

June 26, 2025

Mr. Nate Tillis
Wastewater Utility Director
Racine Wastewater Utility
800 Center Street, Room 227
Racine, WI 53403

Re: Revenue Sharing Calculations for 2026

Dear Mr. Tillis:

Please find attached the tax revenue, and the library, zoo, and museum funding calculations for payments in 2026 under the 2002 *Racine Area Intergovernmental Sanitary Sewer Service, Revenue Sharing, Cooperation, and Settlement Agreement* and its 2010 amendment.

Mount Pleasant

Mount Pleasant's revenue-sharing contribution increased by approximately \$91,642, which is about a 5-percent increase over its 2025 contribution. This increase is primarily due to an increase in equalized value increment of \$358,676,200.

Caledonia, Sturtevant, and Wind Point

Caledonia's, Sturtevant's, and Wind Point's revenue-sharing contributions have less than a 1-percent variance compared to their 2025 contributions.

Utility Payments

Utility payments for the library, zoo, and museum decreased by 0.7-percent. While the zoo and museum payments remained at their prior levels due to the payment cap, the library allocations decreased. The calculation in the agreement allocates costs for the City of Racine library as follows: Costs are split between City of Racine residents and residents in Racine County outside of the City in proportion to each group's share of the circulation.

Thank you for the opportunity to work with you on this project. Please let me know if you have any questions or need anything else.

Respectfully,

RUEKERT & MIELKE, INC.



Bridgot A. Gysbers
Economic Consultant
bgysbers@ruekert-mielke.com

BAG:acl
Enclosure

cc: Kenneth Scolaro, C.P.A., Racine Water and Wastewater Utilities
Jaclyn Bosanec, Racine Water and Wastewater Utilities
Anjuman Islam, Ph.D., Racine Water Utility
Brennen E. Fischer, P.E., CFM, Ruekert & Mielke, Inc.

Municipal Revenue Sharing Agreement

2026 Revenue Sharing Payments

Municipal Revenue Sharing Agreement
2026 Revenue Sharing Summary and Comparison to 2025

Contributors	2026 Allocation	Adjusted 2026 Allocation	Adjusted 2025 Allocation	Change from 2025
Caledonia	\$ 543,656	\$ 543,656	\$ 545,903	\$ (2,247)
Mount Pleasant	1,849,772	1,849,772	1,758,130	91,642
Raymond	24,615	-	-	-
Yorkville	102,273	-	-	-
Elmwood Park	822	-	-	-
North Bay	17,731	-	-	-
Sturtevant	298,314	298,314	297,880	434
Wind Point	49,786	49,786	50,044	(258)
Total	\$ 2,886,969	\$ 2,741,528	2,651,957	89,571

Recipients	2026 Allocation	Adjusted 2026 Allocation	Adjusted 2025 Allocation	Change from 2025
Somers	\$ 1,125	\$ 1,068	\$ 1,103	\$ (35)
Racine	2,885,844	2,740,460	2,650,854	89,606
Total	\$ 2,886,969	\$ 2,741,528	2,651,957	89,571

**Municipal Revenue Sharing Agreement
2025 vs 2026 Comparison**

<u>Contributors</u>	<u>2025</u>	<u>2026</u>	<u>Change</u>
Caledonia	\$ 545,903	\$ 543,656	\$ (2,247)
Mount Pleasant	1,758,130	1,849,772	91,642
Sturtevant	297,880	298,314	434
Wind Point	50,044	49,786	(258)
Total	2,651,957	2,741,528	89,571

<u>Recipients</u>	<u>2025</u>	<u>2026</u>	<u>Change</u>
Somers	\$ 1,103	\$ 1,068	\$ (35)
Racine	2,650,854	2,740,460	89,606
Total	2,651,957	2,741,528	89,571

