

# ***RESOLUTION NO.: 38—2024-25***

TO THE HONORABLE, THE OUTAGAMIE COUNTY BOARD OF SUPERVISORS

LADIES AND GENTLEMEN:

*2/3 MAJORITY – 24 VOTES*

1           Wisconsin State Statute Section 66.02602(3)(fm) provides that unused levy from  
2           prior years can be carried forward by a two-thirds majority vote of the governing  
3           body. There is a percentage of unused levy from 2019 due to the use of sales tax  
4           as opposed to debt issues. The amount available is 1.903% of the county's  
5           valuation. This is only available for five years prior and this is the last year to use  
6           the 2019 carryforward. There is no carryforward provisions for years 2020 – 2023.  
7

8           NOW THEREFORE, the undersigned members of the Finance Committee recommend  
9           adoption of the following resolution.

10           BE IT RESOLVED, that the Outagamie County Board of Supervisors does authorize and  
11           approve that unused levy from 2019 in the amount of 1.903% of the county's valuation be carried  
12           forward as noted on the attached fiscal note and Summary of Tax Levy Limit memo, which by  
13           reference are made a part hereof, and

14           BE IT FINALLY RESOLVED, that the Outagamie County Clerk be directed to forward a  
15           copy of this resolution to the Outagamie County Finance Director and Outagamie County  
16           Executive.

17           Dated this \_\_\_\_ day of July 2024

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Respectfully Submitted,

FINANCE COMMITTEE

\_\_\_\_\_  
Chris Croatt

\_\_\_\_\_  
John Cuff

\_\_\_\_\_  
Karen Lawrence

\_\_\_\_\_  
Dana Johnson

\_\_\_\_\_  
Rick Lautenschlager

Duly and officially adopted by the County Board on: \_\_\_\_\_

Signed: \_\_\_\_\_  
Board Chairperson

\_\_\_\_\_  
County Clerk

Approved: \_\_\_\_\_

Vetoed: \_\_\_\_\_

Signed: \_\_\_\_\_  
County Executive

**INTRODUCTION:** This form must be attached to any resolution or ordinance which contains a spending or revenue proposal. The form should be completed by an individual within the department initiating the resolution or ordinance with assistance from the Financial Services Department. Contact the Finance Director (1674), Controller (1675) or Staff Accountant (1681) for assistance. Once completed, forward a copy of the form to the Financial Services Department for their review. Financial Services will forward a reviewed copy of the fiscal note to Legislative Services.

1. **Subject:** Request to use prior years unused levy carryforward

2. **Description:** This section must be completed for all fiscal notes. Briefly and concisely describe the request. State assumptions used and discuss any current year and long-term fiscal impacts. (A separate attachment can be used)

Request to use the prior year's unused levy carryforward per Wis. Stats. Sec 66.02602(3)(fm). There is a percentage of unused levy from 2019 due to the use of sales tax versus debt issues. The amount available is 1.903% of our valuation. This is only available for 5 years prior and this is the last year to use the 2019 carryforward. There is no carryforward provisions for 2020 – 2023 years.

**Current Year Budget Impact (Check one or more of the following boxes)**

- Revenues                       Expenses (Cost)                       None
3. Is the specific cost or revenue included in the current year's budget?      yes ( )    no ( )    partially ( )
4. If the proposal requests additional spending, can the additional cost be absorbed within the current year's line item?      yes ( )    no ( )    n/a (x)
5. Is the proposal to accept additional revenues only?      yes (x)    no ( )
6. Does this request modify/adjust the current year budget?      yes ( )    no (x)  
If no, skip to question 8 below.

