

WISCONSIN COUNTIES UTILITY TAX ASSOCIATION

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

2015-2016 Officers

President
LAWRENCE WILLKOM
(715) 723-5804
Chippewa County

Vice President
JOHN H. TRAMBURG
(920) 484-3534
Columbia County

Secretary
William Goehring
(920) 994-4749
Sheboygan County

Treasurer
LINDA SINKULA
(920) 388-3251
Kewaunee County

Executive Director
ALICE O'CONNOR
Direct(608) 250-4685
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Member Counties

ASHLAND
BUFFALO
CHIPPEWA
COLUMBIA
DOUGLAS
DUNN
GRANT
JEFFERSON
KENOSHA
KEWAUNEE
LA CROSSE
MANITOWOC
MARATHON
MARINETTE
OZAUKEE
ROCK
SHEBOYGAN
VERNON
WASHINGTON

February 5, 2016 Agenda

WISCONSIN COUNTIES UTILITY TAX ASSOCIATION
10:30 A.M. – 1:00 P.M. (WORKING LUNCH)

CALL IN INSTRUCTIONS:

**Conference Dial-in Number: (712) 432-0460 Participant
Access Code: 115141#**

(Be sure to hit # key after you enter the number, this will take you into the conference call) *If you are having trouble connecting, please call the main office and someone will assist you.*
608-250-4685 or call or text Alice's cell at 608 225 9391.

- Call to Order - Larry Wilkom
- Roll Call- Larry Wilkom
- Approval of Minutes of October 9, 2015 (**Attached**)
- President's Report – Larry Wilkom
AB 409 Rep.Thiesfeldt wind formula legislation
- Treasurer's Report - Supervisor Linda Sinkula
Balance Sheet
- Executive Director Report – Alice O'Connor
End of session issues
PSC regulatory reform legislation
- CONFIRMED SPEAKER: WE ENERGIES
How WeEnergies reaches rural communities
- Next Board Meeting Date
- Adjourn

Directions

44 East Mifflin Street (also known as the old AT&T building) is located on the Capitol Square at the intersection of Mifflin Street, Pickney Street and Webster Street, directly across the street from the Madison Children's Museum.

Our parking ramp is located on the side of the building but a one way street toward the capitol square means you must enter it from the outside loop on the square or go around the block.

Bring your parking sticker to be validated.. You will need your ticket to get out of the ramp. Park in the visitor slots. This building has no elevator in the ramp.

Enter the building from the back and press 6 to come to our floor. Or you can also enter from the main lobby on the square.

To enter the ramp: Dayton/Pinckney Parking Ramp, 21 E. Dayton Street From Milwaukee

I-94 W toward Madison

Take WI-30 W toward Madison

Exit for US-151 S/US-151 N/E Washington Avenue Follow

US-151 S/E. Washington Avenue

Turn Right onto N. Webster Street; Turn

Left onto E. Dayton Street; Parking

Ramp is on the Left.

From Janesville/Beloit

I-90 W/I-39 N toward Madison

Take Exit 142A on the left for US-12 W/Us-18 W/W Beltline Hwy Take

Exit 263 for John Nolen Drive

Follow signs for US-151/S Blair Street

Turn left onto E. Washington Avenue/US-151

Turn Right onto N. Webster Street; Turn

Left onto E. Dayton Street; Parking

Ramp is on the Left.

Take elevator to 6th floor Room 603

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October 9, 2015 MEETING MINUTES

The meeting was called to order at 10:35 by Vice Chair John Tramburg in the absence of Board Chair Larry Wilkolm who is excused. The minutes from the May 21, 2015 meeting were approved on a motion by Mr. Ott and seconded by Supervisor Hoffman.

Attendance: The following members were present: John Tramburg, Columbia County; William Goehring, Sheboygan County; Herb Tennes, Washington County; Walt Christensen, Jefferson County; Chuck Hoffman, Manitowoc County; Richard Ott, Rock County; Robert Keeney, Grant County, Linda Sinkula, Kewaunee County. Via Phone: Don Pazynski, Marinette County
Excused: Larry Wilkolm, Chippewa County

President's Report:

Chair Tramburg said that he feels the state is always looking to squeeze more money out of local governments and with the anticipated decommissioning, the utility tax segregated fund could be reduced. He said even though Columbia County has additional funds from wind, the signing of Act 61, the day before this meeting, is the beginning of reducing funding. Act 61 has a 5 year reduction in utility tax funds for those counties with decommissioned plants, but Act 61 will make it a step down rather than a cliff.

Supervisor Tramburg said as long as the state works off name plate capacity rather than the plants assessed value counties will be safe with current funding levels.

