

## Waukesha County Board of Supervisors

### Minutes of the Joint Meeting of Finance Committee and Executive Committee Monday, October 14, 2024

Chair Szpara called the joint meeting of the Finance Committee and Executive Committee meeting to order at 8:15 a.m.

**Executive Committee Members Present:** Supervisors Jim Heinrich (Chair), Keith Hammitt, Christine Howard, Jacob LaFontain, Larry Nelson, Gary Szpara, Peter Wolff

**Finance Committee Members Present:** Supervisors Gary Szpara (Chair), Larry Bangs, Darryl Enriquez, Wayne Euclide, Joel Gaughan, Darlene Johnson, Richard Morris

**Also Present:** Chief of Staff Sarah Spaeth, Legislative Policy Advisor Sarah Fraley, Administrative Specialist Barbara Hollander, UW-Extension Director Jerry Braatz, Bridges Library Director Karol Kennedy, Director of Administration Andrew Thelke, County Executive Paul Farrow, Chief of Staff Shawn Lundie, Press Secretary/PIO Hillary Mintz, Treasurer Pam Reeves, Budget Manager Bill Duckwitz, Supervisor Terry Thieme, Supervisor Brian Meier, Financial Analyst Christianne Hill, Senior Financial Analyst Tyler Livesey, Director of Parks and Land Use Dale Shaver, Inspector Jim Gumm, Emergency Management Coordinator Gail Goodchild, Financial Analyst Josh Seljie, Mayor Steven Ponto (City of Brookfield), Mayor Shawn Reilly (City of Waukesha), Mayor Rick Petfalski (City of Muskego), Jeff Hoffman (Cushman and Wakefield/Boerke), Charles B. Palmer (Waukesha County Business Alliance), Amanda Payne (Waukesha County Business Alliance), J. Michael Mooney (WCBA/CHM MLC Capital/resident), Kathy Briggs

#### **Public Comment**

**Steven Ponto, Mayor (City of Brookfield):** Ponto stated he was a member of the Budget Task Force, attended all the meetings, reviewed all the information and based on that information strongly believes that the best option presented is for Waukesha County to add .5% to the states 5% sales tax as proposed by the County Executive. It would help Waukesha County solve its fiscal issues for at least a decade, lower the county real estate tax levy, and help municipalities who are experiencing budget shortfalls. This way people who come into Waukesha County for business, shopping or recreation contribute to paying for the government services they utilize. Another advantage is that the sales tax is collected in numerous small transactions and is therefore less of a burden than real estate taxes which are collected in one or two major payments. Waukesha County and its municipalities did not do well last year when the state government acted on shared revenue. Ponto urged the committee members to approve the .5% sales tax as proposed by the County Executive.

**Amanda Payne, President and CEO of Waukesha County Business Alliance:** She stated that her members oppose the .5% sales tax increase. They opposed it when it was brought up at the

Budget Task Force meetings. However, the Alliance has consistently indicated that they would work with the county and state legislators to allow for the legislative flexibility to adopt less than the required .5% increase. She stated she has regularly shared all the county materials and talking points regarding the sales tax with her members. Despite that, her members do not support what is currently being proposed. They believe this tax generates more revenue than is needed to resolve the fiscal gap and is being rushed. Payne said her members ask that the committees vote no on the proposed tax increase and work with the Alliance to allow for a smaller tax increase with state legislators.

Jeff Hoffman, Cushman Wakefield Boerke: Hoffman stated he served on the Budget Task Force and does not dispute the fact that there are structural challenges in front of us. He said the business community stands ready to work with the county to attempt to negotiate with the legislature to come up with a solution that allows us to take what we need. He said the county does not need \$60 million right now. He understands that part of that will be used for local property tax relief and aid local municipalities, but the real challenge is funding Waukesha County government. He said we should negotiate with the legislature for what we need now and leave the leeway to potentially get up to that .5% if necessary. He said the message from the community is to continue to work with them and continue to be leaders in the Waukesha County Way.

