



Dear Mosinee resident:

I hope this letter finds you well and that you are enjoying your summer. We had an exciting month at the City of Mosinee that I am very happy to update you about.

For residents who do not follow our budget process as closely, the City of Mosinee depends on numerous sources of revenue to not only maintain services in our community but to improve and move forward. The largest source of revenue, which may come as no surprise, is property taxes. The second largest source of revenue behind property taxes is general state aid that we receive from the State of Wisconsin. The third largest source of revenue behind property taxes and general state aid is general transportation aid that we also receive from the State of Wisconsin.

Property taxes include not only taxes on real property, such as your home, but also include taxes on personal property used in business. Personal property is further divided into categories, such as manufacturing personal property and machinery, tools, and patterns not used in manufacturing. Manufacturing personal property has been assessed by the State of Wisconsin for sometime. Non-manufacturing personal property, however, is assessed at the local level.

The City estimates that it receives tens of thousands of dollars annually in personal property tax revenue. As part of the 2017-19 State budget act, the state of Wisconsin repealed taxes on certain locally assessed personal property. In total, this was an annual loss of approximately \$75 million state wide for municipalities.

To assist municipalities with a substantial loss of revenue, the State of Wisconsin agreed to reimburse municipalities for the loss based on personal property as assessed in 2017 when the tax was repealed. As part of the law, the State Legislature charged the Department of Revenue with gathering information from cities and villages as to what the tax levy on personal property was in 2017 for each of the taxing jurisdictions within its boundaries, including the city itself, school districts, technical colleges, counties, and tax incremental finance districts.

At no point after the law was passed in September 2017 was the City asked to supply tax levy information as required by the law. Rather, in August 2018, the City received estimates of what it could expect in personal property aid when the first distribution under the new law was made in May 2019. Soon after receiving these estimates, numerous municipalities throughout Wisconsin began questioning the aid they were supposed to be receiving. Mosinee, for example, estimated that between the City and its two tax incremental finance districts, it was just under \$50,000 short from what it should be receiving.

After some investigation, it was determined that the Department of Revenue had used a formula to estimate personal property tax levies and in doing so had not accounted for the fact that cities and villages with tax incremental finance districts with personal property retain 100% of the taxes levied on those items of personal property rather than splitting them with other taxing entities.

Despite complaints, it appeared that the Department of Revenue not only acknowledged the error but refused to address 2019 deficiencies. In October 2018, the City of Mosinee was the only community in Wisconsin to file a lawsuit against the Department of Revenue and its Secretary, claiming that its formula violated State law and resulted in a shortage of nearly \$50,000 annually to the City.

On June 14th, Judge Huber issued a decision not only agreeing with Mosinee and declaring that it is due the nearly \$50,000 in shorted state aid, but further enjoining the Department of Revenue from using its deficient formula against any city and village in the State of Wisconsin. This was a tremendous victory for Mosinee and all communities in Wisconsin in a similar situation.

I want to applaud the City Council for deciding to pursue this matter. I truly believe that had we failed to do so, we would have faced a loss of \$50,000 year after year. This is a substantial amount to the City. Had we not pursued this, it would have undoubtedly resulted in unnecessary tax increases to account for the loss.

I hope you have an enjoyable rest of your summer and, as always, I look forward to updating you again next month.

Mayor Jacobson



CITY SUMMER EVENTS

Mosinee Community Band Events

- July 9th – Mosinee Community Band – Rooted in the British Isles
- July 16th – Bull Falls Blasmusikanten – German Brass Band
- July 23rd – Mosinee Community Band – Out of this World
- July 30th – Open Date – Enjoy the Central WI Fair
- August 6th – Mosinee Community Band – Salute to the Classics

All concerts held at River Park at 7:00p.m. – In case of rain – concerts will be held at the Mosinee Rec Center – 701 11th Street

Community Events

- July 20th, 21st – Our Saviors Church – Polish Festival – Rec Center
- August 9th, 10th, 11th – Log Jam Festival – River Park
- August 16th, 17th, 18th – Mosinee Alumni Softball Tournament
- August 25th – Mosinee Masonic Lodge Car Show – River Park

SPRINKLER CREDIT

If you water your lawn with city water you may be able to save some money!

When you sign up for the sprinkler credit, the City will compare your water and sewer usage during the summer and winter quarters. If your summer usage is higher due to watering your garden, flowers or lawn, you will pay the average amount of your sewer usage from your winter quarters and the full amount of any water used. For every 1,000 gallons of water used above your winter average, you save \$7.40 in sewer charges.

The Water and Sewer Utility can provide you with a savings worksheet if you are interested in this option. The sprinkler credit has a one-time setup charge of \$50.