Village of Mukwonago
Notice of Meeting and Agenda

SPECIAL VILLAGE BOARD MEETING
Wednesday, August 5, 2020

Time: **6:30 pm**
Place: **Mukwonago Municipal Building, 440 River Crest Ct., Mukwonago, WI 53149**

1. Call To Order

2. Roll Call

3. New Business

3.1 Discussion and action to approve **Resolution 2020-34** a Resolution to create and appoint an Ad Hoc Small Business Grant Committee for review of the small business grant applications.
RESOLUTION 2020-34 (ad hoc small business grant committee)

3.2 Discussion and possible action on a request from Resident Colleen Farmer regarding an appeal under Wis. Stats. 70.57 (1b) to ask the Department of Revenue to make a correction to its determination of equalized value prior to publishing its final report.
Request to the DOR for review and correction of Econ Change in EV.pdf
Econ Changes Comparison
Legal Counsel Memo 072920
Legal Counsel Memo DOR.Eqlzd.Val.Assmnt.7.30.20

4. Closed Session
Closed session pursuant to **Wis. Stats.§ 19.85(1)(e)** (Deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session) for consideration of the terms for acquisition of 301 Main Street and the terms of an assignment of the Village's offer to purchase for 301 Main Street, and pursuant to **Wis. Stats.§ 19.85(1)(c)** (Compensation and Evaluation. Considering employment, promotion, compensation or performance evaluation data of any public employee subject to the jurisdiction or authority of governing body.) concerning
the Village Planner resignation.

5. Open Session
Motion to reconvene into open session pursuant to Wis. Stats. §19.85(2) for possible discussion and/or action concerning any matter discussed in closed session

6. Adjournment

It is possible that a quorum of, members of other governmental bodies of the municipality may be in attendance at the above stated meeting to gather information. No action will be taken by any governmental body at the above stated meeting other than the governmental body specifically referred to above in this notice. Please note, upon reasonable notice, efforts will be made to accommodate the needs of individuals with disabilities through appropriate aids and services. For additional information or to request this service, contact the Municipal Clerk's Office, (262) 363-6420.

RESOLUTION 2020-34

RESOLUTION CREATING AN AD HOC SMALL BUSINESS GRANT COMMITTEE

WHEREAS, Citizens Bank has pledged funds in conjunction with the Village of Mukwonago for a small business grant program, and

WHEREAS, the program requires an application, and (5) member review committee which consists of (2) Village Trustees, (2) Elected Officials, (2) Village Staff, and (1) Village Business Owner who is ineligible for the SBG, and

WHERAS, this committee is required to be appointed by the Village President of the Village of Mukwonago to review these applications, and make determinations of the awards.

NOW, THEREFORE, BE IT RESOLVED this committee shall expire upon completion of all awards and reporting required by each grant.

NOW, THEREFORE, BE IT FURTHER RESOLVED by the Village Board of the Village of Mukwonago, Wisconsin the following members are appointed to this AD HOC Small Business Grant Committee:

Village Trustee – John Meiners
Village Trustee – Daniel Adler
Village Staff – Wayne Castle
Village Staff – Lissa Berndt
Business Member – Mark Greene

Passed and dated this 5th day of August 2020.

VILLAGE OF MUKWONAGO

By: ______________________________
Fred Winchowky, Village President

Attest: ______________________________
Diana Dykstra, Village Clerk

From:	Colleen Farmer
To:	Village President; John Weidl
Cc:	Diana Doherty; Diana Dykstra; Jacqueline Jordan; Mike Kroll
Subject:	Request to the DOR for review and correction of Econ Change in EV
Date:	Tuesday, July 21, 2020 3:48:04 PM

Dear Fred and John,

The Walworth County, V. Mukwonago homeowners would like the Village Board to request that the Department of Revenue, Equalization Section make a correction in what we believe is an error in the "economic changes" for 2019 before their final report is released on August 15, 2020. In our opinion, there should not be a 5% difference in economic changes between two counties that lay in one municipality, based on one sale for the year. We believe there should be uniformity, fairness and equality between the two counties. Our hope is that the DOR can review their data and make the necessary corrections without having to file a formal appeal.

Would the Board also please ask the DOR, Equalization Section to review the 2016 data and see if they can make any corrections to the disparity in "economic changes" in equalized values between Walworth and Waukesha counties, V. Mukwonago for that year as well.