Kathy Briggs: Briggs said the \$60 million tax increase to fill the \$5 million gap did not add up to her. She said we don't have a taxing problem, but a spending problem. She has been a city/county resident a long time and is concerned about the amount of money spent on roadway projects and how the county is spending money. She suggested starting out with a smaller tax percentage. She voiced her concern that we don't need more or new taxes in this county.

Shawn Reilly, Mayor (City of Waukesha): Reilly said he is speaking in favor of the sales tax for several reasons, but the most important is that the county and its municipalities are under an extreme financial strain, and it is going to get worse. The only way to fix that for municipalities is to go to referendum, but referendums only tax property owners. The sales tax allows for entities other than property owners to be taxed. He stated that Waukesha County is going to need additional revenue. While it is more than is needed in the immediate future, he is looking to the sales tax revenue to put themselves in a much better place and Waukesha County will still be a leader amongst all the counties in the State of Wisconsin. The additional revenue that is not needed immediately could be used to eliminate debt, and paying for big projects with cash. The sales tax will continue to make Waukesha County a leader financially among the state. Reilly said he is in favor of the .5% sales tax and asked for the committees' approval of the sales tax proposal.

J. Michael Mooney (WCBA, CHM MLG Capital): Mooney said he is here to speak on behalf of the Waukesha County Business Alliance, as a long-standing Waukesha County resident, and business co-owner and community leader. The Waukesha Way culture of fiscal responsibility, integrity, hard work, common sense and helping others and entrepreneurial environment drew

him here from Milwaukee. Despite his attachments to the county, he is speaking to express his disappointment that our county is implementing a .5% sales tax. He understands budgetary challenges but is concerned that this tax would place an unnecessarily large burden on county residents and businesses. Another key is that this tax increase of \$50 to \$60 million is larger than what it is trying to solve. He said it seems that we ought to explore alternative solutions that don't overtax taxpayers, yet continue to prioritize efficiency and accountability. The mere 19 days between the introduction of the tax proposal and its final board vote feels like a rush, which is not the Waukesha Way. He declined an invitation to join the Budget Task Force after reading the Raftelis report, as it was clear that the solution had already been decided at least by the consultants. He said he is not surprised that it turned out exactly that way. He understands the Budget Task Force members have invested a lot of time on this, but the county citizens have not been given that opportunity.

Rick Petfalski, Mayor (City of Muskego): Petfalski said he too was a member of the Budget Task Force, so he knows intimately what the county's crisis is right now. It is the same as every municipality in Wisconsin especially in Waukesha County. He wanted to make it clear that he does not like taxes, but until we find a different way to pay for roads, police, fire and rescue we need to collect taxes. Raising taxes is worst part of the job, but we must find a way to pay for the services our constituents need. Wisconsin relies way too much on property taxes. This is not a tax increase as much as a tax shift. The initial money that you are getting to fill Waukesha County's \$5 million gap is \$50 to \$60 million. The extra money will be used to lower debt service and shift money away from property tax. The sales tax proposal will give property tax relief. Citizens contribute to surrounding counties with their sales. We have an opportunity for 25% of our workforce that does not live in Waukesha to contribute to the infrastructure, police and fire in our county. Many of those being processed through criminal justice system are from Milwaukee County. Isn't it a time we have Milwaukee County residents contribute to help pay for part of that problem. A healthy local county and municipal government are important to economic development. It is also important to have properly staffed planning and engineering departments so we can work with developers, achieve timely approvals, and provide public safety to those businesses. Petfalski asked the committees to please consider supporting the sales tax proposal by County Executive.

#### **Discuss and Consider the 2025 Operating Budget for Extension Waukesha County**

Braatz discussed the proposed 2025 operating budget for Extension Waukesha County as outlined in the budget book including the financial summaries, major departmental strategic plan objectives, program highlights, and activities. The County tax levy totals \$386,744 – an increase of \$20,000 or 5.5%. No major concerns were voiced.

