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## 2010 Commission Summary

### 18 Clay

#### Residential Real Property - Current

Number of Sales	103	Median	98
Total Sales Price	\$6,174,139	Mean	115
Total Adj. Sales Price	\$6,195,139	Wgt. Mean	95
Total Assessed Value	\$5,858,635	Average Assessed Value of the Base	\$47,722
Avg. Adj. Sales Price	\$60,147	Avg. Assessed Value	\$56,880

#### Confidence Interval - Current

95% Median C.I	95.71 to 99.17
95% Mean C.I	104.74 to 126.13
95% Wgt. Mean C.I	87.29 to 101.85

% of Value of the Class of all Real Property Value in the County	16.95
% of Records Sold in the Study Period	3.00
% of Value Sold in the Study Period	3.58

#### Residential Real Property - History

Year	Number of Sales	LOV	Median
<b>2009</b>	152	98	98
<b>2008</b>	194	97	97
<b>2007</b>	195	96	96
<b>2006</b>	155	97	97

## 2010 Commission Summary

### 18 Clay

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#### Commercial Real Property - Current

Number of Sales	19	Median	98
Total Sales Price	\$920,298	Mean	102
Total Adj. Sales Price	\$908,363	Wgt. Mean	107
Total Assessed Value	\$972,580	Average Assessed Value of the Base	\$85,224
Avg. Adj. Sales Price	\$47,809	Avg. Assessed Value	\$51,188

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#### Confidence Interval - Current

95% Median C.I	87.73 to 108.60
95% Mean C.I	87.41 to 117.22
95% Wgt. Mean C.I	80.70 to 133.44

% of Value of the Class of all Real Property Value in the County	6.28
% of Records Sold in the Study Period	2.67
% of Value Sold in the Study Period	1.60

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#### Commercial Real Property - History

Year	Number of Sales	LOV	Median
<b>2009</b>	27	97	97
<b>2008</b>	28	94	94
<b>2007</b>	43	99	99
<b>2006</b>	45	98	98



## 2010 Opinions of the Property Tax Administrator for Clay County

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My opinions and recommendations are stated as a conclusion based on all of the factors known to me regarding the assessment practices and statistical analysis for this county. See, Neb. Rev. Stat. §77-5027 (R. S. Supp., 2005). While the median assessment sales ratio from the Qualified Statistical Reports for each class of real property is considered, my opinion of the level of value for a class of real property may be determined from other evidence contained within this Reports and Opinions of the Property Tax Administrator. My opinion of quality of assessment for a class of real property may be influenced by the assessment practices of the county assessor.

### **Residential Real Property**

It is my opinion that the level of value of the class of residential real property in Clay County is 98% of market value. The quality of assessment for the class of residential real property in Clay County indicates the assessment practices meet generally accepted mass appraisal practices.

### **Commercial Real Property**

It is my opinion that the level of value of the class of commercial real property in Clay County is 98% of market value. The quality of assessment for the class of commercial real property in Clay County indicates the assessment practices meet generally accepted mass appraisal practices.

### **Agricultural Land or Special Valuation of Agricultural Land**

It is my opinion that the level of value of the class of agricultural land in Clay County is 74% of market value. The quality of assessment for the class of agricultural land in Clay County indicates the assessment practices meet generally accepted mass appraisal practices.

Dated this 7th day of April, 2010.



A handwritten signature in cursive script that reads "Ruth A. Sorensen".

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Ruth A. Sorensen  
Property Tax Administrator



## **2010 Assessment Actions for Clay County**

### **taken to address the following property classes/subclasses:**

#### **Residential:**

For 2010, Clay County has followed their 3 Year Plan which includes the following actions:

The county completed all residential pickup work.

The county conducted a thorough sale verification and analysis process.

The county inspected and updated all residential property in the town of Edgar, Saronville, Eldorado Village and the rural residential and residences on agricultural parcels in School Creek TWP (Geocode # 3673), Eldorado TWP (Geocode # 3671), Harvard TWP (Geocode # 3669), and Leicester TWP (Geocode # 3667).

The inspection process includes a going to each parcel to verify or update the measurements, the description of property characteristics, observations of quality and condition, take new photos and prepare new record cards. When all residential parcels have been inspected, new costs will be generated, lot values will be affirmed or updated and current depreciation will be developed.

## 2010 Assessment Survey for Clay County

### Residential Appraisal Information

1.	<b>Valuation data collection done by:</b>	
	Assessor and Staff	
2.	<b>List the valuation groupings used by the County:</b>	
	01	Clay Center: (Including: Clay Center MH; Clay Center V)
	02	Deweese
	03	Edgar: (Including: Edgar MH; Edgar V)
	04	Fairfield: (Including: Fairfield MH; Fairfield V)
	05	Glenvil: (Including: Glenvil MH; Glenvil V)
	06	Harvard: (Including: Harvard MH; Harvard V)
	07	Harvard Courts
	08	(Commercial/Industrial only)
	09	(Commercial/Industrial only)
	10	Ong: (Including: Ong V)
	11	Saronville
	12	Sutton: (Including: Sutton MH; Sutton Sub; Sutton TWP; Sutton V)
	13	Trumbull: (Including: Trumbull MH)
	14	Rural Res: (Including: Eldorado; Inland; Verona; NAD Glenvil; Rural MH; Rural)
a.	<b>Describe the specific characteristics of the valuation groupings that make them unique.</b>	
	<p>Clay County has reviewed the assessor Locations that were formerly used and has consolidated many of them when the valuation groups were prepared. Many of the consolidations had already been done informally and most of the extraneous assessor locations were not currently being used. The assessor considered each town based on the following characteristics: location, vacancy, infrastructure, employment, schools, commercial amenities, social amenities, general type, quality and condition of the improvements. In the end, the assessor has deemed each remaining valuation to have unique characteristics and believes that each should be considered separately for valuation purposes. The NAD valuation groups are typically only associated with commercial or industrial uses. The valuation groups have been assigned parallel numbers to align the residential and commercial locations in their respective files.</p>	
3.	<b>What approach(es) to value is/are used for this class to estimate the market value of properties? List or describe.</b>	
	Cost is the only approach	
4	<b>When was the last lot value study completed?</b>	
	<p>1975; however land values are being updated from a front foot to a square foot unit of comparison. The land sales are scarce, so changes are infrequent since 1975 when the full analysis was done. Currently, there has been too little evidence to prompt a change, but occasionally when a new subdivision is platted, those lots will be valued based on current data.</p>	

a.	<b>What methodology was used to determine the residential lot values?</b>
	The market is monitored to see if there is any need to adjust or update the existing lot values.
5.	<b>Is the same costing year for the cost approach being used for the entire valuation grouping? If not, identify and explain the differences?</b>
	Yes; All subclasses of the residential class are costed using 2000 costs. The county plans to update all residential costs in 2010 at the end of the current inspection cycle. Going forward, they plan to implement new costs every 5 to 6 years at the completion of each inspection cycle.
6.	<b>Does the County develop the depreciation study(ies) based on local market information or does the County use the tables provided by their CAMA vender?</b>
	The county develops their own depreciation tables based on the analysis of current sales, new replacement costs and land values.
a.	<b>How often does the County update depreciation tables?</b>
	The last depreciation study was done in 2000 and implemented with the last new costs. Otherwise, the county may adjust values as needed between the implementation cycles.
7.	<b>Pickup work:</b>
a.	<b>Is pickup work done annually and is it completed by March 19<sup>th</sup>?</b>
	The county has an ongoing pick-up process. Their annual completion target is 1 January each year.
b.	<b>By Whom?</b>
	Assessor and staff.
c.	<b>Is the valuation process (cost date and depreciation schedule or market comparison) used for the pickup work the same as the one that was used for the valuation group?</b>
	The county uses the same costs, land values and depreciation processes for the pick-up work as for the base valuation.
8.	<b>What is the County's progress with the 6 year inspection and review requirement? (Statute 77-1311.03)</b>
	The county is on target to push the inspections through in 5 years. Then they will implement a totally new cost approach. They will reaffirm or update lot values as needed, implement new costs and develop new depreciation based on their current market indicators.
a.	<b>Does the County maintain a tracking process? If yes describe.</b>
	The county tracks their inspection cycle by printing the subclasses that are to be inspected each year of the inspection cycle. Those subclasses are to be inspected in the same sequence 5 or 6 years later.
b.	<b>How are the results of the portion of the properties inspected and reviewed applied to the balance of the county?</b>
	There are no specific changes made to revalue the subclasses that are inspected in any given year. Rather, they systematically inspect and when the full cycle is complete they revalue all subclasses. During the cycle, the county conducts ratio studies and adjusts the classes or subclasses as needed to keep the level of value at the required level of value. The adjustments are implemented to the entire class or subclass regardless of where they are in the inspection cycle.

**PAD 2010 R&O Statistics**

Base Stat

State Stat Run

Type: Qualified

Date Range: 07/01/2007 to 06/30/2009 Posted Before: 02/15/2010

(!: AVTot=0)

(!: Derived)

NUMBER of Sales:	103	<b>MEDIAN:</b>	<b>98</b>	COV:	47.97	95% Median C.I.:	95.71 to 99.17
TOTAL Sales Price:	6,174,139	WGT. MEAN:	95	STD:	55.38	95% Wgt. Mean C.I.:	87.29 to 101.85
TOTAL Adj.Sales Price:	6,195,139	MEAN:	115	AVG.ABS.DEV:	25.46	95% Mean C.I.:	104.74 to 126.13
TOTAL Assessed Value:	5,858,635						
AVG. Adj. Sales Price:	60,146	COD:	25.98	MAX Sales Ratio:	440.09		
AVG. Assessed Value:	56,879	PRD:	122.07	MIN Sales Ratio:	49.36		

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DATE OF SALE *	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
<u>Qrtrs</u>											
07/01/07 TO 09/30/07	17	97.75	124.26	101.83	36.67	122.03	72.93	440.09	88.34 to 118.60	48,350	49,234
10/01/07 TO 12/31/07	9	114.84	128.38	106.34	24.85	120.73	91.18	198.00	94.82 to 154.87	42,544	45,240
01/01/08 TO 03/31/08	13	98.41	109.48	102.29	17.15	107.03	84.88	180.42	92.64 to 129.36	66,229	67,746
04/01/08 TO 06/30/08	18	96.60	94.89	95.25	6.13	99.62	73.90	112.00	90.57 to 98.29	52,472	49,981
07/01/08 TO 09/30/08	22	96.52	104.78	94.55	15.34	110.82	75.14	209.17	91.78 to 99.19	67,681	63,993
10/01/08 TO 12/31/08	5	126.92	156.91	104.26	36.69	150.50	95.70	290.00	N/A	31,660	33,010
01/01/09 TO 03/31/09	8	140.05	164.85	66.60	59.95	247.52	49.36	375.00	49.36 to 375.00	90,750	60,442
04/01/09 TO 06/30/09	11	98.12	98.41	95.83	8.21	102.69	81.91	112.81	89.04 to 111.44	73,772	70,698
<u>Study Years</u>											
07/01/07 TO 06/30/08	57	97.75	112.26	100.47	22.18	111.74	72.93	440.09	95.14 to 101.00	52,812	53,061
07/01/08 TO 06/30/09	46	98.07	119.37	88.99	30.74	134.14	49.36	375.00	94.96 to 106.82	69,234	61,611
<u>Calendar Yrs</u>											
01/01/08 TO 12/31/08	58	96.97	107.26	97.12	16.99	110.44	73.90	290.00	95.38 to 98.41	59,530	57,815
<u>ALL</u>											
	103	98.02	115.44	94.57	25.98	122.07	49.36	440.09	95.71 to 99.17	60,146	56,879

VALUATION GROUP	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
01	15	98.29	107.90	96.28	17.22	112.06	78.41	198.00	91.78 to 112.96	73,290	70,565
02	1	182.00	182.00	182.00			182.00	182.00	N/A	500	910
03	10	96.51	107.67	104.61	17.20	102.92	86.11	154.87	86.11 to 151.73	29,550	30,913
04	11	98.46	122.74	104.63	28.90	117.31	87.68	182.56	91.18 to 180.42	59,125	61,862
05	5	98.13	119.54	106.85	25.56	111.88	92.26	213.32	N/A	36,900	39,427
06	15	98.96	119.04	100.10	28.56	118.92	73.90	248.20	90.65 to 117.23	36,866	36,903
07	3	107.00	187.70	109.06	91.55	172.11	81.11	375.00	N/A	2,833	3,090
10	2	200.18	200.18	114.36	44.87	175.05	110.36	290.00	N/A	11,250	12,865
12	24	96.60	113.76	96.43	23.91	117.97	72.93	440.09	93.32 to 100.56	64,285	61,988
13	6	95.62	96.49	97.57	11.32	98.89	75.14	116.70	75.14 to 116.70	55,791	54,435
14	11	94.96	91.55	80.46	10.68	113.77	49.36	114.84	81.91 to 106.92	136,663	109,964
<u>ALL</u>											
	103	98.02	115.44	94.57	25.98	122.07	49.36	440.09	95.71 to 99.17	60,146	56,879

STATUS: IMPROVED, UNIMPROVED & IOLL	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
1	97	98.02	115.44	94.62	24.97	122.01	49.36	440.09	95.71 to 99.19	63,596	60,172
2	6	87.16	115.44	83.41	47.56	138.40	72.93	189.50	72.93 to 189.50	4,375	3,649
<u>ALL</u>											
	103	98.02	115.44	94.57	25.98	122.07	49.36	440.09	95.71 to 99.17	60,146	56,879

