

**WISCONSIN COUNTIES UTILITY TAX ASSOCIATION
Sept 8, 2017 Board Agenda**

NOTE: We are going to meet at the Wisconsin Counties Association office 22 E Mifflin St Suite 900 Madison WI (2 buildings west of my building on the Square)

Parking ramp is same as my building however WCA says if you come up to level 3 ,there is a crosswalk that leads direct to elevator. Or, park in usual visitor spot, walk through my building lobby, turn right and walk two buildings over. Bring your parking ticket with you to obtain your validated parking sticker.

10:30 A.M. – 1:00 P.M. (WORKING LUNCH)

CALL IN INSTRUCTIONS:

CALL IN NUMBER: 515 739 1285 Hit #

PARTICIPANT CODE: 935752 Hit #

LEADER CODE: Alice will open the line 9246#

- Call to Order – Larry Willkom
- Roll Call – Larry Willkom
- Approval of Minutes of June
- President's Report – Larry Willkom
 - Welcome new Jefferson County Representative Alyssa Spaanem
 - Welcome new Marathon County representative0 deputy county administrator Lance Leonard
 - Review by laws for WCUTA membership criteria
- Presentation of 2018 Slate of Officers
- Updated Contact Sheet
- Treasurer's Report – Supervisor Linda Sinkula
- Executive Director Report – Alice O'Connor
 - Budget update
- WCA Report – Chelsea Filbert & Dan Bahr
 - Outcome of forestry tax repeal
 - WCA update
- Speaker – To be announced
- Next Board Meeting Date
- Adjourn

**WCUTA
2016-2017 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
aoc@constituencyservices.org

Member Counties

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

Directions

NOTE: these are directions to CSI offices which is the same ramp as the Wisconsin Counties Association

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. The ramp has no elevator to the building.

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

BY-LAWS
WISCONSIN COUNTIES UTILITY TAX ASSOCIATION

ARTICLE 1 – OFFICES

The initial principal office shall be as stated in the Articles. Thereafter the principal office may be at any location in the State of Wisconsin designated by the Association.

The Association may also establish such other offices in the State as it deems necessary.

ARTICLE 2 – MEMBERSHIP

- A. Membership shall be of one class and shall continue as long as the annual dues are paid.
- B. Any county in Wisconsin having an interest in shared utility tax issues may be considered for membership in this Association. New members shall be approved by a 2/3 vote of the Association.
- C. The annual dues shall be determined by the vote of the members, on the recommendation of the Executive Committee. Dues may vary according to the shared utility taxes received by each county, and minimum and maximum amounts of dues may be set.
- D. If any member shall be in arrears in payment of dues for three months after they are due and payable, the member shall be deemed delinquent and shall be dropped from the membership. Such member may be reinstated by the payment of dues.

ARTICLE 3 – MEETINGS

- A. There shall be an annual meeting during the month of May unless otherwise ordered by the Executive Committee for the purpose of electing officers, receiving a report from the Auditing Committee and transacting such other business as may come before the Association. Notice of these meetings shall be mailed to each member at least ten days before the time appointed for the meeting.
- B. Other meetings shall be held at such time and place as determined by the membership or by the Executive Committee.
- C. Six members of this Association, when present at any meeting, shall constitute a quorum. In case there is less than this number, the presiding officer may adjourn from time to time until a quorum is present.

ARTICLE 4 – VOTING

Each member county shall be entitled to one vote on questions coming before the Association. Each vote shall be cast by the person designated to represent his county or that person's representative.

It shall not be necessary that the person designated to vote, or his representative, be a member of the County Board of the County he represents; but such person shall be authorized by such County Board to cast such vote.

ARTICLE 5 – OFFICERS

The elected officers of this Association shall be President, Vice President, Secretary and Treasurer. Their duties shall be as follows:

President – The President shall be the Chief Executive Officer of the Association and shall preside at all meetings of the general membership.

Vice President – The Vice President shall act in place of the President in his absence or in the event of his inability to act.

Secretary – The Secretary shall certify such corporate papers as require certification, and shall perform such other duties as may be assigned by the President.

Treasurer – The Treasurer shall be the custodian of the funds of the Association and shall receive and disperse the same. The Treasurer shall keep, or cause to have kept, a full and true account of all receipts and disbursements, and shall render a statement to the membership at each regular meeting.

