

2019



Legislative Reference Bureau

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ASSESSOR

2019 Proposed Plan and Executive Budget Review

Prepared by: Tea Norfolk, Legislative Fiscal Analyst

Budget Hearing: 1:30 p.m. on Tuesday, October 16, 2018

Last Updated: October 5, 2018

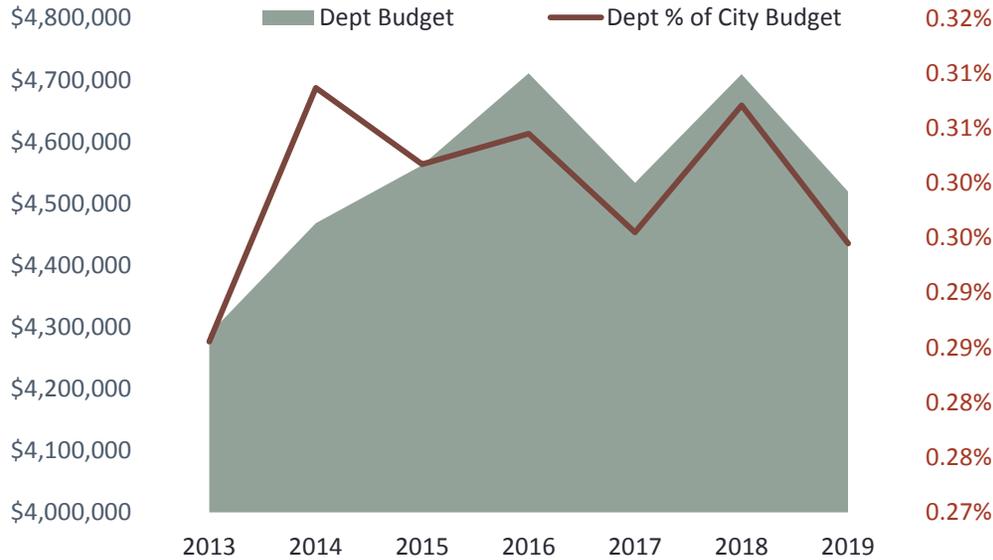
Version 1.0



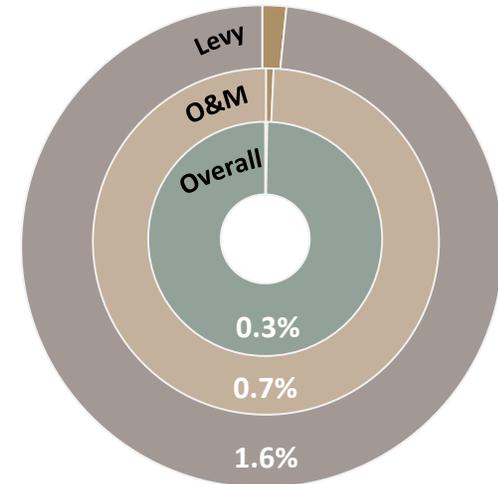
\$4,519,596
Proposed 2019 Budget

-\$190,031
Change in Proposed Budget

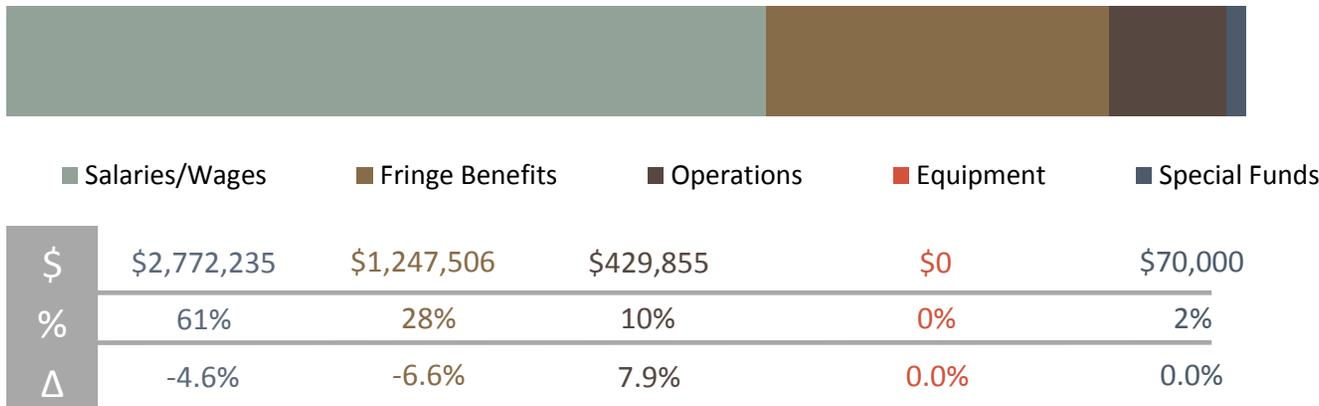
-4.0%
% Change in Proposed Budget



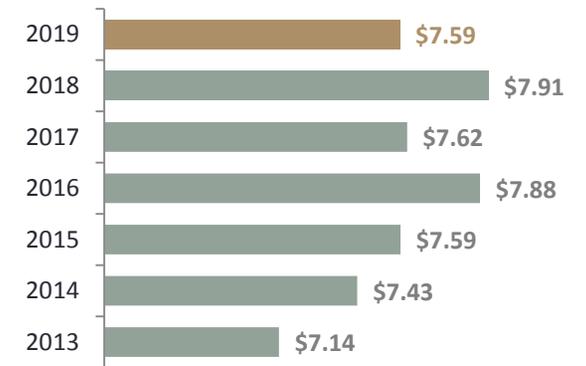
Departmental Budget Impact



Departmental Budget Appropriation Category



Budget per Capita



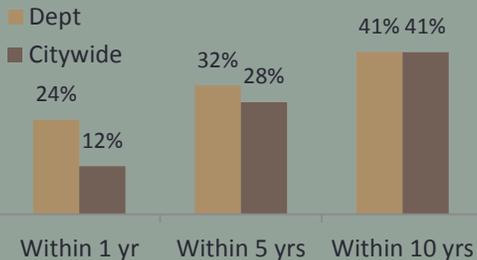
-\$132,799

