

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

61 Merrick

Residential Real Property - Current

Number of Sales	200	Median	96
Total Sales Price	\$14,859,068	Mean	100
Total Adj. Sales Price	\$14,778,568	Wgt. Mean	94
Total Assessed Value	\$13,849,675	Average Assessed Value of the Base	\$67,247
Avg. Adj. Sales Price	\$73,893	Avg. Assessed Value	\$69,248

Confidence Interval - Current

95% Median C.I	92.91 to 98.92
95% Mean C.I	95.87 to 104.00
95% Wgt. Mean C.I	91.23 to 96.20

% of Value of the Class of all Real Property Value in the County	30.13
% of Records Sold in the Study Period	5.90
% of Value Sold in the Study Period	6.08

Residential Real Property - History

Year	Number of Sales	LOV	Median
2009	240	97	97
2008	287	98	98
2007	275	98	98
2006	230	99	99

2010 Commission Summary

61 Merrick

Commercial Real Property - Current

Number of Sales	24	Median	99
Total Sales Price	\$2,601,400	Mean	107
Total Adj. Sales Price	\$2,536,400	Wgt. Mean	96
Total Assessed Value	\$2,437,100	Average Assessed Value of the Base	\$97,084
Avg. Adj. Sales Price	\$105,683	Avg. Assessed Value	\$101,546

Confidence Interval - Current

95% Median C.I	97.19 to 100.00
95% Mean C.I	86.86 to 126.96
95% Wgt. Mean C.I	90.94 to 101.23

% of Value of the Class of all Real Property Value in the County	5.89
% of Records Sold in the Study Period	5.23
% of Value Sold in the Study Period	5.47

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2009	28	99	99
2008	32	99	99
2007	32	96	96
2006	28	93	93

2010 Opinions of the Property Tax Administrator for Merrick 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 Merrick County is 96% of market value. The quality of assessment for the class of residential real property in Merrick County indicates the assessment practices meet generally accepted mass appraisal practices.

Commercial Real Property

It is my opinion that the level of value of the class of commercial real property in Merrick County is 99% of market value. The quality of assessment for the class of commercial real property in Merrick County indicates the assessment practices meet generally accepted mass appraisal practices.

Agricultural Land or Special Valuation of Agricultural Land

It is my opinion that the level of value of the class of agricultural land in Merrick County is 72% of market value. The quality of assessment for the class of agricultural land in Merrick 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 Merrick County

taken to address the following property classes/subclasses:

Residential

For 2010, the county conducted a market study of the residential class of real property. Market information indicated the level of value for the rural residential subclass and properties in the town of Clarks were both outside the acceptable range. As a result, the county increased the value of the rural improvements by a factor of 10%, and adjustments were made for 1 story houses in the town of Clarks.

After completing the assessment actions for 2010 the county reviewed the statistical results and concluded that the class and subclasses were assessed at an appropriate level. Other assessed value changes were made to properties in the county based on pick-up of new and omitted construction. The county reviewed 253 residential permits for 2010.

2010 Assessment Survey for Merrick County

Residential Appraisal Information

1.	Valuation data collection done by:
	Deputy and Contract Appraiser
2.	List the valuation groupings used by the County:
	Acreages, Central City Lakes, Central City, Chapman, Clarks, Clarks Lakes, Grand Island Subdivisions, Palmer, Silver Creek Lakes, Silver Creek
a.	Describe the specific characteristics of the valuation groupings that make them unique.
	<p>Acreages---Are all rural parcels, less than 20 acres generally, all sell relatively similar based on location throughout the county.</p> <p>Central City Lakes—Properties located around five different lakes in the Central City Area. These parcels are all a majority improvements on leased land, all have similar restrictions on further development.</p> <p>Central City—All parcels within the county seat, Central City. Parcels in this area range in age, quality and condition, but have the same economic relationship based on the commerce.</p> <p>Chapman—All parcels within the town of Chapman. Parcels in this bedroom community are subject to little or no development and do not sell frequently. Commerce is nearly nonexistent in this area.</p> <p>Clarks—All parcels within the town of Clarks. Parcels in this community are subject to little or no development, but has an elementary school. A few commercial business exist, but sales activity is generally low.</p> <p>Clarks Lakes—Five lakes in a gated community. Relatively newer improvements and larger in comparison to nearby lakes.</p> <p>Grand Island Subdivisions—All parcels in subdivisions located on the edge of Grand Island. All parcels in this area are generally newer than 1940.</p> <p>Palmer—All parcels within the town of Palmer. The town has a k-12 school and supportive commercial structure. Parcels in this area seemed to be influenced by the strong community attitude.</p> <p>Silver Creek Lakes—All parcels around Thunderbird Lake. Houses are generally newer and of average quality. Sale activity is generally limited for these generally seasonal dwellings.</p> <p>Silver Creek—All parcels in the town of Silver Creek. Parcels in this bedroom</p>

	community of Columbus maintain a stable market in general. Parcels seem to be influenced by the proximity to Columbus and by the steady commercial business in the town.
3.	What approach(es) to value is/are used for this class to estimate the market value of properties? List or describe.
	Cost approach with market derived depreciation, and sales comparison approach
4	When was the last lot value study completed?
	Done in conjunction with residential revaluations
a.	What methodology was used to determine the residential lot values?
	Vacant lot sales study.
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
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 vender?
	Developed using market derived information.
a.	How often does the County update depreciation tables?
	Depreciation tables are updated in conjunction with revaluations.
7.	Pickup work:
a.	Is pickup work done annually and is it completed by March 19th?
	Yes
b.	By Whom?
	Deputy Assessor
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)
	County is on schedule to complete a county-wide review and inspection within six years.
a.	Does the County maintain a tracking process? If yes describe.
	The county's schedule is documented and published in the three year plan.
b.	How are the results of the portion of the properties inspected and reviewed applied to the balance of the county?
	Statistics are studied and percentage adjustments are applied to ensure all areas have a similar relationship to market value.

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:	200	MEDIAN:	96	COV:	29.35	95% Median C.I.:	92.91 to 98.92
TOTAL Sales Price:	14,859,068	WGT. MEAN:	94	STD:	29.33	95% Wgt. Mean C.I.:	91.23 to 96.20
TOTAL Adj.Sales Price:	14,778,568	MEAN:	100	AVG.ABS.DEV:	16.85	95% Mean C.I.:	95.87 to 104.00
TOTAL Assessed Value:	13,849,675						
AVG. Adj. Sales Price:	73,892	COD:	17.62	MAX Sales Ratio:	329.89		
AVG. Assessed Value:	69,248	PRD:	106.64	MIN Sales Ratio:	22.50		

Printed: 03/22/2010 12:46:26

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	30	98.44	96.88	97.51	10.91	99.35	71.16	145.95	90.23 to 100.00	76,686	74,779
10/01/07 TO 12/31/07	35	98.14	96.28	91.92	9.65	104.74	59.30	141.08	93.28 to 99.56	71,178	65,430
01/01/08 TO 03/31/08	20	91.37	96.84	88.57	16.09	109.33	65.08	158.43	86.95 to 103.09	67,745	60,001
04/01/08 TO 06/30/08	34	94.01	104.43	91.71	24.69	113.87	68.15	233.90	88.55 to 107.67	78,102	71,628
07/01/08 TO 09/30/08	27	99.25	101.64	96.74	16.54	105.06	69.85	182.67	89.57 to 103.65	83,585	80,862
10/01/08 TO 12/31/08	17	95.44	109.45	94.90	31.41	115.33	22.50	329.89	86.93 to 115.54	65,141	61,822
01/01/09 TO 03/31/09	10	100.60	98.80	92.19	12.62	107.17	66.70	125.25	82.30 to 116.38	59,340	54,703
04/01/09 TO 06/30/09	27	92.91	97.42	94.10	19.87	103.54	28.67	153.68	87.21 to 99.24	74,766	70,353
<u>Study Years</u>											
07/01/07 TO 06/30/08	119	95.89	98.85	92.80	15.47	106.52	59.30	233.90	92.06 to 98.90	73,968	68,645
07/01/08 TO 06/30/09	81	95.44	101.52	95.06	20.76	106.80	22.50	329.89	92.43 to 100.06	73,781	70,134
<u>Calendar Yrs</u>											
01/01/08 TO 12/31/08	98	94.34	102.98	93.15	22.25	110.55	22.50	329.89	91.16 to 99.25	75,251	70,098
<u>ALL</u>											
	200	95.66	99.93	93.71	17.62	106.64	22.50	329.89	92.91 to 98.92	73,892	69,248