ARTICLE 6 – EXECUTIVE DIRECTOR

An Executive Director may be hired by the Association. The Executive Director shall have no vote, but shall perform the following duties:

- A. Record the minutes of the meeting of the membership and the Executive Committee.
- B. Keep all records of the Association.
- C. At the direction of the Treasurer, keep a full and true account of all receipts and disbursements.

- D. Consult with the President and the Executive Committee as to plans for future meetings and the general business of the Association.
- E. Perform such other duties as the Association shall direct.

ARTICLE 7 – EXECUTIVE COMMITTEE

There shall be an Executive Committee consisting of no less than five voting members elected at each annual meeting, each from a different county. Officers of the Association shall be ex officio members of the committee, unless separately elected as voting members.

A majority of the elected members of the Executive Committee shall constitute a quorum at its meetings. The committee shall meet at such times and places as it deems necessary when it is inconvenient to call a meeting of the full membership.

The Executive Committee shall have the power to act on all matters which would normally come before a regular meeting of the full membership, subject to ratification at the next regular meeting of the membership.

ARTICLE 8 – AUDIT COMMITTEE

Annually, prior to the annual meeting, the President shall designate an Audit Committee of three persons. The Audit Committee shall examine the books and records of the Association since the last previous audit and submit its report at the annual meeting.

ARTICLE 9 – SEAL

The Association shall have no seal.

ARTICLE 10 – AMENDMENT TO BY-LAWS

These By-Laws may be amended or repealed in whole or in part by a two-thirds vote of those present and voting at any duly organized meeting of the full membership of the Association. Notice of any proposed amendment to the By-Laws shall be mailed to the members at least ten days before the time appointed for the meeting.

Change approved April 13, 2007.

**WCUTA Board of Directors Meeting
June 16, 2017**

The meeting was called to order at 10:30 by Chairman Willkom. A roll call was taken.

PRESENT William Goehring – Sheboygan County Board, Chuck Hoffman – Manitowoc County, Robert Keeney – Grant County Board Chair, Linda Sinkula – Kewaunee County Board Supervisor, John Tramburg – Columbia County Supervisor, Lawrence Willkom – Chippewa County Supervisor, Bob Yeomans, Rock County Supervisor. Nick Osbourne (Asst. to the County Administrator Rock County).
PHONE Don Pazynski, Marinette County Board.

EXCUSED: Rick Gundrum – Washington County Board Chair,

Staff: Alice O'Connor, Chelsea Fibert – WCUTA Government Affairs assistant

Minutes April 21, 2017 approved as amended- The minutes were amended changing Chelsea Fibert title to Government Affairs Legislative Assistant and correcting her last name removing the letter "l" so it is Fibert. The minutes as amended were adopted on a motion from Supervisor Bill Goehring, seconded by Supervisor Chuck Hoffman

President's report

Supervisor Larry Willkom stated that Alice O'Connor's contract with CSI was approved at the last board meeting giving her a \$200 per month pay raise retroactive to January 2017 with a 3-year review. He said Alice had not had a pay increase in eight years.

Supervisor Bob Yeomans pointed out that after dues are collected with the nominal telephone, copying and meeting costs, WCUTA would end up with \$700 in the bank if it does not raise dues. This not does not account for the \$40,363.78 CD that comes due later in the year because of frugal management of WCUTA funds.

There was discussion about the need for budgeting additional funds in the event the utility tax formula is messed with. After discussion, it was decided to put this matter on the agenda for the next board meeting to discuss. Alice was directed to notify the board if additional time is required on a specific legislative proposal that would require an additional investment of time above and beyond her current duties and current contract.

A copy of the contract will be emailed to everyone. Supervisor Willkom will sign it at the next meeting.

Nomination Committee- Supervisor Willkom said it was time to appoint the nominating committee to determine the slate of officers for 2018. Some current officers are not running for re-election so there will be board slots open. He asked for up to three individuals to serve on the nominating committee to let him or Alice know.

Some felt it would be better to wait until the fall so that people could determine if they were going to run for office again. Supervisor Tramburg pointed out he would not be running again but as a longtime member of WCUTA he is going to check with his County Board to see if he could be both a representative of Columbia County and also bring along whoever the new County designee would be.

Others pointed out that this was not a new precedent and had been done in the past.

