

NOTICE OF MEETING

SHEBOYGAN COUNTY PLANNING, RESOURCES,
AGRICULTURE AND EXTENSION COMMITTEE

May 23, 2023

3:00 PM

Extension Sheboygan County Office
UW-Green Bay – Sheboygan Campus
5 University Drive
Sheboygan, WI 53081
Room 5024

Remote Access:

(312) 626-6799

Meeting ID: 361 682 8435 #

Passcode: 369275

<https://uwmadison.zoom.us/j/3616828435?pwd=M2NRUGRJM0tlaEhqaC8zM2NsQnZ5QT09>

*** AGENDA***

Call to Order

Certification of Compliance with Open Meeting Law

Approval of Minutes for the April 25, 2023 Planning, Resources, Agriculture and Extension Committee Meeting

Correspondence

Register of Deeds-

Consideration of 1st Quarter Variance Report

Discussion on Impact of Proposed Real Estate Transfer Fee Decrease on Sheboygan County's Revenues

Extension-

Consideration of 1st Quarter Variance Report

Area Extension Director Report

(This report is summary of key activities. No action will be taken by the Planning, Resources, Agriculture and Extension Committee unless it is a specific item on the agenda.)

Kevin Struck Community Development Educator Report

(This report is a summary of key activities. No action will be taken by the Planning, Resources, Agriculture and Extension Committee unless it is a specific item on the agenda.)

Consideration and Approval of Attendance at Other Meetings/Functions

Reports on Meetings/Functions Attended by Committee Members

Review and Approve Vouchers

Sheboygan County

Posted May 18, 2023 8:45 AM

Adjournment

Next scheduled meetings: June 13, 2023 at 3:00 PM (Planning & Conservation Focus)
June 27, 2023 at 3:00 PM (Extension Focus)

Prepared by:
Tammy Zorn
Recording Secretary

Keith Abler
Committee Chairperson

NOTE: Persons with disabilities needing assistance to attend or participate should contact the Extension Department at 920/459-5900 prior to the meeting so that accommodations may be arranged.

A majority of the members of the County Board of Supervisors or of any of its committees may be present at this meeting to listen, observe and participate. If a majority of any such body is present, their presence constitutes a "meeting" under the Open Meeting Law as interpreted in State ex rel. Badke v. Greendale Village Board, 173 Wis. 2d 553 (1993), even though the visiting body will take no action at this meeting.

**SHEBOYGAN COUNTY PLANNING, RESOURCES, AGRICULTURE & EXTENSION
COMMITTEE MINUTES**

Sheboygan County UW-Extension Office
5 University Drive
Sheboygan, WI
Room 5024
and
Remote

April 25, 2023

Called to Order: 3:00 PM

Adjourned: 3:50 PM

MEMBERS PRESENT: Chairman Keith Abler, Supervisor Rebecca Clarke,
Supervisor Gruber, Supervisor Henry Nelson, Ag Community
Member Stan Lammers

MEMBERS ABSENT: Supervisor John Nelson

OTHERS PRESENT: Cindy Sarkady, Sarah Tarjeson, Aaron Brault, Tammy Zorn

Chairperson Abler called the meeting to order at 3:00 PM and verified the meeting notice had been posted on April 24, 2023 at 9:00 AM and the meeting complied with the Wisconsin Open Meeting Law.

Supervisor Gruber moved to approve the minutes from the March 28, 2023 committee meeting. Motion seconded by Supervisor Henry Nelson. Motion carried with no opposition.

Correspondence: None

Planning and Conservation-

Consideration of Vacant Position Request. Aaron Brault requested to have a vacant position filled. Supervisor Clarke moved to approve the request. Motion seconded by Stan Lammers. Motion carried with no opposition.

Extension-

April Extension Impact Report. Cindy Sarkady gave an overview of the April Impact Report.

Area Extension Director Report. Cindy Sarkady shared that the Sheboygan County Extension Office is continuing its transition from Area 15 to Area 12, with new Area 12 Director expected to be in the office May 10th. The new Crops and Soil Educator will be starting May 22nd. Cindy also gave an update on the search for the Human Development & Relationships Educator position.

