

Minutes of WCUTA Board of Directors Meeting February 15, 2019

The meeting was called to order by interim president Brad Karger at 10:30AM.

PRESENT: Walt Christensen- Jefferson County Supervisor, William Goehring- Sheboygan County Board, Vern Gove- Columbia County Board, Chuck Hoffman- Manitowoc County Supervisor, Donna Kalata- Waushara County Board Chair, Brad Karger- Marathon County Administrator, Robert Keeney- Grant County Board Chair, Russel Kotke- Dodge County Board Chair, Ray Ransom- Jackson County Board Chair, Robert Sivick- Waushara County Board Administrator, Bob Yeomans- Rock County Supervisor

VIA PHONE: Kevin Hamann- Oconto County Administrator, Cory Cochart- Kewaunee County Supervisor, Don Pazynski- Marinette County Supervisor

STAFF: Alice O'Connor- WCUTA, Kelly McDowell- WCUTA

GUESTS: Mark Wadium- Outagamie County Lobbyist, Scott Adrian- Dane County Lobbyist, Lois Schepp- Columbia County Comptroller

Acting President's Report: Former WCUTA President Larry Willkom's current status was shared with the present board members. Chairman Willkom unfortunately had a medical emergency that required him to step down from his position as president. A new representative from Chippewa County will be chosen soon. A card was passed around to send to Chairman Willkom following the meeting. Supervisor Brad Karger was introduced as the interim President until the next annual board meeting, at which time new board officers will be elected. Interim President Karger asked the staff to get Supervisor Willkom a gift, or perhaps a proclamation made in Chippewa county in honor of Supervisor Willkom. A motion was made by President Karger, seconded by Hoffman and Goehring to give a gift to up to \$50 to Supervisor Willkom. Motion passed.

An Audit Committee for the annual WCUTA Board meeting in May was appointed. Supervisor Yeomans, Supervisor Hoffman, and Supervisor Goehring were delegated to the committee.

Chairman Gove, Supervisor Christensen and Supervisor Hoffman were also appointed to the nominating committee, which was assigned to give the annual board report at the May meeting.

WCA 2019-2020 Session Goals

The meeting was moved off the agenda for WCA Speaker Dan Bahr to inform the board about the 2019 legislative session interests for the WCA. An overview of the past election cycle was given, specifically focusing on the power shift from the GOP controlling all three branches to now only controlling two with the election of Governor Evers. The new Governor means a lot of administrative change for an organization like the WCA. Veto power especially is a big deal and will have a large impact on the way things pan out. The budget process was also mentioned specifically because of how many things are not yet set in stone. There is a lot of uncertainty yet around the administration. A collaboration between the Governor and the Legislature is the ideal outcome for the WCA. WCA is extremely excited about the new administration because the new governor will not stifle local control. The counties will have a much better position in relation to labor policy, environmental policy and zoning on the local level. Alice asked what the priorities are for the WCA in the Governor's budget. Child welfare is one of the biggest asks they will have, in scope of about \$30 million. Counties currently levy \$170 million for child welfare, way

overleveraged in the issue, not getting the state support that they need. Juvenile corrections, the SRCCY's are another large priority for the WCA. The governor is open to delaying this issue further, while the legislators want it done sooner, around 6 months. WCA will be asking for more bonding, as well as startup cost funding. With some confusion about the lame duck session, it was explained that the governor still has broad veto authority. Line item veto is not changed. Redistricting is likely to happen this session independently in the courts. Governor Evers is almost certain to veto any redistricting maps the legislature produces. Dark stores will likely be included in the budget, bi-partisan support is gaining in the issue. There is 0 net fiscal impact of the dark store legislation. An income tax cut could be a trade off in transportation funding.

The WCA PowerPoint distributed at the meeting will be distributed through email as well.

NEW MEMBERS: New member counties were welcomed to the association. Oconto, Jackson, Juneau, and Marquette were welcomed.

PAST MINUTES: Motion to approve the minutes from the December 5, 2018 Board of Directors Meeting from President Karger, Seconded by Supervisor Yeomans. Motion passed.

