

Table of Contents

2010 Commission Summary

2010 Opinions of the Property Tax Administrator

Residential Reports

- Residential Assessment Actions
- Residential Assessment Survey
- R&O Statistics

Residential Correlation

- Residential Real Property
 - I. Correlation
 - II. Analysis of Sales Verification
 - III. Measure of Central Tendency
 - IV. Analysis of Quality of Assessment

Commercial Reports

- Commercial Assessment Actions
- Commercial Assessment Survey
- R&O Statistics

Commercial Correlation

- Commercial Real Property
 - I. Correlation
 - II. Analysis of Sales Verification
 - III. Measure of Central Tendency
 - IV. Analysis of Quality of Assessment

Agricultural or Special Valuation Reports

- Agricultural Assessment Actions
- Agricultural Assessment Survey
- Agricultural Analysis Statistics
- Special Valuation Methodology

Agricultural or Special Valuation Correlation

- Agricultural or Special Valuation Land
 - I. Correlation
 - II. Analysis of Sales Verification
 - III. Measure of Central Tendency
 - IV. Analysis of Quality of Assessment

County Reports

2010 County Abstract of Assessment for Real Property, Form 45
2010 County Agricultural Land Detail
2010 County Abstract of Assessment for Real Property Compared with the 2009
Certificate of Taxes Levied (CTL)
County Assessor's Three Year Plan of Assessment
Assessment Survey – General Information

Certification**Maps**

Market Areas
Registered Wells > 500 GPM
Geo Codes
Soil Classes

Valuation History Charts

2010 Commission Summary

51 Keith

Residential Real Property - Current

Number of Sales	264	Median	96
Total Sales Price	\$21,157,201	Mean	101
Total Adj. Sales Price	\$21,128,201	Wgt. Mean	93
Total Assessed Value	\$19,658,935	Average Assessed Value of the Base	\$55,037
Avg. Adj. Sales Price	\$80,031	Avg. Assessed Value	\$74,466

Confidence Interval - Current

95% Median C.I	94.31 to 98.11
95% Mean C.I	97.01 to 105.13
95% Wgt. Mean C.I	90.49 to 95.60

% of Value of the Class of all Real Property Value in the County	42.43
% of Records Sold in the Study Period	4.33
% of Value Sold in the Study Period	5.85

Residential Real Property - History

Year	Number of Sales	LOV	Median
2009	276	96	96
2008	343	95	95
2007	388	97	97
2006	378	97	97

2010 Commission Summary

51 Keith

Commercial Real Property - Current

Number of Sales	48	Median	95
Total Sales Price	\$10,880,134	Mean	98
Total Adj. Sales Price	\$10,173,134	Wgt. Mean	86
Total Assessed Value	\$8,797,615	Average Assessed Value of the Base	\$121,097
Avg. Adj. Sales Price	\$211,940	Avg. Assessed Value	\$183,284

Confidence Interval - Current

95% Median C.I	77.02 to 99.79
95% Mean C.I	84.61 to 111.24
95% Wgt. Mean C.I	77.10 to 95.86

% of Value of the Class of all Real Property Value in the County	11.08
% of Records Sold in the Study Period	6.63
% of Value Sold in the Study Period	10.03

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2009	53	97	97
2008	47	99	99
2007	43	99	99
2006	45	94	94

2010 Opinions of the Property Tax Administrator for Keith 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 Keith County is 96% of market value. The quality of assessment for the class of residential real property in Keith 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 Keith County is 100% of market value. The quality of assessment for the class of commercial real property in Keith County indicates the assessment practices do not 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 Keith County is 71% of market value. The quality of assessment for the class of agricultural land in Keith 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 Keith County is 71%. The quality of assessment for the class of agricultural land receiving special valuation in Keith 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 Keith County

taken to address the following property classes/subclasses:

Residential

The 2010 assessment actions completed for residential properties within Keith County include a complete reappraisal for the Village parcels in Paxton, Ogallala Suburban, the boat docks, and all mobile homes located in the mobile home parks. These appraisals include new measurements of the structures, digital photographs of the homes and outbuildings and a full market analysis of the subject area completed. The staff did inspect the properties and used door hangers when no one was present for a follow-up visit. This complete appraisal was significant for Keith County because it completes the six year cyclical and review process. To date the county has finalized the six year inspection and review obligation of all residential parcels within the county. Other areas with actions were the Village of Brule had depreciation table changes along with land value updates. The mobile home costing was included in the updated costing table from June/2002 to June/2005.

2010 Assessment Survey for Keith County

Residential Appraisal Information

1.	Valuation data collection done by:	
	Appraiser Assistants	
2.	List the valuation groupings used by the County:	
	01	City of Ogallala
	02	Paxton
	03	Brule
	04	Rural
	05	Lake
	06	K-Areas
	07	Ogallala Suburban
	08	Roscoe, Sarben and Keystone
a.	Describe the specific characteristics of the valuation groupings that make them unique.	
	01	The City of Ogallala is the largest resource for all commodities and the location is a market for all tourists and close to Lake McConaughy along I-80.
	02	The Village of Paxton west of Ogallala sits along I-80 has a strong commercial base including a winery and manufacturing plant.
	03	Brule is a small community village that has typical market fluctuations for a small town and no longer has a school in town.
	04	The rural valuation grouping includes all properties outside of the City and Village suburbs on acreages with country living characteristics
	05	Lake McConaughy has specific market identities with the recreational living around the largest Lake in Nebraska
	06	The K-Areas are improvements on leased land from Central NE Public Power; located adjacent to the east end of Lake McConaughy with specific market identities.
	07	The Ogallala Suburban parcels have characteristics that differ from the City
	08	The small unincorporated villages are similar in size and market characteristics within Roscoe, Sarben and Keystone
3.	What approach(es) to value is/are used for this class to estimate the market value of properties? List or describe.	
	Cost Approach	
4.	When was the last lot value study completed?	
	2010	
a.	What methodology was used to determine the residential lot values?	
	Price per square foot or unit comparison	
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/2005
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 appraiser develops the depreciation studies based on the local market
a.	How often does the County update depreciation tables?
	They are reviewed annually and updated according to the market
7.	Pickup work:
a.	Is pickup work done annually and is it completed by March 19th?
	Yes
b.	By Whom?
	Appraiser Assistants
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)
	Current to date
a.	Does the County maintain a tracking process? If yes describe.
	Yes, Keith County utilizes the CAMA system for tracking the actions taken. There are a considerable amount of comments made for each parcel in the computer system
b.	How are the results of the portion of the properties inspected and reviewed applied to the balance of the county?
	Every class is reappraised with new pictures and measurements within the 6 year cycle. All pickup work is valued uniformly with other properties within their valuation grouping. Other properties are reviewed on an annual basis and adjusted to meet the current market factors.

PAD 2010 R&O Statistics

Base Stat

State Stat Run

Type: Qualified

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

(!: AVTot=0)

(!: Derived)

NUMBER of Sales:	264	MEDIAN:	96	COV:	33.27	95% Median C.I.:	94.31 to 98.11
TOTAL Sales Price:	21,157,201	WGT. MEAN:	93	STD:	33.63	95% Wgt. Mean C.I.:	90.49 to 95.60
TOTAL Adj.Sales Price:	21,128,201	MEAN:	101	AVG.ABS.DEV:	18.98	95% Mean C.I.:	97.01 to 105.13
TOTAL Assessed Value:	19,658,935						
AVG. Adj. Sales Price:	80,031	COD:	19.73	MAX Sales Ratio:	317.80		
AVG. Assessed Value:	74,465	PRD:	108.62	MIN Sales Ratio:	15.46		

Printed: 03/24/2010 14:24:09

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	40	90.46	94.65	90.61	15.68	104.45	65.45	214.67	85.87 to 95.13	89,575	81,165
10/01/07 TO 12/31/07	37	98.09	103.79	95.81	13.60	108.33	70.46	216.67	95.32 to 105.77	73,430	70,355
01/01/08 TO 03/31/08	18	97.34	96.03	91.56	10.81	104.89	63.07	119.75	86.22 to 106.11	78,330	71,716
04/01/08 TO 06/30/08	42	95.48	93.52	94.35	11.87	99.12	15.46	119.50	92.47 to 100.04	78,789	74,337
07/01/08 TO 09/30/08	40	93.40	101.30	89.18	25.63	113.59	43.53	317.80	85.89 to 99.11	94,856	84,589
10/01/08 TO 12/31/08	26	102.68	108.28	95.49	23.75	113.39	50.25	195.47	86.51 to 115.34	62,853	60,020
01/01/09 TO 03/31/09	24	100.78	122.94	104.54	30.75	117.60	82.19	303.57	92.59 to 116.14	90,162	94,257
04/01/09 TO 06/30/09	37	93.00	96.82	87.01	24.63	111.28	33.10	172.83	78.93 to 99.07	68,021	59,183
<u>Study Years</u>											
07/01/07 TO 06/30/08	137	95.44	96.95	93.14	13.53	104.10	15.46	216.67	93.99 to 97.46	80,431	74,911
07/01/08 TO 06/30/09	127	97.90	105.51	92.95	25.98	113.52	33.10	317.80	92.59 to 100.09	79,599	73,984
<u>Calendar Yrs</u>											
01/01/08 TO 12/31/08	126	96.44	99.39	92.21	18.93	107.79	15.46	317.80	93.99 to 99.35	80,535	74,263
<u>ALL</u>											
	264	96.22	101.07	93.05	19.73	108.62	15.46	317.80	94.31 to 98.11	80,031	74,465

VALUATION GROUP	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
01	159	96.44	100.04	93.76	14.10	106.70	62.88	195.47	94.21 to 98.54	77,012	72,203
02	11	98.11	99.42	98.69	5.98	100.74	83.01	119.75	93.55 to 111.50	62,909	62,086
03	7	86.19	137.25	103.70	65.69	132.35	76.58	317.80	76.58 to 317.80	23,257	24,117
04	19	98.09	98.57	91.22	23.58	108.05	33.10	165.51	76.44 to 114.08	75,837	69,180
05	56	96.89	104.76	94.79	32.36	110.53	15.46	303.57	86.22 to 107.69	81,886	77,617
06	5	83.71	79.63	74.42	11.49	107.00	59.39	93.98	N/A	127,600	94,957
07	7	93.32	83.40	87.33	12.69	95.51	45.01	96.11	45.01 to 96.11	194,842	170,147
<u>ALL</u>											
	264	96.22	101.07	93.05	19.73	108.62	15.46	317.80	94.31 to 98.11	80,031	74,465

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	235	96.47	100.58	93.56	16.29	107.50	43.53	317.80	94.49 to 98.37	84,214	78,794
2	21	99.35	107.62	89.94	49.05	119.66	15.46	303.57	62.54 to 122.14	31,151	28,017
3	8	81.07	98.39	81.04	37.52	121.42	59.39	250.27	59.39 to 250.27	85,437	69,235
<u>ALL</u>											
	264	96.22	101.07	93.05	19.73	108.62	15.46	317.80	94.31 to 98.11	80,031	74,465

PAD 2010 R&O Statistics

Base Stat

State Stat Run

Type: Qualified

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

(!: AVTot=0)

(!: Derived)

NUMBER of Sales:	264	MEDIAN:	96	COV:	33.27	95% Median C.I.:	94.31 to 98.11
TOTAL Sales Price:	21,157,201	WGT. MEAN:	93	STD:	33.63	95% Wgt. Mean C.I.:	90.49 to 95.60
TOTAL Adj.Sales Price:	21,128,201	MEAN:	101	AVG.ABS.DEV:	18.98	95% Mean C.I.:	97.01 to 105.13
TOTAL Assessed Value:	19,658,935						
AVG. Adj. Sales Price:	80,031	COD:	19.73	MAX Sales Ratio:	317.80		
AVG. Assessed Value:	74,465	PRD:	108.62	MIN Sales Ratio:	15.46		

