



Wisconsin Counties Association
ANNUAL CONFERENCE
& Exhibit Hall **2022**

8:00 - 9:00 AM

County Finances 101



County Finances 101

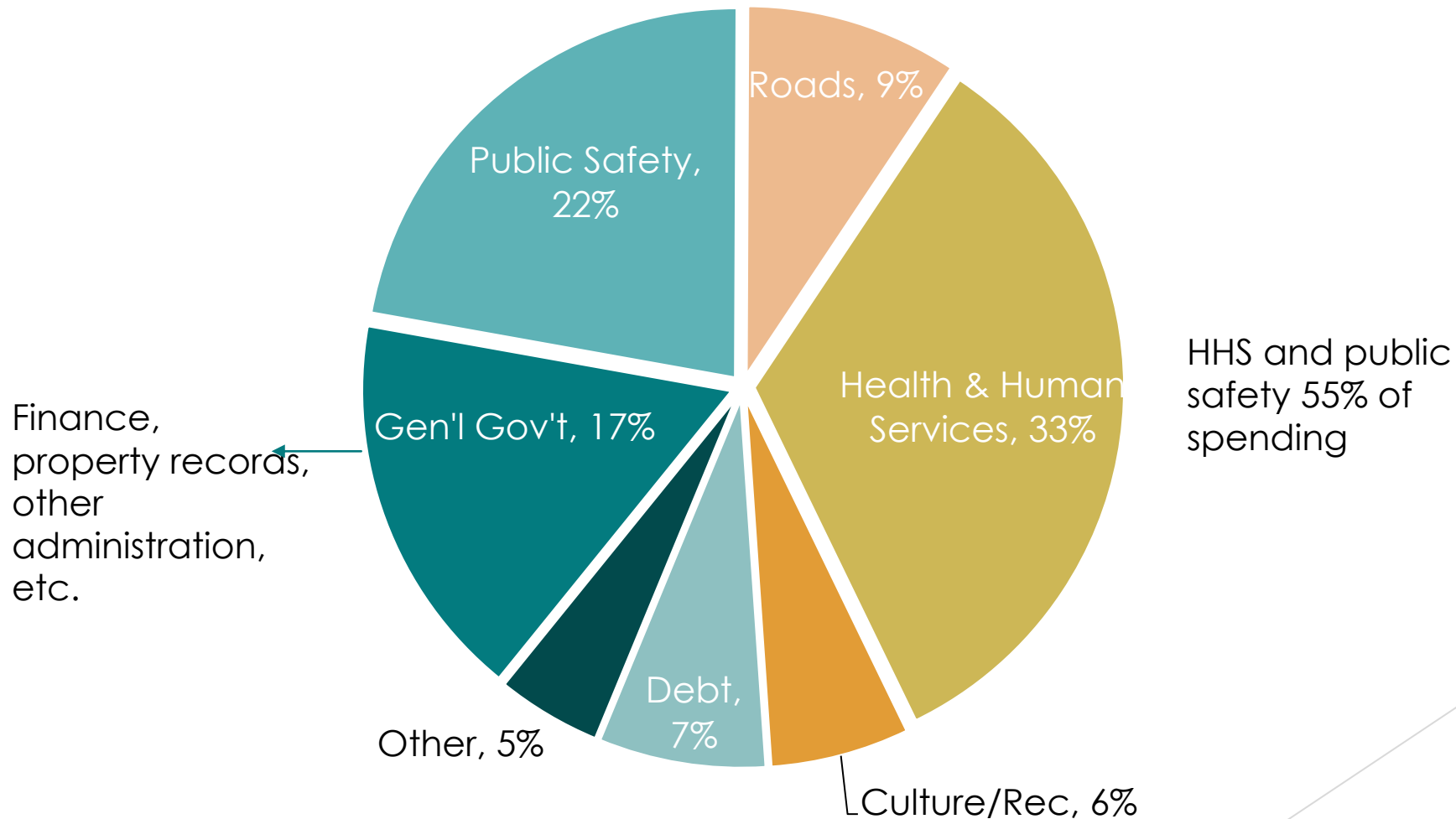
An Overview

Dale Knapp, Director
Forward Analytics



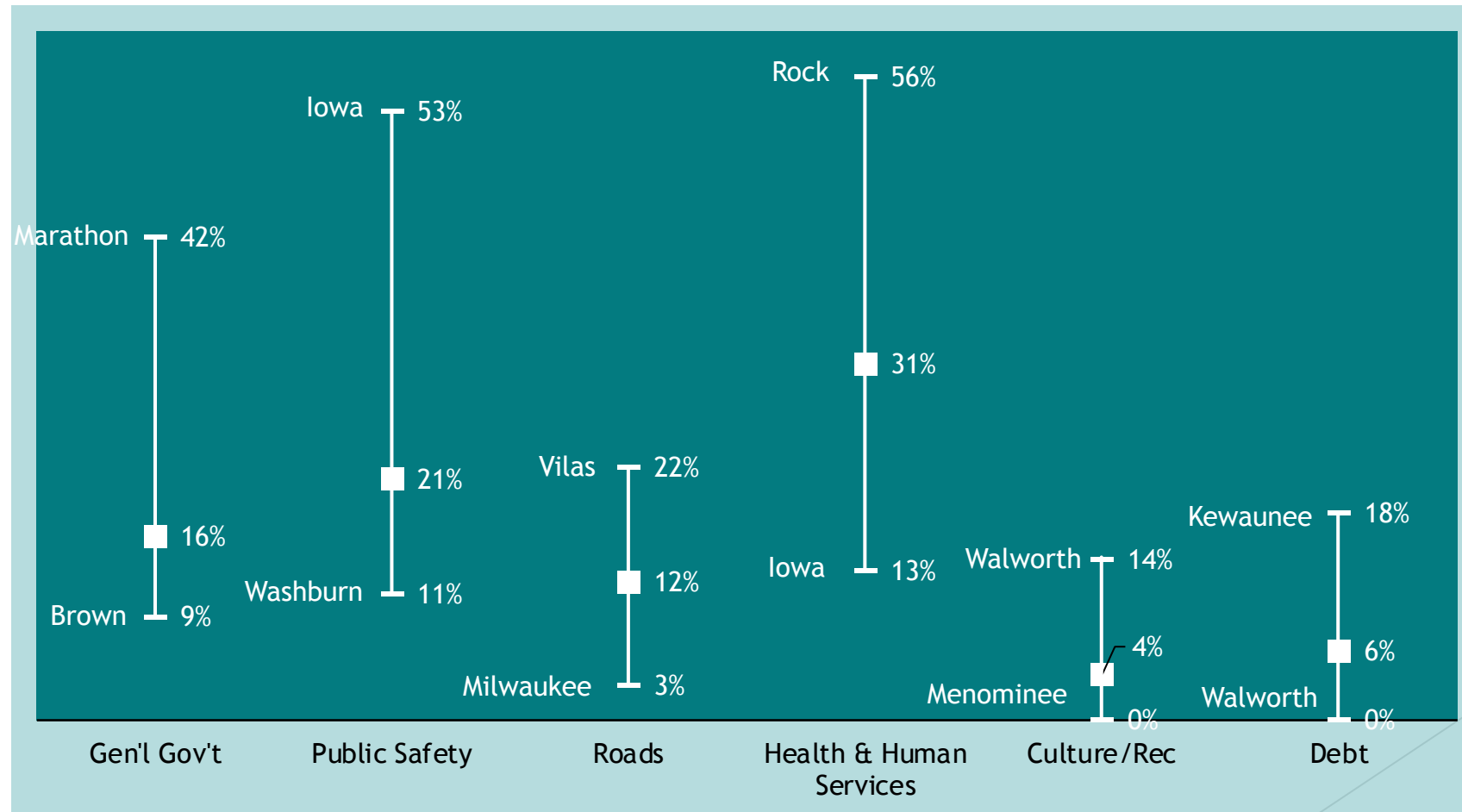
What Do Counties Do?