**PAD 2010 R&O Statistics**

Base Stat

State Stat Run

Type: Qualified

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AVG. Assessed Value:	56,879	PRD:	122.07	MIN Sales Ratio:	49.36		

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**PROPERTY TYPE \***

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
01	99	97.53	113.70	94.36	24.65	120.50	49.36	440.09	95.59 to 98.96	62,324	58,810
06											
07	4	163.33	158.39	145.67	22.94	108.73	97.75	209.17	N/A	6,250	9,105
ALL											
	103	98.02	115.44	94.57	25.98	122.07	49.36	440.09	95.71 to 99.17	60,146	56,879

**SALE PRICE \***

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
Low \$											
1 TO 4999	10	163.05	176.60	131.02	44.48	134.80	81.11	375.00	89.00 to 290.00	2,450	3,210
5000 TO 9999	10	119.46	162.47	149.93	64.19	108.37	72.93	440.09	73.90 to 248.20	6,905	10,352
Total \$											
1 TO 9999	20	135.51	169.54	144.97	56.32	116.94	72.93	440.09	95.00 to 198.00	4,677	6,781
10000 TO 29999	18	105.69	117.74	117.52	21.48	100.19	86.11	213.32	95.71 to 134.72	19,160	22,516
30000 TO 59999	22	97.60	104.70	103.60	11.29	101.06	85.76	180.42	94.96 to 112.81	44,220	45,813
60000 TO 99999	24	97.57	98.81	98.32	7.13	100.51	84.88	129.36	93.32 to 101.33	78,312	76,994
100000 TO 149999	14	91.91	92.47	92.31	3.93	100.16	81.91	99.19	89.62 to 97.53	121,918	112,547
150000 TO 249999	4	92.28	90.29	90.36	7.49	99.92	78.41	98.18	N/A	180,000	162,642
250000 TO 499999	1	49.36	49.36	49.36			49.36	49.36	N/A	477,500	235,710
ALL											
	103	98.02	115.44	94.57	25.98	122.07	49.36	440.09	95.71 to 99.17	60,146	56,879



**2010 Correlation Section  
for Clay County**

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**Residential Real Property**

**I. Correlation**

The level of value for the residential real property in Clay County, as determined by the PTA is 98%. The mathematically calculated median is 98%.

RESIDENTIAL: The quality of the assessment of the residential property in Clay County is good. In Clay County, this statement appears to conflict with the statistics that are prepared to reflect the quality of assessment. There are several variables that are taken into account to reach this conclusion. First, the county has actively conducted the inspection of residential property in a cyclical pattern. They are current and timely in all of their pickup work. This assures that the records are kept up to date. Second, they have a strong sale verification process which feeds into their ongoing residential sales analysis process. The analysis that is done continuously tests the county values against the local market. The level of value for each subclass of residential property is always under review. Third, whenever the analysis of the market indicates that the residential class or a subclass of the residential property is not at the required level, the county will adjust or update the values to the proper level. Last, the county does essentially all of their residential valuation work in house. This assures that either the assessor or a staff member is directly familiar with each parcel that has to be valued. The assessor has openly discussed their valuation processes and as described, the residential assessment practices in Clay County are good. Good assessment practices are necessary to insure that solid valuation and update procedures are in place.

Overall, the relevant valuation groups have medians within the range. The median and weighted mean calculated for the residential class are within the statutorily accepted range and support a level of value of 95 to 98%. The mean at 115% is heavily impacted by high outlying ratios, mostly among the small dollar sales. In this case, the mean is not useful in determining the level of value of the county, and additionally has driven the PRD to a point of distorting an element of regressive valuation to appear to be extreme. The most logical level of value for the entire class is 98%. Additionally, there will be no recommendations for adjustment to the class or to any subclass of residential property.

**2010 Correlation Section  
for Clay County**

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**II. Analysis of Sales Verification**

Neb. Rev. Stat. 77-1327(2) provides that all sales are deemed to be arms length transactions unless determined to be otherwise under professionally accepted mass appraisal techniques. The county assessor is responsible for the qualification of the sales included in the state sales file.

The Standard on Ratio Studies, International Association of Assessing Officials (2007), indicates that excessive trimming (the arbitrary exclusion or adjustment of arms length transactions) may indicate an attempt to inappropriately exclude arms length transactions to create the appearance of a higher level of value and quality of assessment. The sales file, in a case of excess trimming, will fail to properly represent the level of value and quality of assessment of the population of real property.

The Division frequently reviews the procedures used by the county assessor to qualify sales to ensure bias does not exist in judgments made. Arms length transactions should only be excluded when they compromise the reliability of the resulting statistics. In cases where a county assessor has disqualified sales without substantiation, the Division may include such sales in the ratio study.

**RESIDENTIAL:**The sale verification of residential property in Clay County is done by the county assessor and the assessor's staff. The verification relies on personal knowledge of the county, questionnaires, phone interviews, third party interviews and occasionally direct interviews with a party to the sale. When it is necessary, some situations require off site inspection and occasional on site inspection. In the initial screening, all transfers with stamps in excess of \$2.25 or consideration in excess of \$100 are reviewed and classified as sales. Then, based on the general knowledge of the assessor, transfers that are between family members, business associates or known to be transfers of convenience are disqualified as non arms length sales. The assessor then includes all sales that pass the initial screening and are from familiar parties transferring property under normal circumstances in the initial sales file as qualified sales.

The assessor sends questionnaires to all buyers and sellers to verify the price, any personal property or other circumstances that are relevant to the sale. Relevant circumstances include; any unusual or favorable financing, the value of any personal property included in the sale, the condition, functionality, and value of any improvements, and any changes to the property or land use just prior to or just after the sale. Initially, the county sends questionnaires to nearly 100% of the buyers and sellers and estimates the response to be nearly 90%. If there is no response to the questionnaire, or the response is unclear, the assessor may contact a knowledgeable third party. This contact is usually by phone but sometimes is a face to face interview. Any remaining issues are likely to be resolved with an on-site interview and inspection of the parcel.

**2010 Correlation Section  
for Clay County**

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**III. Measure of Central Tendency**

There are three measures of central tendency calculated by the Division: median ratio, weighted mean ratio, and mean ratio. Since each measure of central tendency has strengths and weaknesses, the use of any statistic for equalization should be reconciled with the other two, as in an appraisal, based on the appropriateness in the use of the statistic for a defined purpose, the quantity of the information from which it was drawn, and the reliability of the data that was used in its calculation. An examination of the three measures can serve to illustrate important trends in the data if the measures do not closely correlate to each other.

The IAAO considers the median ratio the most appropriate statistical measure for use in determining level of value for direct equalization; the process of adjusting the values of classes or subclasses of property in response to the determination of level of value at a point above or below a particular range. Since the median ratio is considered neutral in relationship to either assessed value or selling price, its use in adjusting the class or subclass of properties will not change the relationships between assessed value and level of value already present within the class or subclass of properties, thus rendering an adjustment neutral in its impact on the relative tax burden to an individual property. Additionally, the median ratio is less influenced by the presence of extreme ratios, commonly called outliers. One outlier in a small sample size of sales can have controlling influence over the other measures of central tendency. The median ratio limits the distortion potential of an outlier.

The weighted mean ratio is viewed by the IAAO as the most appropriate statistical measure for indirect equalization. The weighted mean, because it is a value weighted ratio, best reflects a comparison of the assessed and market value of property in the political subdivision. If the distribution of aid to political subdivisions must relate to the market value available for assessment in the political subdivision, the measurement of central tendency used to analyze level of value should reflect the dollars of value available to be assessed. The weighted mean ratio does that more than either of the other measures of central tendency.

If the weighted mean ratio, because of its dollar-weighting feature, is significantly different from the median ratio, it may be an indication of other problems with assessment proportionality. When this occurs, an evaluation of the county's assessment practices and procedures is appropriate to discover remedies to the situation.

The mean ratio is used as a basis for other statistical calculations, such as the price related differential and coefficient of variation. However, the mean ratio has limited application in the analysis of level of value because it assumes a normal distribution of the data set around the mean ratio with each ratio having the same impact on the calculation regardless of the assessed value or the selling price.

	<b>Median</b>	<b>Wgt. Mean</b>	<b>Mean</b>
<b>R&amp;O Statistics</b>	<b>98</b>	<b>95</b>	<b>115</b>

**2010 Correlation Section  
for Clay County**

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#### **IV. Analysis of Quality of Assessment**

In analyzing the statistical data of assessment quality, there are two measures upon which assessment officials will primarily rely: the Coefficient of Dispersion (COD), and the Price Related Differential (PRD). Whether such statistics can be relied upon as meaningful for the population depends on whether the sample is representative.

The COD is commonly referred to as the index of assessment inequality. It is used to measure how closely the individual ratios are clustered around the median ratio and suggests the degree of uniformity or inaccuracy resulting in the assessments. The COD is computed by dividing the average deviation by the median ratio. For example, a COD of 20 means half of the ratios are 20 percent above or below the median. The closer the ratios are grouped around the median, the more equitable the assessment of property tends to be. Conversely, if the dispersion is quite large, there is a large spread in the ratios typically indicating a large spread around the median in the assessment of property, which results in an inequity in assessment and taxes. There is no range of acceptability stated in the Nebraska statutes for the COD measure. The International Association of Assessing Officers recommended ratio study performance standards are as follows:

Single-family residences: a COD of 15 percent or less.

For newer and fairly homogeneous areas: a COD of 10 or less.

Income-producing property: a COD of 20 or less, or in larger urban jurisdictions, 15 or less.

Vacant land and other unimproved property, such as agricultural land: a COD of 20 or less.

Rural residential and seasonal properties: a COD of 20 or less.

Mass Appraisal of Real Property, International Association of Assessing Officers, (1999), p. 246.

In unusually homogeneous types of property low CODs can be anticipated; however, in all other cases CODs less than 5 percent may be indicative of non-representative samples or the selective reappraisal of sold parcels.

The PRD, also known as the index of regression, is a measurement of the relationship between the ratios of high-value and low-value properties to determine if the value of property has any influence on the assessment ratio. It is calculated by dividing the arithmetic mean ratio by the weighted mean ratio. The PRD provides an indicator of the degree to which high-value properties are over-assessed or under-assessed in relation to low-value properties. A PRD of 100 indicates there is no bias in the assessment of high-value properties in comparison to low-value properties. A PRD greater than 100 indicates the assessments are regressive, which means low-value properties tend to have a higher assessment ratio than high-value properties. The result is the owner of a low-value property pays a greater amount of tax in relation to value than the owner of a high-value property. Conversely, a PRD less than 100 indicates that high-value properties are over assessed in relation to low-value properties.

There is no range of acceptability stated in the Nebraska statutes for the PRD measure. The Standard of Ratio Studies, adopted by the International Association of Assessing Officers, July,

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2007, recommends that the PRD should lie between 98 and 103. This range is centered slightly above 100 to allow for a slightly upward measurement bias inherent in the PRD.

The PRD is calculated based on the selling price/assessed value in the sales file. This measure can be misleading if the dollar value of the records in the sales file is not proportionate to the dollar value of records in the population.

Mass Appraisal of Real Property, International Association of Assessing Officers, (1999), p. 247.

The analysis in this section displays the calculated COD and PRD measures for Clay County, which are considered as one part of the analysis of the County's assessment practices.

	<b>COD</b>	<b>PRD</b>
<b>R&amp;O Statistics</b>	<b>25.98</b>	<b>122.07</b>

RESIDENTIAL: The assessment statistics prepared for the residential parcels are not indicative of good assessment. The COD at 25.98 is well outside the desired range suggesting an unacceptable degree of uniformity. The PRD at 122.07 however, indicates highly regressive valuation. The analysis of the "Sale Price" strata confirms that the lower value sales are over assessed relative to the higher value sales. As the price ranges increase, all of the measures of central tendency decrease. If this tendency is also true of the population of all residential property, the assessment process is regressive. While the COD and PRD both indicate that there are reasons to be concerned about assessment uniformity, there should also be some attention drawn to the impact of the twenty sales that sold for less than \$10,000, and the one sale that sold for \$477,500. Collectively, the average assessed value was about \$2,100 more than the average selling price on the low dollar sales, but the group contained most of the extreme (high) outlying ratios. The single high dollar sale was simply assessed at about half the selling price. The remaining 82 sales collectively demonstrated a relatively high quality of assessment. On the positive side; the presence of the 21 sales in the high and low dollar groups demonstrates that the county does not trim outliers and does not selectively revalue sold property.



## **2010 Assessment Actions for Clay County**

### **taken to address the following property classes/subclasses:**

#### **Commercial:**

For 2010, Clay County has followed their 3 Year Plan which includes the following actions:

The county contracts with Stanard Appraisals to list new commercial construction and the county staff completes all other commercial pickup work.

The county contracts with Stanard Appraisals to do a thorough sale verification and analysis process.

The county inspected and updated all commercial property in the town of Edgar, Saronville, Eldorado Village and any commercial parcels in School Creek TWP (Geocode # 3673), Eldorado TWP (Geocode # 3671), Harvard TWP (Geocode # 3669), and Leicester TWP (Geocode # 3667).

The inspection process includes a going to each parcel to verify or update the measurements, the description of property characteristics, observations of quality and condition, take new photos and prepare new record cards. When all commercial parcels have been inspected, new costs will be generated, lot values will be affirmed or updated and current depreciation will be developed.

