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2010 Commission Summary

44 Hitchcock

Residential Real Property - Current

Number of Sales	92	Median	98
Total Sales Price	\$2,960,125	Mean	109
Total Adj. Sales Price	\$2,960,125	Wgt. Mean	99
Total Assessed Value	\$2,934,965	Average Assessed Value of the Base	\$34,789
Avg. Adj. Sales Price	\$32,175	Avg. Assessed Value	\$31,902

Confidence Interval - Current

95% Median C.I	94.85 to 104.13
95% Mean C.I	100.97 to 116.85
95% Wgt. Mean C.I	94.45 to 103.85

% of Value of the Class of all Real Property Value in the County	15.62
% of Records Sold in the Study Period	5.80
% of Value Sold in the Study Period	5.32

Residential Real Property - History

Year	Number of Sales	LOV	Median
2009	89	97	97
2008	96	96	96
2007	96	96	96
2006	96	96	96

2010 Commission Summary

44 Hitchcock

Commercial Real Property - Current

Number of Sales	24	Median	95
Total Sales Price	\$867,800	Mean	117
Total Adj. Sales Price	\$867,800	Wgt. Mean	83
Total Assessed Value	\$716,295	Average Assessed Value of the Base	\$159,794
Avg. Adj. Sales Price	\$36,158	Avg. Assessed Value	\$29,846

Confidence Interval - Current

95% Median C.I	82.20 to 135.37
95% Mean C.I	84.20 to 150.25
95% Wgt. Mean C.I	72.11 to 92.97

% of Value of the Class of all Real Property Value in the County	9.63
% of Records Sold in the Study Period	11.27
% of Value Sold in the Study Period	2.10

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2009	23	97	97
2008	19	100	100
2007	18	100	100
2006	16	97	97

2010 Opinions of the Property Tax Administrator for Hitchcock County

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 Hitchcock County is 98% of market value. The quality of assessment for the class of residential real property in Hitchcock County indicates the assessment practices do not 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 Hitchcock County is 100% of market value. The quality of assessment for the class of commercial real property in Hitchcock 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 Hitchcock County is 74% of market value. The quality of assessment for the class of agricultural land in Hitchcock County indicates the assessment practices meet generally accepted mass appraisal practices.

It is my opinion that the level of value of the class of agricultural land receiving special valuation in Hitchcock County is 74%. The quality of assessment for the class of agricultural land receiving special valuation in Hitchcock 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".

Ruth A. Sorensen
Property Tax Administrator

2010 Assessment Actions for Hitchcock County

taken to address the following property classes/subclasses:

Residential

Complete reviews of rural residentials were completed for the 2010 assessment year with the exception of two precincts (Riverside and Culbertson).

The review resulted in valuation changes due to new property record card data. New photographs were attached to the electronic record cards with sketches and comments. Every attempt was made to review the inside of the homes. Annual pickup work was completed by March 19th for all parcels.

The properties within the valuation grouping of Culbertson were reviewed and the zoning tables within Marshall & Swift were adjusted to equalize the grouping.

Palisade parcels were adjusted also due to the market.

Rural residentials were increased to meet the market demands. Mobile homes within valuation groupings 06 and 07 were reviewed and changed based on the current market data and conditions.

2010 Assessment Survey for Hitchcock County

Residential Appraisal Information

1.	Valuation data collection done by:	
	Appraisal staff and assessment staff as needed	
2.	List the valuation groupings used by the County:	
	01	Trenton
	02	Culbertson
	03	Stratton
	04	Palisade
	05	Rural residential and Swanson Country Estates
	06	Lakers North Shore
	07	Swanson Lake cabins
a.	Describe the specific characteristics of the valuation groupings that make them unique.	
	01	Trenton is located near the center of Hitchcock County where it serves as the County seat and the main public school system is located here.
	02	Culbertson is a neighborhood community 11 miles west of McCook where several residents commute for employment. Another strong employment base Culbertson serves is Kugler Oil Co. and GoLight and the Co-op.
	03	Stratton is located between Trenton and Benkelman (Dundy Co.) where the residential base is limited and no large employment base for residents.
	04	Palisade is a small Village that is shared with Hayes County on the north side of the town. The school has been merged with Wauneta and has very limited services to the property owners. In the last few years Palisade has seen an increase number of Colorado buyers of residential properties.
	05	Rural residential acreages and Swanson Country Estates are both similar with 2.5 acre tracts and larger in the rural areas. Despite the high fuel prices and economy conditions on the west coast, the rural residential market has remained strong and is increasing each year.
	06	Lakers North Shore is a subdivision off of Hwy 34 on the north side of the lake. These include mobile homes and the lots but do not have lake access from the properties.
	07	Swanson Lake Cabins are properties on the south side of the Lake on lands owned by the Bureau of Reclamation; these properties have lake access but no lake frontage.
3.	What approach(es) to value is/are used for this class to estimate the market value of properties? List or describe.	
	Cost approach is used and depreciation tables are developed using sales information.	
4	When was the last lot value study completed?	
	With the limited amount of vacant lot sales the lot value study is monitored each year.	
a.	What methodology was used to determine the residential lot values?	
	Market data and extraction.	

5.	Is the same costing year for the cost approach being used for the entire valuation grouping? If not, identify and explain the differences?
	Yes June/2002
6.	Does the County develop the depreciation study(ies) based on local market information or does the County use the tables provided by their CAMA vendor?
	County Developed from the market.
a.	How often does the County update depreciation tables?
	Annually, depending on the market and trend.
7.	Pickup work:
a.	Is pickup work done annually and is it completed by March 19th?
	Yes
b.	By Whom?
	Appraiser and staff
c.	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?
	Yes
8.	What is the County's progress with the 6 year inspection and review requirement? (Statute 77-1311.03)
	All rural residentials are completed except two precincts; Riverside and Culbertson.
a.	Does the County maintain a tracking process? If yes describe.
	The appraiser and staff update and utilize a countywide map and spreadsheet for the entire county. TerraScan is also updated with the comments, inspection date and by whom as the parcels are reviewed.
b.	How are the results of the portion of the properties inspected and reviewed applied to the balance of the county?
	Each valuation grouping is analyzed individually and no percentage adjustments are given.

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

NUMBER of Sales:	92	MEDIAN:	98	COV:	35.69	95% Median C.I.:	94.85 to 104.13	(! : Derived)
TOTAL Sales Price:	2,960,125	WGT. MEAN:	99	STD:	38.87	95% Wgt. Mean C.I.:	94.45 to 103.85	
TOTAL Adj.Sales Price:	2,960,125	MEAN:	109	AVG.ABS.DEV:	25.70	95% Mean C.I.:	100.97 to 116.85	
TOTAL Assessed Value:	2,934,965							
AVG. Adj. Sales Price:	32,175	COD:	26.31	MAX Sales Ratio:	252.50			
AVG. Assessed Value:	31,901	PRD:	109.84	MIN Sales Ratio:	55.00			

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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	96.06	92.84	94.12	15.91	98.64	55.76	139.20	81.92 to 103.76	35,494	33,406
10/01/07 TO 12/31/07	6	101.09	108.07	98.70	15.48	109.50	82.92	145.27	82.92 to 145.27	33,633	33,195
01/01/08 TO 03/31/08	10	104.97	109.26	104.85	16.37	104.21	76.93	166.50	87.56 to 131.15	27,100	28,415
04/01/08 TO 06/30/08	13	98.27	102.57	97.07	19.23	105.67	55.17	153.00	89.27 to 114.98	39,298	38,145
07/01/08 TO 09/30/08	8	105.69	113.00	110.43	29.04	102.33	59.60	180.35	59.60 to 180.35	18,818	20,780
10/01/08 TO 12/31/08	16	100.96	125.90	107.55	40.13	117.07	55.00	252.50	90.21 to 175.38	26,343	28,332
01/01/09 TO 03/31/09	13	93.92	114.24	96.66	34.35	118.20	64.83	248.16	82.80 to 155.80	28,100	27,160
04/01/09 TO 06/30/09	9	99.59	107.02	95.29	26.33	112.31	71.43	170.11	75.96 to 169.74	48,411	46,131
<u>Study Years</u>											
07/01/07 TO 06/30/08	46	97.83	101.15	97.48	17.61	103.76	55.17	166.50	91.92 to 105.54	34,501	33,633
07/01/08 TO 06/30/09	46	97.16	116.67	101.08	35.17	115.43	55.00	252.50	92.30 to 106.88	29,848	30,170
<u>Calendar Yrs</u>											
01/01/08 TO 12/31/08	47	104.49	113.71	103.37	26.83	110.00	55.00	252.50	95.33 to 110.37	28,806	29,778
<u>ALL</u>											
	92	97.68	108.91	99.15	26.31	109.84	55.00	252.50	94.85 to 104.13	32,175	31,901

