

VALUE JUDGMENT

EXAMINING PROPERTY ASSESSMENT
IN MILWAUKEE COUNTY COMMUNITIES



WISCONSIN
POLICY FORUM

ABOUT THE WISCONSIN POLICY FORUM

The Wisconsin Policy Forum was created on January 1, 2018, by the merger of the Milwaukee-based Public Policy Forum and the Madison-based Wisconsin Taxpayers Alliance. Throughout their long histories, both organizations engaged in nonpartisan, independent research and civic education on fiscal and policy issues affecting state and local governments and school districts in Wisconsin. The Wisconsin Policy Forum is committed to those same activities and to that spirit of nonpartisanship.

PREFACE AND ACKNOWLEDGMENTS

This report aims to provide municipal elected officials, staff, and taxpayers with a clearer understanding of how property assessment is currently performed in Milwaukee County and how it could be changed and potentially improved. We wish to thank the village of Bayside and the Wisconsin Department of Revenue for supporting this project with an Innovation Planning Grant. We also wish to thank officials in all 19 cities and villages in Milwaukee County as well as contract assessors for providing information and feedback for this report.



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*Examining Property Assessment in Milwaukee County
Communities*

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TABLE OF CONTENTS

Introduction	3
Property Assessment in Milwaukee County	4
The Work of Property Assessment	4
Parcels and Property Types and Values in Milwaukee County.....	5
Assessment Systems in Wisconsin and Other States	7
Assessment Process	9
Assessed Values Can Lag Market Prices.....	11
A Look at Each Municipality	14
Cities with In-House Assessors.....	14
Municipalities with Contract Assessors	15
Community Comparisons	16
A Review of Other Options	19
Creating a Potential Milwaukee County Assessment Commission.....	19
Less Expensive Models.....	23
Consortium Model Using a Contract Assessor	25
Partnerships Between Municipalities Using In-House Assessors	26
Partnerships Between Municipalities Using Contract Assessors.....	27
Conclusion.....	30



INTRODUCTION

The [Wisconsin Constitution](#) states, “The rule of taxation shall be uniform.” Though certain exceptions to this rule have been written into the state charter, this principle generally requires that properties of equal value within a given municipality are subject to the same tax levy. To achieve that equal treatment – often known as uniformity – the values of the properties must be assessed at the same share of their market value. That in turn calls for professional, consistent, and impartial assessment.

That principle is particularly challenging to achieve in Wisconsin, where property assessment is divided among more than 1,840 cities, villages, and towns. As the Forum [pointed out in a 2023 brief](#) and as we will discuss, most states around the nation handle all or much of the property assessment process at the county level. In Wisconsin, each municipality is responsible for assessing the property in its territory, which is notable since our [state has many more municipalities](#) than the average state, including more than 1,200 towns with generally small populations and limited budgets and staff.

In Milwaukee County alone, there are 10 cities and nine villages, each of which are responsible for assessing property values each year and transmitting them to the state Department of Revenue. These 19 municipalities – ranging from the city of Milwaukee to smaller, quieter communities such as the village of River Hills – use a mix of in-house assessors and contract firms to separately determine property values. Though this approach maximizes local control, it also limits economies of scale, leads to quite different approaches among neighboring communities, and may at times affect the accuracy and uniformity of assessments.

This study seeks to determine whether improvements to this function might be feasible by promoting various forms of collaboration or consolidation among municipalities in Milwaukee County. In doing so, we are searching for opportunities to control costs but more importantly to arrive at more accurate assessments for taxpayers. The report is supported by a state Innovation Planning Grant from the Wisconsin Department of Revenue (DOR) that went to the village of Bayside, which is serving as the fiscal agent on behalf of the 19 municipalities in the county.

In our research, we examined state DOR data and surveyed each municipality in the county to learn about their numbers of parcels and property values as well as their assessment practices, cost, and approach. We interviewed municipal and county officials as well as contract assessors to better understand how the system currently works and the potential impacts of various proposed changes.

Our research questions included:

- What are the strengths and problems within this current system?
- What obstacles and opportunities exist for collaboration or consolidation across municipalities?
- How could communities maximize the benefits of collaboration while minimizing drawbacks?

As with all our work, the Wisconsin Policy Forum is not insisting upon any particular change to the current system. Instead, we hope our report will provide new insights for local leaders and taxpayers as municipalities seek the best way to meet their constitutional mandate of delivering accurate and uniform property values for their residents and businesses.



PROPERTY ASSESSMENT IN MILWAUKEE COUNTY

Milwaukee County is home to just over 945,000 residents in its 19 cities and villages, ranging in size from the city of Milwaukee with nearly 580,000 to the village of River Hills with fewer than 1,600, state Department of Administration data show. Collectively, these communities have nearly 270,000 parcels of land that totaled \$91.6 billion in assessed value in 2024, according to DOR data.

In this section, we provide the basic characteristics of each community that are relevant to property assessment. We start with information on their property values and parcels and then proceed into information about assessment practices and assessed values as compared to market values. Typically, the Forum would report property values across different communities using values that the state DOR has equalized to smooth out differences in assessment practices. But in this study, we generally use assessed values to better zoom in on those practices.

The Work of Property Assessment

In each municipality in Wisconsin, the in-house or contract assessor is responsible for discovering, listing, and valuing all parcels and property in his or her jurisdiction. The values are assessed on an annual basis and reported to the state DOR, which in turn uses the assessed values (that may or may not reflect the full market values) along with other information to generate equalized property values that do aim to reflect market prices. Assessors in Wisconsin do not need to have any formal training, though they must pass an examination to be certified by DOR and also have to meet continuing education requirements. DOR certifies five levels of assessment staff – from least to most senior, they are assessment technicians, appraisers, and assessors 1 through 3.

Operating according to rules established [by state law](#) and the [Wisconsin Property Assessment Manual](#), assessors are supposed to review municipal building permits and real estate sales, and examine both the exteriors and interiors of buildings where possible and, barring that, just their exteriors. They do so to ensure that their municipality has accurate and up-to-date information about each parcel and building that can be used to arrive at the values of the properties as of January 1 of each year. This information includes parcel and structure measurements, dimensions, and square footage; interior or exterior inspections; photographs; and data on building costs, sales, rental rates, vacancy rates, and more.

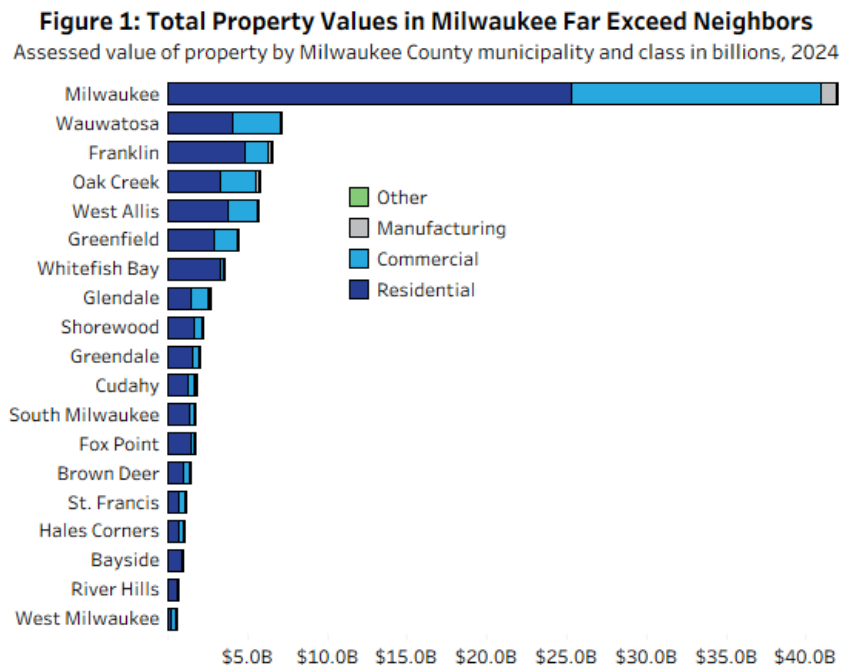
Assessors can then draw on the data on individual parcels to carry out larger statistical analyses. This work also considers market conditions, neighborhood analysis, and other factors to arrive at the valuations and then to publish each municipality's annual assessment roll in the spring. Finally, the assessor or contract firm may conduct follow-up analysis to check how well the overall work has been done. These follow-ups could include an analysis of the completeness and accuracy of the property cards and sales records for individual parcels as well as further statistical analysis, such as calculating the coefficient of dispersion for the municipality's properties. This final factor represents a measure of uniformity of the municipality's valuations, calculating the average of the absolute variation of the parcels from the median ratio of assessment value to sales value.



Once the values are published, property owners are notified by mail of any changes in their assessments. Property owners with questions about their assessments can review the assessor’s records during what is known as the Open Book period, and can meet with the assessor to hear his or her explanation of the assessment process and to voice any concerns they may have. A property owner can then choose to object to the assessment with the local Board of Review, the body which hears these initial objections and uses information provided by the assessor and the property owner to determine whether the valuation is correct. Municipal Boards of Review vary in size and make-up. They can include municipal officials as well as private citizens with various levels of assessment experience. A property owner who is still unsatisfied can then attempt to appeal the board’s decision either to the DOR or in county circuit court. An appeal to the DOR is not available for properties located in the city of Milwaukee, due to its status as a first-class city.

Parcels and Property Types and Values in Milwaukee County

The communities in Milwaukee County differ in the extent of their property tax base, with the city of Milwaukee in 2024 reporting \$41.9 billion in assessed property value in the DOR data, or 45.8% of the \$91.6 billion in assessed property value in the county. For comparison, that is nearly six times more in overall property values than Wauwatosa, which has the next highest overall assessed values at \$7.1 billion (see Figure 1). Note that these figures do not include the relatively small portions of municipalities such as the city of Milwaukee and village of Bayside that extend slightly into neighboring counties.