**MOTION by Executive Committee:** Howard moved, second by Hammitt to approve the 2025 operating budget for Extension Waukesha County. Motion carried 7-0

**MOTION by Finance Committee:** Morris moved, second by Johnson to tentatively approve the 2025 operating budget for Extension Waukesha County. Motion carried 7-0

**Discuss and Consider the 2025 Operating Budget for the Bridges Library System**

Kennedy discussed the proposed 2025 operating budget for the Bridges Library System as outlined in the budget book including the financial summaries, major departmental strategic plan objectives, program highlights, and activities. The County tax levy totals \$4,423,514 – an increase of \$245,385 or 5.9%. No major concerns were voiced.

**MOTION by Executive Committee:** Nelson moved, second by Wolff to approve the 2025 operating budget for the Bridges Library System. Motion carried 7-0

**MOTION by Finance Committee:** Euclide moved, second by Gaughan to tentatively approve the 2025 operating budget for the Bridges Library System. Motion carried 7-0

**Discuss and Consider the 2025 Non-Departmental Operating Budget**

Thelke and Livesey discussed the 2025 Non-Departmental budget as outlined in the budget book including the financial summaries, major departmental strategic plan objectives, program highlights, and activities. The County tax levy totals \$0 – no change from 2024. No major concerns were voiced.

**MOTION by Executive Committee:** LaFontain moved, second by Howard to approve the 2025 Non-Departmental operating budget. Motion carried 7-0

**MOTION by Finance Committee:** Gaughan moved, second by Morris to tentatively approve the 2025 Non-Departmental operating budget. Motion carried 7-0

**Discuss and Consider Ordinance 179-O-047 Create Article VI Chapter 18 Of The Waukesha County Code - County Sales And Use Tax**

Farrow, Lundie and Thelke presented that this ordinance would enact and implement a 0.5% county sales and use tax as authorized by Chapter 77 of the Wisconsin Statutes through the creation of a new chapter of the Waukesha County Code.

Handouts were distributed titled: Waukesha County Cost Mitigation Efforts, Sales Tax Usage, Waukesha County Sales Tax: Fast Facts, and Waukesha County Sales Tax Solution. Farrow started the presentation by saying that a sales tax is not something he looked forward to doing, or wanted to do, but it is something we need to do.

Lundie explained that we are the lowest spending per capita county in the State of Wisconsin. We are the third lowest per capita tax levy, have the second lowest tax levy rate, are in the bottom half on per capita debt, and are second lowest in total state aid (this includes the new shared revenue.) We ended up last per capita of any city, town or county in the State of Wisconsin in shared revenue. Another issue is the fact that we are a massive net donor. Waukesha County sends \$1.55 billion each year to the State of Wisconsin. In return, the county receives \$60 million in state aid. We must fund \$51 million in state mandates and that comes out of our tax levy.

Between inflation, levy limits, low state aid, and unfunded mandates, we have about a \$5 million annual gap. Our operations year to year cost to continue are about \$6.4 million dollars. In a typical year, we receive about \$1.4 million in new tax levy, which leaves us with the \$5 million gap. Without significant changes in the county revenue or in the way state handles levy limits, the county will have a continued \$5 million gap that will continue to grow.

The county has eliminated, privatized and partnered with municipalities and other organizations on over 100 different county operations resulting in millions of dollars in savings. We also eliminated a significant number of positions and with that comes reductions in service levels. This includes the ability of the Sheriff's Department to provide for public safety and in DPW reduced times for clearing snow from roads. In a typical year, departments make significant cost reductions to make up for that \$5 million gap. Part is done with staff cuts and revenue increases if the department can raise fees.

The county has been triple AAA/AAa bond rated by both Moody's and Fitch for over 20 years.

