

Kenosha



County

BOARD OF SUPERVISORS

RESOLUTION NO. _____

Advisory Resolution 2024 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 13, 2023		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 2024 Kenosha County general purpose property tax levy may increase in an amount not to exceed 2.75% over the 2023 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

	<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 David Geertsen, Vice-Chair)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ (Supervisor Erin Decker)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ (Supervisor John Franco)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ (Supervisor Bill Grady)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ (Supervisor John Poole)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ (Supervisor Tim Stocker)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2024 ADVISORY LEVY FORECAST

Finance & Administration Committee Presentation

July 2023

Anticipated Increases in Levy - Fixed Costs

Personnel expense increase (Salaries/OT/Temp)	\$ 4,230,000
Sheriff inmate/pharmaceutical medical expense increase	\$ 1,000,000
Debt Service increase	\$ 850,000
Health/Prescription Insurance cost increase	\$ 650,000
Sheriff non-personnel operating expense increase	\$ 600,000
IT data processing cost increase (GASB 96)	\$ 550,000
Human Services non-personnel operating expense increase	\$ 300,000
Net new positions levy	\$ 300,000
Public Works non-personnel operating expense increase	\$ 275,000
Joint Services increase	\$ 150,000
Liability Insurance increase	\$ 125,000

Projected Levy Increases Total	<u>\$ 9,030,000</u>
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Potential Decreases in Levy

Net State Supplemental Aid Payment	\$ 875,000
ARPA revenue	\$ 750,000
Other Unknown revenue sources	\$ 500,000
Sales Tax revenue	\$ 250,000
General Fund Interest revenue	\$ 250,000

Potential Levy Decreases Total	<u>\$ 2,625,000</u>
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Net Projected Increase to Levy	\$ 6,405,000
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2024 County General Purpose Levy @ 2.75%	\$ 75,904,002
2023 County Levy	\$ 73,872,508
Increase in Dollars	\$ 2,031,494
Total Projected Levy Increase	\$ 6,405,000
Total Expenditures to Cut / Revenue Increase to achieve advisory levy	\$ 4,373,506

Advisory Levy Percentage	<u>2.75%</u>
New Construction Actual (2022)	3.94%
Projected Levy Increase for County homeowner	-1.19%
Last 12 month CPI-U percentage (through May 2023)	4.00%
Inflation Adjusted Increase/(Decrease)	<u>-5.19%</u>

Fiscal Note

Levy Objective Benchmark

It is estimated that adopting a levy objective of 2.75% adjusted for inflation would reduce taxes to the County homeowner.

This estimate is arrived at as follows: Using 3.94% as an estimate of new construction increase, a levy increase of 2.75% would result in a 1.19% decrease in levy for the County homeowner. The Consumer Price Index (CPI) for the last 12 months ending May 2023 was 4.00%. Applying a 4.00% CPI decrease to the rate results in an inflation-adjusted decrease of 5.19% or approximately \$22.26 for a \$100,000 home.

Fiscal Impact of Levy Objective

The Administration estimates that to achieve the example of a 2.75% levy increase, it would be necessary to increase revenue or reduce spending by a combined net total of \$4.37 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, changes to certain employee group compensation, increasing inflationary pressures on costs, and the lingering economic effects of the COVID-19 pandemic including supply chain challenges. 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 2024 levy.

Debt Service

Debt service shall be included as part of the levy objective. Debt service is currently projected to increase \$850,000 in 2024.