Printed: 03/24/2010 14:24:10

PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
01	250	96.07	99.72	92.57	17.45	107.73	15.46	317.80	94.31 to 97.91	83,064	76,889
06	11	122.14	133.43	123.00	54.18	108.48	33.10	303.57	44.53 to 216.67	28,798	35,421
07	3	110.46	94.83	103.65	16.13	91.49	60.29	113.75	N/A	15,066	15,616
<u>ALL</u>	<u>264</u>	<u>96.22</u>	<u>101.07</u>	<u>93.05</u>	<u>19.73</u>	<u>108.62</u>	<u>15.46</u>	<u>317.80</u>	<u>94.31 to 98.11</u>	<u>80,031</u>	<u>74,465</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>6</u>	<u>110.17</u>	<u>106.08</u>	<u>108.49</u>	<u>31.24</u>	<u>97.78</u>	<u>44.53</u>	<u>177.00</u>	<u>44.53 to 177.00</u>	<u>2,559</u>	<u>2,776</u>
	<u>5000 TO 9999</u>	<u>5</u>	<u>86.19</u>	<u>142.10</u>	<u>133.78</u>	<u>81.49</u>	<u>106.22</u>	<u>60.29</u>	<u>317.80</u>	<u>N/A</u>	<u>6,960</u>	<u>9,311</u>
<u>Total \$</u>	<u>1 TO 9999</u>	<u>11</u>	<u>105.00</u>	<u>122.45</u>	<u>126.04</u>	<u>49.92</u>	<u>97.16</u>	<u>44.53</u>	<u>317.80</u>	<u>60.29 to 177.00</u>	<u>4,559</u>	<u>5,746</u>
	<u>10000 TO 29999</u>	<u>36</u>	<u>109.61</u>	<u>124.41</u>	<u>127.21</u>	<u>27.38</u>	<u>97.79</u>	<u>73.36</u>	<u>303.57</u>	<u>99.68 to 119.50</u>	<u>18,037</u>	<u>22,946</u>
	<u>30000 TO 59999</u>	<u>66</u>	<u>102.25</u>	<u>109.04</u>	<u>106.60</u>	<u>19.43</u>	<u>102.28</u>	<u>43.53</u>	<u>216.67</u>	<u>97.07 to 108.91</u>	<u>43,874</u>	<u>46,772</u>
	<u>60000 TO 99999</u>	<u>80</u>	<u>95.13</u>	<u>93.42</u>	<u>94.04</u>	<u>12.94</u>	<u>99.34</u>	<u>15.46</u>	<u>173.39</u>	<u>91.52 to 98.37</u>	<u>78,684</u>	<u>73,996</u>
	<u>100000 TO 149999</u>	<u>40</u>	<u>87.40</u>	<u>86.57</u>	<u>86.44</u>	<u>12.33</u>	<u>100.15</u>	<u>33.10</u>	<u>120.37</u>	<u>81.54 to 94.21</u>	<u>122,945</u>	<u>106,278</u>
	<u>150000 TO 249999</u>	<u>25</u>	<u>88.04</u>	<u>87.23</u>	<u>86.54</u>	<u>11.78</u>	<u>100.80</u>	<u>59.39</u>	<u>115.37</u>	<u>80.99 to 95.13</u>	<u>185,988</u>	<u>160,946</u>
	<u>250000 TO 499999</u>	<u>6</u>	<u>94.54</u>	<u>90.52</u>	<u>89.08</u>	<u>6.68</u>	<u>101.61</u>	<u>70.46</u>	<u>98.61</u>	<u>70.46 to 98.61</u>	<u>278,448</u>	<u>248,038</u>
<u>ALL</u>	<u>264</u>	<u>96.22</u>	<u>101.07</u>	<u>93.05</u>	<u>19.73</u>	<u>108.62</u>	<u>15.46</u>	<u>317.80</u>	<u>94.31 to 98.11</u>	<u>80,031</u>	<u>74,465</u>	

**2010 Correlation Section
for Keith County**

Residential Real Property

I. Correlation

The level of value for the residential real property in Keith County, as determined by the PTA is 96%. The mathematically calculated median is 96%.

RESIDENTIAL:After reviewing all the available information for the Keith County residential property, it is determined that the level of value is 96 as supported through the median measure and through the acceptable levels for five out of the seven valuation groupings. Only the mean measure of central tendency is over the range set by IAAO at 101. After reviewing the data which creates the calculations for the qualitative measures as explained in Table IV, the county assessments need improvement to assure uniformity and proportionality. The residential improvements are on a June/2005 costing and it may be beneficial to update the costing with new market driven depreciation tables for each market area or valuation grouping. The Plan of Assessment for the three years does not indicate if this is a goal for Keith County. Lake McConaughy has experienced a yearly change in market characteristics with the water table decreasing on the western end and increasing on the eastern end. This may have some bearing on the uniformity with the COD and PRD at the Lake locations.

**2010 Correlation Section
for Keith 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:A review of the non-qualified residential sales indicate a total of 24 sales as coded substantially changed properties. If these could be utilized the percent used for the development for measurement purposes would be 62% instead of the 57% used. Keith County mails questionnaire statements with a self addressed return envelope. These sales are reviewed and any property record card that needs updating, a field review is completed and corrected if necessary. The building permits are maintained on Terra Scan and reviewed annually. Detailed notes are kept on the electronic record card system.

**2010 Correlation Section
for Keith 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	96	93	101

**2010 Correlation Section
for Keith 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 Keith 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 Keith County, which are considered as one part of the analysis of the County's assessment practices.

	COD	PRD
R&O Statistics	19.73	108.62

RESIDENTIAL: A detailed review of the residential qualified statistics reflect several areas in which the COD and PRD are indicating a need for uniformity improvement in the assessments. By valuation grouping, the COD is extremely high for Brule, grouping 03; Rural grouping 04; and the Lake, grouping 05. Brule is a small sample with only 7 sales out of the total 200 parcels, although the Lake and Rural areas are representative of the population. The next subclass reviewed is the improved, unimproved and IOLL parcels. The unimproved land and IOLL sales are both over 37.52. The 95% Confidence Interval for these subclasses supports the need for better uniformity. The property type, recreational is above 50 with eleven sales. Looking at the sales price every subclass under \$59,999 shows a higher than accepted COD. Based on the calculated analysis and the IAAO standards, it appears that the county does not meet qualitative standards and no outliers would highly improved the county measures.

2010 Assessment Actions for Keith County

taken to address the following property classes/subclasses:

Commercial

For the assessment year 2010, commercial property did not receive any adjustments except the land and depreciation tables within the town of Brule.

2010 Assessment Survey for Keith County

Commercial / Industrial Appraisal Information

1.	Valuation data collection done by:	
	The Appraiser and Appraiser assistants	
2.	List the valuation groupings used by the County:	
	01	City of Ogallala
	02	Paxton
	03	Brule
	04	Rural
	05	Lake
	06	K-Areas
	07	Ogallala Suburban
	08	Roscoe, Sarben and Keystone
a.	Describe the specific characteristics of the valuation groupings that make them unique.	
	01	The City of Ogallala is the largest resource for all commodities and the location is a market for all tourists and close to Lake McConaughy along I-80.
	02	The Village of Paxton west of Ogallala sits along I-80 has a strong commercial base including a winery and manufacturing plant.
	03	Brule is a small community village that has typical market fluctuations for a small town and no longer has a school in town.
	04	The rural valuation grouping includes all properties outside of the City and Village suburbs on acreages with country living characteristics
	05	Lake McConaughy has specific market identities with the recreational living around the largest Lake in Nebraska
	06	The K-Areas are improvements on leased land from Central NE Public Power; located adjacent to the east end of Lake McConaughy with specific market identities.
	07	The Ogallala Suburban parcels have characteristics that differ from the City
	08	The small unincorporated villages are similar in size and market characteristics within Roscoe, Sarben and Keystone
3.	What approach(es) to value is/are used for this class to estimate the market value of properties? List or describe.	
	Sales Comparison, Cost approach, and income approach when applicable.	
4	When was the last lot value study completed?	
	2010	
a.	What methodology was used to determine the commercial lot values?	
	Sales Comparison	
5.	Is the same costing year for the cost approach being used for entire valuation grouping? If not, identify and explain the differences?	
	Yes	

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 their own land tables and depreciation tables based on the market information.
a.	How often does the County update the depreciation tables?
	Yearly
7.	Pickup work:
a.	Is pickup work done annually and is it completed by March 19th?
	Yes
b.	By Whom?
	Appraisal Assistants
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)
	In 2005 a complete appraisal was applied for commercial property
a.	Does the County maintain a tracking process? If yes describe.
	Yes, Keith County's CAMA system keeps track of almost all actions taken. There is also a considerable database of comments made for each parcel.
b.	How are the results of the portion of the properties inspected and reviewed applied to the balance of the county?
	All reappraisals or mass adjustments are applied to the whole neighborhood for uniformity and consistency.

PAD 2010 R&O Statistics

Base Stat

State Stat Run

Type: Qualified

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

(!: AVTot=0)

(!: Derived)

NUMBER of Sales:	48	MEDIAN:	95	COV:	48.07	95% Median C.I.:	77.02 to 99.79
TOTAL Sales Price:	10,880,134	WGT. MEAN:	86	STD:	47.07	95% Wgt. Mean C.I.:	77.10 to 95.86
TOTAL Adj.Sales Price:	10,173,134	MEAN:	98	AVG.ABS.DEV:	27.39	95% Mean C.I.:	84.61 to 111.24
TOTAL Assessed Value:	8,797,615						
AVG. Adj. Sales Price:	211,940	COD:	28.90	MAX Sales Ratio:	325.64		
AVG. Assessed Value:	183,283	PRD:	113.23	MIN Sales Ratio:	51.11		

Printed: 03/24/2010 14:24:17

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	81.02	81.02	94.93	24.17	85.34	61.43	100.60	N/A	181,250	172,060
10/01/06 TO 12/31/06	7	79.14	79.19	68.50	21.47	115.60	58.56	106.81	58.56 to 106.81	211,714	145,025
01/01/07 TO 03/31/07	6	107.00	119.87	97.18	24.84	123.35	70.23	221.69	70.23 to 221.69	264,072	256,625
04/01/07 TO 06/30/07	3	77.63	78.44	68.94	18.04	113.78	57.83	99.85	N/A	260,166	179,351
07/01/07 TO 09/30/07	2	78.08	78.08	82.76	31.48	94.34	53.50	102.66	N/A	420,000	347,602
10/01/07 TO 12/31/07	6	97.51	91.22	88.50	17.31	103.08	56.32	126.19	56.32 to 126.19	43,826	38,785
01/01/08 TO 03/31/08	6	84.56	80.39	91.37	21.14	87.98	51.11	99.79	51.11 to 99.79	474,983	433,984
04/01/08 TO 06/30/08	4	95.41	108.15	90.48	33.68	119.52	75.00	166.76	N/A	141,550	128,075
07/01/08 TO 09/30/08	1	85.41	85.41	85.41			85.41	85.41	N/A	105,000	89,680
10/01/08 TO 12/31/08	1	61.17	61.17	61.17			61.17	61.17	N/A	350,000	214,105
01/01/09 TO 03/31/09	7	93.46	134.42	102.33	55.96	131.36	66.96	325.64	66.96 to 325.64	122,642	125,505
04/01/09 TO 06/30/09	3	114.75	107.82	102.23	17.37	105.47	74.45	134.26	N/A	43,712	44,688
<u>Study Years</u>											
07/01/06 TO 06/30/07	18	95.12	92.83	81.65	25.45	113.69	57.83	221.69	61.43 to 106.81	233,857	190,950
07/01/07 TO 06/30/08	18	96.56	89.91	89.49	22.22	100.47	51.11	166.76	70.62 to 99.79	251,058	224,673
07/01/08 TO 06/30/09	12	91.85	117.58	91.12	44.23	129.04	61.17	325.64	74.45 to 134.26	120,386	109,698
<u>Calendar Yrs</u>											
01/01/07 TO 12/31/07	17	99.17	97.53	86.67	23.52	112.53	53.50	221.69	70.23 to 107.08	203,993	176,807
01/01/08 TO 12/31/08	12	81.22	88.46	88.35	26.68	100.13	51.11	166.76	64.35 to 99.79	322,591	284,999
<u>ALL</u>											
	48	94.78	97.92	86.48	28.90	113.23	51.11	325.64	77.02 to 99.79	211,940	183,283

VALUATION GROUP	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
01	37	90.24	93.28	82.75	28.20	112.72	51.11	325.64	74.45 to 99.17	200,110	165,600
02	1	97.03	97.03	97.03			97.03	97.03	N/A	1,700,000	1,649,510
03	4	99.39	115.88	126.30	17.53	91.75	97.97	166.76	N/A	15,475	19,545
05	4	108.88	125.22	110.56	48.45	113.26	61.43	221.69	N/A	160,909	177,896
07	2	93.68	93.68	63.59	34.70	147.32	61.17	126.19	N/A	181,750	115,570
<u>ALL</u>											
	48	94.78	97.92	86.48	28.90	113.23	51.11	325.64	77.02 to 99.79	211,940	183,283

PAD 2010 R&O Statistics

Base Stat

State Stat Run

Type: Qualified

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

(!: AVTot=0)

(!: Derived)

NUMBER of Sales:	48	MEDIAN:	95	COV:	48.07	95% Median C.I.:	77.02 to 99.79
TOTAL Sales Price:	10,880,134	WGT. MEAN:	86	STD:	47.07	95% Wgt. Mean C.I.:	77.10 to 95.86
TOTAL Adj.Sales Price:	10,173,134	MEAN:	98	AVG.ABS.DEV:	27.39	95% Mean C.I.:	84.61 to 111.24
TOTAL Assessed Value:	8,797,615						
AVG. Adj. Sales Price:	211,940	COD:	28.90	MAX Sales Ratio:	325.64		
AVG. Assessed Value:	183,283	PRD:	113.23	MIN Sales Ratio:	51.11		

Printed: 03/24/2010 14:24:17

STATUS: IMPROVED, UNIMPROVED & IOLL

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
1	33	97.03	95.71	86.87	26.37	110.18	51.11	221.69	74.45 to 102.66	259,810	225,692
2	12	94.78	106.87	94.32	35.44	113.31	60.07	325.64	72.08 to 99.85	67,366	63,537
3	3	83.50	86.47	74.25	21.39	116.46	61.17	114.75	N/A	263,666	195,773
ALL	48	94.78	97.92	86.48	28.90	113.23	51.11	325.64	77.02 to 99.79	211,940	183,283

PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
02	1	64.35	64.35	64.35			64.35	64.35	N/A	55,000	35,390
03	47	96.09	98.64	86.60	28.41	113.90	51.11	325.64	77.63 to 99.79	215,279	186,430
04											
ALL	48	94.78	97.92	86.48	28.90	113.23	51.11	325.64	77.02 to 99.79	211,940	183,283

SALE PRICE *

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
Low \$											
5000 TO 9999	2	98.91	98.91	98.82	0.95	100.09	97.97	99.85	N/A	7,200	7,115
Total \$											
1 TO 9999	2	98.91	98.91	98.82	0.95	100.09	97.97	99.85	N/A	7,200	7,115
10000 TO 29999	8	106.84	114.52	109.64	31.29	104.45	56.32	184.10	56.32 to 184.10	19,495	21,373
30000 TO 59999	8	94.78	118.24	120.47	51.08	98.14	60.07	325.64	60.07 to 325.64	47,079	56,718
60000 TO 99999	7	75.00	79.37	80.28	10.77	98.86	66.96	99.17	66.96 to 99.17	72,785	58,435
100000 TO 149999	5	106.81	115.88	117.42	34.57	98.69	58.56	221.69	N/A	118,200	138,787
150000 TO 249999	4	102.07	102.80	102.59	7.49	100.20	93.24	113.80	N/A	172,800	177,281
250000 TO 499999	9	77.02	73.90	73.95	20.32	99.93	51.11	102.74	53.50 to 100.60	354,555	262,188
500000 +	5	97.03	85.84	85.86	14.99	99.97	59.48	102.66	N/A	928,687	797,368
ALL	48	94.78	97.92	86.48	28.90	113.23	51.11	325.64	77.02 to 99.79	211,940	183,283

PAD 2010 R&O Statistics

Base Stat

State Stat Run

Type: Qualified

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

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

NUMBER of Sales:	48	MEDIAN:	95	COV:	48.07	95% Median C.I.:	77.02 to 99.79
TOTAL Sales Price:	10,880,134	WGT. MEAN:	86	STD:	47.07	95% Wgt. Mean C.I.:	77.10 to 95.86
TOTAL Adj.Sales Price:	10,173,134	MEAN:	98	AVG.ABS.DEV:	27.39	95% Mean C.I.:	84.61 to 111.24
TOTAL Assessed Value:	8,797,615						
AVG. Adj. Sales Price:	211,940	COD:	28.90	MAX Sales Ratio:	325.64		
AVG. Assessed Value:	183,283	PRD:	113.23	MIN Sales Ratio:	51.11		

Printed: 03/24/2010 14:24:17

OCCUPANCY CODE

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
(blank)	14	85.54	85.13	74.99	20.30	113.52	51.11	126.19	61.43 to 99.85	110,028	82,510
329	1	61.17	61.17	61.17			61.17	61.17	N/A	350,000	214,105
343	1	99.79	99.79	99.79			99.79	99.79	N/A	720,000	718,455
344	4	91.24	88.96	95.80	11.99	92.85	70.62	102.74	N/A	176,875	169,452
349	2	92.02	92.02	77.55	23.68	118.65	70.23	113.80	N/A	449,818	348,852
350	1	58.56	58.56	58.56			58.56	58.56	N/A	100,000	58,560
352	6	96.21	89.82	96.27	12.96	93.29	64.35	107.08	64.35 to 107.08	145,000	139,591
353	4	84.81	101.81	83.39	49.02	122.09	53.50	184.10	N/A	228,750	190,748
386	1	134.26	134.26	134.26			134.26	134.26	N/A	50,138	67,315
406	5	98.93	137.18	152.58	59.40	89.90	56.32	325.64	N/A	36,492	55,681
412	1	106.81	106.81	106.81			106.81	106.81	N/A	130,000	138,850
419	2	70.66	70.66	71.91	18.16	98.27	57.83	83.50	N/A	387,500	278,635
434	1	79.14	79.14	79.14			79.14	79.14	N/A	77,000	60,940
442	1	221.69	221.69	221.69			221.69	221.69	N/A	116,000	257,165
444	1	110.59	110.59	110.59			110.59	110.59	N/A	40,000	44,235
492	1	166.76	166.76	166.76			166.76	166.76	N/A	25,000	41,690
531	2	78.26	78.26	83.34	23.99	93.90	59.48	97.03	N/A	1,337,500	1,114,712
<u>ALL</u>	<u>48</u>	<u>94.78</u>	<u>97.92</u>	<u>86.48</u>	<u>28.90</u>	<u>113.23</u>	<u>51.11</u>	<u>325.64</u>	<u>77.02 to 99.79</u>	<u>211,940</u>	<u>183,283</u>

**2010 Correlation Section
for Keith County**

Commerical Real Property

I. Correlation

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

COMMERCIAL:A review of the market activity in Keith County reflects a very unstable Commercial market with the development of the Rocky Express pipeline and the announcement of a new Super Wal-Mart which has caused a very short stimulus to the local market. Now that the pipeline is complete and the Wal-Mart did not materialize, a market glut of properties has developed with a large number of properties for sale. It is the opinion of the PTA that not enough information exists to determine that the County has not done their job of valuation of the Commercial property at 100% of actual value.

**2010 Correlation Section
for Keith 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:A review of the non-qualified commercial sales indicate a total of 14 sales as coded substantially changed properties. If these could be utilized the percent used for the development for measurement purposes would be 61% instead of the 48% used. Keith County mails questionnaire statements with a self addressed return envelope. These sales are reviewed and any property record card that needs updating, a field review is completed and corrected if necessary. The building permits are maintained on Terra Scan and reviewed annually. Detailed notes are kept on the electronic record card system.

**2010 Correlation Section
for Keith 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	86	98

**2010 Correlation Section
for Keith 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 Keith 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 Keith County, which are considered as one part of the analysis of the County's assessment practices.

	COD	PRD
R&O Statistics	28.90	113.23

COMMERCIAL:A review of the sales indicated one outlier could be skewing the reliable qualitative statistics. After the removal of book 2007 page 446, for excessive adjustment amounts the COD calculates 28.54 and the PRD is 112.24. Both of these are still well above the IAAO acceptable parameters for Commercial property. The removal of the outlier slightly improved the qualitative measurements, which reflects the need for improvement of uniform and proportionate assessments in this property class.

**Agricultural or Special
Valuation Reports**

2010 Assessment Actions for Keith County

taken to address the following property classes/subclasses:

Agricultural

The 2010 assessment actions completed for agriculture properties within Keith County include a complete sales study of all sold properties from 07/01/2006 thru 06/30/2009. This sale study included a guideline used for discounting personal property. This guideline was built by interviewing irrigation contractors and building a depreciation schedule for irrigation equipment. This schedule is based on the year of the equipment and was applied to all sold properties with irrigation equipment.

All of the sales were reviewed within the county and 36% of arms length sales were removed from the state sales file because they were substantially changed, have special value, or have improvements that exceed 5% of the purchase price. Even though arms length sales were removed from the state roster they were reviewed in house. After a thorough review of the state sales, other arms length sales, and sales outside of the county were reviewed a market value was set for each soil type for each class of property.

There were many sales studies completed this year including improvements, CRP, trending values from west to east, and Special Value with no adjustments made for assessment 2010. One difference noticed this year is between flood irrigated parcels that where under 80 acres compared to pivot irrigated parcels. Through this study it was determined that flood irrigated parcel that where less than 80 acres were selling 10% less than pivot irrigated parcels or larger flood parcels that have the potential of being pivot irrigated. For assessment year a 10% spot adjustment was made to all flood or roll irrigated parcels that are less than 80 acres.

Another change this year was how we looked at smaller agriculture parcels. For assessment year 2010; parcels that were not contiguous to larger agriculture family owned parcels, vacant land smaller than 30 acres, and improved parcels that were less than 50 acres were looked at as rural residential parcels. This increasing standard is needed because the last few years it has been noticed in the market that there is a trend of buyers are purchasing larger tracks for rural residential home sites. The last few years the standard was vacant parcels under 20 acres and improved parcels under 40 acres.

The 2010 ag land values are as follows:

<u>Irrigated:</u>	Market Area 1	Market Area 2	Market Area 3
1A1	750	950	1570
1A	735	930	1555
2A1	720	910	1525
2A	705	890	1495

3A1	690	870	1465
3A	675	855	1435
4A1	660	840	1405
4A	645	825	1375
Dry Land:	Market Area 1	Market Area 2	Market Area 3
1D1	430	480	495
1D	410	455	470
2D1	390	430	445
2D	370	410	425
3D1	350	390	405
3D	335	370	385
4D1	320	350	365
4D	305	335	345
Grassland:	Market Area 1	Market Area 2	Market Area 3
1G1	310	310	310
1G	305	305	305
2G1	300	300	300
2G	295	295	295
3G1	290	290	290
3G	285	285	285
4G1	280	280	280
4G	275	275	275

2010 Assessment Survey for Keith County

Agricultural Appraisal Information

1.	Valuation data collection done by:				
	The appraisal staff and for 2010 the assessment clerk completed the numeric soil process for the entire county.				
2.	Does the County maintain more than one market area / valuation grouping in the agricultural property class?				
	Yes, Keith County has three market areas/valuation groupings.				
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.				
b.	Describe the specific characteristics of the market area / valuation groupings that make them unique?				
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%; text-align: center; vertical-align: top;">01</td> <td> <p>Area 1 market boundaries are the north side of Keith County. This area is north of the North Platte River, and North of Lake McConaughy. It spans the full length east and west of Keith County. This area is rolling grassy sand hills mainly for the grazing of cattle.</p> <p>In this area there are limited county roads and most of them are minimum maintenance roads. The Union Pacific Railroad has two tracks that run east and west along the North side of Lake McConaughy. There is very little farming in this area and mostly consists of grass land for cattle grazing. This area contains the Keystone Bank, Keystone-Lemoyne Fire Department, and seasonal convenience stores. The topography is rolling sand hills, Highway 61 runs north and south, and Highway 92 runs along the north side of Lake McConaughy. There are some residential parcels in this area including the town of Keystone, Sarben, Lemoyne, and residential neighborhoods along the north side of Lake McConaughy. There are also a few commercial parcels but approximately 99% of this area is agriculture and zoned A-agricultural. Most parcels in this area are full sections and usually surrounded by a barbed wire fence to show boundaries.</p> <p>There are a few small creeks in this area Otter Creek, Clear Creek, Lonergran Creek, Whitetail Creek, and Corn Creek. Most soils are valent association soils and classified very steep nearly level to very steep, excessively drained, sandy soils that form in sand eolian material; on uplands. Slopes range from 0-60 percent.</p> <p>Most water in this area is from wells run with windmills and some public electricity is run mainly along county roads. There is not any public gas, water, or sewer.</p> </td> </tr> <tr> <td style="text-align: center; vertical-align: top;">02</td> <td> <p>Area 2 market boundaries are south of the North Platte River and Lake McConaughy, and north of the South Platte River Valley. This area is</p> </td> </tr> </table>	01	<p>Area 1 market boundaries are the north side of Keith County. This area is north of the North Platte River, and North of Lake McConaughy. It spans the full length east and west of Keith County. This area is rolling grassy sand hills mainly for the grazing of cattle.</p> <p>In this area there are limited county roads and most of them are minimum maintenance roads. The Union Pacific Railroad has two tracks that run east and west along the North side of Lake McConaughy. There is very little farming in this area and mostly consists of grass land for cattle grazing. This area contains the Keystone Bank, Keystone-Lemoyne Fire Department, and seasonal convenience stores. The topography is rolling sand hills, Highway 61 runs north and south, and Highway 92 runs along the north side of Lake McConaughy. There are some residential parcels in this area including the town of Keystone, Sarben, Lemoyne, and residential neighborhoods along the north side of Lake McConaughy. There are also a few commercial parcels but approximately 99% of this area is agriculture and zoned A-agricultural. Most parcels in this area are full sections and usually surrounded by a barbed wire fence to show boundaries.</p> <p>There are a few small creeks in this area Otter Creek, Clear Creek, Lonergran Creek, Whitetail Creek, and Corn Creek. Most soils are valent association soils and classified very steep nearly level to very steep, excessively drained, sandy soils that form in sand eolian material; on uplands. Slopes range from 0-60 percent.</p> <p>Most water in this area is from wells run with windmills and some public electricity is run mainly along county roads. There is not any public gas, water, or sewer.</p>	02	<p>Area 2 market boundaries are south of the North Platte River and Lake McConaughy, and north of the South Platte River Valley. This area is</p>
01	<p>Area 1 market boundaries are the north side of Keith County. This area is north of the North Platte River, and North of Lake McConaughy. It spans the full length east and west of Keith County. This area is rolling grassy sand hills mainly for the grazing of cattle.</p> <p>In this area there are limited county roads and most of them are minimum maintenance roads. The Union Pacific Railroad has two tracks that run east and west along the North side of Lake McConaughy. There is very little farming in this area and mostly consists of grass land for cattle grazing. This area contains the Keystone Bank, Keystone-Lemoyne Fire Department, and seasonal convenience stores. The topography is rolling sand hills, Highway 61 runs north and south, and Highway 92 runs along the north side of Lake McConaughy. There are some residential parcels in this area including the town of Keystone, Sarben, Lemoyne, and residential neighborhoods along the north side of Lake McConaughy. There are also a few commercial parcels but approximately 99% of this area is agriculture and zoned A-agricultural. Most parcels in this area are full sections and usually surrounded by a barbed wire fence to show boundaries.</p> <p>There are a few small creeks in this area Otter Creek, Clear Creek, Lonergran Creek, Whitetail Creek, and Corn Creek. Most soils are valent association soils and classified very steep nearly level to very steep, excessively drained, sandy soils that form in sand eolian material; on uplands. Slopes range from 0-60 percent.</p> <p>Most water in this area is from wells run with windmills and some public electricity is run mainly along county roads. There is not any public gas, water, or sewer.</p>				
02	<p>Area 2 market boundaries are south of the North Platte River and Lake McConaughy, and north of the South Platte River Valley. This area is</p>				