Sarah Tarjeson 4-H Youth Development Educator Report. Sarah Tarjeson presented on the Thrive Model of Youth Development.

Consideration and Approval of Attendance at Other Meetings/Functions. None.

Travel Report and Report of Meetings and Functions Attended. None.

Review and Approve Vouchers. Stan Lammers moved to approve the vouchers. Supervisor Henry Nelson seconded the motion. Motion carried with no opposition.

Supervisor Henry Nelson motioned to adjourn the meeting. Supervisor Clarke seconded the motion. Motion carried unanimously. Meeting adjourned at 3:50 PM.

Next meeting (Planning & Conservation Focus) is scheduled for May 9, 2023 at 3:00 PM.

Next meeting (Extension Focus) is scheduled for May 23, 2023 at 3:00 PM.

Tammy Zorn
Recording Secretary

John Nelson
Committee Secretary

**VARIANCE REPORT FOR DEPARTMENT -- REGISTER OF DEEDS
FOR THE QUARTER ENDING 03/31/2023**

TIMING	G/L CATEGORY	VARIANCE FROM BUDGET	EXPLANATION OF VARIANCE
	Public Charges for Services		
	General Government	(53,067.05)	Revenue fluctuates due to real estate and encumbrance activity which is based upon the local, state and national economy.
	Personnel Related Expenditure		
	Wages	2,784.86	Savings from staffing vacancy.
	Operating Expenses		
x	Purchased Services	6,093.28	Scanning project is progressing faster than anticipated. Should even out by end of 2nd quarter.
x	General Operating	2,247.10	Postage is down slightly due to more documents being e-recorded along with more documents being sent bulk, office supplies have not been ordered.
	Variances Less Than Justification Threshold	(557.82)	
	TOTAL	(42,499.63)	Negative



2023 BILL

1 **AN ACT** *to renumber and amend* 77.24; *to amend* 77.22 (1); and *to create*
2 77.24 (1) (a) to (c) of the statutes; **relating to:** the amount and distribution of
3 the real estate transfer fee.

Analysis by the Legislative Reference Bureau

Current law, generally, requires a person who conveys an interest in real property to file a real estate transfer return with the county register of deeds and pay a real estate transfer fee equal to 30 cents for each \$100 of the value of the conveyance. The county retains 20 percent of the fees collected and transmits the remainder to the state.

This bill decreases the real estate transfer fee from 30 cents to 20 cents for each \$100 of the value of the conveyance. Under the bill, the county retains 30 percent of the fees collected in 2023 and 2024, 40 percent of the fees collected in 2025, and 50 percent of the fees collected in 2026 and each year thereafter.

For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

4 **SECTION 1.** 77.22 (1) of the statutes is amended to read:

BILL**SECTION 1**

1 77.22 (1) There is imposed on the grantor of real estate a real estate transfer
2 fee at the rate of ~~30~~ 20 cents for each \$100 of value or fraction thereof on every
3 conveyance not exempted or excluded under this subchapter. In regard to land
4 contracts, the value is the total principal amount that the buyer agrees to pay the
5 seller for the real estate. This fee shall be collected by the register at the time the
6 instrument of conveyance is submitted for recording. Except as provided in s. 77.255,
7 at the time of submission the grantee or his or her duly authorized agent or other
8 person acquiring an ownership interest under the instrument, or the judgment
9 creditor in the case of a foreclosure under s. 846.16, shall execute a return, signed by
10 both grantor and grantee, on the form prescribed under sub. (2). The register shall
11 enter the fee paid on the face of the deed or other instrument of conveyance before
12 recording, and, except as provided in s. 77.255, submission of a completed real estate
13 transfer return and collection by the register of the fee shall be prerequisites to
14 acceptance of the conveyance for recording. The register shall have no duty to
15 determine either the correct value of the real estate transferred or the validity of any
16 exemption or exclusion claimed. If the transfer is not subject to a fee as provided in
17 this subchapter, the reason for exemption shall be stated on the face of the
18 conveyance to be recorded by reference to the proper subsection under s. 77.25.

