



**VILLAGE OF WEBSTER**

# SPECIAL BOARD MEETING MINUTES

Wednesday – October 27, 2021 @ 6:00 p.m.  
Webster Community Center  
7421 Main Street West, Webster, WI

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- I. **CALL TO ORDER** – Village President, Jeff Roberts called the meeting to order at 6:00 p.m.
  - II. **ROLL CALL** – Village President, Jeff Roberts; Village Trustees, Kelsey Gustafson; Aaron Sears; Bill Summer; Charlie Weis; Greg Widiker. Others present: Clerk/Treasurer, Debra Doriott-Kuhnly; Greg Marsten – Burnett County Sentinel; Cindy Mickelson- Inter-County Leader; Village Residents, Russ Burford, Sylvia Paulus, Terry Burford, and William Rock. Absent: Trustee, Maloney.
  - III. **PUBLIC NOTICE OF AGENDA DELETION/CORRECTIONS** – Motion made by Trustee, Weis to approve the agenda as presented; seconded by Trustee, Summer. **Motion carried 6-0.**
  - IV. **RECONSIDERATION OF THE VOTE APPROVING THE CREATION OF TIF DISTRICT NO. 3 AND POSSIBLE APPROVAL TO WITHDRAW THE APPLICATION FROM THE WISCONSIN DEPARTMENT OF REVENUE** – President, Roberts gave the floor to Village Resident, Russ Burford. Below is a transcript of Mr. Burford’s comments – copied with his permission.

Comments To The Village of Webster, Special Board Meeting, On October 27, 2012: Concerning The TIF 3 District

The Trustee’s are already aware of the objections to the TIF, I raised, at the October 13th Board Meeting. While I was preparing remarks for this meeting tonight, I realized I had only pointed out the mistakes in the Project Plan and the mis-steps that occurred during the subsequent approval process. Because of that, I decided I needed to take a look at how a rational for a TIF district 3, came about in the first place?

As it turned out, I didn’t have to look far to get an answer to this question. But, my immediate thought was “This can’t be all there is to it.” Believing there had to be more, I read all of the Village meeting minutes, from 2018 to the present. That’s three years and ten months worth. All Board Meeting minutes, Committee Meeting minutes and the Agenda’s for each of them.

Surprisingly the story starts with the agenda for the September 8th Board Meeting of this year. It contains this item: Development and Annexation Committee – Jeff Roberts

a) Professional Service Agreement with MSA – Discussion and Possible Approval

What this agenda item does not indicate, is the intent to have a discussion between the Board and MSA To create a new TIF District. This appears to be a violation of the Wisconsin open meeting law, Which states in part, the following:

“Information in the notice must be sufficient to alert the public to the importance of the meeting, so that they can make an informed decision whether to attend - generic designations are not sufficient.”

This agenda item does not come close to informing the public that the real purpose of the the meeting, was the discussion of a new TIF District.

So what happened in that discussion? I will read from the minutes, which informs us of the rationale used for the TIF District 3:

XIV. DEVELOPMENT & ANNEXATION – Village President, Jeff Roberts: Roberts said he contacted Dave Rasmussen, with MSA, about the board considering extending Smith Pines. And with that, it would be the perfect time to hook to Main Street West and loop the water. He then gave the floor to Dave. Dave said MSA looked at it and first thing they thought of was to create a TIF District.

So there it is. MSA's first thought, was to create a TIF District and the Board acted on it. They approved a \$13,500 Professional Service Agreement with MSA, on a vote of 7-0.

I would read to you the entire discussion from the minutes, (I have the full minutes here, if anyone is interested), but I will simply tell you no member of the Board, challenged this suggestion. No member of the Board, thought to recommend this be sent to committee for study and a review of plausible alternatives. No member of the Board, thought to investigate the rules regarding TIF District's. The sole concern, seems to be for the short timeframe to get it approved by the September 30th deadline, which Mr. Rasmussen emphasized in his discussion.

Mr. Rasmussen, also stated "MSA has developed a draft project plan and timetable for approval". This brings up a very important question. I have here, the Inter County Leader, dated September 1st of this year. In it, is a public notice of a public hearing for the creation of Tax incremental Finance District NO. 3.

How is it that a public notice of the TID 3 District, appeared one week before the board voted on September 8th? What's even more interesting, is this public notice contains the following statement:

"Maps showing the boundaries of TID No. 3 and the associated Project Plan, will be available upon request, prior to the public hearing, from the Village Clerk."

