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2011 Commission Summary for Butler County

Residential Real Property - Current

Number of Sales	189	Median	94.53
Total Sales Price	\$14,606,301	Mean	93.15
Total Adj. Sales Price	\$14,588,301	Wgt. Mean	91.81
Total Assessed Value	\$13,393,515	Average Assessed Value of the Base	\$63,840
Avg. Adj. Sales Price	\$77,187	Avg. Assessed Value	\$70,865

Confidence Interval - Current

95% Median C.I	92.46 to 96.12
95% Mean C.I	89.73 to 93.89
95% Wgt. Mean C.I	91.15 to 95.15
% of Value of the Class of all Real Property Value in the County	17.80
% of Records Sold in the Study Period	5.54
% of Value Sold in the Study Period	6.15

Residential Real Property - History

Year	Number of Sales	LOV	Median
2010	182	95	95
2009	208	95	95
2008	219	96	96
2007	185	96	96

2011 Commission Summary for Butler County

Commercial Real Property - Current

Number of Sales	25	Median	95.89
Total Sales Price	\$2,919,184	Mean	92.28
Total Adj. Sales Price	\$2,699,184	Wgt. Mean	86.94
Total Assessed Value	\$2,346,575	Average Assessed Value of the Base	\$168,281
Avg. Adj. Sales Price	\$107,967	Avg. Assessed Value	\$93,863

Confidence Interval - Current

95% Median C.I	88.16 to 98.75
95% Mean C.I	82.89 to 101.67
95% Wgt. Mean C.I	75.96 to 97.92
% of Value of the Class of all Real Property Value in the County	6.18
% of Records Sold in the Study Period	5.56
% of Value Sold in the Study Period	3.10

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2010	39	94	94
2009	28	95	95
2008	27	94	94
2007	29	95	95

2011 Opinions of the Property Tax Administrator for Butler 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	95	Meets generally accepted mass appraisal practices.	No recommendation.
Commercial Real Property	*NEI	Meets generally accepted mass appraisal practices.	No recommendation.
Agricultural Land	72	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

Ruth A. Sorensen
Property Tax Administrator

2011 Residential Assessment Actions for Butler County

For 2011, Butler County has followed their 3 Year Plan which includes the following actions:

The county completed all pickup work of new improvements on residential parcels.

The county conducted a thorough sale verification and analysis process. This resulted in the adjustment of the economic depreciation on rural residential (acreage) houses from 5% to -10%.

For 2011, Butler County has done inspections of the residences in the towns of Bellwood, Garrison, Octavia, Surprise and about half of David City. The other half of David City was inspected in 2009 for 2010. They also inspected the rural residential (acreage) houses, and the residences on the agricultural parcels in Township 15 which includes Geocodes 2693, 2695, 2697 and 2699.

The inspection process included an off-site (drive by) review using the record cards to verify the measurements, classification and condition of the existing improvements. The county listed new unreported improvements and removed any houses or buildings from the records that had been torn down. If there was a discrepancy that required a measurement or closer inspection, they completed the process on-site. They took new photos of houses and other significant buildings. There was no new costing done and no change to the basic depreciation at this time. The residential record cards were redone in 2008 and are considered current.

2011 Residential Assessment Survey for Butler County

1.	Valuation data collection done by:	
	Assessor and 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> The assessor uses the following assessor locations and subdivisions as unique. Each has characteristics that define their individual market. The predominant characteristics that separate them are location, schools, commercial activity and present use.
	01	<u>Bellwood Lakes, Benesch Lakes, Brandenburg Lake, Jarecki Lake, Gans Lakes, Riverview Lake:</u> Primarily Improvements on Leased Land in neighborhoods near the city of Columbus. The majority of the parcels in this area are influenced by Columbus.
	02	<u>David City, Hildy Estates:</u> This includes all parcels within the city limits of David City and the adjoining subdivision. David City is the county seat.
	03	<u>Acreage, Adamy, Clear Lake, Cornell's Sub, Jarecki Sub, Loma, Riverside Meadow, and Valley Heights:</u> All parcels in this group are situated in rural Butler County.
	04	<u>Rising City:</u> This includes all parcels within the town of Rising City which market is influenced by commerce and the existence of a High School.
	05	Presently Not assigned.
	06	<u>Abie, Surprise, Ulysses, Bruno, Linwood, Garrison, Octavia:</u> Cluster of small towns with similar economic influences and are related due to the lack of significant commerce.
	07	<u>Dwight:</u> Consists of all parcels within the town of Dwight, which is economically impacted by a new grade school.
	08	<u>Brainard:</u> Consists of all parcels within the town of Brainard, which is economically impacted by a high school.
	09	<u>Bellwood:</u> Consists of all parcels within the town of Bellwood, which is economically impacted by a grade school.
3.	List and describe the approach(es) used to estimate the market value of residential properties.	
	The cost approach is used to estimate value in the residential class with Marshall Swift information used as the cost estimator.	
4	When was the last lot value study completed?	
	Lot value studies are generally conducted in conjunction with area revaluations.	

5.	Describe the methodology used to determine the residential lot values.
	The county uses an analysis of vacant residential parcels to establish assessments for the land component of the assessed value.
6.	What costing year for the cost approach is being used for each valuation grouping?
	06/2003 is the date of all residential costs
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?
	Depreciation schedules are based on local market information.
8.	Are individual depreciation tables developed for each valuation grouping?
	The county develops a general physical depreciation table for use countywide. They then analyze the market of each individual valuation grouping and prepares economic and location factors to be separately applied to the parcels in each specific valuation group.
9.	How often does the County update the depreciation tables?
	The county generally updates depreciation tables for the residential class in conjunction with area revaluations or reviews. However, all depreciation tables were updated in the residential class for 2010.
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.
	Among the factors used to determine if a parcel has been substantially changed after a sale are: -The construction of a new structure on a previously vacant or minimally improved lot. -A major addition or alteration to the structure, usually results in a change in square footage. -A dramatic increase in the depreciation, usually due to something like fire damage, vandalism or demolition of a structure. -Extensive rehabilitation and remodeling of an existing structure causing a significant reduction of depreciation. The assessor evaluates each situation independently and has no percentage of value change or rule of thumb used to determine substantial change.
12.	Please provide any documents related to the policies or procedures used for the residential class of property.
	Butler County has a policy and procedure publication that covers the general duties and requirements of the office. It also includes definitions of terms used in the narrative explanation of individual duties.

12 Butler
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 : 189
Total Sales Price : 14,606,301
Total Adj. Sales Price : 14,588,301
Total Assessed Value : 13,393,515
Avg. Adj. Sales Price : 77,187
Avg. Assessed Value : 70,865

MEDIAN : 95
WGT. MEAN : 92
MEAN : 93
COD : 10.64
PRD : 101.46

COV : 15.05
STD : 14.02
Avg. Abs. Dev : 10.06
MAX Sales Ratio : 156.74
MIN Sales Ratio : 41.90

95% Median C.I. : 92.46 to 96.12
95% Wgt. Mean C.I. : 89.73 to 93.89
95% Mean C.I. : 91.15 to 95.15

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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	30	96.52	93.89	93.57	09.09	100.34	41.90	122.14	92.74 to 100.61	91,496	85,609
01-OCT-08 To 31-DEC-08	21	97.08	95.66	95.06	06.10	100.63	65.81	119.63	93.52 to 100.08	68,925	65,523
01-JAN-09 To 31-MAR-09	15	96.82	97.27	96.08	07.34	101.24	76.22	110.19	91.28 to 103.86	65,450	62,883
01-APR-09 To 30-JUN-09	26	94.36	94.72	94.52	08.81	100.21	72.15	117.29	88.37 to 99.00	75,184	71,062
01-JUL-09 To 30-SEP-09	33	91.85	91.39	88.61	11.97	103.14	49.43	124.60	88.75 to 97.58	64,468	57,125
01-OCT-09 To 31-DEC-09	19	95.94	96.45	92.68	12.23	104.07	68.74	156.74	88.46 to 100.30	81,058	75,127
01-JAN-10 To 31-MAR-10	18	87.83	87.63	89.98	11.53	97.39	63.35	119.18	79.75 to 96.12	81,917	73,713
01-APR-10 To 30-JUN-10	27	89.42	90.08	87.13	14.45	103.39	62.19	119.44	81.40 to 99.72	85,830	74,779
<u>Study Yrs</u>											
01-JUL-08 To 30-JUN-09	92	96.52	95.08	94.48	08.07	100.64	41.90	122.14	94.53 to 97.87	77,487	73,207
01-JUL-09 To 30-JUN-10	97	91.59	91.32	89.26	12.71	102.31	49.43	156.74	89.19 to 94.58	76,902	68,644
<u>Calendar Yrs</u>											
01-JAN-09 To 31-DEC-09	93	94.19	94.30	92.42	10.51	102.03	49.43	156.74	91.69 to 96.82	71,012	65,628
<u>ALL</u>	189	94.53	93.15	91.81	10.64	101.46	41.90	156.74	92.46 to 96.12	77,187	70,865

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	14	94.46	90.83	89.08	15.51	101.96	49.43	117.29	65.81 to 107.98	61,664	54,930
02	84	94.29	93.07	91.91	08.33	101.26	65.25	119.18	91.87 to 96.82	85,489	78,571
03	31	93.01	94.20	90.72	15.15	103.84	62.19	156.74	83.30 to 102.01	120,109	108,962
04	16	96.70	93.98	95.00	10.18	98.93	41.90	122.14	94.19 to 102.89	43,698	41,513
06	18	93.32	92.82	92.40	11.34	100.45	68.30	119.44	83.87 to 102.38	29,561	27,313
07	6	91.11	94.30	92.62	11.36	101.81	79.75	124.60	79.75 to 124.60	45,375	42,028
08	8	91.99	88.83	87.51	09.91	101.51	63.35	102.45	63.35 to 102.45	47,000	41,131
09	12	94.73	95.39	96.66	09.00	98.69	79.69	119.20	88.74 to 100.88	78,424	75,805
<u>ALL</u>	189	94.53	93.15	91.81	10.64	101.46	41.90	156.74	92.46 to 96.12	77,187	70,865

PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	172	94.56	93.38	92.13	10.34	101.36	41.90	156.74	92.46 to 96.40	80,276	73,959
06	12	92.77	89.21	84.46	17.13	105.62	49.43	117.29	65.81 to 107.98	51,692	43,659
07	5	95.58	94.61	92.63	05.56	102.14	83.87	105.25	N/A	32,100	29,733
<u>ALL</u>	189	94.53	93.15	91.81	10.64	101.46	41.90	156.74	92.46 to 96.12	77,187	70,865

12 Butler
RESIDENTIAL

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MEDIAN : 95
 WGT. MEAN : 92
 MEAN : 93
 COD : 10.64
 PRD : 101.46

COV : 15.05
 STD : 14.02
 Avg. Abs. Dev : 10.06
 MAX Sales Ratio : 156.74
 MIN Sales Ratio : 41.90

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 95% Wgt. Mean C.I. : 89.73 to 93.89
 95% Mean C.I. : 91.15 to 95.15

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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	5	97.50	93.27	92.68	09.52	100.64	71.23	105.25	N/A	3,622	3,357
5000 TO 9999	4	98.34	97.07	100.27	17.84	96.81	72.15	119.44	N/A	7,450	7,470
<u>Total \$</u>											
1 TO 9999	9	97.50	94.96	97.40	13.28	97.49	71.23	119.44	72.15 to 109.77	5,323	5,185
10000 TO 29999	35	98.48	97.53	98.01	14.17	99.51	41.90	156.74	91.85 to 102.84	20,630	20,220
30000 TO 59999	38	94.08	92.94	93.09	07.26	99.84	65.81	117.29	90.33 to 95.98	45,002	41,891
60000 TO 99999	58	95.19	93.77	93.78	08.71	99.99	49.43	119.20	92.02 to 97.49	78,791	73,891
100000 TO 149999	21	87.20	86.13	86.59	13.11	99.47	59.89	106.39	76.22 to 97.87	120,643	104,461
150000 TO 249999	27	92.46	91.29	91.18	10.59	100.12	65.25	116.49	84.09 to 96.91	175,810	160,296
250000 TO 499999	1	93.01	93.01	93.01	00.00	100.00	93.01	93.01	N/A	258,000	239,955
500000 +											
<u>ALL</u>	189	94.53	93.15	91.81	10.64	101.46	41.90	156.74	92.46 to 96.12	77,187	70,865

2011 Correlation Section for Butler County

A. Residential Real Property

Butler County is an agriculturally based county with an array of villages and small towns that exist primarily to support agriculture. David City is the largest town and the county seat. The county has divided the residential analysis and valuation work into 8 Valuation Groupings, mostly centered on individual towns, lakes or rural residential parcels. In the Residential Survey and Residential Assessment Actions section of the R&O, the characteristics of the Valuation Groupings and the assessment process is described in detail. The county believes that each grouping is unique with differing combinations of population, schools, commercial activity, healthcare services and employment outside the agricultural sector. During the past few years there have been no significant economic events that have impacted the value of residential property. Some locations have shown some positive residential growth and some have shown decline. In all, the residential is stable, but values are somewhat flat to slightly increasing. Over the past 10 years, the residential valuations have increased at an average of 4.39%, but if the value of growth is excluded, 2.11%.

The analysis of the assessment process in the county goes beyond the statistics that are produced from the sales that have occurred in the current study period. The actions taken during the assessment process are of considerable importance when determining the quality of assessment. The assessor annually reports their assessment intentions in their 3 Year Plan; they verify their accomplishments during the interview for the Assessment Actions section of the R&O; and explain their specific steps in any inspection, review or revaluation process. The discussion of their 6 Year Inspection process further reveals the thoroughness and the consistency of their actions. They have built their current records by constant attention to the changes in the class and by the regular inspection of all parcels. Butler County has done a consistent and uniform job of valuation. The costs used are universal across the county and the land values and depreciation are consistent within each valuation group.

The Department is confident that Butler County has conducted a high quality assessment process for residential property. They are thorough and timely in their work, and consistent in the application of the results of the analysis variables that they work with. For 2011, the median ratio suggests that 95% is likely the level of value of the residential property. The median confidence interval indicates a level of value well within the range of 92 to 100%. The level of value is 95%. There are no recommendations for the adjustment of the class or for any subclasses of the residential class. The quality of assessment for the residential class is acceptable.

**2011 Correlation Section
for Butler 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 Butler 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 Butler 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 Butler 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 Butler County

For 2011, Butler County has followed their 3 Year Plan which includes the following actions:

The county completed all pickup work of new improvements on commercial parcels.

The county conducted a thorough sale verification and analysis process.

For 2011, Butler County has done inspections of the commercial improvements in the towns of Bellwood, Garrison, Octavia, Surprise and about half of David City. The other half of David City was inspected in 2009 for 2010.

The inspection process included an off-site (drive by) review using the record cards to verify the measurements, classification and condition of the existing improvements. The county listed new unreported improvements and removed buildings from the records that had been torn down. If there was a discrepancy that required a measurement or closer inspection, they completed the process on-site. They took new photos of the significant buildings. There was no new costing done and no change to the basic depreciation at this time.

2011 Commercial Assessment Survey for Butler County

1.	Valuation data collection done by:	
	Assessor and 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> In Butler County, the most important characteristic that contributes to the commercial value is the location, particularly as it relates to commercial activity. The only commercial area with broad and diverse commercial activity is David City, so it stands alone.
	01	<u>Includes all commercial parcels in Butler County outside the city limits of David City:</u> Parcels in this area are generally clustered in small numbers and exist in either small towns or rural areas. Specific characteristics of each property are diverse but the overall level if commercial activity of any kind is important.
	02	<u>David City:</u> Parcels in the town of David City are part of a commercial district and serve as the commercial hub for the county.
3.	List and describe the approach(es) used to estimate the market value of commercial properties.	
	The cost approach is the primary method used to estimate value in the commercial class, however, income information and comparable sales are considered when available.	
4.	When was the last lot value study completed?	
	Vacant lot values were last determined in each area in conjunction with revaluations.	
5.	Describe the methodology used to determine the commercial lot values.	
	Vacant commercial lots are valued primarily using market information from vacant lot sales.	
6.	What costing year for the cost approach is being used for each valuation grouping?	
	Yes, the cost date is 06/1999 and used for the entire commercial class.	
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?	
	Depreciation tables are developed using information derived from the market.	
8.	Are individual depreciation tables developed for each valuation grouping?	
	The basic physical depreciation tables are used throughout the commercial class. There are variations developed for locational or economic considerations. The economic variations are more related to the type and use of the structure and the locational variations more closely related to the valuation groups.	
9.	How often does the County update the depreciation tables?	
	Depreciation tables are updated in conjunction with revaluations of particular areas. Revaluations or updates are completed at least once every six years.	

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.
	<p>Among the factors used to determine if a parcel has been substantially changed after a sale are:</p> <ul style="list-style-type: none"> -The construction of a new structure on a previously vacant or minimally improved lot. -A major addition or alteration to the structure, usually results in a change in square footage. -A dramatic increase in the depreciation, usually due to something like fire damage, vandalism or demolition of a structure. -Extensive rehabilitation and remodeling (change to the interior finish, mechanical systems or fixtures) of an existing structure causing a significant reduction of depreciation. <p>The assessor evaluates each situation independently and has no percentage of value change or rule of thumb used to determine substantial change.</p>
12.	Please provide any documents related to the policies or procedures used for the commercial class of property.
	Butler County has a policy and procedure publication that covers the general duties and requirements of the office. It also includes definitions of terms used in the narrative explanation of individual duties.

12 Butler
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 : 25
Total Sales Price : 2,919,184
Total Adj. Sales Price : 2,699,184
Total Assessed Value : 2,346,575
Avg. Adj. Sales Price : 107,967
Avg. Assessed Value : 93,863

MEDIAN : 96
WGT. MEAN : 87
MEAN : 92

COD : 16.55
PRD : 106.14

COV : 24.64
STD : 22.74

Avg. Abs. Dev : 15.87

MAX Sales Ratio : 135.50

MIN Sales Ratio : 45.00

95% Median C.I. : 88.16 to 98.75
95% Wgt. Mean C.I. : 75.96 to 97.92
95% Mean C.I. : 82.89 to 101.67