VALUATION GROUP	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
01	24	98.49	107.92	99.59	25.45	108.37	55.00	205.25	90.81 to 114.17	25,166	25,062
02	19	97.96	116.51	104.58	28.45	111.40	59.60	248.16	91.56 to 123.72	38,561	40,328
03	18	98.22	110.50	92.70	30.42	119.20	64.83	252.50	81.92 to 131.15	25,788	23,907
04	11	95.96	108.80	102.52	24.50	106.12	55.17	180.35	88.22 to 170.50	34,295	35,160
05	10	98.05	94.26	95.69	12.19	98.51	60.13	114.60	75.96 to 106.88	64,820	62,027
06	10	98.19	108.75	97.04	32.11	112.07	65.00	175.38	71.43 to 168.55	13,380	12,984
<u>ALL</u>											
	92	97.68	108.91	99.15	26.31	109.84	55.00	252.50	94.85 to 104.13	32,175	31,901

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	85	97.96	109.00	99.23	25.07	109.85	55.17	248.16	94.35 to 105.54	34,474	34,209
2	7	96.06	107.75	91.02	40.92	118.38	55.00	252.50	55.00 to 252.50	4,257	3,875
<u>ALL</u>											
	92	97.68	108.91	99.15	26.31	109.84	55.00	252.50	94.85 to 104.13	32,175	31,901

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

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TOTAL Assessed Value:	2,934,965							
AVG. Adj. Sales Price:	32,175	COD:	26.31	MAX Sales Ratio:	252.50			
AVG. Assessed Value:	31,901	PRD:	109.84	MIN Sales Ratio:	55.00			

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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	77	97.39	109.64	99.27	25.87	110.44	55.00	252.50	94.35 to 105.54	35,319	35,062
06	9	100.00	112.29	98.29	32.47	114.25	65.00	175.38	71.43 to 168.55	14,000	13,760
07	6	96.19	94.46	97.21	22.37	97.16	55.76	138.88	55.76 to 138.88	19,083	18,551
<u>ALL</u>	<u>92</u>	<u>97.68</u>	<u>108.91</u>	<u>99.15</u>	<u>26.31</u>	<u>109.84</u>	<u>55.00</u>	<u>252.50</u>	<u>94.85 to 104.13</u>	<u>32,175</u>	<u>31,901</u>

SALE PRICE *

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val	
<u>Low \$</u>	<u>1 TO 4999</u>	<u>8</u>	<u>107.09</u>	<u>135.01</u>	<u>134.30</u>	<u>53.18</u>	<u>100.53</u>	<u>55.00</u>	<u>252.50</u>	<u>55.00 to 252.50</u>	<u>2,600</u>	<u>3,491</u>
	<u>5000 TO 9999</u>	<u>9</u>	<u>96.06</u>	<u>118.51</u>	<u>122.42</u>	<u>45.21</u>	<u>96.80</u>	<u>59.60</u>	<u>205.25</u>	<u>76.40 to 169.74</u>	<u>7,588</u>	<u>9,290</u>
<u>Total \$</u>	<u>1 TO 9999</u>	<u>17</u>	<u>100.00</u>	<u>126.28</u>	<u>125.20</u>	<u>50.02</u>	<u>100.86</u>	<u>55.00</u>	<u>252.50</u>	<u>76.40 to 169.74</u>	<u>5,241</u>	<u>6,561</u>
	<u>10000 TO 29999</u>	<u>37</u>	<u>104.49</u>	<u>113.79</u>	<u>109.68</u>	<u>27.16</u>	<u>103.74</u>	<u>55.17</u>	<u>199.62</u>	<u>95.78 to 114.71</u>	<u>17,802</u>	<u>19,526</u>
	<u>30000 TO 59999</u>	<u>21</u>	<u>95.93</u>	<u>99.29</u>	<u>99.12</u>	<u>12.67</u>	<u>100.17</u>	<u>65.00</u>	<u>148.89</u>	<u>92.30 to 106.88</u>	<u>41,577</u>	<u>41,213</u>
	<u>60000 TO 99999</u>	<u>14</u>	<u>93.38</u>	<u>92.73</u>	<u>92.55</u>	<u>8.41</u>	<u>100.20</u>	<u>71.99</u>	<u>114.60</u>	<u>82.92 to 97.96</u>	<u>69,357</u>	<u>64,187</u>
	<u>100000 TO 149999</u>	<u>3</u>	<u>99.62</u>	<u>93.13</u>	<u>91.48</u>	<u>9.32</u>	<u>101.80</u>	<u>75.96</u>	<u>103.80</u>	<u>N/A</u>	<u>122,733</u>	<u>112,275</u>
<u>ALL</u>	<u>92</u>	<u>97.68</u>	<u>108.91</u>	<u>99.15</u>	<u>26.31</u>	<u>109.84</u>	<u>55.00</u>	<u>252.50</u>	<u>94.85 to 104.13</u>	<u>32,175</u>	<u>31,901</u>	

**2010 Correlation Section
for Hitchcock County**

Residential Real Property

I. Correlation

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

RESIDENTIAL:After reviewing all the available information for the residential property class in Hitchcock County, it is determined that the level of value is 98 as supported through the median measure and through the median measure for five out of the six valuation groupings in the county. Although after analyzing the data which creates the calculations for the qualitative measures as explained in Table IV, the county needs to improve the quality of assessments to ensure uniformity and proportionality in the residential tax owner base. No extreme outliers were apparent that could be skewing the statistical calculations.

The reported 2010 residential assessment actions taken are not the same goals accomplished as the Plan of Assessment for 2010. Hitchcock County uses a Marshall and Swift costing table of June/2002 which may be factor of the calculated qualitative statistics. The Plan of Assessment outlines for 2010 that the costing tables would be updated to June/2008, although this was not achieved. The plan for the six year inspection and review process appears to be on track with only two precincts remaining in the country. Culbertson and Riverside precincts contain 141 residential improved parcels that are still to be finished. The County continues to work towards all areas of the office updated including the GIS web-site and annual statutory reports. New growth of residential construction was assessed totaling 419,640 along with maintenance work.

**2010 Correlation Section
for Hitchcock County**

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: Approximately 41% of the total residential sales are verified and deemed non-qualified in the Hitchcock County Assessment office. That leaves 59% for the use of measurement purposes. Hitchcock County conducts a questionnaire process which includes mailing a set of residential based questions to the buyer and the seller for any sale that has a reasonable consideration for the purchase price. Of the 65 sales that the county deemed non-qualified a review was completed. 17 of these were mobile homes found near Lake Swanson on leased lands and not available for measurement purposes but internal use. Hypothetically if these could be used, the percent used would increase to 69, which is a good representation of the total sample. Five of the non-qualified sales were incorrectly coded #4, but the comments were substantially changed and should be a #3. Two were family transactions, one was a property use change, four stated not typically of the market, and 36 did not give a reason. These should be corrected in the sales file to indicate the reason for improvement in the sale review process of residential property in Hitchcock County.

**2010 Correlation Section
for Hitchcock County**

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.

	Median	Wgt. Mean	Mean
R&O Statistics	98	99	109

**2010 Correlation Section
for Hitchcock County**

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 Hitchcock County**

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 Hitchcock County, which are considered as one part of the analysis of the County's assessment practices.

	COD	PRD
R&O Statistics	26.31	109.84

RESIDENTIAL: The qualified sample of 92 residential sales in Hitchcock County begins with a COD of 26.31 and PRD of 109.84. Both are indicating unacceptable qualitative measures. A more extension review was completed to determine if the sample is representative of the base countywide. The first analysis done was to look at the affect the low dollar sales was having on the calculations. 17 low dollars sales with selling prices all under \$10,000 were extracted for a new sample. Although that improved both measures, the COD was 20.69 and the PRD was 106.74 and within the six valuation groupings only rural residential showed an acceptable COD and PRD. The COD ranges were from 17.45 to 35.78 and the PRD ranged from 105.18 to 115.28. The low dollar sales did not seem to be the sole contributing factor. The next analysis was reviewed to determine the index of assessment inequality. IAAO describes 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. The sample was arrayed by low to high ratio calculations to review the disparity. Of the total 92 sales, 22 fell within the acceptable parameters of 92-100% sales ratio. That is 24% of the sample. 29 sales were below 92% and 41 sales above 100%. That calculates to 32% below and 45% above the acceptable parameters, both higher percentages than the 24% within the range.

