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2011 Commission Summary for Banner County

Residential Real Property - Current

Number of Sales	4	Median	74.58
Total Sales Price	\$404,000	Mean	74.11
Total Adj. Sales Price	\$404,000	Wgt. Mean	85.02
Total Assessed Value	\$343,471	Average Assessed Value of the Base	\$28,189
Avg. Adj. Sales Price	\$101,000	Avg. Assessed Value	\$85,868

Confidence Interval - Current

95% Median C.I	N/A
95% Mean C.I	N/A
95% Wgt. Mean C.I	25.82 to 122.40
% of Value of the Class of all Real Property Value in the County	1.47
% of Records Sold in the Study Period	4.30
% of Value Sold in the Study Period	13.10

Residential Real Property - History

Year	Number of Sales	LOV	Median
2010	4	100	97
2009	7	100	76
2008	6	100	84
2007	7	93	93

2011 Commission Summary for Banner County

Commercial Real Property - Current

Number of Sales	0	Median	00.00
Total Sales Price	\$0	Mean	00.00
Total Adj. Sales Price	\$0	Wgt. Mean	00.00
Total Assessed Value	\$0	Average Assessed Value of the Base	\$22,538
Avg. Adj. Sales Price	\$0	Avg. Assessed Value	\$0

Confidence Interval - Current

95% Median C.I	N/A
95% Mean C.I	N/A
95% Wgt. Mean C.I	N/A
% of Value of the Class of all Real Property Value in the County	0.11
% of Records Sold in the Study Period	0.00
% of Value Sold in the Study Period	0.00

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2010	0	100	0
2009	0	100	0
2008	0	100	0
2007	0	100	0

2011 Opinions of the Property Tax Administrator for Banner 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.

Class	Level of Value	Quality of Assessment	Non-binding recommendation
Residential Real Property	*NEI	Does not meet generally accepted mass appraisal practices.	No recommendation.
Commercial Real Property	*NEI	Meets generally accepted mass appraisal practices.	No recommendation.
Agricultural Land	74	The qualitative measures calculated in the random include sample best reflect the dispersion of the assessed values within the population. The quality of assessment meets generally accepted mass appraisal practices.	No recommendation.

***A level of value displayed as NEI, not enough information, represents a class of property with insufficient information to determine a level of value.*

Dated this 11th day of April, 2011.



Ruth A. Sorensen
Property Tax Administrator

2011 Residential Assessment Actions for Banner County

For assessment year 2011, the County completed any residential pick-up work. County implemented the June 2010 costing tables. In conjunction with this, the Assessor reviewed current depreciation on all houses (both in Harrisburg and Rural) within the County and made changes where necessary. All outbuildings on rural properties were also re-valued using the new cost data.

2011 Residential Assessment Survey for Banner County

1.	Valuation data collection done by:	
	Assessor's staff member.	
2.	List the valuation groupings used by the County and describe the unique characteristics that effect value:	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	10	Harrisburg—all residential parcels within the village of Harrisburg and environ.
	80	Rural—all remaining residential parcels within the County.
3.	List and describe the approach(es) used to estimate the market value of residential properties.	
	Replacement cost new, minus depreciation.	
4.	When was the last lot value study completed?	
	2006	
5.	Describe the methodology used to determine the residential lot values.	
	Market value, and then the lots are priced by the two sizes of lots found in Harrisburg.	
6.	What costing year for the cost approach is being used for each valuation grouping?	
	2007	
7.	If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?	
	The County uses the tables provided by her CAMA vendor.	
8.	Are individual depreciation tables developed for each valuation grouping?	
	No.	
9.	How often does the County update the depreciation tables?	
	When a new cost index is implemented.	
10.	Is the valuation process (cost date and depreciation schedule or market comparison) used for the pickup work the same as was used for the general population of the class/valuation grouping?	
	Yes.	
11.	Describe the method used to determine whether a sold parcel is substantially changed.	
	The extent of remodeling or significant additions would be used to describe "substantially changed."	
12.	Please provide any documents related to the policies or procedures used for the residential class of property.	
	The Banner County Assessor relies on statutes, regulations and directives promulgated by the PAD.	

04 Banner
RESIDENTIAL

PAD 2011 R&O Statistics (Using 2011 Values)

Qualified

Date Range: 7/1/2008 To 6/30/2010 Posted on: 2/17/2011

Number of Sales : 4
Total Sales Price : 404,000
Total Adj. Sales Price : 404,000
Total Assessed Value : 343,471
Avg. Adj. Sales Price : 101,000
Avg. Assessed Value : 85,868

MEDIAN : 75
WGT. MEAN : 85
MEAN : 74
COD : 31.13
PRD : 87.17

COV : 40.95
STD : 30.35
Avg. Abs. Dev : 23.22
MAX Sales Ratio : 109.18
MIN Sales Ratio : 38.11

95% Median C.I. : N/A
95% Wgt. Mean C.I. : N/A
95% Mean C.I. : 25.82 to 122.40

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DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Qtrts</u>											
01-JUL-08 To 30-SEP-08											
01-OCT-08 To 31-DEC-08											
01-JAN-09 To 31-MAR-09											
01-APR-09 To 30-JUN-09											
01-JUL-09 To 30-SEP-09	2	50.90	50.90	49.79	25.13	102.23	38.11	63.68	N/A	69,000	34,353
01-OCT-09 To 31-DEC-09											
01-JAN-10 To 31-MAR-10	1	109.18	109.18	109.18	00.00	100.00	109.18	109.18	N/A	200,000	218,353
01-APR-10 To 30-JUN-10	1	85.47	85.47	85.47	00.00	100.00	85.47	85.47	N/A	66,000	56,412
<u>Study Yrs</u>											
01-JUL-08 To 30-JUN-09											
01-JUL-09 To 30-JUN-10	4	74.58	74.11	85.02	31.13	87.17	38.11	109.18	N/A	101,000	85,868
<u>Calendar Yrs</u>											
01-JAN-09 To 31-DEC-09	2	50.90	50.90	49.79	25.13	102.23	38.11	63.68	N/A	69,000	34,353
<u>ALL</u>	4	74.58	74.11	85.02	31.13	87.17	38.11	109.18	N/A	101,000	85,868

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
10	2	74.58	74.58	74.83	14.62	99.67	63.68	85.47	N/A	64,500	48,266
80	2	73.65	73.65	89.80	48.26	82.02	38.11	109.18	N/A	137,500	123,470
<u>ALL</u>	4	74.58	74.11	85.02	31.13	87.17	38.11	109.18	N/A	101,000	85,868

PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	4	74.58	74.11	85.02	31.13	87.17	38.11	109.18	N/A	101,000	85,868
06											
07											
<u>ALL</u>	4	74.58	74.11	85.02	31.13	87.17	38.11	109.18	N/A	101,000	85,868

**04 Banner
RESIDENTIAL**

PAD 2011 R&O Statistics (Using 2011 Values)

Qualified

Date Range: 7/1/2008 To 6/30/2010 Posted on: 2/17/2011

Number of Sales : 4
 Total Sales Price : 404,000
 Total Adj. Sales Price : 404,000
 Total Assessed Value : 343,471
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MEDIAN : 75
 WGT. MEAN : 85
 MEAN : 74
 COD : 31.13
 PRD : 87.17

COV : 40.95
 STD : 30.35
 Avg. Abs. Dev : 23.22
 MAX Sales Ratio : 109.18
 MIN Sales Ratio : 38.11

95% Median C.I. : N/A
 95% Wgt. Mean C.I. : N/A
 95% Mean C.I. : 25.82 to 122.40

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SALE PRICE *										Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val
<u>Low \$</u>											
1 TO 4999											
5000 TO 9999											
<u>Total \$</u>											
1 TO 9999											
10000 TO 29999											
30000 TO 59999											
60000 TO 99999	3	63.68	62.42	61.33	24.80	101.78	38.11	85.47	N/A	68,000	41,706
100000 TO 149999											
150000 TO 249999	1	109.18	109.18	109.18	00.00	100.00	109.18	109.18	N/A	200,000	218,353
250000 TO 499999											
500000 +											
<u>ALL</u>	4	74.58	74.11	85.02	31.13	87.17	38.11	109.18	N/A	101,000	85,868

**2011 Correlation Section
for Banner County**

A. Residential Real Property

The 2011 residential statistical profile indicates that there were four qualified sales that occurred during the two-year time period of the sales study. Due to the extremely small sample of qualified residential sales, none of the three measures of central tendency, nor either of the qualitative statistical measures can be realistically used to estimate the level of value and the quality of assessment for this class of property.