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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	4	94.27	94.38	88.12	07.55	107.10	82.99	106.00	N/A	181,500	159,946
01-JAN-08 To 31-MAR-08	1	93.39	93.39	93.39	00.00	100.00	93.39	93.39	N/A	20,500	19,145
01-APR-08 To 30-JUN-08	1	98.75	98.75	98.75	00.00	100.00	98.75	98.75	N/A	69,000	68,140
01-JUL-08 To 30-SEP-08	7	92.04	91.14	82.42	14.56	110.58	67.29	115.15	67.29 to 115.15	215,819	177,870
01-OCT-08 To 31-DEC-08	4	107.17	99.96	99.48	32.44	100.48	50.00	135.50	N/A	21,439	21,326
01-JAN-09 To 31-MAR-09	2	72.95	72.95	94.77	31.46	76.98	50.00	95.89	N/A	20,500	19,428
01-APR-09 To 30-JUN-09	2	103.62	103.62	104.22	07.57	99.42	95.78	111.46	N/A	32,500	33,873
01-JUL-09 To 30-SEP-09	2	71.70	71.70	98.12	37.24	73.07	45.00	98.39	N/A	20,100	19,723
01-OCT-09 To 31-DEC-09											
01-JAN-10 To 31-MAR-10											
01-APR-10 To 30-JUN-10	2	101.50	101.50	101.46	04.87	100.04	96.56	106.44	N/A	70,500	71,533
<u>Study Yrs</u>											
01-JUL-07 To 30-JUN-08	6	95.20	94.95	89.16	05.92	106.49	82.99	106.00	82.99 to 106.00	135,917	121,178
01-JUL-08 To 30-JUN-09	15	95.78	92.73	84.41	20.76	109.86	50.00	135.50	70.60 to 111.46	113,499	95,800
01-JUL-09 To 30-JUN-10	4	97.48	86.60	100.72	16.23	85.98	45.00	106.44	N/A	45,300	45,628
<u>Calendar Yrs</u>											
01-JAN-08 To 31-DEC-08	13	93.39	94.61	84.09	19.73	112.51	50.00	135.50	70.60 to 115.15	129,691	109,052
01-JAN-09 To 31-DEC-09	6	95.84	82.75	99.89	19.99	82.84	45.00	111.46	45.00 to 111.46	24,367	24,341
<u>ALL</u>	25	95.89	92.28	86.94	16.55	106.14	45.00	135.50	88.16 to 98.75	107,967	93,863

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	14	96.23	87.31	81.10	21.41	107.66	45.00	135.50	50.00 to 106.44	100,874	81,806
02	11	95.78	98.60	93.34	10.27	105.64	80.37	133.96	82.99 to 111.46	116,996	109,208
<u>ALL</u>	25	95.89	92.28	86.94	16.55	106.14	45.00	135.50	88.16 to 98.75	107,967	93,863

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	25	95.89	92.28	86.94	16.55	106.14	45.00	135.50	88.16 to 98.75	107,967	93,863
04											
<u>ALL</u>	25	95.89	92.28	86.94	16.55	106.14	45.00	135.50	88.16 to 98.75	107,967	93,863

12 Butler
COMMERCIAL

PAD 2011 R&O Statistics (Using 2011 Values)

Qualified

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

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COV : 24.64
STD : 22.74
Avg. Abs. Dev : 15.87
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MIN Sales Ratio : 45.00

95% Median C.I. : 88.16 to 98.75
95% Wgt. Mean C.I. : 75.96 to 97.92
95% Mean C.I. : 82.89 to 101.67

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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	4	50.00	62.75	63.50	30.50	98.82	45.00	106.00	N/A	500	318	
5000 TO 9999												
<u>Total \$</u>												
1 TO 9999	4	50.00	62.75	63.50	30.50	98.82	45.00	106.00	N/A	500	318	
10000 TO 29999	5	97.00	105.43	99.00	22.43	106.49	67.29	135.50	N/A	19,651	19,454	
30000 TO 59999	6	97.14	99.51	98.49	09.09	101.04	80.37	115.15	80.37 to 115.15	40,667	40,054	
60000 TO 99999	4	97.66	98.45	98.04	04.25	100.42	92.04	106.44	N/A	74,625	73,165	
100000 TO 149999	1	98.63	98.63	98.63	00.00	100.00	98.63	98.63	N/A	100,000	98,625	
150000 TO 249999	1	106.09	106.09	106.09	00.00	100.00	106.09	106.09	N/A	190,000	201,565	
250000 TO 499999	2	85.58	85.58	85.37	03.03	100.25	82.99	88.16	N/A	280,750	239,690	
500000 +	2	81.07	81.07	77.64	12.91	104.42	70.60	91.54	N/A	602,465	467,740	
<u>ALL</u>	25	95.89	92.28	86.94	16.55	106.14	45.00	135.50	88.16 to 98.75	107,967	93,863	

OCCUPANCY CODE											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
Blank	3	50.00	48.33	49.33	03.34	97.97	45.00	50.00	N/A	500	247	
300	1	135.50	135.50	135.50	00.00	100.00	135.50	135.50	N/A	10,000	13,550	
340	1	82.99	82.99	82.99	00.00	100.00	82.99	82.99	N/A	302,500	251,055	
344	2	99.74	99.74	104.85	06.37	95.13	93.39	106.09	N/A	105,250	110,355	
346	1	67.29	67.29	67.29	00.00	100.00	67.29	67.29	N/A	29,300	19,715	
353	3	95.78	107.09	93.73	14.76	114.25	91.54	133.96	N/A	151,818	142,292	
384	1	111.46	111.46	111.46	00.00	100.00	111.46	111.46	N/A	35,000	39,010	
404	1	97.00	97.00	97.00	00.00	100.00	97.00	97.00	N/A	18,000	17,460	
406	4	97.14	95.16	90.37	07.24	105.30	80.37	106.00	N/A	33,875	30,611	
408	2	106.95	106.95	105.14	07.67	101.72	98.75	115.15	N/A	56,500	59,403	
419	1	98.63	98.63	98.63	00.00	100.00	98.63	98.63	N/A	100,000	98,625	
442	2	101.50	101.50	101.46	04.87	100.04	96.56	106.44	N/A	70,500	71,533	
475	1	70.60	70.60	70.60	00.00	100.00	70.60	70.60	N/A	799,930	564,740	
528	1	92.04	92.04	92.04	00.00	100.00	92.04	92.04	N/A	88,500	81,455	
554	1	88.16	88.16	88.16	00.00	100.00	88.16	88.16	N/A	259,000	228,325	
<u>ALL</u>	25	95.89	92.28	86.94	16.55	106.14	45.00	135.50	88.16 to 98.75	107,967	93,863	

2011 Correlation Section for Butler County

A. Commerical Real Property

Butler County is an agriculturally based county with an array of villages and small towns that exist primarily to support agriculture. Most of the commercial properties in the county either directly service or support agriculture or the people involved in agriculture. During the past year and even the past 5 to 10 years, commercial property has had no real economic booms or busts. Some property uses have prospered and grown and some have declined. In all, the commercial is stable but somewhat flat in terms of value.

The basic assessment sales ratio study of the 25 qualified sales produced a median ratio of 96%. The analysis of the assessment process in the county goes beyond the statistics that are produced from the sales that have occurred in the current study period. The actions taken during the assessment process are of considerable importance when determining the quality of assessment. The assessor annually reports their assessment intentions in their 3 Year Plan; they verify their accomplishments during the interview for the Assessment Actions section of the R&O; and explain their specific steps in any inspection, review or revaluation process. The discussion of their 6 Year Inspection process further reveals the thoroughness and the consistency of their actions.

There is no way to portray whether Butler County has achieved equalization in the commercial class of property by simply reviewing the R&O Statistics. The 2010 R&O Commission Summary indicated an average assessed value of the assessed base of about \$60,500 and an average assessed value of the sold parcels at just over \$70,700. For 2011 the average value of the 25 sold parcels is just over \$93,800 indicating a lack of representativeness. There are 25 sales and 14 occupancy codes displayed in the R&O statistics. The lack of sufficient sales and the likelihood that the sales are not representative of the class, leads one to conclude that the actions of the assessor are far more important in evaluating the level of value and likelihood of equalization of the class of commercial property. The Department believes that the quality of assessment of commercial property in Butler County is acceptable. There are numerous reasons, but the most relevant are the Departments ongoing interaction with the assessor, and the annual reporting of their actions with regard to commercial property. The COD and the PRD might be a good test of the quality of assessment if there was any assurance that the sample was adequate and represented the population. Every indicator available says that it does not. The county has built thorough up to date records by paying constant attention to the changes in the class and by the regular inspection of all parcels. While perfect valuation of commercial property is unlikely, Butler County continually works to do a consistent and uniform job of valuation. They verify all sales, do an ongoing process of sales analysis, are in regular contact with the property owners and apply their valuation processes even handedly. The costs used are from 1999 and universal across the county and the land values and depreciation are consistent and developed to work with those costs and produce current values. That is the best basis that they can have for intra county equalization.

The Department is confident that Butler County has conducted a sound assessment process for the valuation of commercial property. They are consistent in their verification and analysis of sales and the application of the results of the analysis. Historically, the county assessment process has produced a level of value of about 95 to 96%. The median of the 2011 statistics is 96% which is supported by the historical data. The past measures are statistically similar to the one prepared for 2011, collectively they suggest that 96% is likely the level of value of the

**2011 Correlation Section
for Butler County**

commercial property. The Department is reluctant to certify a level of value based on the median ratio of a small sample of sales that is not apparently representative of this diverse class of property. There is not sufficient data to determine a level of value for the commercial class. There is not sufficient data to recommend any adjustment of the class or for any subclasses of commercial property. However, the quality of assessment for the commercial class is acceptable.

**2011 Correlation Section
for Butler 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 Butler 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 Butler 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 Butler 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 Butler County

For 2011, Butler County has followed their 3 Year Plan which includes the following actions:

The county completed all pickup work of new improvements on agricultural parcels.

The county conducted a thorough sale verification and analysis process. Following that, they implemented new values for agricultural land throughout the county.

For 2011, Butler County has done inspections of the residences on the houses, and the out buildings on the agricultural parcels in Township 15 which includes Geocodes 2693, 2695, 2697 and 2699. They inspected land use in this region using existing records and GIS maps to compare to their off-site visual observations.

