanitary	Wisconsin Avenue Area Utility Relay (Riverside, Idlewild, Wisconsin, River)	\$700,000		\$600,000
	602- Sanitary	Ann Street Utility Relay (Fieldcrest to Main)	\$650,000		\$550,000
	602- Sanitary	Evergreen Drive Extension(place holder)	\$500,000		\$200,000
	602- Sanitary	Konkapot Interceptor - South	\$1,800,000		\$1,800,000
	602- Sanitary	CE Lift Station Control Panel	\$50,000		\$50,000

2026 Tentative Projects 3 of 4

YEAR	Fund	CLASSIFICATIONS/ DESCRIPTIONS	PROJECT TOTAL	GENERAL OBLIGATION BORROWING
2026		STREET PAVING		
		New Concrete Streets		
	420 - Streets and Sidewalk	Bens Way & Setter Drive	\$600,000	\$300,000
		Reconstruction		
	420 - Streets and Sidewalk	9th Street (Brill To Crooks)	\$2,000,000	\$1,100,000
	420 - Streets and Sidewalk	Brill Street (7th to 9th)	\$400,000	\$250,000
	420 - Streets and Sidewalk	MSB and Third Street Parking Lots	\$350,000	\$350,000
	420 - Streets and Sidewalk	Washington, Florence, Plank, Lower Thilmany	\$1,300,000	\$650,000
	420 - Streets and Sidewalk	Alley Paving	\$450,000	\$225,000
2026		SIDEWALKS		
	420 - Streets and Sidewalk	Replace Defective Walks	\$225,000	\$75,000

2026 Tentative Projects 4 of 4

YEAR	Fund	CLASSIFICATIONS/ DESCRIPTIONS	PROJECT TOTAL	GENERAL OBLIGATION BORROWING
2026		MISCELLANEOUS		
	423 - Buildings and Misc	Downtown Dumpster Corrals	\$50,000	\$50,000
	423 - Buildings and Misc	CJIS Compliance	\$80,000	\$80,000
	423 - Buildings and Misc	Replace Large Number of Workstations(Windows 10 EOL)	\$35,000	\$35,000
	423 - Buildings and Misc	Controller Update CTH Q/CE	\$25,000	\$25,000



Tax Rate and Fund Balance

Tax Rates

	2025 <u>Budget</u>	2026 Proposed <u>Budget</u>	Increase/ (Decrease)	%
Assessed Tax Rate	\$ 9.99	\$7.34	(-\$2.65)	(-26.6%)
<u>Assessed Rate Adjustment</u>	<u>Levy Adjustment (Based on Current value of \$2 Billion)</u>			
\$0.01 Increase or Decrease =	\$18,900			
\$0.05 Increase or Decrease =	\$94,500			
\$0.10 Increase or Decrease =	\$189,000			
<u>Percent Levy Adjustment</u>				
1.0% Increase or Decrease =	\$138,300			

Tax Levy Distribution

<i>FUND</i>	<i>2024 LEVY</i>	<i>2025 LEVY</i>	<i>INCREASE / (DECREASE)</i>	<i>PERCENT CHANGE</i>
GENERAL	8,102,179	8,477,163	374,984	4.63%
DEBT SERVICE (301 Fund)	4,599,480	4,855,099	255,619	5.56%
Nelson Crossing (224 Fund)	3,500	3,550	50	1.43%
Park & Pool Improvement (422 Fund)	500,000	500,000	0	0.00%
TOTAL MUNICIPAL LEVY	13,205,159	13,835,812	630,653	4.78%

Levy Limit Calculation

2025 Actual Levy	\$13,469,794
Increase (Decrease) In Debt Service	\$4,599,480
New Construction Allowance (4.23%)	\$375,037
Less 2026 Personal Property Aid	\$264,635
Total 2026 Adjustments	\$4,855,099
2025 Allowable Levy	\$13,835,815

2025 Proposed Levy	\$13,835,812
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Under (Over) Levy Limit	\$3
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Expenditure Restraint Incentive Program

- **Payments for 2026 is \$426,431**
- ***Formula – 60% of % of net new construction to a maximum of 2% plus CPI***
 - Consumer Price Index (CPI) – All Urban Consumers Average Change 2.7%
 - Net New Construction 4.23%
 - Allowable increase of 4.7%

Allowable Increase

ERP Allowable % Increase	4.700%
Allowable \$ Increase	\$952,237
Actual Increase	\$949,445
\$Difference	(\$2,792)
% Difference	4.69%

