

★ Roll Call Number

Agenda Item Number

49

Date April 10, 2006

Receipt of 2005 Polk County Assessor Annual Report.

Moved by _____ to receive and file the attached report.

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
BROOKS				
COLEMAN				
HENSLEY				
MAHAFFEY				
KIERNAN				
VLASSIS				
TOTAL				
MOTION CARRIED			APPROVED	

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

Mayor

City Clerk

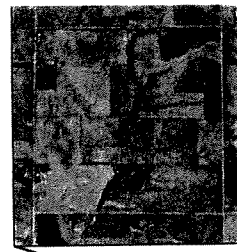
POLK COUNTY ASSESSOR

ANNUAL REPORT

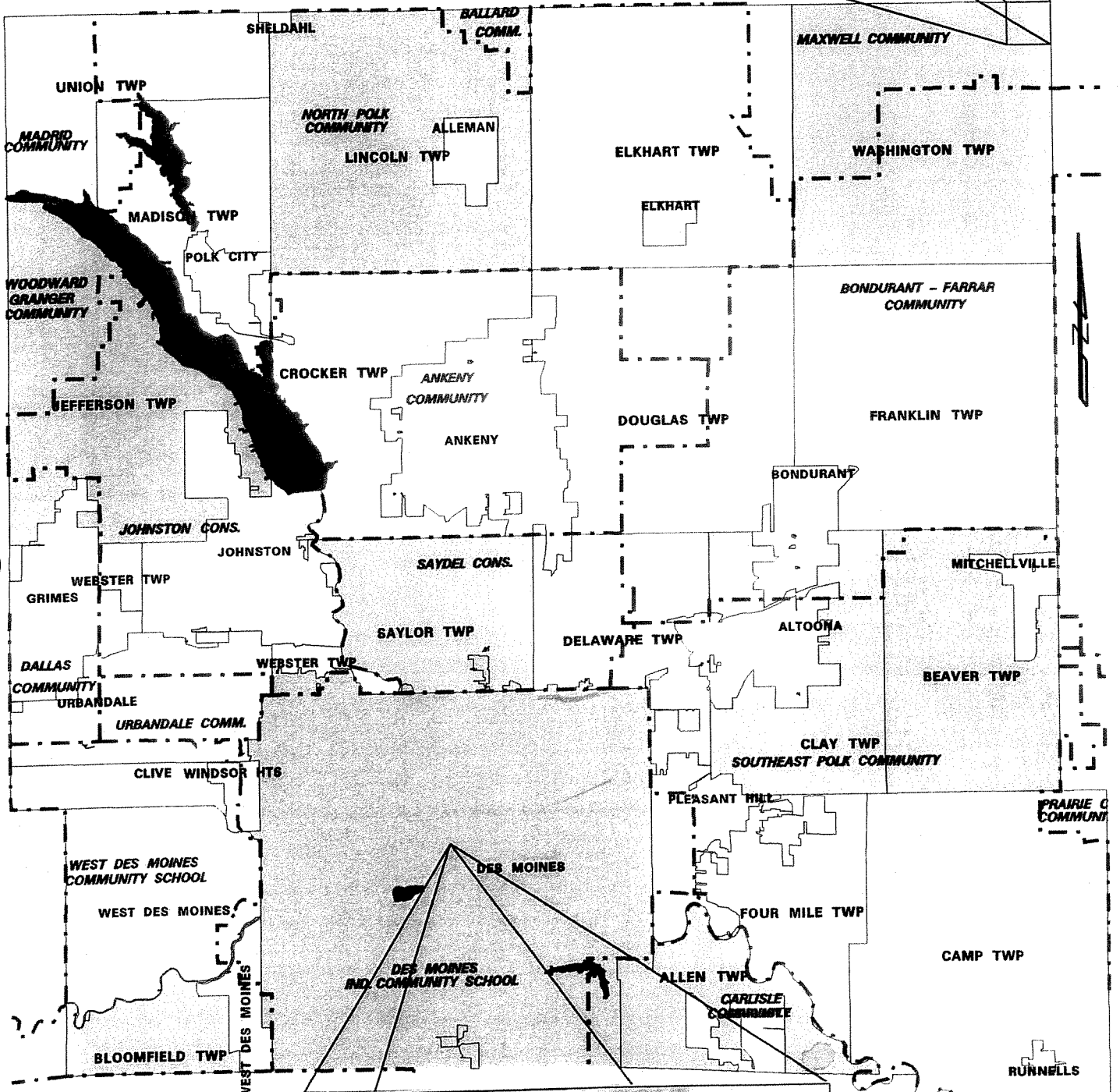
2005

POLK COUNTY

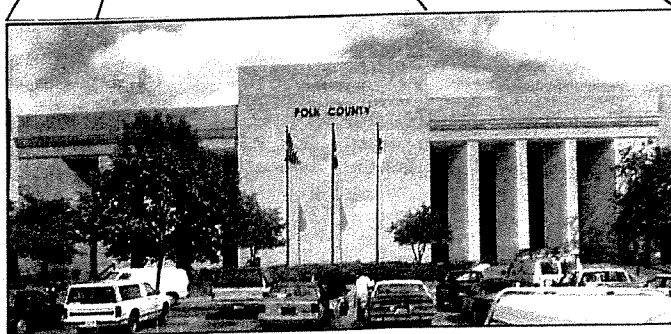
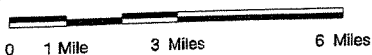
School District & Tax District Boundaries



Aerial Photo
Section 1-81-22



Polk County Assessor
8/1099



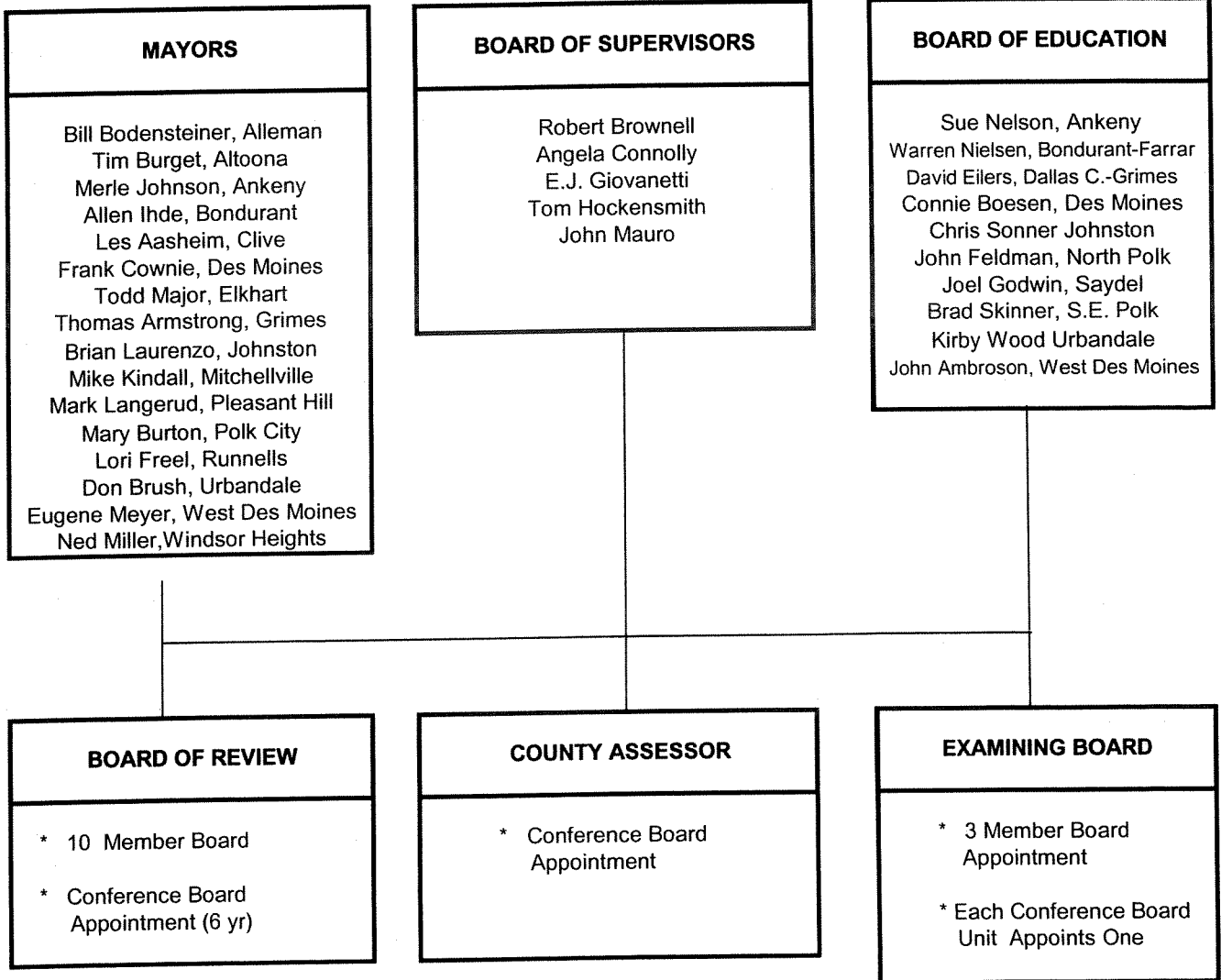
POLK COUNTY
ADMINISTRATIVE BLDG.