Forty-four percent of tax levy goes to mandated services and are programs we cannot cut to fill the \$5 million gap. There are core services that departments provide that are essential to county operations, but not necessarily mandated by State of Wisconsin. Value added services are something that enhances customer service or goes above and beyond in some way.

Lundie said 85 positions have been cut from Parks and Land Use, Public Works, General Administration and Justice and Public Safety. Lundie continued that this is the situation that the county has been in for many years and the reason why the Budget Task Force was created.

The first year of levy limits was in 2006. At that time, they were limited to growth or 2%. In 2011, legislature removed the 2% option and just went to growth. Prior to that time, the county was able to increase the levy to keep up with inflation. Also, a medium-sized county experienced significant growth and was able to raise the revenue needed to keep up with inflation. In 2006 it gets limited, and in 2011, it gets further limited. For example, prior to the 2006 levy limits, the county was averaging around 4½%, with two years at 9%. In 2006, average levy limit dropped to about 1.75% and now it is averaging around 1.4%.

Lundie said we do not have a financial management problem or a spending problem in Waukesha County. The restrictions that the state puts on county government has forced our hand. The state legislature is unwilling to make changes in state levy limits. Waukesha County is last of every city, county, village and town per capita in state shared revenue and second to last in total per capita state aid, 44% (\$51 million per year) of property taxes pay for unfunded state mandates. The state legislature is unwilling to give more aid unless we implement a county sales tax. It is not necessarily the legislators that are supporting a county sales tax, but the state telling them that Waukesha County has not pulled the legal levers available to them and until they do so, they will not support us.

Lundie continued that county sales tax collects revenue from individuals living outside of Waukesha County. Some of those individuals are in our jail right now (30%); 40% of criminal cases are from Milwaukee County, which is a regional problem that the State is not addressing. The only revenue solution that allows us to collect money from Milwaukee County residents or any other county would be the sales tax itself.

**Sales Tax Usage:**

- 20% of the first year's sales tax revenue would be directed to property tax relief
- 20% capital and other expenditures, borrow less money, reduce allocation of property tax levy for future debt service payments
- Municipal aid to cut local property taxes

**Sales Tax Impact:**

- The impact of the sales tax would be about \$146.00 per year/about \$12 per month. With the direct reduction in property taxes, the monthly impact would drop to around \$7.25 per month
- 37% of out-of-county residents who work in Waukesha County and use county roads and other county services would pay a significant portion of the total collected in sales tax revenue
- \$4.3 million is the estimate of tourism in Waukesha County

**Sales Tax Ordinance:**

- Establishes the sales tax in the Waukesha County Code effective July 1, 2025
- Direct reduction in county property tax bills
- Authorizes a program to share up to 20% of the sales tax collected with Waukesha municipalities proportionally based on population
- Changes to budgeted expenses and revenues will require separate County Board action

Thelke outlined the fiscal impact for years 2025 through 2027 as it relates to sales tax collection, property tax cuts, borrowing reductions and aid to local municipalities.

Heinrich asked Farrow to address the public comments at the beginning of the meeting that said 0.5% was too much and we should consider less than that, and secondly, that the decision to implement a sales tax has been rushed. Farrow said if we go less than .5%, there will be no property tax relief, no aid to municipalities, and would not maintain Waukesha for the next 10 plus years. If we wait for their timeline, we would not be able to implement any impactful changes to the 2026 budget, probably looking at 2027. Farrow said we have a \$5 million gap that we were able to cover this year, however, we have a new medical services contract for the jail which went up about \$1.2 million. If we use \$1.4 million of property tax levy as our number, the Sheriff's Department just chewed up almost all of it.

Farrow said that administration looks out 5 to 10 years every time they present a budget. The budget team finds solutions every single year. They have not had a gap that they have had to

cover of less than \$2 million and they figured out how to do it. Farrow reiterated that he is not rushing anything, and he's given the board all the information, but he needs to follow the timelines laid out in order to be effective. He is trying to make sure we're the best fiscal stewards of Waukesha County.