2020 Spending Shares, All Counties



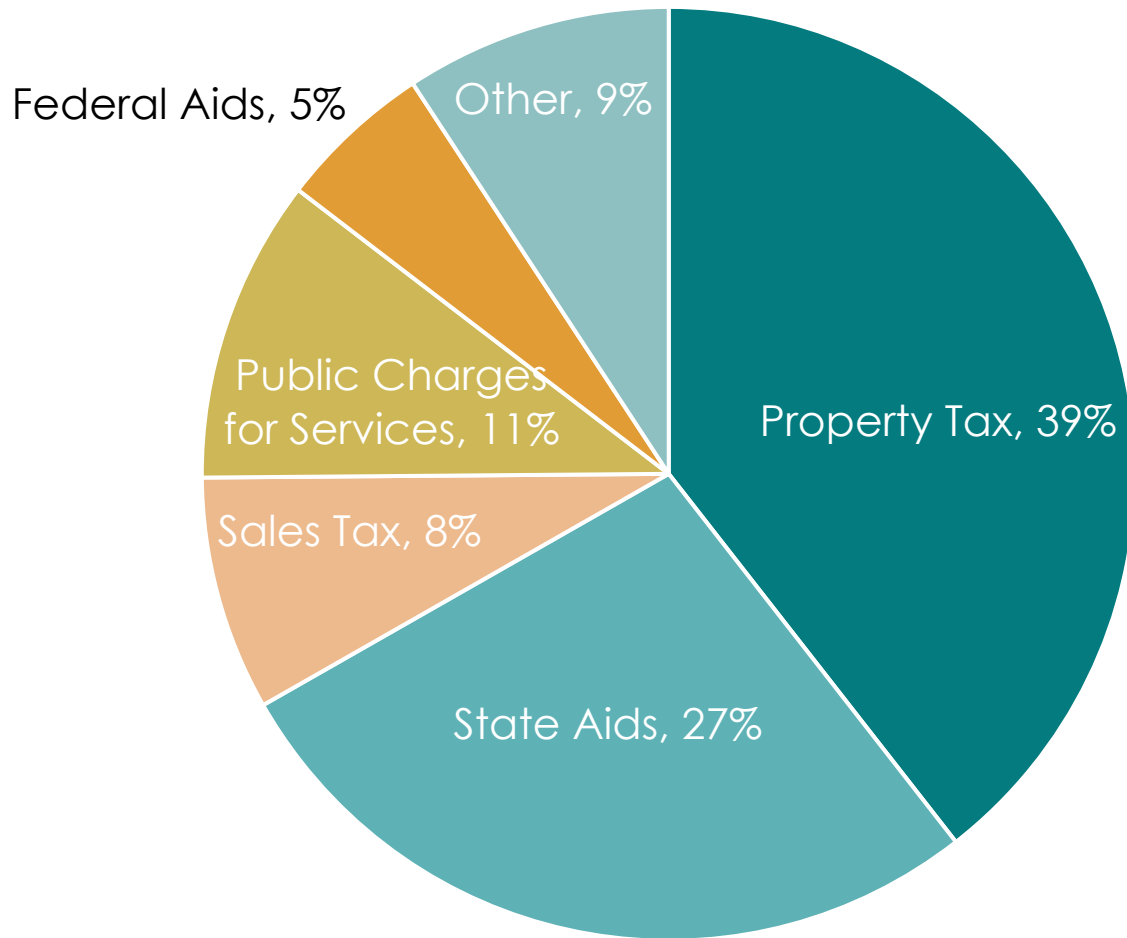
Counties Vary in Where They Spend

2020: Lowest, Middle, Highest Shares of Total Spending



County Funding

2020 Revenue Shares, All Counties