7. Detail current year budget changes. Please list cost center name, line item, account number and either the increase or decrease amount. (Please note that all budget adjustments must balance. For example, an increase in an expenditure account must be offset by a decrease in another expenditure account or the contingency fund or an increase in a revenue account or other funding sources such as fund balance applied.)  
The project on

COST CENTER NAME	LINE ITEM (i.e. Salaries, Supplies, Etc.)	ACCOUNT NUMBER INCLUDING COST CENTER (i.e. 1004100.5100, 1004100.5400, etc.)	INCREASE (DECREASE) AMOUNT

**Annual and Long-Term Impact**

8. Is the above Increase/Decrease a nonrecurring one-time expense or revenue?      yes (x)    no ( )    n/a ( )
9. What is the anticipated annual and/or long-term cost or revenue impact?      Annual Cost      0  
Annual Revenue      \$1,253,023+


Fiscal Note Prepared by: Michelle Uitenbroek

For Financial Services purposes only	
Reviewed By:  <i>Michelle Uitenbroek</i>	If expenditures are recorded in the financial system at a level of detail lower than the level 6 as shown above, indicate the specific account numbers and amounts below: <u>Detail Expenditure Account Number</u> <u>Amount</u>
Date: 7/10/2024	_____
Comments:	



FINANCIAL SERVICES  
320 South Walnut St.  
Appleton, WI 54911  
920.832.1680

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To: Nadine Miller, Finance Committee Chair and  
Finance Committee Members  
CC: Thomas Nelson, County Executive  
From: Brian Massey, Consultant   
Date: May 2, 2023  
RE: Summary of Tax Levy Limit

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Per your request, this memo briefly explains the Tax Levy Limit in accordance with State Statute 66.0602. We will not go into details of all of the calculation but will describe the items the County has used and dealt with in the past 10 years or so or are available in the future. I have included several attachments and will explain them at a high level as follows:

- I. 2022 Actual County Levy Limit Worksheet completed for the 2023 Budget
    - A) Determination of 2022 Payable 2023 Allowable Levy Limit
    - B) Adjustment for Previous Year's Unused Levy
    - C) Adjustment for Prior Years' Unused Levy Carryforward
  - II. Excerpt of page I-28 of the County's 2023 Adopted Budget that shows the County's calculation of the Property Tax Levy Limit for transparency purposes
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- I. **2022 Actual County Levy Limit Worksheet completed for the 2023 Budget** – This is the actual form completed by the County.

**A) Determination of 2022 Payable 2023 Allowable Levy Limit**

- 1- Essentially starts with the County's prior year levy, excluding those items exempt from the levy limit as well as adjusting for the State reimbursement for the current year's personal property tax payment. For Outagamie County (OC), those items that are exempt from the levy limit cap are the Town Bridge Aid, Library Aid and State Special Charges – see attachment II for those amounts excluded from the levy limit calculation.
- 2- Exclusion for unreimbursed emergency expenses – has not applied to OC that I'm aware of
- 3- Exclusion for new GO Debt authorized after July 1, 2005 – has not applied to OC since implementation of the sales tax in the 2020 budget.
- 4- Adjusted County Levy Subtotal.
- 5- Terminated Tax Increment increase percentage and amount. Amount adjusted for any TIDs that were terminated prior to May of the current year. (The County usually has zero to two TIDs that terminate during a given year).
- 6- Net New Construction increase. Based on Net New Construction percentage as calculated by the DOR.
- 7- Greater of line 5 or 6. Since the TID terminations are generally far under our average net new construction, we have always used line 6.
- 8- Levy limit taking into account the next years projected personal property tax payment.

- 9- Any other adjustments – See second page of attachment A. The County has only occasionally used the adjustment for the transfer of services for the past many years. For example, we had to transfer to local municipalities the pro-rated share of our levy amount for the operations of the emergency sirens several years ago. However, our expenses were reduced by a like amount.
- 10- Final calculated Allowable Levy Subject to the Levy Limit calculation.

**B) Adjustment for Previous Year's Unused Levy – Per the State's instructions**

Section B.

