

Press Release

Brown County Taxpayers Association

May 11, 2017

For immediate release

Information: Rich Heidel (920) 655-3107

Brown County Taxpayers Association urges County Leaders to delay the vote on a County Sales Tax.

In a letter today to the Brown County Board and Executive, The Brown County Taxpayers Association (BCTA) urged the officials to delay the vote on a County sales tax. "The proposed financing plan is being advanced at a dangerously rapid speed and we oppose any Brown County Board vote – yea or nay – at the May 17th meeting" urged Association President, Rich Heidel. He went on to state, "Our group understands and concurs with the need to replace the existing Arena. Of far more concern to us is the proposed method of financing for that project and the other eight (8) projects being advanced. Holding a vote 15 days after being formally presented at the State of the County address simply does not allow sufficient time for proper debate and vetting."

The current proposal calls for \$147 million dollars in sales tax revenue with an associated \$21 million dollars in property tax reduction. That represents \$126 million in new taxes to fund the Arena and eight other County projects. The BCTA questioned whether that even meets the legal requirements of Wisconsin's statute for county sales taxes. Their letter also included a number of other unanswered questions that should be part of the debate. "This 'ready, shoot, aim' approach isn't the hallmark of a county government that has earned the Moody's Rating of Aaa, which Brown County has achieved." noted Heidel.

Following is the complete letter:



The Brown County Taxpayers Association
P.O. Box 684
Green Bay, WI 54305-0684
On the web: bctaxpayers.org

May 10, 2017

Brown County Supervisor:

Regarding the active discussion concerning the Brown County Memorial Veterans Arena (the “Arena”) replacement and financing plan, the Brown County Taxpayers Association position at this time is that the proposed financing plan is being advanced at a dangerously rapid speed **and we oppose any Brown County Board vote – yea or nay – at its May 17th meeting.** Such a vote would come merely 15 days after being formally presented at the State of the County address. Eight (8) public hearings on this issue scheduled over just the next seven days simply does not allow sufficient time for proper debate and vetting.

With all of the commercial and governmental entities articulating their positions on the current proposal for replacing the Arena and the funding of that project along with a raft of other significant projects, we take very seriously our role as the advocate for the individual Brown County taxpayer. This proposal represents \$126 million in new taxes, as noted below.

The Association understands and concurs with the need to replace the existing Arena. Of far more concern to us is the proposed method of financing that project and the other eight (8) projects being advanced – any one of which would need to stand on its own legs for proper vetting by the appropriate Brown County Board committee and eventual County Board scrutiny and vote.

Examples of a number of unanswered questions are the following:

- What happens if the other six (6) municipalities, that must commit to applying their room tax revenues to the Arena replacement, don’t do so?
- Can the current Board absolutely obligate future Boards to not extending the 72-month sales tax or to no property tax rate hike?
- Why can’t the room tax be increased to cover a \$15M gap in financing the Arena replacement?
- What happens to the proposed monies for, say, the jail, mental health, or library branch upgrades, if they don’t survive eventual Board votes?
- How many of these projects have been adequately scoped and estimated? For example, if, as County Executive Streckenbach stated in his address, the Public Works Department has developed a five-year plan to bring all of Brown County

Roads and bridges into a Pacer Rating of good to excellent and is still on schedule, how is it that \$60M must now be proposed for road and facility Infrastructure? Has the Planning, Development, and Transportation Committee vetted this proposed amount? What is its basis? This is just one example of, what we believe to be, inadequate planning and public review.

- Does the County Executive's proposal conform to Wisconsin state statutes? The relevant State statute reads, in part: "The county sales and use taxes may be imposed only for the purpose of directly reducing the property tax levy and only in their entirety as provided in this subchapter." (Wis stats 77.70; emphasis added) The County Executive's proposal imposes over 20 million dollars per year in new sales taxes, yet the indicated reduction in property tax levy is trickled in over six years and only reaches 5.9 million dollars in the final year. Over the six year period, sales taxes are estimated at 147 million dollars. Property tax levy reduction over that same period of time appears, by the Executive's own documents, to total about 21 million dollars. That is 126 million dollars in new taxes. Is the County Board convinced that, given the language of the statutes, this proposal conforms to the statutes and would survive a court challenge?

These are just a few questions which, we believe, need to be satisfactorily answered before you can articulate your position and prudentially vote.

It's noteworthy to observe that bonding on any one of these individual projects would normally require 3/4 majority (20 votes) standing on its own merits. Yet, you're being asked to provide a simple majority approval on a package valued at \$147M in the aggregate, with very little public debate. This "ready, shoot, aim" approach isn't the hallmark of a county government that has earned the Moody's Rating of Aaa, which Brown County has achieved.

We encourage you to put off a vote on this plan at your May 17th County Board meeting until such time that all questions have been considered and properly answered. Indeed, this question may be most effectively answered by public referendum.

We thank you for your consideration.

On behalf of the Brown County Taxpayers Association,

A handwritten signature in black ink, appearing to read "Richard R. Heidel". The signature is written in a cursive, flowing style.

Richard R. Heidel
President