VALUATION GROUP	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
01	34	93.44	96.28	92.45	16.68	104.14	63.43	153.68	85.94 to 100.40	123,172	113,876
02	5	90.35	91.51	96.66	3.36	94.67	86.93	99.24	N/A	84,780	81,948
03	94	94.24	99.48	92.81	17.29	107.19	59.30	233.90	89.71 to 98.92	69,039	64,073
04	7	91.56	71.27	85.93	29.58	82.94	22.50	102.36	22.50 to 102.36	42,500	36,520
05	12	98.87	98.87	96.44	4.26	102.51	86.95	117.55	93.86 to 99.59	35,658	34,390
06	7	99.25	104.22	97.79	8.81	106.57	86.31	145.95	86.31 to 145.95	181,442	177,441
07	7	99.56	137.39	96.26	46.32	142.73	78.34	329.89	78.34 to 329.89	71,214	68,550
08	18	99.78	109.24	102.91	20.06	106.15	72.75	182.67	94.60 to 125.25	28,513	29,343
09	1	82.50	82.50	82.50			82.50	82.50	N/A	16,000	13,200
10	14	96.35	100.60	94.84	13.01	106.08	75.35	149.60	87.82 to 113.29	44,778	42,466
11	1	70.69	70.69	70.69			70.69	70.69	N/A	27,000	19,085
<u>ALL</u>											
	200	95.66	99.93	93.71	17.62	106.64	22.50	329.89	92.91 to 98.92	73,892	69,248

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:	200	MEDIAN:	96	COV:	29.35	95% Median C.I.:	92.91 to 98.92
TOTAL Sales Price:	14,859,068	WGT. MEAN:	94	STD:	29.33	95% Wgt. Mean C.I.:	91.23 to 96.20
TOTAL Adj.Sales Price:	14,778,568	MEAN:	100	AVG.ABS.DEV:	16.85	95% Mean C.I.:	95.87 to 104.00
TOTAL Assessed Value:	13,849,675						
AVG. Adj. Sales Price:	73,892	COD:	17.62	MAX Sales Ratio:	329.89		
AVG. Assessed Value:	69,248	PRD:	106.64	MIN Sales Ratio:	22.50		

Printed: 03/22/2010 12:46:26

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	185	97.73	100.86	93.54	16.68	107.83	57.68	329.89	93.86 to 98.95	76,111	71,194
2	12	90.05	87.61	96.28	29.20	90.99	22.50	145.95	70.69 to 117.53	30,200	29,076
3	3	90.35	92.17	98.28	4.54	93.78	86.93	99.24	N/A	111,833	109,913
ALL	200	95.66	99.93	93.71	17.62	106.64	22.50	329.89	92.91 to 98.92	73,892	69,248

PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
01	185	94.80	99.57	93.11	17.82	106.94	22.50	329.89	92.74 to 98.83	73,731	68,652
06	11	98.99	96.87	99.50	11.18	97.36	70.69	145.95	82.50 to 100.22	99,190	98,697
07	4	121.61	125.25	134.44	13.60	93.16	99.33	158.43	N/A	11,775	15,830
ALL	200	95.66	99.93	93.71	17.62	106.64	22.50	329.89	92.91 to 98.92	73,892	69,248

SALE PRICE *

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
Low \$											
1 TO 4999	3	138.00	189.07	261.92	55.69	72.19	99.33	329.89	N/A	2,166	5,675
5000 TO 9999	10	94.57	86.96	89.99	27.39	96.63	22.50	149.15	28.67 to 113.29	7,225	6,502
Total \$											
1 TO 9999	13	99.33	110.52	104.18	41.09	106.08	22.50	329.89	72.75 to 138.00	6,057	6,311
10000 TO 29999	37	105.17	115.22	111.60	23.10	103.25	68.15	233.90	98.83 to 118.07	19,781	22,074
30000 TO 59999	56	98.88	102.78	101.66	15.26	101.10	59.30	169.81	92.51 to 102.97	43,069	43,784
60000 TO 99999	36	89.31	89.77	89.49	11.86	100.31	57.68	151.15	84.82 to 93.97	75,844	67,870
100000 TO 149999	34	92.61	89.71	89.35	10.75	100.41	65.08	118.05	81.85 to 98.55	123,125	110,012
150000 TO 249999	20	98.49	95.03	94.60	7.31	100.45	71.64	118.49	91.83 to 99.69	175,170	165,719
250000 TO 499999	4	92.78	87.14	88.10	13.22	98.91	63.43	99.56	N/A	284,000	250,191
ALL	200	95.66	99.93	93.71	17.62	106.64	22.50	329.89	92.91 to 98.92	73,892	69,248

**2010 Correlation Section
for Merrick County**

Residential Real Property

I. Correlation

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

RESIDENTIAL: The opinion of the Division is that the level of value is within the acceptable range, and it is best measured by the median measure of central tendency. The median measure was calculated using a sufficient number of sales, and because the County applies assessment practices to the sold and unsold parcels in a similar manner, the median ratio calculated from the sales file accurately reflects the level of value for the population.

The assessment actions for 2010 were applied by the County, and the statistics indicate all valuation grouping sufficiently represented by sales are valued within the statutory range. Based on the assessment practices of the County, it is also determined that the County is in compliance with professionally acceptable mass appraisal techniques in the residential class.

**2010 Correlation Section
for Merrick 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 processes used by the county to qualify sales indicates a bias does not exist in the judgments made to assign sales usability. A review of the sales file also indicates excessive trimming has not occurred. The county maintains an internal policy noting that all sales are determined to be arms length unless information is available to the contrary. Buyers and sellers are both sent questionnaires in an attempt to gather additional facts related to the sales. The property record cards are flagged for the contract appraiser to review as well.

**2010 Correlation Section
for Merrick 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	94	100

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

	COD	PRD
R&O Statistics	17.62	106.64

RESIDENTIAL: The coefficient of dispersion is within the acceptable range, but the price related differential is above the acceptable range. Analysis of the residential sales file indicates medians for the low dollar property groups in the county appear to be assessed at a higher proportion of market value, but that argument is weakened by the high CODs in each of those classes. The quality of assessment is considered to be acceptable based on the assessment practices consistently demonstrated by the county.

2010 Assessment Actions for Merrick County

taken to address the following property classes/subclasses:

Commercial

No changes to the commercial and industrial class of property were reported for 2010. The County conducted a market analysis of this class of property and determined the level of value was within the acceptable range for the class and that no individual subclass groupings had sale indication suggesting an adjustment was necessary.

Assessed value changes were made to properties in the county based on pick-up of new and omitted construction.

2010 Assessment Survey for Merrick County

Commercial / Industrial Appraisal Information

1.	Valuation data collection done by:
	Contract Appraiser
2.	List the valuation groupings used by the County:
	All commercial is grouped together for analysis of comparables.
a.	Describe the specific characteristics of the valuation groupings that make them unique.
	All commercial parcels in the county have the same general market characteristics
3.	What approach(es) to value is/are used for this class to estimate the market value of properties? List or describe.
	All three approaches are used and reconciled in the commercial valuation.
4	When was the last lot value study completed?
	An extensive review of the commercial class was conducted in 2001 which included analysis and revaluation of commercial lots.
a.	What methodology was used to determine the commercial lot values?
	Vacant lot sales were used to determine assessed values.
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 vender?
	Those provided by CAMA vendor
a.	How often does the County update the depreciation tables?
	Will be done in conjunction with revaluation efforts.
7.	Pickup work:
a.	Is pickup work done annually and is it completed by March 19th?
	Yes
b.	By Whom?
	Appraiser
c.	Is the valuation process (cost date and depreciation schedule or market comparison) used for the pickup work the same as the one that was used for the valuation group?
	Yes
8.	What is the Counties progress with the 6 year inspection and review requirement? (Statute 77-1311.03)
	The county is on track to complete review of all parcels within six years.
a.	Does the County maintain a tracking process? If yes describe.
	Yes, detailed in the three year plan.
b.	How are the results of the portion of the properties inspected and reviewed applied to the balance of the county?