General Fund Balance

Projected Balance 12/31/2025	\$ 7,329,343
Less: Assigned for Subsequent Years	\$ 1,019,066
Less Inventories & Prepaid	\$ 174,714
Projected Unassigned Balance 12/31/2025	\$ 6,135,563
Targeted Fund Balance (25% of Operating Budget)	\$ 5,176,566
Optimal Bond Rating Fund Balance (30% of Operating Budget)	\$ 6,211,879
Amount Over Target Balance	\$ 958,997
Amount Over(under) Optimal Fund Balance	\$ (76,316)
Projected Unassigned Fund Balance as a % of Operating Budget	29.63%



The Almighty Tax Dollar

Your Tax Dollar At Work

How One Tax Dollar gets split between taxing Jurisdictions



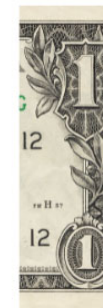
\$0.48

City



\$0.33

School District



\$0.15

County

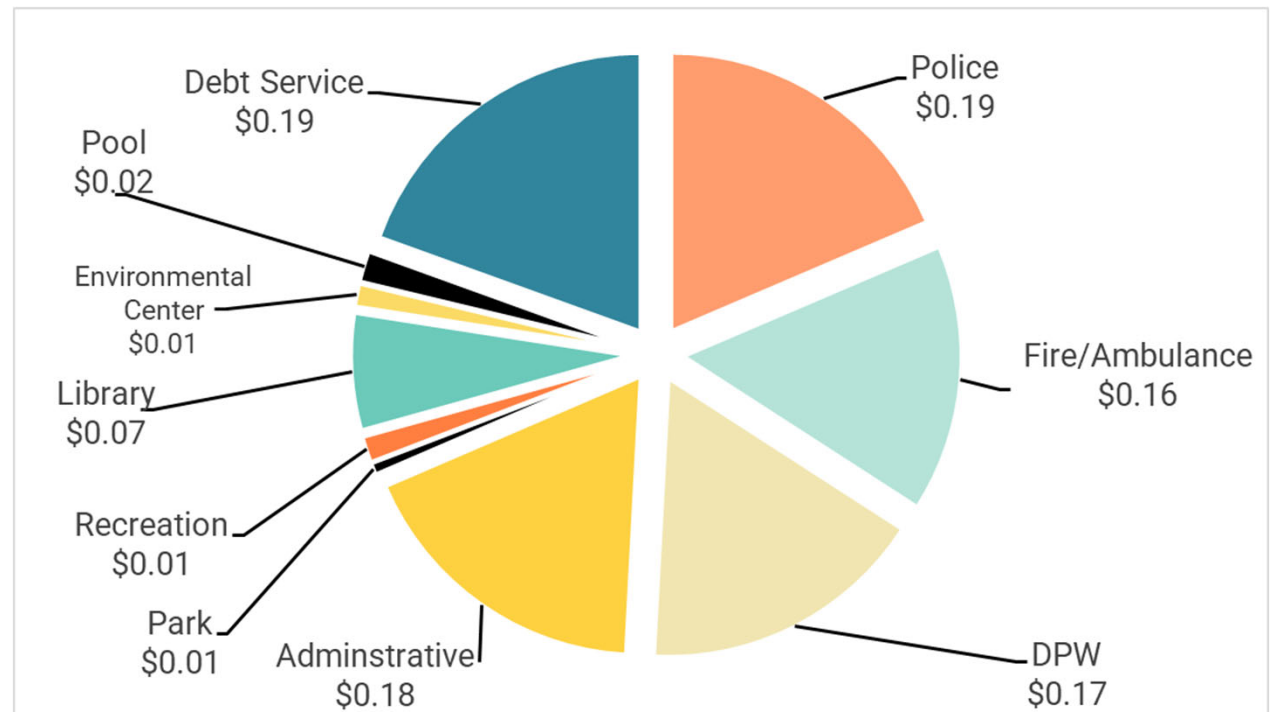


\$0.04

Fox Valley
Tech

Tax Dollar by Service

What one tax dollar is
spent on for City services



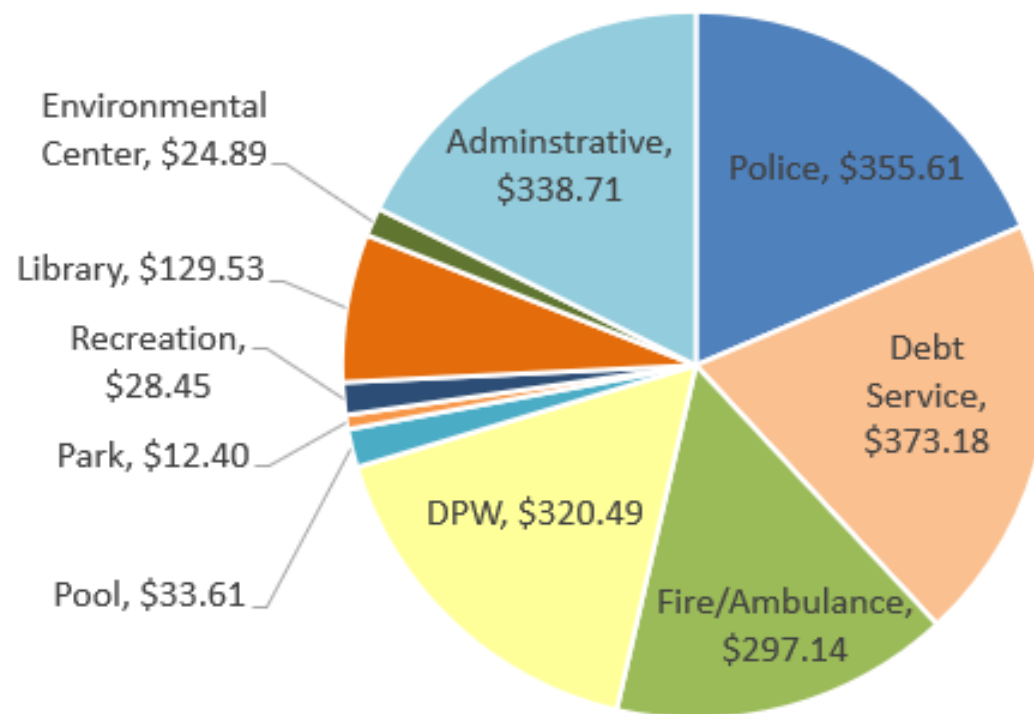
How the Budget Affect Average Homeowner

- Use \$260,800 for average home in the City
- Current tax rate of \$7.34/1,000 of value
- Estimated City Tax portion for this home will be \$1,914.01
- Does not take into account First Dollar Credit or Lottery Credit



Cost of Each Service for an Average Home Value

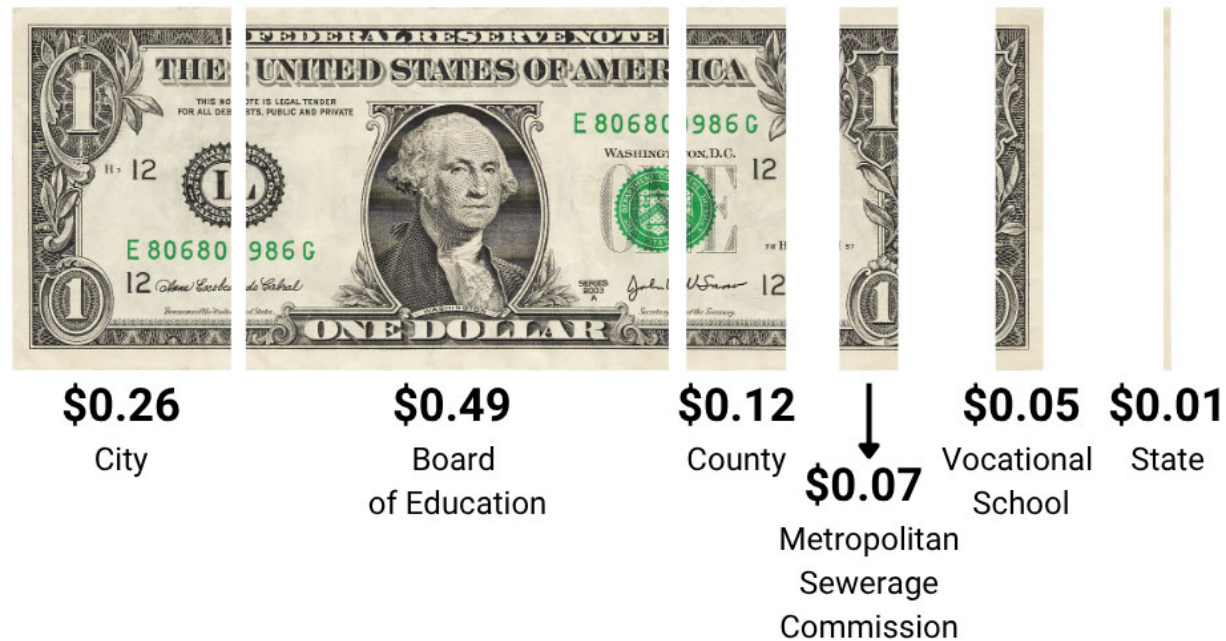
The graph to the right shows how much each service costs for a home valued at \$260,800 and current tax rate of \$7.34/1,000





