

2018



Legislative Reference Bureau

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ASSESSOR

2018 Proposed Plan and Executive Budget Review

Prepared by: Tea Norfolk, Legislative Fiscal Analyst

Budget Hearing: 1:30 pm on Monday, October 9, 2017

Last Updated: October 5, 2017

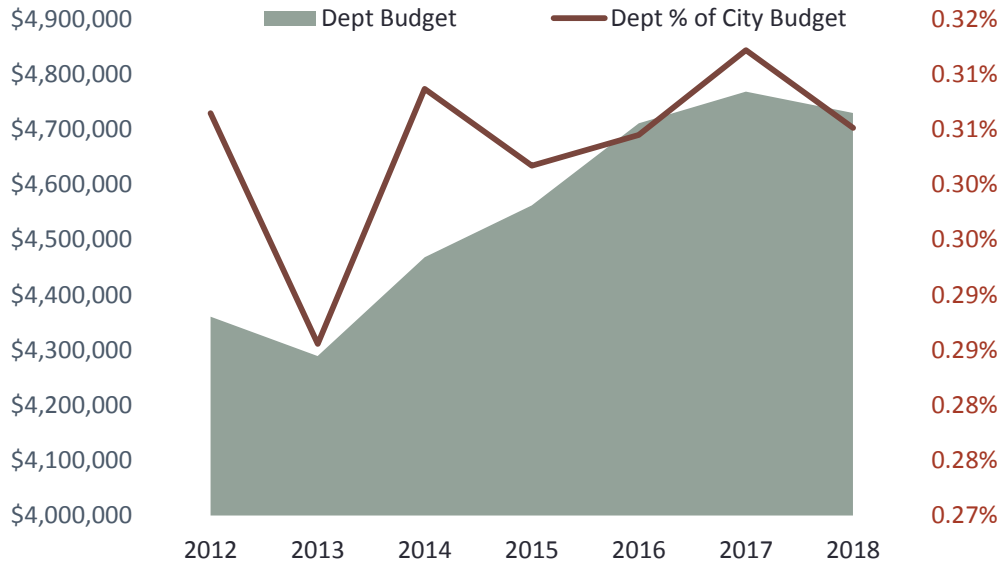
Version 1.3



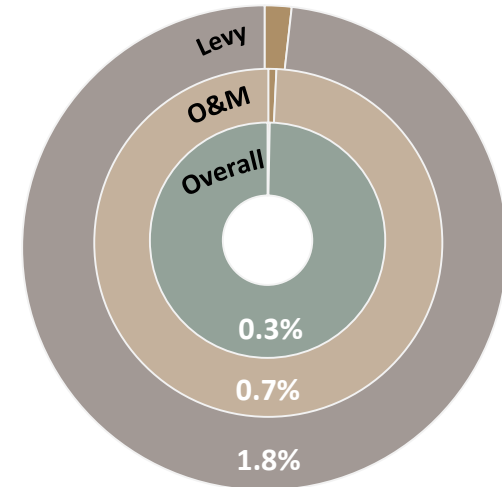
\$4,729,719
Proposed 2018 Budget

-\$38,689
Change in Proposed Budget

-0.8%
% Change in Proposed Budget



Departmental Budget Impact



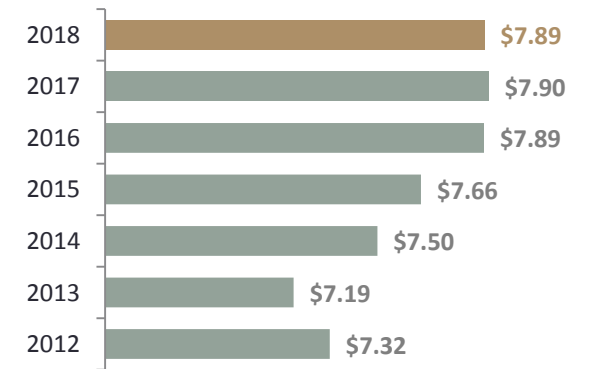
Departmental Budget Appropriation Category



■ Salaries/Wages ■ Fringe Benefits ■ Operations ■ Equipment ■ Special Funds

	Salaries/Wages	Fringe Benefits	Operations	Equipment	Special Funds
\$	\$2,918,795	\$1,342,646	\$398,278	\$0	\$70,000
%	62%	28%	8%	0%	1%
Δ	-1.0%	1.2%	-1.2%	0.0%	-22.2%

