

Agenda Item Number

Date February 8, 2010

.....

Receipt of the 2009 Polk County Assessor Annual Report.

Moved by ______to receive and file attached report.

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT	CERTIFICATE
COWNIE					
COLEMAN					I, DIANE RAUH, City Clerk of said City hereby
GRIESS					certify that at a meeting of the City Council of said City of Des Moines held on the above date.
HENSLEY					among other proceedings the above was adopted.
MAILAFFEY					
MEYER					IN WITNESS WHEREOF, I have hereunto set my
MOORE					above written.
TOTAL					
MOTION CARRIED			Λ	PPROVED	
				Mayor	City Clerk

POLK COUNTY ASSESSOR

ANNUAL REPORT



2009 REPORT OFFICE OF POLK COUNTY ASSESSOR

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POLK COUNTY CONFERENCE BOARD



STAFF OF POLK COUNTY ASSESSOR'S OFFICE MEMBERS, BOARD OF REVIEW AND BOARD OF EXAMINERS DES MOINES, IOWA 2009

ASSESSOR'S OFFICE

Administration

Jim Maloney, ASA, ICA County Assessor Randy Ripperger, CAE, ICA Chief Deputy

Tammy Berenguel, Support Supervisor Rhonda Duncan, Supervisor Real Estate Department Rodney Hervey, ICA, Commercial Deputy Assessor Paul Humble, ICA, Residential Deputy Assessor Ruth Larsen, Database Administrator Kelly Low, Accounting Manager Mark Patterson, CCIM, ICA, Commercial Deputy Assessor Amy Rasmussen Thome, ICA, Residential Deputy Assessor Bryon Tack, ICA, MAI, CAE, Commercial Deputy Assessor James Willett, ICA, RES, Residential Deputy Assessor

Appraisers

John Catron, Residential Appraiser II Michael Caulfield, ICA, Commercial Appraiser III Rich Colgrove, Residential Appraiser III Patrick Harmeyer, ICA, Commercial Appraiser II Michelle Henderson, Residential Appraiser I Tim Konrad, ICA, Residential Appraiser II Paul O'Connell, Residential Appraiser I Kathryn Ramaekers, Residential Appraiser II Michelle Richards, ICA, Commercial Appraiser II Regina Russell, Residential Appraiser II Cathy Stevens, ICA, RES, Residential Appraiser II Keith Taylor, ICA, Residential Appraiser II Brett Tierney, Residential Appraiser I Patrick Zaimes, ICA, Agricultural Appraiser

Office Personnel

Caroyle Andrews Susie Bauer Vincent DeAngelis Jackie Fontana Kim Heffernan Kelsi Jarik

Board of Review

Lora Jorgensen John Lundstrom Ruth O'Brien-German Everett Sather Charles Speas Dee Dee Steger John Tiefenthaler Leslie Turner Lee Viggers Max Wright Comm. Support Specialist Permits Coordinator Tax Information Spec. Permits Coordinator Support Specialist Mapping Specialist Jill Mauro LaRayne Riccadonna Rebecca Smith Julie Van Deest Ray Willis Computer Support Spec Database Specialist Residential Sales Coord Exemptions Coordinator GIS Coordinator

Board of Examiners

Art Hedberg Ned Miller Frank Smith



TO: Members of the Conference Board

FROM: Jim Maloney

DATE: January 4, 2010

Subject: Annual Report

Following is the 2009 Annual Report for the Polk County Assessor. This report summarizes our activity for the year, and I hope you find the information useful.

Here are some general comments about the year:

• It doesn't seem like that long ago that homeowners were purchasing houses with little or no money down, and using their dwelling as a personal ATM machine by refinancing and pulling out equity at the drop of a hat. As you know, those days are over. I recently saw a report in USA Today that 14 percent of residential mortgages nationwide are either in foreclosure, or the borrowers are behind on their payments.

This year we have been constantly asked about the residential real estate market in Polk County, and especially about the impact of foreclosures on assessed values. Our assessments follow the market, but so far, we have not seen a downward trend here. The median sales ratio is still about 100 percent, which means that on average, homes are selling at about the assessed value. If we saw a substantial drop in the market, we would take the unusual step of adjusting assessments in 2010 even though it is not a revaluation year. There is enough data in our sales file to indicate this will not be necessary.

• In several issues of our newsletter *RealTalk*, we've reported our on-going concern over an lowa Department of Revenue position on valuing property according to its current use, rather than its highest and best use. This would allow some property owners to avoid paying taxes on the actual market value of their parcel – which would result in shifting the tax liability to other property owners. We've never felt this is fair.

At a recent statehouse hearing, the Iowa Farm Bureau supported changing the law to value property based on current use. This is an alarming development. Farm land is already valued using a productivity formula that is essentially a value in use approach. If this approach were adopted for residential and commercial property owners, it would likely lower assessments for a few, but shift the burden to many – including farmers.