The inspection process included an off-site (drive by) review using the record cards to verify the measurements, classification and condition of the existing improvements. The county listed new unreported improvements and removed any houses or buildings from the records that had been torn down. If there was a discrepancy that required a measurement or closer inspection, they completed the process on-site. They took new photos of houses and other significant buildings. There was no new costing done and no change to the basic depreciation at this time. The acreage parcels in this region were also done and were discussed on the residential assessment actions report.

2011 Agricultural Assessment Survey for Butler County

1.	Valuation data collection done by:	
	Assessor and Staff	
2.	List each market area, and describe the location and the specific characteristics that make each unique.	
	Market Area	Description of unique characteristics
	1	There is only one market area maintained in Butler County. Years of analysis of the agricultural sales have not produced information that persuaded the county to develop multiple market areas.
3.	Describe the process that is used to determine and monitor market areas.	
	The county reviews sale information and identifies common characteristics of the parcels and Similar parcels are grouped together. At this time all parcels in the county are influenced by the same market forces, so one market area has been defined.	
4.	Describe the process used to identify and value rural residential land and recreational land in the county.	
	The county considers a parcel agricultural if it is primarily used for the production of an ag product, residential if it is not being used for ag and has a primary residence, and it is recreational if seasonal dwellings exist or non ag uses are predominant.	
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?	
	Farm home sites and rural residential home sites are valued the same. There are locations where the site values are different within the county, but the two types of sites are the same within those locations. The locational differences for both types of sites are characterized by their proximity to the city of Columbus.	
6.	What land characteristics are used to assign differences in assessed values?	
	Soil type and productivity; predominant farming practices; land use, (irrigated, dry, or grass);	
7.	What process is used to annually update land use? (Physical inspection, FSA maps, etc.)	
	Physical inspection, FSA maps, GIS, taxpayer notification, etc.	
8.	Describe the process used to identify and monitor the influence of non-agricultural characteristics.	
	The county is constantly monitoring sale activity; they verify agricultural sales with buyers and sellers to determine their motivation; they are aware of general agland market trends; and they pay particular attention to sales that occur in the proximity to the river or other known recreational areas to identify any premiums paid.	
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.
	In the case of agricultural land, the land use is a key indicator of substantial change. If the use of a parcel of land changes from dry or grass to irrigated the valuation difference is substantial. If there are only a few acres that change, that may not be viewed as substantial. If the resulting change in value is sufficient to noticeably distort the measurement of the parcel, it is considered substantial. The reasons that pertain to structures may be similar to the residential or commercial reasons, but the threshold for substantial may be greater if the total purchase price for the land is greater.
12.	Please provide any documents related to the policies or procedures used for the agricultural class of property.
	The county provided a short document that was prepared to inform readers of the definitions of terms that are used in the valuation of agricultural land. There were no procedures outlined for the valuation of agricultural land on this document.

12 Butler
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 : 91
 Total Sales Price : 29,249,046
 Total Adj. Sales Price : 29,216,846
 Total Assessed Value : 20,625,885
 Avg. Adj. Sales Price : 321,064
 Avg. Assessed Value : 226,658

MEDIAN : 71
 WGT. MEAN : 71
 MEAN : 72
 COD : 15.04
 PRD : 101.46

COV : 20.08
 STD : 14.38
 Avg. Abs. Dev : 10.73
 MAX Sales Ratio : 125.92
 MIN Sales Ratio : 37.25

95% Median C.I. : 68.46 to 74.28
 95% Wgt. Mean C.I. : 68.14 to 73.05
 95% Mean C.I. : 68.68 to 74.58

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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	2	76.18	76.18	78.74	13.44	96.75	65.94	86.41	N/A	165,500	130,313
01-OCT-07 To 31-DEC-07	11	74.54	79.36	73.70	11.56	107.68	66.10	125.92	68.00 to 90.37	373,565	275,302
01-JAN-08 To 31-MAR-08	11	74.76	75.01	72.47	13.00	103.50	53.31	91.15	60.92 to 90.86	440,732	319,385
01-APR-08 To 30-JUN-08	12	66.33	70.20	71.72	10.81	97.88	58.40	86.58	62.46 to 79.13	287,930	206,491
01-JUL-08 To 30-SEP-08	4	69.78	67.48	65.06	04.23	103.72	59.38	71.00	N/A	360,311	234,414
01-OCT-08 To 31-DEC-08	11	76.65	77.43	74.81	13.72	103.50	46.27	104.49	69.04 to 89.69	299,389	223,965
01-JAN-09 To 31-MAR-09	7	74.04	76.23	71.83	10.13	106.13	60.51	91.88	60.51 to 91.88	348,440	250,274
01-APR-09 To 30-JUN-09	7	79.54	73.50	78.19	14.86	94.00	45.51	89.20	45.51 to 89.20	271,065	211,936
01-JUL-09 To 30-SEP-09	5	71.01	66.41	72.32	11.29	91.83	41.65	78.41	N/A	296,956	214,745
01-OCT-09 To 31-DEC-09	2	82.04	82.04	81.60	01.83	100.54	80.54	83.53	N/A	195,540	159,570
01-JAN-10 To 31-MAR-10	12	65.87	65.03	63.69	16.34	102.10	37.25	96.85	54.78 to 68.46	237,991	151,584
01-APR-10 To 30-JUN-10	7	55.68	54.14	56.06	11.98	96.58	39.77	65.39	39.77 to 65.39	381,516	213,886
<u>Study Yrs</u>											
01-JUL-07 To 30-JUN-08	36	74.02	74.80	72.82	12.19	102.72	53.31	125.92	66.97 to 78.53	353,984	257,780
01-JUL-08 To 30-JUN-09	29	74.04	74.82	73.16	13.47	102.27	45.51	104.49	70.38 to 82.36	312,795	228,853
01-JUL-09 To 30-JUN-10	26	65.55	63.67	63.62	17.27	100.08	37.25	96.85	55.68 to 68.81	284,706	181,118
<u>Calendar Yrs</u>											
01-JAN-08 To 31-DEC-08	38	71.84	73.40	72.04	12.64	101.89	46.27	104.49	69.04 to 78.53	343,098	247,168
01-JAN-09 To 31-DEC-09	21	75.91	73.53	74.50	12.90	98.70	41.65	91.88	70.38 to 82.36	295,828	220,397
<u>ALL</u>	91	71.35	71.63	70.60	15.04	101.46	37.25	125.92	68.46 to 74.28	321,064	226,658

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
1	91	71.35	71.63	70.60	15.04	101.46	37.25	125.92	68.46 to 74.28	321,064	226,658
<u>ALL</u>	91	71.35	71.63	70.60	15.04	101.46	37.25	125.92	68.46 to 74.28	321,064	226,658

12 Butler
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 : 91
 Total Sales Price : 29,249,046
 Total Adj. Sales Price : 29,216,846
 Total Assessed Value : 20,625,885
 Avg. Adj. Sales Price : 321,064
 Avg. Assessed Value : 226,658

MEDIAN : 71
 WGT. MEAN : 71
 MEAN : 72
 COD : 15.04
 PRD : 101.46

COV : 20.08
 STD : 14.38
 Avg. Abs. Dev : 10.73
 MAX Sales Ratio : 125.92
 MIN Sales Ratio : 37.25

95% Median C.I. : 68.46 to 74.28
 95% Wgt. Mean C.I. : 68.14 to 73.05
 95% Mean C.I. : 68.68 to 74.58

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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	14	73.11	72.82	71.15	09.70	102.35	60.32	86.68	63.98 to 82.36	318,592	226,671
1	14	73.11	72.82	71.15	09.70	102.35	60.32	86.68	63.98 to 82.36	318,592	226,671
Dry											
County	25	69.69	68.75	69.74	14.78	98.58	37.25	91.88	65.70 to 76.35	264,516	184,485
1	25	69.69	68.75	69.74	14.78	98.58	37.25	91.88	65.70 to 76.35	264,516	184,485
Grass											
County	2	60.82	60.82	60.20	10.11	101.03	54.67	66.97	N/A	32,694	19,680
1	2	60.82	60.82	60.20	10.11	101.03	54.67	66.97	N/A	32,694	19,680
ALL	91	71.35	71.63	70.60	15.04	101.46	37.25	125.92	68.46 to 74.28	321,064	226,658

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	33	71.18	72.97	70.31	11.46	103.78	55.68	96.85	66.10 to 75.91	436,020	306,579
1	33	71.18	72.97	70.31	11.46	103.78	55.68	96.85	66.10 to 75.91	436,020	306,579
Dry											
County	35	71.00	70.53	69.81	16.25	101.03	37.25	125.92	65.94 to 76.35	270,560	188,877
1	35	71.00	70.53	69.81	16.25	101.03	37.25	125.92	65.94 to 76.35	270,560	188,877
Grass											
County	4	60.82	59.40	55.78	15.31	106.49	45.51	70.45	N/A	96,937	54,069
1	4	60.82	59.40	55.78	15.31	106.49	45.51	70.45	N/A	96,937	54,069
ALL	91	71.35	71.63	70.60	15.04	101.46	37.25	125.92	68.46 to 74.28	321,064	226,658

12 Butler
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 : 92
 Total Sales Price : 29,470,656
 Total Adj. Sales Price : 29,438,456
 Total Assessed Value : 20,835,954
 Avg. Adj. Sales Price : 319,983
 Avg. Assessed Value : 226,478

MEDIAN : 72
 WGT. MEAN : 71
 MEAN : 72
 COD : 15.19
 PRD : 101.55

COV : 20.17
 STD : 14.50
 Avg. Abs. Dev : 10.87
 MAX Sales Ratio : 125.92
 MIN Sales Ratio : 37.25