The entire commercial class is reviewed and revalued at the same time resulting in all parcels bearing the same proportion of market value.

PAD 2010 R&O Statistics

Base Stat

State Stat Run

Type: Qualified

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

NUMBER of Sales:	24	MEDIAN:	99	COV:	44.41	95% Median C.I.:	97.19 to 100.00
TOTAL Sales Price:	2,601,400	WGT. MEAN:	96	STD:	47.48	95% Wgt. Mean C.I.:	90.94 to 101.23
TOTAL Adj.Sales Price:	2,536,400	MEAN:	107	AVG.ABS.DEV:	21.67	95% Mean C.I.:	86.86 to 126.96
TOTAL Assessed Value:	2,437,100						
AVG. Adj. Sales Price:	105,683	COD:	21.85	MAX Sales Ratio:	298.00		
AVG. Assessed Value:	101,545	PRD:	111.26	MIN Sales Ratio:	42.12		

Printed: 03/22/2010 12:46:33

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	99.41	99.41	99.38	0.09	100.04	99.33	99.50	N/A	200,000	198,750
10/01/06 TO 12/31/06	2	101.34	101.34	100.09	1.84	101.25	99.47	103.20	N/A	45,000	45,040
01/01/07 TO 03/31/07	3	100.00	115.21	99.73	15.79	115.52	99.13	146.50	N/A	140,000	139,621
04/01/07 TO 06/30/07	2	98.54	98.54	98.92	0.71	99.61	97.84	99.23	N/A	83,500	82,600
07/01/07 TO 09/30/07	6	98.19	132.27	101.61	36.20	130.17	95.38	298.00	95.38 to 298.00	48,066	48,841
10/01/07 TO 12/31/07	1	98.14	98.14	98.14			98.14	98.14	N/A	59,000	57,900
01/01/08 TO 03/31/08	1	99.42	99.42	99.42			99.42	99.42	N/A	790,000	785,400
04/01/08 TO 06/30/08	1	42.12	42.12	42.12			42.12	42.12	N/A	56,500	23,800
07/01/08 TO 09/30/08											
10/01/08 TO 12/31/08											
01/01/09 TO 03/31/09	3	62.50	70.07	65.70	12.55	106.65	62.08	85.62	N/A	55,000	36,135
04/01/09 TO 06/30/09	3	126.67	126.04	96.42	20.67	130.72	86.45	165.00	N/A	33,500	32,300
<u>Study Years</u>											
07/01/06 TO 06/30/07	9	99.47	104.91	99.50	6.00	105.44	97.84	146.50	99.13 to 103.20	119,666	119,071
07/01/07 TO 06/30/08	9	98.14	114.81	97.17	30.63	118.15	42.12	298.00	95.38 to 106.67	132,655	128,905
07/01/08 TO 06/30/09	6	86.04	98.05	77.33	32.53	126.80	62.08	165.00	62.08 to 165.00	44,250	34,217
<u>Calendar Yrs</u>											
01/01/07 TO 12/31/07	12	98.94	119.54	100.07	22.29	119.46	95.38	298.00	97.62 to 106.67	77,866	77,917
01/01/08 TO 12/31/08	2	70.77	70.77	95.59	40.48	74.03	42.12	99.42	N/A	423,250	404,600
<u>ALL</u>											
	24	99.18	106.91	96.09	21.85	111.26	42.12	298.00	97.19 to 100.00	105,683	101,545

VALUATION GROUP	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
01	24	99.18	106.91	96.09	21.85	111.26	42.12	298.00	97.19 to 100.00	105,683	101,545
<u>ALL</u>											
	24	99.18	106.91	96.09	21.85	111.26	42.12	298.00	97.19 to 100.00	105,683	101,545

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	21	99.13	106.21	96.13	21.87	110.49	42.12	298.00	97.19 to 99.50	118,828	114,226
2	3	103.20	111.77	93.54	19.66	119.50	85.62	146.50	N/A	13,666	12,783
<u>ALL</u>											
	24	99.18	106.91	96.09	21.85	111.26	42.12	298.00	97.19 to 100.00	105,683	101,545

PAD 2010 R&O Statistics

Base Stat

State Stat Run

Type: Qualified

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

NUMBER of Sales:	24	MEDIAN:	99	COV:	44.41	95% Median C.I.:	97.19 to 100.00
TOTAL Sales Price:	2,601,400	WGT. MEAN:	96	STD:	47.48	95% Wgt. Mean C.I.:	90.94 to 101.23
TOTAL Adj.Sales Price:	2,536,400	MEAN:	107	AVG.ABS.DEV:	21.67	95% Mean C.I.:	86.86 to 126.96
TOTAL Assessed Value:	2,437,100						
AVG. Adj. Sales Price:	105,683	COD:	21.85	MAX Sales Ratio:	298.00		
AVG. Assessed Value:	101,545	PRD:	111.26	MIN Sales Ratio:	42.12		

Printed: 03/22/2010 12:46:33

PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
02											
03	24	99.18	106.91	96.09	21.85	111.26	42.12	298.00	97.19 to 100.00	105,683	101,545
04											
<u>ALL</u>	<u>24</u>	<u>99.18</u>	<u>106.91</u>	<u>96.09</u>	<u>21.85</u>	<u>111.26</u>	<u>42.12</u>	<u>298.00</u>	<u>97.19 to 100.00</u>	<u>105,683</u>	<u>101,545</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>											
1 TO 4999	3	146.50	139.39	132.75	13.27	105.00	106.67	165.00	N/A	2,000	2,655
5000 TO 9999	1	298.00	298.00	298.00			298.00	298.00	N/A	5,000	14,900
<u>Total \$</u>											
1 TO 9999	4	155.75	179.04	207.86	33.68	86.13	106.67	298.00	N/A	2,750	5,716
10000 TO 29999	5	95.38	94.67	94.03	17.14	100.69	62.50	126.67	N/A	18,800	17,677
30000 TO 59999	4	97.52	83.82	82.21	14.53	101.96	42.12	98.14	N/A	50,600	41,600
60000 TO 99999	3	97.62	94.51	94.28	4.45	100.25	86.45	99.47	N/A	72,500	68,350
100000 TO 149999	3	99.23	86.94	86.57	12.57	100.42	62.08	99.50	N/A	116,666	101,000
150000 TO 249999	3	99.13	99.29	99.39	0.42	99.91	98.75	100.00	N/A	190,500	189,333
250000 TO 499999	1	99.33	99.33	99.33			99.33	99.33	N/A	300,000	298,000
500000 +	1	99.42	99.42	99.42			99.42	99.42	N/A	790,000	785,400
<u>ALL</u>	<u>24</u>	<u>99.18</u>	<u>106.91</u>	<u>96.09</u>	<u>21.85</u>	<u>111.26</u>	<u>42.12</u>	<u>298.00</u>	<u>97.19 to 100.00</u>	<u>105,683</u>	<u>101,545</u>

PAD 2010 R&O Statistics

Base Stat

State Stat Run

Type: Qualified

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

NUMBER of Sales:	24	MEDIAN:	99	COV:	44.41	95% Median C.I.:	97.19 to 100.00
TOTAL Sales Price:	2,601,400	WGT. MEAN:	96	STD:	47.48	95% Wgt. Mean C.I.:	90.94 to 101.23
TOTAL Adj.Sales Price:	2,536,400	MEAN:	107	AVG.ABS.DEV:	21.67	95% Mean C.I.:	86.86 to 126.96
TOTAL Assessed Value:	2,437,100						
AVG. Adj. Sales Price:	105,683	COD:	21.85	MAX Sales Ratio:	298.00		
AVG. Assessed Value:	101,545	PRD:	111.26	MIN Sales Ratio:	42.12		

