PROPERTY VALUES AND TAXES IN SOUTHEAST WISCONSIN

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INTRODUCTION

This report is an annual Public Policy Forum publication that analyzes property values and property taxes within the seven-county southeast Wisconsin region. The report measures trends in property values – an important indicator of our region's economic health – and then examines how those trends impact the capacity of local governments and school districts to generate local revenues.

This year's report first analyzes two years of regional data on property values (2013 and 2014), with specific consideration of multi-year trends. In previous years, we have examined property value data only from the prior year, as those valuations are used to determine property tax levies in the current year (e.g. valuations as of January 1, 2013 were used to determine property tax levies in 2014 municipal, county, and school district budgets). In this year's report, because of the availability of valuation data for 2014 – and because of the noteworthy nature of that data – we analyze both years.

After presenting data on property values in the region, we next examine 2014 budgeted tax levies and tax rates of southeast Wisconsin counties, municipalities, and school districts. This examination allows us to explore the relationship between 2013 valuations and 2014 taxes, and to offer observations on trends and policy implications.

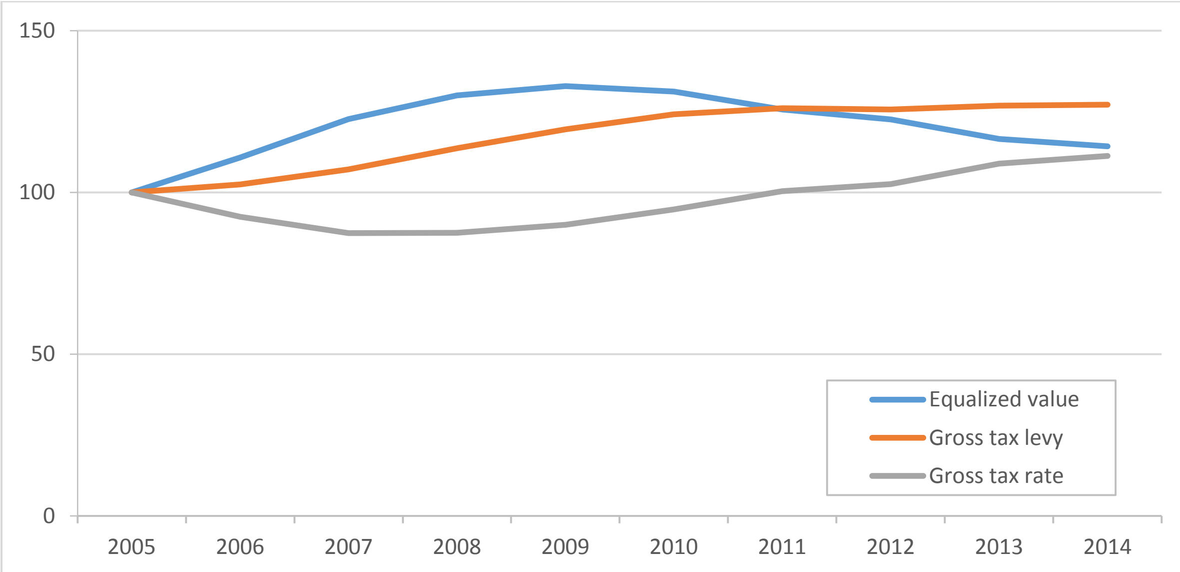
In recent years, our annual analyses have focused on the steady decline in regional property values that began after the 2008-09 recession. This decline created several challenges for local policymakers, including pressure to adopt corresponding increases in property tax rates.

In this year's report, we find that after a fifth consecutive year of decline in 2013, property values in southeast Wisconsin collectively grew by 2.6% in 2014. That should ease the pressure on property tax rates next year, but the need to accommodate the declining values in 2013 caused the regional tax rate to grow by 2.2% in 2014. The aggregate gross property tax rate in southeast Wisconsin is now $23.93 per $1,000 of assessed value, which is an increase of $0.51 per $1,000 from 2013.

With regard to property tax levies (i.e. the amount of property tax generated by the property tax rate), the region's overall gross levy grew by a slim 0.2% in 2014. This compares to an increase of 1% in 2013.

Chart 1 shows the aggregate equalized property values, gross tax levy, and gross tax rate for southeast Wisconsin indexed to 100 in 2005. The hypothetical aggregate gross tax rate for the region has been steadily increasing since 2008, mirroring similar decreases in equalized values. The gross tax levy also steadily increased until 2011, before settling into a trend of only slight growth (and even a decline in 2012).

Chart 1: Ten-year southeast Wisconsin aggregate property valuation, aggregate gross tax rate and aggregate gross tax levy, indexed to 100



Major Findings

- After declining for a fifth consecutive year in 2013, total equalized property values in southeast Wisconsin rebounded in 2014, growing by 2.6%. Every county in the region experienced an increase, led by Waukesha County at 3.8%.

- After falling by 2.7% in 2013, residential property values in southeast Wisconsin increased by 2.5% in 2014, led by 4.1% growth in Ozaukee County. Each of the seven counties saw residential property values increase in 2014, though the City of Milwaukee experienced a 1.9% decline.

- Growth in the value of commercial property in southeast Wisconsin in 2014 slightly exceeded the growth in residential property at 2.8%. Growth in the region's manufacturing property was less substantial (0.5%), but 2014 marked the second successive year of growth in that sector after a 0.3% increase in 2013.

- In 2014, 114 of the region's 147 municipalities experienced property value growth. That compares to 29 municipalities in 2013 and only eight in 2012.

- For the seventh consecutive year, the aggregate hypothetical gross tax rate in the region increased. This year's increase of $0.51 per $1,000 of property value was lower, however, than the 2013 increase of $1.38.

- The gross property tax levy in the region grew by only 0.2% in 2014, continuing a pattern of only minimal annual growth (or even decline) since levy limits for municipalities and counties were made more stringent in the 2011-13 State budget. The regional gross levy grew by 1% the previous year.

- The property taxes levied by school districts are the largest component of the annual property tax bill, accounting for 44% of the aggregate tax levy in southeast Wisconsin. In 2014, the budgeted aggregate school district levy for southeast Wisconsin *decreased* by 0.8%, thus helping to minimize overall growth caused by increases at other levels of government.

- To calculate an average tax bill in southeast Wisconsin, we apply the average residential property value in the region to the gross tax rate. The resulting hypothetical average tax bill in 2014 is $4,416, a slight increase over the 2013 average tax bill of $4,402.

METHODOLOGY

This report focuses primarily on annual changes in equalized property values, total property tax levies, and property tax rates in the seven-county southeast Wisconsin region.

Municipal tax rates are based on the total value of all taxable property in each municipality, also known as the tax base. Because local assessors are responsible for determining the property values for their jurisdictions, total assessed value across municipalities and counties is not a uniform measure. To bring all values to a uniform level comparable across jurisdictions, the state equalizes assessed values by using tools such as market sales analysis, random appraisals, and local assessors' reports. **Equalized values**, calculated yearly, are meant to reflect fair market value (the most probable selling price).

Our analysis utilizes equalized values determined by the Wisconsin Department of Revenue (DOR) as of both January 1, 2013 and January 1, 2014. Total property value has two categories: real estate and personal property. Real estate makes up the overwhelming majority of the tax base and has eight classifications: residential, commercial, manufacturing, agricultural, undeveloped, agricultural forest, forest, and other. The three classifications analyzed by the Forum are residential, commercial, and manufacturing.

Changes in property value are classified in three ways. "Economic change" refers to remodeling of existing properties or changes as a result of market conditions, such as during a recession. The other classifications include changes "due to new construction" and "other" changes. The "other" category includes technical corrections that were made to the value of the property, demolition or destruction of property, and changes in the exempt status or classification of property. New construction drives total value growth, as previously undeveloped parcels are used more intensively, generating a higher land utility and a higher value.

This report also uses data from the Wisconsin Department of Revenue on 2013-14 municipal property tax levies and tax rates in the seven counties of southeast Wisconsin. The data are not fully audited and thus are considered preliminary.

The **tax levy** is the amount of money that each taxing jurisdiction (county, municipality, school district, technical college district, tax increment finance district, special district and the state) expects to receive from property taxes. To calculate a **tax rate** (also known as a mill rate), each government divides the levy by the total property value (tax base) in its jurisdiction and multiplies the result by 1,000. This calculation allows property tax payments to be distributed evenly among taxpayers according to individual property values.

Budgets for taxing jurisdictions for 2014 – including property tax levies – were adopted late in 2013, and 2013 property values therefore were used to determine 2014 rates. Consequently, in this report, we devote some of our analysis to 2013 property values, as this allows us to illustrate the connection between 2013 values and 2014 levies. We received data on 2014 equalized values in mid-August, however, and decided to include analysis of that data as well in light of its availability and significance.

Because each property taxpayer lives within several taxing jurisdictions, we add the various tax rates together to arrive at the gross tax rate. It is important to note that in this report, **when the gross tax rate or levy for a particular county is referenced, it does not refer to the rate or levy attributable to county government in that county, but to the aggregate total of all taxing jurisdictions in the county (including the county government)**.

Also, the net tax rate that determines each taxpayer's tax bill differs from the gross rate in that the net rate results from subtracting the state tax credit from the gross tax rate. Taxpayers can determine their individual payment by dividing their property value by 1,000 and multiplying the resulting number by the *net* tax rate. The report presents a hypothetical regional and county aggregated gross tax rate calculated by summing each municipality's gross tax rate into a rate for southeast Wisconsin, or for a county, as a whole.

Finally, while it is important to note that the property tax is the most prominent revenue-raising tool available to local governments and school districts, it is not the only tool. Local governments also make use of a variety of fees on items ranging from garbage pick-up to snow removal, and most school districts employ student fees for various activities. This report does not address trends in local government and school district fee collections. Consequently, it should not be used to evaluate overall local government revenue trends.

PROPERTY VALUES IN SOUTHEAST WISCONSIN

A swing in property values

Property values in southeast Wisconsin totaled $170.3 billion in 2014. Values in the region dropped 2% from 2012 to 2013, before increasing by 2.6% in 2014 – the first increase since 2009. The total decrease in the aggregate equalized value in southeast Wisconsin between 2009 (the onset of the recession) and 2013 was 14%.

Chart 2 shows that from 2009 through 2013, the annual loss of value in southeast Wisconsin exceeded that of the state as a whole, although total property values in the state also declined during that timeframe. In 2014, aggregate equalized values in southeast Wisconsin not only reversed their negative trend, but also matched the state growth rate of 2.6%.

Statewide, property values decreased 9.1% from 2009 to 2013. When the southeast Wisconsin region is removed from the state totals, property values in the rest of the state declined 6.2% over that five-year period.

Chart 2: Annual change in aggregate property values in southeast Wisconsin and State

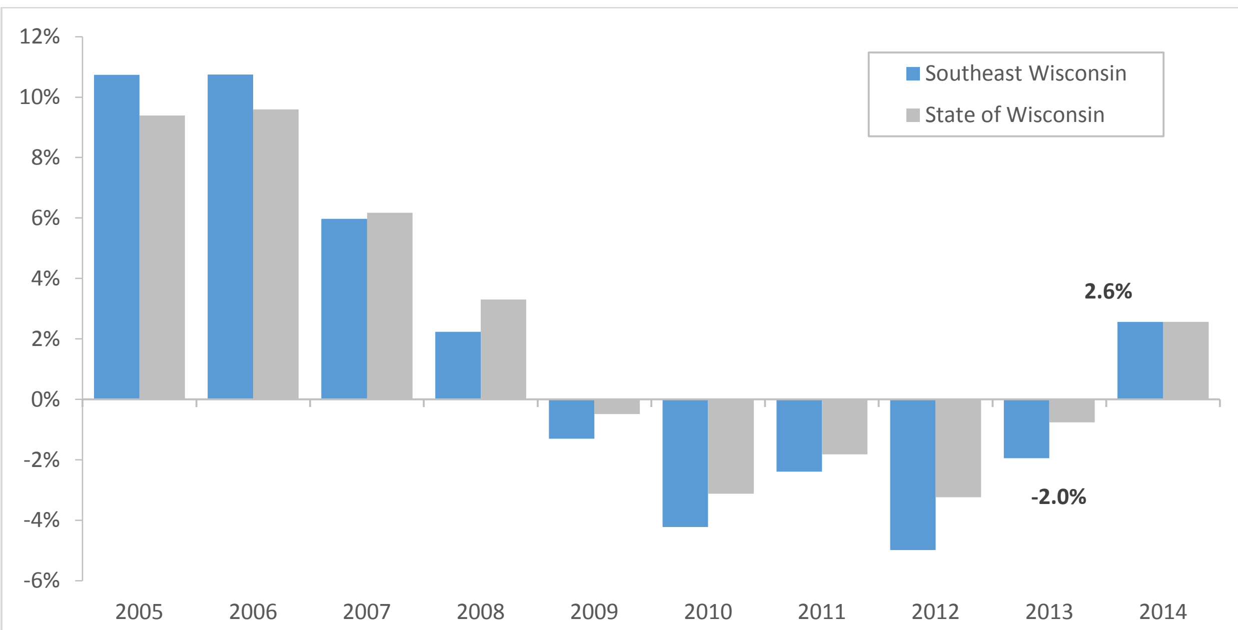
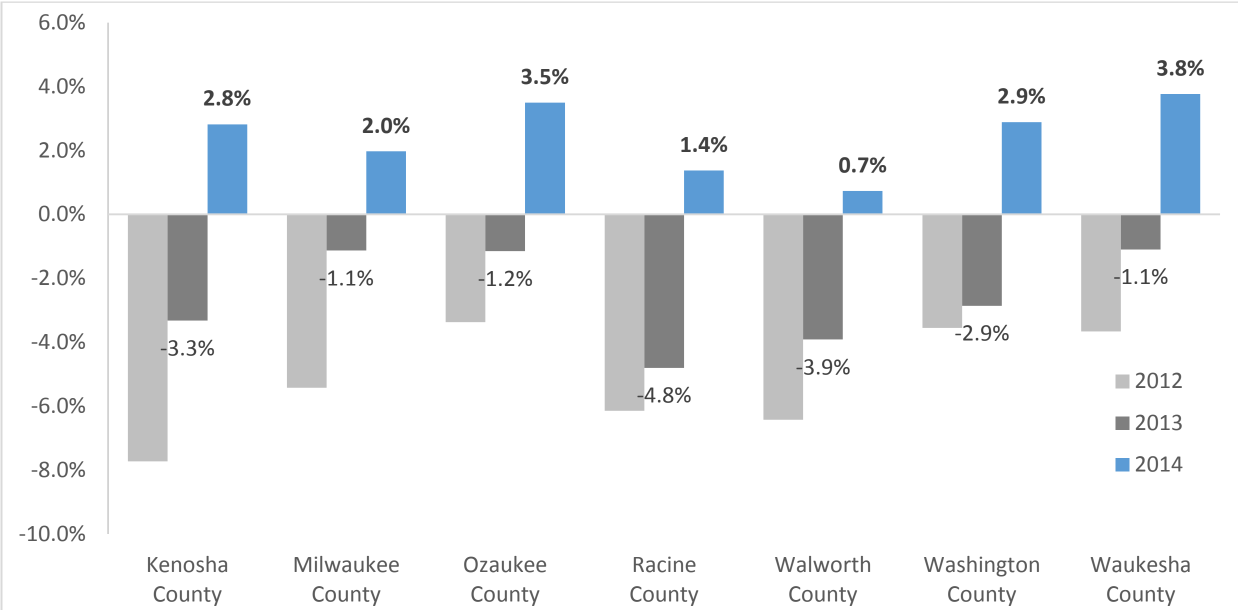


Chart 3 breaks down the change in property values for each of the seven counties in southeast Wisconsin during the past three years. (County-by-county 10-year trends in total, residential, and commercial property values are shown in the **Appendix**.) Each of the counties suffered a decrease in property values in 2012 and 2013 before experiencing growth in 2014. Waukesha County led the way with a 3.8% jump in value in 2014, while Walworth County had the smallest increase at 0.7%. In the previous year, Racine County had the biggest decrease at 4.8%, while Waukesha County had the smallest decrease at 1.1%.

Chart 3: Annual change in aggregate property values, by county



Prior to this year's increase, Kenosha County had experienced the largest post-recession five-year decline in values in the region with an 18.4% decrease, while Ozaukee County had the smallest five-year decrease at 10.1%. Milwaukee County's five-year decline in property values totaled 16.3%. Prior to the 2009 recession, annual decreases in property values were extremely uncommon.