## 2010 Assessment Survey for Clay County

### Commercial Appraisal Information

1.	<b>Valuation data collection done by:</b>	
	Assessor and Staff do the simple new construction and additions. Stanard Appraisal does the more complex commercial properties and the complex remodels.	
2.	<b>List the valuation groupings used by the County:</b>	
	01	Clay Center: (Including: Clay Center MH; Clay Center V)
	02	Deweese
	03	Edgar: (Including: Edgar MH; Edgar V)
	04	Fairfield: (Including: Fairfield MH; Fairfield V)
	05	Glenvil: (Including: Glenvil MH; Glenvil V)
	06	Harvard: (Including: Harvard MH; Harvard V)
	07	Harvard Courts
	08	NAD: (Including: NAD B-1; NAD B-2)
	09	NAD: (Including: NAD Glenvil; NAD Inland; NAD Lynn)
	10	Ong: (Including: Ong V)
	11	Saronville
	12	Sutton: (Including: Sutton MH; Sutton Sub; Sutton TWP; Sutton V)
	13	Trumbull: (Including: Trumbull MH)
	14	Rural: (Including: Eldorado; Inland; Verona; Rural MH; Rural Res)
a.	<b>Describe the specific characteristics of the valuation groupings that make them unique.</b>	
	<p>The county has identified the same valuation groupings for the commercial as for the residential for many of the same reasons. There are some groupings available that may never have a commercial sale and some groupings that may not have a residential sale. The numbers were assigned so that the same numbers would represent the same general locations or areas in their respective files. Each appraisal grouping is centered on an individual town. Each of the valuation groups have similar location and economic factors and are usually inspected and valued at the same time. The county does not consider that the similarity of the individual locational, economic, and demographic characteristics is sufficient to conclude that separate towns are similar enough to be considered comparable. In many instances the similarities in commercial property are not local but rather regional in nature, making the assignment of commercial valuation groupings highly complex. For the time being, the county will continue to organize their commercial valuation around the assessor locations.</p>	
3.	<b>What approach(es) to value is/are used for this class to estimate the market value of properties? List or describe.</b>	
	<p>Cost is the primary approach and is done for all commercial parcels. The sales comparison approach may be used to value the Navy Ammunition Depot properties since they are highly similar. The income approach is limited to nursing homes and low income housing.</p>	

4	<b>When was the last lot value study completed?</b>
	2005; The commercial and industrial land was all revalued using the square foot unit of comparison.
a.	<b>What methodology was used to determine the residential lot values?</b>
	The market was used to implement new values and is continuously monitored to see if there is any need to adjust or update the existing lot values.
5.	<b>Is the same costing year for the cost approach being used for the entire valuation grouping? If not, identify and explain the differences?</b>
	All subclasses of the commercial and industrial classes are costed using 2005 costs. The county plans to update all commercial and industrial costs in 2010 at the end of the current inspection cycle. Going forward, they plan to implement new costs every 5 to 6 years at the completion of each inspection cycle.
6.	<b>Does the County develop the depreciation study(ies) based on local market information or does the County use the tables provided by their CAMA vender?</b>
	The county's contract appraiser develops the depreciation tables based on the analysis of current sales, new replacement costs and land values.
a.	<b>How often does the County update depreciation tables?</b>
	The last depreciation study was done in 2005 and implemented with the last new costs. Otherwise, the county may adjust values as needed between the implementation cycles.
7.	<b>Pickup work:</b>
a.	<b>Is pickup work done annually and is it completed by March 19<sup>th</sup>?</b>
	The county has an ongoing pick-up process. Their annual completion target is 1 January each year.
b.	<b>By Whom?</b>
	Assessor and staff; as well as Stanard Appraisal
c.	<b>Is the valuation process (cost date and depreciation schedule or market comparison) used for the pickup work the same as the one that was used for the valuation group?</b>
	The county uses the same costs, land values and depreciation processes for the pick-up work as for the base valuation.
8.	<b>What is the County's progress with the 6 year inspection and review requirement? (Statute 77-1311.03)</b>
	The county is on target to push the inspections through in 5 years. Then they will implement a totally new cost approach. They will reaffirm or update lot values as needed, implement new costs and develop new depreciation based on their current market indicators.
a.	<b>Does the County maintain a tracking process? If yes describe.</b>
	The county tracks their inspection cycle by printing the subclasses that are to be inspected each year of the inspection cycle. Those subclasses are to be inspected in the same sequence 5 or 6 years later. The commercial subclasses being inspected parallel the residential subclasses.

b.	<b>How are the results of the portion of the properties inspected and reviewed applied to the balance of the county?</b>
	There are no specific changes made to revalue the subclasses that are inspected in any given year. Rather, they systematically inspect and when the full cycle is complete they revalue all subclasses. During the cycle, the county conducts ratio studies and adjusts the classes or subclasses as needed to keep the level of value at the required level of value. The adjustments are implemented to the entire class or subclass regardless of where they are in the inspection cycle.

**PAD 2010 R&O Statistics**

Base Stat

State Stat Run

Type: Qualified

Date Range: 07/01/2006 to 06/30/2009 Posted Before: 02/15/2010

(!: AVTot=0)  
(!: Derived)

NUMBER of Sales:	19	<b>MEDIAN:</b>	<b>98</b>	COV:	30.22	95% Median C.I.:	87.73 to 108.60
TOTAL Sales Price:	920,298	WGT. MEAN:	107	STD:	30.92	95% Wgt. Mean C.I.:	80.70 to 133.44
TOTAL Adj.Sales Price:	908,363	MEAN:	102	AVG.ABS.DEV:	17.42	95% Mean C.I.:	87.41 to 117.22
TOTAL Assessed Value:	972,580						
AVG. Adj. Sales Price:	47,808	COD:	17.78	MAX Sales Ratio:	205.91		
AVG. Assessed Value:	51,188	PRD:	95.56	MIN Sales Ratio:	53.69		

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DATE OF SALE *	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
<u>Qrtrs</u>											
07/01/06 TO 09/30/06											
10/01/06 TO 12/31/06	1	93.16	93.16	93.16			93.16	93.16	N/A	19,590	18,250
01/01/07 TO 03/31/07	1	83.17	83.17	83.17			83.17	83.17	N/A	120,000	99,800
04/01/07 TO 06/30/07	1	108.60	108.60	108.60			108.60	108.60	N/A	20,000	21,720
07/01/07 TO 09/30/07	2	105.36	105.36	105.06	7.25	100.29	97.72	113.00	N/A	62,500	65,660
10/01/07 TO 12/31/07	3	98.00	94.99	92.99	4.50	102.16	86.87	100.11	N/A	35,916	33,398
01/01/08 TO 03/31/08	2	106.13	106.13	120.90	17.33	87.78	87.73	124.52	N/A	20,329	24,577
04/01/08 TO 06/30/08	4	97.21	91.36	96.21	8.05	94.96	71.11	99.93	N/A	61,016	58,706
07/01/08 TO 09/30/08	1	138.00	138.00	138.00			138.00	138.00	N/A	30,000	41,400
10/01/08 TO 12/31/08											
01/01/09 TO 03/31/09	2	94.03	94.03	96.71	6.35	97.23	88.05	100.00	N/A	18,150	17,552
04/01/09 TO 06/30/09	2	129.80	129.80	145.95	58.64	88.94	53.69	205.91	N/A	82,500	120,405
<u>Study Years</u>											
07/01/06 TO 06/30/07	3	93.16	94.98	87.58	9.10	108.44	83.17	108.60	N/A	53,196	46,590
07/01/07 TO 06/30/08	11	98.00	97.58	99.62	8.96	97.96	71.11	124.52	86.87 to 113.00	47,043	46,863
07/01/08 TO 06/30/09	5	100.00	117.13	137.19	40.43	85.38	53.69	205.91	N/A	46,260	63,463
<u>Calendar Yrs</u>											
01/01/07 TO 12/31/07	7	98.00	98.21	94.71	7.86	103.69	83.17	113.00	83.17 to 113.00	53,250	50,433
01/01/08 TO 12/31/08	7	98.45	102.24	103.39	15.62	98.89	71.11	138.00	71.11 to 138.00	44,960	46,482
<u>ALL</u>											
	19	98.00	102.31	107.07	17.78	95.56	53.69	205.91	87.73 to 108.60	47,808	51,188

VALUATION GROUP	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
01	1	98.00	98.00	98.00			98.00	98.00	N/A	6,000	5,880
02	1	88.05	88.05	88.05			88.05	88.05	N/A	10,000	8,805
03	1	124.52	124.52	124.52			124.52	124.52	N/A	36,657	45,645
05	2	93.83	93.83	99.26	6.50	94.53	87.73	99.93	N/A	36,000	35,732
08	4	98.91	99.43	99.51	7.21	99.92	86.87	113.00	N/A	56,687	56,408
09	2	100.88	100.88	100.96	7.65	99.92	93.16	108.60	N/A	19,795	19,985
12	8	97.21	105.79	111.17	30.66	95.15	53.69	205.91	53.69 to 205.91	64,670	71,897
<u>ALL</u>											
	19	98.00	102.31	107.07	17.78	95.56	53.69	205.91	87.73 to 108.60	47,808	51,188

**PAD 2010 R&O Statistics**

Base Stat

State Stat Run

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AVG. Assessed Value:	51,188	PRD:	95.56	MIN Sales Ratio:	53.69		

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**STATUS: IMPROVED, UNIMPROVED & IOLL**

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
1	19	98.00	102.31	107.07	17.78	95.56	53.69	205.91	87.73 to 108.60	47,808	51,188
ALL	19	98.00	102.31	107.07	17.78	95.56	53.69	205.91	87.73 to 108.60	47,808	51,188

**PROPERTY TYPE \***

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
02											
03	15	98.00	103.09	109.58	20.58	94.07	53.69	205.91	87.73 to 108.60	45,440	49,796
04	4	98.91	99.43	99.51	7.21	99.92	86.87	113.00	N/A	56,687	56,408
ALL	19	98.00	102.31	107.07	17.78	95.56	53.69	205.91	87.73 to 108.60	47,808	51,188

**SALE PRICE \***

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
Low \$											
1 TO 4999	1	87.73	87.73	87.73			87.73	87.73	N/A	4,001	3,510
5000 TO 9999	1	98.00	98.00	98.00			98.00	98.00	N/A	6,000	5,880
Total \$											
1 TO 9999	2	92.87	92.87	93.89	5.53	98.91	87.73	98.00	N/A	5,000	4,695
10000 TO 29999	5	93.16	92.18	93.59	10.61	98.49	71.11	108.60	N/A	18,778	17,575
30000 TO 59999	4	112.32	112.38	107.69	16.81	104.35	86.87	138.00	N/A	42,101	45,340
60000 TO 99999	6	98.09	93.13	93.31	10.88	99.80	53.69	113.00	53.69 to 113.00	69,344	64,707
100000 TO 149999	2	144.54	144.54	138.96	42.46	104.02	83.17	205.91	N/A	110,000	152,855
ALL	19	98.00	102.31	107.07	17.78	95.56	53.69	205.91	87.73 to 108.60	47,808	51,188

**OCCUPANCY CODE**

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
306	1	124.52	124.52	124.52			124.52	124.52	N/A	36,657	45,645
326	1	71.11	71.11	71.11			71.11	71.11	N/A	18,000	12,800
334	1	205.91	205.91	205.91			205.91	205.91	N/A	100,000	205,910
342	1	98.45	98.45	98.45			98.45	98.45	N/A	96,065	94,575
344	1	100.00	100.00	100.00			100.00	100.00	N/A	26,300	26,300
346	1	83.17	83.17	83.17			83.17	83.17	N/A	120,000	99,800
352	1	99.93	99.93	99.93			99.93	99.93	N/A	68,000	67,955
353	3	95.96	95.88	86.49	29.29	110.86	53.69	138.00	N/A	52,333	45,265
406	9	97.72	97.03	99.11	7.27	97.90	86.87	113.00	87.73 to 108.60	31,815	31,533
ALL	19	98.00	102.31	107.07	17.78	95.56	53.69	205.91	87.73 to 108.60	47,808	51,188



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**Commerical Real Property**

**I. Correlation**

The level of value for the commercial real property in Clay County, as determined by the PTA is 98%. The mathematically calculated median is 98%.

COMMERCIAL: The quality of the assessment of the commercial property in Clay County is considered to be good. There are several variables that are taken into account to reach this conclusion. First, the county has actively conducted the inspection of commercial property in a cyclical pattern. They are current and timely in all of their pickup work. This assures that the records are kept up to date. Second, they have a strong sale verification process which feeds into their ongoing commercial sales analysis process. The analysis that is done continuously tests the county values against the local market. The level of value for the class and each subclass of commercial property is always under review. Third, whenever the analysis of the market indicates that the commercial class or a subclass of the commercial property is not at the required level, the county will adjust or update the values to the proper level. Last, the county assessor and staff do much of their commercial valuation work in house. They also employ a contract appraiser who does some of the market analysis and the most complex valuation of the commercial parcels. The commercial assessment practices in Clay County are good. Good assessment practices are necessary to insure that solid valuation and update procedures are in place. This is doubly important in the measurement of the valuation commercial parcels because they are so diverse and sales are sparse. Because of commercial diversity, typical assessment sales ratio studies and the resulting statistics are less revealing of assessment performance than actual practices.