The Standard of Ratio Studies recommends the PRD should range between 98 and 103. The PRD above 103 for the sample and above 103 for all of the valuation groupings except 05- rural and Swanson Country Estates are reflecting higher valued properties are under assessed or the assessments are regressive. A analysis was done to compare the dollar value of the records in the sales file compared to the dollar value of records in the population. There was only a difference of approximately \$5,000 or less than 14%. After a review of all the information available there are indications that uniform assessments need improvement within the County.

2010 Assessment Actions for Hitchcock County

taken to address the following property classes/subclasses:

Commercial

Routine maintenance and annual pickup work was completed for 2010 with no other major valuation changes.

2010 Assessment Survey for Hitchcock County

Commercial / Industrial Appraisal Information

1.	Valuation data collection done by:	
	Appraisal staff and assessment staff as needed	
2.	List the valuation groupings used by the County:	
	01	Trenton
	02	Culbertson
	03	Stratton
	04	Palisade
	05	Rural
a.	Describe the specific characteristics of the valuation groupings that make them unique.	
	01	Trenton is located near the center of Hitchcock County where it serves as the County seat. The large Industrial Ethanol Plant contributes a lot of business to Trenton with the grain supplier and contractors. It is located on the east side of Trenton a mile from the Village limits.
	02	Culbertson is a neighborhood community to McCook where several residents commute for employment. Another strong employment base Culbertson serves is Kugler Oil Co. and GoLight and the Co-op.
	03	Stratton is located between Trenton and Benkelman (Dundy Co.) where the commercial base is limited and no large employment base.
	04	Palisade is a small Village that is shared with Hayes County on the north side of the town. The school has been merged with Wauneta and has very limited services to the property owners. The Village has one cooperative owned and shared restaurant with a small satellite grocery store and one grain elevator.
	05	Rural commercials are located outside of the urban groupings that have a large difference due to the locations and distance to the rural areas.
3.	What approach(es) to value is/are used for this class to estimate the market value of properties? List or describe.	
	The cost approach is primarily used and depreciation is developed based on sales data. The income approach is used when income/expense and rent information is available and applicable. There are generally not enough sales to develop the Market or Sales Comparison approach in Hitchcock County.	
4.	When was the last lot value study completed?	
	With the limited amount of vacant lot sales the lot value study is monitored each year.	
a.	What methodology was used to determine the commercial lot values?	
	Market data and extraction.	
5.	Is the same costing year for the cost approach being used for entire valuation grouping? If not, identify and explain the differences?	
	Yes, June/2002	
6.	Does the County develop the depreciation study(ies) based on local market	

	information or does the County use the tables provided by their CAMA vendor?
	The County develops the depreciation tables to the best of their ability based on the limited data available.
a.	How often does the County update the depreciation tables?
	As the market requires.
7.	Pickup work:
a.	Is pickup work done annually and is it completed by March 19th?
	Yes
b.	By Whom?
	The appraiser and assessment staff.
c.	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?
	Yes
8.	What is the Counties progress with the 6 year inspection and review requirement? (Statute 77-1311.03)
	The County has reviewed the occupancy codes of Grain Elevators in 2009 with the goal of completing the other commercial properties in 2011.
a.	Does the County maintain a tracking process? If yes describe.
	Yes, with a spreadsheet and TerraScan system for comments and date reviewed and by whom the inspection was done.
b.	How are the results of the portion of the properties inspected and reviewed applied to the balance of the county?
	The changes are made within the same occupancy code for the same assessment year and no adjustments are made to other occupancy codes.

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

NUMBER of Sales:	24	MEDIAN:	95	COV:	66.70	95% Median C.I.:	82.20 to 135.37
TOTAL Sales Price:	867,800	WGT. MEAN:	83	STD:	78.19	95% Wgt. Mean C.I.:	72.11 to 92.97
TOTAL Adj.Sales Price:	867,800	MEAN:	117	AVG.ABS.DEV:	46.98	95% Mean C.I.:	84.20 to 150.25
TOTAL Assessed Value:	716,295						
AVG. Adj. Sales Price:	36,158	COD:	49.31	MAX Sales Ratio:	367.33		
AVG. Assessed Value:	29,845	PRD:	142.02	MIN Sales Ratio:	26.43		

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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	2	100.89	100.89	37.29	69.67	270.52	30.60	171.17	N/A	31,500	11,747
10/01/06 TO 12/31/06	1	45.84	45.84	45.84			45.84	45.84	N/A	40,000	18,335
01/01/07 TO 03/31/07	1	97.43	97.43	97.43			97.43	97.43	N/A	3,500	3,410
04/01/07 TO 06/30/07	1	136.40	136.40	136.40			136.40	136.40	N/A	2,500	3,410
07/01/07 TO 09/30/07	2	85.54	85.54	70.12	26.09	121.99	63.22	107.86	N/A	35,600	24,962
10/01/07 TO 12/31/07	5	135.37	196.24	106.29	72.46	184.62	85.18	367.33	N/A	15,420	16,390
01/01/08 TO 03/31/08	1	72.45	72.45	72.45			72.45	72.45	N/A	70,000	50,715
04/01/08 TO 06/30/08	3	88.98	118.85	86.34	43.75	137.65	75.39	192.17	N/A	21,000	18,131
07/01/08 TO 09/30/08	5	104.15	108.41	100.62	16.34	107.75	82.20	153.30	N/A	19,800	19,922
10/01/08 TO 12/31/08	1	26.43	26.43	26.43			26.43	26.43	N/A	3,500	925
01/01/09 TO 03/31/09	2	91.15	91.15	88.03	5.69	103.53	85.96	96.33	N/A	187,500	165,062
04/01/09 TO 06/30/09											
<u>Study Years</u>											
07/01/06 TO 06/30/07	5	97.43	96.29	44.63	47.45	215.73	30.60	171.17	N/A	21,800	9,730
07/01/07 TO 06/30/08	11	92.50	143.75	84.25	70.60	170.63	63.22	367.33	72.45 to 300.80	25,572	21,544
07/01/08 TO 06/30/09	8	95.28	93.85	90.19	22.72	104.06	26.43	153.30	26.43 to 153.30	59,687	53,832
<u>Calendar Yrs</u>											
01/01/07 TO 12/31/07	9	107.86	154.01	89.89	61.97	171.34	63.22	367.33	85.18 to 300.80	17,144	15,410
01/01/08 TO 12/31/08	10	91.60	99.75	87.32	33.47	114.23	26.43	192.17	72.45 to 153.30	23,550	20,564
ALL	24	95.28	117.23	82.54	49.31	142.02	26.43	367.33	82.20 to 135.37	36,158	29,845

VALUATION GROUP	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
01	7	104.15	149.91	71.62	83.23	209.31	30.60	367.33	30.60 to 367.33	28,814	20,636
02	5	92.50	107.30	85.06	27.84	126.15	72.45	192.17	N/A	39,400	33,515
03	5	96.33	98.61	82.46	52.36	119.59	26.43	171.17	N/A	25,300	20,862
04	6	102.82	108.10	98.78	18.05	109.43	82.20	136.40	82.20 to 136.40	7,100	7,013
05	1	85.96	85.96	85.96			85.96	85.96	N/A	300,000	257,875
ALL	24	95.28	117.23	82.54	49.31	142.02	26.43	367.33	82.20 to 135.37	36,158	29,845

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	20	93.36	112.62	81.92	43.26	137.48	30.60	367.33	82.20 to 108.20	42,790	35,051
2	4	116.92	140.27	127.21	67.00	110.26	26.43	300.80	N/A	3,000	3,816
ALL	24	95.28	117.23	82.54	49.31	142.02	26.43	367.33	82.20 to 135.37	36,158	29,845

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

NUMBER of Sales:	24	MEDIAN:	95	COV:	66.70	95% Median C.I.:	82.20 to 135.37
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TOTAL Adj.Sales Price:	867,800	MEAN:	117	AVG.ABS.DEV:	46.98	95% Mean C.I.:	84.20 to 150.25
TOTAL Assessed Value:	716,295						
AVG. Adj. Sales Price:	36,158	COD:	49.31	MAX Sales Ratio:	367.33		
AVG. Assessed Value:	29,845	PRD:	142.02	MIN Sales Ratio:	26.43		

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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
02											
03	24	95.28	117.23	82.54	49.31	142.02	26.43	367.33	82.20 to 135.37	36,158	29,845
04											
ALL	24	95.28	117.23	82.54	49.31	142.02	26.43	367.33	82.20 to 135.37	36,158	29,845

