

# RICHLAND COUNTY

Referendum Ad Hoc Committee

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September 6, 2022

## NOTICE OF MEETING

Please be advised that the Richland County Referendum Ad Hoc Committee will convene at 6:00 p.m., Wednesday, September 7<sup>th</sup>, 2022 in the County Board Room at 181 W. Seminary Street and via videoconference and teleconference using the following information:

**WebEx Videoconference:**

<https://richlandcounty.my.webex.com/richlandcounty.my/j.php?MTID=m3b551deea54c67abd4388c427e042056>

Meeting number: 2558 083 2910 , Password: 3Nmm6kYB2Cj

**WebEx Teleconference:** WebEx teleconference phone number: 650-479-3208, Access code: 2558 083 2910

If you have any trouble accessing the meeting, please contact MIS Director Barbara Scott at 608-649-5922 (phone) or [barbara.scott@co.richland.wi.us](mailto:barbara.scott@co.richland.wi.us) (email), or Referendum Ad Hoc Committee Chair Shaun Murphy-Lopez at 608-462-3715 (phone/text) or [shaun.murphy@co.richland.wi.us](mailto:shaun.murphy@co.richland.wi.us) (email).

**Agenda:**

1. Call to order
2. Proof of notification
3. Agenda approval
4. Public comments  
*Topics raised in comments received from the public may be placed on a future agenda for consideration.*
5. Approval of minutes
6. Public education information report\*
7. Video\*
8. Press release\*
9. Script and guests for radio\*
10. Research on other referendums\*
11. Correspondence with other committees\*
12. Presentation at Richland County Towns Association meeting\*
13. Presentations at Richland Center City Council and School Boards\*
14. Future agenda items
15. Adjournment

\*Meeting materials for items marked with an asterisk may be found at

<https://administrator.co.richland.wi.us/minutes/referendum-ad-hoc-committee/>.

CC: Committee Members, County Board, Department Heads, Richland Observer, WRCO, Valley Sentinel, Courthouse Bulletin Board

*A quorum may be present from other Committees, Boards, or Commissions. No committee, board or commission will exercise any responsibilities, authority or duties except for the Referendum Ad Hoc Committee.*

# Richland County

## Referendum Ad Hoc Committee

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**August 22nd, 2022**

The Richland County Referendum Ad Hoc Committee convened on Monday, August 22<sup>nd</sup>, 2022, in the County Board Room at the Richland County Courthouse, 181 W Seminary Street, in person and by WebEx.

Committee members present included County Board David Turk, Steve Carrow, Shaun Murphy-Lopez, Kerry Severson, School Board representative Erin Unbehaun and City of Richland Center Mayor Todd Coppernoll.

Also present was Assistant to the Administrator Cheryl Dull taking minutes, Administrator Clinton Langreck logged on by Web Ex with several department heads, county employees, general public, County Board Members Don Seep and Jo Ann Krulatz from WRCO logged in by Web Ex. John Couey was present from MIS running the teleconferencing.

Not present: Bob Frank

1. **Call to Order:** Chair Murphy-Lopez called the meeting to order at 6:02 p.m.
2. **Proof of Notification:** Assistant to the Administrator Dull verified that the meeting had been properly noticed. Copies of the agenda were sent by email to all Committee members, County Board members, WRCO, County department heads, Richland Observer, Valley Sentinel and a copy was posted on the Courthouse Bulletin Board.
3. **Agenda Approval:** Moved by Supervisor Severson to approve the agenda as presented, second by Supervisor Carrow. All voting aye, motion carried.
4. **Public Comments:** None
5. **Approval of Minutes:** Chair Murphy-Lopez asked for any additions or corrections to the minutes. Moved by Turk to accept the minutes as present, 2<sup>nd</sup> by Severson. Motion carried.
6. **Resolutions passed at the August 16th County Board meeting:** They have not been posted in the folder so Chair Murphy-Lopez will email them out.
7. **5-year financial plan:** See #8
8. **Public education about the Referendum Ad Hoc committee:** Chair Murphy-Lopez reviewed and explained the information that was provided. Extensive discussion followed concerning Pine Valley's revenues and what that money is used for. Several ideas were shared on what part of the presentation could be best used to educate the community on the need for a referendum and why now. It was suggested the education needs to include what the County has done over the past few years to try to fix the problem.
  - 1) Committee communication – The deadline is October 31<sup>st</sup> so it will need to get out to the committees.
  - 2) Research other levy referendum – Can start now. Supervisor Carrow will work on it. Danielle Rudersdorf volunteered to help him.
  - 3) Education: It was agreed that it needs to start now.

Radio – Mayor Coppernoll will discuss it on his next morning show. He invited Chair Murphy-Lopez to join him. Chair Murphy-Lopez felt there should be a whole show on this with several people. Supervisor Brewer stated he would also do a morning show with Todd or another person.

Newspaper – The Committee will draft a letter at the next meeting to send out for a press release. Supervisor Turk will prepare one and bring back next meeting.

Video - Supervisor Turk presented an education video he has prepared working off from the last meetings information. Agreement was it is a great start to a series of videos to follow. Supervisor Turk would like to do a couple tweaks and create a couple more and bring back for review. Rudersdorf suggested Spotify, FB page, Tic Toc and Instagram. Extensive discussion followed on FB pages that the county has that videos can be shared on, also suggested researching Spotify, Tic Toc and Instagram.

Chair Murphy-Lopez will send data to Unbehaun to create graphs for presentations and to use for education.

Discussion also followed on if the County should create a FB page for the future.

# Richland County

## Referendum Ad Hoc Committee

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4) Referendum education – later date.

5) Report draft – later date.

Moved by Mayor Coppernoll to adopt educational information to use in communicating with the public, and develop materials base on this information to be used on radio, newspaper and social media, 2<sup>nd</sup> by Unbehaun. Roll call vote request. All voting aye, motion carried.

9. **Correspondence with other committees:** Chair Murphy-Lopez shared that the Resolutions were approved at the last County Board. He reviewed the information that is needed from the individual Committees and departments and who he has assigned to meet with those committees. Conflicting schedules were discussed and some adjustments were made. Chair Murphy-Lopez will contact Supervisor Frank to make further adjustments with the schedule. Danielle Rudersdorf volunteered to help with committee meeting. Moved by Supervisor Carrow to authorize communication with other committees, using the chart as outlined and Referendum Committee representatives, 2<sup>nd</sup> by Supervisor Turk. Roll call vote requested. All voting aye, motion carried.
10. **Richland County Towns Association meeting:** Discussion followed on when the next meeting will be. Chair Murphy-Lopez asked Supervisor Severson to find out when the next meeting is an report back to the committee.
11. **Future agenda items:** Carrow – Information on School Districts Referendums; Coppernoll - Department heads attend a meeting to see how they are doing with this. Murphy-Lopez - Committee representative should bring back that info to the next meeting from Departments and Committees.
12. **Adjournment:** Next meeting will be Wednesday, September 7th @ 6:00 pm in the County Board Room. Moved by Supervisor Turk to adjourn at 8:11 p.m., seconded by Supervisor Carrow. All voting aye, motion carried.

Minutes respectfully submitted by

Cheryl Dull

Richland County Assistant to the Administrator

## Richland County Referendum Ad Hoc Committee

### Agenda Item Cover

**Agenda Item Name:** Public education information report

<b>Department</b>	County Board	<b>Presented By:</b>	Shaun Murphy-Lopez
<b>Date of Meeting:</b>	9/7/22	<b>Action Needed:</b>	Motion
<b>Disclosure:</b>	Open Session	<b>Authority:</b>	<a href="#">Resolution 22-74</a>
<b>Date submitted:</b>	9/7/22	<b>Referred by:</b>	Motion at 8/22/22 meeting

**Recommendation and/or action language:** Motion to adopt an updated public education information report to use in communicating with the public, committees, boards, agencies, and other bodies

**Background:** At the August 22<sup>nd</sup> meeting of the Referendum Ad Hoc Committee, the committee adopted a public education information report. Attached is an updated version for the committee's consideration, as well as a version with tracked changes.

**Attachments and References:**

06A Public Education	06B Public Education Tracked Changes
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**Financial Review:**

(please check one)

<input type="checkbox"/>	In adopted budget	Fund Number	
<input type="checkbox"/>	Apportionment needed	Requested Fund Number	
<input type="checkbox"/>	Other funding Source		
<input checked="" type="checkbox"/>	No financial impact		

**Approval:**

**Review:**

\_\_\_\_\_  
Department Head

\_\_\_\_\_  
Administrator, or Elected Office (if applicable)



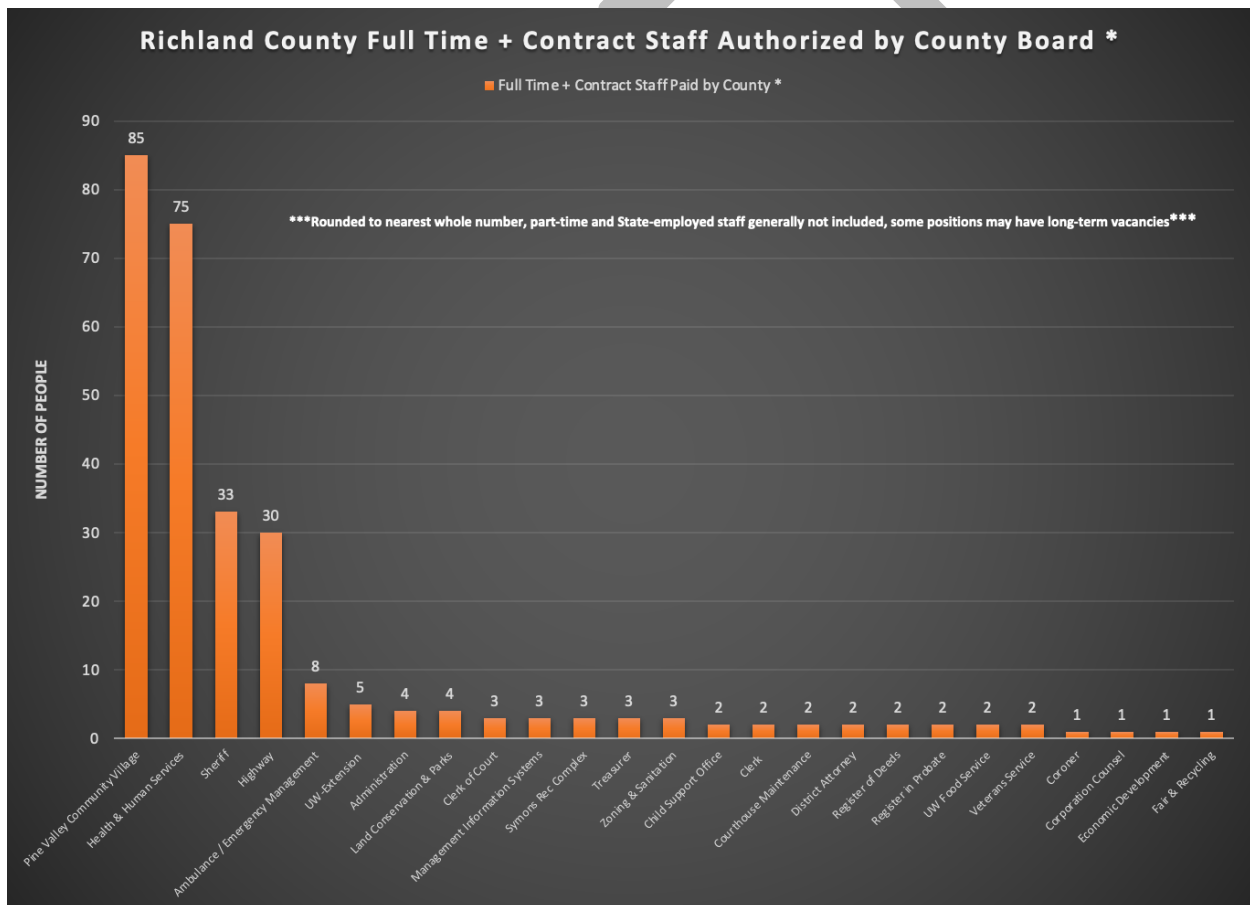
## Educational Information for Use by the Referendum Ad Hoc Committee

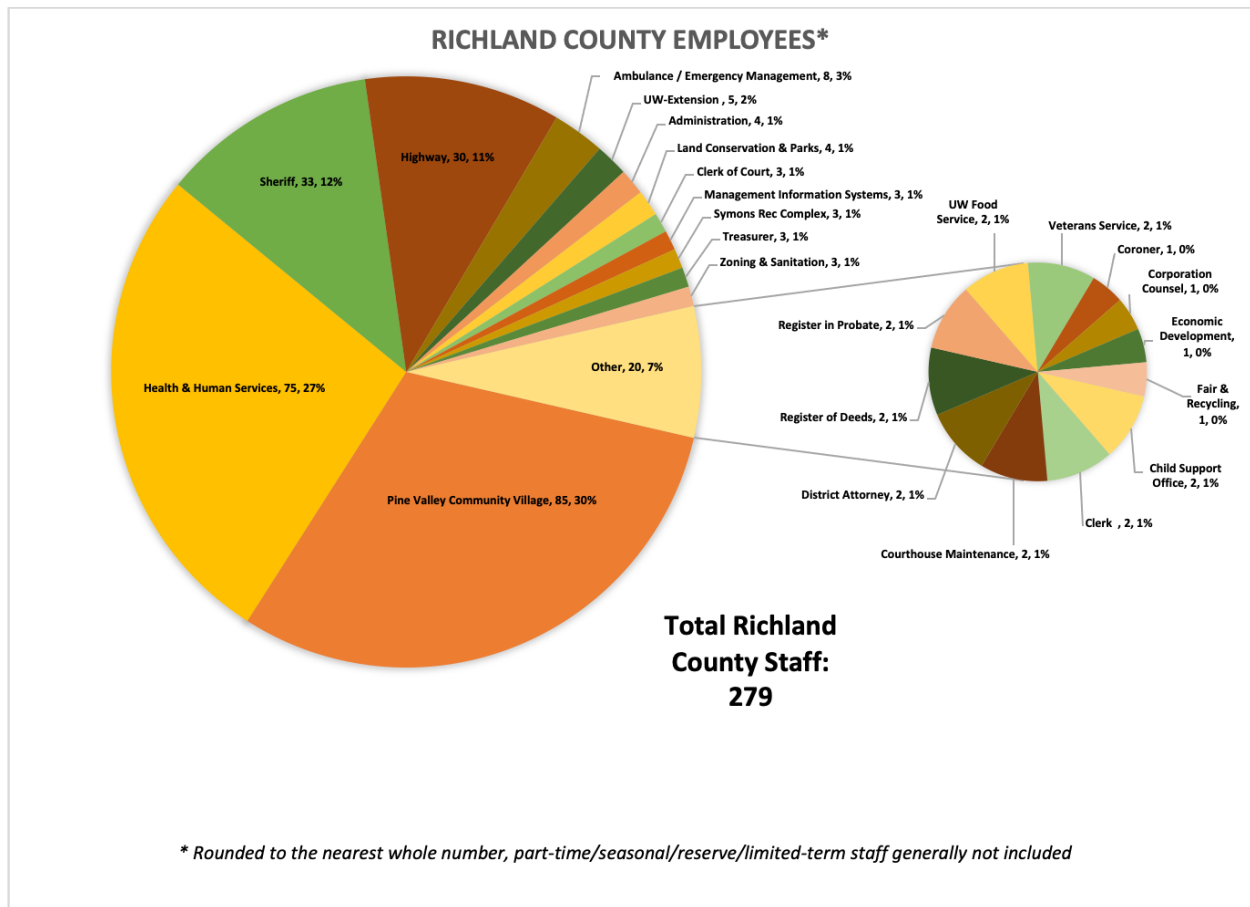
The following information provides educational context for the work of the Richland County Referendum Ad Hoc Committee, and has the following primary purposes:

1. To serve as the basis for educational materials to be developed by the Committee so the public can better understand our mission
2. To be used as a tool for communication with County departments/committees, as well as other government agencies and their representatives

### Introduction

The Richland County Referendum Ad Hoc Committee is *considering the idea of a referendum* so the voters can decide if the County's operating levy should be increased to maintain current staffing levels and services. **Staffing levels currently look like this:**





The County has a total budget of \$36 million in the current 2022 calendar year. **The budget is balanced, meaning \$36 million in expenses matches \$36 million in revenues.**

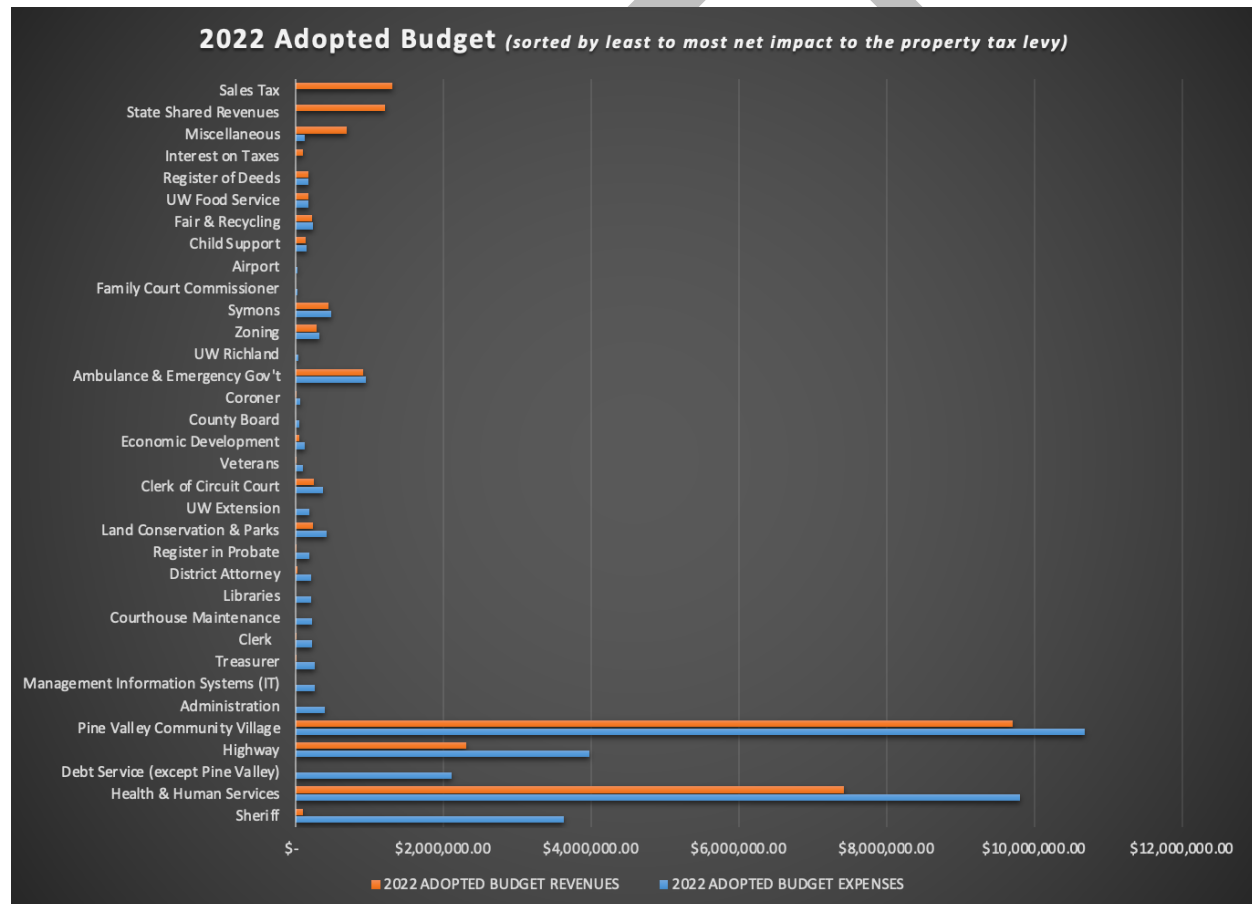
## Revenues vs. Expenses

Most County budget revenues come from other governments, typically at the federal and state levels. Some departments bring in significant amounts of revenue to offset County expenses. For example,