Finally, I would like the Village Board to ask the DOR, Equalization Section to help advise, provide data and guidance in trying to enact legislation to place an annual cap in economic increases on municipalities located in multiple counties unless there is sufficient sales data.

Thank you for your support and help in the matter.

Respectfully,

Colleen Farmer
1445 Applewood Cir
Mukwonago, WI 53149
262-363-3611 home
262-470-9856 cell

% Change in Economic Changes and Totals in Equalized Values

Residential % Econ change	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
V. Mukwonago, Walworth	12	0	10	1	-6	-2	-5	0	-4	2	3	8	3	8	4	
V. Mukwonago, Waukesha			10	1	-6	-3	-2	-4	-6	3	3	4	2	7	-1	
Town of East Troy			3	10	-9	0	1	-8	-5	1	4	3	2	4	0	
Total % change in EV																
V. Muwonago, Walworth	40	121	23	111	4	-47	27	17	11	6	8	24	9	12	70	
V. Muwonago, Waukesha			13	-8	3	-2	0	-1	-6	5	3	8	4	5	4	
Town of East Troy			3	11	-8	2	0	-7	-4	2	4	4	-1	6	1	

LAW OFFICES OF

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July 29, 2020

Via Email (ddykstra@villageofmukwonago.com)
Ms. Diana Dykstra
Village of Mukwonago Finance Director
440 River Crest Court
Mukwonago, WI 53149

Via Email (jweidl@villageofmukwonago.com)
Mr. John Weidl
Village of Mukwonago Administrator
440 River Crest Court
Mukwonago, WI 53149

Re: Colleen Farmer Request for Revisions to the DOR Determination of Equalized Value

Dear Diana and John:

Enclosed with this letter is a memo from Matt Gralinski of our office responding to the request from John Weidl for information regarding the steps which the Village would be able to take in response to the request from Ms. Farmer that the DOR make corrections to its annual determination for equalized value. As you can see, Matt concludes that there is a process under Wis. Stats. §70.57 to allow for this to occur. However, in order to do so, we would have to identify the clerical, arithmetic, transpositional or similar error in the Department's determination of equalized value, and show said error resulted in an overvaluation or undervaluation of the property located in the Village. That would need to be done no later than August 7th of this year. Therefore, time would be of the essence in preparing a request to DOR and identifying the aforementioned grounds to support the request. I would suggest this matter be placed on the Village's Special Village Board Agenda for August 4, 2020 if the Board wishes to take this up.

As Matt indicates, I would point out there is authority to make a request to DOR; however, I am not certain if the current facts would support any change of DOR's assessed value determination.

Thank you for your consideration of these comments.

Sincerely,

HIPPENMEYER, REILLY, BLUM,
SCHMITZER, FABIAN & ENGLISH, S.C.

Mark G. Blum
Village Attorney

MGB/jb
Enc.

Hippenmeyer, Reilly, Blum, Schmitzer, Fabian & English S.C.

Memo

To: Attorney Mark Blum

From: Attorney Matthew Gralinski

Date: July 28, 2020

Re: Village's Standing to Request the Department of Revenue Review and Correct its Equalized Value Reports

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Dear Attorney Blum:

The following memorandum summarizes the Village's standing and the statutory mechanism for requesting the Wisconsin Department of Revenue review and correct errors in its annual equalized value report. This relates to the request from Ms. Colleen Farmer, a resident of the Village who resides in Walworth County, for the Village to make certain requests of the Department of Revenue. Essentially, Ms. Farmer asks the Village to do three things:

1. Request that the Department of Revenue, Equalization Section, correct an error in the "Economic Changes" section of the 2019 equalized value report.
2. Request that the DOR review the "Economic Changes" section of the 2016 equalized value report to correct errors in equalized values between Walworth and Waukesha counties.
3. Finally, request the Village Board to ask the DOR to work with them and provide guidance in trying to enact legislation to remedy these equalization disparities in municipalities located in multiple counties.

What Ms. Farmer is asking the Village to do is essentially request DOR to make corrections to its annual determination of the equalized value for each county of the state. On or before August 1st or each year, DOR is supposed to publish on its website, for each county and taxation district, a preliminary determination of its equalized value and net new construction value. A final report is then published by DOR on August 15th of each year.