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	9	136.40	167.70	162.28	56.21	103.34	26.43	367.33	82.20 to 300.80	3,066	4,976
5000 TO 9999	3	108.20	118.00	118.00	18.73	100.00	92.50	153.30	N/A	5,000	5,900
Total \$											
1 TO 9999	12	135.89	155.28	146.69	47.78	105.85	26.43	367.33	92.50 to 192.17	3,550	5,207
10000 TO 29999	2	98.42	98.42	94.75	9.59	103.87	88.98	107.86	N/A	18,000	17,055
30000 TO 59999	4	84.81	79.90	80.00	22.74	99.88	45.84	104.15	N/A	40,375	32,300
60000 TO 99999	5	72.45	69.56	70.99	24.21	97.99	30.60	96.33	N/A	65,540	46,524
250000 TO 499999	1	85.96	85.96	85.96			85.96	85.96	N/A	300,000	257,875
ALL	24	95.28	117.23	82.54	49.31	142.02	26.43	367.33	82.20 to 135.37	36,158	29,845

OCCUPANCY CODE

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
(blank)	10	96.88	122.54	89.39	50.87	137.08	26.43	300.80	75.39 to 171.17	43,250	38,663
340	1	104.15	104.15	104.15			104.15	104.15	N/A	30,000	31,245
343	1	72.45	72.45	72.45			72.45	72.45	N/A	70,000	50,715
344	3	85.18	70.00	69.74	24.90	100.38	30.60	94.22	N/A	59,666	41,610
384	1	192.17	192.17	192.17			192.17	192.17	N/A	3,000	5,765
406	5	107.86	152.97	112.58	54.52	135.88	88.98	367.33	N/A	9,800	11,033
442	3	63.22	81.48	59.39	47.21	137.19	45.84	135.37	N/A	34,766	20,648
ALL	24	95.28	117.23	82.54	49.31	142.02	26.43	367.33	82.20 to 135.37	36,158	29,845

**2010 Correlation Section
for Hitchcock County**

Commerical Real Property

I. Correlation

The level of value for the commercial real property in Hitchcock County, as determined by the PTA is 100%. The mathematically calculated median is 95%.

COMMERCIAL:A review of the 24 qualified commercial sales was completed for Hitchcock County and determined the sample is not representative of the population and the statistical calculations are not reliable for this class of property. The assessment office has used 80% of the total commercial sales and no bias judgments exists. A review of the procedures for verification of qualification shows that both the buyer and seller are sent informational questions. No excess trimming has occurred.

**2010 Correlation Section
for Hitchcock County**

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:Hitchcock County staff has used a large percent of the total commercial sales, 24 out of the total 30 available. Only six were deemed non-qualified. When reviewing the non-qualified sales one was not arm's length due to a foreclosure situation, three should have been coded #3 because they were substantially changed since the time of sale and two did not indicate a reason. These should be corrected for improved review procedures. Questionnaires are sent to the buyers and sellers for any information that would improve the quality of the sale file. It is determined the county has used all available sales for the commercial class of property.

**2010 Correlation Section
for Hitchcock County**

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.

	Median	Wgt. Mean	Mean
R&O Statistics	95	83	117

**2010 Correlation Section
for Hitchcock County**

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 Hitchcock County**

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 Hitchcock County, which are considered as one part of the analysis of the County's assessment practices.

	COD	PRD
R&O Statistics	49.31	142.02

COMMERCIAL: The commercial sample of 24 qualified sales reflects an unreliable set of qualitative statistics. No outliers appear to make the sample unrepresentative of the population. Hitchcock County contains 206 total commercial parcels and 24 sold parcels represents 12% of the population. Although when you look at the location of the sample and the variety of occupancy codes, they are distributed throughout five valuation groupings due to the location in the County. Seven sales or less in each valuation grouping does not represent the commercial base within each area. These sold properties calculate unreliable qualitative statistics due to the unrepresentativeness. Based on the unreliable measures and the small distribution throughout Hitchcock County, there are no indications that the County has not achieved uniformity assessments.

**Agricultural or Special
Valuation Reports**

2010 Assessment Actions for Hitchcock County

taken to address the following property classes/subclasses:

Agricultural

The Hitchcock County Assessment staff studied the current market within the agricultural class of property along with the surrounding values by similar soil and geographical characteristics. The number of qualified sales and strong market has affected the need to increase the values to meet the equalization and acceptable ranges for the level of value in Hitchcock County. The 2010 values for grass subclasses increased \$25 per LCG whereas irrigated subclasses increased \$125 per LCG. Dry categories increased \$35. The supply and demand for water is the largest factor of the market for irrigation in the Republican River Basin. The County recognizes Special Valuation by the market area defined along the River corridor one mile on the north and south sides. The uninfluenced agricultural land values for Hitchcock County are for 2010:

<u>Irrigated:</u>	2009	2010
1A1	1150	1275
1A	1150	1275
2A1	1000	1125
2A	900	1025
3A1	800	925
3A	700	825
4A1	600	725
4A	600	725
<u>Dry land:</u>		
1D1	485	520
1D	485	520
2D1	405	440
2D	355	390
3D1	325	360
3D	275	310
4D1	275	310
4D	230	265
<u>Grass:</u>		
All Grass subclasses	220	245

2010 Assessment Survey for Hitchcock County

Agricultural Appraisal Information

1.	Valuation data collection done by:
	The Appraisal and Assessment Staff
2.	Does the County maintain more than one market area / valuation grouping in the agricultural property class?
	Yes, due to Special Valuation
a.	What is the process used to determine and monitor market areas / valuation groupings? (Neb. Rev. Stat. § 77-1363) List or describe. 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 recreational influence is monitored for the determination of the primary use of the parcel.
b.	Describe the specific characteristics of the market area / valuation groupings that make them unique?
	The special valuation area is located along the one mile corridor on each side of the river.
3.	Agricultural Land
a.	How is agricultural land defined in this county?
	By primary use and by statute definitions.
b.	When is it agricultural land, when is it residential, when is it recreational?
	The determination of the primary use of the parcel.
c.	Are these definitions in writing?
	Yes
d.	What are the recognized differences?
	Crop production and livestock use; residential living only and physical recognized characteristics.
e.	How are rural home sites valued?
	In the same manner as rural residential homes.
f.	Are rural home sites valued the same as rural residential home sites?
	Yes
g.	Are all rural home sites valued the same or are market differences recognized?
	They are all the same.
h.	What are the recognized differences?
	N/A
4.	What is the status of the soil conversion from the alpha to numeric notation?
	Completed
a.	Are land capability groupings (LCG) used to determine assessed value?
	Yes
b.	What other land characteristics or analysis are/is used to determine assessed values?
	Current land use, market data, water availability, surrounding county market data.

5.	Is land use updated annually?
	Yes
a.	By what method? (Physical inspection, FSA maps, etc.)
	Agri data and physically inspection
6.	Is there agricultural land in the County that has a non-agricultural influence?
	Yes
a.	How is the County developing the value for non-agricultural influences?
	By recreational/market data
b.	Has the County received applications for special valuation?
	Yes
c.	Describe special value methodology
	Hitchcock County has one defined special value area along the corridor of the Republican River; one mile on each side. See Revised Special Valuation Methodology.
7	Pickup work:
a.	Is pickup work done annually and is it completed by March 19th?
	Yes
b.	By Whom?
	The appraisal and assessment staff
c.	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?
	Yes
d.	Is the pickup work schedule the same for the land as for the improvements?
	The land has been continually updated with the use of the AgriData information and soil conversion from the alpha to numeric system.
8.	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)
	The county is in the process of completing the entire county review process.
a.	Does the County maintain a tracking process?
	Yes, by a spreadsheet and map along with the TerraScan comments, dates and reviewed by.
b.	How are the results of the portion of the properties inspected and reviewed applied to the balance of the county?
	No percentage adjustments are applied to the county rural parcels.



Hitchcock 44

2010 Analysis of Agricultural Land

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
07/01/06 - 06/30/07	27	27
07/01/07 - 06/30/08	29	29
07/01/08 - 06/30/09	13	13
Totals	69	69

Added Sales:

Study Year	Total	Mkt 1
7/1/06 - 6/30/07	0	0
7/1/07 - 6/30/08	0	0
7/1/08 - 6/30/09	11	11
	11	11

Final Results:

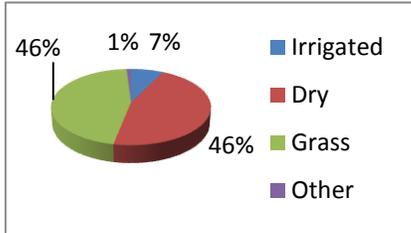
Study Year	County	Area 1
07/01/06 - 06/30/07	27	27
07/01/07 - 06/30/08	29	29
07/01/08 - 06/30/09	24	24
Totals	80	80

Representativeness by Majority Land Use

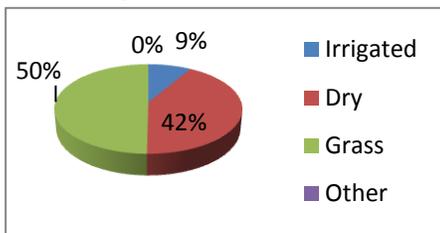
The following tables and charts compare the makeup of land use in the population to the make up of land use in both the sales file and the representative sample.