Property tax and
state aids 64% of
revenues

Revenue Details

State Aids

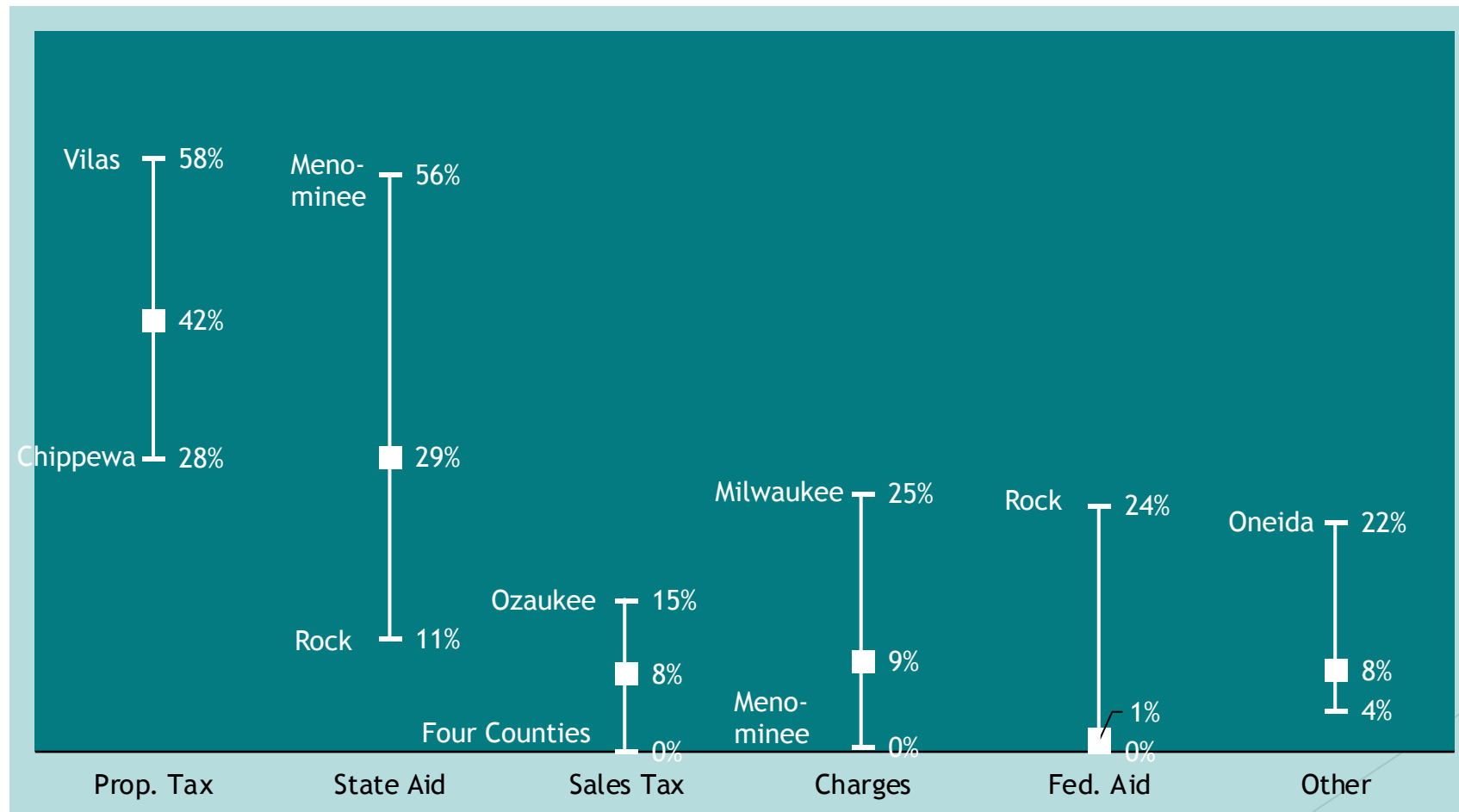
Shared Revenues:	
10%	
Highway Aids:	10%
Health:	15%
Human Services:	50%

