



# DICKINSON COUNTY TAXPAYERS ASSOCIATION

An Iowa Corporation - Formed 1982

P.O. Box 598 • Spirit Lake, IA 51360



## 2021 ANNUAL REPORT

In a normal year the Dickinson County Taxpayers Association would hold an Annual Membership Meeting the second Friday in June. Each year we have had a speaker to address issues of interest to Dickinson County taxpayers. We did not hold an Annual Meeting last year due to the difficulty of holding a large public meeting because of Covid-19. Last year we published an Annual Report in lieu of the Annual Meeting. We have elected to also provide a 2021 Annual Report this year. The report will summarize the various activities in which the Taxpayer Association has been active during calendar year 2021.

### 1. IOWA PROPERTY TAX SYSTEM



**COUNTY ASSESSOR** The role of the Dickinson County Assessor is to assess the market value of all taxable property in Dickinson County for the purpose of determining its value for paying property tax. There are 28,000 parcels in Dickinson County. Church groups and government agencies that own property do not pay Iowa property tax. The Assessor is appointed by the Conference Board consisting of the members of the Board of Supervisors, ten city Mayors and a member from each of the four school districts within the County. The County Assessor is Stephanie Sohn whose office along with two deputy assessors, an appraiser and clerk is located on the first floor of the Dickinson County courthouse. Good information can be found on the Dickinson County Assessors website <https://dickinson.iowaassessors.com> The Appraisers office can be contacted by telephone 712/ 336-2687.

In December 2020 the Taxpayer Association meet with County Assessor to discuss how the Assessor determines the value of Dickinson County Real Estate. This meeting was particularly meaningful because of the upcoming March 2021 revaluation of County property values. Attending from Dickinson County were the Assessor (Stephanie Sohn), Deputy Assessor (Jill Burgeson), and the Assistant County Attorney (Lonnie Saunders). The Association was represented by its Executive Committee: Phil Petersen, Mark Sullivan, Jan Bowles, and Lissa Potter. Details about the meeting can be found in the January 2021 *WATCHDOG* newsletter located on the DCTA website at [www.dctaxpayers.org](http://www.dctaxpayers.org).

**PROPERTY TAX PROTESTS** Iowa law provides several methods to protest your property taxes. If the valuation of your property was changed you should have received notice from the Assessor in March of 2021. During April you have an opportunity to make an informal inquiry by telephoning or visiting the Assessor's office. The formal step would be to file a written protest with the five member Dickinson County Board of Review. The time frame to file a protest with the Board of Review is from April 2nd to April 30th.

The Board operates independently of the assessor's office and has the power to confirm or to adjust either upward or downward any assessment. The Board of Review will usually begin hearings on the valid protests on May 1st and must complete its protest review by May 31st.

The Board of Review is required to include at least one farmer. Preferred occupations for other board members include a licensed real estate broker and someone familiar with the construction field. No more than two members can be from the same occupation. The current makeup of the Dickinson County Board of Review includes Walter Brunsvold (farmer), Rob Hinn (realtor), Ryne Petersen (contractor) Jamie Engel (insurance agent), and Judy Taber (financial manager).

**PROPERTY ASSESSMENT APPEAL BOARD (PAAB)** If a Board of Review protest is unsuccessful, you can file an Appeal with a state agency – the Iowa Property Assessment Appeal Board (PAAB). The PAAB appeal must be filed within twenty days of the Board of Review decision. More information about the PAAB appeal process can be found at their website <https://paab.iowa.gov> You do not need an attorney to file a Protest or an Appeal, but you need a very fact-based argument if you expect to be successful. Part of the Appeal process also includes the District Court.

The Iowa Property Assessment Appeal Board has prepared a 22-page PowerPoint presentation to explain the Iowa property tax protest and appeal process. The presentation can be found on the Taxpayer Association website. Click on *PROPERTY TAX* and then click on *IOWA PROPERTY TAX APPEALS BOARD*.

### 2. DETERMINING PROPERTY TAX



Iowa law requires the Assessor to revalue all real estate in their jurisdiction in odd-numbered years (2021) and to give notice of the revaluations to taxpayers in March of that year. The key to having accurate property tax valuations is to accurately track all real estate sales in the County. Most recently, the March 2021 revaluations were based on the 2020 real estate sales.

To keep accurate track of real estate sales Iowa law requires that a Declaration of Value (DOV) statement be submitted to the County Recorder at the time of sale. The Assessor's Office reviews the DOV to determine the value of the real estate being sold. The DOV form requires that value of any personal property (e.g., furnishings, boats, docks, hoists, etc.) be excluded from the real estate sale price. This insures that personal property does not artificially inflate the real estate sales price that could increase property tax valuations. After the Assessors review of the DOV form it is sent to the Iowa Department of Revenue.

