

**2016 BOARD OF REVIEW
VILLAGE OF PLEASANT PRAIRIE
JUNE 15, 2016
8:30 A.M.**

A Meeting of the Pleasant Prairie 2016 Board of Review was held on Wednesday, June 15, 2016 and called to order at 8:30 a.m. Present were Board members Jill Sikorski, Lena Schlater and David Hildreth. Mark Riley, Bill Morris and Jim Bilotti were excused. Also present were Rocco Vita, Village Assessor and Jane Romanowski, Village Clerk.

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. CONSIDER BOARD OF REVIEW RULES AND PROCEDURES**

Jill Sikorski:

On June 6th, Clerk Romanowski sent out the proposed Village of Pleasant Prairie Board of Review Rules and Procedures. I hope those in attendance had a chance to review them. I did want to bring up one question that I know came up during the training and that is regarding the Board may allow written or telephone testimony and I didn't know if we wanted to have a little discussion on that because of the difficulty of cross-examination?

Rocco Vita:

Rule 8 on Page 6 – because the state law says that the Board may allow property or property owner's representatives to provide testimony over the phone or provide just written testimony and not be here in person, I don't think the Village can create an ordinance that would say that the Board cannot allow that so the Board would have to, I believe, decide each case as a request, and if the Board wants to say no every time that is their prerogative. Once the Board begins to say yes, it creates a precedent.

Jill Sikorski:

Right and that was my concern if we start going down the path of may, we do not know what can of worms we are going to open up.

Lena Schlater:

Well I'm thinking that if you have that, telephone or written testimony, you probably are going to get the majority of them to opt to do that versus showing up.

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Rocco Vita:

Right, well they are going to have to fill out a form to request that and then we will probably, in the first two hours, or Jane being the Clerk of the Board she could speak on behalf of the form, and I think she could deny the request.

Lena Schlater:

That would resolve some of the problems because we can control that otherwise just based on how people don't want to show up.

Jill Sikorski:

Do we know how other municipalities have handled this – if the Board has . . .

Rocco Vita:

No, it is such a new law. This is the second year.

Jill Sikorski:

So there is no precedence of Board's saying no, no . . .

Rocco Vita:

Oh yeah, a lot of Boards have said no. Most communities have said no.

David Hildreth:

I would think that if you are going to be in a position where this is important enough that you want to go ahead and have a hearing that you should show up in person.

Rocco Vita:

It is just that when the State says the Board may, it is difficult for a municipality to create an ordinance that says the Board may not.

Lena Schlater:

I see.

Rocco Vita:

We had first thought we would eliminate those two paragraphs, but then in conversation with others, I felt that we could not do that.

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Jill Sikorski:

I also wanted to point out on Page 9, F. 1. about appraisals and this was something again that was brought out in the training that we would need to have the appraiser and approval from the client, which in most cases of real estate lending the client is not the property owner, the client is the financial institution. So, I want to think in the past we have had people try to submit appraisals . . .

Rocco Vita:

I think it is a common occurrence in most Boards of Review, especially for residential properties. It is very common for commercial properties but it is also common that the appraiser is here. For residential properties, the property owner most often simply brings in the paperwork.

Lena Schlater:

Some of these bigger companies - they'll pay for that to happen where as in residential, as you can see, most property owners do not want to pay to have the appraiser come with them.

Rocco Vita:

For the commercial properties, the appraisals are done just for this venue. For residential properties, there using an appraisal that was done for a different purpose and they bring it here without the permission of the client, which is against USE PAP, and then the appraiser is not going to come unless the appraiser gets permission from the client because that breaks USE PAP rules as well.

So here, if someone is going to bring in an appraisal, they need to have written permission from the client to present it here and then they are going to have the appraiser here to provide testimony to their work; and if they don't get either or the permission, then it just won't be admissible.

Lena Schlater:

It won't be used.

Jane Romanowski:

That would be your policy and procedure that you have adopted. So if these are adopted, these will go to every objector along with the objection form before the hearings so they are well aware of what your policies and procedures are.

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Rocco Vita:

It doesn't disallow them from stating I had a refinancing appraisal for \$250,000 but that is what it is – all it is a refinancing appraisal for \$250,000 without any evidence.

What we learned in the training is that when they provide that document without anybody here, it is hearsay evidence and you as the Board are not allowed to make a decision upon hearsay evidence. It has to be sworn oral testimony from the expert providing the information. So if the property owner – even if the property owner takes the comparables from that appraisal and provides that – they can provide that because that is something they have done as that is their own work product, to some degree.

Jill Sikorski:

But it is still based on hearsay evidence.

David Hildreth:

You still need to have the appraiser here.

Rocco Vita:

No, because then they take the sale price of the comparable and the address and the description, depends how much work they put into it, but since that is their product, we can ask them and they have to answer. Before, if they provided the appraisal and we asked them questions, they responded, "I don't know. The appraiser did it – I don't know." So here, they have to answer and then if they say "I don't know", well then their evidence doesn't make sense.

Jill Sikorski:

Right. O.K.

Jane Romanowski:

Rocco, I don't see it in here, right off the top of my head, but didn't we put in here that they have to bring 10 copies of the information.

Jill Sikorski:

Yes, I did see that.

David Hildreth:

Yes, that was in there.

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Jill Sikorski:

No. 9 under Evidence.