Entire County			
	county	sales file	Sample
Irrigated	7%	9%	9%
Dry	46%	42%	43%
Grass	46%	50%	48%
Other	1%	0%	0%

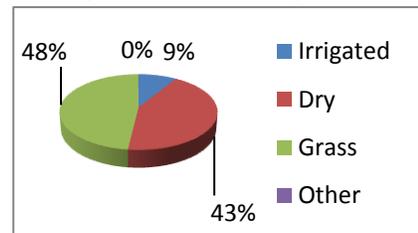
County



Original Sales File

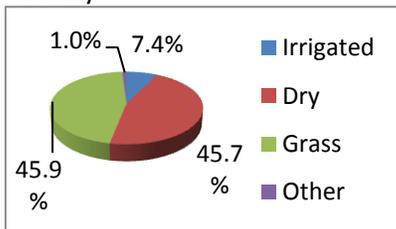


Representative Sample

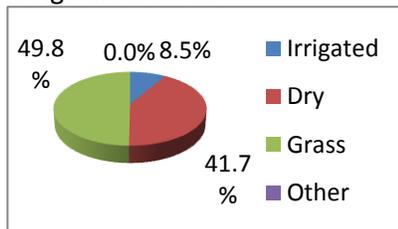


Mkt Area 1			
	county	sales file	sample
Irrigated	7%	9%	9%
Dry	46%	42%	43%
Grass	46%	50%	48%
Other	1%	0%	0%

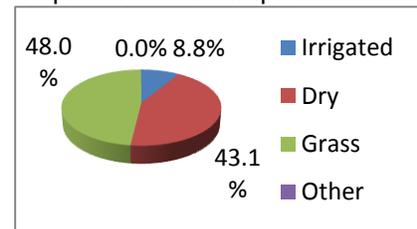
County



Original Sales File



Representative Sample



Adequacy of Sample

	County Total	Mrkt Area 1
Number of Sales - Original Sales File	69	69
Number of Sales - Expanded Sample	80	80
Total Number of Acres Added	2877	2877

Ratio Study

Final Statistics

County
sales 80

Median	74%	AAD	13.55%
Mean	72%	COD	18.36%
W. Mean	70%	PRD	103.23%

Market Area 1
sales 80

Median	74%	AAD	13.55%
Mean	72%	COD	18.36%
W. Mean	70%	PRD	103.23%

Preliminary Statistics

Median	68%	AAD	12.49%
Mean	66%	COD	18.40%
W. Mean	64%	PRD	103.40%

Median	68%	AAD	12.49%
Mean	66%	COD	18.40%
W. Mean	64%	PRD	103.40%

Majority Land Use

95% MLU	Irrigated		Dry		Grass	
	# Sales	Median	#	Median	# Sales	Median
County	1	73.25%	21	73.77%	10	72.82%
Mkt Area 1	1	73.25%	21	73.77%	10	72.82%

80% MLU	Irrigated		Dry		Grass	
	# Sales	Median	#	Median	# Sales	Median
County	4	71.20%	26	73.79%	13	73.50%
Mkt Area 1	4	71.20%	26	73.79%	13	73.50%

REVISED

2010

Methodology for Special Valuation

Hitchcock County

The State Assessment office for Hitchcock County submits this report pursuant to Title 350, Neb. R. & Regs., Reg-11-005.004. The following methodologies are used to value agricultural land that is influenced by market factors other than purely agricultural or horticultural purposes. The following non-agricultural influences have been identified: Residential, Commercial, and Recreational. The office maintains a file of all data used for determining the special and actual valuation. This file shall be available for inspection at the State Assessment office for Hitchcock County by any interested person.

A. Identification of the influenced area:

The land in market area 90 has been identified as those areas least likely to be influenced by non-agricultural uses.

The land in market area 100 has been identified as waste areas that are located along the river. These parcels do have river frontage and are located in areas that are used primarily for recreational purposes.

B. Describe the highest and best use of the properties in the influenced area and how this was determined:

Market area 100 is an area along the river corridors. For several years the area along the Republican River has sold for uses other than agriculture usage. The influence on these sales has been for recreational use (e.g., hunting, fishing and quiet enjoyment); these sales have been to private individuals, as well as to some commercial hunting enterprises. Based on sales in the area, it has been determined the highest and best use of the properties located in market area 100 to be primarily recreational in nature.

C. Describe the valuation models used in arriving at the value estimates, and explain why and how they were selected:

Analysis of sales in the special valuation areas creates a market value for properties that are influenced by other use purposes. In the case of recreational sales, these sales will be located as near the subject property as possible. After analysis of sales along the river in the county, the recreational value was set at a price reflective of the use as other than agricultural usage.

D. Describe which market areas were analyzed, both in the County and in any county deemed comparable:

To date, special valuation has values determined by the agricultural tables developed for the related market areas. These relationships were determined geographically and are considered to be the best indicators.

E. Describe any adjustments made to sales to reflect current cash equivalency of typical market conditions. Include how this affects the actual and special value:

N/A

F. Describe any estimates of economic rent or net operating income used in an income capitalization approach. Include estimates of yields, commodity prices, typical crop share:

We have not studied rents for these properties because typically actual income information is not readily available to this office.

G. Describe the typical expenses allowed in an income capitalization approach. Include how this affects the actual and special value:

We have not studied the income approach for these properties because typically actual income information is not readily available to this office.

H. Describe the overall capitalization rate used in an income capitalization approach. Include how this affects the actual and special value:

We have not studied the income approach for these properties because typically actual income information is not readily available to this office.

I. Describe any other information used in supporting the estimate of actual and special value. Include how this affects the actual and special value:

Zoning has not been a consideration in the recreational river corridor of market area 100; this land is zoned agricultural with several different levels that do not exclude recreational usage.

Each parcel in market area 100 must be looked at separately to determine the primary usage and commercial production, if any. However, the rural residential county zoning and the transitional agriculture county zoning, continues to list crop production as a primary use in these zones; therefore, special valuation for properties in these areas has been recommended and approved.

Pam Meisenbach
State Assessment Manager
for Hitchcock County

Jeff Wilhelm
State Appraiser
for Hitchcock County

**Agricultural or Special
Valuation Correlation**

2010 Correlation Section

For Hitchcock County

Agricultural Land

I. Correlation

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

AGRICULTURAL LAND:

A detailed and thorough analysis of the uninfluenced agricultural land in Hitchcock County was conducted using all available data. The distribution of the sales among the three year period was reviewed for proportionality and equalization. The oldest and middle study years were relatively close with the exception of the newest year. To achieve a uniform and proportionate analysis for measurement purposes, every comparable sale was used to achieve the highest reliability on the level of value for the property class. The expanded sample corrects the time skew and the makeup of the land use in the sample versus the population. Eleven additional comparable sales from all the neighboring counties were utilized for this representation.

Hitchcock County is located on the Kansas border between the southwest corner County of Dundy and Red Willow to the east. The content of Hitchcock County is approximately 46% dry, 46% grass and only 7% irrigation. The irrigation wells are mainly located only along the Republican River and the Frenchman River basins where water is available. An increased number of sales and market prices support the increased 2010 agricultural land values as set by the County. The expanded sample brings the sold base within 2-3% of the population base.

The Hitchcock County Assessment staff considered the market of the surrounding counties to equalize the subclasses in a uniform manner across the region. Irrigated subclasses were increased \$125; dry \$35 and grass \$25. The County has achieved equalization within the County as supported through the statistical measures.

SPECIAL VALUATION:

A review of the agricultural land values in Hitchcock County in areas that have other non-agricultural influences indicates that the values used are similar to other areas in the County where there are no non-agricultural influences. Therefore, it is the opinion of the Property Tax Administrator that the level of value for Special Valuation of agricultural land in Hitchcock County is 74%.

2010 Correlation Section

For Hitchcock County

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 Hitchcock County Assessment office uses a verification process for the sold agricultural properties within the County. An agricultural set of questions is sent to the buyer and the seller for any sale that has a considerable amount of purchase price listed. Currently the county has used approximately 47% of the total sales for the use of analyzing the market of agricultural land. A review of the non-qualified sales did not show any substantially changed properties.