The commercial statistics are typical of a small county with only 19 qualified commercial sales. Considering the diverse nature of property classed together as commercial property, there are not any strong recommendations based on any subclass. There are too few sales and too little comparability among those sales to rely on the subclass statistics. This class of property is equally problematic when considering the entire class. Given the county's efforts to keep current records and implement consistent valuation procedures it is likely that the level of value exists within the three measures of central tendency. The mean is easily biased by outlier ratios and the weighted mean is biased by high dollar sales. This set of statistics contains both outliers and high dollar sales. One sale of an industrial manufacturing use sold and was both high dollar and high ratio in this sample. Only the median is not subject to either bias, and of the three measures of central tendency it is the most likely to indicate the level of value. Only the median is within the statutorily accepted range, and it indicates a level of value at 98%. The available evidence indicates that the level of value lies somewhere within the statutory range of 92 to 100%. The most probable level of value for commercial property is estimated to be 98%. Additionally, there will be no recommendations for adjustment to the class or to any subclass of commercial property.

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**II. Analysis of Sales Verification**

Neb. Rev. Stat. 77-1327(2) provides that all sales are deemed to be arms length transactions unless determined to be otherwise under professionally accepted mass appraisal techniques. The county assessor is responsible for the qualification of the sales included in the state sales file.

The Standard on Ratio Studies, International Association of Assessing Officials (2007), indicates that excessive trimming (the arbitrary exclusion or adjustment of arms length transactions) may indicate an attempt to inappropriately exclude arms length transactions to create the appearance of a higher level of value and quality of assessment. The sales file, in a case of excess trimming, will fail to properly represent the level of value and quality of assessment of the population of real property.

The Division frequently reviews the procedures used by the county assessor to qualify sales to ensure bias does not exist in judgments made. Arms length transactions should only be excluded when they compromise the reliability of the resulting statistics. In cases where a county assessor has disqualified sales without substantiation, the Division may include such sales in the ratio study.

COMMERCIAL: The sale verification of commercial property in Clay County is done by the county assessor and the assessor's staff as well as the contract appraiser to do the more complex verifications. The verification relies on personal knowledge of the county, questionnaires, phone interviews, third party interviews and occasionally direct interviews with a party to the sale. When it is necessary, some situations require off site inspection and occasional on site inspection. In the initial screening, all transfers with stamps in excess of \$2.25 or consideration in excess of \$100 are reviewed and classified as sales. Then, based on the general knowledge of the assessor, transfers that are between family members, business associates or known to be transfers of convenience are disqualified as non arms length sales. The assessor then includes all sales that pass the initial screening and are from familiar parties transferring property under normal circumstances in the initial sales file as qualified sales.

The assessor sends questionnaires to all buyers and sellers to verify the price, any personal property or other circumstances that are relevant to the sale. Relevant circumstances include; any unusual or favorable financing, the value of any personal property included in the sale, the condition, functionality, and value of any improvements, and any changes to the property or land use just prior to or just after the sale. Initially, the county sends questionnaires to nearly 100% of the buyers and sellers and estimates the response to be nearly 90%. If there is no response to the questionnaire, or the response is unclear, the assessor may contact a knowledgeable third party. This contact is usually by phone but sometimes is a face to face interview. Any remaining issues are likely to be resolved with an on-site interview and inspection of the parcel.

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**III. Measure of Central Tendency**

There are three measures of central tendency calculated by the Division: median ratio, weighted mean ratio, and mean ratio. Since each measure of central tendency has strengths and weaknesses, the use of any statistic for equalization should be reconciled with the other two, as in an appraisal, based on the appropriateness in the use of the statistic for a defined purpose, the quantity of the information from which it was drawn, and the reliability of the data that was used in its calculation. An examination of the three measures can serve to illustrate important trends in the data if the measures do not closely correlate to each other.

The IAAO considers the median ratio the most appropriate statistical measure for use in determining level of value for direct equalization; the process of adjusting the values of classes or subclasses of property in response to the determination of level of value at a point above or below a particular range. Since the median ratio is considered neutral in relationship to either assessed value or selling price, its use in adjusting the class or subclass of properties will not change the relationships between assessed value and level of value already present within the class or subclass of properties, thus rendering an adjustment neutral in its impact on the relative tax burden to an individual property. Additionally, the median ratio is less influenced by the presence of extreme ratios, commonly called outliers. One outlier in a small sample size of sales can have controlling influence over the other measures of central tendency. The median ratio limits the distortion potential of an outlier.

The weighted mean ratio is viewed by the IAAO as the most appropriate statistical measure for indirect equalization. The weighted mean, because it is a value weighted ratio, best reflects a comparison of the assessed and market value of property in the political subdivision. If the distribution of aid to political subdivisions must relate to the market value available for assessment in the political subdivision, the measurement of central tendency used to analyze level of value should reflect the dollars of value available to be assessed. The weighted mean ratio does that more than either of the other measures of central tendency.

If the weighted mean ratio, because of its dollar-weighting feature, is significantly different from the median ratio, it may be an indication of other problems with assessment proportionality. When this occurs, an evaluation of the county's assessment practices and procedures is appropriate to discover remedies to the situation.

The mean ratio is used as a basis for other statistical calculations, such as the price related differential and coefficient of variation. However, the mean ratio has limited application in the analysis of level of value because it assumes a normal distribution of the data set around the mean ratio with each ratio having the same impact on the calculation regardless of the assessed value or the selling price.

	<b>Median</b>	<b>Wgt. Mean</b>	<b>Mean</b>
<b>R&amp;O Statistics</b>	<b>98</b>	<b>107</b>	<b>102</b>

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#### **IV. Analysis of Quality of Assessment**

In analyzing the statistical data of assessment quality, there are two measures upon which assessment officials will primarily rely: the Coefficient of Dispersion (COD), and the Price Related Differential (PRD). Whether such statistics can be relied upon as meaningful for the population depends on whether the sample is representative.

The COD is commonly referred to as the index of assessment inequality. It is used to measure how closely the individual ratios are clustered around the median ratio and suggests the degree of uniformity or inaccuracy resulting in the assessments. The COD is computed by dividing the average deviation by the median ratio. For example, a COD of 20 means half of the ratios are 20 percent above or below the median. The closer the ratios are grouped around the median, the more equitable the assessment of property tends to be. Conversely, if the dispersion is quite large, there is a large spread in the ratios typically indicating a large spread around the median in the assessment of property, which results in an inequity in assessment and taxes. There is no range of acceptability stated in the Nebraska statutes for the COD measure. The International Association of Assessing Officers recommended ratio study performance standards are as follows:

Single-family residences: a COD of 15 percent or less.

For newer and fairly homogeneous areas: a COD of 10 or less.

Income-producing property: a COD of 20 or less, or in larger urban jurisdictions, 15 or less.

Vacant land and other unimproved property, such as agricultural land: a COD of 20 or less.

Rural residential and seasonal properties: a COD of 20 or less.

Mass Appraisal of Real Property, International Association of Assessing Officers, (1999), p. 246.

In unusually homogeneous types of property low CODs can be anticipated; however, in all other cases CODs less than 5 percent may be indicative of non-representative samples or the selective reappraisal of sold parcels.

The PRD, also known as the index of regression, is a measurement of the relationship between the ratios of high-value and low-value properties to determine if the value of property has any influence on the assessment ratio. It is calculated by dividing the arithmetic mean ratio by the weighted mean ratio. The PRD provides an indicator of the degree to which high-value properties are over-assessed or under-assessed in relation to low-value properties. A PRD of 100 indicates there is no bias in the assessment of high-value properties in comparison to low-value properties. A PRD greater than 100 indicates the assessments are regressive, which means low-value properties tend to have a higher assessment ratio than high-value properties. The result is the owner of a low-value property pays a greater amount of tax in relation to value than the owner of a high-value property. Conversely, a PRD less than 100 indicates that high-value properties are over assessed in relation to low-value properties.

There is no range of acceptability stated in the Nebraska statutes for the PRD measure. The Standard of Ratio Studies, adopted by the International Association of Assessing Officers, July,

**2010 Correlation Section  
for Clay County**

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2007, recommends that the PRD should lie between 98 and 103. This range is centered slightly above 100 to allow for a slightly upward measurement bias inherent in the PRD.

The PRD is calculated based on the selling price/assessed value in the sales file. This measure can be misleading if the dollar value of the records in the sales file is not proportionate to the dollar value of records in the population.

Mass Appraisal of Real Property, International Association of Assessing Officers, (1999), p. 247.

The analysis in this section displays the calculated COD and PRD measures for Clay County, which are considered as one part of the analysis of the County's assessment practices.

	<b>COD</b>	<b>PRD</b>
<b>R&amp;O Statistics</b>	<b>17.78</b>	<b>95.56</b>

COMMERCIAL: The assessment statistics prepared for the commercial parcels are indicative of good assessment practices as well. The COD at 17.78 is well within the desired range suggesting an acceptable degree of uniformity. The PRD at 95.56 however, indicates a tendency of progressive valuation, but is really exaggerated by the one sale that is both high dollar and high ratio. There is really no analysis of any statistic from a sample of this size and diversity that can absolutely confirm either uniformity or proportionality. There are 19 sales and 9 reported occupancy codes that are distributed in multiple locations throughout the county so it is unlikely that this sample is representative of the population. There is more likelihood that the quality of assessment is good based on the quality of the data in the records and the consistency of the valuation procedures used by the county. Based on the observations of the assessment practices, not the statistics displayed above, the quality of assessment is considered to be good.



## **2010 Assessment Actions for Clay County**

### **taken to address the following property classes/subclasses:**

#### **Agricultural:**

For 2010, Clay County has followed their 3 Year Plan which includes the following actions:

The county completed all agricultural pickup work.

The county conducted a thorough sale verification and analysis process for agricultural land.

The county inspected and updated all improvements on the agricultural parcels in School Creek TWP (Geocode # 3673), Eldorado TWP (Geocode # 3671), Harvard TWP (Geocode # 3669), and Leicester TWP (Geocode # 3667).

The inspection process includes a going to each parcel to verify or update the measurements, the description of property characteristics, observations of quality and condition, take new photos and prepare new record cards. When all agricultural improvements have been inspected, new costs will be generated, and current depreciation will be developed.

The county has analyzed their agricultural land sales and developed current values for all agricultural land.

The county completed the implementation of the numeric soil conversion in 2010. During this project, the county also converted all agricultural records into a new GIS system. All acres were recounted and most were verified with the landowner or tenant using their current FSA certification.

## 2010 Assessment Survey for Clay County

### Agricultural Appraisal Information

1.	<b>Valuation data collection done by:</b>
	Assessor and Staff –All ag residences and buildings
2.	<b>Does the County maintain more than one market area / valuation grouping in the agricultural property class?</b>
	Yes; there are 3
a.	<b>What is the process used to determine and monitor market areas / valuation groupings? (Neb. Rev. Stat. § 77-1363) List or describe.</b> Class or subclass includes, but not limited to, the classifications of agricultural land listed in section 77-1363, parcel use, parcel type, location, geographic characteristics, zoning, city size, parcel size and market characteristics.
	The Valuation Groupings are the same as the market areas identified and used in 2009. They will become the Valuation Groupings. Historically, the values of agricultural land have been defined and been separated from the south to the north part of the county. Market Area 2 is essentially the north half of the county. Market Areas 1 and 3 share the south half of the county. Market Area 1 occupies the majority of the south half, but Market Area 3, consisting of just over 12,000 acres has been identified in the extreme southwest part of the county, south of the Little Blue River. This area, unlike the rest of the county has sparse irrigation, rougher terrain and is more like the adjoining areas of Adams, Nuckolls and Webster Counties than the remainder of Clay County. Market Areas 1 and 2 are more similar with over 70% irrigated acres about 20% dry crop and less than 10% grass. Though the values of the two areas have become closer in recent times, there is still a difference. The assessor is satisfied that the characteristics that were used to define the prior market areas are still relevant and are to be used in defining the Valuation Groups for 2010.
b.	<b>Describe the specific characteristics of the market area / valuation groupings that make them unique?</b>
	Originally market areas 1&2 split into the north and south half. The north half had better soils, more row crop and higher values. The south half had generally had lower values. The third market area was added 4 years ago and is a small area south of the Little Blue River. This area is mostly rolling hills with grass or dry crop and would compare to Nuckolls County land. There are only a few sales, so the values are difficult to determine in any given year. The county has always relied on the analysis of sales in the county to set values and determine market areas. Recently, the county has observed that the differences between the north and south, (market areas 1 & 2), has decreased. Market area 3 is still lower but it is still short on sales in any measurement period.
3.	<b>Agricultural Land</b>
a.	<b>How is agricultural land defined in this county?</b>
	Agricultural land is defined in Statute; 77-1359 (1) and in the Regs Ch. 11 -002.07. The county refers to on these to define their agricultural land.

b.	<b>When is it agricultural land, when is it residential, when is it recreational?</b>
	The residential classification relies on the present use of the land as cited in Statute and Regs. Presently, there is no defined recreational land in the county.
c.	<b>Are these definitions in writing?</b>
	Yes
d.	<b>What are the recognized differences?</b>
	The county definition approved by the county board in February of 2008 defines parcels of less than 25 acres as residential.
e.	<b>How are rural home sites valued?</b>
	Rural home sites are valued based on ongoing market analysis. Typically the sale of acreages (rural residential) are used to develop the values for both acreages and the houses on agricultural parcels.
f.	<b>Are rural home sites valued the same as rural residential home sites?</b>
	No; Rural residential land is higher than ag residential for the first acre. Rural residential first acre is \$13,000 and ag residential first acre is \$8,000. The second acre is \$2,000 for both and the remaining rural residential acres are \$2,000, while the additional acres on an agricultural parcel are likely to be valued as agricultural land.
g.	<b>Are all rural home sites valued the same or are market differences recognized?</b>
	Yes; The ag home sites values are the same throughout the county.
h.	<b>What are the recognized differences?</b>
	None due to location.
4.	<b>What is the status of the soil conversion from the alpha to numeric notation?</b>
	The new conversion will be fully implemented for 2010. The estimated completion date is 1 Jan 2010.
a.	<b>Are land capability groupings (LCG) used to determine assessed value?</b>
	No; There is no direct relationship of LCGs to value. The LCG's are a classification tool, so all of the acres in each parcel are classified using the conversion of soil types into LCG's. All of the acres in each sale are analyzed using the classified LCG's as comparable within each defined market area. Schedules of value are prepared for each market area by LCG and statistically tested using the sales analysis process. The value developed for each LCG in each market area is applied to each acre in the assessment file.
b.	<b>What other land characteristics or analysis are/is used to determine assessed values?</b>
	Present use (irrigated, dry or grass), and location as depicted by market area. In Market Area 3, there is generally little or no irrigation availability. This has a significant impact on the value.
5.	<b>Is land use updated annually?</b>
	Yes
a.	<b>By what method? (Physical inspection, FSA maps, etc.)</b>
	The county relies primarily on the GIS system to develop the land use records. They plan to review the new photo base every 2 years when it is available. Additionally, the county staff is scheduling appointments with each land owner to review and verify their land use records. They are asked to present their 2009 FSA Certification and self report any changes. Occasionally the staff does on site verification if it is necessary.

