

**City Assessor's Annual Report to the
Mason City Conference Board
Year ending 12-31-2020**



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:

Jodi Draper • Katie Koehler • Lorrie Lala • Jean-Pierre Peterson •
Jacob Schweitzer • Brent Seaton • Alan Steckman

**2020 Report to the Mason City Conference Board
Office of the Mason City Assessor**

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STAFF OF ASSESSOR'S OFFICE

Dana Shipley, ICA, RES, AAS
Mason City Assessor
Appointment term 1/1/2016 – 12/31/2021

Pamela Pingel, ICA
Residential Appraiser

Tara Brueggeman, ICA, RES, AAS
Chief Deputy Assessor
Appointment term 7/1/2019 – 6/31/2025

Stephanie Halbur
Real Estate Clerk

ASSESSOR

The Conference Board appoints, or reappoints, an assessor to a six-year term. Iowa assessors are required to pass coursework and a comprehensive examination before being eligible to be appointed. In order to be reappointed, 150 hours of state-approved continuing education, of which at least 90 hours must be tested courses, are required during the six-year term.

The main duties of the Assessor are to classify and value all property in the assessment jurisdiction. Iowa law requires reassessment in odd-numbered years and notification of changes of value in even-numbered years. Even-numbered year changes are typically new construction or renovation of existing structures. In odd-numbered years, the Mason City office recalculates values and sends notices to property owners.

In addition, the Assessor administers multiple credit and exemption programs. The most common are the homestead credit and military service exemption. Less common, but more problematic, are exemption claims for religious and charitable organizations and business property tax credits.

In the course of classifying and valuing property in Mason City, extensive property-related information is acquired. Public information laws require, and common-sense dictates, that most of this information be readily available for review. This often involves considerable time and effort, but it is an essential part of the operation.

It is also important for the Conference Board members to fully understand what the Assessor does not do:

- Does not calculate or collect taxes.
- Does not set the level of value – the Assessor measures the level of value, as indicated by sales of real property in Mason City.
- Does not make the laws and rules for assessments.

The most visible function of the office tends to be providing information to the public via the Internet or through requests in the office. However, the first priority and the primary effort of the office is discovering changes in real property, such as new construction, and maintaining the classification and values for the entire tax base of Mason City.

In summary, the Assessor has a variety of duties and functions and is an integral component of local government operations.

BOARD OF REVIEW

The Mason City Board of Review has three members. Members are appointed for staggered six-year terms. The Code requires members to have different occupations, and that at least one is experienced in real estate or construction.

The Board of Review meets annually in a limited time frame to hear assessment appeals. Most decisions from the Assessor can be appealed (e.g. value, classification, exemption).

The term dates for each current board member are as follows:

David Guetzko

Realtor

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

Ray Mechem

Real estate finance (retired)

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

Janel M. Nagel

Real estate appraiser (retired)

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

STATEMENT OF ASSESSED VALUATIONS OF MASON CITY
As of July 1, 2020

Taxable Real Property (7-1-2019)		\$1,846,665,808
New Construction (added 1-1-2020)		\$ 24,987,160
Revaluation		\$ 3,149,456
Property Returned to Local Taxation		<u>\$ 573,630</u>
Total Taxable Real Property		\$1,875,376,054
Less:		
Demolition (removed 1-1-2020)	\$ 1,898,600	
Revaluation	\$ 4,247,775	
New Claims for Tax Exempt and Non-Taxable District Court and PAAB Decrees	\$ 1,553,240	
	\$ 1,202,470	
		<u>\$ - 8,902,085</u>
Net Taxable Real Property		\$1,866,473,969
Utility Property (Assessed by the Department of Revenue)		\$ 170,653,592
Full Value of Taxable Real Property		\$2,037,127,561
Less Partial Exemptions:		
Urban Revitalization	\$ 10,844,600	
Pollution Control/Recycling	\$ 1,797,210	
Land Conservation	\$ 289,520	
Geothermal	\$ 11,860	
Transmission Property	\$ 1,266,150	
		<u>\$ - 14,209,340</u>
ADJUSTED VALUE OF NET TAXABLE REAL PROPERTY		\$2,022,918,221