2010 Correlation Section

For Hitchcock County

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.

	Median	Wgt.Mean	Mean
R&O Statistics	74	70	72

2010 Correlation Section

For Hitchcock County

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 Hitchcock County

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 Hitchcock County, which are considered as one part of the analysis of the County's assessment practices.

	COD	PRD
R&O Statistics	18.36	103.23

AGRICULTURAL LAND:

Both qualitative measures support that assessment uniformity and proportionality have been met for the uninfluenced agricultural property class. The coefficient of dispersion and price related differential are both supporting the fair assessment standards used in Hitchcock County.

Total Real Property Sum Lines 17, 25, & 30	Records : 4,192	Value : 353,353,660	Growth 2,140,830	Sum Lines 17, 25, & 41
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Schedule I : Non-Agricultural Records

	Urban		SubUrban		Rural		Total		Growth
	Records	Value	Records	Value	Records	Value	Records	Value	
01. Res UnImp Land	169	373,255	0	0	31	206,310	200	579,565	
02. Res Improve Land	968	2,339,210	0	0	214	1,843,370	1,182	4,182,580	
03. Res Improvements	974	30,601,360	0	0	229	16,829,190	1,203	47,430,550	
04. Res Total	1,143	33,313,825	0	0	260	18,878,870	1,403	52,192,695	419,640
% of Res Total	81.47	63.83	0.00	0.00	18.53	36.17	33.47	14.77	19.60
05. Com UnImp Land	29	62,240	0	0	3	19,530	32	81,770	
06. Com Improve Land	128	319,415	0	0	20	150,100	148	469,515	
07. Com Improvements	135	8,888,075	0	0	39	3,287,715	174	12,175,790	
08. Com Total	164	9,269,730	0	0	42	3,457,345	206	12,727,075	719,005
% of Com Total	79.61	72.83	0.00	0.00	20.39	27.17	4.91	3.60	33.59
09. Ind UnImp Land	0	0	0	0	0	0	0	0	
10. Ind Improve Land	3	39,415	0	0	3	133,620	6	173,035	
11. Ind Improvements	4	2,996,510	0	0	3	18,139,470	7	21,135,980	
12. Ind Total	4	3,035,925	0	0	3	18,273,090	7	21,309,015	497,250
% of Ind Total	57.14	14.25	0.00	0.00	42.86	85.75	0.17	6.03	23.23
13. Rec UnImp Land	0	0	0	0	10	39,600	10	39,600	
14. Rec Improve Land	1	6,000	0	0	46	197,835	47	203,835	
15. Rec Improvements	1	5,360	0	0	173	2,767,995	174	2,773,355	
16. Rec Total	1	11,360	0	0	183	3,005,430	184	3,016,790	25,275
% of Rec Total	0.54	0.38	0.00	0.00	99.46	99.62	4.39	0.85	1.18
Res & Rec Total	1,144	33,325,185	0	0	443	21,884,300	1,587	55,209,485	444,915
% of Res & Rec Total	72.09	60.36	0.00	0.00	27.91	39.64	37.86	15.62	20.78
Com & Ind Total	168	12,305,655	0	0	45	21,730,435	213	34,036,090	1,216,255
% of Com & Ind Total	78.87	36.15	0.00	0.00	21.13	63.85	5.08	9.63	56.81
17. Taxable Total	1,312	45,630,840	0	0	488	43,614,735	1,800	89,245,575	1,661,170
% of Taxable Total	72.89	51.13	0.00	0.00	27.11	48.87	42.94	25.26	77.59

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	0	0	0	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	0	0	0
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
22. Total Sch II				0	0	0

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	145	50,881,780	145	50,881,780	0
24. Non-Producing	0	0	0	0	23	9,950	23	9,950	0
25. Total	0	0	0	0	168	50,891,730	168	50,891,730	0

Schedule IV : Exempt Records : Non-Agricultural

	Urban Records	SubUrban Records	Rural Records	Total Records
26. Producing	131	0	150	281

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	0	0	0	0	1,758	135,726,330	1,758	135,726,330
28. Ag-Improved Land	0	0	0	0	439	56,199,985	439	56,199,985
29. Ag Improvements	0	0	0	0	466	21,290,040	466	21,290,040
30. Ag Total							2,224	213,216,355

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	0	0.00	0	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	7	9.00	19,700	7	9.00	19,700	
32. HomeSite Improv Land	303	829.00	1,817,400	303	829.00	1,817,400	
33. HomeSite Improvements	277	751.00	15,472,625	277	751.00	15,472,625	479,660
34. HomeSite Total				284	838.00	17,309,725	
35. FarmSite UnImp Land	20	19.24	9,620	20	19.24	9,620	
36. FarmSite Improv Land	143	209.46	166,230	143	209.46	166,230	
37. FarmSite Improvements	448	0.00	5,817,415	448	0.00	5,817,415	0
38. FarmSite Total				468	228.70	5,993,265	
39. Road & Ditches	0	5,634.71	0	0	5,634.71	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
41. Total Section VI				752	6,701.41	23,302,990	479,660

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	0	0.00	0	0	0.00	0

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	239	36,162.85	17,605,320	239	36,162.85	17,605,320
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 90

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	972.00	3.17%	1,239,300	3.37%	1,275.00
46. 1A	22,191.74	72.35%	28,294,470	76.93%	1,275.00
47. 2A1	3,167.00	10.33%	3,562,875	9.69%	1,125.00
48. 2A	1,216.00	3.96%	1,246,400	3.39%	1,025.00
49. 3A1	800.00	2.61%	740,000	2.01%	925.00
50. 3A	108.00	0.35%	89,100	0.24%	825.00
51. 4A1	1,114.00	3.63%	807,650	2.20%	725.00
52. 4A	1,102.00	3.59%	798,950	2.17%	725.00
53. Total	30,670.74	100.00%	36,778,745	100.00%	1,199.15
Dry					
54. 1D1	147.20	0.08%	76,545	0.09%	520.01
55. 1D	145,824.65	79.45%	76,089,290	85.54%	521.79
56. 2D1	2,199.00	1.20%	971,670	1.09%	441.87
57. 2D	1,926.00	1.05%	751,140	0.84%	390.00
58. 3D1	19,004.00	10.35%	6,842,005	7.69%	360.03
59. 3D	343.00	0.19%	106,330	0.12%	310.00
60. 4D1	8,097.49	4.41%	2,515,200	2.83%	310.61
61. 4D	6,000.00	3.27%	1,598,280	1.80%	266.38
62. Total	183,541.34	100.00%	88,950,460	100.00%	484.63
Grass					
63. 1G1	83.80	0.00%	27,740	0.06%	331.03
64. 1G	15,677.89	8.42%	3,842,110	8.41%	245.07
65. 2G1	2,218.00	1.19%	543,410	1.19%	245.00
66. 2G	2,254.00	1.21%	563,150	1.23%	249.84
67. 3G1	5,916.00	3.18%	1,449,420	3.17%	245.00
68. 3G	153.00	0.08%	37,485	0.08%	245.00
69. 4G1	9,580.33	5.14%	2,358,220	5.16%	246.15
70. 4G	150,424.30	80.74%	36,853,955	80.69%	245.00
71. Total	186,307.32	100.00%	45,675,490	100.00%	245.16
Irrigated Total					
Irrigated Total	30,670.74	7.64%	36,778,745	21.45%	1,199.15
Dry Total					
Dry Total	183,541.34	45.72%	88,950,460	51.88%	484.63
Grass Total					
Grass Total	186,307.32	46.41%	45,675,490	26.64%	245.16
Waste					
Waste	906.80	0.23%	45,040	0.03%	49.67
Other					
Other	0.00	0.00%	0	0.00%	0.00
Exempt					
Exempt	2,965.76	0.74%	0	0.00%	0.00
Market Area Total	401,426.20	100.00%	171,449,735	100.00%	427.10

