

City of Ames Assessor's Office
Annual Report and Budget Proposal for the 2025-2026 Fiscal Year
For the Conference Board meeting at 5:00 p.m., February 25, 2025

The following report outlines the structure, programs, duties, and activities of the Ames City Assessor's Office.

CONFERENCE BOARD

Iowa assessment laws can be found in Chapter 441 of the *Iowa Code*. Other chapters affect the process, and there are numerous administrative rules. The *Code* creates a Conference Board for each county. City Assessors are optional for cities with populations over 10,000. City Assessors are created by ordinance and a City Conference Board is automatically created.

The Ames City Conference Board includes 3 voting units made up of the Ames City Council (1), School Boards of Directors (2) of the Ames, Gilbert, Nevada and United school districts, and the Story County Board of Supervisors (3). The mayor is chairperson. Each unit's vote is determined by the vote of the majority of the members present for that unit. At least two members of a voting unit must be present to be eligible to vote. A quorum is reached when at least two members of the unit are present and 2 of the 3 units are present.

The Conference Board must meet annually to approve a proposed budget for publication. The Board must meet again to hold a public budget hearing and adopt the budget.

The Conference Board appoints the Assessor, Examining Board, and Board of Review. The Examining Board is activated when the Assessor position is vacant, or in the event a Deputy Assessor appeals a termination or disciplinary action by the Assessor.

The Ames City Conference Board has used a subcommittee called the Mini Conference Board to facilitate the budget discussion. Each of the three voting bodies appoints one member to the Mini Board to conduct a preliminary meeting to discuss budget proposals with the Assessor and report back to their full body. The Mini Conference Board met January 6, 2025, to review the Assessor's budget proposal. The meeting was held in City Hall. Members present were, Ames City Council; Lisa Heddens, Story County Board of Supervisors; Kelly Winfrey, Ames School Board of Directors; Shari Plagge, City Assessor and Kenneth Baker Residential Appraiser as scribe.

BOARD OF REVIEW

The Ames Board of Review has five members. Members are appointed by the Conference Board for staggered six-year terms. The *Code* requires members to have different occupations, and when possible, their occupations should be experience in real estate, construction, architecture, appraisal or similar fields. The Board of Review meets annually in May to hear appeals on assessments, classification and exemptions as determined by the Assessor. The Board of Review also meets in October (odd years only) if any appeals are filed due to equalization on values only.

There is 1 vacant seat needing to be filled. The expiration date for each current board member is as follows:

Gail Johnston (Expired)	12/31/2024	Park Woodle	12/31/2025
Martin Edelson	12/31/2026	Sally Elbert	12/31/2028
Laurel Scott	12/31/2029		

ASSESSOR

The Conference Board appoints, or reappoints, an assessor for a six-year term. Iowa assessors are required to pass state-approved tested courses and a comprehensive examination before being eligible to be appointed. In order to be reappointed, as minimum of 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 according to the Code of Iowa. Iowa law requires reassessment in odd-numbered years of all property or equalization years. In even-numbered year changes are typically new construction or renovation of existing structures. A notice of assessment must be sent when valuation, classification, or taxable status changes for any reason.

The most visible function of the office tends to be providing information to the public via the Internet or through requests in the office. Public information laws require, and common-sense dictates, that most of this information be readily available for review. However, the priority and the primary effort of the office is discovering changes in real property, such as new construction, and maintaining the classification and equitable assessments as part of the tax base of Ames.

While classifying and valuing property, extensive property-related information is acquired through a variety of sources including aerial photography, parcel maps, data review, on-site inspections and legal research. This often involves considerable time and effort, nevertheless is the most vital and essential part of the operation. Aerial photography assists the office with information when valuing land as well as structures. Sales data is reviewed to determine if a sale is a reasonable reflection of today's real estate market thus used to set the value of other like properties. On-site inspections give us the chance to see what the condition of a property is in, if it has been remodeled or needs maintenance both on the exterior and interior. The Iowa Real Property Appraisal manual and best practices from the International Association of Assessing Officers (IAAO) state that property should be reviewed every 6 years to keep parcel data up to date.