**STATEMENT OF PROPERTY CLASSIFICATIONS OF MASON CITY
As of July 1, 2020**

Agricultural		
Number of Parcels		346
Total Value	\$9,727,810	
Total Gross Acres	7,746.85	
Total Net Acres	7608.06	
 Residential		
Number of Parcels		11,335
Total Value	\$1,230,406,850	
Number of Dwellings	10,807	
 Multiresidential		
Number of Parcels		180
Total Value	\$49,708,890	
Number of Units	175	
 Commercial		
Number of Parcels		1,331
Total Value	\$461,392,769	
Number of Units	777	
 Industrial		
Number of Parcels		<u>83</u>
Total Value	\$111,465,180	
Number of Units	33	
 Total Taxable Parcels in Mason City		
		13,275
 Exempt (government owned, schools, churches, etc.)		
Number of Parcels		<u>856</u>
 Total Parcels in Mason City		
		14,131

2020 TAX EXEMPT PROPERTY SUMMARY REPORT

RELIGIOUS INSTITUTIONS (427.1(8))

1. Churches	<u>\$35,085,334</u>	
2. Recreational	<u>\$0</u>	
3. Schools	<u>\$8,901,000</u>	
4. Residential	<u>\$2,250,140</u>	
5. Others	<u>\$1,402,860</u>	
TOTAL ALL RELIGIOUS INSTITUTIONS		<u>\$47,639,334</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>\$100,827,345</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>\$18,877,640</u>	
6. Others	<u>\$48,187,414</u>	
TOTAL ALL CHARITABLE & BENEVOLENT SOCIETIES		<u>\$188,964,051</u>

GOVERNMENT PROPERTY

1. State	<u>\$8,081,670</u>	
2. Federal	<u>\$2,126,370</u>	
3. County	<u>\$9,368,840</u>	
4. Municipal	<u>\$27,704,720</u>	
TOTAL GOVERNMENT OWNED PROPERTY		<u>\$47,281,600</u>

PUBLIC SCHOOLS

1. 0 - 12	<u>\$103,310</u>	
2. Colleges	<u>\$41,750,430</u>	
3. Regent	<u>\$0</u>	
TOTAL PUBLIC SCHOOLS		<u>\$41,853,740</u>

TOTAL ALL EXEMPT PROPERTY		<u>\$327,519,285</u>
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INFORMAL ASSESSMENT APPEALS REPORT
Appeals to Assessor in 2020

Assessment staff considered 8 informal appeals.

Appeals were considered April 2, 2020 – April 25, 2020.

TOTAL value of taxable real estate BEFORE hearings: \$1,867,848,039

TOTAL value of real estate considered for protests: \$8,956,910

Total number of protests by class of property:

Agricultural	0
Residential	6
Multiresidential	0
Commercial	2
Industrial	<u>0</u>
TOTAL	8

Number of protests denied: 4

Number of protests upheld: 4

Reduction in value: - \$55,990

Increase in value: + \$0

TOTAL value of real estate considered AFTER hearings: \$8,900,920

Reduction in total value of real estate considered: - 0.625%

TOTAL value of taxable real estate AFTER hearings: \$1,867,792,049

Percentage of M.C. total taxable parcels appealed to Assessor: 0.045%

Reduction in M.C. total taxable value after Assessor action: - 0.003%

**BOARD OF REVIEW REPORT
Formal Appeals to the Board in 2020**

The 2019 Board of Review (BOR) considered 23 assessment appeals.

