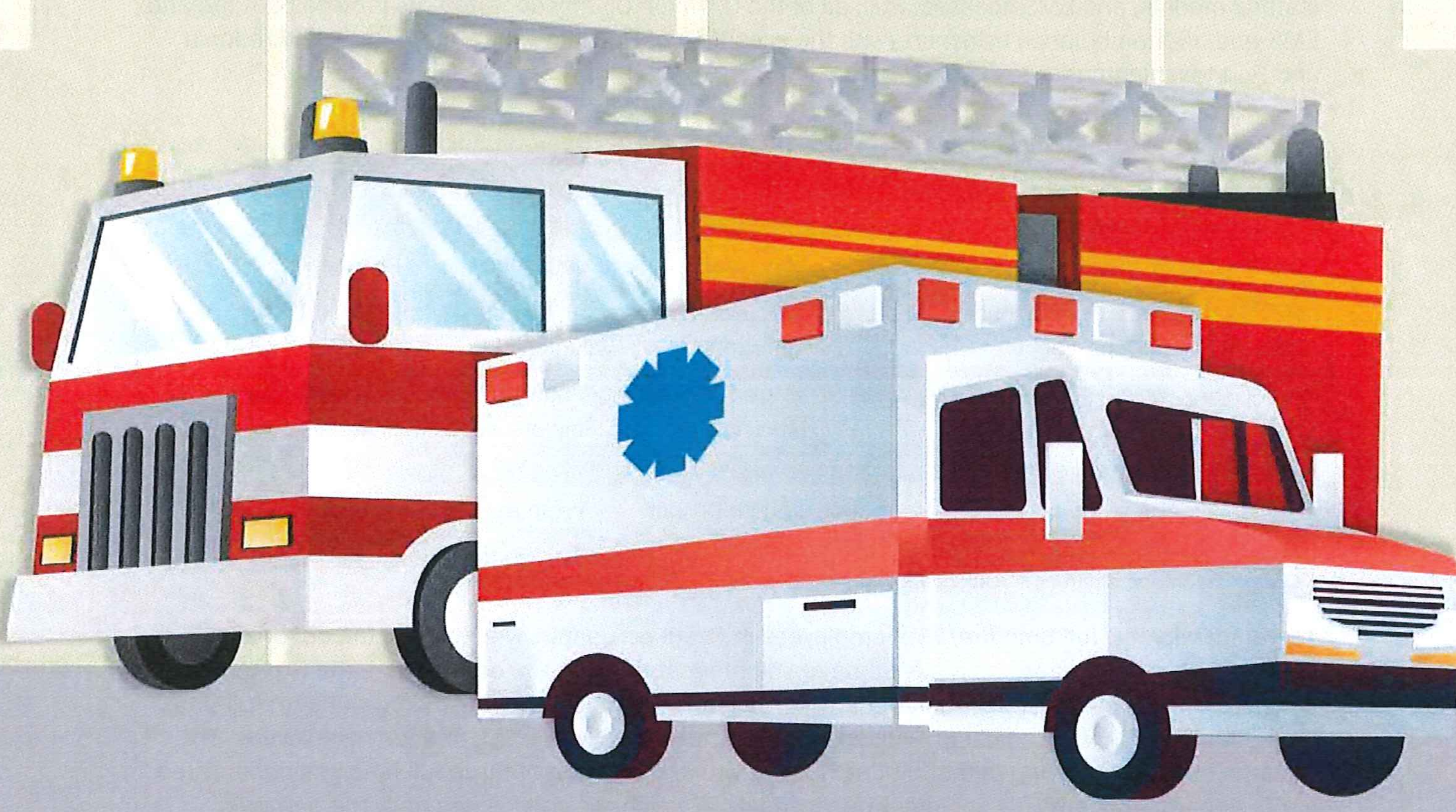
REPORT BRIEF

FIRST RESPONSE

Addressing fire and emergency medical service challenges in Ozaukee County



WISCONSIN POLICY FORUM

As part of the metro Milwaukee region and home to several burgeoning suburbs, many might assume that Ozaukee County is served by robust fire and emergency medical services (EMS) that rival those of neighboring Milwaukee or Waukesha counties. A closer look, however, reveals that is not the case. Relying largely on part-time paid and unpaid volunteers, the fire and rescue departments that serve Ozaukee County all take a comparatively bare-boned and inexpensive approach. That approach has been a justifiable source of community pride and has generally served the communities well over time, but it is now showing severe signs of distress.

In this report, at the behest of Ozaukee County's municipal leaders, the Wisconsin Policy Forum explores options that Ozaukee County's municipal governments may wish to consider to collaboratively respond to their growing fire and EMS service delivery challenges. The analysis was conducted with the input and cooperation of administrators and fire chiefs from each of the participating departments. Its purpose was not to recommend a specific strategy and implementation plan, but instead to develop a range of potential collaborative approaches.

Overview of Departments

Ozaukee County is served by nine fire departments that are dispersed geographically throughout the county. As shown in the table below, there are differences among the nine in terms of governance, staffing models, and EMS licenses. Still, all of the Ozaukee County departments provide both fire and EMS and offer ambulance transport (with the exception of Belgium, which contracts with Fredonia and Port Washington for transport).

Summary of Ozaukee County fire department characteristics

Name	Type	Staffing Model	ALS License
Mequon Fire Department	Municipal	Paid-on-call	Paramedic
Grafton Fire Department	Municipal	Combination	Paramedic
Port Washington Fire Department	Municipal	Paid-on-call	Paramedic
Cedarburg Fire Department*	Municipal	Volunteer/POC	AEMT
Thiensville Fire Department	Municipal	Paid-on-call	Paramedic
Saukville Fire Department	Municipal	Paid-on-call	AEMT
Fredonia Fire Department	Municipal	Paid-on-call	AEMT
Belgium Fire Department	Independent District	Volunteer	EMR
Waubeka Fire Department	Independent District	Volunteer	AEMT

* Cedarburg only pays part-time responders for ambulance transports but not for other calls.

There are very few full-time fire/EMS employees in Ozaukee County, with each of the departments instead making extensive use of part-time or volunteer staff. Only one department, the Grafton FD, could be considered a combination department, meaning that it staffs its station with both full-time firefighter/emergency medical technicians (EMTs) and paid-on-call (POC) or hourly employees. The Mequon FD also is moving to that model in 2021 with the addition of three full-time positions. Three of the departments are true volunteer departments in which the chief is generally the only paid employee.

EMS calls account for 80% of total calls in Ozaukee County. As shown in the table, the Mequon, Port Washington, and Grafton departments have the highest activity levels. Call volumes are growing in most jurisdictions, with increases exceeding 30% in Fredonia, Port Washington, Saukville, and Grafton. **This growth in calls for service is an important development that merits consideration by policymakers.**

Calls for service trends, 2015 to 2019

	2015	2019	% Change
Mequon Fire Department	1,917	2,323	21.2%
Grafton Fire Department	1,131	1,471	30.1%
Port Washington Fire Department	1,334	1,748	31.0%
Cedarburg Fire Department	1,045	1,162	13.1%
Thiensville Fire Department	677	777	14.8%
Saukville Fire Department	378	506	33.9%
Fredonia Fire Department	284	381	34.2%
Belgium Fire Department	190	229	20.5%
Waubeka Fire Department	103	98	-4.9%
Total	**7,059**	**8,695**	**23.5%**

An important aspect of response is whether and to what extent departments maintain staff who are stationed physically at the fire house and ready to immediately respond to a call. These ready-to-respond staff can be full-time, salaried employees or part-time staff who are paid at an hourly rate to be on site during a specified shift (the latter are known as paid-on premise or POP employees). Shift staffing can be in place 24/7 or only for daytime hours, when call volumes are higher.