Source: Wisconsin Department of Revenue

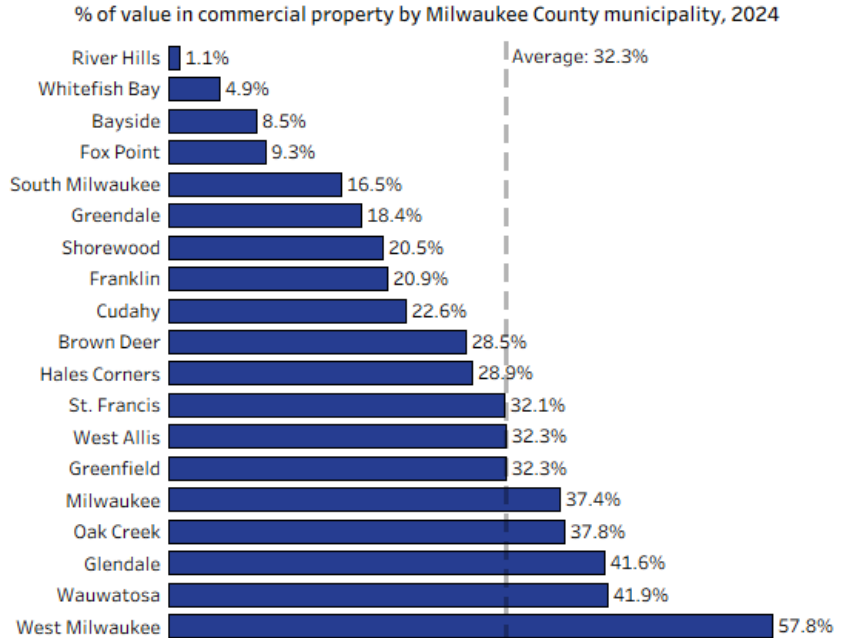
Meanwhile, the villages of West Milwaukee and River Hills have just \$496.4 million and \$539.1 million, respectively, in total assessed property values. In other words, Milwaukee has roughly 80 times more assessed property value than either of the two villages with the smallest tax bases in the county.

The 19 municipalities of Milwaukee County reported a total of \$29.6 billion in commercial property in 2024, although this property was not distributed evenly among them. The city of Milwaukee reported \$15.7 billion in commercial property, which accounted for 37.4% of its total assessed values. That was more than the county average of 32.3% and much more than was the case in some of the



smallest communities, as Figure 2 shows. For example, River Hills had only \$5.7 million in commercial property – just 1.1% of its total assessed value. Commercial property accounted for only 8.5% of total value in the village of Bayside. But more than two-fifths of the property by value in Wauwatosa and Glendale was commercial and nearly 58% of the property in the small village of West Milwaukee was commercial.

Figure 2: West Milwaukee Leads in Share of Commercial Property

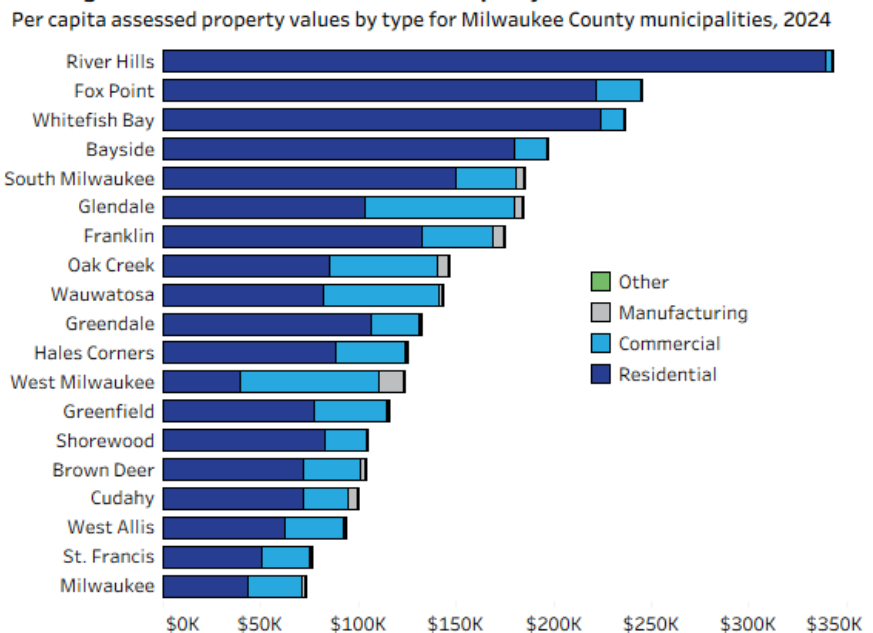


Source: Wisconsin Department of Revenue

The other major class of property in Milwaukee County is manufacturing. The city of Milwaukee has nearly \$1 billion in manufacturing property, while there is no manufacturing property at all in River Hills, Bayside, Fox Point, Shorewood, and Whitefish Bay. Manufacturing property poses its own assessment challenges, but in Wisconsin it is assessed by the DOR, making it a moot point for our study. Most other types of property, such as agricultural, forest, and agricultural forest land, are uncommon in Milwaukee County given its urbanized nature.

Despite its large size, Milwaukee has the lowest property values per capita of any municipality in the county. With nearly 580,000 residents, the city of Milwaukee has 61.3% of the population in the county despite having less than half of the overall property value. Milwaukee has \$72,319 in assessed property value per capita, edging out St. Francis for the least in the county, with a portion of its total in both residential and commercial (see Figure 3). The village of

Figure 3: Milwaukee Has Lowest Property Values Per Resident



Source: Wisconsin Department of Revenue



River Hills, which has fewer than 1,600 residents and just 0.2% of the county's population, has easily the highest per capita values at \$342,473, with almost all of that value in residential property. Glendale and West Milwaukee have the most commercial property value per capita and West Milwaukee also has the most manufacturing property per resident.

Data on the number of parcels in each municipality largely tracks the overall property tax data and population figures.

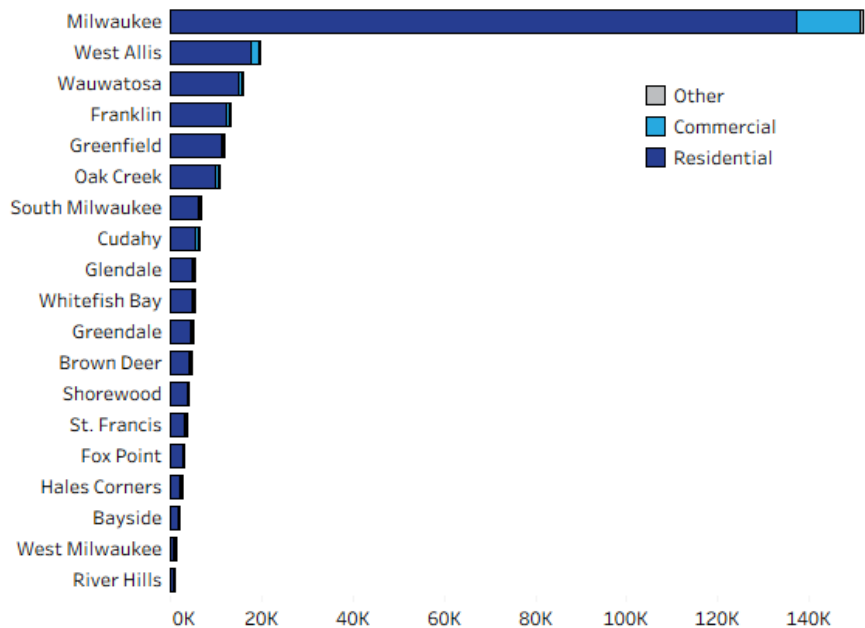
Milwaukee has 151,672 parcels reported in the DOR data, about 56% of the 269,709 parcels in the county overall (see Figure 4). For its part, River Hills has just 663 relatively large parcels, or 0.2% of the county-wide total. However, each of these parcels in the well-to-do village is valued at an average of more than \$800,000.

Milwaukee also dominates with the largest number of commercial parcels at 13,903, while River Hills has only four commercial parcels. These differences matter because commercial property can be more difficult to assess – most residential houses are similar to some other homes and they are more frequently bought and sold. Commercial properties can be more distinctive, less common, and less frequently sold, which can pose challenges for assessors, who must answer questions such as how to [value a vacant big-box retail building](#). In addition, commercial assessments are more likely to rely on a range of approaches, such as the income method, which can further complicate the process (see box).

Assessment Systems in Wisconsin and Other States

Wisconsin is unusual nationally in having all property assessed at the municipal level except manufacturing parcels. This is especially unusual given that Wisconsin

Figure 4: Milwaukee Parcels Far Outnumber Those of Other Municipalities
Number of parcels by municipality and by class, 2024



Source: Wisconsin Department of Revenue

Assessment Methods

Wisconsin assessors commonly use three methods to determine the market value (what it would bring if sold on the open market) of a given property such as a home, business, or parcel of land:

- The sales approach, which looks at what buyers have paid for other comparable properties
- The cost approach, which focuses on how much it costs to build a property minus any depreciation
- The income approach, which examines how much income a property generates. For instance, under this approach, an apartment building with high rents could be assessed more than a building with lower rents, if other characteristics are similar.



has a relatively large number of municipalities for a state of its size, including 190 cities, 415 villages, and 1,243 towns. In other words, there are 1,848 separate local governments responsible for assessments in the state of Wisconsin.

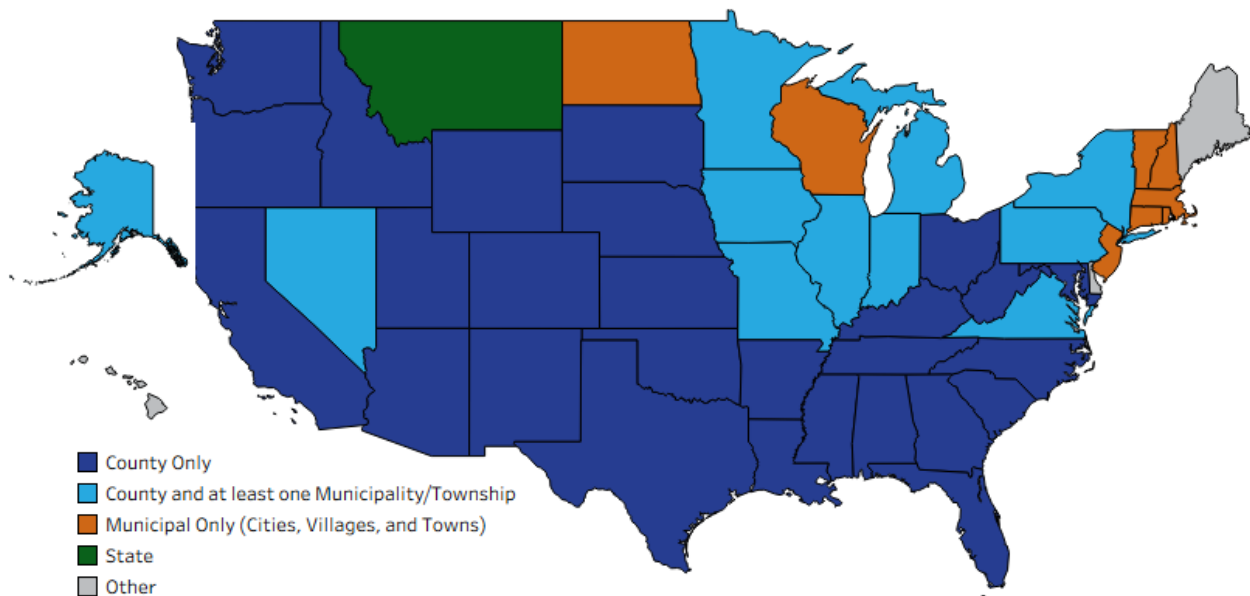
As we have noted, that means that each of the 19 cities and villages in Milwaukee County are responsible for arriving at their own accurate property assessments each year. The cities of Milwaukee, West Allis, and Wauwatosa all do so using an in-house assessor's office, and all other municipalities currently contract on their own with one of several private firms to determine property values.