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

TOTAL value of taxable real estate BEFORE BOR action: \$1,867,792,049

TOTAL value of real estate considered for protests: \$68,095,070

Total number of protests by class of property:

Agricultural	0
Residential	7
Multiresidential	1
Commercial	12
Industrial	<u>3</u>
TOTAL	23

Number of protests denied: 19

Number of protests upheld: 4

Reduction in value: - \$1,318,080

Increase in value: + \$0

TOTAL value of real estate considered AFTER BOR action: \$66,776,990

Reduction in total value of real estate considered: - 1.935%

TOTAL value of taxable real estate AFTER BOR hearings: \$1,867,676,439

Percentage of M.C. total taxable parcels appealed to BOR: 0.173%

Reduction in M.C. total taxable value after BOR action: - 0.070%

**DISTRICT COURT & PROPERTY ASSESSMENT APPEAL BOARD (PAAB)
Report for 2020**

District Court appeals filed after 2020 BOR Session: 0

PAAB appeals filed after 2020 BOR Session: 5

PAAB appeals by class of property:

Agricultural 0

Residential 0

Multiresidential 0

Commercial 2

Industrial 3

TOTAL 5

Number of appeals upheld: 0

Number of appeals denied: 0

Number of appeals settled: 1

Number of appeals withdrawn: 0

TOTAL reduction in assessed value from decisions: \$1,202,470

District Court & PAAB appeals from 2019 docket decided in 2020:

Number of appeals upheld: 0

Number of appeals denied: 0

Number of appeals settled: 1

Number of appeals withdrawn: 0

TOTAL reduction in assessed value from decisions: \$1,202,470

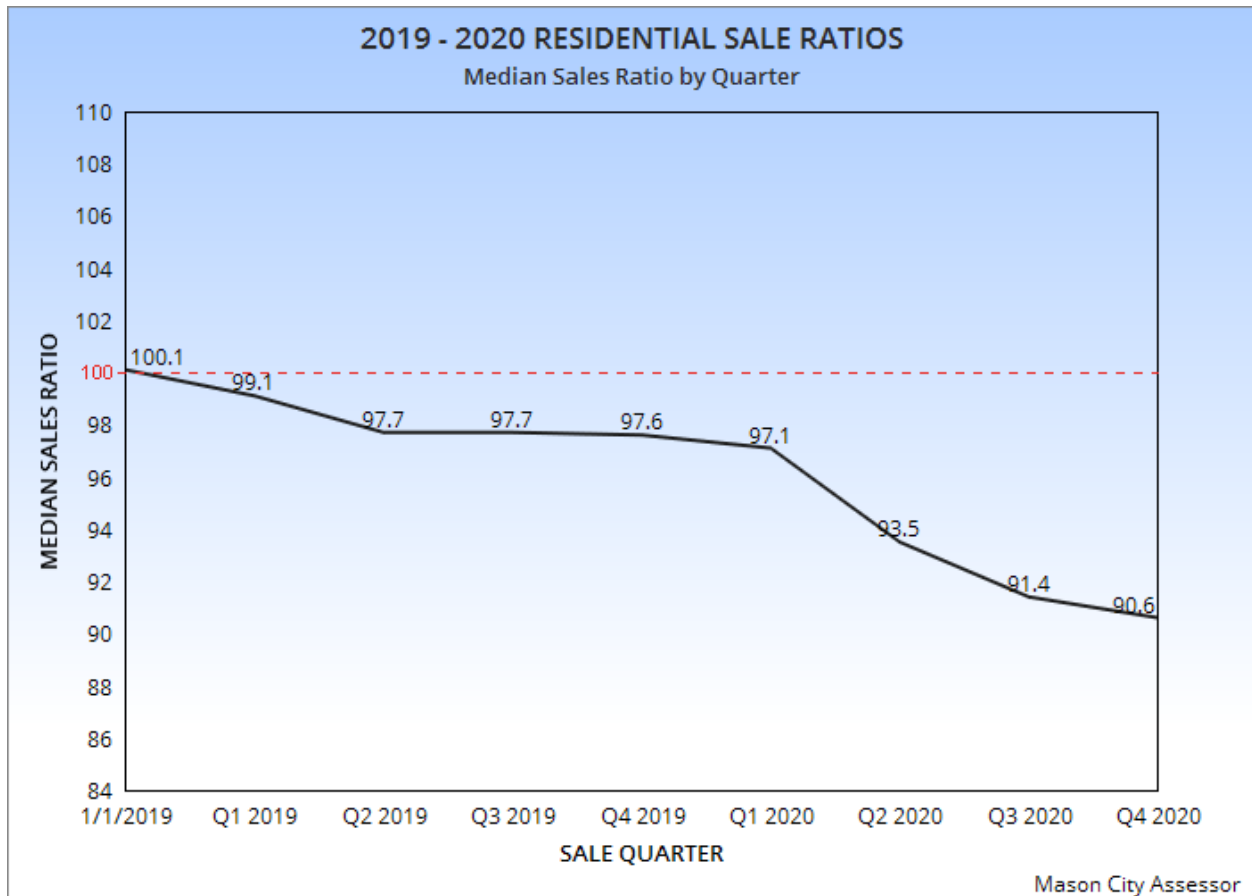
CREDITS, EXEMPTIONS & MISC. PROCESSES
Report for 2020

