

*****ATTACHMENTS*****

CITY OF SHEBOYGAN

REQUEST FOR FINANCE COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Resolution 127 -16-17 by Alderperson Wolf. Resolution authorizing the Finance Director to enter into contract with Wisconsin Bank and Trust for bank services.

REPORT PREPARED BY: Nancy Buss, Finance Director

REPORT DATE: November 21, 2016

MEETING DATE: November 28, 2016

FISCAL SUMMARY:

STATUTORY REFERENCE:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

The City of Sheboygan moved banking services to Community Bank and Trust in 2013. Community Bank and Trust is now Wisconsin Bank and Trust. Services provided include checking, savings, investments, and tax collection. Wisconsin Bank and Trust has proposed changes to the prior bank arrangement.

STAFF COMMENTS:

Wisconsin Bank and Trust proposed a six year contract with discounted banking fees and collateralization of funds on deposit. Currently funds are not collateralized beyond the FDIC levels.

ACTION REQUESTED:

Motion to recommend the Common Council approve Res 127-16-17 by Alderperson Wolf. Resolution authorizing the Finance Director to enter into contract with Wisconsin Bank and Trust for bank services.

ATTACHMENTS:

- I. Resolution 127-16-17
- II. Wisconsin Bank and Trust Agreement to Terms and Conditions

III

4.2

Res. No. 127 - 16 - 17. By Alderperson Wolf. November 21, 2016.

A RESOLUTION authorizing the Finance Director to enter into contract with Wisconsin Bank and Trust for bank services.

WHEREAS: Wisconsin Bank and Trust has provided banking services to the City of Sheboygan since 2013, and;

WHEREAS: Wisconsin Bank and Trust will provide collateralization of the City's account, and;

WHEREAS: Wisconsin Bank and Trust will discount banking fees for a period of six years.

RESOLVED: That the Finance Director is hereby authorized to enter into contract with Wisconsin Bank and Trust for bank services for a period of six years.

BE IT FURTHER RESOLVED: That the appropriate City officials are hereby authorized to charge the monthly bank fees to the Finance Department Bank Fees account number 10115100-521100 in payment of the same.

Finance



I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 2016.

Dated _____ 2016. _____, City Clerk

Approved _____ 2016. _____, Mayor



Agreement to Terms and Conditions

November 10, 2016

Darrell Hofland, City Administrator
Nancy Buss
City of Sheboygan
828 Center Ave Suite 205
Sheboygan, WI 53081

Dear Darrell and Nancy,

Thank you for choosing Wisconsin Bank & Trust as your partner for the banking needs of the City of Sheboygan.

AGREEMENT

This letter is to confirm that Wisconsin Bank & Trust agrees to maintain the City operating checking account at a 50% discount of the standard Wisconsin Bank & Trust fee schedule. The deposits held with Wisconsin Bank & Trust will be secured with an FHLB letter of credit provided by the bank.

TERM

The term of this Agreement is to last for 6 years from the date of documentation signing. There will be an option to review/renew for both parties at that time.

Kevin Tenpas, President/CEO
Wisconsin Bank & Trust
1510 Mid Valley Dr.
De Pere, WI 54115

Date: 11/10/2016

Signature: 

Darrell Hofland, City Administrator
City of Sheboygan
828 Center Ave. Suite 205
Sheboygan, WI 53081

Date: 11/10/2016

Signature: _____

CITY OF SHEBOYGAN

REQUEST FOR FINANCE COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Resolution 128-16-17 by Alderperson Wolf. Resolution authorizing the appropriate City official to enter into an Intergovernmental Cooperative Agreement with Sheboygan County for Sales Tax Revenue-Sharing for Transportation Infrastructure Maintenance.

