



## OFFICIAL NOTICE AND AGENDA

of a meeting of a City Board, Commission, Department, Committee, Agency, Corporation, Quasi-Municipal Corporation, or sub-unit thereof.

Meeting of: **FINANCE COMMITTEE**  
 Date/Time: **Tuesday, March 22, 2016 at 5:00 PM**  
 Location: **City Hall, 2nd Floor Board Room**  
 Members: David Oberbeck (C), Karen Kellbach, Dave Nutting, Bill Nagle, Robert Mielke

### AGENDA ITEMS FOR CONSIDERATION (All items listed may be acted upon)

### Presenter

- |    |  |                |
|----|--|----------------|
| 1  | Public Comment on matters appearing on the agenda.   |                |
| 2  | Minutes of previous meeting(s). (3/08/16)  |                |
| 3  | Discussion and possible action regarding indirect cost policy Transit  | Groat          |
| 4  | Sole Source approval purchase environmental services with GHD Services, Inc. Previously Conestoga Rovers- Wausau Water Supply PRP Group  | Groat          |
| 5  | Budget Modification Sidewalk Improvements CVA  | Lindman        |
| 6  | Consider wording for donor tiles (bricks) surrounding The Hmong Veterans Memorial  | Tipple         |
| 7  | Discussion on project performance since the February update and possible action regarding the contract between VGSI and City-County Information Technology Commission (CCITC) involving the purchase of assessment software  | Ray & Klein    |
| 8  | Discussion and possible action on alleged claim for excessive assessment – CVS Pharmacy  | Ray & Jacobson |
| 9  | Discussion and possible action on alleged claim for excessive assessment – Patrick and Amanda France (226 Fountain Hills Blvd.)  | Ray & Jacobson |
| 10 | Discussion and possible action on alleged claim for excessive assessment – US Bank   | Ray & Jacobson |
| 11 | Discussion and possible action on alleged claim for excessive assessment – Wisconsin Hospitality Group (Applebees)   | Ray & Jacobson |
| 12 | Discussion and possible action on alleged claim for unlawful tax – Achieve Center, Inc.  | Ray & Jacobson |
| 13 | Discussion on plans to release RFP and select a cellular provider - current contract expires October 2016  | Klein          |
| 14 | Discussion and possible action on resolution authorizing the carryover of funds to 2016 and related 2016 Budget modification and discussion about the creation of an encumbrance policy  | Groat          |
| 15 | Discussion and possible action regarding budget modification for the purchase and installation of an exhaust system in the City fire stations funded 90% with grant funds  | Kujawa         |
| 16 | Discussion and possible action on Station 2 replacement  | Kujawa         |
| 17 | December 31, 2015 General Fund Financial Report  | Groat          |
| 18 | Discussion and possible action on purchasing 120 Scott Street from Marathon County Development Corporation McDevco   | Groat          |
| 19 | Discussion and possible action on purchasing the following properties for the Thomas Street Reconstruction project: Parcel #1 - 1038 S 15th Avenue, Parcel #29 - 1040 South 10th Avenue, Parcel #51 - 610 West Thomas Street   | Lindman        |
| 20 | <b>CLOSED SESSION</b> pursuant to 19.85(1)(e) of the Wisconsin Statutes for deliberating or negotiating the purchase of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session<br>* Discussion and possible action on the purchase of 120 Scott Street from McDevco purchasing the following properties for the Thomas Street Reconstruction project: Parcel #1 - 1038 S 15th Avenue, Parcel #29 - 1040 South 10th Avenue, Parcel #51 - 610 West Thomas Street |                |
| 21 | <b>RECONVENE</b> into open session to take action on closed session items if necessary   |                |

Adjournment

David Oberbeck, Chair

**IMPORTANT: THREE (3) MEMBERS NEEDED FOR A QUORUM:** If you are unable to attend the meeting, please notify Mary by calling (715)261-6621 or via email [mgoede@ci.wausau.wi.us](mailto:mgoede@ci.wausau.wi.us)

It is possible and likely that members of, and possibly a quorum of the Council and/or members of other committees of the Common Council of the City of Wausau may be in attendance at the above-mentioned meeting to gather information. **No action will be taken by any such groups.**

This Notice was posted at City Hall and faxed to the Daily Herald newsroom on 3/17/16 @ 4:00 PM

Please note that, upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids & services. For information or to request this service, contact the City Clerk at (715) 261-6620.

Other Distribution: Media, (Alderspersons: Wagner, Neal, Gisselman, Winters, Rasmussen, Abitz), \*Tipple, \*Jacobson, \*Groat, Rayala, Department Heads

## **FINANCE COMMITTEE**

Date and Time: Tuesday, March 8, 2016 @ 5:15 pm., Board Room

Members Present: Oberbeck (C), Mielke, Nagle, Kellbach, Nutting

Others Present: Groat, Lindman, Jacobson, Ray, Kujawa, Schock, Stratz, Werth, Abitz, Neal, Wagner, Rasmussen, Bruce Bohlken, Pat Peckham, Fernando & Heidi Riveron, and other interested parties.

In accordance with Chapter 19, Wisc. Statutes, notice of this meeting was posted and sent to the Daily Herald in the proper manner. It was noted that there was a quorum present and the meeting was called to order by Chairperson Oberbeck.

### **Public Comment**

Fernando Riveron, 1010 Franklin St, addressed the committee objecting to the assessment of their property, indicating they went through the appropriate process at the Board of Review on October 1, 2015. He explained they disagreed with the assessment because they just recently bought the house for significantly less than the assessment. They learned from the Assessor's Manual that an "arm's length sale" that is a conforming sale is the best measure of value of a property. He indicated the assessor's letter states that it was not an arm's length sale and is nonconforming; however, he stated this was not true because they went through two realtors. They paid the asking price and did not negotiate the price. It was a conforming sale because the price per foot was higher than other homes in the East Hill neighborhood. He requested the Finance Committee forward this to the Council for discussion.

### **Minutes of previous meeting(s). (2/23/2016)**

Motion by Mielke, second by Kellbach to approve the minutes of previous meeting of 2/23/2016. Motion carried 5-0.

### **Discussion and Possible Action regarding Claim for Excessive Assessment (Fernando and Heidi Riveron)**

Jeremy Ray, Interim City Assessor, explained the duty of the city in a claim for excessive assessment is straight forward; there are specific criteria the claimant has to meet in order for the claim to be allowed. He reviewed the criteria needed and referred to the information in their committee packets. He recommended disallowance of the claim and allow the claimant to move forward using other avenues to get their assessment adjusted.

Oberbeck noted there seemed to be two different points of view as to whether it was or was not an arm's length sale. Ray stated he was not present at the BOR hearing on this case, but the board did determine that the assessor's valuation was incorrect and they established a value that they determined was correct. He pointed out the value the BOR placed on the property is protected by statutes and is the value they were taxed on. He stated the post BOR assessment on the property was \$870,000. Nagle questioned why the purchase price of \$798,000 was not the fair market value. Ray indicated after the property was purchased there were deficiencies that were improved by the new homeowners during the year. Heidi Riveron stated they only repaired rotting wood. Fernando Riveron indicated he could obtain an affidavit from a builder stating there were no improvements on this house.

Jacobson noted if they take no action it would be deemed denied. Oberbeck stated we need to move this forward to Council so it could be acted on, however, it was his understanding that we cannot meet the 90 days required to get it before Council. Jacobson explained if we respond within 90 days it provides 90 days to appeal to the circuit court; if we fail to take action on it within 90 days it extends the appeal period to two years.

Motion by Nutting, second by Oberbeck to approve the resolution regarding the claim for excessive assessment for Fernando and Heidi Riveron. Motion failed 1-4.

### **Discussion and possible action regarding a 2016 budget modification to reflect the delay in Ashland Avenue street project and Funding Asphalt Overlay Project**

Lindman explained this project was slated for the reconstruction of Ashland Avenue with curb & gutter; however, the residents came forward stating they did not want it, so CISM decided not to move forward with it. He stated he would like to take those funds and allocate them to the Asphalt Overlay Project. He indicated the Asphalt Overlay Project had been pulled out of the CIP budget for 2016, so this would allow us approximately \$180,000 to get some additional work done. Oberbeck questioned if this street project for Ashland would be coming back for 2017.

Lindman stated this hasn't been determined yet, but it would be weighted by how much additional maintenance it takes each year. Rasmussen explained the reasoning of the CISM Committee regarding the street project.

Motion by Nagle, second by Kellbach to approve the budget modification to fund the Asphalt Overlay Project. Motion carried 5-0.

**Discussion and possible action regarding the procurement of EMS billing services and Electronic Patient Care Records Software and Hardware, the related contract development, the competitive selection and the procurement process.**

Groat stated we put the EMS billing out for RFP asking for patient care reporting and recordkeeping as part of the contract. Now we have asked for a more robust patient care reporting and to separate out the costs. Council has awarded the contract and authorized negotiations. They would like us to enter two separate contracts to include Image Trend for the reporting.

Motion by Nagle, second by Mielke to approved the related contract development for EMS billing services. Motion carried 5-0.

**Discussion and possible action regarding the Citizen Advisory Committee's recommendation for the allocation of the 2016 Community Development Block Grant Funds**

Tammy Stratz stated the Citizens Advisory Committee has met and held two public hearings and working sessions to put together a proposal to allocate the 2016 Block Grant Funds. She noted there are certain caps on public services and administration; this proposal is under those caps and they recommended approval.

Nagle commented we respect and appreciate the hard work that the people on the Citizens Advisory Committee put in to this process which benefits the community.

Motion by Nagle, second by Mielke to approve the recommendation of the Citizens Advisory Committee for the allocation of the 2016 CDBG Funds. Motion carried 5-0.

**Discussion and possible action regarding the resolutions authorizing \$8,825,000 in General Obligation Promissory Notes**

**and**

**Discussion and possible action regarding resolution authorizing \$6,630,000 General Obligation Bonds for Community Development Projects in Tax Incremental District Number 3 and Swimming Pool Project**

**and**

**Discussion and possible action regarding resolution authorizing \$4,755,000 taxable general obligation bonds for community development projects in Tax Increment District Nos. 3 and 8**

Groat stated this and the next two items are all basically funding our capital projects in the budget in 2016, as well as the mall loan and one refinancing. She indicated the tentative schedule is Finance consideration tonight; preliminary resolutions to Council March 22, 2016; final sale and adoption of final resolutions on April 12, 2016; with settlement on May 10, 2016.

Groat stated each year when we go to borrow, our financial advisors look at refinancing opportunities and they identified two of them. One is the 2008 promissory note of \$1,330,000, which would generate a savings of approximately \$12,000 in interest. The second one is a 2009 issue that has a principal balance of \$1,235,000. She explained when we looked at the accumulated reserves in the debt service fund we found it could pay that issue off early and save approximately \$53,000 in interest; this would not impact our ability to fund future debt retirement in future years. She stated when we had anticipated borrowing \$200,000 in TID #7 for the stormwater for O'Malley's, but the State of Wisconsin is now paying for it so the \$200,000 is being taken out of the borrowing. She indicated we have added the loan for the Wausau Center Mall.

Groat noted to be bank qualified we need to stay under \$10 million, which we are not able to do this year given these large projects for Thomas Street, the pool, the riverfront and the mall. It will be approximately \$300,000 of

additional interest over the life of the debt; however, sale date affects it so our advisors are encouraging us to issue early this year.

Motion by Nagle, second by Mielke to approve the resolutions authorizing \$8,825,000 in General Obligation Promissory Notes. Motion carried 5-0.

Motion by Nagle, second by Mielke to approve the resolution authorizing \$6,630,000 General Obligation Bonds for Community Development Projects in Tax Incremental District Number 3 and Swimming Pool Project. Motion carried 5-0.

Motion by Nagle, second by Mielke to approve the resolution authorizing \$4,755,000 taxable general obligation bonds for community development projects in Tax Increment District Nos. 3 and 8. Motion carried 5-0.

**Discussion and possible action regarding the resolution authorizing the write off of certain uncollectible delinquent personal property tax accounts from the City of Wausau's accounting records and related charge backs to other government units**

Groat stated this is an annual process where we write off delinquent personal property tax and collect back from the other taxing jurisdictions their share. She noted we continue to try to collect on them and if successful, the school and county will get their share. The total amount outstanding for 2014 is \$27,453.55.

Motion by Nagle, second by Mielke to approve the resolution authorizing the write off of certain uncollectible delinquent personal property tax account. Motion carried 5-0.

**Discussion and possible action regarding Preliminary January 2016 General Fund Monthly Financial Report**

Groat reviewed the preliminary January 2016 General Fund report. The financial reports can be accessed on the city's Website: <http://www.ci.wausau.wi.us/Departments/Finance/MonthlyReports.aspx>

Motion by Nagle, second by Mielke to place the report on file. Motion carried unanimously.

**Discussion and possible action regarding addendum number one to the 10 year refuse and recycling contract with Harter's Fox Valley Disposal to change the language on the annual performance bond**

Groat explained this was the first year that we had a performance bond in the contract; at the time the contract was drafted it wasn't clear whether there would be a performance bond for the entire term of the contract. This action is to clarify that they provide a bond annually, as well as provide the renewal within 60 days of the expiration of the previous bond. If they are unable for whatever reason to obtain a bond, we will have plenty of notice and if they don't provide the bond it becomes material breach of the contract.

Motion by Nagle, second by Mielke to approve addendum number one to the 10 year refuse and recycling contract with Harter's Fox Valley Disposal. Motion carried 5-0.

**Discussion and possible action regarding approving the sole source purchase request for parking ramp inspection and long term maintenance plan with Walker Parking**

Lindman historically regarding parking ramp maintenance we would do the work as issues came up. He stated in order to stay ahead of things he would like to prepare a 10 year maintenance plan. He indicated Walker Parking has designed three of the four ramps in the city and have done some other inspection services. He felt they could turn around a maintenance plan with the information they have and it would be in the best interest of the city. The plan would be on all five ramps and would enable us to budget for the maintenance, as well as provide us with a determination on life expectancy. Oberbeck questioned if it would fall under professional services type contract. Lindman stated it would, but it is under \$25,000.

Motion by Nagle, second by Kellbach to approve the sole source request for the parking ramp inspection and long term maintenance plan. Motion carried 5-0.

**Discussion and Possible Action on land acquisitions for the purpose of expanding the Wausau Business Campus**

Schock indicated the discussion required closed session because it had to do with real estate acquisition to expand the business campus.

**Discussion and Possible Action on the Tax Increment Financing Request from Jarp Industries, 7811 Stewart Avenue Tax Increment District Number Ten and related budget modification**

Schock summarized this is an existing building to be acquired by Jarp Industries to expand their workforce. He indicated Kevin Kraft, owner, was committing to 30 full-time equivalent jobs at the facility, as well as additional improvements to it. This will allow the sale of the building to Jarp and allow a water service lateral to be extended from Stewart to the building. He requested they discuss the sale in closed session.

Kevin Kraft stated Jarp is a family-owned company that has been in Schofield since 1959. He indicated they would like to grow the business in Wausau and have entered a lease with the option to buy, which was very important to them to control their growth. The issue is with the water service and if they were to bear the cost of that improvement it would put the cost of the building over the assessed value and jeopardize the financing involved.

**Discussion and Possible Action regarding the Council's Investigation Request for Legal Services**

Rasmussen stated on March 1, 2016 the Council directed the commissioning of an independent investigation and further directed herself and Kellbach to correspond with that attorney to make sure he was properly engaged and get him started on the process. She indicated that is complete and he has been retained by the Council. The engagement letter was signed on March 3, 2016 and the investigation is currently underway. She stated the attorney believes he can complete it in the timetable we have delineated and if he finds at any point that he cannot do that, or that he will be exceeding his fee, he will let us know. She stated he estimated 60 – 80 hours of his time with a cost of \$15,000 - \$20,000.

Motion by Mielke, second by Kellbach to approve moving forward. Motion carried 5-0.

**Discussion and possible action on process for renewal of telecommunication services and devices contract. (Jacobson)**

Oberbeck stated we need to begin discussions regarding what the cellphone needs of the departments are in order to ensure we are not caught off guard when the deadline for the contract renewal comes due in the fall. Jacobson stated the city opened an account with Cellcom on November 16, 1998 and our current contract was signed October 15, 2014, expiring October 15, 2016. She noted the contract requires that we give 60 days' notice of intent to renew prior to the end of that term, or by August 15, 2016. She questioned whether the committee was interested in another automatic renewal for another two year term or if they wanted to go out for an RFP. Oberbeck felt we should get recommendations from each department specific to their needs.

Groat stated the procurement policy says that these types of purchases need to be coordinated with the City/County Data Department because they have the expertise. Rasmussen questioned if IT had the time to do an RFP and bring it in on time given their workload and perhaps we should consider a Plan B. She was concerned it would not be a high enough priority on CCITC's list of projects. Oberbeck suggested looking at the current technology we have available and what it is capable of doing. He questioned who could facilitate a discussion with departments. A Cellcom representative listed some of the different types of devices that were available. Groat reiterated these are the kinds of technologies CCITC is familiar with and because they are installing all of this software, they have the strategic vision of where these applications are going. She did not know if there was anyone else within our organization that had the skill set to write that RFP. Nagle stated if IT can't do it by April 15<sup>th</sup>, we should get someone else. Oberbeck suggested having Cellcom be a consultant to us and meet with the departments to determine their needs and give us a quote.

Motion by Nagle, second by Mielke, authorizing Cellcom to provide consulting services to the city by assessing departmental telecommunication needs and submitting a two-year renewal proposal that reflects the services and equipment desired, for the Finance Committee's future consideration. Motion carried 5-0.

**CLOSED SESSION pursuant to Section 19.85(1)(e) of the Wisconsin Statutes for deliberating or negotiating the purchase of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session:**

*- Discussion and possible action on potential land acquisitions for the purpose of expanding the Wausau Business Campus*

*- Discussion and Possible Action on the Tax Increment Financing Request from Jarp Industries, 7811 Stewart Avenue Tax Increment District Number Ten*

**RECONVENED back into Open Session to take action on Tax Increment Financing Request from Jarp Industries, 7811 Stewart Avenue Tax Increment District Number Ten**

Motion by Mielke, second by Nutting to approve the tax increment financing request from Jarp Industries for infrastructure improvements to allow for creation of a business within the business park which will provide additional jobs; and to modify the budget to accommodate the development payment. Motion carried 5-0.

**Adjourn**

Motion by Mielke, second by Kellbach to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 7:25 pm.



**TO: FINANCE COMMITTEE**

**FROM: MARYANNE GROAT**

**DATE: MARCH 16, 2016**

**RE: TRANSIT INDIRECT COST ALLOCATION**

**BACK GROUND INFORMATION**

The City of Wausau has been allocating indirect costs to the Transit Utility for many years. The allocation rates were established by periodic indirect cost allocation plan created by an independent contractor. The fee for this service was about \$5,000.

The cost allocation plan allowed us to allocate costs of administrative departments to the transit budget and receive transit aids on these costs. In addition, these were also considered as part of the transit costs when the city was sharing services with Rothschild, Weston and Schofield.

The transit is under extra scrutiny as the compliance auditors would observe the cost allocation plan during the triennial review.

The federal government has made a number of changes in federal grant compliance as a means for stream lining processes. These changes include modifications to the indirect cost recovery policy. The Federal Government now allows grantees to charge a 10% de minimis indirect cost to the grant. The City would submit a certificate request to the FTA for authorization.

The advantages of such an election are as follows:

- Simple computation and management
- Elimination of cost of current study
- Least risk during grant review
- Easy to understand

Disadvantages of such election could be:

- Reduced grant reimbursement if funding decreases dramatically.

The City of Green Bay has recently moved in this direction for their transit.

**FISCAL IMPACT**

The fiscal impact will vary based upon the grant levels managed. The City can also maximize our grants by capturing more direct costs and allocating them to the fund.

Attached is a comparison of the methods for the last few years.

### FTA Funding Summary

	FTA Funds Received	City Admin Fee	10% De Minimis	Difference	Local Share Difference
2014	\$1,082,298.47	\$115,376.33	\$108,229.85	(\$7,146.48)	-\$1,786.62
2013	\$1,035,072.00	\$128,321.30	\$103,507.20	(\$24,814.10)	-\$6,203.53
2012	\$970,012.00	\$124,191.15	\$97,001.20	(\$27,189.95)	-\$6,797.49
2011	\$999,847.08	\$144,428.50	\$99,984.71	(\$44,443.79)	-\$11,110.95
2010	\$1,395,147.00	\$131,146.99	\$139,514.70	\$8,367.71	\$2,091.93

CERTIFICATE OF De MINIMIS ELECTION

This is to certify that I have reviewed the requirements necessary to elect the de minimis rate of 10% per OMB Circular 2 CFR Part 200.414(f), and to the best of my knowledge and belief:

(1) (Name of Organization requesting the de minimis rate) has never received a negotiated indirect cost rate.

(2) (Name of Organization requesting de minimis rate) is not a governmental department or agency unit that receives more than \$35 million in direct Federal funding.

I declare the foregoing is true and accurate.

Federal Award Recipient: \_\_\_\_\_

Signature of Official: \_\_\_\_\_

Name of Official: \_\_\_\_\_

Title of Official: \_\_\_\_\_

Date of Certificate: \_\_\_\_\_

Requested Date of Election: \_\_\_\_\_

Date of Execution: \_\_\_\_\_



**CITY OF WAUSAU**  
**SOLE SOURCE PURCHASE JUSTIFICATION**  
**REQUIRED FORM PURCHASE OF GOODS OR SERVICES EXCEEDING \$5,000**

Purchase of goods or services for no more than \$25,000 may be made without competition when it is agreed *in advance* between the Department Head and the Finance Director. Sole source purchasing allows for the procurement of goods and services from a single source without soliciting quotes or bids from multiple sources. Sole source procurement cannot be used to avoid competition, rather it is used in certain situations when it can be documented that a vendor or contractor holds a unique set of skills or expertise, that the services are highly specialized or unique in character or when alternate products are unavailable or unsuitable from any other source. Sole source purchasing should be avoided unless it is clearly necessary and justifiable. The justification must withstand public and legislative scrutiny. The Department Head is responsible for providing written documentation justifying the valid reason to purchase from one source or that only one source is available. Sole source purchasing criteria include: urgency due to public safety, serious injury financial or other, other unusual and compelling reasons, goods or service is available from only one source and no other good or service will satisfy the City's requirements, legal services provided by an attorney, lack of acceptable bids or quotes, an alternate product or manufacturer would not be compatible with current products resulting in additional operating or maintenance costs, standardization of a specific product or manufacturer will result in a more efficient or economical operation or aesthetics, or compatibility is an overriding consideration, the purchase is from another governmental body, continuity is achieved in a phased project, the supplier or service demonstrates a unique capability not found elsewhere, the purchase is more economical to the city on the basis of time and money of proposal development.