Under Wisconsin law, any county in Wisconsin can vote to take over the function of property assessment from the municipalities in their territory with a 60% vote of the entire county board membership. Kenosha County used this approach from 1974 to 1995 but then reverted to the municipal system used in other counties. Since then, no county has adopted this approach.

Only seven other states nationally handle assessments at the municipal level, as Wisconsin does, and all but one of those other states are in the Northeast, according to data for 2020 from the Lincoln Institute of Land Policy. All other states have a strong county role except for Montana, which handles assessment at the state level (see Figure 5).

That essentially leaves Wisconsin and North Dakota as the only two states west of New Jersey that approach property assessment in such a highly localized way. In some other states such as [Illinois](#) and [Iowa](#), both counties and certain other municipalities or townships may play a role in the assessment process. For example, in some cases municipal or township officials may gather data on parcels and submit it to county officials, or a large city may handle its own assessments independently. However, counties play a strong or primary role in most states.

Figure 5: Wisconsin Only State in Area to Assess Property Entirely at Municipal Level
Government entities generally responsible for property value assessments* by state, as of 2020



Source: Lincoln Institute of Land Policy. *Does not include certain specific assessment powers delegated to state, such as over assessment of manufacturing property in Wisconsin.



This approach means that most Wisconsin municipalities bring relatively small economies of scale to the process of determining property values. One notable exception is the city of Milwaukee, where staff in the assessor's office can specialize in particular areas such as valuing hotels or other types of commercial property in the city. Small municipalities cannot do so on their own, though they may contract with large assessment firms that have more resources. Last, smaller municipalities have less access to data, one of the key inputs for property assessment. Data are particularly important in the case of less common types of commercial properties. Smaller municipalities again may be able to lean on contract assessors who work in many communities, but even private firms would benefit in some cases from access to more data on Milwaukee County communities.

Assessment Process

As we described earlier, each municipality in Milwaukee County must update its property values according to conditions on January 1 of each year and submit them to the DOR by the second Monday in June or after the local Board of Review finishes hearing assessment objections from property owners. The state then compiles and releases statewide values later in the summer. Though the basic obligation is the same for every municipality in Wisconsin, state law does impose certain higher standards on larger municipalities to have more trained staff, as we note below.

Under the Wisconsin system, there are several levels of assessment in any given year that range from less expensive and time-consuming to more detailed and involved. Here they are:

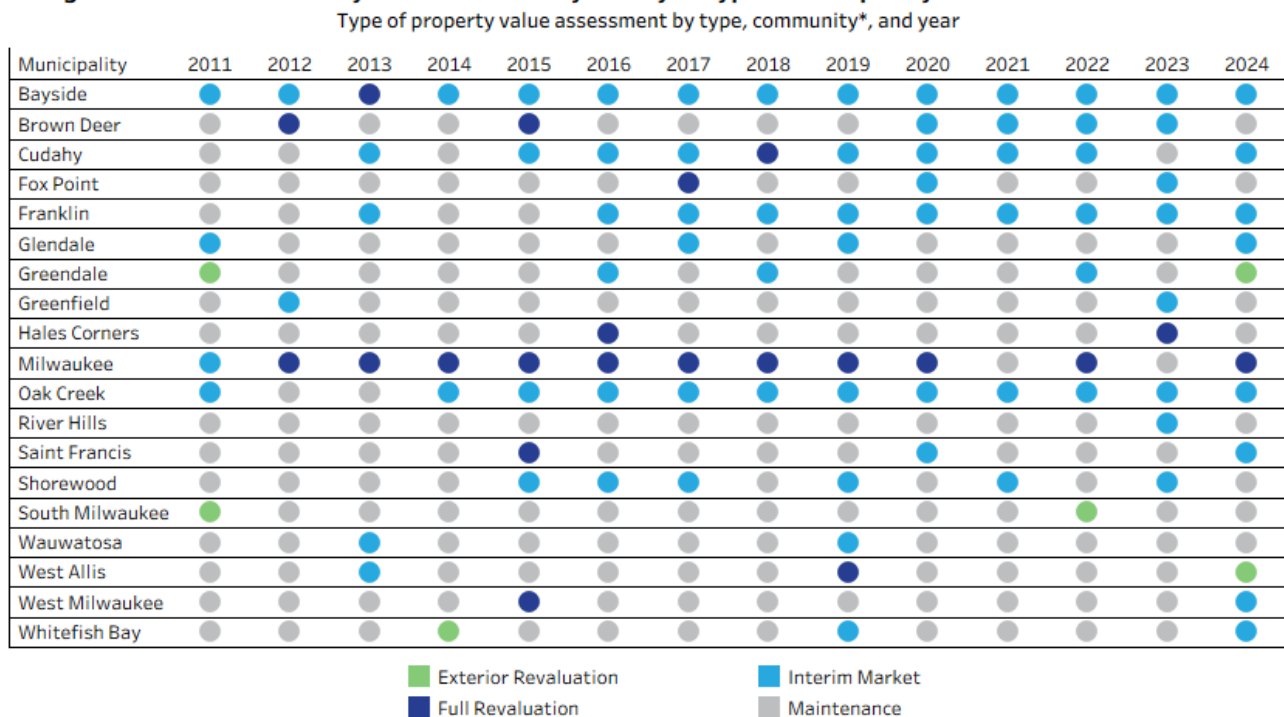
- A “**maintenance**” assessment for a municipality looks only at major changes to any parcels from the year prior, including new construction, changes in zoning or property classification (such as commercial versus residential), and demolitions. This is the easiest, cheapest, and most common assessment type, but it yields the biggest divergences from market values when property values are rising or falling rapidly. That is because this form of assessment does not account for market changes for properties, such as appreciation in their value, and therefore it is illegal as part of a maintenance assessment to update the values of individual properties following a sale – a process known as “chasing sales.”
- An “**interim market update**” of properties in a municipality requires an assessor to analyze neighborhoods, property types, and market trends to determine whether a community can keep similar assessed values to those of the prior year or needs to bring them closer to the market value. This method of revaluation is in essence a statistical exercise.
- A “**full revaluation**” traditionally requires an assessor to inspect the interior and exterior of every property in a municipality to update information on the properties and attempt to set the municipality's overall assessment at 100% of market value. This is the most detailed, time-consuming, and costly method of revaluation but also the most useful in ensuring good quality data on each parcel and, ultimately, uniformity of taxation.
- An “**exterior revaluation**” is similar but does not require photos, sketches, or an interior inspection. Like a full revaluation, it is intended to bring a community's overall assessment to full market value.



Though these approaches remain distinct in theory, in practice the lines between them can blur. Figure 6, for example, shows the type of assessment that each municipality in Milwaukee County reported to the DOR going back to 2011.

In almost every year, the city of Milwaukee reported that it performed a full revaluation of its 151,672 parcels. Because of its large number of parcels, the city performs inspections year-round rather than just at a single point in time, officials say. Milwaukee conducts inspections as part of the property sale review process, as part of the objection review and investigation process, and as part of its building permit review process.

Figure 6: Milwaukee County Communities Vary Widely in Type and Frequency of Assessments Performed



Source: Wisconsin Department of Revenue; *does not include parts of municipalities outside Milwaukee County.

The data show that in recent years, some communities such as Bayside, Brown Deer, Cudahy, Milwaukee, and Oak Creek have generally sought to update their assessed values annually to bring them into line with market values. However, other communities such as River Hills and West Milwaukee have done so relatively infrequently. This mix of regular and much more irregular updates makes it possible that assessments may be more accurate and closer to market values in some Milwaukee County communities than others.

In addition, homeowners who live in close proximity but in two different municipalities may be assessed according to very different approaches, opening up the possibility of confusion about why their similar houses are assessed at very different values. Last, the different philosophies and costs around regular and irregular revaluations may also make it more difficult to convince different communities to work with another to merge their assessment functions.



Assessed Values Can Lag Market Prices

In times of rapid increases or decreases in property values such as the real estate bubble of the mid 2000s, the Great Recession, and the pandemic, market values for properties can diverge widely from assessed values in communities, particularly if they are not being revalued regularly. That can increase the chances that properties are not being assessed and taxed uniformly and lead to jarringly large reassessments when communities do revalue properties.

For example, DOR data show several Milwaukee County communities raised their assessed values by one-third or more after doing maintenance assessments during the years of 2021 and 2022 marked by rapid increases in real estate prices. In 2023, the village of Hales Corners increased assessed total values by a total of 43.6% following a full revaluation, and the city of Greenfield did so by 44.8% following an interim market assessment. The next year, the villages of West Milwaukee and Whitefish Bay raised assessed values by 43%, and the city of West Allis did so by 45.1%. In each of these cases, the municipalities had done only maintenance assessments for at least several years prior to that.

Property owners are often alarmed by these sharp increases in value because they incorrectly believe a rise in assessment must lead to tax increases. Under Wisconsin law, however, that is not the case if the values of other properties in the community are rising by the same amount. Still, these large changes do raise questions about the fairness and uniformity of assessments. While every property in a community being equally under-assessed would not necessarily lead to an unfair distribution of property taxes, stark divergences from market values may mean that certain neighborhoods or classes of property within the community are more likely to have been paying more or less than their fair share prior to the revaluation.

The differences in assessment practices also mean that the state DOR must try to equalize them, or bring them all into alignment with current market values, or otherwise the taxpayers of one municipality or another would be paying too large or too small a share of their county and school district property taxes. To produce these equalized values, DOR staff draw on the assessments, property sales, property appraisals, and other information.

As a result, the DOR keeps both assessed and equalized value data on different classes of property for each municipality. The agency uses these data to calculate assessment ratios, which represent the assessed value of property in a community divided by its market value. This ratio essentially shows how close each community is to assessing property at current market values. The closer the ratio is to 100%, the smaller the gap is between assessed value and market value, at least for the total values of all parcels in a community.

State law requires that the total property in a community is assessed within 10% (in other words, between 90% and 110%) of market value at least once every five years. When a municipality misses this mark, the state intervenes and issues a notice of non-compliance, which triggers a state-supervised assessment if the municipality is out of the target range for a sixth straight year.