In addition, the Assessor accepts and recommends allowance or disallowance for multiple credit and exemption programs. The most common are the homestead credit, homestead 65+ exemption, disabled veteran's homestead credit and military service exemption. Less common, but more problematic, are exemption claims for religious and charitable organizations, low-rent housing and urban revitalization, many requiring an extensive review of the facts specific to each property and the applicable Code requirements.

In summary, the Assessor has a variety of duties and functions and is an integral and essential component of local government operations. Assessors have a mission to provide fair and equitable assessments as the basis for funding local governments and services. This is obtained by creating a high standard of professionalism throughout the Iowa State Association of Assessors membership through collaboration, mentoring and education.

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 determine tax rates or consolidated levy rates.
- Does not set market value – the Assessor measures the level of value, as indicated by sales of real property in Ames.
- Does not make the laws and rules regarding assessments including Board of Review.

DEPARTMENT ACTIVITIES

While there are currently two vacancies, the following is a list of the full-time employees of the City Assessor's Office and their starting dates:

▪ Shari Plagge, City Assessor	April	2022
▪ Deputy Assessor	Vacant	
▪ Assistant to the Assessor	Proposed	
▪ Daniel A. Boberg, Appraisal Technician	August	2017
▪ Kirk Nasset, Residential Appraiser	April	2022
▪ Ranie Seversike, Appraisal Clerk	March	2023
▪ Kenneth Baker, Residential Appraiser	November	2023
▪ Residential Appraiser	Vacant	
▪ Ian Beachler, Temp Data Collector	October	2024
▪ Colton Phelps, Temp Data Collector	January	2025

The Assessor's Office continues to update and make changes in policy and procedures as we work through a complete in-house revaluation and software conversion. This process is scheduled to be completed for the 2027 assessment year. A physical review of each property is being conducted to verify the physical characteristics of both the land and any buildings or structures. Land sales are analyzed to determine a unit price as if vacant and as if improved and to determine any obsolescence factors that may be affecting the sale. Using the buildings physical characteristics and the Iowa Real Property Appraisal Manual, a replacement cost new is determined for each structure. Sale data is studied to determine depreciation, obsolescence or other market influences affecting market value.

In addition to the market analysis, a study of both horizontal and vertical equity will be conducted to achieve uniformity in assessments in equalization years. Land values and improvement values, after all market adjustments or any factors that may influence the market sale price have been made, are added together to determine the property's total 100% assessment.

The following are highlights of some key activities:

- Land values for 2025 are moving from a lump sum value to valuing land by square foot, acres or front foot. A visual inspection, using aerial photography, of each parcel of land and entering the characteristics into the CAMA software is finishing up.
- We continue to work with property owners to get the apartments that are under a condo regime to rescind the regime and combine the units into one parcel. As of January 1st, 2,607 condo units were combined into 75 new parcels after the horizontal property regimes (condo complexes) were dissolved this year. We also have 7 new subdivisions so far, adding 109 new parcels.
- Recruitment for a Deputy City Assessor will start in March. Two of the staff completed the required courses in January 2025 and are scheduling their exams with the IDOR in February.
- Working with City HR to realign duties to replace the Database Manager position with a new position is in progress.
- All staff have attended both in person and virtual classes to further their knowledge and comprehension of assessments and to expand their opportunities within the office.

- The City IT is now our technical support, virtual server host and cyber security with just a couple of minor issues to work out. An inventory of the computers including age and recommended replacement was completed by City IT staff. Several computers were removed from inventory and new computers have been ordered and will be installed. A replacement program will be in place going forward for the office.
- Working with Susan Gwiasda, Public Information Officer, updates about the office have been given to the community on the radio and social media. Speaking engagements to educate and answer questions on our conversion process, assessments and appeal process have been given to realtor groups and other organizations. We will continue to keep the community updated whenever there is a need for public outreach.
- A mass appraisal report will again be produced and published to the website in late Fall 2025. This report is a summary to show how values were determined and the sales studies conducted. This report is completed in equalization years only.
- Guidelines and procedures for reappraisal project refined. Condition guidelines were created to assist the staff with equitable evaluations and for training new staff.
- The Iowa Department of Revenue made a software change (the third once since 2020) which was implemented in November 2024.
- Website information is being evaluated for the migration to the new website.