1. Sole source purchase under \$5,000 shall be evaluated and determined by the Department Head.
2. Sole source purchase of \$5,000 to \$25,000 a formal written justification shall be forwarded to the Finance Director who will concur with the sole source or assist in locating additional competitive sources.
3. Sole source purchase exceeding \$25,000 must be approved by the Finance Committee.

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**Ongoing Sole Source – 365 days**       **One Time Sole Source Request**

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1. Provide a detailed explanation of the good or service to be purchased and vendor.

Environmental Services for monitoring the Wausau EPA superfund by GHD (previously known as Conestoga Rover).

2. Provide a brief description of the intended application for the service or goods to be purchased.

The City of Wausau, Wausau Chemical and Marathon Electric are all listed as PRPs in the Wausau Super Fund Site. The EPA requires certain monitoring and maintenance work pertaining to the ground water contamination and related well monitors. Lonsdorf law firm assisted in this process and hired Conestoga Rovers to provide the over sight. Historically invoices for services associated with the monitoring came to the law firm for payment. Lonsdorf then invoiced each of the PRP's based upon the superfund agreement. When Jim Lonsdorf retired he asked the City take over the financial administration of the program. Conestoga Rover recently transitioned to GHD. The payments for these services vary annually but exceed the \$25,000 threshold requiring competitive procurement.

3. State why other products or services that compete in the market will not or do not meet your needs or comply with your specifications.

We are seeking sole source approval to continue to use GHD for these services. This agency and the individual Chuck Ahrens has been working on this project and maintains all of the institutional knowledge regarding the clean up and status of the site. He also has developed and maintained the relations with the DNR and EPA which cant be easily replaced. We are acting as the agent of all three PRP's and if the accounting had not been transitioned to the City when Jim Lonsdorf retired the City's procurement policy would not be considered.

4. Describe your efforts to identify other vendors to furnish the product or services.

No work has been done to seek alternate vendors or services.

5. How did you determine that the sole source vendor's price was reasonable?

By examining hourly rates disclosed in their invoices.

6. Which of the following best describes this sole source procurement? Select all that apply.

- Product or vendor is uniquely qualified with capability not found elsewhere.
- Urgency due to public safety, serious financial injury or other. (explain) Obligations of the decree and other PRP's and the litigation potential if we fall out of compliance.
- The procurement is of such a specialized nature that by virtue of experience, expertise, proximity or ownership of intellectual property
- Lack of acceptable quotes or bids.
- Product compatibility or the standardization of a product.
- Continuation of a phased project.
- Proposal development is uneconomical.

**Department: Finance**

**Preparer: Maryanne Groat**

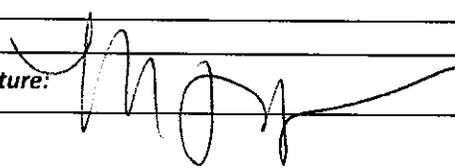
**Vendor Name: GHD**

**Expected amount of purchase or contract: \$80,000 city responsible for about 1/3**

**Department Head Signature:**

**Date:**

**Finance Director Signature:**



**Date:**

3/16/16



**Center for Visual Arts  
4th Street Improvements  
March 3, 2016**

By: MEM  
Reviewed By: JJB

Item Description	Unit	Estimated Quantity	Unit Cost	Total Cost
<b>General</b>				
Mobilization	LS	1	\$3,000.00	\$3,000.00
Traffic Control	LS	1	\$2,000.00	\$2,000.00
Construction Staking	LS	1	\$1,000.00	\$1,000.00
			<b>Subtotal</b>	<b>\$6,000.00</b>
<b>Erosion Control</b>				
Inlet Protection	EA	2	\$50.00	\$100.00
			<b>Subtotal</b>	<b>\$100.00</b>
<b>Demolition</b>				
Sawcut Concrete Pavement, Full Depth	LF	50	\$10.00	\$500.00
Remove Concrete Pavement	SY	35	\$2.50	\$87.50
Remove Concrete Curb & Gutter	LF	80	\$3.00	\$240.00
Remove Concrete Sidewalk	SY	55	\$2.50	\$137.50
Remove & Salvage Pavers	SY	70	\$7.50	\$525.00
Remove Inlet Box & Salvage Grate	EA	1	\$1,000.00	\$1,000.00
			<b>Subtotal</b>	<b>\$2,490.00</b>
<b>Site Work</b>				
Common Excavation	CY	0	\$7.00	\$0.00
Base Aggregate Dense 1 1/4-Inch , 6 inch, sidewalk	CY	15	\$25.00	\$375.00
Export Excess Material	LS	1	\$500.00	\$500.00
Adjust Existing Tree Planter Grate	EA	1	\$500.00	\$500.00
			<b>Subtotal</b>	<b>\$1,375.00</b>
<b>Paving and Concrete</b>				
Concrete Pavement, 6 inch	SF	175	\$6.50	\$1,137.50
Concrete Curb & Gutter, 24 inch	LF	90	\$30.00	\$2,700.00
Concrete Sidewalk, 4 inch	SF	1,010	\$7.00	\$7,070.00
Salvaged Pavers - Bed & Reinstall	SF	185	\$15.00	\$2,775.00
Pavement Marking and Signing	LS	1	\$1,000.00	\$1,000.00
			<b>Subtotal</b>	<b>\$14,682.50</b>
<b>Utilities</b>				
RCP, Storm Sewer, 12 inch	LF	10	\$35.00	\$350.00
Connection to Existing Storm Sewer Structure	EA	1	\$750.00	\$750.00
Storm Sewer 2'x3' Inlet Box	EA	1	\$1,500.00	\$1,500.00
Storm Sewer Salvaged Inlet Frame & Grate	EA	1	\$250.00	\$250.00
Storm Sewer Manhole, Frame & Lid	EA	1	\$2,500.00	\$2,500.00
Adjust Existing Fiber Optic Vault	EA	1	\$500.00	\$500.00
Adjust Existing Electric Manhole Frame & Lid	EA	1	\$500.00	\$500.00
			<b>Subtotal</b>	<b>\$6,350.00</b>

Assumptions Made in Takeoff:  
Suitable Soils are Onsite (no EBS)

<b>Construction Base Total</b>	<b>\$30,997.50</b>
<b>20% Contingency</b>	<b>\$6,199.50</b>
<b>Project Total</b>	<b>\$37,197.00</b>





Mayor Tipple;

We are gathering the info. Needed to put the donors name on the tiles (bricks) surrounding The Hmong Veterans Memorial.

The bricks can have 3 lines of letters (19 / 21 / 19)

I have shown a couple of examples that the city could use below, or you can let me know if you want something different:

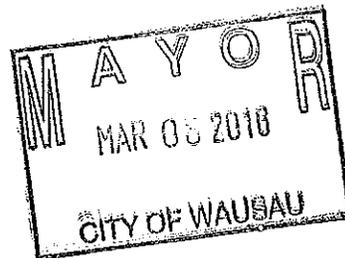
- 1)        **CITY OF WAUSAU**
  
- or 2)     **WAUSAU CITY  
GOVERNMENT**
  
- Or 3)     **CITY OF WAUSAU  
James Tipple: Mayor**
  
- Or 4)     **WAUSAU CITY  
GOVERNMENT  
J. Tipple: Mayor**

Or you could make a different one up. If you could e-mail me back with your choice that would be great..... [bishopmcbain@aol.com](mailto:bishopmcbain@aol.com)

Thanks much,



PS; we have you scheduled to give a short speech as part of the dedication ceremony, (10 – 12 noon, with lunch to follow) Please let me know only if you cannot make the date, Saturday May 21) Thanks again.





## STAFF REPORT

March 16, 2016

RE: Vision Government Solutions Inc. Property Assessment Software Implementation

The following statements are regarding the conversion of our Computer Assisted Mass Appraisal (CAMA) software from our current legacy system to the selected vendor: Vision Government Solutions Inc. (VGSI or Vision).

First of all, it is important to stress that VGSI was selected through a rigorous evaluation process of weighted criteria reviewed by members of the City of Wausau Assessment Department, the City County Information Technology Commission (CCITC), and the eight other communities\* in Wisconsin who awarded Vision a contract. (\*Madison, Brookfield, Cudahy, LaCrosse, Neenah, Waukesha, Wauwatosa, and the Village of Pewaukee.)

It is extremely unfortunate that up this point VGSI has not been able to provide the promised product and the timeframe for completion remains a moving target. While it is encouraging our new Vision project manager appears committed to making the project a success, we have to date not received the requested project completion plan. Of the eight contracted communities: Neenah, Cudahy, and the Village of Pewaukee discontinued their projects months ago in favor of other solutions, Wauwatosa has issued a new Request for Proposals (RFP) for CAMA software and Brookfield will also be issuing a new RFP. This leaves Waukesha and LaCrosse with hard decisions moving forward as they have either mostly or fully paid for a product which still does not function as advertised. Madison is still in their conversion phase with little invested and a strict funding termination date which will likely cause their project to correspondingly be discontinued. Also of note is that Milwaukee had considered Vision's product but elected to negotiate with another vendor.

Given this disappointing information it is hard for me to continue supporting the implementation of the Vision product. Time is not available to hold the hand of a floundering key element of the assessment process. From a management perspective it is best practice to remove underperforming aspects of an organization as quickly as possible. Knowing there are other CAMA software providers in the marketplace and that significant time has elapsed from when the original RFP was issued, it is my recommendation the Vision contract be cancelled for convenience and a new unbiased RFP be issued for user ready CAMA software.

Reported by:

A handwritten signature in black ink, appearing to read "Jeremy M. Ray".

Jeremy M. Ray  
Interim City Assessor

**RESOLUTION OF FINANCE COMMITTEE**

Approving alleged claim for excessive assessment – CVS Pharmacy (102 Central Bridge Street)

Committee Action: Pending

Fiscal Impact: None

**File Number:** 16-0215

**Date Introduced:** March 22, 2016

**RESOLUTION**

**WHEREAS**, CVS Pharmacy appealed the 2015 assessment of the real property located at 102 Central Bridge Street (PIN 291.2907.261.0953) to the Board of Review; however, the claim did not comply with the statutory requirements of s. 74.37(4)(a) to constitute a valid claim because the procedures for objecting to the assessment under s. 70.47 have not been complied with; and

**WHEREAS**, the Board of Review dismissed the claimant’s alleged objection without acting on the merits of the objection and therefore did not issue a written Notice of Determination that affirmed the assessment; and

**WHEREAS**, on January 25, 2016, CVS Pharmacy filed a claim for excessive assessment pursuant to Section 74.37, Wisconsin Statutes; and

**WHEREAS**, pursuant to said claim, CVS Pharmacy, is requesting that the amount of general property tax imposed because the assessment of their property was excessive, be refunded; and

**WHEREAS**, city staff has reviewed the claim and recommends that the claim be disallowed; and

**WHEREAS**, your Finance Committee, on March 22, 2016, considered the matter and recommends that the claim be disallowed.

**NOW, THEREFORE, BE IT RESOLVED** by the Common Council of the City of Wausau, that the claim of CVS Pharmacy filed with the city clerk on January 25, 2016, for excessive assessment of the real property located at 102 Central Bridge Street (PIN 291.2907.261.0953) is hereby approved.

Approved:

---

James E. Tipple, Mayor

## **BOARD OF REVIEW**

Time and Place: Tuesday, September 22, 2015 @ 9:30 a.m., in the Council Chambers at City Hall.

Members Present: Russ Tonelli, Carmen Siegel (C), Dennis Nicholiason, Gary Klingbeil (alt)

Others Present: Nan Giese, Rick Rubow, Anne Jacobson, Toni Rayala

Motion by Siegel, second by Tonelli, to accept the objection form of Patrick France, PIN# 291-2908-321-0010, 226 Fountain Hills Blvd. Roll call vote: Siegel-yes, Tonelli-yes, Klingbeil-yes, Nicoliasen-yes. Motion passed unanimously.

Giese spoke about errors on the CVS Pharmacy objection form. She stated the response in 7(B) is \$3,524,920, not the \$1,300,000. She also had concerns about who owns the property. CVS is the tenant. Also CVS did not file any income and expense information that was requested by the assessor's office. Giese asked for a motion to dismiss this objection because they didn't submit income and expense information. Motion by Siegel, second by Nicoliasen to dismiss the objection form of Wausau Pharmacy LLC / CVS Pharmacy Inc. PIN# 291-2907-261-0953, 102 Central Bridge Street, based on this information; State Statutes 70.47(7)(af), no person may appear before the board of review, testify to the board by telephone or object to a valuation; if that valuation was made by the assessor or the objector using the income method; unless the person supplies to the assessor all of the information about income and expenses, as specified in the manual under s. 73.03(2a), that the assessor requests. Roll Call vote: Siegel-yes, Tonelli-yes, Klingbeil-yes, Nicoliasen-yes. Motion passed unanimously. Objection was not accepted.

Giese said that U.S. Bank did not file income and expense information that she requested in February 2015. Subject to written verification of this request for the file, Siegel motioned to not accept the objection of U.S. Bank, second by Klingbeil based on State statutes 70.47(7)(af) no person may appear before the board of review, testify to the board by telephone or object to a valuation; if that valuation was made by the assessor or the objector using the income method; unless the person supplies to the assessor all of the information about income and expenses, as specified in the manual under s. 73.03(2a), that the assessor requests. Roll Call vote: Siegel-yes, Tonelli-yes, Klingbeil-yes, Nicoliasen-yes. Motion passed unanimously. Objection was not accepted.

Giese said Wisconsin Hospitality Group did not file income and expense information and she requested this information February. Subject to written verification of this request for the file, Siegel motioned to not accept the objection of Wisconsin Hospitality Group, second by Tonelli based on State statutes 70.47(7)(af) no person may appear before the board of review, testify to the board by telephone or object to a valuation; if that valuation was made by the assessor or the objector using the income method; unless the person supplies to the assessor all of the information about income and expenses, as specified in the manual under s. 73.03(2a), that the assessor requests. Roll Call vote: Siegel-yes, Tonelli-yes, Klingbeil-yes, Nicoliasen-yes. Motion passed unanimously. Objection was not accepted.

Motion by Klingbeil, second by Nicoliasen to adjourn until September 28, 2015 at 9:00 am. Motion passed unanimously. Meeting adjourned at 3:26 pm.

LVJ

YEAR STATE OF WISCONSIN  
2015 CITY OF WAUSAU

ORIGINAL TAX RECEIPT  
3068898 MNFWRMW1 1/26/2016

37-291-4-2907-261-0953  
WAUSAU PHARMACY LLC

59.262907.0GL.001.2700

PAID BY:

011200608 101444

TAX DUE: 99,021.53

INTEREST:

PENALTY:

OTHER:

TOTAL DUE: 99,021.53

PAYMENT: 99,021.53

LOTTERY CREDIT:

CHANGE:

TRANSACTION TOTAL: 99,021.53

APPLIED TO:

GENERAL TAX: 99,021.53

INTEREST:

PENALTY:

OTHER:

TAX

REMAINING: .00

102 CENTRAL BRIDGE ST

SEC 26-29-7

PT OF GOVT LOTS 1 & 2  
DESD AS LOT (1) OF CSM VOL  
76-132(16483)DOC #1638703

WAUSAU PHARMACY LLC  
ONE CVS DR  
WOONSOCKET RI 02895

Return this portion with payment.

Total Due for Full Payment:

Installment Payment:

Payment Date:

Amount Enclosed \$ \_\_\_\_\_

Check For Billing Address Change.

Make check payable and mail payments to:

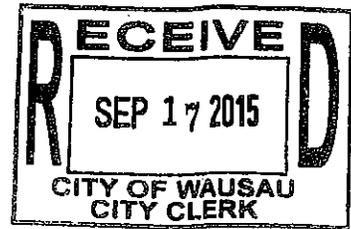
ROBERT HILL LAW, LTD.  
ATTORNEYS AT LAW

1339 COUNTY ROAD D CIRCLE EAST  
MAPLEWOOD, MINNESOTA 55109  
E-MAIL: [bob@roberthilllaw.com](mailto:bob@roberthilllaw.com)

GENERAL TELEPHONE: 952-426-7373

ROBERT A. HILL\*  
\*Also Admitted in Virginia

September 16, 2015



SENT VIA FEDEX AND EMAIL ([TONI.RAYALA@CI.WAUSAU.WI.US](mailto:TONI.RAYALA@CI.WAUSAU.WI.US))

Toni Rayala, City Clerk  
City of Wausau  
407 Grant Street  
Wausau, WI 54403

Re: CVS Pharmacy

Dear Ms. Rayala:

Enclosed is an Objection Form for Real Property Assessment for the following parcel number:

291-2907-261-0953

An Agent Authorization form is also enclosed, granting the parties listed therein full authority to act on behalf of CVS Pharmacy with respect to Wisconsin property assessments.

Also attached is the completed Request for Waiver of Board of Review Hearing. If such Waiver is not granted, we would like to request that we be allowed to do the Hearing by telephone. Please note this Waiver is being requested in light of the recent decision of the City of Appleton to appeal the judgment in the CVS Pharmacy matter as well as pending matters in circuit court for this property.

Sincerely,

Kari Alstad

Enclosures

cc: Nanette Giese, City Assessor (via email)  
Anne Jacobson, City Attorney (via email)  
Amy Seibel (via email)

# OBJECTION FORM FOR REAL PROPERTY ASSESSMENT

Section 70.47(7)(a), Wisconsin Statutes states " No person shall be allowed in any action or proceedings to question the amount or valuation of property unless such written objection has been filed and such person in good faith presented evidence to such board in support of such objection and made full disclosure before said board . . ."

**Note:** The Board of Review can hear only sworn oral testimony regarding the value of the property. It cannot hear protests regarding the amount of property taxes or questions of exemption. The best evidence of the value of your property is a recent arm's-length sale of your property. The next best evidence is recent arm's length sales of comparable property. If there are no sales of your property or comparable property, you should present other evidence that indicates the value of your property. This would include cost, income, appraisals, and sales of like property.

Property Owner's Name <b>Wausau Pharmacy LLC / CVS Pharmacy Inc</b>	Agent Name (if applicable) <b>Robert A. Hill, Robert Hill Law, Ltd.</b>
Owner's Mailing Address <b>One Woonsocket, RI 02892</b>	Agent's Mailing Address <b>1339 County Road D Circle East, Maplewood, MN 55109</b>
Owner's Telephone Number <b>401-770-7200</b>	Agent's Telephone Number <b>952-426-7373</b>

Please provide the following information on the property and the assessment to which you are objecting. (Attach additional sheets, if necessary.)

- Property Address 102 Central Bridge Street
- Legal Description or parcel number from the current assessment roll parcel number 291-2907-261-0953
- Total Property Assessments \$3,875,000
- Please explain why you think the above assessed value is incorrect Assessed value exceeds fair market value of the property and is not uniform with other assessments in the City.
- In your opinion, what was the taxable value of this property on January 1 of the year being appealed? 1,500,000  
If this property contains acreage that is not in a market value class, provide a further opinion of the taxable value breakdown:

STATUTORY CLASS	ACRES	\$ PER ACRE	FULL TAXABLE VALUE
Residential Total Market Value			
Commercial Total Market Value			1,500,000
Agricultural Classification: # of Tillable Acres		@ \$ acre use value	
# of Pasture Acres		@ \$ acre use value	
# of Specialty Acres		@ \$ acre use value	
Undeveloped Classification # of Acres		@ \$ acre @ 50% of Market Value	
Agricultural Forest Classification # of Acres		@ \$ acre @ 50% of Market Value	
Forest Classification # of Acres		@ \$ acre @ Market Value	
Class 7 "Other" Total Market Value		Market Value	
Managed Forest Land Acres		@ \$ acre @ 50% of Market Value	
Managed Forest Land Acres		@ Market Value	

- Check the method of acquisition of the property:  Purchase  Trade  Gift  Inheritance  
Acquisition Price \$ 1,600,000 Date 1/2013
- Have you improved, remodeled, added to, or changed this property since acquiring it?  Yes  No  
If yes, describe: Original building demolished and new building constructed.  
(a) When were the changes made? 2013  
(b) What were the cost of the changes? \$1,300,000  
(c) Does the above figure include the value of all labor, including your own?  Yes  No
- Have you listed the property for sale within the last five years?  Yes  No  
(a) If yes, when and for how long was the property listed?  
(b) What was the asking price?  
(c) What offers were received?
- (a) Has anyone made an appraisal of this property within the last five years?  Yes  No  
(b) If yes, when and for what purpose?  
(c) What was the appraised value?
- Please list the name(s) of Board of Review member(s) you are requesting to be removed from your hearing. NOTE: This section does not apply in first or second class cities.
- Please provide a reasonable estimate of the length of time that the hearing will take Waiver of hearing is being requested.

Owner's or Agent's Signature <i>Robert A Hill</i>	Date <b>9/16/2015</b>
--	--------------------------

## Request for Waiver of Board of Review (BOR) Hearing

Section 70.47 (8m), Wis. Stats., states, "The board may, at the request of the taxpayer or assessor, or at its own discretion, waive the hearing of an objection under sub. (8) or, in a 1<sup>st</sup> class city, under sub. (16) and allow the taxpayer to have the taxpayer's assessment reviewed under sub. (13). For purposes of this subsection, the board shall submit the notice of decision under sub. (12) using the amount of the taxpayer's assessment as the finalized amount. For purposes of this subsection, if the board waives the hearing, the waiver disallows the taxpayer's claim on excessive assessment under sec. 74.37(3) and notwithstanding the time period under sec. 74.37(3)(d), the taxpayer has 60 days from the notice of hearing waiver in which to commence an action under sec. 74.37(3)(d)."