Differences in call volumes help explain the range of different staffing models across jurisdictions. In areas with fewer than two or three calls per day, there may not be a financial justification for having fire or rescue crews available to respond from stations on a 24/7 basis. Consequently, assuming sufficient POC staff can be recruited and retained, a POC model may be appropriate.

The adjacent table breaks down each department's paid staffing (using fill-time equivalents, or FTEs) and shows the important variations in use of shift staffing versus POC staff. [1] Four of the departments have regularly scheduled shifts at their stations, although only Grafton and Mequon have true 24/7 shifts. Port Washington seeks but is not always able to staff a full-time paramedic and supplements that with a POP shift from 6 am to 6 pm. Fredonia has one full-time EMT at its station.

Paid staffing breakdown by department

	Chief/Admin	Shift FTE	POC FTE	Total FTE
Mequon Fire Department	3.00	7.29	18.52	28.82
Grafton Fire Department	2.50	4.41	8.14	15.04
Port Washington Fire Department	1.31	6.44	3.40	11.15
Cedarburg Fire Department	1.90	1.50	1.47	4.87
Thiensville Fire Department	2.01	0.00	3.40	5.42
Saukville Fire Department	0.50	0.00	5.52	6.02
Fredonia Fire Department	0.00	1.00	1.39	2.39
Belgium Fire Department	0.00	0.00	0.00	NA
Waubeka Fire Department	0.00	0.00	0.00	NA
Total	**11.23**	**20.64**	**41.83**	**73.70**

[1] The table reflects 2019 actual staffing and budgets unless significant changes occurred since that time. In those cases, we updated FTE numbers to reflect actions taken in 2020 and 2021 budgets. Grafton and Thiensville calculations reflect 2020 budgets and Mequon and Cedarburg numbers are updated to reflect 2021 budgets. Also, volunteer hours worked in Waubeka, Belgium, Thiensville, and Cedarburg are not reflected as these are not "paid" FTE hours.

Response times are an important measure of service levels and are influenced significantly by staffing models. The table shows EMS average response times as provided by the nine departments. Given that Grafton and Mequon have at least some 24/7 shift staffing, it is not surprising that those two departments have the lowest turnout times[2] for EMS and fire calls. More rural departments, which rely on a general page and serve larger geographic areas, have longer turnout times. Travel time, meanwhile, is a reflection of station location and geographic service area.

EMS average response times

	EMS - Average Response Time in Minutes		
	Turnout time	Travel time	Total Response Time
Mequon Fire Department	4.00	5.50	9.50
Grafton Fire Department	3.00	4.00	7.00
Port Washington Fire Department	5.75	3.75	9.50
Cedarburg Fire Department	7.90	3.60	11.50
Thiensville Fire Department	5.19	3.51	8.70
Saukville Fire Department	7.95	4.80	12.75
Fredonia Fire Department*	6.1/6.3	2.3/5.8	8.4/12.1
Belgium Fire Department	5.87	3.03	8.90
Waubeka Fire Department	10.50	3.90	14.40

* For Fredonia, we show response times both for calls within the village and town of Fredonia (the first number) and for ambulance calls to which the department responds in Belgium.

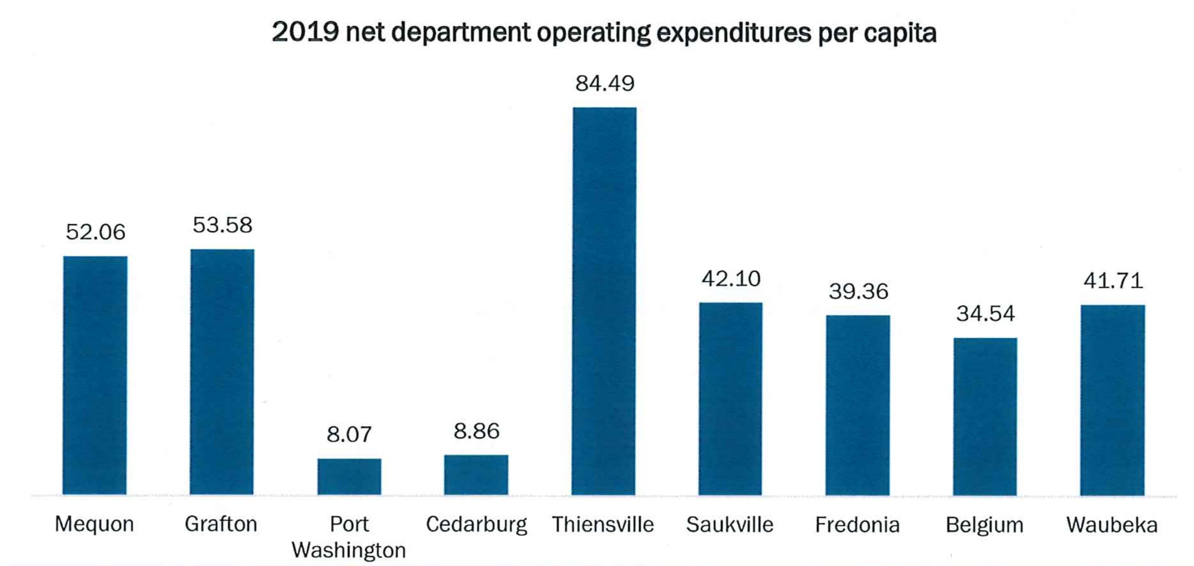
While readers may wish to gauge whether the response times for the Ozaukee County departments are satisfactory, it is difficult to opine on that question. Different staffing models, geographies, and service expectations among different fire departments makes it difficult to use response time comparisons or statewide or national standards to measure service quality. Nevertheless, **it is certainly worth noting that with the exception of Grafton, EMS response times for the Ozaukee County departments generally do not measure up well with statewide and national averages and/or standards.**

With regard to fire department budgets, there is wide variation between the Ozaukee County departments in the costs borne by taxpayers (see chart on following page). Some consistency does exist in the north between the departments in Waubeka, Belgium, Saukville, and Fredonia, which is linked to their similar staffing and response models. Similarly, Mequon and Grafton, the two departments that make greatest use of full-time staff, have similar net per capita spending levels. Overall, per capita fire and EMS spending levels in Ozaukee County are considerably lower than those we have seen in other counties where we have conducted fire and EMS service sharing studies, including Milwaukee, Racine, and La Crosse counties.

Key Challenges and Observations

There is no "right" or "wrong" fire department staffing and operational framework, and each of the models employed in Ozaukee County may be perfectly suited to a particular community based on the needs and expectations of its residents. In fact, the dedication of part-time and volunteer staff and the ability of several departments to sustain their operations through fundraising and other creative means is impressive.

[2] Turnout times represent the time between the receipt of a call and when a response is on the road.



Nevertheless, we identified some pressing issues that affect each of the participants and that may benefit from collective planning and coordination as departments seek to resolve them:

- **Calls for service are increasing** for all nine departments, which have added to the pressure on all departments to enhance staffing and response levels.

- At the same time that call volumes are growing, each department is **struggling to recruit and retain part-time or volunteer staff** and each has expressed serious concerns about the sustainability of a model that relies upon such staff going forward.

- While there is no precise standard for EMS responses times to equally apply to each of the nine departments, it is clear to us that **EMS response times in Ozaukee County merit improvement.**

- **Paramedic and overall staffing levels in Port Washington are particularly stretched thin**, which has negative ramifications for other departments given Port Washington's central location and its role in providing either primary or back-up advanced life support services to neighboring jurisdictions.

Most notably, **the departments' challenges during the final weeks of 2020 should serve as an urgent call to action for greater investment in full-time staff.** Paid-on-call staffing challenges were on full display as a surge in COVID-19 cases and the year-end holidays depleted rosters and rendered several departments unable to respond to service calls for extended periods of time.

