

July 3, 2018

Ī

# 2018 ASSESSMENT ROLL SUMMARY

	2017	2018	CHAN	ЗE	
Residential Land	\$374,845,100	\$374,857,300	\$12,200	0.00%	
Residential Improvements	\$2,012,560,500	\$2,008,900,500	-\$3,660,000	-0.18%	
	\$2,387,405,600	\$2,383,757,800	-\$3,647,800	-0.15%	
Commercial Land	\$237,997,500	\$239,455,900	\$1,458,400	0.61%	
Commercial Improvements	\$940,125,000	\$950,423,500	\$10,298,500	1.10%	
	\$1,178,122,500	\$1,189,879,400	\$11,756,900	1.00%	
PERSONAL PROPERTY	\$117,860,200	\$73,060,700	-\$44,799,500	-38.01%	
EXEMPT COMPUTERS	\$33,851,501	\$0	-\$33,851,501	- 100.00%	
EXEMITI COMI UTERS	\$55,651,501	φU	-\$55,651,501	100.0070	
REAL ESTATE	\$3,565,528,100	\$3,573,637,200	\$8,109,100	0.23%	
PERSONAL PROPERTY	\$117,860,200	\$73,060,700	-\$44,799,500	-38.01%	
	<u>_</u>	<del>,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</del>	÷•••,•>>,500	2010170	
TOTAL	\$3,683,388,300	\$3,646,697,900	-\$36,690,400	-1.00%	
IUIAL	φ5,005,500,500	ψ3,040,077,700	ψ50,070,+00	1.0070	

### **ALLOCATION OF REAL ESTATE CHANGES IN VALUE 2017-2018**

Non-TID	-\$4,982,900
TID	\$13,092,000
Total	\$8,109,100

### ALLOCATION OF PERSONAL PROPERTY CHANGES IN VALUE 2017-2018

Non-TID	-\$43,118,400
TID	-\$1,681,100
Total	-\$44,799,500

## **REASONS FOR CHANGE**

### **Real Estate Values**

The City saw an overall increase in real estate value of \$8,109,100 from 2017. This is attributable to an increase of TID values of \$13,092,000 and a decrease in Non-TID real estate values of \$4,982,900 from 2017.

Notable projects for the year include the completion of the medical office building on 60<sup>th</sup> street, and the start of new construction of the Glen Reider building in TID 6, the Aurora medical office building in TID 15, and Stanton Optical on Hwy 100. West Allis also saw the construction of three new residential houses.

The Assessor Office reviewed 1,237 building permits. Of those 592, or 48% were for a wide variety of building projects including new garages, decks, kitchen/bathroom remodels, additions and new construction. The remaining 645 permits or 52% were for mechanicals (HVAC, furnace, boiler, or A/C, etc.)

Residential condominiums were grossly out of compliance with uniformity standards. Of the seven condo developments in the City of West Allis assessment ratios ranged from 117% to 154%, with an overall condo assessment ratio of 142%. To bring these values into line with recent market parameters and to fairly and equitably distribute the tax burden market-based adjustments were made to the condo developments. As a result, 326 condo units saw a decrease in value while 94 saw an increase in value. The 2018 assessment ratio for condos improved to 103%.

There were 14 Open Book appointments in 2018. Of those, 10 remained unchanged in value while 4 saw a decrease in value in the total amount of \$133,900.

Overall, 780 properties saw a change in value. Creating uniformity within residential condominiums resulted in a decline in assessed value of approximately \$5.5 million. This, however, was offset in part by new construction, building permit review, and staff inspections thereby contributing to the total change in residential values.

### **Personal Property & Exempt Computers**

2017 Wisconsin Act 59 made significant changes to personal property reporting requirements. First, there is no longer a requirement to report exempt computers. So this total on page 1 is now zero. Second, 'Schedule C – Machinery, Tools and Patterns' became exempt personal property assets. This resulted in a loss of approximately \$37 million in personal property assessed value.

Act 59 also created the definition of "machinery" to mean "*a structure or assemblage of parts that transmits force, motion, or energy from one part to another in a predetermined way by electrical, mechanical, or chemical means.*" The meaning of machinery as created by Act 59 was intended to be interpreted broadly and applied to all personal property assets, not just machinery reported under Schedule C. As a result, assets that had previously been reported on 'Schedule D – Furniture, Fixtures and Office Equipment' and 'Schedule H – Other' were shifted to Schedule C by businesses to take advantage of the Schedule C exemption under the interpretation of the machinery definition. This resulted in an additional loss of approximately \$8 million. Despite the discovery of 200 previously unreported personal property assessed value was more than offset by the losses incurred by the changes created by Act 59.

### 2018 BOARD OF REVIEW SUMMARY

	Tax Key	Address	Property Name	Representative	Assessed Value	Requested Value	Variance	Action	Final Variance
1	449-9981-019	1540 S 108 St	Sam's Club	Ryan/Miller Law	\$10,200,000	\$4,800,000	(\$5,400,000)	Waived to CC	TBD
2	414-9990-001	333 S 108 St	Colder's	Reinhart Law	\$6,287,200	\$5,000,000	(\$1,287,200)	Waived to CC	TBD
3	Redacted	Redacted	SF Residence	Homeowner	\$121,800	\$119,000	(\$2,800)	Denied	\$0
							(\$6,690,000)		\$0
						Assessed Value	Challenged:		\$6,690,000
						Assessed Value	-		\$0
						Assessed Value	e Defended/Preserved:		\$6,690,000
						Tax Revenue Cl	Challenged:		\$189,193
						Tax Revenue Lost:		\$0	
						Tax Revenue Defended/Preserved:			\$189,193

### UPDATE ASSESSOR OFFICE, STAFFING, AND HYBRID APPROACH

#### **Strengths**

- The Annual Assessment cycle was completed. All permits and new construction were reviewed and values placed. All sales were reviewed and validated. A personal property field inspection was completed with 200 accounts discovered that were previously not being assessed. This was accomplished with a full-time City Assessor and part-time contract staff.
- A full-time administrative assistant began work in the office in January.
- Property owners requesting a value change were required to fill out a Request for Review form. Each request was reviewed by staff and either accepted or denied. Overall, this is an improvement in procedures and practices in that now requests for change in value are now logged, documented and tracked.
- Appropriate staffing levels have been identified and confirmed.

### Weaknesses

- Current staffing level of a City Assessor, Administrative Assistant and part-time contract staff is not ideal for efficiency or optimum service, but previous staffing levels were.
- The contract staff (Tyler Technologies) maintain an inconsistent schedule, provide staff with varying degrees of competence/knowledge, and follow-up for meetings, questions, is not satisfactory.

#### Summary & Next Steps

Overall, procedures and practices have improved greatly. We've taken steps towards creating uniformity and equity in assessed values. We are preparing for the commercial revaluation for 2019.