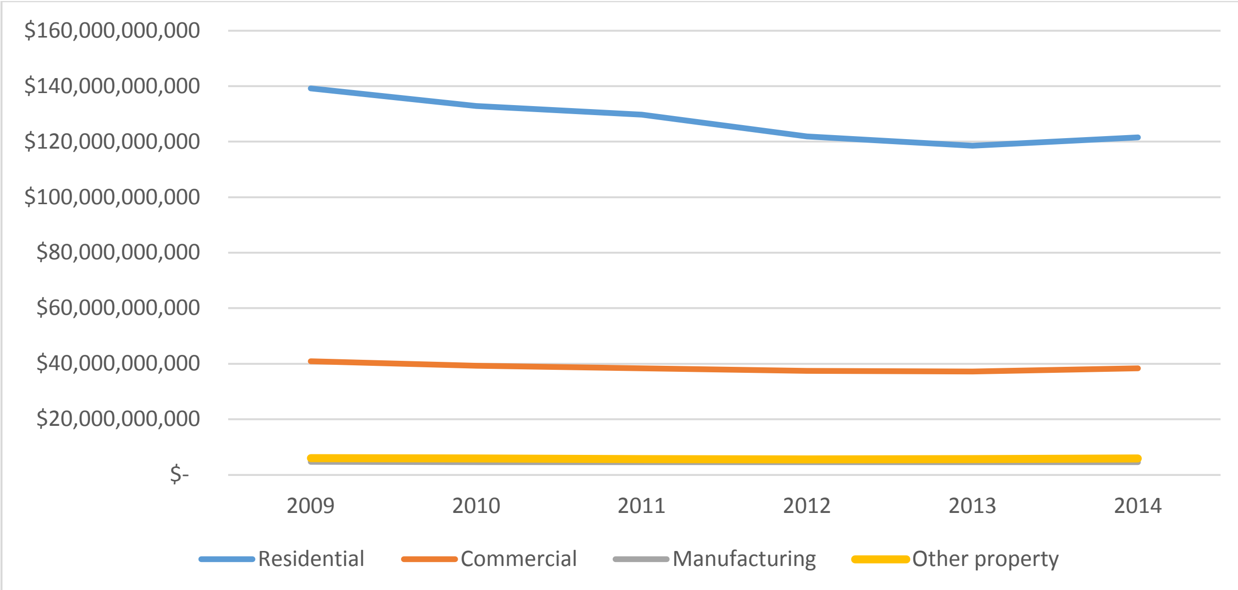
As we will see later in this report, five consecutive years of property value loss have pushed property tax rates much higher, which bears watching as values now begin to recover. If rates do not decline as property values grow, then property owners may find that their annual property tax bills will be growing as well.

Residential property values drive total values

Residential property makes up the largest portion of total property values in southeast Wisconsin at 71.4%. **Chart 4** shows that the decline in residential property was the main driver in the decline of total property values in the region prior to this year's rebound, as the decrease in commercial and manufacturing values were comparatively small. Residential property values in southeast Wisconsin declined 16.8% in the five years following the recession, while commercial property values decreased 6.8% and manufacturing property values decreased 4.1% over the same five-year period.

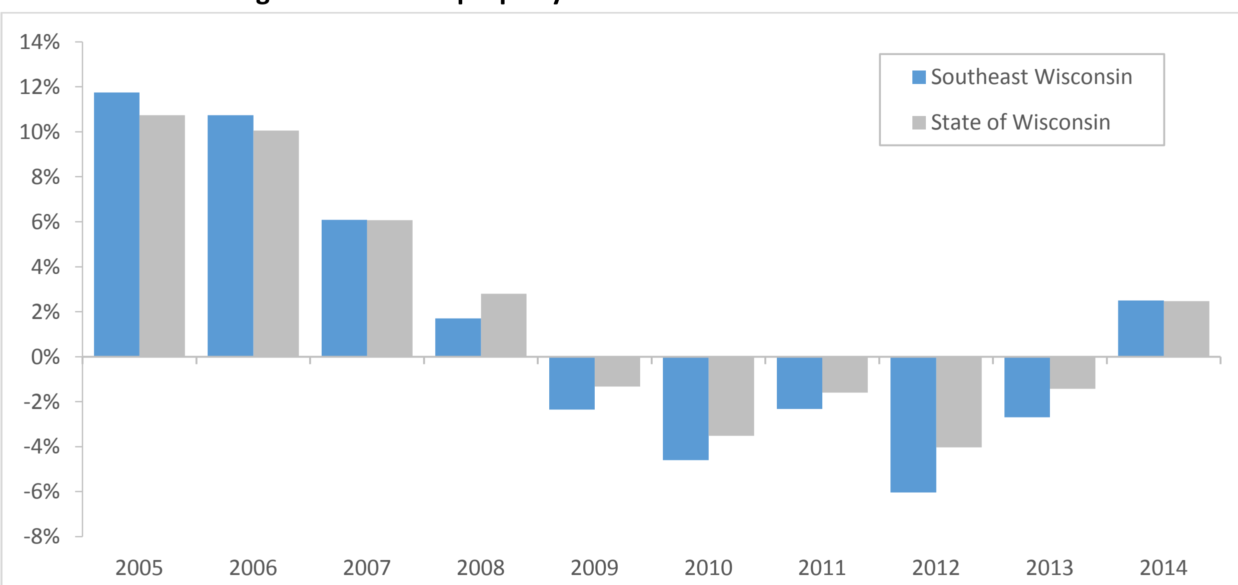
Over the course of the past year (2013 to 2014), residential property values in southeast Wisconsin increased by 2.5%. Commercial and manufacturing property values also grew, at 2.8% and 0.5% respectively. While the increase in manufacturing property values was relatively small, those values actually started to rebound in 2013, with 0.3% growth. Residential property values decreased by 2.7% in 2013, while commercial property values fell by 0.5%.

Chart 4: Residential, commercial, manufacturing and other property values (2009-2014)



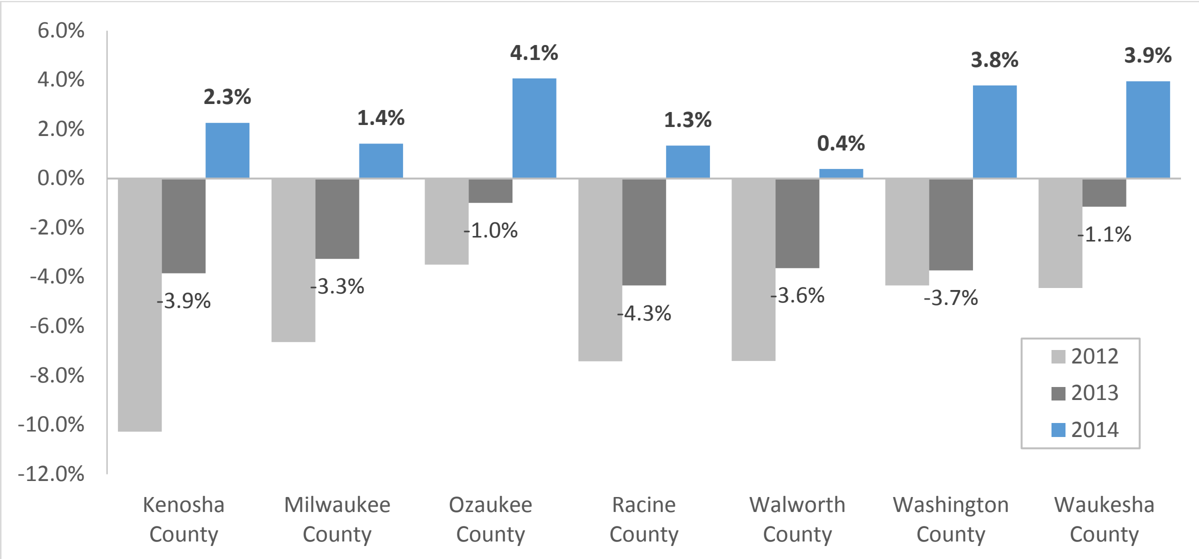
In the state as a whole, residential property values increased by 2.48% over the past year, a slightly smaller gain than the 2.50% experienced in southeast Wisconsin. Statewide, residential property values also decreased for five consecutive years in the wake of the recession.

Chart 5: Annual change in residential property values in southeast Wisconsin and State



Examining residential property value data by individual county for 2014, we find that each of the region's seven counties saw an increase in its aggregate residential property values, but some gained much more value than others. As shown in **Chart 6**, Ozaukee County led the way with a 4.1% increase, trailed closely by Waukesha County (3.9%) and Washington County (3.8%). At the lower end of the spectrum, Walworth County experienced only a 0.4% increase. Milwaukee County experienced a 1.4% increase in residential values, though the City of Milwaukee experienced a 1.9% decline.

Chart 6: Annual change in residential property values, by county



Prior to this year's gains, each of the counties in southeast Wisconsin experienced at least a 10% decrease in residential property values in the previous five years. Kenosha County experienced the largest five-year decrease in residential property, with a 23.9% loss in value. Ozaukee County experienced the smallest five-year decline, with an 11.2% loss in value.

Five of seven counties show substantial gains in commercial values

In 2014, commercial property accounts for 22.5% of total property values in southeast Wisconsin. The region's total commercial value of $38.3 billion is a 2.8% increase from 2013. Statewide, as shown in **Chart 7**, commercial values increased for the second straight year at 3.2%, following a 0.6% gain in 2013.

Chart 7: Annual change in commercial property values in southeast Wisconsin and State

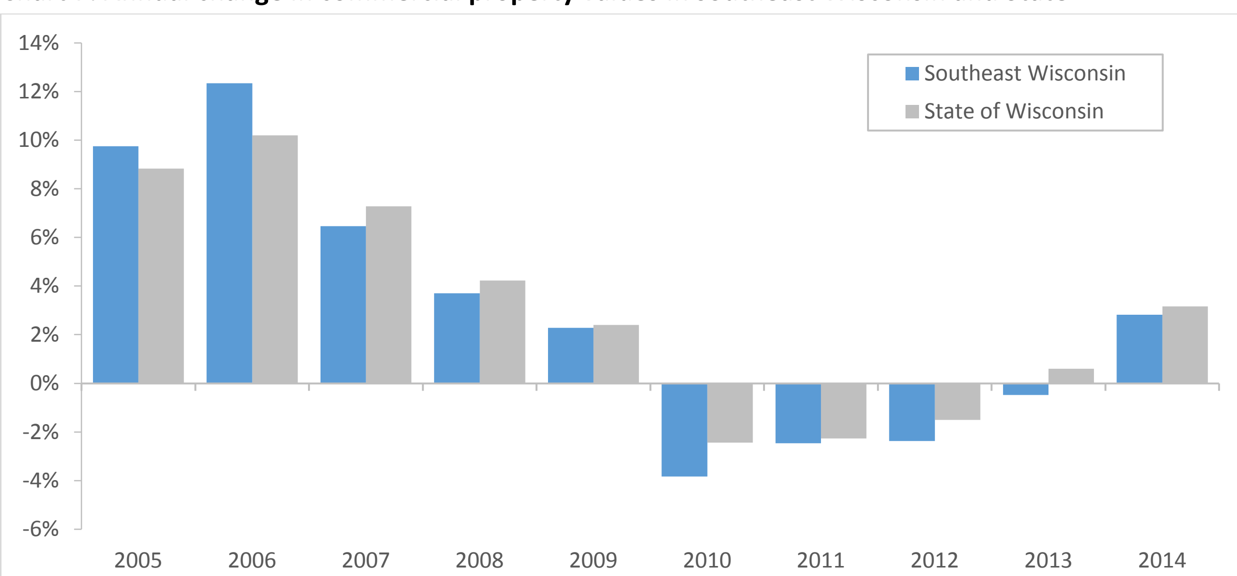
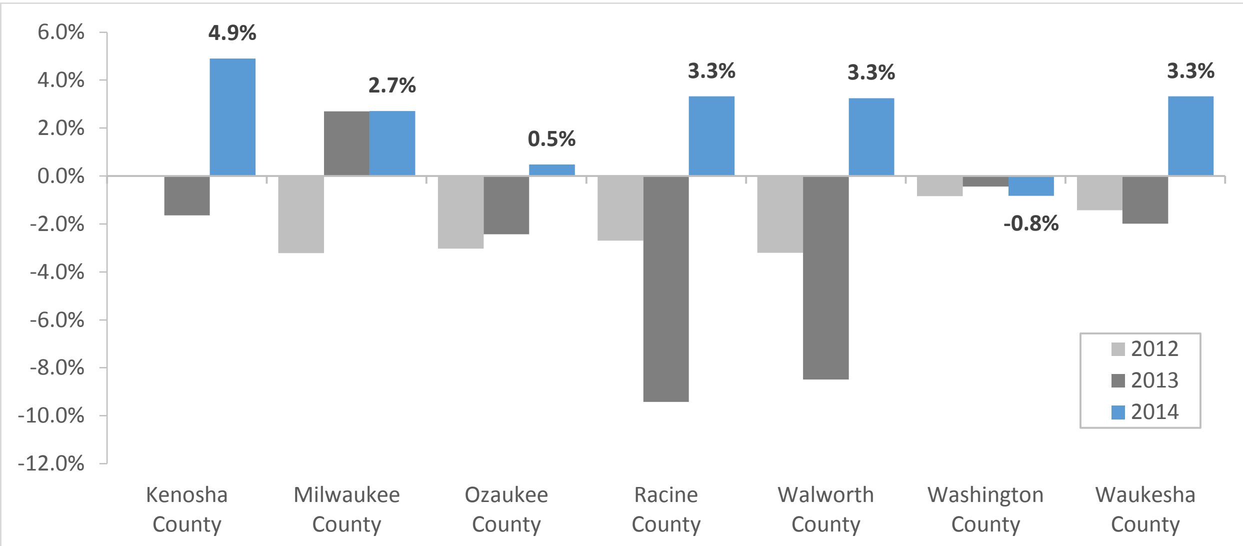


Chart 8 shows that the increase in commercial values in the region was far from uniform from a county-by-county perspective. While Kenosha County saw a 4.9% increase in commercial values and three other counties experienced gains of greater than 3%, Washington County experienced a 0.8% decrease in commercial values (marking six consecutive years of decline) and Ozaukee County experienced only a 0.5% increase. Milwaukee County has now seen two consecutive years of 2.7% increases in commercial value, making it the only county in the region to see consecutive increases in 2013 and 2014.

Chart 8: Annual change in commercial property values, by county



In 2014, manufacturing property accounts for only 2.7% of all property in southeast Wisconsin. Manufacturing property values increased by 0.5% in 2014 after a 0.3% increase in 2013. Statewide, manufacturing property values have been increasing at a faster rate than in the southeast Wisconsin region, growing 2.9% in 2013 and 2.2% in 2014.

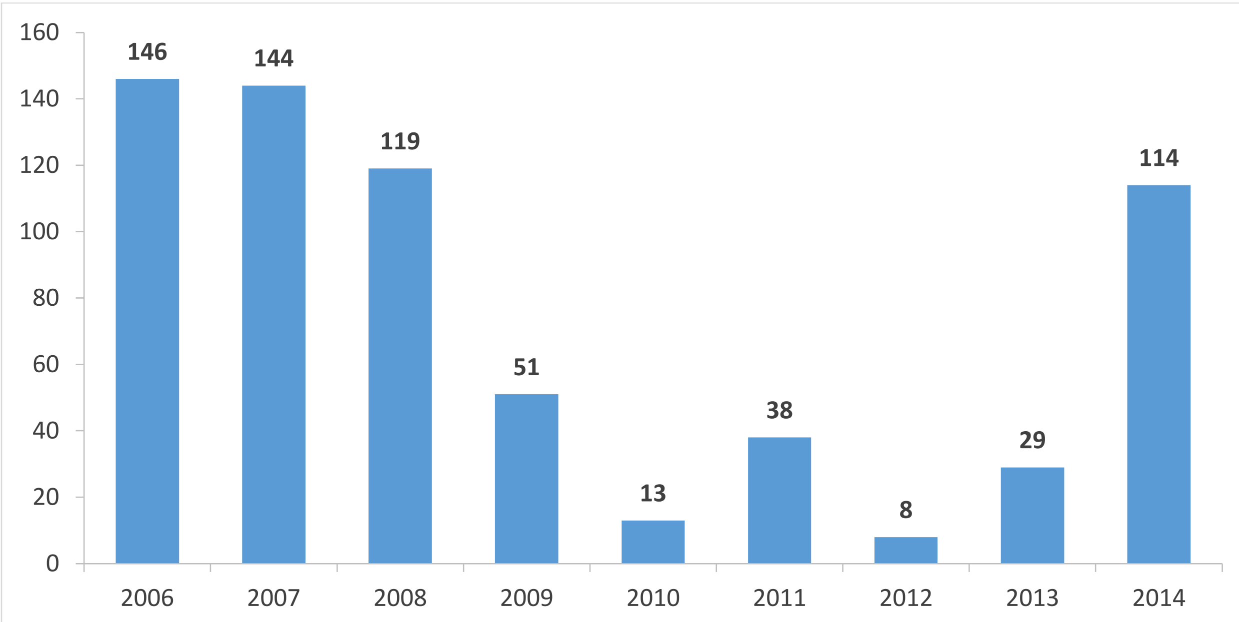
Five of the seven counties in southeast Wisconsin saw increases in the value of their manufacturing property in 2014. Kenosha County led the way at 2.1% (after seeing its manufacturing property values drop by 7.4% in 2013), while Racine County experienced a 5.8% decline. Milwaukee County was the other county in the region to experience a decrease in manufacturing values, with a 1.2% decline. That followed a similar decrease of 1% in 2013.