Urban Revitalization Exemptions:	
New applications	26
Total ongoing exemptions	171
Homestead Credits:	
New applications	348
Disallowed applications	392
Total ongoing credits	6,881
Disabled Veterans Homestead Credit Applications:	
New applications	12
Disallowed applications	2
Total ongoing credits	90
Military Credit:	
New applications	29
Disallowed applications	110
Total ongoing credits	1,354
Business Property Tax Credit:	
New applications	66
Disallowed applications	47
Total ongoing credits	1,046
Other Credits/Exemptions:	
Forest & Fruit Tree Exemptions	14
Slough Bill Exemptions	19
Family Farm Tax Credits	33
Transmission Property Exemption	17
Miscellaneous:	
Assessment Notices	509
Building Permits	524
Demolition Permits	24
Deeds & Contracts	1,095
Declaration of Value Statements	757
Apportionments, Combinations & Plats	21
Grain Tax Returns	5
Section 42 Housing Statements	6
Minimum Assessment Agreements	3

RESIDENTIAL SALES RATIO ANALYSIS

The last residential revaluation was 1/1/2019 and the next revaluation will be 1/1/2021 (with assessment notices mailed 4/1/2021).

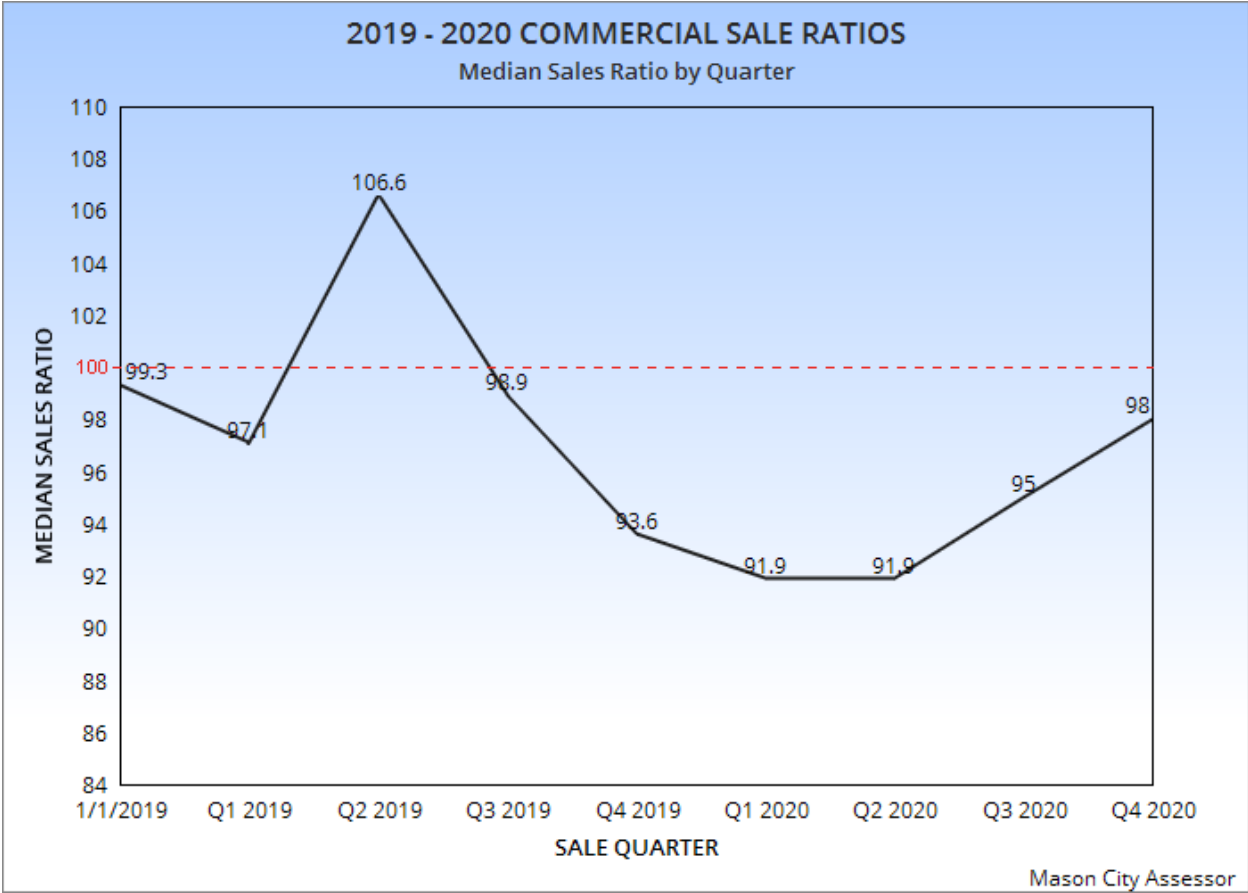
- Between 1/1/2019 – 12/31/2020, 1031 normal arm's-length real estate sales have been recorded for use in the residential sales ratio study. This represents 10.5% of all the residential dwelling inventory in Mason City.
- Iowa law mandates the assessed values of residential real estate reflect 100% market value, allowing leeway for assessments to fall between 95% -105% of the sales median.
- A sales ratio is calculated for each real estate transaction (Assessed Value / Sale Price). The median sales ratio is used to determine if current assessments need to be adjusted.