Public Charges

HHS:	48%
Gen. Gov. ex Courts:	
20%	
Parks/Culture/Rec.:	10%
Public Safety:	
8%	
Forests/Conservation:	
5%	
Other:	9%

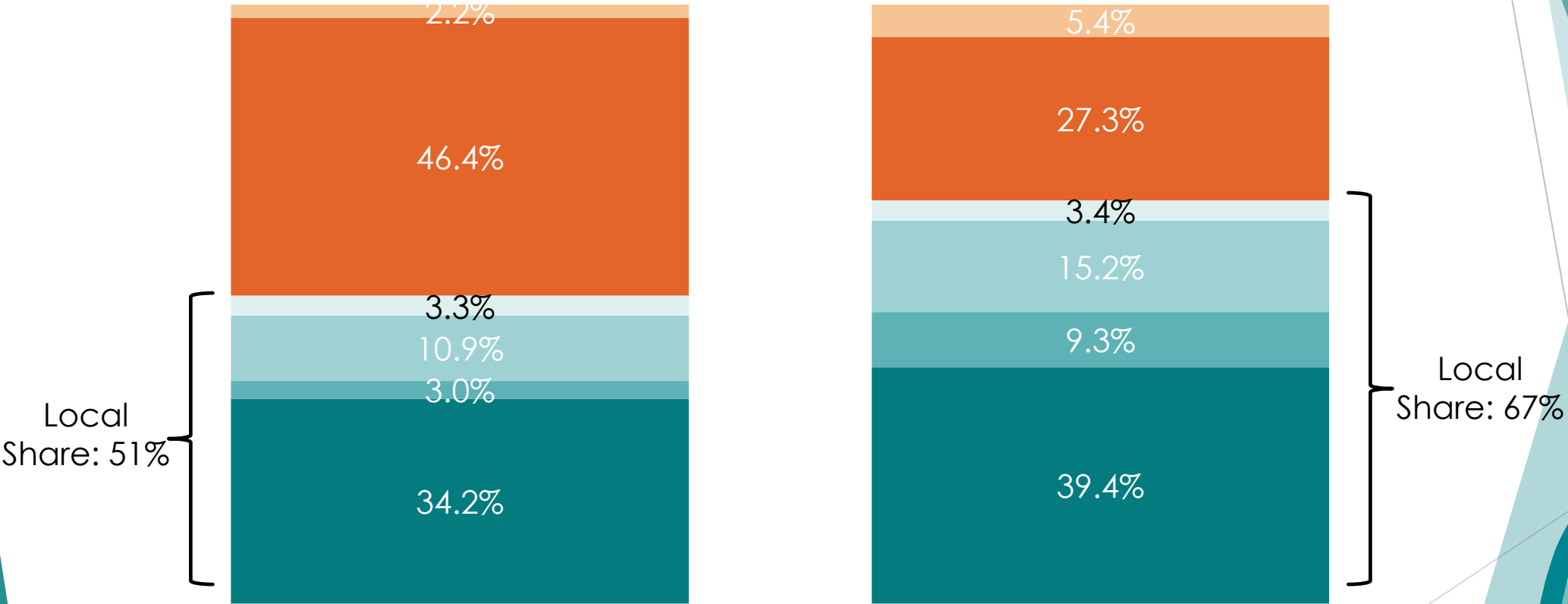
Counties Vary in Revenue Use