This sample cannot be utilized to represent the residential population of the County as a whole, even though the Assessor attempts to utilize (through verification) as many sales as possible. A questionnaire is sent to both the buyer and seller of all residential, commercial and agricultural property in which the recorded transactions contain documentary tax stamps. The Assessor's estimate is that about half of the questionnaires are returned. For those sales that do not produce a returned response from either the buyer or seller, the Assessor and her staff use their personal knowledge of the County to aid in the qualification process. A non-verified sale is assumed to be qualified, unless further information to the contrary is discovered.

Assessment actions taken to address the residential property class for 2011 included the implementation of a June 2010 cost index. All homes within the County were re-valued, and a review of the current depreciation was made by the Assessor. Further, all outbuildings on rural properties were re-valued using the new cost index.

Due to the lack of adequate sales data, it is believed that neither the level of value or quality of assessment can be determined for the residential property class.

**2011 Correlation Section
for Banner County**

B. 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.

**2011 Correlation Section
for Banner County**

C. 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.

2011 Correlation Section for Banner County

D. 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,

**2011 Correlation Section
for Banner County**

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.

2011 Commercial Assessment Actions for Banner County

For 2011, the Assessor implemented the June 2010 cost index tables and applied the new values to all commercial improvements within the County. Depreciation was also reviewed on all commercial improvements.

2011 Commercial Assessment Survey for Banner County

1.	Valuation data collection done by:	
	Assessor's staff.	
2.	List the valuation groupings used by the County and describe the unique characteristics that effect value:	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
		Since there are only eight commercial properties within the County, the Assessor believes that they would be better served by occupancy code, rather than be artificially relegated to a Harrisburg and Rural location.
3.	List and describe the approach(es) used to estimate the market value of commercial properties.	
	Replacement cost new, minus depreciation.	
4.	When was the last lot value study completed?	
	There has not been a lot study, since there are no vacant commercial lots.	
5.	Describe the methodology used to determine the commercial lot values.	
	Since each of the eight commercial parcels in the County is unique (actually only two have the same occupancy code), commercial lots carry a "site" value.	
6.	What costing year for the cost approach is being used for each valuation grouping?	
	2007	
7.	If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?	
	The Assessor uses the depreciation tables provided by the CAMA vendor.	
8.	Are individual depreciation tables developed for each valuation grouping?	
	No.	
9.	How often does the County update the depreciation tables?	
	When the cost index software is updated.	
10.	Is the valuation process (cost date and depreciation schedule or market comparison) used for the pickup work the same as was used for the general population of the class/valuation grouping?	
	Yes.	
11.	Describe the method used to determine whether a sold parcel is substantially changed.	
	Extensive remodeling or substantial additions would constitute "substantially changed."	
12.	Please provide any documents related to the policies or procedures used for the commercial class of property.	
	The Assessor follows the statutes, regulations and directives promulgated by the PAD. There are no specific County policies or procedures for the commercial class.	

04 Banner
COMMERCIAL

PAD 2011 R&O Statistics (Using 2011 Values)

Qualified

Date Range: 7/1/2007 To 6/30/2010 Posted on: 2/17/2011

Number of Sales : 0	MEDIAN : 0	COV : 00.00	95% Median C.I. : N/A
Total Sales Price : 0	WGT. MEAN : 0	STD : 00.00	95% Wgt. Mean C.I. : N/A
Total Adj. Sales Price : 0	MEAN : 0	Avg. Abs. Dev : 00.00	95% Mean C.I. : N/A
Total Assessed Value : 0			
Avg. Adj. Sales Price : 0	COD : 00.00	MAX Sales Ratio : 00.00	
Avg. Assessed Value : 0	PRD : 00.00	MIN Sales Ratio : 00.00	

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DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Qtrrs</u>											
01-JUL-07 To 30-SEP-07											
01-OCT-07 To 31-DEC-07											
01-JAN-08 To 31-MAR-08											
01-APR-08 To 30-JUN-08											
01-JUL-08 To 30-SEP-08											
01-OCT-08 To 31-DEC-08											
01-JAN-09 To 31-MAR-09											
01-APR-09 To 30-JUN-09											
01-JUL-09 To 30-SEP-09											
01-OCT-09 To 31-DEC-09											
01-JAN-10 To 31-MAR-10											
01-APR-10 To 30-JUN-10											
<u>Study Yrs</u>											
01-JUL-07 To 30-JUN-08											
01-JUL-08 To 30-JUN-09											
01-JUL-09 To 30-JUN-10											
<u>Calendar Yrs</u>											
01-JAN-08 To 31-DEC-08											
01-JAN-09 To 31-DEC-09											
<u>ALL</u>											

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											
04											
<u>ALL</u>											

04 Banner
COMMERCIAL

PAD 2011 R&O Statistics (Using 2011 Values)

Qualified

Date Range: 7/1/2007 To 6/30/2010 Posted on: 2/17/2011

Number of Sales : 0
Total Sales Price : 0
Total Adj. Sales Price : 0
Total Assessed Value : 0
Avg. Adj. Sales Price : 0
Avg. Assessed Value : 0

MEDIAN : 0
WGT. MEAN : 0
MEAN : 0
COD : 00.00
PRD : 00.00

COV : 00.00
STD : 00.00
Avg. Abs. Dev : 00.00
MAX Sales Ratio : 00.00
MIN Sales Ratio : 00.00

95% Median C.I. : N/A
95% Wgt. Mean C.I. : N/A
95% Mean C.I. : N/A

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SALE PRICE *										Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val
<u>Low \$</u>											
1 TO	4999										
5000 TO	9999										
<u>Total \$</u>											
1 TO	9999										
10000 TO	29999										
30000 TO	59999										
60000 TO	99999										
100000 TO	149999										
150000 TO	249999										
250000 TO	499999										
500000 +											
<u>ALL</u>											

**2011 Correlation Section
for Banner County**

A. Commerical Real Property

As shown by the commercial statistical profile, no qualified commercial sales occurred during the timeframe of the commercial sales study. This mirrors the lack of qualified commercial sales in Banner County for a considerable number of years, and indicates that there is not a viable commercial market in this agricultural-based County.

Due to the complete lack of any sales data, it is believed that neither the level of value or quality of assessment can be determined for the commercial property class.

**2011 Correlation Section
for Banner County**

B. 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.

2011 Correlation Section for Banner County

C. 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.

2011 Correlation Section for Banner County

D. 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,

**2011 Correlation Section
for Banner County**

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.

2011 Agricultural Assessment Actions for Banner County

The Assessor reviewed land-use via one-third of agricultural taxpayers by alphabetical ordering of their last names. Adjustments were made to land classes and subclasses as necessary to ensure compliance with acceptable level of value. For example, all irrigated, dry and grass values were raised to more closely match the market. Further the CRP land within the County was lowered.