Treasurer's report- Supervisor Linda Sinkula.

Because of the discrepancy in the treasurer's report showing that total assets were \$77,577.27 and the previous balance included was \$76,606.11, it was not clear whether expenses of \$11,461.81 had been deducted from the \$77,577.27 balance. Everyone liked the level of detail. Alice was directed to clarify any unpaid checks that were not a part of this treasurer's report for the next meeting. She pointed out that both Kenosha and La Crosse had paid and the only remaining County that had yet to pay is Ozaukee County. Alice will revise the Treasurer Report format as suggested by Supervisor Sinkula. The Treasurer's report will be approved at the next meeting. There was consensus the level of detail regarded as income was not needed on every treasurer's report but it is nice to have. The motion to table this month's Treasurer's report was offered by Nick Osborne, seconded by Supervisor Tramburg. This will be taken up at the next meeting.

Executive Director report - Alice O'Connor mentioned there was a continued stalemate with the governor's budget bill and the big three areas: transportation, taxes, and education had not yet been dealt with. Speaker Vos has proposed a budget different from Governor Walker who has already signaled it is dead. Senate Majority Leader Scott Fitzgerald has been more aligned with Governor Walker but has a more fragile caucus as well to deal with.

Republicans are interested in additional tax reductions and the proposal that may have some traction this session has to do with completely eliminating schools and vocational colleges off the property tax. Should that occur, the state of Wisconsin will have to find approximately \$283 million dollars each year to fund schools. Both Chelsea and Alice agree this session it could be a part of the larger budget tax package. There is a strong push by Tea Party Republicans to get schools off of property tax. They are talking about a phase in which would kick the can down the road a bit. This is similar to bonding levels with the Transportation budget. Bonding verses reinstating the gas tax to deal with the \$1.6 billion dollar deficit is one example of differences.

For lawmakers running for election next year, they can say they solve the problem without raising taxes. Alice mentioned that some of the ways they are looking to fund Transportation would be to put a higher truck fee structure or per mileage charge on interstate trucking companies and those operating with diesel.

Alice shared a report regarding a meeting she had with Rep. Thiesfeldt who has made changes to legislation he intends to push this fall related to sufficient funding for counties that expand wind operations within their jurisdiction. She indicated that Representative Thiesfeldt was tired of fighting with the WCA and counties so he has revised his proposal. He says his new bill will work under the existing wind formula and any shortfall experience by towns would be back filled with general-purpose revenue or state tax dollars. He indicated he's pushing this in the fall because he feels like maybe he'll have a better chance of passing it if it is not tied into the budget bill. He also pointed out that his proposal only benefits 20 counties were there and save seats so he is not sure if he's going to have enough of a support the fiscal impact would be approximately \$400,000.

Alice also provided some context of current fiscal dilemma lawmakers face based on latest figures from the Wisconsin Taxpayer Alliance report. She reminded the Board that former Governor Jim Doyle took \$1.4 billion from SEG DOT fund to erase MA deficit over ten years ago and it has never been repaid.

DOT Debt rose. Then, GPR income from sales and excise taxes that went to fund education, health and property tax relief had to subsidize transportation.

Since 2003 the state has shifted \$2.3 billion to DOT mostly to pay off highway bonds. Now, 20 cents of every gas tax paid is diverted from roads to pay off debt. This makes it challenging to repair and rebuild dated infrastructure. Some GOP want sustainable solutions, but will they delay until 2019? The ripple effect impacts school aid and Medicaid which account for more than 50% of general fund. Add property tax credits, higher education, prison, and local government aids, impacts multiply.

Medicaid is always difficult to limit growth. In 2003, MA claim on benefits was 10%. In 2016, it is now up to 18 percent -- nearly doubling in 15 years. Some lawmakers feel MA is crowding out other general fund programs, especially education. Does increased general fund taxes to bail out the transportation fund deficit magnify the Medicaid costs or impact other programs? Income & sales taxes change with economic cycles. i.e. During 2008-2010 average annual changes income (-4.8%) and sales (+3.9%) taxes were negative. Between 2010 and 2013 the opposite was true (7.2% and 3.8%).