When one department is unable to field a response, response times suffer as neighboring departments must pick up the slack. Meanwhile, those neighboring departments – which have invested sufficiently to ensure service interruptions do not occur in *their* communities – experience severe stress, with command and line staff often forced to work extended hours and juggle multiple calls from multiple jurisdictions. Overall, **this is an unsustainable situation that merits immediate consideration and action.**

Summary of options for change

We considered and broadly modeled a spectrum of service sharing and consolidation options that may allow the study participants to grapple with their challenges in a manner that would be less expensive and more effective than if they attempted to do so individually. None of these options are mutually exclusive, and they could be pursued progressively over time.

Tier 1: Near-Term Options

Option	Description
Paramedic Supplement	Four 24/7 paramedics stationed strategically across Ozaukee County to provide 24/7 response as a supplement to EMS response capability of existing departments; paramedics could be employed by health systems, the county, or a private contractor with the cost allocated to municipalities.
Add FT staff countywide	Provide a minimum of two full-time firefighter/EMS responders at several stations throughout the county to improve EMS response times, enhance mutual aid capacity, and decrease reliance on POC staff. This option would rely on a far more extensive and formalized approach to mutual aid that could include additional automatic aid agreements or "closest unit response."

Our first tier of options involves strategies the Ozaukee County departments could undertake collaboratively while **maintaining the independence of each department.** The first would strategically station four full-time paramedic interceptors across the county as a means of boosting paramedic response capacity county-wide; while the second envisions a collective effort to boost the number of full-time shifts at strategic station locations to ensure sufficient capacity when call volumes are high or POC staff are scarce. This option also anticipates a higher and more formalized level of mutual aid. Cost sharing negotiations would be required to implement these options, but implementation from a programmatic perspective could occur relatively quickly.

Tier 2: Partial Consolidation Options

Option	Description
Two-Way Consolidation	Two departments consolidate their operations as a means of sharing the cost of enhanced full-time staffing while also seeking administrative and apparatus efficiencies; a Grafton-Saukville hypothetical consolidation plan is presented for illustrative purposes.
Two Ozaukee County Departments	The nine departments consolidate into Northern Ozaukee County and Southern Ozaukee County departments as a means of moving toward full-time staffing while also securing the service-level benefits and efficiencies associated with large departments.

Our next tier of options involves two approaches to **partially consolidate the Ozaukee County fire departments.** These options would move the departments further in the direction of a full-time staffing model, while allowing costs to be shared among multiple communities. The first looks at the prospect of merging pairs of departments in Ozaukee County. We use Grafton and Saukville as a model since those two departments are currently sharing a chief. Our second partial consolidation option examines a hypothetical scenario in which the existing Ozaukee County departments merge into two departments – one that would cover the northern part of the county and the other the southern portion.

Our final tier of options presents two different models for a **single consolidated fire department to serve all of Ozaukee County**. The two models differ both in their ratio of full-time to part-time staff and the number of 24/7 shifts maintained at each station. The first model is designed to approximate the staffing model used by the North Shore Fire Department, while the second is a lower-priced approach that may more appropriately reflect Ozaukee County's call volumes and density.

A single consolidated department would perhaps best position Ozaukee County citizens and taxpayers to maximize the general benefits of consolidation. For example, the department's larger size might make it better able to recruit and retain high-quality staff; create a more efficient command and operational structure; and house a leaner fleet of vehicles. Conversely, because of the differences in demographics and service demands that exist in different parts of Ozaukee County's large geography, a "one size fits all" approach may not be optimal.

Tier 3: Full Consolidation Options

Option	Description
Higher-Price Staffing Model	Ozaukee County is served by a single consolidated department that uses mostly full-time firefighter/EMS responders to staff a combined 38 shifts on a 24/7 basis across eight of the county's 11 stations. The remaining three stations would be staffed with POC personnel.
Lower-Price Staffing Model	Ozaukee County is served by a single consolidated department that uses a combination of full-time and part-time firefighter/EMS responders to staff a combined 25 shifts on a 24/7 basis across seven of the county's 11 stations. The remaining four stations would be staffed with POC personnel.

Options Comparison

As summarized in the table below, each option would necessitate substantial additional taxpayer investment, which is not surprising given the relatively low level of investment that is currently occurring. However, while the price tags may be difficult for policymakers and citizens to swallow, they cannot be considered in a vacuum.

It is clear that *some* sizable increased investment is warranted to move toward full-time fire department staffing. This will be important not only to ensure that the service-level issues cited above are addressed, but also as a means of ensuring equity. Indeed, the current situation – in which certain departments that have invested more heavily are being asked to pick up slack for others – would appear to be unsustainable.

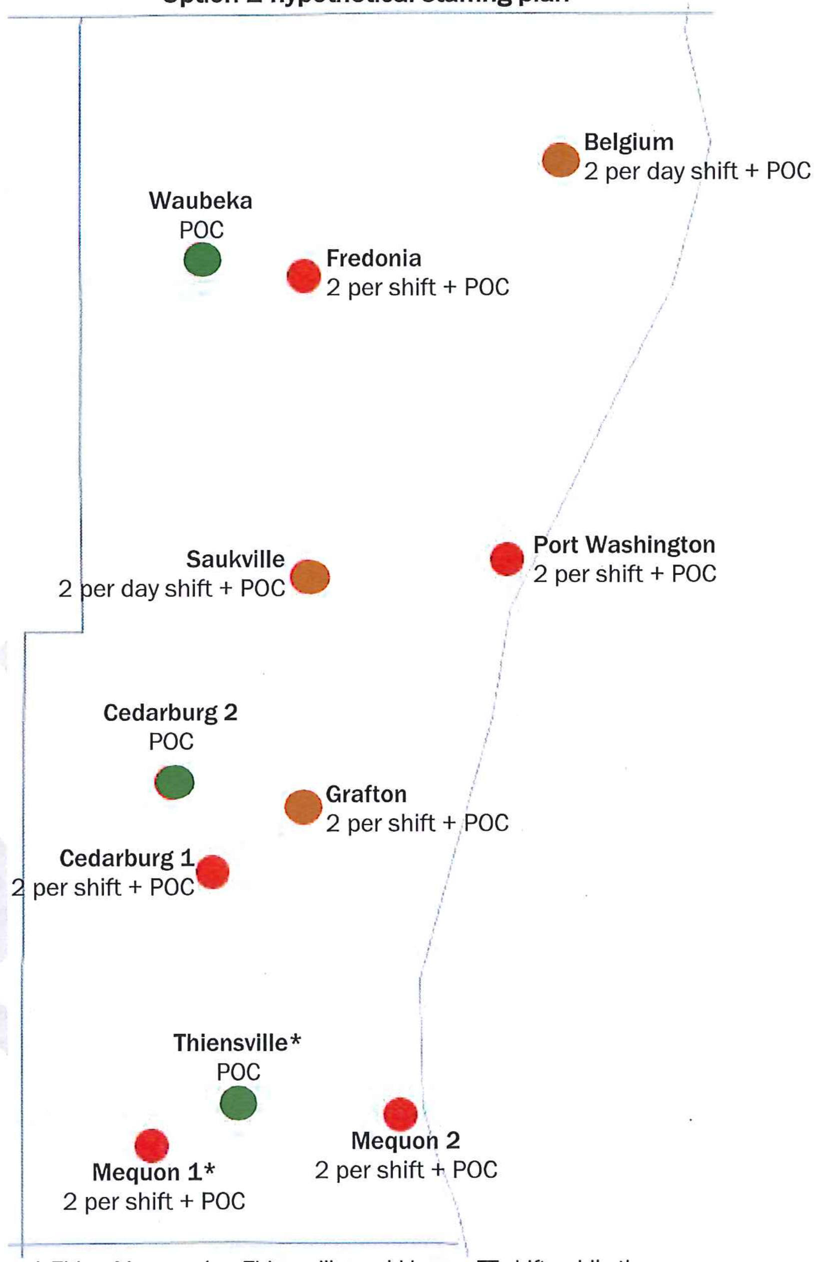
Fiscal impacts of six options

Consolidation Option	Total Expenditures	Addl. Net Expenditures	Per Capita Addl. Net Expenditures
Option 1 – Paramedic Supplement	$5,820,903	$1,449,307	$16.02
Option 2 – Enhanced FT Staffing	$7,083,146	$2,711,550	$29.98
Option 3 – Grafton-Saukville	$1,765,611	$741,718	$33.99
Option 4 – Northern & Southern Depts.	$9,321,404	$4,949,808	$54.73
Option 5 - Higher-Cost Consolidated	$12,227,538	$7,855,941	$86.86
Option 6 - Lower-Cost Consolidated	$8,192,202	$3,820,605	$42.24