**2005 REPORT
OFFICE OF POLK COUNTY ASSESSOR**

TABLE OF CONTENTS

Polk County Conference Board	1
Staff of County Assessor's Office, Members of Board of Review and Board of Examiners	2
Organization Chart – County Assessor's Office	3
Report of County Assessor	4
Goals	6
Resolutions Passed by 2005 Board of Review	7
Actions by 2005 Board of Review	8
Statement of Assessed Valuations of Polk County	9
Abstract for 2005 Assessments	10
Property Tax Timeline	11
Survey of New Homes Built by City/Township	12
Miscellaneous Information and Statistics	13
2005 Top Taxpayers in Polk County	14
Exempt Property as of July 1, 2005	15
Comparative Millage Rates - Iowa Cities	16
Rollback History & 2005 Assessed Value by City	17
2004 Median Sales Ratio by City	18
Sales Ratio Study	19
Sample Assessor Web Page	27

**POLK COUNTY CONFERENCE BOARD
2005**



**STAFF OF POLK COUNTY ASSESSOR'S OFFICE
MEMBERS, BOARD OF REVIEW AND BOARD OF EXAMINERS
DES MOINES, IOWA
2005**

ASSESSOR'S OFFICE

Administration

Jim Maloney, ASA, ICA
County Assessor

Dale Hyman, ASA, ICA
Chief Deputy

Tammy Berenguel, Support Supervisor
Kevin Burggraaf, M.S., MAI, CCIM, ICA, Commercial Deputy Assessor
Rhonda Duncan, Supervisor Real Estate Department
Paul Humble, ICA, Residential Deputy Assessor
Ruth Larsen, Database Administrator
Kelly Low, Accounting Manager
Greg Lynch, MAI, Director of Commercial Real Estate
Rodney Hervey, ICA, Commercial Deputy Assessor
Eugene Peterson, Residential Deputy Assessor
Randy Ripperger, CAE, ICA, Residential Deputy Assessor
James Willett, ICA, RES, Residential Deputy Assessor

Appraisers

Douglas Askew, Residential Appraiser II
Suzanne Babb, Residential Appraiser III
John Catron, Residential Appraiser II
Michael Caulfield, ICA, Commercial Appraiser III
Rich Colgrove, Residential Appraiser III
Tracy Culbertson, Residential Appraiser III
Rodney Filer, Commercial Appraiser Trainee
Patrick Harmeyer, Commercial Appraiser I
Paul O'Connell, Residential Appraiser I

Kathryn Ramaekers, Residential Appraiser II
Michelle Richards, Residential Appraiser I
Regina Russell, Residential Appraiser II
Cathy Stevens, ICA, RES, Residential Appraiser III
Bryon Tack, Commercial Appraiser III
Keith Taylor, Residential Appraiser I
Amy Thorne, ICA, Residential Appraiser III
Patricia Viers, Residential Appraiser II
Patrick Zaines, Agricultural Appraiser

Office Personnel

Caroyle Andrews
Vincent DeAngelis
LaRayne Fenton
Jackie Fontana
Kim Heffernan
Mary Jo Hoffmans

Comm. Support Specialist
Tax Information Spec.
Database Specialist
Permits Coordinator
Photography/Ag Sales
Tax Information Spec

Nancy Hood
Jill Mauro
Terry Powell
Rebecca Smith
Julie Van Deest
Ray Willis

Transfers Coordinator
Computer Support Spec
Mapping Specialist
Residential Sales Coord
Exemptions Coordinator
GIS Coordinator

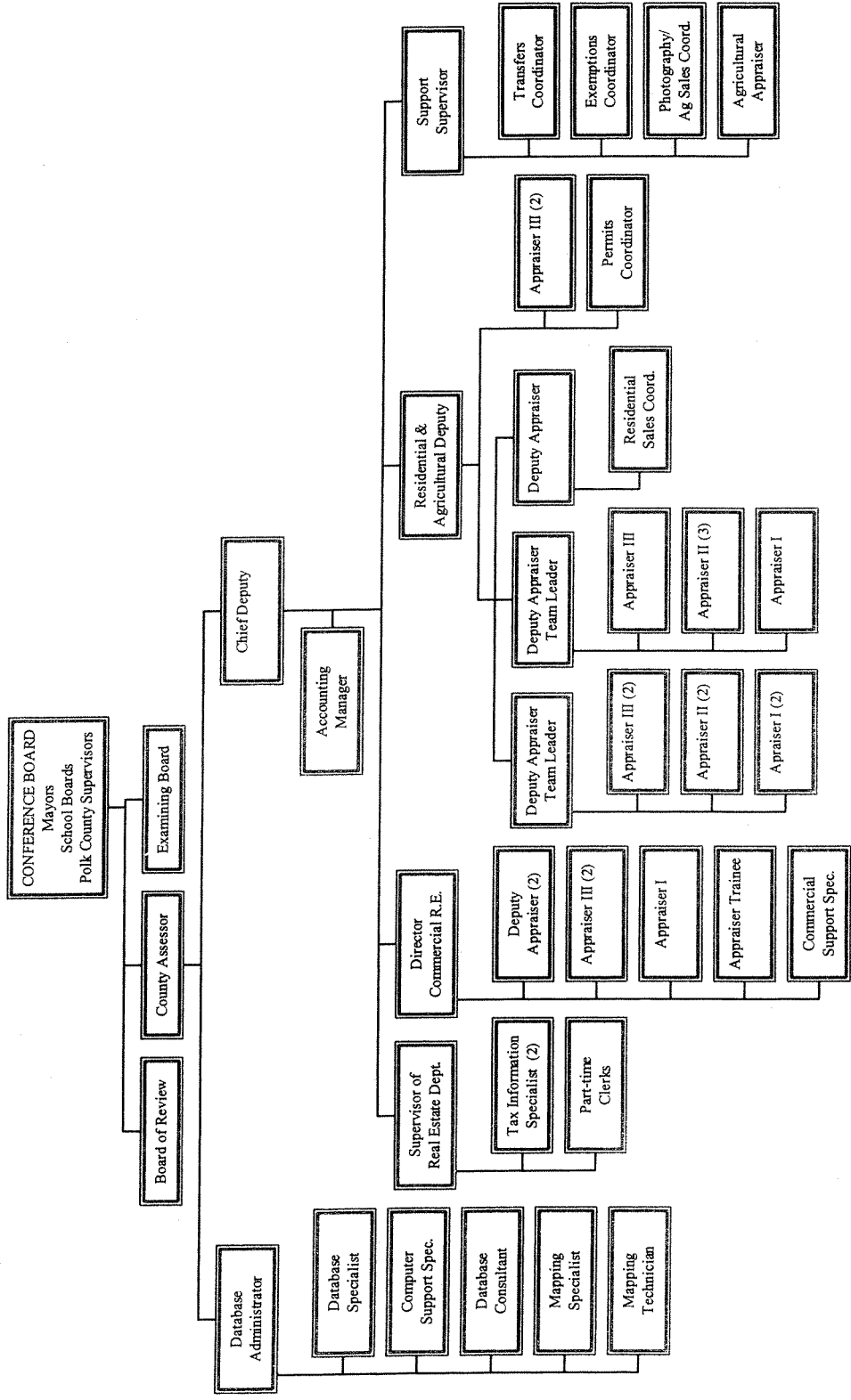
Board of Review

Lora Jorgensen
John Lundstrom
Ruth Reel
Everett Sather
Charles Speas
Dee Dee Steger
John Tiefenthaler
Leslie Turner
Lee Viggers
Max Wright

Board of Examiners

Art Hedberg
Walter T. Potts, Jr.
Frank Smith

**ORGANIZATIONAL CHART
POLK COUNTY ASSESSOR'S OFFICE
2005**



To: Members of the Conference Board
From: Jim Maloney
Date: December 22, 2005
Subject: Annual Report

Submitted herewith is our annual report covering the activities of the County Assessor's office for the fiscal year ending June 30, 2005.

The real estate market continued to be robust, especially for residential properties. Since this was an odd numbered year we increased most assessments to reflect this trend. The next revaluation will be in '07 and what changes we make will depend on the sales occurring in 2006.

This year, for the first time, we mailed a blank protest form along with our assessment rolls. It's a practice that has worked well in Johnson County, Kansas, so we thought we'd give it a try. Surprisingly, the number of protests was down slightly from the previous reassessment year.

Finally, this year we launched a newsletter, *Real Talk*, copies of which are mailed to all members of the Conference Board and Polk County legislators. We look at it as an opportunity to alert and explain current assessment issues to policymakers, and so far the feedback has been positive.

For the last two years there has been a concerted effort in the legislature to require the assessor's office to pay court costs, including attorney's fees, for taxpayers who take the Board of Review to court and get the court to reduce an assessment by twenty per cent or more. We hope to use *Real Talk* to make a persuasive case that this would be an unwarranted property tax increase.

Our internet site continues to be quite popular. We are now linked to both the Recorder and Treasurer which helps both us and our customers. There are discussions underway for some kind of a super statewide site of all real estate related information that has some support.