Alice says lawmakers must answer a longer term question, because current growth of 3.1% does not match the historical growth Wisconsin has enjoyed. Between 1990 and 2000 GPR grew an average of 6.8% per year. From 2010 on (after the last recession), annual growth has consistently averaged only 3.1% growth. If growth in tax collections is slowing, is there a need to rethink state fiscal policies and budget practices well beyond highways?.

WCA REPORT – Chelsea Fibert indicated that the WCA webinars take place every Monday at 9 a.m. when there is something to report on the budget bill. Because of the impasse, they have not been having webinars. When they do, they are very popular. She indicated that WCA has been at the table when conversations about the tax package and changes to Shared Revenue are taking place. It remains unclear if the legislature will delay some Transportation projects or come up with a mix of funding that would include some bonding to erase the projected \$1.6 billion dollar deficit.

Questions were asked about the status of the forestry tax which will be reported on at the next meeting. The meeting was adjourned at noon on a motion from Supervisor Hoffman, seconded by Nick Osbourne, The next meeting of the WCUTA board is scheduled for Friday, September 8, 10:30 a.m.

Wisconsin County Utilities Tax Association**Treasurer's Report****June 16, 2017****Period of March 31, 2017 thru May, 31, 2017****Revenue**

Beginning Balance as of March 31, 2017	Revenue
Check Book Balance	\$ 40,130.24
CD (#7379279)	\$ 40,363.78
Total assets	\$ 80,494.02

CREDITS: 2017 Dues Collected	Revenue
Dun County - 4/21/2017	\$ 182.85
Marathon County - 4/21/22017	\$ 2,667.84
Marinette County - 5/12/2017	\$ 969.50
Dues Collected	\$ 3,820.19

CREDITS: Other	Revenue
Checking Account Interest - 3/31/2017	\$ 1.70
Checkng Account Interest - 4/30/2017	\$ 1.51
Checking Account Interest - 5/31/2017	\$ 1.66
Total current assets	\$ 4.87
Total Revenue	\$ 84,319.08

Expenses

DEBITS: Current Expenses	Expenses
Constituency Services - Jan 2017 Inv # 13-1411	\$ 2,770.00
Constituency Services - Feb 2017 Inv # 13-1438	\$ 1,950.00
Constituency Services - Mar 2017 Inv # 13-1430	\$ 1,963.00
Deluxe Bus Sys Prods - New Checks	\$ 58.81
Total Expenses	\$ 6,741.81
Total Expenses	\$ 6,741.81
WCUTA Balance as of May 31, 2017	\$ 77,577.27

Current assets:	Assets
May 31, 2017 Check Book Balance	\$ 37,213.49
CD (#7379279)	\$ 40,363.78
Total Assets	\$ 77,577.27

Wisconsin County Utilities Tax Association

2017 Total Dues & Total Expenses

CREDITS: 2017 Dues Collected	Total 2017 Dues	Rec'd in 2016	Rec'd in 2017
Kewaunee County - 10/19/2016	\$ 836.02	\$ 836.02	
Jefferson County - 11/20/2016	\$ 1,367.03	\$ 1,367.03	
Columbia County - 11/20/2016	\$ 3,145.57	\$ 3,145.57	
Douglas County - 11/20/2016	\$ 110.28	\$ 110.28	
Washington County - 12/20/2016	\$ 641.87	\$ 641.87	
Grant County - 1/9/2017	\$ 541.47		\$ 541.47
Vernon County - 1/9/2017	\$ 897.60		\$ 897.60
Buffalo County - 1/20/2017	\$ 731.61		\$ 731.61
Rock County - 1/20/2017	\$ 3,056.14		\$ 3,056.14
Sheboygan County - 1/20/2017	\$ 1,915.82		\$ 1,915.82
Chippewa County - 2/1/2017	\$ 1,902.27		\$ 1,902.27
Manitowoc County - 2/21/2017	\$ 2,775.68		\$ 2,775.68
Dunn County - 4/21/2017	\$ 182.85		\$ 182.85
Marathon County - 4/21/2017	\$ 2,667.84		\$ 2,667.84
Marinette County - 5/12/2017	\$ 969.50		\$ 969.50
Ashland County - 6/9/17	\$ 267.77		\$ 267.77
LaCrosse County - 6/15/17	\$ 765.64		\$ 765.64
Kenosha County - 6/15/17	\$ 2,469.15		\$ 2,469.15
Ozaukee County - check cashed in August - will appear in Nov 2017 Treasurer's Report	\$ 2,294.30		\$ 2,294.30
Dues Collected	\$ 27,538.41	\$ 6,100.77	\$ 21,437.64
Total Dues Collected	\$ 27,538.41	\$ 6,100.77	\$ 21,437.64