The concern with issues like this is the legislative funnel. Significant but littleunderstood amendments and law changes – such as a switch to a value in use formula – can be included in a huge department bill that isn't in final form until shortly before a vote. It's quite possible that something could get passed without

a full understanding of the consequences. Therefore, those who are interested need to keep an eye this issue. That's what we are trying to do.

• Finally, we have been involved in several court cases this past year regarding property classifications. In short, more and more small acreage owners want the coveted agricultural classification, even though it's quite clear to us the property is primarily used for residential purposes. The guidelines from the Iowa Department of Revenue are not always clear. Should every rural landowner who purchases a few sheep, or who raises horses or plants a crop on a small portion of their land, be able to call their homestead a farm for tax purposes?

There are growing inconsistencies, and even the Property Assessment Appeal Board (PAAB) has issued rulings that seem contradictory. We are looking for guidance, and hope the legislature or the courts can help resolve the issue once and for all.

As always, our office strives to be the resource for property assessment and related issues in Polk County. Please let me know if you have any questions.

I look forward to working with you this coming year.

ACTION OF THE 2009 BOARD OF REVIEW

The 2009 Board of Review considered 7617 protests and 147 recommendations.

Total value of real estate considered	for protests		\$ 3,381,979,580
Total number of protests by class of	property:	007	
	Agricultural	297	
	Residential	6192	
	Commercial	1094	
	Industrial	34	
	TOTAL	7617	
Number of protests denied		3213	
Number of protests upheld		4404	
Amount of reduction			
	Land		\$ 16,559,290
	Improvements	3	\$ 199,191,880
	Total amount of reduction		\$ 215,751,170
Number of protests that received an Amount of increase	increase	26	
	Land		\$ 231,440
	Improvements		\$ 4,905,810
	Total amount of increase		\$ 5,137,250
Total value of real estate considered	for recommendations		\$ 82,842,870
Total number of recommendations by	v class of property:		
	Agricultural	9	
	Residential	117	
	Commercial	21	
	TOTAL	147	
Number of recommendations for red	untions	102	
Amount of reduction	actions	102	
	Land		\$ 326,900
	Improvements		\$ 4,077,310
	Total amount of reduction		\$ 4,404,210
Number of recommendations for incr Amount of increase	eases	45	
	Land		\$ 556,530
	Improvements		\$ 5,693,300
	Total amount of increase		\$ 6,249,830
Total Real Estate Protests	Reduced		\$ (215,720,570)
Total Real Estate Recomm	endations Reduced		\$ (4,402,210)
Total Real Estate Protests	Raised		\$ 5,130,450
Total Real Estate Recomm	nendations Raised		\$ 6,241,230
	Net Reductions of Real Estate - Protests and Recommendations		\$ (208,751,100)

STATEMENT OF ASSESSED VALUATIONS OF POLK COUNTY As of July 1, 2009

Real Property New Construction Added January 1, 2009 Revaluation Property Returned to Taxation			\$ \$ \$ \$	30,734,701,690 693,031,902 732,476,292 11,902,600
Total Real Property			\$	32,172,112,484
Less: Demolitions Revaluations Board of Review Adjustments (R.E. Only) New Claims for Tax Exempt and Non-Taxable Cort Decrees & Corrections Net Real Property	\$ \$ \$ \$ \$	13,963,470 351,082,604 208,757,900 46,125,270 25,736,350	\$	645,665,594 31,526,446,890
Railroad and Utility Property* Assessed by Department of Revenue			\$	1,224,694,126
Full Value of Taxable Real Property			\$	32,751,141,016
Less: Urban Revitalization, Industrial Exemptions, Pollution Contr and Forest & Fruit Tree Exemptions	ol		\$	982,001,020
Military Exemptions - Estimated			\$	39,000,000
ADJUSTED VALUE OF NET TAXABLE REAL PROPERTY			\$	31,730,139,996
****	r ter			
Money and Credits - Credit Unions (5 mills)			\$	29,850,066

* Railroad and Utility Property values, assessed by the Department of Revenue and Finance, are the latest figures available.

ABSTRACT OF 2009 POLK COUNTY ASSESSMENT AS OF JULY 1, 2009

REAL PROPERTY

Includes over 165,000 Parcels of Taxable Property			100)% Value
		TOWNSHIPS		CITIES
Agricultural Lands	\$	192,232,700	\$	40,007,430
Residential (includes residences on ag property)	\$	1,954,076,640	\$	20,346,035,300
Commercial Properties	\$	388,800,260	S	8,164,133,120
Industrial Properties	\$	63,901,600	\$	377,259,840
Total Taxable Real Estate *	S	2,599,011,200	\$	28,927,435,690
MONEY & CREDITS (100%)		
Credit Unions (5 mills) Finance Companies (5 mills)	\$	2,396,334	\$	27,453,732



Due to the statewide 4% maximum allowable increase in real estate, there will be a rollback of values if the state increase is great enough to warrant a rollback. The amount of the rollback will be decided by the Department of Revenue in November.

\$

2,396,334 \$

27,453,732

* The value does not include utility property assessed by the Department of Revenue .



