



## Office of the County Executive

*Josh Schoemann, County Executive*

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## MEMORANDUM

**To:** Chief Elected Official Consortium

**From:** Josh Schoemann, County Executive

**Date:** 27 September 2023

**RE:** Washington County Shared Revenue History and Grant Program Proposal

### **STRATEGIC PRIORITY/RESULT ACHIEVED:**

*Well Governed and Administered County*

*Mission: "To create an environment for residents...to enjoy authentic quality of life"*

### **HISTORY:**

For more than a decade the elected representatives of Washington County government have advocated, sought, and proposed shared services with neighboring counties and local communities to achieve the goal of smaller and more effective government. During that same time, local communities have requested in conversation, by resolution and by referendum for the county to simply share revenue. This memorandum is a summary of the county's efforts, as well as a proposal to enter a new era of partnership between Washington County government and our local municipalities.

#### **(2013)**

The first documented effort for shared services from the County Board was adopted in May of 2013. The *Report on County Planning for 2013-2015 Strategic Issues* identified the following as a financial initiative and priority of the Washington County Board:

*"Study options to better share services and equipment with neighboring counties and local communities to reduce spending."*

#### **(2014-2016)**

Results of shared services:

- 2014 Medical Examiner Shared Department
- 2014 Aquatic Invasive Species Shared Division
- 2015 City – County Agreement (UWWC; River Rd.; Schmidt Rd.; Ridge Run)
- 2016 Washington Ozaukee Public Health

### **(2017-2019)**

As part of the 2017-2019 *Strategic Priorities for the Quality of Life of the Citizens of Washington County* the County Board adopted a Shared Services Goal intended to achieve our priority of a *Well Governed and Administered County to seek opportunities for collaboration and shared services with public and private partners*:

*“... the Board has advocated the creation of shared services with neighboring counties and partner municipalities. For the last three years we have put a great deal of emphasis on this strategy and have significantly increased the quantity and quality of such relationships. Short of a quick solution such as a referendum or wheel tax, shared service should continue to be an important tool used to minimize cost while maintaining services to citizens.”*

One of my recommended goals in 2017-2019 was “Transportation Block Grant to Municipalities”:

*“In the coming weeks I anticipate that the cities and villages of our County are going to come forward with a request to share a significant portion of our sales tax with them (10-20% or \$1.5-\$2 million per year). This request is based on both their continued struggle to fund roads, as well as the struggle they saw the Town of Polk go through with their referendum and the sales tax allocation which Sheboygan County provided to its municipalities in order to pass their new sales tax. At a minimum the County should prepare a response to this request, and at most should develop a plan to grant this request.”*

The County Board rejected this proposal.

### **(2017-2020)**

From 2017 – 2020, we have had many successes as a result of working toward shared services:

- 2017 West Bend/Washington County onsite clinic
- 2017 County Board approval of Town of Polk (CTH C) jurisdictional road transfer via 2017 Resolution 42
- 2018 Nine party jurisdictional road transfer
- 2018 Village of Newburg (CTH MY) jurisdictional road transfer
- 2019 Town of Farmington (CTH HH, CTH DD) jurisdictional road transfer
- 2020 Village of Germantown (CTH Y) jurisdictional road transfer
- 2020 Village of Germantown (CTH F) jurisdictional road transfer

Shortly after the adoption of the 2017-2019 *Strategic Priorities for the Quality of Life of the Citizens of Washington County*, in the early fall of 2019, various municipalities supported the adoption of “A Resolution Respectfully Requesting Annual Equitable Distribution of 25% of Local Sales Tax to All Municipalities.” Following approval, the Executive Committee of the County Board authored a letter declining any sales tax sharing and encouraging collaboration through shared services.