Expenses

DEBITS: Current Expenses	TOTAL 2017 EXPENSES	Paid	Unpaid
Constituency Services - Oct 2016 Inv # 13-1373	\$ 2,128.00	\$ 2,128.00	
Constituency Services - Nov 2016 Inv # 13-1383	\$ 1,922.00	\$ 1,922.00	
Constituency Services - Dec 2016 Inv # 13-1399	\$ 2,592.00	\$ 2,592.00	
Constituency Services - Jan 2017 Inv # 13-1411	\$ 2,770.00	\$ 2,770.00	
Constituency Services - Feb 2017 Inv # 13-1438	\$ 1,950.00	\$ 1,950.00	
Constituency Services - Mar 2017 Inv # 13-1430	\$ 1,963.00	\$ 1,963.00	
Constituency Services - Apr 2017 Inv # 13-1448	\$ 2,439.89	\$ 2,439.89	
Constituency Services - May 2017 Inv # 13-1468	\$ 2,122.00	\$ 2,122.00	
Constituency Services - Retroactive Pay Inv # 13-1470	\$ 600.00	\$ 600.00	
Deluxe Bus Sys Bus Prods - New Checks	\$ 58.81	\$ 58.81	
Constituency Services - June 2017 # 13-1495 (Invoiced \$2,137)	\$ 2,137.00		\$ 2,137.00
Constituency Services - July 2017 # 13-1487 (Invoiced \$2,135)	\$ 2,135.00		\$ 2,135.00
Constituency Services - August 2017 \$ 13-1494 (Invoiced \$2,125)	\$ 2,125.00		\$ 2,125.00
Total Expenses	\$ 24,942.70	\$ 18,545.70	\$ 6,397.00
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Wisconsin County Utilities Tax Association**Treasurer's Report****September 8, 2017****Period of May 31, 2017 thru July 31, 2017****Revenue**

Beginning Balance as of May 31, 2017	Revenue
Check Book Balance	\$ 37,213.49
CD (#7379279)	\$ 40,363.78
Total assets	\$ 77,577.27

CREDITS: 2017 Dues Collected

	Revenue
Ashland County - 6/9/17	\$ 267.77
LaCrosse County - 6/15/17	\$ 765.64
Kenosha County - 6/15/17	\$ 2,469.15
Dues Collected	\$ 3,502.56

CREDITS: Other

	Revenue
Checking Account Interest - 6/30/17	\$ 1.49
Checking Account Interest - 7/31/17	\$ 1.43
Interest Earned	\$ 2.92
Total Revenue	\$ 81,082.75

Expenses

DEBITS: Current Expenses	Expenses
Constituency Services - Retroactive Pay Inv # 13-1470	\$ 600.00
Constituency Services - Apr 2017 Inv # 13-1448	\$ 2,439.89
Constituency Services - May 2017 Inv # 13-1468	\$ 2,122.00
Constituency Services - November 2016 Inv #13-1383	\$ 1,922.00
Total Expenses	\$ 7,083.89
Total Expenses	\$ 7,083.89
WCUTA Balance as of July 31, 2017	\$ 73,998.86

Current assets:

	Assets
July 31, 2017 Check Book Balance	\$ 33,635.08
CD (#7379279)	\$ 40,363.78
Total Assets	\$ 73,998.86