6.	<b>Is there agricultural land in the County that has a non-agricultural influence?</b>
	There have been occasional scattered sales suggesting that there are parcels being purchased for non agricultural uses. These sales have been random and not indicative of a pattern or characteristic that can be isolated to establish a universal classification of non agricultural land. This situation is being monitored on an ongoing basis.
a.	<b>How is the County developing the value for non-agricultural influences?</b>
	They have not yet developed any values.
b.	<b>Has the County received applications for special valuation?</b>
	No
c.	<b>Describe special value methodology</b>
	N/A
7	<b>Pickup work:</b>
a.	<b>Is pickup work done annually and is it completed by March 19<sup>th</sup>?</b>
	Yes! The county targets a completion date of 1 January each year.
b.	<b>By Whom?</b>
	The assessor and staff.
c.	<b>Is the valuation process (cost date and depreciation schedule or market comparison) used for the pickup work on the rural improvements the same as what was used for the general population of the valuation group?</b>
	The county uses the same costs, land values and depreciation processes for the pick-up work as for the base valuation.
d.	<b>Is the pickup work schedule the same for the land as for the improvements?</b>
	Yes
8.	<b>What is the counties progress with the 6 year inspection and review requirement as it relates to rural improvements? (Neb. Rev. Stat. § 77-1311.03)</b>
	The county is on target to push the inspections through in 5 years. Then they will implement a totally new cost approach. They will reaffirm or update lot values as needed, implement new costs and develop new depreciation based on their current market indicators.
a.	<b>Does the County maintain a tracking process?</b>
	The county tracks their inspection cycle by printing the subclasses that are to be inspected each year of the inspection cycle. Those subclasses are to be inspected in the same sequence 5 or 6 years later.
b.	<b>How are the results of the portion of the properties inspected and reviewed applied to the balance of the county?</b>
	There are no specific changes made to revalue the subclasses that are inspected in any given year. Rather, they systematically inspect and when the full cycle is complete they revalue all subclasses. During the cycle, the county conducts ratio studies and adjusts the classes or subclasses as needed to keep the level of value at the required level of value. The adjustments are implemented to the entire class or subclass regardless of where they are in the inspection cycle.

**Proportionality Among Study Years**

The following tables represent the distribution of sales among each year of the study period in the original sales file, the sales that were added to each area, and the resulting proportionality.

**Preliminary Results:**

Study Year	County	Area 1	Area 2	Area 3
7/1/06 - 6/30/07	9	6	3	0
7/1/07 - 6/30/08	18	9	9	0
7/1/08 - 6/30/09	23	8	14	1
Totals	50	23	26	1

**Added Sales:**

Study Year	Total	Mkt 1	Mkt 2	Mkt 3
7/1/06 - 6/30/07	12	0	8	4
7/1/07 - 6/30/08	5	0	1	4
7/1/08 - 6/30/09	3	0	0	3
Totals	20	0	9	11

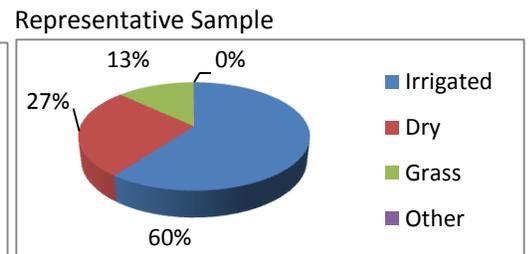
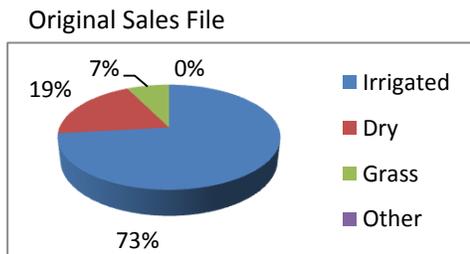
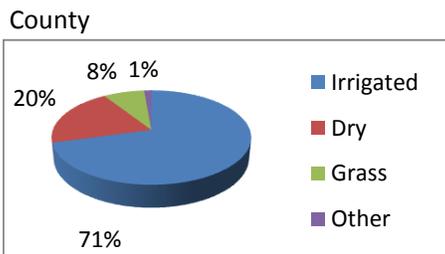
**Final Results:**

Study Year	County	Area 1	Area 2	Area 3
7/1/06 - 6/30/07	21	6	11	4
7/1/07 - 6/30/08	23	9	10	4
7/1/08 - 6/30/09	26	8	14	4
Totals	70	23	35	12

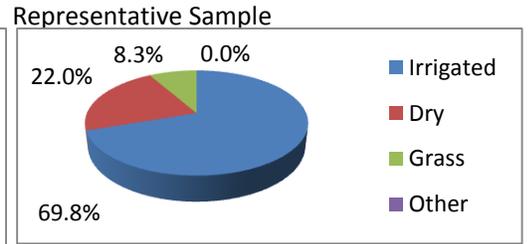
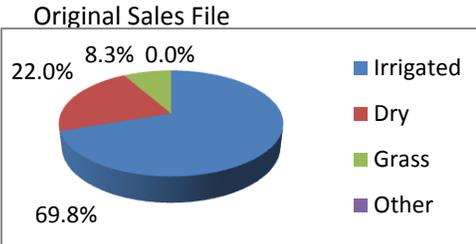
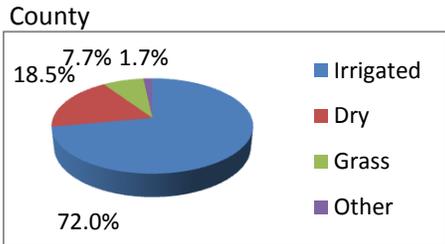
**Representativeness by Majority Land Use**

The following tables and charts compare the makeup of land use in the population to the make up of land use in both the sales file and the representative sample.

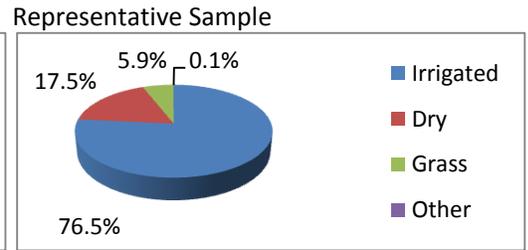
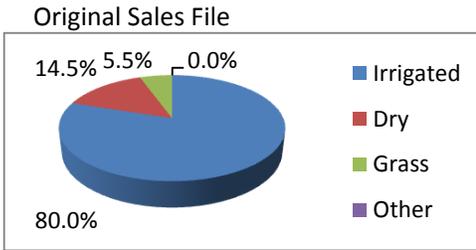
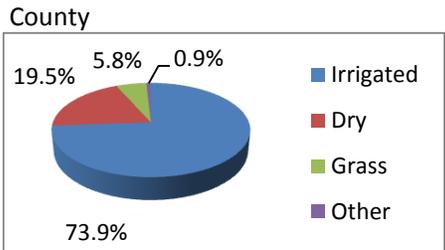
	Entire County		
	county	sales file	Sample
Irrigated	71%	73%	60%
Dry	20%	19%	27%
Grass	8%	7%	13%
Other	1%	0%	0%



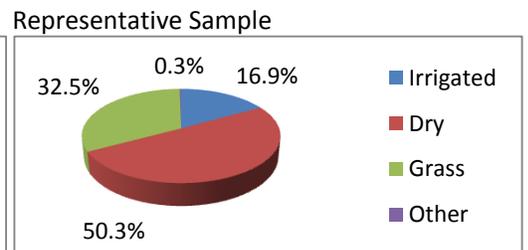
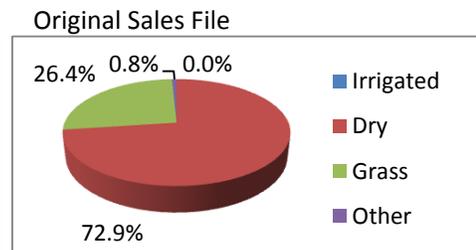
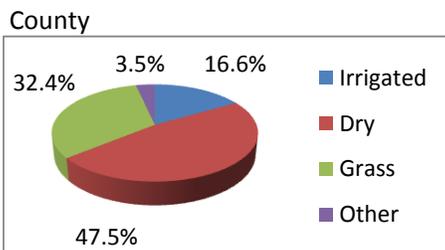
Mkt Area 1			
	county	sales file	sample
Irrigated	72%	70%	70%
Dry	19%	22%	22%
Grass	8%	8%	8%
Other	2%	0%	0%



Mkt Area 2			
	county	sales file	sample
Irrigated	74%	80%	77%
Dry	19%	14%	18%
Grass	6%	6%	6%
Other	1%	0%	0%



Mkt Area 3			
	county	sales file	sample
Irrigated	17%	0%	17%
Dry	47%	73%	50%
Grass	32%	26%	33%
Other	3%	1%	0%



## Adequacy of Sample

	County Total	Mrkt Area 1	Mrkt Area 2	Mrkt Area 3
Number of Sales - Original Sales File	50	23	26	1
Number of Sales - Expanded Sample	70	23	35	12
Total Number of Acres Added	3388	0	1112	2276

## Ratio Study

### Final Statistics

### Preliminary Statistics

		Median	74%	AAD	15.36%	Median	52%	AAD	11.73%
County									
# sales	70	Mean	77%	COD	20.63%	Mean	56%	COD	22.78%
		W. Mean	73%	PRD	105.94%	W. Mean	53%	PRD	105.83%
Market Area 1									
# sales	23	Mean	81%	COD	23.37%	Mean	63%	COD	24.40%
		W. Mean	77%	PRD	105.37%	W. Mean	59%	PRD	106.80%
Market Area 2									
# sales	35	Mean	77%	COD	22.12%	Mean	54%	COD	23.40%
		W. Mean	72%	PRD	107.73%	W. Mean	50%	PRD	107.47%
Market Area 3									
# sales	12	Mean	72%	COD	11.09%	Mean	46%	COD	11.95%
		W. Mean	68%	PRD	104.51%	W. Mean	44%	PRD	105.70%

## Majority Land Use

95% MLU	Irrigated		Dry		Grass	
	# Sales	Median	# Sales	Median	# Sales	Median
County	21	74.42%	6	91.59%	1	56.50%
Mkt Area 1	5	75.13%	4	72.51%	0	N/A
Mkt Area 2	15	71.94%	2	96.97%	1	56.50%
Mkt Area 3	1	74.48%	0	N/A	0	N/A

80% MLU	Irrigated		Dry		Grass	
	# Sales	Median	# Sales	Median	# Sales	Median
County	42	73.18%	9	89.04%	1	56.50%
Mkt Area 1	15	74.48%	4	72.51%	0	N/A
Mkt Area 2	26	69.18%	4	74.94%	1	56.50%
Mkt Area 3	1	74.48%	1	94.68%	0	N/A

**Agricultural or Special  
Valuation Correlation**

## 2010 Correlation Section

### For Clay County

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#### Agricultural Land

##### I. Correlation

The level of value for the agricultural land in Clay County, as determined by the PTA is 74%.  
The mathematically calculated median is 74%.

##### AGRICULTURAL LAND:

The main reason to develop the enhanced agricultural land value analysis is to be reasonably sure that when a statistical model is developed, it represents the population. There are many ways to compare the model (the sales file) to the population (all the assessed parcels of agricultural land), but in the case of agricultural land, two primary objectives have been identified: First; there has been a rapid increase in selling price of all agricultural land throughout the state during the three years of the study. The typical county valuation system identifies a fixed valuation for all parcels (the population) in the assessment process. The model is made up of the arms length sales that occurred in the county across the study period. Under these circumstances, the assessment sales ratio calculated for the sales tends to be higher on the older sales and lower on the more recent sales. When this occurs, the measures of central tendency, and particularly the median will be biased toward the chronological end of the array of ratios with the most sales. The most urgent reason to supplement the sales in the county is to remove the statistical skew that will occur if the number of sales in each year of the study is not balanced. It is certainly critical to have balance between the oldest year and the most recent year to assure that the median measurement will occur in the middle of the chronological array. Second; it is important that the mix of the major land uses (irrigated, dry and grass) in the model is proportional and representative of the population. Data from the 2009 Abstract of Assessment is summarized to demonstrate the proportional distribution of land uses for the class, (the county as a whole) and for any subclasses (each market area). A comparison of the land use distribution in the county to the land use distribution in the sales file by each market area is necessary for the model to be described as either representative or not representative. If the model is not representative based on major land use distribution, any supplementation that is done for any reason must be done to improve the proportionality of the major land uses among the class and any subclasses.