Three quarters of region's municipalities experience property value growth

Chart 9 shows that 114 (78%) of the region's 147 municipalities saw an increase in property value in 2014, the first time since 2008 that more than half did so. The Town of Lyons in Walworth County had the largest increase at 11.5%. Next were the City of Wauwatosa in Milwaukee County (8.5%) and the Village of Elm Grove in Waukesha County (7.9%). Seven municipalities experienced growth of more than 7% in 2014, including two additional municipalities in Milwaukee County – the Villages of Shorewood (7.6%) and Fox Point (7.1%). The Town of La Grange in Walworth County suffered the largest decline in property value in 2014 (7.5% decrease) followed by the Town of Paris in Kenosha County (4.9% decrease).

The City of Milwaukee managed a small increase in property value in 2014 (0.2%). While below the overall Milwaukee County increase of 2%, this does represent the first property value growth for the City since the recession. Milwaukee's property values declined by 1.3% in 2013 and 5.5% in 2012.

Chart 9: Count of municipalities with increasing property values



PROPERTY TAXES IN SOUTHEAST WISCONSIN

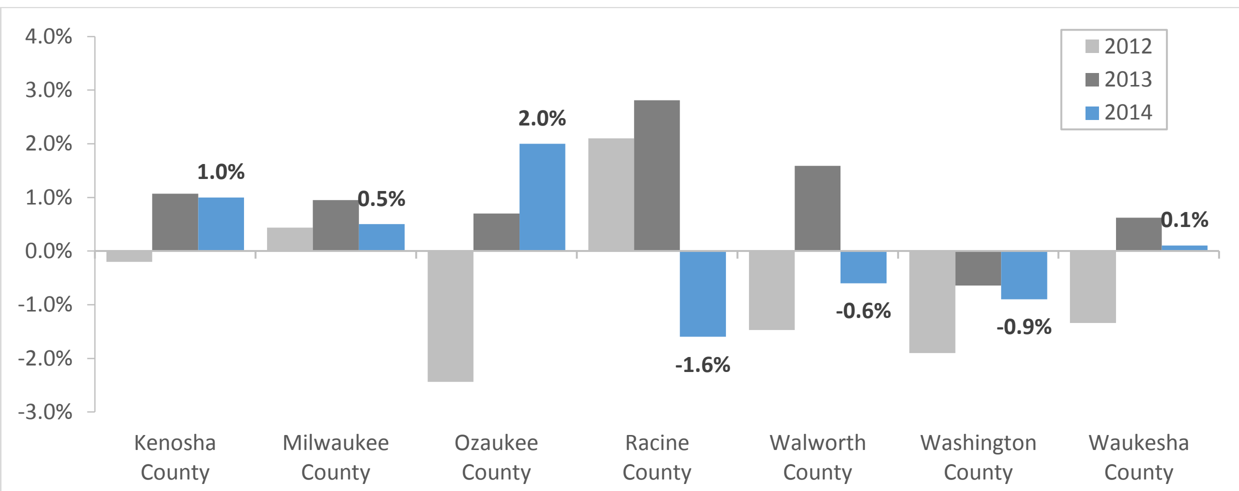
Property tax levies increase only slightly

Our analysis of regional property tax levy trends examines tax levies adopted late in 2013 for the 2014 budget year. In 2014, the overall gross tax levy in southeast Wisconsin grew slightly (0.2%) to $3.97 billion. This compares to property tax levy growth of 1% in 2013.

As shown in **Chart 10**, only four of the seven counties in the region had any increase in its aggregate gross tax levy in 2014 (compared to six of the seven in 2013). The largest increase was seen in Ozaukee County, at 2%, while Racine County saw the largest decrease at 1.6%. The aggregate gross levy in Milwaukee County grew by 0.5% from 2013 to 2014.

Overall, annual growth in property tax levies within counties has slowed considerably during the past three years. Several factors contribute to the annual property tax levies established by local officials, but it is logical to assume that the adoption of more restrictive property tax levy limits on municipalities, counties, and school districts in the 2011-13 and 2013-15 state budgets has contributed to this slow growth.[1] While the impacts on property tax-funded services is unclear, we see from the trend data that since the adoption of those stricter limits, there has been only marginal growth in property tax bills for taxpayers, assuming that the assessed value of their property has not substantially increased. (County-by-county 10-year trends in gross tax levies and rates are shown in the **Appendix**.)

Chart 10: Annual change in aggregate gross tax levy, by county



[1] Under current law, municipalities and counties generally are prohibited from increasing their annual property tax levies by more than the greater of 0% or the percentage increase in equalized value from net new construction. Levy limits for school districts generally are established as caps on the amount of combined state aids and property tax levy that can be spent on a per-pupil basis. More information is available at the Wisconsin Department of Revenue website, http://www.revenue.wi.gov/propertytax/index.html.

From a municipal perspective, 84 of the 147 municipalities in the region (57%) saw an increase in their overall tax levies in 2014, as compared to 101 municipalities in 2013. The Town of Lyons in Walworth County had the biggest decrease in its gross tax levy this year at 15.6%, while the largest increase belonged to the Village of Rochester in Racine County at 6.8%. The overall gross levy for City of Milwaukee taxpayers increased by 0.9%.

Property tax rates continue to grow

While aggregate gross levies in the region as a whole grew only slightly in 2014, the aggregate gross property tax *rate* grew more substantially. The hypothetical aggregate gross tax rate in the region rose by $0.51 per $1,000 of assessed property value to $23.93, an increase of 2.2%.

As discussed above, the rate is a function of both the property tax levy approved by a taxing jurisdiction *and* the value of property within that jurisdiction. ***Because 2014 property tax rates were based on 2013 equalized values, they do not yet reflect the turnaround in property values experienced in 2014, but instead reflect the continued decline in 2013.***

As shown in **Chart 9**, the region's gross tax rate has steadily increased since 2008. This year's increase was considerably smaller than the 2013 increase of $1.38 per $1,000 of assessed value, however.

Chart 9: Ten-year hypothetical aggregate gross tax rate in southeast Wisconsin

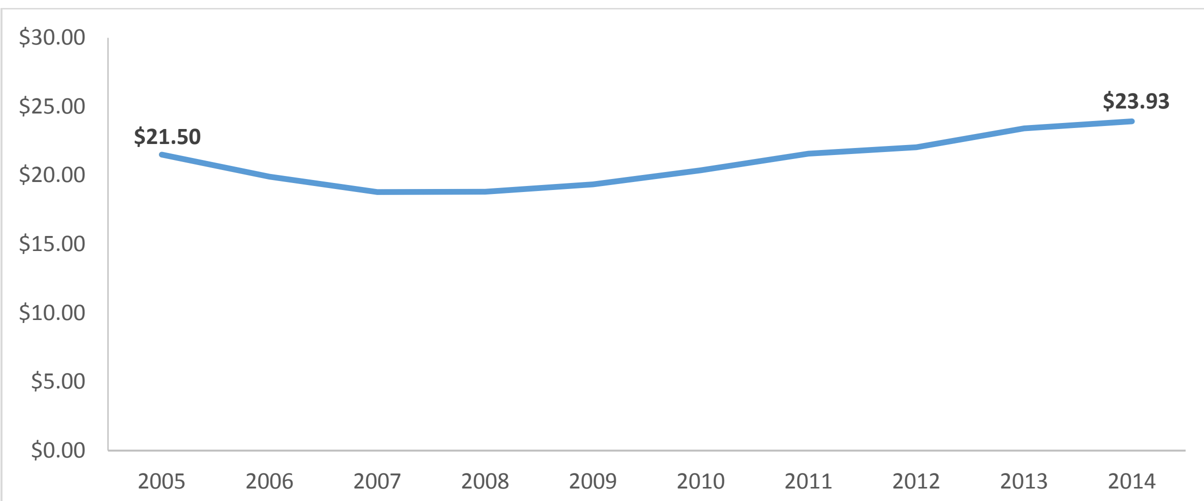
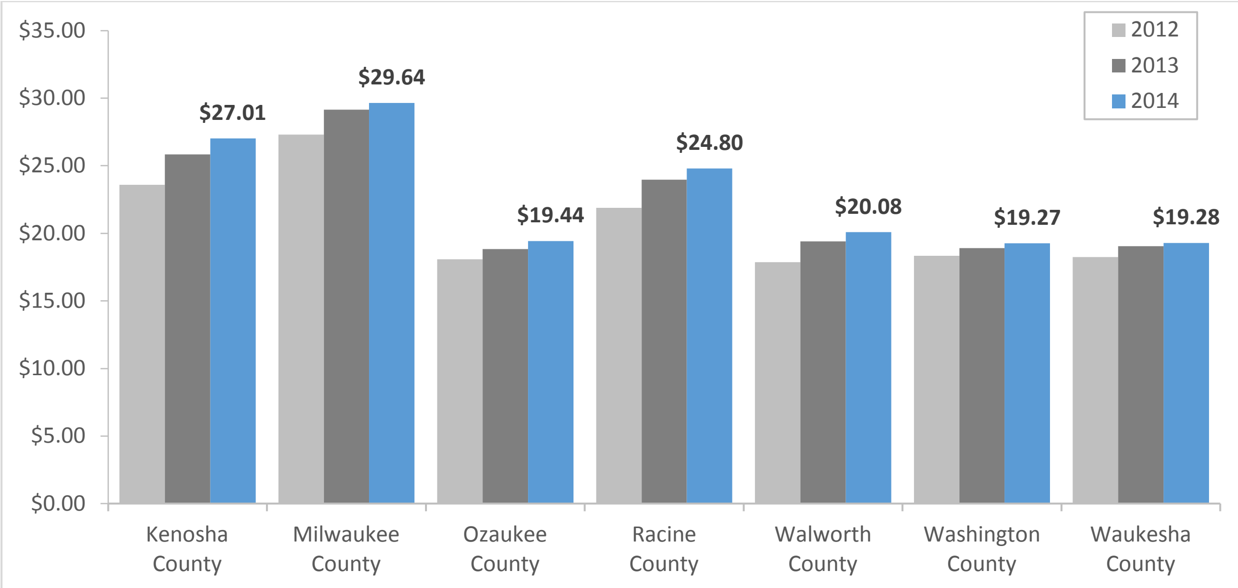


Chart 10 shows that the aggregate gross tax rate increased in every county in 2014. Milwaukee County has the highest gross tax rate at $29.64 per $1,000 of assessed value after an increase of $0.49 from 2013 to 2014. Kenosha County had the largest increase at $1.16 per $1,000, while Waukesha County had the smallest increase at $0.23 per $1,000.

Chart 10: Aggregate gross tax rates, by county



Aggregate school district tax levy falls

With a total aggregate property tax levy of $1.76 billion, school districts account for the largest percentage of the aggregate tax levy in southeast Wisconsin at 44% (as shown in **Chart 11**). Consequently, school district levies constitute a primary driver of the region's overall aggregate levy.

Chart 11: 2014 southeast Wisconsin aggregate tax levy breakdown

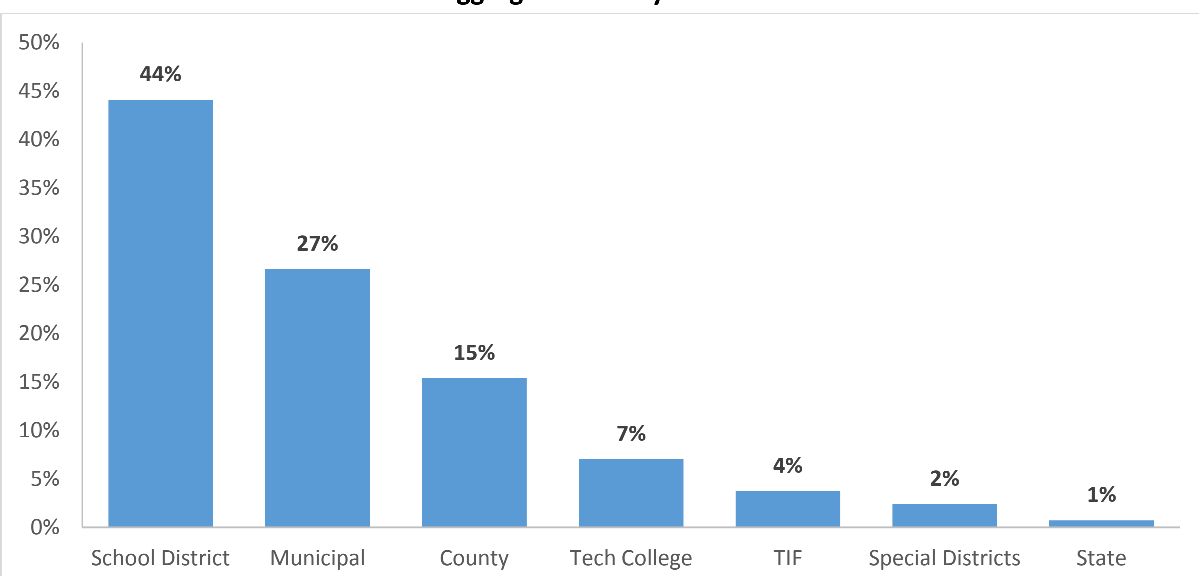


Chart 12 shows that in 2014, the aggregate school district tax levy *decreased* by 0.8%. This decline in the school levy contributed significantly to the minimal increase in the region's overall aggregate levy, which also consists of the property taxes levied by municipal and county governments, technical colleges, and special districts, among other sources. In contrast, in 2013, the aggregate school district tax levy increased 0.4%, which contributed to a 1% overall increase in the aggregate tax levy that year.

Chart 12: Southeast Wisconsin aggregate school district tax levy

Wisconsin Act 46 – adopted by the legislature and governor in October 2013 – likely was a contributing factor to the decrease in the aggregate school district tax levy in 2014. The legislation provided $40 million in additional school aids for the 2014 school year and $60 million for the 2015 school year to school districts statewide, with accompanying provisions aimed at reducing property tax levies by those amounts. The funds were available because of a projected state revenue surplus.

While individual school districts were impacted by the legislation in different ways and not all received additional school aids to offset property tax expenditures, it is likely that the aggregate decrease in school district levies in southeast Wisconsin was linked – at least in part – to this legislation. Similar legislation adopted in 2014 to provide more than $400 million of state revenue surplus to technical college districts to replace a portion of their property tax revenue likely will have a positive impact on technical college levies in 2015.

EFFECTS ON TAXPAYERS

Property tax bills increase slightly

Annual changes to property tax bills received by property owners reflect not only a change in the property tax rate, but also any change in the assessed value of the owner's home or business. A decrease in the assessed value of one's property, however, may not translate into a lower tax bill if the increased tax rate outweighs the loss in property value. The converse also is true, as a lower tax rate can offset an increase in the assessed value of one's property, producing a lower property tax bill.

In this year's report, as in previous years, we calculated an average hypothetical tax bill for a southeast Wisconsin homeowner, as well as the average hypothetical bill for a homeowner in each of the seven counties. To do so for the region as a whole, we used the average residential value in the region in 2013 and applied the 2014 regional aggregate gross tax rate to that amount. We also conducted a similar calculation using the average residential value and aggregate gross tax rate in each county.

In 2013, the average residential property value in southeast Wisconsin was $184,497, a 1.8% decrease from the 2012 value. For the fourth year in a row, Waukesha County had the highest average property value in the region at $260,361. Milwaukee County had the lowest average residential property value, at $144,174, but was the only county where the average residential value increased from the previous year (by a fraction of a percentage point at $73). Each of the other counties in southeast Wisconsin saw a decrease in average residential equalized value, with Washington County seeing the biggest decline at 9.8%. All of the other declines were less than 5%.