I happened to read this public notice and picked up the project plan on September 7th, to better understand what this was all about and what, if any, impact it might have on my taxes. The reason I know the specific date, is because I had a reminder set on my iPhone calendar, which I can show, if anyone challenges the date.

So how is it, that I was able to obtain a project plan, before the Board had voted to approve the \$13,500 for MSA to produce it?

An even better question, is how did MSA, seemingly produce this plan with no public input from the Board, or Committee's? I know this to be true, because I read 46 months of meeting minutes and nothing is mentioned about a TIF District.

In the September 8th meeting minutes, Mr. Rasmussen makes the following statement:

"The new TIF District would overlay the existing TIF District, add additional parcels and extend into the Industrial Park area and vacant land to the East of Industrial Park."

That, in fact, is exactly what is in the Project Plan. That and much more.

The Project Plan, is full of budget items titled "Public Works Project Costs", totaling \$2,095,000 dollars. It also contains the statement "The locations of these projects are shown on Map 3 in Appendix A." Did MSA come up with these budget numbers, including the map area's where they were to be spent? Since there was no public discussion of these items at the Board, or Committee level, (and remember, I have examined 46 months of the public record). I am left to assume MSA made these decisions on their own. Unless of course, some member of this Board wants to admit they did work on the project plan in a closed session backroom meeting.

I could go on and on about the strangeness of how all this occurred, but now I come to the most important part of my comments. Mr. Rasmussen, used these words in his discussion with the Board on September 8th: "MSA looked at it and first thing they thought of was to create a TIF District. No new improvements can be done in the current TIF as the expenditure period ending in 2020. It does have 5 years left and is not doing well but can be extended to cut down the deficient. The new TIF District would overlay the existing TIF District, add additional parcels and extend into the Industrial Park area and vacant land to the East of Industrial Park."

Not doing well is an understatement. The current TID 2, is more than half a million dollars in the hole. Let me say it again: Mr. Rasmussen, states the new TIF District would overlay the existing TIF District. It turns out that the word Overlay (Overlaps to the DOR), has a very specific meaning.

I earlier questioned if the Board had bothered to look at the requirements of forming a Tax Incremental District. Since I thought this was an obvious question, I decided to examine the Department of Revenue website, which turns out to contain extensive information. This includes a section called "Common Questions." Within that section, appears a bulleted point, titled "Overlaps". Clicking it, opens a whole section explaining Overlaps as covered by Wisconsin Statute 66.1105. In other words, mandated.

What I found, was more than a little concerning and to be sure I understood what I was reading, I reached out to the Wisconsin Department of Revenue for clarifications. They turned out to be very helpful and I can not thank them enough for their very clear and prompt response to my questions.

I will now read to you their response:

Good morning Russ Burford,  
Unfortunately, the required documents for the creation of TID 3 have not been submitted to our office yet. (Referring To Websters Application)  
TID overlaps are difficult to understand, but I will try to explain this to you in this email.

If TID 3 overlaps TID 2, then if TID 3 is certified, beginning in 2022:

TID 2:

- The overlapped parcels' value becomes 'frozen' at the 1/1/2021 value by DOR and is added to the current value when calculating the increment
- The overlapped parcels will no longer be coded to TID 2 beginning on the 2022 tax assessment roll
- You are correct that the 2020 TID Annual Report for TID 2 shows end of year deficit of -\$534,460.
  - Q: Does the debt remain with TID 2, until the expiration of the TID? A: Yes.
  - Q: If not, does the deficit amount from TID 2, transfer to the new TID 3? A: No, the debt does not transfer to TID 3. Also, TID 3 (rehab type) cannot allocate/transfer funds to TID 2 (mixed-use type)
- TID 2's Life Extended date is 7/13/2028 when the Village must terminate the TID and any debt remaining is the Village's responsibility.
- The village could extend TID 2, using the Technical College Extension to buy more time to pay down

debt. Three more years would move the life extended date to 07/13/2031

TID 3:

- The overlapped parcels value of 1/1/2021 will be included in TID 3's base value
- The overlapped parcels will be coded to TID 3 beginning on the 2022 tax assessment roll
- Any increase in value on those overlapped parcels from 1/1/2021 to the future will be increment for TID 3

I hope this information is helpful. Let me know if you have more questions.