The "Proportionality Among Study Years" table is prepared to demonstrate if there is a bias among the ratios in the sales file due to the date of the sales. In the three year period of time covered by the study, there have been extraordinary increases in the value of agricultural land. The ratios produced on older sales tend to be higher than the ratios produced on more recent sales. If the sales file is not proportionate across the 3 years, the measured level of value will likely be biased toward the year with the higher number of sales. The only exception is when the preponderance of sales occurs in the middle time period. While it may bias the sample to the middle of the time period, the middle year is ultimately where the most appropriate indicator of the level of value should be found. In that case, the measurement is free of bias. In this sample, it is apparent that the first year is under represented, and the third (most recent) year is over

## 2010 Correlation Section

### For Clay County

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represented. Market Area 2 needs to have the second and third years supplemented to balance the impact of the study years. Market Area 3 needs to have all three years supplemented because it is a small area with about 12,000 acres and only one sale. This area has never had sufficient sale activity to prompt regular value updates. Because of that, the valuations in Market Area 3 have deteriorated and need strong action. Because of that, 11 sales were borrowed from adjacent areas to develop an analysis that might be relied on to alter the values in 2010.

It should be noted that all three majority land use classes in the sales file are within 10% of the mix of the majority land uses in the county. On a countywide basis, the percent of acres in the sales file and in the county are as follows: The irrigated acres in the sales file exceed the acres in the county by 2%. The dry land acres in the sales file are lagging the county by 1%. The grassland acres in the sales file are lagging the county by 1%. While the original mix of acres is highly representative, the sales must be supplemented to improve the proportionality across the study years. Every effort will be made to select supplemental sales that will sustain the proportionality of the majority land uses.

In Market Area 1, the percent of acres in the county and in the sales are as follows: The irrigated acres in the sales file lag the acres in the county by 2%. The dry land acres in the sales file exceed the county by 3%. The grassland acres in the sales file are essentially equal at 8%. The original mix of acres is highly representative, so no additional sales are needed to measure Market Area 1.

In Market Area 2, the percent of acres in the county and in the sales are as follows: The irrigated acres in the sales file exceed the acres in the county by 6%. The dry land acres in the sales file are lagging the county by 5%. The grassland acres in the sales file are equal to the county at 6% each. There is no urgent need solely to improve the major land use representativeness, but there is a need to borrow as many as 11 sales to achieve proportionality across the study period. The addition of sales in Market Area 2 should emphasize improving the balance among the majority land uses.

In Market Area 3, there is only one sale so additional sales must be borrowed to supplement the file across the study period and the sales. In Market Area 3, the major land uses are distributed as follows: The irrigated acres represent 17% of the Market Area. The dry land acres represent 47% of the Market Area. The grass land acres represent 32% of the Market Area. The original mix of acres is not representative, so the additional sales must be selected from a highly comparable area taking care to develop a sales file that is representative of the major land uses in Market Area 3.

The sample in Clay County was originally insufficient, primarily because the sale date distribution was skewed toward the third (most recent) year of the study. The original sample that was drawn had 50 sales and 3 Market Areas. The county as a whole and Market Area 2 in

## 2010 Correlation Section

### For Clay County

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particular were lacking sales in the earliest year of the study. This distribution likely had the effect of lowering the measures of central tendency. To resolve this situation, 9 comparable sales were selected to supplement Market Area 2, 8 in the first study year and one in the second study year. Market Area 3 was initially represented by only one qualified Clay County sale. It was necessary to select 11 comparable sales and supplement all 3 of the study years. In the end, there was a total of 20 sales selected to enhance the measurement of the agricultural land in Clay County.

In the end, a fairly representative and proportional sales file was developed for the county. The number of sales was adequate only after the sales file was supplemented. There are three market areas but, only 2 market areas needed to be supplemented, but 20 sales were added to achieve a proportional and representative measurement of the county. The sales added balance to the distribution of sales across the study years and slightly improved the proportionality of most majority land uses. The preliminary analysis established that the median ratio at 52%, the mean ratio at 56% and the weighted mean ratio at 53%. All measures indicated that a large increase was needed to raise the level of value to a level that met the statutory requirements. Collectively, they suggest that a gross increase of 30 to 40% may be needed. Of the 3 indicators of the level of value, the mean is the highest, but is apt to be biased by high ratios, and the weighted mean is slightly higher than median but is apt to be biased by high dollar sales, leaving the median as the least biased indicator of the level of value. That suggests that a gross increase of about 35% would have to be implemented to meet the required level of value. The county has examined their values and allocated the increases according to their interpretation of the local market. In this case, Market Area 3 demanded special attention as it had a preliminary median of 48%. The changes implemented by the county are deemed to be adequate and appropriate. They resulted in a median ratio of 74% and this measure is the best indicator of the level of value for the county.

When reviewing the majority land use tables, the only concern might be the 95% dry land table for the county with 6 sales indicating a 92% dry level of value as well as the 80% dry land table for the county with 9 sales indicating an 89% dry level of value. A closer look at the MLU table reveals that both statistics have been biased by older sales, which typically have higher ratios. In light of that, the two MLU indicators are really not meaningful for the measure of dry land. The irrigated MLU's have significantly more sales and are supportive of the measured level of value shown in the final statistics.

The county has examined their values and allocated the increases according to their interpretation of the local market. The preliminary statistics indicated that each market area and the county as a whole are significantly below the desired level of value. This is particularly true of Market Area 3. The area has had so few sales in the past years that the county was reluctant to increase the values. In 2010, the supplemented sales file with 11 of the 12 sales being borrowed was able to give the county a strong enough measure to support some dramatic value changes. In

## **2010 Correlation Section**

### **For Clay County**

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2010, the preliminary level of value in Clay County was about 52% with individual market areas ranging from 48% to 58%. The final assessment actions taken by the county resulted in median ratios of 74% for Market Area 1, 74% for Market Area 2, 74% for Market Area 3, and 74% for the overall county. It is likely that the median ratio is the best indicator of the level of value for Clay County.

## 2010 Correlation Section

### For Clay County

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#### II. Analysis of Sales Verification

Neb. Rev. Stat. 77-1327(2) provides that all sales are deemed to be arms length transactions unless determined to be otherwise under professionally accepted mass appraisal techniques. The county assessor is responsible for the qualification of the sales included in the state sales file.

The Standard on Ratio Studies, International Association of Assessing Officials (2007), indicates that excessive trimming (the arbitrary exclusion or adjustment of arms length transactions) may indicate an attempt to inappropriately exclude arms length transactions to create the appearance of a higher level of value and quality of assessment. The sales file, in a case of excess trimming, will fail to properly represent the level of value and quality of assessment of the population of real property.

The Division frequently reviews the procedures used by the county assessor to qualify sales to ensure bias does not exist in judgments made. Arms length transactions should only be excluded when they compromise the reliability of the resulting statistics. In cases where a county assessor has disqualified sales without substantiation, the Division may include such sales in the ratio study.

#### AGRICULTURAL LAND:

The sale verification of agricultural property in Clay County is done by the county assessor and the assessor's staff and occasionally the contract appraiser. The verification relies on personal knowledge of the county, questionnaires, phone interviews, third party interviews and occasionally direct interviews with a party to the sale. When it is necessary, some situations require off site inspection and occasional on site inspection. In the initial screening, all transfers with stamps in excess of \$2.25 or consideration in excess of \$100 are reviewed and classified as sales. Then, based on the general knowledge of the assessor, transfers that are between family members, business associates or known to be transfers of convenience are disqualified as non arms length sales. The assessor then includes all sales that pass the initial screening and are from familiar parties transferring property under normal circumstances in the initial sales file as qualified sales. The assessor sends questionnaires to all buyers and sellers to verify the price, any personal property or other circumstances that are relevant to the sale. Relevant circumstances include; any unusual or favorable financing, the value of any personal property included in the sale, the condition, functionality, and value of any improvements, and any changes to the property or land use just prior to or just after the sale. Initially, the county sends questionnaires to nearly 100% of the buyers and sellers and estimates the response to be nearly 90%. If there is no response to the questionnaire, or the response is unclear, the assessor may contact a knowledgeable third party. This contact is usually by phone but sometimes is a face to face interview. Any remaining issues that relate to improvements are likely to be resolved with an on-site interview and inspection of the parcel.

## 2010 Correlation Section

### For Clay County

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#### III. Measures of Central Tendency

There are three measures of central tendency calculated by the Division: median ratio, weighted mean ratio, and mean ratio. Since each measure of central tendency has strengths and weaknesses, the use of any statistic for equalization should be reconciled with the other two, as in an appraisal, based on the appropriateness in the use of the statistic for a defined purpose, the quantity of the information from which it was drawn, and the reliability of the data that was used in its calculation. An examination of the three measures can serve to illustrate important trends in the data if the measures do not closely correlate to each other.

The IAAO considers the median ratio the most appropriate statistical measure for use in determining level of value for direct equalization; the process of adjusting the values of classes or subclasses of property in response to the determination of level of value at a point above or below a particular range. Since the median ratio is considered neutral in relationship to either assessed value or selling price, its use in adjusting the class or subclass of properties will not change the relationships between assessed value and level of value already present within the class or subclass of properties, thus rendering an adjustment neutral in its impact on the relative tax burden to an individual property. Additionally, the median ratio is less influenced by the presence of extreme ratios, commonly called outliers. One outlier in a small sample size of sales can have controlling influence over the other measures of central tendency. The median ratio limits the distortion potential of an outlier.

The weighted mean ratio is viewed by the IAAO as the most appropriate statistical measure for indirect equalization. The weighted mean, because it is a value weighted ratio, best reflects a comparison of the assessed and market value of property in the political subdivision. If the distribution of aid to political subdivisions must relate to the market value available for assessment in the political subdivision, the measurement of central tendency used to analyze level of value should reflect the dollars of value available to be assessed. The weighted mean ratio does that more than either of the other measures of central tendency.

If the weighted mean ratio, because of its dollar-weighting feature, is significantly different from the median ratio, it may be an indication of other problems with assessment proportionality. When this occurs, an evaluation of the county's assessment practices and procedures is appropriate to discover remedies to the situation.

The mean ratio is used as a basis for other statistical calculations, such as the price related differential and coefficient of variation. However, the mean ratio has limited application in the analysis of level of value because it assumes a normal distribution of the data set around the mean ratio with each ratio having the same impact on the calculation regardless of the assessed value or the selling price.

	<b>Median</b>	<b>Wgt.Mean</b>	<b>Mean</b>
<b>R&amp;O Statistics</b>	<b>74</b>	<b>73</b>	<b>77</b>

## 2010 Correlation Section

### For Clay County

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#### IV. Analysis of Quality of Assessment

In analyzing the statistical data of assessment quality, there are two measures upon which assessment officials will primarily rely: the Coefficient of Dispersion (COD), and the Price Related Differential (PRD). Whether such statistics can be relied upon as meaningful for the population depends on whether the sample is representative.

The COD is commonly referred to as the index of assessment inequality. It is used to measure how closely the individual ratios are clustered around the median ratio and suggests the degree of uniformity or inaccuracy resulting in the assessments. The COD is computed by dividing the average deviation by the median ratio. For example, a COD of 20 means half of the ratios are 20 percent above or below the median. The closer the ratios are grouped around the median, the more equitable the assessment of property tends to be. Conversely, if the dispersion is quite large, there is a large spread in the ratios typically indicating a large spread around the median in the assessment of property, which results in an inequity in assessment and taxes. There is no range of acceptability stated in the Nebraska statutes for the COD measure. The International Association of Assessing Officers recommended ratio study performance standards are as follows:

Single-family residences: a COD of 15 percent or less.

For newer and fairly homogeneous areas: a COD of 10 or less.

Income-producing property: a COD of 20 or less, or in larger urban jurisdictions, 15 or less.  
Vacant land and other unimproved property, such as agricultural land: a COD of 20 or less.

Rural residential and seasonal properties: a COD of 20 or less.

Mass Appraisal of Real Property, International Association of Assessing Officers, (1999), p. 246.

In unusually homogeneous types of property low CODs can be anticipated; however, in all other cases CODs less than 5 percent may be indicative of non-representative samples or the selective reappraisal of sold parcels.

The PRD, also known as the index of regression, is a measurement of the relationship between the ratios of high-value and low-value properties to determine if the value of property has any influence on the assessment ratio. It is calculated by dividing the arithmetic mean ratio by the weighted mean ratio. The PRD provides an indicator of the degree to which high-value properties are over-assessed or under-assessed in relation to low-value properties. A PRD of 100 indicates there is no bias in the assessment of high-value properties in comparison to low-value properties. A PRD greater than 100 indicates the assessments are regressive, which means low-value properties tend to have a higher assessment ratio than high-value properties. The result is the owner of a low-value property pays a greater amount of tax in relation to value than the owner of a high-value property. Conversely, a PRD less than 100 indicates that high-value properties are over assessed in relation to low-value properties.