95% Median C.I. : 68.81 to 74.28
 95% Wgt. Mean C.I. : 68.33 to 73.22
 95% Mean C.I. : 68.92 to 74.84

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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	2	76.18	76.18	78.74	13.44	96.75	65.94	86.41	N/A	165,500	130,313
01-OCT-07 To 31-DEC-07	11	74.54	79.36	73.70	11.56	107.68	66.10	125.92	68.00 to 90.37	373,565	275,302
01-JAN-08 To 31-MAR-08	11	74.76	75.01	72.47	13.00	103.50	53.31	91.15	60.92 to 90.86	440,732	319,385
01-APR-08 To 30-JUN-08	12	66.33	70.20	71.72	10.81	97.88	58.40	86.58	62.46 to 79.13	287,930	206,491
01-JUL-08 To 30-SEP-08	4	69.78	67.48	65.06	04.23	103.72	59.38	71.00	N/A	360,311	234,414
01-OCT-08 To 31-DEC-08	11	76.65	77.43	74.81	13.72	103.50	46.27	104.49	69.04 to 89.69	299,389	223,965
01-JAN-09 To 31-MAR-09	7	74.04	76.23	71.83	10.13	106.13	60.51	91.88	60.51 to 91.88	348,440	250,274
01-APR-09 To 30-JUN-09	7	79.54	73.50	78.19	14.86	94.00	45.51	89.20	45.51 to 89.20	271,065	211,936
01-JUL-09 To 30-SEP-09	5	71.01	66.41	72.32	11.29	91.83	41.65	78.41	N/A	296,956	214,745
01-OCT-09 To 31-DEC-09	2	82.04	82.04	81.60	01.83	100.54	80.54	83.53	N/A	195,540	159,570
01-JAN-10 To 31-MAR-10	13	66.04	67.32	65.93	18.40	102.11	37.25	96.85	54.78 to 89.24	236,731	156,083
01-APR-10 To 30-JUN-10	7	55.68	54.14	56.06	11.98	96.58	39.77	65.39	39.77 to 65.39	381,516	213,886
<u>Study Yrs</u>											
01-JUL-07 To 30-JUN-08	36	74.02	74.80	72.82	12.19	102.72	53.31	125.92	66.97 to 78.53	353,984	257,780
01-JUL-08 To 30-JUN-09	29	74.04	74.82	73.16	13.47	102.27	45.51	104.49	70.38 to 82.36	312,795	228,853
01-JUL-09 To 30-JUN-10	27	65.70	64.82	64.52	18.23	100.46	37.25	96.85	55.68 to 71.01	282,369	182,190
<u>Calendar Yrs</u>											
01-JAN-08 To 31-DEC-08	38	71.84	73.40	72.04	12.64	101.89	46.27	104.49	69.04 to 78.53	343,098	247,168
01-JAN-09 To 31-DEC-09	21	75.91	73.53	74.50	12.90	98.70	41.65	91.88	70.38 to 82.36	295,828	220,397
<u>ALL</u>	92	71.58	71.88	70.78	15.19	101.55	37.25	125.92	68.81 to 74.28	319,983	226,478

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
1	92	71.58	71.88	70.78	15.19	101.55	37.25	125.92	68.81 to 74.28	319,983	226,478
<u>ALL</u>	92	71.58	71.88	70.78	15.19	101.55	37.25	125.92	68.81 to 74.28	319,983	226,478

12 Butler
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 : 92
 Total Sales Price : 29,470,656
 Total Adj. Sales Price : 29,438,456
 Total Assessed Value : 20,835,954
 Avg. Adj. Sales Price : 319,983
 Avg. Assessed Value : 226,478

MEDIAN : 72
 WGT. MEAN : 71
 MEAN : 72
 COD : 15.19
 PRD : 101.55

COV : 20.17
 STD : 14.50
 Avg. Abs. Dev : 10.87
 MAX Sales Ratio : 125.92
 MIN Sales Ratio : 37.25

95% Median C.I. : 68.81 to 74.28
 95% Wgt. Mean C.I. : 68.33 to 73.22
 95% Mean C.I. : 68.92 to 74.84

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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	14	73.11	72.82	71.15	09.70	102.35	60.32	86.68	63.98 to 82.36	318,592	226,671
1	14	73.11	72.82	71.15	09.70	102.35	60.32	86.68	63.98 to 82.36	318,592	226,671
_____Dry_____											
County	26	70.35	69.75	70.56	15.45	98.85	37.25	94.79	65.70 to 78.64	262,866	185,469
1	26	70.35	69.75	70.56	15.45	98.85	37.25	94.79	65.70 to 78.64	262,866	185,469
_____Grass_____											
County	2	60.82	60.82	60.20	10.11	101.03	54.67	66.97	N/A	32,694	19,680
1	2	60.82	60.82	60.20	10.11	101.03	54.67	66.97	N/A	32,694	19,680
_____ALL_____	92	71.58	71.88	70.78	15.19	101.55	37.25	125.92	68.81 to 74.28	319,983	226,478

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	33	71.18	72.97	70.31	11.46	103.78	55.68	96.85	66.10 to 75.91	436,020	306,579
1	33	71.18	72.97	70.31	11.46	103.78	55.68	96.85	66.10 to 75.91	436,020	306,579
_____Dry_____											
County	36	71.44	71.20	70.38	16.63	101.17	37.25	125.92	65.94 to 76.65	269,201	189,465
1	36	71.44	71.20	70.38	16.63	101.17	37.25	125.92	65.94 to 76.65	269,201	189,465
_____Grass_____											
County	4	60.82	59.40	55.78	15.31	106.49	45.51	70.45	N/A	96,937	54,069
1	4	60.82	59.40	55.78	15.31	106.49	45.51	70.45	N/A	96,937	54,069
_____ALL_____	92	71.58	71.88	70.78	15.19	101.55	37.25	125.92	68.81 to 74.28	319,983	226,478

12 Butler
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 : 153
 Total Sales Price : 52,893,782
 Total Adj. Sales Price : 52,816,207
 Total Assessed Value : 36,511,319
 Avg. Adj. Sales Price : 345,204
 Avg. Assessed Value : 238,636

MEDIAN : 72
 WGT. MEAN : 69
 MEAN : 72
 COD : 18.23
 PRD : 104.82

COV : 24.14
 STD : 17.49
 Avg. Abs. Dev : 13.16
 MAX Sales Ratio : 145.46
 MIN Sales Ratio : 26.50

95% Median C.I. : 69.69 to 75.37
 95% Wgt. Mean C.I. : 65.76 to 72.49
 95% Mean C.I. : 69.69 to 75.23

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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	4	86.31	86.82	89.70	12.46	96.79	65.94	108.72	N/A	196,991	176,702
01-OCT-07 To 31-DEC-07	20	74.96	75.63	72.15	14.31	104.82	32.10	125.92	70.45 to 80.61	317,351	228,979
01-JAN-08 To 31-MAR-08	20	78.09	80.31	73.79	20.04	108.84	40.50	145.46	67.36 to 86.52	373,210	275,387
01-APR-08 To 30-JUN-08	14	70.38	73.53	73.49	14.12	100.05	58.40	97.02	62.46 to 86.58	269,440	198,022
01-JUL-08 To 30-SEP-08	6	69.78	73.14	71.21	09.97	102.71	59.38	99.43	59.38 to 99.43	407,105	289,883
01-OCT-08 To 31-DEC-08	21	76.65	74.37	73.25	15.32	101.53	46.27	104.49	69.04 to 85.39	276,799	202,743
01-JAN-09 To 31-MAR-09	11	78.69	77.40	76.73	13.60	100.87	49.94	98.40	60.51 to 91.88	397,780	305,205
01-APR-09 To 30-JUN-09	10	80.95	75.89	79.30	11.87	95.70	45.51	89.20	54.67 to 87.30	303,346	240,559
01-JUL-09 To 30-SEP-09	5	71.01	66.41	72.32	11.29	91.83	41.65	78.41	N/A	296,956	214,745
01-OCT-09 To 31-DEC-09	8	72.67	73.34	70.91	07.32	103.43	63.98	83.53	63.98 to 83.53	353,249	250,491
01-JAN-10 To 31-MAR-10	21	59.57	61.82	53.91	22.60	114.67	26.50	96.85	54.78 to 67.14	414,375	223,388
01-APR-10 To 30-JUN-10	13	56.72	58.70	59.23	17.44	99.11	39.77	87.72	47.79 to 65.39	443,677	262,796
<u>Study Yrs</u>											
01-JUL-07 To 30-JUN-08	58	75.07	77.51	73.85	17.02	104.96	32.10	145.46	71.80 to 80.61	316,747	233,904
01-JUL-08 To 30-JUN-09	48	76.28	75.23	75.07	14.60	100.21	45.51	104.49	71.18 to 81.62	326,342	244,995
01-JUL-09 To 30-JUN-10	47	63.98	63.41	59.56	19.52	106.46	26.50	96.85	57.20 to 68.46	399,584	237,982
<u>Calendar Yrs</u>											
01-JAN-08 To 31-DEC-08	61	74.25	76.00	73.25	16.97	103.75	40.50	145.46	69.86 to 79.13	319,537	234,048
01-JAN-09 To 31-DEC-09	34	75.54	74.39	75.43	12.51	98.62	41.65	98.40	70.38 to 81.08	344,700	260,014
<u>ALL</u>	153	72.17	72.46	69.13	18.23	104.82	26.50	145.46	69.69 to 75.37	345,204	238,636

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
1	153	72.17	72.46	69.13	18.23	104.82	26.50	145.46	69.69 to 75.37	345,204	238,636
<u>ALL</u>	153	72.17	72.46	69.13	18.23	104.82	26.50	145.46	69.69 to 75.37	345,204	238,636