PROPERTY TAX TIMELINE

SURVEY OF NEW HOMES BUILT IN POLK COUNTY

CITIES	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Alleman		7	4	0	11	4	0	0	0	1	2	1	1	0
Altoona		117	119	83	166	88	164	196	218	354	277	186	120	76
Ankeny		267	348	475	518	414	652	751	972	1068	1345	681	521	280
Bondurant		20	13	20	24	27	33	24	14	78	99	67	105	51
Carlisle		0	0	0	2	0	0	0	0	0	0	0	0	1
Clive		71	69	37	74	44	45	30	16	35	11	7	2	1
Des Moines	175	150	209	271	381	344	390	520	526	665	520	296	282	163
Elkhart		0	0	1	1	1	0	0	25	21	29	25	5	2
Granger										16	33	3	5	4
Grimes		39	38	71	69	72	60	111	83	98	217	299	248	127
Johnston		181	188	251	381	285	331	276	329	390	386	290	165	100
Mitchelville		2	1	5	9	5	3	6	0	3	3	4	2	3
Pleasant Hill		77	66	72	116	93	116	118	160	118	165	198	114	55
Polk City		26	29	23	47	30	20	41	80	60	42	45	33	17
Runnells		0	0	1	2	3	3	12	4	6	4	8	0	1
Sheldahl		0	1	1	0	0	0	1	0	0	1	1	0	0
Urbandale		236	193	243	278	262	312	332	292	266	117	120	81	48
West Des Moines		233	267	460	500	343	224	140	121	120	35	54	49	44
Windsor Heights		1	0	0	0	0	1	0	1	1	1	1	8	1
TOWNSHIPS	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
TOWNSHIPS Allen	1995	1996	1997 2	1998 1	1999 3	2000	2001	2002	2003	2004	2005	2006	2007	2008
TOWNSHIPS Allen Beaver	1995	1996	1997 2 3	1998 1 1	1999 3 6	2000 0 5	2001 0 4	2002 1 9	2003 0 14	2004 0 9	2005 0 14	2006 0 13	2007 0 10	2008 0 6
TOWNSHIPS Allen Beaver Bloomfield	1995	1996	1997 2 3 0	1998 1 1 0	1999 3 6 2	2000 0 5 0	2001 0 4 0	2002 1 9 0	2003 0 14 0	2004 0 9 0	2005 0 14 0	2006 0 13 0	2007 0 10 0	2008 0 6 0
TOWNSHIPS Allen Beaver Bloomfield Camp	1995	1996	1997 2 3 0 21	1998 1 1 0 22	1999 3 6 2 15	2000 0 5 0 9	2001 0 4 0 17	2002 1 9 0 18	2003 0 14 0 19	2004 0 9 0 14	2005 0 14 0 28	2006 0 13 0 21	2007 0 10 0 9	2008 0 6 0 10
TOWNSHIPS Allen Beaver Bloomfield Camp Clay	1995	1996	1997 2 3 0 21 8	1998 1 1 0 22 10	1999 3 6 2 15 14	2000 0 5 0 9 6	2001 0 4 0 17 16	2002 1 9 0 18 8	2003 0 14 0 19 13	2004 0 9 0 14 9	2005 0 14 0 28 11	2006 0 13 0 21 7	2007 0 10 0 9 2	2008 0 6 0 10 2
TOWNSHIPS Allen Beaver Bloomfield Camp Clay Crocker	1995	1996	1997 2 3 0 21 8 27	1998 1 0 22 10 79	1999 3 6 2 15 14 81	2000 5 0 9 6 70	2001 0 4 0 17 16 43	2002 1 9 0 18 8 23	2003 0 14 0 19 13 26	2004 0 9 0 14 9 21	2005 0 14 0 28 11 31	2006 0 13 0 21 7 17	2007 0 10 0 9 2 13	2008 0 6 0 10 2 6
TOWNSHIPS Allen Beaver Bloomfield Camp Clay Crocker Delaware	1995	1996	1997 2 3 0 21 8 27 11	1998 1 1 0 22 10 79 11	1999 3 6 2 15 14 81 18	2000 5 0 9 6 70 14	2001 0 4 0 17 16 43 8	2002 1 9 0 18 8 23 7	2003 0 14 0 19 13 26 13	2004 0 9 0 14 9 21 6	2005 0 14 0 28 11 31 10	2006 0 13 0 21 7 17 7	2007 0 10 0 9 2 13 2	2008 0 6 0 10 2 6 3
TOWNSHIPS Allen Beaver Bloomfield Camp Clay Crocker Delaware Douglas	1995	1996	1997 2 3 0 21 8 27 11 8	1998 1 1 0 22 10 79 11 12	1999 3 6 2 15 14 81 18 15	2000 5 0 9 6 70 14 5	2001 0 4 0 17 16 43 8 3	2002 1 9 0 18 8 23 7 5	2003 0 14 0 19 13 26 13 5	2004 9 0 14 9 21 6 4	2005 0 14 0 28 11 31 10 2	2006 0 13 0 21 7 17 7 3	2007 0 10 9 2 13 2 0	2008 0 6 0 10 2 6 3 0