Rocco Vita:

And ten copies was in anticipation of five board members, counsel, the clerk, two for us and one for him or one if we have the other board member here.

Jane Romanowski:

That is why the Rules and Procedures will be going to anyone who requests an objection form.

Rocco Vita:

And I don't know if we want to summarize this for the important things like 10 copies, if you bring an appraisal, that sort of thing. We can talk further but I felt right now, this year, I think we were best to address the may – this is dynamic, this can change at any time and I think we can have a conversation if there is a lull in the hearings, we can talk to Attorney Camilli, we can find out but my sense is that almost all Boards of Review that I have worked with and then all representatives from the Boards of Review that I know, the Boards of Review have denied people from being able to telephone in or just providing written documentation. Especially written documentation which might be an appraisal without someone being here. And the reason for that is that they are fearful and they are warned by their attorneys of setting precedent. Once you allow somebody for one reason, you generally have to allow everybody for the exact same reason so then you have to log this.

The statutes do say though that you are required, you shall allow someone to present by telephone if they are disabled and have written evidence from their physician. That has been a statute for a long term.

David Hildreth:

But that is also written medical evidence that is submitted to the Board to confirm that that is exactly the case.

Rocco Vita:

Yes. Is there anything else that you read that you kind of wondered about? Any questions about the order, the flow, did it ramble some because we can move some things around to make it easier.

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Jill Sikorski:

I thought it was pretty clear and concise.

David Hildreth

I think part of it too is that once you actually go through the process, then you can determine whether or not there might be something that may need to be adjusted since it is dynamic.

Rocco Vita:

Right. I am hopeful – we are dealing with calls – it hasn't been overwhelming – I couldn't give you a number offhand but probably at most 10 a day which is pretty low. The Village as a whole increased 12% but the residential properties ranged between like 5%-11% or 12% and the commercial properties ranged depending on where they are. Most of the residential increases were in that 4%-7% range because there is still a great amount of the Village that is not in a new subdivision. The new subdivisions certainly did increase more than the older subdivisions, with some exceptions.

Jill Sikorski:

Does anyone else have any other questions? I'll look for a motion to approve the Board of Review Rules and Procedures for our 2016 Board of Review.

SCHLATER MOVED TO APROVE THE BOARD OF REVIEW RULES AND PROCEDURES AS PRESENTED FOR THE 2016 BOARD OF REVIEW; SECONDED BY HILDRETH; MOTION CARRIED 3-0.

Jill Sikorski:

Any other business for the Board of Review today?

Rocco Vita:

I did give Jane a very slimmed - remember in training John Macy talks about the Findings of Fact and then going through the big long detailed document, I produced a very slimmed down version that might help the Board just take some notes. It is not very long and it is not very detailed. Did you bring copies?

Jane Romanowski:

I did not. The form just basically makes you stay the course what we are doing from the testimony to the deliberations and the questions you need to ask yourself when making the determination.

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Rocco Vita:

There is a page of preliminaries that the Clerk can fill out ahead of time with the information from the objection form, then there is page for testimony by the property owner and it just simply says whether it is a recent sale and if it was arm's length and what the sale price was and then it asks if there are recent comparable sales and it give you three lines to list three comparable sales and then it list other factors. So as you are going through and the person is providing evidence, you can kind of check this off or write notes and then there is a place for their witness and their testimony and it is the same then for the Assessor's testimony and then there is a page for determinations simply, did the Board find there was a recent sale, was the sale arm's length, what was the value of January 1st and did it support the assessment. Those things you can say and then you have documentation.

Lena Schlater:

Check off.

Rocco Vita:

Yes and if all the answers are yes, what is the sales price and what if any adjustments and then what is the full value or if the above answer is no, did the Board find that the recent sales were unacceptable, where there comparable sales and then it provides a place for you to write down comparable sales and your determination and then what was the most credible evidence presented and a little check off for a decision. When you make that motion for a decision, you kind of put information in that is important for the record, the assessor's value was correct, that is a possibility, the assessor presented evidence that the fair market value using methods that conform to the requirements of the manual, all the way down to the property owner or there is a number for the assessor is correct and then other one's for the assessor's value is incorrect, the property owner presented sufficient evidence to rebut the assessor's value, the property owner's valuation is reasonable in light of his or her relevant evidence. It is not a bad thing to review and it is a lot slimmer than the original version to make it easier for our minds to kind of get a hold of the few things that are important and I think over time, even if we don't use them at first, kind of going through it will help you and then there might become a time where you do want to incorporate it and if Jane has one of these in the record, it creates a pretty good record if it ever goes to circuit court and certiorari or if it goes to the Department of Revenue.

Jill Sikorski:

If you could email the form and have those copies available for our hearings.

Jane Romanowski:

I will and make sure they are available for every hearing.

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Jill Sikorski:

Thank you Rocco.

4. ADJOURN TO JULY 7, 2016 AT 9:00 A.M.

Jill Sikorski:

I will entertain a motion to adjourn the Board until July 7th at 9 a.m.

**SCHLATER MOVED TO ADJOURN THE 2016 BOARD OF REVIEW
UNTIL JULY 7, 2016 AT 9 A.M.; SECONDED BY HILDRETH; MOTION
CARRIED 3-0; MEETING ADJOURNED AT 8:50 A.M.**