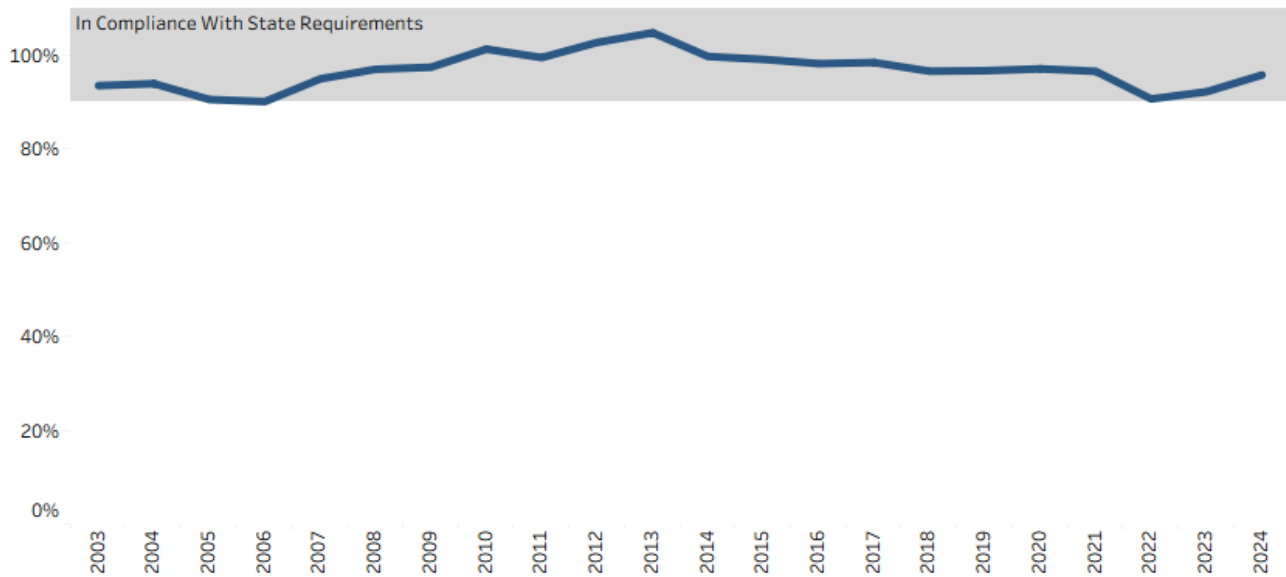
In our data going back to 2003, no community in Milwaukee County was issued a notice of non-compliance because none was out of the state target range for more than four years. Bayside was



the only community to keep its assessed values within the range for every year, though Milwaukee was only out of the target for one year in 2023, and Oak Creek, Franklin, and Fox Point have been within the range since 2010. The state also requires that each major class of property besides manufacturing and agricultural land be assessed within 10% of market value at least once every four years.

As we noted above, however, these ratios can be affected by rapid changes in property values due to a recession, economic expansion, or other dramatic events such as the pandemic. In 2022 and again in 2023, total equalized property values (or estimated market values) in Wisconsin rose by more than 13% – the two largest increases on a percentage basis in the last four decades – and assessed values did not keep up. As a result, the median assessment ratio for all Milwaukee County communities fell from 96.7% in 2019 to 89.8% in 2022 (see Figure 7).

Figure 7: Assessed Values in Milwaukee County Catching up to Market Values After Dipping During Pandemic
 Median ratio of assessed values to equalized values among Milwaukee County municipalities



Source: Wisconsin Department of Revenue; *Data only include portions of the municipalities that are in Milwaukee County.

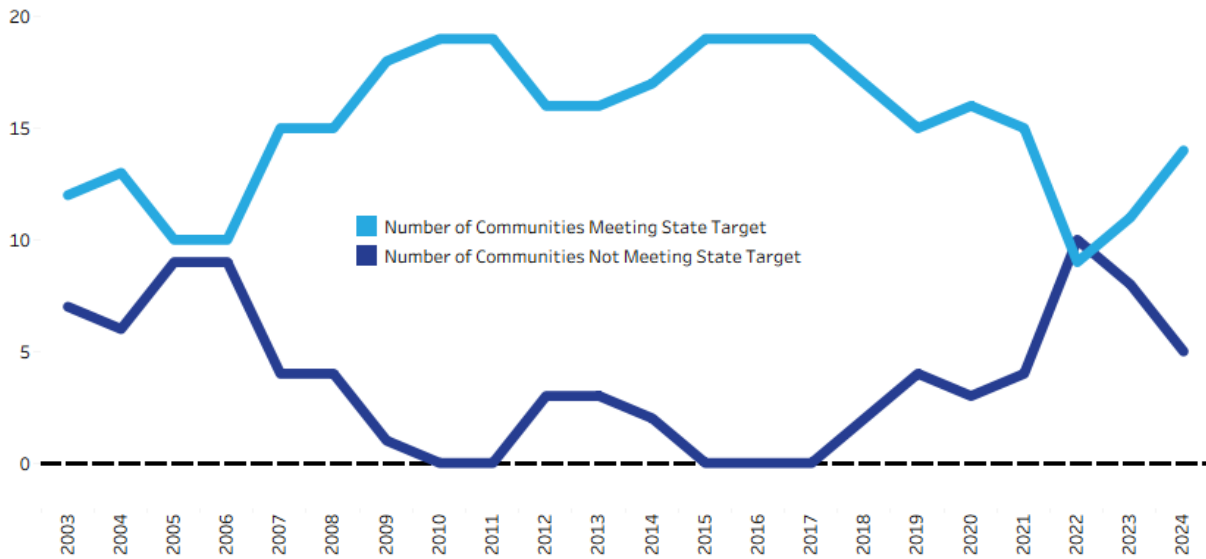
During the pandemic, there was also a drop in the number of communities that were within the state’s target range for the assessment ratio. In 2017, all 19 municipalities in Milwaukee County had assessed values within 10% of equalized values (see Figure 8 on the next page). By 2019, the number had fallen to 15, and by 2022 it had further dropped to nine, resulting in more communities out of compliance that year than there were communities in compliance – the only year in our data in which that occurred. Since then, the number of communities in compliance has risen, but as of 2024 it had not returned to pre-pandemic levels.

It is worth noting why problems can result from delays in doing full revaluations and the divergences in assessed values from market values. During the pandemic, for example, residential real estate prices rose as the prevalence of virtual work and schooling placed a premium on homes and apartments and families sought more space. This same trend toward working from home and online shopping put downward pressure on the values of offices and other commercial real estate. As a



result, municipalities that were not keeping their values in line with market prices ran the risk of undervaluing residential properties and overvaluing commercial real estate, thereby charging more to the commercial property owners than otherwise should have been.

Figure 8: More Milwaukee County Communities Hitting State Assessment Target Following Pandemic
 Number of Milwaukee County municipalities meeting the state target for assessment ratio



Source: Wisconsin Department of Revenue

In the aftermath of a housing bubble and foreclosure crisis, lagging assessed values could just as easily saddle residential property owners with inappropriately high values and taxes. These episodes serve as reminders of why it is important to have strong assessment practices.

Even when a community’s assessed and market values overall are acceptable and its assessment ratio is in line with state targets, the municipality can still be inaccurately valuing significant numbers of properties. For example, the in-house or contract assessor may not have gathered accurate and up-to-date details on many properties, may not have performed adequate or reasonable analysis in keeping with state law and requirements, and may not have performed adequate follow-up checks such as a ratio analysis to verify statistically how well the assessment was done.

One example of the potential issues lies in the city of Franklin, which [sued Accurate Appraisal](#) in February 2025 over the contract assessor’s alleged failure to meet its obligations for assessment work under state law and its contract with the city. That case is still ongoing, so the initial claims should not be treated as proven at this time. Among other claims [detailed in the complaint](#), the city has alleged that the contractor’s employee and Accurate did not do an adequate job of converting prior assessment data, inspecting properties, updating parcel data and neighborhood adjustments, and performing statistical review of the completed valuations. For their part, Accurate officials have disputed these claims. Whatever the outcome of the case and the claims involved, it is notable given that Accurate works with more municipalities than any other contract assessor in Milwaukee County.



A LOOK AT EACH MUNICIPALITY

Next, we look at current assessment practices among the 19 municipalities in Milwaukee County. We surveyed each one for information about whether they used an in-house or contract assessor, the terms of their contract, annual assessment costs, number of staff, types of software used, and other details.

Here we summarize the information from surveys we sent to the assessor or administrator of each municipality in the county. We use the answers to highlight similarities and differences between the assessment practices of the various communities, focusing on those factors that are relevant to service coordination and consolidation. We start with communities that assess property values using their own staff.

Cities with In-House Assessors

Not surprisingly, the three communities in Milwaukee County with their own city assessor are also the largest municipalities, because they can spread the cost of this service and staff across more taxpayers. These communities – Milwaukee, Wauwatosa, and West Allis – also have relatively large shares of commercial property, a more challenging class of property to value that can benefit from having assessors with greater expertise and more specialized knowledge.

Table 1: A Look at the Budgets and Staffing of In-House Municipal Assessors in Milwaukee County

Municipality	Full-Time Equivalent Staff	Personnel Cost	Total Budget*
Milwaukee	45.8	\$5,211,487	\$5,613,487
Wauwatosa	5.6	\$620,000	\$766,000
West Allis	4	\$355,000	\$537,000
Total	55.4	\$6,186,487	\$6,916,487

Source: Survey of municipal officials and municipal budgets; *Does not include legal costs.

The total costs column in Table 1 combines other costs related to assessment with personnel costs. These other costs include software systems and services such as the Multiple Listing Service, COSTAR, and Property Insight (systems used by Milwaukee) and general CAMA (computer-assisted mass appraisal) system maintenance indicated by Milwaukee and West Allis, but not legal costs. Legal costs can vary widely depending on the amount of commercial property in a community as well as the willingness of both the municipality and the local businesses to litigate assessments. In addition, not all city attorney offices track how much of their time is spent on assessment work. Wauwatosa does and sets aside \$390,000 in the annual budget of its city attorney for litigation related to property assessments, a reflection of both the large presence of commercial property in the city and the strong disagreements in some cases over its values.

Notably, communities with in-house assessors need to keep their budgets and staffing somewhat stable and therefore are more likely to spend a similar amount on the assessment process each



year. Communities with contract assessors, however, may spend much more in revaluation years than in maintenance assessment years, or they may also choose to average their annual costs over the life of the contract for more stable budgeting.