TOWNSHIPS Allen Beaver Bloomfield Camp Clay Crocker Delaware Douglas Eikhart	1995	1996	1997 2 3 0 21 8 27 11 8 27 11 8 2	1998 1 1 0 22 10 79 11 12 2	1999 3 6 2 15 14 81 18 15 7	2000 5 0 9 6 70 14 5 8	2001 0 4 0 17 16 43 8 3 10	2002 1 9 0 18 8 23 7 5 9	2003 0 14 0 19 13 26 13 5 25	2004 0 9 0 14 9 21 6 4 19	2005 0 14 0 28 11 31 31 2 14	2006 0 13 0 21 7 17 7 3 3 15	2007 0 10 9 2 13 2 0 0 10	2008 0 6 0 10 2 6 3 0 2
TOWNSHIPS Allen Beaver Bloomfield Camp Clay Crocker Delaware Douglas Eikhart Four Mile	1995	1996	1997 2 3 0 21 8 27 11 8 27 11 8 2 2	1998 1 0 22 10 79 11 12 2 19	1999 3 6 2 15 14 81 18 15 7 17	2000 5 0 9 6 70 14 5 8 13	2001 0 4 0 17 16 43 8 3 10 14	2002 1 9 0 18 8 23 7 5 9 21	2003 0 14 0 19 13 26 13 25 25 23	2004 9 0 14 9 21 6 4 19 13	2005 0 14 0 28 11 31 10 2 14 17	2006 0 13 0 21 7 17 7 3 15 8	2007 0 10 9 2 13 2 0 10 9	2008 0 6 0 10 2 6 3 0 2 6
TOWNSHIPS Allen Beaver Bloomfield Camp Clay Crocker Delaware Douglas Eikhart Four Mile Franklin	1995	1996	1997 2 3 0 21 8 27 11 8 27 11 8 2 12 12	1998 1 0 22 10 79 11 12 2 19 14	1999 3 6 2 15 14 81 18 15 7 17 20	2000 5 0 9 6 70 14 5 8 13 14	2001 0 4 0 17 16 43 8 3 10 14 26	2002 1 9 0 18 8 23 7 5 9 21 12	2003 0 14 0 19 13 26 13 25 25 23 22	2004 9 0 14 9 21 6 4 19 13 26	2005 0 14 0 28 11 31 10 2 14 17 14	2006 0 13 0 21 7 7 17 7 3 15 8 9	2007 0 10 9 2 13 2 0 10 9 7	2008 0 6 0 10 2 6 3 0 2 6 7
TOWNSHIPS Allen Beaver Bloomfield Camp Clay Crocker Delaware Douglas Eikhart Four Mile Franklin Jefferson	1995	1996	1997 2 3 0 21 8 27 11 8 27 11 8 2 12 15 20	1998 1 0 22 10 79 11 12 2 19 14 37	1999 3 6 2 15 14 81 18 15 7 7 7 7 7 7 7 7 7 7 7 7 7 7	2000 5 0 9 6 70 14 5 8 13 14 37	2001 0 4 0 17 16 43 8 3 10 14 26 50	2002 1 9 0 18 8 23 7 5 9 21 12 26	2003 0 14 0 19 13 26 13 5 25 25 23 22 31	2004 9 0 14 9 21 6 4 19 13 26 31	2005 0 14 0 28 11 31 10 2 14 17 14 34	2006 0 13 0 21 7 7 17 7 3 15 8 9 20	2007 0 10 9 2 13 2 0 10 9 7 7 14	2008 0 6 0 10 2 6 3 0 2 6 7 10
TOWNSHIPS Allen Beaver Bloomfield Camp Clay Crocker Delaware Douglas Eikhart Four Mile Franklin Jefferson Lincoln	1995	1996	1997 2 3 0 21 8 27 11 8 27 11 8 22 12 15 20 0	1998 1 0 22 10 79 11 12 2 19 14 37 2	1999 3 6 2 15 14 81 18 15 7 17 20 47 2	2000 5 0 9 6 70 14 5 8 13 14 37 2	2001 0 4 0 17 16 43 8 3 10 14 26 50 3	2002 1 9 0 18 8 23 7 5 9 21 12 26 4	2003 0 14 0 19 13 26 13 25 25 25 23 22 31 22	2004 9 0 14 9 21 6 4 19 13 26 31 3	2005 0 14 0 28 11 31 10 2 14 17 14 34 2	2006 0 13 0 21 7 17 7 3 15 8 9 20 1	2007 0 10 9 2 13 2 0 13 0 10 9 7 14 1	2008 0 6 0 10 2 6 3 0 2 6 7 10 0 0
TOWNSHIPS Allen Beaver Bloomfield Camp Clay Crocker Delaware Douglas Elkhart Four Mile Franklin Jefferson Lincoln Madison	1995	1996	1997 2 3 0 21 8 27 11 8 27 11 8 27 11 8 27 12 15 20 0 1	1998 1 0 22 10 79 11 12 2 19 14 37 2 0	1999 3 6 2 15 14 81 18 15 7 17 20 47 2 2 2	2000 5 0 9 6 70 14 5 8 13 14 37 2 2	2001 0 4 0 17 16 43 8 3 10 14 26 50 3 1	2002 1 9 0 18 8 23 7 5 9 21 12 26 4 1	2003 0 14 0 19 13 26 13 25 25 23 22 31 22 31 2 1	2004 9 0 14 9 21 6 4 19 13 26 31 3 1	2005 0 14 0 28 11 31 10 2 14 17 14 34 2 0	2006 0 13 0 21 7 17 7 3 15 8 9 20 1 0	2007 0 10 9 2 13 2 0 10 9 7 7 14 1 0	2008 0 6 0 10 2 6 3 0 2 6 7 10 0 1