The cost differential among the various options is largely attributed to the extent to which they would allow Ozaukee County to move toward 24/7 station staffing and reduce reliance on POC staff. For example, as shown on the adjacent map, the premise of Option 2 is to ensure a 24/7 onsite presence of at least two firefighter/paramedics or firefighter/EMTs at several stations throughout the county while maintaining the nine independent departments. This would ensure that a two-person crew would be available to immediately respond to an EMS call at multiple, geographically dispersed locations at any given time. Each department would continue to rely on POC staff to supplement the two individuals working on station shifts for fire response, as well as for some instances in which there are multiple EMS calls.

The consolidation models are more complicated because they would merge existing departments into larger departments that would require new governance and cost allocation structures. They assume a much higher level of full-time staffing similar to other large departments throughout Wisconsin.

Option 2 hypothetical staffing plan



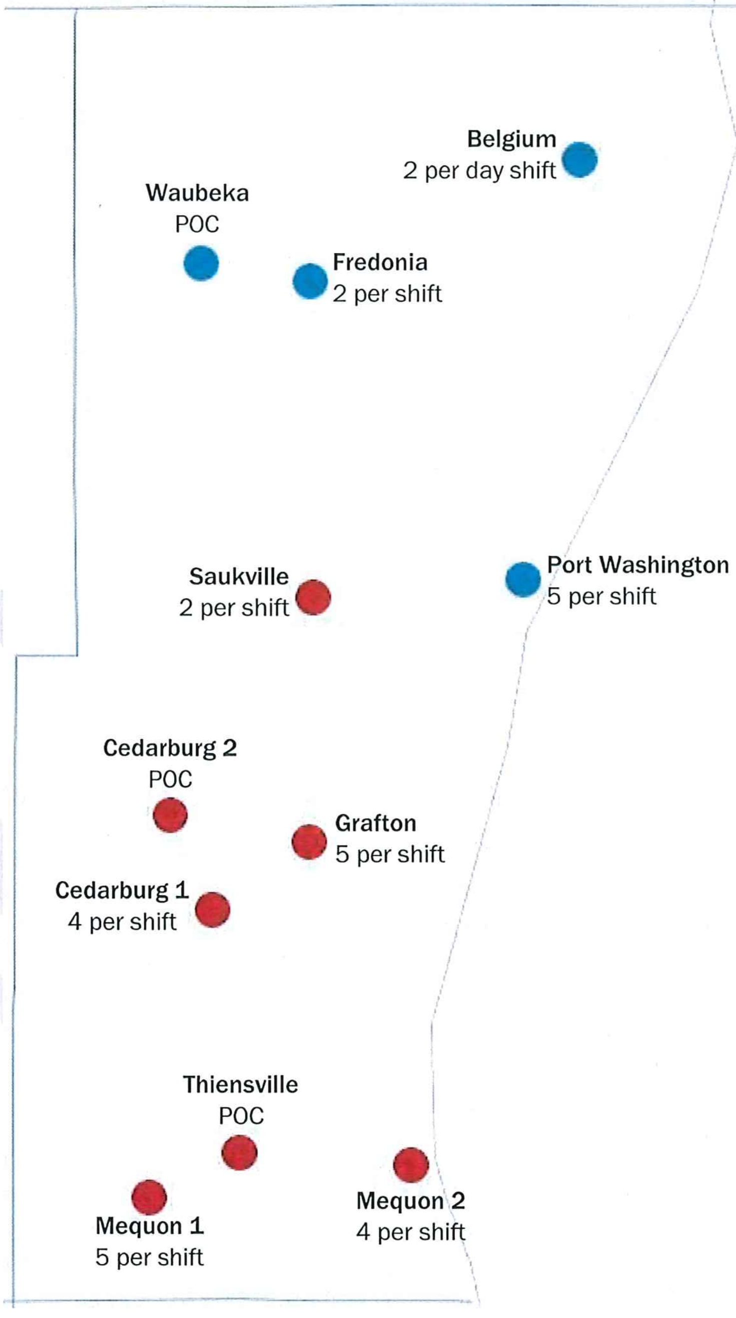
* Either Mequon 1 or Thiensville could house FT shifts while the other would use POC for fire response.

As shown on the map on the following page, our model in which the nine departments merge into two would have five individuals stationed on a 24/7 basis in Port Washington and two in Fredonia to anchor response in the northern part of the county. In the south, four or five firefighter/EMS responders would be at stations at all times in Grafton, Cedarburg 1, and both Mequon stations. An advantage of the two-department approach is the opportunity to design a service model for each half of the county that is more appropriately suited to their respective call volumes, demographics, and financial capacities.

Finally, our full consolidation models would provide the opportunity for even better coordination of staff resources and apparatus while providing a vastly enhanced level of service compared to the current state. Our lower-price full consolidation model would call for four or five individuals on shifts on a 24/7 basis at 5 of the 11 station locations and two on shifts during the daytime at two additional stations. This may represent a reasonable middle ground for policymakers who wish to explore the benefits of a single department consolidation option but also wish to maintain a balanced combination of full-time and part-time staff that is consistent with Ozaukee County's call volumes.

It is important to note that the substantial additional cost of the consolidation options is *not linked to the act of consolidating*. Instead, it reflects our premise that if consolidation is to occur, then that reflects (at least in part) a sentiment by elected leaders that they need to substantially enhance staffing and service quality. While that entails extra cost, the cost likely would be lower than if the same pursuit occurs by each department independently.

Option 4 hypothetical shift staffing plan (North department stations in blue and South department stations in red)



For example, our lower-price full consolidation model would reduce the number of apparatus housed throughout the county from 82 to 56. Also, the larger departments under either our two-department or single department consolidation models would enhance staff recruitment and retention by establishing expanded pay scales and career ladders; reduce the need for overtime to cover for vacation and sick leave by allowing commanders to easily shift staff among multiple stations; and enhance service effectiveness by allowing leaders to strategically deploy staff and apparatus on a regional level. A larger department also could produce greater capacity to engage in proactive efforts to reduce call volumes, such as use of community paramedicine and enhanced fire/EMS education and prevention.

Conclusion

Our analysis of fire and EMS service sharing and consolidation opportunities in Ozaukee County finds that while the nine fire departments maintain strong working relationships that help plug some service gaps, they also face severe challenges that promise to intensify over time. In fact, **those challenges are now sufficiently acute to justify immediate investment in service and staffing enhancements**, which would be most effective and efficient if made as part of broad-based, systemic collaboration.

The crux of the problem is as follows:

- At a time when EMS calls for service are increasing, **most departments have limited rosters of paid-on-call and volunteer responders and are having great difficulty recruiting new part-time firefighters and EMTs**. In addition, while Ozaukee County departments have a high ratio of paramedics to other licensed EMS responders, the available capacity of paramedics is limited. These staffing challenges pose a particular problem during daytime hours, at times when there are multiple EMS calls within the same or neighboring jurisdictions, and in the case of multi-alarm fires or other major incidents.