- A median sales ratio of 90.6% indicates assessments will need to be increased to reach 100% market value.



COMMERCIAL SALES RATIO ANALYSIS

The last commercial revaluation was 1/1/2019 and the next revaluation will be 1/1/2021 (with assessment notices mailed 4/1/2021).

- Between 1/1/2019 – 12/31/2020, 37 normal arm's-length real estate sales have been recorded for use in the commercial sales ratio study. This represents 4.8% of the commercial inventory in Mason City.
- Iowa laws mandates the assessed values of residential real estate reflect 100% market value, allowing leeway for assessments to fall between 95% -105% of the sales median.
- A sales ratio is calculated for each real estate transaction (Assessed Value / Sale Price). The median sales ratio is used to determine if current assessments need to be adjusted. Confidence intervals are also considered when determining value adjustments.
- A median sales ratio of 98.0% indicates commercial assessments currently comply with state guidelines.



PROFESSIONAL ACCOMPLISHMENTS IN 2020

Assessor Dana Shipley, ICA, RES, AAS:

- **Iowa State Association of Assessors (ISAA)**
 - Executive Board member
 - Education Committee liaison
- **International Association of Assessing Officers (IAAO)**
 - Professional Designation Advisor
 - Education Committee member

Deputy Assessor Tara Brueggeman, ICA, RES, AAS:

- **Iowa State Association of Assessors (ISAA)**
 - Secretary for the North Central District of Assessing Officers
 - “The Compass” Editor (ISAA newsletter)
 - Education Committee member
- **Institute of Iowa Certified Assessors (IICA)**
 - Board of Directors – elected to Vice President October 2020
- **International Association of Assessing Officers (IAAO)**
 - Achieved Assessment Administration Specialist (AAS) designation