

Equalized Values Decline in the St. Croix Valley

Declines Reflect Struggles in Residential Markets

On August 15th, the Wisconsin Department of Revenue (DOR) released its 2011 Equalized Values Report for towns, villages, cities, and counties in Wisconsin. DOR says equalized values are calculated annually to ensure statewide fairness and equity in property tax distribution. An equalized value on a property represents an estimate of a taxation districts' total taxable value, and provides the fair apportionment of taxation district levies (including school districts and counties) to each municipality (i.e. town-village-city). Changes in equalized values do not necessarily translate into a change in property taxes.

Equalized values in St. Croix County declined 4.15% from 2010 to 2011. The total change represents a decline in property values (residential, commercial, manufacturing, agricultural, forestry, etc.) of \$309.146 million. Personal property in St. Croix also declined by \$8.65 million for a 1-year net loss in equalized values of \$317.791 million. The declined ranked St. Croix 68th out of Wisconsin's 72 counties.

Equalized values in Pierce County declined by \$114.864 million (-3.91%) to rank 66th of 72 counties. Values in Polk County declined by \$316.679 million (-6.97%) to rank 72nd. St. Croix, Pierce, and Polk counties comprise Wisconsin's St. Croix Valley, a rapidly growing region in west central Wisconsin that is within close proximity of the Twin Cities metro area. Both St. Croix and Pierce are included in the federal definition of the 13-county Minneapolis-St. Paul-Bloomington MN-WI metro area.

Fifty-five of 72 counties reported declines. The state's top gainer by percentage increase was Pepin with an increase 1-year increase in equalized values of \$16.652 million (+3.06%). Statewide equalized values declined by 1.8% and now total an estimated \$487 billion.

"St. Croix County and the St. Croix Valley are not immune to the global recession," said William Rubin, executive director of St. Croix Economic Development Corporation. "The latest numbers from the Department of Revenue remind all of us that the recession began in late 2007. We saw St. Croix's market cooling in 2007 with a modest increase in

equalized values of \$271.8 million, or a three percent increase. One year earlier, Revenue reported an eleven percent gain in St. Croix, which reflected an \$850 million increase. As recent as last year, equalized values declined by just over \$616 million."



William Rubin

Residential properties (land and improvements) continue to decline. In St. Croix County, residential properties declined by a net \$278 million, which includes a \$314.826 million economic adjustment to reflect weak conditions that was offset by \$39.143 million in new construction. In Pierce County, residential properties declined by a net \$82.562 million (a \$107.722 million adjustment offset by \$17.744 million in new construction). In Polk County, residential properties declined by \$261.144 million (a \$268.149 adjustment offset by \$19.113 million in new construction).

Across the 10-county region of west central Wisconsin, DOR reported changes as follows:

<i>West Central Wisconsin Equalized Values</i>		
<i>County</i>	<i>Percent Change 2010-2011</i>	<i>State Rank</i>
Barron	+0.16%	14
Chippewa	- 0.04%	18
Clark	- 1.42%	41
Dunn	- 2.04%	52
Eau Claire	+0.61%	7
Pepin	+3.06%	1
Pierce	- 3.91%	66
Polk	- 6.97%	72
Rusk	+1.36%	4
St. Croix	- 4.15%	68

Source: Wisconsin Department of Revenue and St. Croix Economic Development Corp.