Decrease in Salaries and Wages for the department, down 4.6% from amount allocated in 2018.

-\$88,809

Decrease in Fringe Benefits for the department, down 6.6% from amount allocated in 2018.

Retirement Eligible



0

Change in Positions

0.0%

% Change in Positions

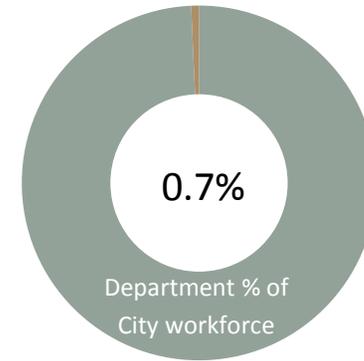
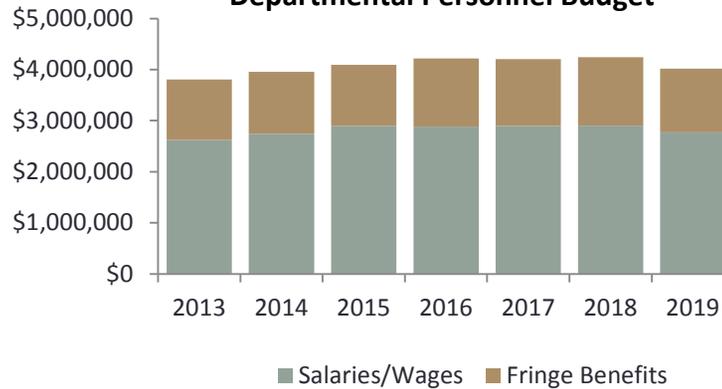
3

Current Vacancies

3

Voluntary Separations

Departmental Personnel Budget



Staffing Vacancies

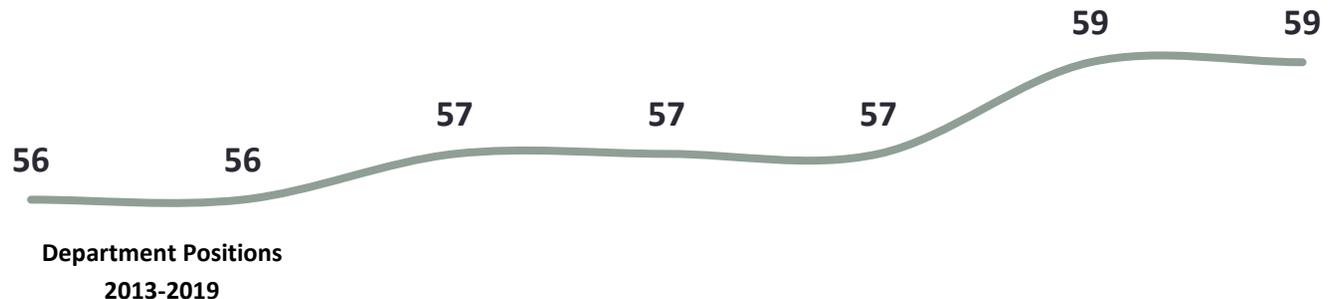
- 1 Property Appraiser
- 1 Property Technician
- 1 Auxiliary Property Appraiser

The department has used technology and other efficiencies to manage an average parcel count per FTE of 3,200 between 2008 and 2018. FTEs have decreased from 50 to 45 in that time period.