	<p>mainly located on a plateau between the river valleys. A majority of this land is dry land farming.</p> <p>This area sits on the north side of Ogallala. Highway 61 runs north of Ogallala and highway 92 runs west of Ogallala. Both of these highways run into Ogallala which have all of the business resources. Other than the state highways and Keystone –Roscoe all other roads are gravel roads usually well maintained. Most of this area is dry land farming because the difficulty in drilling wells deep enough to reach good water. In this area there is Bayside 18 Hole Golf course, seasonal convenience stores, Eichners Sales and Service which sells recreational vehicles and boats, Dan’s Marine which maintains and sells boats, and Eagle Crest Manufactured Homes Sales.</p> <p>There are many residential neighborhoods along the south side of Lake McConaughy, as well as a few commercial parcels, however, approximately 90 percent of this neighborhood consists of Agriculture and zoned A-Agricultural. Most parcels in this area are quarter sections up to full sections. On the west end of this neighborhood there are many canyons and gulches. Also on the northeast side of this neighborhood, the Sutherland Canal runs from Lake McConaughy to South of Paxton. Most soils are Kuma-Duroc-Keith Association and Sully-McConaughy Association. Kuma-Duroc-Keith Association soils are classified as very deep, nearly level to gently sloping, well drained lomey and silty soils that form in loess; on uplands. Slopes range from 0-6 percent. Sully-McConaughy soils are mainly located on the edges of the plateau and are classified as very deep, strongly sloping to very steep, well drained, lomey soils that formed in loess; on uplands. Slopes range from 6-60 percent.</p> <p>There are limited amounts of wells in this area, mainly because of deep water sources. A majority of the wells in this neighborhood are located in the North Platte River Valley below the Plateau. There is some public electricity along the county roads, and there isn’t any public gas, water, or sewer.</p>
03	<p>Area 3 market boundaries include the South Platte River Valley and everything south. This area is concentrated with majority of irrigated land. It also spans the full length east and west of Keith County.</p> <p>This area includes the towns of Brule, Ogallala, Roscoe, and Paxton. Highway 30, and Interstate 80 runs east and west, Highway 61 runs south of Ogallala to Perkins County. The Union Pacific Railroad also runs east and west along this neighborhood. There are some asphalt paved county roads but a majority of them are well maintained gravel. Most of this area is irrigated farm ground. The crops include wheat, soybeans, dry edible beans, beets, pumpkins, milo, alpha, sunflowers, and mostly corn. There is a well moratorium in this area that restricts the drilling of new wells, but by reviewing the well map this area has many irrigation wells.</p> <p>The towns of Ogallala, Brule, and Paxton provide retail sales in this area, including discount stores, hardware stores, grocery stores, gas stations/convenience stores, fitness and training, fast food and fine dining</p>

	<p>restaurants, and Farmer Coops.</p> <p>This neighborhood makes up most of the residential and commercial parcels in Keith County, because of the towns and the county seat of Ogallala. However approximately 70 percent are parcels are agricultural or zoned A-agricultural. Most parcels in this area are a quarter of a section.</p> <p>Along the north side of this neighborhood the South Platte River runs west to east. Also in this area is the Western Canal and Sutherland Canal for irrigation purposes. Most soils in this area are Satanta-Kuma Association. This soil is classified as very deep, nearly level to gently sloping, well drained, loamy soils that formed in loamy material and loess; on uplands. Typically this area slopes from 0-6 percent.</p> <p>In this area public power is available to most parcels because of the electric irrigated pumps. There isn't any public gas, water, or sewer to the agricultural parcels.</p>
3.	Agricultural Land
a.	How is agricultural land defined in this county?
	In general agriculture land in Keith County it has to be zoned agriculture, if it is improved it has to be over 50 acres, if it is unimproved it has to be over 30 acres, and the highest and best use has to be agriculture. There are exceptions to this rule and every parcel is unique so most parcels are reviewed on an individual basis.
b.	When is it agricultural land, when is it residential, when is it recreational?
	Agriculture land is defined above. Residential land anything less than agriculture land and not commercial. Recreational property is mostly mobile homes around Lake McConaughy.
c.	Are these definitions in writing?
	Yes
d.	What are the recognized differences?
	Highest and best use.
e.	How are rural home sites valued?
	Through market value techniques.
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?
	All rural home sites are valued the same.
h.	What are the recognized differences?
	None
4.	What is the status of the soil conversion from the alpha to numeric notation?
	The numeric soil conversion is completed in Keith County
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?
	Special Value, CRP contracts, and WIP contracts
5.	Is land use updated annually?

	Yes
a.	By what method? (Physical inspection, FSA maps, etc.)
	Physical inspection, NRCS, FSA, building permits, well registration lists, sales review and real estate listings
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 a market analysis
b.	Has the County received applications for special valuation?
	Yes
c.	Describe special value methodology
	We have two defined special value areas. SV Area#4 is located around the interstate interchange and SV Area #5 is located around the North Platte river and the South Platte River. See Special Value Methodology 2010 for a detailed description.
7	Pickup work:
a.	Is pickup work done annually and is it completed by March 19th?
	Yes
b.	By Whom?
	The Appraisal 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?
	Yes
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 following the schedule as outlined in the Plan of Assessment. The last complete appraisal was done in 2006.
a.	Does the County maintain a tracking process?
	Yes, the CAMA system keeps a record of actions taken by neighborhood and parcel. There are also a large amount of comments in the TerraScan system for each property.
b.	How are the results of the portion of the properties inspected and reviewed applied to the balance of the county?
	All reappraisals or mass adjustments are applied to the whole neighborhood for uniformity and consistency.

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	Area 2	Area 3
07/01/06 - 06/30/07	34	1	7	26
07/01/07 - 06/30/08	20	3	8	9
07/01/08 - 06/30/09	29	5	5	19
Totals	83	9	20	54

Added Sales:

Study Year	Total	Mkt 1	Mkt 2	Mkt 3
7/1/06 - 6/30/07	4	4	0	0
7/1/07 - 6/30/08	17	4	1	12
7/1/08 - 6/30/09	7	1	2	4
	28	9	3	16

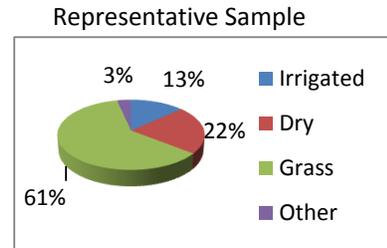
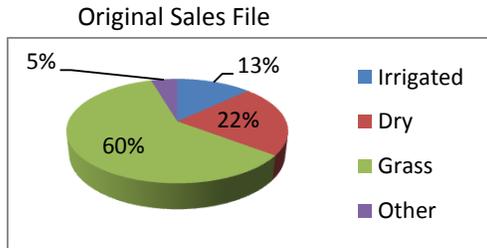
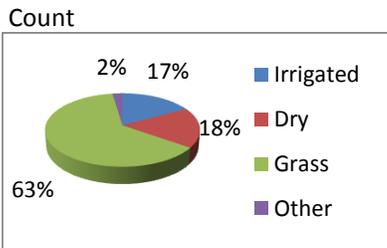
Final Results:

Study Year	County	Area 1	Area 2	Area 3
07/01/06 - 06/30/07	38	5	7	26
07/01/07 - 06/30/08	37	7	9	21
07/01/08 - 06/30/09	36	6	7	23
Totals	111	18	23	70

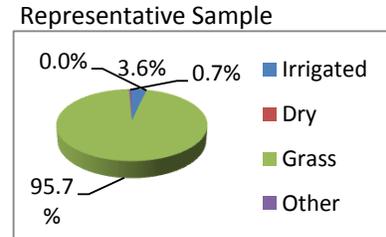
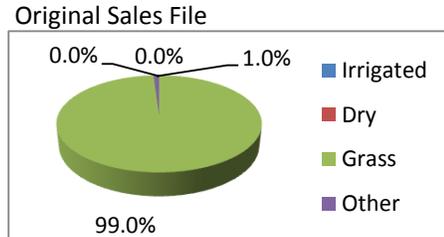
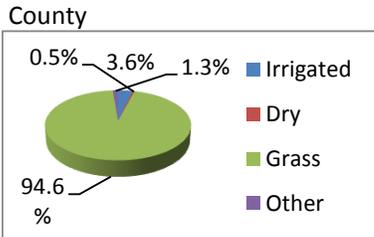
Representativeness by Majority Land Use

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.

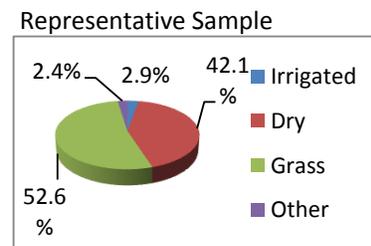
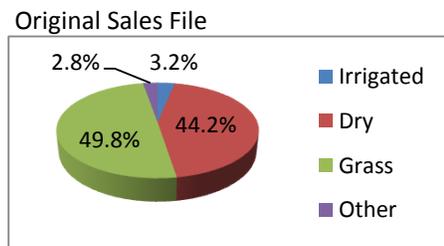
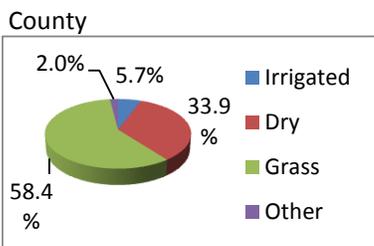
Entire County			
	county	sales file	Sample
Irrigate	17%	13%	13%
Dry	18%	22%	22%
Grass	63%	60%	61%
Other	2%	5%	3%



Mkt Area 1			
	county	sales file	sample
Irrigate	4%	0%	4%
Dry	1%	0%	0%
Grass	95%	99%	96%
Other	1%	1%	1%

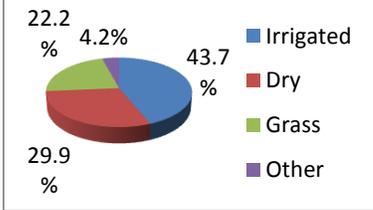


Mkt Area 2			
	county	sales file	sample
Irrigate	6%	3%	3%
Dry	34%	44%	42%
Grass	58%	50%	53%
Other	2%	3%	2%

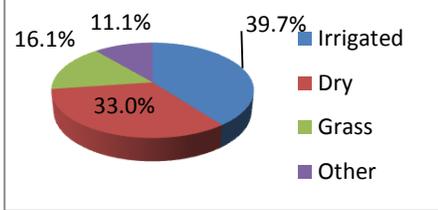


Mkt Area 3			
	county	sales file	sample
Irrigate	44%	40%	35%
Dry	30%	33%	39%
Grass	22%	16%	17%
Other	4%	11%	8%

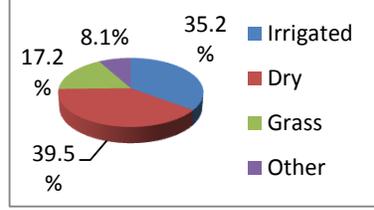
County



Original Sales File



Representative Sample



Adequacy of Sample

	County Total	Mrkt Area 1	Mrkt Area 2	Mrkt Area 3
Number of Sales - Original Sales File	83	9	20	54
Number of Sales - Expanded Sample	111	18	23	70
Total Number of Acres Added	12885	7124	1430	4331

Final Statistics

County # sales 111

Median	71%	AAD	13.79%
Mean	74%	COD	19.53%
W. Mean	68%	PRD	108.24%

Market Area 1 # sales 18

Median	74%	AAD	16.51%
Mean	81%	COD	22.20%
W. Mean	76%	PRD	106.34%

Market Area 2 # sales 23

Median	71%	AAD	15.66%
Mean	73%	COD	22.13%
W. Mean	60%	PRD	120.99%

Market Area 3 # sales 70

Median	70%	AAD	12.47%
Mean	72%	COD	17.84%
W. Mean	67%	PRD	107.09%

Preliminary Statistics

Median	66%	AAD	12.41%
Mean	67%	COD	18.88%
W. Mean	63%	PRD	106.89%

Median	64%	AAD	13.70%
Mean	68%	COD	21.46%
W. Mean	64%	PRD	107.33%

Median	72%	AAD	14.93%
Mean	71%	COD	20.76%
W. Mean	61%	PRD	116.66%

Median	65%	AAD	11.25%
Mean	65%	COD	17.36%
W. Mean	63%	PRD	103.85%

Majority Land Use

95% MLU	Irrigated		Dry		Grass	
	# Sales	Median	# Sales	Median	# Sales	Median
County	6	74.76%	26	72.21%	21	71.91%
Mkt Area 1	1	95.61%	0	N/A	14	79.61%
Mkt Area 2	1	99.21%	10	70.94%	4	69.52%
Mkt Area 3	4	70.62%	16	73.49%	3	77.78%

80% MLU	Irrigated		Dry		Grass	
	# Sales	Median	# Sales	Median	# Sales	Median
County	31	69.31%	30	72.21%	25	71.91%
Mkt Area 1	1	95.61%	0	N/A	15	71.91%
Mkt Area 2	1	99.21%	13	71.10%	5	68.45%
Mkt Area 3	29	69.15%	17	73.31%	5	92.42%

2010

Methodology for Special Valuation

Keith County

The State Assessment office for Keith 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: Commercial, residential, and/or 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 Keith County by any interested person.