TOWNSHIPS Allen Beaver Bloomfield Camp Clay Crocker Delaware Douglas Elkhart Four Mile Franklin Jefferson Lincoln Madison Saylor	1995	1996	1997 2 3 0 21 8 27 11 8 27 11 8 2 20 0 1 20 0 1 28	1998 1 0 22 10 79 11 12 2 19 14 37 2 0 24	1999 3 6 2 15 14 81 18 15 7 17 20 47 2 2 13	2000 5 0 9 6 70 14 5 8 13 14 37 2 2 9	2001 0 4 0 17 16 43 8 3 10 14 26 50 3 1 10	2002 1 9 0 18 8 23 7 5 9 21 12 26 4 1 26 4 1 34	2003 0 14 0 19 13 26 13 25 23 22 31 22 31 22 1 37	2004 9 0 14 9 21 6 4 19 13 26 31 3 1 23	2005 0 14 0 28 11 31 10 2 14 17 14 34 2 0 0 16	2006 0 13 0 21 7 17 7 3 15 8 9 20 1 0 30	2007 0 10 9 2 13 2 0 10 9 7 14 1 0 21	2008 0 6 0 10 2 6 3 0 2 6 7 10 0 1 16
TOWNSHIPS Allen Beaver Bloomfield Camp Clay Crocker Delaware Douglas Elkhart Four Mile Franklin Jefferson Lincoln Madison Saylor Union	1995	1996	1997 2 3 0 21 8 27 11 8 27 11 8 27 12 15 20 0 1 28 20 0	1998 1 0 22 10 79 11 12 2 19 14 37 2 0 24 3	1999 3 6 2 15 14 81 18 15 7 17 20 47 2 13 2 13 2	2000 5 0 9 6 70 14 5 8 13 14 37 2 2 9 9	2001 0 4 0 17 16 43 8 3 10 14 26 50 3 1 10 10 1 10 1	2002 1 9 0 18 8 23 7 5 9 21 12 26 4 1 34 7	2003 0 14 0 19 13 26 13 25 25 23 22 31 2 1 37 5	2004 0 9 0 14 9 21 6 4 19 13 26 31 3 1 23 4	2005 0 14 0 28 11 31 10 2 14 17 14 34 2 0 16 2	2006 0 13 0 21 7 7 7 7 3 15 8 9 20 1 0 30 1	2007 0 10 9 2 13 2 0 10 9 7 14 1 0 21 1	2008 0 6 0 10 2 6 3 0 2 6 7 10 0 1 16 1
TOWNSHIPS Allen Beaver Bloomfield Camp Clay Crocker Delaware Douglas Eikhart Four Mile Franklin Jefferson Lincoln Madison Saylor Union Walnut	1995	1996	1997 2 3 0 21 8 27 11 8 27 11 8 2 21 2 15 20 0 1 28 20 0 1 28 20 0	1998 1 0 22 10 79 11 12 2 19 14 37 2 0 24 3 0	1999 3 6 2 15 14 81 18 15 7 17 20 47 2 13 2 0	2000 5 0 9 6 70 14 5 8 13 14 37 2 2 9 1 0	2001 0 4 0 17 16 43 8 3 10 14 26 50 3 1 10 10 10 10 10 10 10 10 10	2002 1 9 0 18 8 23 7 5 9 21 12 26 4 1 34 7 0	2003 0 14 0 19 13 26 13 5 25 23 22 31 2 1 37 5 0	2004 0 9 0 14 9 21 6 4 19 13 26 31 3 1 23 4 0	2005 0 14 0 28 11 31 10 2 14 17 14 34 2 0 16 2 0 0	2006 0 13 0 21 7 17 7 3 15 8 9 20 1 0 30 1 0 30	2007 0 10 9 2 13 2 0 10 9 7 14 1 0 21 1 0	2008 0 6 0 10 2 6 3 0 2 6 7 10 0 1 16 1 0
TOWNSHIPS Allen Beaver Bloomfield Camp Clay Crocker Delaware Douglas Eikhart Four Mile Franklin Jefferson Lincoln Madison Saylor Union Walnut Washington	1995	1996	1997 2 3 0 21 8 27 11 8 27 11 8 22 12 15 20 0 1 28 2 0 2	1998 1 0 22 10 79 11 12 2 19 14 37 2 0 24 3 0 5	1999 3 6 2 15 14 81 18 15 7 17 20 47 2 13 2 0 1 1 2 0 1	2000 5 0 9 6 70 14 5 8 13 14 37 2 2 9 1 0 4	2001 0 4 0 17 16 43 8 3 10 14 26 50 3 1 10 10 2	2002 1 9 0 18 8 23 7 5 9 21 12 266 4 1 34 7 0 3 4 34 7 0 3	2003 0 14 0 19 13 26 13 25 23 22 31 2 1 37 5 0 0 0	2004 9 0 14 9 21 6 4 19 13 26 31 3 1 23 4 0 0 6	2005 0 14 0 28 11 31 10 2 14 17 14 34 2 0 16 2 0 0 16 2 0 0 3	2006 0 13 0 21 7 17 7 3 15 8 9 20 1 0 30 1 0 20 20 20 20 20 20 20 20 20 20 20 20 2	2007 0 10 9 2 13 2 0 13 2 0 10 9 7 14 1 0 21 1 0 0 21 0 0	2008 0 6 0 10 2 6 3 0 2 6 7 10 0 1 16 1 0 1 1 0 1 1 1 0 1 1 1 1 1 1 1 1 1 1 1 1 1