A look Back In Time

1979 Tax Bill at work



2015 Tax Bill at work



\$0.43

City



\$0.31

School District



\$0.20

County



\$0.05
Fox Valley
Tech



\$0.01

State

2026 Tax Bill at work



\$0.48

City



\$0.33

School District



\$0.15

County



\$0.04

Fox Valley
Tech



Utility Funds

What are they and what do they do?

- Storm Water
 - Was established back in 2009 as a utility fund
 - Kaukauna is one of 29 regulated MS4 Permittees that discharge storm water to the Lower Fox River with a TMDL (Total Maximum Daily Load)
 - Expenses include street cleaning , sewer maintenance, capital, and administrative costs.
- Sanitary Sewer
 - Established back in 2012 as a utility fund
 - Provides the service of collection, transmission, and treatment of wastewater
 - Expenses include treatment, collection system Maintenance, Capital, and administrative costs

Financial Overview

- Overall net position for both Storm and Sanitary are stable
- Debt Service for capital improvement
 - Sanitary bonded in 2025
 - Will look to bond in 2026 for Storm water for 3-years worth of projects
- Rates
 - No rate adjustment for Storm or Sanitary in the 2026 Budget
 - Both utilities have stable coverage ratio
- Following the 2019 plan to manage the capital improvements while maintaining debt coverage ratios

Storm Water Utility Fund Balance

DESCRIPTION		BALANCE
BALANCE AS OF JANUARY 1, 2025		
Unassigned Cash And Receivable Balance		2,667,188
Restricted Cash And Receivable Balance		2,471,572
Total Cash And Receivable Balance Net of Current Liabilities		5,138,760
PROJECTED CHANGE IN CASH BALANCE FOR 2025		
Revenues & Other Financing Sources	1,930,800	
Expenses Net of Depreciation	(494,804)	
Debt Service - Principal and Interest	(1,019,848)	416,148
PROJECTED CASH BALANCE AS OF DECEMBER 31 2025		
Projected Cash Balance Net of Current Liabilities		5,554,908

Annual Operating Expense

1,303,075

Months of Reserve

24.56

Sanitary Utility Fund Balance

DESCRIPTION		BALANCE
BALANCE AS OF JANUARY 1, 2025		
Unassigned Cash And Receivable Balance		5,698,167
Restricted Cash And Receivable Balance		1,214,638
Total Cash And Receivable Balance Net of Current Liabilities		6,912,805
PROJECTED CHANGE IN CASH BALANCE FOR 2025		
Revenues & Other Financing Sources	4,844,147	
Expenses Net of Depreciation	(2,730,488)	
Debt Service - Principal and Interest	(878,939)	1,234,720
PROJECTED CASH BALANCE AS OF DECEMBER 31 2025		
Projected Cash Balance Net of Current Liabilities		8,147,525

Annual Operating Expense	4,250,401
Months of Reserve	16.09

2025 Utility Fund Debt Service Coverage Ratio

Storm Water Coverage	2025 ESTIMATED	2026 BUDGET
Operating Income	1,930,800	1,945,140
Operating Expense - Net Depreciation	494,804	551,021
Net Operating Income	1,435,996	1,394,119
Debt Service Cost	1,019,848	756,054
Coverage Ratio (Operating Income / Debt Service Cost)	1.41	1.84
Need Revenue	1,274,809	945,067
Revenue Surplus (Deficit)	161,187	449,052

Note: Current rate is \$11.00/ERU/month. No Rate increase is budgeted in 2026

Sanitary Coverage	2025 ESTIMATED	2026 BUDGET
Operating Income	4,514,352	4,683,082
Operating Expense - Net Depreciation	2,730,488	2,902,584
Net Operating Income	1,783,864	1,780,498
Debt Service Cost	878,939	863,845
Coverage Ratio (Operating Income / Debt Service Cost)	2.03	2.06
Need Revenue	1,098,673	1,079,806
Revenue Surplus (Deficit)	685,191	700,692

Note: Current rate is \$8.75/100 cubic foot. No Rate increase is budgeted in 2026