## 2010 Correlation Section

### For Clay County

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There is no range of acceptability stated in the Nebraska statutes for the PRD measure. The Standard of Ratio Studies, adopted by the International Association of Assessing Officers, July, 2007, recommends that the PRD should lie between 98 and 103. This range is centered slightly above 100 to allow for a slightly upward measurement bias inherent in the PRD.

The PRD is calculated based on the selling price/assessed value in the sales file. This measure can be misleading if the dollar value of the records in the sales file is not proportionate to the dollar value of records in the population.

Mass Appraisal of Real Property, International Association of Assessing Officers, (1999), p. 247.

The analysis in this section displays the calculated COD and PRD measures for Clay County, which are considered as one part of the analysis of the County's assessment practices.

	COD	PRD
<b>R&amp;O Statistics</b>	<b>20.63</b>	<b>105.94</b>

#### AGRICULTURAL LAND:

The coefficient of dispersion calculates to 20.63% which is just outside the acceptable range. The price-related differential is just slightly high at 105.94%. The COD indicates a wider than desired dispersion. The PRD measures the assessment of this sample as mildly regressive. This COD and PRD both exceed the desired tolerances, but are not unusual in a measurement process that covers 3 years of sales in a time when agricultural land is appreciating to historical levels. The Clay County assessment practices are sound and it is believed that they have achieved good uniformity within the agricultural class of property.



<b>Total Real Property</b> Sum Lines 17, 25, & 30	<b>Records : 7,307</b>	<b>Value : 965,859,470</b>	<b>Growth 3,067,459</b>	<b>Sum Lines 17, 25, &amp; 41</b>
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Schedule I : Non-Agricultural Records

	Urban		SubUrban		Rural		Total		Growth
	Records	Value	Records	Value	Records	Value	Records	Value	
<b>01. Res UnImp Land</b>	571	2,100,415	0	0	130	323,810	701	2,424,225	
<b>02. Res Improve Land</b>	2,234	7,349,775	0	0	475	10,916,285	2,709	18,266,060	
<b>03. Res Improvements</b>	2,244	101,122,040	0	0	474	41,678,375	2,718	142,800,415	
<b>04. Res Total</b>	2,815	110,572,230	0	0	604	52,918,470	3,419	163,490,700	1,406,524
<b>% of Res Total</b>	82.33	67.63	0.00	0.00	17.67	32.37	46.79	16.93	45.85
<b>05. Com UnImp Land</b>	149	793,030	0	0	15	74,380	164	867,410	
<b>06. Com Improve Land</b>	389	1,064,940	0	0	67	3,475,290	456	4,540,230	
<b>07. Com Improvements</b>	389	33,677,030	0	0	68	9,814,175	457	43,491,205	
<b>08. Com Total</b>	538	35,535,000	0	0	83	13,363,845	621	48,898,845	465,631
<b>% of Com Total</b>	86.63	72.67	0.00	0.00	13.37	27.33	8.50	5.06	15.18
<b>09. Ind UnImp Land</b>	0	0	0	0	13	176,820	13	176,820	
<b>10. Ind Improve Land</b>	0	0	0	0	79	625,240	79	625,240	
<b>11. Ind Improvements</b>	0	0	0	0	78	10,978,295	78	10,978,295	
<b>12. Ind Total</b>	0	0	0	0	91	11,780,355	91	11,780,355	159,100
<b>% of Ind Total</b>	0.00	0.00	0.00	0.00	100.00	100.00	1.25	1.22	5.19
<b>13. Rec UnImp Land</b>	0	0	0	0	11	166,665	11	166,665	
<b>14. Rec Improve Land</b>	0	0	0	0	2	28,250	2	28,250	
<b>15. Rec Improvements</b>	0	0	0	0	0	0	0	0	
<b>16. Rec Total</b>	0	0	0	0	11	194,915	11	194,915	0
<b>% of Rec Total</b>	0.00	0.00	0.00	0.00	100.00	100.00	0.15	0.02	0.00
<b>Res &amp; Rec Total</b>	2,815	110,572,230	0	0	615	53,113,385	3,430	163,685,615	1,406,524
<b>% of Res &amp; Rec Total</b>	82.07	67.55	0.00	0.00	17.93	32.45	46.94	16.95	45.85
<b>Com &amp; Ind Total</b>	538	35,535,000	0	0	174	25,144,200	712	60,679,200	624,731
<b>% of Com &amp; Ind Total</b>	75.56	58.56	0.00	0.00	24.44	41.44	9.74	6.28	20.37
<b>17. Taxable Total</b>	3,353	146,107,230	0	0	789	78,257,585	4,142	224,364,815	2,031,255
<b>% of Taxable Total</b>	80.95	65.12	0.00	0.00	19.05	34.88	56.69	23.23	66.22

Schedule II : Tax Increment Financing (TIF)

	Urban			SubUrban		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	0	0	0
19. Commercial	3	375,465	462,405	0	0	0
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
	Rural			Total		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	0	0	0
19. Commercial	0	0	0	3	375,465	462,405
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
22. Total Sch II				3	375,465	462,405

Schedule III : Mineral Interest Records

Mineral Interest	Records	Urban Value	Records	SubUrban Value	Records	Rural Value	Records	Total Value	Growth
23. Producing	0	0	0	0	0	0	0	0	0
24. Non-Producing	0	0	0	0	0	0	0	0	0
25. Total	0	0	0	0	0	0	0	0	0

Schedule IV : Exempt Records : Non-Agricultural

	Urban Records	SubUrban Records	Rural Records	Total Records
26. Producing	375	0	152	527

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	0	0	0	0	2,469	536,046,400	2,469	536,046,400
28. Ag-Improved Land	2	0	0	0	694	158,466,565	696	158,466,565
29. Ag Improvements	2	68,545	0	0	694	46,913,145	696	46,981,690
30. Ag Total							3,165	741,494,655

Schedule VI : Agricultural Records :Non-Agricultural Detail

	Urban			SubUrban			Growth
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	0	0.00	0	0	0.00	0	
32. HomeSite Improv Land	0	0.00	0	0	0.00	0	
33. HomeSite Improvements	0	0.00	0	0	0.00	0	
34. HomeSite Total							
35. FarmSite UnImp Land	0	0.00	0	0	0.00	0	
36. FarmSite Improv Land	0	0.00	0	0	0.00	0	
37. FarmSite Improvements	2	0.00	68,545	0	0.00	0	
38. FarmSite Total							
39. Road & Ditches	0	0.00	0	0	0.00	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
	Rural			Total			
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	18	19.00	152,000	18	19.00	152,000	
32. HomeSite Improv Land	302	317.99	2,543,920	302	317.99	2,543,920	
33. HomeSite Improvements	315	0.00	23,563,980	315	0.00	23,563,980	141,788
34. HomeSite Total				<b>333</b>	<b>336.99</b>	<b>26,259,900</b>	
35. FarmSite UnImp Land	23	25.59	51,180	23	25.59	51,180	
36. FarmSite Improv Land	579	1,522.89	3,045,780	579	1,522.89	3,045,780	
37. FarmSite Improvements	686	0.00	23,349,165	688	0.00	23,417,710	894,416
38. FarmSite Total				<b>711</b>	<b>1,548.48</b>	<b>26,514,670</b>	
39. Road & Ditches	2,872	8,013.07	0	2,872	8,013.07	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
41. Total Section VI				<b>1,044</b>	<b>9,898.54</b>	<b>52,774,570</b>	<b>1,036,204</b>

Schedule VII : Agricultural Records :Ag Land Detail - Game & Parks

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	0	0.00	0	0	0.00	0
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	25	1,476.78	2,169,885	25	1,476.78	2,169,885

Schedule VIII : Agricultural Records : Special Value

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
43. Special Value	0	0.00	0	0	0.00	0
44. Recapture Value N/A	0	0.00	0	0	0.00	0
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
43. Special Value	0	0.00	0	0	0.00	0
44. Market Value	0	0	0	0	0	0

\* LB 968 (2006) for tax year 2009 and forward there will be no Recapture value.

## Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 1

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	24,665.95	24.28%	72,764,680	26.22%	2,950.01
46. 1A	47,927.08	47.18%	137,550,860	49.56%	2,870.00
47. 2A1	10,674.34	10.51%	29,355,640	10.58%	2,750.11
48. 2A	704.10	0.69%	1,760,250	0.63%	2,500.00
49. 3A1	11,560.91	11.38%	24,220,130	8.73%	2,095.00
50. 3A	0.00	0.00%	0	0.00%	0.00
51. 4A1	3,542.57	3.49%	7,085,140	2.55%	2,000.00
52. 4A	2,517.55	2.48%	4,783,310	1.72%	1,899.99
53. Total	101,592.50	100.00%	277,520,010	100.00%	2,731.70
<b>Dry</b>					
54. 1D1	3,399.09	13.44%	5,982,405	16.78%	1,760.00
55. 1D	11,340.18	44.84%	18,144,215	50.89%	1,599.99
56. 2D1	3,036.77	12.01%	4,251,445	11.93%	1,399.99
57. 2D	586.49	2.32%	645,150	1.81%	1,100.02
58. 3D1	3,836.08	15.17%	3,836,080	10.76%	1,000.00
59. 3D	0.00	0.00%	0	0.00%	0.00
60. 4D1	2,116.20	8.37%	2,010,490	5.64%	950.05
61. 4D	976.97	3.86%	781,555	2.19%	799.98
62. Total	25,291.78	100.00%	35,651,340	100.00%	1,409.60
<b>Grass</b>					
63. 1G1	649.17	0.00%	616,775	8.22%	950.10
64. 1G	1,342.18	11.05%	1,141,020	15.20%	850.12
65. 2G1	1,132.15	9.32%	877,440	11.69%	775.02
66. 2G	600.72	4.95%	420,520	5.60%	700.03
67. 3G1	833.21	6.86%	520,920	6.94%	625.20
68. 3G	0.00	0.00%	0	0.00%	0.00
69. 4G1	1,831.70	15.09%	1,053,260	14.03%	575.02
70. 4G	5,752.59	47.38%	2,876,295	38.32%	500.00
71. Total	12,141.72	100.00%	7,506,230	100.00%	618.22
<b>Irrigated Total</b>					
Irrigated Total	101,592.50	72.99%	277,520,010	86.51%	2,731.70
<b>Dry Total</b>					
Dry Total	25,291.78	18.17%	35,651,340	11.11%	1,409.60
<b>Grass Total</b>					
Grass Total	12,141.72	8.72%	7,506,230	2.34%	618.22
<b>Waste</b>					
Waste	0.00	0.00%	0	0.00%	0.00
<b>Other</b>					
Other	156.15	0.11%	103,610	0.03%	663.53
<b>Exempt</b>					
Exempt	3,965.94	2.85%	0	0.00%	0.00
<b>Market Area Total</b>					
Market Area Total	139,182.15	100.00%	320,781,190	100.00%	2,304.76

## Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 2

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	32,475.10	29.57%	97,263,035	31.59%	2,995.00
46. 1A	45,835.39	41.74%	132,922,685	43.17%	2,900.00
47. 2A1	11,290.51	10.28%	32,178,270	10.45%	2,850.03
48. 2A	1,003.25	0.91%	2,608,450	0.85%	2,600.00
49. 3A1	9,943.33	9.05%	22,869,765	7.43%	2,300.01
50. 3A	0.00	0.00%	0	0.00%	0.00
51. 4A1	6,598.58	6.01%	14,847,660	4.82%	2,250.13
52. 4A	2,671.88	2.43%	5,210,300	1.69%	1,950.05
53. Total	109,818.04	100.00%	307,900,165	100.00%	2,803.73
<b>Dry</b>					
54. 1D1	5,315.25	18.97%	9,009,350	22.84%	1,695.00
55. 1D	11,799.09	42.10%	18,288,895	46.36%	1,550.03
56. 2D1	3,434.65	12.26%	4,808,485	12.19%	1,399.99
57. 2D	396.44	1.41%	436,095	1.11%	1,100.03
58. 3D1	4,217.57	15.05%	4,217,570	10.69%	1,000.00
59. 3D	0.00	0.00%	0	0.00%	0.00
60. 4D1	2,221.28	7.93%	2,110,330	5.35%	950.05
61. 4D	640.15	2.28%	576,155	1.46%	900.03
62. Total	28,024.43	100.00%	39,446,880	100.00%	1,407.59
<b>Grass</b>					
63. 1G1	418.93	0.00%	408,460	6.31%	975.01
64. 1G	1,473.22	16.37%	1,325,915	20.48%	900.01
65. 2G1	381.12	4.23%	295,425	4.56%	775.15
66. 2G	254.59	2.83%	191,085	2.95%	750.56
67. 3G1	890.85	9.90%	623,620	9.63%	700.03
68. 3G	0.00	0.00%	0	0.00%	0.00
69. 4G1	1,390.25	15.45%	903,705	13.96%	650.03
70. 4G	4,191.83	46.57%	2,724,810	42.09%	650.03
71. Total	9,000.79	100.00%	6,473,020	100.00%	719.16
<b>Irrigated Total</b>					
Irrigated Total	109,818.04	74.17%	307,900,165	86.76%	2,803.73
<b>Dry Total</b>					
Dry Total	28,024.43	18.93%	39,446,880	11.12%	1,407.59
<b>Grass Total</b>					
Grass Total	9,000.79	6.08%	6,473,020	1.82%	719.16
<b>Waste</b>					
Waste	0.00	0.00%	0	0.00%	0.00
<b>Other</b>					
Other	1,223.16	0.83%	1,068,450	0.30%	873.52
<b>Exempt</b>					
Exempt	3,691.77	2.49%	0	0.00%	0.00
<b>Market Area Total</b>					
Market Area Total	148,066.42	100.00%	354,888,515	100.00%	2,396.82

