

July 23, 2021, Minutes of the Board of Directors Wisconsin Counties Utility Tax Association at WCA Conference room. –VIA ZOOM and in person

The meeting was called to order at 10:32 by Board Chair, Supervisor William Goehring. Roll call was taken.

PRESENT: William Goehring- Sheboygan County Supervisor, Thomas Rosenberg, Marathon County Supervisor, Walt Christensen - Jefferson County Supervisor, Bob Yeomans - Rock County Supervisor, Alice O'Connor - WCUTA, Mark Wadium, Outagamie County, Lee Engelbrecht, Manitowoc County; Cari Redington, Vernon County, Dan Bahr, WCA

VIA ZOOM:

Sonya Hansen, Buffalo County; Vern Koch-Sheboygan County Board Chair; Robert Keeney - Grant County Board Chair, Charlene Kervina, Chippewa County Supervisor; Vern Gove, Columbia County Board Chair; Charlene Kervina, Chippewa County Board Chair; Shonna Neary, Columbia County Project manager.

Chairman's Report Supervisor William Goehring

Supervisor Goehring stated that despite very hard work to obtain our budget amendment, the results were disappointing. He stated some member counties have dropped off in their attendance at our board meetings and participation is a concern. He feels additional conversations about county participation must occur.

He welcomed new representative from Oconto County, Supervisor Al Stranzl.

Minutes form the May 21,2021 were approved on a motion Rep. Bob Yeomans seconded by Supervisor Tom Rosenburg. Minutes approved.

Treasurer's Report -Supervisor Robert Keeney

The beginning balance as of April 6, 2021 was \$41,902.78 with dues deposit from Forest County of \$30.88 and payment to Constituency Services in the amount of \$5,698.62 with Alice and a second lobbyist hired for added budget work. Checking account interest was 93 cents. The balance as of April 30, 2021, was \$36,235.97.

In May, expenses were payment to Constituency Services in the amount of \$4,637.85 and dues checks deposit from Green County in the amount of \$114.31 and Vernon County in the amount of \$1,191.78 and interest 81 cents as of August 31,2021. The check book balance as of May 31, 2021, is \$32,905.02.

The CD balance as of November 30,2020 was \$41,082.93 with quarterly interest in the amount of \$25.61 on May 30, 2021. The ending balance as of April 6, 2021, was \$41,108.54.

The combination of the CD and check book as of July 20, 2021, minus an outstanding bill for CSI in the amount of the \$ 4,553.81 leaves a total asset balance of \$64,904.81.

Executive Director REPORT - Alice O'Connor

Budget motions recap – Alice indicated that despite what appeared to be support and acknowledgement that local governments are indeed being shortchanged under the current utility tax formula, there was no political will to approve our \$25 million budget amendment. Members of the Joint Financer Committee could not get past the billions of dollars in recovery money coming to local governments. She said most members of WCUTA did a fabulous job contacting their lawmakers. She added it was disappointing that some members of the Association never made calls to their won lawmakers giving an appearance to state lawmakers that this was not a concern to local county governments.

With the budget now done, the focus needs to turn to getting approval for a Legislative Council Study Committee or Governor Blue Ribbon Study committee by next summer. Alice said the Governor’s office does not appear interested at this juncture so approval of a study committee in early 2022 must come from GOP lawmakers. This is crucial. We still need two republican champions, one in the Assembly, one in the Senate. She reminded the board that the Dept of Revenue has also indicated their interest is now to merely enforce whatever the law is. Everyone agrees there is no recognition as power plants shut down that both the state and local communities will lose sizable revenue and that we have been trying to stave off financial ruin.

Alice reported that the Senator Ballweg/Rep. Oldenburg 10-year step down bill was recently introduced SB468 and WCUTA is supporting. Senator Ballweg hopes to move her bill so it reaches the floor by the next floor period scheduled for the week of September 28th followed by the week of October 12, 2021. It is not clear if it has enough momentum to pass. Whatever funds are received will have to be allocated by December 31, 2023 and all projects using funds completed by 2026.

Elimination of the personal property taxes on businesses, which was vetoed by Governor Evers, will be drafted as a separate bill and reintroduced. The cost to comply with the current law is bigger than the tax the state collects according to Rep. John Macco, chair of the Assembly Ways and Means Committee. Alice and lobbyist Mark Wadium also discussed the recovery funds coming to Wisconsin.