Table 1 shows that the hypothetical gross property tax bill for a southeast Wisconsin homeowner was $4,416 in 2014, slightly higher than the $4,402 hypothetical tax bill in 2013. With regard to hypothetical gross property tax bills for each county, four of the seven counties in the region saw an increase. Ozaukee County had the biggest increase at 2%, while Washington County had the biggest decrease at 8%.

Table 1: Average property values, aggregate gross tax rates, and hypothetical gross tax bills

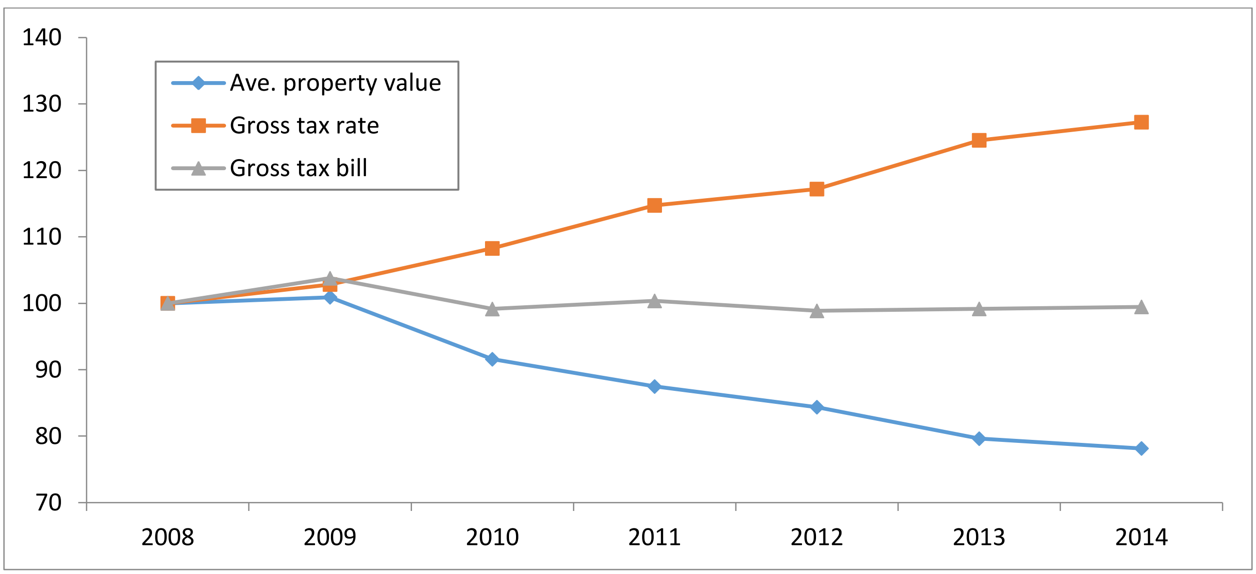
	2012 Averages			2013 Averages			2014 Averages		
	Value*	Rate	Bill	Value*	Rate	Bill	Value*	Rate	Bill
Kenosha Co	$172,257	$23.60	$4,065	$154,516	$25.85	$3,994	$149,416	$27.01	$4,036
Milwaukee Co	$154,341	$27.31	$4,215	$144,101	$29.15	$4,201	$144,174	$29.64	$4,273
Ozaukee Co	$272,285	$18.07	$4,921	$262,792	$18.83	$4,948	$259,690	$19.44	$5,048
Racine Co	$164,432	$21.89	$3,600	$152,225	$23.98	$3,650	$145,659	$24.80	$3,612
Walworth Co	$236,472	$17.88	$4,228	$217,682	$19.41	$4,225	$210,617	$20.08	$4,230
Washington Co	$216,335	$18.34	$3,968	$220,429	$18.90	$4,166	$198,904	$19.27	$3,833
Waukesha Co	$275,794	$18.24	$5,031	$263,912	$19.05	$5,028	$260,361	$19.28	$5,020
SE WI	**$199,152**	**$22.04**	**$4,389**	**$187,969**	**$23.42**	**$4,402**	**$184,497**	**$23.93**	**$4,416**

In 2014, Ozaukee County had the highest hypothetical average gross property tax bill at $5,048. Waukesha County – which had the highest hypothetical average bill the previous three years – was next highest at $5,020. The fact that those two counties had the highest hypothetical average property tax bills illustrates how those bills are impacted by both assessed property values and the property tax rate; in this case, both counties have extremely low property tax rates when compared to the other counties in the region, but their much higher average residential property values led to a higher property tax bill for their average homeowner.

Meanwhile, Racine County had the lowest hypothetical average gross tax bill in the region, as it has in each of the 10 years that we have calculated a gross hypothetical tax bill for each county. In 2014, the hypothetical gross tax bill in Racine County was $3,612.

Chart 13 shows the trend in the average tax bill, hypothetical gross tax rate, and average residential property value for southeast Wisconsin indexed to 100 in 2008. The average property tax bill in the region has remained remarkably flat since 2010, as the decline in value for the average property has almost completely offset steady annual increases in the gross rate.

Chart 13: Southeast Wisconsin hypothetical average tax bill, gross tax rate, and property value, indexed to 100



CONCLUSION

This year's analysis of property values and taxes shows that efforts in Madison to control growth in annual property tax levies continue to bear fruit in the southeast Wisconsin region. This year's 0.2% increase in the region's aggregate gross property tax levy – combined with last year's growth of 1% and a decline in 2012 of 0.3% – means that the average property owner in the region has seen little change in his or her property tax bill in the past three years, unless the value of his or her property increased or decreased substantially.

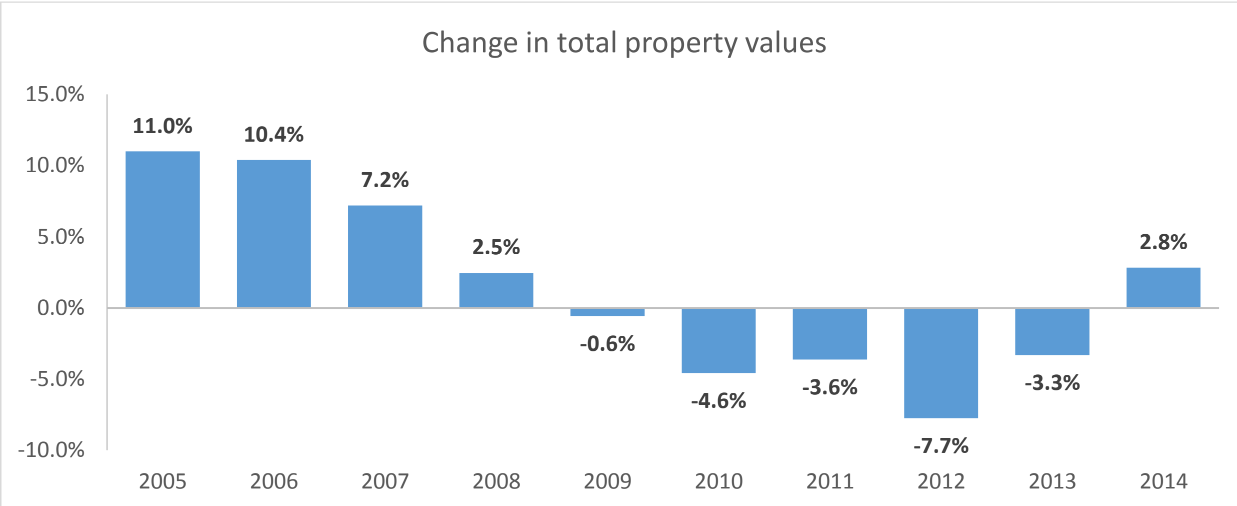
Of course, while good news for taxpayers, the strict levy limits that have contributed to this circumstance have posed challenges for state and local governments and school districts. Local officials may have been required to find other means to accommodate any inflationary cost increases associated with the provision of critical programs and services, which may suggest either growing fiscal stress or service-level impacts depending on the strategies used and the overall fiscal condition of the governmental body.

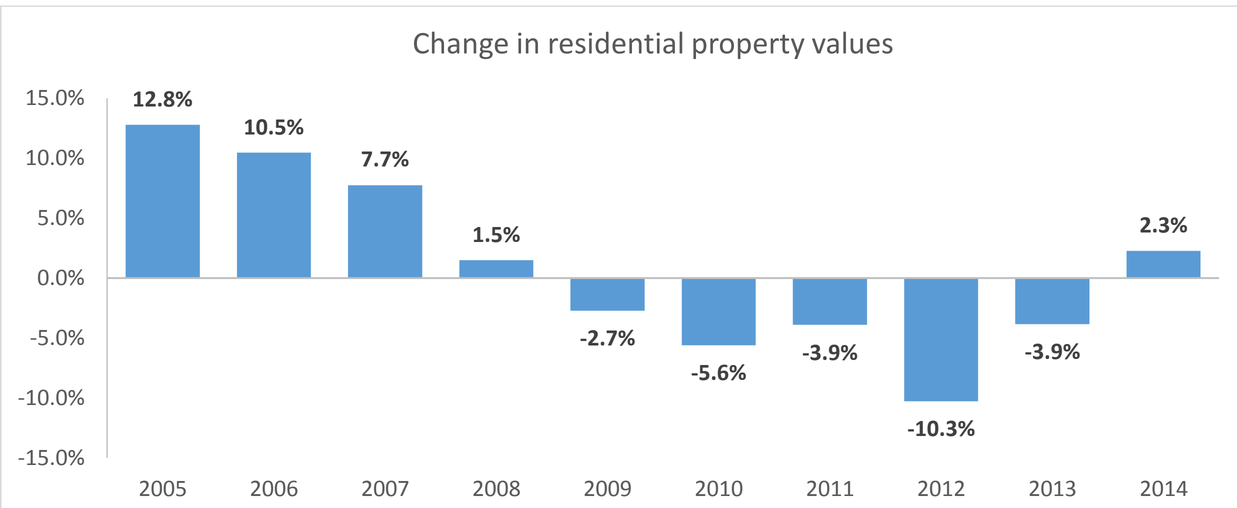
Looking to the future, it is uncertain whether the recent history of exceedingly flat property tax levy growth will continue in light of improved economic conditions. Specifically, if growth in new construction picks up in concert with the rebound in property values experienced in 2014, then local government officials will have the wherewithal to increase levies at a faster pace (assuming no changes to existing state levy limits). Whether they elect to do so will be determined by numerous factors, including the extent to which certain cost pressures have been exacerbated in recent years by limited resources (e.g. if decisions were made to defer infrastructure maintenance or equipment purchases), and whether efforts to control the growth of salary and fringe benefits in the wake of Wisconsin Act 10 can be sustained year after year.

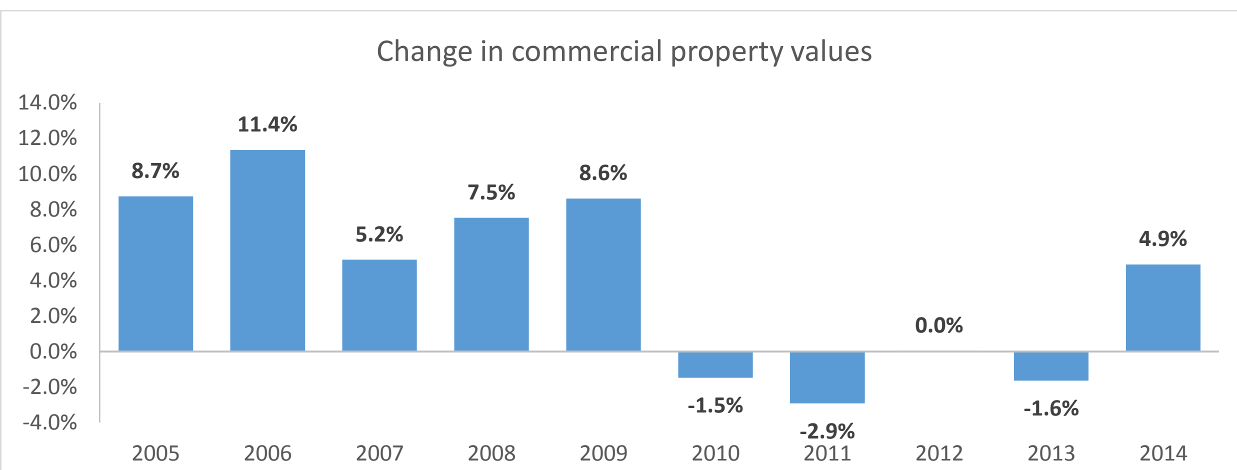
It is also worth noting that with the regional increase in property values, local officials may have greater capacity to generate additional property tax resources without raising property tax rates. Given the increase in rates that the region has seen during the past several years, that might be the best news of all for local property taxpayers, many of whom do stand to see increased property tax bills assuming the value of their properties recovers to pre-recession levels.

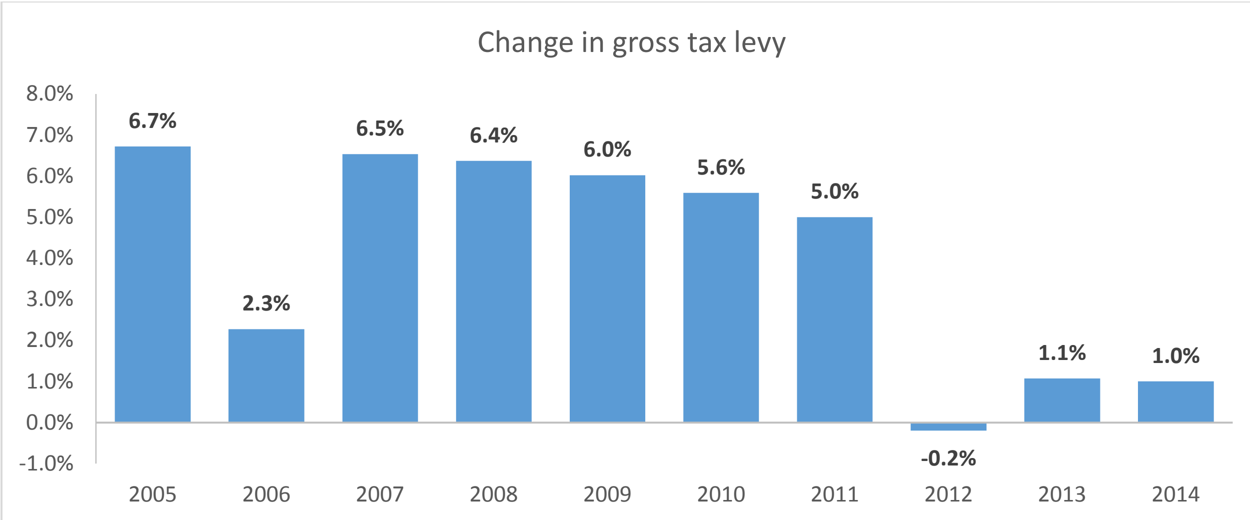
APPENDIX – COUNTY BY COUNTY TRENDS

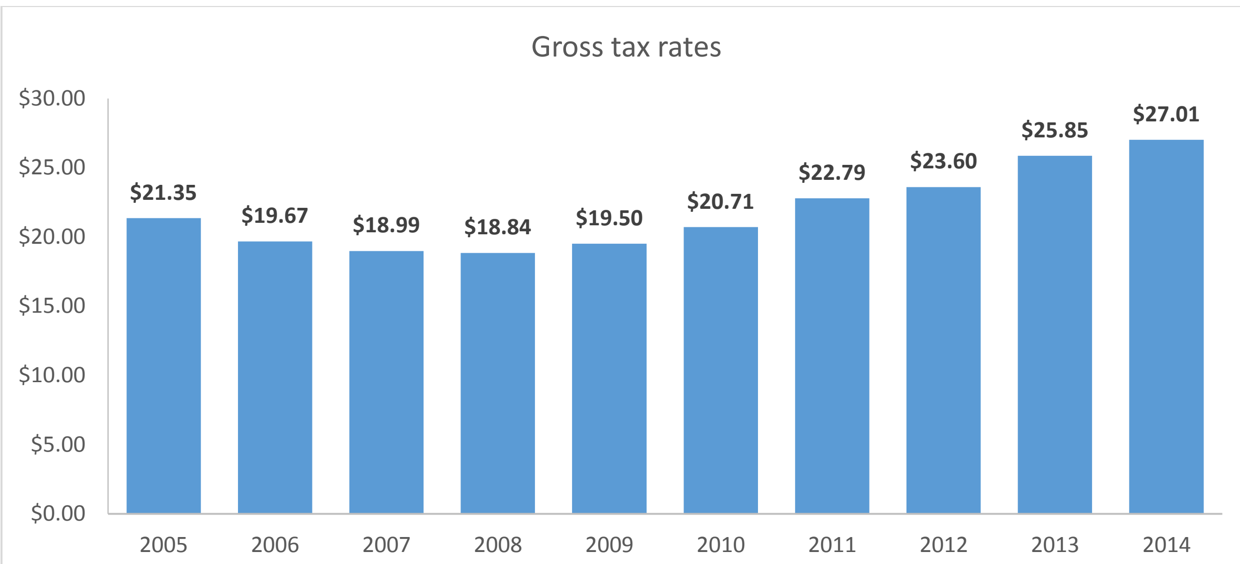
Kenosha County








Change in gross tax levy
8.0%
7.0%
6.0%
5.0%
4.0%
3.0%
2.0%
1.0%
0.0%
-1.0%
6.7%
2.3%
6.5%
6.4%
6.0%
5.6%
5.0%
-0.2%
1.1%
1.0%
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014