ABSTRACT AND EQUALIZATION

The Abstract of Assessment was submitted in late June 2024. This was a non-equalization year.

Ames Valuation by Class: 100% assessed values on IDOR Abstract as of July 1				
Class	2023 Actual	2024 Actual	Difference	% Change
Ag Land & Ag Bldgs	\$ 5,796,400	\$ 5,470,400	\$ (326,000)	-5.62%
Residential**	\$ 5,188,387,899	\$ 5,233,449,745	\$ 45,061,846	0.87%
Commercial	\$ 1,202,547,300	\$ 1,221,143,954	\$ 18,596,654	1.55%
Industrial	\$ 195,247,400	\$ 206,033,100	\$ 10,785,700	5.52%
Section 42	\$ 9,311,500	\$ 10,185,500	\$ 874,000	9.39%
100% Assessed Values Total	\$ 6,601,290,499	\$ 6,676,282,699	\$ 74,992,200	1.14%
Partial Exemption	\$ 63,304,700	\$ 53,608,300	\$ (9,696,400)	-15.32%
100% Exempt	\$ 208,723,700	\$ 220,140,300	\$ 11,416,600	5.47%

ASSESSED VALUE AND TAXABLE VALUE

The changes in tax base for assessed and taxable values from 2023 and 2024 are shown in the following tables:

Table 1. Assessed Values by Class

Source: Iowa Department of Management Reports for Story County as of January 1, 2024

Ames Valuation by Class : 100% Valuation from Department of Management				
Class	2023 Actual	2024 Actual	Difference	% Change
Ag Land & Ag Bldgs	\$ 5,770,400	\$ 5,448,100	\$ (322,300)	-5.59%
Residential**	\$ 5,141,458,100	\$ 5,188,992,500	\$ 47,534,400	0.92%
Commercial	\$ 1,188,254,100	\$ 1,206,442,900	\$ 18,188,800	1.53%
Industrial	\$ 175,859,000	\$ 181,839,700	\$ 5,980,700	3.40%
Railroads & Utilities less Gas & Electric	\$ 13,748,221	\$ 13,985,767	\$ 237,546	1.73%
Total	\$ 6,525,089,821	\$ 6,596,708,967	\$ 71,619,146	1.10%
Exemptions	\$ 12,346,280	\$ 21,280,020	\$ 8,933,740	72.36%
100% Values Total Except Gas & Electric	\$ 6,512,743,541	\$ 6,575,428,947	\$ 62,685,406	0.96%
Gas & Electric Valuation	\$ 37,740,516	\$ 37,401,784	\$ (338,732)	-0.90%
100% Values Total	\$ 6,550,484,057	\$ 6,612,830,731	\$ 62,346,674	0.95%

Table 2. Taxable Values by Class

Source: Iowa Department of Management Reports for Story County as of January 1, 2024

Ames Taxable Valuation by Class: (after assessment limitations applied)				
Class	2023 Actual	2024 Actual	Difference	% Change
Ag Land & Ag Bldgs	\$ 4,145,285	\$ 4,023,828	\$ (121,457)	-2.93%
Residential**	\$ 2,382,695,581	\$ 2,461,222,098	\$ 78,526,517	3.30%
Commercial	\$ 1,018,475,396	\$ 1,035,801,105	\$ 17,325,709	1.70%
Industrial	\$ 154,847,932	\$ 160,211,162	\$ 5,363,230	3.46%
Railroads & Utilities less Gas & Electric	\$ 12,417,576	\$ 12,622,092	\$ 204,516	1.65%
Total	\$ 3,572,581,770	\$ 3,673,880,285	\$ 101,298,515	2.84%
Exemptions	\$ 12,346,280	\$ 21,280,020	\$ 8,933,740	72.36%
Taxable Total Except Gas & Electric	\$ 3,560,235,490	\$ 3,652,600,265	\$ 92,364,775	2.59%
Gas & Electric Valuation	\$ 8,084,945	\$ 8,093,207	\$ 8,262	0.10%
Taxable Values Total	\$ 3,568,320,435	\$ 3,660,693,472	\$ 92,373,037	2.59%

**Residential includes properties such as single-family homes, multi-family homes, apartments, condos, townhouses and other living facilities.