Lowest, Middle, Highest



Changes in County Funding

1987-2020



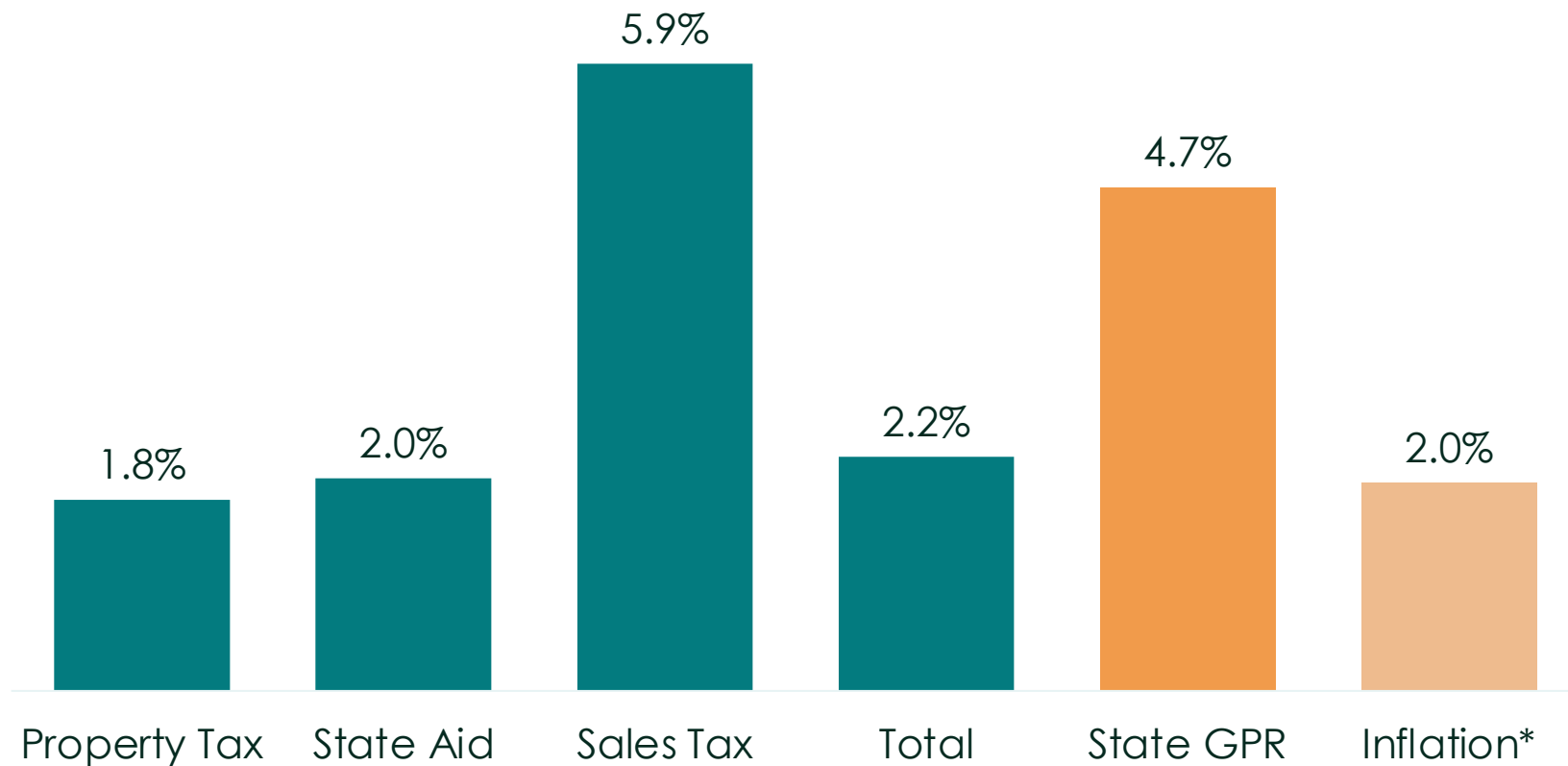
1987

2020

■ Property Tax ■ Other taxes ■ Charges ■ Other ■ State Aid ■ Federal Aid