- A. **Identification of the influenced area:** Keith County has two areas defined as Special Value areas. The first Special Valuation Area (Area 5) was recognized in assessment year 2007. The first area is property that contains accretion land along the North and South Platte Rivers. The second Special Value Area (Area 4) was recognized in 2008 and is agriculture land located along the interstate interchange. This second area includes approximately a three mile radius around the interchange. See maps provided for a detailed description of areas.
- B. **Describe the highest and best use of the properties in the influenced area, and how this was determined:** For Area 5 the highest and best use is residential or commercial recreational use. For Area 4 the highest and best use is commercial development. These areas were determined by market trends. Some parcels in these areas would require some zoning changes for commercial use but for any other use the highest and best is legally permitted, physically possible, economically feasible, and the most profitable.
- C. **Describe the valuation models used in arriving at the value estimates, and explain why and how they were selected:** The valuation models used in these areas are unit comparison or value per acre. The models were created by using parcels that have sold in these areas that were influenced by other uses other than agriculture use. The areas were selected because the sold properties in the special value areas were not reflecting the true agriculture market. The special value areas were developed to define a market trend for agricultural parcels being used for residential, commercial or recreation use within Keith County.
- D. **Describe which market areas were analyzed, both in the County and in any county deemed comparable:** All market areas within Keith County are analyzed on a yearly basis. Market trends are analyzed and sales within the special value area are used to determine the areas and market value. We have reviewed other counties markets and sales however, Keith County is a forerunner in defining the areas and influences affecting agriculture land.

- 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:**
We have not adjusted the sales because typically the most recent sales reflect current cash equivalency. There are some time adjustments that probably could be used for older sales but for our study we give the most recent sales the most weight in determining value.
- 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:**

Through the years the market trends for agricultural land have been highly influenced by other uses for Keith County. The agricultural parcels around Lake McConaughy, North Platte River, South Platte River, and Interstate 80 interchange, have been influenced by other uses including commercial, residential and recreational.

The special value market areas in Keith County for 2010, is determined by current sales in these areas and to be valued at \$1,600 per acre. Both special value areas are primarily agricultural parcels, with the assessment being \$1,200 per acre or 75% of market value. There are exceptions to this value. For one example if a parcel is irrigated, 1A soil, and located in Market Area 3, the value assessed is \$1,555 due to the highest and best use is still irrigated land. The special value area located along the North and South Platte Rivers, has been determined that the market value of the accretion is \$1,600 per acre or \$1,200 of assessment per acre. The special value of the accretion agricultural land is determined to be half the value of 4G. This accretion value is based on the knowledge that accretion ground does not contain the nutritional value as most grasses; cattle capacity is less that most grassland, access to accretion ground can be more difficult, maintaining fences and buildings are more difficult due to changing water levels and moisture. This value was determined from old sales and through interviews and research of ranching procedures. The special value for agricultural ground around the Interstate 80 interchange is valued as all agricultural ground within Market Area 3.

**Agricultural or Special
Valuation Correlation**

2010 Correlation Section

For Keith County

Agricultural Land

I. Correlation

The level of value for the agricultural land in Keith County, as determined by the PTA is 71%. The mathematically calculated median is 71%.

AGRICULTURAL LAND:

A detailed and thorough analysis of the uninfluenced agricultural land in Keith County was conducted. The distribution of the sales among the three year period was reviewed for proportionality and equalization. In reviewing the three year period, the middle study year had a 40% decline in the number of sales from the oldest year to the middle 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 sample. An additional 28 sales were added to develop a representative sample to analyze. The expanded sample corrects the time skew and the makeup of the land use in the sample versus the population. Six counties neighbor Keith County and all comparable sales were analyzed for representativeness of the sale date, soil types, and physical characteristics and closest proximity to each market area.

Market Area One is located north of Lake McConaughy and the North Platte River stretching across the west to east county line boundaries. This area as shown on the geographically map contains 95% grass land acres that consist of excessively drained sandy soils formed in eolian sands on uplands in the sand hills. The nine added sales were comparable to soil types and grass in Garden, Arthur and McPherson Counties. Keith County has set the 4G value countywide at \$275 which is the majority of this area and equalized with the countywide grass values and the neighboring county values. McPherson is \$270, Garden \$220-\$250, Arthur \$245, Lincoln \$275 and Perkins \$300.

Market Area Two lies in the central region of Keith County and consists of a table top between the North Platte River and the South Platte River Valley. Due to the inability to access water, there are a limited number of wells, resulting in mostly grass and dry land acres in the population and the sample base. Adding three comparable sales in market area two corrected the small time skew and land use. Three sales were utilized for the sample; one from Garden, one from Deuel and one from Lincoln. The largest 1D subclass is valued in Deuel at \$350, \$410 in Keith and \$435 in Lincoln. This is very typical of the agricultural land increasing from the west to the eastern region of the state.

Market Area Three is located in the southern portion of Keith County in the South Platte River Valley where the majority of the irrigated wells and land are. Due to the large decline in the number of sales between 06/07 and 07/08; 16 sales were utilized to develop a representative sample. 12 of the 16 sales were used from Perkins County where Keith and Perkins actually both share 7 of the townships or GEO codes on the southern county line of Keith.

2010 Correlation Section

For Keith County

After a final review of the three market areas and the 2010 Keith County uninfluenced agricultural land analysis it is determined the level of value is 71%. All market areas are within the acceptable levels of value and the majority land uses are also. No nonbinding recommendations will be made and it is determined the county has met uniform and proportionate assessment practices.

SPECIAL VALUATION:

A review of the agricultural land values in Keith 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 Keith County is 71%.

2010 Correlation Section

For Keith 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:

Keith County uses a sales review system with mass mailing of questionnaires with a self addressed return envelope. The sales are reviewed and if necessary, data updated on the property record cards. The building permit system is maintained through the Terra Scan system. Each building permit is reviewed in the field each year by the appraisal staff.

2010 Correlation Section

For Keith 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	71	68	74

2010 Correlation Section

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

	COD	PRD
R&O Statistics	19.53	108.24

AGRICULTURAL LAND:

The coefficient of dispersion is within the acceptable range for agricultural land and supports uniform and proportionate assessment practices in the Keith County agricultural property class. The price related differential is above the acceptable IAAO parameters, although there are no further indicators that the county has not met acceptable assessment practices.

Total Real Property Sum Lines 17, 25, & 30	Records : 9,261	Value : 791,439,360	Growth 5,739,450	Sum Lines 17, 25, & 41
--	------------------------	----------------------------	-------------------------	-----------------------------------

Schedule I : Non-Agricultural Records

	Urban		SubUrban		Rural		Total		Growth
	Records	Value	Records	Value	Records	Value	Records	Value	
01. Res UnImp Land	203	2,067,300	96	995,525	307	10,102,945	606	13,165,770	
02. Res Improve Land	2,225	19,944,490	156	2,379,445	1,655	23,335,835	4,036	45,659,770	
03. Res Improvements	2,368	137,176,080	168	20,064,180	1,936	109,576,550	4,472	266,816,810	
04. Res Total	2,571	159,187,870	264	23,439,150	2,243	143,015,330	5,078	325,642,350	2,838,430
% of Res Total	50.63	48.88	5.20	7.20	44.17	43.92	54.83	41.15	49.45
05. Com UnImp Land	119	3,328,645	21	600,790	33	524,485	173	4,453,920	
06. Com Improve Land	395	14,525,945	34	1,336,015	65	2,086,015	494	17,947,975	
07. Com Improvements	422	48,864,785	42	4,296,785	72	9,566,220	536	62,727,790	
08. Com Total	541	66,719,375	63	6,233,590	105	12,176,720	709	85,129,685	1,157,285
% of Com Total	76.30	78.37	8.89	7.32	14.81	14.30	7.66	10.76	20.16
09. Ind UnImp Land	0	0	1	24,010	0	0	1	24,010	
10. Ind Improve Land	13	302,500	1	36,170	0	0	14	338,670	
11. Ind Improvements	13	2,076,855	1	105,195	0	0	14	2,182,050	
12. Ind Total	13	2,379,355	2	165,375	0	0	15	2,544,730	0
% of Ind Total	86.67	93.50	13.33	6.50	0.00	0.00	0.16	0.32	0.00
13. Rec UnImp Land	0	0	0	0	981	9,347,955	981	9,347,955	
14. Rec Improve Land	0	0	0	0	42	222,670	42	222,670	
15. Rec Improvements	1	880	0	0	42	619,765	43	620,645	
16. Rec Total	1	880	0	0	1,023	10,190,390	1,024	10,191,270	298,345
% of Rec Total	0.10	0.01	0.00	0.00	99.90	99.99	11.06	1.29	5.20
Res & Rec Total	2,572	159,188,750	264	23,439,150	3,266	153,205,720	6,102	335,833,620	3,136,775
% of Res & Rec Total	42.15	47.40	4.33	6.98	53.52	45.62	65.89	42.43	54.65
Com & Ind Total	554	69,098,730	65	6,398,965	105	12,176,720	724	87,674,415	1,157,285
% of Com & Ind Total	76.52	78.81	8.98	7.30	14.50	13.89	7.82	11.08	20.16
17. Taxable Total	3,126	228,287,480	329	29,838,115	3,371	165,382,440	6,826	423,508,035	4,294,060
% of Taxable Total	45.80	53.90	4.82	7.05	49.38	39.05	73.71	53.51	74.82

Schedule II : Tax Increment Financing (TIF)

	Urban			SubUrban		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	3	10,390	217,305	0	0	0
19. Commercial	15	1,300,595	7,063,490	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	3	10,390	217,305
19. Commercial	0	0	0	15	1,300,595	7,063,490
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
22. Total Sch II				18	1,310,985	7,280,795

Schedule III : Mineral Interest Records

Mineral Interest	Urban		SubUrban		Rural		Total		Growth
	Records	Value	Records	Value	Records	Value	Records	Value	
23. Producing	0	0	0	0	0	0	0	0	0
24. Non-Producing	0	0	0	0	65	37,060	65	37,060	0
25. Total	0	0	0	0	65	37,060	65	37,060	0

Schedule IV : Exempt Records : Non-Agricultural

	Urban Records	SubUrban Records	Rural Records	Total Records
26. Producing	238	72	367	677

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	5	529,795	103	12,079,945	1,760	233,172,480	1,868	245,782,220
28. Ag-Improved Land	1	9,790	38	3,514,320	431	72,762,215	470	76,286,325
29. Ag Improvements	1	163,475	38	4,002,595	463	41,659,650	502	45,825,720
30. Ag Total							2,370	367,894,265

Schedule VI : Agricultural Records :Non-Agricultural Detail

	Urban			SubUrban			Growth
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	0	0.00	0	1	1.00	12,100	
32. HomeSite Improv Land	0	0.00	0	26	28.00	338,800	
33. HomeSite Improvements	0	0.00	0	26	28.00	2,946,640	
34. HomeSite Total							
35. FarmSite UnImp Land	0	0.00	0	1	2.30	3,335	
36. FarmSite Improv Land	1	6.75	9,790	24	23.54	34,140	
37. FarmSite Improvements	1	0.00	163,475	32	0.00	1,055,955	
38. FarmSite Total							
39. Road & Ditches	0	6.72	0	0	183.28	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
	Records	Acres	Value	Records	Acres	Value	Growth
31. HomeSite UnImp Land	9	9.00	108,900	10	10.00	121,000	
32. HomeSite Improv Land	317	339.50	4,107,950	343	367.50	4,446,750	
33. HomeSite Improvements	329	334.00	26,204,335	355	362.00	29,150,975	1,445,390
34. HomeSite Total				365	377.50	33,718,725	
35. FarmSite UnImp Land	9	4.01	5,825	10	6.31	9,160	
36. FarmSite Improv Land	287	324.15	483,955	312	354.44	527,885	
37. FarmSite Improvements	427	0.00	15,455,315	460	0.00	16,674,745	0
38. FarmSite Total				470	360.75	17,211,790	
39. Road & Ditches	0	4,900.79	0	0	5,090.79	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
41. Total Section VI				835	5,829.04	50,930,515	1,445,390

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

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	0	0.00	0	2	0.00	0
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	3	0.00	0	5	0.00	0

Schedule VIII : Agricultural Records : Special Value

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
43. Special Value	1	1.84	2,770	55	8,292.47	5,824,955
44. Recapture Value N/A	1	1.84	2,770	55	8,292.47	8,627,930
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
43. Special Value	170	39,978.26	18,817,100	226	48,272.57	24,644,825
44. Market Value	0	0	0	0	0	0