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 100

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	1,051.00	11.08%	1,340,025	12.53%	1,275.00
46. 1A	4,311.12	45.47%	5,496,680	51.41%	1,275.00
47. 2A1	919.00	9.69%	1,033,875	9.67%	1,125.00
48. 2A	1,476.53	15.57%	1,513,445	14.15%	1,025.00
49. 3A1	99.00	1.04%	91,575	0.86%	925.00
50. 3A	391.00	4.12%	322,575	3.02%	825.00
51. 4A1	774.00	8.16%	561,150	5.25%	725.00
52. 4A	460.00	4.85%	333,500	3.12%	725.00
53. Total	9,481.65	100.00%	10,692,825	100.00%	1,127.74
Dry					
54. 1D1	216.37	4.10%	112,510	4.78%	519.99
55. 1D	2,827.37	53.62%	1,470,230	62.43%	520.00
56. 2D1	325.00	6.16%	143,000	6.07%	440.00
57. 2D	623.00	11.82%	242,970	10.32%	390.00
58. 3D1	218.00	4.13%	78,480	3.33%	360.00
59. 3D	112.00	2.12%	34,720	1.47%	310.00
60. 4D1	470.00	8.91%	145,700	6.19%	310.00
61. 4D	481.00	9.12%	127,465	5.41%	265.00
62. Total	5,272.74	100.00%	2,355,075	100.00%	446.65
Grass					
63. 1G1	201.18	0.00%	55,680	1.04%	276.77
64. 1G	1,000.40	4.66%	255,040	4.75%	254.94
65. 2G1	404.00	1.88%	98,980	1.84%	245.00
66. 2G	1,152.15	5.37%	288,010	5.36%	249.98
67. 3G1	159.00	0.74%	39,665	0.74%	249.47
68. 3G	647.60	3.02%	158,660	2.95%	245.00
69. 4G1	5,410.55	25.23%	1,329,485	24.76%	245.72
70. 4G	12,469.98	58.15%	3,144,250	58.55%	252.15
71. Total	21,444.86	100.00%	5,369,770	100.00%	250.40
Irrigated Total					
Irrigated Total	9,481.65	25.82%	10,692,825	57.91%	1,127.74
Dry Total					
Dry Total	5,272.74	14.36%	2,355,075	12.76%	446.65
Grass Total					
Grass Total	21,444.86	58.40%	5,369,770	29.08%	250.40
Waste					
Waste	523.17	1.42%	45,960	0.25%	87.85
Other					
Other	0.00	0.00%	0	0.00%	0.00
Exempt					
Exempt	5,876.12	16.00%	0	0.00%	0.00
Market Area Total					
Market Area Total	36,722.42	100.00%	18,463,630	100.00%	502.79

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	0.00	0	0.00	0	40,152.39	47,471,570	40,152.39	47,471,570
77. Dry Land	0.00	0	0.00	0	188,814.08	91,305,535	188,814.08	91,305,535
78. Grass	0.00	0	0.00	0	207,752.18	51,045,260	207,752.18	51,045,260
79. Waste	0.00	0	0.00	0	1,429.97	91,000	1,429.97	91,000
80. Other	0.00	0	0.00	0	0.00	0	0.00	0
81. Exempt	0.00	0	0.00	0	8,841.88	0	8,841.88	0
82. Total	0.00	0	0.00	0	438,148.62	189,913,365	438,148.62	189,913,365

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	40,152.39	9.16%	47,471,570	25.00%	1,182.29
Dry Land	188,814.08	43.09%	91,305,535	48.08%	483.57
Grass	207,752.18	47.42%	51,045,260	26.88%	245.70
Waste	1,429.97	0.33%	91,000	0.05%	63.64
Other	0.00	0.00%	0	0.00%	0.00
Exempt	8,841.88	2.02%	0	0.00%	0.00
Total	438,148.62	100.00%	189,913,365	100.00%	433.45

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	49,912,865	52,192,695	2,279,830	4.57%	419,640	3.73%
02. Recreational	2,832,785	3,016,790	184,005	6.50%	25,275	5.60%
03. Ag-Homesite Land, Ag-Res Dwelling	16,932,465	17,309,725	377,260	2.23%	479,660	-0.60%
04. Total Residential (sum lines 1-3)	69,678,115	72,519,210	2,841,095	4.08%	924,575	2.75%
05. Commercial	12,037,075	12,727,075	690,000	5.73%	719,005	-0.24%
06. Industrial	20,804,590	21,309,015	504,425	2.42%	497,250	0.03%
07. Ag-Farmsite Land, Outbuildings	5,871,335	5,993,265	121,930	2.08%	0	2.08%
08. Minerals	56,472,020	50,891,730	-5,580,290	-9.88	0	-9.88
09. Total Commercial (sum lines 5-8)	95,185,020	90,921,085	-4,263,935	-4.48%	1,216,255	-5.76%
10. Total Non-Agland Real Property	164,863,135	163,440,295	-1,422,840	-0.86%	2,140,830	-2.16%
11. Irrigated	40,663,555	47,471,570	6,808,015	16.74%		
12. Dryland	84,986,770	91,305,535	6,318,765	7.43%		
13. Grassland	44,721,210	51,045,260	6,324,050	14.14%		
14. Wasteland	293,100	91,000	-202,100	-68.95%		
15. Other Agland	0	0	0			
16. Total Agricultural Land	170,664,635	189,913,365	19,248,730	11.28%		
17. Total Value of all Real Property (Locally Assessed)	335,527,770	353,353,660	17,825,890	5.31%	2,140,830	4.67%

**2009 PLAN OF ASSESSMENT
FOR
HITCHCOCK COUNTY
By Pam Meisenbach and Jeff Wilhelm**

Plan of Assessment Requirements:

Pursuant to Neb. Rev. Stat. §77-1311.02 (2007), on or before June 15 each year, the assessor shall prepare a plan of assessment, (herein after referred to as the “plan”), which describes the assessment actions planned for the next assessment year and two years thereafter. The plan shall indicate the classes or subclasses of real property that the county assessor plans to examine during the years contained in the plan of assessment. The plan shall describe all the assessment actions necessary to achieve the levels of value and quality of assessment practices required by law, and the resources necessary to complete those actions. On or before July 31 each year, the assessor shall present the plan to the county board of equalization and the assessor may amend the plan, if necessary, after the budget is approved by the county board. A copy of the plan and any amendments thereto shall be mailed to the Department of Revenue, Property Assessment Division on or before October 31 each year.

Real Property Assessment Requirements:

All property in the State of Nebraska is subject to property tax unless expressly exempt by Nebraska Constitution, Article VIII, or permitted by the constitution and enabling legislation adopted by the legislature. The uniform standard for the assessed value of real property for tax purposes is actual value, which is defined by law as “the market value of real property in the ordinary course of trade.” Neb. Rev. Stat. §77-112 (2003).

Assessment levels required for real property are as follows:

- 1) 100% of actual value for all classes of real property excluding agricultural and horticultural land;
- 2) 75% of actual value for agricultural land and horticultural land; and
- 3) 75% of special value for agricultural and horticultural land which meets the qualifications for special valuation under §77-1344.

See Neb. Rev. Stat. §77-201 (2009).

General Description of Real Property in Hitchcock County:

Per the 2009 County Abstract, Hitchcock County consists of the following real property types:

	Parcels	% of Total Parcels	% of Taxable Value Base
Residential	1404	31%	15%
Commercial	205	5%	4%
Recreational	187	4%	0%
Agricultural	2238	50%	58%
Exempt	281	6%	0%
Mineral	168	4%	17%

Agricultural land - taxable acres 435,053.15

Other pertinent facts: For agland, 46% of county is grass, 8% is irrigated, 43% is dry, and 3% is other.

For more information see 2009 Reports & Opinion, Abstract and Assessor Survey.

Current Resources:

A. Staff/Budget/Training

1 Assessment Manager, 1 Assessment Assistant, 1 Appraiser (shared with Harlan County), 1 Appraiser Assistant.

Hitchcock County budget \$165,621.96 for 2008-2009.

The assessor is required to obtain 60 hours of continuing education every 4 years. The assessor has met all the educational hours required. The assessor also attends other workshops and meetings to further her knowledge of the assessment field.

The assessment staff at this time does not have continuing education requirements. The staff has voluntarily taken classes such as Windows, TerraScan user education, as well as IAAO classes.

The Appraiser is Certified General, and has taken the following classes this year, IAAO workshop 191-National USPAP update, the FHA Appraiser Thriving and Surviving, Residential Report Writing and Case Studies, and Nebraska Report Writing update.

B. Cadastral Maps

The counties cadastral maps are not dated and are assumed to be around 1930. Rural maps are 4 sections to a page and a scale of 1" = 660'. There are scaled city maps with scale of 1" = 100'. All split parcels and new subdivisions are kept up to date by the assessment staff, as well as ownership changes. At the present time, they are in need of updating and some repair work as many years of use has taken its toll. We are still anxiously awaiting the new GIS system.

C. Property Record Cards

The system contains information from the current county wide review and yearly updated figures. The rural parcels each contain a map from the FSA Office. We utilize the property records available from the Terra Scan system by printing ATR property cards and also appraisal print-outs. These records are in good condition. The Terra Scan system has both a working and historical appraisal file that at the present time needs design changes. We are currently working on an RFP for bids on the CAMA/GIS system contract.