- The **federal government** pays for patient care at **Pine Valley Community Village**
- The **federal and state governments** pay for programming in the **Health & Human Services Department** (i.e., mental health, economic support, aging and disability resources, child protection, public health)
- The **state government** pays the **Highway Department** to maintain state-owned highways (e.g., US Highway 14, Wisconsin Highway 60)

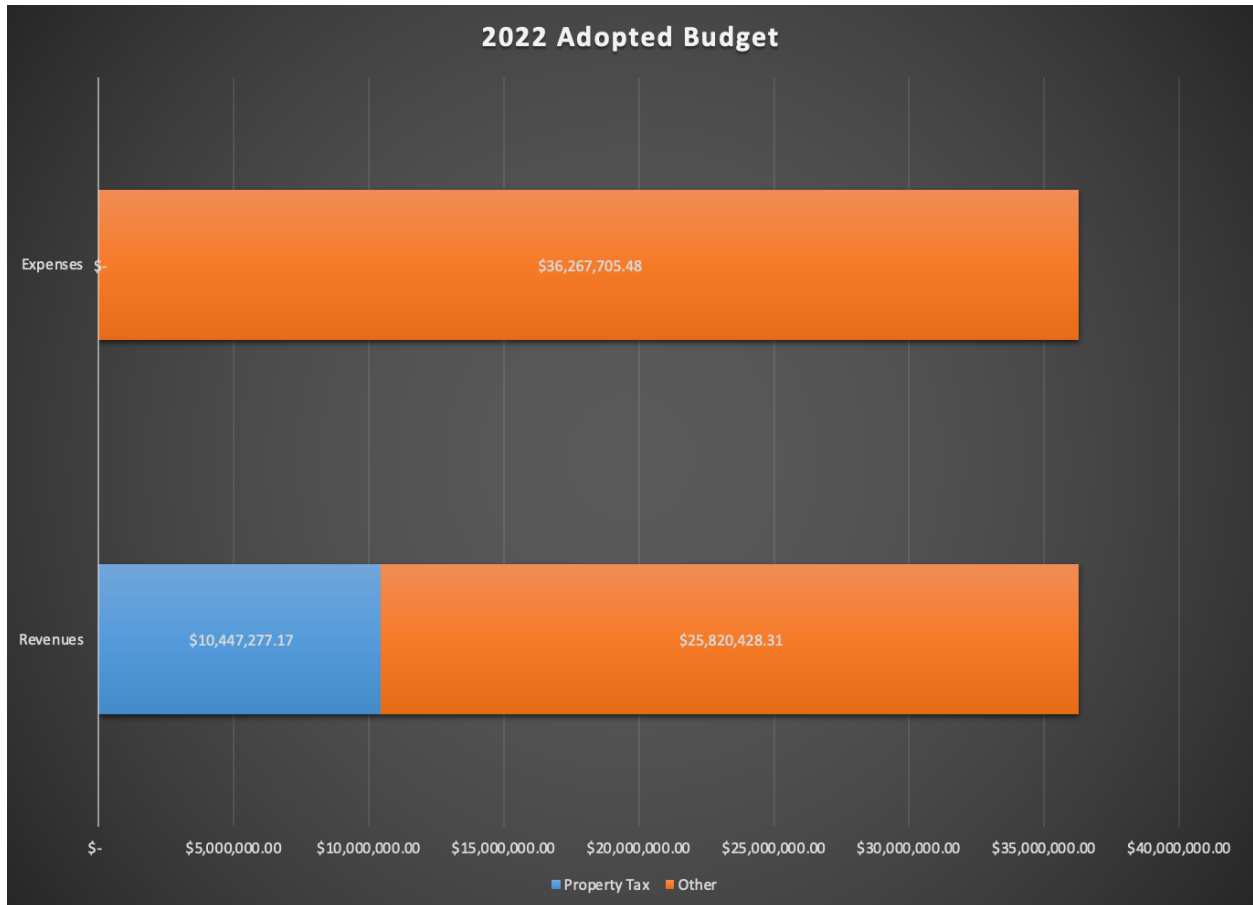
*Some of these outside revenues are reliant on matching monies from Richland County.*

Meanwhile, other departments don't have the ability to bring in very much revenue. **The expenses and revenues of all departments currently look like this:**



## The Property Tax

How does the County make up the difference in revenues and expenses for each department? **We levy a property tax**, as shown here:

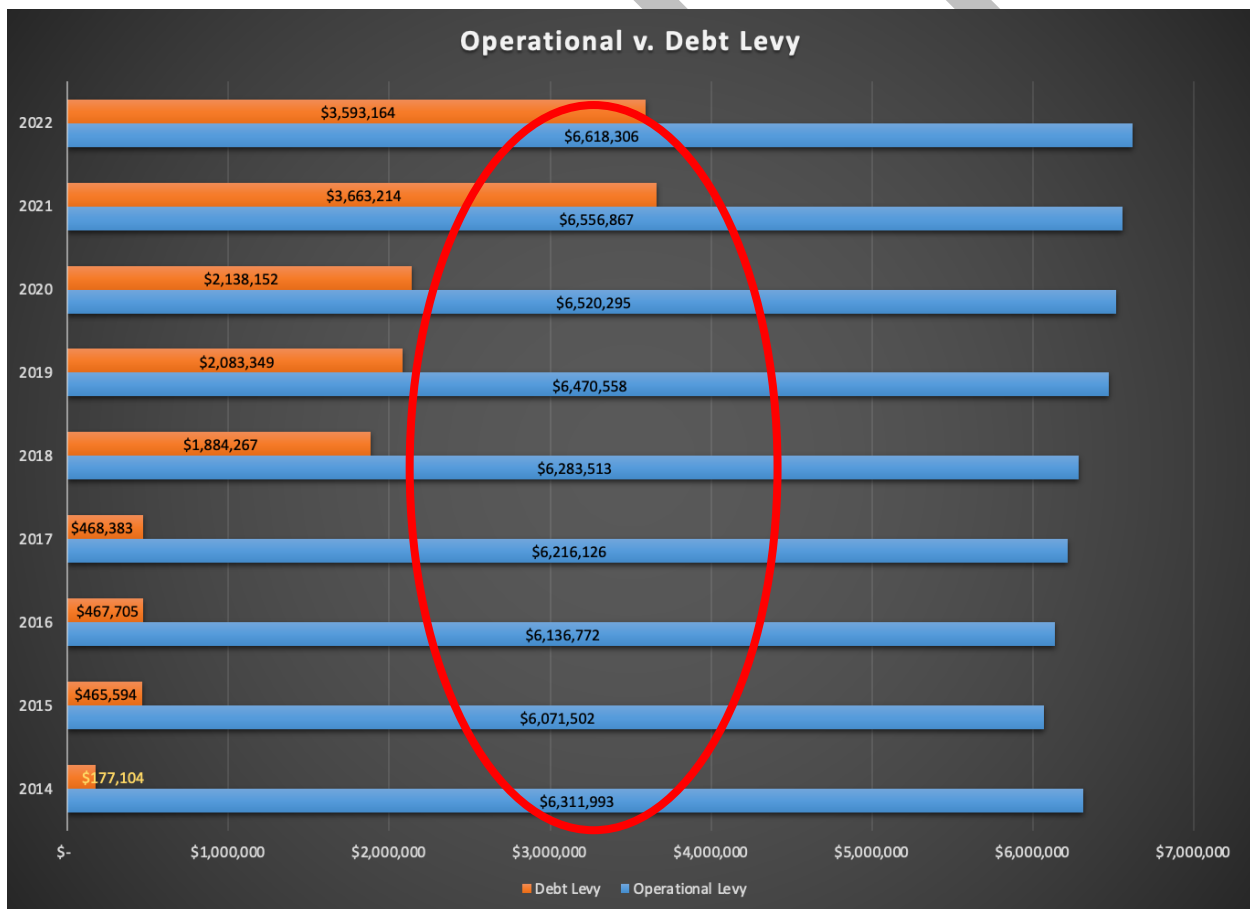


The property tax levy is divided into 2 parts: **operating and debt**. We do this because the State of Wisconsin has different laws about how the County can levy property taxes for each part:

1. The first law says the County **cannot raise the operating levy at a rate faster than net new construction**.<sup>1</sup> According to the Wisconsin Policy Forum, the State implemented an earlier version of this law in 2006 because property taxes were rising as state shared revenue declined.<sup>2</sup>
2. The second law says the County **can raise the debt levy at the rate it chooses**, as long as the total outstanding debt stays below 5% of the value of all property in the County.

Over the past 8 years, **the operating levy has stayed relatively flat, while the debt levy has risen at a faster pace** to pay for the new building at Pine Valley Community Village (between 2017 and 2018) and highway/building maintenance needs (between 2020 and 2021).

The County's Referendum Ad Hoc Committee is looking at the possibility of asking the voters to approve a more substantial increase to the operating levy (circled in red below):



<sup>1</sup> <https://docs.legis.wisconsin.gov/statutes/statutes/66/vi/0602>

<sup>2</sup> [https://wispolicyforum.org/wp-content/uploads/2018/08/13\\_04-Local-Gov-Finances.pdf](https://wispolicyforum.org/wp-content/uploads/2018/08/13_04-Local-Gov-Finances.pdf)

## Departments Relying on the Property Tax

Which departments benefit most from property taxes? If federal and state revenues, as well as fees for services (such as those collected by the Ambulance, Clerk of Court, Register of Deeds, Symons, UW Food Service, and Zoning Department) are set aside, the **following 4 departments use the most property tax** (as shown in the chart below):

1. Sheriff
2. Health & Human Services
3. Highway
4. Pine Valley Community Village

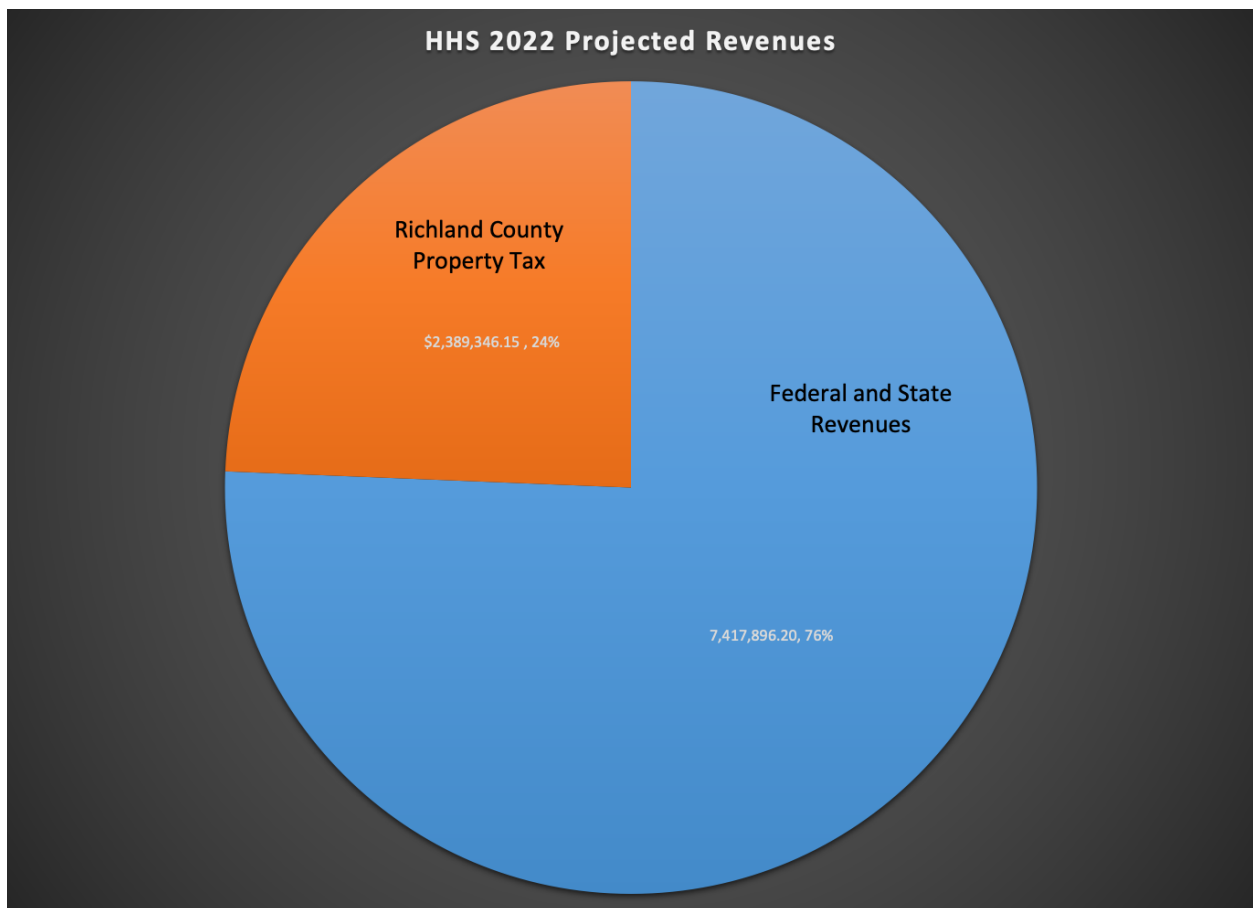


Next, we'll look at three categories that often have associated misconceptions: 1) Health & Human Services, 2) Pine Valley Community Village, and 3) State Shared Revenue.

### Category #1: Health & Human Services

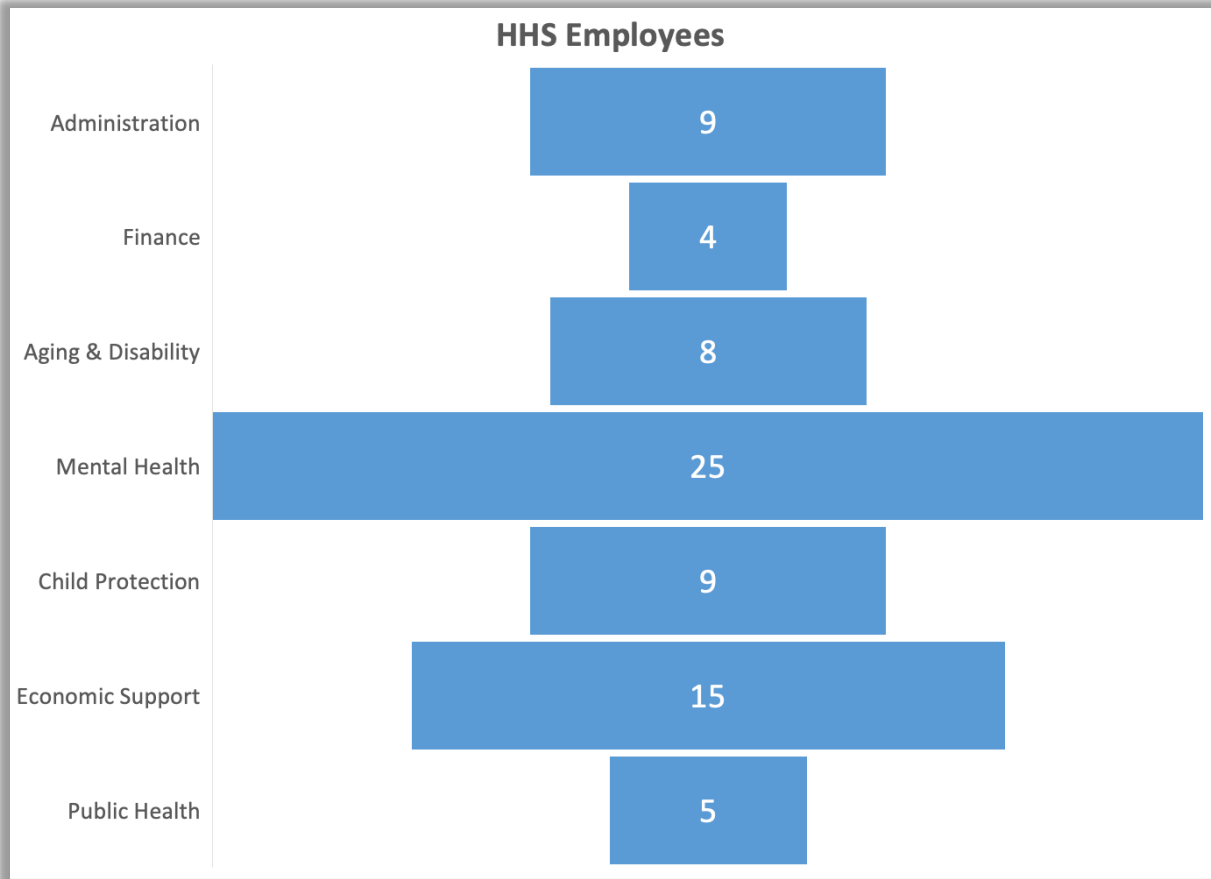
As shown in previous charts, the Health & Human Services (HHS) Department has the 2<sup>nd</sup> highest number of employees out of any department at the County. At the same time, this department uses less property tax revenue than the Sheriff's Department (\$2.4 million for HHS vs. \$3.5 million for Sheriff). Why is this?

It's because **HHS brings in a lot of revenue from the federal and state governments.**



If the County reduced its property tax revenue contribution to HHS, some of these federal and state revenues would be lost.

