

**City Assessor's Annual Report to the
Mason City Conference Board
Year ending 12-31-2019**



Mason City Conference Board

Chairperson:

Mayor Bill Schickel

City Council:

Paul Adams • John Jaszewski • John Lee •
Joshua Masson • Will Symonds • Tom Thoma

Cerro Gordo County Board of Supervisors:

Casey Callanan • Tim Latham • Chris Watts

Mason City Board of Education:

Kristine Cassel • Jodi Draper • Katie Koehler • Lorrie Lala •
Jacob Schweitzer • Brent Seaton • Alan Steckman

**2019 Report to the Mason City Conference Board
Office of the Mason City Assessor**

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**STAFF OF ASSESSOR'S OFFICE &
BOARD OF REVIEW MEMBERS
2019**

ASSESSOR'S OFFICE

Administration

Dana Shipley, ICA, RES, AAS

Mason City Assessor

Appointment term 1/1/2016 – 12/31/2021

Tara Brueggeman, ICA, RES

Chief Deputy Assessor

Appointment term 7/1/2019 – 6/31/2025

Staff

Pamela Pingel, ICA

Residential Appraiser

Stephanie Halbur

Real Estate Clerk

BOARD OF REVIEW

David Guetzko

Realtor

Appointment term 1/1/2015-12/31/2020

Ray Mechem

Real estate finance

Appointment term 1/1/2017-12/31/2022

Janel M. Nagel

Real estate appraiser

Appointment term 1/1/2019-12/31/2024

STATEMENT OF ASSESSED VALUATIONS OF MASON CITY
As of July 1, 2019

Taxable Real Property (7-1-2018)		\$1,800,961,132
New Construction (added 1-1-2019)		\$ 14,584,400
Revaluation		\$ 54,448,338
Property Returned to Local Taxation		<u>\$ 2,518,630</u>
Total Taxable Real Property		\$1,872,512,500
Less:		
Demolition (removed 1-1-2019)	\$ 806,890	
Revaluation	\$ 23,834,774	
New Claims for Tax Exempt and Non-Taxable	\$ 352,708	
District Court and PAAB Decrees	\$ 758,410	
		<u>\$ - 25,752,782</u>
Net Taxable Real Property		\$1,846,759,718
Utility Property (Assessed by the Department of Revenue)		\$ 174,681,446
Full Value of Taxable Real Property		\$2,021,441,164
Less Partial Exemptions:		
Urban Revitalization	\$ 12,174,310	
Pollution Control/Recycling	\$ 1,797,210	
Land Conservation	\$ 285,610	
Geothermal	\$ 11,860	
Transmission Property	\$ 581,640	
		<u>\$ - 14,850,630</u>
ADJUSTED VALUE OF NET TAXABLE REAL PROPERTY		\$2,006,590,534

**STATEMENT OF PROPERTY CLASSIFICATIONS OF MASON CITY
As of July 1, 2019**

Agricultural		
Number of Parcels		348
Total Value	\$9,755,320	
Total Gross Acres	7,782.64	
Total Net Acres	7,621.96	
 Residential		
Number of Parcels		11,337
Total Value	\$1,220,165,530	
Number of Dwellings	10,689	
 Multiresidential		
Number of Parcels		199
Total Value	\$52,465,074	
Number of Units	176	
 Commercial		
Number of Parcels		1,317
Total Value	\$450,584,704	
Number of Units	776	
 Industrial		
Number of Parcels		<u>83</u>
Total Value	\$108,770,120	
Number of Units	33	
 Total Taxable Parcels in Mason City		
		13,284
 Exempt (government owned, schools, churches, etc.)		
Number of Parcels		<u>859</u>
 Total Parcels in Mason City		
		14,143

2019 TAX EXEMPT PROPERTY SUMMARY REPORT

RELIGIOUS INSTITUTIONS (427.1(8))