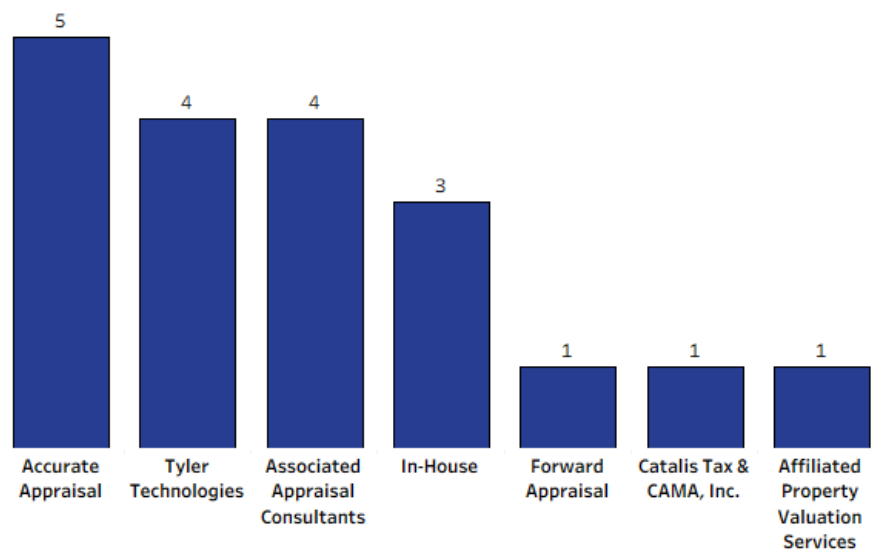
We have already noted Milwaukee’s much greater scale in terms of the number of parcels in the city and their combined property value, and that scale extends to its assessor’s office. The size of the office allows it to have more software resources as noted above and for its staff to specialize to a greater degree than in many other in-house assessor’s offices. For example, the city has a commercial property assessor who specializes in hotels and the specific issues of valuing those properties. In theory, this might allow Milwaukee to better handle all or part of the assessments for some of its neighbors, particularly in the case of complex commercial properties.

In interviews, city of Milwaukee officials said they were open to discussions about partnering with other communities, though it would likely take additional time and staff for Milwaukee to do so. City officials stated that they already feel understaffed in terms of assessing their existing properties in the city. They questioned whether it would be possible to ramp up to take on other communities’ assessments without affecting the quality of their work. Further, in interviews with the in-house assessors in each municipality, they all cited the difficulty of retaining the highly skilled staff needed to do the work of valuing properties.

Municipalities with Contract Assessors

In our survey, the other 16 communities in Milwaukee County said they contract for assessment services with one of several private firms. Five cities and villages contract with Accurate Appraisal, four with Associated Appraisal Consultants Inc., four with Tyler Technologies, and one each with Forward Appraisal, Catalis Tax & CAMA, Inc., and Affiliated Property Valuation Services (see Figure 9). In interviews, Tyler Technologies and Accurate staff said that both companies were interested in taking on additional clients in Milwaukee County. An Affiliated executive said his company was not interested in taking on a group of new clients in the county and Associated did not respond to interview requests.

Fig. 9: Communities Contract With Several Property Assessment Providers
Number of Milwaukee County municipalities by provider



Source: Wisconsin Policy Forum survey of municipalities

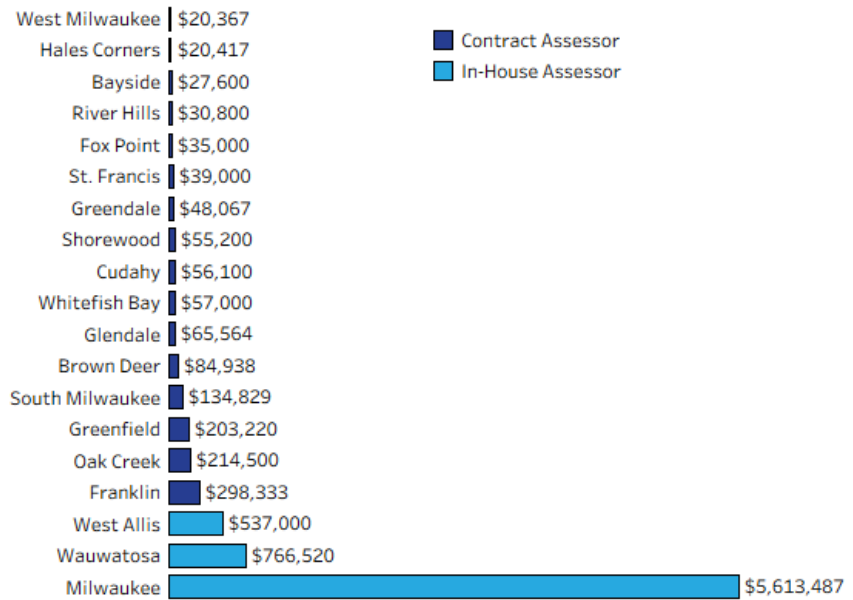


Community Comparisons

The annual costs of assessment vary widely by community, from \$5.6 million for Milwaukee to just over \$20,000 for West Milwaukee and Hales Corners, as Figure 10 shows. Because costs can vary year by year for communities with contract assessors due to cycles of full revaluations and maintenance assessments, we calculated average annual spending over the life of their contracts to ensure better comparisons across communities. This lopsided breakdown of costs is unsurprising given what we have already seen about the unequal distribution of parcels and property values across the different municipalities, but it further demonstrates the sharp differences in the scale of assessment operations by community.

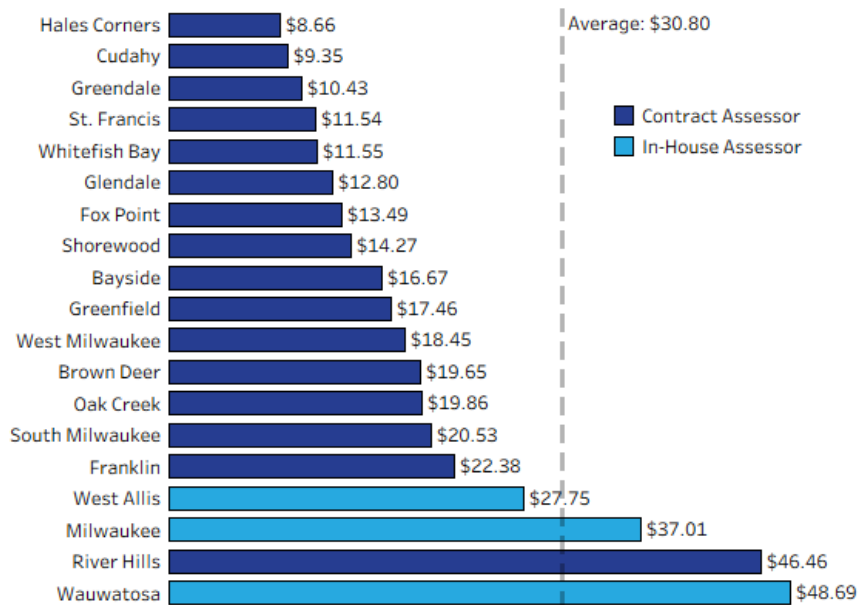
To provide a more nuanced comparison of spending across communities of different sizes, we next show the average annual assessment spending per parcel among the municipalities. As Figure 11 shows, costs per parcel varied widely, from Wauwatosa at more than \$48 per parcel to Hales Corners at less than \$9. The average for all communities in Milwaukee County was \$30.80 but that was heavily influenced by Milwaukee, which has the most parcels and spends more per parcel because of its in-house approach to

Fig. 10: Assessment Costs Range Widely for Milwaukee County Communities
Average annual cost* for property assessment by municipality



Source: Municipalities' Survey Responses; *cost does not include legal fees.

Fig. 11: Assessment Costs Per Parcel Generally Higher for In-House Assessors
Average annual assessment cost* divided by number of land parcels by municipality



Sources: WI Department of Revenue and survey responses by municipality; * does not include legal costs.



assessment. The average was much lower for municipalities with contract assessors at \$16.77 per parcel. A variety of factors appear to play a role in this variation, including the types of property in a community and the approach to assessment such as the frequency of full revaluations and contract or in-house assessors.

As noted, Wauwatosa has many commercial properties and an approach of defending its assessor’s valuations. That stance can lead to more appeals and litigation by commercial property owners in the city, as we see in the next section, and this can add costs both during the assessment process and afterward. River Hills has little commercial property, but is very small and also has larger and more costly residential properties, making them somewhat more difficult to value than typical homes.

In addition, some municipalities in the county such as Bayside, Oak Creek, Franklin, and Brown Deer seek to set all assessments at market value each year or in most years through interim market or full revaluations. This additional effort toward accuracy is likely reflected in their greater spending per parcel, at least among communities with contract assessors. Others such as Hales Corners and St. Francis perform only maintenance assessments in most years, and their lower spending may reflect their willingness to accept values that may be further from market prices in exchange for lower costs.

This rule is not perfect, however, since some communities like Cudahy attempt to reflect market values annually yet spend less per parcel. The variation in spending certainly reflects in part differences in the level of service, but it also suggests there may be some opportunity for communities to achieve either better pricing or quality levels in their assessments.

Table 2: A Look at Property Assessment Contracts in Milwaukee County

Municipality	Contract Length	Number of Revaluations Included	Contract Ends	Annualized Contract Cost	Additional Costs	Total Annualized Cost
Bayside	6	6	2031	\$27,600		\$27,600
Brown Deer	5	2	2028	\$75,000	software, in-house staff	\$84,938
Cudahy	4	2	2026	\$56,100		\$56,100
Fox Point	5	2	2030	\$35,000		\$35,000
Franklin	3	1	2026	\$283,333	software	\$298,333
Glendale	5	3	2030	\$65,564		\$65,564
Greendale	3	2	2026	\$45,567	software	\$48,067
Greenfield	3	1	2028	\$196,500	software	\$203,220
Hales Corners	6	1	2027	\$19,817	software	\$20,417
Oak Creek	3	3	2028	\$214,500		\$214,500
River Hills	3	1	2027	\$30,800		\$30,800
St. Francis	4	1	2028	\$39,000		\$39,000
Shorewood	4	2	2025	\$55,200		\$55,200
South Milwaukee	4	1	2028	\$82,250	in-house staff	\$134,829
West Milwaukee	3	1	2026	\$20,367		\$20,367
Whitefish Bay			2025	\$57,000		\$57,000
Total				\$1,303,598		\$1,390,935

Source: Municipal survey responses



Next, Table 2 on the previous page shows some of these same details for the municipalities that contract for assessment, along with additional information such as the length of their contract, the date of the contract's end, and additional costs paid by the municipality for assessment (not including legal expenses). As noted earlier, the cost and length of the assessment contracts, and the number of revaluations vary widely.

Appeals Process

If property owners disagree with their assessment, they can attempt to show that it is out of line with market values in a way that is different from other similar properties in the municipality. They would generally do so by filing an objection with their local Board of Review (BOR). Cities such as Milwaukee have an additional layer in the process prior to the BOR that is called the Board of Assessors. If unsuccessful at the BOR level, the owner could appeal the decision to either county circuit court or, except in the case of Milwaukee, to the DOR.