REPORT PREPARED BY: Nancy Buss, Finance Director

REPORT DATE: November 21, 2016

MEETING DATE: November 28, 2016

FISCAL SUMMARY:

STATUTORY REFERENCE:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

Sheboygan County enacted Ordinance No. 2 (2016/17) establishing a one-half percent (0.5%) County sales tax for the purpose of raising revenues to address the challenges of maintaining Sheboygan County's roads and bridges. The Ordinance requires that \$1.5 million of anticipated revenue (adjusted annually) from the sales tax be distributed to municipalities within County based on an equalized value formula provided that the municipalities agree to be bound by the terms of an Intergovernmental Cooperative Agreement as approved by the County Board.

STAFF COMMENTS:

The City of Sheboygan included the proceeds from the County sales tax (\$411,000) in the 2017 Capital Project Fund budget. The funds are designated for improvements to City streets.

The agreement requires the sales tax funds be used to supplement, not replace existing funds for the benefit of transportation-related projects.

ACTION REQUESTED:

Motion to recommend the Common Council approve Res 128-16-17 by Alderperson Wolf. A Resolution authorizing the appropriate City official to enter into an Intergovernmental Cooperative Agreement with Sheboygan County for Sales Tax Revenue-Sharing for Transportation Infrastructure Maintenance.

ATTACHMENTS:

- I. Resolution 128-16-17
- II. Intergovernmental Cooperative Agreement with Sheboygan County for Sales Tax Revenue-Sharing for Transportation Infrastructure Maintenance

III

4.3

Res. No. 128 - 16 - 17. By Alderperson Wolf. November 21, 2016.

A RESOLUTION authorizing the appropriate City official to enter into an Intergovernmental Cooperative Agreement with Sheboygan County for Sales Tax Revenue-Sharing for Transportation Infrastructure Maintenance.

WHEREAS: Sheboygan County enacted Ordinance No. 2 (2016/17) establishing a one-half percent (.5%) County sales tax for the purpose of raising revenues to address the challenges of maintaining Sheboygan County's roads and bridges, and;

WHEREAS: In enacting the Ordinance, the Sheboygan County Board recognized that the municipalities within Sheboygan County have similar financing challenges for the transportation infrastructures within those municipalities, and;

WHEREAS: The Sheboygan County Ordinance requires that \$1.5 Million of anticipated revenue (adjusted annually) from the sales tax be distributed to municipalities within County based on an equalized value formula provided that the municipalities agree to be bound by the terms of an Intergovernmental Cooperative Agreement as approved by the County Board.

RESOLVED: That the appropriate City official is hereby authorized to enter into an Intergovernmental Cooperative Agreement with Sheboygan County for Sales Tax Revenue-Sharing for Transportation Infrastructure Maintenance for 2017.

BE IT FURTHER RESOLVED: That the City agrees to use the payment for road and bridge maintenance purposes, the City will not reduce the road and bridge maintenance budget as a result of receiving the payment and the City will cooperate with County's Finance Department to allow County to review the City of Sheboygan 2017 budget, resulting financial reports and supporting detail to assure County that the City of Sheboygan is complying with responsibilities of the agreement.

Finance



I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 2016.

Dated _____ 2016. _____, City Clerk

Approved _____ 2016. _____, Mayor



SHEBOYGAN COUNTY

Wendy A. Charnon
Finance Director

Tim J. Woodworth
Senior Accountant

October 28, 2016

Mr. Michael J Vandersteen
Mayor
City of Sheboygan
828 Center Ave
Sheboygan, WI 53081

Re: Sheboygan County Shared Revenue Program

Greetings,

As a participant in the Sheboygan County Shared Revenue Program for the transportation needs of our County, in addition to the executed resolution and signed Intergovernmental Agreement, the Sheboygan County Finance Department is requesting the attached "Form A" be filled out annually. This form will aid in the review process of the activities as outlined in the Agreement under Section 6.

The Intergovernmental Agreement, your Resolution, and Form A should be returned to the Sheboygan County Finance Department by December 30th. Once all signatures are attained, a copy of the Intergovernmental Agreement will be returned to you for your records.

For our 2017 initiating year, payments will be scheduled to be disbursed in two equal installments, the first being in July and the second being in September.

If you have any questions regarding this process, please contact me at 459-3166. I would welcome the opportunity to meet with you directly.