Municipal Revenue Sharing Agreement

Table 1a

2026 Payment based on 2024 Equalized Value and Population and 2025 Budget

2024 Population	Mount										Total
	Caledonia	Pleasant	Raymond	Yorkville	Somers	Elmwood Park	North Bay	Sturtevant	Wind Point	Racine	
Population ⁽¹⁾	25,428	28,526	3,963	3,264	8,439	502	205	6,904	1,629	77,293	156,153
Prison Population ⁽¹⁾	-	-	-	-	-	-	-	1,879	-	754	2,633
Net Population	25,428	28,526	3,963	3,264	8,439	502	205	5,025	1,629	76,539	153,520
2024 Equalized Property Value in Thousands											
TID-In Equalized Value ⁽²⁾	3,709,713	5,809,246	837,303	952,469	1,583,579	61,719	53,131	1,028,551	376,816	5,387,075	19,799,602
TID-Out Equalized Value ⁽²⁾	3,550,762	4,369,149	837,303	886,598	1,227,665	61,719	53,131	839,142	376,816	4,867,596	17,069,880
TID Increment	158,951	1,440,098	-	65,871	355,915	-	-	189,410	-	519,478	2,729,723
Commercial Industrial Value	443,782	2,449,133	99,379	383,273	603,325	954	-	548,813	13,081	1,246,218	5,787,957
1999 Commercial Industrial Value	129,273	380,632	39,157	62,461	54,907	1,436	-	108,121	8,448	665,426	1,449,860
New Commercial Industrial Value	314,509	2,068,501	60,222	320,812	548,418	(482)	-	440,693	4,634	580,791	4,338,097
2024 Property Tax Levies											
Municipal Tax Levy ⁽³⁾	19,737,552	25,712,600	1,039,869	1,572,270	4,813,604	306,219	383,300	5,150,000	1,139,413	58,520,890	118,375,717
Yorkville Water Utility District ⁽³⁾	-	-	-	96,099	-	-	-	-	-	-	96,099
Utility District #1 ⁽³⁾	-	-	-	-	-	-	-	-	-	-	-
Caledonia Water Utility ⁽³⁾	-	-	-	-	-	-	-	-	-	-	-
Caledonia Sewer Utility ⁽³⁾	357,648	-	-	-	-	-	-	-	-	-	357,648
Total Local Tax Levy (TID Out)	20,095,200	25,712,600	1,039,869	1,668,369	4,813,604	306,219	383,300	5,150,000	1,139,413	58,520,890	118,829,464

1. Population and prison population estimates from the Wisconsin Department of Administration
2. Equalized value from the Wisconsin Department of Revenue
3. Statement of Taxes from the Wisconsin Department of Revenue

Municipal Revenue Sharing Agreement
Table 1b
Municipalities Partly in the Planning Area

	Raymond	Yorkville	Somers
1999 Commercial and Industrial Value	\$ 39,156,800	\$ 62,460,900	\$ 54,907,300
1999 Commercial and Industrial Value in Planning Area	30,962,287	54,656,711	-
Percent in Planning Area ⁽¹⁾	79.1%	87.5%	0.0%
Commercial and Industrial Value in Municipality	\$ 99,379,100	\$ 383,272,800	\$ 603,324,900
Commercial and Industrial Value in Planning Area	92,773,761	386,893,925	-
Percent in Planning Area ⁽²⁾	93.4%	100.0%	0.0%
Total Personal Equalized Property Value (\$1,000s)	\$ -	\$ -	\$ -
Percent in Planning Area	93.4%	100.0%	0.0%
Personal Equalized Property Value in Planning Area (\$1,000s)	-	-	-
Real Equalized Value in Planning Area (\$1,000s)	\$ 324,304	\$ 721,697	\$ 106,258
Personal Equalized Property Value in Planning Area (\$1,000s)	-	-	-
Total Equalized Property Value in Planning Area (\$1,000s)	324,304	721,697	106,258
Total Equalized Value in Municipality (\$1,000s)	\$ 837,303	\$ 952,469	\$ 1,583,579
Total Equalized Value in Planning Area (\$1,000s)	324,304	721,697	106,258
Percent in Planning Area ⁽³⁾	38.7%	75.8%	6.7%

