Support for Increased Levy Limit Flexibility

Whereas, since 2006 the state has limited the ability of municipalities to increase their property tax levies from one year to the next; and

Whereas, prior to 2011 the levy limit law allowed communities who were not experiencing growth to increase their levy a minimum amount roughly equal to the rate of inflation; and

Whereas, since 2011 the limits have been based exclusively on the community's percentage increase in property value caused by new construction; and

Whereas, the state's levy limit policy has created a dynamic in which fast growing cities and villages have the financial resources to invest in services and infrastructure that help them further increase their growth, while no-growth and slow-growth communities stagnate; and

Whereas, Wisconsin has the strictest levy restriction in the country; and

Whereas, between 2012 and 2018 only 62 of 600 cities and villages experienced new construction averaging at least 2% per year, and 186 experienced growth of less than .5% per year; and

Whereas, Governor Tony Evers recommends as part of his state budget proposal, AB 56/SB 59, allowing municipalities to increase their annual levies over the prior year by the greater of the percentage change in equalized values due to net new construction or 2%; and

Whereas, The Governor also proposes eliminating the requirement that a municipality reduce its allowable levy by the amount of fee revenue it received in lieu of property taxes for providing a specified service (i.e., snow plowing, storm water management, fire protection, garbage collection, and street sweeping) that was funded with the property taxes in 2013.

Now, Therefore, Be It Resolved, that the City of Waupun, as a member of the League of Wisconsin Municipalities, calls on the Legislature to pass a state budget retaining the levy limit law changes recommended by the Governor, including a 2% floor for levy limits, and directs the Clerk to send a copy of this resolution to the state legislators representing the City of Waupun, to Governor Tony Evers and to the League.

Adopted this 30th day of April, 2019

City of Waupun Julie J. Nickel. Mavor Attest:

Angela J. Hull, City Clerk