Sincerely,

[Stacy L. Leitner](#)

Community Specialist, Sr. [StacyL.Leitner@Wisconsin.gov](mailto:StacyL.Leitner@Wisconsin.gov) (608) 261-5335

State and Local Finance Wisconsin

Department of Revenue

So, now I want to know: Did the Village Trustee's understand this, when they voted to create TID 3? Did Dave Rasmussen, or any other representative from MSA, fully explain what the overlapping of TID 2 meant?

I seriously doubt it, because why would anyone knowingly want to take on this half million dollar risk to the Village and it's Taxpayer's? Speed and the cutting of corners, seems to be about the only thing the Board and MSA considered.

Before I make my closing comments, I would like to hear from the Board Members: Am I wrong about this? Do you have a plan to pay down the \$534k of debt, if TID 2 becomes frozen by the overlap? Is there anyway to pay down this debt, other than obligating the taxpayers for it? *Russ asked if this was overstood? President, Roberts said, "yes by him it was and it would happen either way; this was done when the original TID was created." Russ than said "that was interesting because we seem to just be accepting the fact that we got this debt hanging out there and our response is going to be to create a new TID and hope it turns out better." President, Roberts said "we are here tonight to basically reconsider and vote to not create TID 3 and said that you very well made your point, and I think we should do that. Based on discussions Deb and I had with the League and Village attorneys, it is my recommendations that we approve agenda items 5 and 6; which I emailed you yesterday and told you that. I don't know if you got the email." Russ said, "yes and I have some comments on that."*

I now call on this Village Board to carefully consider their next vote. A vote to withdraw TID 3, means we avoid the financial risks of freezing the TID 2 deficit. A deficit, the taxpayer's will eventually become responsible for.

I also ask this Village Board, to commit to no new TID's, until they have developed a viable plan to deal with the current TID 2 deficit. Any such plan, should include input from the public and all discussions regarding such a plan should be transparent and easily understood.

To aid in this effort, I am submitting a listing of distressed and severely distressed TID's, published by the Wisconsin Department of Revenue. There are currently 90 of them on this list. The list includes 12 TID's in Burnett, Douglas, Polk and ST Croix Counties combined. The Board may find it useful to reach out to the communities involved and discuss remedies for failing TID's. They may be able to give insight to what worked and what didn't work, in their cases.

In closing, I want to acknowledge the two Board Members, who in my opinion, did the right thing at the Special Board meeting of September 29th. Tim Maloney, voted No and Aaron Sears, Abstained on the motion to create TIF District 3. The public deserves to know that not all members of the Board, ignored the warnings of the evident problems with the project plan and the flawed approval process. I ask the News Media, to point this out in any stories they publish concerning my comments tonight.

Thank You

President, Roberts asked for motion to reconsider the vote approving the creation of TIF District 3 and withdraw the application from the Wisconsin Department of Revenue. Motion made by Trustee, Weis; seconded by Trustee, Widiker. Trustee, Summer said, "I would like to go on record and say I kinda resent the fact that, Russ, sounds like you're accusing all of us of nefarious acts, by saying this is backroom and did this under cloak and dagger. It's just not fair." Russ said, "There is no public record." Summer said, "Again, you are accusing us of nefarious acts, and it didn't work that way. It's not that at all" Russ again said, "There is no public record." **Motion carried 6-0.**

- V. **RESOLUTION #05: RESOLUTION RESCINDING THE CREATION OF TAX INCREMENT DISTRICT NO. 3** – President, Roberts read Resolution #05: Resolution Rescinding the Creation of Tax Increment District #3 and asked for a motion to approve. Motion made by Trustee, Widiker; seconded by Trustee, Sears. Voice vote taken: Trustee, Gustafson- Aye; President, Roberts – Aye; Trustee, Sears- Aye; Trustee, Summer- Aye; Trustee, Weis- Aye; Trustee, Widiker- Aye. Trustee, Maloney- Absent. Trustee, Widiker asked what expenses the Village has incurred. None at this point. Roberts also stated that any increments that have happened in TID 2 now will continue to go to TID 2. **Motion carried 6-0.**
- VI. **ADJOURNMENT.** Motion was made by Trustee, Weis to adjourn the meeting at 6:25 p.m.; seconded by Trustee, Summer. **Motion carried 6-0.**

Respectfully submitted,

*Debra Doriott-Kuhnly*

Debra Doriott-Kuhnly, Clerk-Treasurer

October 27, 2021

\*\*\*These minutes are subject to approval at next month's Regular Meeting.