2011 Agricultural Assessment Survey for Banner County

1.	Valuation data collection done by:				
	The Assessor's staff member.				
2.	List each market area, and describe the location and the specific characteristics that make each unique.				
	<table border="1" style="width: 100%;"> <tr> <td style="width: 25%;">Market Area</td> <td>Description of unique characteristics</td> </tr> <tr> <td></td> <td>The County has no identified agricultural market areas.</td> </tr> </table>	Market Area	Description of unique characteristics		The County has no identified agricultural market areas.
Market Area	Description of unique characteristics				
	The County has no identified agricultural market areas.				
3.	Describe the process that is used to determine and monitor market areas.				
	Only if the Assessor noticed a significant difference in the market activity in an area(s) within the County.				
4.	Describe the process used to identify and value rural residential land and recreational land in the county.				
	A small parcel would be considered rural residential, unless it adjoins an active agricultural operation, and this is usually determined by response to a mailed questionnaire. Recreational land must have recreation as its primary use to be classified as "recreational." Leasing land during hunting season for limited periods of time does not constitute recreational classification. Hunting preserves are classified as recreational if that is the primary use.				
5.	Do farm home sites carry the same value as rural residential home sites or are market differences recognized? If differences, what are the recognized market differences?				
	Yes.				
6.	What land characteristics are used to assign differences in assessed values?				
	Land use—irrigated, dry and grass—as well as Land Capability Groups.				
7.	What process is used to annually update land use? (Physical inspection, FSA maps, etc.)				
	All landowners have been listed alphabetically by last name, and one-third are sent a questionnaire that addresses land use change.				
8.	Describe the process used to identify and monitor the influence of non-agricultural characteristics.				
	There is no defined process at present, since there appears to be no non-agricultural influence in Banner County.				
9.	Have special valuations applications been filed in the county? If yes, is there a value difference for the special valuation parcels.				
	No.				
10.	Is the valuation process (cost date and depreciation schedule or market comparison) used for the pickup work on the rural improvements the same as was used for the general population of the class?				
	Yes.				
11.	Describe the method used to determine whether a sold parcel is substantially changed.				
	New improvements put on previously vacant land would probably determine whether a sold parcel is now substantially changed.				
12.	Please provide any documents related to the policies or procedures used for the				

	agricultural class of property.
	Rather than developing County specific policies or procedures for agricultural land, the Assessor follow statutes, regulations and PAD directives.

04 Banner
AGRICULTURAL - BASE STAT

PAD 2011 R&O Statistics (Using 2011 Values)

Qualified

Date Range: 7/1/2007 To 6/30/2010 Posted on: 2/17/2011

Number of Sales : 37
Total Sales Price : 4,977,488
Total Adj. Sales Price : 4,927,488
Total Assessed Value : 3,359,972
Avg. Adj. Sales Price : 133,175
Avg. Assessed Value : 90,810

MEDIAN : 70
WGT. MEAN : 68
MEAN : 75
COD : 19.95
PRD : 110.59

COV : 25.92
STD : 19.55
Avg. Abs. Dev : 13.96
MAX Sales Ratio : 138.09
MIN Sales Ratio : 47.58

95% Median C.I. : 66.10 to 79.38
95% Wgt. Mean C.I. : 62.67 to 73.70
95% Mean C.I. : 69.11 to 81.71

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DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Qtrts</u>											
01-JUL-07 To 30-SEP-07											
01-OCT-07 To 31-DEC-07	6	80.54	78.19	60.54	23.43	129.15	47.58	102.05	47.58 to 102.05	113,558	68,744
01-JAN-08 To 31-MAR-08	1	91.79	91.79	91.79	00.00	100.00	91.79	91.79	N/A	60,000	55,071
01-APR-08 To 30-JUN-08	6	67.86	66.53	67.27	06.13	98.90	59.60	75.46	59.60 to 75.46	156,394	105,211
01-JUL-08 To 30-SEP-08	3	74.01	71.26	71.15	06.32	100.15	62.87	76.91	N/A	96,316	68,528
01-OCT-08 To 31-DEC-08	9	80.48	89.19	72.29	23.33	123.38	54.87	138.09	66.10 to 131.07	147,102	106,341
01-JAN-09 To 31-MAR-09	4	65.95	66.17	65.10	14.04	101.64	51.49	81.27	N/A	173,375	112,859
01-APR-09 To 30-JUN-09	2	73.30	73.30	67.81	18.51	108.10	59.73	86.87	N/A	184,600	125,186
01-JUL-09 To 30-SEP-09	2	71.94	71.94	75.76	10.88	94.96	64.11	79.76	N/A	94,000	71,218
01-OCT-09 To 31-DEC-09											
01-JAN-10 To 31-MAR-10	3	58.71	59.67	64.09	09.40	93.10	51.87	68.44	N/A	110,569	70,866
01-APR-10 To 30-JUN-10	1	79.38	79.38	79.38	00.00	100.00	79.38	79.38	N/A	52,500	41,675
<u>Study Yrs</u>											
01-JUL-07 To 30-JUN-08	13	68.49	73.85	65.42	18.56	112.89	47.58	102.05	59.92 to 91.79	129,209	84,523
01-JUL-08 To 30-JUN-09	18	76.76	79.32	69.68	19.74	113.83	51.49	138.09	62.87 to 83.78	148,643	103,581
01-JUL-09 To 30-JUN-10	6	66.28	67.05	69.33	13.31	96.71	51.87	79.76	51.87 to 79.76	95,368	66,118
<u>Calendar Yrs</u>											
01-JAN-08 To 31-DEC-08	19	75.46	79.34	70.81	18.75	112.05	54.87	138.09	66.10 to 83.78	137,433	97,315
01-JAN-09 To 31-DEC-09	8	66.84	69.39	67.50	14.93	102.80	51.49	86.87	51.49 to 86.87	156,338	105,531
<u>ALL</u>	37	69.98	75.41	68.19	19.95	110.59	47.58	138.09	66.10 to 79.38	133,175	90,810

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
Blank	37	69.98	75.41	68.19	19.95	110.59	47.58	138.09	66.10 to 79.38	133,175	90,810
<u>ALL</u>	37	69.98	75.41	68.19	19.95	110.59	47.58	138.09	66.10 to 79.38	133,175	90,810

04 Banner
AGRICULTURAL - BASE STAT

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Qualified

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95%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Irrigated_____											
County	1	131.07	131.07	131.07	00.00	100.00	131.07	131.07	N/A	20,000	26,214
Blank	1	131.07	131.07	131.07	00.00	100.00	131.07	131.07	N/A	20,000	26,214
_____Dry_____											
County	6	68.79	68.14	65.92	10.96	103.37	51.87	80.48	51.87 to 80.48	69,267	45,658
Blank	6	68.79	68.14	65.92	10.96	103.37	51.87	80.48	51.87 to 80.48	69,267	45,658
_____Grass_____											
County	12	72.70	77.96	73.89	22.19	105.51	58.71	138.09	59.73 to 91.79	116,474	86,063
Blank	12	72.70	77.96	73.89	22.19	105.51	58.71	138.09	59.73 to 91.79	116,474	86,063
_____ALL_____	37	69.98	75.41	68.19	19.95	110.59	47.58	138.09	66.10 to 79.38	133,175	90,810

80%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Irrigated_____											
County	2	91.28	91.28	59.45	43.59	153.54	51.49	131.07	N/A	100,000	59,448
Blank	2	91.28	91.28	59.45	43.59	153.54	51.49	131.07	N/A	100,000	59,448
_____Dry_____											
County	7	69.98	71.42	70.68	13.55	101.05	51.87	91.09	51.87 to 91.09	73,228	51,758
Blank	7	69.98	71.42	70.68	13.55	101.05	51.87	91.09	51.87 to 91.09	73,228	51,758
_____Grass_____											
County	12	72.70	77.96	73.89	22.19	105.51	58.71	138.09	59.73 to 91.79	116,474	86,063
Blank	12	72.70	77.96	73.89	22.19	105.51	58.71	138.09	59.73 to 91.79	116,474	86,063
_____ALL_____	37	69.98	75.41	68.19	19.95	110.59	47.58	138.09	66.10 to 79.38	133,175	90,810

04 Banner
AGRICULTURAL - RANDOM INCLUDE

PAD 2011 R&O Statistics (Using 2011 Values)