Nominating Committee Report- Supervisor Chuck Hoffman, Chair of the Nominating Committee presented the following slate of officers for 2016.

President	Lawrence Willkom	Chippewa County
Vice President	John Tramburg	Columbia County
Secretary	William Goehring	Sheboygan County
Treasurer	Linda Sinkula	Kewaunee County

The slate of officers was approved on a motion by Mr. Ott and seconded by Supervisor Christiansen.

Audit Committee Report: Supervisor Linda Sinkula, Chair of the Audit Committee reported that she and Supervisors Tramburg and Goehring had reviewed the WCUTA books since 2014 and found them to be in order from March 30, 2014 to August 30, 2015. The opening balance consists of the Association's Money Market Checking Account and two Certificates of Deposit. The audit verified that since last year, dues generated regular income of \$26,336.27 and \$40,303.11 remains in a money market CD. The Association checking account as of August 30, 2015 with invoices paid through July 2015 is \$28,055.07. A one year CD matured on July 31, 2015 and was rolled over with its next maturity date of January 31, 2016. With its last renewal at \$40,303.01 it had .0015% interest. Dues have been held at .0015 since 2012. The Association assets through August 2015 is \$28,056.22 in the money market checking account and \$40,303.11 in the CD for a total of \$68,358.08.

There was general discussion about need to reduce reliance on coal and move toward more renewable energy. No one knows what challenges may be ahead to protect the utility tax and legislation moves really fast, so a motion was made by Supervisor Christianson, seconded by Supervisor Hoffman to keep dues at .0015% for 2016. Motion approved.

Discussion – at next meeting invite MG&E to ask them what went into setting their electric rates and WE Energies to discuss how they are getting gas lines to rural areas. (Note – not discussed, but consider inviting MGE from new construction at Rockdale plant in Rock County).

Treasurer's Report - Supervisor Linda Sinkula Supervisor Sinkula said Beginning check book balance as of May 29, 2015 is \$33,985.11. The CD that was rolled over after it matured amounted to \$40,303.11, with expenses May through August totalling \$ 7,850.00. This leaves a balance of \$ 74,288.22 in the Association bank account. The Treasurer's report was accepted on a motion by Supervisor Sinkula seconded by Mr. Ott. Report approved.

Speakers- were introduced by Alice O'Connor Rick Olin, Senior Policy Director, Legislative Fiscal Bureau, expert in utility taxes.

Mr. Olin said he has spent his career focused on shared revenue taxes, utility taxes and other taxes. He said decommissioning aid is complicated. Local governments do get aid for hosting power plants. The decommissioning statutes were written for the city of St. Francis, when the plant was torn down years ago. Now, when a plant becomes taxable, aid stops. Current statutes don't work right now. Act 61 will give declining percentages of aid on decommissioned power plants with no aid in six years. Mr. Olin next commented on the State Energy Plan which is done every 2 years. PSC asks utilities to submit a plan that tells the PSC what their production needs will be in the next 6 years.

Mr. Olin said natural gas will be cheaper for the next few years. He suggested people check out the website "Energy Information Administration" which gives reliable short term energy information. He said Wisconsin has an aging fleet of power plants, many are coal. He said, the future for coal is dire. New Federal clean air regulations do not want to keep reliance on coal and he said it is about more than just carbon emissions.

He said the State is looking at:

- Green coal, more clean. WE Energy request to impose state mandate to provide a ROI before production restructuring was rejected by PSC. Technology will continue to improve.
- Alliant has filed with PSC, CPC-N project. Point Beach will be relicensed is the rumor, within 5 years.
- WPL gas plant \$750 million – this will be over \$1 million per megawatt
- Kewaunee power plant will be reforecasted along with Grant County..

Speaker: Rob Kovich, Senator Frank Lasee

Mr.Kovich said that efforts historically to keep the Kewaunee Power Plant from suffering abrupt revenue loss by lifting revenue caps, was not agreed to by Governor. The governor would also not agree to allow Kewaunee County to lift its revenue cap to help with the utility tax reductions. He said potential buyers for Kewaunee plant could never prove they had the necessary capitalization to make it profitable. He said right now Wisconsin has enough energy capacity with tiered electric consumption so need to keep Kewaunee open "just isn't there."

The meeting ended by Mr. Olin saying that DOR will be doing reforecasts as a result of Act 61. The next BD meeting was set for Feb 5, 2016 with charge to invite Alliant, WE Energy and MG&E. Meeting adjourned at 1 pm on motion from Herb Tennes, seconded by Walt Christiansen.