SALES DATA FOR 2025 VALUATIONS

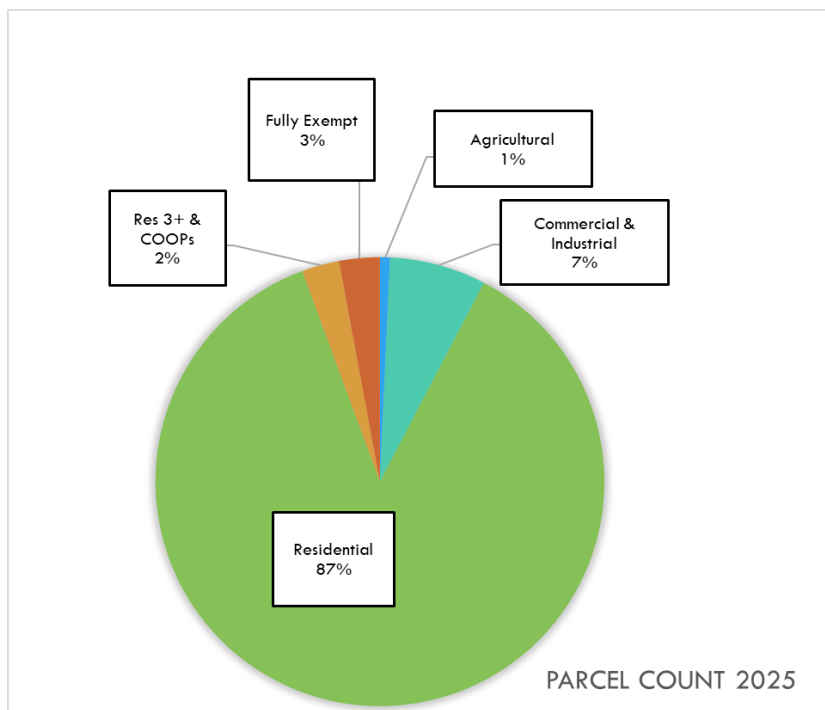
The table below lists the number of arms-length sales for the 2025 assessments. 1,619 sales were evaluated to determine if they were good for analysis and used to set values for all properties in the future.

Verified sales for 2025 valuations - Sales between 1/1/2024 to 12/31/2024					
Class	# of verified sales	Median Sales Ratio Percentage	Current parcel count	% of parcels sold	Projected % increase due to market sales
Commercial*	14	79.35	1,067	1.31%	26.02%
*Commercial with IDOR appraisals	22	91.38			9.43%
Residential	478	93.49	11,976	3.99%	6.96%
Res 3+ (Apts)	7	73.99	350	2.00%	35.15%
Res 3+ (3+ Conversions & Frats)	5	119.96	99	5.05%	-16.64%
Residential Condos & Townhome Condos	40	87.63	3,635	1.10%	14.12%
Residential Duplexes & Conversions	21	96.24	767	2.74%	3.91%
Residential COOPs	1	78.83	122	0.82%	26.86%
Section 42	0	0.00	65	0.00%	
Ag land & buildings	0	0.00	137	0.00%	
Industrial	1	100.09	30	3.33%	-0.09%
100% Exempt	0	0.00	550	0.00%	
Totals	589		18,798	3.13%	
Total transactions for 2024 reviewed - 1,619					