Gross tax rates
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$25.00
$20.00
$15.00
$10.00
$5.00
$0.00
$21.35
$19.67
$18.99
$18.84
$19.50
$20.71
$22.79
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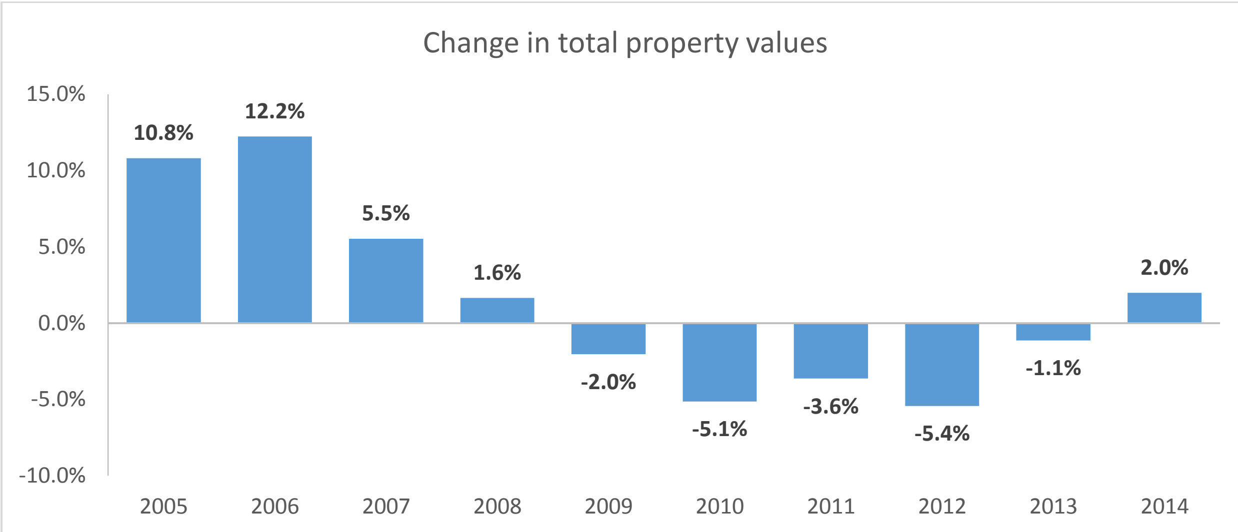
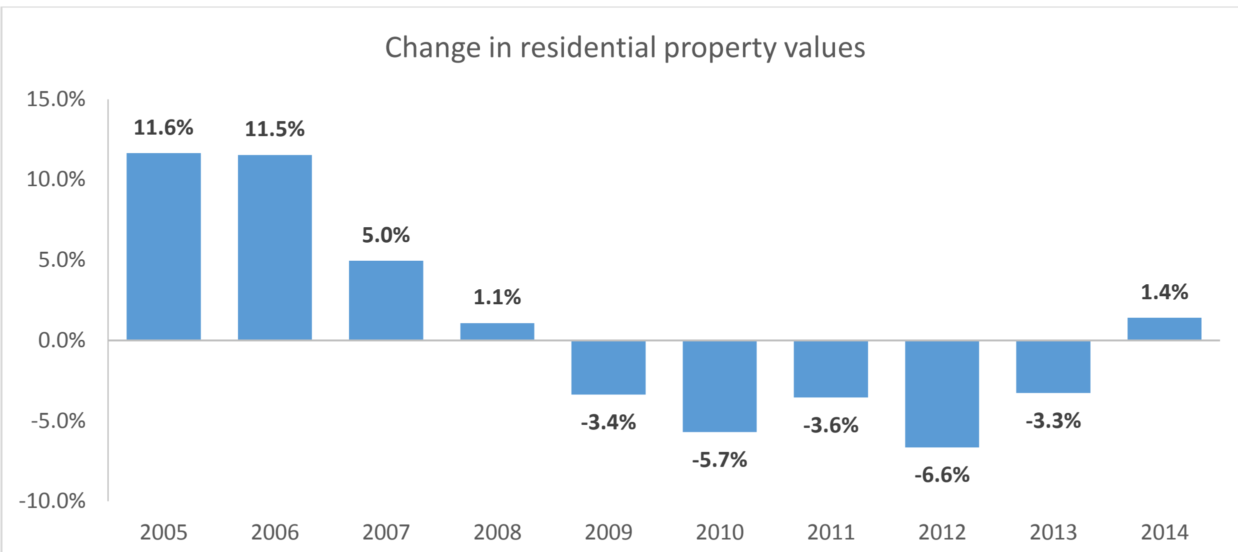
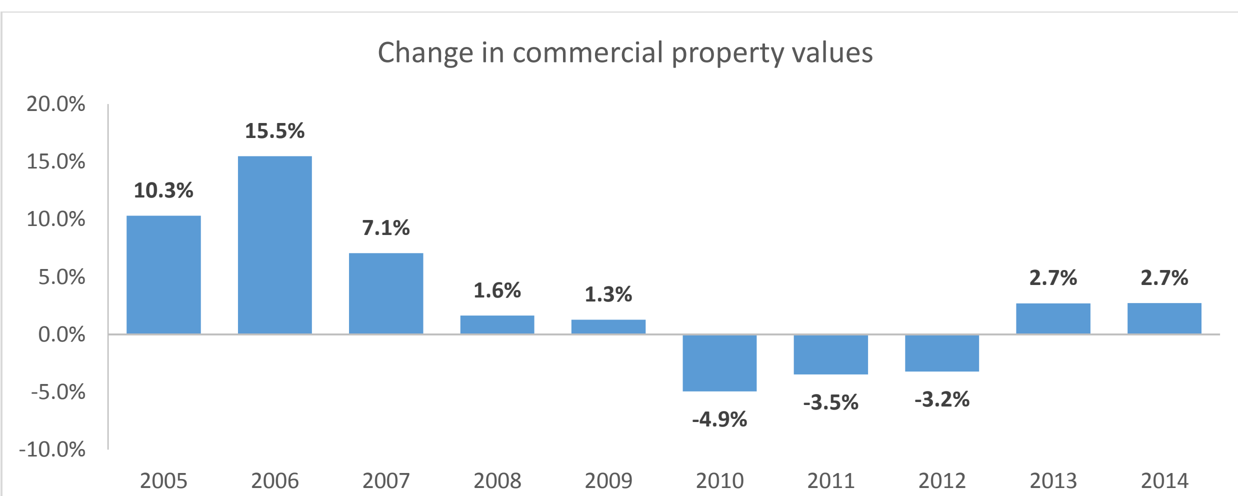
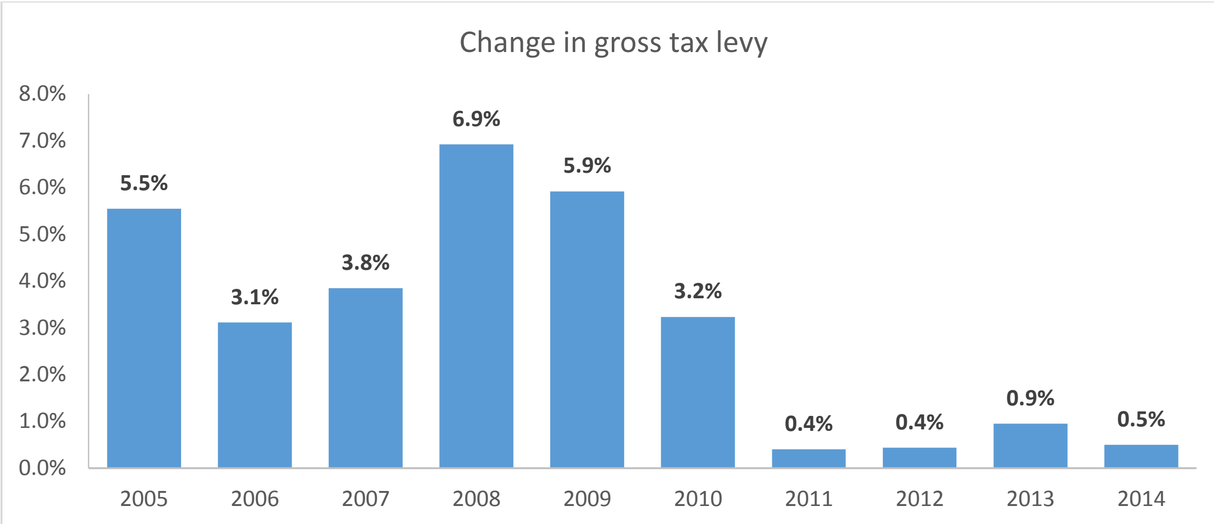
$25.85
$27.01
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014

Milwaukee County








Change in gross tax levy
8.0%
7.0%
6.0%
5.0%
4.0%
3.0%
2.0%
1.0%
0.0%
5.5%
3.1%
3.8%
6.9%
5.9%
3.2%
0.4%
0.4%
0.9%
0.5%
2005
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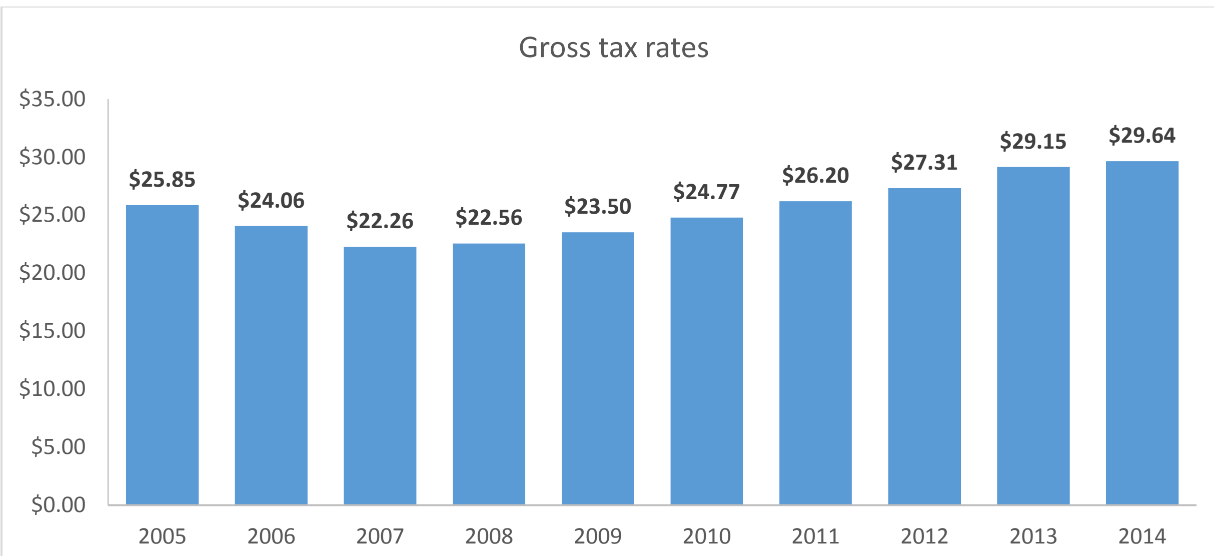
2010
2011
2012
2013
2014


Gross tax rates
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$25.00
$20.00
$15.00
$10.00
$5.00
$0.00
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$22.26
$22.56
$23.50
$24.77
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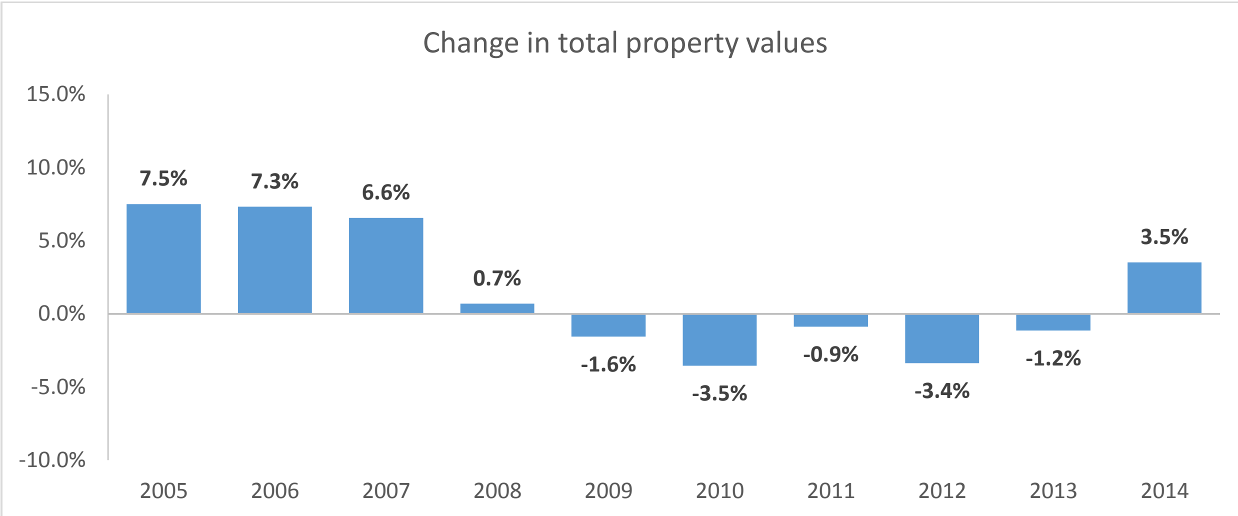
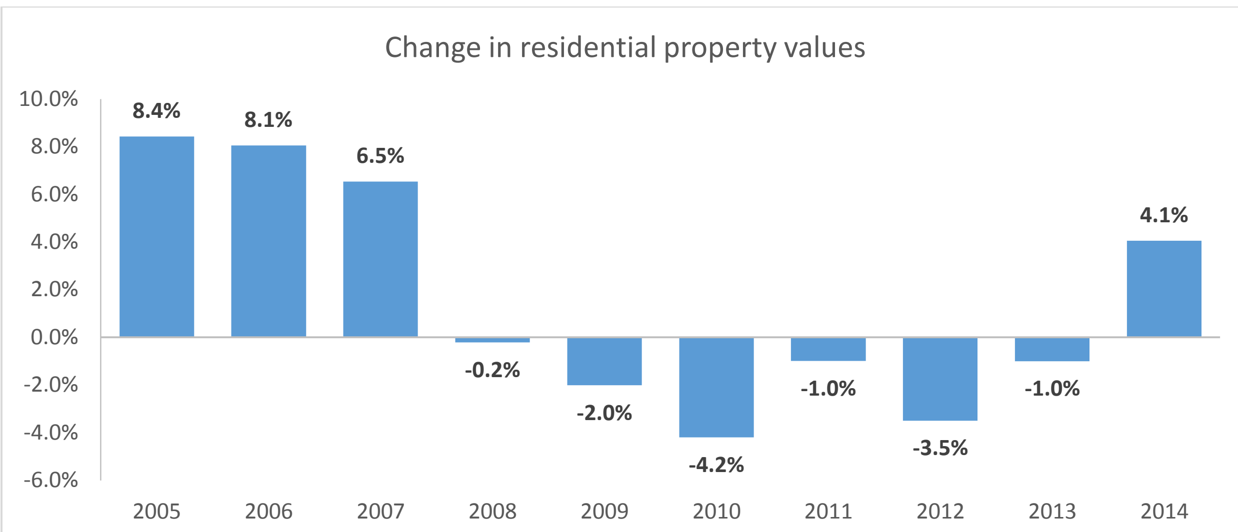
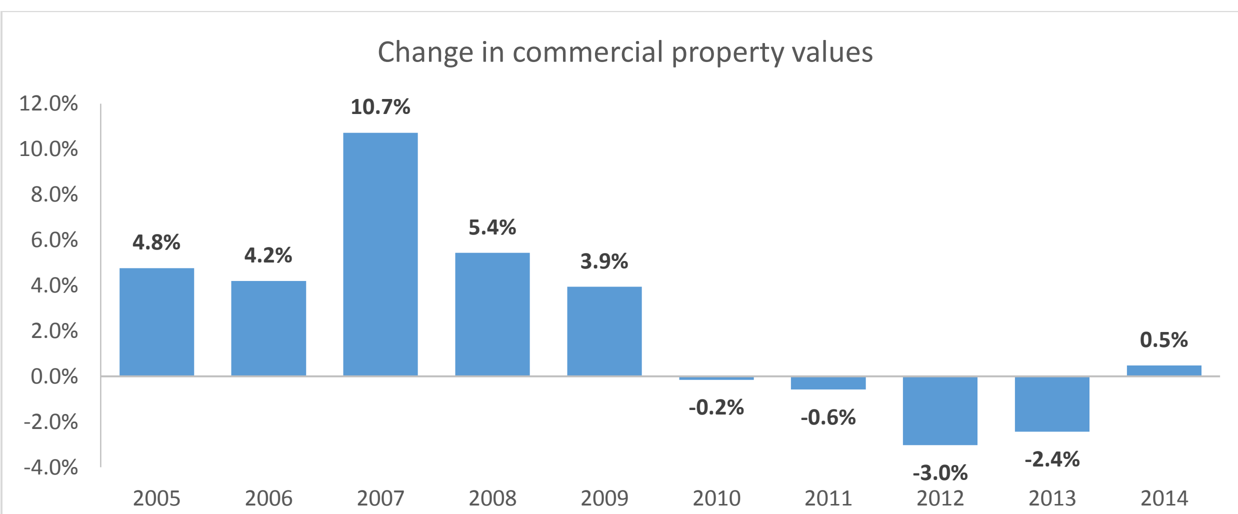
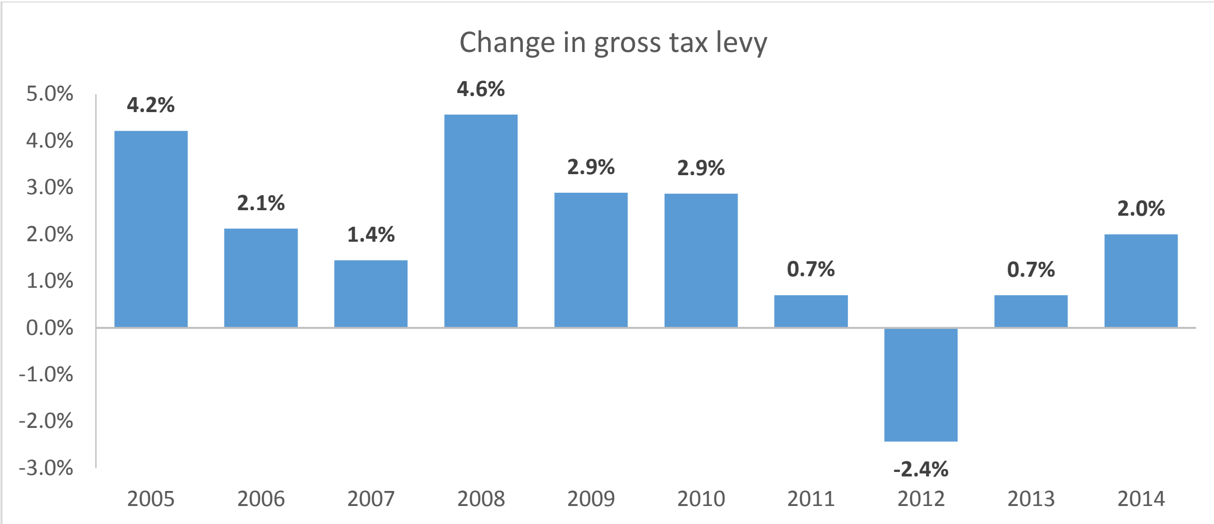
$29.64
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014