Thank you,

Wendy A. Charnon
Finance Director

**SHEBOYGAN COUNTY SALES TAX REVENUE-SHARING
FOR TRANSPORTATION INFRASTRUCTURE MAINTENANCE
2017 INTERGOVERNMENTAL COOPERATIVE AGREEMENT**

1. **PARTIES.** The parties to the Agreement are the **CITY OF SHEBOYGAN** (Municipality), a municipal corporation with offices at 828 Center Avenue, Sheboygan, Wisconsin 53081, and **SHEBOYGAN COUNTY** (County), a Wisconsin governmental body corporate, organized pursuant to Wis. Stat. § 59.01, having its principal offices at 508 New York Avenue, Sheboygan, Wisconsin 53081.

2. **PURPOSE.** Sheboygan County enacted Ordinance No. 2 (2016/17) establishing a one-half percent (.5%) County sales tax for the purpose of raising revenues to address the challenges of maintaining Sheboygan County's roads and bridges. In enacting the Ordinance, the County Board recognized that the municipalities within Sheboygan County have similar financing challenges for the transportation infrastructures within those municipalities. The Ordinance requires that \$1.5 Million of anticipated revenues (adjusted annually) from the sales tax be distributed to municipalities within County based on a equalized value formula provided that the municipalities agree to be bound by the terms of an Intergovernmental Cooperative Agreement as approved by the County Board. This Agreement, having been approved by the County Board, and agreed to by Municipality, assures that the revenue being distributed herein will be spent to maintain Municipality's road and bridge infrastructure.

3. **EFFECTIVE DATE; TERM; TERMINATION.**

A. **Effective Date.** This Agreement shall become effective on the last date of the required signatures at the end of this document.

B. **Initial Term; Renewals.** The initial term of this Agreement is for calendar year 2017 and is subject to renewal.

C. **Termination – By County.** During the term, this Agreement may be terminated by County, if County determines that Municipality is not honoring the terms and conditions of this Agreement and County shall have no further obligations to make any payments or perform any other requirements herein.

D. **Termination – By Municipality.** During the term, this Agreement may be terminated by Municipality if Municipality determines that it no longer wishes to be bound by the terms and conditions of this Agreement and County shall be relieved of any further obligations to make any payments or perform any other requirements herein.

4. **AUTHORITY.** This Agreement is entered into between the parties pursuant to Wis. Stat. § 66.0301, authorizing intergovernmental cooperation and by Wis. Stat. § 77.76(3) which allows counties to distribute sales tax proceeds to municipalities within Sheboygan County. Both parties represent that their respective governing bodies have authorized entry into this Agreement.

5. RESPONSIBILITIES OF COUNTY.

A. County shall, over the course of calendar year 2017, pay to Municipality as a distribution of sales tax revenue, the sum of \$412,266.

B. County shall determine at its option whether the payment will be distributed in one lump sum or whether it will be in periodic payments. County shall determine at its option the timing and method of the payments.

C. County shall provide reasonable advance notice to Municipality as to its payment distribution method so that Municipality may budget accordingly.

6. RESPONSIBILITIES OF MUNICIPALITY.

A. Municipality agrees to use the payment for road and bridge maintenance purposes.

B. Municipality agrees not to reduce its road and bridge maintenance budget as a result of receiving the payment. It is the intent that the payment shall enhance Municipality's ability to address its road and bridge maintenance needs over the amount that Municipality would otherwise be budgeting for this purpose.

C. Municipality may, as part of its budgeting and planning process, hold over spending all or part of the payment into a different calendar year or otherwise bundle the payment in a manner that is acceptable in advance with the County provided the County is satisfied that Municipality's spending of the payment is consistent with the intent that the payment shall enhance Municipality's ability to address its road and bridge maintenance needs over the amount that Municipality would otherwise be budgeting for this purpose

D. Municipality agrees to cooperate with County's Finance Department to allow County to review Municipality's budget, resulting financial reports and supporting detail to assure County that Municipality is complying as provided herein.