We could benefit from a statewide site such as research for homestead and military exemption applications, sales data on some commercial properties, and searches for properties along our county borders. I doubt, however, that a good workable site will be up and running anytime in the near future, and maybe never if access is limited by passwords or user fees. In the meantime we will continue to enhance our site as we learn from our customers where it can be improved.

2005/2006 GOALS

Residential:

Conduct an exterior inspection of 1/3rd of the residential parcels over the next two years. Any changes as a result of this review will be reflected in the 2007 assessments.

Mail questionnaires to all condominium and townhouse owners requesting verification of the characteristics of each condominium unit, and include these characteristics on the sales map displays and labeled listing maps. Physically inspect all regimes constructed prior to 2001.

Request in writing rental income on all duplex and two family conversion properties in the summer of 2006, and develop Gross Rent Multiplier tables for the reappraisal in 2007.

Determine the basic cost manual level by September 1, 2006, and the market calibrated cost model developed by November 1, 2006.

Commercial:

Inspect and revalue the following occupancies: Auto Dealers; Car Washes; Fast Foods; Large Retail Stores (> 20,000 SF); Restaurants/Taverns; Shopping Center Strips; Golf Courses. This would total approximately 1,036 parcels.

Create a written mass appraisal document of a logical group of properties that explains how the properties were identified, what procedures were used to check the data, how the analysis was developed with key analytical studies included in the report, and show the model(s) that were used to develop the value. The appraisal document will list the properties in the appraisal and provide an interactive function that will apply the model to each individual property. Reports will be available to compare the application of the model between properties. This mass appraisal document will be produced for car washes for the 2006 assessment and for other groups of properties for the 2007 assessments. The mass appraisals shall be clear and concise and fully disclose our appraisal process.

Update the cost program for these occupancies to include the latest revisions published by the Iowa Department of Revenue and Finance.

Analyze land corridors where vacant land sales indicate below market assessment levels and revise assessments accordingly for 2007.

Continue to develop a web based automated appraisal system that will implement all three approaches to value. Include a reconciliation page that will record steps taken by the appraiser to reconcile the approaches employed and a page for the Board of Review to provide a record of their adjustments to arrive at a final value.

Information Technology:

Start maintaining mapping data in a geodatabase instead of shape files

Start developing version 2.0 of our web site

Work on replacing the remaining character based applications

RESOLUTION

WHEREAS, The Board of Review has completed its official session for the year 2005 and desires to express its appreciation for the cooperation and assistance that it has received from various members of the official family and others.

THEREFORE, BE IT RESOLVED, that the Board of Review takes this opportunity to express our thanks and appreciation to County Assessor, Jim Maloney, and his Chief Deputy, Dale Hyman, and all the other members of his staff for their cooperation and consideration given to the Board during our official meetings.

BE IT FURTHER RESOLVED, that we publicly compliment Mr. Maloney on the fairness and consideration that he gives to each piece of real estate whether there has been an official protest or not; and for his control and high standard of morale manifested by his employees of his office. Mr. Maloney has an awareness of his responsibilities and has shown fairness and consideration to all properties in his jurisdiction.

BE IT FURTHER RESOLVED, that we express our thanks and appreciation to the many unnamed persons who have offered their cooperation and assistance to us in our pursuance of equity and justice for all property owners.

BOARD OF REVIEW POLK COUNTY

/s/, Everett Sather, Chairman
/s/ Ruth Reel, Vice-Chairman
/s/ Lora Jorgensen, Clerk
/s/ John Lundstrom
/s/ Charles Speas
/s/ Dee Dee Steger
/s/ John Tiefenthaler
/s/ Leslie Turner
/s/ Lee Viggers
/s/ Max Wright

ACTION OF THE 2005 BOARD OF REVIEW

The 2005 Board of Review considered 8916 protests and 432 recommendations.

Total value of real estate considered for protests \$ 3,696,618,700

Total number of protests by class of property:

Agricultural	124
Residential	7044
Commercial	1675
Industrial	<u>73</u>
TOTAL	8916

Number of protests denied 4333

Number of protests upheld 4583

Amount of reduction

Land	\$ 18,268,030
Improvements	<u>\$ 224,656,760</u>
Total amount of reduction	\$ 242,924,790

Number of protests that received an increase 69

Amount of increase

Land	\$ 3,406,100
Improvements	<u>\$ 6,375,800</u>
Total amount of increase	\$ 9,781,900

Total value of real estate considered for recommendations \$ 75,853,660

Total number of recommendations by class of property:

Agricultural	3
Residential	382
Commercial	43
Industrial	<u>4</u>
TOTAL	432

Number of recommendations for reductions 279

Amount of reduction

Land	\$ 792,890
Improvements	<u>\$ 5,398,270</u>
Total amount of reduction	\$ 6,191,160

Number of recommendations for increases 153

Amount of increase

Land	\$ 7,760,320
Improvements	<u>\$ 5,438,500</u>
Total amount of increase	\$ 13,198,820

Total Real Estate Protest Reduced \$ 242,944,990

Total Real Estate Recommendations Reduced \$ 6,192,060

Total Real Estate Protest Raised \$ (9,745,020)

Total Real Estate Recommendations Raised \$ (13,204,920)

Net Reductions of Real Estate - \$ 226,187,110
Protests and Recommendations

STATEMENT OF ASSESSED VALUATIONS OF POLK COUNTY
As of July 1, 2005

Real Property		\$ 23,533,864,755
New Construction Added January 1, 2005		\$ 890,376,514
Revaluation		\$ 2,194,197,493
Property Returned to Taxation		\$ 17,152,370
Total Real Property		\$ 26,635,591,132
Less:		
Demolitions	\$ 16,030,881	
Revaluations	\$ 77,978,116	
Board of Review Adjustments (R.E. Only)	\$ 226,187,110	
Court Decrees & Corrections	\$ 42,267,570	
New Claims for Tax Exempt and Non-Taxable	\$ 32,213,775	\$ 394,677,452
Net Real Property		\$ 26,240,913,680
Railroad and Utility Property*		\$ 978,535,714
Assessed by Department of Revenue		
Full Value of Taxable Real Property		\$ 27,219,449,394
Less: Urban Revitalization, Industrial Exemptions, Pollution Control and Forest & Fruit Tree Exemptions		\$ 817,641,230
Military Exemptions - Estimated		\$ 39,000,000
ADJUSTED VALUE OF NET TAXABLE REAL PROPERTY		\$ 26,362,808,164

Money and Credits - Credit Unions (5 mills)		\$ 26,327,710
Capital - Loan Agencies (5 mills)		\$ 200,000,000

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

**ABSTRACT OF 2005
POLK COUNTY ASSESSMENT
AS OF JULY 1, 2005**

REAL PROPERTY

Includes over 150,000 Parcels of Taxable Property

100% Value

	TOWNSHIPS	CITIES
Agricultural Lands	\$ 103,054,470	\$ 16,148,130
Residential (includes residences on ag property)	\$ 1,625,905,540	\$ 16,547,013,870
Commercial Properties	\$ 319,741,360	\$ 7,197,616,030
Industrial Properties	\$ 57,516,400	\$ 373,917,880
<hr/>		
Total Taxable Real Estate *	\$ 2,106,217,770	\$ 24,134,695,910

MONEY & CREDITS (100%)