MISCELLANEOUS INFORMATION AND STATISTICS POLK COUNTY

New Building Permits Proc Divisions of Existing Prope New Plats (As of 10/15/200 New Homestead Tax Cred New Military Exemptions 2	7,504 1,640 47 5,080 625	
Classes and Numbers of F	Properties Assessed:	
Agricultural Parcels (Property used for Agricult	ural Purposes)	5733
Forest & Fruit Tree Reserv	ations (Acres)	6,489.372
Vacant Taxable Parcels	Agricultural Residential Commercial Industrial	4,579 13,168 1,924 400
Improved Taxable Parcels	Agricultural Residential Commercial Industrial	1,156 136,122 8,531 316
*****	****	
Average 100% Assessmen	t of Residential Property	\$ 161,734

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EXEMPT PROPERTY AS OF JULY 2009 POLK COUNTY

RELIGIOUS INSTITUTIONS

Churches & Church Headquarters Parsonages Recreation Property, Church Camps, Etc.	\$ \$	522,553,380 16,910,880 106,227,930
LITERARY SOCIETIES		
Community Play House	\$	14,167,340
LOW RENT HOUSING		
Dwellings & Apartments	\$	27,862,690
VETERANS ORGANIZATIONS	\$	2,216,560
CHARITABLE & BENEVOLENT SOCIETIES		
Hospitals Fratemal Organizations Agricultural Societies Retirement & Nursing Homes Others (Y.M.C.A., Y.W.C.A., etc.)	\$\$ \$\$ \$\$ \$\$ \$\$ \$\$	432,787,130 14,443,330 8,610,750 112,354,960 261,294,870
EDUCATIONAL INSTITUTIONS & CHURCH SCHOOLS	\$	335,752,150
POLLUTION CONTROL (Industrial M & E and Bidgs.)	\$	5,505,320
URBAN REVITALIZATION TAX EXEMPTION	\$	903,688,680
INDUSTRIAL PARTIAL EXEMPTION	\$	29,704,580
NATURAL CONSERVATION	\$	1,945,140
FOREST & FRUIT TREE PRESERVATION (6,489 Acres)	\$	25,032,850
HISTORICAL		
IMPOUNDMENTS	\$	57,090
TOTAL EXEMPT PROPERTY	\$	2,821,115,630

COMPARISON OF TAX RATES PER THOUSAND FOR TAXES PAYABLE FISCAL '08-'09 TO '09-'10 AS COMPILED BY THE POLK COUNTY ASSESSOR'S OFFICE

JURISDICTION	FIY '08-'09	FIY '09-'10
AMES	31.77848	31.68691
CEDAR RAPIDS	36.25611	36.31263
CLINTON	39.11416	40.40068
DAVENPORT	38.95313	39.35289
DES MOINES	45.65841	45.22335
DUBUQUE	34.44676	34.71571
IOWA CITY	40.56747	40.59569
MASON CITY	33.81858	33.60488
SIOUX CITY	45.87394	44.84382



MILLAGE



Residential Sales Statistics

Polk County



Number Of Sales By Year and Quarter

4,000



Sale Year 2005 2006 2007 2008 2008

Number of Sales by Year & Quarter

	Sales Quarter						
Sale Year	1st Qtr	2nd Qtr	3rd Qtr				
2005	1,908	3,218	3,181				
2006	2,017	3,107	2,976				
2007	1,777	2,660	2,507				
2008	1,232	1,804	1,822				
2009	807	1,471	1,940				

Sale Year \$200,000 \$175,000-\$150,000-Median Sale Price \$125,000 \$100,000 \$153,600 \$152:207 is worth \$75,000 5150.000 512310 5159000 144.93 6165225 5137 701 \$50,000-\$25,000 \$0 2nd Qtr 3rd Otr 1 st Ctr

