



# REPORT TO VILLAGE BOARD and APC

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**ITEM NAME:** Finance/Treasurer Office Update:  
**2026-2027 Estimated State Aid Payments, 2025 Equalized Valuation, 2025 Net New Construction (to impact 2026 Budget), and 2025 TID Increment Values**

**PREPARED BY:** John Jacobs, Finance Director/Treasurer

**DATE PREPARED:** 8/08/2025

A good amount of 2025 data is starting to be released by the Wisconsin Department of Revenue in late July/early August 2025. All of this financial data will impact our 2026 budget (and also impact the 2027 budget).

Here is the data that has been released so far by the State:

- Preliminary 2026 & 2027 State Aid Estimates, based on the 2025-2027 State Budget that was adopted by Governor Evers on 7/03/2025.
- 2025 Preliminary Equalized Valuation (amounts “finalized” on 8/15/2025)
- 2025 Net New Construction % (which impacts the maximum tax levy increase allowed for the 2026 budget, before any adjustments)
- 2025 TID (tax increment districts) Increment Value and change in valuation (which impacts amount of property taxes collected in 2026 in our (4) TID’s)

## Preliminary 2026 & 2027 State Aid Estimates:

The amounts calculated and shown in the attachment represent the estimated calculations for both the 2026 and 2027 state aid payments, per the % increase in the formulas adopted in the 2025-2027 State Budget. Actual final 2026 & 2027 numbers will be confirmed via electronic letters to us in Sept/Oct 2025 (for the 2026 budget year) and Sept/Oct 2026 (for the 2027 budget year).

### 1) State Shared Revenue Payments:

- County/Municipal Aid increase for 2026 = 2.30% and 2027 = additional 3.40% increase
  - 2026 Increase = \$10,883
  - 2027 Increase = \$16,457
- Utility Aid increase for 2026 = 6.53% and 2027 = additional 3.65% increase
  - 2026 Increase = \$106,025
  - 2027 Increase = \$63,117
- **Total State Shared Revenue increase for 2026 = \$116,907**
- Total State Shared Revenue increase for 2027 = \$79,574

### 2) Other State Aid Payment Estimates:

- State Transportation Aid increase for 2026 = 3% and for 2027 = additional 3% increase
  - 2026 Budget Increase = \$21,720 (partly because 2025 budget amount was set too low)
  - 2027 Budget Increase = \$10,472

- State Recycling Aids increase for 2026 = 0% and for 2027 = 0%
  - However, 2026 Budget Increase = \$186 (because 2025 budget amount was set too low)
  - No change for 2027 budget
- All Other State Aid Programs = no increase for 2026 or 2027
- **Total Other State Aids increase for 2026 = \$21,906**
- Total Other State Aids increase for 2027 = \$10,472

**3) Therefore, total estimate increase for 2026 Budget = \$138,813**

4) Therefore, total estimate additional increase for 2027 Budget = \$90,046

**Preliminary 2025 Equalized Valuation:**

The Village has eclipsed \$1 billion in equalized valuation as of 8/01/2025, per the Wisconsin Department of Revenue (WDOR) estimates. The amounts will be finalized by them on 8/15/2025.

The Village's 2025 preliminary equalized valuation = \$1,081,333,900.

This is an increase of \$116,801,300 from the past year. It is a 12.11% increase from 2024 values.

Of this \$116,801,300, only \$4,266,700 is deemed "new construction", while the remainder increase of \$112,534,600 is for a market adjustment or other adjustment by the WDOR.

The assessment ratio has now fallen from 77.43% (2024) to 69.44% (2025). This means that the 2025 assessment roll of the Village is **over 30% under** the State's estimated 100% full market valuation of the Village. The State requires that assessment values need to be between 90% - 110% of full market valuation. This is the primary reason that the Village will be required in the 2025 amended budget, or 2026 or 2027 budget years, to provide funding for a full reassessment to bring the assessment valuation back up to near 100% full market valuation.

**2025 Net New Construction % (which impacts the Village's 2026 Budget Tax Levy):**

With the Village's low 2025 Net New Construction percentage of 0.44% (only \$4,266,700 new net construction for 2025), the Village's Tax Levy Base Maximum Annual Increase can only increase by \$8,222 for the 2026 budget year (before any adjustments for debt service, etc.).