Ozaukee County








Change in gross tax levy
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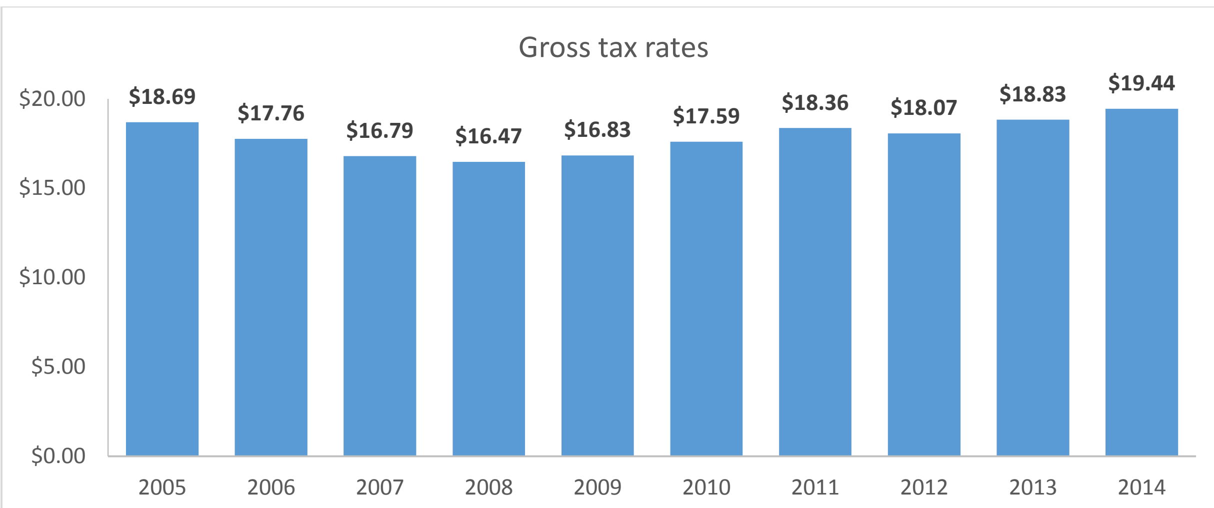
4.0%
3.0%
2.0%
1.0%
0.0%
-1.0%
-2.0%
-3.0%
4.2%
2.1%
1.4%
4.6%
2.9%
2.9%
0.7%
-2.4%
0.7%
2.0%
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014


Gross tax rates
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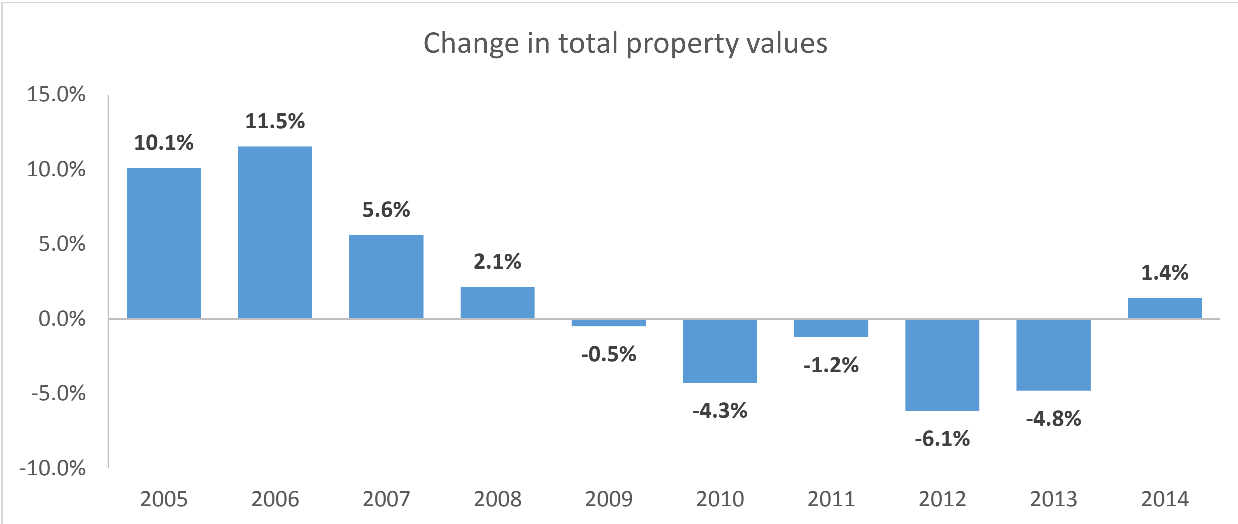
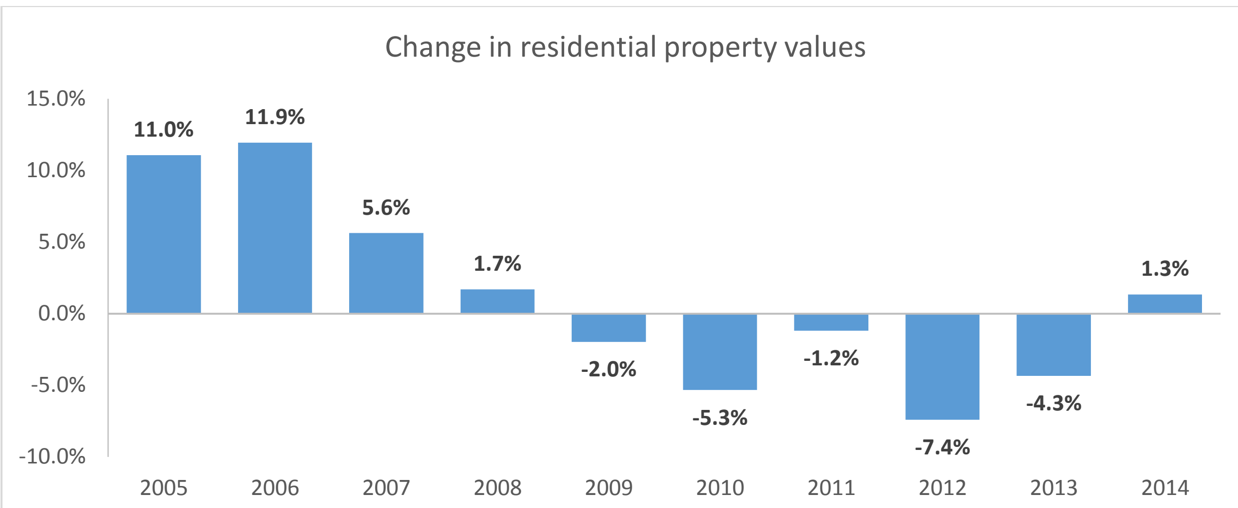
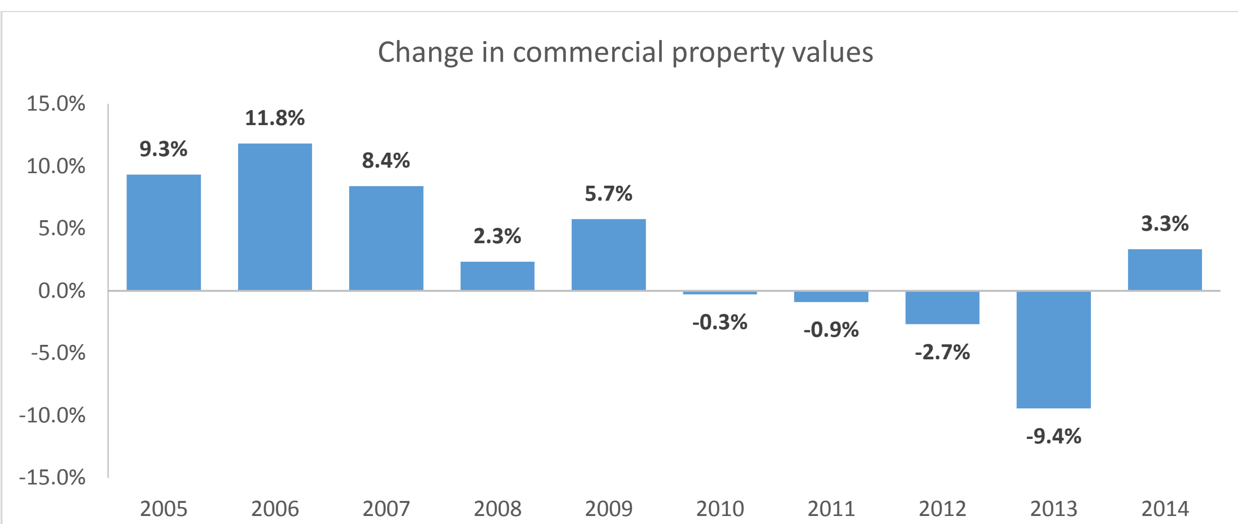
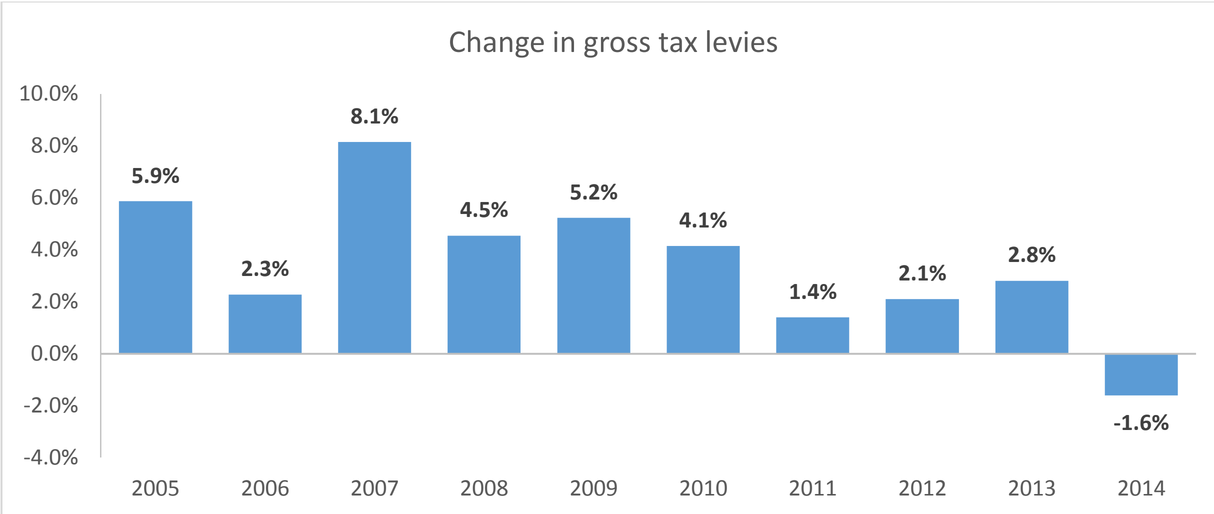
$18.69
$17.76
$16.79
$16.47
$16.83
$17.59
$18.36
$18.07
$18.83
$19.44
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014

Racine County








Change in gross tax levies
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8.0%
6.0%
4.0%
2.0%
0.0%
-2.0%
-4.0%
5.9%
2.3%
8.1%
4.5%
5.2%
4.1%
1.4%
2.1%
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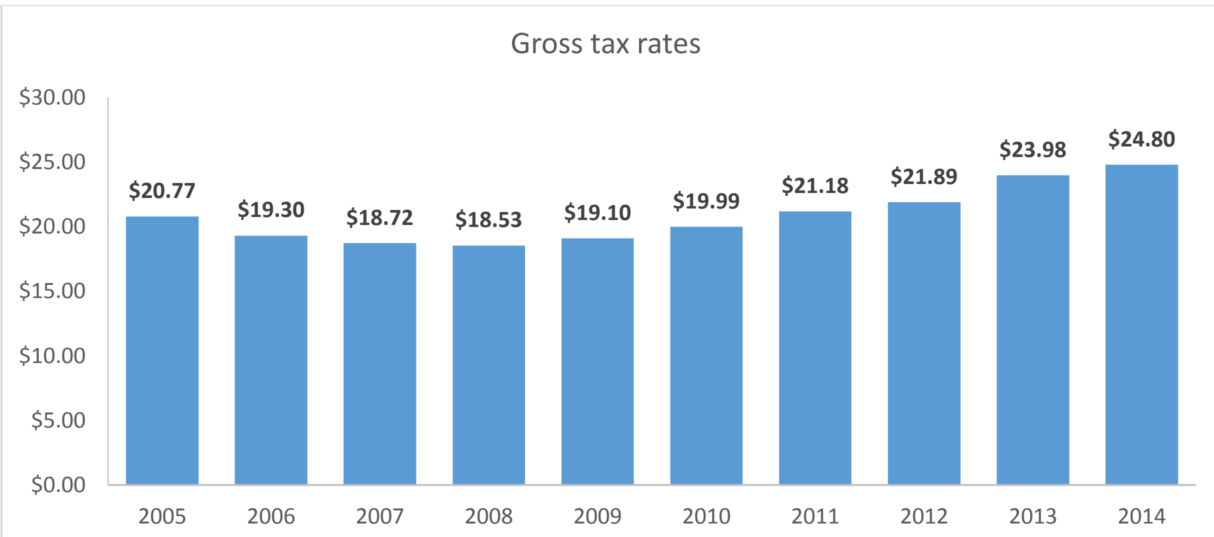
2010
2011
2012
2013
2014