1. Input into row L of Table 2.
2. Input into row Q of Table 2.
3. Input into row W of Table 2.

Municipal Revenue Sharing Agreement

Table 2

2026 Payment Calculated from 2024 Equalized Value and Population and 2025 Budget

1. Municipal Data	Formulas	Caledonia	Mount Pleasant	Raymond	Yorkville	Somers	Elmwood Park	North Bay	Sturtevant	Wind Point	Racine	Total
Net Population	A	25,428	28,526	3,963	3,264	8,439	502	205	5,025	1,629	76,539	153,520
TID-In Equalized Value (\$1,000s)	B	\$ 3,709,713	\$ 5,809,246	\$ 837,303	\$ 952,469	\$ 1,583,579	\$ 61,719	\$ 53,131	\$ 1,028,551	\$ 376,816	\$ 5,387,075	\$ 19,799,602
TID-Out Equalized Value (\$1,000s)	C	3,550,762	4,369,149	837,303	886,598	1,227,665	61,719	53,131	839,142	376,816	4,867,596	17,069,880
TID Value Increment	D	158,951	1,440,098	-	65,871	355,915	-	-	189,410	-	519,478	2,729,723
1999 Commercial and Industrial Tax Base (\$1,000s)	E	129,273	380,632	39,157	62,461	54,907	1,436	-	108,121	8,448	665,426	1,449,860
New Commercial and Industrial Tax Base (\$1,000s)	F	314,509	2,068,501	60,222	320,812	548,418	(482)	-	440,693	4,634	580,791	4,338,097
Local Tax Levy (TID Out)	G	20,095,200	25,712,600	1,039,869	1,668,369	4,813,604	306,219	383,300	5,150,000	1,139,413	58,520,890	118,829,464
2. Calculate Total Local Tax Rate and Total Local Tax Levy (TID In)												
Local Tax Rate (\$ per \$1,000)	H=G/C	\$ 5.66	\$ 5.89	\$ 1.24	\$ 1.88	\$ 3.92	\$ 4.96	\$ 7.21	\$ 6.14	\$ 3.02	\$ 12.02	
Local Tax Levy (TID in) (\$)	I=G+H*D	20,994,767	34,187,629	1,039,869	1,792,323	6,209,125	306,219	383,300	6,312,450	1,139,413	64,766,342	
3. Calculate Household Tax Base												
Household Tax Base (\$1,000s)	J=B-E-F	\$ 3,265,931	\$ 3,360,113	\$ 737,924	\$ 569,197	\$ 980,254	\$ 60,765	\$ 53,131	\$ 479,738	\$ 363,735	\$ 4,140,857	
4. Calculate Commercial/Industrial Base Contribution												
Percentage Base Year Commercial / Industrial Shared	K=35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	
Share Base Commercial Industrial Value in Service Area	L	100%	100%	79%	88%	0%	100%	100%	100%	100%	100%	
Base Year Commercial/Industrial Contribution (\$1,000s)	M=K*L*E	\$ 45,246	\$ 133,221	\$ 10,837	\$ 19,130	\$ -	\$ 502	\$ -	\$ 37,842	\$ 2,957	\$ 232,899	
Exempted TID Valuation (\$1,000s)	N	-	-	-	-	-	-	-	-	-	-	
Adjusted New Commercial Industrial Tax Base (\$1,000s)	O=F-N	314,509	2,068,501	60,222	320,812	548,418	(482)	-	440,693	4,634	580,791	
Percent New Commercial Industrial Shared	P=20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	
Share of Equalized Value in Service Area	Q	100%	100%	93%	100%	0%	100%	100%	100%	100%	100%	
New Commercial Industrial Contribution (\$1,000s)	R=O*P*Q	62,902	413,700	11,244	64,162	-	(96)	-	88,139	927	116,158	
Total Commercial Industrial Contribution (\$1,000s)	S=M+R	\$ 108,147	\$ 546,921	\$ 22,081	\$ 83,292	\$ -	\$ 406	\$ -	\$ 125,981	\$ 3,883	\$ 349,057	
5. Solve Guaranteed E.V. per Capita and Calculate Guaranteed Tax Base												