What Ms. Farmer is apparently asking the Village to do is exercise its discretion under Wis. Stats. sec. 70.57(1b) to ask DOR to make a correction to its determination of equalized value prior to the publishing of a final report. Section 70.57(1b) provides, in part, that "if a county or taxation district discovers a clerical, arithmetic, transpositional, or similar error in the department's determination that would result in the overvaluation or undervaluation of the property located in the county or taxation district, the county or taxation district shall notify the department of the error no later than August 7. The department shall correct . . . any error reported and verified by the department under this subsection that results in an overvaluation or undervaluation of the property located in the taxation district greater than 2 percent." The Village can request, and the DOR can correct, an error discovered in an equalized value report made in the current year (2020) or in the previous year (2019). See sec. 70.57 (1)(d).

It appears that 70.57 is a mechanism for the Village to request that the DOR review and potentially correct its determination of equalized value, of which economic change is a component. However, in reviewing DORs own materials, it appears that under this section 70.57, while it gives DOR the authority to correct either of the two prior years' equalized values, the majority of the corrections under this section come from review of amended municipal assessment reports filed by the local assessor after the August 15th deadline. Thus, it appears the request made by Ms. Farmer is not the typical request for correction sought under this section. Nevertheless, it appears that section 70.57 is a mechanism for the Village to request DOR correct an error in its equalized value report.

That being said, any request for correction would have to (1) identify the clerical, arithmetic, transpositional or similar error in the department's determination of equalized value, and (2) show that said error resulted in over evaluation or under evaluation of the property located in the Village's taxation district. This request for correction would have to be made no later than August 7th. Again, such correction could be requested for both the 2019 and 2020 equalized value reports.

However, section 70.57 explicitly limits DOR to correcting reports made in the current year or the prior year. Thus, Ms. Farmer's request that the Village ask DOR to review and correct its 2016 equalized value report would not find similar relief under this section. Thus, a request from the Village to DOR to correct any report before 2019 would be met with a refusal to do so from DOR who has no authority to act under this section.

Finally, Ms. Farmer's last request that the Village Board ask DOR to work with them on a potential legislative solution would appear to require nothing more than an informal request via letter from the Village Board to do so.

Again, the above summarizes an available statutory mechanism for the Village Board to request correction of a discovered error in DOR's determination of equalized value. Such request, if it is to be made with respect to the 2019 or 2020 equalized value reports, should be made no later than August 7, 2020.

Thank you for your attention to the above. Please do not hesitate to let me know if you have any questions.

Respectfully submitted,

Matthew R. Gralinski

MRG/rm

Hippenmeyer, Reilly, Blum, Schmitzer, Fabian & English S.C.

Memo

To: Attorney Mark Blum

From: Attorney Matthew Gralinski

Date: July 31, 2020

Re: Mukwonago; Sec 70.64 Appeal of DOR Equalized Value Assessment to the Tax Appeals Commission, Re: Request of Walworth County Residents

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Dear Attorney Blum:

The following memorandum is intended to supplement my previous memo dated July 28, 2020, which explained the Village's ability to request DOR correct its equalized value assessment report. The following memorandum relates to a separate process, namely the process under Wis. Stats. sec. 70.64 to appeal an equalized value assessment report. The important difference between the appeal process outlined in this memo and the request for correction asked for under 70.57 (the previous memorandum) is this appeal under 70.64 is an appeal of the final equalized value report after it is certified by DOR on August 15, 2020; the process previously described allows the Village to ask DOR to correct its equalized value assessment before the report is certified. Should DOR refuse to make the correction, and the equalized value report is certified on August 15, 2020, with information the Village still objects to, then the Village may seek an appeal under this section 70.64 as described in this memo. The Village can certainly avail themselves of both processes, but it should be understood that they are two separate processes with separate procedures.

Wis. Stats. sec. 70.64 allows for the equalized value assessment by DOR to be reviewed by the Tax Appeals Commission, and potentially redetermined by the Commission, upon the appeal of a taxation district such as the Village. Should such an appeal be filed, the Tax Appeals Commission has a statutory obligation to review the assessments complained of by the Village and take testimony and evidence, create record during a preliminary hearing, and make a determination as to whether the assessment needs to be "redetermined." To undertake an appeal, the following procedure must be followed:

1. The Village Board must enact a resolution authorizing an appeal under Wis. Stats. sec. 70.64. Upon approval of said resolution, the Village President would be charged with

prosecution of the appeal, unless the resolution directs another person to undertake those duties.

