

City of
BROOKFIELD
Wisconsin

Citywide Revaluation (2023 Market Update)

Allan Land
City Assessor

Revaluation V Maintenance Years

Revaluation – Periodic

- Captures market updates driven by appreciation or depreciation.
- Everyone receives a Change Notice.

Maintenance Assessing – Annual

- Captures market value changes resulting from new construction, permits and sale reviews.
- Most assessments do NOT change.

Why is a Market Update Needed?

Market Updates ensure assessments are in line with current Market Value under state statutes

Based on market trends, not all property types change by the same percentage

Why Revalue Now?

Last update completed in 2019

- State Law requires that assessments be within 90-110% of market value once every five years.
- 2022 and 2023 will be out of compliance.
 - 2020 Assessment Ratio: 96.5%
 - 2021 Assessment Ratio: 92.3%
 - 2022 Assessment Ratio: 84.4%
 - 2023 Assessment Ratio: 75.0% (Estimate)

Included in the City's Strategic Plan.

- The Strategic Plans is to update market values once every four years.

Data Used for Reviewing Sales

Revaluations estimate the value of property based on Market Values.

- Market Value – selling price realized through *informed, open and competitive* negotiation absent of any duress.
- Arm's Length sales – exclude transfers or partial interest, estate planning, related parties, foreclosures and other distressed sales.
- Standard is Market Value, *not liquidation value*.

Arm's Length Transactions

- Knowledgeable Seller.
- Knowledgeable Buyer.
- Reasonable exposure in an open & competitive market.
- Payment in cash or conventional financing.
- Neither party is *compelled* to participate (no duress).
- Sale Price represents normal consideration for property sold.

Assessment Ratios

$$\frac{\text{Assessment}}{\text{Sale Price}} = \text{Individual Ratio}$$

$$\frac{\text{Total City Assessed Value}}{\text{Total City Sales Prices}} = \text{Aggregate Ratio}$$

State law establishes assessments are in compliance when the aggregate ratio is within 90-110% of market value.

Will Property Taxes Increase?

- Revaluations are **revenue** neutral; however, some owner's shares will increase, some will decrease, and some will stay about the same.
- Tax impacts will not be known until December of 2023 after the City, County, Schools and Waukesha Tech complete their 2024 levies.
- Assessments are only one factor in the calculation of taxes.
- Assessments only determine each owner's share of the total tax.

Historic Mill Rates (2019 last revaluation)

Elmbrook School District

- 2016: \$16.32
- 2017: \$16.09
- 2018: \$16.21
- 2019: \$15.82
- 2020: \$16.40
- 2021: \$15.91
- 2022: \$14.98

Waukesha School District

- 2016: \$15.23
- 2017: \$14.32
- 2018: \$14.28
- 2019: \$14.29
- 2020: \$14.47
- 2021: \$14.28
- 2022: \$14.01

Tax Calculations

Mill Rate Calculation

$$\frac{\text{Total Tax to Collect (Levy)}}{\text{Total Assessed Value of City (AV)}} = \text{Mill Rate}$$

Individual Property Tax Calculation

- Mill Rate X Individual Property Assessment = Tax Due

Proportional Distribution of Taxes

Revaluations are completed to proportionately distribute the total tax to be collected based on the individual market values of each property.

Revaluations are Revenue Neutral, they are not completed to increase tax collection.

Market values change at different percentages due to market trends

Tax Distribution-same assessments next three slides

	A	B	C	D	E
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tax Exempt	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	F	G	H	I	J

Base Year

Tax Rate $\frac{\$10,000 \text{ (Levy)}}{\$1,000,000 \text{ Total Assessed Value (AV)}} = \$.01 \text{ (Mill Rate)}$