The local Boards of Review in Milwaukee County typically have between five and eight members. In some municipalities such as South Milwaukee, the board members are required to be residents who are not city employees or elected officials. In others such as Fox Point, staff and officials such as the village president, manager, and clerk are part of the board.

The costs directly associated with board members vary widely throughout the county. In some communities, board members are paid an annual amount while others are paid per meeting. At the low end, in some communities such as Whitefish Bay, Board of Review members are not paid at all, while the highest rate in the county is in the city of Milwaukee, where board members are paid \$7,280 per year and the board chairman is paid \$8,242. For total costs, St. Francis reported only minimal expenses of under \$1,000 for their Board of Review beyond what they already pay their contract assessor, while the city of Milwaukee estimated tens of thousands of dollars in costs from paying its board members and \$50,900 for the board's clerk to do related work.

The boards in some municipalities such as St. Francis may hear only a handful of objections even in a full revaluation year that result in only one or two changes or even none. In Milwaukee, on the other hand, there were 2,301 objections in 2024 and nearly 3,000 objections in 2025 that went to the Board of Assessors, which is staffed by employees of the assessor's office who hear initial claims in the state's largest city before they go to the Board of Review. In 2024, 1,119 objections to the Board of Assessors in Milwaukee were sustained. The 2024 Board of Review was still hearing cases at the time of our survey, with 31 cases out of 174 having been sustained at that time.

In short, there is substantial variation in the Board of Review composition, costs, and workload by community in Milwaukee County, and some of those differences are due to local ordinances and to a lesser extent state law. Those differences suggest that it might be difficult to try to consolidate Board of Review functions across municipalities and, even in the case of consolidated assessment services, it might be better to leave those boards as they are.



A REVIEW OF OTHER OPTIONS

As we have seen, the current approaches to property assessment vary widely among communities in Milwaukee County. Some municipalities spend very little on ensuring accurate property values in their territory, while others spend substantially more. Some municipalities seek to set property assessments at market values each year and conduct annual revaluations while others let several years go after each revaluation and let assessed and market values diverge by much larger amounts.

There are clearly challenges inherent within the current system, including a patchwork of assessment practices that is likely confusing to the public, a limited number of contract assessors serving the communities of Milwaukee County, difficulties for both in-house and contract assessors in attracting staff, and questions about whether the data on individual properties is up to date and accurate in all communities and whether assessments are updated frequently enough to capture important changes in the market for different classes of property and neighborhoods.

Here, we attempt to come up with policy options for improving the current system, with an emphasis on ensuring greater accuracy and uniformity over holding down costs. In addition to a formula for allocating costs, the options we examine include partnerships of two or more municipalities sharing in-house or contract assessors and a commission that would serve a number of municipalities in the county. In doing so, we focus more on options that would be likely to appeal to municipal leaders and residents willing to spend somewhat more on assessment in exchange for higher quality.

For municipalities that prioritize lower cost over all else, they are already paying less than half the annual cost of a trained assessor, and given the current technology and law, it would be difficult to deliver lower costs without shirking their legal responsibilities. However, we still attempt to provide some low-cost options in recognition of the substantial financial constraints on local governments in Milwaukee County. Ultimately, one of the keys to the success of any potential partnership between municipalities will be a strong agreement among them over the right balance to strike in the tradeoff between cost and quality in their assessments.

In our modeling, we include only the costs for the assessor to fulfill their role with each existing local Open Book and Board of Review process. Given the relatively low cost and substantial variation in the appeals process by community, it appears more reasonable to let each community handle that function separately and not attempt to merge the separate Boards of Review.

We did not model the cost of countywide assessment for multiple reasons. First, Milwaukee County officials, while helpful in our analysis and open to the discussion, expressed no strong interest in taking over the function for municipalities and noted they do not have true expertise in assessment work at present. In addition, municipal officials expressed concern about the county assuming the assessment work and said they would be very reluctant to support such an approach.

Creating a Potential Milwaukee County Assessment Commission

The first option examined would be to organize a group of Milwaukee County municipalities that would pool their resources to form a voluntary consortium that would take on the task of assessing



properties within the members' territory and in turn contract with them and charge them for the service. We modeled this option after the Milwaukee Area Domestic Animal Control Commission (MADACC) – the entity that has provided animal control services such as a shelter for the county's 19 municipalities for more than two and a half decades. Though the basic services of animal control and property assessment are completely different, we believe the structure and governance model could still be used effectively.

Like MADACC, we envision this Milwaukee area assessment commission as having a board made up of one leader each from the member municipalities – MADACC's board members are generally either administrators, mayors, municipal board presidents, or other high-ranking staff in their relevant local governments. MADACC's large full board isn't easy to bring together so it meets twice each year – once in October to vote on a budget and again in April to approve its annual audit. The Commission has a small Operations Committee of seven board members – including two representatives from the city of Milwaukee – who meet monthly to provide more regular guidance and oversight. A similar approach could also work reasonably well for the property assessment commission, with an operations committee whose size would depend on the number of municipalities in the commission.

MADACC is not attached to any local government for administrative purposes and instead uses both its own limited staff and contractors to handle its administrative and back-office tasks such as its website, payroll, and accounting. The commission has a bookkeeper who inputs the payroll and codes transactions as well as an outside payroll entity, an accountant, and an independent auditing firm. MADACC employees participate in the Wisconsin retirement system just as the employees of its municipal members do. Once again, we think the property assessment commission could take a similar approach.

Initially, MADACC's members had to agree to participate in and fund the commission for five years and now must give two years' notice before leaving the organization. The board of the assessment commission would have to set the minimum length of the membership period, but a substantial amount of time would be necessary to give the commission an adequate runway and stability in its early years. For that, a minimum of five years if not longer would be preferable.

MADACC bills its members based on the intake of animals from each municipality averaged over three years. The board of the proposed assessment commission likewise would have to agree on a formula for allocating the charges for its services, but we have laid out the basics for a potential formula in the section "Allocating Costs Between Partnering Municipalities."

We have modeled what the costs of such an assessment commission would look like based on several approaches: one to provide in-house assessment by the commission that would substantially improve the quality and accuracy of assessment in the member municipalities; another to provide in-house assessment with some improvement; a third in-house approach to provide more modest improvements; and a fourth option in which the commission would contract for assessment and simply attempt to obtain some savings and bring a more informed and vigorous oversight to the work by a vendor. We believe our estimates to be reasonable and comprehensive. However, they should be treated as an approximation given that to our knowledge there is no equivalent public assessment entity in Wisconsin that handles multiple communities and that we could use as a model for our cost estimates.



For both in-house assessment options, we posit that the commission would serve a group of municipalities that have prioritized greater accuracy and more frequent revaluations and have been willing to pay more for that either through their own assessor or a contract firm. We have chosen communities that appear to fit this approach but stress that the Forum chose this group for modeling purposes only and it does not reflect any commitment by municipal leaders. The group includes two municipalities with in-house assessors – West Allis and Wauwatosa – and six municipalities that currently contract for assessment (Bayside, Brown Deer, Franklin, Oak Creek, River Hills, and South Milwaukee). We posit that Milwaukee would not initially participate in the assessment commission, though it does participate in MADACC.

To model the costs of in-house assessment, we looked at the costs in six Milwaukee and Dane County municipalities that handle their own assessments, adding the greater Madison communities to provide more data from another large urban area. We examined their budgets and where applicable their survey responses for their staffing and expenditure levels, which included all costs – from personnel salaries and benefits to administrative costs such as software licenses.

As Table 3 shows, the costs per parcel for in-house assessment vary somewhat as do the number of parcels per staff member in each assessor’s office. However, these six in-house assessors spend an average of \$42 per parcel for property assessment and on average employ one full-time staffer for each 3,322 parcels within their municipality. These budgeted figures are not perfect – for example the budgeted figures for the Sun Prairie assessor’s office below do not include about \$10,000 for the compensation of a clerical staff member who is paid out of another department’s budget. Fitchburg also has lower ratios of parcels per staff member. However, modest changes to the cost data for any one community do not greatly affect the ultimate findings very much. Dropping Fitchburg, the biggest outlier, changes the parcels per staffer by less than 3%.

The staffing ratios would yield a large enough staff for the assessment commission that it could hire the staff of the two existing assessor’s offices in Wauwatosa and West Allis without much trouble, which should alleviate concerns about these workers losing their employment. Readers should note that these operating cost estimates may not include certain one-time costs such as the transfer of data for each municipality to the new commission.

Table 3: A Look at In-House Assessment Costs and Staffing in Milwaukee and Dane Counties

Municipality	Land Parcels	Assessment Costs	Cost per Parcel	# of Assessor Positions	Cost per Position	# of Parcels Per Position
Sun Prairie	11,784	\$576,800	\$48.95	4	\$144,200	2,946
Madison	76,507	\$3,772,896	\$49.31	26	\$145,111	2,943
Milwaukee	151,672	\$5,613,487	\$37.01	41	\$136,914	3,699
Wauwatosa	15,743	\$766,520	\$48.69	5.6	\$136,879	2,811
West Allis	19,350	\$537,000	\$27.75	4	\$134,250	4,838
Fitchburg	9,307	\$675,390	\$72.57	5	\$135,078	1,861
Total or Average	284,363	\$11,942,093	\$42.00	85.6	\$139,510	3,322



To model the costs for our hypothetical commission and its eight municipalities, we started by applying these average cost and parcel count figures to the communities in the table below. Using this method, we find a total of roughly \$3 million a year for the assessment costs of the commission, which would not include some of the additional costs such a stand-alone entity would have such as accounting and human resources. The cost in Table 4 is 45% more than the \$2.1 million that the eight municipalities currently spend on assessment. Though River Hills and Wauwatosa could see a cost decrease given their own higher spending at present, most communities would pay more. In turn, however, they would also see an improved and more stable service. The numbers would look somewhat worse if one adds the additional \$100,000 to \$200,000 that is needed to cover the administrative costs of the stand-alone commission. The numbers would also look different if the costs were allocated to communities in a more sophisticated way, as we will do later.