People also often think HHS is primarily a welfare agency. **While economic support is important, it's one of only 5 main areas of service to residents.** More employees are dedicated to mental health services than economic support, as shown in this chart:



*Note: Over the coming months, the Referendum Ad Hoc Committee will be working with the Health & Human Services and Veterans Standing Committee to better understand how federal and state funding is tied to employee positions.*



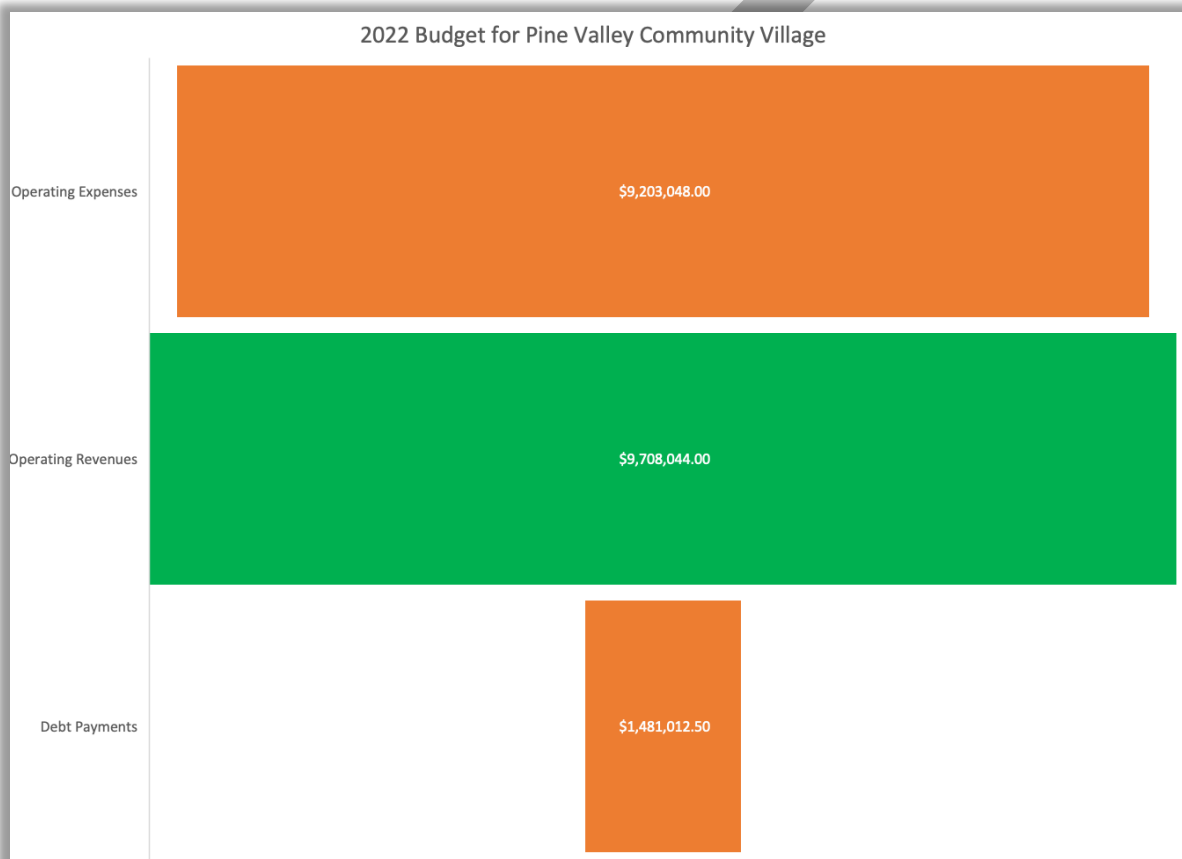
## Category #2: Pine Valley Community Village

It is often said that Pine Valley Community Village:

1. Makes a profit for the County
2. Doesn't pay its debt

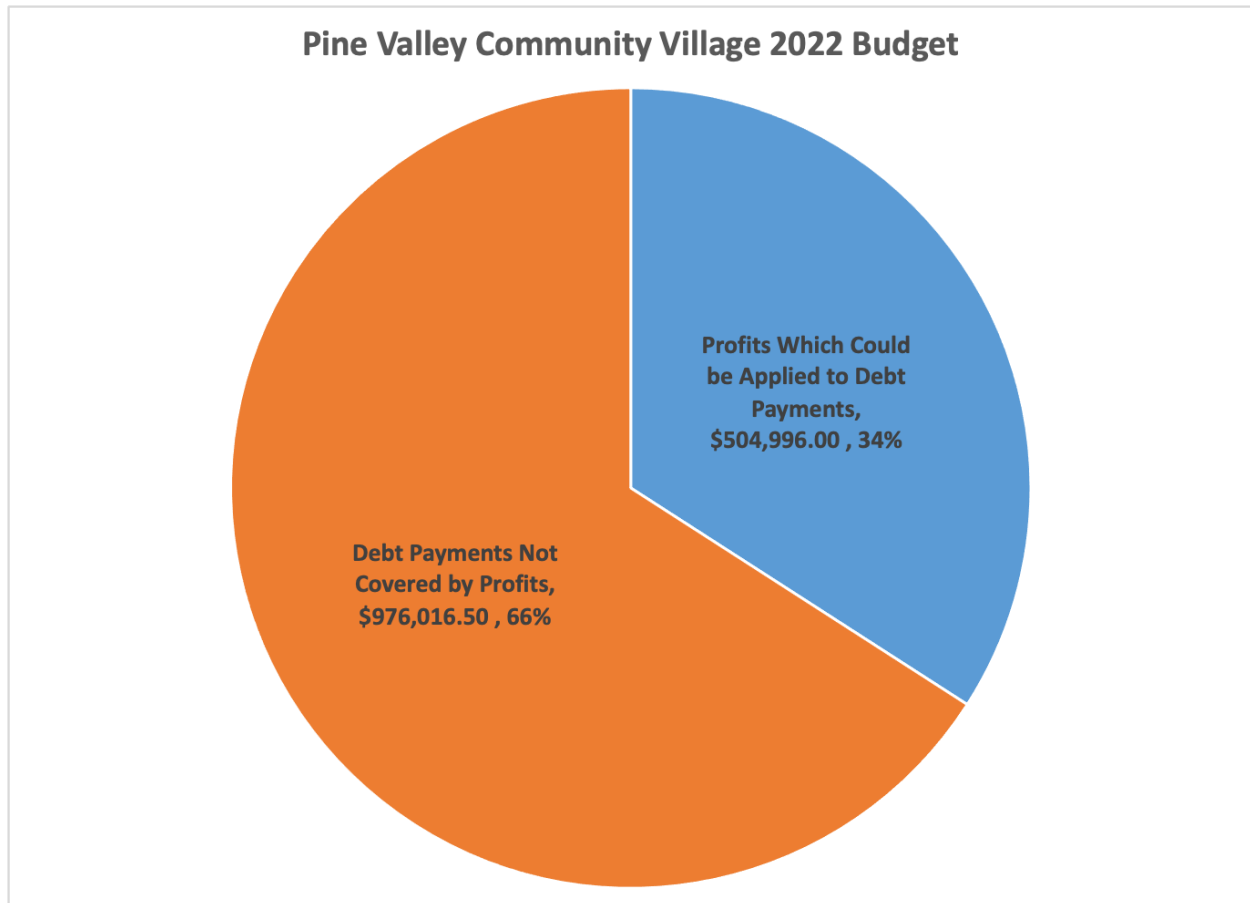
### ***Which is true?***

There is some truth to both statements, but neither is totally accurate. Because of the state laws referred to earlier, the County keeps track of Pine Valley's budget in two categories – operating and debt:



Statement #1 would be more accurate if it said, **“Pine Valley makes an operating profit for the County.”**

In recent years, the operating profit from Pine Valley has been applied to offset the operating expenses of other departments at the County. **If that operating profit was instead applied to debt payments, it would cover one-third of annual debt payments**, as shown in the following chart:



So, statement #2 would be more accurate if it said, **“Pine Valley’s operating profits could cover one-third of its debt payments, if those profits were not used by the County Board to offset the operating expenses of other County departments.”**

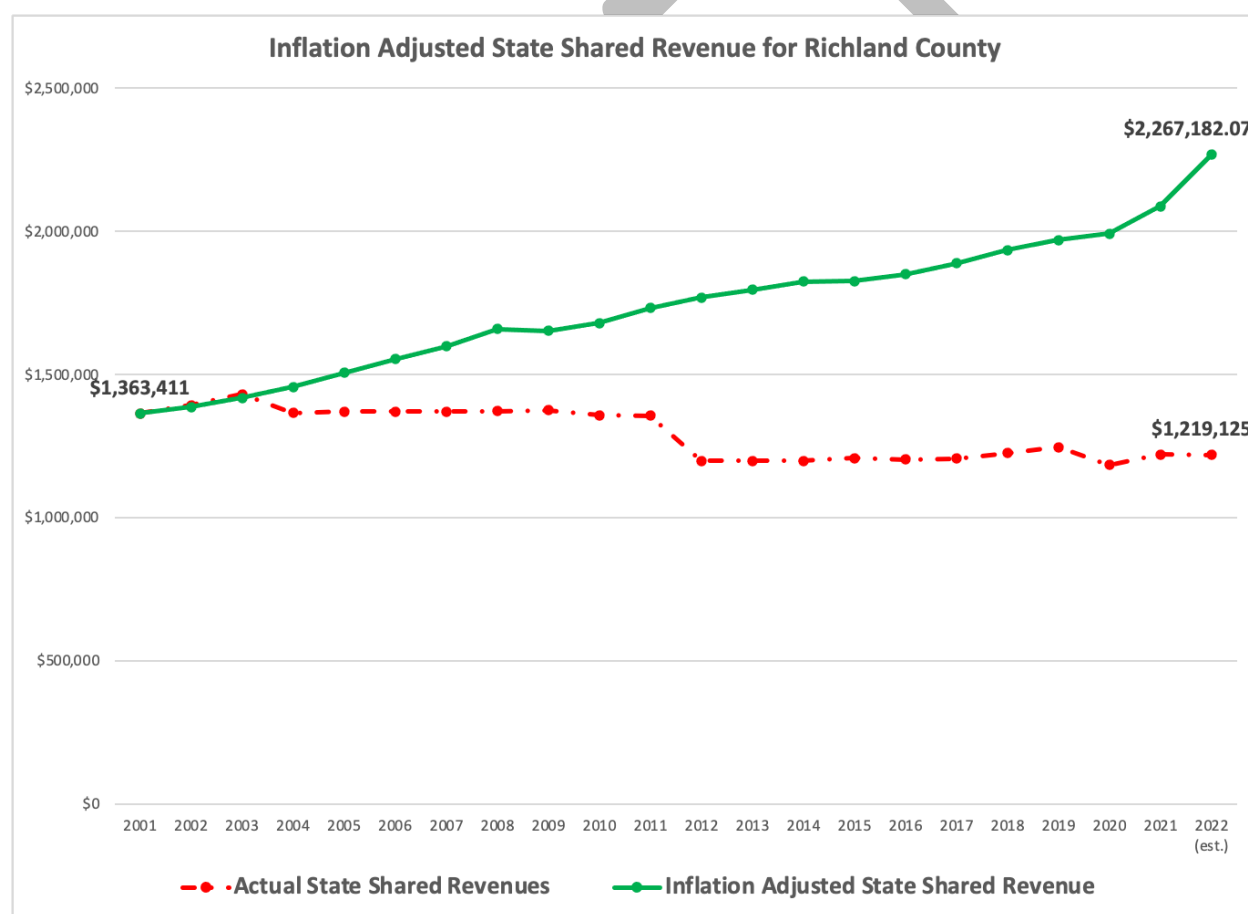
*Note: Over the coming months, the Referendum Ad Hoc Committee will be working with the Pine Valley & Child Support Standing Committee to better understand if operating profits can be increased to cover 50% of its debt payments.*

### Category #3: State Shared Revenue

State shared revenue comes from the State of Wisconsin. **Every local government agency in Wisconsin receives this revenue.**

Shared revenue was originally put in place in the early 1900's to share state income tax revenue with local governments in exchange for a reduction in property that could be taxed<sup>3</sup>. In the 1970's, shared revenues were begun to be used to level the playing field between communities with lower income tax revenues and wealthier parts of the state.<sup>4</sup>

**In 2001, Richland County received \$1.36 million** that could be spent on general government activities such as public safety, human services, and highways. **In 2021, the State shared \$1.22 million, a drop of 12%.** If the amount received in 2001 was adjusted for inflation<sup>5</sup>, the amount would be \$2.27 million.



[https://docs.legis.wisconsin.gov/misc/lfb/informational\\_papers/january\\_2017/0018\\_shared\\_revenue\\_program\\_informational\\_paper\\_18.pdf](https://docs.legis.wisconsin.gov/misc/lfb/informational_papers/january_2017/0018_shared_revenue_program_informational_paper_18.pdf)

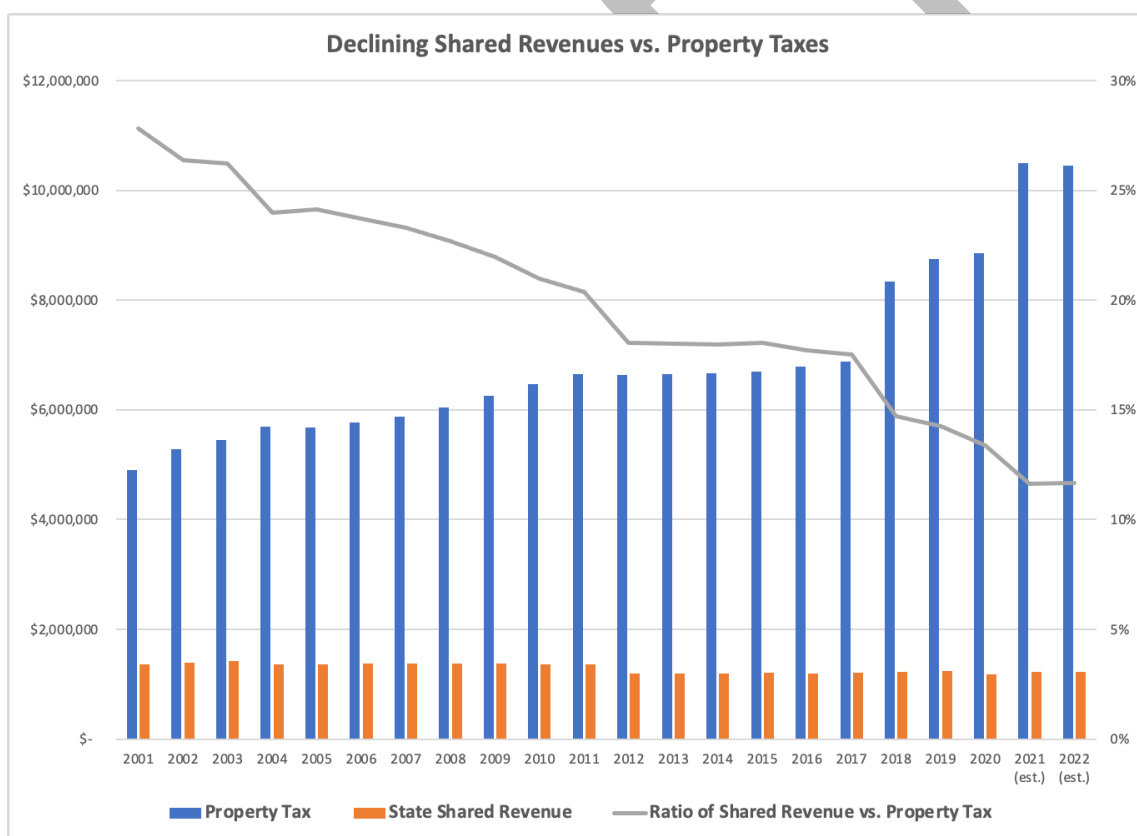
<sup>4</sup> <https://lwm-info.org/DocumentCenter/View/5904/8-22-The-Municipality-State-Local-Partnership>

<sup>5</sup> <https://www.minneapolisfed.org/about-us/monetary-policy/inflation-calculator/consumer-price-index-1913->

Why is shared revenue from the State declining? According to a Wisconsin Policy Forum report from 2013, the following state spending priorities shifted after 1995<sup>6</sup>:

- More focus on school aid
- More property tax credits for individuals rather than governments
- Corrections spending rose rapidly as the state built and filled prisons
- State funding for Medicaid (i.e., BadgerCare) repeatedly rose since its 1999 inception
- Decelerating state tax revenues between 1999 and 2012, due to
  - Indexing the state income tax to inflation in 1999
  - State income tax rates being lowered in 2000
  - Recessions in 2001 and 2008-09

Since shared revenues from the State of Wisconsin are declining, this means **Richland County has had to rely more on property taxes to finance departments that need additional revenues**, as shown in the following chart:

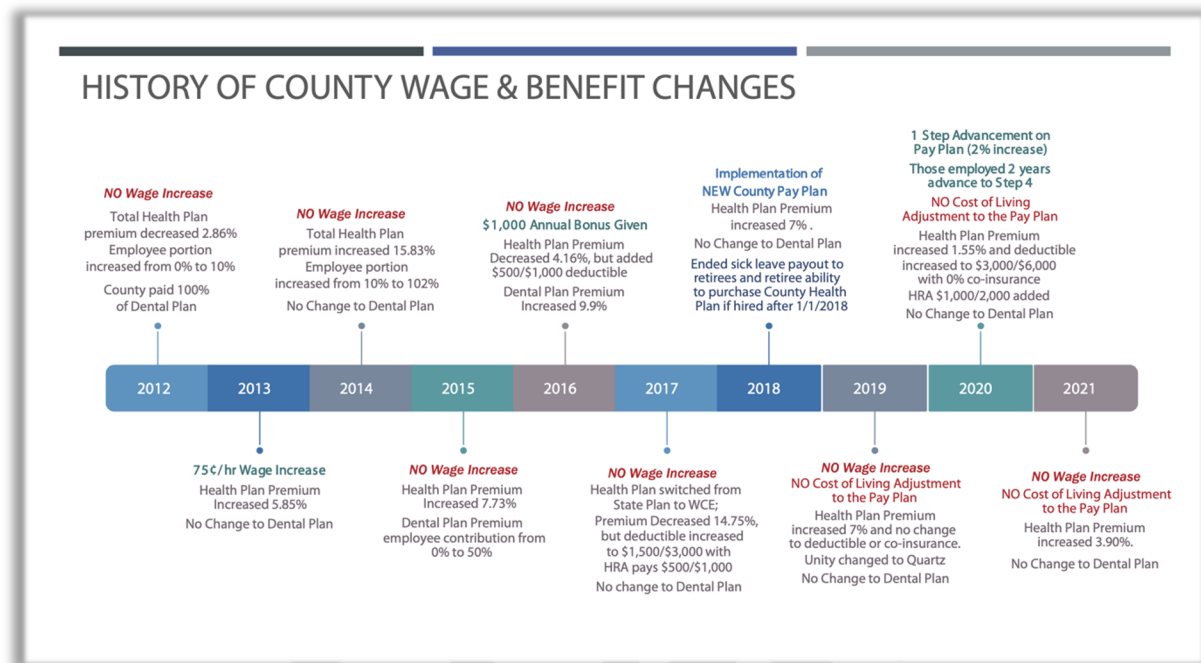


*Note: Over the coming months, the Referendum Ad Hoc Committee will be working with the Finance & Personnel Standing Committee to better understand the development of the State of Wisconsin budget, as it relates to state shared revenues.*

<sup>6</sup> [https://wispolicyforum.org/wp-content/uploads/2018/08/13\\_04-Local-Gov-Finances.pdf](https://wispolicyforum.org/wp-content/uploads/2018/08/13_04-Local-Gov-Finances.pdf)

## Where Do We Go from Here?

Over the past decade, Richland County has been responding to the State of Wisconsin's policies by **skipping annual pay increases and reducing health insurance benefits**, as shown in the following graphic.