Guaranteed Equalized Value per capita (\$1,000s, solved)	T=Solver	\$ 121.9993	\$ 121.9993	\$ 121.9993	\$ 121.9993	\$ 121.9993	\$ 121.9993	\$ 121.9993	\$ 121.9993	\$ 121.9993	\$ 121.9993	\$ 121.9993
Guaranteed Tax Base (\$1,000s)	U=T*A	3,102,199	3,480,153	483,483	398,206	1,029,552	61,244	25,010	613,047	198,737	9,337,707	
6. Calculate Tax Base Distribution												
Distribution Factor	V=16%	16%	16%	16%	16%	16%	16%	16%	16%	16%	16%	
Share Equalized Value in Service Area	W	100%	100%	39%	76%	7%	100%	100%	100%	100%	100%	
Tax Base Distribution (\$1,000s)	X=V*W*(U-J)	\$ (26,197)	\$ 19,206	\$ (15,768)	\$ (20,730)	\$ 529	\$ 77	\$ (4,499)	\$ 21,329	\$ (26,400)	\$ 831,496	
7. Determine Effective Local Tax Rate (TID in)												
Total Equalized Value (TID in) (\$1,000s)	Y=B	\$ 3,709,713	\$ 5,809,246	\$ 837,303	\$ 952,469	\$ 1,583,579	\$ 61,719	\$ 53,131	\$ 1,028,551	\$ 376,816	\$ 5,387,075	
Less Commercial Industrial Contribution (\$1,000s)	Z=-S	(108,147)	(546,921)	(22,081)	(83,292)	-	(406)	-	(125,981)	(3,883)	(349,057)	
Plus Tax Base Distribution (\$1,000s)	AA=X	(26,197)	19,206	(15,768)	(20,730)	529	77	(4,499)	21,329	(26,400)	831,496	
Effective Local Tax Base (\$1,000s)	AB=Y+Z+AA	\$ 3,575,369	\$ 5,281,531	\$ 799,454	\$ 848,447	\$ 1,584,108	\$ 61,389	\$ 48,632	\$ 923,900	\$ 346,533	\$ 5,869,513	
Effective Local Tax Rate w/ revenue sharing (\$ per \$1,000)	AC=I/AB	\$ 5.87	\$ 6.47	\$ 1.30	\$ 2.11	\$ 3.92	\$ 4.99	\$ 7.88	\$ 6.83	\$ 3.29	\$ 11.03	
8. Calculate Revenue Transfers												
Net Tax Base Transfer (\$1,000s)	AD=Z+AA	\$ (134,344)	\$ (527,715)	\$ (37,849)	\$ (104,022)	\$ 529	\$ (330)	\$ (4,499)	\$ (104,651)	\$ (30,283)	\$ 482,439	
Calculated Total Revenue Transfer (\$)	AE=AC*AD	(788,879)	(3,415,927)	(49,231)	(219,744)	2,075	(1,644)	(35,463)	(715,019)	(99,572)	5,323,403	0
TID Revenues (\$)	(1) AF=H*D	\$ 899,567	\$ 8,475,029	\$ -	\$ 123,954	\$ 1,395,521	\$ -	\$ -	\$ 1,162,450	\$ -	\$ -	
TID Revenues with Revenue Sharing (\$)	(1) AG=AC*D	\$ 933,368	\$ 9,321,829	\$ -	\$ 139,151	\$ 1,395,055	\$ -	\$ -	\$ 1,294,122	\$ -	\$ -	
TID Revenue Transfer (\$)	AH=AF-AG	\$ (33,801)	\$ (846,800)	\$ -	\$ (15,197)	\$ 466	\$ -	\$ -	\$ (131,672)	\$ -	\$ -	
TID Revenue Transfer Exempt (\$)	(1) AI	\$ 33,801	\$ 846,800	\$ -	\$ 15,197	\$ (466)	\$ -	\$ -	\$ 131,672	\$ -	\$ -	
Calculated Adjusted Revenue Sharing Transfer (\$)	(1) AJ=AE+AI	\$ (755,077)	\$ (2,569,127)	\$ (49,231)	\$ (204,547)	\$ 1,608	\$ (1,644)	\$ (35,463)	\$ (583,347)	\$ (99,572)	\$ (4,296,399)	
9. Calculate Discounted Revenue Transfers for Net Contributing Parties												
Percent Discount on Revenue Sharing Transfer	(1),(2) AK	28.00000%	28.00000%	50.00000%	50.00000%	50.00000%	50.00000%	50.00000%	48.86173%	50.00000%		
Discount on Adjusted Revenue Sharing Transfer (\$)	(1) AL=-AJ*AK	211,422	719,356	24,615	102,273	(804)	822	17,731	285,034	49,786	1,410,235	
Final Net Municipal Revenue Sharing Payment	(1) AM=AJ+AL	\$ (543,656)	\$ (1,849,772)	\$ (24,615)	\$ (102,273)	\$ -	\$ (822)	\$ (17,731)	\$ (298,314)	\$ (49,786)	\$ (2,886,969)	
10. Total Net Receipts	(3) AN					\$ 1,125				\$ 2,885,844	\$ 2,886,969	