E. Municipality must provide a Resolution supporting the County Sales Tax Revenue-Sharing Cooperative Agreement.

7. RESOLUTION OF DISPUTES. County, through its County Administrator, shall determine as to whether Municipality has fulfilled its responsibilities under this Agreement. This Agreement will be renewed annually upon similar terms.

8. HOLD HARMLESS; INDEMNIFICATION. Each party shall defend, hold harmless, and indemnify the other against any and all claims, liabilities, damages, judgments, causes of action, costs, loss, and expense including reasonable attorneys' fees imposed upon or incurred by the other party arising from or related to the negligent or intentionally tortuous acts or omissions of the indemnifying party's officers, employees, or agents in performing the services pursuant to the Agreement. Each party shall promptly notify the other of any claim arising under this provision, and each party

shall fully cooperate with the other in the investigation, resolution, and defense of such claim. This Agreement does not waive any governmental or sovereign immunity. Both parties retain all applicable governmental immunities, defenses, and statutory limitations available, including Wis. Stat. § 893.80, 895.52, and 345.05.

9. SEVERABILITY. If any provision in this Agreement is determined to be void and unenforceable for any reason, the remaining provisions shall remain in full force and effect unless the removal of the severed provision would substantially impair the ability of either party to perform the essential purpose of this Agreement.

10. ENTIRE AGREEMENT. This Agreement constitutes the entire understanding between the parties relating to their relationship and supersedes all prior understandings, oral agreements, negotiations, representations, and agreements relating to the same subject matter.

Approved by the parties by the following authorized representatives:

City of Sheboygan
(Municipality)

By: _____
Authorized Representative

_____ Date Signed

By: _____
Authorized Representative

_____ Date Signed

SHEBOYGAN COUNTY

By: _____
Adam N. Payne
Sheboygan County Administrator

_____ Date Signed

By: _____
Thomas Wegner
County Board Chair

_____ Date Signed

SAMPLE RESOLUTION FOR RECEIVING COUNTY SALES TAX PROCEEDS

WHEREAS, the Sheboygan County Board enacted Ordinance No. 2 (2016/17) establishing a one-half percent (.5%) County sales tax for the purpose of raising revenues to address the challenges of maintaining the roads and bridges under the County's jurisdiction; and,

WHEREAS, in enacting the Ordinance, the County Board recognized that the municipalities within Sheboygan County have similar financial challenges for the transportation infrastructures under the jurisdiction of those municipalities as the County does for the roads and bridges under the County's jurisdiction; and,

WHEREAS, the Ordinance requires that \$1.5 Million of anticipated revenues (adjusted annually) from the sales tax be distributed by the County to municipalities within the County based on an equalized value formula, provided that each recipient municipality agrees that the revenue being distributed will be spent to maintain the municipalities' road and bridge infrastructure as set forth in an Intergovernmental Cooperative Agreement with the County; and,

WHEREAS, the (City) (Village) (Town) of _____ supports the County Sales Tax Revenue-Sharing Cooperative Agreement; and,

WHEREAS, it is in its best interests of the (City) (Village) (Town) of _____ to receive its share of the distribution and agree to be bound by the terms of the County's Intergovernmental Cooperative Agreement;

NOW THEREFORE BE IT RESOLVED that the (Council) (Board) of the (City) (Village) (Town) of _____ approves the proposed Intergovernmental Cooperative Agreement with Sheboygan County, a copy of which is on file with the Clerk, and agrees to be bound by its terms.

BE IT FURTHER RESOLVED, that the (Mayor) (President) (Chairperson) and Clerk are authorized and directed to sign the Intergovernmental Agreement on behalf of the (City) (Village) (Town).

BE IT FURTHER RESOLVED, that the (Mayor) (President) (Chairperson) and Clerk are authorized to sign annual Intergovernmental Agreements going forward on behalf of the (City) (Village) (Town) unless the (Council)(Board) adopts a resolution rescinding this authority.