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

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 1

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	3.41	0.03%	2,505	0.04%	734.60
47. 2A1	0.00	0.00%	0	0.00%	0.00
48. 2A	671.88	6.44%	463,400	6.71%	689.71
49. 3A1	75.18	0.72%	51,870	0.75%	689.94
50. 3A	2,423.11	23.24%	1,635,635	23.68%	675.01
51. 4A1	5,153.15	49.42%	3,400,505	49.22%	659.89
52. 4A	2,099.72	20.14%	1,354,290	19.60%	644.99
53. Total	10,426.45	100.00%	6,908,205	100.00%	662.57
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	31.45	2.85%	12,895	3.44%	410.02
56. 2D1	0.00	0.00%	0	0.00%	0.00
57. 2D	158.90	14.42%	58,790	15.70%	369.98
58. 3D1	259.89	23.58%	90,965	24.29%	350.01
59. 3D	304.43	27.62%	101,980	27.23%	334.99
60. 4D1	261.95	23.76%	83,805	22.37%	319.93
61. 4D	85.68	7.77%	26,135	6.98%	305.03
62. Total	1,102.30	100.00%	374,570	100.00%	339.81
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	130.37	0.05%	40,340	0.05%	309.43
65. 2G1	0.00	0.00%	0	0.00%	0.00
66. 2G	743.62	0.28%	220,190	0.30%	296.11
67. 3G1	1,016.27	0.38%	297,475	0.40%	292.71
68. 3G	5,441.50	2.04%	1,559,720	2.11%	286.63
69. 4G1	48,792.72	18.29%	13,701,445	18.56%	280.81
70. 4G	210,719.25	78.97%	57,993,420	78.57%	275.22
71. Total	266,843.73	100.00%	73,812,590	100.00%	276.61
Irrigated Total	10,426.45	3.70%	6,908,205	8.46%	662.57
Dry Total	1,102.30	0.39%	374,570	0.46%	339.81
Grass Total	266,843.73	94.59%	73,812,590	90.39%	276.61
Waste	3,663.56	1.30%	468,215	0.57%	127.80
Other	77.85	0.03%	93,420	0.11%	1,200.00
Exempt	37,684.47	13.36%	0	0.00%	0.00
Market Area Total	282,113.89	100.00%	81,657,000	100.00%	289.45

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 2

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	2,389.56	24.50%	2,222,290	25.82%	930.00
47. 2A1	0.00	0.00%	0	0.00%	0.00
48. 2A	4,143.27	42.49%	3,650,315	42.42%	881.02
49. 3A1	408.45	4.19%	355,360	4.13%	870.02
50. 3A	2,167.16	22.22%	1,846,590	21.46%	852.08
51. 4A1	89.31	0.92%	75,015	0.87%	839.94
52. 4A	553.83	5.68%	455,925	5.30%	823.22
53. Total	9,751.58	100.00%	8,605,495	100.00%	882.47
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	34,342.81	67.97%	15,626,025	71.67%	455.00
56. 2D1	432.36	0.86%	185,920	0.85%	430.01
57. 2D	6,196.18	12.26%	2,540,410	11.65%	410.00
58. 3D1	1,340.73	2.65%	522,875	2.40%	389.99
59. 3D	4,683.21	9.27%	1,732,770	7.95%	370.00
60. 4D1	817.70	1.62%	286,220	1.31%	350.03
61. 4D	2,713.21	5.37%	908,940	4.17%	335.01
62. Total	50,526.20	100.00%	21,803,160	100.00%	431.52
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	3,526.14	4.05%	1,090,290	4.48%	309.20
65. 2G1	85.80	0.10%	26,695	0.11%	311.13
66. 2G	3,142.28	3.61%	935,845	3.85%	297.82
67. 3G1	1,063.91	1.22%	322,905	1.33%	303.51
68. 3G	4,171.26	4.79%	1,219,665	5.01%	292.40
69. 4G1	2,817.08	3.24%	798,505	3.28%	283.45
70. 4G	72,263.01	82.99%	19,941,870	81.94%	275.96
71. Total	87,069.48	100.00%	24,335,775	100.00%	279.50
Irrigated Total					
Irrigated Total	9,751.58	6.49%	8,605,495	15.61%	882.47
Dry Total					
Dry Total	50,526.20	33.64%	21,803,160	39.55%	431.52
Grass Total					
Grass Total	87,069.48	57.97%	24,335,775	44.14%	279.50
Waste					
Waste	2,842.75	1.89%	389,625	0.71%	137.06
Other					
Other	0.00	0.00%	0	0.00%	0.00
Exempt					
Exempt	653.87	0.44%	0	0.00%	0.00
Market Area Total					
Market Area Total	150,190.01	100.00%	55,134,055	100.00%	367.10

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 3

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	160.34	0.18%	241,835	0.18%	1,508.26
46. 1A	48,920.76	54.19%	76,010,855	55.73%	1,553.75
47. 2A1	175.19	0.19%	267,165	0.20%	1,525.00
48. 2A	23,303.30	25.81%	34,695,455	25.44%	1,488.86
49. 3A1	3,721.94	4.12%	5,452,695	4.00%	1,465.01
50. 3A	5,453.67	6.04%	7,772,350	5.70%	1,425.16
51. 4A1	7,022.77	7.78%	9,867,055	7.23%	1,405.01
52. 4A	1,519.79	1.68%	2,084,280	1.53%	1,371.43
53. Total	90,277.76	100.00%	136,391,690	100.00%	1,510.80
Dry					
54. 1D1	2.30	0.00%	1,145	0.00%	497.83
55. 1D	34,463.17	60.29%	16,197,780	63.98%	470.00
56. 2D1	69.66	0.12%	31,000	0.12%	445.02
57. 2D	11,607.58	20.31%	4,933,730	19.49%	425.04
58. 3D1	2,542.64	4.45%	1,029,720	4.07%	404.98
59. 3D	2,188.82	3.83%	842,700	3.33%	385.00
60. 4D1	5,574.42	9.75%	2,034,650	8.04%	365.00
61. 4D	711.13	1.24%	245,375	0.97%	345.05
62. Total	57,159.72	100.00%	25,316,100	100.00%	442.90
Grass					
63. 1G1	6.90	0.00%	2,190	0.02%	317.39
64. 1G	4,705.47	10.49%	1,452,995	11.20%	308.79
65. 2G1	107.48	0.24%	32,245	0.25%	300.01
66. 2G	8,545.03	19.05%	2,571,400	19.82%	300.92
67. 3G1	1,519.77	3.39%	462,000	3.56%	303.99
68. 3G	3,592.38	8.01%	1,039,180	8.01%	289.27
69. 4G1	7,717.35	17.20%	2,247,675	17.33%	291.25
70. 4G	18,664.97	41.61%	5,165,590	39.82%	276.75
71. Total	44,859.35	100.00%	12,973,275	100.00%	289.20
Irrigated Total					
Irrigated Total	90,277.76	45.08%	136,391,690	77.35%	1,510.80
Dry Total					
Dry Total	57,159.72	28.54%	25,316,100	14.36%	442.90
Grass Total					
Grass Total	44,859.35	22.40%	12,973,275	7.36%	289.20
Waste					
Waste	7,980.70	3.98%	1,643,170	0.93%	205.89
Other					
Other	0.00	0.00%	0	0.00%	0.00
Exempt					
Exempt	630.42	0.31%	0	0.00%	0.00
Market Area Total					
Market Area Total	200,277.53	100.00%	176,324,235	100.00%	880.40

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 4

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	936.32	42.80%	1,451,560	44.30%	1,550.28
47. 2A1	0.00	0.00%	0	0.00%	0.00
48. 2A	1,089.51	49.81%	1,600,285	48.84%	1,468.81
49. 3A1	0.00	0.00%	0	0.00%	0.00
50. 3A	86.65	3.96%	119,610	3.65%	1,380.38
51. 4A1	57.20	2.61%	80,365	2.45%	1,404.98
52. 4A	17.80	0.81%	24,480	0.75%	1,375.28
53. Total	2,187.48	100.00%	3,276,300	100.00%	1,497.75
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	71.83	9.02%	34,400	10.22%	478.91
56. 2D1	0.00	0.00%	0	0.00%	0.00
57. 2D	516.04	64.80%	225,095	66.85%	436.20
58. 3D1	0.00	0.00%	0	0.00%	0.00
59. 3D	12.45	1.56%	4,795	1.42%	385.14
60. 4D1	163.03	20.47%	59,500	17.67%	364.96
61. 4D	32.95	4.14%	12,950	3.85%	393.02
62. Total	796.30	100.00%	336,740	100.00%	422.88
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	35.66	4.79%	15,535	6.79%	435.64
65. 2G1	0.00	0.00%	0	0.00%	0.00
66. 2G	200.11	26.86%	61,570	26.92%	307.68
67. 3G1	0.00	0.00%	0	0.00%	0.00
68. 3G	8.21	1.10%	9,850	4.31%	1,199.76
69. 4G1	125.45	16.84%	36,795	16.08%	293.30
70. 4G	375.69	50.42%	105,005	45.90%	279.50
71. Total	745.12	100.00%	228,755	100.00%	307.00
Irrigated Total					
Irrigated Total	2,187.48	57.92%	3,276,300	85.13%	1,497.75
Dry Total					
Dry Total	796.30	21.09%	336,740	8.75%	422.88
Grass Total					
Grass Total	745.12	19.73%	228,755	5.94%	307.00
Waste					
Waste	0.00	0.00%	0	0.00%	0.00
Other					
Other	47.62	1.26%	6,665	0.17%	139.96
Exempt					
Exempt	0.00	0.00%	0	0.00%	0.00
Market Area Total					
Market Area Total	3,776.52	100.00%	3,848,460	100.00%	1,019.05

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	310.83	474,560	7,733.65	10,815,655	104,598.79	143,891,475	112,643.27	155,181,690
77. Dry Land	73.85	32,410	4,497.61	1,876,500	105,013.06	45,921,660	109,584.52	47,830,570
78. Grass	52.68	22,825	7,994.07	2,270,425	391,470.93	109,057,145	399,517.68	111,350,395
79. Waste	0.00	0	1,523.31	236,645	12,963.70	2,264,365	14,487.01	2,501,010
80. Other	0.00	0	47.62	6,665	77.85	93,420	125.47	100,085
81. Exempt	219.51	0	915.01	0	37,834.24	0	38,968.76	0
82. Total	437.36	529,795	21,796.26	15,205,890	614,124.33	301,228,065	636,357.95	316,963,750

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	112,643.27	17.70%	155,181,690	48.96%	1,377.64
Dry Land	109,584.52	17.22%	47,830,570	15.09%	436.47
Grass	399,517.68	62.78%	111,350,395	35.13%	278.71
Waste	14,487.01	2.28%	2,501,010	0.79%	172.64
Other	125.47	0.02%	100,085	0.03%	797.68
Exempt	38,968.76	6.12%	0	0.00%	0.00
Total	636,357.95	100.00%	316,963,750	100.00%	498.09

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

51 Keith

	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	318,491,130	325,642,350	7,151,220	2.25%	2,838,430	1.35%
02. Recreational	9,699,580	10,191,270	491,690	5.07%	298,345	1.99%
03. Ag-Homesite Land, Ag-Res Dwelling	33,106,280	33,718,725	612,445	1.85%	1,445,390	-2.52%
04. Total Residential (sum lines 1-3)	361,296,990	369,552,345	8,255,355	2.28%	4,582,165	1.02%
05. Commercial	84,243,790	85,129,685	885,895	1.05%	1,157,285	-0.32%
06. Industrial	2,547,360	2,544,730	-2,630	-0.10%	0	-0.10%
07. Ag-Farmsite Land, Outbuildings	16,817,405	17,211,790	394,385	2.35%	0	2.35%
08. Minerals	37,060	37,060	0	0.00	0	0.00
09. Total Commercial (sum lines 5-8)	103,645,615	104,923,265	1,277,650	1.23%	1,157,285	0.12%
10. Total Non-Agland Real Property	464,942,605	474,475,610	9,533,005	2.05%	5,739,450	0.82%
11. Irrigated	153,811,890	155,181,690	1,369,800	0.89%		
12. Dryland	42,525,450	47,830,570	5,305,120	12.48%		
13. Grassland	94,160,670	111,350,395	17,189,725	18.26%		
14. Wasteland	2,147,430	2,501,010	353,580	16.47%		
15. Other Agland	8,955	100,085	91,130	1,017.64%		
16. Total Agricultural Land	292,654,395	316,963,750	24,309,355	8.31%		
17. Total Value of all Real Property (Locally Assessed)	757,597,000	791,439,360	33,842,360	4.47%	5,739,450	3.71%

**2009 PLAN OF ASSESSMENT
FOR
KEITH COUNTY**

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 Keith County:

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

	Parcels	% of Total Parcels	% of Taxable Value Base	
Residential	5102	51 %	313,663,245	41 %
Commercial	722	8 %	94,992,190	13 %

Industrial	15	.15 %	3,126,190	.4 %
Recreational	1022	11 %	10,664,305	2 %
Agricultural	2380	24 %	347,205,095	46 %
Exempt	675	7 %	0	0 %
Special Value	216	2 %	22,688,105	
Tax Increment Financing	17		7,023,925	
Minerals	65	.65 %	37,060	0 %
Game & Parks	5	.05 %		0%
Totals	9986 Parcels		Total Valuation 769,688,085	

Agricultural land - taxable acres [635,509.65]

Use	Acres	Value
Irrigated	108,041.78	151,960,815
Dry	113,105.79	42,977,285
Grass	399,279.78	98,495,410
Waste	15,082.30	2,237,275
Sub-Total Land only	635,509.65	295,670,785
Exempt	37,740.49	0
Ag Home Sites	383.50	4,619,030
Ag Farm Sites	365.78	544,310
Improvements		46,370,970
Total Agricultural Valuation		347,205,095

Other pertinent facts: The majority of parcels and valuation by class in Keith County are Residential. It is important to note that 60% of these Residential properties surround Lake Mc Conaughy. Also, approximately 11% of the total Residential parcels are mobile homes.

