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2011 Commission Summary for Cherry County

Residential Real Property - Current

Number of Sales	112	Median	97.65
Total Sales Price	\$7,378,291	Mean	103.59
Total Adj. Sales Price	\$7,356,291	Wgt. Mean	94.55
Total Assessed Value	\$6,955,151	Average Assessed Value of the Base	\$49,781
Avg. Adj. Sales Price	\$65,681	Avg. Assessed Value	\$62,100

Confidence Interval - Current

95% Median C.I	92.38 to 104.06
95% Mean C.I	89.27 to 99.82
95% Wgt. Mean C.I	95.77 to 111.41
% of Value of the Class of all Real Property Value in the County	11.79
% of Records Sold in the Study Period	4.27
% of Value Sold in the Study Period	5.33

Residential Real Property - History

Year	Number of Sales	LOV	Median
2010	135	96	96
2009	144	96	96
2008	132	99	99
2007	147	99	99

2011 Commission Summary for Cherry County

Commercial Real Property - Current

Number of Sales	23	Median	95.00
Total Sales Price	\$2,114,800	Mean	103.73
Total Adj. Sales Price	\$2,114,800	Wgt. Mean	85.45
Total Assessed Value	\$1,807,006	Average Assessed Value of the Base	\$104,683
Avg. Adj. Sales Price	\$91,948	Avg. Assessed Value	\$78,565

Confidence Interval - Current

95% Median C.I	71.52 to 106.52
95% Mean C.I	78.83 to 128.63
95% Wgt. Mean C.I	72.02 to 98.88
% of Value of the Class of all Real Property Value in the County	5.46
% of Records Sold in the Study Period	3.99
% of Value Sold in the Study Period	2.99

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2010	24	97	97
2009	31	99	99
2008	38	99	99
2007	34	99	99

2011 Opinions of the Property Tax Administrator for Cherry 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	98	Meets generally accepted mass appraisal practices.	No recommendation.
Commercial Real Property	95	Meets generally accepted mass appraisal practices.	No recommendation.
Agricultural Land	71	The qualitative measures calculated in the base stat 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 Cherry County

In-depth drive by physical inspections and property reviews were conducted by the staff of the assessors office for the City of Valentine and the villages. Special focus was on mobile home courts.

A review was conducted in Pinecrest Addition to Valentine for finished basements. Changes were noted, and the appropriate changes were applied.

Pickup work on all residential properties was completed.

Rural residential inspections have been started. The office is in the process of compiling complete legal descriptions for fractional properties and placing a copy of the description in the property record files.

For all property types, the physical addresses were updated per the newly acquired 9-1-1 addressing system. Also, repaired and made new cadastral map pages for the cadastral maps and entered the cadastral map book and page number into the CAMA system. Updated values on all property record files.

2011 Residential Assessment Survey for Cherry County

1.	Valuation data collection done by:	
	Knoche Appraisal and office 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> <i>The characteristics the assessor feels makes each of these groupings unique are: location, aesthetic value, market, population, school or no school, and distance to primary towns.</i>
	1	Valentine: population – approximately 2800; schools – elementary, middle, and high school; full services
	2	Rural V: population – approximately 100; within one mile jurisdiction of Valentine but out of city limits; school – attend Valentine schools; rely on services out of Valentine
	3	Cody: population – approximately 149; distance from Valentine – 42 miles west; school – a high school; Cody also can provide some services to nearest villages not wanting to travel into Valentine
	4	Crookston: population – approximately 96; distance from Valentine – 11 miles west; no school or services
	5	Kilgore: population – approximately 99; distance from Valentine – 11 miles west; no school or services
	6	Merriman: population – approximately 118; distance from Valentine – 60 miles west; school – an elementary; services – welding shop, convenience store and bar
	7	Wood Lake: population – approximately 72; distance from Valentine – 25 miles east; school – an elementary; services – café, service station, gift store along highway 20
	8	Rural: countywide, will vary in distance from Valentine, is designated by neighborhoods, differing with location and aesthetic value
	9	Nenzel: population – approximately 13; distance from Valentine – 35 miles west; no school or services, does not even levy tax for the village; there is a Catholic church
3.	List and describe the approach(es) used to estimate the market value of residential properties.	
	Primarily the cost approach less depreciation derived from the market.	
4.	When was the last lot value study completed?	
	2005; rural residential acreages done annually.	
5.	Describe the methodology used to determine the residential lot values.	
	Vacant lot sales in similar neighborhoods are reviewed and cost per square foot derived from the market.	