Printed: 03/22/2010 12:46:33

OCCUPANCY CODE

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
(blank)	3	103.20	111.77	93.54	19.66	119.50	85.62	146.50	N/A	13,666	12,783
123	1	126.67	126.67	126.67			126.67	126.67	N/A	21,000	26,600
170	1	62.08	62.08	62.08			62.08	62.08	N/A	120,000	74,500
177	1	99.42	99.42	99.42			99.42	99.42	N/A	790,000	785,400
340	1	98.14	98.14	98.14			98.14	98.14	N/A	59,000	57,900
41	1	97.19	97.19	97.19			97.19	97.19	N/A	49,900	48,500
42	3	99.47	99.60	99.61	0.22	99.99	99.33	100.00	N/A	203,333	202,533
44	1	99.23	99.23	99.23			99.23	99.23	N/A	130,000	129,000
48	1	99.50	99.50	99.50			99.50	99.50	N/A	100,000	99,500
49	1	99.13	99.13	99.13			99.13	99.13	N/A	184,000	182,400
50	4	98.19	97.37	95.39	5.44	102.08	86.45	106.67	N/A	74,500	71,062
79	1	97.84	97.84	97.84			97.84	97.84	N/A	37,000	36,200
83	1	165.00	165.00	165.00			165.00	165.00	N/A	2,000	3,300
851	1	42.12	42.12	42.12			42.12	42.12	N/A	56,500	23,800
98	3	95.38	151.96	104.74	82.30	145.09	62.50	298.00	N/A	12,666	13,266
<u>ALL</u>	<u>24</u>	<u>99.18</u>	<u>106.91</u>	<u>96.09</u>	<u>21.85</u>	<u>111.26</u>	<u>42.12</u>	<u>298.00</u>	<u>97.19 to 100.00</u>	<u>105,683</u>	<u>101,545</u>

**2010 Correlation Section
for Merrick County**

Commerical Real Property

I. Correlation

The level of value for the commercial real property in Merrick County, as determined by the PTA is 99%. The mathematically calculated median is 99%.

COMMERCIAL: The opinion of the Division is that the level of value is within the acceptable range, and it is best measured by the median measure of central tendency. The median measure was calculated using a sufficient number of sales, and because the County applies assessment practices to the sold and unsold parcels in a similar manner, the median ratio calculated from the sales file accurately reflects the level of value for the population. In addition, the assessment practices demonstrated by the county indicate the commercial class of property is valued uniformly and proportionately.

**2010 Correlation Section
for Merrick 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 processes used by the county to qualify sales indicates a bias does not exist in the judgments made to assign sales usability. A review of the sales file also indicates excessive trimming has not occurred. The county maintains an internal policy noting that all sales are determined to be arms length unless information is available to the contrary. Buyers and sellers are both sent questionnaires in an attempt to gather additional facts related to the sales. The property record cards are flagged for the contract appraiser to review as well.

**2010 Correlation Section
for Merrick 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	99	96	107

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

	COD	PRD
R&O Statistics	21.85	111.26

COMMERCIAL:Both the coefficient of dispersion and price related differential are outside the acceptable range. Further analysis indicates four sales valued below \$10,000 are entirely the cause of the excessive COD and PRD. The quality of assessment is considered to be acceptable based on the assessment practices consistently demonstrated by the county.

2010 Assessment Actions for Merrick County

taken to address the following property classes/subclasses:

Agricultural

For the 2010 assessment year the county conducted a market study of the agricultural class of property. The market information displayed in the preliminary statistics indicated the median ratio for the class was below the statutory range. The assessor analyzed the agricultural land based on the market indication for dry crop, irrigated, and grass use in each of the two market areas.

To address the deficiencies identified in the market analysis, Merrick County completed the following assessment actions:

- In Market Area One, the irrigated aggregate acre value increased from \$1,511 to \$1,781 and the weighted average dryland acre value increased from \$733 to \$789. The weighted average grass land acre value increased from \$590 to \$643.
- In Market Area Two, the irrigated aggregate acre value increased from \$1,942 to \$2,080 and the weighted average dryland acre value decreased from \$944 to \$893. The weighted average grass land acre value increased from \$670 to \$706.

After completing the assessment actions for 2010 the county reviewed the statistical results and concluded that the class and subclasses were assessed at an appropriate level. Other assessed value changes were made to properties in the county based on pick-up of new construction.

The county also implemented the new soil survey and implemented new GIS Acres. The county also worked to adjust parcel boundaries bordering the river after state statute defined the Polk-Merrick County Line. Land use verification based on Natural Resource District information was also a priority for the Assessor's office for 2010.

2010 Assessment Survey for Merrick County

Agricultural Appraisal Information

1.	Valuation data collection done by:
	Assessor
2.	Does the County maintain more than one market area / valuation grouping in the agricultural property class?
	Yes
a.	What is the process used to determine and monitor market areas / valuation groupings? (Neb. Rev. Stat. § 77-1363) List or describe. Class or subclass includes, but not limited to, the classifications of agricultural land listed in section 77-1363, parcel use, parcel type, location, geographic characteristics, zoning, city size, parcel size and market characteristics.
	The county reviews sale information annually and identifies common characteristics of the parcels. Similar parcels are grouped together based on how the market appears to recognize those parcels.
b.	Describe the specific characteristics of the market area / valuation groupings that make them unique?
	Similar parcels are grouped together based on production capability and market comparability. Grass land in the two market areas has a higher carrying capacity and the other land is generally more productive in the Market Area 2.
3.	Agricultural Land
a.	How is agricultural land defined in this county?
	If the parcel is 20 acres or less there must be no residential improvement on the parcel and must be primarily used for agricultural or horticultural use as defined in statute.
b.	When is it agricultural land, when is it residential, when is it recreational?
	Agricultural if the parcel is primarily used for the commercial production of an ag product, residential if it is not being used for ag and has a primary residence. The county values WRP at 100% of market value recognizing it is not agricultural land.
c.	Are these definitions in writing?
	Yes
d.	What are the recognized differences?
	Differences in use of parcel and existence of dwelling.
e.	Are rural home sites valued the same as rural residential home sites? If no, explain:
	Yes
f.	Are all rural home sites valued the same or are market differences recognized?
	Rural home sites and farm sites are valued the same throughout the county.
g.	What are the recognized differences?
4.	What is the status of the soil conversion from the alpha to numeric notation?
	The most current soil conversion is completed.
a.	Are land capability groupings (LCG) used to determine assessed value?

	Yes
b.	What other land characteristics or analysis are/is used to determine assessed values?
	None
5.	Is land use updated annually?
	Yes
a.	By what method? (Physical inspection, FSA maps, etc.)
	Physical inspection, NRD information, GIS, and other methods, and is completely updated for 2010.
6.	Is there agricultural land in the County that has a non-agricultural influence?
	No
a.	How is the County developing the value for non-agricultural influences?
	N/A.
b.	Has the County received applications for special valuation?
	Yes
c.	Describe special value methodology
	There currently is no difference in the marketplace for agricultural vs. non-agricultural influences.
7	Pickup work:
a.	Is pickup work done annually and is it completed by March 19th?
	Yes
b.	By Whom?
	Assessor
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?
	No
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)
	A cyclical review progress exists with the goal that all properties are reviewed and inspected within four to five years.
a.	Does the County maintain a tracking process?
	Yes
b.	How are the results of the portion of the properties inspected and reviewed applied to the balance of the county?
	As the review is completed the information is not applied to the entire county until all parcels have been reviewed, ensuring all parcels are at the same relative percentage of market value.



Merrick County 61

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
07/01/06 - 06/30/07	22	15	7
07/01/07 - 06/30/08	33	25	8
07/01/08 - 06/30/09	22	14	8
Totals	77	54	23

Added Sales:

Study Year	Total	Mkt 1	Mkt 2
7/1/06 - 6/30/07	0	0	0
7/1/07 - 6/30/08	0	0	0
7/1/08 - 6/30/09	0	0	0
	0	0	0

Final Results:

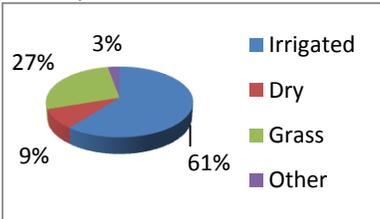
Study Year	County	Area 1	Area 2
07/01/06 - 06/30/07	22	15	7
07/01/07 - 06/30/08	33	25	8
07/01/08 - 06/30/09	22	14	8
Totals	77	54	23

Representativeness by Majority Land Use

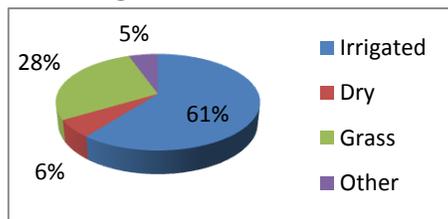
The following tables and charts compare the makeup of land use in the population to the make up of land use in both the sales file and the representative sample.