Earlier this year, Richland County adopted a Strategic Plan<sup>7</sup> that determined that path is no longer sustainable, with a **commitment to annual pay increases for employees**.

The County Administrator has also created a 5-year (2023 – 2027) financial plan that **estimates the additional revenues that will be needed** to deliver those pay increases and fund other County priorities, such as finance, human resources, and maintenance positions.

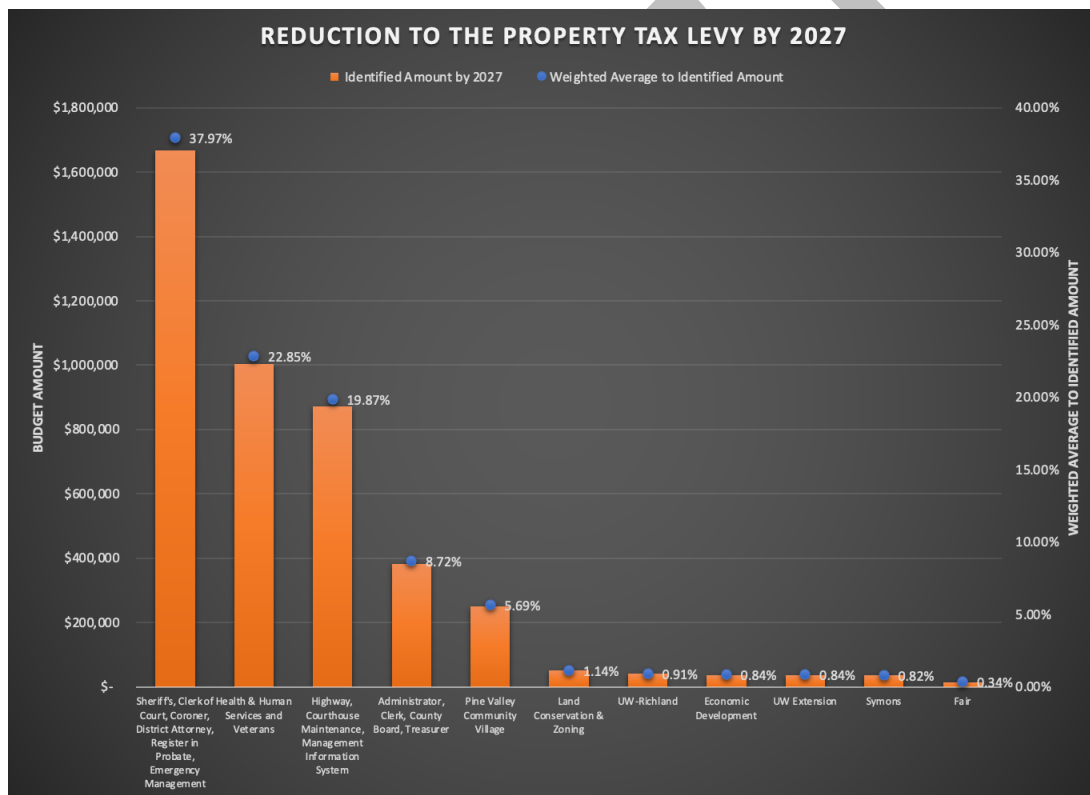
<sup>7</sup> <https://administrator.co.richland.wi.us/wp-content/uploads/2022/03/Richland-County-Strategic-Plan-Chapter-2-Operations.pdf>

The County Board also recently adopted a set of resolutions guiding committees and departments as to how to decrease their impact on the property tax levy. **Some of these decreases may be permanent, but some may be identified for a potential property tax operating levy referendum in 2023, to take effect in 2024.**

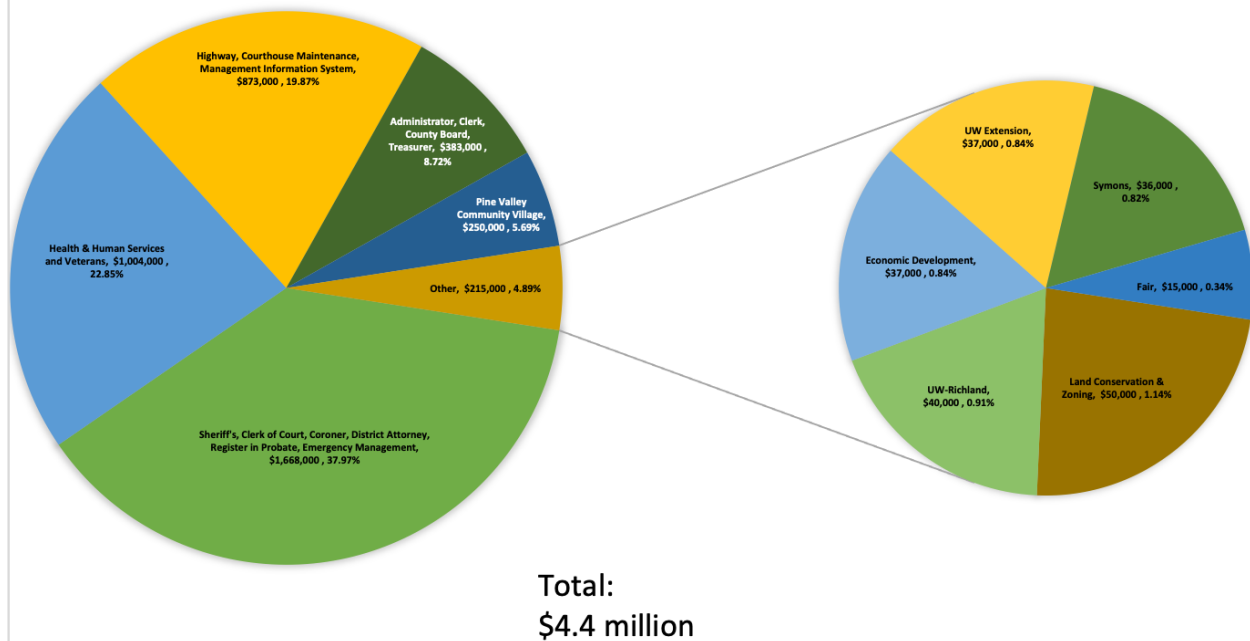
Note that many of these reductions in the property tax levy begin in 2024 and escalate to the amounts shown in the following chart/s in 2027, to account for increasing costs such as wages and benefits.

**Departments and committees may meet these reductions to the property tax levy by any of the following methods:**

1. Decreased expenses
2. Increased revenues from sources other than the property tax levy
3. Increased revenues from an operating levy referendum *(assuming such a referendum is recommended by the County Board and passed by voters)*



## REDUCTION TO THE PROPERTY TAX LEVY BY 2027



## Next Steps

The Referendum Ad Hoc Committee has identified the following next steps:

1. Communicate directly with committees and departments heads affected by a potential referendum, so that expectations are clear:
  - Share this report
  - Share the Committee's public education plans
    - Short-term (September/October): Educate the public about the work of the Referendum Ad Hoc Committee
    - Long-term (TBD): If the Committee recommends moving forward with an operating levy referendum in 2023, educational materials will be developed for the approximate 2-month period before the ballot measure is placed on the ballot
  - Request information needed by the Referendum Ad Hoc Committee
    - How each committee plans to describe the identified property tax levy decrease
    - Which budget amounts will be recommended as a permanent decrease, and which budget amounts will be recommended for inclusion on a potential property tax operating levy referendum, to take effect in 2024
  - Collect questions each committee has for the Referendum Ad Hoc Committee

2. Research other operating levy referendums
3. Educate the public about the work of the committee
  - Radio
  - Newspaper
  - Video
4. Recommend action on the referendum, including:
  - Whether or not to develop a referendum question
  - The date, amount, and purpose of a potential operating levy referendum
  - Public education content and format for a potential operating levy referendum
  - The consequences/outcome of a failed operating levy referendum
5. Draft a report for submittal to the committee we report to (Finance & Personnel Standing Committee)



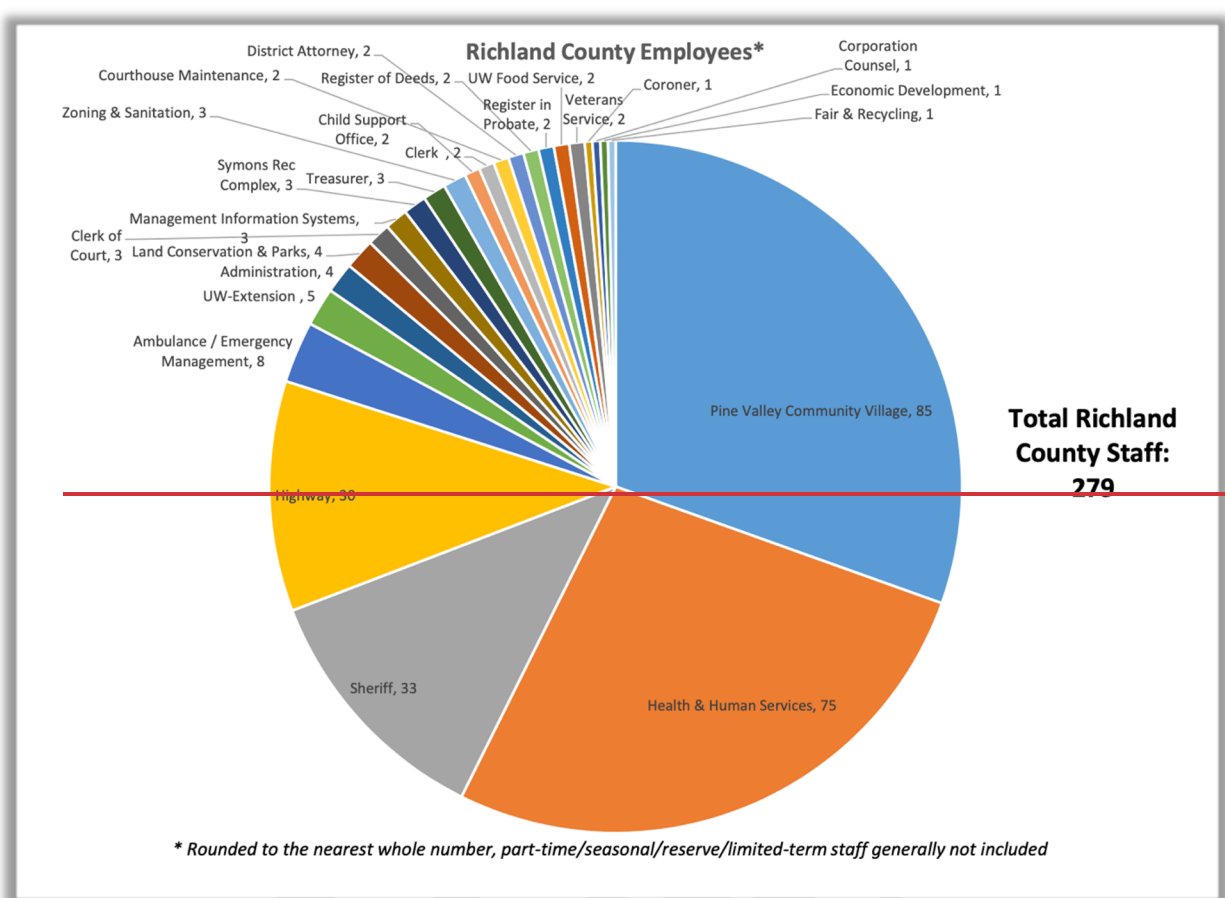
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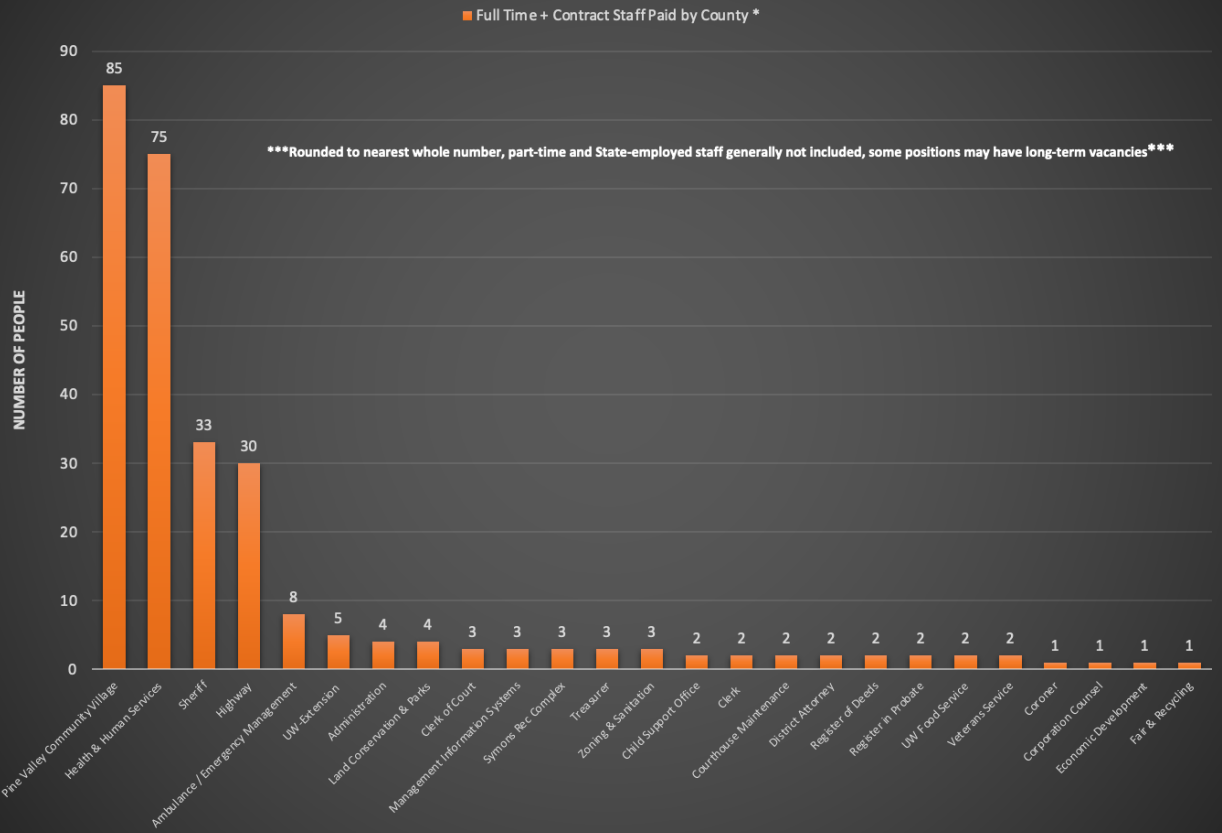
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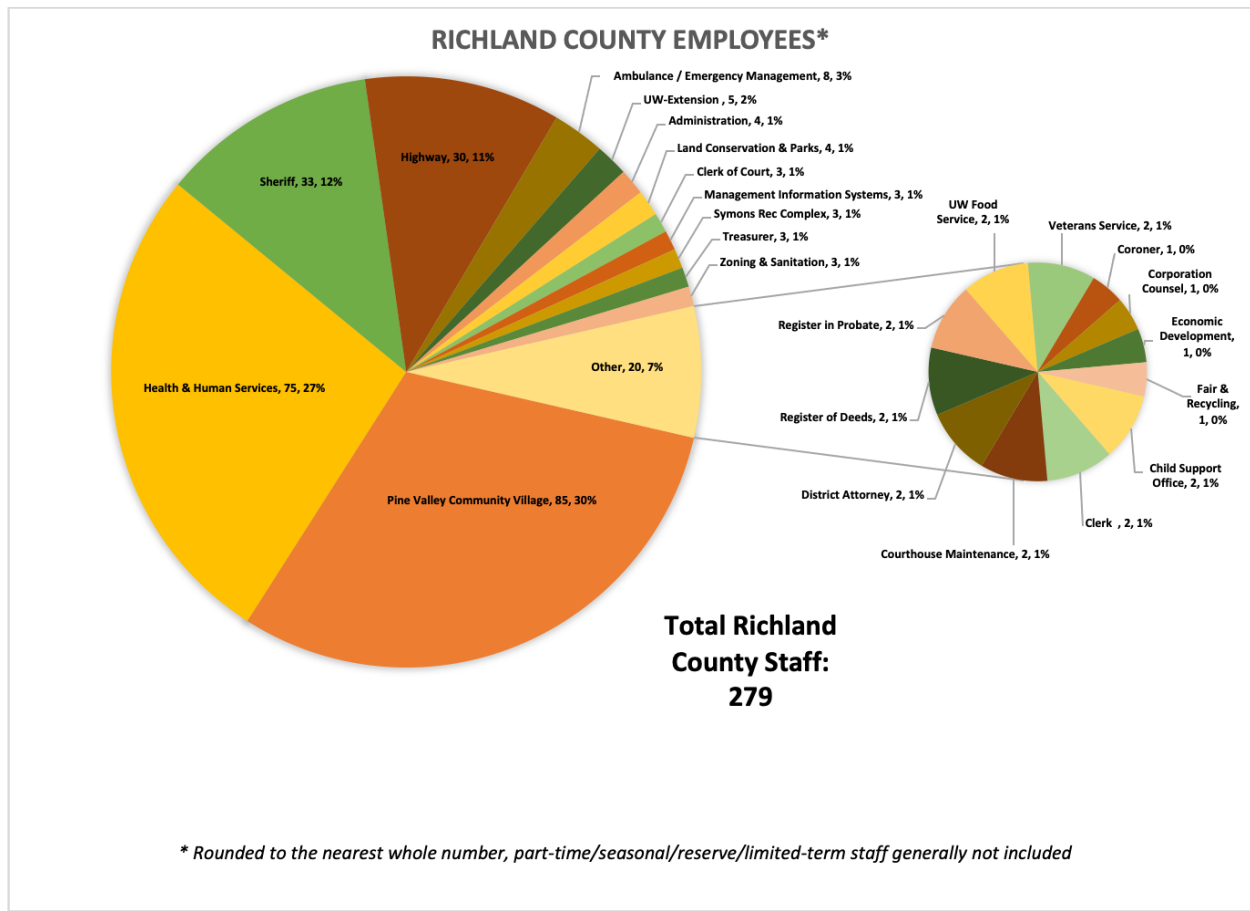
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## Richland County Full Time + Contract Staff Authorized by County Board \*