Revenue Change

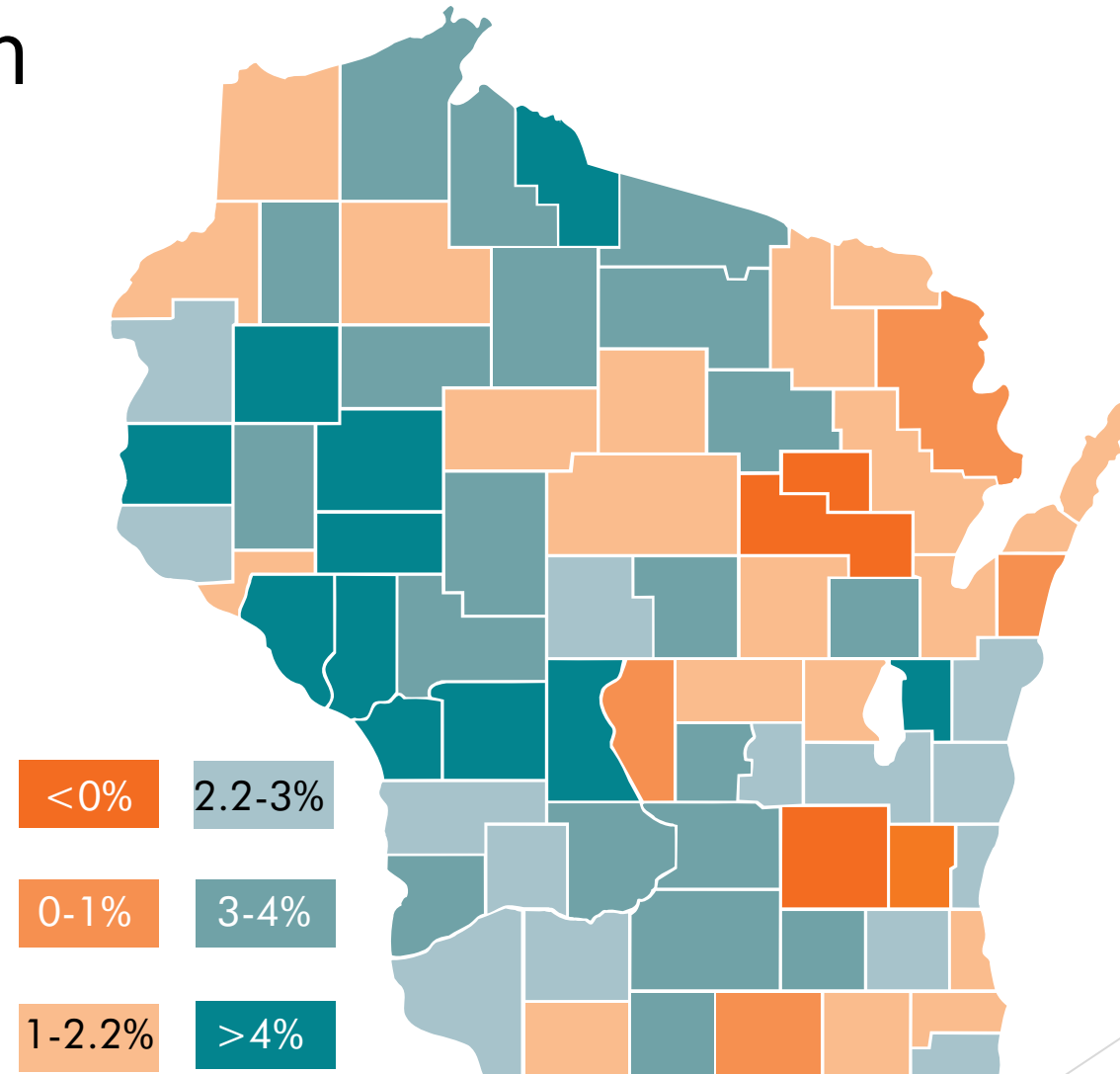
2012-2020, Average Annual



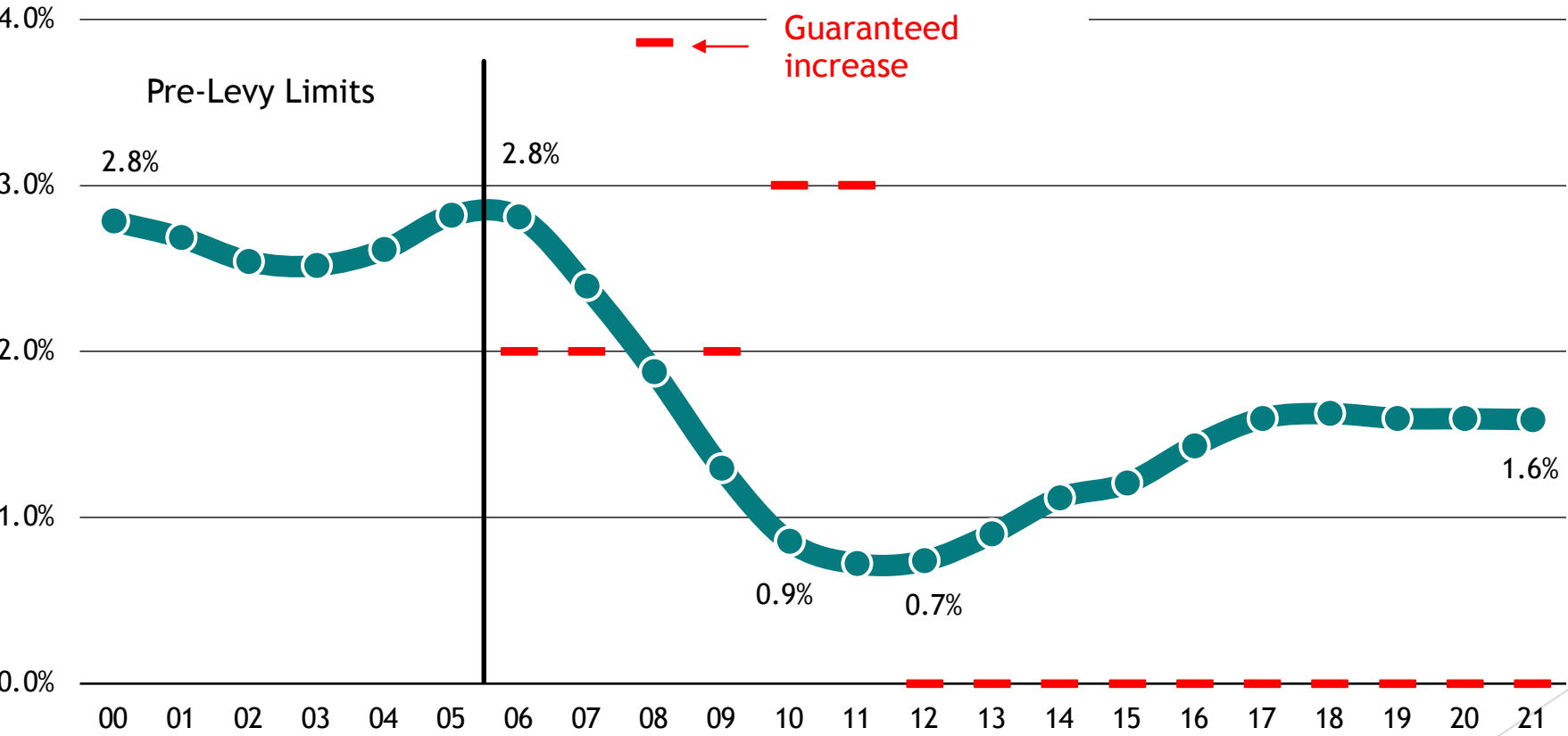
**GDP price deflator for
state/local government*

