



City of West Allis

Legislation Text

File #: R-2006-0062, **Version:** 1

Resolution expressing concerns about the State of Wisconsin Legislature's proposal for a constitutional amendment regarding Taxpayer Protection (TP) on revenue limits.

WHEREAS, the State of Wisconsin Legislature is considering companion Assembly and Senate Joint Resolutions (SJR63 and AJR77) for a constitutional amendment regarding Taxpayer Protection (TP) on revenue limits; and,

WHEREAS, the constitutional amendment, if passed, would (1) result in a reduction of services, (2) jeopardize the City future economic development, and (3) reduce local control and home rule; and,

WHEREAS, such revenue limits in this proposed constitutional amendment do not belong in the constitution and should be considered legislatively; and,

WHEREAS, local governments for many years have been controlling spending, limiting levy increases, and implementing many operational efficiencies.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of West Allis that the City does hereby express its serious concerns about the State of Wisconsin Legislature's proposal for a constitutional amendment regarding the Taxpayer Protection on revenue limits, specifically as follows:

1. The definition of revenues included in the limits needs to be substantially changed to exclude all revenues in Special Revenue Funds and Enterprise Funds, as defined by Generally Accepted Accounting and Auditing Practices. Also, all fees related to planning and development, health and safety, emergencies and homeland security should be exempted. Finally, fees charged for uniquely provided services to individuals or businesses that only directly benefit from the charge for those services should also be excluded; charges for services to tax-exempt properties should also be an adjustment to the revenue limits.
2. The constitutional amendment should first address certain major expenditure reform issues such as health care costs, collective bargaining, and future Government Accounting Standards Bureau (GASB) requirements for post-retirement benefits. Revenue to fund expenditures in these areas should be authorized to exceed the otherwise normal revenue limits.
3. All revenue in support of debt service and bonds should be excluded from the revenue limits and thus be in addition to it (all capital and infrastructure debt financing should support a viable and economically sound community) these should be at least included under the already proposed exempted "economic development bonds."
4. Revenue necessary to pay the expenditures of federal mandates should also be outside the limit or in addition to it (e.g., Clean Water Act, Clean Air Act, Transportation, EEOC, etc.). Further, not only should partial state aid reductions be considered as a revenue limit adjustment, the complete or 100% elimination of any and all state revenue sources should be an adjustment. Finally, reductions and/or elimination of a revenue

source from another unit of local government (e.g., a county) should also be a revenue adjustment.

5. The constitutional amendment should allow for establishment of a city emergency/"rainy day" fund to respond to such unanticipated incidents, including homeland security. The fund should be an amount up to ten (10) percent of the city general operating fund. The amendment should also allow for the use of a tax stabilization fund in the city's budget as a credit to taxpayers and as an alternative to direct, individual cash refunds.

6. The revenue limit formula should be the higher of the CPI/personal growth indexes and include as an addition 100% of the growth factor, not only 60%.

7. In regard to the reoccurring and non-reoccurring referenda, there should be no limits on the amounts approved by the electors. If the city presents revenue needs to the voters and justifies it to them so that they approve what has been presented, why shouldn't the will of the people be followed as the referendum provided for, not a state, imposed limit.

8. In regards to taxpayers' lawsuits to enforce the revenue limits, the risks should be the same for someone filing the lawsuit as it is to the city; the city should also be allowed to recover costs and reasonable attorney fees. Why should it be one-sided and not a level playing field.

BE IT FURTHER RESOLVED that the above listed changes should be made prior to the adoption of any such resolutions, because once the resolutions are approved, no further changes can be made.

BE IT FURTHER RESOLVED that the City opposes the adoption of these resolutions until these changes are made. Upon the City's changes being included in the proposed amendment, the City will reconsider this current position of opposition.

BE IT FURTHER RESOLVED that copies of this resolution should be distributed to the City's legislators and other state and local officials as determined to be necessary by the City's Legislative Committee.

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