1. Input only if AE<=0 (net contributor). Leave blank if AE>0 (net recipient).
 2. 28 percent discount for Caledonia and Mt. Pleasant, 50 percent discount for all others (except in the case of lands transferred).
 3. Net Recipient Party's share of Total Net Municipal Revenue Sharing Transfer, based on proportionate share of total of all positive AE values.

Zoo, Library, and Museum Payments to the City of Racine

Payments to Be Made in 2026

**Comparison of Utility Payments to the City of Racine
2025 vs 2026**

	<u>2025</u>	<u>2026</u>	<u>Change</u>
Equity Payments	-	-	-
Library	615,016	606,958	(8,058)
Zoo	330,393	330,393	0
Museum	<u>133,317</u>	<u>133,317</u>	<u>-</u>
Total	1,078,726	1,070,668	(8,058)

2026 Library Payments

Table 1

2024 Annual Circulation Data

a. Total Racine Public Library Circulation

	2024 Circulation	Share Excluding City of Racine
Racine	212,772	-
Racine County w/ Library	1,894	0.86%
Burlington, Town	132	0.06%
Dover	45	0.02%
Norway	52	0.02%
Raymond	1,358	0.62%
Waterford, Town	92	0.04%
Yorkville	2,020	0.92%
Sturtevant	7,584	3.44%
Caledonia	103,940	47.10%
Mount Pleasant	84,840	38.45%
Elmwood Park	2,278	1.03%
North Bay	1,830	0.83%
Wind Point	14,601	6.62%
Total Racine County	433,438	100.00%

b. Racine County Circulation Shares

	Circulation	Share
City of Racine	212,772	49.1%
Other Racine County	220,666	50.9%
Total County	433,438	100.0%

2026 Library Payments
Table 2
Determine Local Funding Requirement

<u>Operating Expenditures</u>	<u>Estimated 2024</u>
Salary and Fringe, including Health Benefits	3,729,679
Operating Expenditures	638,710
Interdepartmental	193,531
Capital Outlay	<u>32,500</u>
Total Expenditures	4,594,420
<u>Revenues</u>	<u>Estimated 2024</u>
State and Other	(17,500)
Fines and Fees	<u>(13,000)</u>
Total Revenues	(30,500)
Building Capital	<u>779,332</u>
Net Local Funding Requirement	5,343,252

2026 Library Payments

Table 3

Calculate and Allocate Funding Shortfall

2024 Total Local Funding Requirement	\$	5,343,252
County Percentage Share Based on Use		50.9%
County Dollar Share Based on Use		2,719,715
2024 Budgeted County Funding		(2,106,603)
Funding Shortfall	\$	613,112

<u>Municipality</u>	<u>Share</u>	<u>Allocated Amount</u>	<u>Payment Amount</u>
Racine County with Library	0.86%	5,262	-
Burlington	0.06%	367	-
Dover	0.02%	125	-
Norway	0.02%	144	-
Raymond	0.62%	3,773	3,773
Waterford	0.04%	256	-
Yorkville	0.92%	5,612	5,612
Sturtevant	3.44%	21,072	21,072
Caledonia	47.10%	288,793	288,793
Mount Pleasant	38.45%	235,725	235,725
Elmwood Park	1.03%	6,329	6,329
North Bay	0.83%	5,085	5,085
<u>Wind Point</u>	<u>6.62%</u>	<u>40,568</u>	<u>40,568</u>
Total excluding City of Racine	100.00%	613,112	606,958

2026 Zoo and Museum Payments

Table 4

Local Funding Requirement

Expenditures	2024 Zoo Expenditures	2024 Museum Expenditures
Salaries and Fringe	-	-
Operating Expenditures	534,572	409,949
Interdepartmental	-	-
Amortization of Capital Projects	<u>70,233</u>	<u>2,618</u>
Net Expenditures	604,805	412,567

2026 Zoo and Museum Payments
Table 5
Allocating Local Funding Requirement

			<u>Zoo</u>	<u>Museum</u>
		Total	604,805	412,567
<u>Municipality</u>	<u>2024 Equalized Value (Million \$)</u>	<u>Share</u>	<u>Zoo Payment</u>	<u>Museum Payment</u>
Caledonia	3,710	20%	123,169	84,020
Mount Pleasant	5,809	32%	192,878	131,571
Raymond	837	5%	27,800	18,964
Yorkville	952	5%	31,624	21,572
Elmwood Park	62	0%	2,049	1,398
North Bay	53	0%	1,764	1,203
Sturtevant	1,029	6%	34,150	23,295
Wind Point	377	2%	12,511	8,534
Racine	5,387	30%	-	-
Total	18,216	100%	425,945	290,557
			<u>Zoo</u>	<u>Museum</u>
		Payment Cap	330,393	133,317
		Final Payment Subject to Cap	330,393	133,317

2026 Equity Payments
Table 6

Initial value excluding interest \$6,690,407
 These payments ended in 2007.

Year	Amount
1997	660,000
1998	660,000
1999	660,000
2000	660,000
2001	660,000
2002	756,933
2003	660,000
2004	660,000
2005	660,000
2006	653,474
2007	-
2008	-
2009	-
2010	-
2011	-
2012	-
2013	-
2014	-
Total	6,690,407