Qualified

Date Range: 7/1/2007 To 6/30/2010 Posted on: 2/17/2011

Number of Sales : 45
 Total Sales Price : 6,603,024
 Total Adj. Sales Price : 6,553,024
 Total Assessed Value : 4,497,897
 Avg. Adj. Sales Price : 145,623
 Avg. Assessed Value : 99,953

MEDIAN : 74
 WGT. MEAN : 69
 MEAN : 76
 COD : 19.82
 PRD : 111.03

COV : 26.62
 STD : 20.29
 Avg. Abs. Dev : 14.67
 MAX Sales Ratio : 138.09
 MIN Sales Ratio : 47.00

95% Median C.I. : 66.63 to 79.38
 95% Wgt. Mean C.I. : 63.33 to 73.95
 95% Mean C.I. : 70.28 to 82.14

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DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Qtrts</u>											
01-JUL-07 To 30-SEP-07											
01-OCT-07 To 31-DEC-07	7	69.98	75.91	61.56	24.69	123.31	47.58	102.05	47.58 to 102.05	244,112	150,273
01-JAN-08 To 31-MAR-08	1	91.79	91.79	91.79	00.00	100.00	91.79	91.79	N/A	60,000	55,071
01-APR-08 To 30-JUN-08	6	67.86	66.53	67.27	06.13	98.90	59.60	75.46	59.60 to 75.46	156,394	105,211
01-JUL-08 To 30-SEP-08	3	74.01	71.26	71.15	06.32	100.15	62.87	76.91	N/A	96,316	68,528
01-OCT-08 To 31-DEC-08	9	80.48	89.19	72.29	23.33	123.38	54.87	138.09	66.10 to 131.07	147,102	106,341
01-JAN-09 To 31-MAR-09	4	65.95	66.17	65.10	14.04	101.64	51.49	81.27	N/A	173,375	112,859
01-APR-09 To 30-JUN-09	2	73.30	73.30	67.81	18.51	108.10	59.73	86.87	N/A	184,600	125,186
01-JUL-09 To 30-SEP-09	4	71.94	70.96	75.82	21.42	93.59	47.00	92.98	N/A	63,900	48,449
01-OCT-09 To 31-DEC-09	4	83.98	92.64	86.88	20.12	106.63	74.57	128.02	N/A	115,625	100,453
01-JAN-10 To 31-MAR-10	3	58.71	59.67	64.09	09.40	93.10	51.87	68.44	N/A	110,569	70,866
01-APR-10 To 30-JUN-10	2	73.01	73.01	72.19	08.74	101.14	66.63	79.38	N/A	60,250	43,492
<u>Study Yrs</u>											
01-JUL-07 To 30-JUN-08	14	68.30	73.02	64.21	17.94	113.72	47.58	102.05	59.92 to 91.79	193,368	124,161
01-JUL-08 To 30-JUN-09	18	76.76	79.32	69.68	19.74	113.83	51.49	138.09	62.87 to 83.78	148,643	103,581
01-JUL-09 To 30-JUN-10	13	74.57	75.34	76.49	19.74	98.50	47.00	128.02	58.71 to 91.05	90,024	68,861
<u>Calendar Yrs</u>											
01-JAN-08 To 31-DEC-08	19	75.46	79.34	70.81	18.75	112.05	54.87	138.09	66.10 to 83.78	137,433	97,315
01-JAN-09 To 31-DEC-09	14	75.74	76.12	72.86	19.62	104.47	47.00	128.02	59.73 to 91.05	127,200	92,672
<u>ALL</u>	45	74.01	76.21	68.64	19.82	111.03	47.00	138.09	66.63 to 79.38	145,623	99,953

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
Blank	45	74.01	76.21	68.64	19.82	111.03	47.00	138.09	66.63 to 79.38	145,623	99,953
<u>ALL</u>	45	74.01	76.21	68.64	19.82	111.03	47.00	138.09	66.63 to 79.38	145,623	99,953

04 Banner
AGRICULTURAL - RANDOM INCLUDE

PAD 2011 R&O Statistics (Using 2011 Values)

Qualified

Date Range: 7/1/2007 To 6/30/2010 Posted on: 2/17/2011

Number of Sales : 45
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 Total Assessed Value : 4,497,897
 Avg. Adj. Sales Price : 145,623
 Avg. Assessed Value : 99,953

MEDIAN : 74
 WGT. MEAN : 69
 MEAN : 76
 COD : 19.82
 PRD : 111.03

COV : 26.62
 STD : 20.29
 Avg. Abs. Dev : 14.67
 MAX Sales Ratio : 138.09
 MIN Sales Ratio : 47.00

95% Median C.I. : 66.63 to 79.38
 95% Wgt. Mean C.I. : 63.33 to 73.95
 95% Mean C.I. : 70.28 to 82.14

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95%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
Irrigated											
County	2	89.04	89.04	84.36	47.21	105.55	47.00	131.07	N/A	22,500	18,982
Blank	2	89.04	89.04	84.36	47.21	105.55	47.00	131.07	N/A	22,500	18,982
Dry											
County	8	72.28	72.05	70.57	12.60	102.10	51.87	92.98	51.87 to 92.98	87,900	62,030
Blank	8	72.28	72.05	70.57	12.60	102.10	51.87	92.98	51.87 to 92.98	87,900	62,030
Grass											
County	12	72.70	77.96	73.89	22.19	105.51	58.71	138.09	59.73 to 91.79	116,474	86,063
Blank	12	72.70	77.96	73.89	22.19	105.51	58.71	138.09	59.73 to 91.79	116,474	86,063
ALL	45	74.01	76.21	68.64	19.82	111.03	47.00	138.09	66.63 to 79.38	145,623	99,953

80%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
Irrigated											
County	3	51.49	76.52	58.06	54.42	131.79	47.00	131.07	N/A	75,000	43,549
Blank	3	51.49	76.52	58.06	54.42	131.79	47.00	131.07	N/A	75,000	43,549
Dry											
County	10	75.59	74.44	73.33	12.13	101.51	51.87	92.98	62.33 to 91.09	86,020	63,075
Blank	10	75.59	74.44	73.33	12.13	101.51	51.87	92.98	62.33 to 91.09	86,020	63,075
Grass											
County	13	76.91	81.81	76.82	24.47	106.50	58.71	138.09	59.73 to 92.69	113,669	87,320
Blank	13	76.91	81.81	76.82	24.47	106.50	58.71	138.09	59.73 to 92.69	113,669	87,320
ALL	45	74.01	76.21	68.64	19.82	111.03	47.00	138.09	66.63 to 79.38	145,623	99,953

04 Banner
AGRICULTURAL - RANDOM EXCLUDE

PAD 2011 R&O Statistics (Using 2011 Values)

Qualified

Date Range: 7/1/2007 To 6/30/2010 Posted on: 2/17/2011

Number of Sales : 55	MEDIAN : 73	COV : 27.68	95% Median C.I. : 66.63 to 79.04
Total Sales Price : 8,167,184	WGT. MEAN : 69	STD : 20.89	95% Wgt. Mean C.I. : 63.82 to 73.43
Total Adj. Sales Price : 8,110,784	MEAN : 75	Avg. Abs. Dev : 15.28	95% Mean C.I. : 69.96 to 81.00
Total Assessed Value : 5,565,811			
Avg. Adj. Sales Price : 147,469	COD : 21.04	MAX Sales Ratio : 138.09	
Avg. Assessed Value : 101,197	PRD : 110.00	MIN Sales Ratio : 44.29	