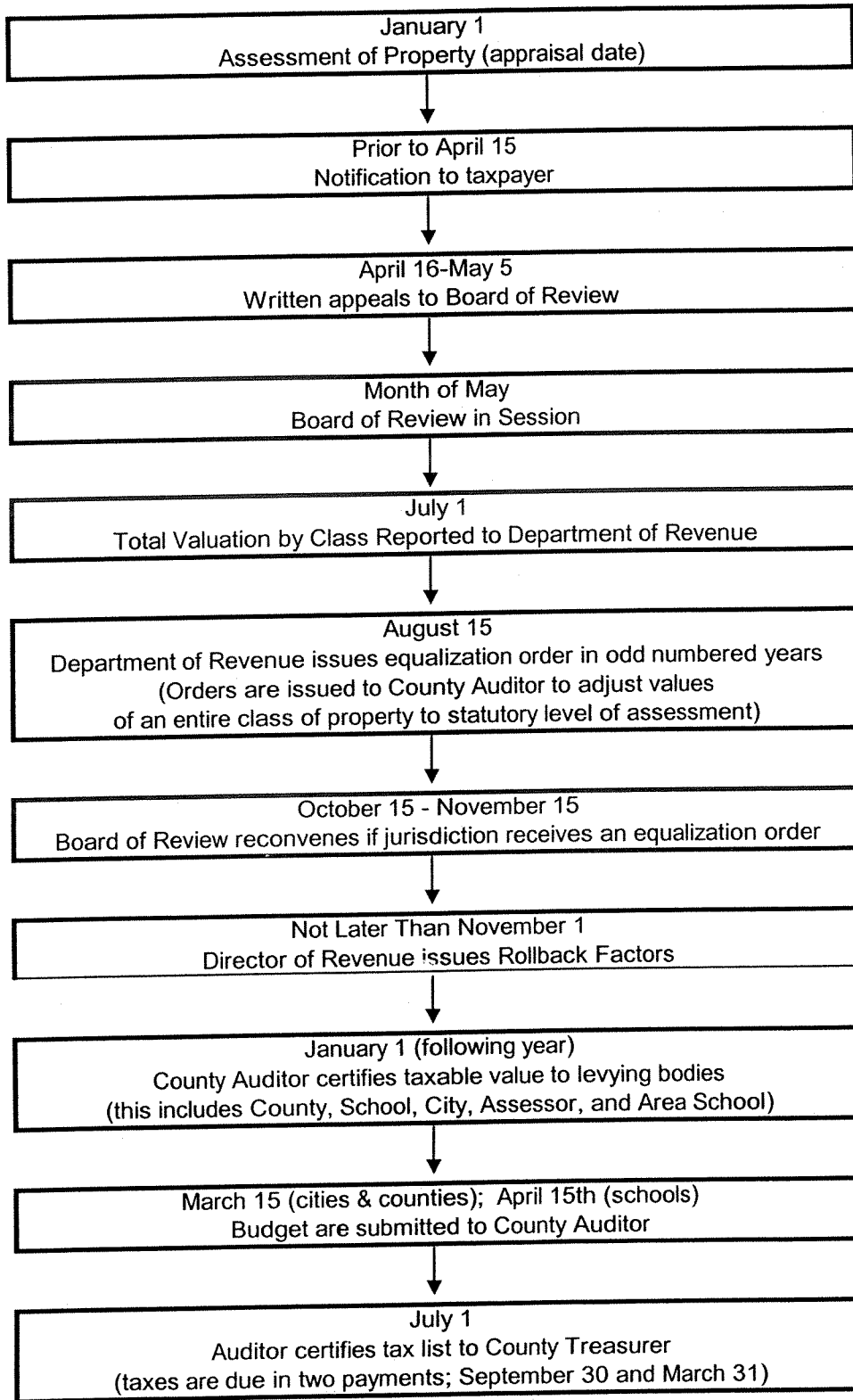
Credit Unions (5 mills)	\$ 1,501,272	\$ 26,327,710
Finance Companies (5 mills)	\$ -	\$ 200,000,000
	<hr/>	
	\$ 1,501,272	\$ 226,327,710

IMPORTANT NOTE:

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.

* 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	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Alleman						7	4	0	11	4	0	0	0	1
Altoona						117	119	83	166	88	164	196	218	354
Ankeny						267	348	475	518	414	652	751	972	1068
Bondurant						20	13	20	24	27	33	24	14	78
Carlisle						0	0	0	2	0	0	0	0	0
Clive						71	69	37	74	44	45	30	16	35
Des Moines	307	269	160	197	175	150	209	271	381	344	390	520	526	665
Elkhart						0	0	1	1	1	0	0	25	21
Grimes						39	38	71	69	72	60	111	83	98
Johnston						181	188	251	381	285	331	276	329	390
Mitchelville						2	1	5	9	5	3	6	0	3
Pleasant Hill						77	66	72	116	93	116	118	160	118
Polk City						26	29	23	47	30	20	41	80	60
Runnells						0	0	1	2	3	3	12	4	6
Sheldahl						0	1	1	0	0	0	1	0	0
Urbandale						236	193	243	278	262	312	332	292	266
West Des Moines						233	267	460	500	343	224	140	121	120
Windsor Heights						1	0	0	0	0	1	0	1	1

TOWNSHIPS	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Allen							2	1	3	0	0	1	0	0
Beaver							3	1	6	5	4	9	14	9
Bloomfield							0	0	2	0	0	0	0	0
Camp							21	22	15	9	17	18	19	14
Clay							8	10	14	6	16	8	13	9
Crocker							27	79	81	70	43	23	26	21
Delaware							11	11	18	14	8	7	13	6
Douglas							8	12	15	5	3	5	5	4
Elkhart							2	2	7	8	10	9	25	19
Four Mile							12	19	17	13	14	21	23	13
Franklin							15	14	20	14	26	12	22	26
Jefferson							20	37	47	37	50	26	31	31
Lincoln							0	2	2	2	3	4	2	3
Madison							1	0	2	2	1	1	1	1
Saylor							28	24	13	9	10	34	37	23
Union							2	3	2	1	1	7	5	4
Walnut							0	0	0	0	0	0	0	0
Washington							2	5	1	4	2	3	0	6
Webster							1	1	2	3	2	1	1	0

**MISCELLANEOUS INFORMATION AND STATISTICS
POLK COUNTY**

New Building Permits Processed	10,094
Divisions of Existing Property (As of 10/12/2005)	1,722
New Plats (As of 10/12/2005)	80
New Homestead Tax Credits 2004/2005	8,651
New Military Exemptions 2004/2005	1,204

Classes and Numbers of Properties Assessed:

Agricultural Parcels (Property used for Agricultural Purposes)	6,471
Forest & Fruit Tree Reservations (Acres)	6,117
Vacant Taxable Parcels	5,241
Agricultural	13,421
Residential	1,956
Commercial	485
Industrial	
Improved Taxable Parcels	1,230
Agricultural	125,617
Residential	8,444
Commercial	329
Industrial	

Average 100% Assessment of Residential Property	\$	142,956
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**TOP TWENTY TAXPAYERS
POLK COUNTY**

<u>NO</u>	<u>COMPANY</u>	<u>TOTAL REAL ESTATE</u>
1	Principal Mutual*	\$ 258,420,890
2	Knapp, William**	\$ 182,097,780
3	R & R Investors***	\$ 113,812,100
4	Mid America Investment****	\$ 111,336,400
5	Nationwide Mutual Insurance	\$ 88,153,630
6	Valley West Mall	\$ 87,468,700
7	Qwest	\$ 85,573,316
8	Wells Fargo*****	\$ 82,576,740
9	Hubbell Interests*****	\$ 77,117,470
10	Mercy Hospital*****	\$ 74,601,180
11	Polk County (Prairie Meadows)	\$ 73,423,000
12	Pioneer Hi-Bred	\$ 65,105,400
13	Target	\$ 63,316,050
14	Ruan*****	\$ 63,295,800
15	Ladco Properties	\$ 62,199,460
16	Wal-Mart Stores	\$ 57,932,300
17	Iowa Methodist*****	\$ 53,308,850
18	Hy-Vee Food Stores	\$ 52,296,850
19	Merle Hay Mall	\$ 51,376,600
20	Menards, Inc.	\$ 45,036,020
	GRAND TOTAL	\$ 1,748,448,536

* Includes: Principal Mutual Life, Bankers Life, Commissioner of Insur, E Grand Office Park, Petula Assoc Ltd, Principal Life Ins

** Includes: William Knapp, Knapp & Assoc Ltd Ptnrshp, William Knapp Trustee, Knapp Enterprises, Knapp Family LC, Knapp Invest. L.L.C., KNA L.C., Knapp Revoc Trust, Airport Commerce Park, Civic Center Court, KC Real Estate L.C. West Lakes Dev, West Lakes Properties, Westown Associates LLC, Westown Group LC

*** Includes: R & R Investors Ltd, Fountain Three, Aurora Business Park, Crestwood Building LLC, Sunset Building LLC, Edgewater Building LLC, Veridian Building LLC, Waterford Building LLC, Highland Building LLC, Meredith III LLC, Terrace Place Building

**** Includes: Mid Amer Development Co, Mid America Investments, Mid America Prop, Mid America Realty

***** Includes: Wells Fargo Bank, Wells Fargo Bank NA, Wells Fargo Financial Inc., Wells Fargo Home, Norwest Bank, Norwest Bank IA, Norwest Bank IA NA, Norwest Financial Inc.

***** Includes: Trustees FM Hubbell Est, Hubbell Realty Co, Hubbell Terminal Co, LDS Rack Service, Merchants Transfer Storage Hubbell Properties, Walnut Mall Ltd, Walnut St. Fashion, Birchwood Crossing Business Park

***** Includes: Mercy Hospital Med Ctr, Mercy Medcl Clinic, Mercy Medcl Plaza, Mercy West Med Cnt, Mercy Westside Hospital Mercy Properties, Mercy Park Apts, IHC WDM Real Estate LLC

***** Includes: Ruan Inc, Ruan Center Corp, City Center Dev

***** Includes: Ia Metho Bio-Tech, Ia Meth Health, Ia Meth Medical Ctr, Ia Meth Sch of Nursing, Ia Meth Hospital, IMHS Properties, Ia Lutheran Hospital, Meth Medical Plaza

As of 2002 Data Processing and Industrial Equipment will no longer be assessed as real estate.

**EXEMPT PROPERTY AS OF JULY 2005
POLK COUNTY**

RELIGIOUS INSTITUTIONS

Churches & Church Headquarters	\$	400,873,030
Parsonages	\$	15,930,880
Recreation Property, Church Camps, Etc.	\$	72,507,750

LITERARY SOCIETIES

Community Play House	\$	12,154,800
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LOW RENT HOUSING

Dwellings & Apartments	\$	39,519,680
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VETERANS ORGANIZATIONS

	\$	2,189,020
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CHARITABLE & BENEVOLENT SOCIETIES

Hospitals	\$	273,556,910
Fraternal Organizations	\$	15,060,500
Agricultural Societies	\$	4,896,470
Retirement & Nursing Homes	\$	109,036,680
Others (Y.M.C.A., Y.W.C.A., etc.)	\$	161,474,885

EDUCATIONAL INSTITUTIONS & CHURCH SCHOOLS

	\$	221,790,320
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POLLUTION CONTROL (Industrial M & E and Bldgs.)