**NOTE: The legal requirements of the Notice of Intent to Appear must be satisfied and the Objection Form must be completed and submitted as required by law prior to the Request for Waiver of Board of Review Hearing being submitted.**

**NOTE: Request for Waiver must be presented prior to the commencement of the hearing.**

Municipality <b>Wausau</b>	County <b>Marathon</b>
Property owner's name <b>Wausau Pharmacy LLC / CVS Pharmacy Inc</b>	Agent name (if applicable)* <b>Robert A. Hill, Robert Hill Law, Ltd</b>
Owner's mailing address <b>One CVS Drive, Woonsocket, RI 02895</b>	Agent's mailing address <b>1339 County Road D Circle East, Maplewood, MN 55109</b>
Owner's telephone number <b>( 401 ) 770 - 7200</b>	Agent's telephone number <b>( 952 ) 426 - 7373</b>
<input checked="" type="checkbox"/> Land Line <input type="checkbox"/> Cell Phone	<input checked="" type="checkbox"/> Land Line <input type="checkbox"/> Cell Phone
Owner's email address <b>llapierre@cvs.com</b>	Agent's email address <b>bob@roberthilllaw.com / kari@roberthilllaw.com</b>

Property address <b>102 Central Bridge Street</b>	
Legal description or parcel number <b>Parcel ID 291-2907-261-0953</b>	
Taxpayer's assessment as established by assessor - Value as determined due to waiving of BOR hearing <b>\$ 3,875,000</b>	
Property owner's opinion of value <b>\$ 1,500,000</b>	
Basis for request <b>Prior assessment years are pending in circuit court.</b>	
Date Notice of Intent to Appear at BOR was given <b>09 - 16 - 2015</b>	Date Objection Form was completed and submitted <b>09 - 16 - 2015</b>

All parties to the hearing understand that in granting of this waiver there can be no appeal to the Department of Revenue under sec. 70.85, Wis. Stats., or a claim for excessive assessment under sec. 74.37, Wis. Stats. All parties understand any action under sec. 70.47(13), Wis. Stats., must be commenced within 60 days of the receipt of the notice of the waiving of the hearing.

*Robert A. Hill*

\_\_\_\_\_  
Property Owner's / Agent's Signature

\*If agent, attach signed Agent Authorization Form, PA-105

### Decision

Approved       Denied

Reason \_\_\_\_\_

\_\_\_\_\_  
Board of Review Chairperson's Signature

\_\_\_\_\_  
Date

Taxpayer advised \_\_\_\_\_

Date

## Request to Testify by Telephone or Submit a Sworn Written Statement at the Board of Review (BOR)

Section 70.47(8), Wis. Stats., states "...Instead of appearing in person at the hearing, the board may allow the property owner, or the property owner's representative, at the request of either person, to appear before the board, under oath, by telephone or to submit written statements, under oath, to the board. ..."

**NOTE: The legal requirements of the Notice of Intent to Appear at the BOR must be satisfied and the Objection Form must be completed and submitted to the BOR as required by law prior to the Request to Testify by Telephone or Submit Sworn Written Statement form being submitted.**

Municipality <b>Wausau</b>	County <b>Marathon</b>
Property owner's name <b>Wausau Pharmacy LLC / CVS Pharmacy Inc</b>	Agent name (if applicable) <b>Robert A. Hill, Robert Hill Law, Ltd.</b>
Owner's mailing address <b>One CVS Drive, Woonsocket, RI 02895</b>	Agent's mailing address <b>1339 County Road D Circle East, Maplewood, MN 55109</b>
Owner's telephone number <b>( 401 ) 770-7200</b>	Agent's telephone number <b>( 952 ) 426-7373</b>
<input checked="" type="checkbox"/> Land Line <input type="checkbox"/> Cell Phone	<input checked="" type="checkbox"/> Land Line <input type="checkbox"/> Cell Phone
Owner's email address <b>llapierre@cvs.com</b>	Agent's email address <b>bob@roberthilllaw.com / kari@roberthilllaw.com</b>

Please provide the following information on the property and the assessment to which you are objecting. (Attach additional sheets, if necessary.)

1. Property address 102 Central Bridge Street

2. Legal description or parcel number from the current assessment roll Parcel ID 291-2907-261-0953

3. Total Property Assessment \$3,875,000

4. If agent, attach signed Agent Authorization form, PA-105

Testify by telephone\*       Submit sworn written statement

Basis for request Pending matters in circuit court.

\* If the request is approved, provide the best telephone number to reach you 612-735-1985

Owner's or Agent's signature 	Date <b>9/16/2015</b>
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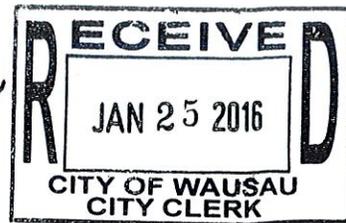
### For Board Use Only

Approved       Denied

Reason \_\_\_\_\_

Taxpayer advised \_\_\_\_\_  
Date

*Rec'd by  
personal delivery*



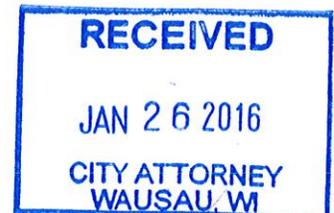
**CLAIM FOR EXCESSIVE ASSESSMENT**

*cc: Atty  
Assessor  
BOR file*

TO: City Clerk  
City of Wausau  
407 Grant Street  
Wausau, WI 54403

Now comes Claimant, CVS Pharmacy, tenant on parcel number 291-2907-261-0953 (the "Property") in Wausau, Wisconsin, by Claimant's agent/attorney Robert Hill Law, Ltd., and files this Claim for Excessive Assessment against the City of Wausau (the "City"), pursuant to WIS.STAT. § 74.37.

1. Claimant is the tenant on the property, located at 102 Central Bridge Street, Wausau, Wisconsin, is responsible for taxes on the Property and is authorized to bring this claim in its own name.
2. For 2015, property in the City was assessed at 100.52% of its fair market value as of January 1, 2015, and was taxed at \$25.573164 per \$1,000 of assessed value.
3. The 2015 assessment of the property was set by the City Assessor's office at \$3,875,000.
4. Claimant made a timely appeal to the Board of Review, which refused to establish a date for a hearing on Claimant's appeal.
5. Based on this assessment, the City imposed a tax of \$99,021.53 on the Property.
6. The fair market value of the Property for the 2015 assessment is no higher than \$1,500,000. This value is derived from sales of comparable properties and by ascertaining the fair market rent for the Property and capitalizing that amount, net of a vacancy and collection loss and net of expenses. In addition, the Property was not assessed uniformly in compliance with Article VIII, Section 1 of the Wisconsin Constitution.
7. Based on the assessment ratio set forth in paragraph 2, the correct assessment of the Property for the 2015 assessment should be no higher than \$1,507,800, and the correct tax on the Property for 2015 should be no higher than \$38,559.12.
8. As a result of the excessive assessment of the Property for 2015, an excess tax in at least the amount of \$60,462.41 was imposed on the Property.



9. The amount of this claim is \$60,462.41, plus interest thereon at the applicable statutory rate.

Dated at Maplewood, Minnesota this 18th day of January, 2016.

ROBERT HILL LAW, LTD.

A handwritten signature in black ink, appearing to read "Robert A. Hill". The signature is written in a cursive style with a large initial "R" and "H".

Robert A. Hill

Jill Mickhaber

J+S Process Service

Po Box 1622

Waleska

715-301-3919

February 23, 2016

74.37 Claim for Excessive Assessment  
Real Estate Parcel

PIN# 291 2907 261 0953  
102 Central Bridge St  
Owner: Wausau Pharmacy LLC – (Tenant - CVS Pharmacy)

Wausau Pharmacy LLC – (Tenant - CVS Pharmacy), filed a Section 74.37 Claim for Excessive Assessment with our City Clerk, Toni Rayala, on January 25, 2016.

Wausau Pharmacy LLC – (Tenant - CVS Pharmacy) filed an objection with the 2015 Board of Review. Their 2015 assessment prior to the Board of Review was \$3,875,000. There was not a 2015 Board of Review hearing and there was no determination by the Board of Review.

<u>2014 Assessment</u>		<u>2015 Assessment</u>	
Land	\$1,500,000	Land	\$ 1,450 000
Improvement	\$3,100,000	Improvement	\$ 2,425,000
Total	\$4,600,000	Total	\$ 3,875,000

Wausau Pharmacy LLC – (Tenant - CVS Pharmacy) appealed the 2015 assessment to the Board of Review; however, the claim did not comply with the statutory requirements of WI Stats. 74.37(4)(a) and to constitute a valid claim because the procedures for objecting to the assessment under WI Stats. 70.47 have not been complied with.

**I recommend denial of Wausau Pharmacy LLC – (Tenant - CVS Pharmacy) claim for excessive assessment.**

Respectfully submitted,

Nanette S. Giese  
City Assessor  
City of Wausau



## Claim for Excessive Assessment Worksheet

**Claimant:** CVS Pharmacy

**PIN:** 291-2907-261-0953

A claim for excessive assessment under Wisconsin Statutes § 74.37 shall meet ALL of the following requirements. Failure to meet any one (1) condition shall be grounds to disallow the claim.

- Must be filed against the taxation district imposing the assessment.
- Must be in writing.
- Must state the alleged circumstances giving rise to the claim.
- Must state as accurately as possible the amount of the claim.
- Must be signed by the claimant or his or her agent.
- Must be served on the clerk of the taxation district as prescribed in §801.11(4) by January 31 of the year in which the tax is based upon the contested assessment is payable.
- Claimant must have previously objected to the assessment under § 70.47, except under § 70.47 (13). *This condition does not apply if notice under § 70.365 was not required.*
- Claimant must have timely paid the tax, or authorized installment of the tax, which was based on the alleged excessive assessment.
- Claimant must NOT have appealed the same assessment under § 70.47(13) or § 70.85.
- Tax must be based on an excessive assessment and not palpable errors as defined in § 74.33.

Meaning(s):

- Assessment was amended after tax bills were issued.
- Assessment is otherwise factually incorrect to the excess.

Subjective analysis of the information used to determine the assessment or the claimant's opinion of value should not be considered as § 74.37 does not provide for such proceedings by the taxation district. The established assessments by the Assessor and/or the Board of Review are protected by statutes. Allowing a claim does NOT change the assessment.

- § 70.49(2), each assessment "shall, in all actions and proceedings involving such values, be presumptive evidence that all such properties have been justly and equitably assessed."
- § 70.47(9), Correction of Assessments. (a) From evidence before it the board (of review) shall determine whether the assessor's assessment is correct. If the assessment is too high or too low, the board shall raise or lower the assessment accordingly and state on the record the correct assessment and that that assessment is reasonable in light of all relevant evidence that the board received.

Claim Determination:  ALLOW  DISALLOW

Determination by: Jeremy M. Ray – Interim City Assessor

**CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403**

<b>RESOLUTION OF THE FINANCE COMMITTEE</b>	
Approving alleged claim for excessive assessment – Patrick and Amanda France (226 Fountain Hills Boulevard)	
Committee Action:	Pending
Fiscal Impact:	None
<b>File Number:</b>	16-0216
<b>Date Introduced:</b>	March 22, 2016

<b>FISCAL IMPACT SUMMARY</b>			
<b>COSTS</b>	<i>Budget Neutral</i>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
	<i>Included in Budget:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	<i>One-time Costs:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	<i>Recurring Costs:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
<b>SOURCE</b>	<i>Fee Financed:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	<i>Grant Financed:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	<i>Debt Financed:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	<i>TID Financed:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	<i>TID Source: Increment Revenue <input type="checkbox"/> Debt <input type="checkbox"/> Funds on Hand <input type="checkbox"/> Interfund Loan <input type="checkbox"/></i>		

**RESOLUTION**

**WHEREAS**, Patrick and Amanda France appealed the 2015 assessment of their real property located at 226 Fountain Hills Boulevard (PIN 291.2908.321.0010) to the Board of Review; and

**WHEREAS**, the Board of Review sustained the valuation set by the assessor; and

**WHEREAS**, on January 27, 2016, Patrick and Amanda France served on the Clerk, a claim for excessive assessment pursuant to Section 74.37, Wisconsin Statutes; and

**WHEREAS**, pursuant to said claim, Patrick and Amanda France, are requesting that the amount of general property tax imposed because the assessment of their property was excessive, be refunded; and

**WHEREAS**, city staff has reviewed the claim and recommends that the claim be disallowed; and

**WHEREAS**, your Finance Committee, on March 22, 2016, considered the matter and recommends that the claim be disallowed.

**NOW, THEREFORE, BE IT RESOLVED** by the Common Council of the City of Wausau, that the claim of Patrick and Amanda France filed with the city clerk of January 27, 2016, for excessive assessment of the real property located at 226 Fountain Hills Boulevard (PIN 2908.321.0010) is hereby approved.

Approved:

\_\_\_\_\_  
James E. Tipple, Mayor

YEAR STATE OF WISCONSIN  
2015 CITY OF WAUSAU

ORIGINAL TAX RECEIPT  
3055796 ACFWBAS1 12/28/2015

=====

37-291-4-2908-321-0010 59.2455 .000.010.0000

PAID BY:

PATRICK J FRANCE  
AMANDA M FRANCE

226 FOUNTAIN HILLS BLVD  
FOUNTAIN HILLS  
LOT 10

PATRICK J FRANCE  
AMANDA M FRANCE  
226 FOUNTAIN HILLS BLVD  
WAUSAU WI 54403

POS  
TAX DUE: 8,430.17  
INTEREST:  
PENALTY:  
OTHER:  
TOTAL DUE: 8,430.17  
PAYMENT: 6,858.68  
LOTTERY CREDIT: 115.16  
CHANGE:  
TRANSACTION TOTAL: 6,973.84  
APPLIED TO:  
GENERAL TAX: 6,973.84  
INTEREST:  
PENALTY:  
OTHER:  
TAX  
REMAINING: 1,456.33

Return this portion with payment.

PATRICK J FRANCE  
AMANDA M FRANCE  
226 FOUNTAIN HILLS BLVD  
WAUSAU WI 54403

Total Due for Full Payment: **1,456.33**  
Installment Payment: 1,456.33  
Payment Date: 7/31/2016

Amount Enclosed \$ \_\_\_\_\_

Check For Billing Address Change.

Make check payable and mail payments to:  
CITY OF WAUSAU  
PO BOX 3051  
MILWAUKEE WI 53201-3051



291-2908-321-0010



0129129083210010000145633000145633201607315

YEAR STATE OF WISCONSIN  
2015 CITY OF WAUSAU

ORIGINAL TAX RECEIPT  
3069788 ACFWBAS1 1/27/2016

=====

37-291-4-2908-321-0010	59.2455	.000.010.0000	PAID BY:	
PATRICK J FRANCE			POS	
AMANDA M FRANCE			TAX DUE:	1,456.33
			INTEREST:	
			PENALTY:	
			OTHER:	
226 FOUNTAIN HILLS BLVD			TOTAL DUE:	1,456.33
FOUNTAIN HILLS			PAYMENT:	1,456.33
LOT 10			LOTTERY CREDIT:	
			CHANGE:	
			TRANSACTION TOTAL:	1,456.33
			APPLIED TO:	
			GENERAL TAX:	1,456.33
			INTEREST:	
			PENALTY:	
			OTHER:	
PATRICK J FRANCE			TAX	
AMANDA M FRANCE			REMAINING:	.00
226 FOUNTAIN HILLS BLVD				
WAUSAU WI 54403				

Return this portion with payment.

Total Due for Full Payment:  
Installment Payment:  
Payment Date:

Amount Enclosed \$ \_\_\_\_\_

Check For Billing Address Change.

Make check payable and mail payments to:

## Objection Form for Real Property Assessment

Section 70.47(7)(a), Wisconsin Statutes states " No person shall be allowed in any action or proceedings to question the amount or valuation of property unless such written objection has been filed and such person in good faith presented evidence to such board in support of such objection and made full disclosure before said board . . ."

**Note:** The Board of Review can hear only sworn oral testimony regarding the value of the property. It cannot hear protests regarding the amount of property taxes or questions of exemption. The best evidence of the value of your property is a recent arm's-length sale of your property. The next best evidence is recent arm's-length sales of comparable property. If there are no sales of your property or comparable property, you should present other evidence that indicates the value of your property. This would include cost, income, appraisals, and sales of like property.

Property Owner's Name <i>Patrick &amp; Amanda France</i>	Agent Name (if applicable) _____
Owner's Mailing Address <i>226 Fountain Hills Blvd Wausau 54403</i>	Agent's Mailing Address _____
Owner's Telephone Number <i>(715) 298-1570 / 715 573-4350</i>	Agent's Telephone Number <i>( ) _____</i>

Please provide the following information of the property and the assessment to which you are objecting. (Attach additional sheets, if necessary.)

1. Property Address *226 Fountain Hills Blvd Wausau WI 54403*
2. Legal Description or parcel number from the current assessment roll *291 2908 321 0010*
3. Total Property Assessments *341,500*
4. Please explain why you think the above assessed value is incorrect *Increased from 283,500. Obtained real estate appraisal as of 1/1/15 which valued our property @ 253,000*
5. In your opinion, what was the taxable value of this property on January 1 of the year being appealed? *\$ 283,500*  
If this property contains acreage that is not in a market value class, provide a further opinion of the taxable value breakdown:

STATUTORY CLASS	ACRES	\$ PER ACRE	FULL TAXABLE VALUE
Residential Total Market Value			
Commercial Total Market Value			
Agricultural Classification: # of Tillable Acres	@	\$ acre use value	
# of Pasture Acres	@	\$ acre use value	
# of Specialty Acres	@	\$ acre use value	
Undeveloped Classification # of Acres	@	\$ acre @ 50% of Market Value	
Agricultural Forest Classification # of Acres	@	\$ acre @ 50% of Market Value	
Forest Classification # of Acres	@	\$ acre @ Market Value	
Class 7 "Other" Total Market Value		Market Value	
Managed Forest Land Acres	@	\$ acre @ 50% of Market Value	
Managed Forest Land Acres	@	Market Value	

6. Check the method of acquisition of the property:  Purchase  Trade  Gift  Inheritance  
Acquisition Price \$ *54,900* Date *7-26-06*
7. Have you improved, remodeled, added to, or changed this property since acquiring it?  Yes  No  
If yes, describe: *Home Built - Total Costs ~~245,000~~ 245,000.*  
(a) When were the changes made? *2004 & 2010*  
(b) What were the cost of the changes? \_\_\_\_\_  
(c) Does the above figure include the value of all labor, including your own?  Yes  No
8. Have you listed the property for sale within the last five years?  Yes  No  
(a) If yes, when and for how long was the property listed? \_\_\_\_\_  
(b) What was the asking price? \_\_\_\_\_  
(c) What offers were received? \_\_\_\_\_
9. (a) Has anyone made an appraisal of this property within the last five years?  Yes  No  
(b) If yes, when and for what purpose? *Appraisal Done as of 1/1/15*  
(c) What was the appraised value? *253,000*

10. Please list the name(s) of Board of Review member(s) you are requesting to be removed from your hearing. NOTE: This section does not apply in first or second class cities. \_\_\_\_\_

11. Please provide a reasonable estimate of the length of time that the hearing will take *5 min / 1/2 hour*

Owner's or Agent's Signature <i>Patrick France</i>	Date <i>9 - 21 - 15</i>
---	----------------------------

Rec'd 9/21/15 @ 12:15pm

# City of Wausau

## Notice of Intent to File Objection with Board of Review

For Office Use:  
9/9/15 @ 11:15  
 Written  Oral

I, Patrick France, (insert name) as the property owner or as an agent for \_\_\_\_\_, (insert property owner's name or strike) with an address of 226 Fountain Hills Blvd, hereby give notice of intent to file an objection on the assessment for the following property: 226 Fountain Hills Blvd, Wausau WI 54907 (Insert address of subject property) with the parcel or tax identification number # 291 - 2908-321-0010 for the 2015 (insert year) Assessment Year.

### **THIS NOTICE OF INTENT IS BEING FILED** (please mark one)

- At least 48 hours before the Board's first scheduled meeting.
- During the first two hours of the Board's first scheduled meeting (complete Section A)
- Up to the end of the fifth day of the session or up to the end of the final day of the session if the session is less than five days (complete Section B)

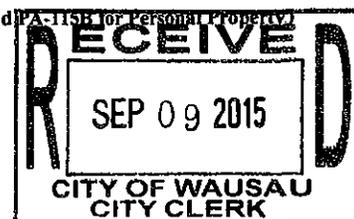
**IMPORTANT NOTE:** FILING OF THIS FORM DOES NOT RELIEVE THE OBJECTOR OF THE REQUIREMENT TO TIMELY FILE A FULLY COMPLETED WRITTEN OBJECTION ON THE PROPER FORM WITH THE CLERK OF THE BOARD OF REVIEW.

Date: 9/9/15 Signature: Patrick France

**Section A:** The Board of Review may grant a waiver of the 48 hour notice of an intent to file a written or oral objection if a property owner who does not meet the notice requirement appears before the Board during the first two hours of the first meeting, shows good cause for failure to meet the 48 hour notice requirement and files a written objection. My good cause is as follows:  
\_\_\_\_\_  
\_\_\_\_\_

**Section B:** The Board of Review may waive all notice requirements and hear the objection even if the property owner fails to provide written or oral notice of an intent to object 48 hours before the first scheduled meeting, and fails to request a waiver of the notice requirement during the first two hours of the meeting, if the property owner appears before the Board of any time up to the end of the fifth day of the session or up to the end of the final day of the session if the session is less than five days, and **FILES A WRITTEN OBJECTION AND PROVIDES EVIDENCE OF EXTRAORDINARY CIRCUMSTANCES.** Proof of my extraordinary circumstances is as follows:  
\_\_\_\_\_  
\_\_\_\_\_

**A WRITTEN OBJECTION ON THE PROPER FORM MUST BE PROPERLY FILED WITH THE CLERK OF THE BOARD OF REVIEW.** (PA-115A for Real Estate Property and PA-115B for Personal Property)



## **BOARD OF REVIEW**

Time and Place: Tuesday, September 22, 2015 @ 9:30 a.m., in the Council Chambers at City Hall.

Members Present: Russ Tonelli, Carmen Siegel (C), Dennis Nicholiason, Gary Klingbeil (alt)

Others Present: Nan Giese, Rick Rubow, Anne Jacobson, Toni Rayala

Motion by Siegel, second by Tonelli, to accept the objection form of Patrick France, PIN# 291-2908-321-0010, 226 Fountain Hills Blvd. Roll call vote: Siegel-yes, Tonelli-yes, Klingbeil-yes, Nicoliasen-yes. Motion passed unanimously.

