

Kenosha



County

BOARD OF SUPERVISORS

RESOLUTION NO. _____

Authorizing Resolution 2021 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 16, 2020		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 2021 Kenosha County general purpose property tax levy may increase in an amount not to exceed 2.99% over the 2020 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

Aye Nay Abstain Excused

Terry Rose
(Supervisor Terry Rose, Chairman)

Jeff Gertz
(Supervisor Jeffrey Gertz, Vice-Chair)

Monica Yuhus
(Supervisor Monica Yuhus)

Jeff Wamboldt
(Supervisor Jeff Wamboldt)

Ron Frederick
(Supervisor Ron Frederick)

Edward Kubicki
(Supervisor Edward Kubicki)

John Franco
(Supervisor John Franco)

2021 ADVISORY LEVY FORECAST

Finance & Administration Committee Presentation

July 2020

Anticipated Increases in Levy- Fixed Costs/Cost to Continue	
Federal Inmate Revenue Loss	\$ 4,300,000
Personnel expense increases (Salaries/OT/Temp)	\$ 1,650,000
Health/Prescription Insurance cost increase	\$ 550,000
Increase in Debt Service	\$ 875,000
Tax Delinquencies/Penalties increase	\$ 500,000
Sheriff personnel/non-personnel operating expense increase	\$ 375,000
Human Services non-personnel operating expense increase	\$ 300,000
Public Works operating expense increase	\$ 300,000
Joint Services levy increase	\$ 225,000
IT Data Processing Costs	\$ 125,000
Liability Insurance increase	\$ 150,000
Property Insurance increase	\$ 25,000
Projected Levy Increase- Costs to Continue	\$ 9,375,000
Potential Decreases in Levy	
Sales Tax Revenue	\$ 200,000
Sheriff personnel/non-personnel operating expense decrease	\$ 3,900,000
Other Unknown Revenue Sources - TBD	\$ 500,000
Potential Levy Decreases Total	\$ 4,600,000
Net Projected Potential Increase to Levy	\$ 4,775,000
2021 County General Purpose Levy @ 2.99%	\$ 70,607,819
2020 County Levy	\$ 68,557,937
Increase in Dollars	\$ 2,049,882
Total Projected Levy Increase	\$ 4,775,000
Total Expenditures to Cut / Revenue Increase to achieve advisory levy	\$ 2,725,118
Advisory Levy Percentage	2.99%
New Construction Actual (2019)	2.04%
Projected Levy Increase for County homeowner	0.95%
Last 12 month CPI-U percentage (through May 2020)	1.25%
Inflation Adjusted Increase/(Decrease)	-0.30%
Estimated Taxes on \$100,000 Home in 2021 - Adjusted for Inflation	
2020 - \$452.96 2021 Estimate - \$451.60	

Fiscal Note

Levy Objective Benchmark

It is estimated that adopting a levy objective of 2.99% adjusted for inflation would result in a reduction in taxes to the County home owner.

This estimate is arrived at as follows: Using 2.04% as an estimate of new construction increase, a levy of 2.99% would result in a .95% increase in levy for the County homeowner. The Consumer Price Index (CPI) for the last 12 months ending May 2020 was 1.25%. Applying a 1.25% CPI decrease to the rate results in an inflation-adjusted decrease of 0.30% or approximately \$1.36 for a \$100,000 home.

Fiscal Impact of Levy Objective

The Administration estimates that in order to achieve the example of a 2.99% levy increase, it would be necessary to increase revenue or reduce spending by a combined net total of \$2.73 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, and the lingering economic effects of the COVID-19 pandemic. 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 2021 levy.

Debt Service

Debt service shall be included as part of the levy objective. Debt service is currently projected to increase \$875,000 in 2021.