

## UNDERSTANDING THE VILLAGE OF SUAMICO 2020 REVALUATION AND YOUR ASSESSMENT

### Why perform a revaluation?

As the majority of the assessments in the Village have not changed since 2009, the overall level of assessment, also known as assessment ratio, fell below 90% for assessment year 2019. That is to say, the average assessment was less than 90% of market value as of January 1, 2019 according to the Wisconsin Department of Revenue. State law provides for a timetable for a municipality to complete a revaluation once the assessment ratio falls below 90%. The 2020 revaluation will be conducted by the Village's Assessor, Fair Market Assessments, Inc. and will bring assessments back to or near 100% of market value in order to comply with state statutes.

Although assessments will generally be increased, the revaluation will have no impact on the total amount of property taxes collected. This is because the tax levy is determined separately and independently of assessed values. By updating all assessed values to current market conditions, the revaluation will ensure a fair and equitable distribution of the property tax levy among all individual properties.

The 2020 revaluation will take the form of a Market Adjustment, meaning that the assessor will not be physically visiting inside the majority of the properties in the Village, but rather using updated exterior photos and property records as a basis for the attributes and characteristics of each property.

Notices of Assessment will be distributed when the property reviews are complete and new assessed values are determined for each property. Property owners will have an opportunity to discuss the assessed values with a Fair Market Assessment's representative at the Open Book session(s) or ***due to COVID-19, we encourage residents to call the Assessor first at 920.468.9698 weekdays between 8:00am – 4:00pm.*** After the Open Book sessions, property owners will have the opportunity to appeal an assessment to the Board of Review (BOR). The Notices of Assessment will contain the dates and times of the Open Book and BOR meetings.

### What is "Equalized Value"?

The full market value of all taxable property in a municipality, both real and personal. The Department of Revenue each year determines the equalized value.

### What is "Market Value"?

Market value is defined as the amount a typical, well-informed buyer would be willing to pay for a property. The seller/buyer must be unrelated, the seller must be willing, but not under pressure to sell, and the buyer must be willing, but not under any obligation to buy.

### In non-revaluation years, assessments typically reflect a fraction of market value due to the changing real estate market. What is the "Assessment Ratio"?

The relationship between the assessed value and equalized value of all taxable property within a municipality. For example, if the assessed value of all the taxable property in the County is \$13,900,000,000 and the equalized value is \$14,000,000,000 the assessment level would be 98.6%. Assessment Ratio = Assessed Value / Equalized Value.

*Updated 8/3/2020*

What is the "Tax Base"?

The total assessed value of all assessments in the municipality that are subject to local property taxes.

What is the "Tax Levy"?

The total amount of property tax money that a taxing unit (such as the schools, city, county, etc.) needs to raise to provide services.

What is the "Tax Rate"?

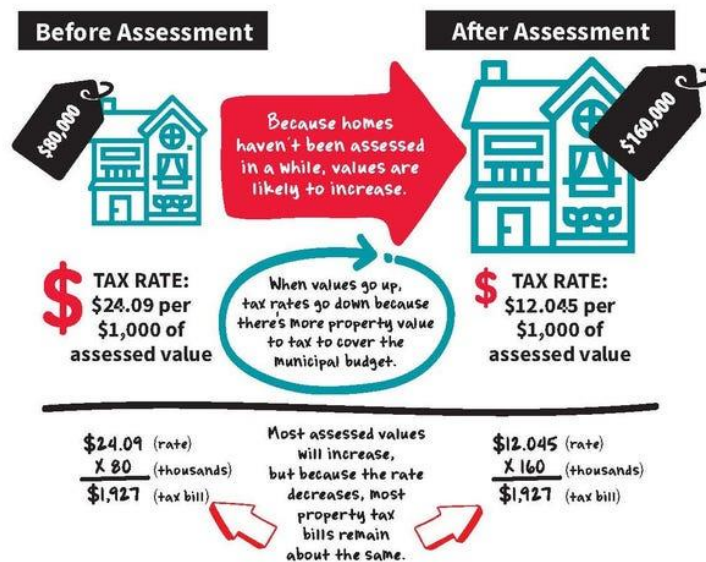
The tax levy (as determined by the taxing bodies) divided by the tax base. It is often expressed in terms of dollars per thousand. The tax rate is multiplied by the assessed value to determine the amount of tax that each property must pay.

How does the assessor value property?

Wisconsin law requires that property assessments be based on Fair Market Value. Estimating the market value of your property is a matter of determining the price a typical buyer would pay for it in its present condition. Some factors the assessor considers are: what similar properties are selling for; what it would cost to replace your property; the rent it may earn; and any other factors that affect value. It is important to remember that the assessor does not create assessed value, but rather interprets what is happening in the market place through real estate sales.

Some of my neighbors have told me the only reason for the reassessment is to raise taxes. Is this true?