	\$	3,910,200
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URBAN REVITALIZATION TAX EXEMPTION

	\$	748,402,750
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INDUSTRIAL PARTIAL EXEMPTION

	\$	30,736,570
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NATURAL CONSERVATION

	\$	529,790
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FOREST & FRUIT TREE PRESERVATION (5959.9066 Acres)

	\$	19,929,830
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HISTORICAL

	\$	32,500
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IMPOUNDMENTS

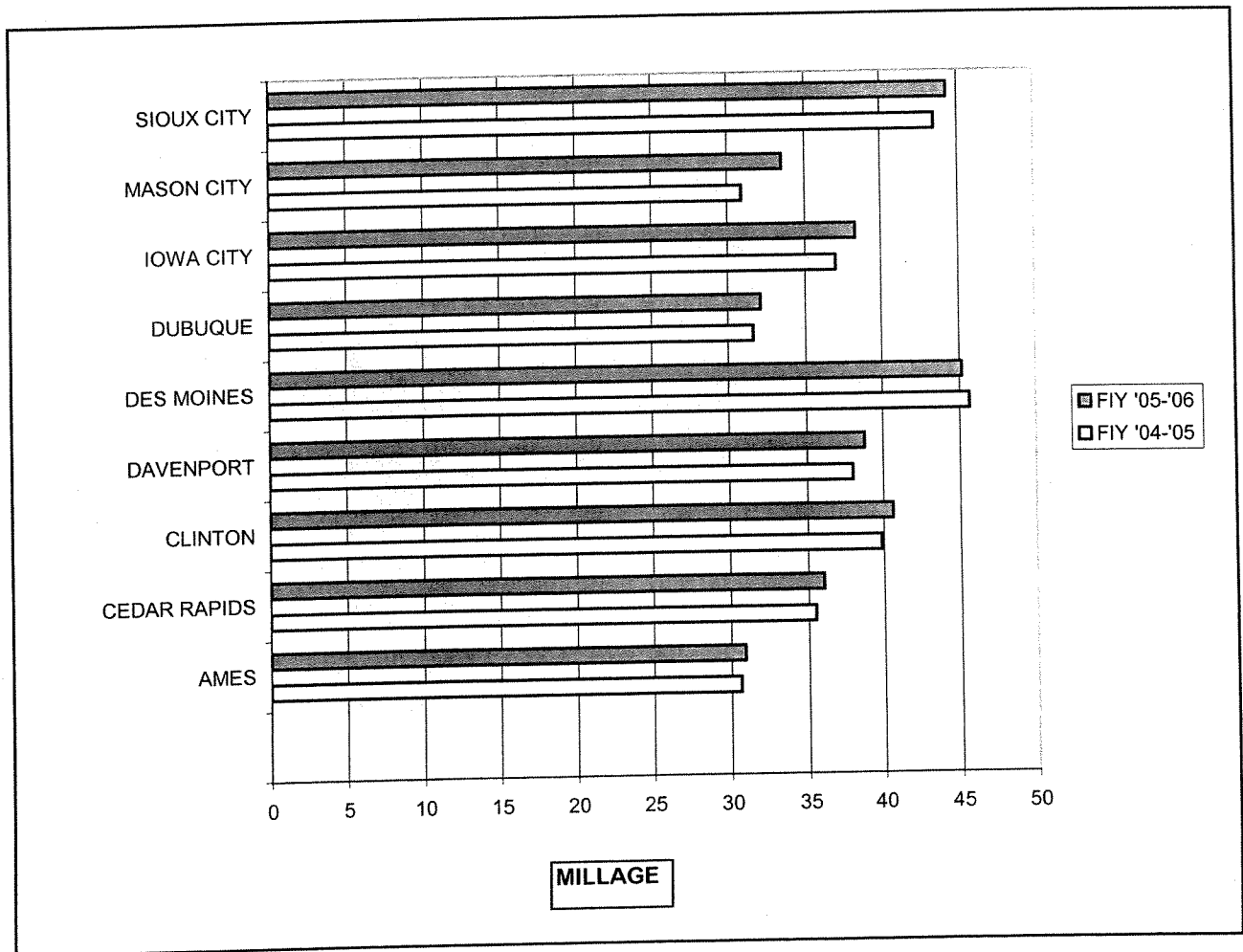
	\$	35,110
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TOTAL EXEMPT PROPERTY

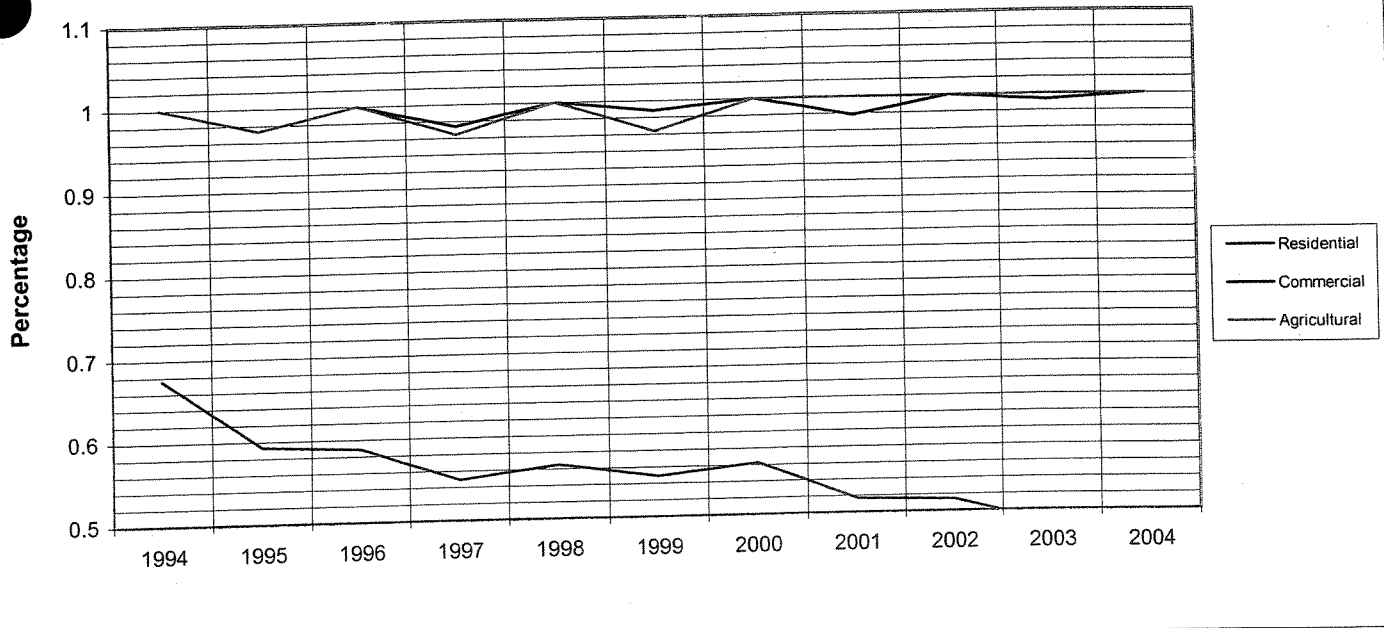
	\$	2,132,567,675
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**COMPARISON OF TAX RATES PER THOUSAND
FOR TAXES PAYABLE FISCAL '04-'05 TO '05-'06
AS COMPILED BY THE POLK COUNTY ASSESSOR'S OFFICE**

<u>JURISDICTION</u>	<u>FIY '04-'05</u>	<u>FIY '05-'06</u>
AMES	30.60745	30.90706
CEDAR RAPIDS	35.46024	36.03475
CLINTON	39.87675	40.62739
DAVENPORT	38.02891	38.82534
DES MOINES	45.64912	45.16520
DUBUQUE	31.60687	32.08764
IOWA CITY	37.02665	38.35533
MASON CITY	30.90453	33.51399
SIOUX CITY	43.52522	44.34488