Table 4: Potential Costs and Staffing for a Milwaukee County Property Assessment Commission

Municipality	Current Provider	Land Parcels	Current Annualized Cost	Current Cost per Land Parcel	Cost at Average Rate of \$42 per Parcel	Change in Costs	# of Positions Needed at 3,322 Parcels Each
Bayside	Contract	1,656	\$27,600	\$16.67	\$69,552	152%	0.50
Brown Deer	Contract	4,323	\$84,938	\$19.65	\$181,566	114%	1.30
Franklin	Contract	13,329	\$298,333	\$22.38	\$559,818	88%	4.01
Oak Creek	Contract	10,798	\$214,500	\$19.86	\$453,516	111%	3.25
River Hills	Contract	663	\$30,800	\$46.46	\$27,846	-10%	0.20
South Mke	Contract	6,568	\$134,829	\$20.53	\$275,856	105%	1.98
Wauwatosa	In-House	15,743	\$766,520	\$48.69	\$661,206	-14%	4.74
West Allis	In-House	19,350	\$537,000	\$27.75	\$812,700	51%	5.82
Total/Average		72,430	\$2,094,520	\$28.92	\$3,042,060	45%	21.80

By creating such a commission, the communities would likely benefit from more timely, accurate and uniform assessments, more data on properties such as commercial parcels, greater expertise and specialization among staff, greater responsiveness to the concerns of property owners, and the resources that would allow for long-term thinking such as working with local higher education institutions to help establish a pipeline of potential candidates to become assessors – a major need identified by our interviews. For example, this approach would likely support a process to bring property values in each member community up to market prices every other year. The main drawback of the commission under this model would be the cost.

To test our simple cost model, we fashioned a potential staffing plan and budget for the assessment commission by looking at the salary ranges for assessment staff in Milwaukee and Madison and the staffing levels and positions in the other four assessor’s offices in Milwaukee and Dane County municipalities. In general, we estimated salaries by both factoring in actual salaries where possible as well as salary ranges for equivalent positions. Our staffing plan and costs are shown in Table 5 on the next page.

We next looked at the administrative costs for both MADACC and larger in-house assessor’s offices for Madison and Milwaukee. We considered both general costs that would apply to a stand-alone



commission such as rent, accounting, payroll, and auditing as well as assessment specific costs such as software to manage property data. We estimated these costs as running between \$450,000 and \$700,000, which would yield a total annual cost for the commission of between roughly \$3 and \$3.25 million, or an amount that was similar to our simplified estimate. Obviously, it is difficult to estimate the costs of a hypothetical assessment commission when no such entity exists in Wisconsin, but it is notable that the two different approaches yielded similar results.

Table 5: Staffing Plan and Costs for a Milwaukee County Property Assessment Commission

Title	Count	Estimated Salary Per Position	Cost Including Benefits Per Position	Total Cost of All Positions
Top Assessor	1	\$150,269	\$202,864	\$202,864
Deputy Assessor	1	\$125,000	\$168,750	\$168,750
Business Systems Manager	1	\$116,000	\$156,600	\$156,600
Modeler/Data Analyst	1	\$90,000	\$121,500	\$121,500
Clerk	1	\$50,000	\$67,500	\$67,500
Commercial Assessor 3	1	\$96,118	\$129,759	\$129,759
Residential Assessor 3	1	\$79,383	\$107,167	\$107,167
Commercial Assessor 2	1	\$90,193	\$121,760	\$121,760
Residential Assessor 2	1	\$74,447	\$100,504	\$100,504
Commercial Assessor 1	3	\$84,452	\$114,011	\$342,032
Residential Assessor 1	11	\$69,865	\$94,318	\$1,037,495
Total	23			\$2,555,931

Less Expensive Models

Arguably, the simple and more detailed models presented so far may overstate the costs of switching to the model of a commission doing in-house assessment. For one, our calculations factored in the cost of maintaining the lead assessor from all six communities included in our cost model, even though a consortium serving eight communities would need only one top official.

Our cost calculations also included only one community, Milwaukee, with the kind of scale that our hypothetical consortium would have. Milwaukee, notably, has a ratio of one full-time assessment position for every 3,699 properties, somewhat more than the average of 3,322 positions across our six Dane and Milwaukee County communities. West Allis has an even higher ratio of 4,838 parcels per assessment position. Milwaukee also has many more complex commercial properties than the typical community served by our hypothetical consortium.

For those reasons, policymakers might see it as reasonable to think that the consortium could serve its territory with a much higher ratio of one full time staff for every 4,000 parcels. Using that ratio and the average position cost of \$139,510 from our previous calculations, the total assessment costs for a commission with a staff of 18 would total \$2.5 million, or 20.6% more than the current combined costs of the communities included (see Table 6 on the next page). Based on a limited review, we might also consider that the commission could get by with no more than \$150,000 in stand-alone administrative costs.



Notably, the [2026 Wisconsin Property Assessment Manual](#) in Section 3.3 gives an example of staffing ratios for a city or village that work out to just over 3,500 parcels per assessment staff member per year. That ratio falls within the range independently calculated by the Forum and provides some further confirmation that our models are at least reasonable.

Table 6: A Less Expensive Estimate of Costs for a Milwaukee County Assessment Commission

Municipality	Current Provider	Land Parcels	Current Annualized Cost	Change in Costs	# of Positions Needed at 4,000 Parcels Each	Cost at \$139,510 Per Position
Bayside	Contract	1,656	\$27,600	109.3%	0.4	\$57,757
Brown Deer	Contract	4,323	\$84,938	77.5%	1.1	\$150,776
Franklin	Contract	13,329	\$298,333	55.8%	3.3	\$464,884
Oak Creek	Contract	10,798	\$214,500	75.6%	2.7	\$376,608
River Hills	Contract	663	\$30,800	-24.9%	0.2	\$23,124
South Milwaukee	Contract	6,568	\$134,829	69.9%	1.6	\$229,076
Wauwatosa	In-House	15,743	\$766,520	-28.4%	3.9	\$549,078
West Allis	In-House	19,350	\$537,000	25.7%	4.8	\$674,882
Total		72,430	\$2,094,520	20.6%	18.1	\$2,526,185

This approach yields more manageable costs for at least some of the municipalities within the consortium and, as such, it may appear more feasible for the communities to adopt this approach. However, it is worth noting that there would be tradeoffs in terms of the commission, its staffing, and the quality of its work. For example, perhaps it might only be possible to bring assessed property values into line with market values every third year, instead of every other year. Table 7 shows what the difference in staffing might look like without factoring in administrative costs:

Table 7: Less Costly Staffing Plan for a Milwaukee County Property Assessment Commission

Title	Count	Estimated Salary Per Position	Cost Including Benefits Per Position	Total Cost
Top Assessor	1	\$150,269	\$202,864	\$202,864
Deputy Assessor	1	\$125,000	\$168,750	\$168,750
Business Systems Manager	1	\$116,000	\$156,600	\$156,600
Clerk	1	\$50,000	\$67,500	\$67,500
Commercial Assessor 3	1	\$96,118	\$129,759	\$129,759
Residential Assessor 3	1	\$79,383	\$107,167	\$107,167
Commercial Assessor 2	1	\$90,193	\$121,760	\$121,760
Residential Assessor 2	1	\$74,447	\$100,504	\$100,504
Commercial Assessor 1	2	\$84,452	\$114,011	\$228,022
Residential Assessor 1	9	\$69,865	\$94,318	\$848,860
Total	19			\$2,131,785

However, the models presented so far may still be too costly to be adopted by most communities. For that reason, we formulated a final model that pushes toward the limits of what an in-house assessment office could handle. Table 8 on the next page shows the estimated costs of a



commission with one full time assessment position for every 5,000 land parcels, or somewhat more than West Allis staff now average. This results in a staff of 14.5 positions and an annual cost of \$2.0 million, which would be a decrease of 3.5% in the combined annualized costs of the eight municipalities in this hypothetical commission.

After adding the \$100,000 to \$200,000 in administrative costs, individual municipalities would experience a range of cost changes dependent on their current expenses and the method of allocating costs. As in our previous examples, the costs in Table 8 are allocated by a simple proportion of land parcels in each participating community.

While the lower costs of this leaner commission staff might be more palatable for communities, there would be tradeoffs in terms of its assessment work. It would likely only be possible to bring assessed property values into line with market values every third year, instead of every other year, and there might be more delays in accomplishing some tasks.

Table 8: The Least Expensive Estimate of Costs for a Milwaukee County Assessment Commission

Municipality	Land Parcels	Current Annualized Cost	Change in Costs	# of Positions Needed at 5,000 Parcels Each	Cost at \$139,510 Per Position
Bayside	1,656	\$27,600	67.4%	0.3	\$46,206
Brown Deer	4,323	\$84,938	42.0%	0.9	\$120,620
Franklin	13,329	\$298,333	24.7%	2.7	\$371,906
Oak Creek	10,798	\$214,500	40.5%	2.2	\$301,286
River Hills	663	\$30,800	-39.9%	0.1	\$18,499
South Milwaukee	6,568	\$134,829	35.9%	1.3	\$183,260
Wauwatosa	15,743	\$766,520	-42.7%	3.1	\$439,261
West Allis	19,350	\$537,000	0.5%	3.9	\$539,904
Total	72,430	\$2,094,520	-3.5%	14.5	\$2,020,942

Ultimately, property assessment involves some risks including litigation, rapid changes in values due to recessions or other economic disruptions, and staffing challenges. A centralized assessment commission would have more resources to address risks but also could increase the extent of the challenges in Milwaukee County if it failed to do so. Having lower staffing levels might make it harder for the commission to respond to issues such as a real estate downturn or a rise in litigation.

Consortium Model Using a Contract Assessor

It appears inevitable, however, that operating a consortium to handle property assessment in-house would be more expensive for most communities since most have contractors handling this service at present – a less costly if imperfect approach. If communities preferred to stick with an outside vendor, they could still achieve some economies of scale by having the consortium handle the contracting and oversight.

The consortium could still employ an assessor to oversee the contractor and a clerical staffer to handle other work such as coordinating the gathering of data on municipal properties by staff in the



member communities and helping coordinate the Open Book process, fielding inquiries from the public, and bidding out and evaluating the work of assessment.

With this approach, the member communities would gain a more knowledgeable staff person that could provide real oversight of the assessment process. The vendor would also gain a larger client base and would be able to gather more data and devote more staff to Milwaukee County and develop more expertise in the particular conditions in the area.

The smaller commission could be housed within an existing municipality and be attached administratively to that local government, saving on rent, payroll, accounting, auditing, and other costs. Such a commission might be operated for as little as \$350,000 to \$400,000 in personnel and administrative expenses, plus the cost of its assessment contract.

In interviews, the staff of both Accurate and Tyler Technologies said that they would be interested in bidding on such an opportunity to serve multiple communities at once and said that there would likely be some savings for municipalities over the costs they would pay on their own. We think these savings might reach 10% or even somewhat more than that. These savings should be able to cover a substantial portion of the added costs of a consortium and its director.

More municipalities might be willing to adopt this model since it would cost less than an in-house approach. However, some municipalities such as Wauwatosa and West Allis would be less likely to adopt a contracted model because it would mean dropping their current in-house approach to assessment and would impact their staff and potentially the perceived quality of their assessments.