Budget per Capita

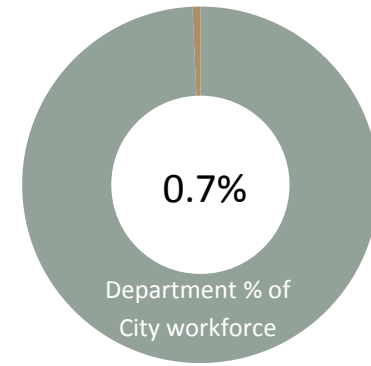
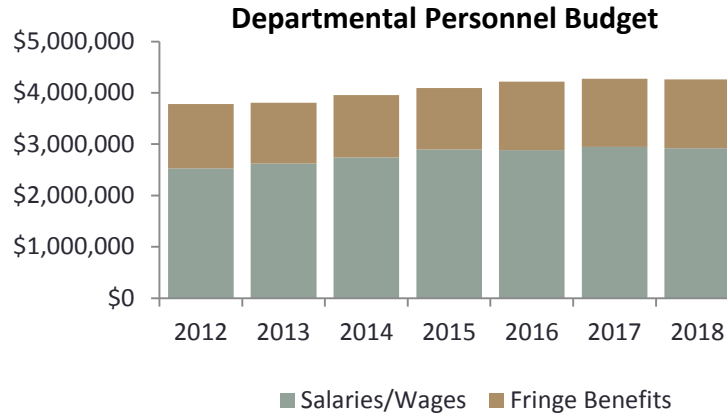


-\$29,762

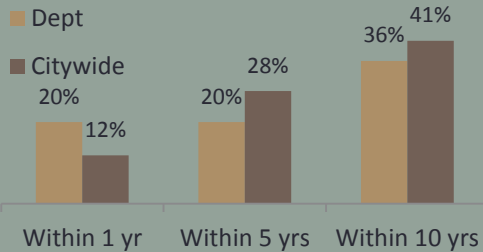
Decrease in Salaries and Wages for the department, down 1.0% from the amount allocated in 2017.

\$15,795

Increase in Fringe Benefits for the department, up 1.2% from the amount allocated in 2017.



Retirement Eligible



Staffing Restructuring

- 1 Accounting Assistant II
- -1 Office Assistant III
- 2 College Interns

One Office Assistant III was reclassified as an Accounting Assistant II to better align with the duties of the position. Position authority was increased to add two college interns to allow for flexible scheduling.

Staffing Update

- 8 Appraisal Division
- 8 Administrative Division

In 2018, there are 8 potential retirements of 35 appraisers with average years of service at 28.1 years, and 8 potential retirements of 12 in the administrative division with average years of service at 39.4 years. Training replacements will likely impact productivity.

2

Change in Positions

3.5%

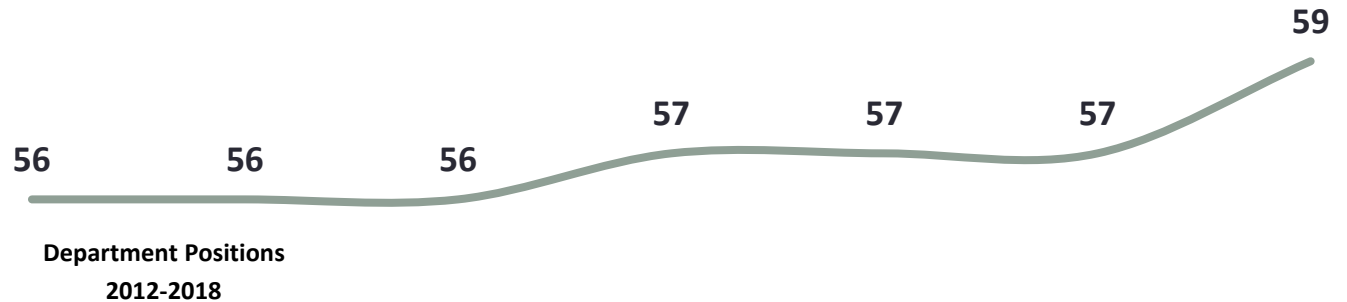
% Change in Positions

4

Current Vacancies

4

Voluntary Separations



19.1%

The increase in revenue estimated for the 2018 Proposed Budget (\$169,800 more than the 2017 Adopted Budget).