Hammit said he is not about tax increases; however, he does want property tax relief and the municipal aid. He suggested that the relief/aid be listed as a percentage and not a dollar amount. He asked about how often the amount of relief/aid would be revisited. Lundie said that before the sales tax plan became public, they sat down with a group of local mayors and explained that the municipal aid would not be permanent. The two-year plan is in place to give municipalities advanced warning for planning purposes. The longer we stretch those dollars on the county level, the longer we will be able to help municipalities. The ordinance was drafted so that everyone will be comfortable. Part of the planning process is why the 2-year provision is in there.

LaFontain said this is a big change, and we have been holding out implementing a sales tax for 40 years now. He started out as a no vote when first looking at it. What changed his mind is hearing at Executive Committee from legislators that the state will not help us unless we implement a sales tax. He stated that those responsible for this are the legislators who only give back to us \$60 million of the \$1.5 billion we send them every year. He added that everyone on the board understands that, but the average citizen does not. They don't know about the 0.5% being the only percentage we can set the sales tax at. To the public, this feels rushed, even though the board has been at this for a while. Because this is so big and the impact so large, LaFontain asked if there is any way that we can delay this, so that it doesn't seem like a rush cash grab, and so we have time to get the message out there. He said the public doesn't understand that the state is sending our money all over the state, including Milwaukee County.

Farrow said he asked the WCBA if we delayed it, would we get their support, and they wouldn't answer. He said changing the mindset of individuals because we hold off a little bit is not going to be as impactful. Farrow said when he lays out for people what we're doing, the vast majority say they don't like it, but we're doing the right thing. The challenge of extending the timeline is it will impact the 2026 budget. When he looks at the preliminary numbers, he's cutting another patrol worker, probably some more deputies. If we build a new jail, we're going to implement another \$1 million to operate.

Lundie said the "slow-down" campaign that the WCBA is running through text messages and generating form emails is a strategy. Lundie said they cannot afford property tax reductions and municipal aid with less than 0.5%. Bringing it before the legislature does not guarantee that we will get less. The legislature could say .9% or 1.5%. "Slow down" is a strategy for less than .5% and .25% does not lower property taxes or provide for municipal aid.

Nelson said the generic email from WCBA does not say anything about reduction in property taxes or municipal aid. It just mentions a tax increase. LaFontain said that is why we need to

have more time to communicate with the public the facts. We need to explain why we're in the position we're in.

Nelson said the importance of our AAA bond rating and how much that saves taxpayers money should be added to the FAQ. If we do nothing and must make massive service cuts, that is going to affect our bond rating. Nelson said he has been trying to educate people about the county budget for 12 years, and it is a never-ending process. We get less and less media coverage. Fewer people read the newspaper where they would normally get the information.

Szpara said the initial numbers he was shown regarding the amount of money going back to the taxpayer in that first year has significantly gone down. Lundie said that after meeting with 24 of the 25 supervisors, they developed a compromise proposal. Some said every dollar should go to the county, some said property tax cuts matter to them, and there were even some individuals who said the tax cut doesn't matter to them. He said others were all over the board on where they stood on municipal aid. All that input was taken, and they came up with a proposal they believed solves our fiscal problems, respects the taxpayer with property tax cuts, helps municipalities, and can pass the County Board. Szpara stated his concern has always been that we need to show the taxpayer up front that there is something in it for them.

Howard stated she has been on the board for 12 years and has stressed out every year when approving the budget because of what departments must go through and the cuts they have to make. As much as she doesn't like this, we have been talking about this for as long as she has been on this board. She has made decisions over the years that have not been popular, but have been fiscally responsible. She stated she is not in favor of delaying it.