- **EMS response times are below the standards one might expect in a largely suburban service area, which similarly stems from the departments' heavy reliance on POC responders**. Perhaps most alarming – given the impact on response times – is the frequency with which some departments must rely on mutual aid for EMS response because staffing challenges preclude them from assembling sufficient staff to respond on their own. This challenge became particularly acute in the final weeks of 2020, when a surge of COVID-19 cases combined with typical holiday shortages to put several departments out of service for extended periods.

To address these challenges, we present three tiers of increasingly comprehensive options that policymakers could pursue to improve service levels and response times. The less advanced options would maintain the independence of the nine existing departments as well as existing response patterns, which may be preferable to some given the different needs and service expectations of smaller and larger communities within the county. Yet, while maintaining local control, these options would not provide the same level of service improvement and would fail to take advantage of some of the natural efficiencies that flow from consolidation.

We acknowledge that the price tags associated with our broad options may be difficult for policymakers and citizens to swallow. However, if advanced options are deemed too expensive for now, then the less advanced options – perhaps phased in over several budgets – would allow the communities to start slowly and build toward more comprehensive collaborative approaches. A slower approach may also be necessary given the possible restrictions to enhanced fire and EMS spending that may be posed by state property tax levy limits and expenditure restraints, which may require legislative action to address.

Overall, we hope this analysis sheds light on Ozaukee County's fire and EMS challenges and the need to respond both swiftly and thoughtfully. Going forward, we would be pleased to support any efforts to implement the policy options cited in this report or otherwise assist the region in pursuing greater intergovernmental cooperation.

WISCONSIN STATE REPRESENTATIVE
Deb Andraca
23RD ASSEMBLY DISTRICT BAYSIDE FOX POINT GRAFTON MEQUON THIENSVILLE WHITEFISH BAY

TO: Village of Thiensville Board of Trustees

FR: State Representative Deb Andraca

RE: Legislative Update

DATE: May 3, 2021

Thank you for the opportunity to present a brief legislative update from Madison, where budget season is in full swing. It is an honor to be your representative in Madison, and I look forward to working with you on your budget priorities.

State Budget

On Feb. 16, Governor Tony Evers announced his $91 billion Badger Bounceback Budget. Late last week, co-chairs of the Joint Finance Committee announced they planned to eliminate many of Governor Evers' policy and budget items and present a close-to-new budget proposal. A budget is a document that reflects our state's common values, so it is important to make your voice heard about what parts of the state budget are important to you.

As proposed, The Wisconsin Towns Association calls the budget "local government friendly," and the Wisconsin Counties Association says the budget '"recognizes that counties are critical to delivering local programs and services." While budgets over the past decade have done a very good job bringing the state's fiscal house in order, we also must recognize the hard work our municipalities are doing to compensate for increasingly large state funding shortfalls.

I am pleased to see the Governor's proposal recognizing that local governments have been doing more with less for far too long. I welcome all opportunities to learn more about what budget proposals are particularly important to the 23rd Assembly District.

Budget Highlights:

- 2% increase in 2021 and 2% increase in 2022 in shared revenue
- 2% general transportation aids increase each year of biennium
- 2.5% increase in general transit aids
- 10-year renewal of Knowles Nelson Stewardship program
- $12.7 m full funding of county conservation staffing and cost sharing grants
- $10 million increased funding for local health departments

District-Specific Asks:

- $5m funding for Great Lakes Erosion Control loan program/ information site
- $375,000 GPR in each year for additional crisis intervention training for local law enforcement crisis intervention training (CIT)

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Make Yourself Heard: Joint Finance Committee

The Joint Finance Committee has just concluded a series of hearings across the state, and we are expecting the committee's budget recommendations in the next few weeks. There is a web portal where you may submit written comments to the committee until this Friday, May 8. You can find the link at this web address: www.legis.wisconsin.gov/topics/budgetcomments or you can send comments to budget.comments@legis.wisconsin.gov. Members of the JFC can also be reached directly at their legislative offices, a list of committee members can be found here: https://docs.legis.wisconsin.gov/2021/committees/joint/2293

Legislative Fiscal Bureau Analysis

On April 19th the LFB presented its analysis of property tax estimates for Governor Evers' proposed budget, including significant changes for school districts, municipalities and counties. Overall, according to LFB the average homeowner would see a tax increase of $22 in 2021 and $63 in 2022, however "while the total net tax bill on a median-valued home is expected to increase in each year, the net tax bill as a percentage of the value of the home will decrease." A copy of the report is attached. We expect a similar report for the JFC budget proposal and will share with anyone who is interested when it is available.

Federal Funds

Even further complicating the spending picture is the $65.1 billion American Rescue Plan Act (ARPA) signed March 11, 2021. Wisconsin is set to receive about $5.7 billion under the latest federal pandemic stimulus, with $3.2 billion earmarked for state government. The remainder of the funds will go to local governments and non-governmental programs, including $308,908 designated for the Village of Thiensville from the Local Fiscal Recovery Fund (LFRF).

Detailed plans have not been released, but Governor Evers has said he plans to spend roughly:

- $600 million on supporting small businesses,
- $500 million on continued pandemic response,
- $200 million on infrastructure (including broadband)
- $50 million on aid for the Wisconsin tourism industry

While we are still waiting on specific guidance from the US Treasury for guidance on much of the funds, some of the spending that is allowable under Federal guidelines includes:

1. Assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel and hospitality, but NOT limited to these activities
2. Provide government services to the extent of the reduction in revenue due to the public health emergency
3. Investments in water, sewer, or broadband
4. Funding for transportation or cargo
5. Pay for essential workers during the COVID-19 public health emergency

Federal funds may not be used for:

1. Tax cuts
2. Pension funds

Wisconsin has already received about $2 billion in the first federal coronavirus aid bill, also known as the CARES Act, last spring. The state received more than $1 billion more under the second federal COVID-19 aid bill, which was approved in December. About $2 billion has been spent on things such as personal protective equipment for health care workers, testing lab supplies, contact tracing, rental assistance and grants to small businesses, farmers and child care providers.

Legislative Fiscal Bureau
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April 19, 2021

TO: Members
Wisconsin Legislature

FROM: Bob Lang, Director

SUBJECT: Property Tax Estimates Under the Governor's Budget Bill

This memorandum provides an estimate of the effects of Assembly Bill 68 and Senate Bill 111 (the Governor's 2021-23 biennial budget bill) on property taxes. This memorandum also updates the property tax estimates for the 2020(21) tax year based on reports filed with the Department of Revenue (DOR) by local governments.

For school districts, the Governor's budget bill (AB 68/SB 111) would make several changes that would affect the statewide school levies, including: (a) providing a revenue limit per pupil adjustment of $200 in 2021-22 and $204 in 2022-23; and (b) increasing the low revenue adjustment under revenue limits from $10,000 per pupil in 2020-21 to $10,250 per pupil in 2021-22 and $10,500 per pupil in 2022-23. The bill would also specify that for the purpose of calculating a school district's revenue limit for the 2021-22, 2022-23, and 2023-24 school years, the number of pupils enrolled in the district in the 2020-21 school year is the sum of (a) the greater of the number of pupils enrolled in the district's September enrollment count in the 2019-20 school year or in the 2020-21 school year; and (b) the greater of 40% of the district's summer enrollment in the 2019-20 school year or in the 2020-21 school year. These changes would provide an estimated increase in statewide revenue limit authority of $175 million in 2021-22 and $335 million in 2022-23, which would be offset by a funding increase for general school aids of $221 million in 2021-22 and $391 million in 2022-23.

Technical college districts have been subject to a revenue limit since the 2014 tax levy. Under the limit, each district cannot increase revenue in any year by a percentage greater than its valuation factor, defined as the greater of 0% or the percentage change in the district's equalized value due to net new construction in the district in the prior year. For purposes of the limit, revenue is defined as the sum of the district's tax levy, its personal property aid payment, and its property tax relief aid, which is the district's share of the $406 million aid payment to technical college districts that was created by 2013 Wisconsin Act 145. The bill would change the technical college districts revenue limits so that a district would not be allowed to exceed its revenue in the previous school year by the greater of 2% or the percentage change in its equalized value due to net new construction. This

provision would increase technical college levies by an estimated $3.3 million in 2021(22) and $5.5 million in 2022(23).