- 1- Previous year's allowable levy.
- 2- Previous year's actual levy.
- 3- Previous year's unused levy – Line 1 minus line 2.
- 4- Previous year's actual levy multiplied by 0.015%.
- 5- Allowable Increase (Lessor of line 3 or 4). Since the County has levied up to our levy limit the past two years, we are not eligible for this exception for the past two years as well as for the 2023 budget.

**C) Adjustment for Prior Years' Unused Levy Carryforward – Per the State's instructions, the DOR goes through a formula of comparing taxes levied compared to the prior year times a valuation factor. See attachment B for the example calculation.**

Section C.

- 1-6- This is computed the State DOR and it is a 5 year rolling amount. Each year a new year is added and a prior year is taken off. The total of the rolling 5 year percentage is calculated.
- 7- This is the last year's tax levy applicable to the levy limit
- 8- This row calculates the total unused carryforward percentage of the years times the tax levy.

*The County is only able to use this section if the following applies or happens:*

- Approved by a two-thirds vote of the County Board.
- The County's outstanding general obligation (GO) debt for the current year is less than the prior year. (Note – if the County does take out promissory notes for the Broadband expansion and/or a substantial amount of GO debt for the Airport, that may/would preclude the County to use this portion for the 2024 budget. However, it would not preclude the County from using this section for the 2025 budget since the calculation is based on a 5 year rolling amount.)

This carry forward amount is then built into the County's new base tax levy and is available for the next budget etc.

Note that the County is only eligible to use either Section B or Section C, not both.

- ii. **Excerpt of page I-28 of the County's 2023 Adopted Budget.** Shows the County's calculation of the Property Tax Levy Limit for transparency purposes.

(A)

Form SL-202c	<b>2022 County Levy Limit Worksheet</b>	WI Dept of Revenue
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Year 2022	County OUTAGAMIE	Co-muni Code 44999	Account No. 1210	Report Type
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**Section A: Determination of 2022 Payable 2023 Allowable Levy Limit**

1	2021 payable 2022 actual county levy plus 2022 personal property aid ( 529,394.03 )	\$63,138,634
2	Exclude prior year levy for unreimbursed expenses related to an emergency	\$0
3	Exclude 2021 levy for new general obligation debt authorized after July 1, 2005	\$0
4	2021 payable 2022 adjusted actual county levy (Line 1 minus Lines 2 and 3)	\$63,138,634
5	0.00% growth, plus terminated TID ( 0.002 %), plus TID subtraction ( 0.002 % ) applied to 2021 adjusted actual levy	\$63,141,160
6	Net new construction ( 1.98 % ), plus terminated TID (0.002 %), plus TID subtraction ( 0.002 % ) applied to 2021 adjusted actual levy	\$64,391,304
7	Greater of Line 5 or Line 6	\$64,391,304
8	2022 levy limit before adjustments less 2023 personal property aid ( 529,394.03 )	\$63,861,910
9	Total adjustments (from Sec. D, Line Q)	\$0
10	<b>2022 Payable 2023 Allowable Levy (sum of Lines 8 and 9)</b>	<b>\$63,861,910</b>

11/25/24  
 2024  
 All of them

**Section B: Adjustment for Previous Year's Unused Levy (sec. 66.0602(3)(f), Wis. Stats.)**

1	Previous year's allowable levy	\$62,609,240
2	Previous year's actual levy	\$62,609,240
3	Previous year's unused levy (Line 1 minus Line 2)	\$0
4	Previous year's actual levy \$62,609,240 x 0.015	\$939,139
5	<b>Allowable Increase (lesser of Lines 3 or 4)</b>	<b>\$0</b>

**Section C: Adjustment for Prior Years Unused Levy Carryforward (sec. 66.0602(3)(fm), Wis. Stats.)**

1	2021 unused percentage	0.000%
2	2020 unused percentage	0.000%
3	2019 unused percentage	1.903%
4	2018 unused percentage	0.135%
5	2017 unused percentage	0.056%
6	Total unused percentage (sum of Lines 1-5)	2.094%
7	Previous year actual levy due to valuation factor	\$63,138,634
8	<b>Allowable Increase (Line 6 multiplied by Line 7)</b>	<b>\$1,322,123</b>