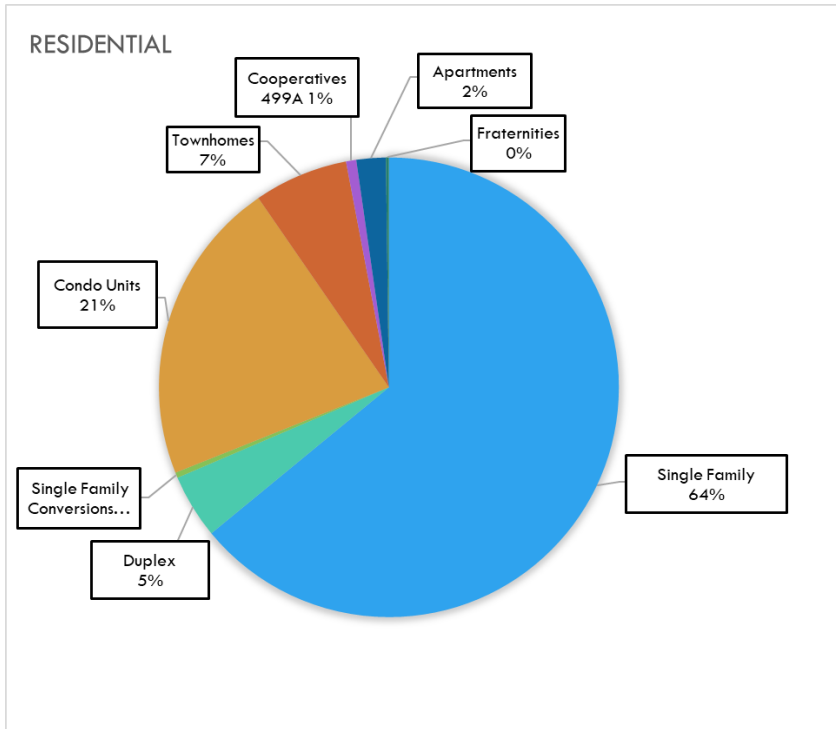
ASSESSMENT ROLLS FOR 2025

For 2025, all property will be receiving an assessment notice. The following table breaks them down by property class for 2025.

Total parcel count - January 1, 2025	
Class	Parcel count
Ag land & buildings	137
Residential	11,832
Residential Condos & Townhomes	3,635
Residential Duplexes & Conversions	831
Res 3+ (Apts & Frats)	385
Residential COOPs	122
Commercial	1,067
Section 42	209
Industrial	30
100% Exempt	550
Total parcel count	18,798