Sheboygan County Shared Revenue Program

Budget Year 2017

(Form A)

Section One

Municipality: _____

Transportation Budget 2016: \$ _____

Transportation Projection for 2016: \$ _____

Transportation Budget Proposed 2017: \$ _____

County Shared Revenue: \$ _____

Section Two - Transportation Project the revenue will be applied to *(If multiple projects, please complete Form A, Section Two for each project):*

Project Description: _____

Project ID: _____

Total cost of Project: \$ _____

Anticipated start of Project: _____

Anticipated completion of Project: _____

General Ledger Accounting Unit (if identifiable): _____

I hereby attest the information provided above is an accurate representation of the intended use of the transportation funds from the Sheboygan County Shared Revenue Program and understand that any misrepresentations may result in funds being denied in future years.

Signed:

Date: _____

Title

**Sheboygan County Sales Tax Revenue Sharing with Municipalities
For Budget Year 2017**

<u>MUNI NAME</u>	<u>2016 EQ VAL LESS TID</u> <u>INCREMENT</u>	<u>PERCENT</u>	<u>ALLOCATION</u>
GREENBUSH	138,767,100	0.02	\$24,590
HERMAN	133,496,800	0.02	\$23,656
HOLLAND	313,188,000	0.04	\$55,498
LIMA	220,670,900	0.03	\$39,103
LYNDON	165,171,300	0.02	\$29,269
MITCHELL	112,497,200	0.01	\$19,935
MOSEL	129,631,600	0.02	\$22,971
PLYMOUTH	325,637,300	0.04	\$57,704
RHINE	334,344,100	0.04	\$59,247
RUSSELL	35,503,200	0.00	\$6,291
SCOTT	141,948,900	0.02	\$25,154
SHEBOYGAN	709,133,600	0.08	\$125,660
SHEBOYGAN FALLS	200,233,600	0.02	\$35,482
SHERMAN	138,609,500	0.02	\$24,562
WILSON	375,337,300	0.04	\$66,511
ADELL	34,924,500	0.00	\$6,189
CASCADE	38,961,700	0.00	\$6,904
CEDAR GROVE	136,673,600	0.02	\$24,219
ELKHART LAKE	277,790,400	0.03	\$49,225
GLENBEULAH	29,186,600	0.00	\$5,172
HOWARDS GROVE	225,854,600	0.03	\$40,022
KOHLER	404,614,200	0.05	\$71,699
OOSTBURG	169,630,500	0.02	\$30,059
RANDOM LAKE	139,127,700	0.02	\$24,654
WALDO	29,803,400	0.00	\$5,281
PLYMOUTH	606,956,500	0.07	\$107,554
SHEBOYGAN	2,326,529,000	0.27	\$412,266
SHEBOYGAN FALLS	570,678,200	0.07	\$101,125
COUNTY TOTAL	8,464,901,300	1.00	\$1,500,000

SHEBOYGAN COUNTY ORDINANCE NO. 02 (2016/17)

Re: Enacting One-half Percent County Sales Tax to Maintain Sheboygan County's Transportation Infrastructure

WHEREAS, one of the greatest challenges to Sheboygan County government is to raise the revenues necessary to maintain the roads and bridges under County jurisdiction, and

WHEREAS, with 450 miles of County roads, each of which should be repaved approximately every 15 years, Sheboygan County needs to repave an average of 30 miles of the system each year in order to maintain the system to adequate contemporary standards, and

WHEREAS, even based on an average of \$3 million per year that the County currently devotes out of its capital borrowing and \$2 million in property tax levy for construction and paving, the County is currently only able to repave an average of 18 miles of road per year, thus falling further and further behind in addressing the maintenance needs for the County Road system, and

WHEREAS, if a County road is not repaved on a timely basis, the road will be subject to reconstruction costs which become significantly more expensive than timely repaving would have been, and

WHEREAS, in addition to the construction and paving of County roads, the County faces similar challenges with respect to maintaining bridges and town and state roads for which the County is responsible, and

WHEREAS, the problems that the County is facing to finance the required maintenance of its roads and bridges are also faced by the cities, villages, and towns in the County with respect to their transportation infrastructure as well, and