1. Churches	<u>\$36,017,132</u>	
2. Recreational	<u>\$0</u>	
3. Schools	<u>\$8,901,000</u>	
4. Residential	<u>\$2,403,598</u>	
5. Others	<u>\$1,199,100</u>	
TOTAL ALL RELIGIOUS INSTITUTIONS		<u>\$48,520,830</u>
TOTAL ALL LITERARY SOC. & EDUCATIONAL INST. (427.1(8))		<u>\$448,040</u>
TOTAL ALL LOW RENT HOUSING (427.1(21))		<u>\$1,093,130</u>
TOTAL ALL ASSOCIATIONS OF WAR VETERANS (427.1(5))		<u>\$239,400</u>
CHARITABLE AND BENEVOLENT SOCIETIES (427.1(8))		
1. Hospitals	<u>\$99,993,815</u>	
2. Fraternal Organizations	<u>\$2,081,790</u>	
3. Agricultural Societies	<u>\$392,888</u>	
4. Retirement Homes	<u>\$18,596,974</u>	
5. Nursing Homes	<u>\$18,375,910</u>	
6. Others	<u>\$46,998,255</u>	
TOTAL ALL CHARITABLE & BENEVOLENT SOCIETIES		<u>\$186,439,632</u>
GOVERNMENT PROPERTY		
1. State	<u>\$8,019,550</u>	
2. Federal	<u>\$2,126,370</u>	
3. County	<u>\$9,317,190</u>	
4. Municipal	<u>\$27,950,355</u>	
TOTAL GOVERNMENT OWNED PROPERTY		<u>\$47,413,465</u>
PUBLIC SCHOOLS		
1. 0 - 12	<u>\$2,614,430</u>	
2. Colleges	<u>\$39,092,510</u>	
3. Regent	<u>\$0</u>	
TOTAL PUBLIC SCHOOLS		<u>\$41,706,940</u>
TOTAL ALL EXEMPT PROPERTY		<u>\$325,861,437</u>

INFORMAL ASSESSMENT APPEALS REPORT
 Appeals to Assessor in 2019

Assessment staff considered 62 informal appeals.

Appeals were considered April 2, 2019 – April 25, 2019.

TOTAL value of taxable real estate BEFORE hearings: \$1,848,081,708

TOTAL value of real estate considered for protests: \$14,924,940

Total number of protests by class of property:

Agricultural	1
Residential	42
Multiresidential	13
Commercial	6
Industrial	<u>0</u>
TOTAL	62

Number of protests denied: 27

Number of protests upheld: 35

Reduction in value: - \$505,610

Increase in value: + \$0

TOTAL value of real estate considered AFTER hearings: \$14,351,540

Reduction in total value of real estate considered: - 3.84%

TOTAL value of taxable real estate AFTER hearings: \$1,847,576,098

Percentage of M.C. total taxable parcels appealed to Assessor: 0.47%

Reduction in M.C. total taxable value after Assessor action: - 0.03%

BOARD OF REVIEW REPORT
 Formal Appeals to the Board in 2019

The 2019 Board of Review (BOR) considered 36 assessment appeals.

The Board of Review was in session for a total of 4 days.

TOTAL value of taxable real estate BEFORE BOR action: \$1,847,576,098

TOTAL value of real estate considered for protests: \$66,167,930

Total number of protests by class of property:

Agricultural	0
Residential	7
Multiresidential	1
Commercial	24
Industrial	<u>4</u>
TOTAL	36

Number of protests denied: 13

Number of protests upheld: 23

Reduction in value: - \$718,590

Increase in value: + \$0

TOTAL value of real estate considered AFTER BOR action: \$65,449,340

Reduction in total value of real estate considered: - 1.09%

TOTAL value of taxable real estate AFTER BOR hearings: \$1,846,857,508

Percentage of M.C. total taxable parcels appealed to BOR: 0.27%

Reduction in M.C. total taxable value after BOR action: - 0.04%

**DISTRICT COURT & PROPERTY ASSESSMENT APPEAL BOARD (PAAB)
Report for 2019**

District Court appeals filed after 2019 BOR Session: 1

PAAB appeals filed after 2019 BOR Session: 0

PAAB appeals by class of property:

Agricultural 0

Residential 0

Multiresidential 0

Commercial 0

Industrial 1

TOTAL 1

Number of appeals upheld: 0

Number of appeals denied: 0

Number of appeals settled: 0

Number of appeals withdrawn: 0

Number of appeals unresolved (2019 docket): 1

TOTAL reduction in assessed value from decisions: \$Undecided

District Court & PAAB appeals from 2018 docket decided in 2019:

Number of appeals upheld: 0

Number of appeals denied: 3

Number of appeals settled: 0

Number of appeals withdrawn: 1

TOTAL reduction in assessed value from decisions: \$0

CREDITS, EXEMPTIONS & MISC PROCESSES
Report for 2019

Urban Revitalization Exemptions:		
New applications		28
Expired exemptions		43
Total ongoing exemptions		183
Homestead Credits:		
New applications		371
Disallowed credits		409
Total ongoing credits		6,925
Disabled Veterans Homestead Credit Applications:		
New applications		9
Disallowed credits		3
Total ongoing credits		80
Military Credit:		
New applications		47
Disallowed credits		86
Total ongoing credits		1,435
Business Property Tax Credit:		
New applications		39
Disallowed credits		98
Total ongoing credits		1,027
Other Credits/Exemptions:		
Forest & Fruit Tree Exemptions		14
Slough Bill Exemptions		18
Family Farm Tax Credits		33
Miscellaneous:		
Assessment Notices		12,383
Building Permits (\$63,939,325 reported value)		603
Demolition Permits (\$127,787 reported value)		228
Deeds & Contracts		1,148
Declaration of Value Statements		754
Apportionments, Combinations & Plats		38
Grain Tax Returns		5
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RESIDENTIAL SALES RATIO ANALYSIS 1/1/2019

