

SOME HISTORY ABOUT THE WASHINGTON COUNTY – WC HISTORICAL SOCIETY RELATIONSHIP

Documents of interest:

- County Board Resolution 15-91-92 (Study future use of Old Courthouse)
- County Board Resolution 39-91-92 (Concept approval of historical use)
- County Board Resolution 43-92-93 (Restoration, commitment to general concept)
- Old Courthouse Construction Agreement (6/23/1993)
- WCHS, Inc. – Washington County Lease (6/23/1993)
- WCHS, Inc. – 1993 Operational Grant Agreement (6/23/1993)
- Old Washington County Courthouse Museum Development Project Report (1995)

This report is a review of the history of agreements made by Washington County in the development of the Old Courthouse Museum through a public – private partnership. Though this ambitious project has depended on the high degree of common interests of the two parties, this report is specifically written from the vantage point of the County. I leave it to the Washington County Historical Society and their supporters to express any reflections on the relationship as they now see it.

First, It's the Building

Until the East Washington Street Courthouse and jail were built in the early 1960's, county government operated from the Old Courthouse and Jail on that historic square. When that move took place, the County Board made decisions about what to do with the buildings left behind. The Old Courthouse was used as an office building (i.e. Annex I) for county programs, most notably the Department of Social Services. It was generally accepted that the Old Courthouse would be preserved for future generations in some fashion, even limiting the extent of office construction to not change the fundamental features of the Courtroom and other aspects of the historic building. The County invited the Washington County Historical Society, a small association of dedicated volunteers, to make use of the Old Jail as a place to meet and gather historic artifacts. There was no rent charged and no county funding of operations for this group. The County owned the land and buildings and funded care and maintenance of the properties.

Times changed and the Old Courthouse was no longer an acceptable place to serve as an office building for human service programs, especially with respect to handicapped access and parking. The Public Agency Center was built in the early 1990's, the Department of Social Services moved there, and the future of the Old Courthouse was open for discussion. This beautiful and historic building was one of the most important landmarks in Washington County, a treasure to be preserved; on that there was overwhelming agreement. But what could the building be used for in the years ahead? A logical option was to invite the expanding WC Historical Society to move from the Old Jail to the Old Courthouse, but with an increasing role and new responsibilities. The Historical Society and its supporters stepped up to the challenge.

At the urging of the County and with our legal direction, the WC Historical Society was incorporated as a Wisconsin nonprofit corporation. This put the Society in the position to conduct private fund raising for the renovations that would be required to make the building ready as a public museum site. The major remodeling and renovation of 1993-94 included construction of a stair tower and elevator on the south side of the building; installation of new heating ventilation and air conditioning systems; and general building construction. With the understanding that the Society would have use of the building for a historic museum, the Society and County agreed to undertake the construction projects, with up to fifty percent of the capital costs to be County funded, at least the other half covered by funds privately raised by the Society. The plan worked. Many volunteer hours were donated by WCHS supporters during the remodeling and restoration efforts. Nearly two million dollars of improvements were made to the Old Courthouse, with private donations funding half of the cost. This level of support was made possible by the non-profit (tax deductible) status of WCHS. It is unlikely that donations directly to the county to improve a county owned building would have reached this level.

Operations and Agreements

In the period between the Social Services Department move to the Public Agency Center and the implementation of museum operations by a private historical society, the county assigned part-time county staff to be on duty for public access to the historic site and its artifacts. The County Board decided that a contract with a private, non-profit organization was a better approach for operating the Old Courthouse Museum than the addition of county employees. A consultant was retained to develop a plan for WCHS operations as well as to assist with fund raising for the capital improvements. Legal agreements were prepared and executed to set the terms and conditions of the building improvements, building lease, and museum operations.

At the heart of the agreements was the idea that the Old Courthouse Museum would be roughly a 50-50 partnership between the County and the Historical Society. Since the County owned the building and would have been required to maintain it regardless of its public use, it was agreed that the County would be responsible for the actual, annual costs of building operation, repair and maintenance. The parties were uncertain what the costs of program operations would be for a historical museum in the Old Courthouse, so emphasized the use of the annual county budget process in the Operations Agreement. The WCHS would present a request for county funding support at the time and in the format requested according to the annual budget process set by the County. The Society further agreed that it would fund at least 50% of its Old Courthouse annual operating budget from the funds that it raised through memberships, donations, grants, and user charges. The understanding was that the combination of private and county funds would be at a level sufficient to operate a viable historical museum, consistent with the representations made to the private donors at the time that the 1990's era building improvements were made.