A

Form  
SL-202c

**2022 County Levy Limit Worksheet**

WI Dept  
of Revenue

Section D: Adjustments to Allowable Levy Limit		
	Additions	Subtractions
A	Increase for unused levy from previous year (from Sec. B, Line 5)	
B	Decrease in 2023 debt service levy as compared to 2022 debt service levy for debt authorized prior to July 1, 2005	
C	Increase in 2023 debt service levy as compared to 2022 debt service levy for debt authorized prior to July 1, 2005	
D	Increase for county's share of refunded or rescinded taxes certified under sec. 74.41(5), Wis. Stats.	
E	Debt service levy for general obligation debt authorized after July 1, 2005. Includes levy for Milwaukee County Pension Obligation Bonds issued under Sec.59.85, Wis. Stats.	
F	Increase in 2022 payable 2023 levy approved by a referendum	
G	Amount levied in 2022 to pay unreimbursed expenses related to an emergency	
H	Increase/decrease in costs associated with an intergovernmental cooperation agreement	
I	Adjustment to 2022 payable 2023 levy for transfer of services during 2022 to other governmental units	
J	Adjustment to 2022 payable 2023 levy for transfer of services during 2022 from other governmental units	
K	Adjustment to 2022 payable 2023 levy for consolidation of services during 2022	
L	Lease payment for lease revenue bonds issued before July 1, 2005	
M	Levy for shortfall of debt service on revenue bond issued under sec. 66.0621, Wis. Stats., or special assessment B bond issued under sec. 66.0713(4), Wis. Stats.	
N	Adjustment to 2022 payable 2023 levy for the adoption of a new fee or fee increase for covered services partly or wholly funded by levy in 2013	
O	Increase for unused levy carryforward from prior years (from Sec. C, Line 8)	
P	Increase in levy due to a reduced utility aid payment for a decommissioned or closed plant	
Q	<b>Total Adjustments (sum of Lines A-P)</b>	
		\$0

(B)

### Municipal Levy Limit Worksheet Instructions

As a municipal clerk, you are required to submit this form to the Wisconsin Department of Revenue (DOR) by December 15, 2022.

If you have questions:

- Email: [lgs@wisconsin.gov](mailto:lgs@wisconsin.gov)
- Call: (608) 266-8618 or (608) 261-5167

#### Section A: Determination of 2022 payable 2023 Allowable Levy Limit

Lines 1 through 8 are auto-filled by DOR.

- **Line 1** – previous year actual levy reported on your 2021 Statement of Taxes plus 2022 personal property aid
- **Line 2** – amount reported in Sec. D, Line G of your 2021 Levy Limit Worksheet
- **Line 3** – amount reported in Sec. D, Line E of your 2021 Levy Limit Worksheet
- **Line 4** – 2021 adjusted actual levy (Line 1 minus total of Lines 2 and 3)
- **Line 5** – allowable increase for growth, terminated tax increment district (TID) and TID territory subtractions applied to 2021 adjusted actual levy
- **Line 6** – allowable levy including increase for net new construction, terminated TID and TID territory subtractions applied to 2021 adjusted actual levy
- **Line 7** – Greater of Line 5 or 6
- **Line 8** – 2022 allowable levy limit before adjustments less 2023 personal property aid
- **Line 9** – total adjustments from Sec. D, Line U
- **Line 10** – 2022 allowable levy limit (sum of Lines 8 and 9)
- **Line 11** – for towns with a population of less than 3,000, enter higher levy approved by special resolution at a special meeting of town electors. You must provide the following documents to DOR:
  - Resolution to propose exceeding levy limit
  - Notice of special town meeting
  - Signed resolution for electors to exceed levy limit (with voting results)
  - Note: Resolution and notice templates are available on the Wisconsin Towns Association website

#### Section B: Adjustment for Previous Year's Unused Levy (sec. 66.0602(3)(f), Wis. Stats.)

This section calculates the allowable increase for the previous year's unused levy (auto-filled by DOR).