Giese spoke about errors on the CVS Pharmacy objection form. She stated the response in 7(B) is \$3,524,920, not the \$1,300,000. She also had concerns about who owns the property. CVS is the tenant. Also CVS did not file any income and expense information that was requested by the assessor's office. Giese asked for a motion to dismiss this objection because they didn't submit income and expense information. Motion by Siegel, second by Nicoliasen to dismiss the objection form of Wausau Pharmacy LLC / CVS Pharmacy Inc. PIN# 291-2907-261-0953, 102 Central Bridge Street, based on this information; State Statutes 70.47(7)(af), no person may appear before the board of review, testify to the board by telephone or object to a valuation; if that valuation was made by the assessor or the objector using the income method; unless the person supplies to the assessor all of the information about income and expenses, as specified in the manual under s. 73.03(2a), that the assessor requests. Roll Call vote: Siegel-yes, Tonelli-yes, Klingbeil-yes, Nicoliasen-yes. Motion passed unanimously. Objection was not accepted.

Giese said that U.S. Bank did not file income and expense information that she requested in February 2015. Subject to written verification of this request for the file, Siegel motioned to not accept the objection of U.S. Bank, second by Klingbeil based on State statutes 70.47(7)(af) no person may appear before the board of review, testify to the board by telephone or object to a valuation; if that valuation was made by the assessor or the objector using the income method; unless the person supplies to the assessor all of the information about income and expenses, as specified in the manual under s. 73.03(2a), that the assessor requests. Roll Call vote: Siegel-yes, Tonelli-yes, Klingbeil-yes, Nicoliasen-yes. Motion passed unanimously. Objection was not accepted.

Giese said Wisconsin Hospitality Group did not file income and expense information and she requested this information February. Subject to written verification of this request for the file, Siegel motioned to not accept the objection of Wisconsin Hospitality Group, second by Tonelli based on State statutes 70.47(7)(af) no person may appear before the board of review, testify to the board by telephone or object to a valuation; if that valuation was made by the assessor or the objector using the income method; unless the person supplies to the assessor all of the information about income and expenses, as specified in the manual under s. 73.03(2a), that the assessor requests. Roll Call vote: Siegel-yes, Tonelli-yes, Klingbeil-yes, Nicoliasen-yes. Motion passed unanimously. Objection was not accepted.

Motion by Klingbeil, second by Nicoliasen to adjourn until September 28, 2015 at 9:00 am. Motion passed unanimously. Meeting adjourned at 3:26 pm.

## **BOARD OF REVIEW**

Time and Place: Thursday, October 1, 2015 @ 9:00 a.m. in the Council Chambers at City Hall.

Members Present: Russ Tonelli, Carmen Siegel (C), Gary Klingbeil (alt)

Others Present: Nan Giese, Rick Rubow, Toni Rayala, Robert Mayer, Jeremy Ray, Anne Jacobson, Shane VanderWaal via phone

### **3) HEAR OBJECTIONS SCHEDULED:**

**9:00 am Hearing RE: Patrick France: PIN# 291-2908-321-0010, 226 Fountain Hills Blvd. Wausau, WI 54403.** Siegel introduced the objection of Patrick France for property at 226 Fountain Hills Blvd. The following individuals present were sworn in: Patrick France and appraiser Timothy Schneider; City Assessor: Nanette Giese, Property Appraisers: Rick Rubow and Kristeen Quale. Testimony was taken by both parties. One exhibit was placed on file on behalf of the objector. One exhibit was placed on file on behalf of the assessor. Board deliberated on the testimony and made the following determination.

Motion by Tonelli, second by Klingbeil that exercising its judgement and discretion, pursuant to Section 70.47(9)(a) of the Wisconsin Statutes the Board of Review by majority and roll call vote hereby determine: the property owner did not present sufficient evidence to rebut the presumption of correctness granted by law to the Assessor; and sustains the same valuation as set by the assessor. Roll Call Vote: Tonelli-aye, Klingbiel-aye, Siegel-aye. Motion carried 3-0.

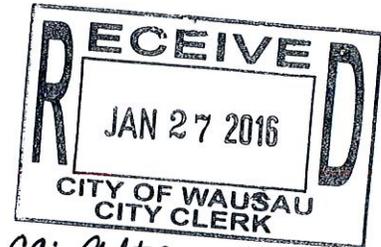
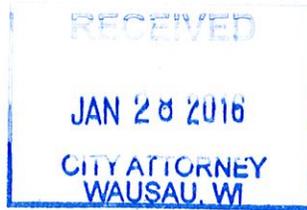
01/26/16

To: City of Wausau

From: Patrick and Amanda France

Re: Claim on Excessive Assessment (parcel # 291-2908-321-0010)

Amount : \$1,449.58



*Rec'd by personal delivery*

*cc: Attorney Assessors*

Circumstances for the claim:

- The assessment on the parcel listed above increased from \$283,500 (2014) to \$341,500 (2015). There were no changes made to our property since the last re-assessment. After researching assessment values on comparable properties we discovered that most assessment values either remained flat or decreased slightly from 2014 to 2015. We decided to appeal to the board of review. In advance of the review, we had an appraisal done by a local certified residential appraiser (Timothy Schneider). This appraisal valued our house at \$253,000 as of 1/1/15. At the board of review Schneider presented his appraisal and answered questions. During the question/cross examination, Mr. Schneider listed all recent sales from the Fountain Hills Subdivision that were not used in his report and explained why each was not used (ex. one story vs. two story).
- The city assessment department presented their residential sales comparison. There were a few items that we hold in question on this assessment:
  - 3 of the 4 comparables chosen were one story houses (ours is a 2 story). Two of these one story houses are located in the cul-de-sac of our neighborhood where there are higher end houses, and one is located on the west side of Wausau. The average price of these 3 one story houses is \$370,666.
  - Comparable #2 on the real estate appraisal we had done was a 2 story house located on Aspen Grove Ln (one street to the north of us in our subdivision). This house is similar to ours; a two story, built by the same builder, is of similar quality, and is slightly smaller in size (460 total sq. ft.). This house sold for \$249,900 on 10/30/14. It seems that this comparable would have been much more appropriate than any of the three one story houses that were chosen, and this would have resulted in a much lower value on the City's report.
- At the conclusion of the board of review hearing there was not any deliberation among the board members, there was just a motion made to keep the assessment as is.

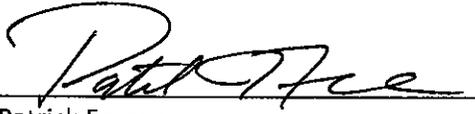
Explanation of claim amount:

- 2015 net property tax amount = \$8,315.01 (based on an assessment amount of \$341,500).
- Net property tax on previous year's amount ( $\$283,500 \times .024894459$ ) would be : \$7,058- (first dollar credit: \$71.29)-(Lottery & Gaming credit: \$121.28)= \$6,865.43 (Even though the appraisal came in lower we are only requesting the difference between the 2015 and 2014 assessment values).
- $\$8,315.01 - \$6,865.43 = \$1,449.58$ .

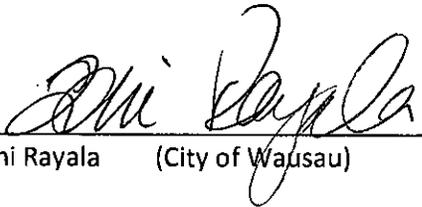
Conclusion

- Wisconsin state law requires that properties are assessed at full market value as of January 1<sup>st</sup> each year.
- We obtained an appraisal as of January 1<sup>st</sup> 2015 which valued our house at \$253,000 (\$88,500 less than the 2015 City of Wausau assessment). The appraisal was done by a local certified appraiser.

- When factoring the significant increase in assessment value without any change made to the property, along with the large discrepancy between the assessed value and the appraised market value, it is clear that the 2015 assessment of our property is excessive.

  
Patrick France

1-27-14  
Date

  
Toni Rayala (City of Wausau)

1-27-16  
Date

February 23, 2016

74.37 Claim for Excessive Assessment  
Real Estate Parcel

PIN# 291 2908 321 0010  
226 Fountain Hills Blvd  
Owner: Patrick and Amanda France

The France's filed a Section 74.37 Claim for Excessive Assessment with our City Clerk, Toni Rayala, on January 27, 2016.

The France's filed an objection with the 2015 Board of Review. The France's 2015 assessment prior to the Board of Review was \$341,500. At the 2015 Board of Review hearing our assessment was sustained at \$341,500.

<u>2014 Assessment</u>		<u>2015 Assessment</u>	
Land	\$ 59,900	Land	\$ 51,500
Improvement	\$223,600	Improvement	\$ 290,000
Total	\$283,500	Total	\$ 341,500

Owner obtained an appraisal done for the Board of Review which came in at \$253,000 as of January 1, 2015 by Tim Schneider. We questioned the quality of construction on the comparables used in the France appraisal. Also, the above grade square footage was adjusted at \$30 per square foot which is low.

**I recommend denial of Riveron's claim for excessive assessment.**

Respectfully submitted,

Nanette S. Giese  
City Assessor  
City of Wausau



## Claim for Excessive Assessment Worksheet

**Claimant:** Patrick and Amanda France

**PIN:** 291-2908-321-0010

A claim for excessive assessment under Wisconsin Statutes § 74.37 shall meet ALL of the following requirements. Failure to meet any one (1) condition shall be grounds to disallow the claim.

- Must be filed against the taxation district imposing the assessment.
- Must be in writing.
- Must state the alleged circumstances giving rise to the claim.
- Must state as accurately as possible the amount of the claim.
- Must be signed by the claimant or his or her agent.
- Must be served on the clerk of the taxation district as prescribed in §801.11(4) by January 31 of the year in which the tax is based upon the contested assessment is payable.
- Claimant must have previously objected to the assessment under § 70.47, except under § 70.47 (13). *This condition does not apply if notice under § 70.365 was not required.*
- Claimant must have timely paid the tax, or authorized installment of the tax, which was based on the alleged excessive assessment.
- Claimant must NOT have appealed the same assessment under § 70.47(13) or § 70.85.
- Tax must be based on an excessive assessment and not palpable errors as defined in § 74.33.

Meaning(s):

- Assessment was amended after tax bills were issued.
- Assessment is otherwise factually incorrect to the excess.

Subjective analysis of the information used to determine the assessment or the claimant's opinion of value should not be considered as § 74.37 does not provide for such proceedings by the taxation district. The established assessments by the Assessor and/or the Board of Review are protected by statutes. Allowing a claim does NOT change the assessment.

- § 70.49(2), each assessment "shall, in all actions and proceedings involving such values, be presumptive evidence that all such properties have been justly and equitably assessed."
- § 70.47(9), Correction of Assessments. (a) From evidence before it the board (of review) shall determine whether the assessor's assessment is correct. If the assessment is too high or too low, the board shall raise or lower the assessment accordingly and state on the record the correct assessment and that that assessment is reasonable in light of all relevant evidence that the board received.

Claim Determination:  ALLOW  DISALLOW

Determination by: Jeremy M. Ray – Interim City Assessor

<b>RESOLUTION OF THE FINANCE COMMITTEE</b>	
Approving alleged claim for excessive assessment – US Bank N.A. (401 N. 5 <sup>th</sup> Street)	
Committee Action:	Pending
Fiscal Impact:	None
<b>File Number:</b>	16-0217
<b>Date Introduced:</b>	March 22, 2016

<b>FISCAL IMPACT SUMMARY</b>			
<b>COSTS</b>	<i>Budget Neutral</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	<i>Included in Budget:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Budget Source:</i>
	<i>One-time Costs:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>Recurring Costs:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
<b>SOURCE</b>	<i>Fee Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>Grant Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>Debt Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount</i> <span style="float: right;"><i>Annual Retirement</i></span>
	<i>TID Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>TID Source: Increment Revenue</i> <input type="checkbox"/> <i>Debt</i> <input type="checkbox"/> <i>Funds on Hand</i> <input type="checkbox"/> <i>Interfund Loan</i> <input type="checkbox"/>		

## RESOLUTION

**WHEREAS**, US Bank N.A. appealed the 2015 assessment of the real property located at 401 N. 5<sup>th</sup> Street (PIN 291.2907.253.0362) to the Board of Review; however, the claim did not comply with the statutory requirements of s. 74.37(4)(a) and to constitute a valid claim because the procedures for objecting to the assessment under s. 70.47 have not been complied with; and

**WHEREAS**, the Board of Review dismissed the claimant’s alleged objection without acting on the merits of the objection and therefore did not issue a written Notice of Determination that affirmed the assessment; and

**WHEREAS**, on January 27, 2016, US Bank N.A. filed a claim for excessive assessment pursuant to Section 74.37, Wisconsin Statutes; and

**WHEREAS**, pursuant to said claim, US Bank N.A., is requesting that the amount of general property tax imposed because the assessment of their property was excessive, be refunded; and

**WHEREAS**, city staff has reviewed the claim and recommends that the claim be disallowed; and

**WHEREAS**, your Finance Committee, on March 22, 2016, considered the matter and recommends that the claim be disallowed.

**NOW, THEREFORE, BE IT RESOLVED** by the Common Council of the City of Wausau, that the claim of US Bank N.A. filed with the city clerk of January 27, 2016, for excessive assessment of the real property located at 401 N. 5<sup>th</sup> Street (PIN 2907.253.0362) is hereby approved.

Approved:

---

James E. Tipple, Mayor

1st Installment paid US Bank

YEAR  
2015

STATE OF WISCONSIN  
CITY OF WAUSAU

3067286

ORIGINAL TAX RECEIPT  
MNFWBAS1

1/22/2016

37-291-4-2907-253-0362  
FIRSTAR BANK WAUSAU  
NATIONAL ASSOCIATION

59.7030 .005.001.0000

PAID BY:

092900383 632536

TAX DUE: 118,525.13

INTEREST:

PENALTY:

OTHER:

TOTAL DUE: 118,525.13

PAYMENT: 41,175.13

LOTTERY CREDIT:

CHANGE:

TRANSACTION TOTAL: 41,175.13

APPLIED TO:

GENERAL TAX: 38,675.13

INTEREST:

PENALTY:

OTHER: 2,500.00

TAX

REMAINING: 77,350.00

401 N 5TH ST

STEWART MANSON & HINTONS  
ADD LOTS 1 2 3 4 5 13 14 15  
16 ALSO LOT 6 EX THE E 5'  
ALSO LOT 11 EX N 80' AND E  
5' ALSO LOT 12 EX THE N 80'  
INCL VAC ALLEY LYG WITHIN  
FIRSTAR BANK WAUSAU NA  
C/O US BANK CORP PROP  
ATTN TAX DEPT  
2800 EAST LAKE ST  
MINNEAPOLIS MN 55406

2500.00  
Business  
Improvement  
District

Return this portion with payment.

FIRSTAR BANK WAUSAU NA  
C/O US BANK CORP PROP  
ATTN TAX DEPT  
2800 EAST LAKE ST  
MINNEAPOLIS MN 55406

Total Due for Full Payment:  
Installment Payment:  
Payment Date:

77,350.00  
38,675.00  
4/30/2016

Amount Enclosed \$ \_\_\_\_\_

Check For Billing Address Change.

Make check payable and mail payments to:  
CITY OF WAUSAU  
PO BOX 3051  
MILWAUKEE WI 53201-3051



291-2907-253-0362



0129129072530362007735000003867500201604305

**FACSIMILE MESSAGE****IMPORTANT CONFIDENTIALITY NOTICE**

The documents included in this facsimile transmission from the law firm of Reinhart Boerner Van Deuren s.c. contain information that may be confidential or legally privileged. These documents are intended only for the use of the individuals or entities named on this transmission cover sheet. If you or your firm are not the intended recipient and have received this transmission mistakenly, you are hereby notified that reading, copying, disclosing or distributing these documents, or taking any action based on the information contained within them, is strictly prohibited, and that the documents should be returned to this firm immediately. If you have received this facsimile in error, please notify us by calling 414-298-1000 immediately so that we can arrange to retrieve the transmitted documents at no cost to you.

PLEASE DELIVER THE FOLLOWING TO:

Memory Tag: 2# \_\_\_\_\_

<b>Name:</b>	Toni Rayala, Clerk	<b>Facsimile No.</b>	<b>715-261-6626</b>
<b>Company:</b>	City of Wausau	<b>Phone No.</b>	<b>715-261-6620</b>

**FROM:** Don M. Millis  
**DATE:** September 22, 2015

**REQUESTED BY** Erica Johnson  
**EXTENSION** 2281

**ATTORNEY NO.**  
**CLIENT NO.**  
**MATTER NO.**

Total number of pages sent, including this page

IF ANY PROBLEMS OCCUR WITH THIS TRANSMISSION OR IF YOU HAVE NOT RECEIVED ALL THE PAGES,  
PLEASE CALL OUR FACSIMILE OPERATOR AT 414-298-1000.



Reinhart Boemer Van Deuren s.c.  
P.O. Box 2018  
Madison, WI 53701-2018

22 East Mifflin Street  
Suite 600  
Madison, WI 53703

Telephone: 608-229-2200  
Facsimile: 608-229-2100  
reinhartlaw.com

September 22, 2015

Don M. Millis  
Direct Dial: 608-229-2234  
dmillis@reinhartlaw.com

SENT BY FACSIMILE (715-261-6626)  
AND OVERNIGHT COURIER

Toni Rayala, Clerk  
City of Wausau  
407 Grant Street  
Wausau, WI 54403

Dear Clerk:

Re: 401 5th Street, parcel #291-2907-253-0362

Enclosed please find an Objection Form for Real Property assessment filed on behalf of U.S. Bank National Association to the 2015 property tax assessment for the above-referenced property.

Sincerely,

Don M. Millis

32752751

OBJECTION FORM FOR REAL PROPERTY ASSESSMENT

Section 70.47(7)(a), Wisconsin Statutes states "No person shall be allowed in any action or proceedings to question the amount or valuation of property unless such written objection has been filed and such person in good faith presented evidence to such board in support of such objection and made full disclosure before said board . . ."

Note: The Board of Review can hear only sworn oral testimony regarding the value of the property. It cannot hear protests regarding the amount of property taxes or questions of exemption. The best evidence of the value of your property is a recent arm's-length sale of your property. The next best evidence is recent arm's-length sale of comparable property. If there are no sales of your property or comparable property, you should present other evidence that indicates the value of your property. This would include cost, income, appraisals, and sales of like property.

Table with 2 columns: Property Owner's Name (US Bank N.A.), Owner's Mailing Address (2600 E Lake ST, Minneapolis, MN 55406-1930), Owner's Telephone Number, Agent Name (Reinhardt Boerno Van Deuren s.c.), Agent's Mailing Address (22 E. Mifflin St., Ste. 200, Madison, WI 53703), Agent's Telephone Number (608-229-2200).

Please provide the following information on the property and the assessment to which you are objecting. (Attach additional sheets, if necessary.)

- 1. Property Address 401 5th Street, Wausau
2. Legal Description or parcel number from the current assessment roll 291-2907-263-0362
3. Total Property Assessments \$4,539,900
4. Please explain why you think the above assessed value is incorrect. Assessment exceeds the fair market value. Assessment violates uniformity clause of Wisconsin's Constitution because it is not uniform with other assessments in the City.
5. In your opinion, what was the taxable value of this property on January 1 of the year being appealed? \$2,050,000. If this property contains acreage that is not in a market value class, provide a further opinion of the taxable value breakdown:

Table with 4 columns: STATUTORY CLASS, ACRES, \$ PER ACRE, FULLY TAXABLE VALUE. Rows include Residential Total Market Value, Commercial Total Market Value, Agricultural Classification (Tillable, Pasture, Specialty), Undeveloped Classification, Agricultural Forest, Forest, Class 7 'Other', Managed Forest Land.

- 6. Check the method of acquisition of the property: [X] Purchase [ ] Trade [ ] Gift [ ] Inheritance. Acquisition Price Construction, Date: 1985.
7. Have you improved, remodeled, added to, or changed this property since acquiring it? [ ] Yes [X] No. If yes, describe: (a) When were the changes made? (b) What were the cost of the changes? (c) Does the above figure include the value of all labor, including your own? [ ] Yes [X] No.
8. Have you listed the property for sale within the last five years? [ ] Yes [X] No. (a) If yes, when and for how long was the property listed? (b) What was the asking price? (c) What offers were received?
9. Has anyone made an appraisal of this property within the last five years? [ ] Yes [X] No. (b) If yes, when and for what purpose? (c) What was the appraised value?

10. Please list the name(s) of Board of Review member(s) you are requesting to be removed from your hearing. NOTE: This section does not apply in first or second class cities. N/A

Please provide a reasonable estimate of the length of time that the hearing will take 30 minutes

Owner's or Agent's Signature: [Signature] Date: 9/22/15

## **BOARD OF REVIEW**

Time and Place: Tuesday, September 22, 2015 @ 9:30 a.m., in the Council Chambers at City Hall.

Members Present: Russ Tonelli, Carmen Siegel (C), Dennis Nicholiason, Gary Klingbeil (alt)

Others Present: Nan Giese, Rick Rubow, Anne Jacobson, Toni Rayala

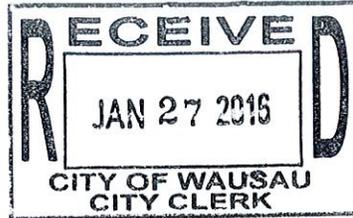
Motion by Siegel, second by Tonelli, to accept the objection form of Patrick France, PIN# 291-2908-321-0010, 226 Fountain Hills Blvd. Roll call vote: Siegel-yes, Tonelli-yes, Klingbeil-yes, Nicoliasen-yes. Motion passed unanimously.

Giese spoke about errors on the CVS Pharmacy objection form. She stated the response in 7(B) is \$3,524,920, not the \$1,300,000. She also had concerns about who owns the property. CVS is the tenant. Also CVS did not file any income and expense information that was requested by the assessor's office. Giese asked for a motion to dismiss this objection because they didn't submit income and expense information. Motion by Siegel, second by Nicoliasen to dismiss the objection form of Wausau Pharmacy LLC / CVS Pharmacy Inc. PIN# 291-2907-261-0953, 102 Central Bridge Street, based on this information; State Statutes 70.47(7)(af), no person may appear before the board of review, testify to the board by telephone or object to a valuation; if that valuation was made by the assessor or the objector using the income method; unless the person supplies to the assessor all of the information about income and expenses, as specified in the manual under s. 73.03(2a), that the assessor requests. Roll Call vote: Siegel-yes, Tonelli-yes, Klingbeil-yes, Nicoliasen-yes. Motion passed unanimously. Objection was not accepted.