Johnson concurred with LaFontain. She received feedback from constituents as to why we can't wait until after the November election and the new year to vote on the sales tax. She realizes that the County Executive has had the best intentions when unveiling this proposal. Her constituents disagree with the excess tax money being sent to municipalities according to population and that this has been rushed through. Her constituents feel it is a burden to themselves and their businesses. They understand that Waukesha County prides itself on being fiscally conservative and gathering taxes in need of filling a budget hole, giving up the excess to the municipalities just seems too much. She spoke with leaders in her community and they as well as she, want to table Ordinance 179-O-047 until January 2025.

Enriquez said he has heard the "rush" argument several times in issues before the City of Waukesha and Waukesha County. He said he doesn't buy into the fact that people think this is being rushed. If people aren't going to keep up on what is happening, how are they going to suddenly catch up on it. Enriquez said he would not support delaying this because he doesn't think it will do any good. It's not going to get any more information out that's not there now, and those folks who aren't in the know aren't going to suddenly catch up on it.



Hammitt asked about the 37% of out-of-county residents. Lundie said we have a large group of people traveling in and out of county to work but doesn't include tourism. Significant income generated by out of county people. Hammitt said he does not agree with a delay either.

Farrow said the 3-month delay Johnson is proposing is going to be a challenge. We won't have the majority of the revenue for 2026 available, so additional cuts in the 2026 budget will have to be made. He said people want government to run at the speed of business. How many times have businesses made 3-month decisions on a whim or redirect. The introduction to the implementation is quick because this is the timeline that the ordinances are set up for. He said nobody is listening because we have managed ourselves so well fiscally for so long that now that we're at the breaking point, people ask what we have been doing. Farrow referenced some of the actions taken by the county board over the years to be fiscally responsible such as: between the years 2016 through 2019 the county took \$193,000 out of the airport levy and made the airport self-sufficient; moved the enterprise funds together and created a golf course/ice area fund; reduced the number of beds in our mental health facility from 38 some beds to 16. He said we can try to get this information out, but he doesn't know how to do it because nobody is listening.

Bangs expressed his frustration with the state putting us in this position and how our ability to collect tax levy and raise revenue has slowly changed over time. He said they have put us in a position where revenue is going up slower than expenses. He is concerned about some of the cuts that we've had recently. People talk about the government being efficient. Government is not efficient and frankly, we don't want efficient government because that's when decisions are made without open input. He said the sheriff didn't want to close the Huber facility because it wasn't in the best interests of the county but had to for budgetary reasons. Bangs asked about the things that are not specifically mentioned in the ordinance such as property tax cuts and municipal aid being looked at every two years.

Farrow responded that the ordinance has two components. The ordinance is designed just to implement a county sales tax. Once that's done, it becomes part of operations. And now in our budget we must project how we are going to use that, and we bring that to the board every single year. We may look at it and say it is going to be two years, or every three years, but we can figure out the projections as we get the numbers in and see what's happening. All the deliberations about how to use the revenue are held every year when department heads and supervisors come to his office to make their budget recommendations. All of that is outside of this ordinance. The rest of it becomes operational as we sit around the table at budget time. Lundie said the two-year component aligned on the state's two-year budget schedule. When the state passes their budget, we will know if they altered state revenue. Thelke said they will be looking at the aid to municipalities every budget season. They will be forecasting it out for a longer period for municipalities so there are no rapid reductions on municipalities.

Bangs asked if the 2025 budget would be affected if this passes. Thelke said if it passes, the sales tax will start July 2025. It will take about 2-3 months to ramp up the collection process. They would be looking at reducing borrowing \$15 million in 2025, so a supervisor would have to

amend the 2025 budget. Anything above \$15 million that is collected in 2025 would go into the capital fund and be used to reduce borrowing for capital projects directly. Bangs asked if there are any plans to reduce cuts being made in 2025. Thelke and Farrow responded no.

Bangs inquired about the loss of revenue in 2025 because the jail must give up holding federal inmates due to space constraints. Thelke responded that DOA has given the Sheriff's Department revenue to compensate the reduction of federal inmate holds. About 35 to 40 beds will be released, which will get the jail closer to 80% capacity. They may have to struggle for a few years, but the jail study is in the 2025 Capital Projects plan, and we will be making decisions on that. They could get the jail study RFP out at the close of this year and get someone on board early next year for consideration and inclusion of a project in the next capital plan.