While the Agricultural parcel count consists of less than half of the Residential parcel count the Agricultural total valuations is 5% more than the Residential total valuation. This is a shift from 2008 when Residential total valuations were 6% more than Agricultural total valuations. As you can see from the acre count and values listed below, the majority of Agricultural land use consists of Grassland. The majority of the Grassland lies in the northern region of Keith County which is north of Lake Mc Conaughy and the North Platte River. While Irrigated acres consist of a little over a fourth of the Grassland acres the valuation of Irrigated Land is higher than the total Grassland valuation. Prior to 2008 the total Grassland valuation ran a close second to Irrigated land for the largest valuation per use of Keith County Agricultural land. However, due to major increases in Irrigated Land Market the total Grassland Valuation is only 65% of the Valuation of Irrigated Land. This is 10% less than the valuation difference in 2008; as last year the variance was 75%. Dry land consists of slightly more acres than Irrigated; however, it comprises the least amount of valuation per use. Please note that 2007 was the first year that the Appraiser implemented market value on Accretion. Also, in 2008 the Appraiser implemented market value on 33 parcels of Agland lying near the I-80 Interchange.

New Property: For assessment year 2009, an estimated [512] building permits and/or information statements were filed for new property construction/additions in the county. An estimated 207 building permits and/or information statements were filed for new property

construction/additions in the county. Another 305 parcels were reviewed for new property construction/additions in Keith County due to other forms of discovery than building permit reporting. Unfortunately, Keith County does not require building permits for our Agricultural Zoned Parcels and only several Information Statements have ever been completed and returned to the office since 1998. With the reappraisal of all rural improvements in 2006 we identified multiple new improvements and changes in existing improvements. As we assumed, our fear was that we were not locating all the changes in improvements or new construction in the rural areas due to Information Statements not being filed. This problem needed to be remedied. With consistent appraisal staffing we have improved identification of new construction in the rural areas. We have visited with our board again and encourage utilization of permits in the rural area and will again attempt education on filing the Information Statements.

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

Current Resources:

A. Staff/Budget/Training:

1 Assessment Manager, No Assessment Assistant, 2 Assessment Clerks, 1 Appraiser II, and Appraiser I's.

Keith County Board voted to have the State assume the Assessment Office of Keith County in September 1998 and the State assumed the office in July 1999. The County Assessor became a State Assessor July 1, 1999 and in July 2003 the State Assessor was reclassified as an Assessment Administrative Manager. In late November 1999 the ASI Terra Scan CAMA Program replaced the former MIPS that had been in use prior to state assumption. As of July 2007 the office is budgeted through the Department of Revenue, Property Assessment Division.

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.

Bryan Hill is the State Appraiser for Keith County. He became a Registered Real Property Appraiser with the State of Nebraska in 2002 and a Certified Residential Appraiser in September 2008. He is current with his continuing education requirements and has completed Fundamentals of Real Property Appraisal, Residential Data Collection, Aggregate Mining in Nebraska Income Approach to Value, National USPAP Course, Narrative Report Writing, Fundamentals of Mass Appraisal, National USPAP Update Course, Regression Analysis in Appraisal Practice, Mathematically Modeling Real Estate Data, Use & Development of Discounted Cash Flow, National USPAP Course and Residential Quality, Condition & Effective Age Seminar, Residential Report Writing & Case Studies and River & Recreational Land including Sand Pit Valuation

Processes, USPAP update, Problem Solving in Appraisal Practice, The FHA & VA Appraiser Thriving and Surviving, and Nebraska Report Writing Update. The Appraiser is ultimately responsible for executing and directing the estimation of market value to the best of his ability of all residential, commercial and agricultural real property in Keith County.

Sara Huckfeldt, Appraiser Assistant has completed IAAO Course 600 Principles and Techniques of Cadastral Mapping, Residential Data Collection, Residential Appraisal Report Writing, IAAO 101 Fundamentals of Real Property Appraisal, National USPAP, IAAO 102 Residential Sales Comparison & Income Approaches, Residential Market Analysis & Highest & Best Use, Residential Quality, Condition & Effective Age Seminar, Terra Scan training, USPAP update, Problem Solving in Appraisal Practice, The FHA & VA Appraiser Thriving and Surviving, and Nebraska Report Writing Update. Sara passed the Nebraska Exam for Appraisal License in December 2007 and currently holds a State Appraisal license.

Rena Zink, Appraiser Assistant has completed Residential Data Collection, Fundamentals of Real Estate Appraisal, Residential Sales Comparison & Income Approach, National USPAP, Residential Report Writing & Case Studies, Residential Market Analysis & Highest & Best Use, Basic Depreciation, USPAP update, Problem Solving in Appraisal Practice, The FHA & VA Appraiser Thriving and Surviving, and Nebraska Report Writing Update. Rena passed the Nebraska Exam for Appraisal License in December 2007 and currently holds a State Appraisal license.

- B. Pursuant to Neb. Rev. Stat. §77-1329 the Assessment Manager shall maintain tax maps. Keith County was flown in 1988 for aerial maps. All mapping for splits, as well as new subdivision plats, are kept up to date by the Assessment Manager. Ownership maintenance is updated continually utilizing the information from the 521 transfer statement by an Assessment Clerk.
- C. Property Record Cards:
Ownership transfers are no longer being kept up to date on paper property record cards. Changes in the property structures are no longer being kept current on the property record cards. A concentrated effort towards a “paperless” property record card is in effect. This hopefully, will be achieved in 2010 with the completion of Paxton and Ogallala Suburban Reappraisal. Keith County Assessment Office went on-line in June of 2006 with the property record information.
- D. Software for CAMA, Assessment Administration, GIS:
Keith County utilizes the Terra Scan system for CAMA & Assessment Administration and they have no GIS
- E. Web based – property record information access:
www.keith.pat.gisworshop.com

Current Assessment Procedures for Real Property:

- A. Discover, List & Inventory all property. Appraiser Assistants, Sara Huckfeldt and Rena Zink list property located within the County. This includes field data collection, taking digital photos, annual pick-up work utilizing all the forms of discovery utilized by the

County such as from building permits, self reporting, neighbor reporting, newspaper realtor advertising, etc. The data is gathered using all forms of discovery in a systematic process so that all properties are treated uniformly with the attempt for all the values to be equalized with comparable properties.

- B. Data Collection. Appraiser Assistants, Sara Huckfeldt and Renae Zink primary responsibility is the data collection and physical review of property located within the County. They call the condition from the field and enter all the data collected into the Terra Scan System. This includes field data collection, taking digital photos, annual pick-up work utilizing all the forms of discovery utilized by the County.
- C. Review assessment sales ratio studies before assessment actions. As of April 2002 the State Appraiser position was filled by Bryan Hill. Keith County is a State County so the Appraiser is ultimately responsible for estimating all the values of Real Property within the county. He reviews the ratio studies produced from the Terra Scan system. Both Bryan Hill, the Appraiser and Cheryl Schiel, Assessment Manager review the Ratio studies produced by Property Assessment Division.
- D. Approaches to Value;
 - 1) Market Approach; sales comparisons,
 - 2) Cost Approach; Marshall and Swift cost manual is used. As of 2009 we have all of our Residential or Recreational improvements valued on Terra Scan using the 2005 cost and new depreciation tables. Improvements in Ogallala, Paxton, Brule and Suburban Ogallala; along with Agricultural Improvements, Rural Residential Improvements and the Lake Property Improvements, and all Mobile Homes within the County are all on the 2005 cost. All Commercial Improvements are on 2004 Cost. Depreciation studies are completed on an annual basis by the Appraisal Department.
 - 3) Income Approach; income and expense data collection/analysis from the market: The Appraisal Department completes this process when information is available. All approaches to value are looked at. Currently, the Cost Approach bears the most weight. We are working on a notation within the record file referencing the correlation of the three approaches to value and the reconciliation of the approach carrying the most weight in determining the final estimate of value. Also used as a guideline for revaluation is "Mass Appraisal of Real Property" pg 27 by Robert J. Gloudemans and Uniform Standards of Professional Appraisal Practice by Appraisal Standards Board. After determining the market value; residential and commercial real estate are both targeted to be assessed at 100% of market value. This includes all agricultural dwellings and outbuildings. All agricultural land is targeted to be assessed at 75% of market value
- E. Land valuation studies, establish market areas, special value for agricultural land: Since we are a State county the Land Valuation Studies, Market Areas, along with the Special Valuation for Agricultural land are established by the State Appraiser for Keith County.
- F. Reconciliation of Final Value and documentation: As of April 2002 the State Appraiser position was filled by Bryan Hill. Keith County is a State County so the Appraiser is ultimately responsible for estimating all the values of Real Property within the county and documenting his procedures.

- G. Review assessment sales ratio studies after assessment actions. Both Bryan Hill, the Appraiser and Cheryl Schiel, Assessment Manager review the Ratio studies produced by Property Assessment Division.
- H. Notices and Public Relations are completed by the Assessment Manager; as well as the Appraiser.

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

<u>Property Class</u>	<u>Median</u>	<u>COD*</u>	<u>PRD*</u>
Residential	96	13.51	105.26
Commercial	97	21.48	103.29
Agricultural Land	75	19.87	108.67
Special Value Agland	N/A	N/A	N/A

*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:

Residential (and/or subclasses): Continue to Relist, Remeasure and Complete Reappraisal of Residential Property to include all residential properties within Paxton and Ogallala Suburban, all mobile homes in Mobile Home Parks using new cost tables and depreciation tables. Measure and value all exempt residential properties within Keith County.

Identify contiguous lots that are valued with a price break on excessive square footage or acres and combine them for valuation or value as if combined to provide equalization of all land.

Verify improvements valued as shops verses utility storage.

Verify pole buildings valued in the residential file verses valued in the farm file.

Verify year of agricultural outbuildings.

Review necessity of leasehold values on Mobile Home Parks at the lake.

Verify condition of improvements.

Verify all Improvements that are Rentals as they were given a recommended a fair condition adjustment during 2009 CBOE for equalization purposes.

Verify other 2009 recommended valuation for equalization purposes.

Continue ratio studies of all county neighborhoods. Refine as indicated.

Review of factory built homes- Mobile homes, Modular, Panel.

Commercial (and/or subclasses): Continue ratio studies of all county neighborhoods. Refine as indicated.

Measure and value all exempt Commercial properties within Keith County.

Identify contiguous lots that are valued with a price break on excessive square footage or acres and combine them for valuation or value as if combined to provide equalization of all land.

Agricultural Land (and/or subclasses): Continue analysis of Ag Land Market Areas. Refine as indicated. Complete Verification of Soil Conversion implemented in 2009.

Verify Rural tracts and correct 20% preference to 25% preference on all parcels with agricultural presence.

Verify valuations for Area 5 that are not approved for special valuation.

Analyze Market of Irrigated Sales with specific attention to Pivot vs. other forms of Irrigation.

Analyze Market from west to east side of county. Prior to 2009 there were different Market Areas lying South of the North Platte River and Lake Mc Conaughy recognizing the various Markets, Rainfall, etc. which allowed us to equalize values across county lines with Deuel and Lincoln Counties.

Special Value – Agland: Continue analysis for Special Valuation and refine as indicated.

Analyze Grassland influences for other than agriculture-horticulture use.

Complete all pickup work from all forms of discovery by March 1.

Mail Information Statements to all Agland owners.

Mail USDA Permission of Release form for FSA use verification to all new Agland owners.

Map all new splits and subdivisions.

Verify Irrigation Use with Well Registration List

Utilize NRD maps to identify irrigated land use.

Identify and remap agricultural land use changes.

Edit Property Assessment Division Sales File to insure it is identical to the Terra Scan Sales File.

Review all sold properties July 01, 2008 thru June 30, 2009.

Edit all Property Assessment Division NDR classification codes for accuracy.

Continued Education for all staff

Continued annual review of a portion of the county of all property in Keith County

Assessment Actions Planned for Assessment Year 2011:

Residential (and/or subclasses):

Continue ratio studies of all county neighborhoods. Refine as indicated.

Commercial (and/or subclasses): Relist, Remeasure and Complete Reappraisal of all Commercial Property to include all Commercial properties within Keith County using new cost tables and depreciation tables. Measure and value all exempt commercial properties within Keith County.

Agricultural Land (and/or subclasses): Continue analysis of Ag Land Market Areas. Refine as indicated.

Special Value – Agland: Continue Analysis of Special Valuation and refine as indicated.