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 3

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	456.57	20.66%	890,315	22.40%	1,950.01
46. 1A	1,005.77	45.50%	1,910,960	48.08%	1,900.00
47. 2A1	89.53	4.05%	161,145	4.05%	1,799.90
48. 2A	269.84	12.21%	445,245	11.20%	1,650.03
49. 3A1	79.38	3.59%	128,590	3.24%	1,619.93
50. 3A	0.00	0.00%	0	0.00%	0.00
51. 4A1	177.76	8.04%	257,765	6.48%	1,450.07
52. 4A	131.52	5.95%	180,870	4.55%	1,375.23
<b>53. Total</b>	<b>2,210.37</b>	<b>100.00%</b>	<b>3,974,890</b>	<b>100.00%</b>	<b>1,798.29</b>
<b>Dry</b>					
54. 1D1	2,215.21	38.81%	3,200,965	48.53%	1,444.99
55. 1D	1,368.11	23.97%	1,710,255	25.93%	1,250.09
56. 2D1	163.54	2.87%	196,260	2.98%	1,200.07
57. 2D	550.33	9.64%	495,305	7.51%	900.01
58. 3D1	577.76	10.12%	491,110	7.45%	850.02
59. 3D	0.00	0.00%	0	0.00%	0.00
60. 4D1	438.68	7.69%	285,150	4.32%	650.02
61. 4D	393.51	6.90%	216,485	3.28%	550.14
<b>62. Total</b>	<b>5,707.14</b>	<b>100.00%</b>	<b>6,595,530</b>	<b>100.00%</b>	<b>1,155.66</b>
<b>Grass</b>					
63. 1G1	144.31	0.00%	137,125	5.53%	950.21
64. 1G	288.57	6.71%	230,875	9.31%	800.07
65. 2G1	507.06	11.79%	354,925	14.31%	699.97
66. 2G	461.41	10.73%	276,845	11.17%	600.00
67. 3G1	232.85	5.41%	133,900	5.40%	575.05
68. 3G	0.00	0.00%	0	0.00%	0.00
69. 4G1	235.44	5.47%	129,520	5.22%	550.12
70. 4G	2,432.51	56.54%	1,216,255	49.05%	500.00
<b>71. Total</b>	<b>4,302.15</b>	<b>100.00%</b>	<b>2,479,445</b>	<b>100.00%</b>	<b>576.33</b>
<b>Irrigated Total</b>					
<b>Irrigated Total</b>	<b>2,210.37</b>	<b>18.09%</b>	<b>3,974,890</b>	<b>30.46%</b>	<b>1,798.29</b>
<b>Dry Total</b>					
<b>Dry Total</b>	<b>5,707.14</b>	<b>46.70%</b>	<b>6,595,530</b>	<b>50.54%</b>	<b>1,155.66</b>
<b>Grass Total</b>					
<b>Grass Total</b>	<b>4,302.15</b>	<b>35.20%</b>	<b>2,479,445</b>	<b>19.00%</b>	<b>576.33</b>
<b>Waste</b>	<b>0.00</b>	<b>0.00%</b>	<b>0</b>	<b>0.00%</b>	<b>0.00</b>
<b>Other</b>	<b>1.47</b>	<b>0.01%</b>	<b>515</b>	<b>0.00%</b>	<b>350.34</b>
<b>Exempt</b>	<b>39.40</b>	<b>0.32%</b>	<b>0</b>	<b>0.00%</b>	<b>0.00</b>
<b>Market Area Total</b>	<b>12,221.13</b>	<b>100.00%</b>	<b>13,050,380</b>	<b>100.00%</b>	<b>1,067.85</b>

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
<b>76. Irrigated</b>	0.00	0	0.00	0	213,620.91	589,395,065	213,620.91	589,395,065
<b>77. Dry Land</b>	0.00	0	0.00	0	59,023.35	81,693,750	59,023.35	81,693,750
<b>78. Grass</b>	0.00	0	0.00	0	25,444.66	16,458,695	25,444.66	16,458,695
<b>79. Waste</b>	0.00	0	0.00	0	0.00	0	0.00	0
<b>80. Other</b>	0.00	0	0.00	0	1,380.78	1,172,575	1,380.78	1,172,575
<b>81. Exempt</b>	1.86	0	0.00	0	7,695.25	0	7,697.11	0
<b>82. Total</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>299,469.70</b>	<b>688,720,085</b>	<b>299,469.70</b>	<b>688,720,085</b>

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
<b>Irrigated</b>	213,620.91	71.33%	589,395,065	85.58%	2,759.07
<b>Dry Land</b>	59,023.35	19.71%	81,693,750	11.86%	1,384.09
<b>Grass</b>	25,444.66	8.50%	16,458,695	2.39%	646.84
<b>Waste</b>	0.00	0.00%	0	0.00%	0.00
<b>Other</b>	1,380.78	0.46%	1,172,575	0.17%	849.21
<b>Exempt</b>	7,697.11	2.57%	0	0.00%	0.00
<b>Total</b>	<b>299,469.70</b>	<b>100.00%</b>	<b>688,720,085</b>	<b>100.00%</b>	<b>2,299.80</b>

## 2010 County Abstract of Assessment for Real Property, Form 45 Compared with the 2009 Certificate of Taxes Levied (CTL)

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	2009 CTL County Total	2010 Form 45 County Total	Value Difference (2010 form 45 - 2009 CTL)	Percent Change	2010 Growth (New Construction Value)	Percent Change excl. Growth
01. Residential	160,366,130	163,490,700	3,124,570	1.95%	1,406,524	1.07%
02. Recreational	0	194,915	194,915		0	
03. Ag-Homesite Land, Ag-Res Dwelling	25,812,280	26,259,900	447,620	1.73%	141,788	1.18%
<b>04. Total Residential (sum lines 1-3)</b>	<b>186,178,410</b>	<b>189,945,515</b>	<b>3,767,105</b>	<b>2.02%</b>	<b>1,548,312</b>	<b>1.19%</b>
05. Commercial	48,632,230	48,898,845	266,615	0.55%	465,631	-0.41%
06. Industrial	11,448,960	11,780,355	331,395	2.89%	159,100	1.50%
07. Ag-Farmsite Land, Outbuildings	25,357,870	26,514,670	1,156,800	4.56%	894,416	1.03%
08. Minerals	0	0	0		0	
<b>09. Total Commercial (sum lines 5-8)</b>	<b>85,439,060</b>	<b>87,193,870</b>	<b>1,754,810</b>	<b>2.05%</b>	<b>1,519,147</b>	<b>0.28%</b>
<b>10. Total Non-Agland Real Property</b>	<b>271,617,470</b>	<b>277,139,385</b>	<b>5,521,915</b>	<b>2.03%</b>	<b>3,067,459</b>	<b>0.90%</b>
11. Irrigated	434,320,355	589,395,065	155,074,710	35.71%		
12. Dryland	65,917,110	81,693,750	15,776,640	23.93%		
13. Grassland	10,338,615	16,458,695	6,120,080	59.20%		
14. Wasteland	921,080	0	-921,080	-100.00%		
15. Other Agland	541,725	1,172,575	630,850	116.45%		
<b>16. Total Agricultural Land</b>	<b>512,038,885</b>	<b>688,720,085</b>	<b>176,681,200</b>	<b>34.51%</b>		
<b>17. Total Value of all Real Property</b> (Locally Assessed)	<b>783,656,355</b>	<b>965,859,470</b>	<b>182,203,115</b>	<b>23.25%</b>	<b>3,067,459</b>	<b>22.86%</b>

**CLAY COUNTY**  
**3-YEAR PLAN OF ASSESSMENT**  
**AS FOLLOWS FOR THE TAX YEAR:**

**For Tax Year 2011**

**Residential-Rural Residential and Agricultural and Commercial**-The following properties will be up for review:

Deweese Village-103 parcels-Market Area 1

Sutton City-1016 parcel-Market Area 2

NAD-Inland-Lynn-Area B1-Area B2-131 parcels (Industrial included)

The same information will be gathered and applied as with other years. The Deweese and Sutton lots will be valued by square foot. We have contracted with GIS Workshop to fly the county to take aerial photos of all the improved parcels in the rural area in the fall of 2009 with photos available for review in 2010. All of these photos will be compared and any differences will have an on-site review and updates made. Stanard Appraisal has been contracted to update information for the NAD parcels and those properties will then go on new 2010 costing.

**For Tax Year 2012**

**Residential**-the following residential properties will be up for review in our rotation of residential properties:

Clay Center-525 parcels-Market Area 1

Glenvil-191 parcels-Market 1

The same information will be gathered and applied as with previous years without the making of new property cards. This will be the year we update our CAMA pricing since our last pricing update was year 2000. A new depreciation schedule will be made and implemented.

**Rural residential and Agricultural land**—the following townships will be up for review in our rotation of rural properties:

Sheridan-223 parcels-Market Area 1

Marshall-227 parcels-Market Area 1

Lonetree-157 parcels-Market Area 1

Glenvil-160 parcels-Market Area 1

**Commercial**-Stanard Appraisal will be contracted to do any new construction and for maintenance and the assessor and staff will do the pickup work for the above areas. All commercial properties will be on new costing and Stanard Appraisal will be consulted with new assessments.

**For Tax Year 2013**

**Residential**-the following residential properties will be up for review in our rotation of residential properties:

- Fairfield-353 parcels-Market Area 1
- Trumbull-171 parcels-Market Area 2
- Inland Village-42 parcels-Market Area 2
- Spring Ranch Village-41 parcels-Market Area 1

**Rural residential and Agricultural land**-the following townships will be up for review in our rotation of rural properties:

- Spring Ranch Twp-255 parcels-Market Area 1
- Fairfield Twp-309 parcels-Market Area 1
- Edgar Twp-253 parcels-Market Area 1
- Logan Twp-235 parcels-Market Area 1

**Commercial**-Stanard Appraisal will be contracted to do any new construction and for maintenance and the assessor and staff will do the pickup work for the above areas. All commercial properties will be on new costing and Stanard Appraisal will be consulted with new assessments.

**Notes:** All parcels in their rotation will be assessed with new 2010 costing using a new depreciation schedule and comparables. This will take place yearly until all properties have completed the rotation review.

## 2010 Assessment Survey for Clay County

### I. General Information

#### A. Staffing and Funding Information

1.	<b>Deputy(ies) on staff</b>
	1
2.	<b>Appraiser(s) on staff</b>
	0
3.	<b>Other full-time employees</b>
	2
4.	<b>Other part-time employees</b>
	2 employed through the summer only, June through August, to accelerate the office and field work related to the cyclical inspection process.
5.	<b>Number of shared employees</b>
	0
6.	<b>Assessor's requested budget for current fiscal year</b>
	\$182,565
7.	<b>Adopted budget, or granted budget if different from above</b>
	\$182,565
8.	<b>Amount of the total budget set aside for appraisal work</b>
	\$5,000 designated for a contract with Stanard Appraisal for commercial appraisal work.
9.	<b>Appraisal/Reappraisal budget, if not part of the total budget</b>
	None outside of the assessor's budget
10.	<b>Part of the budget that is dedicated to the computer system</b>
	\$37,250
11.	<b>Amount of the total budget set aside for education/workshops</b>
	\$2,000
12.	<b>Other miscellaneous funds</b>
	0
13.	<b>Was any of last year's budget not used:</b>
	No; used the remainder of the 2009 budget to prepay GIS Workshop for aerial photos to be delivered in the future. Will prepay the contract as able.

#### B. Computer, Automation Information and GIS

1.	<b>Administrative software</b>
	County Solutions
2.	<b>CAMA software</b>
	CAMA 2000

3.	<b>Cadastral maps: Are they currently being used?</b>
	Yes
4.	<b>Who maintains the Cadastral Maps?</b>
	Assessor and Staff
5.	<b>Does the county have GIS software?</b>
	Yes; from GIS Workshop, in the process of being implemented
6.	<b>Who maintains the GIS software and maps?</b>
	One staff member fully allocated to implementing GIS
7.	<b>Personal Property software:</b>
	County Solutions

### C. Zoning Information

1.	<b>Does the county have zoning?</b>
	Yes
2.	<b>If so, is the zoning countywide?</b>
	Yes
3.	<b>What municipalities in the county are zoned?</b>
	All of the towns except Ong. Sutton has their own zoning that is separate from the countywide zoning.
4.	<b>When was zoning implemented?</b>
	1975 originally but updated the rules and permit requirements in 2004

### D. Contracted Services

1.	<b>Appraisal Services</b>
	Stanard Appraisal does all of the commercial new construction. Also all sale file maintenance work. Stanard reviews and inspects all sales and makes recommendations for any needed annual changes. Stanard is systematically inspecting all of the commercial parcels. He also reviews some of the work done by the county staff.
2.	<b>Other services</b>
	GIS Workshop and County Solutions



# Certification

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This is to certify that the 2010 Reports and Opinions of the Property Tax Administrator have been sent to the following:

One copy by electronic transmission and one printed copy by hand delivery to the Tax Equalization and Review Commission.

One copy by electronic transmission to the Clay County Assessor.

Dated this 7th day of April, 2010.



A handwritten signature in cursive script that reads "Ruth A. Sorensen".

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Ruth A. Sorensen  
Property Tax Administrator



## Valuation History Charts