Gross tax rates
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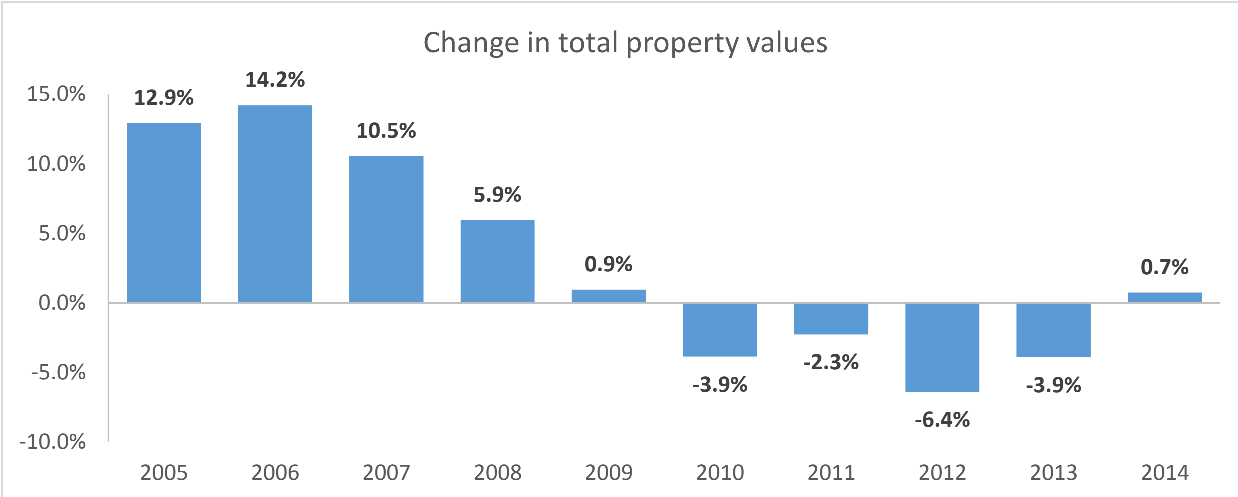
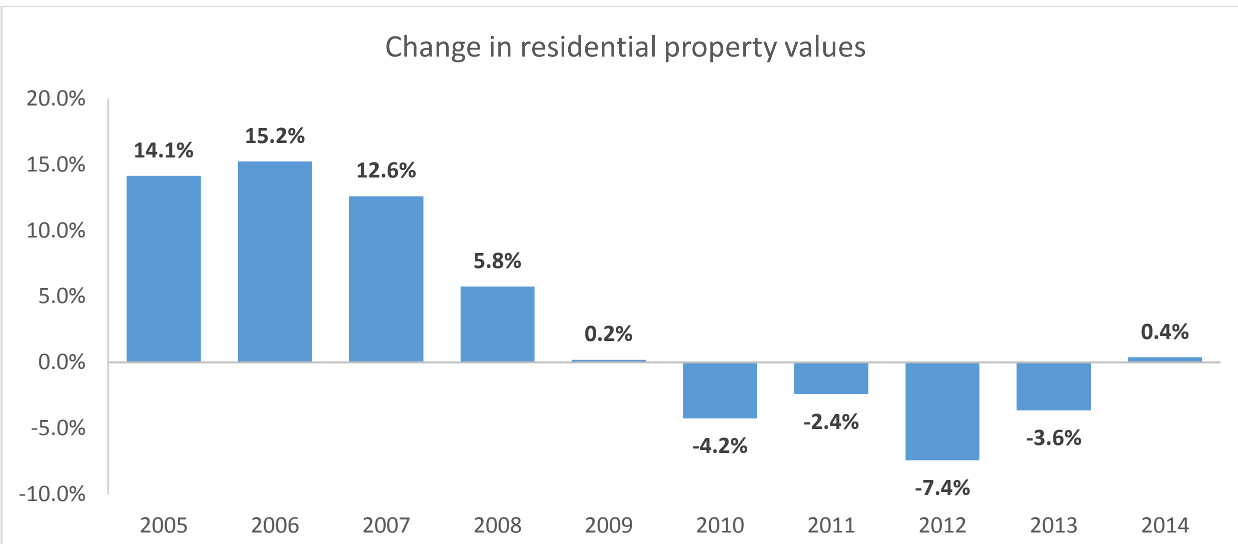
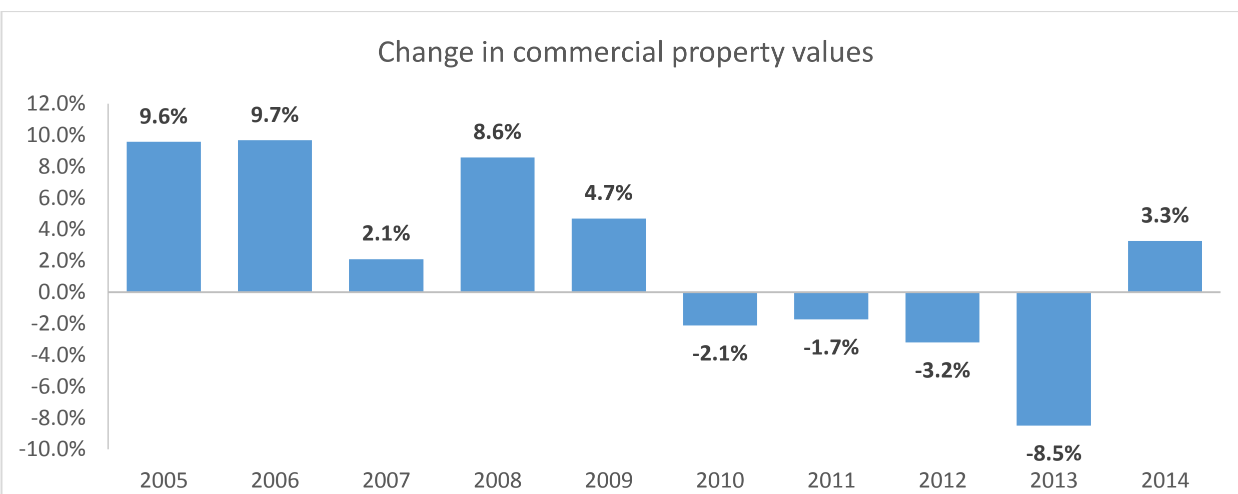
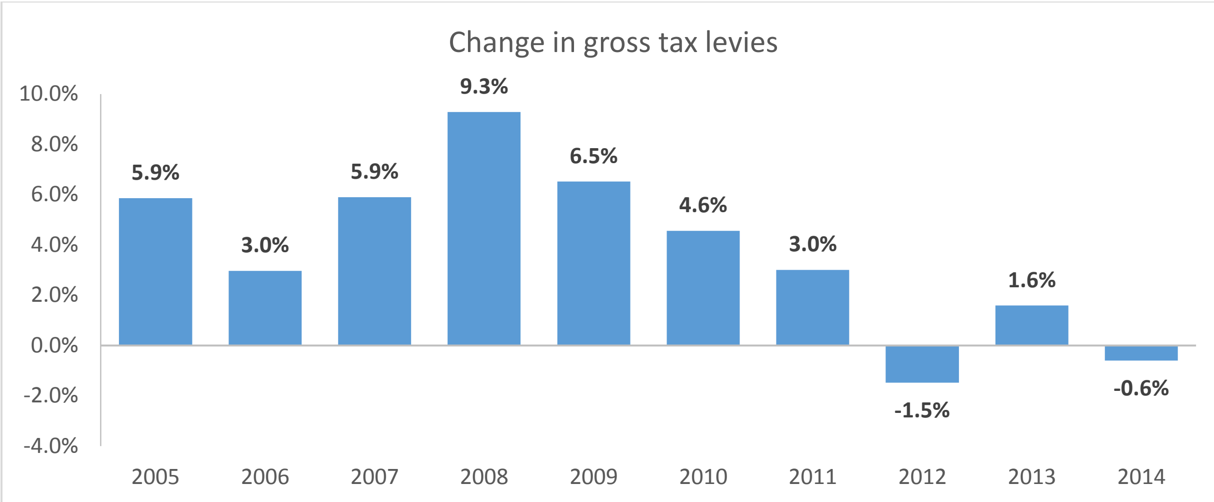
$18.53
$19.10
$19.99
$21.18
$21.89
$23.98
$24.80
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014

Walworth County








Change in gross tax levies
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6.0%
4.0%
2.0%
0.0%
-2.0%
-4.0%
5.9%
3.0%
5.9%
9.3%
6.5%
4.6%
3.0%
-1.5%
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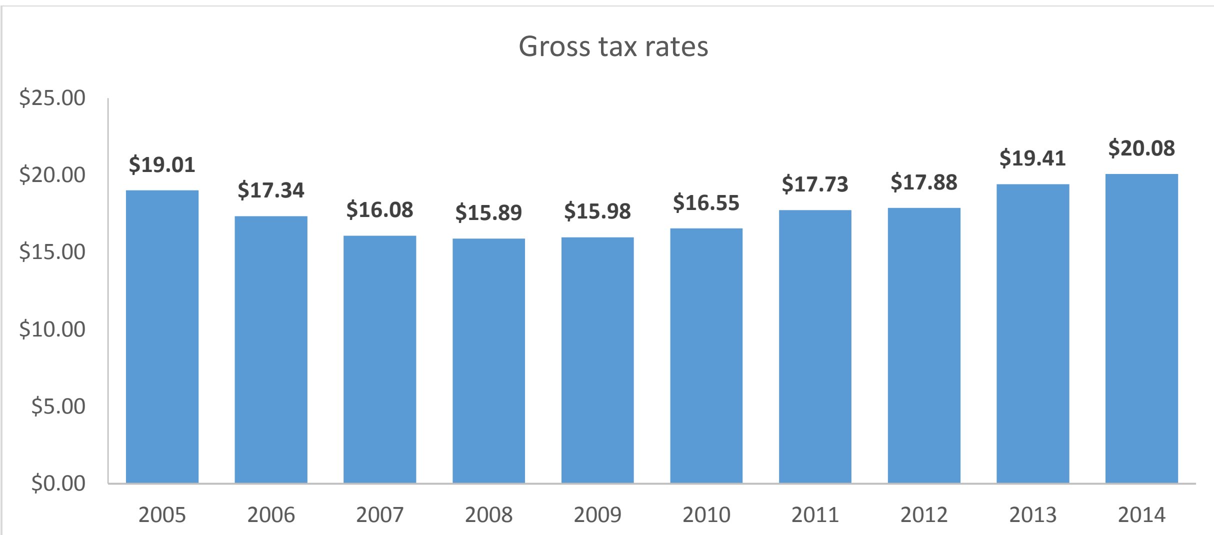
2010
2011
2012
2013
2014


Gross tax rates
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$0.00
$19.01
$17.34
$16.08
$15.89
$15.98
$16.55
$17.73
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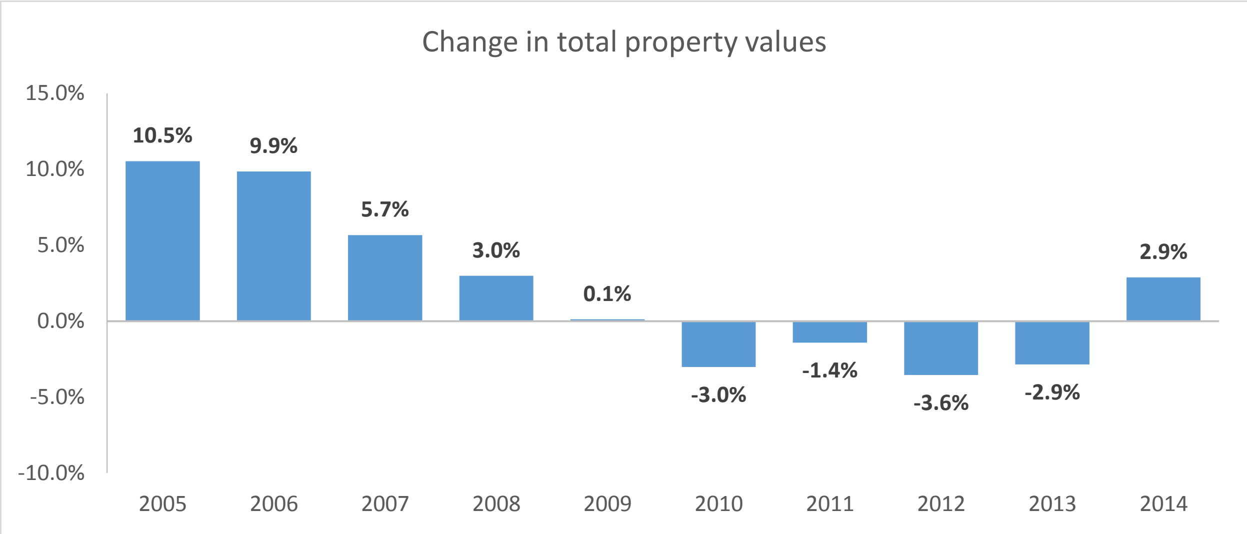
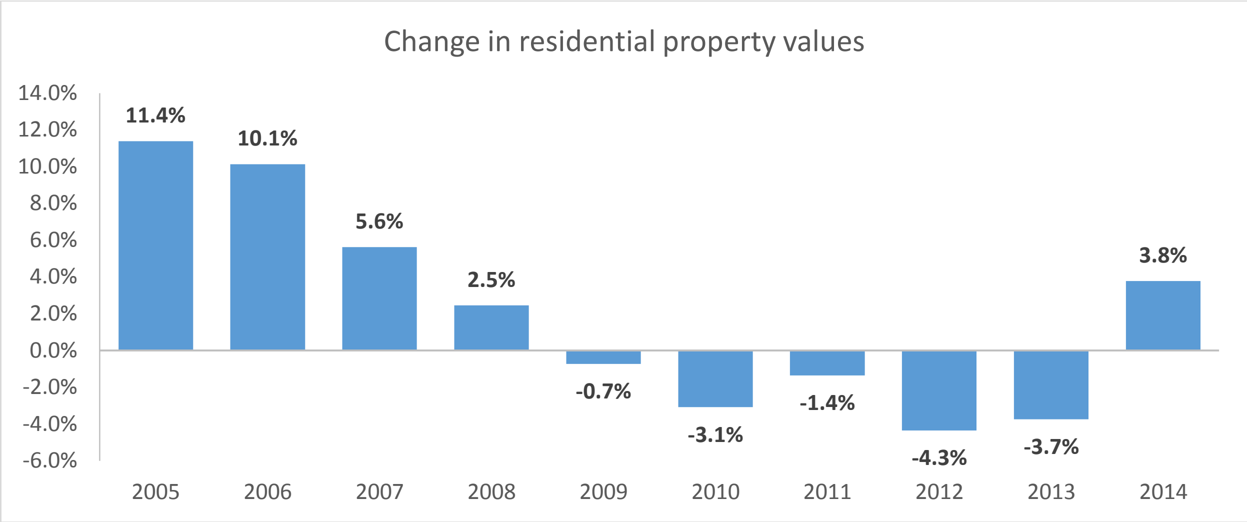
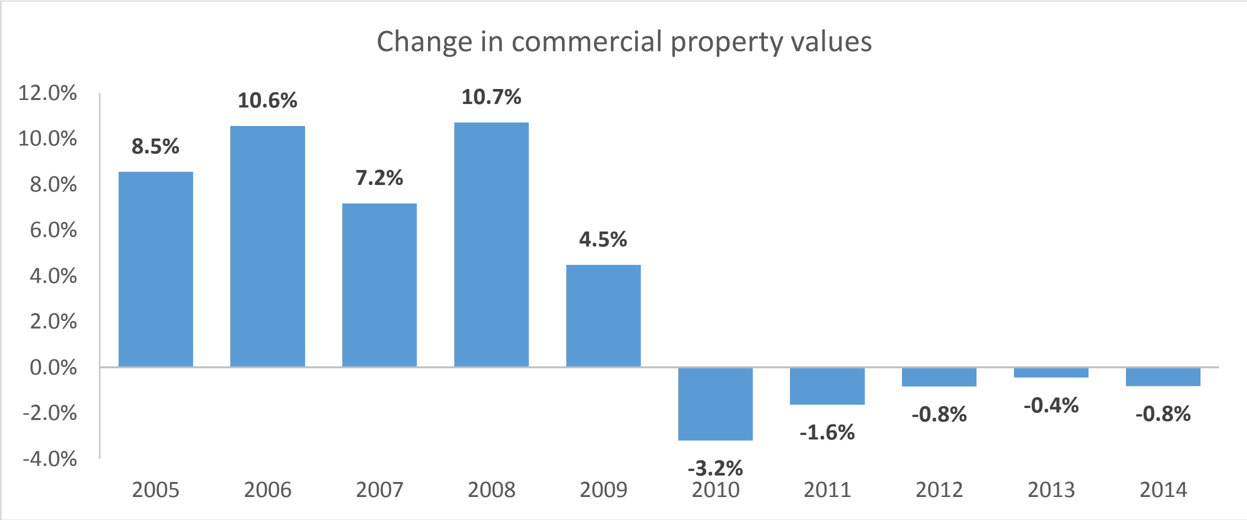
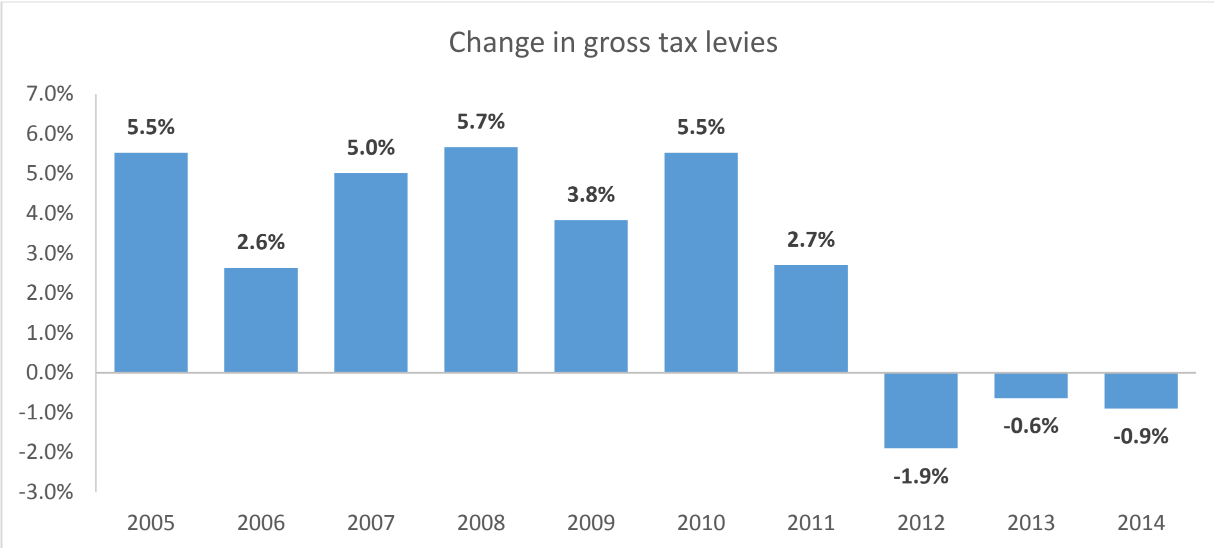
$19.41
$20.08
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014