No. A reassessment has no impact on the total amount of taxes collected. However, it may change your property's percentage share of total taxes collected to increase, decrease or, have a minimal effect. The graphic below helps to demonstrate this:



Can the assessment on my property be changed even if the Assessor has not been inside my property?

Yes. Existing data that is on file relating to the interior, as well as an exterior view, was used to establish the current assessment.

*How will the revaluation impact my property taxes?*

Revaluation redistributes the existing property tax burden so that all property owners pay their fair share based on the market value of their property. The total amount of taxes levied is completely independent of the overall assessment. Differences in the taxes paid by individual property owners will result from assessments that change more or less than the average. Please remember that the tax levy does not change as a result of the revaluation. Tax levies are established annually by the different taxing authorities (County, Village, school districts, and NWTC).

*Can I determine what the exact impact this revaluation will have on my property taxes?*

The exact amount of your property tax bill will not be known until December and will be based upon the tax levy established by the Village, as well as the other taxing districts.

*What can I do to ensure a fair and reasonable assessed value for my property?*

Inform the assessor of any problems that might affect market value. There will be an opportunity to discuss your assessment with the assessor at Open Book, but you are encouraged to call the assessor first at 920.468.9698. Should you feel your assessment is excessive, you can bring any documentation that supports your opinion of value. Property owners will be notified if there is a change to their assessment. If the discussion with the assessor does not resolve your concerns, a BOR will be held where you can again present recent sales of similar properties or other market value evidence that shows the assessment to be in error.

*How can my assessment change when I haven't done anything to my property?*

General economic conditions such as interest rates, inflation rates, and changes in the tax laws will influence the value of real estate. As property values change in the market place, those changes must be reflected on the assessment roll. Considering current market conditions since the last revaluation, it is likely that your property has increased in market value since 2009.

*Do all assessments change at the same rate?*

No, not necessarily. There are differences between individual properties and between neighborhoods. In one area, the sales may indicate a substantial increase in value in a given year. Yet in another neighborhood for example, there may be no change in value, or even a decrease in property values. Different types of properties within the same neighborhood may also show different value changes. For example, one-story houses may be more in demand than two-story houses, or vice versa. Older homes in the same area may be rising in value more slowly than newer homes. Perhaps the older style homes that have been traditionally selling low are now selling much higher. There are numerous factors to be considered in each property, which will cause the values to differ. Some of the factors which can affect value are: location, condition, size, quality, number of baths, number of bedrooms, basement finish, garages, overall condition as well as many others.

*Am I required to meet with the Assessor?*

You are not required to meet with the Assessor before appealing to the BOR, although it is highly recommended. Minor errors and misunderstandings can often be corrected by meeting with the Assessor without initiating a formal appeal.

What should I expect if I meet with the Assessor to informally discuss my assessment?

You should ask questions that will help you understand the assessment process and how your assessment was determined. An informal discussion with the Assessor can often resolve a problem prior to a formal hearing before the BOR. Ask the Assessor to show you the records for your property and to explain how your assessment was determined. Ask any questions that will help you understand the assessment process.

What is "Open Book"?

Open Book refers to a period of time (before BOR) when the completed assessment roll is open for examination. This period of time is an opportunity to discuss your property value with the Assessor and provide reason for changing the value, if appropriate. Open Book times have been scheduled and should appear on your Notice of Assessment.

What is the BOR?

The BOR is a court-like body composed of the current Village of Suamico Board. Its function is to decide the validity of the facts presented before it relative to the value of a property. You or your representative must provide testimony to the Board as to your objection to your assessment and prove that your property is inequitably assessed when compared to the general level of assessment within the taxation district. If you choose to appeal to the BOR, you must contact the Village Clerk no later than Monday, August 24.

What evidence do I need to present to the BOR?

State law puts the burden of proof on the property owner to show that the assessment is incorrect. Keep in mind that your evidence must be strong enough to prove that the Assessor's value is incorrect. The Board will consider only relevant testimony given at the hearing. The best evidence for this would be a recent sale or asking price for your property, sales or asking prices for properties similar to yours, or a recent appraisal of your property (1 year). The closer in proximity and similarity the characteristics of comparable sales are to the subject property, the better the evidence.

What happens after the BOR makes its decision?

The Village Clerk will give you a notice of the Board's decision at the conclusion of your hearing. If you do not agree with the Board's determination, the notice will contain information on how you may appeal the Board's decision.

What is the bottom line?

Assessments are required by state law and are mandatory. The real issue is whether your property is assessed at the statutory required market value. Look at your final assessment after the revaluation. If it appears to be an accurate value when compared to sales of similar property, then it probably is a fair assessment. If, in your opinion, it does not reflect the market value of your property when compared to sales of similar properties, you should talk to our assessment staff. We may be able to provide information or take further actions to resolve your concerns.

**If you have any further questions, please call our Assessor (Joe or Mike Denor with Fair Market Assessment, Inc.) at 920.468.9698.**