Median Sale Price By Year and Quarter

Median Sale Price by Year & Quarter

Sale Quarter

	Sales Quarter							
Sale Year	1st Qtr	2nd Qtr	3 rd Qtr					
2005	\$137,700	\$143,100	\$144,900					
2006	\$145,000	\$147,900	\$144,925					
2007	\$145,000	\$150,000	\$152,200					
2008	\$150,900	\$159,045	\$153,000					
2009	\$150,000	\$153,600	\$152,000					



Median Sale Price/Sq.Ft By Year and Quarter

Median Sale Price/Sq.Ft. by Year & Quarter

	Sales Quarter						
Sale Year	1st Qtr	2nd Qtr	3rd Qtr				
2006	\$114.38	\$116.07	\$114.47				
2007	\$113.40	\$116.81	\$117.15				
2008	\$114.86	\$118.19	\$115.97				
2009	\$112.43	\$114.05	\$114.81				

Number of Sales by Month



Year 2009

Number of Sales by Month -Year 2009

Sale Month	Number	
January	213	
February	260	
March	334	
April	407	
May	489 575	
June		
July	669	
August	636	
September	635	
October	540	

Median Sale Price By Month



Year 2009

Median Sale Price by Month -

Year 2009

Sale Month	Sale Price
January	\$152,900
February	\$151,500
March	\$146,200
April	\$152,900
Мау	\$153,500
June	\$154,400
July	\$153,000
August	\$150,405
September	\$155,700
October	\$141,950

Median Sale Price/Sq.Ft by Month



Year 2009

Median Sale Price/Sq.Ft. by Month - Year 2009

Sale Month	Sale Price/Sq Ft Living Area
January	\$114.39
February	\$113.59
March	\$110.09
April	\$116.14
Мау	\$112.31
June	\$114.41
July	\$112.14
August	\$116.58
September	\$116.11
October	\$115.15



Number of Sales through October



Years 2005 - 2009

Number of Sales Through October

Sale Year	Count	
2005	9214	
2006	8911	
2007	7599	
2008	5330	
2009	4758	

Sales Ratio Study Polk County Residential 1 & 2 Family Dwellings Year 2009

Assessors use mass appraisal techniques to estimate the current market value of property in their jurisdictions for property tax purposes. The assessor's estimates of property value govern the distribution of property taxes, a major source of local government revenue. The mass appraisal system must produce accurate and equitable value estimates if the property tax is to be fair. Thus, quality control is paramount. The mainstay quality control technique used by assessors is the sales ratio study, in which appraised (assessed) values are compared to market values (sales prices). A sales ratio is the ratio between a parcel's assessed value and its estimated market value as represented by an open-market, arm's-length sale.

The two major aspects of measuring appraisal accuracy in a sales ratio study are appraisal level and appraisal uniformity. Appraisal level refers to the overall, or typical, ratio at which properties are appraised. Appraisal uniformity refers to the fair and equitable treatment of individual properties.

Measures of Appraisal Level

Measures of central tendency are used to estimate the overall appraisal level at which property is assessed in one convenient statistic. There are three measures of central tendency used in this ratio study: the mean, the median, and the weighted mean.

The *mean ratio* is the common average obtained by adding all the ratios and dividing by the number of ratios. The *median ratio* is the middle ratio when they are arrayed from lowest to highest. The *weighted mean ratio* is the sum of the assessments divided by the sum of the sales prices. It is so called because it weights each ratio by its sale price. The median is less affected by extreme ratios than the other measures of central tendency. Because of this, the median is the generally preferred measure of central tendency for direct equalization, monitoring appraisal performance, determining reappraisal priorities, or evaluating the need for a reappraisal.

Confidence intervals can be calculated for the three measures of central tendency, which help conclude whether required assessment level standards have been violated. For example, a 95 percent confidence interval would suggest that one can be 95 percent confident that the true median appraisal level is between the two interval values.

Iowa law requires that the appraisal level for assessments of residential properties be at 100 percent for each assessor jurisdiction. If the actual level deviates from the legal level by more than five percent, the value estimates being studied would need to be updated. In Iowa, this occurs every odd numbered year.

Measures of Appraisal Uniformity

Measures of dispersion are used to measure appraisal uniformity. The two most useful measures of appraisal uniformity are the coefficient of dispersion (COD) and the price-related differential (PRD).

The *coefficient of dispersion* (COD), the most common measure of equity in mass appraisal, expresses the average absolute deviation of individual ratios from the median ratio as a percentage. A COD of 10.0, for example, means that properties are, on average, appraised within 10.0 percent of the median assessment level.

The *price-related differential* (PRD) provides an index of price-related bias, indicating whether low- and high-value properties are assessed at the same level. It is the ratio of the mean ratio to the weighted mean ratio. PRDs that exceed 1.03 suggest that high-value properties are relatively under-valued. PRDs under 0.98 indicate low-value properties are relatively under-valued.

