

**WISCONSIN COUNTIES UTILITY TAX  
ASSOCIATION**

44 East Mifflin Street, Suite 605A, Madison, Wisconsin 53703  
Phone: (608) 250-4685

**MINUTES OF November 7, 2014 MEETING**

**Call to Order**

The meeting was called to order at 10:35 a.m. at the Wisconsin Counties Association by Chairman Willkom.

The following members were present: John Tramburg, Columbia County, Lawrence Willkom, Chippewa County; William Goehring, Sheboygan County; Richard Ott, Rock County, Linda Sinkula, Kewaunee County; Herb Tennes, Washington County, Walt Christensen, Jefferson County, Nick Osbourne rock County, Bill Goehring, Sheboygan County Robert Keeney, Grant County.

**Via Phone:** Sharon Hampson, LaCrosse County

**Excused:** Herbert Cornell, Ed Dorner, Thomas Meaux, Nick Osborne, Steve Rasmussen, Lisa Schuh, Josh Schoenmann

**Staff:** Alice O'Connor, WCUTA and Kyle Christianson, WCA

**Minutes -** The minutes of May 9, 2014 were accepted on motion by Supervisor Hoffman, seconded by Supervisor Sinkula.

**President's report -** Supervisor Willkom expressed concern about the temptation in the next legislature to tap the segregated fund for the utility tax. He said "one day we hear there is a deficit, the next day we hear we have a rainy day fund. We know that the DOT fund needs replenishing and we know that the Joint Finance Committee last year brought up that with decommissioning, the state receives less money from gross receipts." He said he thought lawmakers might be tempted to suggest that because the state is collecting less money, even though power plants are not on the property tax, that counties should receive less money. There was consensus that with the state now keeping approximately 83 percent of all utility tax money collected, any reduction would be reduction on a small amount. Consensus was that even if the legislature reduced funds to counties by 1 percent it would be a "creep" over time that would ultimately place more burdens on local governments.

Supervisors indicated they did not feel that lawmakers really cared if they placed additional burdens on locals units of government. Everyone agreed that with so many new lawmakers, each supervisor should take it upon themselves to educate their own lawmakers.

**Treasurer's Report – Supervisor Linda Sinkula**

Supervisor Linda Sinkula presented the Treasurer's Report and she said the checkbook balance as of October 30, 2014 is \$23,400.85. (Account 3216135.) A CD in the amount of \$40,272.88 matured January 31, 2015. The net balance is \$63,673.73 after expenses may through October \$9,975.85 total lying had been paid.

The Treasurer's Report was accepted on a motion by Supervisor Goering, seconded by Supervisor Tramburg.

## **Executive Director Report Alice O'Connor**

Alice reported that neither the PSC or anyone from the Legislative Fiscal Bureau were available to speak to us. She said the non-response from the Department of Revenue (DOR) as it relates to specific percentages the state keeps from the utility tax, was frustrating. She said she wanted to be sure the information she was sharing was accurate. She said she had a nice conversation with the head of the Towns Association and that he “did not deny” the towns would not be going after county funds next session. He agreed it would be better if towns and counties worked together to try to get more money from the legislature and he agreed he would talk to WCA head Mark O'Connell.

She also reported that we need to find new champions in the legislature because we have a vacuum since former Rep. Mark Honadel left. Supervisor Keeney said he would follow up with Rep. Tranel and Senator elect Howard Marklein. Nick Osborne said he would talk to Rep. Amy Lautenbach. Other said they would talk to their own lawmakers, too. After discussion, it was agreed that ‘WCPA should work with the Towns Association to see if a joint effort could be undertaken not only to protect current funding but also work together to see about a percent increase.’”

### **Kyle Christianson-WCA**

Kyle Christianson said the WCA whittled down about 70 resolutions to 7 or 8 priorities so he felt the cut would be more effective in focusing their advocacy efforts this session. Kyle said he would be working with new lawmakers to try to identify new champions for us.

Kyle reaffirmed concern that the fiscal bureau had already identified an opportunity for the state to save money last year in their paper along with reporting a new issue emerging with retiring power plants units. He referred to a prior Legislative Fiscal Bureau (LFB) paper previously shared with WCUTA that raises the revenue issue for counties. The state wants to look at gross receipts not name plate capacity, and would reduce revenue accordingly. The star's argument would be, if there are fewer sales the state is collecting less therefore the counties could be paid less.

He reported other issues for counties that will be in the next budget include: 911 consolidation and funding, and road maintenance since the DOT segregated fund that has a \$700 million structural deficit.

### **Speaker, President and CEO, Craig Thompson, Transportation Development Association.**

Craig said their success in changing the Constitution so that future, moneys collected for transportation could only be used on transportation was a five year project. He said the vote was 80% to 20 percent to do this and it helped that during the last five years 54 counties had put this on their local advisory ballots where it had passed. People were educated. In the past, he said TDA had introduced legislation but it had never even received a hearing. And he said lawmakers don't like to limit their options.

He said some critics now say that the roadbuilders are the only special interest group that has successfully changed the Constitution but Craig said the legislature still controls how much money actually goes into the fund. He said the DOT funds have increasingly come from bonding and federal money and the worst thing the state ever did was to repeal gas indexing. He did not see it coming back.

He said in the last state budget counties got more money from the DOT to take care of state roads. He said all current projects have 25 % bonding. He said their goal is to get it back to 15 percent.

Sustainable revenue is a goal/ He said he feels there will be some sort of percentage base increase tax at the wholesale level for gas but he does not see an increase in the gas tax at the pump for consumers. He also said lawmakers may tinker with car registration fees because we are the lowest in the Midwest. Some counties already have a wheel tax but they are not popular. There could also be an increase in license plate fees or a sales tax on trade in vehicles.

After additional discussion the meeting adjourned at noon on a motion by Supervisor Tennies, seconded by Supervisor Christiansen.

The next meeting will be Friday February 6, 2015 at Alice's office.

It was agreed that Rick Olin from the Legislative Fiscal Bureau should be our first speaker choice.

### **Future Speakers Suggestions**

It was agreed future potential speakers could discuss:

- PSC Speaker – any updates on court decisions.
- Updates on Badger Coulee Transmission project.
- PSC future electricity generating needs of Wisconsin,
- Sen. Lasee or Rep. Thiesfeldt to discuss formula language for wind regulations.
- Kyle to discuss WCA model resolution status.
- Department of Revenue – 2015 budget.