Giese said that U.S. Bank did not file income and expense information that she requested in February 2015. Subject to written verification of this request for the file, Siegel motioned to not accept the objection of U.S. Bank, second by Klingbeil based on State statutes 70.47(7)(af) no person may appear before the board of review, testify to the board by telephone or object to a valuation; if that valuation was made by the assessor or the objector using the income method; unless the person supplies to the assessor all of the information about income and expenses, as specified in the manual under s. 73.03(2a), that the assessor requests. Roll Call vote: Siegel-yes, Tonelli-yes, Klingbeil-yes, Nicoliasen-yes. Motion passed unanimously. Objection was not accepted.

Giese said Wisconsin Hospitality Group did not file income and expense information and she requested this information February. Subject to written verification of this request for the file, Siegel motioned to not accept the objection of Wisconsin Hospitality Group, second by Tonelli based on State statutes 70.47(7)(af) no person may appear before the board of review, testify to the board by telephone or object to a valuation; if that valuation was made by the assessor or the objector using the income method; unless the person supplies to the assessor all of the information about income and expenses, as specified in the manual under s. 73.03(2a), that the assessor requests. Roll Call vote: Siegel-yes, Tonelli-yes, Klingbeil-yes, Nicoliasen-yes. Motion passed unanimously. Objection was not accepted.

Motion by Klingbeil, second by Nicoliasen to adjourn until September 28, 2015 at 9:00 am. Motion passed unanimously. Meeting adjourned at 3:26 pm.



ORIGINAL

*Rec'd by personal del.*

January 21, 2016

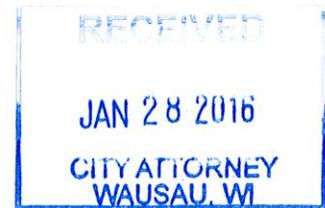
*cc: Atty  
Assessor*

Don M. Millis, Esq.  
Direct Dial: 608-229-2234  
dmillis@reinhartlaw.com

### CLAIM FOR EXCESSIVE ASSESSMENT

SERVED BY PROCESS SERVER

Toni Rayala, Clerk  
City of Wausau  
407 Grant Street  
Wausau, WI 54403-4737



Dear Clerk:

Re: Tax Parcel No. 291-2907-253-0362

Now comes Claimant, US Bank N.A., owner of parcel 291-2907-253-0362 (the "Property") in Wausau, Wisconsin, by Claimant's attorneys Reinhart Boerner Van Deuren s.c., and files this Claim for Excessive Assessment against the City of Wausau (the "City"), pursuant to Wis. Stat. § 74.37. You hereby are directed to serve any notice of disallowance on the undersigned agent of the Claimant.

1. This Claim is brought under Wis. Stat. § 74.37(3)(d), for a refund of excessive real estate taxes imposed on Claimant by the City for the year 2015, plus statutory interest, with respect to the Property.
2. Claimant is the owner of the Property, is responsible for the payment of property taxes and the prosecution of property tax disputes involving the Property and is authorized to bring this claim in its own name.
3. The City is a body corporate and politic, duly organized as a municipal corporation under Wisconsin law, with its principal office located at 407 Grant Street in the City.
4. The Property is located at 401 North 5th Street within the City and is identified in the City's records as Tax Parcel No. 291-2907-253-0362.
5. The Wisconsin Department of Revenue determined that the aggregate ratio of property assessed in the City was 100.5248761% as of January 1, 2015.

6. For 2015, property tax was imposed on property in the City at the rate of \$25.573164 per \$1,000 for of the assessed value for Property.
7. For 2015, the City's assessor set the assessment of the Property at \$4,539,900.
8. Claimant appealed the 2015 assessment of the Property by filing a timely objection with the City's Board of Review pursuant to Wis. Stat. § 70.47 and otherwise complying with all of the requirements of Wis. Stat. § 70.47, except Wis. Stat. § 70.47(13).
9. The City's Board of Review without justification unlawfully denied Claimant a hearing and dismissed its objection.
10. The City imposed tax on the Property in the amount of \$116,099.61.
11. Claimant timely paid the property taxes imposed by the City on the Property for 2015, or the required installment thereof.
12. The fair market value of the Property as of January 1, 2015 was no higher than \$2,050,000.
13. Based on the aggregate ratio 100.5248761%, the correct assessment of the Property for 2015 is no higher than \$2,060,760.
14. Based on the tax rate of \$25.573164 per \$1,000 of assessed value, the correct amount of property tax on the Property for 2015 should be no higher than \$52,700.15.
15. The 2015 assessment of the Property, as set by the City's Board of Review was excessive and, upon information and belief, violated Article VIII, Section 1 (i.e., the Uniformity Clause) of the Wisconsin Constitution. As a result, the property tax imposed on the Property for 2015 was excessive in at least the amount of \$63,399.46.
16. Claimant is entitled to a refund of 2015 tax in the amount of \$63,399.46, or such greater amount as may be determined to be due to Claimant, plus statutory interest.
17. The amount of this claim is \$63,399.46, plus interest thereon.

January 21, 2016  
Page 3

Dated at Madison, Wisconsin, this 21st day of January, 2016.

Sincerely yours,

A handwritten signature in black ink, appearing to read "DM", written over the printed name.

Don M. Millis  
Agent for Claimant

DMILLIS/33405711

**PRIVATE LEGAL PROCESS.LLC**

Date: 1/27/16

Time: 12:20 pm

Signature: Amy Londo

February 23, 2016

74.37 Claim for Excessive Assessment  
Real Estate Parcel

PIN# 291 2907 253 0362  
401 N 5<sup>th</sup> St

Owner: FirStar Bank Wausau, National Association (US Bank N.A.)

US Bank N.A. filed a Section 74.37 Claim for Excessive Assessment with our City Clerk, Toni Rayala, on January 27, 2016.

US Bank N.A. filed an objection with the 2015 Board of Review. Their 2015 assessment prior to the Board of Review was \$4,539,900. There was not a 2015 Board of Review hearing and there was no determination by the Board of Review.

<u>2014 Assessment</u>		<u>2015 Assessment</u>	
Land	\$ 684,000	Land	\$ 684,000
Improvement	\$3,628,100	Improvement	\$ 3,855,900
Total	\$4,312,100	Total	\$ 4,539,900

US Bank N.A. appealed the 2015 assessment to the Board of Review; however, the claim did not comply with the statutory requirements of WI Stats. 74.37(4)(a) and to constitute a valid claim because the procedures for objecting to the assessment under WI Stats. 70.47 have not been complied with. 70.47(7)(af) was not complied to by US Bank N.A. – request for income and expense.

**I recommend denial of US Bank N.A. claim for excessive assessment.**

Respectfully submitted,

Nanette S. Giese  
City Assessor  
City of Wausau



## Claim for Excessive Assessment Worksheet

Claimant: US Bank N.A.

PIN: 291-2907-253-0362

A claim for excessive assessment under Wisconsin Statutes § 74.37 shall meet ALL of the following requirements. Failure to meet any one (1) condition shall be grounds to disallow the claim.

- Must be filed against the taxation district imposing the assessment.
- Must be in writing.
- Must state the alleged circumstances giving rise to the claim.
- Must state as accurately as possible the amount of the claim.
- Must be signed by the claimant or his or her agent.
- Must be served on the clerk of the taxation district as prescribed in §801.11(4) by January 31 of the year in which the tax is based upon the contested assessment is payable.
- Claimant must have previously objected to the assessment under § 70.47, except under § 70.47 (13). *This condition does not apply if notice under § 70.365 was not required.*
- Claimant must have timely paid the tax, or authorized installment of the tax, which was based on the alleged excessive assessment.
- Claimant must NOT have appealed the same assessment under § 70.47(13) or § 70.85.
- Tax must be based on an excessive assessment and not palpable errors as defined in § 74.33.

Meaning(s):

- Assessment was amended after tax bills were issued.
- Assessment is otherwise factually incorrect to the excess.

Subjective analysis of the information used to determine the assessment or the claimant's opinion of value should not be considered as § 74.37 does not provide for such proceedings by the taxation district. The established assessments by the Assessor and/or the Board of Review are protected by statutes. Allowing a claim does NOT change the assessment.

- § 70.49(2), each assessment "shall, in all actions and proceedings involving such values, be presumptive evidence that all such properties have been justly and equitably assessed."
- § 70.47(9), Correction of Assessments. (a) From evidence before it the board (of review) shall determine whether the assessor's assessment is correct. If the assessment is too high or too low, the board shall raise or lower the assessment accordingly and state on the record the correct assessment and that that assessment is reasonable in light of all relevant evidence that the board received.

Claim Determination:  ALLOW  DISALLOW

Determination by: Jeremy M. Ray – Interim City Assessor

**RESOLUTION OF THE FINANCE COMMITTEE**

Approving alleged claim for excessive assessment – Wisconsin Hospitality Group (2221 Stewart Avenue)

Committee Action: Pending

Fiscal Impact: None

File Number: 16-0218

Date Introduced: March 22, 2016

**FISCAL IMPACT SUMMARY**

<b>COSTS</b>	<i>Budget Neutral</i>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
	<i>Included in Budget:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	<i>Budget Source:</i>
	<i>One-time Costs:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	<i>Amount:</i>
	<i>Recurring Costs:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	<i>Amount:</i>
<b>SOURCE</b>	<i>Fee Financed:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	<i>Amount:</i>
	<i>Grant Financed:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	<i>Amount:</i>
	<i>Debt Financed:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	<i>Amount</i> <span style="float: right;"><i>Annual Retirement</i></span>
	<i>TID Financed:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	<i>Amount:</i>
	<i>TID Source: Increment Revenue</i> <input type="checkbox"/> <i>Debt</i> <input type="checkbox"/> <i>Funds on Hand</i> <input type="checkbox"/> <i>Interfund Loan</i> <input type="checkbox"/>			

**RESOLUTION**

**WHEREAS**, Wisconsin Hospitality Group appealed the 2015 assessment of the real property located at 2221 Stewart Avenue (PIN 291.2907.342.0953) to the Board of Review; however, the claim did not comply with the statutory requirements of s. 74.37(4)(a) and to constitute a valid claim because the procedures for objecting to the assessment under s. 70.47 have not been complied with; and

**WHEREAS**, the Board of Review dismissed the claimant’s alleged objection without acting on the merits of the objection and therefore did not issue a written Notice of Determination that affirmed the assessment; and

**WHEREAS**, on January 27, 2016, Wisconsin Hospitality Group filed a claim for excessive assessment pursuant to Section 74.37, Wisconsin Statutes; and

**WHEREAS**, pursuant to said claim, Wisconsin Hospitality Group, is requesting that the amount of general property tax imposed because the assessment of their property was excessive, be refunded; and

**WHEREAS**, city staff has reviewed the claim and recommends that the claim be disallowed; and

**WHEREAS**, your Finance Committee, on March 22, 2016, considered the matter and recommends that the claim be disallowed.

**NOW, THEREFORE, BE IT RESOLVED** by the Common Council of the City of Wausau, that the claim of Wisconsin Hospitality Group filed with the city clerk of January 27, 2016, for excessive assessment of the real property located at 2221 Stewart Avenue (PIN 2907.342.0953) is hereby approved.

Approved:

\_\_\_\_\_  
James E. Tipple, Mayor

45<sup>th</sup> Installment Paid

AppleDee's

YEAR STATE OF WISCONSIN  
2015 CITY OF WAUSAU

ORIGINAL TAX RECEIPT  
3074960 ACFWBAS1 2/03/2016

37-291-4-2907-342-0953 59.342907.005.021.0000  
GE CAPITAL FRANCHISE FINANCE CORPORATION

2221 STEWART AVE

SEC 34-29-07  
PT OF NE1/4 NW1/4  
DESD AS LOT (1) OF CSM VOL  
32-80 (8312) EX PCL DESD IN  
DOC #1199211(ST)

WISCONSIN HOSPITALITY GROUP  
2120 PEWAUKEE RD  
STE 200  
WAUKESHA WI 53188-2491

PAID BY:  
POS  
TAX DUE: 48,690.01  
INTEREST:  
PENALTY:  
OTHER:  
TOTAL DUE: 48,690.01  
PAYMENT: 16,262.01  
LOTTERY CREDIT:  
CHANGE:  
TRANSACTION TOTAL: 16,262.01  
APPLIED TO:  
GENERAL TAX: 16,216.95  
INTEREST:  
PENALTY:  
OTHER: 45.06  
TAX  
REMAINING: 32,428.00

45.00  
Delinquent  
utility

Return this portion with payment.

WISCONSIN HOSPITALITY GROUP  
2120 PEWAUKEE RD  
STE 200  
WAUKESHA WI 53188-2491

Total Due for Full Payment: **32,428.00**  
Installment Payment: 16,214.00  
Payment Date: 4/30/2016

Amount Enclosed \$ \_\_\_\_\_

Check For Billing Address Change.

Make check payable and mail payments to:  
CITY OF WAUSAU  
PO BOX 3051  
MILWAUKEE WI 53201-3051



291-2907-342-0953





Reinhart Boerner Van Duren s.c.  
P.O. Box 2018  
Madison, WI 53701-2018

22 East Mifflin Street  
Suite 600  
Madison, WI 53703

Telephone: 608-229-2200  
Facsimile: 608-228-2100  
reinhartlaw.com

September 18, 2015

Don M. Millis  
Direct Dial: 608-229-2234  
dmillis@reinhartlaw.com

**SENT BY FACSIMILE (715-261-6626)  
AND OVERNIGHT COURIER**

Toni Rayala, Clerk  
City of Wausau  
407 Grant Street  
Wausau, WI 54403

Dear Clerk:

Re: Wisconsin Hospitality Group

Enclosed please find an Objection Form for Real Property Assessment for 2221 Stewart Avenue, parcel number 291-2907-342-0953.

Sincerely,

Don M. Millis

**OBJECTION FORM FOR REAL PROPERTY ASSESSMENT**

Section 70.47(7)(a), Wisconsin Statutes states "No person shall be allowed in any action or proceedings to question the amount or valuation of property unless such written objection has been filed and such person in good faith presented evidence to such board in support of such objection and made full disclosure before said board . . ."

Note: The Board of Review can hear only sworn oral testimony regarding the value of the property. It cannot hear protests regarding the amount of property taxes or questions of exemption. The best evidence of the value of your property is a recent arm's-length sale of your property. The next best evidence is recent arm's-length sale of comparable property. If there are no sales of your property or comparable property, you should present other evidence that indicates the value of your property. This would include cost, income, appraisals, and sales of like property.

Property Owner's Name Wisconsin Hospitality Group (Tenant)	Agent Name (if applicable) Reinhart Boerne Van Deuren s.c., including but not limited to, Don M. Millis, Jessica Polakowski, Josh Taggatz and Greg Stein
Owner's Mailing Address 2120 Pewaukee Road, Suite 200 Waukesha, WI 53188	Agent's Mailing Address 22 E. Mifflin St., Ste. 200 Madison, WI 53703
Owner's Telephone Number	Agent's Telephone Number 608-229-2200

Please provide the following information on the property and the assessment to which you are objecting. (Attach additional sheets, if necessary.)

- Property Address 2221 Stewart Avenue, Wausau
- Legal Description or parcel number from the current assessment roll 281-2907-342-0953
- Total Property Assessments \$1,905,100
- Please explain why you think the above assessed value is incorrect Assessment exceeds the fair market value. Assessment violates uniformity clause of Wisconsin's Constitution because it is not uniform with other assessments in the City.
- In your opinion, what was the taxable value of this property on January 1 of the year being appealed? \$1,323,000  
If this property contains acreage that is not in a market value class, provide a further opinion of the taxable value breakdown:

STATUTORY CLASS	ACRES		\$ PER ACRE	FULL TAXABLE VALUE
Residential Total Market Value				
Commercial Total Market Value				
Agricultural Classification: # of Tillable Acres		@	\$ acre use value	
# of Pasture Acres		@	\$ acre use value	
# of Specialty Acres		@	\$ acre use value	
Undeveloped Classification # of Acres		@	\$ acre @ 50% of Market Value	
Agricultural Forest Classification # of Acres		@	\$ acre @ 50% of Market Value	
Forest Classification # of Acres		@	\$ acre @ Market Value	
Class 7 "Other" Total Market Value			Market Value	
Managed Forest Land Acres		@	\$ acre @ Market Value	
Managed Forest Land Acres		@	Market Value	

- Check the method of acquisition of the property:  Purchase  Trade  Gift  Inheritance  
Acquisition Price \$2,894,700 Date: 3/2006
- Have you improved, remodeled, added to, or changed this property since acquiring it?  Yes  No  
If yes, describe: reparis  
(a) When were the changes made? 2006-ongoing  
(b) What were the cost of the changes? \$25,000 - 50,000  
(c) Does the above figure include the value of all labor, including your own?  Yes  No
- Have you listed the property for sale within the last five years?  Yes  No  
(a) If yes, when and for how long was the property listed? \_\_\_\_\_  
(b) What was the asking price? \_\_\_\_\_  
(c) What offers were received? \_\_\_\_\_
- Has anyone made an appraisal of this property within the last five years?  Yes  No  
(b) If yes, when and for what purpose? \_\_\_\_\_  
(c) What was the appraised value? \_\_\_\_\_
- Please list the name(s) of Board of Review member(s) you are requesting to be removed from your hearing. NOTE: This section does not apply in first or second class cities. N/A

Please provide a reasonable estimate of the length of time that the hearing will take 30 minutes

Owner's or Agent's Signature <u>Don M. Millis</u>	Date <u>9/18/15</u>
--	------------------------

## **BOARD OF REVIEW**

Time and Place: Tuesday, September 22, 2015 @ 9:30 a.m., in the Council Chambers at City Hall.

Members Present: Russ Tonelli, Carmen Siegel (C), Dennis Nicholiason, Gary Klingbeil (alt)

Others Present: Nan Giese, Rick Rubow, Anne Jacobson, Toni Rayala

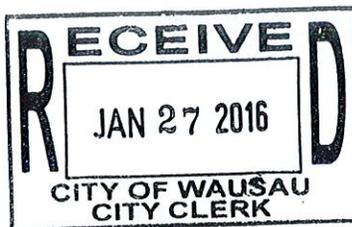
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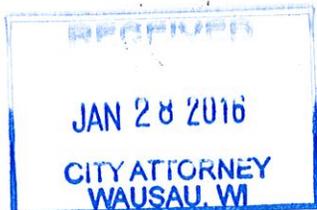
*rec'd by personal del.*

January 21, 2016

*Ces City  
Assessor*

Don M. Millis, Esq.  
Direct Dial: 608-229-2234  
dmillis@reinhartlaw.com

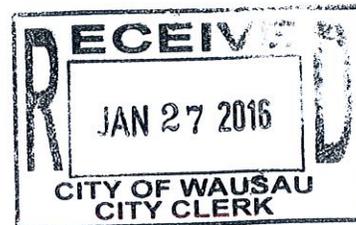
ORIGINAL



**CLAIM FOR EXCESSIVE ASSESSMENT**

SERVED BY PROCESS SERVER

Toni Rayala, Clerk  
City of Wausau  
407 Grant Street  
Wausau, WI 54403-4737



Dear Clerk:

Re: Tax Parcel No. 291-2907-342-0953

Now comes Claimant, Wisconsin Hospitality Group, owner of parcel 291-2907-342-0953 (the "Property") in Wausau, Wisconsin, by Claimant's attorneys Reinhart Boerner Van Deuren s.c., and files this Claim for Excessive Assessment against the City of Wausau (the "City"), pursuant to Wis. Stat. § 74.37. You hereby are directed to serve any notice of disallowance on the undersigned agent of the Claimant.

1. This Claim is brought under Wis. Stat. § 74.37(3)(d), for a refund of excessive real estate taxes imposed on Claimant by the City for the year 2015, plus statutory interest, with respect to the Property.
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3. The City is a body corporate and politic, duly organized as a municipal corporation under Wisconsin law, with its principal office located at 407 Grant Street in the City.
4. The Property is located at 2221 Stewart Street within the City and is identified in the City's records as Tax Parcel No. 291-2907-342-0953.
5. The Wisconsin Department of Revenue determined that the aggregate ratio of property assessed in the City was 100.5248761% as of January 1, 2015.

6. For 2015, property tax was imposed on property in the City at the rate of \$25.573164 per \$1,000 for of the assessed value for Property.
7. For 2015, the City's assessor set the assessment of the Property at \$1,905,100.
8. Claimant appealed the 2015 assessment of the Property by filing a timely objection with the City's Board of Review pursuant to Wis. Stat. § 70.47 and otherwise complying with all of the requirements of Wis. Stat. § 70.47, except Wis. Stat. § 70.47(13).
9. The City's Board of Review without justification unlawfully denied Claimant a hearing and dismissed its objection.
10. The City imposed tax on the Property in the amount of \$48,719.43.
11. Claimant timely paid the property taxes imposed by the City on the Property for 2015, or the required installment thereof.
12. The fair market value of the Property as of January 1, 2015 was no higher than \$900,000.
13. Based on the aggregate ratio 100.5248761%, the correct assessment of the Property for 2015 is no higher than \$904,724.
14. Based on the tax rate of \$25.573164 per \$1,000 of assessed value, the correct amount of property tax on the Property for 2015 should be no higher than \$23,136.65.
15. The 2015 assessment of the Property, as set by the City's Board of Review was excessive and, upon information and belief, violated Article VIII, Section 1 (i.e., the Uniformity Clause) of the Wisconsin Constitution. As a result, the property tax imposed on the Property for 2015 was excessive in at least the amount of \$25,582.78.
16. Claimant is entitled to a refund of 2015 tax in the amount of \$25,582.78, or such greater amount as may be determined to be due to Claimant, plus statutory interest.
17. The amount of this claim is \$25,582.78, plus interest thereon.

January 21, 2016  
Page 3

Dated at Madison, Wisconsin, this 21st day of January, 2016.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'DM', with a stylized flourish extending from the end.

Don M. Millis  
Agent for Claimant

DMILLIS/33406167

**PRIVATE LEGAL PROCESS, LLC**

DATE: 1/27/16

TIME: 12:20 pm

SIGNATURE: *Amy Jones*

February 23, 2016

74.37 Claim for Excessive Assessment  
Real Estate Parcel

PIN# 291 2907 342 0953  
2221 Stewart Ave

Owner: GE Capital Franchise Finance Corp. (WI Hospitality Group aka Applebee's)

WI Hospitality Group aka Applebee's, filed a Section 74.37 Claim for Excessive Assessment with our City Clerk, Toni Rayala, on January 27, 2016.