12 Butler
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 : 153
 Total Sales Price : 52,893,782
 Total Adj. Sales Price : 52,816,207
 Total Assessed Value : 36,511,319
 Avg. Adj. Sales Price : 345,204
 Avg. Assessed Value : 238,636

MEDIAN : 72
 WGT. MEAN : 69
 MEAN : 72
 COD : 18.23
 PRD : 104.82

COV : 24.14
 STD : 17.49
 Avg. Abs. Dev : 13.16
 MAX Sales Ratio : 145.46
 MIN Sales Ratio : 26.50

95% Median C.I. : 69.69 to 75.37
 95% Wgt. Mean C.I. : 65.76 to 72.49
 95% Mean C.I. : 69.69 to 75.23

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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	31	69.69	69.04	65.48	15.44	105.44	32.10	87.72	63.98 to 75.91	412,779	270,298
1	31	69.69	69.04	65.48	15.44	105.44	32.10	87.72	63.98 to 75.91	412,779	270,298
Dry											
County	35	71.00	72.53	70.58	18.35	102.76	37.25	125.04	65.94 to 78.69	268,946	189,825
1	35	71.00	72.53	70.58	18.35	102.76	37.25	125.04	65.94 to 78.69	268,946	189,825
Grass											
County	4	72.97	71.94	76.12	15.24	94.51	54.67	87.15	N/A	48,847	37,181
1	4	72.97	71.94	76.12	15.24	94.51	54.67	87.15	N/A	48,847	37,181
ALL	153	72.17	72.46	69.13	18.23	104.82	26.50	145.46	69.69 to 75.37	345,204	238,636

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	61	71.18	70.13	65.98	16.61	106.29	26.50	108.72	66.10 to 75.32	464,611	306,553
1	61	71.18	70.13	65.98	16.61	106.29	26.50	108.72	66.10 to 75.32	464,611	306,553
Dry											
County	51	71.00	73.91	70.21	19.45	105.27	37.25	145.46	67.00 to 76.35	277,906	195,121
1	51	71.00	73.91	70.21	19.45	105.27	37.25	145.46	67.00 to 76.35	277,906	195,121
Grass											
County	6	68.71	67.29	62.90	16.84	106.98	45.51	87.15	45.51 to 87.15	86,291	54,273
1	6	68.71	67.29	62.90	16.84	106.98	45.51	87.15	45.51 to 87.15	86,291	54,273
ALL	153	72.17	72.46	69.13	18.23	104.82	26.50	145.46	69.69 to 75.37	345,204	238,636

2011 Correlation Section for Butler County

A. Agricultural Land

Butler County is an agriculturally based county with an array of villages and small towns that exist primarily to support agriculture. The primary crops are row crops with corn, soybeans, and some grain sorghum. There is pasture land spread throughout the county, but mostly concentrated in the east part of the county as well as along rivers and streams. The agricultural land is valued using only one market area. The agricultural economy is strong, driven by a very high grain prices for the past few years. The value of crop land has followed the high prices with historic increases in value. Grazing land has also experienced very large increases over the past 3 to 4 years. The assessed values of agricultural land have likewise increased each year at double digit percentages.

The Department has conducted three separate measurement processes for 2011 to determine the level of value of the agricultural land. There are 91 qualified agricultural that occurred in the county during the three year study period. All are located in Market Area 1 which is the only market area. The sales are not distributed proportionately across the study years. The oldest study year has 36 sales, the middle study year has 29 sales and the newest study year has 26 sales. The initial review of representativeness by majority land use reveals that Market Area 1 is representative.

The Base sample calculates assessment statistics using only the subject county sales. A review of the 91 sales reveals that it is not proportional but is representative. The strength of this method is that it uses only the subject county sales. The weakness is that the calculations may not be statistically adequate. To achieve adequacy the sample was short by only 1 sale in the third study year. The median ratio of the Base Sample method is 71%.

The Random Include sample begins with the Base sample and adds enough comparable sales to make the base sample adequate. There was 1 sale borrowed comparable sales from adjacent counties in order to make the sample adequate for measurement and be considered both proportional and representative. The strength of this method is that it uses the subject county sales and only borrows enough additional sales to make the sample statistically adequate. The median in the Random Include sample was 72%.

The Random Exclude sample begins with the Base sample and adds all if the available sales within 6 miles of the border of the county. The supplemented file is then trimmed of excess sales in order to make the base sample statistically adequate. In this case, the available sales were trimmed to 153. The sample was then considered proportional and is representative. Of the three methods, the Random Exclude sample relies on a higher number of sales from outside the host county. While the proximity to the host county is one test of comparability, the chance of bias increases as additional sales are introduced. The median in the Random Exclude sample was 72%.

Based on a review of the schedule of values and a general knowledge of their assessment practices relating to the valuation of agricultural land the county has achieved intra-county equalization. Schedule X of the Abstracts of Butler County and the surrounding counties were compared to test for inter-county equalization. That comparison of the average assessed value for irrigated, dry and grass land uses revealed that the average assessed value for each of the land uses shows a logical progression. The values tended to be lower in the counties to the west and south and increase as you progress to the east and north, suggesting inter-county equalization.

2011 Correlation Section for Butler County

There are no indications from the review of the COD and PRD in all three statistical studies that there are any quality issues in the valuation of agricultural land. The county has strong assessment practices relating to the verification and analysis of agricultural values. They have adequate tools and practices to keep land use up to date and there is no weakness or bias noticed in their assessment practices. The quality of assessment for agricultural land is good.

It is the opinion of the Department that the level of value for agricultural land of value falls among the median ratios of the three methods. The base sample median was 71% but was not quite adequate based a lack of proportionality of the sales in individual market areas. The other two methods after supplementation were considered adequate and produced medians of 72% and 72%. All 3 samples produced medians within the range for the entire county and the individual market areas. All were supportive of each other. The base sample and the Random Include samples were very similar and differed by one sale and by rounding. None of the significant tests in either MLU tables indicated any problem. Most of the quality statistics were within the desired range, only the PRD in the Random Exclude sample slightly exceeded the range. In this case, the apparent level of value is 72% and the quality of the assessment process is acceptable. There are no recommended adjustments to the class or to any subclass of agricultural land.

**2011 Correlation Section
for Butler 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 Butler 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 Butler 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 Butler 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 : 7,690	Value : 1,224,773,300	Growth 9,301,808	Sum Lines 17, 25, & 41
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Schedule I : Non-Agricultural Records

	Urban		SubUrban		Rural		Total		Growth
	Records	Value	Records	Value	Records	Value	Records	Value	
01. Res UnImp Land	226	707,085	7	101,465	65	801,890	298	1,610,440	
02. Res Improve Land	2,038	12,275,750	12	259,185	641	15,502,530	2,691	28,037,465	
03. Res Improvements	2,097	107,290,265	12	1,709,275	726	68,925,305	2,835	177,924,845	
04. Res Total	2,323	120,273,100	19	2,069,925	791	85,229,725	3,133	207,572,750	3,061,698
% of Res Total	74.15	57.94	0.61	1.00	25.25	41.06	40.74	16.95	32.92
05. Com UnImp Land	51	342,095	0	0	14	606,060	65	948,155	
06. Com Improve Land	296	2,331,710	3	31,235	54	5,615,300	353	7,978,245	
07. Com Improvements	309	29,634,100	3	194,075	69	17,869,895	381	47,698,070	
08. Com Total	360	32,307,905	3	225,310	83	24,091,255	446	56,624,470	4,207,100
% of Com Total	80.72	57.06	0.67	0.40	18.61	42.55	5.80	4.62	45.23
09. Ind UnImp Land	0	0	0	0	0	0	0	0	
10. Ind Improve Land	3	563,230	0	0	1	780,850	4	1,344,080	
11. Ind Improvements	3	3,794,000	0	0	1	13,963,980	4	17,757,980	
12. Ind Total	3	4,357,230	0	0	1	14,744,830	4	19,102,060	211,340
% of Ind Total	75.00	22.81	0.00	0.00	25.00	77.19	0.05	1.56	2.27
13. Rec UnImp Land	0	0	0	0	17	930,950	17	930,950	
14. Rec Improve Land	0	0	0	0	46	1,430,150	46	1,430,150	
15. Rec Improvements	0	0	0	0	264	8,014,805	264	8,014,805	
16. Rec Total	0	0	0	0	281	10,375,905	281	10,375,905	172,355
% of Rec Total	0.00	0.00	0.00	0.00	100.00	100.00	3.65	0.85	1.85
Res & Rec Total	2,323	120,273,100	19	2,069,925	1,072	95,605,630	3,414	217,948,655	3,234,053
% of Res & Rec Total	68.04	55.18	0.56	0.95	31.40	43.87	44.40	17.80	34.77
Com & Ind Total	363	36,665,135	3	225,310	84	38,836,085	450	75,726,530	4,418,440
% of Com & Ind Total	80.67	48.42	0.67	0.30	18.67	51.28	5.85	6.18	47.50
17. Taxable Total	2,686	156,938,235	22	2,295,235	1,156	134,441,715	3,864	293,675,185	7,652,493
% of Taxable Total	69.51	53.44	0.57	0.78	29.92	45.78	50.25	23.98	82.27

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	8	1,117,565	1,888,580	0	0	0
20. Industrial	1	3,346,910	383,745	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	8	1,117,565	1,888,580
20. Industrial	0	0	0	1	3,346,910	383,745
21. Other	0	0	0	0	0	0
22. Total Sch II				9	4,464,475	2,272,325