19 **SECTION 2.** 77.24 of the statutes is renumbered 77.24 (1) (intro.) and amended
20 to read:

21 77.24 (1) (intro.) ~~Twenty percent~~ The following percentages of all fees collected
22 under this subchapter shall be retained by the county and the balance shall be
23 transmitted to the state.;

24 **(2)** Remittances shall be made monthly by the county treasurers to the
25 department of revenue by the 15th day of the month following the close of the month

BILL

1 in which the fee was collected. The remittance to the department shall be
2 accompanied by the returns executed under s. 77.22.

3 **SECTION 3.** 77.24 (1) (a) to (c) of the statutes are created to read:

4 77.24 (1) (a) In 2023 and 2024, 30 percent.

5 (b) In 2025, 40 percent.

6 (c) In 2026 and in each year thereafter, 50 percent.

7 **SECTION 4. Initial applicability.**

8 (1) This act first applies to conveyances filed on the effective date of this
9 subsection.

10 (END)

Talking points

History of Real Estate Transfer Fees

The RETF was initially collected by the WDOR through ROD offices in 1969:

October 1969 - August 1981

\$1.00 per \$1,000 of real estate

purchase price - State/County split

50/50

September 1981 – Present

\$3.00 per \$1,000 of real estate PP,

State/County split 80/20

ERTFs go to State General Fund which accounts for less than 1% of all fees and taxes the State collects but is a significant revenue source for Counties.

Potential Legislative Changes in RETF

Proposed by State Senator Robert Stafsholts (R), 10th Senate District (Polk and La Croix Counties).

Nine (9) potential Co-sponsors.

Wisconsin Real Estate Association (WRA) supports proposal.

Specific proposal:

Decrease ERTF

\$3/\$1,000 to \$2/\$1,000 immediately.

Alter State/County Revenue Share/Split

2023 and 2024

70% State/30% County

2025

60% State/40% County

2026

50% State/50% County

ERTF Example

Year 2000:

\$175,000 Home Sale with Seller paying \$525 RETF (\$3/\$1,000)

Same home sole Year 2024:

\$375,000 current sale price. Seller pays \$750 RETF (\$2/\$1,000)
but the home value increased \$200,000.

RETF Loss:

\$750 (\$2/1,000)

\$1,125 (\$3/1,000)

$\$750/50\% = \375

$\$1,125/50\% = \562.50 Loss = **\$187.50**

What is the effect of leaving the RETF at \$3/\$1,000 on the parties and market? Will it force sellers not to sell? Will it force real estate agents to subsidize the RETF by reducing their commission? Will it force seller to negotiate a credit from the buyer? Will there be any impact on the market at all?

Real Estate Transfer Fee

Year	Fee/ \$1,000	State %	County %	State \$	County \$
1969	\$1	50%	50%	\$0.50	\$0.50
1981	\$3	80%	20%	\$2.40	\$0.60
Current	\$3	80%	20%	\$2.40	\$0.60
2023	\$2	70%	30%	\$1.40	\$0.60
2024	\$2	70%	30%	\$1.40	\$0.60
2025	\$2	60%	40%	\$1.20	\$0.80
2026	\$2	50%	50%	\$1.00	\$1.00

While this chart shows that the counties will be made whole more in in 2026, (t does not show how many dollars counties will lose because of the decrease of \$1.00.

While reducing the transfer fee from \$3/\$1000 to \$2/\$1000 may help the seller of the property, it also reduces the fees that now go into the county's general fund. Therefore, raising the tax levy to the constituents in order to continue county services.

The request to change the percentage amounts was not done by the Wisconsin Register of Deeds Association but by other County Boards.

They were asking for a fairer split of the fees not an increase to the current fees.

The WRDA Association supported the 50/50 split on the \$3/\$1000 but not reducing the fees to \$2/\$1000.