D. Software for CAMA, Assessment Administration, GIS

Hitchcock County became a State assumed county in July 2000. As we were a State CAPS county previously, we received the same CAMA package that is now used by the State assumed counties when they converted those counties in Feb. 2000. At this time all data is entered in the ATR file and appraisal file. We have all residential data, recreational mobile homes, commercial properties and rural houses with digital pictures and sketches in the appraisal file. Rural out-buildings with pictures are all entered at the present time. Ag land is entered in the ATR file and appraisal file. The data being used is from a completed review of all properties in the county during 2004 and review of sales that have taken place and building permits that we obtain. We have been taking and entering on the computer current digital pictures of all sales and review work.

E. Web based – property record information access provided by Marcus Tooze Gisworkshop web site: <http://hitchcock.pat.gisworkshop.com>

Current Assessment Procedures for Real Property:

- A. Discover, List & Inventory all property.
- B. Data Collection.
- C. Review assessment sales ratio studies before assessment actions.
- D. Approaches to Value;
 - 1) Market Approach; sales comparisons,
 - 2) Cost Approach; cost manual used & date of manual and latest depreciation study,
 - 3) Income Approach; income and expense data collection/analysis from the market,
 - 4) Land valuation studies, establish market areas, special value for agricultural land
- E. Reconciliation of Final Value and documentation
- F. Review assessment sales ratio studies after assessment actions.
- G. Notices and Public Relations

Level of Value, Quality, and Uniformity for assessment year 2009:

<u>Property Class</u>	<u>Median</u>	<u>COD*</u>	<u>PRD*</u>
Residential	.97	15.08	103.17
Commercial	.97	60.77	145.30
Agricultural Land	.74	13.71	102.00
Special Value Agland	.74	13.71	102.00

*COD means coefficient of dispersion and PRD means price related differential. For more information regarding statistical measures see 2009 Reports & Opinions.

Assessment Actions Planned for Assessment Year 2010:

We will continue our review of the county and plan to do ¼ of the precincts each year. Will review statistics from previous year to find any hot spots to be corrected. Conduct a pivot review. We will look at possible market areas for agland. With the passage of LB701 the

assessment office and the Middle Republican River Basin NRD have compared irrigated acres. The assessment staff used NRD records and the new AgriData, Inc. program to implement the new numeric Soil Symbols on all ag land as well as reviewing all dry, irrigated and grass acres, which had to be completed in 2009. Continue to track acres enrolled in CREP & EQIP and possibly CRP. Review any sales of irrigated grass and adjust accordingly. Update ag land acre values with new sales data. Do a study on the predominant use and value on land in special valuation. Do normal pick-up work and sales review. Update Marshall & Swift tables to 06/08 and develop new market derived depreciation tables. Look at home and farm site values considering utilities, well, septic etc. Continue to track chronological age and effective age of houses and implement a remodel table. Review areas starting with Rural Residential, Trenton, Palisade, Stratton, Good Life Marina & Laker's North Shore. Hitchcock County was completely reviewed on site in 2004. Work with PAD to develop an appraisal manual. With the passage of LB121 in 2009, the county could take over the budget for the assessment of Hitchcock County.

Assessment Actions Planned for Assessment Year 2011:

Review statistics to determine if any adjustments need to be made. Review market areas, if created, and special valuation that is in place. Do normal pick-up work and sales review. We will continue to update digital pictures of any properties as needed. Review all Commercial properties. Utilize our new GIS. Work on completing another ¼ of county wide review.

Assessment Actions Planned for Assessment Year 2012:

Review statistics to determine if any major or minor adjustments need to be made. Review market areas and special valuation as needed. Do regular pick-up work and sales review. Continue to use GIS. Work on completing another ¼ of county wide review.

Other functions performed by the assessor's office, but not limited to:

1. Record Maintenance, Mapping updates, & Ownership changes
2. Annually prepare and file Assessor Administrative Reports required by law/regulation:
 - a. Abstracts (Real & Personal Property)
 - b. Assessor Survey
 - c. Sales information to PAD rosters & annual Assessed Value Update w/Abstract
 - d. Certification of Value to Political Subdivisions
 - e. School District Taxable Value Report
 - f. Homestead Exemption Tax Loss Report (in conjunction with Treasurer)
 - g. Certificate of Taxes Levied Report
 - h. Report of current values for properties owned by Board of Education Lands & Funds
 - i. Report of all Exempt Property and Taxable Government Owned Property
 - j. Annual Plan of Assessment Report

3. Personal Property; administer annual filing of 603 schedules; prepare subsequent notices for incomplete filings or failure to file and penalties applied, as required.
4. Permissive Exemptions: administer annual filings of applications for new or continued exempt use, review and make recommendations to county board.
5. Taxable Government Owned Property – annual review of government owned property not used for public purpose, send notices of intent to tax, etc.
6. Homestead Exemptions; administer 160 annual filings of applications, approval/denial process, taxpayer notifications, and taxpayer assistance.
7. Centrally Assessed – review of valuations as certified by PAD for railroads and public service entities, establish assessment records and tax billing for tax list.
8. Tax Increment Financing – management of record/valuation information for properties in community redevelopment projects for proper reporting on administrative reports and allocation of ad valorem tax.
9. Tax Districts and Tax Rates – management of school district and other tax entity boundary changes necessary for correct assessment and tax information; input/review of tax rates used for tax billing process.
10. Tax Lists; prepare and certify tax lists to county treasurer for real property, personal property, and centrally assessed.
11. Tax List Corrections – prepare tax list correction documents for county board approval.
12. County Board of Equalization - attend county board of equalization meetings for valuation protests – assemble and provide information
13. TERC Appeals - prepare information and attend taxpayer appeal hearings before TERC, defend valuation.
14. TERC Statewide Equalization – attend hearings if applicable to county, defend values, and/or implement orders of the TERC.
15. Education: Assessor and/or Appraisal Education – attend meetings, workshops, and educational classes to obtain required hours of continuing education to maintain assessor certification and/or appraiser license, etc.

Conclusion:

With all the entities of county government that utilize the assessor records in their operation, it is paramount for this office to constantly work toward perfection in record keeping.

With the continual review of all properties, records will become more accurate, and values will be assessed more equally and fairly across the county. With a well-developed plan in place, this process can flow more smoothly. Sales review will continue to be important in order to adjust for market areas in the county.

Respectfully submitted:

Assessor signature: _____ Date: _____

Appraiser signature _____ Date: _____

2010 Assessment Survey for Hitchcock County

I. General Information

A. Staffing and Funding Information

1.	Deputy(ies) on staff
	0
2.	Appraiser(s) on staff
	One and one assistant appraiser
3.	Other full-time employees
	2- The Assessment Administrative Manager and the Assistant Assessment Administrative Manager.
4.	Other part-time employees
	0
5.	Number of shared employees
	The Assessment Administrative Manager and the Appraiser are shared between Harlan and Hitchcock Counties and other areas within the Department as needed.
6.	Assessor's requested budget for current fiscal year
	The expenditures for assessment functions in Hitchcock County during the 2008-2009 fiscal year were \$72,816.25
7.	Adopted budget, or granted budget if different from above
	N/A
8.	Amount of the total budget set aside for appraisal work
	N/A
9.	Appraisal/Reappraisal budget, if not part of the total budget
	The expenditures for appraisal functions in Hitchcock County during the 2008-2009 fiscal year were \$92,805.71
10.	Part of the budget that is dedicated to the computer system
	\$5,661.33
11.	Amount of the total budget set aside for education/workshops
	N/A
12.	Other miscellaneous funds
	None
13.	Was any of last year's budget not used:
	N/A

B. Computer, Automation Information and GIS

1.	Administrative software
	TerraScan
2.	CAMA software
	TerraScan

3.	Cadastral maps: Are they currently being used?
	Yes, but the current old maps are in very poor condition
4.	Who maintains the Cadastral Maps?
	Office Staff
5.	Does the county have GIS software?
	No
6.	Who maintains the GIS software and maps?
	N/A
7.	Personal Property software:
	TerraScan

C. Zoning Information

1.	Does the county have zoning?
	Yes
2.	If so, is the zoning countywide?
	Yes
3.	What municipalities in the county are zoned?
	Culbertson and Trenton
4.	When was zoning implemented?
	June of 2000

D. Contracted Services

1.	Appraisal Services
	Pritchard and Abbott are contracted to complete the mineral appraisals
2.	Other services
	None

Certification

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 Hitchcock County Assessor.

Dated this 7th day of April, 2010.



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

Ruth A. Sorensen
Property Tax Administrator

Valuation History Charts