

Kenosha



County

BOARD OF SUPERVISORS

RESOLUTION NO. _____

Authorizing Resolution
2020 Kenosha County Budget – Advisory Levy Objective

Original <input type="checkbox"/>	Corrected <input type="checkbox"/>	2nd Correction <input type="checkbox"/>	Resubmitted <input type="checkbox"/>
Date Submitted July 11, 2019		Date Resubmitted:	
Submitted By: Finance & Administration Committee			
Fiscal Note Attached : Yes		Legal Note Attached <input type="checkbox"/>	
Prepared By: Barna Bencs, Budget Director		Signature:	

Be it resolved, that the Kenosha County Board of Supervisors does hereby advise that the 2020 Kenosha County general purpose property tax levy may increase in an amount not to exceed 2.50% over the 2019 Kenosha County general purpose property tax levy. This levy objective shall apply to the operating and debt levy in accord with Kenosha County Financial Policy Management Statement – Annual County Budget Advisory Levy Objective as approved by the County Board.

Approved by:

Finance & Administration Committee

Authorizing Resolution – 2020 Kenosha County Budget – Advisory Levy Objective

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Excused</u>
_____ (Supervisor Terry Rose, Chairman)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ (Supervisor Ronald J. Frederick, Vice-Chair)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ (Supervisor John O'Day)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ (Supervisor Jeff Wamboldt)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ (Supervisor Jeffrey Gentz)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ (Supervisor Edward Kubicki)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2020 ADVISORY LEVY FORECAST

Finance & Administration Committee Presentation

July 2019

<u>Anticipated Increases in Levy- Fixed Costs/Cost to Continue</u>		
Personnel expense increases (Salaries/OT/Temp)	\$	1,800,000
Health/Prescription Insurance cost increase	\$	1,100,000
Increase in Debt Service	\$	1,100,000
Sheriff non-personnel operating expense increase	\$	375,000
Human Services non-personnel operating expense increase	\$	275,000
Public Works operating levy increase	\$	200,000
Joint Services levy increase	\$	150,000
IT Data Processing Costs	\$	125,000
Liability Insurance increase	\$	125,000
Total Projected Levy Increase- Costs to Continue	\$	5,250,000
<u>Potential Decreases in Levy</u>		
Sales Tax Revenue	\$	500,000
Other Unknown Revenue Sources - TBD	\$	500,000
Potential Levy Decreases Total	\$	1,000,000
Net Projected Potential Increase to Levy	\$	4,250,000
2020 County General Purpose Levy @ 2.50%	\$	68,606,525
2019 County Levy	\$	66,933,195
Increase in Dollars	\$	1,673,330
Total Projected Levy Increase	\$	4,250,000
Total Expenditures to Cut / Revenue Increase to achieve advisory levy	\$	2,576,670
Advisory Levy Percentage		2.50%
New Construction Actual (2018)		3.18%
Projected Levy Increase for County homeowner		-0.68%
Last 12 month CPI-U percentage (through June 2019)		1.80%
Inflation Adjusted Increase/(Decrease)		-2.48%
Estimated Taxes on \$100,000 Home in 2020 - Adjusted for Inflation		
2019 - \$475.31 2020 Estimate - \$463.52		

Fiscal Note

Levy Objective Benchmark

It is estimated that adopting a levy objective of 2.50% adjusted for inflation would result in a reduction in taxes to the County home owner.

This estimate is arrived at as follows: Using 3.18% as an estimate of new construction increase, a levy of 2.50% would result in a .68% decrease in levy for the County homeowner. The Consumer Price Index (CPI) for the last 12 months ending June 2019 was 1.80%. Applying a 1.80% CPI decrease to the rate results in an inflation-adjusted decrease of 2.48% or approximately \$11.79 for a \$100,000 home.

Fiscal Impact of Levy Objective

The Administration estimates that in order to achieve the example of a 2.50% levy increase, it would be necessary to increase revenue or reduce spending by a combined net total of \$2.576 million. This estimate does **NOT** include potentially material additional costs that could influence this amount negatively. These factors include but are **NOT** limited to State budget changes causing added unfunded mandates, higher Human Services juvenile placement costs, current bargaining unit negotiations, and any wage adjustments for County employees resulting from job market pressures. It is not known at this time whether this advisory levy amount would impact programs or services. The Administration will identify this as part of the budget process as necessary. There are presently no new County Board adopted programs that would impact the 2020 levy.

Debt Service

Debt service shall be included as part of the levy objective. Debt service is currently projected to increase \$1,100,000 in 2020.