Bangs asked about what impact this is going to have on businesses in the county. Farrow said everywhere they go right now they are paying a sales tax on the goods and services that are already taxable to the state. The county sales tax will not be for things that are not subject to state sales tax. Lundie added that if they are a large property owner, they will benefit from the property tax reduction.

Thieme clarified that if we ask the legislators for a percentage less than .5%, that amount could go up. Farrow responded that if they change the percentage to read up to .9% and we choose .25%, we are still in the same boat. We'll be told by legislators when seeking state aid that they still won't help us because we haven't enacted the full percentage allowable. Thieme said we want to do it right the first time, so we don't have to keep revisiting it in the coming years. He said as far as educating the public, we go through the budget process every year, and nothing has changed. We talk about budget cuts every year. Waukesha County has done its due diligence. He has spoken to two constituents and explained the County's position, and both have stated that they are not happy about the tax but understand the reason that it has to be done. Thieme said he is not prepared to cut more patrol workers or sheriff's deputies year after year. We are elected to make tough decisions like this one, and that is why he strongly supports this rather than pass the decision along via referendum.

Morris said he prided himself as being a conservative, and Waukesha County has prided themselves in the past for being fiscally responsible. But now with all the positions being cut, things are getting real. He does hear from constituents about the lack of mowing and the reduction of a snowplow driver, and one of the routes they changed went right through the center of town. He stated that this is just the start, and if we don't do something, we're just starting down a real slippery slope. Morris stated this is something we must do, and he supports it 100%.

Heinrich said we've known about the sales tax. Last year, when he presented the budget to the county board, he indicated at that time that they were going to have to start seriously considering a sales tax. This is not something that was rushed by those of us that were the decision makers as to whether this goes forward. Maybe the people out there didn't do their homework or weren't aware of it, but this is a representative government, and we are

representing our constituents. We are the ones who make the decisions. To delay this anymore is not going to accomplish anything. Heinrich said let's go forward and pass this ordinance and do the right thing. He said he is not pro tax, but we are in a position that we must seriously consider this with the information we have. Heinrich said he believes there are restrictions on how they can use the sales tax.

Thelke said the restrictions are that it be used for property tax relief; any services and products that would otherwise be funded by property tax. Lundie said if we reduce borrowing in the first year by \$15 million, levy would be freed up for whatever we need to use it for.

Hammitt said he has been sharing the proposal and information behind the decision since the proposal came out and said people understand something must be done. Hammitt said this needs to be done sooner rather than later.

Johnson asked how much time must go into it to have it implemented by July if this is delayed until December. Farrow said it will take roughly about six months. They must apply to the Department of Revenue; it takes 120 days for them to notify everyone. If we push it out two months, the board will still be faced with the same decision.

Johnson made a motion to table Ordinance 179-O-047. Spaeth explained that the Executive Committee is the standing committee on the ordinance. Finance Committee is the secondary review. Heinrich stated he would not accept Johnson's motion.

Bangs said that the sales tax is basically a consumption tax. From his perspective as a conservative, a consumption tax is the best kind of tax because it taxes based on consumption and what people use. Property tax is a horrible tax, and it tends to be somewhat regressive. Bangs said he is a little bit hesitant about going forward. The property tax cut component is critical to this sales tax, and he questioned if there is some way we can add that into the ordinance. Lundie says that the ordinance is just creating a line in our code to say we can institute a sales tax. The work that's being done in the budget is what's going to codify that property tax decrease and when that happens, it can't go away. Farrow said he will guarantee that we are going to be doing that on property tax. His budget in 2026 will introduce a property tax of hopefully \$12 million, maybe a little bit more. The ordinance is designed to say we are implementing a county sales tax, and it can be used for these kind of purposes. It does fall back to the state statute which says we have to use county sales tax for property tax reductions. Farrow said he will take no less than \$12 million.

