

COUNTY EXECUTIVE'S 2008 BUDGET

DEPT: STATE SHARED TAXES

UNIT NO. 1993
FUND: General - 0001

OPERATING AUTHORITY & PURPOSE

Pursuant to Chapter 79 of the Wisconsin Statutes, the State apportions Shared Revenues to counties on the basis of population, equalized property values, the relative ranking of local purpose

revenues, and the value of utility property (at 3 mills times the equalized value for incorporated areas within the county).

BUDGET SUMMARY			
	2006 Actual	2007 Budget	2008 Budget
State Shared Taxes	\$ 37,102,054	\$ 37,082,280	\$ 38,062,280

STATISTICAL SUPPORTING DATA	2006 Actual	2007 Budget	2008 Budget
Base Payment	\$ 56,341,506	\$ 56,341,505	\$ 57,321,505
Utility Payment	861,848	842,075	842,075
Subtotal State Shared Taxes	\$ 57,203,354	\$ 57,183,580	\$ 58,163,580
State Child Welfare Reallocation	(20,101,300)	(20,101,300)	(20,101,300)
Emergency Medical Services	(659,300)	(768,600)	(659,300)
Emergency Medical Services	659,300	768,600	659,300
Total State Shared Taxes	\$ 37,102,054	\$ 37,082,280	\$ 38,062,280

The State Shared Revenue (State Shared Taxes) formula provides that the previous year's base, plus the utility payment, determines the budgeted amount. The budgeted amount for 2008 is \$38,062,280.

The State Budget approved by the Joint Finance Committee contains a proposed increase of \$15 million for State Shared Revenue. The estimated increase for the County is \$980,000. The 2008 budgeted amount for State Shared Revenue reflects the \$980,000 increase.

If the \$980,000 increase does not materialize in the final 2007-09 State budget, then the Department of Administrative Services will submit a plan to the County Board to reduce property tax levy expenditures in the Department of Health and Human Services – Economic Support Division (ESD) by an equivalent amount. The Recommended Budget for ESD contains more than \$2.4 million of property tax levy "overmatch" because of insufficient State funding for State-mandated Income Maintenance activities. Failure by the State to provide an increase in State Shared Revenue will require the County to reduce this overmatch.

Utility Payment Component

The utility payment component compensates local governments for costs they incur in providing services to public utilities. These costs cannot be directly recouped through property taxation since utilities are exempt from local taxation and instead are taxed by the State.

Utility payments to cities and villages are computed at a rate of six mills (\$6 per \$1,000 of net book value), while payments to towns are computed at a rate of three mills. Payments to counties are computed at three mills if the property is located in a city or village or at six mills if the property is located in a town. The estimated utility payment component for 2008 is \$842,075.

State Child Welfare Reallocation

In accordance with Wisconsin State Statute 48.561(3), the Wisconsin Department of Administration has reallocated \$20,101,300 from Milwaukee County's State Shared Revenue allocation to the State's Child Welfare Program.

COUNTY EXECUTIVE'S 2008 BUDGET

DEPT: STATE SHARED TAXES

UNIT NO. 1993

FUND: General - 0001

These funds are for the purpose of defraying the State costs for program administration.

Supplemental Payment

It is anticipated that State Shared Revenue payments will be reduced by an amount equal to a new supplemental payment begun in November 2003 to governments that provide emergency transportation service. The State Department of Health and Family Services was directed to capture

additional Federal Medical Assistance funding based on actual claims submitted by service providers in the previous fiscal year. For 2008, Milwaukee County's State Shared Revenue payment to Emergency Medical Services are projected to be \$659,300, which is the actual amount for 2006. This allocation will be offset by a supplemental payment for the same amount.