- **Line 1** – previous year's allowable levy reported on your 2021 Levy Limit Worksheet
- **Line 2** – previous year's actual levy reported on your 2021 Statement of Taxes
- **Line 3** – previous year's unused levy (Line 1 minus Line 2)
- **Line 4** – previous year's actual levy multiplied by 1.5%
- **Line 5** – allowable increase (lesser of Line 3 or 4)
- **Note:** Each year, you may use the allowable increase calculated in Sec. B or Sec. C

#### Section C: Adjustment for Prior Years' Unused Levy Carryforward (sec. 66.0602(3)(fm), Wis. Stats.)

This section calculates the allowable increase for the prior five years' unused levy carryforward (auto-filled by DOR).

- **Line 1** – 2021 unused percentage
- **Line 2** – 2020 unused percentage
- **Line 3** – 2019 unused percentage
- **Line 4** – 2018 unused percentage
- **Line 5** – 2017 unused percentage

(B)

- **Line 6** – total unused percentage, which cannot exceed 5% (sum of Line 1 through 5)
- **Line 7** – previous year actual levy due to valuation factor (actual levy reported on your 2021 Statement of Taxes minus total adjustments reported on Sec. A, Line 9 of your 2021 Levy Limit Worksheet)
- **Line 8** – allowable increase (Line 6 multiplied by Line 7)
- **Note:** Each year, you may use the allowable increase calculated in Sec. B or Sec. C

Section C – Example									
2021 Unused Percentage		2020 Unused Percentage		2019 Unused Percentage		2018 Unused Percentage		2017 Unused Percentage	
2021 actual levy due to valuation factor	\$5,220,000	2020 actual levy due to valuation factor	\$5,185,000	2019 actual levy due to valuation factor	\$5,125,000	2018 actual levy due to valuation factor	\$5,050,000	2017 actual levy due to valuation factor	\$5,000,000
2020 actual levy due to valuation factor	\$5,185,000	2019 actual levy due to valuation factor	\$5,125,000	2018 actual levy due to valuation factor	\$5,050,000	2017 actual levy due to valuation factor	\$5,000,000	2016 actual levy due to valuation factor	\$4,955,000
Increase from 2020 to 2021	\$35,000	Increase from 2019 to 2020	\$60,000	Increase from 2018 to 2019	\$75,000	Increase from 2017 to 2018	\$50,000	Increase from 2016 to 2017	\$45,000
% Increase from 2020 to 2021	0.675%	% Increase from 2019 to 2020	1.171%	% Increase from 2018 to 2019	1.485%	% Increase from 2017 to 2018	1.000%	% Increase from 2016 to 2017	0.908%
Greater of net new construction or growth (set at 0%) for 2021	1.150%	Greater of net new construction or growth (set at 0%) for 2020	1.460%	Greater of net new construction or growth (set at 0%) for 2019	1.550%	Greater of net new construction or growth for 2018	1.500%	Greater of net new construction or growth for 2017	1.000%
<b>Line 1</b> – 2021 unused percentage (1.150% - 0.675%)	0.475%	<b>2020 unused percentage</b> (1.460% - 1.171%)	0.289%	<b>2019 unused percentage</b> (1.550% - 1.485%)	0.065%	<b>2018 unused percentage</b> (1.500% - 1.000%)	0.500%	<b>2017 unused percentage</b> (1.000% - 0.908%)	0.092%
		Percentage used in prior year	0.289%	Percentage used in prior year	0.000%	Percentage used in prior years	0.250%	Percentage used in prior years	0.092%
		<b>Line 2</b> – 2020 remaining unused percentage (0.289% - 0.289%)	0.000%	<b>Line 3</b> – 2019 remaining unused percentage (0.065% - 0.000%)	0.065%	<b>Line 4</b> – 2018 remaining unused percentage (0.500% - 0.250%)	0.250%	<b>Line 5</b> – 2017 remaining unused percentage (0.092% - 0.092%)	0.000%
<b>Line 6</b> – Total unused percentage (sum of Lines 1 through 5)							0.790%		
<b>Line 7</b> – Previous year actual levy due to valuation factor							\$5,220,000		
<b>Line 8</b> – Allowable increase							\$41,238		