Complete all pickup work from all forms of discovery by March 1.

Map all new splits and subdivisions.
Verify Irrigation Use with Well Registration List.
Utilize NRD maps to identify irrigated land use.
Identify and remap agricultural land use changes.
Edit Property Assessment Division Sales File to insure it is identical to the Terra Scan Sales File.
Review all sold properties July 01, 2009 thru June 30, 2010.
Edit all Property Assessment Division NDR classification codes for accuracy.
Verify all Zoning based on Zoning Map.
Input last Deed Book & Page on parcels not in Sales File for historical research capability
Verify Situs
Continued Education for all staff
Continued annual review of a portion of the county of all property in Keith County

Assessment Actions Planned for Assessment Year 2012:

Residential (and/or subclasses):

Continue to Relist, Remeasure and Complete Reappraisal of Residential Property to include all Agricultural Farm Sites as well as all Rural Residential Acreages using new cost tables and deprecation tables.
Continue ratio studies of all county neighborhoods. Refine as indicated.

Commercial (and/or subclasses):

Continue ratio studies of all county neighborhoods. Refine as indicated.

Agricultural Land (and/or subclasses): Continue analysis of Ag Land Market Areas. Refine as indicated.

Special Value – Agland: Continue analysis for Special Valuation and refine as indicated

Complete all pickup work from all forms of discovery by March 1.
Mail Information Statements to all Agland owners.
Mail USDA Permission of Release form for FSA use verification to all new Agland owners.
Map all new splits and subdivisions.
Verify Irrigation Use with Well Registration List.
Utilize NRD maps to identify irrigated land use.
Identify and remap agricultural land use changes.
Edit Property Assessment Division Sales File to insure it is identical to the Terra Scan Sales File.
Review all sold properties July 01, 2010 thru June 30, 2011.
Edit all Property Assessment Division NDR classification codes for accuracy.
Continued Education for all staff
Continued annual review of a portion of the county of all property in Keith County

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

Record Maintenance, Mapping updates, & Ownership changes: Pursuant to Neb. Rev. Stat. §77-1303 and §77-1331 Record Maintenance is kept current almost 100% on computerized form with anticipation of relying solely on computer generated cards. As soon as we complete the first cycle of our annual review we will have all of our cards completely generated by the computer system. This hopefully, will be achieved in 2010 with the completion of Paxton and Ogallala Suburban; as well. We need to have all appraisal and cost tables generated on all parcels in Terra Scan and be assured that the CAMA stores all the annual property record cards. Property Record Cards contain the information as set forth in Regulation 10-004.04 and 10-001.10 including ownership, legal description, cadastral map reference data, parcel I.D., property classification codes, taxing district, land information, building characteristics and annual value postings.

The appraisal staff updates the sketches and the appraisal information in the CAMA. The Assessment Manager anticipated the time when all appraisal information was completed on the Terra Scan system so all parcels would be valued using the same costing tables. All Commercial Improvements are on 2004 cost. As of 2009 the 2005 cost is on all Residential Improvements including Mobile Homes; within the City of Ogallala as well as Ogallala Suburban, Lake, Agricultural, Rural Residential, Villages of Paxton, Brule, Keystone, Roscoe and Sarben. The appraisal file is a work in progress file and does not always balance with the ATR file. Therefore, we are in the process of adding a disclaimer for accuracy of information within the computer file. It is confusing to the public. A Historic File is within the CAMA system; however, these files need to be perfected to enable utilization of full potential. One of the problems with the Historical File is that when the current ownership is updated on the ATR Current screen it also updates the ownership on the Historic File Record. Since the Historic File is our permanent Property Record Card this needs to be corrected. We are working on a notation within the record file referencing the correlation of the three approaches to value and the reconciliation of the approach carrying the most weight in determining the final estimate of value.

Pursuant to Neb. Rev. Stat. §77-1329 the Assessment Manager shall maintain tax maps. Keith County was flown in 1988 for aerial maps. All mapping is kept up to date by the Assessment Manager. Ownership maintenance is updated continually utilizing the information from the 521 transfer statement by Assessment Clerk 1.

Aerials are bound in large books with 4 sections per page. There are two sets of overlays. One with ownership boundary lines; and the other with soil and use lines bound in separate books. In 1988 Sall Engineering was hired by the Keith County Assessor to fly Keith County to provide the County with new aerials. When the new maps were completed acres were computer digitized to provide accuracy with soil types and land valuation groups captured in the computer system. It is important to note that prior to 1994 all sections were recorded as exactly 640 Acres and the Accretion ran straight with the Section Lines. With the new aerials being utilized the accretion lines were drawn in perpendicular to the thread of the river, as the river laid at the time the new aerial was produced. Therefore, the way accretion was distributed between land owners was changed. The acres from the new aerials were utilized in 1994. Changes were implemented on all parcels with Accretion. Some Accretion acres changed substantially. Letters were sent out to all landowners explaining the change in methodology of Accretion acres as well as Sections no longer being exactly 640 Acres. The letter requested property owners to come in to the Assessment Office if the property owner had any questions. Very few property owners contacted

the Assessment Office with questions about new acre counts. If they had a survey the acres were corrected to match the survey.

The soil survey is dated 1988 and the 1996 Soil Conversion is currently utilized. However, a new Soil Conversion was implemented in 2009. This Soil Conversion was done in mass. Agricultural Market Area 1 has been verified for accuracy; however, we are still in the process of verification of soils in Agricultural Market Areas 2 & 3. Composite maps are utilized for a record of soils as well as a new program called Agri-Data for updating of acres per soil type. Use change updates are completed on an annual basis on the composite overlay by the Assessment Staff utilizing information obtained from Twin Platte N R D, Farm Service Agency, well registration and physical review. Prior to April 2008 updates were completed by utilizing a grid and counting dots. As of April 2008 a new Agri Data, Inc Website will be utilized to more accurately inventory soil types per use. We have a blue line copy that includes both the aerial picture and the ownership boundary lines. There are also separate pages for each subdivision filed directly behind the section map the subdivision is located in. For each blue line there is a corresponding page that lists Cadastral Map #, Parcel #, Ownership Name and Legal Description. Maps for split updates and new subdivisions are completed by the Assessment Manager. These maps, maintained by assessment staff, are kept up to date and in good condition. However, we anxiously anticipate a GIS system to provide better accuracy.

We have several boundary disputes over Accretion land now that it has become so valuable. There has been a District Court case between Westerbuhr and TBT in an Accretion boundary dispute that was appealed to a higher court. The Nebraska Court of Appeals reversed the District Court decision and ruled in favor of Westerbuhr. The Supreme Court upheld the decision of the District Court. Therefore, Accretion Acres are left as they have been inventoried since 1994. Ownership changes are entered into the Terra Scan system by an assessment clerk on a ongoing basis. Our clerk's office provides us with the 521 Real Estate Transfer Statements on a daily basis.

1. 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
 - k. Average Assessed Value Report for Homestead Exemption
 - l. Agricultural Trust Report
 - m. Generate Tax Roll
2. Personal Property; administer annual filing of approximately 900 schedules; prepare subsequent notices for incomplete filings or failure to file and penalties applied, as

required. We diligently try to assess all personal property in Keith County. We have frustration with this “honest man’s tax” and share the opinion of many assessors that we would like to see Depreciation Worksheets required to be file with the Personal Property. Within the corporate limits we often see a decline in valuation; as Property Owners continue to file without their Depreciation Worksheet. Our Assessment Clerk spends countless hours correcting past year tax rolls due to prior year’s inaccurate filings. Property Owners are then extremely upset about the penalties and interest on past years tax. If we could have the Depreciation Worksheet at the time of filing, these issues would be eliminated. The Assessment Manager and both clerks assist the applicants with their annual filing.

3. Permissive Exemptions: administer annual filings of applications for new or continued exempt use, review and make recommendations to county board. We currently have 58 Real Properties that have a partial or complete Permissive Use Exemption on them; as well as 2 Organizations that have exemptions on their Personal Property. The Assessment Manager and both clerks assist the applicants with their annual filing.
4. Taxable Government Owned Property – annual review of government owned property not used for public purpose, send notices of intent to tax, etc: Currently we have 97 parcels that are leased for other than public purpose that we send Intent to Tax Notices on, one of these entities is Central Nebraska Public Power District. In 2008 the Assessment Office sent a Notice of Taxable Status to Central Nebraska Public Power District (CNPPD) in order to value their property that is not used for Public Purpose for the areas they lease for location of Improvements on Leased Land. CNPPD protested to the County Board of Equalization and the County Board of Equalization ruled in favor of CNPPD so the Assessment Office had to put the value back on each individual lessee. The Tax Commissioner, Doug Ewald appealed the County Boards Decision to the Tax Equalization Review Commission, however, the Keith County Board responded that the Tax Commissioner of the State of Nebraska had no standing to appeal the decision of the Keith County Board quoting 77-202. 4. The Tax Equalization determined that the Tax Commissioner lacked standing so all of these appeals were dismissed. Again in 2009, the Assessment Office sent a Notice of Taxable Status to Central Nebraska Public Power District (CNPPD) in order to value their property that is not used for Public Purpose for the areas they lease for location of Improvements on Leased Land. CNPPD again protested to the County Board of Equalization and the County Board of Equalization ruled in favor of CNPPD so the Assessment Office again had to put the value back on the lessees. Both, the Tax Commissioner, Doug Ewald, and the Property Tax Administrator, Ruth Sorenson; signed the 2009 appeal of the Keith County Board’s Decision to the Tax Equalization Review Commission. The hearing was on September 11th; however, as of October 26th the Tax Equalization & Review Commission has not yet made a decision on the 2009 Cases with regard to the Taxable Status of Central Nebraska Public Power.
5. Homestead Exemptions; administer approximately 500 annual filings of applications, approval/denial process, taxpayer notifications, and taxpayer assistance: One of our clerks is the primary person who handles all the mailing of applications as well as entering approval amounts into the CAMA system. The Assessment Manager, as well as the other clerk takes care of mailing the rejection notices for reasons other than income

information. The Assessment Manger completes the corrections of the prior year's tax rolls after receiving the corrections from the Department of Revenue after they have verified IRS information with the filed Income Statements as well as completing the Average Assessed Valuation of Homestead Exemption Report for filing annually. The Assessment Manager and both clerks assist the applicants with their annual filing and completing their Income Statements.

6. Centrally Assessed – review of valuations as certified by PAD for railroads and public service entities, establish assessment records and tax billing for tax list. The Assessment Manager reviews the valuations as certified by PAD for railroads and public service entities to insure accuracy.
7. 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. Keith County had 18 TIF projects that are maintained by the Assessment Manager.
8. 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 are maintained by the Assessment Manager.
9. Tax Lists; prepare and certify tax lists to county treasurer for real property, personal property, and centrally assessed are prepared and certified by the Assessment Manager.
10. Tax List Corrections – prepare tax list correction documents for county board approval are prepared by the Personal Property Clerk as well as the Assessment Manager.
11. County Board of Equalization - attend county board of equalization meetings for valuation protests – assemble and provide information: The appraiser assistants review all protested properties, enter protests information into the County Board of Equalization File of the Terra Scan system and assist property owners at the counter and on the phone with questions in regards to their values. They assist the Appraiser at the County Board of Equalization Hearings. The Appraiser and his two appraiser assistants attend all County Board of Equalization meetings and make their valuation recommendations to the Board of Equalization The Assessment Manager attends all county board of equalization meetings for record keeping and balancing values back to values set at abstract time to insure accurate valuations. The Assessment Manager processes all of the Informal protests for over and undervalued properties to present to the County Board of Equalization for their decision.
12. TERC Appeals - prepare information and attend taxpayer appeal hearings before TERC, defend valuation. The Appraiser and his two assistants prepare the information for all TERC appeals. The Appraiser and his two assistants attend all TERC hearings. The Assessment Manager processes all TERC decisions if deemed necessary.

13. TERC Statewide Equalization – attend hearings if applicable to county, defend values, and/or implement orders of the TERC. The Appraiser and Assessor attended the 2009 TERC hearings; however, in the past PAD were the only ones who attended the hearings. The Assessment Manager processes all TERC orders if deemed necessary.

14. 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 Keith County

I. General Information

A. Staffing and Funding Information

1.	Deputy(ies) on staff
	0
2.	Appraiser(s) on staff
	3
3.	Other full-time employees
	2
4.	Other part-time employees
	0
5.	Number of shared employees
	0
6.	Assessor's requested budget for current fiscal year Property Assessment Division operated County
7.	Adopted budget, or granted budget if different from above The total 2008-2009 assessment expenses for Keith County were \$158,641.61
8.	Amount of the total budget set aside for appraisal work The total 2008-2009 appraisal expenses for Keith County were \$143,879.41
9.	Appraisal/Reappraisal budget, if not part of the total budget Included in no. 8
10.	Part of the budget that is dedicated to the computer system Included in no. 7
11.	Amount of the total budget set aside for education/workshops Included in the total budget expenses in no. 7
12.	Other miscellaneous funds
	0
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
4.	Who maintains the Cadastral Maps?
	Assessment Manager and Clerk

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?
	Ogallala, Paxton and Brule
4.	When was zoning implemented?
	1975

D. Contracted Services

1.	Appraisal Services
	None
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 Keith 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