By Iowa law the County Assessor must keep the value of real estate in their County between 95 to 105 percent of the Market Value. If the value of real estate falls below 95 percent of market value, the Iowa Department of Revenue could implement an Equalization Order. That would mean all County real estate in that classification would receive an across-the-board automatic tax valuation increase. **Equalization helps maintain equitable assessments among classes of property and among assessing jurisdictions. That contributes to a fairer distribution of the tax burden and state aid to schools.**

### 3. VALUE OF RESIDENTIAL LAKESHORE REAL ESTATE



The high value of residential lakeshore in Dickinson County is a major factor influencing Dickinson County Property Taxes. As a result of having so many high-priced lakeshore homes Dickinson County has the highest assessed value of any rural county in the State of Iowa. The practical result of having high residential lakeshore valuations is that we have the lowest tax levies in the state.

Some lakeshore property owners have the resources to pay their property taxes with little difficulty. But for many lakeshore owners - who inherited the property and live on pension and social security income – the sharp rise in property taxes could force them to sell a property that has been in their family for generations. The higher assessed value would increase property owners Net Worth, but the value isn't worth anything until the property is sold. This mean that if a local taxing jurisdiction would maintain the same level of spending the levy rate would go down as valuations increase – maintaining the same amount of property taxes.

**LAKESHORE LAND VALUATION** The value of lakeshore land is largely determined by the number of front-feet – that is the number of feet facing the water. A much smaller factor is the depth of the property. In Dickinson County to calculate the lakeshore land value you need the per foot value for the beach where the property is located. In May the County Assessor provided us new 2021 Lakeshore Value Maps that reflect the new 2021 lakeshore values. Lakeshore values on all six major lakes in the Iowa Great Lakes chain of lakes were increased, except the west and south shores of West Lake Okoboji.

This new 2021 lakeshore values can be found on the Taxpayer Association website. Once you are on that website click on *PROPERTY TAX* and then click on *LAKESHORE LAND*. Select the lake of interest and locate the beach in question on the map. That should provide you the valuation of one foot of lakeshore on that beach.

A Depth Chart provides the depth factor that shows how the depth of the lot compares to a standard lot depth of 150-feet. Example: A lot that is 200-feet deep would have a 1.09 Depth Factor.

Then use this formula:

$$\text{VALUE PER FRONT FOOT} \times \text{NUMBER OF FRONT FEET} \times \text{DEPTH FACTOR} \\ = \text{ASSESSED LAND VALUE}$$

**NON LAKESHORE REAL ESTATE** Non lakeshore real estate owners in Dickinson County receive a benefit from the high valuations of lakeshore real estate. The residential lakeshore valuations in Dickinson provide fifty percent of all property tax valuations in the County. This means a similar piece of farmland or other property in other Iowa counties pays higher property taxes than a similar piece of property in Dickinson County.

### 4. DICKINSON COUNTY FY22 BUDGET



The Dickinson County budget is managed by the Board of Supervisors (BOS). The five elected Supervisors are Bill Leupold, Tim Fairchild, Steve Clark, Kim Wermersen, and Jeff Thee. The BOS usually meets every Tuesday at 9 AM in the Court House Community Room. The meeting is open to the public. An agenda for the coming Tuesday meeting is published Friday afternoon and is posted at the west door of the Courthouse.

The Dickinson County FY22 budget was approved at the March 16th meeting of the Board of Supervisors. To our knowledge only Linn and Dickinson County prepare a detailed PowerPoint presentation with charts and graphs to explain the source of county revenue and how the county funds are spent. A copy of the County FY22 budget is available for review at the Taxpayer Association website – Click on *RESOURCES*.

### 5. ASSOCIATION BUSINESS



The Dickinson County Taxpayers Association is in a strong financial position. We will continue our dialogue with the County Assessor. In the last year the number of Taxpayer Association members has increased from 350 to 850 members.

You can help control your taxes by becoming better educated about how our property tax works. A great source of information about Dickinson County taxation can be found on our website – [www.dctaxpayers.org](http://www.dctaxpayers.org)

Your membership in the Taxpayer Association would help us become a stronger voice to advocate for taxpayer issues. Membership information is available on our website.

**THERE IS STRENGTH IN NUMBERS.**

*Phil Petersen*  
President, Dickinson County Taxpayers Association

*The Dickinson County Taxpayers Association (DCTA) was founded in 1982. It is one of the few taxpayer associations in the State of Iowa. We are primarily concerned with property taxes and how our local governments and school districts spend our taxes. The Association is in a strong financial position to advocate for our taxpayer members.*

*DCTA is a non-profit 501 (C) (3) organization, so your contributions are tax deductible. EIN Number 42-1181775.*