a quorum is six

NAME	YES	NO	Title
Anson Albarado			Chippewa County Board Chair
Beirl, Jeff			Ashland County Administrator
Dzwinel, Jason			Ozaukee County Supervisor
Elverman, Dennis			Kenosha County Board Supervisor
Fibert, Chelsea			WCUTA Tax and Finance government affairs assistant WCA
Finn, Douglas			Douglas County Board Chair
Frion, Sandi			Chippewa County Administrator
Gibbs, Kurt			Marathon County Board Chair
Goehring, William	x		Sheboygan County Board
Gundrum Rick	x		Washington County Board Chair
Hampson, Sharon			LaCrosse County Board Chair
Hanson, Paul			Manitowoc County Board Chair
Hoffman, Chuck			Manitowoc County
Jaeger, Tammie			Jefferson County Courthouse Admin Assist.
Johnson, Tara			LaCrosse County Board Chair
Kane, Doug			Buffalo County Chair
Karger, Brad	X		Marathon County Administrator
Keeney, Robert	x		Grant County Board Chair
Kruilla, Margaret			Ashland County Board Chair
Leonard, Lance		X	Marathon County deputy admin
O'Malley, Steve			LaCrosse County Administrator
O'Connor, Alice			WCUTA Executive Director
Osborne, Nick			Asst to the County Administrator Rock Co.
Pazynski, Don			Marinette County Supervisor
Podzilni, Russ			Rock County Board Chair
Rasmussen, Steven			Dunn County Board Chair
Russo, Pete			Ashland County Chair
Schlenvogt, Lee			Ozaukee County Board Chair
Schoemann, Josh			Washington County Admin Coordinator
Schuh, Lisa			Buffalo County Assist Administrator
Sinkula, Linda	x		Kewaunee County Board Supervisor

Spaanem, Alyssa		Jefferson County
TeStroete, Roger		Washington County Supervisor
Tramburg, John	X	Columbia County Supervisor
Wegner, Thomas		Sheboygan County
Willkom, Lawrence	X	Chippewa County Supervisor
Wyman, Gary		Marathon County Board Chair
Yeomans, Bob	X	Rock County Supervisor

**WCUTA Board of Directors Meeting
June 16, 2017**

The meeting was called to order at 10:30 by Chairman Willkom. A roll call was taken.

PRESENT William Goehring – Sheboygan County Board, Chuck Hoffman – Manitowoc County, Robert Keeney – Grant County Board Chair, Linda Sinkula – Kewaunee County Board Supervisor, John Tramburg – Columbia County Supervisor, Lawrence Willkom – Chippewa County Supervisor, Bob Yeomans, Rock County Supervisor. Nick Osbourne (Asst. to the County Administrator Rock County).
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For lawmakers running for election next year, they can say they solve the problem without raising taxes. Alice mentioned that some of the ways they are looking to fund Transportation would be to put a higher truck fee structure or per mileage charge on interstate trucking companies and those operating with diesel.

Alice shared a report regarding a meeting she had with Rep. Thiesfeldt who has made changes to legislation he intends to push this fall related to sufficient funding for counties that expand wind operations within their jurisdiction. She indicated that Representative Thiesfeldt was tired of fighting with the WCA and counties so he has revised his proposal. He says his new bill will work under the existing wind formula and any shortfall experience by towns would be back filled with general-purpose revenue or state tax dollars. He indicated he's pushing this in the fall because he feels like maybe he'll have a better chance of passing it if it is not tied into the budget bill. He also pointed out that his proposal only benefits 20 counties were there and save seats so he is not sure if he's going to have enough of a support the fiscal impact would be approximately \$400,000.

Alice also provided some context of current fiscal dilemma lawmakers face based on latest figures from the Wisconsin Taxpayer Alliance report. She reminded the Board that former Governor Jim Doyle took \$1.4 billion from SEG DOT fund to erase MA deficit over ten years ago and it has never been repaid.

DOT Debt rose. Then, GPR income from sales and excise taxes that went to fund education, health and property tax relief had to subsidize transportation.

Since 2003 the state has shifted \$2.3 billion to DOT mostly to pay off highway bonds. Now, 20 cents of every gas tax paid is diverted from roads to pay off debt. This makes it challenging to repair and rebuild dated infrastructure. Some GOP want sustainable solutions, but will they delay until 2019? The ripple effect impacts school aid and Medicaid which account for more than 50% of general fund. Add property tax credits, higher education, prison, and local government aids, impacts multiply.

Medicaid is always difficult to limit growth. In 2003, MA claim on benefits was 10%. In 2016, it is now up to 18 percent -- nearly doubling in 15 years. Some lawmakers feel MA is crowding out other general fund programs, especially education. Does increased general fund taxes to bail out the transportation fund deficit magnify the Medicaid costs or impact other programs? Income & sales taxes change with economic cycles. i.e. During 2008-2010 average annual changes income (-4.8%) and sales (+3.9%) taxes were negative. Between 2010 and 2013 the opposite was true (7.2% and 3.8%).