Sales Ratio Performance Standards

<u>The Standard on Ratio Studies</u>, published in 2007 by the International Association of Assessing Officers (IAAO), has suggested sales ratio performance standards for jurisdictions in which current market value is the legal basis for assessment. In general, when these standards are not met, reappraisal or other corrective measures should be taken. Following are the sales ratio performance standards in the publication mentioned above for single-family residential properties:

	Measure of Central		
Type	Tendency	COD	PRD
Newer, more homogenous areas	0.90-1.10	5.0 to 10.0	0.98-1.03
Older, heterogeneous areas	0.90-1.10	5.0 to 15.0	0.98-1.03
Rural residential and seasonal	0.90-1.10	5.0 to 20.0	0.98-1.03

Polk County Sales Ratio Study (1 & 2 Family Dwellings)

In Polk County, through October of 2009 (November not fully reported), there were 3,677 residential sales of 1 & 2 family dwellings that were considered open-market, arm's-length sales. These sales were used to calculate the statistics described above for this study.

A 1 percent trim was also performed on the sales, which disregards the lowest 1 percent of the sales ratios and the highest 1 percent of the sales ratios. Trimming the sales can be useful in mass appraisal, where extreme values can mask the underlying distribution of the data. After doing a 1 percent trim, there were 3,605 sales that were used to calculate the sales ratio statistics.

On the following pages are charts that have the results of the sales ratio study for Polk County using residential sales of 1 & 2 family dwellings occurring through October of 2009 (November not fully reported). There are also some graphs that show trends and patterns of the residential real estate market in Polk County.

Mean	1.051	
95% Confidence Interval for Mean	Lower Bound	1.041
	Upper Bound	1.061
Median	1.004	
95% Confidence Interval for Median	Lower Bound	1.000
	Upper Bound	1.008
	Actual Coverage	95.219
Weighted Mean	1.010	
95% Confidence Interval for Weighted Mean	Lower Bound	1.005
	Upper Bound	1.015
Price Related Differential	1.041	
Coefficient of Dispersion	13.0	

Ratio Statistics for 1 & 2 Family Dwellings - based on 3677 Sales

Ratio Statistics for 1 & 2 Family Dwellings after 1% Trim - based on 3,605 Sales

Mean			1.033	
	95 % Confidence Interval for Mean	Lower Bound		1.027
		Upper Bound		1.038
Median			1.004	
	95 % Confidence Interval for Median	Lower Bound		1.000
		Upper Bound		1.008
		Actual Coverage		95.064
Weighted	l Mean		1.011	
	95 % Confidence Interval for Weighted Mean	Lower Bound		1.006
		Upper Bound		1.015
Price Rel	ated Differential		1.021	
Coefficie	nt of Dispersion		10.5	

The above two charts show that the current median ratio for Polk County is 1.004 or 100.4%. This meets the IAAO's suggested performance standard and is within 5% of the legal level in Iowa (100%), but not exactly 100%. Thus, at this point in time, there would be no need to adjust assessments. Watching the market during the rest of 2009 and 2010 will give us an indication of where assessments should be for 2011.

The COD after a 1% trim is 10.5%, which means that, on average, residential assessments in Polk County are within 10.5% of the median assessment level (100.4%). The PRD also meets the IAAO's suggested performance standard and indicates that low-and high-valued properties are relatively being assessed at the same level.



Plot of Sales Ratio with Sale Price - 1% Trim



and above charts show the distribution of the sales ratios against their sale prices. The line on the sales ratio axis at 100% represents the legal assessment level. These charts support the PRD statistic above (assessment uniformity), which indicates that low- and high-valued properties are relatively assessed at the same general level.

Plot of Sales Ratio with Sale Price

chart below shows the median ratio and COD for each city in Polk County. One can see why different cities have different percent adjustments in reassessment years.



2009 Sales Ratio Statistics by City

By plotting the reciprocals of the sales ratios (sale price/assessment) over time, one can visualize any inflation/deflation trends in the market. In the chart below, one can see that the market through 2007-2008 is well below the previous assessment cycles from '01 to '06. 2009 is lower than '07-'08, but appears to be relatively flat, similar to '07-08.



Median Sales Ratio Reciprocal by Month

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Sale Month for Reassessment Cycle

The following chart shows that market activity increases during the spring/summer months and decreases during the fall/winter months. This pattern is pretty consistent from year-to-year. The spring/summer months are a good time to be selling a home.



Number of Sales by Month

The residential real estate market in Polk County has been increasing during the last nine years. The median sale price in 2000 was roughly \$110,000, while in 2009 it is roughly \$150,000 and appears declining in the last half of the year. The seasonal patterns are also apparent here.



Median Sale Price by Month

Sale Month

The median sale price per square foot of living area has been increasing from 2000 to 2007, which points to an upward movement in the residential real estate market. The median sale price/sq. ft. in 2000 was roughly \$90, while in 2009 it is roughly \$114, down from an average of about \$115 in 2008. We will continue to follow this trend throughout 2009 and into 2010.



Median Sale Price/Sq.Ft. by Month