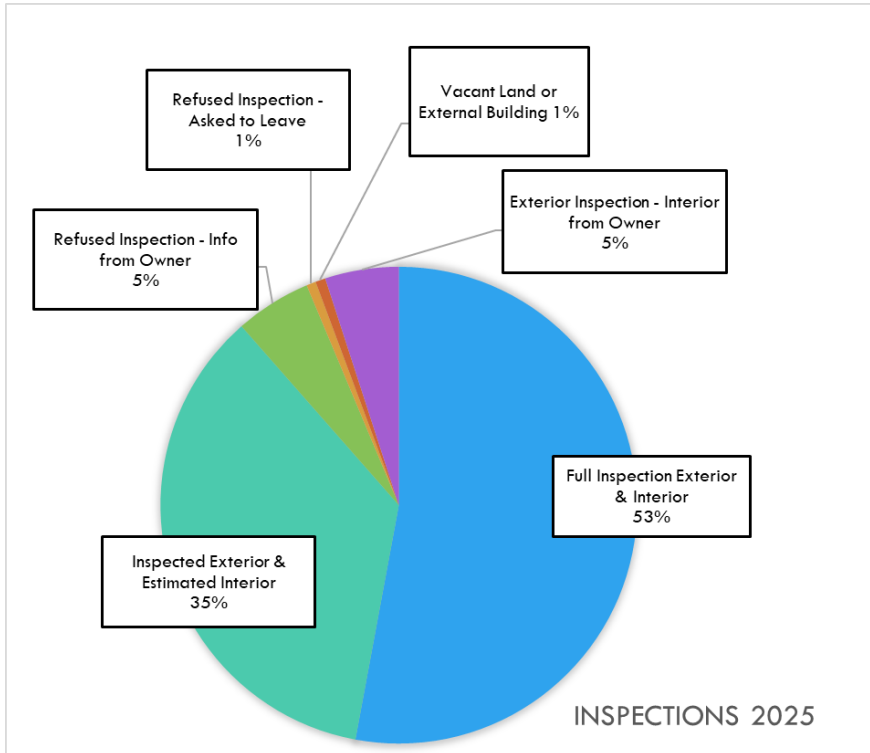


Breakdown of Residential property by type



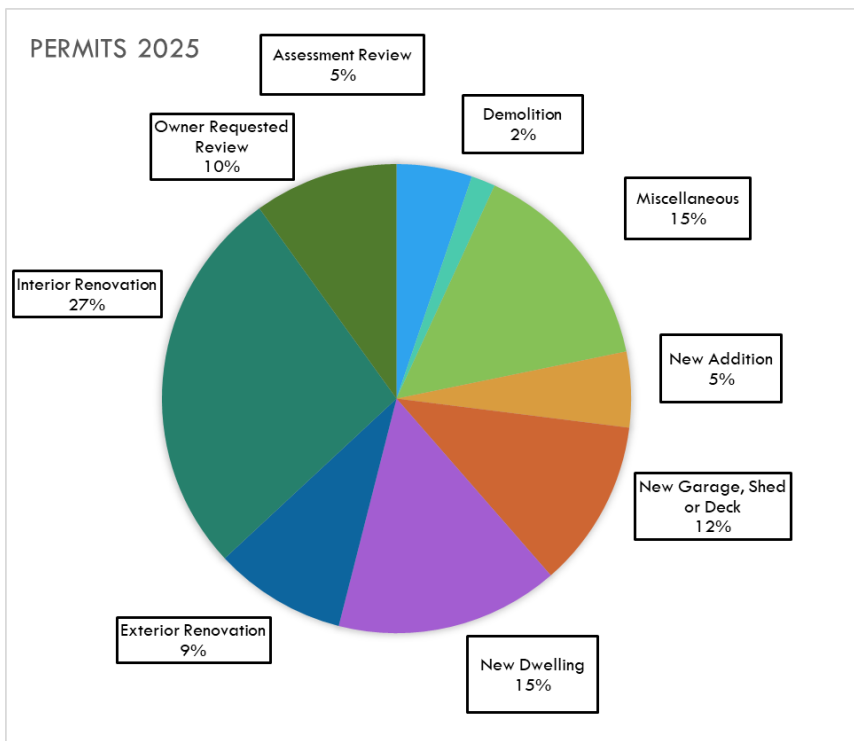
2027 Reappraisal project inspections

There have been 2,500 parcels reviewed for the reappraisal project. 1,323 parcels were fully inspected and just 16 refused us and asked to leave.



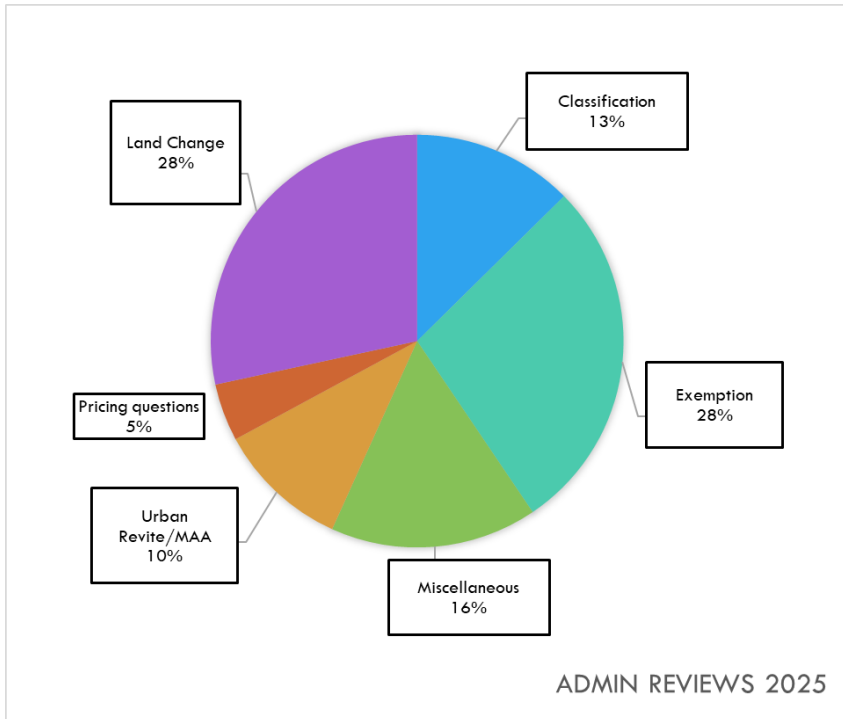
2025 Permits and Reviews

We had 490 permits received from planning and a total of 845 reviews. These include new homes, new additions, incomplete construction from prior year, renovations and owner requested reviews.



2025 Office Reviews

A total of 222 administrative in office reviews were also completed. These are mostly administrative issues with a parcel including adding or reviewing exempt status or applications, classification reviews and land use changes.