Storm Water Debt service

	12/31/2025 BALANCE	12/31/2026 BALANCE	PRINCIPAL MATURITIES	INTEREST	TOTAL PRINCIPAL AND INTEREST
2016C Revenue Bond	600,000	500,000	100,000	19,500	119,500
2022C Revenue Bond	8,365,000	8,070,000	295,000	341,554	636,554
Totals	8,965,000	8,570,000	395,000	361,054	756,054

Sanitary Debt service

<i>DEBT ISSUE</i>	<i>12/31/25 BALANCE</i>	<i>12/31/2026 BALANCE</i>	<i>PRINCIPAL MATURITIES</i>	<i>INTEREST</i>	<i>TOTAL PRINCIPAL AND INTEREST</i>
2013 Revenue Bond	475,000	325,000	150,000	20,031	170,031
2015 Revenue Bond	500,000	400,000	100,000	16,125	116,125
2016 Revenue Bond	550,000	475,000	75,000	17,000	92,000
2018 Revenue Bond	875,000	825,000	50,000	33,375	83,375
2022 Revenue Bond	7,870,000	7,795,000	75,000	327,314	402,314
2025B Bond Anticipation Notes	6,650,000	6,650,000	0	483,972	483,972
Totals	10,720,000	16,470,000	450,000	897,817	1,347,817

Future of the Utility Funds

- Capital Infrastructure Needs
 - Sanitary is forecasting an average of \$1.8M per year
 - Storm is forecasting \$900,000 per year
- Debt Coverage Ratio
 - Monitor the debt coverage ratio through the year and budget cycle. Continue to strengthen coverage ratio
 - Need to maintain a debt coverage ratio of at least 1.25 times the revenue
- Revenue Bonding Plans
 - Continue to manage Capital needs with Bond Anticipation Notes and Revenue Bonds to minimize impact on rates
- Rate Review
 - Review Rates annually to ensure no large adjustment is needed in one budget cycle.



Affects of the Revaluation

Why and What is Revaluation?

Why a Revaluation?

- Wisconsin law requires municipalities to keep property assessments near fair market value.
- Kaukauna's assessment ratio fell to 76.7% in 2024, outside the legal 90–110% range. This was expected to be low sixties in 2025 without revaluation.
- Revaluation ensures equity, accuracy, and compliance with state law.

What a Revaluation Means

- A revaluation updates all properties to reflect current market value.
- Goal is to redistribute the tax burden fairly, not to increase total taxes collected.
- The City's overall assessed value rose 45% since the last revaluation (2021) due to rising real estate prices.

Impact on Tax Bill

- The total tax levy does not change because of revaluation—only how it's divided.
- Average Increase on property value was 45%.
- If all Levy's stayed flat any property at a 42.5% increase would have same tax bill
 - Anything above would increase, and below a decrease
- With the estimated mill rate for all jurisdiction around \$16.61, any increase at 33% will remain flat. Anything above that will see an increase, below a decrease

How Do I calculate value % Change?

- Refer to the General Property table on the letter from Bowmar back in August 2025
- Divide the Net Change in assessment by Total 2024 Assessment to arrive at a percentage

Example

General Property			
Year	Land	Building/Impts	Total
2024	\$45,500	\$290,900	\$341,500
2025	\$50,400	\$400,900	\$448,200
Net change in assessment			\$106,700
Reasons for Change			
Land	Revalue		
Buildings/Impts	Revalue		

Net Change in assessment		2024 Total Assessment		Change
\$106,700	÷	\$341,500	=	31.24%



Save the Date!

November 18, 2025

Public Hearing and
Budget Adoption at 7pm



Questions or Comments?



THANK YOU



Update from the School District



KASD Total Tax Levy

Tax Levy Fund

Fund 10 – General Operations	<u>2025-26</u> \$18,110,915
Fund 38 – Non-referendum Debt	\$6,319,175
Fund 39 – Referendum Debt	\$4,141,538
Fund 80 – Community Service	\$450,485
Total Tax Levy	\$29,022,113

Fund 10 Mill Rate	\$4.30 per \$1,000
Fund 38 Mill Rate	\$1.50 per \$1,000
Fund 39 Mill Rate	\$0.98 per \$1,000
Fund 80 Mill Rate	\$0.11 per \$1,000
Total Mill Rate	\$6.89 per \$1,000

This levy is spread across 10 different municipalities that KASD borders touch

The City of Kaukauna makes up 45.28% of the total levy

Within Fund 10 - \$2,687,097 goes directly to the Wisconsin Parental Choice Program also known as the Private School Voucher Program

Fair market value is used to calculate individual tax amount