Staffing Update

- -1 Senior Property Appraiser
- +1 Property Assessment Technician

In 2018, 11 positions were filled. There were 3 retirements in 2018, and 16 positions are eligible for retirement in 2019. Additionally, the department has had 4 college interns.



-4.0%

Decrease in revenue estimated for the 2019 Proposed Budget (\$65,280 less than the 2018 Adopted Budget).

-51.54%

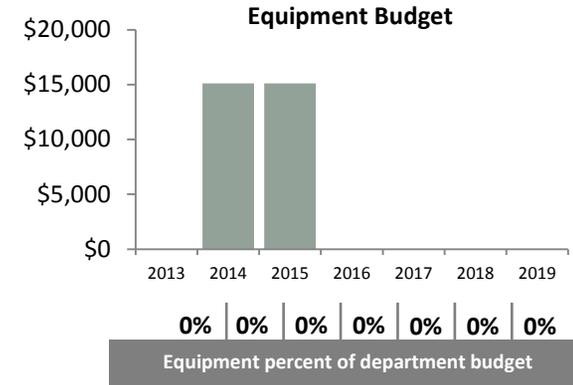
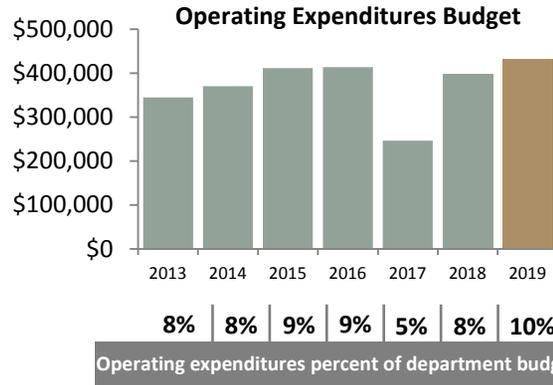
Decrease in the amount for vehicle rental (-\$14,400) proposed (\$13,600) compared to 2018 Adopted Budget (\$28,000).

\$8,295

Increase in the amount for General Office Expense (6.1%).

\$40,000

Increase in amount for Professional Services (21.3%).



Revenue

- Appraisal Fees \$863,100
- Assessment Charges \$715,900
- Copy/Duplication Fees \$ 200
- TOTAL \$1,579,020

The Assessor’s Office estimates \$316,600 will be returned to taxpayers for property tax adjustments.

Grants

This department receives no grant funding.

Special Purpose Accounts

For the 2019 Proposed Budget, the Remission of Taxes Fund has moved from the Assessor’s Office budget to the general city SPA. The amount has increased to \$1,270,00 in 2019, compared to \$1,200,000 in 2018. This is an increase of \$70,000 (5.8%).

Capital Requests

There are no new capital projects funded in 2019.

\$70,000

State Manufacturing Assessment Payment, unchanged from 2018.

42

Number of pending litigation cases in 2018. The total dollar amount of contested property taxes in these cases is \$22,146,697.

18

Number of formal appeals heard by the Board of Review (54 cases were scheduled) year-to-date in 2018. The total number scheduled in 2017 was 97; of those, 37 were heard.

116

Number of improved property in rem foreclosures acquired year-to-date in 2018 (plus 18 vacant lots).

Tax-Exempt Properties

For 2018, the City has 9,908 tax-exempt properties with an estimated exempted value of more than \$5.1 billion. To protect the City's tax base, the department critically reviews tax exemptions on an ongoing basis to ensure that all exempt properties continue to serve the public good and provide the services that justify tax exemption.

Restructuring

The career ladder has been successful and is attracting people from other jurisdictions. Improving technology is an essential piece to increasing productivity. More investment in technology is needed to improve efficiencies and public relations for appraisers. In 2018, the department will complete a 4-year project to upgrade to a CAMA system to reduce errors.

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 Continued to December 6 & 7, 2018.
- *U.S. Bank, N.A. v. City*. Requested refund: \$2.72 million. Discovery Motion Hearing October 12, 2018.
- *Wisconsin and Milwaukee Hotel, LLC v. City*. Requested refund: \$970,400. Appeal filed September 14, 2018.
- *Metropolitan Associates v. City*. Requested refund: \$950,000. Final Pretrial August 9, 2019.
- *Wisconsin and Milwaukee Hotel, LLC v. City*. Requested refund: \$784,701. Scheduling Conference October 8, 2018.
- *Wisconsin and Milwaukee Hotel, LLC v. City*. Requested refund: \$775,325. Summary Judgment Motion Hearing December 14, 2018.
- *CP-South Howell LLC et al. v. City*. Requested Refund: \$604,000. Final Pretrial November 2, 2018.
- *Columbia St. Mary's, Inc. v. City*. Requested Refund: \$524,553. Final Pretrial February 7, 2019.
- *JSWD WI Venture I, LLC v. City*. Requested Refund: \$461,482. Scheduling Conference October 17, 2018.
- *Rider Hotel, LLC v. City*. Requested Refund: \$318,414. Pretrial Conference October 18, 2019.
- *Whole Food Market Services, Inc. v. City*. Requested refund: \$284,202. Scheduling Conference October 10, 2018.
- *JSWD Commerce, LLC v. City*. Requested refund: \$274,837. Scheduling Conference November 6, 2018.