WHEREAS, Wis. Stat. § 77.70 allows counties to enact ordinances to raise revenues by imposing a county sales and use tax at the rate of one-half of one percent (0.5%), and

WHEREAS, 62 of the State's 72 counties have enacted county sales taxes, and

WHEREAS, a September 2015 Wisconsin Taxpayer Alliance publication estimated that if Sheboygan County had put a sales tax in place for all of 2014, it would have yielded approximately \$9.5 million in revenues for Sheboygan County, and

WHEREAS, from an analysis prepared for the Wisconsin Department of Tourism, it can be estimated that as much as \$1.7 million of an estimated \$9.5 million in annual sales tax income, or approximately 18% would be paid by tourists who come to Sheboygan County and who use the County's resources including the County Road system, and

WHEREAS, if Sheboygan County were to enact a county sales tax, the total state and county sales tax rate of five and one-half of one percent (5.5%) for Sheboygan County would still be less than the state rate alone in the neighboring states of Illinois, Indiana, Michigan, and Minnesota where many of Sheboygan County tourists are drawn from, and

WHEREAS, the enactment of a county sales tax will provide property tax relief for Sheboygan County residents by providing an alternate revenue source rather than raising property taxes, while at the same time providing property tax relief by furnishing revenues for County operations from non-resident spending that would otherwise have had to be provided by increasing the property tax rate, and

WHEREAS, in the absence of the enactment of a County sales tax, the County Board would have to borrow considerably more, significantly increase property taxes, or substantially reduce other government services in order to maintain the County's transportation infrastructure, and

WHEREAS, if Sheboygan County were to enact a sales tax and earmark the revenues for transportation spending, there would be a significant increase in revenue dedicated to address the ongoing transportation needs of the County a decrease on average of \$3 million from the County's annual bonding that has heretofore been used to pay for County transportation projects, and direct property tax relief as a result of less borrowing and therefore less debt service, and

WHEREAS, Sheboygan County recognizes the challenges for all municipalities in the County to repair and maintain their roads and would share revenue of \$1.5 Million in the first year of implementation and similar sums thereafter, and

WHEREAS, the enactment of a sales tax within these parameters would be consistent with the vision statement for Sheboygan County to be responsive, cost-effective, and fiscally responsible;

NOW, THEREFORE, the County Board of Supervisors of the County of Sheboygan does ordain as follows:

Section 1. **Creating Chapter 7.** Chapter 7 of the Sheboygan County Code of Ordinances is hereby created as follows:

**CHAPTER 7
COUNTY SALES AND USE TAX ORDINANCE**

- 7.01 **TITLE.** This Ordinance may be cited as the Sheboygan County Sales and Use Tax Ordinance.
- 7.02 **AUTHORITY.** This Ordinance is enacted under the authority of Subchapter V of Chapter 77 of the Wisconsin Statutes and acts amendatory thereto.
- 7.03 **DEFINITION.** As used in this Chapter, "sales and use tax" includes the excise tax referred to in Wis. Stat. § 77.71.
- 7.04 **PURPOSE OF ORDINANCE.** The purpose and goal of enacting this Ordinance is to utilize revenues from the County sales and use tax to reduce the property tax levy.
- 7.05 **COUNTY SALES AND USE TAX.** Pursuant to and in strict conformity with the provisions of Wis. Stat. ch. 77, Subchapter V, the County of Sheboygan does hereby elect to impose a County sales and use tax in the manner and to the extent permitted by Wis. Stat. ch. 77, Subchapter V.
- 7.06 **SALES AND USE TAX RATE.** The sales and use tax imposed by this Chapter shall be at the rate of one half of one percent (0.5%).
- 7.07 **EARMARKED REVENUES.** In order to assure the statutory goal of using sales and use tax revenues to reduce property taxes, as long as Sheboygan County receives revenues from this sales and use tax, all revenues derived therefrom shall be held in a segregated account. From that account, the revenues shall be designated for use for the following two purposes and no other:
- (1) The sum of \$1.5 Million in 2017 pursuant to Wis. Stat. § 77.76(3) will be available to be distributed in arrears to each of the cities, villages and towns ("Municipality") within Sheboygan County based on the respective equalized value as adjusted annually, in