January 1, 2019 was a revaluation year for Residential properties according to state law. A sales ratio study was conducted to compare assessed values with actual sale prices. If properties are not reassessed by the local assessor to be in compliance with state law, the Department of Revenue will equalize assessments to facilitate compliance.

Mason City Assessor					Mason City Assessor				
1/1/2019 Residential Sales Ratio Study - BEFORE Revaluation					1/1/2019 Residential Sales Ratio Study - AFTER Revaluation				
Study Name RES SALES RATIO STUDY					Study Name RES SALES RATIO STUDY				
Study Date 01/01/2018-12/31/2018					Study Date 01/01/2018-12/31/2018				
Table Basis Assessed Value at Time of Sale					Table Basis 1/1/2019 Assessed Values				
Group Tally Number of sales in group = 453 Deeds: 453; Contracts: 0; Other: 0					Group Tally Number of sales in group = 453 Deeds: 453; Contracts: 0; Other: 0				
	Low Assd Value	Mean	High Assd Value	Total		Low Assd Value	Mean	High Assd Value	Total
Sale Price	15,000	126,222	575,000	57,178,595	Sale Price	15,000	126,222	575,000	57,178,595
Land Value	0	0	0	0	Land Value	4,830	18,271	70,780	8,276,730
Improvement Value	0	0	0	0	Improvement Value	10,000	109,439	500,570	49,575,730
Total Assd Value	14,320	120,930	542,040	54,781,380	Total Assd Value	14,830	127,710	571,350	57,852,460
Statistical Measures					Statistical Measures				
High Ratio					High Ratio				
	272.15					270.60			
Low Ratio					Low Ratio				
	41.14					76.37			
Weighted Mean					Weighted Mean				
	95.81					101.18			
Mean					Mean				
	100.37					105.19			
Median					Median				
	96.09					100.07			
Coefficient of Dispersion - Median					Coefficient of Dispersion - Median				
	14.34					10.69			
Coefficient of Variance - Mean					Coefficient of Variance - Mean				
	24.01					21.13			
Price Related Differential (PRD)					Price Related Differential (PRD)				
	1.05					1.04			
Price Related Bias (PRB)					Price Related Bias (PRB)				
	-0.082					-0.069			

- Residential arm's length sales between 1/1/2018-12/31/2018 were used in the ratio study, and a total of 453 sales were analyzed.
- The ratio of 96.09% shows that assessments are within the acceptable range of 95-105% market value, yet are on the far low end of acceptable.
- Residential assessments increased on average by 3.85% to bring the adjusted sales median to an ideal 100.07%.
- Assessments are also more uniform among the entire classification as the COD was lowered from 14.34 to 10.69 & the resulting PDR decreased from 1.05 to 1.04.

MULTIRESIDENTIAL SALES RATIO ANALYSIS 1/1/2019

January 1, 2019 was a revaluation year for Multiresidential properties according to state law. A sales ratio study was conducted to compare assessed values with actual sale prices. If properties are not reassessed by the local assessor to be in compliance with state law, the Department of Revenue will equalize assessments to facilitate compliance.

Mason City Assessor				
1/1/2019 Multiresidential Sales Ratio Study - BEFORE Revaluation				
Study Name MULTIRES SALES RATIO STUDY				
Study Date 01/01/2017-12/31/2018				
Table Basis Assessed Value at Time of Sale				
Group Tally Number of sales in group = <u>13</u> Deeds: 13; Contracts: 0; Other: 0				
	Low Assd Value	Mean	High Assd Value	Total
Sale Price	68,000	350,500	2,530,000	4,206,005
Land Value	0	0	0	0
Improvement Value	0	0	0	0
Total Assd Value	39,530	343,566	2,588,800	4,122,790
Statistical Measures				
High Ratio	244.46			
Low Ratio	58.13			
Weighted Mean	98.02			
Mean	111.24			
Median	95.71			
Coefficient of Dispersion - Median	29.63			
Coefficient of Variance - Mean	43.04			
Price Related Differential (PRD)	1.13			
Price Related Bias (PRB)	-0.108			