-\$5,000

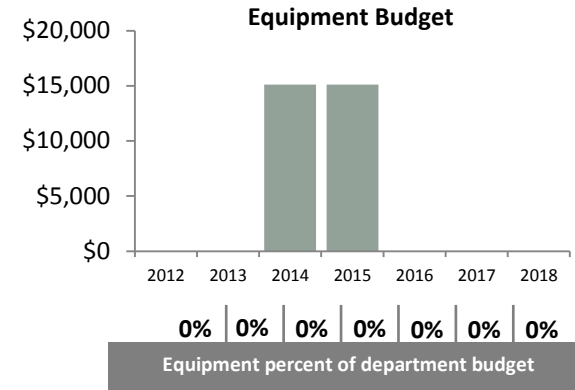
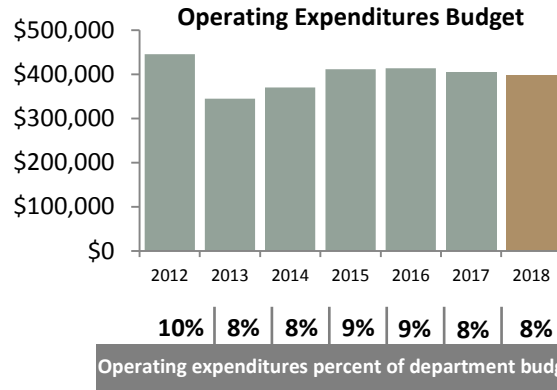
Decrease in the amount for vehicle rental (15.6%). The 2017 Adopted Budget allowed for \$33,000; the 2018 Proposed Budget allows for \$28,000.

0.2%

Increase in the amount for General Office Expenses (\$278). The 2017 Adopted Budget allowed for \$135,700; the 2018 Proposed Budget allows \$135,978.

-1.2%

Decrease in the total amount of operating expenditures (-\$4,722) in 2018 Proposed Budget as compared to 2017 Adopted Budget.



Revenue

- Appraisal Fees \$1,060,000
- Assessment Charges \$ 584,000
- Copy/Duplication Fees \$ 300
- Total \$1,644,300

The Assessor’s Office estimates \$362,000 will be returned to taxpayers for property tax adjustments.

Special Purpose Accounts

The SPA Remission of Taxes Fund stays the same at \$1,200,000 in the 2018 Proposed Budget, as compared to 2017 Adopted Budget. This is a decrease of \$1,073,397 (47.2%) from 2016 Actual Expenditures.

Grants

This department receives no grant funding.

Capital Programs and Projects

There are no capital projects funded in 2018.

The replacement of property assessment software is a multi-year project which was first funded in 2015. The project has received a total of \$1.5 million in capital funding.

\$0

Total amount needed for Valuation System Maintenance in 2018 Proposed Budget. Decrease of 100% from 2017 Adopted Budget allocation of \$20,000.

40

Number of pending litigation cases in 2017. The total dollar amount of contested property taxes in these cases is \$20.6 million.

43

The number of formal appeals heard by the Board of Review (number of cases confirmed) year-to-date in 2017. The total number heard in 2016 was 54.

349

The number of in rem foreclosures acquired year-to-date in 2017; the total number of cases filed to date in 2017 is 1,132. The total number of cases filed in 2016 was 1,366, of which 764 were acquired.

Special Funds

State Manufacturing Assessment Payment stays the same at \$70,000 in 2018 Proposed Budget as 2017 Adopted Budget.

Valuation System Maintenance (\$20,000) was previously used to pay an outside contractor for technical support of the property appraisal software system. This is no longer needed with the new CAMA system.

Tax-Exempt Properties

In 2017, the City has 10,007 tax-exempt properties with an estimated value of \$5.3 billion. The Assessor's Office has worked with some non-profit organizations and educational institutions to provide Payments in Lieu of Taxes (PILOTs) as part of agreements related to new development. Marquette Univ. has previously been unreceptive to PILOT requests. New requests will be made if additional exemptions are granted pursuant to the 2018 State Budget.

Pending Litigation

Following is an update on pending property assessment litigation to date:

- *U.S. Bank, N.A. v. City*. Requested refund: \$5.3 million. Trial scheduled May 7-11, 2018.
- *U.S. Bank, N.A. v. City*. Requested refund: \$2.6 million. Pending scheduling conference.
- *Metropolitan Associates v. City*. Requested refund: \$1.75 million. Circuit Court and Court of Appeals in City's favor. Pending decision from Supreme Court.
- *Wisconsin and Milwaukee Hotel, LLC v. City*. Requested refund: \$970,400. Status hearing October 2, 2017.
- *Wisconsin and Milwaukee Hotel, LLC v. City*. Requested refund: \$775,325. Pending scheduling conference.
- *Metropolitan Associates v. City*. Requested refund: \$506,000. Stayed pending outcome of *Metropolitan Southside I*.
- *JSWD Commerce LLC v. City*. Requested refund: \$393,773.36. Scheduled mediation.
- *CP-South Howell LLC et al. v. City*. Requested refund: \$302,000. Assessor report due January 9, 2018.
- *JSWD Commerce LLC v. City*. Requested refund: \$255,811. Assessor report due November 4, 2017.
- *Gardner Group LLC v. City*. Requested refund: \$242,400. Scheduling conference September 21, 2017.