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DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Qtrrs</u>											
01-JUL-07 To 30-SEP-07	1	60.20	60.20	60.20	00.00	100.00	60.20	60.20	N/A	112,000	67,426
01-OCT-07 To 31-DEC-07	8	66.11	71.96	60.88	27.73	118.20	44.29	102.05	44.29 to 102.05	222,348	135,364
01-JAN-08 To 31-MAR-08	2	97.13	97.13	99.71	05.50	97.41	91.79	102.46	N/A	116,250	115,911
01-APR-08 To 30-JUN-08	7	68.11	67.80	67.74	06.75	100.09	59.60	75.46	59.60 to 75.46	142,280	96,386
01-JUL-08 To 30-SEP-08	3	74.01	71.26	71.15	06.32	100.15	62.87	76.91	N/A	96,316	68,528
01-OCT-08 To 31-DEC-08	10	82.13	89.05	72.80	21.47	122.32	54.87	138.09	66.10 to 131.07	136,892	99,656
01-JAN-09 To 31-MAR-09	5	69.57	76.26	73.37	24.18	103.94	51.49	116.66	N/A	165,200	121,203
01-APR-09 To 30-JUN-09	3	79.69	75.43	69.14	11.36	109.10	59.73	86.87	N/A	138,567	95,810
01-JUL-09 To 30-SEP-09	4	69.51	66.45	73.65	15.67	90.22	47.00	79.76	N/A	107,000	78,810
01-OCT-09 To 31-DEC-09	4	88.11	94.16	85.68	22.14	109.90	72.38	128.02	N/A	128,000	109,674
01-JAN-10 To 31-MAR-10	4	55.29	55.92	56.80	13.85	98.45	44.66	68.44	N/A	132,767	75,410
01-APR-10 To 30-JUN-10	4	69.63	67.17	57.63	12.70	116.55	50.04	79.38	N/A	155,225	89,449
<u>Study Yrs</u>											
01-JUL-07 To 30-JUN-08	18	68.30	72.48	65.94	19.91	109.92	44.29	102.46	60.20 to 91.09	173,292	114,270
01-JUL-08 To 30-JUN-09	21	79.04	81.52	72.27	19.51	112.80	51.49	138.09	66.10 to 86.87	138,075	99,790
01-JUL-09 To 30-JUN-10	16	70.41	70.92	67.56	20.58	104.97	44.66	128.02	51.87 to 79.38	130,748	88,336
<u>Calendar Yrs</u>											
01-JAN-08 To 31-DEC-08	22	76.03	80.59	73.06	18.43	110.31	54.87	138.09	67.60 to 87.74	131,197	95,848
01-JAN-09 To 31-DEC-09	16	75.91	78.13	75.51	20.34	103.47	47.00	128.02	62.33 to 86.87	136,356	102,961
<u>ALL</u>	55	72.63	75.48	68.62	21.04	110.00	44.29	138.09	66.63 to 79.04	147,469	101,197

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
Blank	55	72.63	75.48	68.62	21.04	110.00	44.29	138.09	66.63 to 79.04	147,469	101,197
<u>ALL</u>	55	72.63	75.48	68.62	21.04	110.00	44.29	138.09	66.63 to 79.04	147,469	101,197

04 Banner
AGRICULTURAL - RANDOM EXCLUDE

PAD 2011 R&O Statistics (Using 2011 Values)

Qualified

Date Range: 7/1/2007 To 6/30/2010 Posted on: 2/17/2011

Number of Sales : 55
 Total Sales Price : 8,167,184
 Total Adj. Sales Price : 8,110,784
 Total Assessed Value : 5,565,811
 Avg. Adj. Sales Price : 147,469
 Avg. Assessed Value : 101,197

MEDIAN : 73
 WGT. MEAN : 69
 MEAN : 75
 COD : 21.04
 PRD : 110.00

COV : 27.68
 STD : 20.89
 Avg. Abs. Dev : 15.28
 MAX Sales Ratio : 138.09
 MIN Sales Ratio : 44.29

95% Median C.I. : 66.63 to 79.04
 95% Wgt. Mean C.I. : 63.82 to 73.43
 95% Mean C.I. : 69.96 to 81.00

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95%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
Irrigated											
County	4	45.83	66.76	50.26	48.61	132.83	44.29	131.07	N/A	78,590	39,501
Blank	4	45.83	66.76	50.26	48.61	132.83	44.29	131.07	N/A	78,590	39,501
Dry											
County	9	72.38	69.92	69.48	08.19	100.63	51.87	80.48	62.33 to 76.60	95,344	66,244
Blank	9	72.38	69.92	69.48	08.19	100.63	51.87	80.48	62.33 to 76.60	95,344	66,244
Grass											
County	13	76.91	78.10	74.08	19.63	105.43	58.71	138.09	59.73 to 91.79	111,092	82,293
Blank	13	76.91	78.10	74.08	19.63	105.43	58.71	138.09	59.73 to 91.79	111,092	82,293
ALL	55	72.63	75.48	68.62	21.04	110.00	44.29	138.09	66.63 to 79.04	147,469	101,197

80%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
Irrigated											
County	6	48.52	61.43	50.41	33.20	121.86	44.29	131.07	44.29 to 131.07	150,727	75,974
Blank	6	48.52	61.43	50.41	33.20	121.86	44.29	131.07	44.29 to 131.07	150,727	75,974
Dry											
County	11	72.63	72.48	71.98	09.56	100.69	51.87	91.09	62.33 to 80.48	92,282	66,428
Blank	11	72.63	72.48	71.98	09.56	100.69	51.87	91.09	62.33 to 80.48	92,282	66,428
Grass											
County	14	78.30	81.66	76.91	22.57	106.18	58.71	138.09	59.73 to 92.69	108,871	83,730
Blank	14	78.30	81.66	76.91	22.57	106.18	58.71	138.09	59.73 to 92.69	108,871	83,730
ALL	55	72.63	75.48	68.62	21.04	110.00	44.29	138.09	66.63 to 79.04	147,469	101,197

2011 Correlation Section for Banner County

A. Agricultural Land

Banner County has a total land area of 746 square miles and the agricultural land within the County consists of approximately 67% grass, 26% dry land and only 5% irrigated. The remaining two percent is classified as waste and other. While the County currently has no defined market areas, it is surrounded by four counties that have multiple market areas: Scotts Bluff County, bordering Banner to the north, has three market areas (two of which are Special Value). Morrill County, bordering Banner to the east has four market areas. Cheyenne County, bordering Banner in a small portion of the southeast also has four agricultural market areas. Kimball County, bordering Banner to the south has four market areas, and two of these touch Banner.

The sales qualification and review process consists of a questionnaire sent to both the buyer and seller of all residential, commercial and agricultural property in which the recorded transactions contain documentary tax stamps. The Assessor estimates that about half of the questionnaires are returned. For those sales that do not produce a response from the buyer or seller, the Assessor and her staff use their personal knowledge of the County to aid in the qualification process. A non-verified sale is assumed to be qualified, unless further information to the contrary is discovered.

Actions taken to address agricultural land for assessment year 2011 included adjustments made to land classes and subclasses as necessary to ensure compliance with acceptable level of value. For example, all irrigated, dry and grass values were raised to more closely match the market. Further the CRP land within the County was lowered.

The agricultural Base Stat profile reveals that for the three-year timeframe of the sales study, there were thirty-seven sales deemed qualified by the Assessor. Of these, thirteen occurred during July 1, 2007 to June 30, 2008, eighteen occurred during the second study year from July 1, 2008 to June 30, 2009. Only six sales occurred during the latest study year from July 1, 2009 to June 30, 2010. Thus, the sample is under-represented for the latest year in the sales study. The sample land use is roughly 58% grass, 24% dry and 17% irrigated. Comparison of the sample land use to the actual land percentages of the County, reveals there is less than 10% difference in the sample grass and dry, but irrigated is 12% higher in the sample.

To arrive at the level of value and quality of assessment for agricultural land within Banner County, three statistical tests were utilized: the first test (named Base Stat) consists of the statistical profile using only the sales that occurred during the timeframe of the sales study within Banner County. Test two (named Random Include) consists of the County sales and a random inclusion of comparable sales (similar soils, use, topography) from contiguous counties to eliminate the time bias of fewer sales in the latest study period. There were thirty-five comparable sales from all of the counties surrounding Banner, and of these one was randomly drawn for the first year (7.01.07 to 6.30.08) and seven were randomly drawn for the third year (7.01.09 to 6.30.10). This produced a total of forty-five sales with 14 occurring during the first year, 18 remaining in the second, and now 13 sales in the third year. Thus, the minimum threshold of 10% variance of total sales per year as set in Department policy was met.