Funding History

For nearly twenty years both the Historical Society and the County have kept our promises. The full cost of buildings has been funded by the County, remaining fairly constant with year to year variations over the years. For example the building costs in 1998 were \$208,393; in the 2011 budget they are planned at \$204,926. The County has been largely responsible for improvements made to the Old Jail, the Old Courthouse, and the grounds, though private donations have supplemented the county funding on multiple projects. The Historical Society has operated a museum and supplied 50% or more of the operating costs. The County has made an annual grant of operations for every year since 1999, with an increasing level of support proportional to the increased programming developed by WCHS until the recession of 2008-09 caused a reduction in 2010. The Agreements do not specify a definite amount that the County must contribute to operations, though the target of near 50% of the annual budget has always been the intended goal. Fundamental to all the agreements is the idea that county funding is an essential part of making it possible to operate a viable historical museum in the Old Courthouse.

Information on year by year operational funding provided by the County is included on page 5.

Alternate Uses for the Old Courthouse?

The preservation of our area history is a worthy purpose, but it competes with other more pressing needs of the citizens-taxpayers. The County funds the WCHS because of the partnership and agreements that developed over fifty years and the funding commitments that have been made year by year. The County also funds WCHS to preserve the Old Courthouse and make it available for the public to experience and enjoy. If future funding for the Society is in question, the current County Board needs to ask if it has another purpose in mind for the Old Courthouse. If Supervisors have a new suggestion, these should be identified and evaluated. If the County continues to support the preservation of the Old Courthouse through a partnership with the WCHS, then we need to jointly examine how this plan can be continued through the current economic challenges, which make both private and public funding for museum operations more difficult than was expected.

Funding Stability

Pending any re-examination of the building uses, the assumption is that we will continue the Agreements and work out a better understanding of how to re-establish funding stability in this next era. The WCHS has made it clear that they need funds from the County to support annual operations of the Old Courthouse Museum. Besides the money, they need commitments of the County's funding intentions, so that they can plan appropriately for the level of staffing and funding that will be possible through our combined efforts. For a number of years, the Historical Society developed a budget and challenged the County to increase funding to reach the targeted 50% level of support. This has resulted in a reasonable level of stability for the Society, even though funds have been limited. Through the last two budget cycles, proposals have been debated by Supervisors which would have withdrawn county funds down to 45% (2011) or even 35% (2010). The County needs to clarify our intentions.

Two approaches to reestablish trust and predictability could be based on dollars, or on percent of operations costs. The County could target a specific funding amount that it proposes for 2012, and then ask the Society to come back with a recommendation of how it would operate at that level of County support. Once the consequences of the funding level are known, both parties could decide whether to confirm the budget or consider an alternative funding level. If the process is productive, it would be helpful to extend the intended funding plan to 2013 and 2014. For example, the County could...

- (a) freeze 2012-14 funding at the current \$152,000 level;
- (b) reduce by 5% in 2012 and then freeze at that level for two more years (i.e. \$144,400); or
- (c) gradually restore funding to the 2010 level in steps over the next three years (e.g. \$152,000 then \$156,000 then \$160,000).

Percentages could also be used to make the next three years more predictable for both the Historical Society and the County. From the beginning of the current agreements, the 50% level has been an upper limit (“ceiling”) for county operational support. We have operated without a lower limit (“floor”) for county support so far; in 2010 the county supplied 47% of the operating budget.

For example, the County could set a floor of 45%, retaining the ceiling of 50%. This would maintain the incentive for the Historical Society to continue private fund-raising, but assure them that the county would “match” their private funds at least on the 45-55 ratio. To earn County support at least at the \$152,000 level again for 2012, WCHS would need to privately raise just over \$185,000 for operations.

Whatever the direction recommended by the Education & Culture Committee, I encourage the planning to proceed now for 2012-2014, so that that both the County and the Historical Society have mutually agreed expectations before the annual budget cycle for 2012 is underway. This partnership is intended for the long-term. Our task is to figure out how to keep it going through these tough economic times.

Doug Johnson, Administrative Coordinator
December 28, 2010

TABLE 1 – County Funding for WC Historical Society Operations

1995	\$ 27,481
1996	27,481
1997	--
1998	--
1999	33,500
2000	33,500
2001	50,000
2002	61,000
2003	101,000
2004	132,000
2005	163,000
2006	163,000
2007	163,000
2008	175,000
2009	175,000
2010	160,000
2011	152,000