Pending Litigation (continued from p. 4)

- *Lindner Terminals LLP et al v. City* consolidated with *Roma Properties LLC et al. v. City*. Requested refund: \$274,594. Hearing and Closing Arguments October 15, 2018.
- *JSWD Commerce LLC v. City*. Requested Refund: \$255,811. Court Trial October 16 – 18, 2018.
- *Gardner Group LLC v. City* consolidated with *Michael J. Gardner Trust v. City*. Requested refund: \$334,893. Pretrial Conference may 15, 2019.
- *Mid Milk Improvements, LLC v. City*. Requested refund: \$218,801. Scheduling Conference November 6, 2018.
- *Milwaukee River Hotel, LLC v. City*. Requested refund: \$173,196. Scheduling Conference October 10, 2018.
- *Brewery House, LLC v. City*. Requested refund: \$143,154. Pretrial Conference July 18, 2019.
- *JSWD Commerce LLC v. City*. Requested refund: \$138,418. Court Trial November 19-21, 2018.
- *Kissinger Family Limited Partnership v. City*. Requested refund: \$120,766. Final Pretrial Conference July 28, 2019.
- *Brewery House, LLC v. City*. Requested refund: \$119,727. Scheduling Conference October 15, 2018.
- *Milwaukee Block 10 v. City*. Requested refund: \$102,986. Oral Decision December 19, 2018.
- *Roma Properties LLC, et al v. City*. Requested refund: \$90,974. Adjourned Scheduling Conference October 25, 2018.
- *Lewis Center, LLC v. City of Milwaukee*. Requested refund: \$69,939. Court Trial April 8-10, 2019.
- *Beam House Apartments, LLC, et al. v. City*. Requested refund: \$68,530. Final Pretrial Conference August 5, 2019.
- *Haven Funds LLC v. City*. Requested refund: \$58,745. Settlement approved; case to be dismissed upon payment.
- *4000 West Burnham LLC v. City*. Requested refund; \$54,299. Case to be dismissed when payment received by Plaintiff.
- *Walgreen Co. v. City*. Requested refund: \$38,302. Scheduling Conference October 24, 2018.
- *Sydney C. Charney Estate v. City*. Requested refund: \$31,353. Pretrial conference July 25, 2019.
- *Chicago Street Lofts, LLC v. City*. Requested refund: \$30,311. Pretrial Conference September 16, 2019.
- *Thanks A-Lot, LLC, et al. v. City*. Requested refund: \$30,333. Settlement approved; case to be dismissed upon payment.
- *Feap of Milwaukee, LLP v. City*. Requested refund: \$28,153. Scheduling Conference: October 24, 2018.
- *1825 Prospect, LLC v. City*. Requested refund: \$19,671. Settlement proposed to Board of Review; pending approval by Common Council.
- *Nikon Cambridge LLC v. City*. Requested refund: \$10,437. Pretrial Conference September 16, 2019.
- *Central United Methodist Church v. City*. Requested refund: \$4,416. Hearing and Oral Arguments November 26, 2018.
- *Flint Hills Resources Pine Bend, LLC v. Wisconsin Dept. of Revenue, City*. Case held in abeyance pending U.S. ventures classification objection.
- *Flint Hills Resources Pine Bend, LLC v. Wisconsin Dept. of Revenue, City*. City filed cross-appeal to Flint Hills' classification objection on May 17, 2018.
- *U.S. Ventures, Inc. v. Wisconsin Dept. of Revenue, City*. Status Conference September 12, 2018.

Outside Counsel Lawsuits

- *Marathon Petroleum Company LP et al. v. City*. Requested refund: \$3.2 million. Decision in City's favor; petition for review denied.
- *U.S. Venture, Inc. v. City*. Requested refund: \$1,804,000. Telephone status conference October 24, 2018.
- *Citgo Petroleum Corporation v. City*. Requested refund: \$606,000. Status Conference October 24, 2018.
- *Buckeye Terminals v. City*. Requested refund: \$158,000. Dismissed without prejudice to complete Board of Review; will be refiled.