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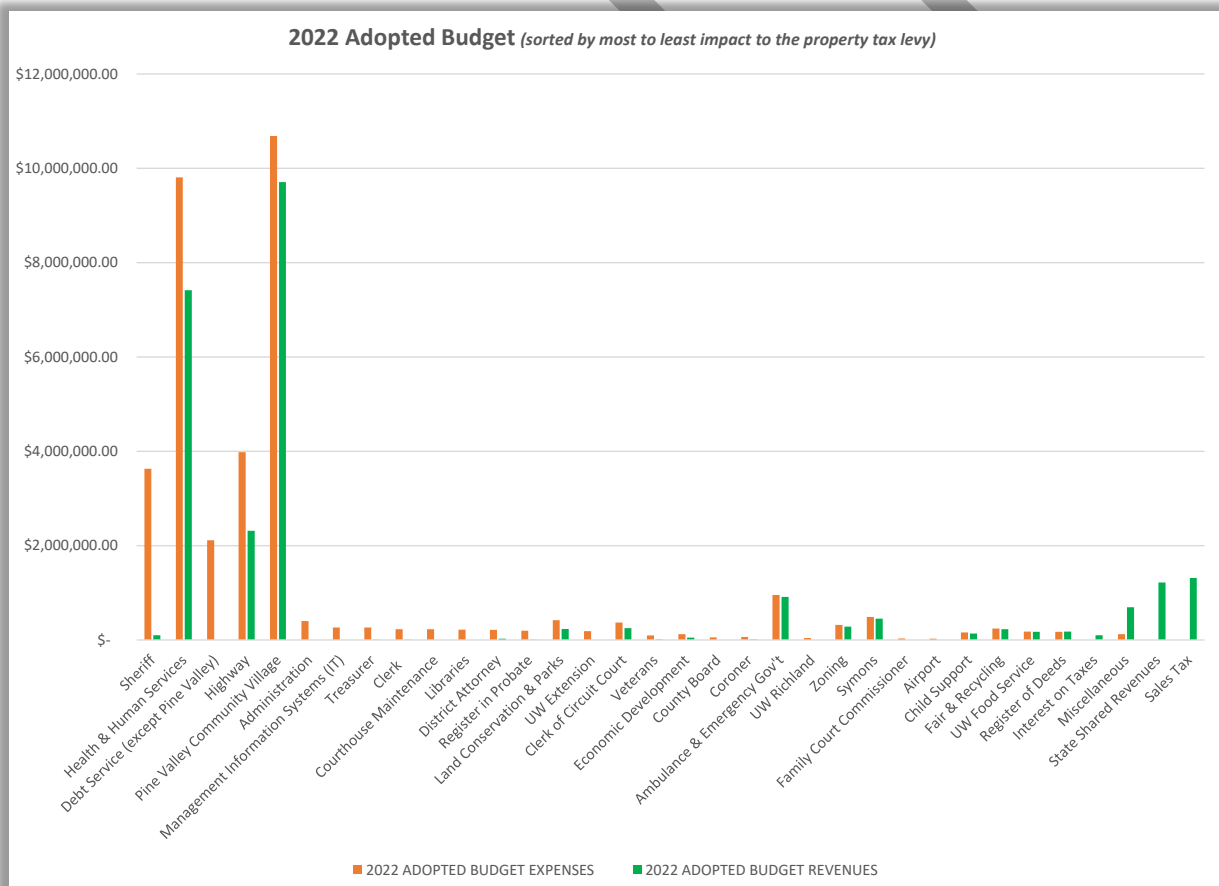
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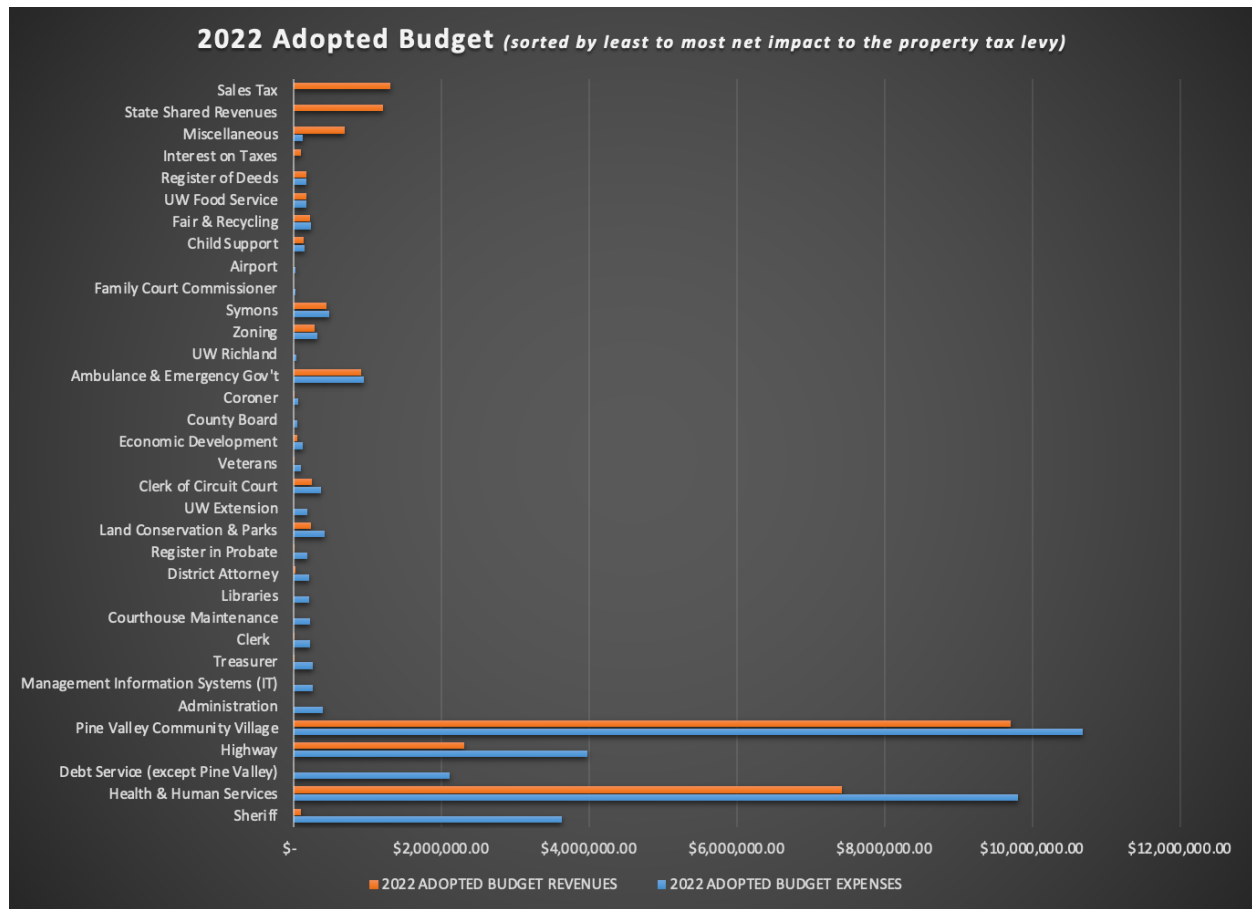
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Meanwhile, other departments don't have the ability to bring in very much revenue. **The expenses**



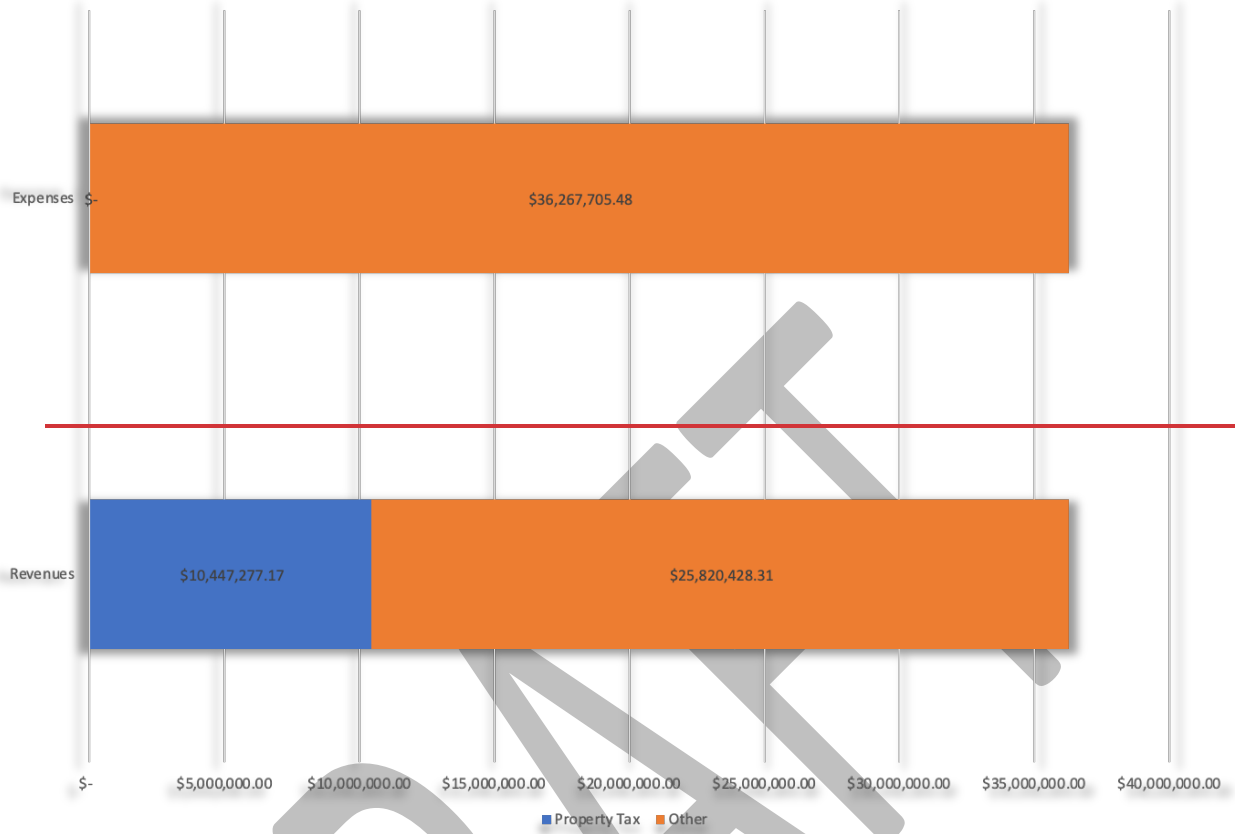
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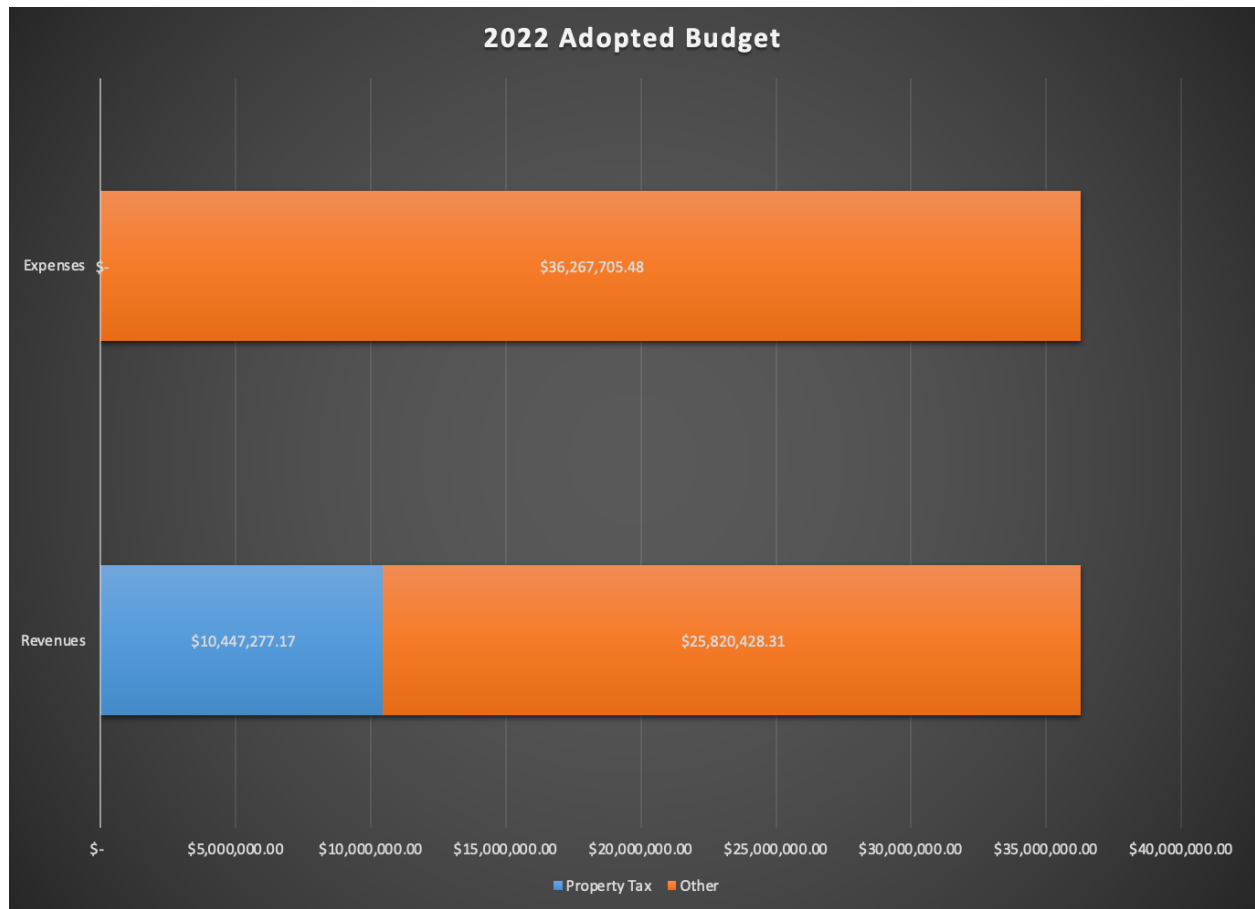


## The Property Tax

How does the County make up the difference in revenues and expenses for each department? **We levy a property tax**, as shown here:

## 2022 Adopted Budget





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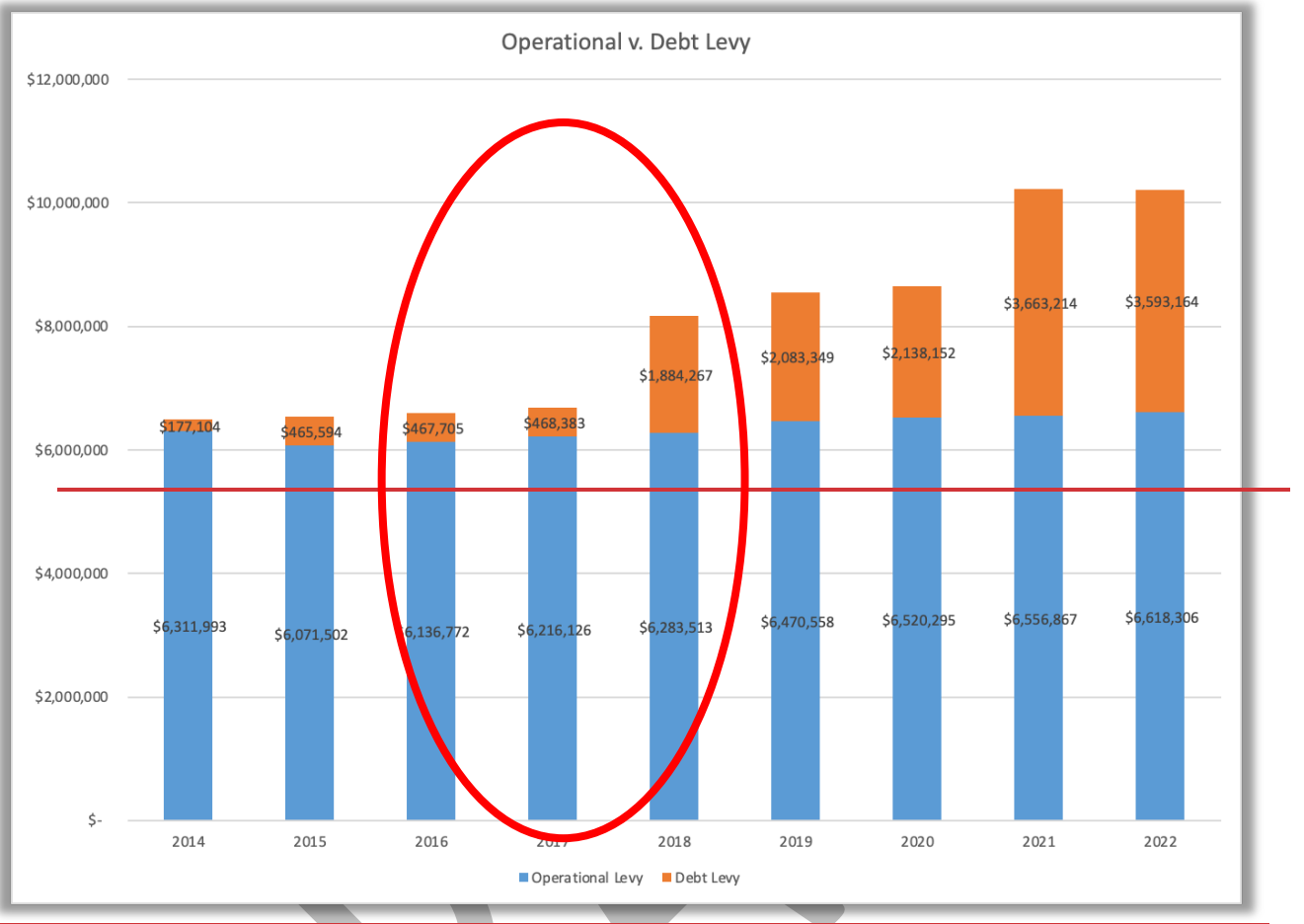
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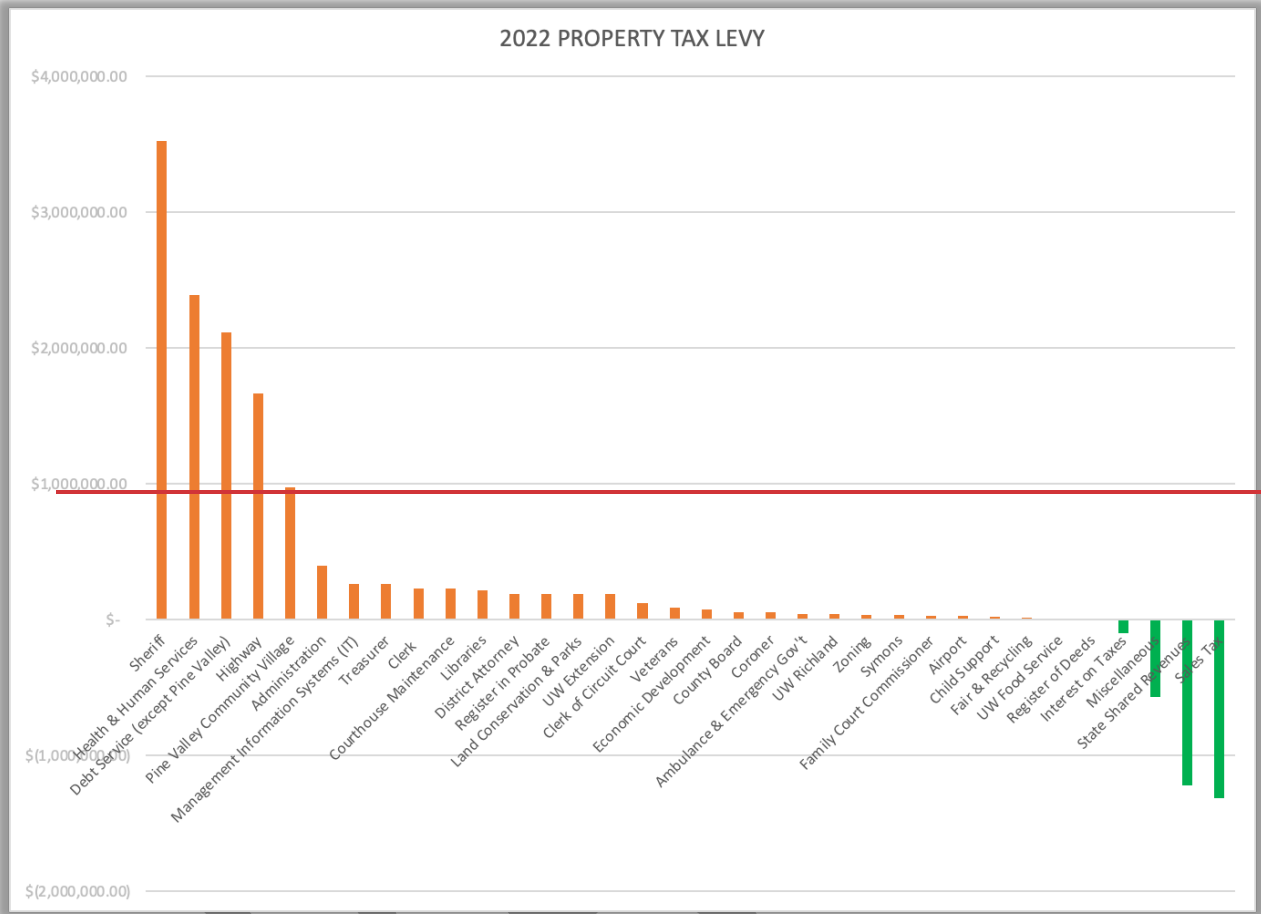


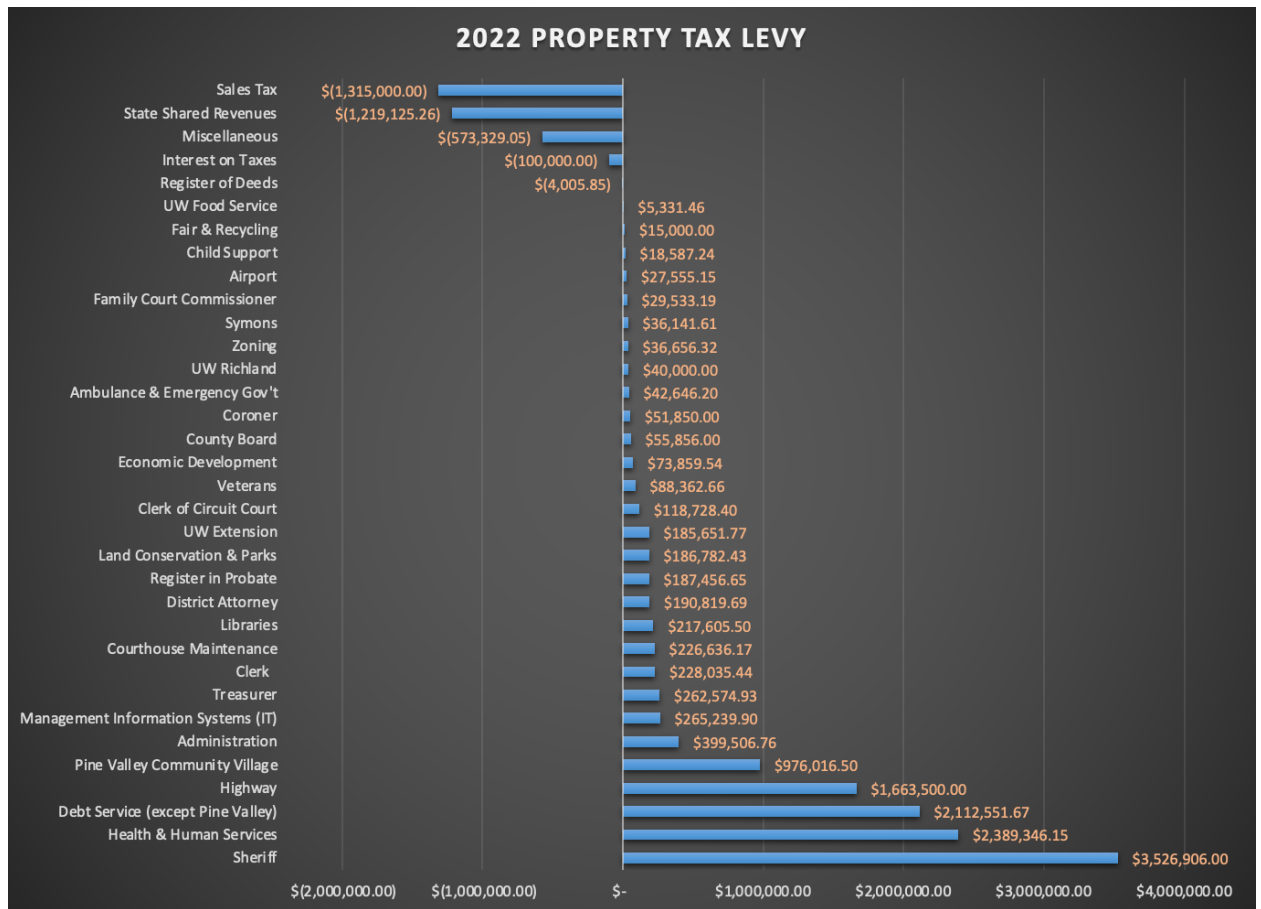


### Departments Relying on the Property Tax

Which departments benefit most from property taxes? If federal and state revenues, as well as fees for services (such as those collected by the Ambulance, Clerk of Court, Register of Deeds, Symons, UW Food Service, and Zoning Department) are set aside, the **following 4 departments use the most property tax** (as shown in the chart below):

1. Sheriff
2. Health & Human Services
3. Highway
4. Pine Valley Community Village





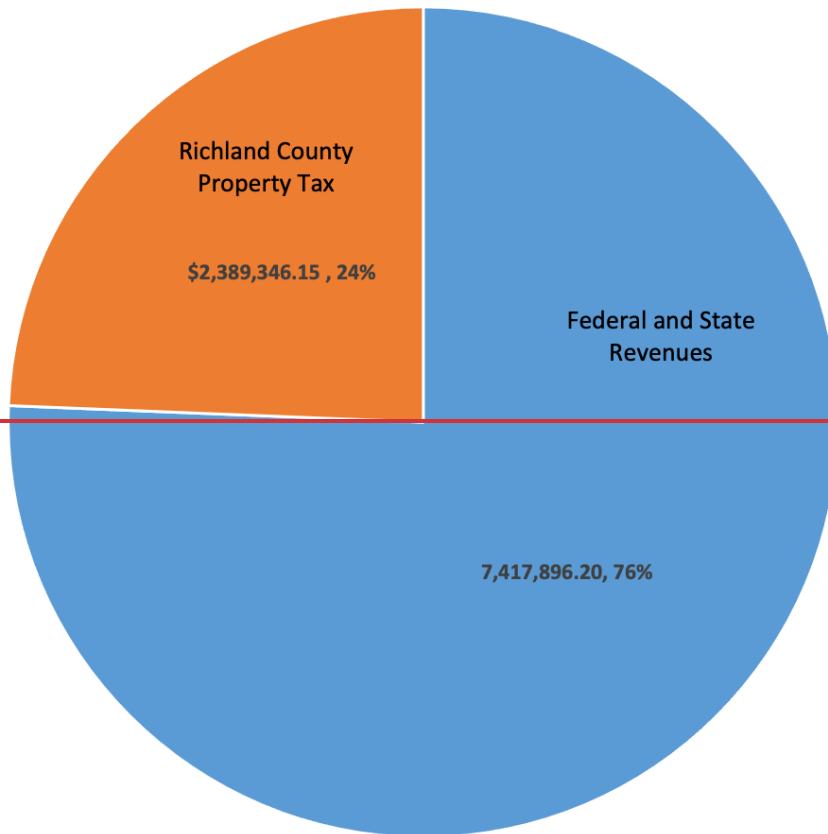
Next, we'll look at three categories that often have associated misconceptions: 1) Health & Human Services, 2) Pine Valley Community Village, and 3) State Shared Revenue.

### Category #1: Health & Human Services

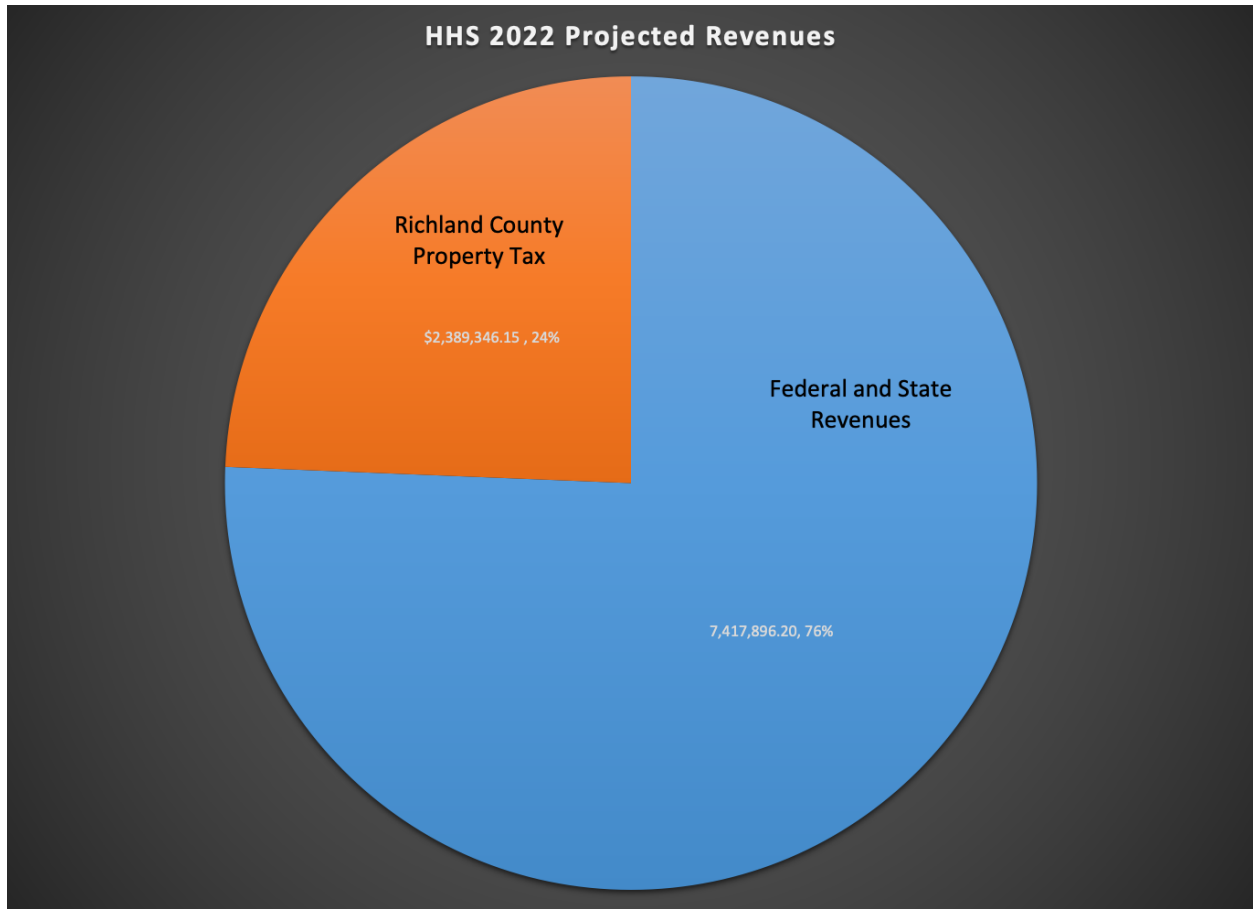
As shown in previous charts, the Health & Human Services (HHS) Department has the 2<sup>nd</sup> highest number of employees out of any department at the County. At the same time, this department uses less property tax revenue than the Sheriff's Department (\$2.4 million for HHS vs. \$3.5 million for Sheriff). Why is this?

It's because **HHS brings in a lot of revenue from the federal and state governments.**

## HHS 2022 Revenues

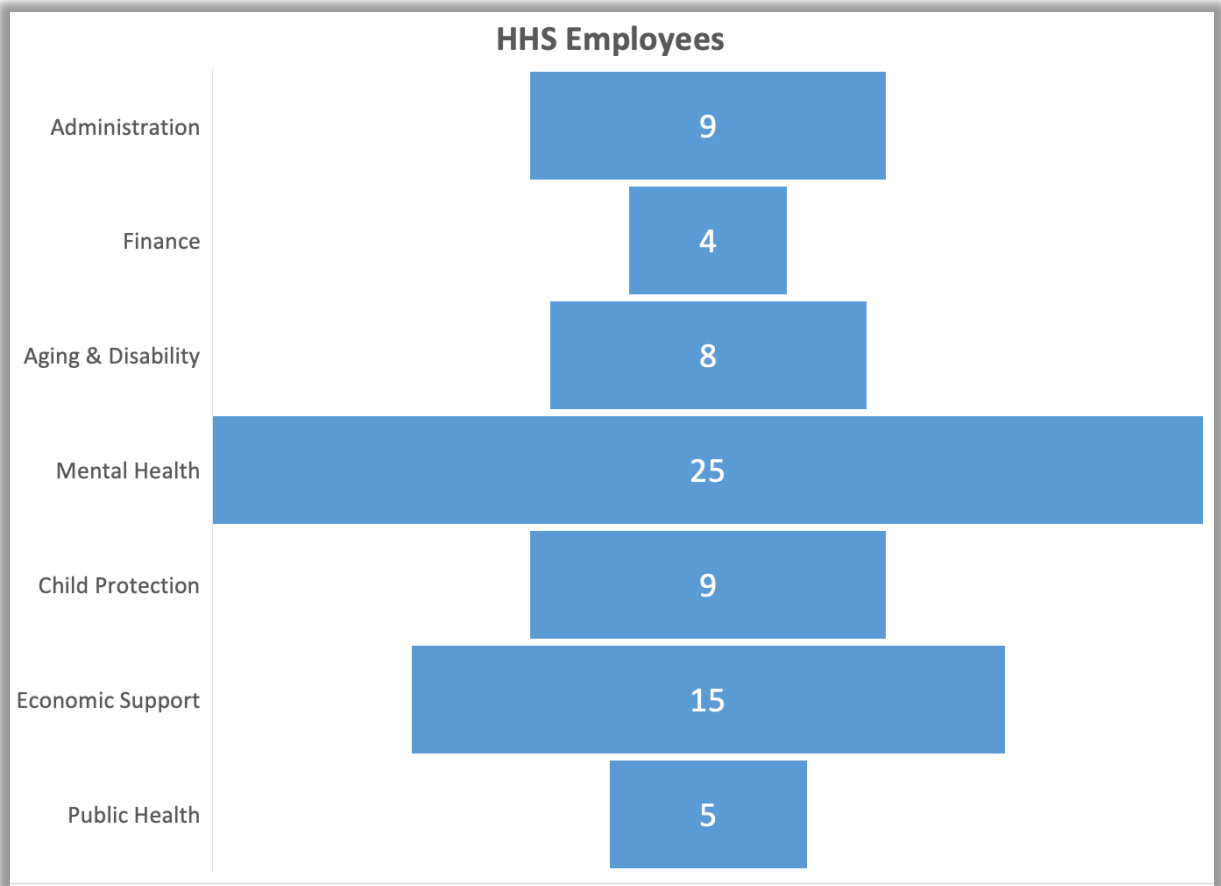


DRAFT



If the County reduced its property tax revenue contribution to HHS, some of these federal and state revenues would be lost.