TREASURER'S REPORT: Treasurer Supervisor Yeomans gave the Treasurer's Report. In the handout materials was a "Paid Dues" chart, and Supervisor Yeomans explained the new recording process for paid dues. Alice explained the chart that had been handed out and said that any county who hadn't yet paid dues would be followed up with.

As of January 31, 2019, total Assets were \$76,439.35 with a CD that matured but was rolled over until July 2019 worth \$40,454.60. Total checking account balance as of January 31, 2019 was \$38,310.25. WCUTA paid Constituency Services \$4,417.48 for December 2018 and January 2019, which included Alice's fee to register as a lobbyist for WCUTA in this new session. Interest earned from December 2018 and January 2019 was \$6.09.

Motion to approve treasurers report made by President Karger, seconded by Supervisor Goehring. Motion passed.

LEGISLATIVE UPDATE:

Alice explained why the hold harmless clause was no longer considered by WCUTA in their upcoming legislation. Mainly for the sake of simplicity in a new formula, but also because with a basic hold harmless clause many counties in WCUTA would not receive any extra money. There were 13 counties that would not have gotten any increase in utility aid had a hold harmless formula been pursued. Instead, the most recent idea is to pursue "floors" of 10%, 15%, 20%, 30% minimum increases to utility aid was explained as a simple solution to make sure that all the WCUTA counties were in fact getting an increase in their revenue.

GUEST SPEAKERS: CHRISTOPHER SCHAEFER (Rep. Brooks) AND MARK RADCLIFFE (Rep. Gundrum)

Legislative Aides from Rep. Brooks (R-60 Saukville) and Rep. Gundrum (R-58 Slinger) were guest speakers and came to share their Legislator's current positions on the proposed legislation. The bill is currently in its fourth draft. There are many working parts and many organizations that have interest in this proposed legislation. The aides reported that before moving on with another revision of the bill,

Rep. Brooks and Rep. Gundrum were waiting on the DOR (Department of Revenue) to provide the net book value figures on the state's largest utilities plants. The utilities are willing to report this data, even though they haven't in the past. The main roadblock in receiving this information is the DOR. It was reiterated that the bill doesn't make utilities pay more, an important fact in pursuing this legislation. Currently, utilities not required to break down their assets by county, but the latest draft of the bill requires the utilities to report this information. Currently counties receive 14% back in utility aid, the goal of this legislation is to increase that to 20%. 20% was chosen in order to be equal to the amount that local governments get from shared revenue. Our current date backs the idea, but we need more information on the utility company's county shares. Frustrations in not being able to put forth an accurate fiscal estimate have continued, mainly because the DOR is not sharing the net book values of utilities in counties. Alice said that increasing from 14% to 20% brings almost \$15M more to the counties to each year. The state continues to collect more money in utility tax while returning less in utility aid each year. That is the crux of the issue. Questions about this measure being included in the Governor's upcoming budget were raised. It is supposedly possible, but if it doesn't work than we'll proceed to standalone legislation.

As the net book value of the power plants in each county is still hidden from us, our calculations that we have based our proposal off so far are inaccurate, and only estimates.

The reported inefficiencies in the DOT could give a positive boost to the case for this legislation. Some of the 14\$ M that would be returning to counties almost certainly could be used more efficiently by counties than the DOR. Another good selling point is that counties do in fact cover the whole state. Returning money to counties affects each citizen, while distributing the money to municipalities or towns leaves quite a large portion of the population with no benefit.

In anticipation of receiving the numbers from the DOR before March 1, it was decided to re-evaluate the position then. Sitting down with the new revenue secretary Peter Barca and Kenosha county, who have good relationships with each other, was decided upon as a good way to pursue many avenues.

A final emphasis on getting local representatives to support Rep. Brooks and Rep. Gundrum was made. Including local Reps and raising awareness so that the issue does not stagnate out is an important part of the legislative process as well.

NEXT MEETING DATE: The next meeting will be held Tuesday, March 12th. A deviation from the usual Friday meeting time was made in order to hopefully be able to invite Reps. Brooks and Gundrum.

The May annual meeting date was also set for May 9th. This time may also be used as a lobby day, as more WCUTA members will be present than usual. This will be determined at a different date.

Supervisor Yeomans made a motion to adjourn the meeting, Supervisor Christensen seconded. Motion passed, meeting adjourned.