	Entire County		
	county	sales file	Sample
Irrigated	61%	61%	61%
Dry	9%	6%	6%
Grass	27%	28%	28%
Other	3%	5%	5%

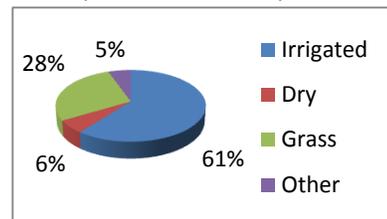
County



Original Sales File

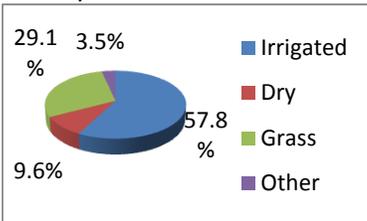


Representative Sample

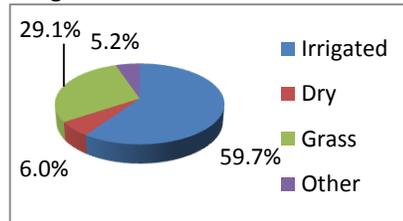


	Mkt Area 1		
	county	sales file	sample
Irrigated	58%	60%	60%
Dry	10%	6%	6%
Grass	29%	29%	29%
Other	4%	5%	5%

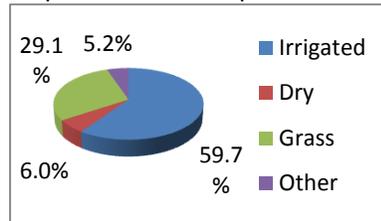
County



Original Sales File

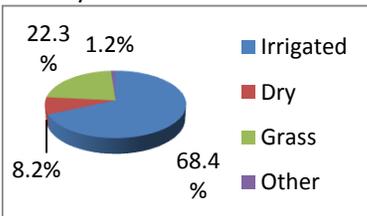


Representative Sample

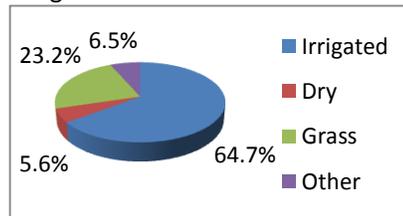


	Mkt Area 2		
	county	sales file	sample
Irrigated	68%	65%	65%
Dry	8%	6%	6%
Grass	22%	23%	23%
Other	1%	7%	7%

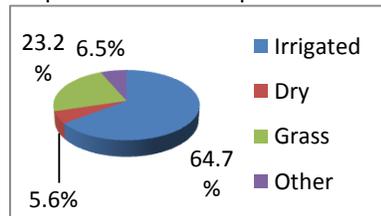
County



Original Sales File



Representative Sample



Adequacy of Sample

	County Total	Mrkt Area 1	Mrkt Area 2
Number of Sales - Original Sales File	77	54	23
Number of Sales - Expanded Sample	77	54	23
Total Number of Acres Added	0	0	0

Ratio Study

Final Statistics

County # sales	77	Median	72%	AAD	15.43%
		Mean	69%	COD	21.40%
		W. Mean	68%	PRD	101.66%

Market Area 1 # sales	54	Median	72%	AAD	17.07%
		Mean	70%	COD	23.62%
		W. Mean	70%	PRD	100.03%

Market Area 2 # sales	23	Median	72%	AAD	11.59%
		Mean	68%	COD	16.07%
		W. Mean	62%	PRD	109.65%

Preliminary Statistics

Median	65%	AAD	12.09%
Mean	63%	COD	18.74%
W. Mean	60%	PRD	105.20%

Median	62%	AAD	12.89%
Mean	63%	COD	20.92%
W. Mean	60%	PRD	103.68%

Median	69%	AAD	10.24%
Mean	65%	COD	14.91%
W. Mean	59%	PRD	109.44%

Majority Land Use

95% MLU	Irrigated		Dry		Grass	
	# Sales	Median	# Sales	Median	# Sales	Median
County	33	72.98%	0	N/A	11	72.09%
Mkt Area 1	22	72.53%	0	N/A	8	73.37%
Mkt Area 2	11	74.68%	0	N/A	3	72.09%

80% MLU	Irrigated		Dry		Grass	
	# Sales	Median	# Sales	Median	# Sales	Median
County	43	72.30%	3	87.70%	12	73.61%
Mkt Area 1	29	72.40%	2	71.49%	8	73.37%
Mkt Area 2	14	72.04%	1	87.70%	4	73.61%

**JANET L. PLACKE
MERRICK COUNTY ASSESSOR
MERRICK COUNTY COURT HOUSE
P.O. BOX 27
CENTRAL CITY, NE 68826
(308) 946-2443
Fax 308-946-2332**

February 26, 2010

Re: Special Value for 2010

I have reviewed the Special Valuation Applications for Merrick County for the 2010 tax year.

The highest and best use of five parcels is agricultural. They are not suburban in nature and are not within any town or village's zoning jurisdiction. They are not near a hard surfaced road or body of water such as river or sand pit and are being used as agriculture

The remaining parcels are residential in nature. They are subdivided into lots and are suburban in nature. They are in the Nebraska Conference Seminary Subdivision. The parcels carry two values, market and agricultural. The market value is the same as other unimproved acreages and is supported by sales in the area.

The income approach to value does not apply at this time.

Sincerely,



Janet L. Placke
Merrick County Assessor

JLP

RECEIVED
MAR 02 2010
NEBRASKA DEPT. OF REVENUE
PROPERTY ASSESSMENT DIVISION

**Agricultural or Special
Valuation Correlation**

2010 Correlation Section

For Merrick County

Agricultural Land

I. Correlation

The level of value for the agricultural land in Merrick County, as determined by the PTA is 72%. The mathematically calculated median is 72%.

AGRICULTURAL LAND:

The agricultural land class of property in Merrick County is valued by the assessor using two different market areas. One area exists in the Southwest quarter of the county and the other is the remaining land in the county. The county assessor values according to land capability groupings and makes differentiations based on the current use of the land into irrigated, dry crop, and grass. Analysis of the market values in the county did not disprove the county assessor's market area delineations. For purposes of this analysis the county was analyzed based on the two market areas and by irrigated, dry crop, and grass land.

Analysis of the sales sample displays an even number of sales in the newest year and oldest year of the study period. In an increasing general market, a significant skew of the sales either toward the front or the back of the study period has potential to create disproportionate values between subclasses and even neighboring counties. A significant number of sales in the middle year were analyzed to determine the impact on the statistics. A process of randomly selecting sales and eliminating 11 sales from the middle year had an insignificant effect on the statistics. At that point it was concluded that the distribution of the sales did not have a negative impact on the calculated statistics.

As is the case in any inferential statistical scenario, the sample used to create statistics must be representative of the population of parcels being studied in order for the inferences to be valid. As the land use component is recognized as one of the primary characteristics that contribute to value, the land use make-up of the county was analyzed in comparison to the make-up of the sale sample. In Merrick County the profile of the sales closely matches the profile of the county and matches closely in each of the market areas indicating the sales are an accurate representation of the population.

This analysis of the 2010 assessed values indicates the overall level of value to be 72 percent of market value. Analysis of the irrigated, dry crop, and grass land in each of the two market areas suggests the values established are within the acceptable range, indicating the entire class of property is valued both uniformly and proportionately.

2010 Correlation Section

For Merrick 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:

A review of the processes used by the county to qualify sales indicates a bias does not exist in the judgments made to assign sales usability. A review of the sales file also indicates excessive trimming has not occurred. The county maintains an internal policy noting that all sales are determined to be arms length unless information is available to the contrary. Buyers and sellers are sent questionnaires and contacted by the county assessor. The assessor also uses the sales verification to verify land use of agricultural parcels. Based on the review done by the assessor, it is the opinion of the Division that the statistics for the class of property have been calculated using all available arms length sales.