WI Hospitality Group aka Applebee's filed an objection with the 2015 Board of Review. Their 2015 assessment prior to the Board of Review was \$1,905,100. There was not a 2015 Board of Review hearing and there was no determination by the Board of Review.

<u>2014 Assessment</u>		<u>2015 Assessment</u>	
Land	\$ 396,200	Land	\$ 396,200
Improvement	\$1,508,900	Improvement	\$ 1,508,900
Total	\$1,905,100	Total	\$ 1,905,100

WI Hospitality Group aka Applebee's appealed the 2015 assessment to the Board of Review; however, the claim did not comply with the statutory requirements of WI Stats. 74.37(4)(a) and to constitute a valid claim because the procedures for objecting to the assessment under WI Stats. 70.47 have not been complied with. 70.47(7)(af) was not complied to by , WI Hospitality Group aka Applebee's – request for income and expense.

**I recommend denial of, WI Hospitality Group aka Applebee's claim for excessive assessment.**

Respectfully submitted,

Nanette S. Giese  
City Assessor  
City of Wausau



## Claim for Excessive Assessment Worksheet

**Claimant:** Wisconsin Hospitality Group

**PIN:** 291-2907-342-0953

A claim for excessive assessment under Wisconsin Statutes § 74.37 shall meet ALL of the following requirements. Failure to meet any one (1) condition shall be grounds to disallow the claim.

- Must be filed against the taxation district imposing the assessment.
- Must be in writing.
- Must state the alleged circumstances giving rise to the claim.
- Must state as accurately as possible the amount of the claim.
- Must be signed by the claimant or his or her agent.
- Must be served on the clerk of the taxation district as prescribed in §801.11(4) by January 31 of the year in which the tax is based upon the contested assessment is payable.
- Claimant must have previously objected to the assessment under § 70.47, except under § 70.47 (13). *This condition does not apply if notice under § 70.365 was not required.*
- Claimant must have timely paid the tax, or authorized installment of the tax, which was based on the alleged excessive assessment.
- Claimant must NOT have appealed the same assessment under § 70.47(13) or § 70.85.
- Tax must be based on an excessive assessment and not palpable errors as defined in § 74.33.

Meaning(s):

- Assessment was amended after tax bills were issued.
- Assessment is otherwise factually incorrect to the excess.

Subjective analysis of the information used to determine the assessment or the claimant's opinion of value should not be considered as § 74.37 does not provide for such proceedings by the taxation district. The established assessments by the Assessor and/or the Board of Review are protected by statutes. Allowing a claim does NOT change the assessment.

- § 70.49(2), each assessment "shall, in all actions and proceedings involving such values, be presumptive evidence that all such properties have been justly and equitably assessed."
- § 70.47(9), Correction of Assessments. (a) From evidence before it the board (of review) shall determine whether the assessor's assessment is correct. If the assessment is too high or too low, the board shall raise or lower the assessment accordingly and state on the record the correct assessment and that that assessment is reasonable in light of all relevant evidence that the board received.

Claim Determination:  ALLOW  DISALLOW

Determination by: Jeremy M. Ray – Interim City Assessor

**CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403**

<b>RESOLUTION OF THE FINANCE COMMITTEE</b>	
Approving alleged claim for recovery of unlawful tax – Achieve Center, Inc. (520 N. 28 <sup>th</sup> Avenue)	
Committee Action:	Pending
Fiscal Impact:	None
<b>File Number:</b>	16-0214
<b>Date Introduced:</b>	March 22, 2016

<b>FISCAL IMPACT SUMMARY</b>			
<b>COSTS</b>	<i>Budget Neutral</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	<i>Included in Budget:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Budget Source:</i>
	<i>One-time Costs:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>Recurring Costs:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
<b>SOURCE</b>	<i>Fee Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>Grant Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>Debt Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount</i> <span style="float: right;"><i>Annual Retirement</i></span>
	<i>TID Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>TID Source: Increment Revenue</i> <input type="checkbox"/> <i>Debt</i> <input type="checkbox"/> <i>Funds on Hand</i> <input type="checkbox"/> <i>Interfund Loan</i> <input type="checkbox"/>		

**RESOLUTION**

**WHEREAS**, on January 29, 2016, Achieve Center, Inc. filed a claim for recovery of an unlawful tax for its property located at 520 N. 28<sup>th</sup> Avenue (PIN 291.2907.281.0977) pursuant to Section 74.35(2), Wisconsin Statutes; and

**WHEREAS**, pursuant to said claim, Achieve Center, Inc., is requesting a refund of \$20,026.67 plus interest on the principal amount at the rate of 0.8% per month from the date of the claim to the date of payment for a partial exemption; and

**WHEREAS**, Achieve Center, Inc. filed a property tax exemption request on August 10, 2015 for exemption from tax pursuant to Section 70.11(4), Wisconsin Statutes as a benevolent association, which request was denied on September 21, 2015 by Tax Exemption Request Determination.

**WHEREAS**, city staff has reviewed the claim and recommends that the claim be disallowed; and

**WHEREAS**, your Finance Committee, on March 22, 2016, considered the matter and recommends that the claim be disallowed.

**NOW, THEREFORE, BE IT RESOLVED** by the Common Council of the City of Wausau, that the claim of Achieve Center, Inc. filed with the city clerk on January 29, 2016, for unlawful tax for the property located at 520 N. 28<sup>th</sup> Avenue (PIN 2907.281.0977) is hereby approved.

Approved:

\_\_\_\_\_  
James E. Tipple, Mayor

YEAR STATE OF WISCONSIN  
2015 CITY OF WAUSAU

ORIGINAL TAX RECEIPT  
3071774 ACFWBAS1 1/29/2016

37-291-4-2907-281-0977  
ACHIEVE CENTER INC

59.282907.004.011.0000

PAID BY:

520 N 28TH AVE

PT OF SE NE SEC 28-29-7 BEG  
30' W OF NE COR W 296' S  
150' E'LY ALG CURVE 255.88'  
E 70.45' N 270' TO POB  
CSM VOL 18 PG 29

ACHIEVE CENTER INC  
520 N 28TH AVE  
WAUSAU WI 54401

POS	
TAX DUE:	33,377.78
INTEREST:	
PENALTY:	
OTHER:	
TOTAL DUE:	33,377.78
PAYMENT:	33,377.78
LOTTERY CREDIT:	
CHANGE:	
TRANSACTION TOTAL:	33,377.78
APPLIED TO:	
GENERAL TAX:	33,377.78
INTEREST:	
PENALTY:	
OTHER:	
TAX	
REMAINING:	.00

Return this portion with payment.

Total Due for Full Payment:  
Installment Payment:  
Payment Date:

Amount Enclosed \$ \_\_\_\_\_

Check For Billing Address Change.

Make check payable and mail payments to:

January 28, 2016



**HAND DELIVERED**

Toni Rayala, City Clerk  
City of Wausau  
407 Grant Street  
Wausau, WI 54403

Re: Claim for Recovery of Unlawful Tax  
Achieve Center, Inc.  
520 N. 28<sup>th</sup> Street  
Suite 200  
Wausau, WI 54401  
Parcel No. 291-2907-281-0977

Dear Ms. Rayala:

This letter constitutes a claim for recovery of unlawful tax under § 74.35(2) of the Wisconsin Statutes for property of Achieve Center, Inc. ("Achieve") located at the address above. This claim is based upon a property tax bill issued by the City of Wausau in the amount of \$33,377.78, a copy of which is attached.

***Background for Claim***

Achieve provides assessment and treatment for children and families with neuropsychological development disorders, chronic health problems, and physical disabilities. Achieve provides assessments, diagnosis, and treatment to improve cognitive functioning, speech, language, and behavior.

The Achieve Center building consists of 11,069 square feet of space. Approximately 40% of the premises (4,984 square feet) is leased to Aspirus Wausau Hospital, Inc. ("Aspirus"), and the remaining 6,085 square feet are used exclusively by Achieve for the purposes listed above and described in more detail later in this letter. Achieve is seeking repayment only for that portion of the property tax related to the property used by Achieve, and not for that portion of the property that is used by Aspirus.

Achieve acquired the property from Aspirus on January 2, 2014. Achieve applied for a real estate tax exemption on February 15, 2014, which was denied by the City Assessor on April 23, 2014. While several reasons were given for this denial, it appears that the ultimate position taken

by the Assessor was that Achieve was not entitled to exemption for 2014 since it was not the owner of the property as of the statutory assessment date of January 1, 2014.

In a letter of April 29, 2015, City Attorney Anne Jacobson stated that “if nothing else has changed ... the Achieve Center, Inc. would now qualify for a tax exemption [for 2015] because they [sic] owned the property on January 1, 2015.” Achieve submitted a new exemption request on August 10, 2015 [note that in her April 29 letter, the City Attorney confirmed that the Assessor waived the late filing date for the 2015 tax year]. Notwithstanding the City Attorney’s anticipated approval of the exemption for 2015, the Assessor again denied the request for exemption on September 21, 2015. The Assessor did not explain the reason for the denial other than to cite to the Wisconsin Court of Appeals’ decision in *UW Medical Foundation, Inc. v. City of Madison*, 2003 WI App 204, 267 Wis. 2d 504, 671 N.W.2d 292.

### ***Basis for Claim***

#### **1. Requirements for exemption under § 70.11(4).**

In order to qualify for exemption as a benevolent association, Achieve must establish three facts:

- Achieve is a benevolent organization.
- Achieve owns and exclusively uses the property.
- Achieve uses the property for exempt purposes.

*Deutsches Land, Inc. v. City of Glendale*, 225 Wis. 2d 70, 591 N.W.2d 583 (1999). It was not clear whether the Assessor denied Achieve’s exemption request because she concluded that Achieve is not a benevolent organization, that the property is not used for exempt purposes, or both. Given that Achieve is only seeking an exemption for the space that it uses and not for the space leased to Aspirus, Achieve believes that there is no dispute that Achieve owns and exclusively uses the property for which exemption is sought.

#### **2. Achieve is a benevolent organization.**

The Wisconsin statutes do not specifically define what it means to be “benevolent.” The Wisconsin Property Assessment Manual (“WPAM”) refers to the following dictionary definitions at page 22-5:

- Characterized by or suggestive of doing good.
- Of, concerned with, or organized for the benefit of charity.
- An inclination to perform kind, charitable acts.

The WPAM notes that an organization must be a non-profit organization (which Achieve is), but that does not mean that the organization must operate at a loss or even break-even. Instead, the issue is what is done with the profit.

In Attachment A to this letter, I have set forth again the details showing why Achieve qualifies as a benevolent organization. These may be summarized briefly as follows:

- The services provided by Achieve are not only directed to an underserved population, but in fact are not otherwise available in either the public or private sector in Marathon County. These includes services for children with autism and those requiring behavioral therapy; children who are blind or struggle with verbal communication; and children with significant learning disabilities and other chronic disorders. If not for Achieve, local government or the school districts would be required to provide these services or refer these children to other providers outside of Marathon County.
- Achieve's policy is that no child will be turned away due to the financial situation of a family, and it does not discriminate in any way based on payer source. This policy, which is provided to patients' parents and guardians in writing, also confirms that if at any time a parent or guardian expresses concern about the ability to pay for services, Achieve will negotiate a plan that may involve free services, a sliding discount fee schedule, a payment plan, or assistance in enrolling in Medicaid or other government assistance.
- In addition to its provision of free or discounted services of the type noted above, Achieve provides many other services at no charge including individual educational planning as well as consultations and referrals relating to rare disorders and complex presentations requiring specialty care.
- The Achieve Center regularly works with local school administrators and local governments, at no charge, on a variety of other projects as outlined in Attachment A.

Achieve has documented how it performs benevolent activities and how those activities benefit society. Achieve provides services that would otherwise have to be provided at government expense, and its services make Marathon County residents less dependent on government care. While it is not necessary to provide services for free or at reduced cost to qualify as benevolent, Achieve does so. To the extent that Achieve makes any profit from these activities, those funds are used to improve facilities and expand its benevolent purpose and mission. In short, the Marathon County community is a better place as a result of these activities. See WPAM at page 22-15. Based on all the foregoing, there should be no question that Achieve is a "benevolent association" within the meaning of Wis. Stat. § 70.11(4).

### **3. Achieve uses the property for exempt purposes.**

As noted previously, Achieve provides rehabilitation services to disabled children. In denying Achieve's exemption application request, the Assessor has relied on the *UW Medical Foundation* case. Presumably, the Assessor was relying on language in *UW Medical Foundation* indicating that the provision of medical care is not automatically "benevolent" under Wis. Stat. § 70.11(4). However, the Court of Appeals in *UW Medical Foundation* also noted that "Even though we conclude the provision of out-patient medical care, per se, is not 'benevolent' use, providing such care free or at greatly reduced cost to the poor might be." While the Foundation in *UW Medical Foundation* failed to meet that test, Achieve provides a much greater level of free and discounted services such that its use of its property qualifies for exemption under that statute.

In *UW Medical Foundation*, the Foundation acquired seven clinics located in Madison, Wisconsin that were not previously exempt from property tax. Most significantly, approximately 98% of the patients treated by the Foundation at the Madison clinics paid for their treatment at prevailing market rates. Only 2% of the patients at the Madison clinics received adjusted rates by the Foundation or free care, and approximately 80% of those adjustments were related either to the patient's bankruptcy or to other circumstances that rendered the fees uncollectable. The bottom line was that the Foundation priced its services at prevailing market rates, such that the Court of Appeals was unable to distinguish the care provided by its clinics to those offered by for-profit providers.

By contrast, Achieve provides a much higher proportion of free and reduced-fee care:

- In 2014, Achieve provided approximately 15% of its services at no charge, and an additional 5% of services were billed at discounted rates. Further, another 32% of services were payable under the Medicaid program, which in most instances does not even cover the cost of providing care.
- For 2015, Achieve provided approximately 3% of services at a discounted rate and over 23% (\$138,000) at no charge whatsoever. This is an addition to over 13% of payments that were under the Medicaid program, which again is paid at steeply discounted rates.

It also appears that the Wausau assessor may have been concerned about the fact that Achieve uses a collection agency on certain accounts. The actual amount of collections generated from this route was less than 1/3 of 1% of total revenues, however. Moreover, collections were pursued only in those situations where Achieve has made every effort to contact the financially responsible party in writing and by telephone, and where the financially responsible party has either not responded or has refused to discuss the matter. If at any time – including while the matter is in collection – a patient's parent or guardian expresses concern regarding ability to pay, Achieve will negotiate payment arrangements (potentially including a total write-off of fees) due to this inability to pay.

### ***Amount of Claim***

Achieve seeks recovery for that portion of the tax attributable to the space that it occupies. Based on square footage, Achieve is using 60% of the property, such that it is entitled to a refund of \$20,026.67. Achieve also asserts a claim for interest on the principal amount at the rate of 0.8% per month from the date of the claim to the date of payment, pursuant to § 74.35(4), Stats.

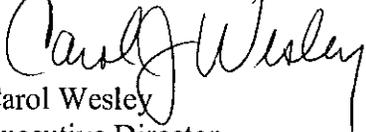
Achieve requests that the City provide notice to it within 90 days, by certified or registered mail, as to whether this claim is allowed or disallowed, pursuant to § 74.35(3)(b), Stats.

Thank you for your consideration.

Very truly yours,

Toni Rayala, City Clerk  
January 28, 2016  
Page 5

ACHIEVE CENTER, INC.

  
Carol Wesley  
Executive Director

Enclosure

cc: David J. Edquist, Esq.  
Mayor James E. Tipple  
Nan Giese, City Assessor  
Anne L. Jacobson, City Attorney

## ATTACHMENT A

The Achieve Center was founded with the mission to provide information, consultation, support, assessment, and treatment for children and their families with neuropsychological developmental disorders, chronic health issues, and physical disabilities. This is an underserved population in Marathon County and the surrounding area where these services are not otherwise available in either the public or private sector. Without the Achieve Center, the County and/or the School Districts would be required to provide these services or, along with physicians and allied health care providers, to refer these children to facilities outside the County, sometimes to facilities more than 100 miles distant.

The Achieve Center turns no child away due to the financial situation of the family. There is a wait list for assessment and treatment due to the high demand for services. However, on the wait list there is no differentiation between those children with standard health insurance, Medicaid, or in need of free services. As a non-profit organization the priority is the well-being of children.

The State of Wisconsin requires that providers who assess and treat children with autism be certified as qualified to provide these services. The Achieve Center is the only facility in Marathon County with providers qualified to assess and treat children with autism and is the only facility in the County providing post intensive treatment.

The Achieve Center Special Pediatric Assessment Clinic (SPACE) is a developmental clinic for children ages 3-8 years of age. This clinic is the only developmental clinic in Marathon County and the surrounding area providing assessment for this age group. The SPACE clinic picks up where the Birth to Three Program of Marathon County and the Aspirus NICU Developmental Clinic leave off.

Pediatric behavioral therapy, which includes individual treatment, day treatment and group therapy for children and their families with developmental disorders, is exclusively offered in Marathon County by the Achieve Center. The Center has licensed therapists with specialized training and experience dedicated to the treatment of children affected by these disorders. Treatment also incorporates speech and language provided by the Center's Pathologist, thus integrating multiple modalities to improve outcomes. This is a unique approach and not otherwise found in central and northern Wisconsin.

The Achieve Center provides services to children who are blind, struggle with verbal communication, have difficulty with ambulation, have significant learning disabilities, chronic health problems, and/or who have severe cognitive delays. Parent support groups, which are provided at no charge, assist parents in coping with the challenges of caring for

their children with special needs. No other program for this purpose is offered in Marathon County.

The clinical staff of the Achieve Center attends Individual Educational Planning (IEP) meetings at the child's school for patients at no charge. These meetings are attended to assist in coordination of services with, and to provide consultation to, the school staff. The Achieve Center also works with FACETS, a non-profit advocacy program that provides free assistance for children in need of accommodations in school. The Achieve Center is a training site for the FACETS program and offers space and support services at no charge. Two of the Achieve Center staff have completed formal training as advocates for FACETS, and one as a mediator.

The Achieve Center offers consultation and referral at no charge for parents, educators, physicians, allied health providers, and social workers who are seeking assistance for a child and requesting recommendations for treatment and other services to best meet the child's needs. Because of the Achieve Center's expertise in developmental disorders and its network of other providers throughout the Midwest, the Achieve Center is able to give recommendations and facilitate referrals for children with rare disorders, complex presentations, or who are in need of a specialist not found in the area.

Through a grant from the Community Foundation of Northcentral Wisconsin, the Achieve Center offers at no charge the iPad iCan program, which provides awareness and instruction in the use of the iPad and applications for individuals who have speech and language impairment, are physically or neurologically impaired, or experience chronic health problems. This population gains improved quality of living from using an iPad to learn specific skills, or to manage and organize their daily lives.

The Achieve Center collaborates with, and provides program support for, Special Olympics and my Team Triumph at no charge to assist them in their mission to encourage and provide athletic opportunities for people with disabilities. Such assistance includes but is not limited to, providing recommendations for coaching athletes with complex needs, participation in organizational committees for special programs, teaching "sports psychology" to the athletes and coaches, appointment to a Special Olympics national committee, and providing meeting rooms and employee time for organizing and participating in my Team Triumph races.

Parents can experience confusion and frustration related to navigating the public school system to obtain all the available resources their children require. To facilitate communication between parents and school districts, the Achieve Center has organized, at

no charge, listening sessions. The Center has invited school administrators to spend a day at the Center dedicated to the specific school, during which time parents can meet with the school representative to discuss concerns and to gather information helpful to their child's educational experience.

The Achieve Center was instrumental in assisting Marathon County and nine other surrounding Counties to achieve designation as a Health Professional Shortage Area for mental health. This designation allowed for the establishment of a National Health Services Corps in these counties that works to recruit mental health professionals for employment at approved sites. It was a formal request from the Achieve Center to the Wisconsin Department of Health and Family Services (now the Department of Health Services) that initiated the process. The Achieve Center was identified as one of two approved sites in Marathon County, the other being the Bridge Clinic.



## TAX EXEMPTION REQUEST DETERMINATION

Requested By	Mail To: Achieve Center Inc Attn: Carol Wesley, Exec. Director 520 N 28 <sup>th</sup> Ave Suite 200 Wausau, WI 54401
Request Date	August 10, 2015
Parcel Number	<b>291-2907-281-0977 (Real Estate - Marathon County)</b>
Property Address	520 N 28 <sup>th</sup> Ave, Wausau, WI 54401
Legal Description	Pt of SE NE Sec 28-29-7 Beg 30' W of NE Cor W 296' S 150' E'ly Alg Curve 255.88' E 70.45' N 270' to POB CSM Vol 18 Pg 29
Exemption Statute Requested	Wisconsin State Statute 70.11 (4)
Exemption Statute Reviewed and Denied	70.11 (4) Education, Religious and Benevolent Institutions . . . Wisconsin Property Assessment Manual Chapter 22
Assessor's Notes	<p>... Statute says, "Property owned and used exclusively by educational institutions offering regular courses 6 months in the year; or by churches of religious, educational or <u>benevolent</u> associations, or by a nonprofit entity that ..."</p> <p>A portion of the property is currently leased and the lessee does not meet <b>ALL</b> of the requirements necessary for exemption:</p> <ol style="list-style-type: none"> <li>1. All of the leasehold income is used for maintenance, construction debt retirement (or both).</li> <li>2. The lessee would be exempt from taxation if it owned the property.</li> </ol> <p>The court in (UW Medical Foundation, Inc. V. City of Madison, 2003 WI App 204, 267 Wis. 2d 504, 671 N.W. 2d 292, 02-1473) held the following:</p> <p>The Wisconsin Supreme Court has long held that neither a single test nor isolated answers to inquiries concerning an organization's operations will automatically determine when an organization is engaged in a benevolent activity. Rather, the facts of each case must be regarded as a whole and the substance of the scheme of operation as it exists must be examined.</p> <p style="text-align: center;">Continued on next page</p>

	<p>To be benevolent ownership of property is not enough to satisfy (4)(a); benevolent use is also required. The sole issue in this case was whether this activity was "benevolent" in nature. We note at the outset that we reject the Foundation's suggestion that all provision of medical care is "benevolent" because it makes the recipients "better members of society by improving their physical and mental condition." By that standard, many enterprises would qualify as "benevolent." Spas, restaurants, and yacht clubs all arguably make individuals better members of society by improving their physical and mental condition, but we seriously doubt that such enterprises, even if owned and operated by nonprofit entities, could reasonably hope to obtain an exemption from property taxes....</p> <p>Charging market rates for medical services, advertising extensively to support them, and forbearing collecting for its services only when accounts were deemed uncollectible were factors considered by the court in determining the Foundation was not engaged in benevolent use of its properties and thus was not entitled to a property tax exemption.</p> <p>Wis. Stats. 70.109 Presumption to taxability. Exemptions under this chapter shall be strictly construed in every instance with a presumption that the property in question is taxable, and the <u>burden of proof</u> is on the person who claims the exemption.</p>
Assessor's Determination	Exempt Request Denied for 2015 Assessment Year.
Date	September 21, 2015
Signature	<p>_____</p> <p>Nanette S. Giese, City Assessor</p>



## Recovery of Unlawful Taxes Worksheet

**Claimant:** Achieve Center, Inc.

**PIN:** 291-2907-281-0977

A claim for recovery of unlawful taxes under Wisconsin Statutes § 74.35 shall meet ALL of the following requirements. Failure to meet any one (1) condition shall be grounds to disallow the claim.