People also often think HHS is primarily a welfare agency. **While economic support is important, it's one of only 5 main areas of service to residents.** More employees are dedicated to mental health services than economic support, as shown in this chart:



*Note: Over the coming months, the Referendum Ad Hoc Committee will be working with the Health & Human Services and Veterans Standing Committee to better understand how federal and state funding is tied to employee positions.*

#### Category #2: Pine Valley Community Village

It is often said that Pine Valley Community Village:

1. Makes a profit for the County
2. Doesn't pay its debt



**Which is true?**

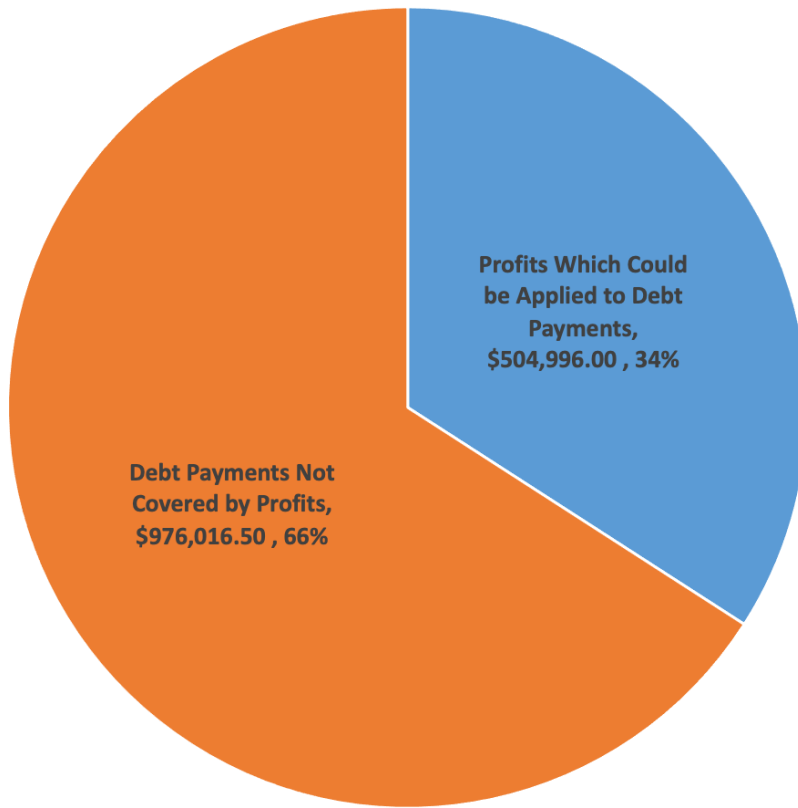
There is some truth to both statements, but neither is totally accurate. Because of the state laws referred to earlier, the County keeps track of Pine Valley's budget in two categories – operating and debt:



Statement #1 would be more accurate if it said, **“Pine Valley makes an operating profit for the County.”**

In recent years, the operating profit from Pine Valley has been applied to offset the operating expenses of other departments at the County. **If that operating profit was instead applied to debt payments, it would cover one-third of annual debt payments**, as shown in the following chart:

### Pine Valley Community Village 2022 Budget



So, statement #2 would be more accurate if it said, “Pine Valley’s operating profits could cover one-third of its debt payments, if those profits were not used by the County Board to offset the operating expenses of other County departments.”

*Note: Over the coming months, the Referendum Ad Hoc Committee will be working with the Pine Valley & Child Support Standing Committee to better understand if operating profits can be increased to cover 50% of its debt payments.*

#### Category #3: State Shared Revenue

State shared revenue comes from the State of Wisconsin. **Every local government agency in Wisconsin receives this revenue.**

Shared revenue was originally put in place in the early 1900's to share state income tax revenue with local governments in exchange for a reduction in property that could be taxed<sup>3</sup>. In the 1970's, shared revenues were begun to be used to level the playing field between communities with lower income tax revenues and wealthier parts of the state.<sup>4</sup>

**In 2001, Richland County received \$1.36 million** that could be spent on general government activities such as public safety, human services, and highways. **In 2021, the State shared \$1.22 million, a drop of 12%.** If the amount received in 2001 was adjusted for inflation<sup>5</sup>, the amount would be \$2.~~27~~<sup>09</sup> million.

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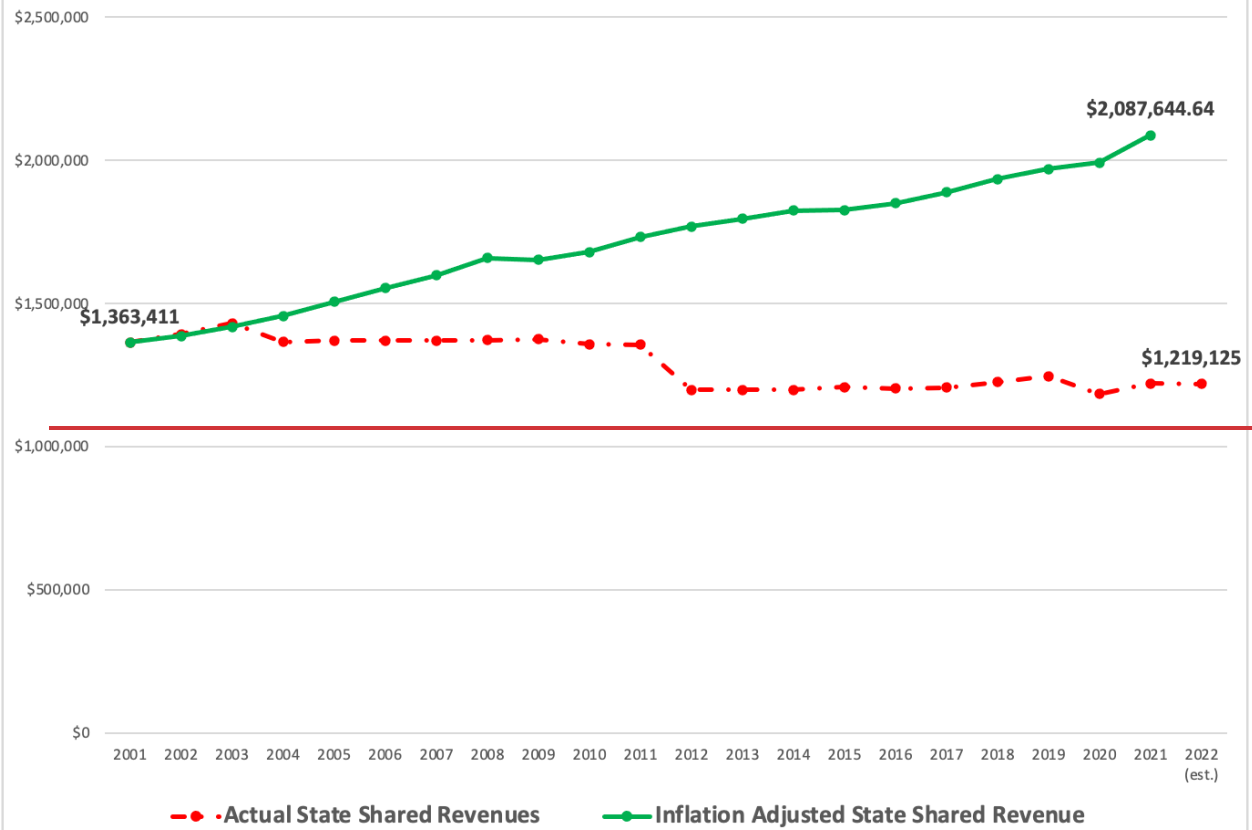
3

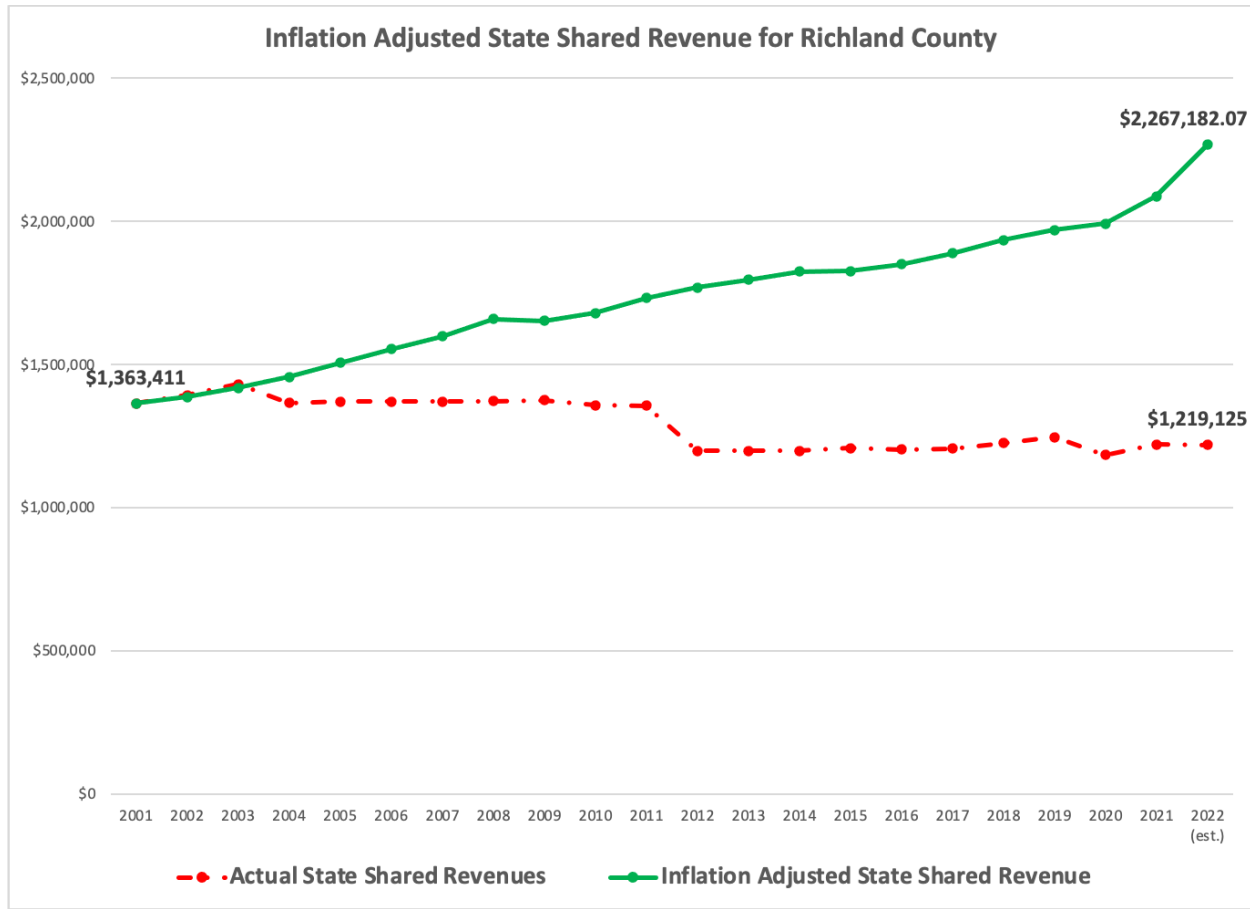
[https://docs.legis.wisconsin.gov/misc/lfb/informational\\_papers/january\\_2017/0018\\_shared\\_revenue\\_program\\_informational\\_paper\\_18.pdf](https://docs.legis.wisconsin.gov/misc/lfb/informational_papers/january_2017/0018_shared_revenue_program_informational_paper_18.pdf)

<sup>4</sup> <https://lwm-info.org/DocumentCenter/View/5904/8-22-The-Municipality-State-Local-Partnership>

<sup>5</sup> <https://www.minneapolisfed.org/about-us/monetary-policy/inflation-calculator/consumer-price-index-1913->

### Inflation Adjusted State Shared Revenue for Richland County



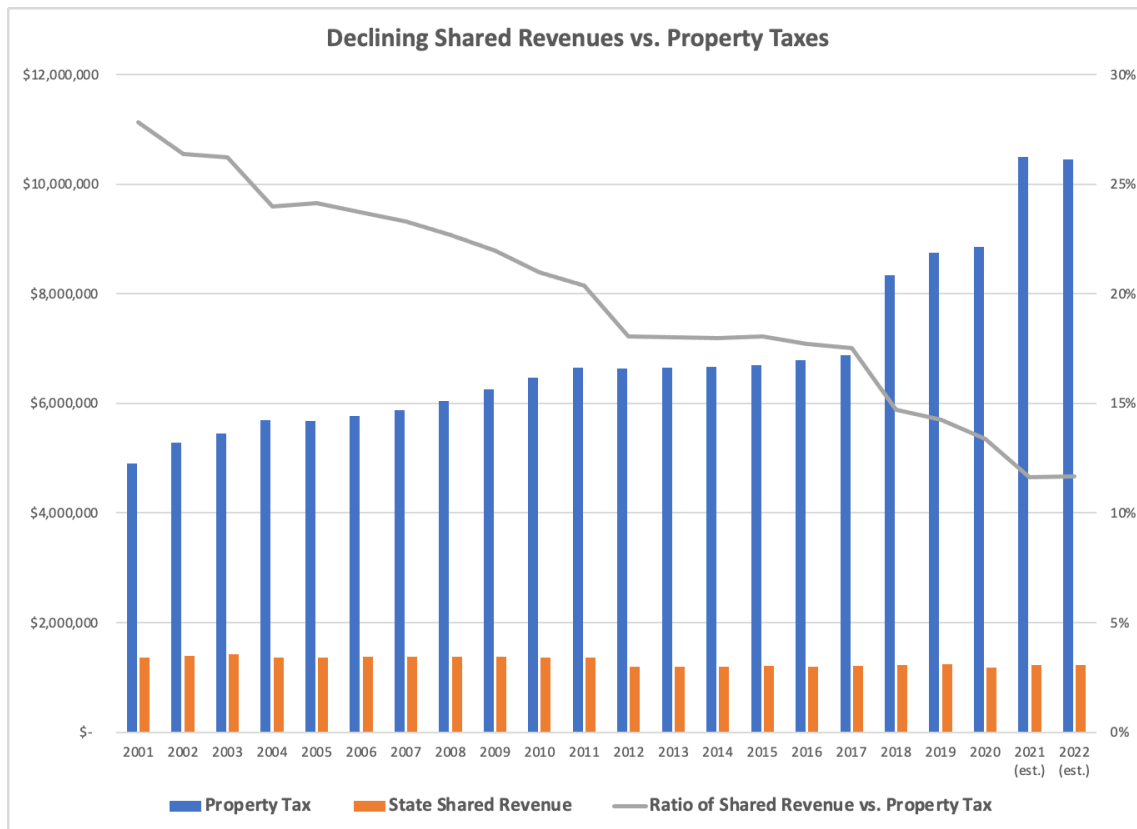


Why is shared revenue from the State declining? According to a Wisconsin Policy Forum report from 2013, the following state spending priorities shifted after 1995<sup>6</sup>:

- More focus on school aid
- More property tax credits for individuals rather than governments
- Corrections spending rose rapidly as the state built and filled prisons
- State funding for Medicaid (i.e., BadgerCare) repeatedly rose since its 1999 inception
- Decelerating state tax revenues between 1999 and 2012, due to
  - Indexing the state income tax to inflation in 1999
  - State income tax rates being lowered in 2000
  - Recessions in 2001 and 2008-09

Since shared revenues from the State of Wisconsin are declining, this means **Richland County has had to rely more on property taxes to finance departments that need additional revenues**, as shown in the following chart:

<sup>6</sup> [https://wispolicyforum.org/wp-content/uploads/2018/08/13\\_04-Local-Gov-Finances.pdf](https://wispolicyforum.org/wp-content/uploads/2018/08/13_04-Local-Gov-Finances.pdf)

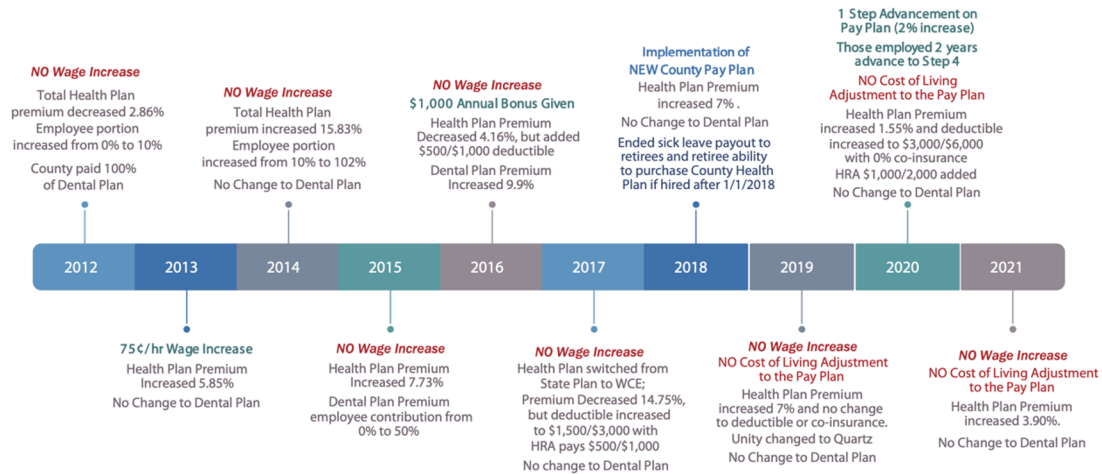


*Note: Over the coming months, the Referendum Ad Hoc Committee will be working with the Finance & Personnel Standing Committee to better understand the development of the State of Wisconsin budget, as it relates to state shared revenues.*

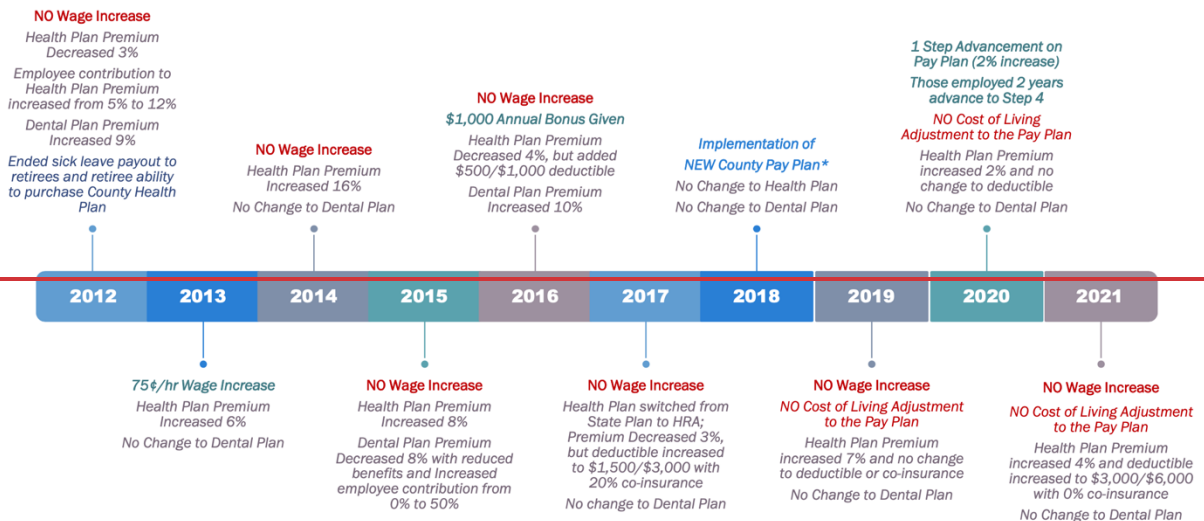
### Where Do We Go from Here?