For municipalities and counties, AB 68/SB 111 would make several modifications to the county and municipal levy limit program. Under the current law limit, initial levy increases for each municipality and county are based on the greater of 0%, or the percentage change in each jurisdiction's tax base due to net new construction that occurred in the jurisdiction during the prior year. AB 68/SB 111 would make these primary changes to the levy limit program:

1. Change the definition of "valuation factor" so that the minimum allowable percentage change to county and municipal levies would be 2% rather than 0%. Current law prohibits counties and municipalities from increasing their levies by a percentage that exceeds their valuation factor. The "valuation factor" is currently defined as a percentage change equal to the greater of either the percentage change in a county or municipality's January 1 equalized value due to net new construction, or 0%.

2. Repeal the negative levy limit adjustment for fees for covered services. Current law requires counties and municipalities to reduce their allowable levies by an amount equal to the estimated fee revenues received in lieu of property taxes for providing a covered service that was funded with the property tax levy in 2013. A "covered service" is defined to mean garbage collection, fire protection, snow plowing, street sweeping, or storm water management, although some specific exceptions exist. Under this provision, counties and municipalities that receive new or additional annual fee revenues for covered services, which were previously funded from their levy, would no longer be required to reduce their allowable levies by the estimated annual fee revenues.

3. Repeal the negative levy limit adjustment for services transferred to another local government. Current law requires counties and municipalities to reduce their allowable levy after transferring the responsibility for providing a service to another unit of government, by an amount equal to the cost that the county or municipality would have incurred if it had continued to provide the transferred service.

AB 68/SB 111 would also create two limited exclusions to the levy limit for costs related to new or enhanced transit services across adjacent county or municipal borders, as well as for amounts levied to pay for a county or municipality's share of a regional planning commission. These exclusions are not expected to have a measurable effect on county and municipal levies.

Increasing the minimum allowable levy increase to 2% would increase municipal levies by an estimated $20.8 million in 2021(22) and $22.2 million in 2022(23). This provision would also increase estimated county levies by $12.5 million in 2021(22) and $12.8 million in 2022(23). Repealing the negative adjustment for fees for covered services would increase municipal levies by an estimated $0.7 million in each year, but would have no effect on county levies. Finally, repealing the negative adjustment for services transferred to another unit of local government would increase municipal levies by an estimated $0.1 million in each year, but would have no estimated effect on county levies in the biennium. These estimates are based on adjustments made since 2014.

AB 68/SB 111 would make several changes to funding for school district categorical aid, county and municipal aid (shared revenue), general transportation aid for counties and municipalities, and state general aid for technical college districts. However, due to the way the local fiscal controls are structured, these funding changes are not estimated to have a measurable effect on the tax levies of school districts, counties, municipalities, or technical college districts.

Based on reports filed with DOR, gross property tax levies are estimated to total $11,968.5 million on a statewide basis for 2020(21). This represents a 3.0% increase relative to the 2019(20) statewide total of $11,618.2 million. After applying state property tax credits, net property tax levies in 2020(21) are estimated to be $10,647.4 million, an increase of 3.8% compared to the 2019(20) total of $10,262.1 million. Under AB 68/SB 111, gross property tax levies would increase on a statewide basis by an estimated 2.1% in 2021(22) and by an estimated 2.2% in 2022(23), while net property tax levies would increase on a statewide basis by an estimated 2.1% in 2021(22) and by an estimated 2.6% in 2022(23). The following table reports these amounts by type of taxing jurisdiction.

Under current law, for 2021(22) and 2022(23), gross levies are estimated to increase by 1.0% and 1.7% for school districts, by 3.0% and 3.2% for technical college districts, by 3.1% in each year for municipalities, and by 2.2% in each year for counties. Statewide 2021(22) levies under AB 68/SB 111 are estimated to increase by 0.2% and 1.5% for school districts, by 3.7% and 3.6% for technical college districts, by 3.8% and 3.1% for municipalities, and by 2.8% and 2.2% for counties.

The table also shows estimates of the impact of various tax amounts on the median-valued home taxed at the statewide average tax rate. Home value estimates are based on the values reported by the American Community Survey (ACS), which is an annual survey carried out by the US Census Bureau. The median home value is projected to increase by 4.3% in 2021 and 3.0% in 2022. Comparatively, total statewide equalized values are projected to increase by 5.4% in 2021 and 4.0% in 2022.

Since total equalized values are expected to increase faster than the median home value, the estimated property tax change on a median-valued home is less than the estimated rate of change of statewide tax levies. Under the bill, statewide net levies are estimated to increase by 2.1% in 2021(22) and by 2.6% in 2022(23). In comparison, the estimated net tax bill on a median-valued home is estimated to increase by 0.7% in 2021(22) and by 1.9% in 2022(23). Net tax bills are estimated at $3,337 for 2021(22) and $3,400 for 2022(23) under AB 68/SB 111, compared to $3,341 for 2021(22) and $3,408 for 2022(23) under current law.

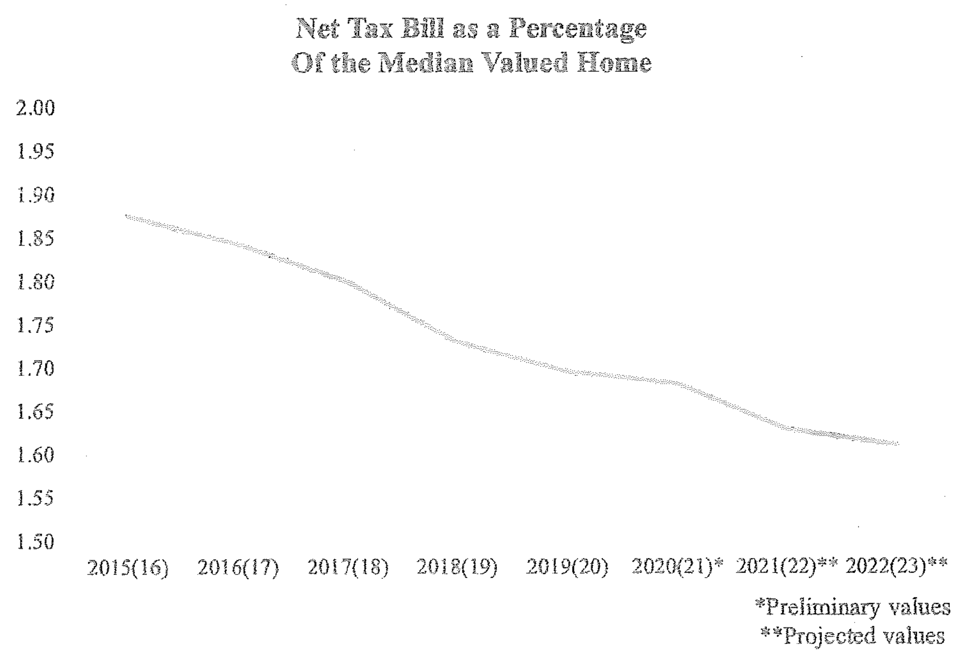
The Governor's proposals related to school levies would have the greatest effect on the tax bill in the biennium. These provisions would result in estimated reductions to the gross school tax on the median-valued home of $15 in 2020(21) and $18 in 2021(22), before applying property tax credits in those years.