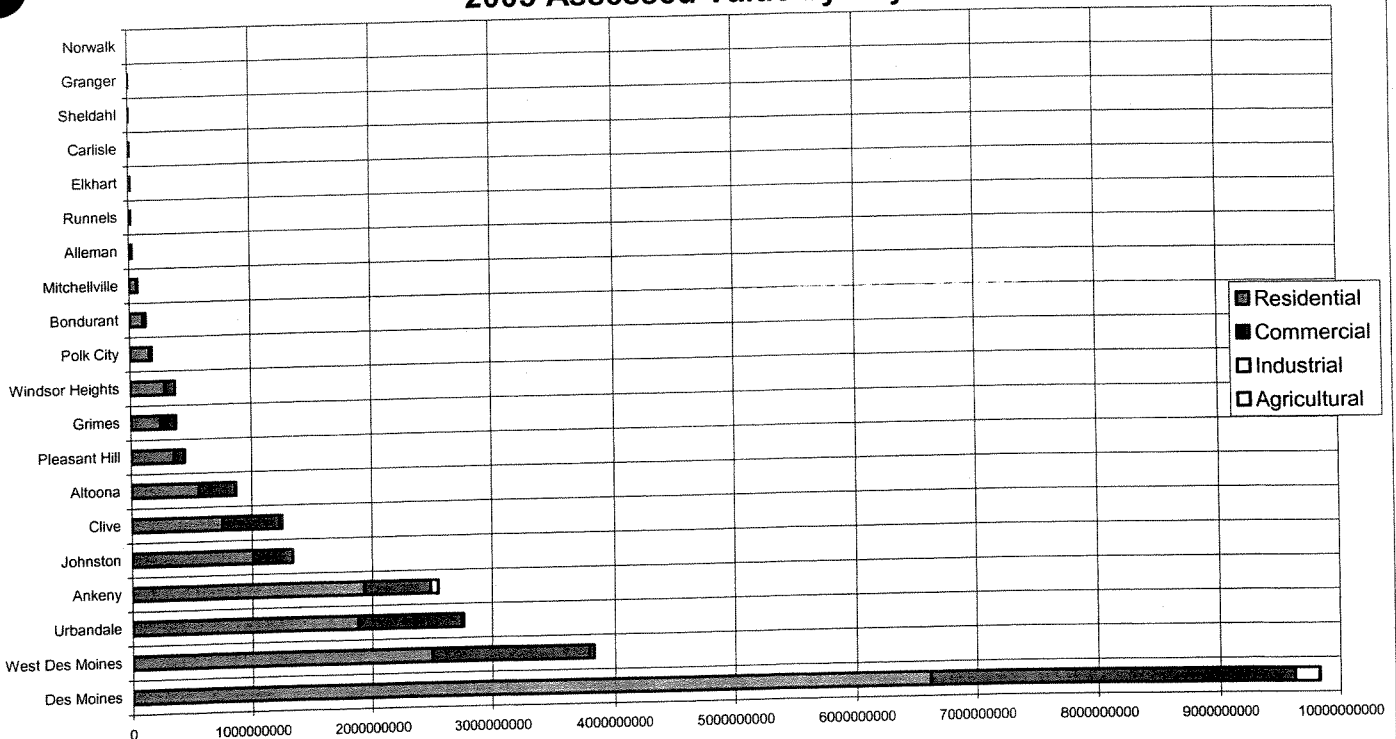


State Rollback History by Classification

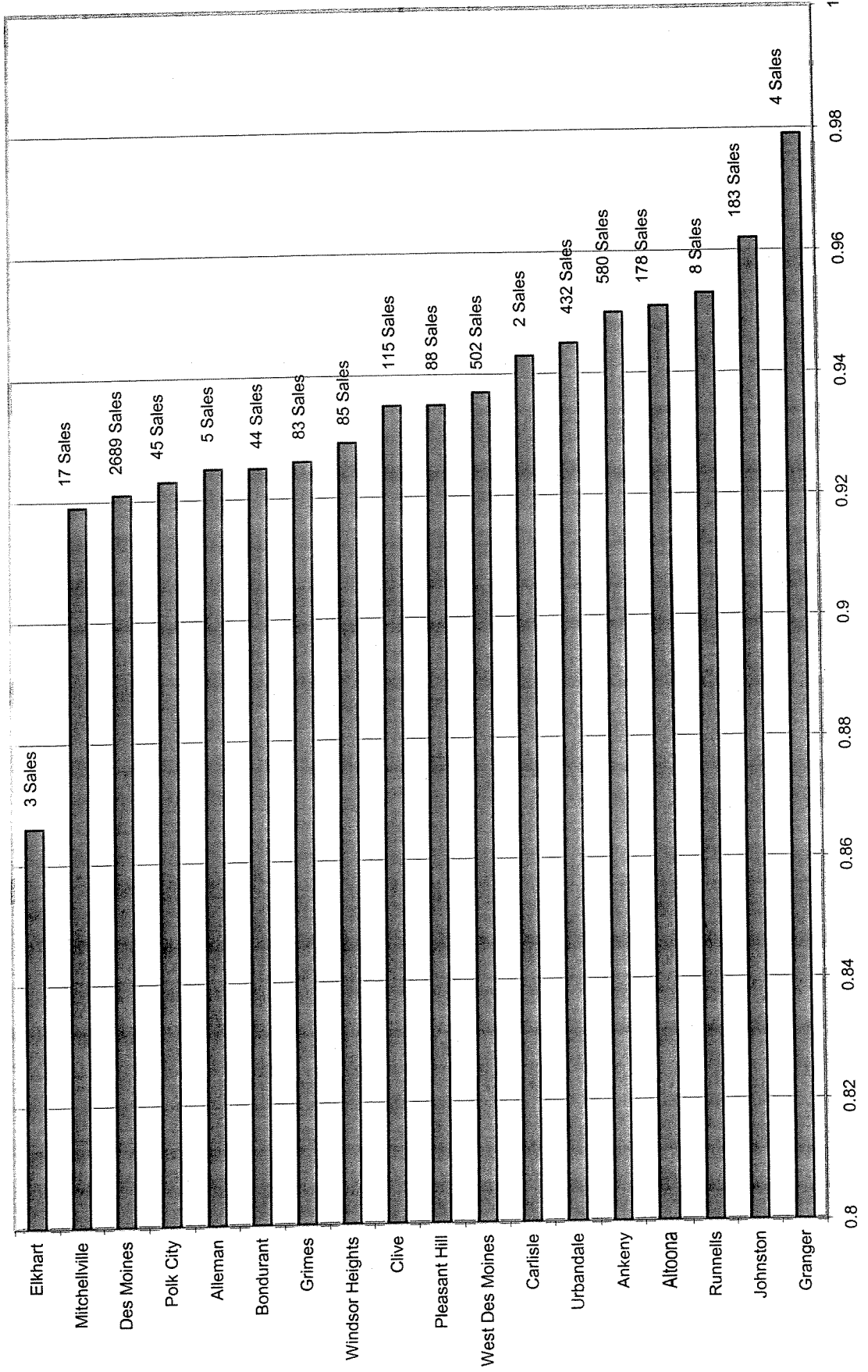


	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Residential	67.5074%	59.3180%	58.8284%	54.9090%	56.4789%	54.8525%	56.2651%	51.6676%	51.3874%	48.4558%	47.4692%
Commercial	100%	97.2824%	100%	97.3606%	100%	98.7732%	100%	97.7701%	100%	100%	100%
Agricultural	100%	97.2824%	100%	96.4206%	100%	96.3381%					

2005 Assessed Value by City



2005 Median Sales Ratio by City



Sales Ratio Study
Polk County
Residential 1 & 2 Family Dwellings
Year 2005

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

The Standard on Ratio Studies, published in 1999 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:

<u>Type</u>	<u>Measure of Central</u>	<u>COD</u>	<u>PRD</u>
	<u>Tendency</u>		
Newer, more homogenous areas	0.90-1.10	10.0 or less	0.98-1.03
Older, heterogeneous areas	0.90-1.10	15.0 or less	0.98-1.03
Rural residential and seasonal	0.90-1.10	20.0 or less	0.98-1.03

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

In Polk County for the year 2005, there were 6,760 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 6,625 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 in 2005. There are also some graphs that show trends and patterns of the residential real estate market in Polk County.

Ratio Statistics for 1 & 2 Family Dwellings - Based on 6,760 Sales

Mean		.949
	95% Confidence Interval for Mean	
	Lower Bound	.942
	Upper Bound	.956
Median		.928
	95% Confidence Interval for Median	
	Lower Bound	.925
	Upper Bound	.931
	Actual Coverage	95.3%
Weighted Mean		.926
	95% Confidence Interval for Weighted Mean	
	Lower Bound	.923
	Upper Bound	.929
Price Related Differential		1.026
Coefficient of Dispersion		12.2%

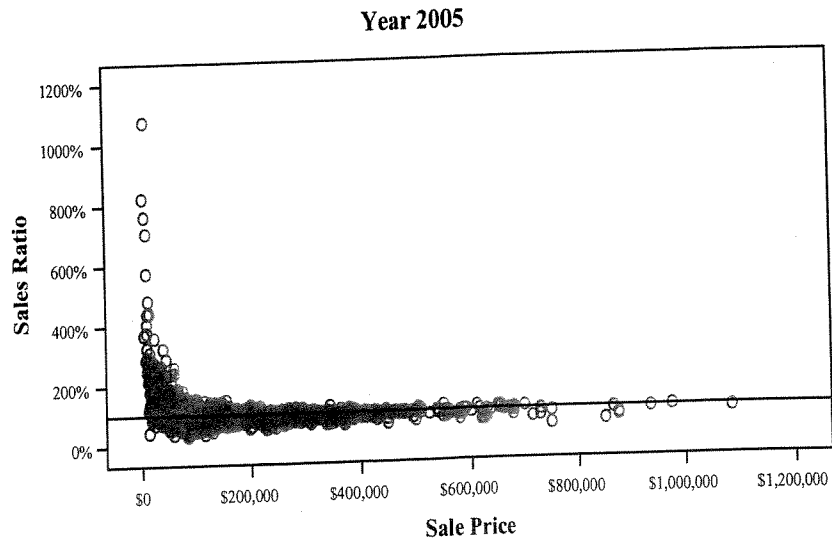
Ratio Statistics for 1 & 2 Family Dwellings after 1% Trim - Based on 6,625 Sales