Over the past decade, **Richland County** has been responding to the State of Wisconsin's policies by **skipping annual pay increases and reducing health insurance benefits**, as shown in the following graphic.

## HISTORY OF COUNTY WAGE & BENEFIT CHANGES



## HISTORY OF COUNTY WAGE & BENEFIT CHANGES



\* Implementation of the New County Pay Plan caused wage increases for most staff in varying degrees (from 1% to 10%) depending where each position was placed on the plan. Some staff wages, however, were above the top step of the plan for their position grade. In those cases their wage was frozen until such time as the pay structure, through amendments, meet or exceed their rate of pay. Four HHS staff have had their wages frozen since 2018.

Earlier this year, Richland County adopted a Strategic Plan<sup>7</sup> that determined that path is no longer sustainable, with a **commitment to annual pay increases for employees.**

<sup>7</sup> <https://administrator.co.richland.wi.us/wp-content/uploads/2022/03/Richland-County-Strategic-Plan-Chapter-2-Operations.pdf>

The County Administrator has also created a 5-year (2023 – 2027) financial plan that **estimates the additional revenues that will be needed** to deliver those pay increases and fund other County priorities, such as finance, human resources, and maintenance positions.

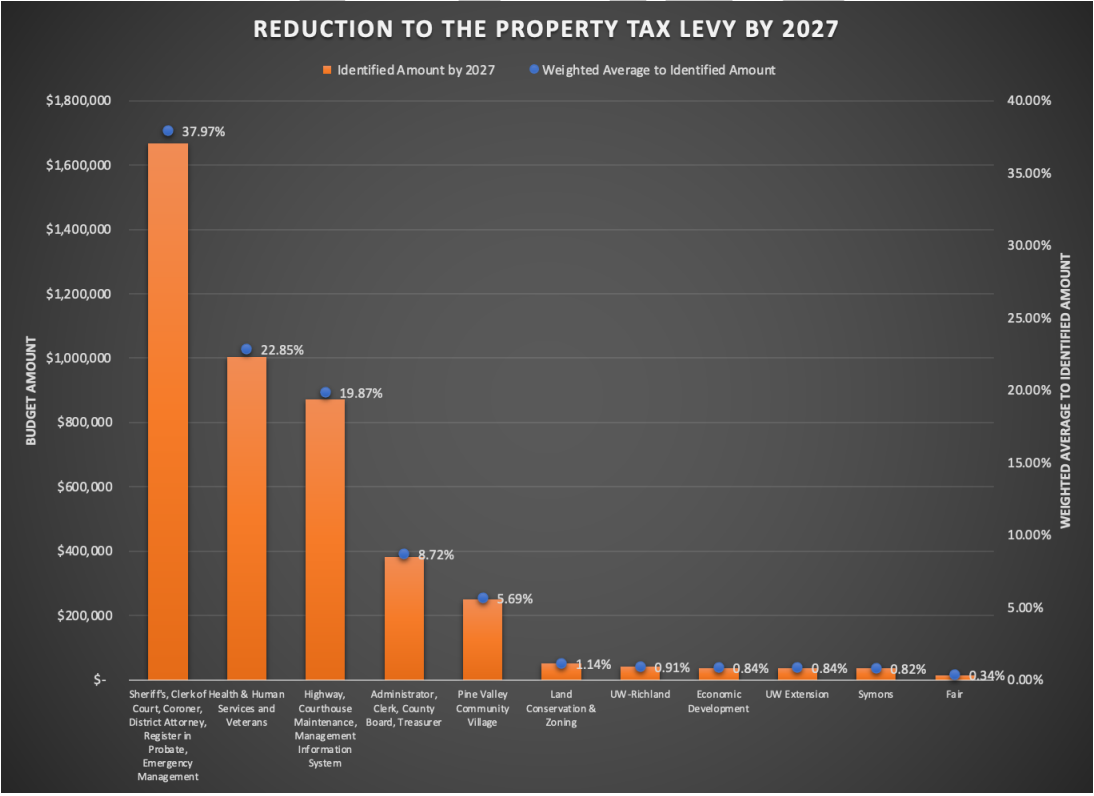
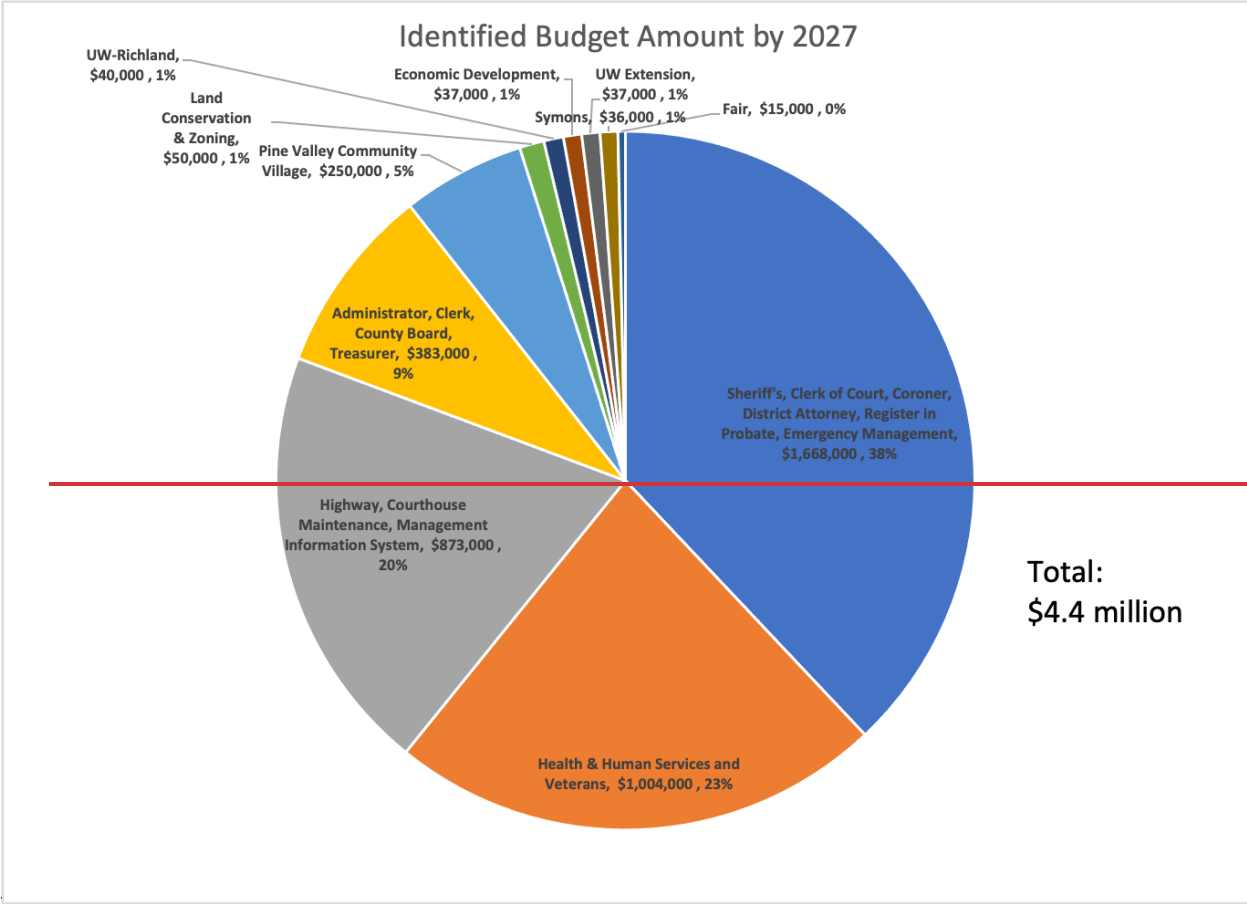
The County Board also recently adopted a set of resolutions guiding committees and departments as to how to decrease their impact on the property tax levy. **Some of these decreases may be permanent, but some may be identified for a potential property tax operating levy referendum in 2023, to take effect in 2024.**

Note that many of these reductions in the property tax levy begin in 2024 and escalate to the amounts shown in the following chart/s in 2027, to account for increasing costs such as wages and benefits.

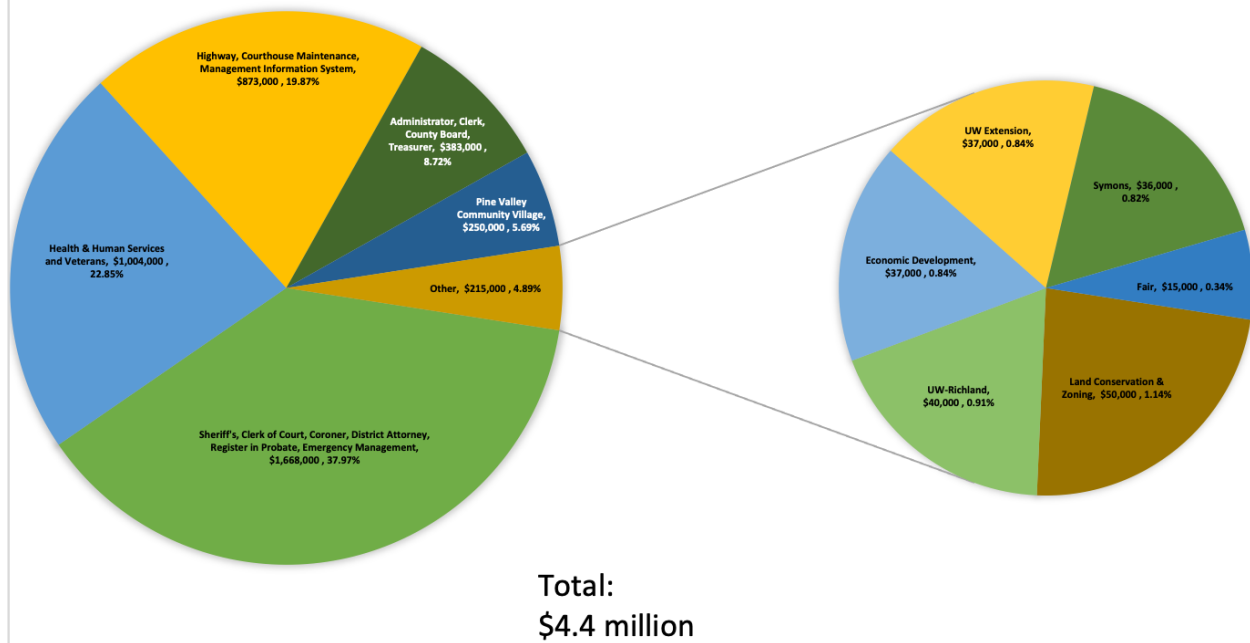
Departments and committees may meet these reductions to the property tax levy by any of the following methods: as shown in the following chart:

1. Decreased expenses
2. Increased revenues from sources other than the property tax levy
3. Increased revenues from an operating levy referendum (assuming such a referendum is recommended by the County Board and passed by voters)





## REDUCTION TO THE PROPERTY TAX LEVY BY 2027



### Next Steps

The Referendum Ad Hoc Committee has identified the following next steps:

1. Communicate directly with committees and departments heads affected by a potential referendum, so that expectations are clear:
  - o [Share this report](#)

- Share the Committee's public education plans
    - Short-term (September/October): Educate the public about the work of the Referendum Ad Hoc Committee
    - Long-term (TBD): If the Committee recommends moving forward with an operating levy referendum in 2023, educational materials will be developed for the approximate 2-month period before the ballot measure is placed on the ballot
  - Request information needed by the Referendum Ad Hoc Committee
    - How each committee plans to describe the identified property tax levy decrease
    - Which budget amounts will be recommended as a permanent decrease, and which budget amounts will be recommended for inclusion on a potential property tax operating levy referendum, to take effect in 2024
  - ~~1-○~~ Collect questions each committee has for the Referendum Ad Hoc Committee
2. Research other operating levy referendums
  3. Educate the public about the work of the committee
    - Radio
    - Newspaper
    - Video
  4. Recommend action on the referendum, including:
    - Whether or not to develop a referendum question
    - The date, amount, and purpose of a potential operating levy referendum
    - Public education content and format for a potential operating levy referendum
    - The consequences/outcome of a failed operating levy referendum
  5. Draft a report for submittal to the committee we report to (Finance & Personnel Standing Committee)

## Richland County Referendum Ad Hoc Committee

### Agenda Item Cover

**Agenda Item Name:** Video

<b>Department</b>	County Board	<b>Presented By:</b>	Shaun Murphy-Lopez
<b>Date of Meeting:</b>	9/7/22	<b>Action Needed:</b>	n/a
<b>Disclosure:</b>	Open Session	<b>Authority:</b>	<a href="#">Resolution 22-74</a>
<b>Date submitted:</b>	9/7/22	<b>Referred by:</b>	n/a

**Recommendation and/or action language:** Motion to recommend topics for public education videos.

**Background:** Supervisor Turk has asked for direction from the committee as to the topics for public education videos. The following list is a starting point for committee discussion.

- What does the County government do for the people?
- What are the basics of the County budget?
- How does the State of Wisconsin limit the County's ability to tax?
- What are common misconceptions about the Richland County budget?
- Why is shared revenue from the State of Wisconsin falling?
- How are Richland County employees being treated by its government?
- Why is Richland County proposing so many cuts and researching a referendum now?

**Attachments and References:**

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**Financial Review:**

(please check one)

	In adopted budget	Fund Number	
	Apportionment needed	Requested Fund Number	
	Other funding Source		
X	No financial impact		

**Approval:**

**Review:**

\_\_\_\_\_  
Department Head

\_\_\_\_\_  
Administrator, or Elected Office (if applicable)

## Richland County Referendum Ad Hoc Committee

### Agenda Item Cover

**Agenda Item Name:** Press release

<b>Department</b>	County Board	<b>Presented By:</b>	Shaun Murphy-Lopez
<b>Date of Meeting:</b>	9/7/22	<b>Action Needed:</b>	Motion
<b>Disclosure:</b>	Open Session	<b>Authority:</b>	<a href="#">Resolution 22-74</a>
<b>Date submitted:</b>	9/7/22	<b>Referred by:</b>	Motion at 8/8/22 meeting

**Recommendation and/or action language:** Motion to adopt a press release for dissemination to local newspapers.

**Background:** At the August 22<sup>nd</sup> meeting of the Referendum Ad Hoc Committee, the committee agreed to develop a press release for consideration at today's meeting. The press release is attached for the committee's consideration. The following newspapers are identified to receive the release:

1. Richland Observer
2. Valley Sentinel
3. Viola Epitaph
4. Boscobel Dial
5. Muscoda Progressive
6. La Farge Episcopo

#### Attachments and References:

08A Press Release	
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#### Financial Review:

(please check one)

<input type="checkbox"/>	In adopted budget	Fund Number	
<input type="checkbox"/>	Apportionment needed	Requested Fund Number	
<input type="checkbox"/>	Other funding Source		
<input checked="" type="checkbox"/>	No financial impact		

**Approval:**

**Review:**

\_\_\_\_\_  
Department Head

\_\_\_\_\_  
Administrator, or Elected Office (if applicable)



For Immediate Release  
September 8, 2022  
Contact: Marty Brewer  
608-604-0713

## **Richland County Considers Operating Levy Referendum**

### **Ad Hoc Committee Leading the Effort**

**RICHLAND CENTER, WISCONSIN:** The Richland County Board of Supervisors has directed an ad hoc committee to investigate the possibility of a referendum that would increase the county's operating property tax levy, if passed by Richland County voters.

Two of the goals of the Referendum Ad Hoc Committee are to educate the public about what Richland County government does for the people and why the County is looking into the possibility of a referendum.

Richland County has approximately 280 employees. The vast majority of those exist at Pine Valley Community Village (85), the Health & Human Services Department (75), the Sheriff's Department, (33), and Highway (30). The remaining 57 employees are in smaller departments such as Ambulance, UW-Extension, and many courthouse offices.

The County's employees care for its seniors, people with mental health needs, victims of crime, people traveling on public highways, and many others needing County services.

The County has an annual budget of \$36 million, with the majority of funds coming from federal and state sources. \$10 million comes from Richland County property taxpayers every year. Some departments such as the Sheriff's Department rely heavily on property tax revenues. Others such as the Health and Human Services and Highway Departments rely less on property taxes, but need local monies to match revenues from the federal government and State of Wisconsin.

Since at least 2003, the State of Wisconsin has been reducing its shared revenues, which returns the income and sales taxes it collects to local governments. In 2001, Richland County government received \$1.36 million. By 2022, that number had fallen to \$1.22 million. If adjusted for inflation, that amount today would be \$2.27 million.

The State of Wisconsin has two laws that limit the amount of property tax a local government can levy. The first law says the County cannot raise the levy for operating expenses at a rate faster than new construction, unless the voters approve an operating levy increase through a referendum. In Richland County, this is about 0.5% per year. The second law says the County Board can raise the levy for debt, as long as it stays below 5% of the value of all property in the County.

The County Board has raised the levy for debt in recent years to build a new nursing home and fix our roads. But the County Board has not been able to raise the levy for operating expenses, and as a result has reduced wage increases and health insurance benefits for employees, which has increased employee turnover rates to an unsustainable level.

The County Administrator has created a 5-year financial plan that estimates an approximate \$4 million budget gap that will occur to keep up with rising costs by 2027, including regular pay raises for employees. The County Board has directed its departments to identify how it will respond to necessary budget cuts.

The next job of the Referendum Ad Hoc Committee is to work with County departments to better understand which budget cuts can be made permanent, and which may be placed on a referendum to increase the operating property tax levy. If the committee decides that voters should have a voice in determining whether budget cuts should be made permanent, it will make a recommendation to the Richland County Finance & Personnel Committee.

The Referendum Ad Hoc Committee welcomes questions and thoughts from the public as it investigates the possibility of a referendum. The public may contact Committee Chair Shaun Murphy-Lopez at 608-462-3715 or [shaun.murphy@co.richland.wi.us](mailto:shaun.murphy@co.richland.wi.us), or visit the committee's website at <https://administrator.co.richland.wi.us/minutes/referendum-ad-hoc-committee/>.

[www.co.richland.wi.us](http://www.co.richland.wi.us)

181 West Seminary Street, Richland Center, WI 53581