ASSESSMENT APPEALS

Informal Hearings:

In 2017, the Iowa Code was amended, accommodating for an informal hearing with the property owner, and allowing the Assessor to change a value or classification until April 25, provided there's a signed agreement with the property owner. This was a significant change from the prior year.

2024 Informal Hearings: Number of Signed Agreements by Class

CLASS	
* Agricultural	0
* Residential Dwelling on Agricultural Realty	0
Residential "outside incorporated cities"	0
Residential "within incorporated cities"	32
Commercial	10
Industrial	0
Res3+	1
TOTAL	43

Board of Review: The Board of Review met 3 days during the 2024 session, below are the number of protests filed with the 2024 Board of Review and the results of the appeals. Cases where the appeal was upheld means that the petition of the property owner was granted or partially granted.

CLASS	NUMBER OF PROTESTS	NUMBER UPHELD	NUMBER DENIED
Agricultural			
Residential Dwelling on Agricultural Realty			
Residential "outside incorporated cities"			
Residential "within incorporated cities"	10	8	2
Commercial	13	6	7
Industrial	2		2
Residential 3+	2		2
TOTAL	27	14	13

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In addition, the informal protests that we were unable to review before the deadline were reviewed. If we found that a change should be made, those assessments were submitted by the Assessor's office to the Board of Review and a request made to the Board of Review to adjust the assessments. The chart below shows the number of assessments changed by the board due to our request.

CLASS				NUMBER OF INCREASES	NUMBER OF DECREASES
Agricultural					
Residential Dwelling on Agricultural Realty					
Residential "outside incorporated cities"					
Residential "within incorporated cities"					3
Commercial					1
Industrial					
Residential 3+					
TOTAL					4

PAAB and District Court: Attachment "A" lists the appeal cases with the Property Assessment Appeal Board and District Court that have appealed beyond the 2023 and 2024 Board of Review session. As of January 1, 2025, we have 7 active cases yet to be heard, 4 from the 2023 assessment year.

BUDGET PROPOSAL

Attachment “B” is the budget expense proposal. Explanations for various line-item expenses follow:

Attachment “C” shows a breakdown of salary and benefits.

Salaries: City Finance calculated payroll projections for salaries and benefits. Salaries are calculated with a 3.5% increase.

Board of Review salaries are at the hourly rate of \$35. There is also a clerk to take the minutes. For budgeting purposes, we estimate that the clerk will need to put in 1.5 times the hours of the Board. The clerk is paid at a rate of \$15.00 per hour. This is a very difficult position to fill and has not been increased in a few years.

For the foreseeable future, I would like to continue employing temporary employees or interns to assist us with various projects and on-site data collection. Our reappraisal project is not going to be completed until the 2027 assessment year.

Taxable Fringe Benefits: Monthly cell phone allowance for the five full-time staff and 2 temporary staff that have regular duties outside the office. Additionally, it includes a \$100 stipend to reimburse Board of Review members for the use of their personal laptops during sessions.

Health Insurance: The amount budgeted is based on our current and projected staffing and use levels and the increases from City Finance.

Life and Disability Insurance: This line represents life and disability insurance for all benefited employees.

Attachment “D” shows a breakdown of expenses with more than one vendor or payee.

Board of Review Expenses: This line represents payment of the Board’s mileage as well as board-related postage and supplies.

Supplies, Telephone, Etc.: These amounts are mostly self-explanatory. Most are based on past experience and the city’s estimate of charges for next year.

Shared Services: Breakdowns for Management services, GIS/Mapping and Software are on Attachment D and are determined by the respective committees.

Mileage: This line represents reimbursement to employees who use their personal auto for work purposes. It’s paid at the current IRS rate. This rate is increasing for 2025.

Appeals: With the cost of type of litigation and appraisals, an increase in the amount for appeals is necessary. In an equalization year, we will see more formal appeals, especially from commercial owners and tax representatives.

Special Projects: Minor remodeling in the office and desk partitions.

Levy Rate: Overall levy rate will go from .32228 to .300490, a decrease of 6.76%.

Submitted February 17, 2025, by Shari Plagge ICA RES AAS, Ames City Assessor.