Chairman Goehring reported that the WCUTA SUBCOMMITTEE Work Group -Supervisor Yeoman, Rosenberg and Keeney and Administrator Cari Redington have volunteered to try to fine tune the scope statement from last session’s and see how to tweak it before we see main sponsors. The work group will hold meetings via zoom and discuss if there is way to simply analyze DOR utility tax data, put questions raised for Rep. Kuglitch into topic areas and tweak how we might expand or update the prior scope statement. To the extent the work group can tackle more data, it will look at the 990 page Department of Revenue 144 utility tax annual reports. Anyone else interested can still serve on this committee and should let Alice or the board chair know.

Dan Jahr, WCA report

Dan shared a report to be presented to the WCA Board meeting August 6 recapping the budget bill. He pointed out that items originally put into his budget were done so by Governor Evers so he could appeal to his base, even though he likely knew those policy items would be pulled out

by the republican controlled Joint Finance Committee. He also said there was bipartisan support for the republican budget with 5 democrats who voted to support. The governor did 50 vetoes. He maintained local control for zoning; cut transit funds by 50 percent because the GOP wanted to force the Governor to spend APRA funds not GPR; no action was taken on the regulation of gravel pits, it might be a standalone bill. Local transportation aid got a \$100 million boost but must have shovel ready projects ready to go; tipping fee exemptions and no provisions to close Lincoln Hills even though people want regional juvenile justice centers.

SPEAKER: Sen. Duey Strobel/Chief of staff John Stoper discussed their proposed legislation to allow retail electric customers to subscribe to a community solar facility with a generating capacity of five or less megawatts, and receive bill credits towards their electric bills for electricity produced by the facility. He indicated that a widespread coalition of grocery stores and businesses who wish to reduce their utility bills are supportive. There is sizable opposition from utilities and WMC, the state chamber. Utilities do not like that they would not be able to bill for energy used off their meters. Mr. Soper said Wisconsin should allow for a subscriber based system for solar for economic reasons and someone willing to bring risk to this project. Many details needed in the bill are being left to the PSC. Their bill retains local control of land use. But the PSC would have to write rules and determine the charging fees to join the grid. It would have to be determined what the per kilowatt charge should be and the PSC would have to create the business model. A subscriber would have to have their land use within one single utility, not multiple utilities. If more electricity is generated than is needed, a subscriber would get a credit from the PSC.

A front group for the utilities called Consumers First, is an anti deregulation group. Their two main objectives are to guarantee a ten percent return on investment only if they build a renewable but what the PSC approves is the final say.

Operating engineers and others don't like the bill either because they may see a reduction in work at power plants. Utilities fear there will be a shrinkage in the total capital they produce and bill for and some feel it a sinister back door to deregulation. Mr. Soper said utilities essentially want to keep all the ratepayer money they earn. The limit will be what will the PSC craft and approve. All electricity will flow through the grid and a reasonable interconnection fee will be charged to cover utilities costs to maintain the grid in exchange for a guaranteed grid. 21 states are looking at it and Minnesota has been the most aggressive allowing up to 800 mg for solar to be generated separate for utilities.

The bill has a ten-year sunset to prove this is a cheaper alternative for the subscribers. If you developed a productive model now, you are in under the sunset. 21 other states are looking to do something like this with Minnesota the most aggressive at allowing up to megawatts. He has put in a ten-year sunset to alleviate fears that utilities won't make money and there is a two-year plan to write administrative rules where much of the detail would occur.

Currently Senator Stroebel feels there isn't not efficient and effective use of energy on the grid. Right now, it is expected one megawatt of electricity needs about 5 acres of land. The bill clarifies that anyone but a utility would be subject to PSC rules and what the framework would be for regulation. Prior to PSC approvals, an individual would need a contract. Alice was directed to invite PSC to talk about this bill at our next meeting. This could be negative for counties if generation goes below 50 megawatts.

The savings is focused on the subscriber to a Coalition for community solar, not the utility. Sunset is on approval of any new projects.

Any Other Business- Chairman Goehring indicated that Alice has expressed an interest in transition to end her work early next year. After discussion, it was decided that Alice would talk to several groups and individuals and report back to the Executive Committee with possible recommendations before interviews would take place.

The next two Board meeting dates were set for Friday, October 22 and Friday December 3 at the Wisconsin Counties Association Conference room at 10:30 am

The Leg Council work group tossed out two possible dates but need to check with another participant no longer on the zoom call. They are August 13 and August 6 and 10 am. The meeting adjourned at 1:35 am on a motion by Supervisor Christensen, seconded by Supervisor Rosenburg. Meeting adjourned.