2010 Correlation Section

For Merrick 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	72	68	69
---------------------------	-----------	-----------	-----------

2010 Correlation Section

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

	COD	PRD
R&O Statistics	21.40	101.66

AGRICULTURAL LAND:

The coefficient of dispersion is slightly above the acceptable range and the price related differential is within the acceptable range.

Total Real Property Sum Lines 17, 25, & 30	Records : 6,693	Value : 756,100,030	Growth 3,791,395	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	197	871,580	14	127,325	61	848,420	272	1,847,325	
02. Res Improve Land	1,795	11,154,685	148	2,111,105	677	12,897,275	2,620	26,163,065	
03. Res Improvements	1,857	87,789,435	173	9,174,165	691	63,175,399	2,721	160,138,999	
04. Res Total	2,054	99,815,700	187	11,412,595	752	76,921,094	2,993	188,149,389	1,946,010
% of Res Total	68.63	53.05	6.25	6.07	25.13	40.88	44.72	24.88	51.33
05. Com UnImp Land	61	574,665	1	6,640	21	533,310	83	1,114,615	
06. Com Improve Land	316	3,278,260	3	41,350	59	518,865	378	3,838,475	
07. Com Improvements	316	24,408,150	3	722,050	55	13,497,445	374	38,627,645	
08. Com Total	377	28,261,075	4	770,040	76	14,549,620	457	43,580,735	441,880
% of Com Total	82.49	64.85	0.88	1.77	16.63	33.39	6.83	5.76	11.65
09. Ind UnImp Land	1	182,345	0	0	0	0	1	182,345	
10. Ind Improve Land	1	113,900	0	0	0	0	1	113,900	
11. Ind Improvements	1	684,800	0	0	0	0	1	684,800	
12. Ind Total	2	981,045	0	0	0	0	2	981,045	0
% of Ind Total	100.00	100.00	0.00	0.00	0.00	0.00	0.03	0.13	0.00
13. Rec UnImp Land	0	0	0	0	117	3,278,930	117	3,278,930	
14. Rec Improve Land	0	0	0	0	243	7,521,975	243	7,521,975	
15. Rec Improvements	0	0	0	0	278	28,881,665	278	28,881,665	
16. Rec Total	0	0	0	0	395	39,682,570	395	39,682,570	608,105
% of Rec Total	0.00	0.00	0.00	0.00	100.00	100.00	5.90	5.25	16.04
Res & Rec Total	2,054	99,815,700	187	11,412,595	1,147	116,603,664	3,388	227,831,959	2,554,115
% of Res & Rec Total	60.63	43.81	5.52	5.01	33.85	51.18	50.62	30.13	67.37
Com & Ind Total	379	29,242,120	4	770,040	76	14,549,620	459	44,561,780	441,880
% of Com & Ind Total	82.57	65.62	0.87	1.73	16.56	32.65	6.86	5.89	11.65
17. Taxable Total	2,433	129,057,820	191	12,182,635	1,223	131,153,284	3,847	272,393,739	2,995,995
% of Taxable Total	63.24	47.38	4.96	4.47	31.79	48.15	57.48	36.03	79.02

Schedule II : Tax Increment Financing (TIF)

	Urban			SubUrban		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	25	153,730	2,987,250	0	0	0
19. Commercial	3	71,695	3,633,805	0	0	0
20. Industrial	1	182,345	26,403,465	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	25	153,730	2,987,250
19. Commercial	0	0	0	3	71,695	3,633,805
20. Industrial	0	0	0	1	182,345	26,403,465
21. Other	0	0	0	0	0	0
22. Total Sch II				29	407,770	33,024,520

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	4	585	4	585	0
25. Total	0	0	0	0	4	585	4	585	0

Schedule IV : Exempt Records : Non-Agricultural

	Urban Records	SubUrban Records	Rural Records	Total Records
26. Producing	242	2	653	897

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	4	163,380	0	0	1,965	266,282,590	1,969	266,445,970
28. Ag-Improved Land	1	5,105	0	0	872	160,083,615	873	160,088,720
29. Ag Improvements	1	4,045	0	0	872	57,166,971	873	57,171,016
30. Ag Total							2,842	483,705,706

Schedule VI : Agricultural Records :Non-Agricultural Detail

	Urban			SubUrban			Growth
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	0	0.00	0	0	0.00	0	
32. HomeSite Improv Land	0	0.00	0	0	0.00	0	
33. HomeSite Improvements	0	0.00	0	0	0.00	0	
34. HomeSite Total							
35. FarmSite UnImp Land	0	0.00	0	0	0.00	0	
36. FarmSite Improv Land	1	0.09	160	0	0.00	0	
37. FarmSite Improvements	1	0.00	4,045	0	0.00	0	
38. FarmSite Total							
39. Road & Ditches	1	0.75	0	0	0.00	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	31	53.12	359,465	31	53.12	359,465	
32. HomeSite Improv Land	491	584.86	6,189,520	491	584.86	6,189,520	
33. HomeSite Improvements	502	0.00	37,516,070	502	0.00	37,516,070	567,945
34. HomeSite Total				533	637.98	44,065,055	
35. FarmSite UnImp Land	61	201.22	293,875	61	201.22	293,875	
36. FarmSite Improv Land	707	2,988.71	4,842,760	708	2,988.80	4,842,920	
37. FarmSite Improvements	830	0.00	19,650,901	831	0.00	19,654,946	227,455
38. FarmSite Total				892	3,190.02	24,791,741	
39. Road & Ditches	2,294	5,352.83	0	2,295	5,353.58	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
41. Total Section VI				1,425	9,181.58	68,856,796	795,400

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

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	0	0.00	0	0	0.00	0
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	3	302.50	155,380	3	302.50	155,380

Schedule VIII : Agricultural Records : Special Value

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
43. Special Value	0	0.00	0	0	0.00	0
44. Recapture Value N/A	0	0.00	0	0	0.00	0
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
43. Special Value	8	249.17	327,970	8	249.17	327,970
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	1,778.95	1.36%	3,433,390	1.48%	1,930.01
46. 1A	9,189.82	7.05%	17,736,360	7.64%	1,930.00
47. 2A1	21,536.93	16.52%	40,382,280	17.39%	1,875.02
48. 2A	33,429.47	25.64%	62,681,260	26.99%	1,875.03
49. 3A1	2,735.16	2.10%	4,786,650	2.06%	1,750.04
50. 3A	45,671.98	35.02%	79,928,130	34.42%	1,750.05
51. 4A1	13,596.20	10.43%	20,394,300	8.78%	1,500.00
52. 4A	2,460.27	1.89%	2,890,835	1.24%	1,175.01
53. Total	130,398.78	100.00%	232,233,205	100.00%	1,780.95
Dry					
54. 1D1	84.11	0.59%	75,275	0.67%	894.96
55. 1D	846.53	5.99%	757,660	6.79%	895.02
56. 2D1	2,054.16	14.52%	1,746,120	15.66%	850.04
57. 2D	3,770.22	26.66%	3,016,225	27.05%	800.01
58. 3D1	304.18	2.15%	243,355	2.18%	800.04
59. 3D	3,972.81	28.09%	3,178,330	28.50%	800.02
60. 4D1	2,771.72	19.60%	1,940,245	17.40%	700.01
61. 4D	338.71	2.39%	194,760	1.75%	575.01
62. Total	14,142.44	100.00%	11,151,970	100.00%	788.55
Grass					
63. 1G1	82.58	0.00%	58,620	0.16%	709.86
64. 1G	358.72	0.64%	250,090	0.69%	697.17
65. 2G1	1,687.74	3.01%	1,176,635	3.26%	697.17
66. 2G	8,390.11	14.94%	5,863,760	16.23%	698.89
67. 3G1	1,353.52	2.41%	904,685	2.50%	668.39
68. 3G	18,058.18	32.16%	12,171,230	33.68%	674.00
69. 4G1	17,062.34	30.38%	10,690,735	29.59%	626.57
70. 4G	9,162.05	16.32%	5,017,540	13.89%	547.64
71. Total	56,155.24	100.00%	36,133,295	100.00%	643.45
Irrigated Total	130,398.78	62.26%	232,233,205	81.87%	1,780.95
Dry Total	14,142.44	6.75%	11,151,970	3.93%	788.55
Grass Total	56,155.24	26.81%	36,133,295	12.74%	643.45
Waste	0.00	0.00%	0	0.00%	0.00
Other	8,749.08	4.18%	4,141,820	1.46%	473.40
Exempt	2,847.18	1.36%	0	0.00%	0.00
Market Area Total	209,445.54	100.00%	283,660,290	100.00%	1,354.34