Schedule III : Mineral Interest Records

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

Schedule IV : Exempt Records : Non-Agricultural

	Urban Records	SubUrban Records	Rural Records	Total Records
26. Exempt	263	2	435	700

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	82	901,890	1	37,560	2,391	505,363,875	2,474	506,303,325
28. Ag-Improved Land	4	469,240	2	49,580	1,284	351,740,990	1,290	352,259,810
29. Ag Improvements	4	66,315	2	68,460	1,346	72,400,205	1,352	72,534,980
30. Ag Total							3,826	931,098,115

Schedule VI : Agricultural Records :Non-Agricultural Detail

	Urban			SubUrban			Growth
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	1	1.00	16,000	0	0.00	0	
32. HomeSite Improv Land	1	1.00	16,000	0	0.00	0	
33. HomeSite Improvements	1	1.00	33,055	0	0.00	0	
34. HomeSite Total							
35. FarmSite UnImp Land	4	2.36	11,200	0	0.00	0	
36. FarmSite Improv Land	4	5.29	22,695	2	2.46	10,920	
37. FarmSite Improvements	4	0.00	33,260	2	0.00	68,460	
38. FarmSite Total							
39. Road & Ditches	0	6.49	0	0	0.75	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	8	7.83	146,000	9	8.83	162,000	
32. HomeSite Improv Land	825	828.62	13,364,140	826	829.62	13,380,140	
33. HomeSite Improvements	835	806.69	47,462,445	836	807.69	47,495,500	1,649,315
34. HomeSite Total				845	838.45	61,037,640	
35. FarmSite UnImp Land	36	429.31	787,835	40	431.67	799,035	
36. FarmSite Improv Land	1,236	3,465.88	14,470,585	1,242	3,473.63	14,504,200	
37. FarmSite Improvements	1,305	0.00	24,937,760	1,311	0.00	25,039,480	0
38. FarmSite Total				1,351	3,905.30	40,342,715	
39. Road & Ditches	0	7,645.95	0	0	7,653.19	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
41. Total Section VI				2,196	12,396.94	101,380,355	1,649,315

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

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	1	0.00	858,635	0	0.00	0
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	2	316.95	346,780	3	316.95	1,205,415

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	52,172.40	41.36%	179,981,245	47.56%	3,449.74
46. 1A	17,546.60	13.91%	56,587,945	14.95%	3,225.01
47. 2A1	12,670.68	10.04%	37,344,790	9.87%	2,947.34
48. 2A	12,465.66	9.88%	34,419,095	9.10%	2,761.11
49. 3A1	13,215.27	10.48%	34,013,965	8.99%	2,573.84
50. 3A	5,734.82	4.55%	12,541,160	3.31%	2,186.84
51. 4A1	9,458.63	7.50%	18,623,160	4.92%	1,968.91
52. 4A	2,889.46	2.29%	4,887,400	1.29%	1,691.46
53. Total	126,153.52	100.00%	378,398,760	100.00%	2,999.51
Dry					
54. 1D1	36,176.53	22.17%	114,860,700	29.81%	3,175.01
55. 1D	22,090.88	13.54%	64,615,630	16.77%	2,924.99
56. 2D1	20,043.41	12.28%	54,117,175	14.05%	2,700.00
57. 2D	4,571.07	2.80%	11,070,205	2.87%	2,421.80
58. 3D1	15,931.37	9.76%	35,047,775	9.10%	2,199.92
59. 3D	17,322.35	10.61%	31,611,035	8.21%	1,824.87
60. 4D1	39,390.39	24.14%	63,023,270	16.36%	1,599.97
61. 4D	7,662.38	4.70%	10,919,030	2.83%	1,425.02
62. Total	163,188.38	100.00%	385,264,820	100.00%	2,360.86
Grass					
63. 1G1	1,167.79	2.60%	1,430,640	2.85%	1,225.08
64. 1G	2,557.18	5.69%	3,132,250	6.25%	1,224.88
65. 2G1	3,351.52	7.45%	3,828,550	7.64%	1,142.33
66. 2G	1,045.79	2.33%	1,202,745	2.40%	1,150.08
67. 3G1	2,677.41	5.96%	2,945,170	5.88%	1,100.01
68. 3G	6,699.70	14.90%	7,369,680	14.71%	1,100.00
69. 4G1	12,650.71	28.14%	13,915,800	27.77%	1,100.00
70. 4G	14,810.43	32.94%	16,287,685	32.50%	1,099.74
71. Total	44,960.53	100.00%	50,112,520	100.00%	1,114.59
Irrigated Total					
Irrigated Total	126,153.52	35.65%	378,398,760	45.61%	2,999.51
Dry Total					
Dry Total	163,188.38	46.11%	385,264,820	46.43%	2,360.86
Grass Total					
Grass Total	44,960.53	12.71%	50,112,520	6.04%	1,114.59
72. Waste	980.14	0.28%	245,335	0.03%	250.31
73. Other	18,590.92	5.25%	15,696,325	1.89%	844.30
74. Exempt	3,415.37	0.97%	0	0.00%	0.00
75. Market Area Total	353,873.49	100.00%	829,717,760	100.00%	2,344.67

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	81.04	237,620	0.00	0	126,072.48	378,161,140	126,153.52	378,398,760
77. Dry Land	370.84	990,680	21.81	68,490	162,795.73	384,205,650	163,188.38	385,264,820
78. Grass	47.92	54,240	6.31	7,730	44,906.30	50,050,550	44,960.53	50,112,520
79. Waste	1.41	355	0.00	0	978.73	244,980	980.14	245,335
80. Other	24.82	22,340	0.00	0	18,566.10	15,673,985	18,590.92	15,696,325
81. Exempt	6.55	0	55.14	0	3,353.68	0	3,415.37	0
82. Total	526.03	1,305,235	28.12	76,220	353,319.34	828,336,305	353,873.49	829,717,760

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	126,153.52	35.65%	378,398,760	45.61%	2,999.51
Dry Land	163,188.38	46.11%	385,264,820	46.43%	2,360.86
Grass	44,960.53	12.71%	50,112,520	6.04%	1,114.59
Waste	980.14	0.28%	245,335	0.03%	250.31
Other	18,590.92	5.25%	15,696,325	1.89%	844.30
Exempt	3,415.37	0.97%	0	0.00%	0.00
Total	353,873.49	100.00%	829,717,760	100.00%	2,344.67

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

12 Butler

	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	195,590,850	207,572,750	11,981,900	6.13%	3,061,698	4.56%
02. Recreational	11,463,865	10,375,905	-1,087,960	-9.49%	172,355	-10.99%
03. Ag-Homesite Land, Ag-Res Dwelling	57,697,310	61,037,640	3,340,330	5.79%	1,649,315	2.93%
04. Total Residential (sum lines 1-3)	264,752,025	278,986,295	14,234,270	5.38%	4,883,368	3.53%
05. Commercial	53,940,755	56,624,470	2,683,715	4.98%	4,207,100	-2.82%
06. Industrial	18,706,720	19,102,060	395,340	2.11%	211,340	0.98%
07. Ag-Farmsite Land, Outbuildings	38,987,435	40,342,715	1,355,280	3.48%	0	3.48%
08. Minerals	0	0	0		0	
09. Total Commercial (sum lines 5-8)	111,634,910	116,069,245	4,434,335	3.97%	4,418,440	0.01%
10. Total Non-Agland Real Property	376,386,935	395,055,540	18,668,605	4.96%	9,301,808	2.49%
11. Irrigated	339,030,245	378,398,760	39,368,515	11.61%		
12. Dryland	353,135,585	385,264,820	32,129,235	9.10%		
13. Grassland	61,323,170	50,112,520	-11,210,650	-18.28%		
14. Wasteland	205,050	245,335	40,285	19.65%		
15. Other Agland	323,685	15,696,325	15,372,640	4,749.26%		
16. Total Agricultural Land	754,017,735	829,717,760	75,700,025	10.04%		
17. Total Value of all Real Property (Locally Assessed)	1,130,404,670	1,224,773,300	94,368,630	8.35%	9,301,808	7.53%

**BUTLER COUNTY
3-YEAR PLAN OF ASSESSMENT
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, which describes the assessment actions planned for the next assessment year and two years thereafter. The plan shall indicate 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 level 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 purposed 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).

The acceptable ratio range for the median of the “Assessment-Sales Ratio” is from 69% to 75% of actual or fair market value for the class or subclasses of agricultural land and horticultural land not receiving special valuation and 69% to 75% of recapture valuation for the class and subclasses of agricultural land and horticultural land receiving special valuation pursuant to Neb. Rev. Stat. 77-1344: and 92% to 100% of actual or fair market value for all other classes and subclasses of real property. Neb. Rev. Stat. 77-5023(2) (Cum. Supp. 2006).

GENERAL DESCRIPTION OF REAL PROPERTY IN BUTLER COUNTY

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

	Parcels	% of Total Parcels	% of Taxable Value
Residential	3082	36.86	17.15
Commercial	450	5.38	4.77
Industrial	5	.06	1.66
Agricultural	3809	45.55	75.40
Recreational	309	3.70	1.02
Special Value	0	-----	-----
Tax Increment Financing	9	.11	-----
Exempt	698	8.34	-----
Total	8362	100.00	100.00

Agricultural land –	Taxable Acres	Total Value
Irrigated Acres	124,497.44	338,976,695
Dry Acres	164,975.06	353,831,395
Grass Acres	45,249.18	45,816,155
Waste Acres	977.72	203,670
Other Acres	18,660.45	15,678,140
Exempt Acres	3,408.07	-----
Total Acres	357,767.92	754,506,055

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

ASSESSMENT PLAN/PROCEDURES MANUAL

The Department of Property Assessment and Taxation Regulations and Directives are followed in the assessor's office. An informal manual of office and assessment procedures is also on file. A formal annual assessment plan includes a 4 to 5 year cycle of reappraisal and inspection, which has been a part of the county's plan of the assessment. Properties are typically reviewed in four townships and four towns annually.