**2011 Correlation Section
for Banner County**

Test three (named Random Exclude) consists of including all comparable sales and then randomly excluding these to obtain a proportionate sample and to eliminate time bias caused by more than 10% variance of total sales per year. The result was a total of fifty-five sales, with 18 in the first year, 21 in the second and 16 in the third.

A review of the statistical data from all three tests reveal medians of 70 (Base), 74 (Random Include) and 73 (Random Exclude), with coefficients of dispersion that would support any of the three (19.95, 19.82 and 21.04, respectively). Tests two and three reveal all three measures of central tendency within acceptable range. A review of Majority Land Use >95% reveals grass within acceptable range in two of the three tests, and one additional sale in the third test (Random Exclude) acts as the middle point, and moves the statistical number to 76.91. Dry land remains within range for all three tests. No non-binding recommendations for the grass land class will be made.

Thus, all three tests reveal a median that is within acceptable range, and to a large extent support the level of value measurement of each other. Two of the three show that grass is in compliance and all three indicate that dry land is in compliance. It is my opinion, based on consideration of all the information available to me that the level of value of agricultural land in Banner County is 74%. Further, with knowledge of Banner County's assessment practices it is believed that agricultural land is being assessed uniformly and proportionately.

**2011 Correlation Section
for Banner County**

B. 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.

2011 Correlation Section for Banner County

C. 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.

2011 Correlation Section for Banner County

D. 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,

**2011 Correlation Section
for Banner County**

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.

Total Real Property
Sum Lines 17, 25, & 30

Records : 1,897

Value : 178,011,286

Growth 245,644

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	26	15,339	0	0	2	5,200	28	20,539	
02. Res Improve Land	44	278,678	0	0	19	67,115	63	345,793	
03. Res Improvements	45	1,488,550	0	0	20	766,695	65	2,255,245	
04. Res Total	71	1,782,567	0	0	22	839,010	93	2,621,577	96,355
% of Res Total	76.34	68.00	0.00	0.00	23.66	32.00	4.90	1.47	39.23
05. Com UnImp Land	0	0	0	0	3	3,000	3	3,000	
06. Com Improve Land	2	15,000	0	0	3	17,027	5	32,027	
07. Com Improvements	2	130,458	0	0	4	37,356	6	167,814	
08. Com Total	2	145,458	0	0	7	57,383	9	202,841	0
% of Com Total	22.22	71.71	0.00	0.00	77.78	28.29	0.47	0.11	0.00
09. Ind UnImp Land	0	0	0	0	0	0	0	0	
10. Ind Improve Land	0	0	0	0	0	0	0	0	
11. Ind Improvements	0	0	0	0	0	0	0	0	
12. Ind Total	0	0	0	0	0	0	0	0	0
% of Ind Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13. Rec UnImp Land	0	0	0	0	0	0	0	0	
14. Rec Improve Land	0	0	0	0	0	0	0	0	
15. Rec Improvements	0	0	0	0	0	0	0	0	
16. Rec Total	0	0	0	0	0	0	0	0	0
% of Rec Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Res & Rec Total	71	1,782,567	0	0	22	839,010	93	2,621,577	96,355
% of Res & Rec Total	76.34	68.00	0.00	0.00	23.66	32.00	4.90	1.47	39.23
Com & Ind Total	2	145,458	0	0	7	57,383	9	202,841	0
% of Com & Ind Total	22.22	71.71	0.00	0.00	77.78	28.29	0.47	0.11	0.00
17. Taxable Total	73	1,928,025	0	0	29	896,393	102	2,824,418	96,355
% of Taxable Total	71.57	68.26	0.00	0.00	28.43	31.74	5.38	1.59	39.23

Schedule II : Tax Increment Financing (TIF)

	Urban			SubUrban		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	0	0	0
19. Commercial	0	0	0	0	0	0
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
	Rural			Total		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	0	0	0
19. Commercial	0	0	0	0	0	0
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
22. Total Sch II				0	0	0

Schedule III : Mineral Interest Records

Mineral Interest	Records	Urban Value	Records	SubUrban Value	Records	Rural Value	Records	Total Value	Growth
23. Producing	0	0	0	0	71	22,679,790	71	22,679,790	0
24. Non-Producing	0	0	0	0	108	66,460	108	66,460	0
25. Total	0	0	0	0	179	22,746,250	179	22,746,250	0

Schedule IV : Exempt Records : Non-Agricultural

	Urban Records	SubUrban Records	Rural Records	Total Records
26. Exempt	8	2	6	16

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	1	500	0	0	1,183	93,883,008	1,184	93,883,508
28. Ag-Improved Land	0	0	0	0	397	38,230,518	397	38,230,518
29. Ag Improvements	0	0	0	0	432	20,326,592	432	20,326,592
30. Ag Total							1,616	152,440,618

Schedule VI : Agricultural Records :Non-Agricultural Detail

	Urban			SubUrban			Growth
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	1	1.00	500	0	0.00	0	
32. HomeSite Improv Land	0	0.00	0	0	0.00	0	
33. HomeSite Improvements	0	0.00	0	0	0.00	0	
34. HomeSite Total							
35. FarmSite UnImp Land	0	0.00	0	0	0.00	0	
36. FarmSite Improv Land	0	0.00	0	0	0.00	0	
37. FarmSite Improvements	0	0.00	0	0	0.00	0	
38. FarmSite Total							
39. Road & Ditches	0	0.00	0	0	0.00	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
	Rural			Total			
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	50	47.46	137,730	51	48.46	138,230	
32. HomeSite Improv Land	260	304.47	2,119,526	260	304.47	2,119,526	
33. HomeSite Improvements	259	0.00	15,734,720	259	0.00	15,734,720	0
34. HomeSite Total				310	352.93	17,992,476	
35. FarmSite UnImp Land	66	142.55	73,793	66	142.55	73,793	
36. FarmSite Improv Land	334	1,352.15	981,461	334	1,352.15	981,461	
37. FarmSite Improvements	394	0.00	4,591,872	394	0.00	4,591,872	149,289
38. FarmSite Total				460	1,494.70	5,647,126	
39. Road & Ditches	863	3,157.44	0	863	3,157.44	0	
40. Other- Non Ag Use	9	63.80	38,260	9	63.80	38,260	
41. Total Section VI				770	5,068.87	23,677,862	149,289

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	9	2,465.70	511,637	9	2,465.70	511,637