Alice says lawmakers must answer a longer term question, because current growth of 3.1% does not match the historical growth Wisconsin has enjoyed. Between 1990 and 2000 GPR grew an average of 6.8% per year. From 2010 on (after the last recession), annual growth has consistently averaged only 3.1% growth. If growth in tax collections is slowing, is there a need to rethink state fiscal policies and budget practices well beyond highways?.

WCA REPORT – Chelsea Fibert indicated that the WCA webinars take place every Monday at 9 a.m. when there is something to report on the budget bill. Because of the impasse, they have not been having webinars. When they do, they are very popular. She indicated that WCA has been at the table when conversations about the tax package and changes to Shared Revenue are taking place. It remains unclear if the legislature will delay some Transportation projects or come up with a mix of funding that would include some bonding to erase the projected \$1.6 billion dollar deficit.

Questions were asked about the status of the forestry tax which will be reported on at the next meeting. The meeting was adjourned at noon on a motion from Supervisor Hoffman, seconded by Nick Osbourne, The next meeting of the WCUTA board is scheduled for Friday, September 8, 10:30 a.m.

AGREEMENT

Agreement made this 1st day of January, 2017, by and between the Wisconsin Counties Utility Tax Association (WCUTA), and Alice O'Connor (O'Connor), Principal, Constituency Services Inc., with its principal office at 44 East Mifflin Street, Suite 603, Madison, Wisconsin 53703.

NOW, THEREFORE, the parties agree as follows:

1. **TERM; DUTIES.** The Agreement will become effective on January 1, 2017, and shall remain in effect until terminated by either party in accordance with Section 5 of this Agreement. WCUTA retains O'Connor to serve as Executive Director of WCUTA and to represent WCUTA before the Wisconsin State Legislature as a lobbyist within the meaning of the Wisconsin Statutes and before Wisconsin State executive branch departments, independent administrative boards, commissions and regulatory agencies. This contract will be reviewed every three years.

2. **COMPENSATION.** In consideration of O'Connor's satisfactory performance of this Agreement, WCUTA shall pay to O'Connor monthly installments of \$2,100 beginning on January 1, 2017. WCUTA's obligation to pay the monthly retainer terminates at the end of notice period for termination under Section 5 below. This contract will be reviewed every three years.

3. **BUSINESS EXPENSES.** WCUTA agrees to reimburse O'Connor for any reasonable, ordinary and necessary expenses incurred by O'Connor. O'Connor agrees to submit an itemized expense report not more than sixty (60) days after the end of each month as the basis for such reimbursement.

4. **CONFIDENTIALITY.** All of the information which O'Connor obtains and/or develops in the performance of this Agreement shall be treated, maintained and held by O'Connor as confidential information, which O'Connor shall not disclose or use for any purpose other than in the performance of this Agreement.

5. **TERMINATION.** Either party may terminate this Agreement for any reason by giving at least thirty (30) days advance written notice of termination to the other party.

6. **RECORD KEEPING AND AUDITS.** For a period of at least three (3) years following the expiration or earlier termination of this Agreement. O'Connor shall maintain such books and records (collectively, "Records") as are necessary to substantiate that all invoices and other charges submitted to WCUTA for payment hereunder were valid and proper.

7. **NOTICES.** All notices required to be given hereunder shall be sent to WCUTA at the address of the WCUTA President and to O'Connor at 44 East Mifflin Street,

Suite 603, Madison, Wisconsin 53703. Any notice shall be deemed to have been received on the date it is deposited with a reputable overnight air courier or three (3) days after it is deposited in the U.S. certified mail, return receipt requested.

8. INDEPENDENT CONTRACTOR. O'Connor is acting as an independent contractor, and not as an agent, partner or employee, in rendering services to WCUTA hereunder.

9. REPORTS. O'Connor shall prepare and file all reports required by law to ensure that all lobbying laws are obeyed.

10. GENERAL PROVISIONS. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all previous communications, representations or agreements, either oral or written, between the parties. No waiver or modification of this Agreement or of any covenant, condition or limitation herein contained shall be valid unless in writing and duly executed by the party to be charged therewith.

IN WITNESS WHEREOF, the parties have executed this Agreement in duplicate on the date first above written.

WISCONSIN COUNTIES UTILITY
TAX ASSOCIATION

ALICE O'CONNOR

By: _____

Title: _____