Procedures have been established in the office and are updated as needed.

RECORD MAINTENANCE/RESPONSIBILITES

A property record card is on file for every parcel of real property including improvements on leased land. The record cards contain current ownership, address, legal description, situs address, book and page numbers of the last deed recorded and any changes of record of ownership. A unique number is assigned to each property record card along with tax district codes and other codes created relevant to the specific parcel.

The assessment records are kept and updated in the computerized administration system. Terra Scan and a hard copy format with updates made in the form of inserts. The owner/valuations history is kept on the face of the hard copy updated to reflect all changes made.

The office maintains a cadastral map system. The Mylar cadastral maps were done in 1964. They have been revised with name change, legal description and new subdivisions. March 2001 we began implementing a GIS program for updating our current cadastral maps as well as other reports required by our office. January 2004 cadastral maps and updates to them are on GIS only.

HOMESTEAD EXEMPTIONS

Homestead Exemptions applications are accepted in the office from February 1 to June 30. Notice to file is published in the local newspaper March, April, May and June. Pre-printed forms are mailed to the applicants that filed for the Homestead Exemption the prior year. The applicant is verified for owner/occupant. Signed applications, income statements, U. S. Citizenship Attestation and doctor's certification of disability (where

appropriate) are forwarded to the Nebraska Department of Revenue on or before August 1. The Nebraska Department of Revenue returns a roster in October of approved (with a percentage) and disapproved for final processing.

PERMISSIVE EXEMPTIONS

The assessor and staff administer annual filings of applications for new or continued exempt use properties. The properties are reviewed and recommendations are made to the County Board.

REPORT GENERATION

The major reports required by the Assessor and the dates due are:

County Abstract of assessment for Real Property – March 19
Certify completion of real property assessment roll & publish in newspaper-June 1
Send notice of valuation change to the owner of record (as of May 20) of any property whose value has increased or decreased-June, 1
County Abstract of Assessment for Personal Property – June 15
Prepare the plan of assessment for the next 3 assessment years-June 15
File 3-year plan of Assessment with the County Board of Equalization – July 31
Review the ownership and use of all cemetery real property and report such review to the County Board-August 1
Certification of Values to Political Subdivisions – August 20
School District Taxable Value Report – August 25
Deliver Tax Rolls to Treasurer – November 22
Certificate of Taxes Levied – December 1

PERSONAL PROPERTY

All depreciable tangible personal property which is used in a trade or business for the production of income, and which has a determinable life of longer than one year must be filed on or before May 1. Late filings after May 1, but before August 1, a 10 percent penalty is applied. After August 1, a 25 percent penalty is applied to the taxes due. Notice to file is published in the local newspaper February, March and April. In February a notice to file letter is mailed to each individual who previously filed.

SALES REVIEW/VERIFICATION

The assessor and office staff attempts to obtain 100% coverage of each sale, which contains a doc. stamp, beginning with the buyer, seller and then the broker. Questionnaires are mailed on each of these sales. Questionnaires consist of information about the sale and also about the property. Coding and the computerized sale file track the mailings. A drive by is done on 75-80% of the parcels sold and an on site inspection 25% of the time.

EDUCATION

No person shall be eligible to file, assume, or be appointed to, or hold the office of county assessor, serve as a deputy assessor, or hold the position of state assessment manager unless he or she holds a County Assessor Certificate issued by the Property Tax Administrator or State Tax Commissioner. In order to obtain a County Assessor Certificate, each person must successfully complete an examination given by the Property Tax Administrator. In order to retain certification, all certificate holders must obtain 60 hours of approved continuing education to be eligible to receive approval by the Property Tax Administrator for re-certification. Credit hours are obtained by the completion of approved courses that are recommended by the Nebraska Assessment Education and Certification Advisory Board and approved by the Property Tax Administrator. Courses are available throughout the year and are attended by the Assessor and Deputy Assessor to gain greater professionalism in their duties by offering a means of state certification.

REAL PROPERTY

An on site review of all properties are on a rotation plan. The assessor and or office staff reviews approximately four towns and four townships annually with a continuing of a rotation throughout the county. A conducted market study of all properties is done annually throughout the county to maintain ratios and statistics mandated by the Tax Equalization and Review Commission.

The Rotation review for 2011:

Residential – David City, Octavia, Bellwood & Surprise, Garrison

Commercial – David City, Octavia, Bellwood, Surprise & Garrison and any commercial within the townships for the 2011 rotational review.

Agricultural Land and Improvements – Summit, Olive, Franklin and Skull Creek Townships

*All reviews will include new digital photos for the property record cards.

The Rotation review for 2012:

Residential – Ulysses, Dwight, Rising City & Brainard

Commercial – Ulysses, Dwight, Rising City & Brainard and any commercial within the townships for 2012 rotational review.

Agricultural Land and Improvements – Bone Creek, Linwood, Platte Townships

*All reviews will include new digital photos for the property record cards.

The Rotation review for 2013:

Residential – Abie, Bruno & Linwood

Commercial – Abie, Bruno & Linwood and any commercial within the townships for 2013 rotational review.

Agricultural Land and Improvements – Savannah & Alexis Townships

**All reviews will include new digital photos for the property record cards.

The assessor and office staff maintains the computer GIS cadastral maps and completes the appraisal.

A paper copy of the cadastral maps will be generated for rural townships in Butler County. This consists of setting up the GIS information and printing each section on a 12x12 cardstock paper and filed in a hardbound book. This process will be done, as time is available, until completed.

Pickup work, the collection of data relating to new construction, remodeling, additions, alterations and removal of existing buildings and structures is done on a continuous year round basis.

Aerial Photos are to be flown in the fall of 2010. Upon completion, the photos will be printed, identified and placed in the property record card. If any questions arise, building permits will be put in the computer, so that reviews can be made to the parcel in question.

The office utilizes the Terra Scan administrative and CAMA system using the Marshall Swift cost. All data collected in all classifications of property have been entered in CAMA. A sketch of each house is entered into CAMA and was completed in 2001. Digital photos for each property have been entered into the system. 1992 and 1998 aerial photos are also a part of the property record card. 2003 colored aerials have been copied into the GIS and are being used to determine land use. 2005 digital oblique have been added to GIS and copied to the Terra Scan property record information.

A Butler County Assessor web site has been on line since June 2004. Website includes property record card information, digital photo, sketch, GIS map; June 2005 Digital obliques were also added to the website. Website address is butler.gisworkshop.com.

A new program for personal property may be implemented to make filing personal property available on the web site.

The cost approach is used in setting the values. An income approach is only used occasionally for commercial to substantiate the cost approach. A discount cash flow valuation method is used to value undeveloped subdivisions.

The real estate transfer statements, form 521, are processed on a continual basis.

The Department of Property Assessment and Taxation has prepared the progress report for Butler County and is on file in the assessor's office and serves as additional information for this report. The 2010 Butler County statistical measures are on file in the annual report and kept on file in the Assessor's Office.

Respectfully submitted:

Signature: _____
Vickie Donoghue
Butler County Assessor
June 07, 2010

2011 Assessment Survey for Butler County

A. Staffing and Funding Information

1.	Deputy(ies) on staff:
	1
2.	Appraiser(s) on staff:
	0
3.	Other full-time employees:
	3
4.	Other part-time employees:
	0
5.	Number of shared employees:
	0
6.	Assessor's requested budget for current fiscal year:
	\$215,341 This includes benefits; health insurance, Social Security and retirement.
7.	Adopted budget, or granted budget if different from above:
	\$215,341
8.	Amount of the total budget set aside for appraisal work :
	0
9.	Appraisal/Reappraisal budget, if not part of the total budget:
	\$18,000
10.	Part of the budget that is dedicated to the computer system:
	\$12,000 -This comes from county data processing, not the assessor's budget.
11.	Amount of the total budget set aside for education/workshops :
	\$1,200
12.	Other miscellaneous funds :
	0
13.	Amount of last year's budget not used:
	Yes, but the amount was minimal.

B. Computer, Automation Information and GIS

1.	Administrative software :
	TerraScan
2.	CAMA software :
	TerraScan
3.	Are cadastral maps currently being used?
	Cadastral maps are available, but are not updated.
4.	If so, who maintains the Cadastral Maps?
	They are not being maintained; Since 2004, the cadastral maps have been created and updated in the GIS system.

5.	Does the county have GIS software?
	Yes
6.	Who maintains the GIS software and maps?
	Assessor and Staff
7.	Personal Property software:
	TerraScan

C. Zoning Information

1.	Does the county have zoning?
	Yes
2.	If so, is the zoning countywide?
	No
3.	What municipalities in the county are zoned?
	Bellwood, Brainard, David City, Octavia, Ulysses
4.	When was zoning implemented?
	Zoning was implemented in 1985 for David City, Octavia was added in 2005, and the other three are not known.

D. Contracted Services

1.	Appraisal Services:
	Large Commercial properties are occasionally contracted out.
2.	Other services:
	The administrative, appraisal, programming, and support functions are contracted through TerraScan. GIS programming, programming support and instruction are provided through GIS workshop.

2011 Certification for Butler 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 Butler County Assessor.

Dated this 11th day of April, 2011.



A handwritten signature in black ink that reads "Ruth A. Sorensen".

Ruth A. Sorensen
Property Tax Administrator