Schedule VIII : Agricultural Records : Special Value

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

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

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 1

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	2,241.20	9.42%	1,792,962	11.09%	800.00
47. 2A1	1,316.54	5.53%	1,053,229	6.51%	800.00
48. 2A	6,809.82	28.61%	4,766,875	29.48%	700.00
49. 3A1	198.07	0.83%	138,650	0.86%	700.01
50. 3A	5,211.06	21.89%	3,387,203	20.95%	650.00
51. 4A1	6,239.07	26.21%	4,055,414	25.08%	650.00
52. 4A	1,784.74	7.50%	975,908	6.04%	546.81
53. Total	23,800.50	100.00%	16,170,241	100.00%	679.41
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	27,991.43	23.03%	8,676,552	24.80%	309.97
56. 2D1	11,198.98	9.21%	3,470,479	9.92%	309.89
57. 2D	41,743.34	34.34%	12,900,677	36.88%	309.05
58. 3D1	4,895.46	4.03%	1,370,732	3.92%	280.00
59. 3D	16,307.19	13.42%	4,071,067	11.64%	249.65
60. 4D1	14,744.61	12.13%	3,443,879	9.84%	233.57
61. 4D	4,665.81	3.84%	1,049,532	3.00%	224.94
62. Total	121,546.82	100.00%	34,982,918	100.00%	287.81
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	12,867.73	4.10%	3,901,352	5.08%	303.19
65. 2G1	4,908.60	1.56%	1,470,234	1.91%	299.52
66. 2G	50,306.12	16.04%	14,577,937	18.98%	289.78
67. 3G1	4,284.10	1.37%	1,076,606	1.40%	251.30
68. 3G	41,573.74	13.25%	10,307,955	13.42%	247.94
69. 4G1	68,421.27	21.81%	16,405,551	21.36%	239.77
70. 4G	131,303.60	41.86%	29,064,689	37.84%	221.35
71. Total	313,665.16	100.00%	76,804,324	100.00%	244.86
Irrigated Total					
	23,800.50	5.07%	16,170,241	12.56%	679.41
Dry Total					
	121,546.82	25.90%	34,982,918	27.17%	287.81
Grass Total					
	313,665.16	66.85%	76,804,324	59.65%	244.86
72. Waste	7,301.40	1.56%	219,057	0.17%	30.00
73. Other	2,899.32	0.62%	586,216	0.46%	202.19
74. Exempt	0.00	0.00%	0	0.00%	0.00
75. Market Area Total	469,213.20	100.00%	128,762,756	100.00%	274.42

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	0.00	0	0.00	0	23,800.50	16,170,241	23,800.50	16,170,241
77. Dry Land	0.00	0	0.00	0	121,546.82	34,982,918	121,546.82	34,982,918
78. Grass	0.00	0	0.00	0	313,665.16	76,804,324	313,665.16	76,804,324
79. Waste	0.00	0	0.00	0	7,301.40	219,057	7,301.40	219,057
80. Other	0.00	0	0.00	0	2,899.32	586,216	2,899.32	586,216
81. Exempt	0.00	0	0.00	0	0.00	0	0.00	0
82. Total	0.00	0	0.00	0	469,213.20	128,762,756	469,213.20	128,762,756

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	23,800.50	5.07%	16,170,241	12.56%	679.41
Dry Land	121,546.82	25.90%	34,982,918	27.17%	287.81
Grass	313,665.16	66.85%	76,804,324	59.65%	244.86
Waste	7,301.40	1.56%	219,057	0.17%	30.00
Other	2,899.32	0.62%	586,216	0.46%	202.19
Exempt	0.00	0.00%	0	0.00%	0.00
Total	469,213.20	100.00%	128,762,756	100.00%	274.42

2011 County Abstract of Assessment for Real Property, Form 45 Compared with the 2010 Certificate of Taxes Levied (CTL)

04 Banner

	2010 CTL County Total	2011 Form 45 County Total	Value Difference (2011 form 45 - 2010 CTL)	Percent Change	2011 Growth (New Construction Value)	Percent Change excl. Growth
01. Residential	2,944,294	2,621,577	-322,717	-10.96%	96,355	-14.23%
02. Recreational	0	0	0		0	
03. Ag-Homesite Land, Ag-Res Dwelling	18,099,795	17,992,476	-107,319	-0.59%	0	-0.59%
04. Total Residential (sum lines 1-3)	21,044,089	20,614,053	-430,036	-2.04%	96,355	-2.50%
05. Commercial	192,215	202,841	10,626	5.53%	0	5.53%
06. Industrial	0	0	0		0	
07. Ag-Farmsite Land, Outbuildings	5,600,999	5,647,126	46,127	0.82%	149,289	-1.84%
08. Minerals	11,186,575	22,746,250	11,559,675	103.34	0	103.34
09. Total Commercial (sum lines 5-8)	16,979,789	28,596,217	11,616,428	68.41%	149,289	67.53%
10. Total Non-Agland Real Property	38,023,878	49,248,530	11,224,652	29.52%	245,644	28.87%
11. Irrigated	12,064,769	16,170,241	4,105,472	34.03%		
12. Dryland	29,446,248	34,982,918	5,536,670	18.80%		
13. Grassland	74,016,079	76,804,324	2,788,245	3.77%		
14. Wasteland	188,006	219,057	31,051	16.52%		
15. Other Agland	549,748	586,216	36,468	6.63%		
16. Total Agricultural Land	116,264,850	128,762,756	12,497,906	10.75%		
17. Total Value of all Real Property (Locally Assessed)	154,288,728	178,011,286	23,722,558	15.38%	245,644	15.22%

2011 Plan of Assessment for Banner County, Nebraska
Assessment Years 2011, 2012, and 2013
Date: June 15, 2010

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 for 2010 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 (as amended by LB 968); and
- (3) 75% of special value for agricultural and horticultural land which meets the qualifications for special valuation under 77-1344 and 80% of its recapture value as defined in 77-1343 when the land is disqualified for special valuation under 77-1347.

Reference, Neb Rev Stat 77-201 (R S Supp 2004)

General Description of Real Property in Banner County

Per the 2010 County Abstract, Banner County consists of the following real property types:

	Parcels	% of Total Parcels	Value	% of Taxable Value Base
Residential	93	5.19%	2,958,193	1.91%
Commercial	9	0.50%	192,215	0.12%
Recreational	0	0.00%	0	0.00%
Agricultural	1604	89.51%	139,966,716	90.43%
Mineral Interest - Producing	76	4.24%	11,184,575	7.23%
Game & Parks	10	0.56%	474,830	0.31%
Special Value	0	0.00%		0.00%
	1765		154,301,699	

Agricultural land – taxable acres

Other pertinent facts: county is predominately agricultural consisting of the following sub classes

Irrigation	24,186.90 acres
Dry crop	118,183.87 acres
Grass & CRP	318,445.15 acres
Waste	6,271.95 acres
Other (feedlot & shelterbelt)	2,563.33 acres

Total of 469,651.2 acres with a value of 116,179,704

New property : For assessment year 2010, an estimated 6 information statements were filed for new property construction within the county, however 11 parcels were on the pickup list

For more information see 2010 Reports & Opinions, Abstract and Assessor Survey

Current Resources

A. Staff/Budget/Training

Presently have 2 employees –one full time employed since December 2007 and one full time employed since September 2009. The clerk’s office and assessor’s office will be split as of January 2011. The employee since 2007 will assume the clerk’s office and the present

plan is for the employee since 2009 to remain in the clerk's office. Therefore a new employee will have to be hired for the assessor's office.

The 2009 budget for the assessor's office was \$ 40,495 plus \$5600 included in Miscellaneous General for Appraisal (which includes pickup work and oil and gas appraisal) Since this is an ex/officio office there are also amounts budgeted in the clerk, clerk of the district court, and election budget for the salaries of employees, etc.

Training – The employee that will become clerk has attended Class 101 and passed the assessor test. The new employee will be required to attend the 101 class as soon as possible and will be encouraged to take the assessor's test.

B Cadastral Maps accuracy/condition, other land use maps, aerial photos

Cadastral maps are in a large book which is updated periodically. Aerial photos with individual mylar overlays containing ownership information, land use, and soil types are approximately 20 years old. The aerial photos are updated as deeds are filed

C Property Record Cards – new cards were prepared for the 2006 year.

For strictly ag land parcels, the land valuation sheets are printed on the new MIPS program and placed behind the property record card in a plastic page protector.

Property Records Cards for parcels with improvements are a manila folder with the property record card imprinted on the front. A listing of each individual building with values for each year is permanently attached to the back of the manila folder. Each building is numbered on the site photo. A small snapshot in a photo sleeve has a corresponding number . This number is also noted on the MIPS improvement printouts and the yearly listing as mentioned.

House sketches, house photos, and farm site sketches have been updated in the MIPS CAMA

D We received a grant for an ESRI software and instructions in August of 2005. At the present time we have the maps and the ownership overlays completed in the GIS program. We have networked the GIS program with the MIPS real estate administrative program. We are working on the land use overlay at the present time.

E Web based – property record information access – There are no plans at this time to supply this information through a web site.