**Section D: Adjustments to Levy Limit**

The reported adjustments in this section will increase or decrease your allowable levy limit.

- **Line A** – to use the allowable increase provided in Sec. B, enter an amount less than or equal to Sec. B, Line 5. To qualify for this adjustment:
  - Your governing body must approve by majority vote (for an increase of 0.5% or less); two-thirds majority vote (for an increase more than 0.5% to 1.5%); or three-quarters majority vote (for cities, villages and counties with at least five members approving an increase more than 0.5% to 1.5%)
  - You cannot report an amount on Line A and Line R
- **Line B** – enter the amount of decrease in debt service levy for debt authorized prior to July 1, 2005
- **Line C** – enter the amount of increase in debt service levy for debt authorized prior to July 1, 2005. This is rare.
- **Line D** – enter the levy increase for your municipality's share of refunded or rescinded taxes certified by DOR under state law (sec. 74.41(5), Wis. Stats.)

**PROPERTY TAX LEVY FREEZE**

*Excerpt - 2023 Budget*

The County is subject to a property tax levy freeze. Below is a calculation of the levy freeze. Under current law, a certain amount under the levy cap is available to be carried over to a future year if approved under certain conditions by the County Board.

**2023 Levy Limit**

2021 Payable 2022 County Levy (Line 27 County Apportionment Sheet)		\$64,714,987
Less: Bridge Aid Levy		(200,000)
Library Aid Levy		(1,905,587)
State Special Charges: General Hospital Charge		<u>(160)</u>
Subtotal		62,609,240
Add: Personal Property Tax Aid		<u>529,394</u>
Subtotal		63,138,634
Debt Service for GO Debt Authorized after July 1, 2005		<u>(0)</u>
		63,138,634
Larger of 0% or Net New Construction		
1.98% Net New Construction	1,250,144	
0.0% Minimum Increase	-	
Additional Increase - TIF Closeout (.05% less reduction .002%)	<u>2,526</u>	<u>1,252,670</u>
Subtotal		64,391,304
Deduct: Personal Property Tax Aid		<u>(529,394)</u>
Subtotal		63,861,910
Add/Deduct: Adjustments for transfer of services		(0)
Adjustment to Levy Limit – Debt Service		
Declared Debt Service for GO Debt Authorized after July 1, 2005 – Governmental Funds (*1)		<u>0</u>
Total Tax Levy Cap per Formula		63,861,910
<b>2023 Budget Tax Levy Not Subject to CAP</b>		
2023 Adopted Levy	65,992,158	
LESS: Bridge Aid Levy	(250,000)	
Library Aid Levy	(1,879,877)	
State Special Charges: General Hospital Charge	<u>(371)</u>	
Total Tax Levy Subject to Cap		<u>63,861,910</u>
Difference (Over) Under Cap		<u>\$ 0</u>
Available Levy Limit Balance per Formula		
Post 2005 – Governmental Debt Declared in Formula (*1)		(\$0)
Total Post 2005 – Governmental Debt		<u>5,967,495</u>
Total Additional Allowable and Undeclared Post 2005 Governmental Debt		\$5,967,495
Undeclared Enterprise Fund Debt		<u>2,545,672</u>
Grand Total Available		<u>\$8,513,167</u>