Owner	Assessment	Mill Rate	Taxes	% Total Tax
A	\$100,000	0.01	\$1,000	10%
B	\$100,000	0.01	\$1,000	10%
C	\$100,000	0.01	\$1,000	10%
D	\$100,000	0.01	\$1,000	10%
E	\$100,000	0.01	\$1,000	10%
F	\$100,000	0.01	\$1,000	10%
G	\$100,000	0.01	\$1,000	10%
H	\$100,000	0.01	\$1,000	10%
I	\$100,000	0.01	\$1,000	10%
J	\$100,000	0.01	\$1,000	10%
Totals	\$1,000,000 (AV)		\$10,000 (Levy)	100%

20% Assessment Increase

Tax Rate \$10,000 (Levy) = \$0.00833 (Mill Rate)
\$1,200,000 Total Assessed Value (AV)

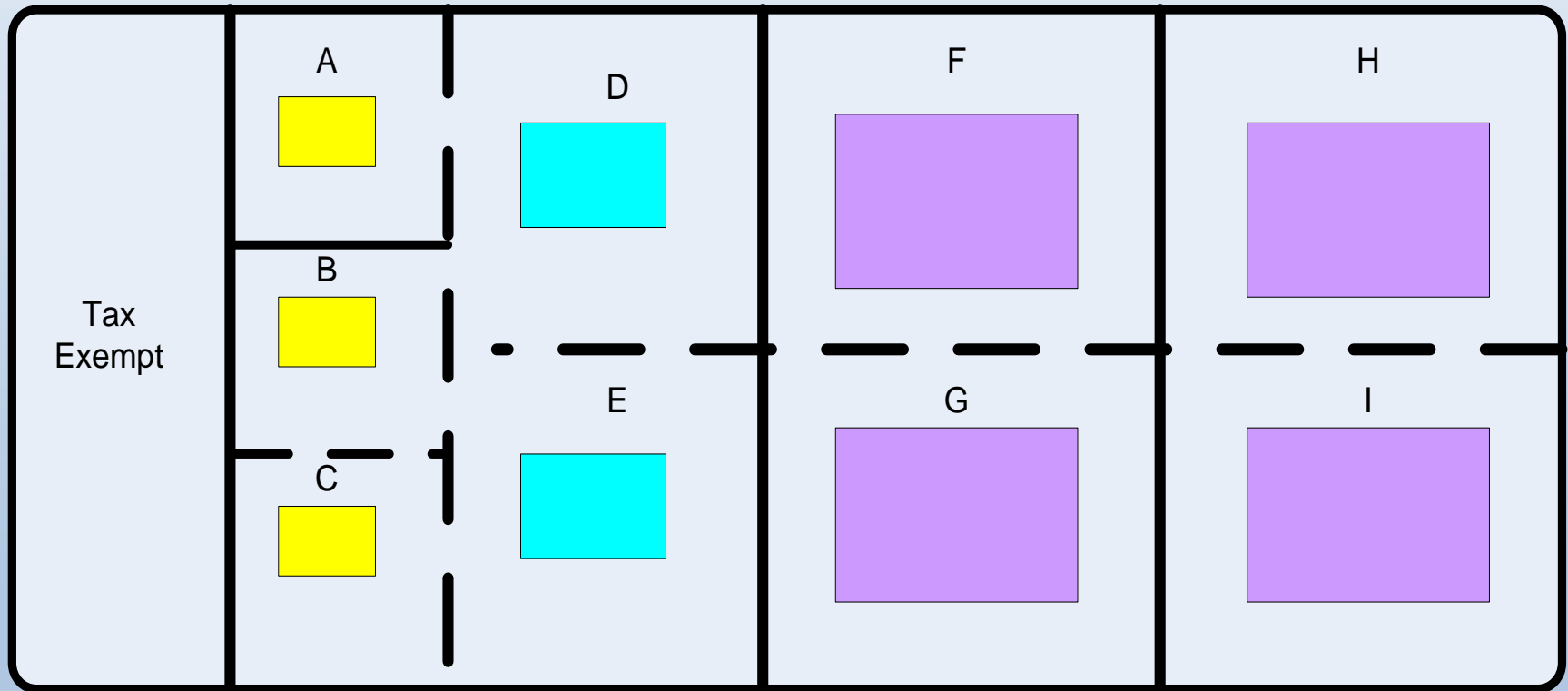
Owner	Assessment	Mill Rate	Taxes	% Total Tax
A	\$120,000	0.0083333	\$1,000	10%
B	\$120,000	0.0083333	\$1,000	10%
C	\$120,000	0.0083333	\$1,000	10%
D	\$120,000	0.0083333	\$1,000	10%
E	\$120,000	0.0083333	\$1,000	10%
F	\$120,000	0.0083333	\$1,000	10%
G	\$120,000	0.0083333	\$1,000	10%
H	\$120,000	0.0083333	\$1,000	10%
I	\$120,000	0.0083333	\$1,000	10%
J	\$120,000	0.0083333	\$1,000	10%
Totals	\$1,200,000 (AV)		\$10,000 (Levy)	100%