Property Tax Estimates Under AB 68/SB 111

	Final	Preliminary Estimates	Estimates Based on Provisions in the Governor's Budget	
	2019(20)	2020(21)	2021(22)	2022(23)
Tax Levies (In Millions)				
Municipalities	$3,020.0	$3,109.2	$3,227.4	$3,328.4
Counties	2,280.8	2,327.8	2,391.8	2,444.8
School Districts	5,209.4	5,379.8	5,390.0	5,470.0
Technical College Districts	471.2	486.5	504.3	522.5
Tax Increment Districts	519.3	545.5	590.0	604.7
Special Purpose Districts	117.5	119.6	121.7	123.9
Gross Property Tax Levies	$11,618.2	$11,968.5	$12,225.3	$12,494.3
Change to Prior Year		350.2	256.8	269.0
Net Property Tax Levies	10,262.1	10,647.4	10,874.1	11,159.8
Change to Prior Year		385.3	226.6	285.7
Percent Change				
Municipalities		3.0%	3.8%	3.1%
Counties		2.1	2.8	2.2
School Districts		3.3	0.2	1.5
Technical College Districts		3.3	3.7	3.6
Tax Increment Districts		5.1	8.2	2.5
Special Purpose Districts		1.8	1.8	1.8
Gross Property Tax Levies		3.0%	2.1%	2.2%
Net Property Tax Levies		3.8	2.1	2.6
Tax Bill Estimate -- Current Law				
Median-Valued Home	$188,500	$197,200	$205,600	$211,800
Tax Bill Estimate	3,195	3,315	3,341	3,408
Change Over Prior Year				
-Amount		$120	$26	$67
-Percent		3.8%	0.8%	2.0%
Tax Bill Estimate -- AB 68/SB 111				
Median-Valued Home	$188,500	$197,200	$205,600	$211,800
Tax Bill Estimate	3,195	3,315	3,337	3,400
Change Over Prior Year				
-Amount		$120	$22	$63
-Percent		3.8%	0.7%	1.9%
Change Over Current Law				
-Amount			-$4	-$8
-Percent			-0.1%	-0.2%

The figures in the table are estimates for the state as a whole. The tax impacts on individual municipalities would vary considerably from these figures.

While the total net tax bill on a median-valued home is expected to increase in each year, the net tax bill as a percentage of the value of the home will decrease. In 2020(21), the net tax bill is estimated to be 1.7% of the home value. In both 2021(22) and 2022(23), the net tax bill is estimated to be 1.6% of the home value, both under the bill and under current law. The figure below reports the net tax bill as a percentage of the median home value since 2015(16).



BL/NA/lb

April 29, 2021

To: Village Trustees
CC: Colleen Landisch-Hansen
Andy Lafond

Re: Parking in the business district

Trustees:

With the recent approval process of the cheel rebuild centering around the availability of parking in the B1 business district and the Village in general, it is clear to me that the issue of parking is one that we all need to work together to solve. While it makes sense to have the businesses "have skin in the game" when it comes to providing parking for their customers, it is an issue that can be more effectively managed if all work together. Providing adequate parking in town the Village is good for our businesses and residents. It helps maintain and grow Thiensville as a destination for living, working, shopping, eating and leisure activities.

I believe there are several things that we can do to help. Some are longer term and require a larger capital project. But I feel there are several ways for us to proceed in a near term, cost effective manner.

Firstly, we can provide highly visible signs that direct people to the public parking areas. A sign with a large "P" is universally used. It is easy to spot from your vehicle.

Secondly, we can provide good lighting of the signs and the parking areas, and encourage business owners as well as the village to make sure parking lot striping is visible.

Thirdly, the Village currently owns properties that can be utilized to increase public parking capacity. The benefit of this is that this is a lower cost to the Village and taxpayers. These include:

- Village Park - This lot can be expanded to add approximately 40 spots. This would be a great benefit to any events in the park as well as helping lessen the burden of parking on Green Bay Rd. For example, when Shully's has an event, think of the impact reducing the number of cars parking on Green Bay Rd. and nearby up to 40 would be for glaze, Skippy's, Remington's and others in the area. Increased parking in the park would complement the recent and ongoing improvements to the park. This would be accomplished by extending the parking area closer to Elm Street.

- Buntrock lot - This could be expanded to add approximately 18 - 20 spots. An accommodation could be made to the existing tenant while still providing the increase.

- Smaller Lots - According to Village staff There are also possible opportunities for smaller parking lots and additional public parking in areas such as spring street and other currently privately controlled parcels

While these items could be worked on, a longer-term project would be to have conversations with the railroad and We Energies regarding their properties. Having public parking available in the rear of the Main Street facing buildings would help to maintain the esthetic of the Village.

I believe that working together is in the best interests of our residents and businesses. Together we can accomplish far more than any entity can do on their own.

I, and the Thiensville Business Association welcome the opportunity to be of assistance in this matter.

I appreciate your consideration.

Best,

Rob

Rob Kos
Executive Director
Thiensville Business Association

Notify by 6/16/2021 (last chance special board 6/17)

ADDENDUM A: INITIAL LEASE

RECEIVED
SEP - 3 2015
BY: ....

Mueller Lease Agreement

This Commercial Lease Agreement ("Lease") is made and effective this 17th day of August, 20 15, by and between the Village of Thiensville, a Wisconsin Municipal Corporation ("Landlord") and Greg Mueller Upholstery, a sole proprietorship, located at 121 S. Main Street, Village of Thiensville, Ozaukee County, Wisconsin ("Tenant").

Landlord makes available for lease a portion of the parking lot as shown in Certified Survey map #3693, (the "Leased Premises")

Landlord desires to lease the Leased Premises to Tenant, and Tenant desires to lease the Leased Premises from Landlord for the term, at the rental and upon the covenants, conditions and provisions herein set forth,

THEREFORE, in consideration of the mutual promises herein contained and other good and valuable consideration, it is agreed:

1. Term.

A. Landlord hereby leases the Leased Premises to Tenant, and Tenant hereby leases the same from Landlord, for an "Initial Term" beginning 9-21-2015 and ending 9-20-2016.

B. This lease shall continue in effect from year to year thereafter unless written notice of termination is given by either party to the other at least sixty (60) days prior to the expiration of this lease or the end of any year of continuation.

2. Rental.

A. Tenant shall pay to Landlord during the Initial Term rental of $400.00 per year. Each installment payment shall be due in advance on the first day of each calendar year during the lease term to Landlord at 250 Elm Street, Thiensville, Wisconsin 53092 or at such other place designated by written notice from Landlord or Tenant. A grace period of 10 days is allowed for late payments, after which any overdue payments bear interest of an annual rate of ten percent (10%). The rental payment amount for any partial calendar years included in the lease term shall be prorated on a monthly basis.

B. The rental for any renewal lease term, if created as permitted under this Lease, shall be $400.00 per year, plus a increase calculated by multiplying the rental amount with the consumer price Index rate as of the date of the renewal.

3. Use

Tenant may use the premises as a parking lot.

4. Sublease and Assignment.

Tenant shall have the right, without Landlord's consent, to assign this Lease to a corporation with which Tenant may merge or consolidate, to any subsidiary of Tenant, to any corporation under common control with Tenant, or to a purchaser of substantially all of Tenant's assets. Except as set forth above, Tenant shall not sublease all or any part of the Leased Premises, or assign this Lease in whole or in part without Landlord's consent, such consent not to be unreasonably withheld or delayed.

5. **Property Taxes**.

Tenant shall pay, prior to delinquency, all installments of special assessments coming due during the Lease term on the Leased Premises. Tenant shall be responsible for paying all personal property taxes with respect to Tenant's personal property at the Leased Premises.

6. **Insurance**.

A. If the Leased Premises is damaged by fire or other casualty resulting from any act or negligence of Tenant or any of Tenant's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and Tenant shall be responsible for the costs of repair not covered by insurance.

B. Tenant shall be responsible, at its expense, for fire and extended coverage insurance on all of its personal property, including removable trade fixtures, located in the Leased Premises.