Mason City Assessor				
1/1/2019 Multiresidential Sales Ratio Study - AFTER Revaluation				
Study Name MULTIRES SALES RATIO STUDY				
Study Date 01/01/2017-12/31/2018				
Table Basis 1/1/2019 Assessed Values				
Group Tally Number of sales in group = <u>13</u> Deeds: 13; Contracts: 0; Other: 0				
	Low Assd Value	Mean	High Assd Value	Total
Sale Price	20,805	350,500	2,530,000	4,206,005
Land Value	14,010	48,352	387,000	580,220
Improvement Value	17,590	290,413	2,087,690	3,484,950
Total Assd Value	31,600	338,764	2,474,690	4,065,170
Statistical Measures				
High Ratio	153.36			
Low Ratio	84.33			
Weighted Mean	96.65			
Mean	104.71			
Median	96.91			
Coefficient of Dispersion - Median	13.41			
Coefficient of Variance - Mean	19.21			
Price Related Differential (PRD)	1.08			
Price Related Bias (PRB)	-0.060			

- Multiresidential arm's length sales between 1/1/2017-12/31/2018 were used in the ratio study, and a total of 13 sales were analyzed.
- The ratio of 95.71% shows that assessments are within the acceptable range of 95-105% market value, yet are on the far low end of acceptable.
- Multiresidential assessments increased on average by 2.00% to bring the adjusted sales median to 96.91%.
- Resulting assessments are also more uniform among the entire classification as the COD was lowered from 29.63 to 13.41 & the PDR decreased from 1.13 to 1.08.

COMMERCIAL SALES RATIO ANALYSIS 1/1/2019

January 1, 2019 was a revaluation year for Commercial properties according to state law. A sales ratio study was conducted to compare assessed values with actual sale prices. If properties are not reassessed by the local assessor to be in compliance with state law, the Department of Revenue will equalize assessments to facilitate compliance.

Mason City Assessor				
1/1/2019 Commercial Sales Ratio Study - BEFORE Revaluation				
Study Name COM SALES RATIO STUDY				
Study Date 01/01/2017-12/31/2018				
Table Basis Assessed Value at Time of Sale				
Group Tally Number of sales in group = 48 Deeds: 48; Contracts: 0; Other: 0				
	Low Assd Value	Mean	High Assd Value	Total
Sale Price	20,000	533,284	5,150,000	25,597,651
Land Value	0	0	0	0
Improvement Value	0	0	0	0
Total Assd Value	19,760	398,288	3,991,590	19,117,840
Statistical Measures				
High Ratio	270.31			
Low Ratio	32.50			
Weighted Mean	74.69			
Mean	103.82			
Median	99.04			
Coefficient of Dispersion - Median	25.91			
Coefficient of Variance - Mean	40.50			
Price Related Differential (PRD)	1.39			
Price Related Bias (PRB)	-0.075			

Mason City Assessor				
1/1/2019 Commercial Sales Ratio Study - AFTER Revaluation				
Study Name COM SALES RATIO STUDY				
Study Date 01/01/2017-12/31/2018				
Table Basis 1/1/2019 Assessed Values				
Group Tally Number of sales in group = 48 Deeds: 48; Contracts: 0; Other: 0				
	Low Assd Value	Mean	High Assd Value	Total
Sale Price	20,000	533,284	5,150,000	25,597,651
Land Value	10,310	82,818	776,500	3,975,250
Improvement Value	0	333,903	3,102,550	16,027,360
Total Assd Value	10,310	416,721	3,879,050	20,002,610
Statistical Measures				
High Ratio	178.99			
Low Ratio	33.30			
Weighted Mean	78.14			
Mean	100.71			
Median	99.28			
Coefficient of Dispersion - Median	20.94			
Coefficient of Variance - Mean	29.88			
Price Related Differential (PRD)	1.29			
Price Related Bias (PRB)	-0.032			

- Commercial arm's length sales between 1/1/2017-12/31/2018 were used in the ratio study, and a total of 48 sales were analyzed.
- The ratio of 99.04% shows that assessments are within the acceptable range of 95-105% market value.
- Commercial assessments were redistributed among the classification to bring about more assessment uniformity by property type. The resulting assessments have improved in uniformity among the entire classification as the COD lowered from 25.91 to 20.94 & the PDR decreased from 1.39 to 1.29.