Pending Litigation (continued from p. 4)

- *Lindner Terminals LLP et al v. City*. Requested refund: \$178,000. Final pretrial October 5, 2017.
- *Metropolitan Associates v. City*. Requested refund: \$200,000. Stayed pending outcome of *Metropolitan Southside I*.
- *Blueline Rental, LLC v. City*. Requested refund: \$175,000. Summary judgement hearing November 14, 2017.
- *Brewery House, LLC v. City*. Requested refund: \$143,154. Assessor report due March 30, 2018.
- *Milwaukee Parking JV Owner I, LLC v. City*. Requested refund: \$132,673.26 + BID 21 refund \$6,983.26. Pending scheduling conference.
- *Milwaukee Block 10 v. City*. Requested refund: \$103,986. Assessor report due September 27, 2017.
- *Roma Properties LLC et al v. City*. Requested refund: \$88,987. Status conference scheduled November 8, 2017.
- *Wisconsin Lutheran High School Conference v. City*. Requested refund: \$64,842.71. Pending taxation of costs.
- *JSWD WI Venture I, LLC v. City*. Requested refund: \$59,788. Assessor report due March 30, 2018.
- *George Bockl Living Trust v. City*. Requested refund: \$56,607.21 + BID 2 reimbursement \$3,398.87. Assessor report due January 16, 2018.
- *4000 West Burnham LLC v. City*. Requested refund: \$54,299. Pending scheduling conference.
- *Lewis Center, LLC v. City*. Requested refund: \$49,201.53 + BID 21 reimbursement \$2,733.71. Assessor report due February 16, 2018.
- *MH Exchange, LLC v. City*. Requested refund: \$45,405.24 + BID 21 reimbursement \$1,865.53. Scheduling conference October 24, 2017.
- *RJ 1800, LLC v. City*. Requested refund: \$40,071 + BID 20 reimbursement \$866. Scheduling conference October 5, 2017.
- *3839 Humboldt, LLC et al. v. City*. Requested refund: \$34,851. Final pretrial October 27, 2017.
- *Haven Funds LLC v. City*. Requested refund: \$28,173.28 + Bid 51 charge \$981.50. Assessor report due February 12, 2018.
- *Towne Realty, Inc. v. City*. Requested refund: \$26, 640.36 + BID 5 and BID 21 charges \$1,512. Pending scheduling conference.
- *Walgreen Co v. City*. Requested refund: \$25,250. Assessor report due February 12, 2018.
- *Towne Realty, Inc. v. City*. Requested refund: \$26,640.36. Pending scheduling conference.
- *Walgreen Co. v. City*. Requested refund: \$25,250. Pending scheduling conference.
- *Thanks A-Lot, LLC, et al v. City*. Requested refund: \$24,060. Scheduling conference October 24, 2017.
- *Metropolitan Associates v. City*. Requested refund: \$21,000. Status conference January 19, 2018.
- *Securant Bank & Trust, et al v. City*. Requested refund: \$26,941. Scheduling conference October 5, 2017.
- *Metropolitan Associates v. City*. Requested refund: \$10,907.52. Scheduling conference September 5, 2017.
- *Flint Hills Resources Pine Bend, LLC v. Wisconsin Department of Revenue, City*. Pending decision from State Board of Assessors.
- *U.S. Ventures, Inc. v. Wisconsin Department of Revenue, City*. Status Conference September 20, 2017 with Tax Appeals Commission.
- *Marathon Petroleum Company LP et al v. City*. Requested refund: \$3.2 million. Pending decision from Court of Appeals. Circuit court decision in City's favor.
- *U.S. Venture, Inc. v. City*. Requested refund: \$1,804,000. Telephone status conference November 21, 2017.
- *Citgo Petroleum Corporation v. City*. Requested refund: \$606,000. Scheduling conference August 14, 2017.
- *Buckeye Terminals v. City*. Requested refund: \$158,000. Dismissed without prejudice in circuit court in order to complete Board of Review. Will be refiled.