One Property made improvements

Tax Rate \$10,000 (Levy) = \$0.00995 (Mill Rate)
\$1,005,000 Total Assessed Value (AV)

Owner	Assessment	Mill Rate	Taxes	% Total Tax
A	\$105,000	0.00995	\$1,045.00	10.45%
B	\$100,000	0.00995	\$995.00	9.95%
C	\$100,000	0.00995	\$995.00	9.95%
D	\$100,000	0.00995	\$995.00	9.95%
E	\$100,000	0.00995	\$995.00	9.95%
F	\$100,000	0.00995	\$995.00	9.95%
G	\$100,000	0.00995	\$995.00	9.95%
H	\$100,000	0.00995	\$995.00	9.95%
I	\$100,000	0.00995	\$995.00	9.95%
J	\$100,000	0.00995	\$995.00	9.95%
Totals	\$1,005,000 (AV)		\$10,000 (Levy)	100%

Tax Distribution with Different Assessments



Tax Distribution / Collection

Tax Rate \$10,000 (Levy) = .0071428 (Mill Rate)

\$1,400,000 Total Assessed Value (AV)

Owner	Assessment	Mill Rate	Taxes	% Total Value & Total Tax
A	\$100,000	0.0071428	\$714.28	7%
B	\$100,000	0.0071428	\$714.28	7%
C	\$100,000	0.0071428	\$714.28	7%
D	\$150,000	0.0071428	\$1,071.42	11%
E	\$150,000	0.0071428	\$1,071.42	11%
F	\$200,000	0.0071428	\$1,428.56	14%
G	\$200,000	0.0071428	\$1,428.56	14%
H	\$200,000	0.0071428	\$1,428.56	14%
I	\$200,000	0.0071428	\$1,428.56	14%
Totals	\$1,400,000 (AV)		\$10,000 (Levy)	100%
Owner	Assessment	Mill Rate	Taxes	% Total Value & Total Tax

What Happens after I receive my Assessment Change Notice?

- State law establishes assessments are correct when they are within 90-110% of market value.
- Consider factors that might have occurred with your property since 2019 revaluation.
 - Addition, remodeling or deletions

What Happens after I receive my Assessment Change Notice?

- Review the Assessment Change Notice
- Determine if the new assessment is a reasonable estimate of market value for your home.
- If you are unsure, contact our office for an appointment to speak with one of our appraisers at (262) 796-6649

Next Steps?

Do Nothing

Assessment is accurate, reasonable, and equitable.

By Appointment Only

- Open Book – Assessment is factually inaccurate or outside a reasonable range of Arm's Length sales prices (90-110%).
- Board of Review – If you continue to believe your assessment does not represent Market Value.

Open Book and Board of Review discussions are not about property taxes – only property values.

Property Taxes

- Pays for infrastructure & local services provided by the County, City, Waukesha Tech & Elmbrook or Waukesha Schools
- Cost of services are distributed proportionately based on individual assessed values
- Process provides opportunities for property owners to participate



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Thank you for taking time to be informed

Please contact the Assessor's Office
for additional information.

(262) 796-6649

<https://www.ci.brookfield.wi.us/210/Assessor>