C. Tenant shall maintain a policy or policies of comprehensive general liability insurance with respect to the tenants activities on the leased premises with the premiums thereon fully paid on or before due date, issued by and binding upon some insurance company approved by Landlord, such insurance to afford minimum protection of not less than $1,000,000 combined single limit coverage of bodily injury, property damage or combination thereof. Landlord shall be listed as an additional insured on Tenant's policy or policies of comprehensive general liability insurance, and Tenant shall provide Landlord with current Certificates of Insurance evidencing Tenant's compliance with this Paragraph. Tenant shall obtain the agreement of Tenant's insurers to notify Landlord that a policy is due to expire at least (10) days prior to such expiration.

7. **Entry**.

Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises.

8. **Default**.

If default shall at any time be made by Tenant in the payment of rent when due to Landlord as herein provided, and if said default shall continue for fifteen (15) days after written notice thereof shall have been given to Tenant by Landlord, or if default shall be made in any of the other covenants or conditions to be kept, observed and performed by Tenant, and such default shall continue for thirty (30) days after notice thereof in writing to Tenant by Landlord without correction thereof then having been commenced and thereafter diligently prosecuted, Landlord may declare the term of this Lease ended and terminated by giving Tenant written notice of such intention, and if possession of the Leased Premises is not surrendered, Landlord may reenter said premises. Landlord shall have, in addition to the remedy above provided, any other right or remedy available to Landlord on account of any Tenant default, either in law or equity. Landlord shall use reasonable efforts to mitigate its damages.

9. **Condemnation**.

If any legally constituted authority condemns the land or such part thereof which shall make the Leased Premises unsuitable for leasing, this Lease shall cease when the public authority takes possession, and Landlord and Tenant shall account for rental as of that date. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

10. <u>Notice</u>.

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Landlord to:

Village Administrator, Village of Thiensville

250 Elm Street

Thiensville, WI 53092

If to Tenant to:

Greg Mueller Upholstery

121 S. Main Street

Thiensville, WI 53092

Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

11. <u>Brokers</u>.

Tenant represents that Tenant was not shown the Premises by any real estate broker or agent and that Tenant has not otherwise engaged in any activity which could form the basis for a claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with this Lease.

12. <u>Waiver</u>.

No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

13. <u>Memorandum of Lease</u>.

The parties hereto contemplate that this Lease should not and shall not be filed for record, but in lieu thereof, at the request of either party, Landlord and Tenant shall execute a Memorandum of Lease to be recorded for the purpose of giving record notice of the appropriate provisions of this Lease.

14. <u>Successors</u>.

The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns.

15. **Consent.**

Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

16. **Compliance with Law.**

Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

17. **Final Agreement.**

This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

18. **Governing Law.**

This Agreement shall be governed, construed and interpreted by, through and under the Laws of the State of Wisconsin.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

LANDLORD:

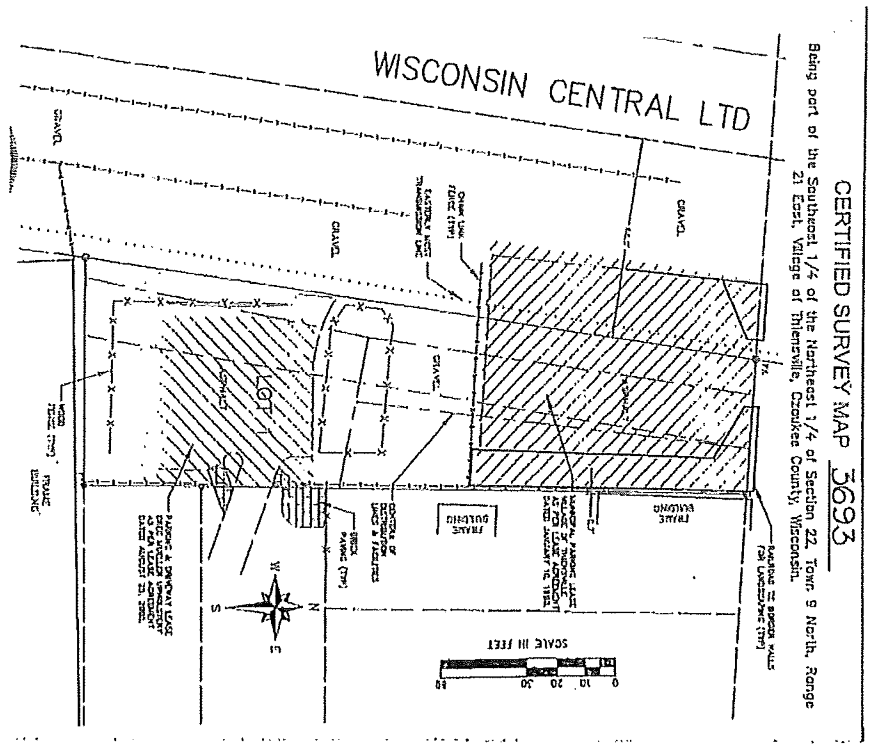
By: Van G. Mobley
Van Mobley, Village President

ATTEST:

By: Dianne S. Robertson
Dianne Robertson, Village Clerk/Administrator

TENANT:

Greg Mueller
Greg Mueller


CERTIFIED SURVEY MAP 3693
Being part of the Southeast 1/4 of the Northeast 1/4 of Section 22, Town 9 North, Range 21 East, Village of Thiensville, Ozaukee County, Wisconsin.
WISCONSIN CENTRAL LTD
GRAVEL
GRAVEL
GRAVEL
GRAVEL
LOT 1
ASPHALT
FRAME BUILDING
FRAME BUILDING
FRAME BUILDING
SCALE IN FEET
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LEASE MODIFICATION AGREEMENT FOR MUELLER LEASE

THIS LEASE MODIFICATION AGREEMENT is made and entered into this 15th day of June, 2020, by and between **Village of Thiensville,** a Wisconsin municipal corporation, hereinafter referred to as "Landlord," **Greg Mueller Upholstery**, a sole proprietorship, hereinafter collectively referred to as "Tenant" modify a lease executed on August 17th, 2015 which was extended by agreement until September 20, 2020 ("Lease Agreement") by Landlord and Tenant. Landlord, Tenant may be collectively referred to as the "Parties."

RECITALS

WHEREAS, Landlord and Tenant entered into the Initial Lease Agreement dated August 17, 2015 wherein Landlord leased to Tenant parking space located near 121 S. Main St., Village of Thiensville which was subsequently extended and modified by adding Michael Koepke as a sublessee;

WHEREAS, Landlord and Tenant desire to modify and extend the Lease agreement subject to the removal of Michael Koepke as a sublessee and an indemnification and a hold harmless agreement from Tenant for any claims of Michael Koepke related to its sublease and/or its termination;

WHEREAS, Landlord desires to terminate its consent of Michael Koepke's sublease due to costly complications relating thereto and has provided sixty (60) days' notice to Michael Koepke.

NOW, THEREFORE, for and in consideration of the duties, covenants and obligations of each to the other hereunder, the Premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree to modify the Initial Lease, as follows:

1. The Parties agree to extend the terms pursuant to Article 1 ("Term") on a year-to-year tenancy.

2. The Parties agree to terminate and remove Michael Koepke as a sublessee under the prior Lease Modification.

3. Tenant agrees to hold harmless and indemnify Landlord from any claims made by Michael Koepke, or his assigns, agents, heirs or invitees as a result of his prior sublease of the premises and/or the termination thereof.

4. Subject to the Modifications contained herein, the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Lease Modification Agreement to be executed as of the date first written above.

Landlord:

Village of Thiensville

Van C Mobley

Van Mobley, Village President

Attest:

Amy L Langlois

Amy Langlois, Village Clerk

Tenant:

Greg Mueller Upholstery

Greg Mueller

Greg Mueller, Sole Proprietor