relation to the total sum to be distributed. The amount to be distributed will be adjusted annually from \$1.5 Million based on the percentage that \$1.5 Million comprises in relation to the total county sales and use tax revenue received annually after the first full year of revenue collection in 2018. The terms and conditions of the distribution to each Municipality shall be set forth in a standard Intergovernmental Cooperative Agreement between the County and each Municipality. In order to receive the distribution, the Municipality shall agree to be bound by the terms of the Intergovernmental Cooperative Agreement with the County, the terms of which shall be annually reviewed and approved by resolution by the County Board. In the event that the Municipality declines to be so bound, the sums that would otherwise be allocated to that Municipality shall be utilized by the County's Transportation Department. In the event that the Municipality does not act in accordance with the terms of an intergovernmental cooperative agreement, the County Board in its sole discretion may decline to offer any sums to that Municipality in the following year and the sums that would otherwise have been allocated to that Municipality shall be utilized by the County's Transportation Department.

- (2) The balance shall be assigned as revenue to the Transportation Department Highway Division in its annual budgets, for its use for maintaining and improving its transportation system and capital equipment.

7.08 HIGHWAY CAPITAL BORROWING. In consideration of receiving the sales and use tax revenues, no annual budget of the Transportation Department Highway Division shall include bonding capital projects or capital equipment related to road and bridge repairs, maintenance, or road and bridge reconstruction unless authorized by the County Board.

7.09 REPORTS FROM FINANCE DIRECTOR.

- (1) The Finance Director shall provide to the Finance Committee a report of all revenue received through the imposition of the sales and use tax since the previous reporting period. This report shall be given on a monthly basis or within thirty (30) days of such time as the Finance Director receives the information from the WI Department of Revenue.
- (2) The Finance Director shall provide a report to the Finance Committee no later than July 31 of each year analyzing the revenues derived hereunder.
- (3) After providing the report as described in (2) above and after consulting with the Finance Committee and the County Administrator, the Finance Director or County Administrator shall provide a similar report to the County Board at each August County Board meeting.

7.10 SEVEN-YEAR REVIEW. After January 1, 2024, at which time the sales and use tax will have been in place for seven (7) years, the County Administrator, together with the Finance Director and the Transportation

Director, shall prepare a report to the County Board as to the amount of revenue received through the tax since its inception, the amount of debt service reduction realized since its inception, the impact that the tax revenue has had on the stated goal to maintain the County transportation system, the projected future transportation infrastructure needs after 2024, and such other aspects as may be deemed relevant. The report shall contain a recommendation as to whether this Chapter shall be continued and be presented to the County Board no later than June 1, 2024, so that the Board may act on the report's recommendations as it determines may be appropriate for implementation prior to the enactment of the budget for 2025.

- 7.11 CONFORMITY TO STATE LAWS. It is the express intent of the County of Sheboygan that the construction, administration, and application of this Ordinance to all persons in all situations shall conform to the laws of the State of Wisconsin in all ways and it shall be so construed, applied, and administered.
- 7.12 EFFECTIVE DATE. This Ordinance shall become effective as of the first day of January 2017 in the manner provided for by law.

Section 2. **Delivery to Department of Revenue.** The County Clerk is hereby directed to deliver a certified copy of this Ordinance to the Secretary of Revenue at least one hundred twenty (120) days prior to January 1, 2017.

Respectfully submitted this 21st day of June, 2016.

TRANSPORTATION COMMITTEE

Jacob Van Dixhorn
Jacob Van Dixhorn, Chairperson

Roger Te Stroete
Roger Te Stroete, Vice-Chairperson

James P. Glavan
James P. Glavan, Secretary

Richard C. Bemis
Richard C. Bemis

Al Bosman
Al Bosman

Opposed to Introduction:

ENACTED 07.19.2016