Mean		.933
	95% Confidence Interval for Mean	
	Lower Bound	.930
	Upper Bound	.936
Median		.928
	95% Confidence Interval for Median	
	Lower Bound	.925
	Upper Bound	.931
	Actual Coverage	95.1%
Weighted Mean		.926
	95% Confidence Interval for Weighted Mean	
	Lower Bound	.923
	Upper Bound	.929
Price Related Differential		1.008
Coefficient of Dispersion		9.8%

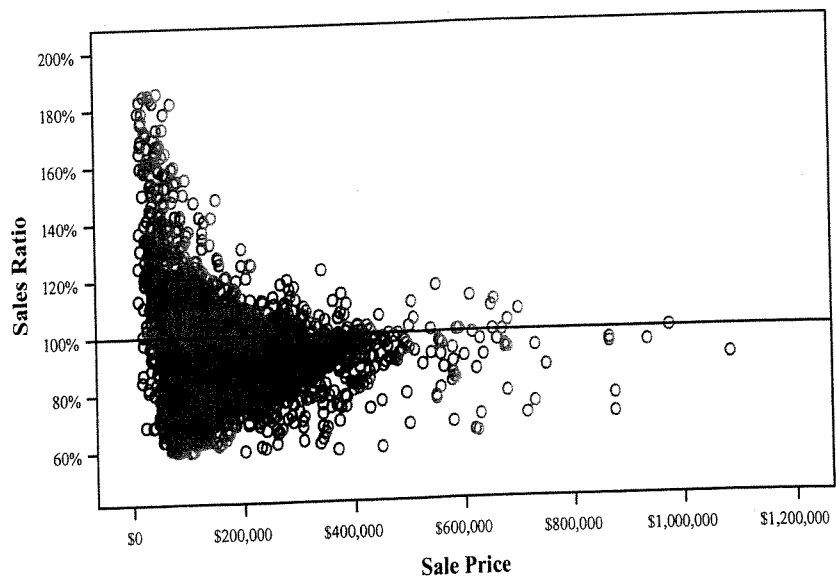
The above two charts show that the current median ratio for Polk County is .928 or 92.8%. Although this meets the IAAO's suggested performance standard, it deviates from the legal level in Iowa (100%) by more than five percent. Thus, in order to satisfy the legal requirement, it appears residential assessments are headed for an increase for the 2007 assessment year.

The COD after a 1% trim is 9.8%, which means that, on average, residential assessments in Polk County are within 9.8% of the median assessment level (92.8%). The PRD is 1.008, which indicates that low- and high-valued properties are relatively being assessed at the same level.

Plot of Sales Ratio with Sale Price



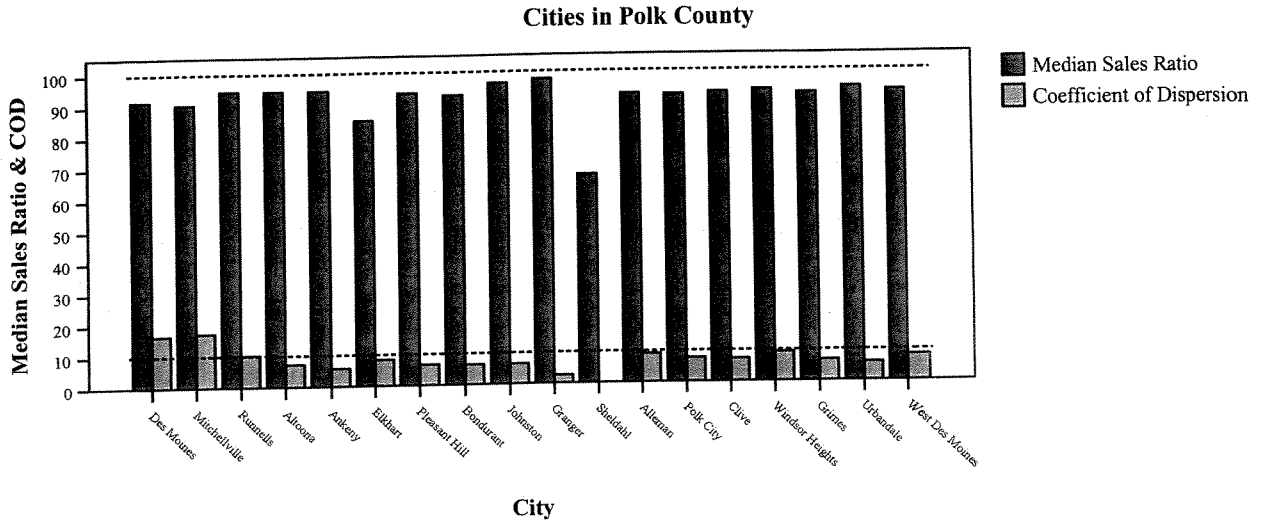
Plot of Sales Ratio with Sale Price - 1% Trim



The 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, which indicated that low- and high-valued properties are being assessed at the same general level.

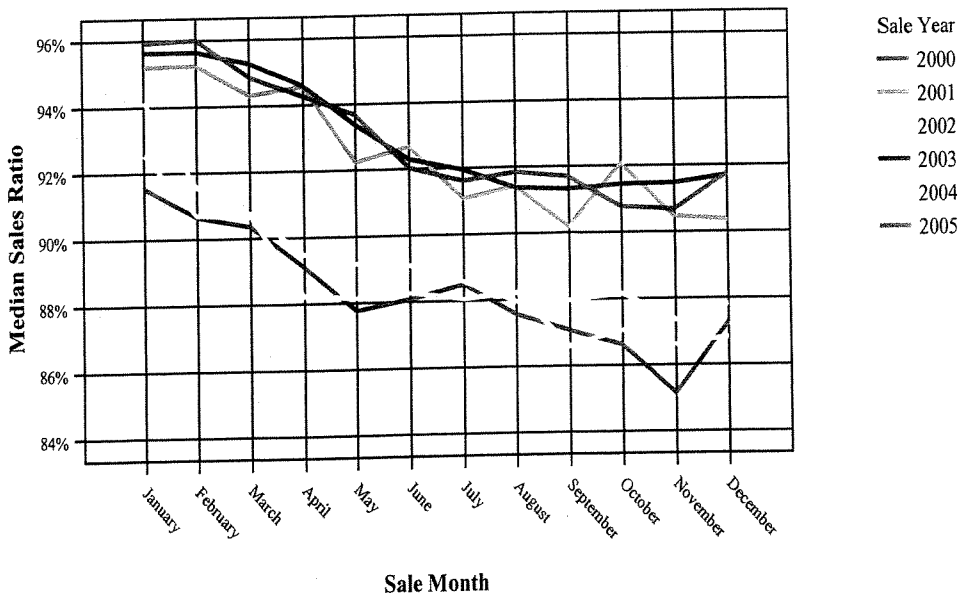
The chart below shows the median ratio and COD for each city in Polk County. One can see why different cities have different percent adjustments in reassessment years.

2005 Sales Ratio Statistics



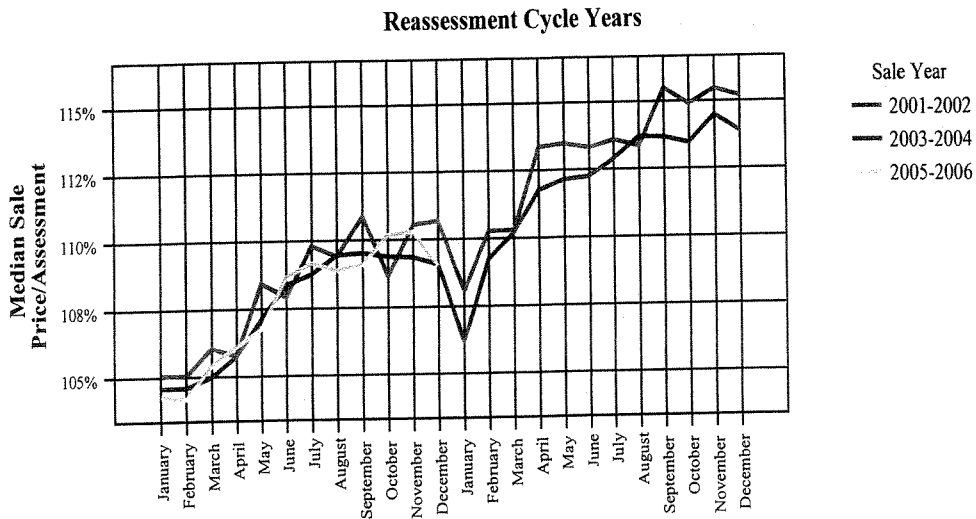
By plotting the sales ratios over time, one can visualize any inflation/deflation trends in the market. Since the sales ratio is the assessment/sale price, a downward trend indicates inflation.