2. **Prior to October 15, 2020**, an appeal in writing must be filed with the Tax Appeals Commission.

3. The written appeal should set forth the following:
   a) That the Village of Mukwonago appeals to the Tax Appeals Commission from the assessment made by the Wisconsin Department of Revenue under sec. 70.57, specifying that the Village appeals the 2020 assessment;
   b) State whether the appeal is of the entire county's assessment or for a specific district, here the appeal would be just for the Village of Mukwonago within Walworth County;
   c) Whether the review requested is as to assessment of real estate, personal property or both;
   d) Confirmation the appeal has been authorized by a resolution of the Village Board;
   e) **A plain and concise statement of the facts constituting the grievance sought to be remedied upon appeal. These facts should specifically allege in what respects the assessment is in error**;
   f) The written appeal must be verified by a member of the Village Board, preferably the Village President. Such verification can take the form of the Village President subscribing in front of a Notary that the complaint is true and correct to the best of their knowledge.

4. Once the above-written appeal has been filed with the Tax Appeals Commission, the Village Clerk should prepare certified copies of (1) the written appeal, (2) the equalized value report established by DOR that the Village is appealing, and (3) a list of all clerks of each taxation district within Walworth County and the post office address of each.

   The Village Clerk is required to mail four sets of certified copies of the aforementioned documents to the Tax Appeals Commission, and one set of the certified copies each to the DOR, the Walworth County Clerk and the clerk of each taxation district within Walworth County. (For clarification, taxation district is defined as a town, village or city in which general property taxes are levied and collected.)

5. Once the appeal has been filed and the certified copies have been sent to the appropriate parties, there is a thirty (30) day period in which any other party may enter an appearance in the matter before the Tax Appeals Commission, either in support or opposition to the Village's appeal.

6. After the thirty (30) day period has passed, the Tax Appeals Commission must set a time for a preliminary hearing on the appeal, and must provide ten (10) days notice to the Village of such preliminary hearing time and place. At the preliminary hearing, DOR presents to the Tax Appeals Commission the full value of all property subject to general property taxation in each town, village and city in Walworth County. The parties will have a chance to present evidence in the preliminary hearing. In the event the Commission finds that "no substantial injustice has been done" in the assessment

appealed from, the Commission may dismiss the appeal. Alternatively, if they find substantial injustice has been done, the Commission may determine to revalue any or all taxation districts in the county in which the Tax Appeals Commission deems necessary.

7. If the Commission does decide to redetermine the value of taxable general property based upon the appeal, it undertakes that process on its own and employs experts and other assistances may be necessary. Before the Commission makes a final determination on redetermination of value of taxable property, the Commission may hold another hearing to hear evidence and arguments relevant to the redetermination. If such a hearing is held, the Commission will provide the Village notice.

8. The Commission will make a determination on whether to redetermine the equalized value "without reasonable delay." Once a decision is made, it will be filed in the office of the Walworth County Clerk, mailed to DOR as well as the Village Clerk. Should an over- or under- valuation be discovered, the Commission will order the DOR to aid the Walworth County Clerk in making proper computations to assess a credit or debit to each individual taxation district in the amount of the redetermination.

9. Finally, the expenses of any such appeal are, pursuant to Wis. Stats. sec. 70.64(12) assessed as a special charge against to the county to which the appeal originated, and will be included in the next apportionment and certification of taxes and state charges and are collected as other special charges are collected. The county clerk will then apportion the amount of the special charge for the expense of the appeal to and among the towns, cities and villages in the county whose relative valuation were increased in the determination as a result of the appeal.

The above sets forth the procedure in which an appeal may be undertaken. However, it is important to note that before an appeal is undertaken, the Village has to set forth specific facts establishing a specific error that the Village is seeking to remedy by this appeal. The Village must specifically allege in what respects it believes the assessment is in error.

Thank you for your attention to the above. Should you have any questions, please do not hesitate to let me know.

Respectfully submitted,

/s/: Matthew R. Gralinski

Matthew R. Gralinski

MRG/rm