- Must be filed against the taxation district which collected the tax.
- Must be in writing.
- Must state the alleged circumstances giving rise to the claim, including basis for the claim as described in § 74.33 (1)(a) to (f). At least one of the following must be checked true:
  - a) A clerical error has been made in the description of the property or in the computation of the tax.
  - b) The assessment included real property improvements which did not exist on the date under s. 70.10 for making the assessment.
  - c) The property is exempt by law from taxation. *Properties assessed as manufacturing by the State of Wisconsin must be appealed under § 70.995(8)(c).*
  - d) The property is not located in the taxation district for which the tax roll was prepared.
  - e) A double assessment has been made.
  - f) An arithmetic, transpositional or similar error has occurred.
- Must state as accurately as possible the amount of the claim.
- Must be signed by the claimant or his or her agent.
- Must be served on the clerk of the taxation district as prescribed in §801.11(4) by January 31 of the year in which the tax is based upon the contested assessment is payable.
- Must NOT be a claim that a property is exempt under § 70.11 (21) or (27).
  - 21) Treatment Plant and Pollution Abatement Equipment.*
  - 27) Manufacturing Machinery and Specific Processing Equipment*
- Claimant must have timely paid the tax, or authorized installment of the allegedly unlawful tax.

In regards to claims the property is exempt from taxation: Wisconsin State Statutes 70.109 requires the presumption of taxability. Exemptions shall be strictly construed in every instance with a presumption that the property in question is taxable, and the burden of proof is on the person who claims the exemption. Statutes grant only the Assessor, the Courts and the Legislature the authority to determine exemption status. Neither the Board of Review nor the taxation district has statutory authority to grant exemptions. The established assessments by the Assessor are protected by statutes. Allowing a claim does NOT grant an exemption.

Claim Determination:             ALLOW                     DISALLOW

Determination by: Jeremy M. Ray – Interim City Assessor



**TO: FINANCE COMMITTEE**

**FROM: MARYANNE GROAT**

**DATE: MARCH 16, 2016**

**RE: BUDGET CARRYOVERS**

**BACK GROUND INFORMATION**

Carryover requests represent one of the final budgetary processes of the year as unused but committed funds are transferred from the 2015 budget to the 2016 budget. This is most often necessary because projects and contractual obligations span multiple budget years. The carryover resolution transfers budgets established in one year (2015) to the next budget year (2016). This allows the City to meet its contractual obligations and complete projects.

Another carryover scenario is that some budgets are established to serve as replacement funds. This occurs within the CCITC and facilities maintenance. The managing department relies on these funds to serve as a financial resource for ongoing replacement of obsolete and aging assets. These funds are not expected to be exhausted annually as replacement schedules have peaks and valleys based upon replacement demands. The practice of carryover of reserve funds along with regular budgeting evens out the budget demands.

The attached table outlines each carryover and describes the contractual or project obligation or the status of the replacement fund. All of the carryover requests are capital in nature except the one Parks Department request which occurs in the General Fund.

The Water and Sewer Utility will also be requesting project carryovers. This request will be formulated once their yearend accounting is complete.

Some communities deal with the carryover process by establishing an Encumbrance Policy. The policy provides authority for staff to create a subsequent year budget modification for all outstanding purchase orders and contractual obligations without annual consideration by the governing body. I have attached two examples of an encumbrance policy. The Committee could consider creating such a policy to manage the process for the spring of 2017.

**FISCAL IMPACT**

The financial impact is to increase the 2016 budget to provide for the completion of contractual and project obligations and maintain replacement funds as outlined on the attached.

**RECOMMENDATION**

I recommend that the 2016 budget be amended to reflect the carryovers as presented on the attached schedule.

**CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403**

**RESOLUTION OF THE FINANCE COMMITTEE**

Approving Modification of the 2016 Budget - Capital Project Funds and General Fund

Committee Action:

Fiscal Impact (2016): This action will modify the 2016 budget by re-establishing unused replacement funds and committed project and contractual obligation funds budgets in the 2016 year.

**File Number:** 15-1109

**Date Introduced:** April 12, 2016

**FISCAL IMPACT SUMMARY**

<b>COSTS</b>	<i>Budget Neutral</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	<i>Included in Budget:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<i>Budget Source: 2015 Budget Carryovers</i>
	<i>One-time Costs:</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<i>Amount: \$7,308,717</i>
	<i>Recurring Costs:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<i>Amount:</i>
<b>SOURCE</b>	<i>Fee Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount: Funded from Tax Levy, Debt Proceeds or TID Funds</i>
	<i>Grant Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>Debt Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount Annual Retirement</i>
	<i>TID Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>TID Source: Increment Revenue <input checked="" type="checkbox"/> Debt <input checked="" type="checkbox"/> Funds on Hand <input checked="" type="checkbox"/> Interfund Loan <input type="checkbox"/></i>		

**RESOLUTION**

**WHEREAS**, the Finance Committee has received a request to carry forward certain 2015 budget appropriations for replacement reserves, unfinished projects and contractual obligations and non-lapsing committed fund balances thus modifying the 2016 budget, and

**WHEREAS**, the Finance Committee has reviewed the request and recommends carry forward appropriations and the modification of the 2016 budget, and

**WHEREAS**, the city uses special revenue, debt service and capital projects funds to account for the proceeds of specific revenues from grantors, contributors and other governments that are legally restricted to expenditure for a specified purpose, and

**WHEREAS**, your Finance Committee reviewed these fund balances and determined that these balances be designated as committed, now therefore

**BE IT RESOLVED**, by the Common Council of the City of Wausau that the proper City Officials be and are hereby authorized and directed to modify the 2016 budget as presented in Exhibit A and to publish the budget modification in the official newspaper as required.

**BE IT FURTHER RESOLVED**, by the Common Council that the fund balances presented in “Exhibit A” are designated funds that are restricted for specific purposes and deemed committed by the Common Council and may not be re-deployed for other purposes without formal action.

Approved:

---

James E. Tipple, Mayor

**2015 PROJECT RESERVATIONS AND FUND CARRYOVERS  
TO MODIFY THE 2016 BUDGET**

**FUND 150 CAPITAL IMPROVEMENTS FUND**

**WISCONSIN DOT PROJECTS**

	2015 Modified Budget	2015 Expenses	Carryover Request
150-231598718 Merrill Avenue	\$ 16,000	\$ -	\$ 16,000
150-231598713 Grand Avenue Design	32,697	15,189	17,508
150-231598736 Stewart Avenue Design	2,274		2,274
150-231598734 Thomas Street Railroad Bridge	22,322		22,322
150-231598747 1st Avenue Project	236,000	1,828	234,172
150-231598748 Townline Road Project	41,000	2,446	38,554
150-231598191 Wis DOT - Other projects	95,542	26,959	68,583
<b>TOTAL CARRYOVER</b>			<b>\$ 399,413</b>

These carryovers will fund the completion and close out of Wisconsin DOT projects currently underway. The State's billing practice is extremely slow and unpredictable. Original funding was debt proceeds.

**STREET IMPROVEMENT PROJECTS**

	2015 Modified Budget	2015 Expenses	Carryover Request
150-232098230 Street Improvements	\$ 1,585,045	\$ 1,485,187	\$ 99,858
150-232098237 Street Trees	76,840	12,332	64,508
<b>TOTAL CARRYOVER</b>			<b>\$ 164,366</b>

This carryover will be used to complete the 2015 projects. The street tree budget has been carried over for several years. The budgets purpose was to establish a financial resource for the replacement and enhancement of the street tree infrastructure in the City. Original funding is debt proceeds. No additional funds were

**PAVING PROJECTS**

	2015 Modified Budget	2015 Expenses	Carryover Request
150-232698230 Asphalt Paving	\$ 474,940	\$ 430,186	\$ 44,754
150-232698236 Asphalt Paving - Alley	12,077	1,400	10,677
<b>TOTAL CARRYOVER</b>			<b>\$ 55,431</b>

Due to low oil prices the City received very competitive bids in 2015 resulting in unexpended funds at yearend. Annually the asphalt paving budget is about \$500,000. The 2016 budget was eliminated except in the TID district budgets. This carryover will supplement the minimal 2016 budget. Original funding is debt proceeds.

**SIDEWALKS**

	2015 Modified Budget	2015 Expenses	Carryover Request
150-233098240 Sidewalk Replacement	\$ 250,650	\$ 240,506	\$ 10,144
150-233098244 New Sidewalks	48,971	29,671	19,300
<b>TOTAL CARRYOVER</b>			<b>\$ 29,444</b>

The 2016 sidewalk replacement budget was eliminated in 2016. The 2016 sidewalk budget is the funding of the 5th Street sidewalk construction an obligation contained within the Athletic Park development agreement. This carryover will fund anticipated budget shortfalls for this 2016 project. Original funding is debt proceeds.

**STORMWATER**

	2015 Modified Budget	2015 Expenses	Carryover Request
150-236198250 Stormwater	\$ 466,265	\$ 335,572	\$ 130,693
<b>TOTAL CARRYOVER</b>			<b>\$ 130,693</b>

This carryover will be used to cover costs associated with the completion of the 2015 projects and provide for DNR Non-Point Source Stormwater Management of \$58,000 budgeted in 2015. Original funding is debt proceeds.

**OTHER INFRASTRUCTURE RELATED PROJECTS**

	2015 Modified Budget	2015 Expenses	Carryover Request
150-237598456 Street Lighting	\$ 108,612	\$ 32,032	\$ 76,580
150-236592190 Other Professional Services	143,992	38,335	105,657
<b>TOTAL CARRYOVER</b>			<b>\$ 182,237</b>

The street lighting budget will replace damaged and aging street lighting. Professional Services will cover the completion of the comprehensive plan, unanticipated 2016 project design and consulting services costs of and \$4,745 of the Radtke Park engineering costs. Original funding is tax levy.

**2015 PROJECT RESERVATIONS AND FUND CARRYOVERS  
TO MODIFY THE 2016 BUDGET**

**FUND 150 CAPITAL IMPROVEMENTS FUND CONTINUED**

**AIRPORT PROJECTS**

	2015 Modified Budget	2015 Expenses	Carryover Request
150-237598449 Airport Facilities	\$ 74,272	\$ 28,036	\$ 46,236
<b>TOTAL CARRYOVER</b>			<b>\$ 46,236</b>

This carryover represents unspent project costs. Based upon the significant facility and infrastructure maintenance obligations on the airport and the changes to the State's commitment to the East Hangar development area we recommend these funds be carried over. These funds are tax levy funds.

**PARK PROJECTS**

	2015 Modified Budget	2015 Expenses	Carryover Request
150-237598406 Park Department - Park Improvements Radtke Point	\$ 55,200		\$ 55,200
150-237598405 Park Department - River Edge Trail	33,081		33,081
150-237598425 Park Department Rolling Stock	173,460	72,980	85,541
150-237598462 Park Department - Swimming Pools	5,232,452	3,541,715	1,427,579
<b>TOTAL CARRYOVER</b>			<b>\$ 1,601,401</b>

The River Edge Trail funds the continued efforts on the River Edge Trail System that are not funded through Tax Increment District Number Three or the Sternberg Fund. The Swimming Pool carryover will fund the completion of Memorial Pool and related engineering of Shulenberg Pool. The Radtke Park project was bid in the fall of 2015 and will be completed in 2016. The rolling stock budget will complete anticipated 2015 replacements. These projects were funded with debt

**TECHNOLOGY PROJECTS**

	2015 Modified Budget	2015 Expenses	Carryover Request
150-237598415 Network Upgrade	\$ 66,900	\$ 21,649	\$ 45,251
150-237598426 Law Enforcement Software	119,229	19,313	99,916
150-237598433 PC Replacement	111,864	78,372	33,492
150-237598434 Computer Equipment (file server upgrades, fiber, video)	155,370	80,725	74,645
150-237598438 Computer Software and Services	72,721	43,518	29,203
150-237598442 Inspections Software	110,000	9,770	100,230
150-237598446 Computer Financial Systems Software (assessment, budget, cashiering, imaging)	194,749	45,652	149,097
150-237598424 Telephone/Video	33,000	27,983	5,017
150-237598447 Computer Upgrades	26,290	-	26,290
<b>TOTAL CARRYOVER</b>			<b>\$ 563,141</b>

The carryover provides funding for the completion of a variety of projects or replacement funds. Projects include the replacement of law enforcement software, imaging software, assessment software and inspections software. Replacement funds include personal computers, network and computer infrastructure, telephone and video equipment These projects are funded with property taxes.

**DPW FACILITIES**

	2015 Modified Budget	2015 Expenses	Carryover Request
150-237598453 Public Works Facilities	\$ 109,063	\$ 30,666	\$ 69,063
<b>NET CARRYOVER</b>			<b>\$ 69,063</b>

This carryover includes 2014 funding for DPW overhead doors, slab improvements, office furniture and air exchanger not completed in the amount of \$25,063 and \$44,000 in 2015 for consulting services. The 2015 gangway project was completed in 2015.

**Facilities**

	2015 Modified Budget	2015 Expenses	Carryover Request
150-237598411 City Hall Facilities	\$ 53,449	\$ 33,909	\$ 19,540
150-237598460 Police Facilities	35,000	20,914	14,086
<b>NET CARRYOVER</b>			<b>\$ 33,626</b>

This carryover will fund continued maintenance and replacement projects in City Hall and the cast stone replacement on the public safety facility. These projects were funded with general property taxes.

**WAYFINDING PROJECT**

	2015 Modified Budget	2015 Expenses	Carryover Request
150-237598461 Wayfinding Project	\$ 55,000	\$ 27,450	\$ 27,550

This carryover will fund the wayfinding project underway.

**TOTAL FUND 150 CAPITAL IMPROVEMENTS FUND**

**\$ 3,302,601**

**2015 PROJECT RESERVATIONS AND FUND CARRYOVERS  
TO MODIFY THE 2016 BUDGET**

**FUND 141 TAX INCREMENT DISTRICT NUMBER THREE**

		2015 Modified Budget	2015 Expenses	Carryover Request
141-342192190	Wayfinding Study	\$ 60,000		\$ 60,000
141-341598405	Riverfront Improvements - Dudley Obligation	325,000		324,011
141-341197200	Collaborative Consulting - Developer Contribution - Employee Housing	10,000		10,000
141-342198210	Land - Cahtolic Dioceses demolition related costs	160,000		160,000
141-342598210	Land Acquisition - 3rd Street Neighborhood Residential Acquisition	41,940	18,180	23,760
141-342897200	Developer Agreement Obligations WOW	1,129,000		1,129,000
141-342898230	Streets - 1st Street Extension Project	620,000	372,072	247,928
141-342898743	Street Lighting - 1st Street Extension Project	270,000		270,000
141-342898245	Parking Lot - 1st Street Extension Projects	235,000		235,000
141-342898240	Sidewalk - 1st Street Extension Project	45,000		45,000
141-342898290	Other Capital Improvements - Riverfront Remediation	3,226,528	1,335,175	837,483
<b>TOTAL FUND 141 TID NUMBER THREE</b>				<b>\$ 3,342,182</b>

Carryover provides funding for 3rd Street Neighborhood Residential Acquisition, the riverfront improvements for the Dudley development agreement, the demolition and site preparation obligations for the Church property annexation, the approved developer agreement with WOW, the completion of the 1st Street Extension project, the developer obligation with Collaborative Consulting and the Riverfront Remediation contractor obligation, These projects are funded by a

**FUND 144 TAX INCREMENT DISTRICT NUMBER SIX**

		2015 Modified Budget	2015 Expenses	Carryover Request
144-345198230	County U/K - DOT	\$ 171,189	\$ 50,522	\$ 120,667
144-344998212	Thomas Street Design	147,807	120,866	26,941
144-344397200	Developer Payments - World Market	125,000	115,000	10,000
144-345192190	Wayfinding Project	60,000	-	60,000
<b>TOTAL FUND 144 TID NUMBER SIX</b>				<b>\$ 217,608</b>

These carryovers will finance the City's obligation with the Wisconsin DOT for the U/K project, engineering for Thomas Street, an outstanding developer agreement obligation with World Market and the Wayfinding project underway. These projects were funded by debt proceeds or tax increment.

**FUND 145 TAX INCREMENT DISTRICT NUMBER SEVEN**

		2015 Modified Budget	2015 Expenses	Carryover Request
145-347092190	Wayfinding Project	\$ 60,000	\$ -	\$ 60,000
<b>TOTAL FUND 144 TID NUMBER SIX</b>				<b>\$ 60,000</b>

These carryovers will finance the wayfinding project underway. These projects were funded by debt proceeds or tax increment.

**FUND 146 TAX INCREMENT DISTRICT NUMBER EIGHT**

		2015 Modified Budget	2015 Expenses	Carryover Request
146-348392190	Wayfinding Study	\$ 60,000		\$ 60,000
<b>TOTAL FUND 146 TID NUMBER EIGHT</b>				<b>\$ 60,000</b>

These carryovers will finance the wayfinding project underway. These projects were funded by debt proceeds or tax increment.

**2015 PROJECT RESERVATIONS AND FUND CARRYOVERS  
TO MODIFY THE 2016 BUDGET**

**FUND 170 MOTOR POOL**

	2015 Modified Budget	2015 Expenses	Carryover Request
170-150098157 Fire Motor Pool Vehicle Acquisitions	\$ 260,110	\$ 7,838	\$ 278,325
170-150098155 DPW Vehicle Acquisition	\$ 768,764	\$ 781,196	\$ 33,423
170-150098156 Police Motor Pool Vehicle Acquisitions	\$ 172,120	\$ 100,212	\$ -
<b>TOTAL FUND 170 MOTOR POOL FUND</b>	<b>\$ 1,200,994</b>	<b>\$ 889,246</b>	<b>\$ 311,748</b>

These carryovers will finance the Rescue Truck ordered July 23, 2015 that will be received in May 2016 and a DPW truck that was ordered in May 2015 that was received February 2016.

**FUND 110 GENERAL FUND**

	2015 Modified Budget	2015 Expenses	Carryover Request
110-130092190 Parks Departments Department	\$ 2,425,054	\$ 2,271,947	\$ 14,578
<b>TOTAL FUND 110 GENERAL FUND</b>			<b>\$ 14,578</b>

The parks department is requesting carryover funds to complete the 2015 boulevard tree removal and stump grinding projects. Heavy staff workload prevented timely distribution of the removal list to the contractor. The contractor is expected and willing to complete the tree removal in spring of 2016.

**GRAND TOTAL ALL FUNDS**

**\$ 7,308,717**

**NON-LAPSING FUNDS**

In addition to the above carryovers the following funds are considered non-lapsing and committed:

- |  |   |
|--|---|
| 121 Grants Fund                              | 150 Capital Improvement Fund              |
| 122 HUD Mortgage Program Fund                | 151 Room Tax Fund                         |
| 123 DLAD Mortgage Program Fund               | 152 Public Access Fund                    |
| 124 HCRI Fund                                | 153 Recycling Fund                        |
| 125 Economic Development Fund                | 157 OJJDP Grant Fund                      |
| 126 Federal Rental Rehabilitation Fund       | 158 Brownfield Grant Fund                 |
| 127 WRRP Rehabilitation Fund                 | 161 Water Utility Fund                    |
| 128 Holtz Krause Clean Up Fund               | 163 Sewer Utility Fund                    |
| 129 Hazardous Materials Funds                | 164 WATS Fund                             |
| 130 Debt Service Fund                        | 165 Parking Fund                          |
| 132 Home Grant Fund                          | 166 Airport Fund                          |
| 133 Home Program Income Fund                 | 167 Animal Control Fund                   |
| 134 Home Rental Rehab Fund                   | 170 Motor Pool Fund                       |
| 135 Home Administration Fund                 | 171 Insurance Fund                        |
| 136 Neighborhood Stabilization Fund          | 173 Employee Benefits Fund                |
| 137 WRRP Administration Fund                 | 174 EMS Grant Fund                        |
| 138 Housing Stock Improvement Fund           | 175 Employee HRA Fund                     |
| 141 Tax Increment District Number Three Fund | 176 Rental Licensing Fund                 |
| 143 Tax Increment District Number Five Fund  | 177 400 Block Fund                        |
| 144 Tax Increment District Number Six Fund   | 180 Cemetery Trust Fund                   |
| 145 Tax Increment District Number Seven Fund | 181 Other Trust Fund                      |
| 146 Tax Increment District Number Eight Fund | 186 Incubator Fund                        |
| 147 Tax Increment District Number Nine Fund  | 180's and 800's All Trust and Agency Fund |
| 148 Tax Increment District Number Ten Fund   |   |

**CITY OF GRANDVIEW**

RESOLUTION NO. 2015-04

**A RESOLUTION ESTABLISHING AN ENCUMBRANCE ROLL FORWARD POLICY FOR PROVIDING GUIDELINES AND PARAMETERS FOR ROLLING FORWARD THE PREVIOUS FISCAL YEAR'S BUDGETED UNSPENT ENCUMBRANCES TO THE CURRENT FISCAL YEAR'S BUDGET.**

WHEREAS, the City of Grandview has an important responsibility of identifying all valid unspent previous fiscal year encumbrances at the beginning of each fiscal year; and

WHEREAS, the establishment of such policy shall allow departments continued budget authority to spend from encumbrances approved in the previous fiscal year without having to re-budget those expenses in the current fiscal year; and

WHEREAS, only those encumbrances which are supported by a purchase order, and an invoice or contract for goods and services are eligible for the roll forward process; and

WHEREAS, the City's auditing firm has reviewed and concurred with the establishment of such policy; and

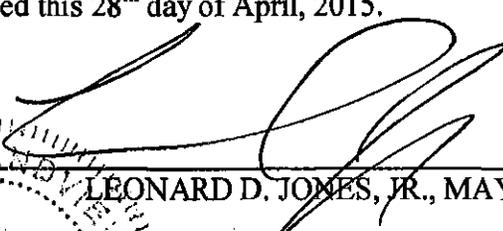
WHEREAS, the City intends to conform to the accounting guidelines and best practices established by the Governmental Accounting Standards Board (GASB) regarding encumbrance accounting.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF GRANDVIEW, MISSOURI, AS FOLLOWS:

Section 1. That the attached Encumbrance Roll Forward Policy is hereby established in order to more effectively budget for those expenses in the current fiscal year.