**MOTION by Executive Committee:** Hammitt moved, second by Howard to approve Ordinance 179-O-047. Motion carried 7-0

**MOTION by Finance Committee:** Gaughan moved, second by Morris to approve Ordinance 179-O-047. Motion carried 5-2 (Euclide, Johnson)

**Approve Finance Committee Minutes of October 2**

**MOTION of Finance Committee:** Morris moved, second by Johnson to approve the minutes of October 2. Motion carried 7-0

**Next Meeting Dates**

- October 15 (F)

**MOTION of Finance Committee:** Enriquez moved, second by Bangs to adjourn at 12:17 p.m. Motion carried 7-0

**Determine Sale Values on Tax Foreclosure Properties Equal or Less Than \$5,000**

Reeves presented that through the tax foreclosure process, they acquired two properties. By County ordinance, if the properties are valued at more than \$5,000, we get a certified appraisal done on the property. If \$5,000 or less, the treasurer requests the Executive Committee to place a value on the property. Both properties will be placed on the Wisconsin Surplus Auction site.

The first property (Tax Key # OTWT 1597.984) was assessed at \$5,000 equalized value. Reeves said the county has \$904.70 in on this property. It is assessed at \$5,000 equalized value, but the DOR's value of \$10,100 comes closer to fair market value. Reeves has not had any other interest in this property. They contacted adjacent property owners, and they were not interested. This property is landlocked except access to Glacial Drumlin Trail.

**MOTION by Executive Committee:** Hammitt moved, second by LaFontain to set a value of \$10,000 for this property (Tax Key OTWT 1597.984.) Motion carried 7-0

Reeves said that the second property (Tax Key SUXV 0249.957) is a landlocked strip of land, possibly due to a surveying error. The assessed and equalized value is \$500.00. The county has \$633.43 in on this property; most of that is just the cost to foreclose on it.

**MOTION by Executive Committee:** Howard moved to set a value of \$500 for this property (Tax Key SUXV 0249.957.) Szpara asked if we get all our money back if the value is set at \$500.00. Howard changed her motion to set a value of \$633.43, second by Szpara. Motion carried 7-0

**Discuss and Consider Appointment of Gail Goodchild To The Position Of Director of Emergency Preparedness**

**MOTION by Executive Committee:** Wolff moved, second by Hammitt to approve the above-listed appointment. Motion carried 7-0

**Discuss and Consider Resolution 179-R-002 Adopt Five-Year Capital Plan**

**MOTION by Executive Committee:** Wolff moved, second by LaFontain to approve Resolution 179-R-002. Motion carried 7-0

**Approve Executive Committee Minutes of September 16**

**MOTION of Executive Committee:** LaFontain moved, second by Howard to approve the minutes of September 16. Motion carried 7-0

**Next Meeting Dates**

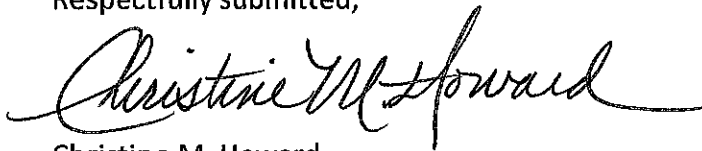
- November 18 (EX)

**Announcements**

- Reminder about the County Board/County Clerk Soup Cookoff and Bake Sale fundraiser on November 12
- Reminder about photos for the new website being taken before the November 12 County Board meeting

**MOTION of Executive Committee:** Wolff moved, second by LaFontain to adjourn at 12:47 p.m. Motion carried 7-0

Respectfully submitted,

A handwritten signature in cursive script that reads "Christine M. Howard". The signature is written in black ink and is positioned above the printed name and title.

Christine M. Howard  
Secretary - Executive Committee