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 2

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	4,556.09	8.17%	11,162,455	9.62%	2,450.01
46. 1A	5,483.48	9.84%	13,160,355	11.35%	2,400.00
47. 2A1	16,125.03	28.92%	34,749,395	29.96%	2,155.00
48. 2A	12,662.17	22.71%	27,287,060	23.53%	2,155.01
49. 3A1	64.71	0.12%	119,720	0.10%	1,850.10
50. 3A	12,899.02	23.14%	23,863,355	20.57%	1,850.01
51. 4A1	3,015.04	5.41%	4,296,465	3.70%	1,425.01
52. 4A	943.92	1.69%	1,345,120	1.16%	1,425.04
53. Total	55,749.46	100.00%	115,983,925	100.00%	2,080.45
Dry					
54. 1D1	95.25	2.49%	104,300	3.05%	1,095.01
55. 1D	191.99	5.02%	210,220	6.15%	1,094.95
56. 2D1	656.40	17.16%	656,405	19.22%	1,000.01
57. 2D	1,061.56	27.75%	1,061,560	31.08%	1,000.00
58. 3D1	37.25	0.97%	32,600	0.95%	875.17
59. 3D	860.73	22.50%	705,755	20.66%	819.95
60. 4D1	698.71	18.26%	506,560	14.83%	724.99
61. 4D	223.70	5.85%	138,695	4.06%	620.00
62. Total	3,825.59	100.00%	3,416,095	100.00%	892.96
Grass					
63. 1G1	122.11	0.00%	116,015	1.02%	950.09
64. 1G	333.16	2.07%	316,505	2.78%	950.01
65. 2G1	471.60	2.93%	377,320	3.32%	800.08
66. 2G	3,308.84	20.54%	2,647,110	23.28%	800.01
67. 3G1	20.27	0.13%	15,210	0.13%	750.37
68. 3G	3,444.53	21.39%	2,588,855	22.77%	751.58
69. 4G1	4,482.34	27.83%	3,249,770	28.58%	725.02
70. 4G	3,922.98	24.36%	2,059,860	18.12%	525.08
71. Total	16,105.83	100.00%	11,370,645	100.00%	706.00
Irrigated Total	55,749.46	72.68%	115,983,925	88.41%	2,080.45
Dry Total	3,825.59	4.99%	3,416,095	2.60%	892.96
Grass Total	16,105.83	21.00%	11,370,645	8.67%	706.00
Waste	0.00	0.00%	0	0.00%	0.00
Other	1,023.00	1.33%	417,955	0.32%	408.56
Exempt	349.87	0.46%	0	0.00%	0.00
Market Area Total	76,703.88	100.00%	131,188,620	100.00%	1,710.33

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	88.36	162,745	0.00	0	186,059.88	348,054,385	186,148.24	348,217,130
77. Dry Land	5.51	4,560	0.00	0	17,962.52	14,563,505	17,968.03	14,568,065
78. Grass	0.00	0	0.00	0	72,261.07	47,503,940	72,261.07	47,503,940
79. Waste	0.00	0	0.00	0	0.00	0	0.00	0
80. Other	5.80	1,020	0.00	0	9,766.28	4,558,755	9,772.08	4,559,775
81. Exempt	139.55	0	1.62	0	3,055.88	0	3,197.05	0
82. Total	99.67	168,325	0.00	0	286,049.75	414,680,585	286,149.42	414,848,910

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	186,148.24	65.05%	348,217,130	83.94%	1,870.64
Dry Land	17,968.03	6.28%	14,568,065	3.51%	810.78
Grass	72,261.07	25.25%	47,503,940	11.45%	657.39
Waste	0.00	0.00%	0	0.00%	0.00
Other	9,772.08	3.42%	4,559,775	1.10%	466.61
Exempt	3,197.05	1.12%	0	0.00%	0.00
Total	286,149.42	100.00%	414,848,910	100.00%	1,449.76

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

61 Merrick

	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	182,894,515	188,149,389	5,254,874	2.87%	1,946,010	1.81%
02. Recreational	38,633,629	39,682,570	1,048,941	2.72%	608,105	1.14%
03. Ag-Homesite Land, Ag-Res Dwelling	40,234,645	44,065,055	3,830,410	9.52%	567,945	8.11%
04. Total Residential (sum lines 1-3)	261,762,789	271,897,014	10,134,225	3.87%	3,122,060	2.68%
05. Commercial	43,174,065	43,580,735	406,670	0.94%	441,880	-0.08%
06. Industrial	972,350	981,045	8,695	0.89%	0	0.89%
07. Ag-Farmsite Land, Outbuildings	22,967,520	24,791,741	1,824,221	7.94%	227,455	6.95%
08. Minerals	585	585	0	0.00	0	0.00
09. Total Commercial (sum lines 5-8)	67,114,520	69,354,106	2,239,586	3.34%	669,335	2.34%
10. Total Non-Agland Real Property	328,877,309	341,251,120	12,373,811	3.76%	3,791,395	2.61%
11. Irrigated	282,925,145	348,217,130	65,291,985	23.08%		
12. Dryland	20,361,330	14,568,065	-5,793,265	-28.45%		
13. Grassland	47,097,170	47,503,940	406,770	0.86%		
14. Wasteland	0	0	0			
15. Other Agland	3,724,105	4,559,775	835,670	22.44%		
16. Total Agricultural Land	354,107,750	414,848,910	60,741,160	17.15%		
17. Total Value of all Real Property (Locally Assessed)	682,985,059	756,100,030	73,114,971	10.71%	3,791,395	10.15%

**2010 Plan of Assessment for Merrick County
Assessment Years 2010, 2011 and 2012**

Plan of Assessment Requirements:

Pursuant to Neb. Laws 2005, LB 263, Section 9, 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 Property Assessment and Taxation 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 is 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 (Reissue 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;

Reference, Nebraska Rev. Stat. 77-201 and LB 968

General Description of Real Property in Merrick County:

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

	Parcels	% of Total Parcels	% of Taxable Value
Base			
Residential	3044	44.92%	26.90%
Commercial	470	6.94%	6.27%
Industrial	2	.03%	.14%
Recreational	400	5.90%	5.72%
Agricultural	2856	42.21%	60.97%

Other pertinent facts:

For assessment year 2009, an estimated 200 building permits and/or information statements were filed for new property construction or additions and agland use update in the county.

Current Resources

- A. Staff consists of Assessor, Deputy Assessor, Clerk & part time clerk. All except the part time clerk currently hold assessor certificates. The deputy is a registered appraiser and has taken on more of the appraisal functions in consultation with an outside appraisal firm. The 2009-2010 office budget request is \$134,900. An additional \$59,340 was requested for contract appraisal services.
- B. Merrick County currently uses 1989 Cadastral maps with ownership updates done on a monthly basis. Agricultural land is based on 1981 soil survey.
- C. Property Record Cards contain current listings along with a sketch of the dwelling and a 2003 digital aerial photo of rural improvements.
- D. Merrick County is currently using CAMA 2000 and County Solutions Administrative Software

Current Assessment Procedures for Real Property

- A. Real Estate Transfers and ownership changes are handled on a monthly basis by the clerk.
- B. Initial sales reviews are done by the staff with follow-up sales letters mailed both to the seller and the buyer.
- C. The county maintains a sales file that is available for staff and contract appraisal. Each sale is physically reviewed by staff or outside appraisal for verification. Building permits are required for the removal or additions of improvements
- D. Merrick County uses Market, Cost and/or Income approach to value according to IAAO standards. Modeling is handled by Stanard Appraisal Services. The county is currently using Marshall and Swift Cost information.
- E. Merrick County will work with Stanard Appraisal in establishing market areas and land values.
- F. Reconciliation of final value, documentation and review of assessment sales ratios has been handled by Stanard Appraisal.
- G. Board of Supervisors is kept informed as to the actions of the assessor's office. Notices of valuation changes are sent to the property owner on or before June 1 of each year.