Median Sales Ratio by Month



A more intuitive way to visualize market trends is to plot the reciprocal of the sales ratio (sale price/assessment) over time. Here, an upward trend represents inflation. One can also see how the market “heats up” during the spring/summer months and levels off during the fall/winter months.

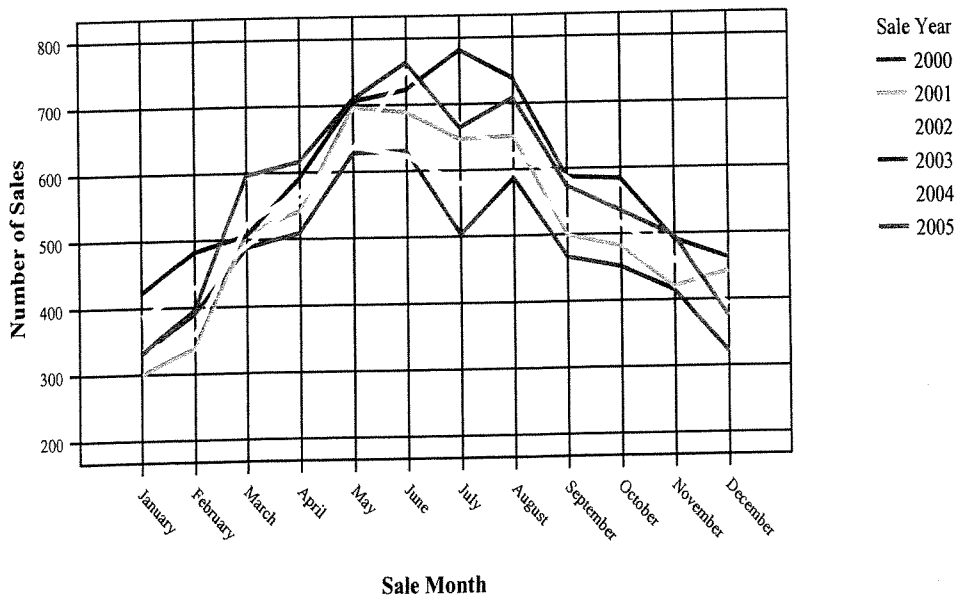
Median Sale Price/Assessment by Month



Sale Month for Reassessment Cycle

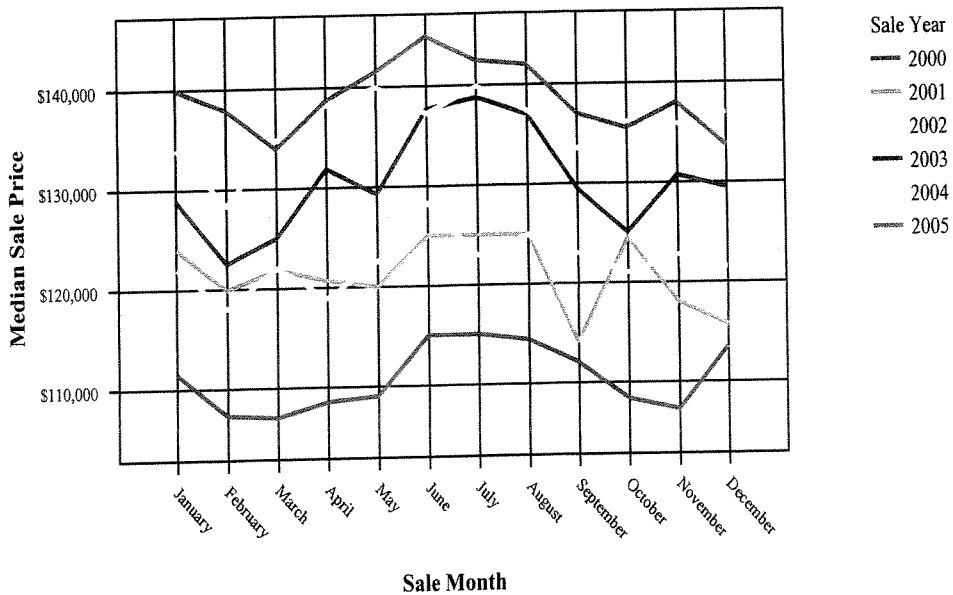
The following chart shows that market activity increases during the spring/summer months and decreases during the fall/winter months. This pattern is pretty consistent from year-to-year. The spring/summer months are a good time to be selling a home.

Number of Sales by Month



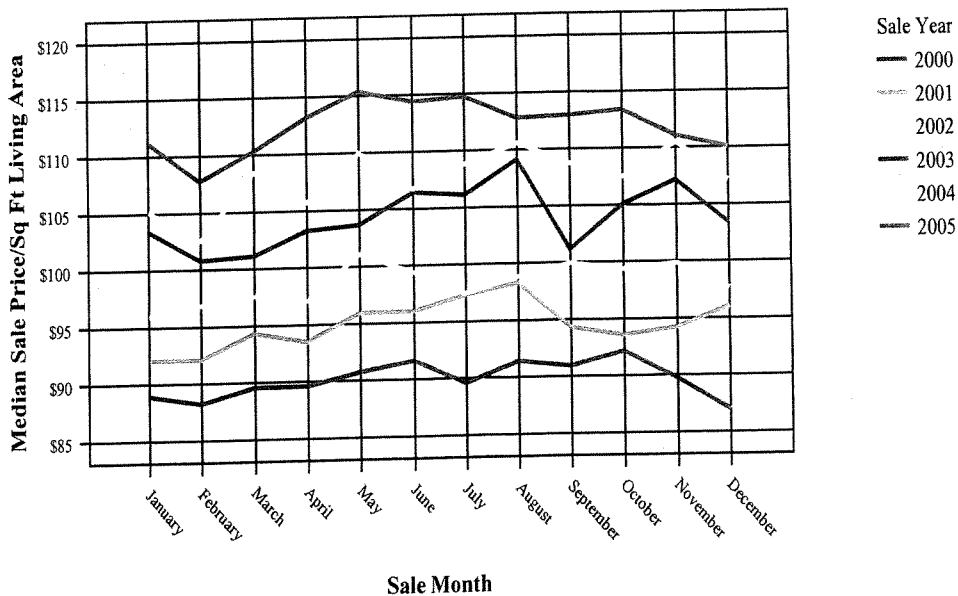
The residential real estate market in Polk County has been increasing during the last five years. The median average sale price in 2000 was roughly \$110,000, while in 2005 was roughly \$140,000. The seasonal patterns are also apparent here.


Median Sale Price by Month



The median average sale price per square foot of living area has also been increasing during the last five years, which again points to an upward movement in the residential real estate market. The median average sale price/sq. ft. in 2000 was roughly \$90, while in 2005 was roughly \$113.

Median Sale Price/Sq. Ft. by Month



Polk County Assessor 

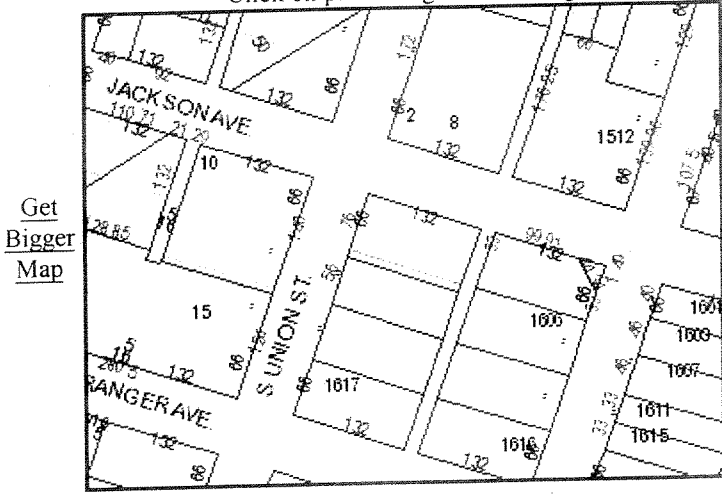
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District/Parcel	GeoParcel	Map	Nbhd	Jurisdiction	Status
020/02214-000-000	7824-10-308-001	0568	DM23/Z	DES MOINES	ACTIVE
School District	Tax Increment Finance District	Bond/Fire/Sewer/Cemetery			
1/Des Moines	55/Riverpointe UR Area C				

Street Address
1601 SOUTH UNION ST

City State Zipcode
 DES MOINES IA 50315-1247

Click on parcel to get new listing



Approximate date of photo 03/24/2003

Mailing Address
 MAURICE GRAZIANO
 1601 SOUTH UNION ST
 DES MOINES, IA 50315-1247

Legal Description
 LT 1 & N 10F LT 2 BLK 16 SOUTH FORT DES MOINES

Ownership	Name	Transfer	Book/Page	RevStamps
Title Holder #1	GRAZIANO, MAURICE	12/28/2004	10883/707	
Title Holder #2	GRAZIANO (TRUSTEE), SARAH L			
Title Holder #3	GRAZIANO (TRUSTEE), EUGENE D JR			
Title Holder #4	EUGENE GRAZIANO (TRUST)			
Title Holder #5	GRAZIANO, FRANCES P			