Look how this compares to 2021 (only 4 years ago) when the net new construction % was 2.98%, and the tax levy base could be increased by \$52,439, before any other adjustments.

**2025 TID Increment Value & Change in Valuation:**

All (4) TID's have an equalized valuation increase for 2025, which means that additional tax revenue will be generated in all (4) TID's in the 2026 budget. Here are the amounts for each TID:

- 1) TID #1:
  - 2025 Increment Value = \$19,328,500 (increase of \$1,339,600 from last year)
- 2) TID #2:
  - 2025 Increment Value = \$72,647,200 (increase of \$8,135,400 from last year)
- 3) TID #3:
  - 2025 Increment Value = \$2,964,500 (increase of \$351,300 from last year)
- 4) TID #4:
  - 2025 Increment Value = \$10,721,000 (increase of \$858,500 from last year)

**VILLAGE OF KRONENWETTER**  
**2025 - 2027 State Aid Payments**

(Note: 2026 & 2027 Budget Estimates shown here are "estimates as of 8/07/2025" based on 2025-2027 State Budget recently adopted on 7/03/2025 by Governor Evers;  
final "actual" numbers will be sent to us via electronic letters in Sept/Oct 2025 for 2026 Budget Year and in Sept/Oct 2026 for 2027 Budget Year.)

	<u>2025 Budget</u>	<u>2025 Actual</u>	<u>2026 Est. Budget Increase</u>	<u>2026 Estimated Budget</u>	<u>2026 Estimated Budget Increase</u>	<u>2027 Est. Budget Increase</u>	<u>2027 Estimated Budget</u>	<u>2027 Estimated Budget Increase</u>
<b><u>Shared Revenue:</u></b>								
County & municipal aid	\$ 248,447.89	\$ 248,447.89	2.30%	\$ 254,162.19	\$ 5,714.30	3.40%	\$ 262,803.70	\$ 8,641.51
Supplemental county & municipal aid	224,704.91	224,704.91	2.30%	229,873.12	5,168.21	3.40%	237,688.81	7,815.69
Utility aid	<u>1,623,580.30</u>	<u>1,623,580.30</u>	6.53%	<u>1,729,604.99</u>	<u>106,024.69</u>	3.65%	<u>1,792,721.92</u>	<u>63,116.93</u>
Total Shared Revenue	<u>\$ 2,096,733.10</u>	<u>\$ 2,096,733.10</u>		<u>\$ 2,213,640.30</u>	<u>\$ 116,907.20</u>		<u>\$ 2,293,214.43</u>	<u>\$ 79,574.13</u>
<b><u>Other State Aid Payments:</u></b>								
State Environmental Impact Fee Aids:	\$ 34,627.00	\$ 34,627.00	0.00%	\$ 34,627.00	\$ -	0.00%	\$ 34,627.00	\$ -
State Recycling Aids:	28,500.00	28,686.45	0.00%	28,686.45	186.45	0.00%	28,686.45	-
State Computer Aids:	404.27	404.27	0.00%	404.27	-	0.00%	404.27	-
State Video Service Provider Aids:	12,078.85	12,078.85	0.00%	12,078.85	-	0.00%	12,078.85	-
State Personal Property Aids:	20,503.48	20,503.48	0.00%	20,503.48	-	0.00%	20,503.48	-
State Transportation Aids	<u>327,330.97</u>	<u>338,884.15</u>	3.00%	<u>349,050.67</u>	<u>21,719.70</u>	3.00%	<u>359,522.19</u>	<u>10,471.52</u>
Total Other State Aid Payments	<u>\$ 423,444.57</u>	<u>\$ 435,184.20</u>		<u>\$ 445,350.72</u>	<u>\$ 21,906.15</u>		<u>\$ 455,822.24</u>	<u>\$ 10,471.52</u>
<b>Total State Aid Payments - General Fund</b>	<u><b>\$ 2,520,177.67</b></u>	<u><b>\$ 2,531,917.30</b></u>		<u><b>\$ 2,658,991.02</b></u>	<u><b>\$ 138,813.35</b></u>		<u><b>\$ 2,749,036.67</b></u>	<u><b>\$ 90,045.65</b></u>