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

<u>Property Class</u>	<u>Median</u>	<u>COD*</u>	<u>PRD*</u>
Residential	97	13.66	106.78
Commercial	99	14.94	106.14
Agricultural Land	73	23.92	111.99

*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

The county has plans to begin an appraisal update of rural improvements. All properties will include a drive-by-inspection and new digital pictures will be taken. This will include acreages and farms along with any outbuildings. There are approximately 1800 improved parcels in the rural area. Our goal is

to review approximately 900 or a many as time and money will allow. Sales review and pick up will be completed. The towns-villages, Clarks Lakes and GI Subs statistics will be reviewed.

Commercial

There will be a statistical analysis done for commercial and industrial properties to determine if an assessment adjustment is necessary to comply with statistical measures as required by law. The commercial and industrial properties in Merrick County were re-appraised in 2008. Sales and pick up work will be completed along with closer look at gravel pits.

Agricultural

We will begin appraisal update of agricultural improvements. As time permits a land use study will be conducted. There will be an annual sales analysis by land classification group of all agricultural sales to determine any possible adjustments to comply with statistical measures. Farm and Home site values will be reviewed and adjusted if necessary. The market analysis is conducted in house and as necessary in consultation by an outside appraiser. Merrick County will implement the new soil survey along with land use update.

Assessment Actions Planned for Assessment Year 2011:

Residential

Merrick County will complete the appraisal update of rural residential improvements started in 2010. This includes Archer. These properties will be valued using the cost approach using market derived depreciation. All other residential properties will be maintained including statistical and sales review. Pick-up work will also be completed. If time permits, we will begin the review of the towns and villages.

Commercial

There will be a statistical analysis done for commercial and industrial properties to determine if an assessment adjustment is necessary to comply with statistical measures as required by law. The commercial and industrial properties in Merrick County were re-appraised in 2008. Sales and pick up work will be completed.

Agricultural

We will complete appraisal update of agricultural improvements. As time permits a land use study will be conducted. There will be an annual sales analysis by land classification group of all agricultural sales to determine any possible adjustments to comply with statistical measures. Farm and Home site values will be reviewed and adjusted if necessary. The market analysis is conducted in house and as necessary in consultation by an outside appraiser. Land use updates and review is ongoing.

Assessment Actions Planned for Assessment Year 2012

Residential

The county plans to review the towns of Silver Creek, Clarks, Central City, Palmer, Chapman and the village of Archer. This will include a drive-by-inspection along with taking new digital pictures. These properties will be valued using the cost approach with market derived depreciation. Sales review and pick-up will also be completed for residential properties.

Commercial

The county will do a complete appraisal update of commercial and industrial properties. Properties will be physically inspected to verify current listings and new digital photos will be taken.

Agricultural

A market analysis of agricultural sales by land classification group will be conducted to determine any possible adjustments to comply with statistical measures. The market analysis is conducted in-house and as necessary in consultation with an outside appraiser. Sales review and pick-up work will be completed for agricultural properties. Land use updates and reviews are ongoing.

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

1. Record Maintenance, Mapping updates, & Ownership changes done on a monthly basis
2. Annually prepare and file Assessor Administrative Reports required by law/regulation:
 - a. Abstracts (Real & Personal Property)
 - b. Assessor Survey
 - c. Sales information to PA&T rosters & annual Assessed Value Update w/Abstract
 - d. Certification of Value to Political Subdivisions
 - e. School District Taxable Value Report
 - f. Homestead Exemption Tax Loss Report (in conjunction with Treasurer)
 - g. Certificate of Taxes Levied Report
 - h. Report of current values for properties owned by Board of Education Lands & Funds
 - i. Report of all Exempt Property and Taxable Government Owned Property
 - j. Annual Plan of Assessment Report
3. Personal Property; administer annual filing of approximately 1,200 schedules; prepare subsequent notices for incomplete filings or failure to file and penalties applied, as required.
4. Permissive Exemptions: administer annual filings of applications for new or continued exempt use, review and make recommendations to county board.
5. Taxable Government Owned Property - annual review of government owned property not used for public purpose, send notices of intent to tax, etc.
6. Homestead Exemptions; administer approximately 400 annual filings of applications, approval/denial process, taxpayer notifications, and taxpayer assistance.
7. Centrally Assessed - review of valuations as certified by PA&T for railroads and public service entities, establish assessment records and tax billing for tax list.
8. Tax Increment Financing - management of record/valuation information for properties in community redevelopment projects for proper reporting on administrative reports and allocation of ad valorem tax.
9. Tax Districts and Tax Rates - management of school district and other tax entity boundary changes necessary for correct assessment and tax information; input/review of tax rates used for tax billing process.
10. Tax Lists; prepare and certify tax lists to county treasurer for real property, personal property, and centrally assessed.
11. Tax List Corrections - prepare tax list correction documents for county board approval.

12. County Board of Equalization - attends county board of equalization meetings for valuation protests - assemble and provide information.
13. TERC Appeals - prepare information and attend taxpayer appeal hearings before TERC, defend valuation.
14. TERC Statewide Equalization - attend hearings if applicable to county, defend values, and/or implement orders of the TERC.
15. Education: Assessor and/or Appraisal Education - attend meetings, workshops, and educational classes to obtain required hours of continuing education to maintain assessor certification and/or appraiser license, etc. This is made available to all staff even though scheduling is difficult due to limited staff.

Additional Information:

The assessor's office has hired a part-time clerk in cooperation with planning and zoning office. The primary responsibility is data entry into the GIS data layers.

At the request of the assessor, assessor and tax information is now available on line.

Katt Surveying in cooperation with the Merrick County Surveyor is continuing survey work along the Merrick/Hamilton County line on the Platte River to ascertain proper number of acres and boundary lines. This has been a multi-year project. After the completion of this work, it is hoped that a definitive county line will be defined as opposed to the thread of the stream that is subject to change. This will require an act of the State Legislature.

Legislative Bill 131 establishing a definitive boundary between Polk and Merrick was passed by the 2009 Legislature. This was done in cooperation with the Merrick County and Polk County surveyors.

Conclusion:

In order to achieve assessment actions, \$134,900 was requested to be budgeted for the office including wages for permanent staff. An additional \$59,340 was requested for contract appraisal services including \$4,000 for Terc review. The assessor requested that survey work continue on the Platte River along the Merrick/Hamilton County line to ascertain proper number of acres and boundary lines.

2010 Assessment Survey for Merrick County

I. General Information

A. Staffing and Funding Information

1.	Deputy(ies) on staff
	1
2.	Appraiser(s) on staff
	0
3.	Other full-time employees
	1
4.	Other part-time employees
	0
5.	Number of shared employees
	1
6.	Assessor's requested budget for current fiscal year
	\$134,894
7.	Adopted budget, or granted budget if different from above
	\$134,894
8.	Amount of the total budget set aside for appraisal work
9.	Appraisal/Reappraisal budget, if not part of the total budget
	\$59,340
10.	Part of the budget that is dedicated to the computer system
	\$1,900
11.	Amount of the total budget set aside for education/workshops
	\$1,900
12.	Other miscellaneous funds
	GIS maintenance and support comes out of the county's general fund--\$7,700
13.	Was any of last year's budget not used:
	Yes, \$6,572

B. Computer, Automation Information and GIS

1.	Administrative software
	MIPS/County Solutions
2.	CAMA software
	MIPS/County Solutions
3.	Cadastral maps: Are they currently being used?
	Yes
4.	Who maintains the Cadastral Maps?
	Assessor's office

5.	Does the county have GIS software?
	Yes
6.	Who maintains the GIS software and maps?
	GIS Workshop maintains the software and the assessor and staff maintains the maps.
7.	Personal Property software:
	MIPS/County Solutions

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?
	Central City, Chapman, Clarks, Palmer, Silver Creek
4.	When was zoning implemented?
	1970s

D. Contracted Services

1.	Appraisal Services
	Stanard Appraisal
2.	Other services
	GIS Workshop

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 Merrick 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