Washington County








Change in gross tax levies
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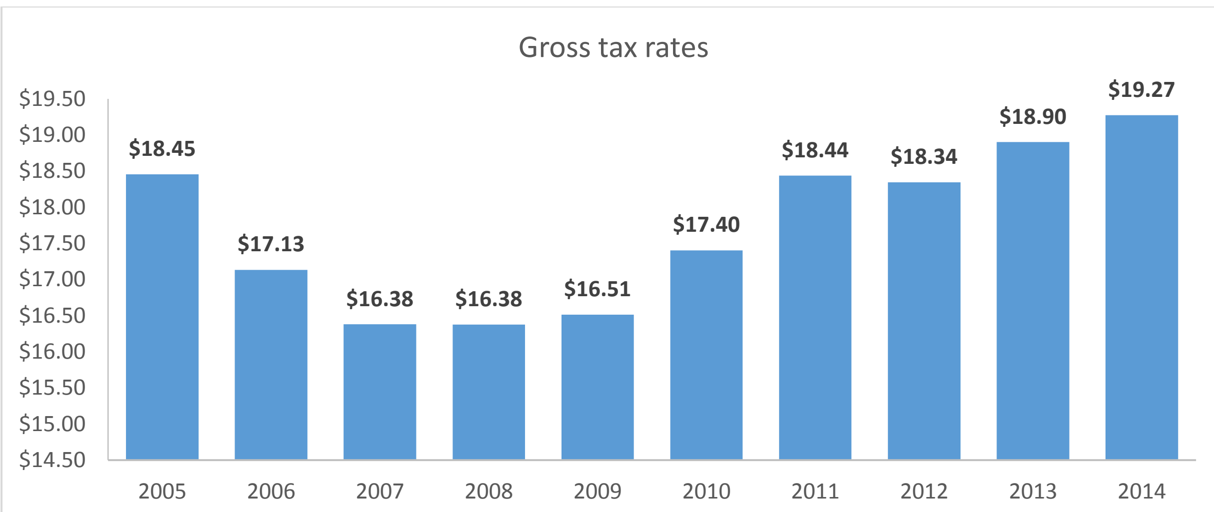
5.0%
4.0%
3.0%
2.0%
1.0%
0.0%
-1.0%
-2.0%
-3.0%
5.5%
2.6%
5.0%
5.7%
3.8%
5.5%
2.7%
-1.9%
-0.6%
-0.9%
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014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$18.00
$17.50
$17.00
$16.50
$16.00
$15.50
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$14.50
$18.45
$17.13
$16.38
$16.38
$16.51
$17.40
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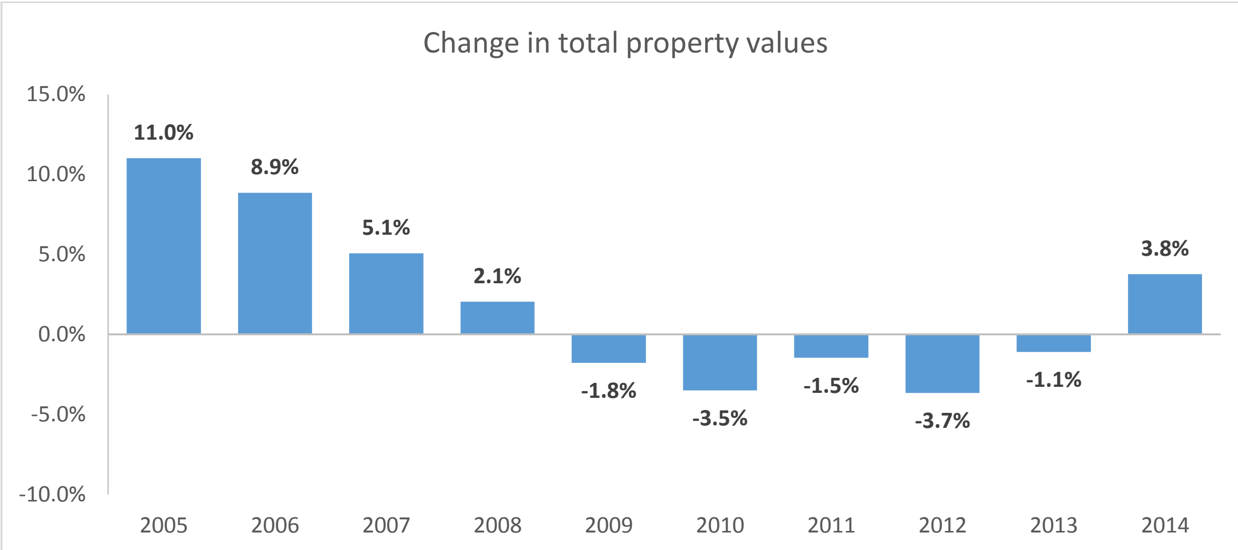
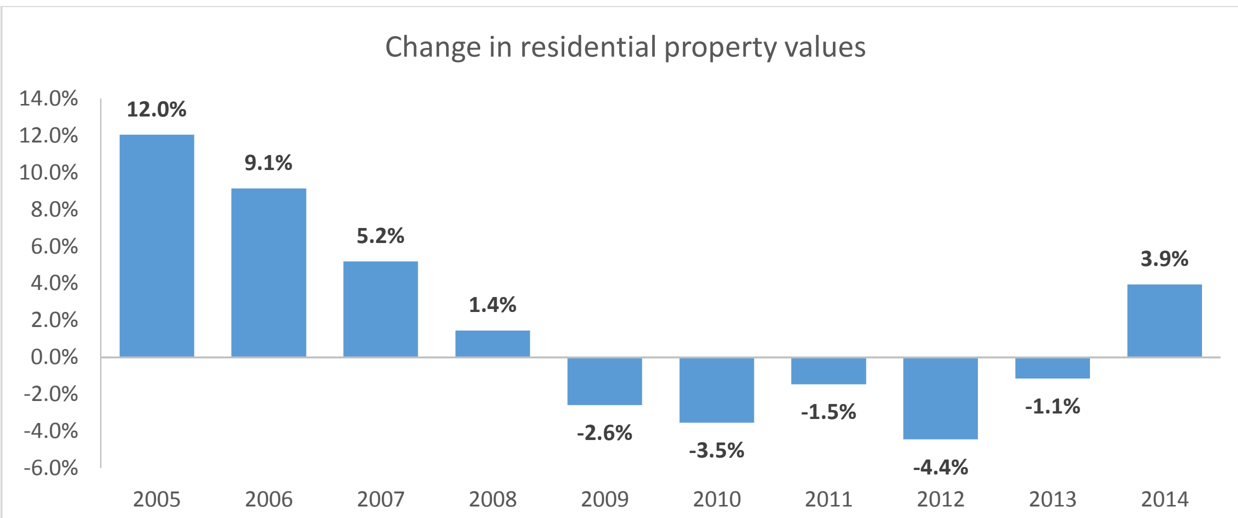
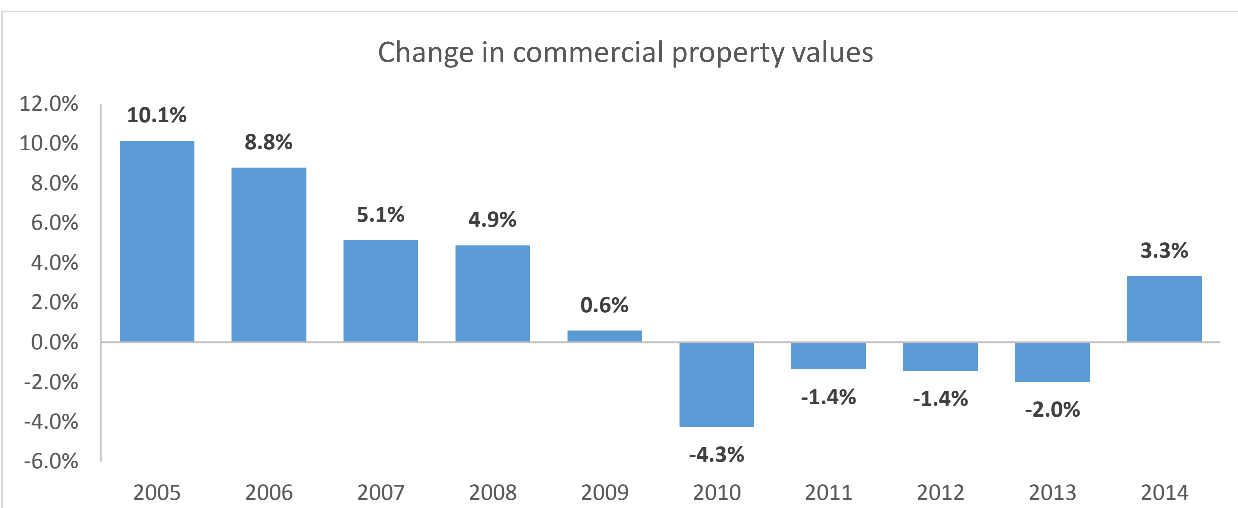
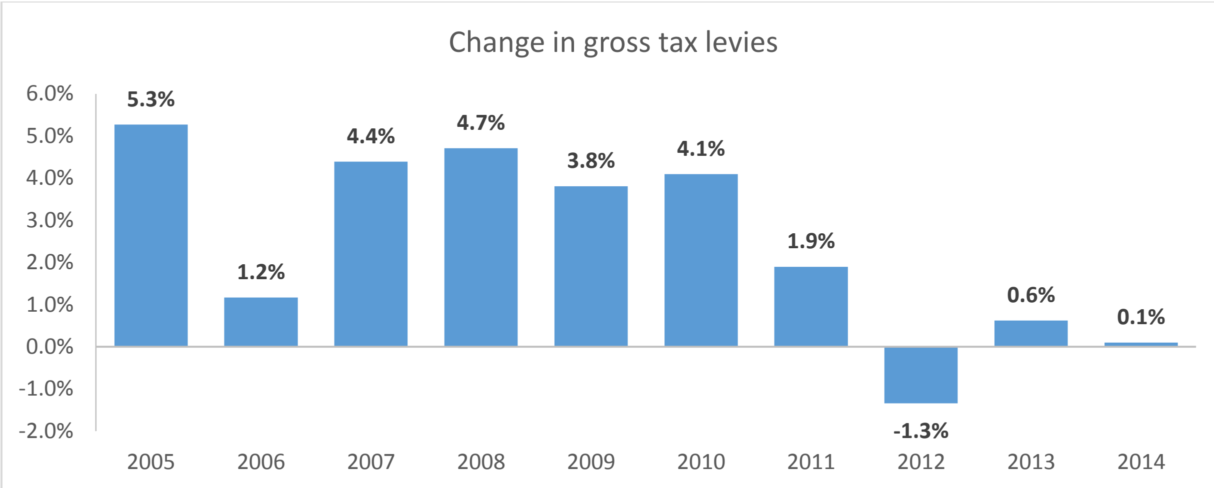
$18.90
$19.27
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014

Waukesha County








Change in gross tax levies
6.0%
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4.0%
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1.0%
0.0%
-1.0%
-2.0%
5.3%
1.2%
4.4%
4.7%
3.8%
4.1%
1.9%
-1.3%
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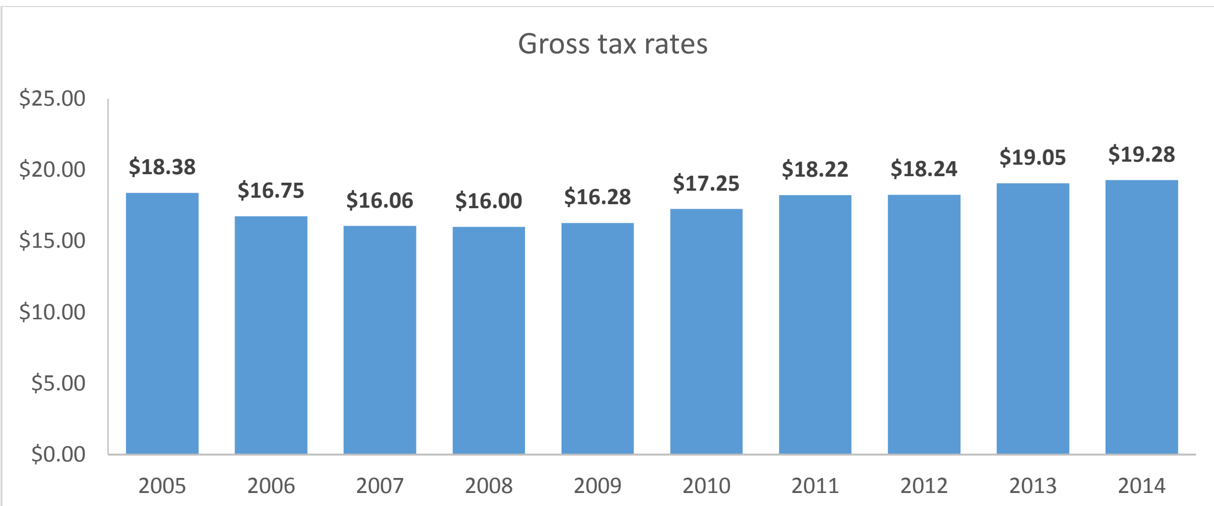
2010
2011
2012
2013
2014


Gross tax rates
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$15.00
$10.00
$5.00
$0.00
$18.38
$16.75
$16.06
$16.00
$16.28
$17.25
$18.22
$18.24
$19.05
$19.28
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014