Most recently, in my 2020–2024 Policy Agenda, the following goal was adopted *eliminating duplication across taxing jurisdictions and maximizing tax dollars*:

*“Local government, school district, technical college, and county taxes: It is all your money and should be treated as such. We need to find ways to work better together to maximize the resources we already have before considering any tax increases for current operations. To maximize the effectiveness of every taxpayer dollar, we need to implement best practices from across the country, we need to “to look across the region, and understand how the resources given to all of us by our citizens, businesses, visitors and members of our community are being prioritized and used most wisely.”*

## **(2022-2023)**

Notably, it was around this time that efforts in the Wisconsin State Legislature ramped up to reform the antiquated State Shared Revenue program. The Wisconsin Counties Association (WCA) was at the forefront of this initiative and as President of the Wisconsin County Executives and Administrators Association (WCEA), I had a seat at the table to build the shared revenue plan that was ultimately adopted by the legislature and signed by the Governor in June of 2023.

In late 2022, local communities again made a play for shared county sales tax, this time in the form of an advisory referendum. The non-binding referendum appeared on the April 2023 ballot of most municipalities in the county and passed overwhelmingly.

County Board Chairman Jeff Schleif and I have hosted a handful of meetings with the Chief Elected Officials in the county. These discussions are ongoing and have been fruitful. We have focused our efforts on collaboration and shared services resulting in shared revenue. In fact, we currently have in place a couple of shared services agreements which will result in shared revenue for the respective communities. These include shared IT services with the Village of Kewaskum, an idea that was hatched in 2019 and was executed thanks to Village President Fuzz Martin's vision and leadership as well as the support of Administrator Adam Gitter. In addition, we are transitioning Emergency Dispatch Services from the City of Hartford to the county. This proposal was first talked about over a decade and a half ago and came to fruition largely due to the efforts of Hartford Mayor Tim Michalak and the leadership of Hartford Police Chief Scott MacFarlan and Fire Chief Paul Stephans.

## **PROPOSAL\***

Moving forward, my 2024-2025 Biennial Budget reflects consistency with prioritizing smaller, more effective government services through shared services. I invite all communities to evaluate their needs, the opportunities for collaboration, to review their budgets and then join in this movement to provide streamlined services to the citizens of Washington County. Proposals found within this budget result in savings to taxpayers and communities across Washington County.

## **DIRECT SAVINGS TO COMMUNITIES**

### ***ONE-TIME***

- Countywide Emergency Medical Services Consultant/Study (\$150,000)
  - Based on the results of this study, I am prepared to propose county support of seven-figures per year.
    - This could include \$1 million or more for operations support annually, as well as additional support for regular capital costs.

### ***ONGOING***

- Election ballot and related costs (\$46,880)
- Property Tax Bill printing costs (\$54,000)
- One Full-Time Municipal Planner (County Employee) (\$125,246)
- Hartford Transitioned Emergency Dispatch (\$266,235)
- (2025) Germantown Transitioned Emergency Dispatch (\$628,916)
- Local Road Maintenance Costs (i.e. crack filling, ditch work, mastic, etc.) (\$452,651)
- Library Services (\$116,553 and \$118,272 under contract = \$234,825)
- Shared IT Services \$60,000

***\$1,868,753/year x 3 years = \$5,606,259***

***MULTI-YEAR***

- Water Main Replacement with Lead Lateral Grant (\$1,000,000/year for 3 years)
- Fire/EMS Grant (\$1,000,000/ year for 2 years, only for municipalities that do not qualify for Lead Lateral Grants)

***\$5,000,000 over next 3 years***

***TOTAL DIRECT 2024 – 2026 COMMUNITY SAVINGS:  
\$10,756,259***

**INDIRECT SAVINGS TO COMMUNITIES**

***ONE-TIME***

- Fund for radio purchases for additions of staff or equipment (\$500,000)

***ONGOING***

- Annual principal and interest debt costs for radio system capital (\$1,000,000)
  - Includes purchase of all handheld and portable radios for upgrade (\$4,500,000)
- Annual operating costs for radio system (\$827,730)

\*NOTE: These are budget estimate numbers. The proposal would require all funding to be administered in the form of a grant, which must be approved by the elected body of each participating community via their normal bill approval process, no less than quarterly.