SALES RATIO & EQUALIZATION TERMS

Key terms:

Sales Ratio = Assessed Value / Sale Price

Mean Ratio = Average Ratio

Median Ratio = Middle Ratio

- Target Median is 95% - 105%
- Median <95% means properties are generally under assessed
- Median >105% means properties are generally over assessed
- If the median does not fall within 95% - 105%, and revaluation is not done locally, the Iowa Department of Revenue (IDR) will order the entire classification of properties increase or decrease in value by a flat percentage as an Equalization Order to reach 100%.

Price Related Differential (PRD)

- Target PRD is 0.98 – 1.03
- PRD measures progressivity & regressivity
- PRD < 0.98 = High end properties are over appraised compared to low end properties.
- PRD > 1.03 = High end properties are under appraised compared to low end properties.

Coefficient of Dispersion (COD)

- COD measures uniformity of assessments
- Target COD is 15 or less for Residential property

What is an Equalization Order?

The Iowa Department of Revenue is responsible for “equalizing” assessments every two years. Following is a general explanation of the purpose of equalization.

The Department compares the assessors' abstracts to a “sales assessment ratio study” it has completed independently of the assessors. If the assessment (by property class) is 5% or more above or below the sales ratio study, the Department increases or decreases the assessment. (There is no sales ratio study for agricultural and industrial property.)

Equalization occurs on an entire class of property, not on individual property. Also, equalization occurs on an assessing jurisdiction basis, not on a statewide basis.

Equalization is important because it helps maintain equitable assessments among classes of property and among assessing jurisdictions. This contributes to a more fair distribution of state aid, such as aid to schools. It also helps to equally distribute the total tax burden within the area.

IOWA DEPARTMENT OF REVENUE
2019 FINAL EQUALIZATION NOTICE



Hoover State Office Building
1305 East Walnut Street
Des Moines, IA 50319

<https://tax.iowa.gov>

2019 Final Equalization Notice


To the Auditor of Cerro Gordo County, Iowa

Pursuant to Iowa Code Section 441.49, the undersigned Department of Revenue of the State of Iowa hereby notifies you of the final percentage adjustments to the 2019 valuations of real property in Cerro Gordo County:

Class of Property	Percentage Adjustment to Reported 2019 Actual Values
Agricultural Land and Structures, Excluding Residential Dwellings on Agricultural Realty, Outside and Within Incorporated Cities, Except the City of Mason City	No Adjustment
Residential Realty, Including Residential Dwellings on Agricultural Realty, Outside and Within Incorporated Cities, Except the City of Mason City	No Adjustment
Commercial Realty, Excluding Machinery and Equipment Referred to in Chapter 427A, Outside and Within Incorporated Cities, Except the City of Mason City	No Adjustment
Multiresidential Realty, Excluding Equipment Referred to in Chapter 427A, Outside and Within Incorporated Cities, Except the City of Mason City	No Adjustment
Agricultural Land and Structures, Excluding Residential Dwellings on Agricultural Realty, Within the City of Mason City	No Adjustment
Residential Realty, Including Residential Dwellings on Agricultural Realty, Within the City of Mason City	No Adjustment
Commercial Realty, Excluding Machinery and Equipment Referred to in Chapter 427A, Within the City of Mason City	No Adjustment
Multiresidential Realty, Excluding Equipment Referred to in Chapter 427A, Within the City of Mason City	No Adjustment

Assessed values are equalized by the Department of Revenue every two years. Local taxing authorities determine the final tax levies and may reduce property tax rates to compensate for any increase in valuation due to equalization.

If there is an increase listed above, taxpayers may protest the final equalization order with their local board of review. Protests are accepted through October 31, 2019.


Julie G. Roisen, CAE, MA
Administrator, Property Tax Division

September 23, 2019

PROFESSIONAL ACCOMPLISHMENTS IN 2019

Assessor Dana Shipley:

- **Co-Chair of the ISAA Education Committee**
 - Committee is responsible for developing and providing continuing education to members of the Iowa State Association of Assessors. This committee sponsors schools, workshops and courses throughout Iowa and reports to the ISAA Executive Board
- **International Association of Assessing Officers (IAAO) Professional Designation Advisor**
 - Proctored exams for students on behalf of IAAO.

Deputy Assessor Tara Brueggeman:

- **Secretary for the North Central District of Assessing Officers.**
- **Co-Chair of the ISAA Program Committee**
 - Committee is responsible for planning annual meeting including: programs, music, house, reception, fellowship, and inter-agency relations. This committee reports to the ISAA Executive Board.
- **Board Member – Institute of Iowa Certified Assessors (IICA)**
 - The purpose of the IICA is to provide education to assessors and encourage professional designations.