Partnerships Between Municipalities Using In-House Assessors

Though the assessment commission may offer substantial benefits in terms of enabling true specialization in property valuation, it also requires the establishment of an independent entity with significant additional costs. Another option is to examine whether a municipality could take on the work of assessment for one or more of its neighbors and charge them for the service. Although this approach would generally require additional hiring, it would not require the creation of any additional entity or administrative apparatus and might deliver a better value in certain situations.

Here we first model whether a municipality with an in-house assessor such as Wauwatosa or West Allis could take on four smaller communities with contract assessors at present: West Milwaukee, Bayside, Brown Deer, and River Hills. These communities were mainly chosen because they are small and have a similar emphasis on more frequent revaluations and average or greater costs. If we assume that each additional assessment staffer could handle about 4,000 parcels (the high end of the range in our data from in-house assessors), then these four municipalities could be assessed by bringing on just under two additional full-time staff in either the West Allis or Wauwatosa assessor's office.

Wauwatosa and West Allis have a similar budget per assessment position of \$135,564 including all costs (salary, benefits, administration, software, etc.) Applying this cost to the 1.94 additional staff positions, this model yields a total cost of \$262,520 for the four communities – a 60.4% increase over the \$163,705 these municipalities currently pay their contract assessors (see Table 9 on the next page).



Table 9: Costs to Have Either Wauwatosa or West Allis Assessor Take on Four More Municipalities

Municipality	Land Parcels	Current Annualized Cost	Change in Costs	# of Positions Needed at 4,000 Parcels Each	Cost at \$135,564 Per Position
Bayside	1,656	\$27,600	103.3%	0.41	\$56,124
Brown Deer	4,323	\$84,938	72.5%	1.08	\$146,511
River Hills	663	\$30,800	-27.0%	0.17	\$22,470
West Milwaukee	1,104	\$20,367	83.7%	0.28	\$37,416
Total	7,746	\$163,705	60.4%	1.94	\$262,520

These figures may be somewhat low since they do not provide any explicit recompense for either Wauwatosa or West Allis to take on this task, which they might require. They also cover the great majority but not all of the \$271,128 in costs for hiring two positions at the average rate. The numbers also come with some padding, because they include some administrative costs that would not necessarily be duplicated under such a partnership. There would also be some questions to resolve in terms of cost, such as whether or not Wauwatosa or West Allis would need to purchase any additional software to take on these additional duties. There might also be one-time costs such as for data transfer.

This approach would likely yield some improvements in accuracy and quality of service and would also be simpler to launch than an assessment commission – adding just one small municipality to either Wauwatosa or West Allis would be relatively straightforward. The drawback, as noted previously, is that any transition from a contract to an in-house model would involve extra cost.

Another option would be to combine the in-house assessor’s offices in Wauwatosa and West Allis. This approach would allow the two municipalities to have access to a larger amount of data as well as allow for greater specialization among staff in assessing specific types of properties. We have not modeled such a partnership because neither city at present has stated an interest in such a move and it would likely produce only a limited amount of savings. But it could improve the quality of assessments and might also be employed if one of the two municipalities lost its top assessor and had difficulty replacing that official.

Partnerships Between Municipalities Using Contract Assessors

Given that cost is a major obstacle to partnerships focused on in-house assessment, municipalities could also consider jointly contracting with one another to arrive at a lower price or more favorable terms. As with in-house assessment, a major consideration would be what level of cost and quality the municipalities prefer, including the number of years between full revaluations.

In analyzing this possibility, we examined factors such as geographic location, the existing contractors, current costs, and approaches to assessment among the municipalities in the county to identify good potential matches. Although neighboring municipalities in isolation might seem to be the best potential partners, assessors we interviewed indicated that it would be tough for municipalities to partner with one another if they will not revalue properties on the same schedule. In that scenario, the collaboration would be difficult for scheduling and cost-splitting. Partnerships



based on current contractor relationships also appear to be the easiest to negotiate because they would require the least change for the municipalities and contractors involved.

At present, the communities of Bayside, Cudahy, and Shorewood all use Accurate Appraisal and have a similar past approach of revaluing properties either annually or every other year to bring them into line with market values. The current costs per parcel are also similar for the Bayside and Shorewood contracts, though the Cudahy contract is substantially less per parcel. The city of Franklin would have formerly fit into this group but no longer does following its legal dispute with Accurate and shift to a new assessment firm.

The communities of West Milwaukee, Hales Corners, and St. Francis all use Associated Appraisal and all have a similar past approach of waiting at least several years between full revaluations. Their current cost per parcel figures are admittedly somewhat different but not radically so.

The communities of Oak Creek, Greendale, South Milwaukee, and River Hills all use Tyler Technologies. Oak Creek and South Milwaukee are close geographically and have a similar cost per parcel. Greendale's cost per parcel is lower than the others in the group, while River Hills' cost is substantially higher.

It was not possible to model the potential savings or improvements in contract terms for these hypothetical partnerships since the Forum does not have access to detailed information about the costs and operations of the private vendors involved. However, the contractors themselves stated in interviews with the Forum that they believed there would be some savings or benefits that could be passed along to municipalities who were willing to enter a joint arrangement with a private assessment firm for a sufficient number of years. The benefits, they said, would include an opportunity for the vendor and its staff to become more familiar with the area, to gain more data on local properties (a particular benefit for commercial properties), and to develop efficiencies in scheduling if the contractor could handle full revaluations for a portion of the partner municipalities in one year, a portion in the following year, and so on.

Allocating Costs Between Municipal Partners

For each of these partnership options, the communities would need a method for allocating costs fairly between them. We have not devoted an extensive amount of work to fashioning such a formula, since at this stage no communities have agreed to such a partnership or even begun discussing one in earnest. Ultimately, the details of a formula for allocating costs would depend in part on the characteristics of the communities involved – similar municipalities with similar needs could use a simple formula, while a more diverse group might require a somewhat more complicated one.

Ideally, the partner communities would agree to a similar level of service such as completing a full revaluation or interim market assessment at the same interval whether that be every other year or every third year. In that scenario, a formula could allocate costs to each municipality based on a combination of several factors, including their total equalized property value, their total number of parcels, and the share of their parcels that are commercial (because these parcels are more expensive to assess).



To demonstrate one possible allocation method, we revisit the values of an eight-member commission with an assessment staff based on one full-time position for every 5,000 land parcels (see Table 8 on page 25.) This scenario is estimated to cost \$2.0 million annually. Table 10 contains the costs for each participating community based on equalized values and parcel counts. In this method, half of the commission’s costs would be allocated based on the municipality’s share of the total equalized value in the partner communities and the other half based on its share of the total number of parcels in the communities. The use of equalized values in this formula helps to account for the complexity of properties, since the commercial properties and large residential properties that are more difficult to value also tend to be more costly.

Table 10: Allocation of Costs Based on Number of Parcels and Equalized Value

Municipality	Current Annualized Cost	Proportion of Land Parcels	Proportion of Equal. Value	Change in Costs	Allocated Costs
Bayside	\$27,600	2%	3%	90.3%	\$52,511
Brown Deer	\$84,938	6%	4%	22.5%	\$104,016
Franklin	\$298,333	18%	20%	31.5%	\$392,225
Oak Creek	\$214,500	15%	18%	55.0%	\$332,441
River Hills	\$30,800	1%	2%	-6.1%	\$28,926
South Milwaukee	\$134,829	9%	6%	11.8%	\$150,684
Wauwatosa	\$766,520	22%	29%	-33.8%	\$507,801
West Allis	\$537,000	27%	19%	15.8%	\$452,338
Total	\$2,094,520	100%	100%	-3.5%	\$2,020,942

As Table 10 shows, the cost allocation method can make a big difference in the amount communities would pay. Other outcomes could also be reached, given that additional steps could be included in the formula to further refine it. The municipalities’ numbers could be averaged over three years to avoid any drastic changes occurring in one year. To account for the higher costs of assessing commercial properties, the portion of the total equalized value among commercial parcels for each community and the number of commercial parcels also could be multiplied by a factor such as 1.8 to give them greater weight.

If the partner communities wished to receive different levels of service such as a different number of years between full revaluations, allocating costs would become much more complex. This represents one reason to avoid any partnership that involves municipalities with different philosophies regarding revaluation schedules.



CONCLUSION

As in the rest of Wisconsin, property assessment in Milwaukee County is a highly localized function that is carried out by 19 separate cities and villages. All of Wisconsin's more than 1,840 cities, villages, and towns are responsible for their own assessments, no matter how small the community. As we have noted, only one other state outside of New England – North Dakota – carries out assessments in such a localized way.

As a result, three Milwaukee County municipalities assess fewer than 2,000 parcels, and one of them – the village of River Hills – has just 663 parcels. Not surprisingly, most of these municipalities find themselves compelled to contract with a handful of private companies to handle their assessments. Only Milwaukee, Wauwatosa, and West Allis employ in-house assessors.

This approach of largely contract assessment offers some advantages. It makes up, at least in part, for the lack of economies of scale at the municipal level through the use of mid-sized to large companies and delivers quite low costs. In our survey, the leaders of eight municipalities, or almost half, said their annual costs of conducting assessments totaled amounts that worked out to less than \$15 per parcel. Two communities – Hales Corners and Cudahy – reported costs that amount to less than \$10 per parcel, a strikingly low cost when one considers the work involved in gathering a host of details about a property and then using them to accurately assess its value.

Perhaps not surprisingly, assessors and other experts said that this low-cost approach can affect quality. The current system can lead to out-of-date or inaccurate property information and involve inadequate or even in some cases improper methods of valuing property. In one extreme case, one community has sued its contract assessor for allegedly failing to properly value properties. The case is ongoing and the claims are unproven, but it serves as a cautionary tale.

As an alternative, this study lays out a variety of options. The biggest change would involve municipalities voluntarily partnering with one another to form a new commission that would hire its own assessment staff to value properties. This approach could improve the accuracy and uniformity of assessments but could involve a substantial increase in costs for nearly all of the 16 municipalities that currently use a contract assessor. A similar tradeoff would result from potential partnerships between two or three municipalities to start handling their assessment in-house.

Another option would be for communities to stick with a contract assessor but pool their buying power to achieve a greater economy of scale. This could allow for greater oversight of the contracting and assessment process, and assessment companies agree it would likely result in some savings (or improved service) over municipalities' already low costs for assessment. However, this approach would not necessarily resolve local leaders' concerns about the contract assessment model.

Ultimately, municipal leaders must determine their preferred approach for meeting their legal and constitutional obligation to value property accurately and uniformly. Whether they opt to do that with an in-house or contract assessor, there appear to be potential gains from working with neighboring communities to implement that approach. We hope this study will help local leaders and taxpayers as they seek both to limit the tax dollars that are spent to assess property values and to ensure that the tax levy is distributed and collected fairly.