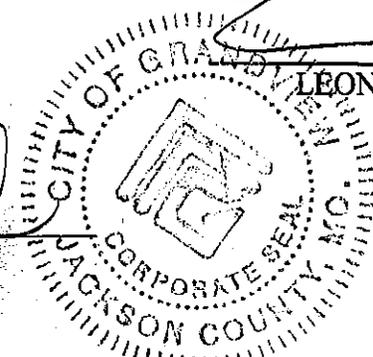
Passed this 28<sup>th</sup> day of April, 2015.

Approved this 28<sup>th</sup> day of April, 2015.

  
LEONARD D. JONES, JR., MAYOR

ATTEST:

  
BECKY SCHIMMEL, CITY CLERK



Statement of Accounting Policy  
Re: Encumbrance Accounting

Under the provisions of the National Council on Governmental Accounting Statement 1 of Governmental Accounting and Financial Reporting Principles and the American Institute of Certified Public Accountants Statement of Position 80-2, encumbrance accounts are considered to be "budgetary accounts" and are not expenses or liabilities.

It is, therefore, the policy of the County of Randolph to honor open purchase orders and contracts that remain outstanding at year end. Encumbrances outstanding at June 30 shall be reported as "Reserve for Encumbrances" in the Fund Balance Section of the Statement of Financial Position for the fund and the subsequent year's appropriation shall provide authority to complete the transactions.

This shall be accomplished in the following manner:

- (1) encumbrance accounts shall be closed at the end of each fiscal year prior to the determination of financial position and results of operations for the County of Randolph.
- (2) encumbrances outstanding at June 30 shall be carefully reviewed by the Finance Officer to eliminate any errors, completed contracts, or trivial amounts remaining in the encumbrances in order to determine the proper amount to be shown as Reserve for Encumbrances in the Fund Balance Section of the Statement of Financial for the fund.
- (3) in the ensuing year, encumbrances recorded in the Reserve for Encumbrances in the Fund Balance Section of the Statement of Financial Position for the fund shall be considered to be adjustments to appropriations and established by amending the budget ordinance.

Approved by the Randolph County Board of Commissioners on August 3, 1981

## ENCUMBRANCE ROLL FORWARD POLICY

### OVERVIEW

The purpose of this policy is to provide guidelines and parameters for rolling forward the previous fiscal year's budgeted unspent encumbrances to the current fiscal year's budget. The establishment of such policy is to allow the various city departments continued budget authority to spend from encumbrances approved in previous fiscal years without having to re-budget these expenses in the current fiscal year.

### PROCESS

- A. At the beginning of the fiscal year, the Finance department will provide a detailed listing of all previous fiscal year unspent encumbrances to each department director for their review.
- B. Each director or his/her designee must provide detailed evidence on the status of each open encumbrance.
- C. Only the remaining unspent balances of encumbrances, which are supported by a valid purchase order, invoice or contract for goods and services, will be eligible for the roll forward process.
- D. The Finance Department will make a final determination that all previous fiscal year expenses from the open encumbrances have been processed.
- E. A budget journal entry will be processed and posted in the City's Financial Management System for the remaining balance of each prior fiscal year purchase order, thus increasing the current fiscal year's budget authority on each line item.
- F. The budget journal entry should agree with the encumbrance amount that will be reported in the City's Comprehensive Annual Financial Report (CAFR).





## Memorandum

**Date:** March 16, 2016  
**To:** Finance Committee  
**From:** Tracey Kujawa, Fire Chief  
**Subject:** Station 2 Replacement

### Purpose

The purpose of this staff report is to create discussion and possible action specific to a timetable for the replacement of Station 2.

### Recommendation

The replacement of Station 2 is long overdue, we have outgrown the Station and efficiencies are lacking in both design and building services. My recommendation is that a timetable be created and adhered to in order to complete this project in a timely fashion.

### Facts OR Considerations

The replacement of Station 2 has been a consideration for the past 12 – 15 years and the land has already been “earmarked” for this project. Station 2 is 45 years old and requires many improvements to upgrade to current standards and space needs. The building was built when we had smaller vehicles and fewer vehicles so the apparatus bay is not able to accommodate the vehicles that are currently or should be located at Station 2. According to the Insurance Services Office (ISO) the ideal location for the reserve ladder truck is at Station 2 but the space is too small and the floor construction will not accommodate the weight of this vehicle. Our Public Protection Classification (PPC) has been jeopardized because of the inability to locate this vehicle where recommended. The ambulance also has to park diagonally inside the apparatus bay or it interferes with the ability to exit the living quarters into the bay. This increases the likelihood of a crash every time the ambulances is pulling out or backing into the apparatus bay. Our work-out room is also currently located in our apparatus bay because there is no other place to put the equipment. This of course is a health concern because of the diesel exhaust and exposure to the carcinogens on turnout gear and equipment. It is recommended that all turnout gear and equipment be kept out of the living quarters to prevent exposure to carcinogens but yet we workout in that environment. The current configuration of the bay also requires that all vehicles back into the station when the recommended and safest practices endorse drive-through apparatus bays. The apparatus doors were recently repainted but are very old as well.

The living quarters at Station 2 is also failing those who are assigned there. The station has no basement. This of course is a huge limitation where storage is concerned but most importantly the personnel stationed at this location have no reprieve in the event of severe or hazardous weather. There are no female facilities and therefore we have limitations as to where we can

assign females within our ranks. There is no classroom or study area and in today's fire service, with all the diverse training and requirements, it is important to have this type of dedicated quiet space.

In addition, the heating, ventilation and air conditioning systems are antiquated and lack in efficiency. We have outgrown the electrical panel and the plumbing throughout the structure needs to be attended to.

This list is not all encompassing, there are certainly other items that are pressing and need to be addressed as well but I think this gives an overall general impression of the condition of Station 2.

Impact:

The estimated construction cost for the replacement of Station 2 is \$2,500,000 to \$3,000,000.

This estimate does not include soft fees (i.e. material testing, site surveys, architect/engineer fees) or the Furniture, Fixtures and Equipment Budget (FF&E Budget) which typical can add 10 – 20% to the total cost.

Appreciate your consideration in this matter.

Drafted by: Tracey Kujawa, Chief

Cc: Mayor

**CITY OF WAUSAU 2015 BUDGET**  
**GENERAL FUND STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL**  
December, 2015  
**NARRATIVE**

**REVENUES**

Revenues in total exceeded budget by \$24,825 which represents a positive variance of .078%.

Other Taxes – In 2014 the City received an omitted tax payment of \$42,340 which is not a regularly occurring payment.

Intergovernmental Grants and Aids – We will experienced a short fall in revenue of \$63,446 due to final estimates established by the State.

Permits – Building permits are showing a positive variance from 2014 and exceeded budget by \$56,826.

Fines, Forfeitures and Penalties – This revenue is down \$17,264 from 2014. We dropped the 2015 budget as compared to the 2014 budget but was not sufficient. The 2016 budget was further reduced.

Public Charges – Exceeded both 2014 and budget projections.

Intergovernmental Charges for Services – Down slightly due to the city departmental charges.

Commerical Revenues – These revenues exceeded budget by \$75,673. The interest income figure also contains any adjustment to market as required. This represents the 2014 to 2015 variance.

Other Financing Sources – Pilot from the Water Utility has been adjusted to reflect final numbers.

**EXPENSES**

The budget to date appears in line with the budget with 97.85% of the budget spent and 100% of the year complete. In addition the expenses of \$31,057,041 are \$605,343 less than 2014.

Unclassified – Is over budget due to the Walgreens settlement.

Transportation and Streets – These accounts reflect the minimal snowfall in 2015. Expenses are \$971,084 less than 2014.

**CITY OF WAUSAU, WISCONSIN**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL**  
Period Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget	2014 Actual
	Original	Final			
<b>TAXES</b>					
General property taxes	\$ 16,200,627	\$ 16,200,627	\$ 16,200,627	\$ -	\$ 15,843,883
Mobile home parking fees	28,000	28,000	25,781	(2,219)	27,712
Payments in lieu of taxes	115,000	115,000	128,698	13,698	109,559
Other taxes	<u>67,709</u>	<u>67,709</u>	<u>67,841</u>	<u>132</u>	<u>84,971</u>
Total Taxes	<u>16,411,336</u>	<u>16,411,336</u>	<u>16,422,947</u>	<u>11,611</u>	<u>16,066,125</u>
<b>INTERGOVERNMENTAL</b>					
State shared taxes	4,434,045	4,434,045	4,397,539	(36,506)	4,469,344
Expenditure restraint	771,566	771,566	764,764	(6,802)	755,960
Fire insurance tax	105,000	105,000	102,678	(2,322)	104,834
Municipal services	195,000	195,000	184,010	(10,990)	195,507
Transportation aids	2,541,749	2,541,749	2,537,317	(4,432)	2,375,057
Other grants	<u>123,834</u>	<u>123,834</u>	<u>121,440</u>	<u>(2,394)</u>	<u>196,712</u>
Total Intergovernmental	<u>8,171,194</u>	<u>8,171,194</u>	<u>8,107,748</u>	<u>(63,446)</u>	<u>8,097,414</u>
<b>LICENSES AND PERMITS</b>					
Licenses	175,531	175,531	183,756	8,225	179,827
Franchise fees	340,000	340,000	354,938	14,938	354,407
Permits	<u>227,519</u>	<u>227,519</u>	<u>261,182</u>	<u>33,663</u>	<u>181,803</u>
Total Licenses and Permits	<u>743,050</u>	<u>743,050</u>	<u>799,876</u>	<u>56,826</u>	<u>716,037</u>
<b>FINES, FORFEITURES AND PENALTIES</b>					
	<u>398,000</u>	<u>398,000</u>	<u>337,841</u>	<u>(60,159)</u>	<u>355,105</u>
<b>PUBLIC CHARGES FOR SERVICES</b>					
General government	67,300	67,300	83,602	16,302	76,324
Public safety	1,377,200	1,431,200	1,454,518	23,318	1,415,481
Streets and related facilities	79,971	79,971	146,569	66,598	152,831
Recreation	144,700	144,700	151,093	6,393	132,375
Public areas	<u>159,479</u>	<u>159,479</u>	<u>93,140</u>	<u>(66,339)</u>	<u>96,947</u>
Total Public Charges for Services	<u>1,828,650</u>	<u>1,882,650</u>	<u>1,928,922</u>	<u>46,272</u>	<u>1,873,958</u>
<b>INTERGOVERNMENTAL CHARGES FOR SERVICES</b>					
State and federal reimbursements	11,340	11,340	12,082	742	10,920
County and other municipalities	236,264	239,514	273,283	33,769	220,020
City departments	<u>1,249,432</u>	<u>1,249,432</u>	<u>1,175,202</u>	<u>(74,230)</u>	<u>1,191,202</u>
Total Intergovernmental Charges for Services	<u>1,497,036</u>	<u>1,500,286</u>	<u>1,460,567</u>	<u>(39,719)</u>	<u>1,422,142</u>

**CITY OF WAUSAU, WISCONSIN**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL (Continued)**  
Period Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget	2014 Actual
	Original	Final			
<b>COMMERCIAL</b>					
Interest on general investments	\$ 260,000	\$ 260,000	\$ 313,826	\$ 53,826	\$ 492,346
Interest on special assessments	15,000	15,000	10,814	(4,186)	19,423
Other interest	<u>19,000</u>	<u>19,000</u>	<u>45,033</u>	<u>26,033</u>	<u>19,820</u>
Total Commercial	<u>294,000</u>	<u>294,000</u>	<u>369,673</u>	<u>75,673</u>	<u>531,589</u>
<b>MISCELLANEOUS REVENUES</b>					
Rent of land and buildings	210,100	210,100	212,489	2,389	267,686
Sale of City property/loss compensation	12,500	12,500	26,579	14,079	39,888
Other miscellaneous revenues	<u>110,022</u>	<u>116,149</u>	<u>111,004</u>	<u>(5,145)</u>	<u>133,301</u>
Total Miscellaneous Revenues	<u>332,622</u>	<u>338,749</u>	<u>350,072</u>	<u>11,323</u>	<u>440,875</u>
<b>OTHER FINANCING SOURCES</b>					
Transfers in	<u>1,897,000</u>	<u>1,897,000</u>	<u>1,883,444</u>	<u>(13,556)</u>	<u>1,955,253</u>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>					
	<u>\$ 31,572,888</u>	<u>\$ 31,636,265</u>	<u>\$ 31,661,090</u>	<u>\$ 24,825</u>	<u>\$ 31,458,498</u>

**CITY OF WAUSAU, WISCONSIN**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL**  
Period Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>	<u>2014 Actual</u>
	<u>Original</u>	<u>Final</u>			
<b>GENERAL GOVERNMENT</b>					
City Council	\$ 112,122	\$ 94,272	\$ 88,427	\$ 5,845	\$ 93,561
Mayor	203,263	203,263	200,925	2,338	228,547
City Promotion	124,600	119,811	115,296	4,515	108,396
Finance department	471,638	488,638	497,421	(8,783)	468,771
Data processing	696,369	696,369	665,289	31,080	639,305
City clerk/customer service	492,398	492,398	484,308	8,090	528,074
Elections	34,950	19,950	20,471	(521)	61,985
Assessor	595,907	595,907	559,101	36,806	596,410
City attorney	490,025	494,814	489,757	5,057	491,750
Municipal court	128,529	128,529	125,183	3,346	130,204
Human resources	293,937	300,064	296,967	3,097	308,328
City hall and other municipal buildings	321,523	321,523	280,922	40,601	309,428
Unclassified	32,000	135,192	318,345	(183,153)	103,042
Total General Government	<u>3,997,261</u>	<u>4,090,730</u>	<u>4,142,412</u>	<u>(51,682)</u>	<u>4,067,801</u>
<b>PUBLIC SAFETY</b>					
Police department	8,973,536	8,968,536	8,839,760	128,776	8,462,239
Fire department	3,431,816	3,431,816	3,387,092	44,724	3,606,118
Ambulance	2,991,652	3,053,902	2,933,494	120,408	2,944,275
Inspections and electrical systems	705,394	705,394	665,341	40,053	591,960
Total Public Safety	<u>16,102,398</u>	<u>16,159,648</u>	<u>15,825,687</u>	<u>333,961</u>	<u>15,604,592</u>
<b>TRANSPORTATION AND STREETS</b>					
Engineering	1,401,003	1,423,003	1,354,809	68,194	1,439,454
Department of public works	6,082,730	5,967,334	5,778,590	188,744	6,665,029
Total Transportation and Streets	<u>7,483,733</u>	<u>7,390,337</u>	<u>7,133,399</u>	<u>256,938</u>	<u>8,104,483</u>
<b>SANITATION, HEALTH AND WELFARE</b>					
Garbage and refuse collection	1,537,400	1,529,400	1,539,308	(9,908)	1,490,395
<b>NATURAL RESOURCES/RECREATION</b>					
Parks and recreation	2,452,096	2,425,054	2,271,947	153,107	2,331,613
<b>OTHER FINANCING USES</b>					
Transfers out	-	144,288	144,288	-	63,500
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>					
	<u>\$ 31,572,888</u>	<u>\$ 31,739,457</u>	<u>\$ 31,057,041</u>	<u>\$ 682,416</u>	<u>\$ 31,662,384</u>

**CITY OF WAUSAU, WISCONSIN**  
**GENERAL FUND**  
**SUMMARY OF BUDGET MODIFICATIONS**  
Period Ended December 31, 2015

**BUDGET REVENUES RECONCILIATION**

2015 ADOPTED BUDGET	\$ 31,572,888
Budget modification for Police Department for sale of sniper rifle	3,250
Resolution 14-1109 Budget modification for midyear budget adjustment	54,000
Budget modification for CVMIC Safety Grant Program	<u>6,127</u>
2015 MODIFIED BUDGET	<u>\$ 31,636,265</u>

**BUDGET EXPENDITURES RECONCILIATION**

2015 ADOPTED BUDGET	\$ 31,572,888
Resolution 12-0313 Budget modification for settlement of tax claims by Sears Holdings Corporation	86,419
Budget modification for Police Department for use of sniper rifle proceeds for SWAT equipment	3,250
Resolution 15-0406 Budget modification for settlement of tax claim by Associated Bank	16,773
Resolution 14-1109 Budget modification for midyear budget adjustment	54,000
Budget modification for CVMIC Safety Grant Program	<u>6,127</u>
2015 MODIFIED BUDGET	<u>\$ 31,739,457</u>



**TO: ECONOMIC DEVELOPMENT COMMITTEE**

**FROM: MARYANNE GROAT**

**DATE: March 2, 2016**

**SUBJECT: Purchase of 120 Scott Street**

**Purpose:** To provide consideration for the purchase of 120 Scott Street from McDevco for parking uses in the short term and redevelopment in the long term.

**Background:** From 2005 to 2008 McDevco and the Alexander Foundation assembled and raised the buildings fronting the 100 Block of Scott Street. When the demolition was complete, the City of Wausau entered into a long term parking agreement with McDevco to construct and operate a public parking lot on the property. In addition, we received a grant from the Alexander Foundation for parking lot landscaping. The long term expectation of the property was for the City to purchase the property from McDevco to facilitate redevelopment of the property. The land assemblage and demolition costs for this property totaled \$1,609,779. This public private partnership has successfully, eliminated blight and created parking and redevelopment opportunities within the central business district.

McDevco and the Alexander Foundation are asking that the City initiate purchase at this time. Recognizing that the City has other priorities such as the Riverfront and Mall redevelopment, the Alexander Foundation has offered extremely favorable financing to support the purchase. The terms of the financing would be:

- Annual interest only payments with one principal balloon payment upon note maturity.
- Interest rate of 2.75% years 1-5. Interest rate increase equal to 50% of the increase in the 5 year treasury yield in year 6 not to exceed 3%.
- The loan term would be the shorter of the life of Tax Increment District Three, the redevelopment of the property or ten years.
- Redevelopment is defined as development to all or any portion of the property exclusive of the Dudley skywalk and pedestal.

The interest only loan is designed to assist the cash flow of TID Number Three. The net annual financial impact during the principal deferral period years 1-5 would be \$28,283. This represents the annual interest of \$44,269 less the current annual payment we make to McDevco of \$15,986. In year 6 the interest would increase based upon the treasury yields limited to a 3% lift. The attached amortization schedule assumes the maximum increase of 3%. There is no prepayment penalty and the City would be able to refinance the debt with traditional general obligation debt if considered advantageous or payoff the loan based upon the TID's financial capacity. The land acquisition and interest would be TID Three eligible costs.

**Impact:** Purchase of the property provides the following benefits to the City of Wausau.

- Furthers the successful collaborative effort of the City of Wausau, Alexander Foundation and McDevco to eliminate blight and redevelop properties within the downtown.
- Maintains an inventory of sites available for immediate redevelopment within the downtown.
- Provides continued public parking in the short term.
- Provides city ownership of the property necessary to construct the Dudley Tower skywalk and pedestal. The City is contractually obligated to construct the skywalk as part of the Dudley development agreement.
- Provides financially attractive terms for the financing the project along with managing the cash flow.

**Fiscal Impact:** There would be no financial impact in 2016 as the first interest payment would be due in 2017. An amortization schedule is attached. The interest and principal would be funded by increment of Tax Increment District Number Three. The annual parking payment of \$15,986 from the parking fund to McDevco would end. The total price, assuming the maximum life and interest rate is \$2,293,934; which consists of principal of \$1,609,779 and interest \$684,155.

**120 Scott Street  
Promissory Note Amortization**

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**Principal**                    **\$1,609,779**  
**Interest**                    **\$2.75 annual interest years 1-5. Rate adjustment in year 6 equal to 50% of the increase in 5 year treasuries**  
**Maturity**                    **not to exceed 3%**  
**Term**                         **6/1/2026**  
**No prepayment penalty**                    **Single principal payment due at Maturity**

<b>Number</b>	<b>Date</b>	<b>Payment Amount</b>	<b>Interest Amount</b>	<b>Interest Rate</b>	<b>Principal Payment</b>	<b>Loan Balance</b>
1	6/1/2017	\$44,269	\$44,269	2.75%		\$1,609,779
2	6/1/2018	\$44,269	\$44,269	2.75%		\$1,609,779
3	6/1/2019	\$44,269	\$44,269	2.75%		\$1,609,779
4	6/1/2020	\$44,269	\$44,269	2.75%		\$1,609,779
5	6/1/2021	\$44,269	\$44,269	2.75%		\$1,609,779
6	6/1/2022	\$92,562	\$92,562	5.75%		\$1,609,779
7	6/1/2023	\$92,562	\$92,562	5.75%		\$1,609,779
8	6/1/2024	\$92,562	\$92,562	5.75%		\$1,609,779
9	6/1/2025	\$92,562	\$92,562	5.75%		\$1,609,779
10	6/1/2026	<u>\$1,702,341</u>	<u>\$92,562</u>	5.75%	<u>\$1,609,779</u>	\$0
<b>Total</b>		<u><u>\$2,293,934</u></u>	<u><u>\$684,155</u></u>		<u><u>\$1,609,779</u></u>	

1ST

6.5

121.58'

41.42'

6.6

33.03'

122.32'

14.59'

48.57'

86'

WAUSAU

39.96'

9.58'

LOT 1

CSM 69-110

76.51'

CSM 10-207

243.07'

SCOTT ST

65'