1981 to current	80/20% split					
2018	\$3/\$1000	Revenue	State 80%	County 20%	50% State	50% County
Total Value					WCA Proposal	
\$ 443,374,400.00	\$ 0.003	\$ 1,330,123.20	\$ 1,064,098.56	\$ 266,024.64	\$ 665,061.60	\$ 665,061.60
	Proposed \$2/\$1000					
	\$0.002	Proposed \$2/\$1000				
	80/20 split	\$ 886,748.80	\$ 709,399.04	\$ 177,349.76		
	2024 70/30 split		State 70%	County 30%		
			\$ 620,724.16	\$ 266,024.64		
	2025 60/40 split		State 60%	County 40%		
			\$ 532,049.28	\$ 354,699.52		
	2026 50/50 split		State 50%	County 50%		
			\$ 443,374.40	\$ 443,374.40		

2022	\$3/\$1000	Revenue	State 80%	County 20%	50/50 split State	50/50 County
Total Value						
\$ 768,768,500.00	\$ 0.003	\$ 2,306,305.50	\$ 1,845,044.40	\$ 461,261.10	\$ 1,153,152.75	\$ 1,153,152.75
	Proposed \$2/\$1000					
	\$0.002	Proposed \$2/\$1000	State 80%	County 20%	50% State	50% County
		\$ 1,537,537.00	\$ 1,230,029.60	\$ 307,507.40	\$ 768,768.50	\$ 768,768.50
	2024 70/30 split		State 70%	County 30%		
			\$ 1,076,275.90	\$ 461,261.10		
	2025 60/40 split		State 60%	County 40%		
			\$ 922,522.20	\$ 615,014.80		
	2026 50/50 split		State 50%	County 50%		
			\$ 768,768.50	\$ 768,768.50		

Loss of Revenue to County							WCA Proposal 50/50	
2018 Transfer Fees	80/20 Split	70/30	60/40	50/50	50% State	50% county		
\$ 443,374,400.00								
\$3/\$1000	\$ 1,330,123.20	\$ 266,024.64	\$ 399,036.96	\$ 532,049.28	\$ 665,061.60	\$ 665,061.60	\$ 665,061.60	\$ 665,061.60
\$2/\$1000	\$ 886,748.80	\$ 177,349.76	\$ 266,024.64	\$ 354,699.52	\$ 443,374.40	\$ 443,374.40	\$ 443,374.40	\$ 443,374.40
Loss to County	\$ (443,374.40)	\$ (88,674.88)	\$ (133,012.32)	\$ (177,349.76)	\$ (221,687.20)	\$ (221,687.20)	\$ (221,687.20)	\$ (221,687.20)
2022 Transfer fees	80/20 split	70/30	60/40	50/50	50% State	50% county		
\$ 768,768,500.00								
\$3/\$1000	\$ 2,306,305.50	\$ 461,261.10	\$ 691,891.65	\$ 922,522.20	\$ 1,153,152.75	\$ 1,153,152.75	\$ 1,153,152.75	\$ 1,153,152.75
\$2/\$1000	\$ 1,537,537.00	\$ 307,507.40	\$ 461,261.10	\$ 615,014.80	\$ 768,768.50	\$ 768,768.50	\$ 768,768.50	\$ 768,768.50
Loss to County	\$ (768,768.50)	\$ (153,753.70)	\$ (230,630.55)	\$ (307,507.40)	\$ (384,384.25)	\$ (384,384.25)	\$ (384,384.25)	\$ (384,384.25)

**VARIANCE REPORT FOR DEPARTMENT -- UW EXTENSION
FOR THE QUARTER ENDING 03/31/2023**

TIMING	G/L CATEGORY	VARIANCE FROM BUDGET	EXPLANATION OF VARIANCE
	Public Charges for Services		
	General Government	(6,588.28)	Less program fees collected and fewer newsletters printed/mailed when compared to anticipated budget
	Operating Expenses		
	Purchased Services	1,436.21	
	General Operating	8,606.19	
	Variances Less Than Justification Threshold	560.79	
	TOTAL	4,014.91	Positive