Revenue Growth Varies

2012-2020,
Average Annual

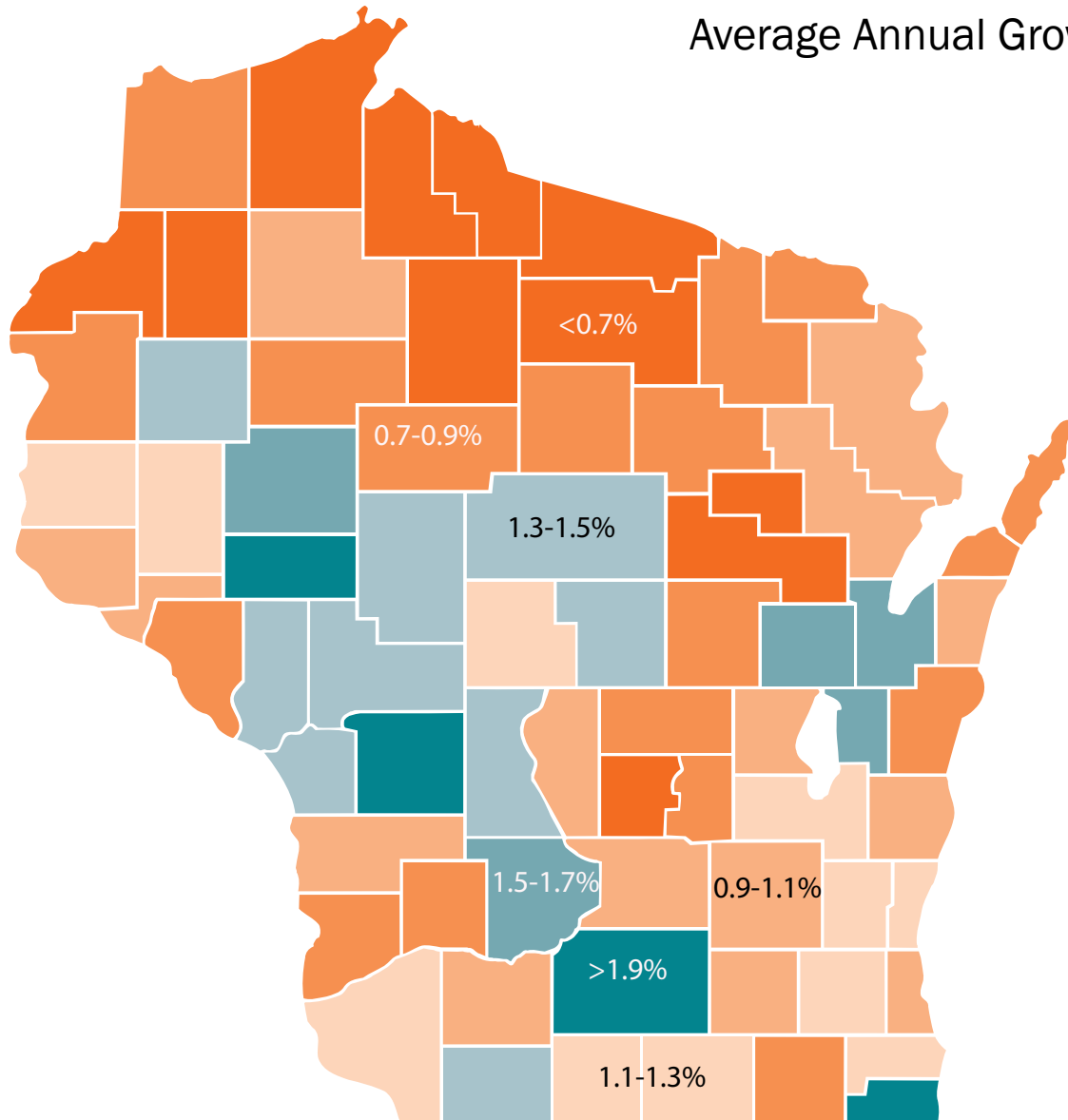


Net New Construction for Levy Limits



Net New Construction: 2010-2021

Average Annual Growth



Avg.
Growth

Counties

>1.9%

4

1.5%-1.7%

5

1.3%-1.5%

9

1.1%-1.3%

11

0.9%-1.1%

15

0.7%-0.9%

17

<0.7%

11





County Finances 101

Impact of Levy Limits on County Operations

2022 Wisconsin Counties Association Conference
Randy Scholz, Chippewa County Administrator

Overview

- All Counties are not the same
- Signs your County is starting down the “Scholz’s ladder”
- Sooner or later we will all end up the same
- What action can be taken

All Counties are not the same

- Net new construction
 - Highest County 2.57%/\$1,700,000 - Lowest County .58%/ \$56,000 average over the last three years – State wide average 1.59%
- County Sales Tax
 - Highest County \$84,000,000 - Lowest County \$319,000 average over the last three years – a few have no County sales tax
- Equalized Valuation
 - Highest County \$67,000,000,000 - Lowest County \$359,000,000 average over the last three years
- Vehicle Fee Registration (13 Counties & 32 Municipalities)
 - Highest County \$30
 - Highest Municipality \$40

All Counties are not the same (cont)

- Max Levy Limits – in 2010 closest to Max limit 2.89% - farthest from Max 54.36%
- Highway lane miles - Lincoln County 541 – Chippewa County 975
- Lincoln County is 878 sq/miles and Chippewa County is 1,041 sq/miles
- Lincoln County has .6 lane miles for every square mile
- Chippewa County has .93 lane miles for every square mile
- IT cost now and in the future
- Sales Tax – Some Counties only use it for limited expenditures, others use it for operation revenue, and some do not use it at all
- Opioid and Meth Epidemic
- Private Industry Competition for Employees

Signs your County is starting down the “Scholz’s ladder”

- This is not an all-inclusive list and it does not mean your County is doing something wrong – it also is not in order
 - You are no longer able to keep up on the construction and maintenance of your County roads - (PASER) Pavement Surface Evaluation and Rating is only part of the story
 - You are not able to keep up with wages and benefits to compete with the private sector
 - You have implemented a hiring freeze – you are not hiring managers and are combining jobs, department, committees
 - Not able to keep up with out of home placement cost
 - You have done some version of priority based budgeting – looked at mandated vs non-mandated services – service levels – funding outside agencies...
 - Had to layoff staff

Signs your County is starting down the “Scholz’s ladder” (cont)

- Needed to start bonding or increase bonding
- Looked at or implemented ways to get around levy limits
 - Borrow funds for a day
 - Referendum to exceed levy limits
 - Registration fee
 - Sales tax
- Using general funds to balance ongoing operational cost

Sooner or later we will all end up the same

- Counties are on or will be on the Scholz's ladder
 - Most Counties have done some of the list on the ladder
 - Depending on your County it can take years to get to the list and move down the ladder (How close was your County to the max limit)
 - Sooner or later cost will not keep up with revenues
 - You will know you are nearing the end of the ladder when you start using general fund balance to keep operations going

What action can be taken

- Use one time revenue for one time expense & use ongoing revenue for ongoing expense
- Complete a Strategic Plan
 - This will allow your organization to know what is important to the County Board
- If you go through a process of evaluating and ranking programs
 - Stick to it
 - Support the people in your organization that have to carry it out
- Put the control of the levy back to the local officials
 - You know best what services the community wants and how much they are willing to pay for the services
- Other Actions?

Questions, Comments, or Concerns