**VILLAGE OF KRONENWETTER**  
**Equalized Valuation & Annual Net New Construction**  
**2020 - 2025**

	Equalized Valuation	Increase in Annual Equalized Valuation	Market or Other Adjustments	Net New Construction	% of Net New Construction	Tax Levy Base Maximum Annual Increase (before any adjustments)
2020 Final	\$ 691,295,200	\$ 37,612,800	\$ 16,646,900	\$ 20,965,900	3.21%	
2021 Final	\$ 741,690,200	\$ 50,395,000	\$ 29,814,800	\$ 20,580,200	2.98%	\$ 52,439
2022 Final	\$ 817,805,900	\$ 76,115,700	\$ 70,059,000	\$ 6,056,700	0.82%	\$ 14,816
2023 Final	\$ 895,765,200	\$ 77,959,300	\$ 68,195,400	\$ 9,763,900	1.19%	\$ 21,829
2024 Final	\$ 964,532,600	\$ 68,767,400	\$ 63,894,800	\$ 4,872,600	0.54%	\$ 10,065
2025 Prelim.	\$ 1,081,333,900	\$ 116,801,300	\$ 112,534,600	\$ 4,266,700	0.44%	\$ 8,222

**VILLAGE OF KRONENWETTER**  
**TID Equalized Valuation**  
**2021 - 2025**

<b>TID #1</b>				
	Original TID Base Value	TID Increment Value	Current Total TID Value (Base + Increment)	Amount Change
2005 TID Base Value	\$ 2,262,300			
2021 TID Value		\$ 15,716,500	\$ 17,978,800	\$ (424,000)
2022 TID Value		\$ 15,968,000	\$ 18,230,300	\$ 251,500
2023 TID Value		\$ 16,167,900	\$ 18,430,200	\$ 199,900
2024 TID Value		\$ 17,988,900	\$ 20,251,200	\$ 1,821,000
2025 TID Value		\$ 19,328,500	\$ 21,590,800	\$ 1,339,600

<b>TID #2</b>				
	Original TID Base Value	TID Increment Value	Current Total TID Value (Base + Increment)	Amount Change
2005 TID Base Value	\$ 5,398,600			
2021 TID Value		\$ 42,083,800	\$ 47,482,400	\$ (4,860,300)
2022 TID Value		\$ 62,601,400	\$ 68,000,000	\$ 20,517,600
2023 TID Value		\$ 59,828,800	\$ 65,227,400	\$ (2,772,600)
2024 TID Value		\$ 64,511,800	\$ 69,910,400	\$ 4,683,000
2025 TID Value		\$ 72,647,200	\$ 78,045,800	\$ 8,135,400

<b>TID #3</b>				
	Original TID Base Value	TID Increment Value	Current Total TID Value (Base + Increment)	Amount Change
2005 TID Base Value	\$ 405,100			
2021 TID Value		\$ 651,500	\$ 1,056,600	\$ (109,100)
2022 TID Value		\$ 855,200	\$ 1,260,300	\$ 203,700
2023 TID Value		\$ 2,419,400	\$ 2,824,500	\$ 1,564,200
2024 TID Value		\$ 2,613,200	\$ 3,018,300	\$ 193,800
2025 TID Value		\$ 2,964,500	\$ 3,369,600	\$ 351,300

<b>TID #4</b>				
	Original TID Base Value	TID Increment Value	Current Total TID Value (Base + Increment)	Amount Change
2005 TID Base Value	\$ 106,600			
2021 TID Value		\$ 5,814,900	\$ 5,921,500	\$ (118,000)
2022 TID Value		\$ 10,480,600	\$ 10,587,200	\$ 4,665,700
2023 TID Value		\$ 9,173,300	\$ 9,279,900	\$ (1,307,300)
2024 TID Value		\$ 9,862,500	\$ 9,969,100	\$ 689,200
2025 TID Value		\$ 10,721,000	\$ 10,827,600	\$ 858,500