Current Assessment Procedures for Real Property

A. Discover, List & Inventory all property.

Since this is an ex/officio office the deeds and Form 521's are processed as they are filed, which will change as of January 2011. The assessor's office will still maintain a copy of the 521 filed in a notebook with a copy of the deed and agland inventory sheets if applicable. At the time the 521's are processed a form letter is sent to the seller and the buyer requesting information concerning the sale.

Information statements are not filed on a regular basis – discovery of new improvements is usually through personal observation of county officials or other reports

B Data Collection

All parcels were reviewed for the 2005 year. One sixth of the improvements were physically reviewed for 2010. Photos were taken for any improvements missed in previous reviews and any new improvements. We will be investigating the use of the Pictometry program for updates on the improvements. The aerial pictures of building sites are several years old and at that time it was difficult to find someone to take the aerial photos.

Market data is obtained from the Form 521 and the questionnaire mailed to buyers and sellers.

C Review assessment sales ratio studies

Market data is entered on an Excel spreadsheet with formulas which figure average selling price, median, COD, and PRD for irrigated, dry crop, grass, CRP, shelterbelts, waste, and sites. All sales (improved sales are used with the value of improvements being subtracted from the assessed value and also the selling price) are used in these computations. With time permitting the above studies are also computed with the unimproved sales only.

D Approaches to Value

- 1 Market approach; sales comparison – Used for agland sales. Have had an increasing number of sales in recent years so that sales comparison approach is more accurate than previous years. Strictly residential sales are still limited. Usually the agland sales

where purchaser is actually occupying home are also included in the residential sales for computations.

- 2 Cost approach; cost manual used and date of manual and latest depreciation study- The Marshall Swift costing manual for 2007 available in conjunction with the MIPS CAMA program were used for 2009. If we are updated to the new MIPS CAMA program we will use the costing tables included in that update. Depreciation was figured on the 6 qualified sales and the current depreciation schedules were checked with these figures.
 - 3 Income Approach, income and expense data collection – Because of the wide variety of rental and lease arrangements on agland, this method is not an accurate measure of value. Banner County also has few rental houses available for any kind of an income study.
 4. Land valuation studies, establish market areas, special value – sales are plotted on a large map using different colors for each years sales. This is used to determine if market areas would be appropriate. Banner County does not have zoning at the present time so special value is not a consideration
- E Reconciliation of Final Value and documentation – statements are attached to the property record card explaining the method used for final valuations
- F Review assessment sales ratio studies after assessment actions – New values for the current year are reported on the Assessed Value Update
- G Notices and Public Relations. Change of value notices are sent to every landowner in Banner County irregardless if the value changed or not. In the past we have included a printout of the land valuation groups and acres, value, etc. However, because of a computer problem we not longer do this -a notice is included with the COV telling the landowner that if they so requested we would furnish this information.

Level of Value, Quality and Uniformity for assessment year 2010:

Property Class	Median	COD	PRD
Residential	ins sales		
Commercial	no sales		
Agricultural Land	71%	20.51	108.88

*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 2011

Residential – The improvements located in Range 54 will be reviewed. At the present I am planning to hire a former employee for the review. The use of the Pictometry program will be investigated.

Commercial - Commercial properties that are located in this range will be reviewed at the same time as the residential and farm buildings.

Agricultural Land – We subscribe to a program called AgriData and have been using this program to check acreages. At times phone calls are made to the landowners or personal checks are made for the exact land use

Special Value – Agland - no special value anticipated

Assessment Actions Planned for Assessment Year 2012

Residential – The improvements in the west two ranges will be reviewed.

Commercial – Commercial property in the west two ranges will be reviewed at the same time as the rural residential and farm outbuildings

Agricultural Land- We subscribe to a program called AgriData and have been using this program to check acreages. At times phone calls are made to the landowners or personal checks are made for the exact land use

Special Value – Agland – no special value anticipated.

Assessment Actions Planned for Assessment Year 2013

Residential – The improvements in the middle two ranges will be reviewed.

Commercial – Commercial property in the middle two ranges will be reviewed at the same time as the rural residential and farm outbuildings

Agricultural Land- See 2011 and 2012

Special Value – Agland – no special value anticipated

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

1. Record Maintenance, mapping updates, and ownership changes
2. Annually prepare and file Assessor Administrative Reports required by law/regulation:
 - a. Abstracts (Real & Personal Property)
 - b. Assessor Survey
 - c. Sales information to PA&T rosters and 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 Educational 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 272 schedules with a value of 10,987,932, prepare subsequent notices for incomplete filings or failure to file and penalties applied, as required
- 4 Permissive Exemptions: administer 6 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 25 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 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
9. Tax Lists; prepare and certify tax lists to county treasurer for real property, personal property, and centrally assessed.
- 10 Tax List Corrections – prepare tax list correction documents for county board approval

9 County Board of Equalization – attend county board of equalization meetings for valuation protests – assemble and provide information. Since this is an ex/officio office, until January we also take minutes of the CBOE meeting, and complete the Form 422 and mail to protestor

10 TERC appeals – prepare information and attend taxpayer appeal hearings before TERC, defend valuation

11 TERC State wide Equalization – attend hearings if applicable to county, defend values, and/or implement orders of the TERC

12 Education: Assessor and or Appraisal Education – attend meetings, workshops, and educational classes to obtain required hours of continuing education to maintain assessor certification .

Conclusion:

The 2010-2011 budget request will be approximately the same as the previous year. I am going to increase the request for implementing the GIS program so that we can proceed faster with the implementation. However, Banner County is at the statutory limit for budget and with the increase in expense for fuel, repairs, and etc for the road department, I don't know if this will be approved.

Respectfully submitted:

Assessor's signature Sharon Sondrey Date: May 4, 2010

2011 Assessment Survey for Banner County

A. Staffing and Funding Information

1.	Deputy(ies) on staff:
	None
2.	Appraiser(s) on staff:
	None
3.	Other full-time employees:
	One
4.	Other part-time employees:
	One
5.	Number of shared employees:
	None
6.	Assessor's requested budget for current fiscal year:
	\$ 49,528
7.	Adopted budget, or granted budget if different from above:
	\$ 49,528
8.	Amount of the total budget set aside for appraisal work:
	None
9.	Appraisal/Reappraisal budget, if not part of the total budget:
	\$ 5,600 for Pritchard & Abbott oil and gas.
10.	Part of the budget that is dedicated to the computer system:
	None of the Assessor's budget is used for the computer system. All County offices have computer system expenses taken out of the same fund.
11.	Amount of the total budget set aside for education/workshops:
	\$ 1,700
12.	Other miscellaneous funds:
	None
13.	Amount of last year's budget not used:
	\$ 7,500

B. Computer, Automation Information and GIS

1.	Administrative software:
	New MIPS/ PC Admin.
2.	CAMA software:
	New MIPS
3.	Are cadastral maps currently being used?
	Yes
4.	If so, who maintains the Cadastral Maps?
	Assessor and staff.

5.	Does the county have GIS software?
	The County is two-thirds complete with the GIS maps.
6.	Who maintains the GIS software and maps?
	Assessor's staff.
7.	Personal Property software:
	New MIPS

C. Zoning Information

1.	Does the county have zoning?
	No
2.	If so, is the zoning countywide?
	N/A
3.	What municipalities in the county are zoned?
	N/A
4.	When was zoning implemented?
	N/A

D. Contracted Services

1.	Appraisal Services:
	Pritchard & Abbott for oil and gas. The pick-up work and physical inspection of property is accomplished "in house."
2.	Other services:
	New MIPS for CAMA and Admin. software.

2011 Certification for Banner County

This is to certify that the 2011 Reports and Opinions of the Property Tax Administrator have been sent to the following:

One copy by electronic transmission to the Tax Equalization and Review Commission.

One copy by electronic transmission to the Banner County Assessor.

Dated this 11th day of April, 2011.



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

Ruth A. Sorensen
Property Tax Administrator