6.	What costing year for the cost approach is being used for each valuation grouping?
	2005
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 is applicable during the review process; it is not built into the CAMA system.
8.	Are individual depreciation tables developed for each valuation grouping?
	No
9.	How often does the County update the depreciation tables?
	Upon a review of the property class if needed.
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.
	After a sale, when a property undergoes a physical or economic change that affects the market value so it no longer represents the parcel when sold is substantially changed.
12.	Please provide any documents related to the policies or procedures used for the residential class of property.
	The assessor relies on statutes, regulations, and directives and the opinion of the contracted appraiser. There are no county specific policies or procedures.

16 Cherry
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 : 112
Total Sales Price : 7,378,291
Total Adj. Sales Price : 7,356,291
Total Assessed Value : 6,955,151
Avg. Adj. Sales Price : 65,681
Avg. Assessed Value : 62,100

MEDIAN : 98
WGT. MEAN : 95
MEAN : 104
COD : 30.69
PRD : 109.56

COV : 40.79
STD : 42.25
Avg. Abs. Dev : 29.97
MAX Sales Ratio : 249.73
MIN Sales Ratio : 09.04

95% Median C.I. : 92.38 to 104.06
95% Wgt. Mean C.I. : 89.27 to 99.82
95% Mean C.I. : 95.77 to 111.41

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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	19	98.53	98.60	103.46	24.45	95.30	21.75	193.67	79.31 to 110.70	60,616	62,715
01-OCT-08 To 31-DEC-08	23	94.31	98.91	88.15	33.06	112.21	21.95	249.73	76.78 to 113.60	58,972	51,984
01-JAN-09 To 31-MAR-09	5	99.43	105.52	100.58	19.88	104.91	72.28	150.32	N/A	113,800	114,461
01-APR-09 To 30-JUN-09	9	99.62	102.90	92.47	20.99	111.28	55.85	182.43	69.87 to 116.95	96,441	89,178
01-JUL-09 To 30-SEP-09	11	96.16	99.64	85.19	24.23	116.96	68.20	175.46	69.65 to 131.43	60,924	51,904
01-OCT-09 To 31-DEC-09	11	95.89	109.98	103.88	28.79	105.87	70.00	221.05	73.92 to 133.83	59,902	62,227
01-JAN-10 To 31-MAR-10	11	106.93	110.57	90.02	32.14	122.83	55.03	191.46	67.80 to 169.87	70,073	63,081
01-APR-10 To 30-JUN-10	23	99.37	107.74	94.84	40.64	113.60	09.04	218.30	80.80 to 133.74	57,016	54,073
<u>Study Yrs</u>											
01-JUL-08 To 30-JUN-09	56	97.65	100.04	95.36	26.99	104.91	21.75	249.73	91.17 to 104.06	70,447	67,181
01-JUL-09 To 30-JUN-10	56	97.77	107.14	93.60	34.36	114.47	09.04	221.05	85.60 to 112.00	60,915	57,018
<u>Calendar Yrs</u>											
01-JAN-09 To 31-DEC-09	36	98.10	104.43	95.09	24.18	109.82	55.85	221.05	85.60 to 110.06	76,835	73,065
<u>ALL</u>	112	97.65	103.59	94.55	30.69	109.56	09.04	249.73	92.38 to 104.06	65,681	62,100

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	69	96.77	106.59	98.22	26.20	108.52	55.03	221.05	89.05 to 110.70	62,538	61,427
02	6	91.80	90.75	89.10	15.76	101.85	67.80	113.19	67.80 to 113.19	136,704	121,801
03	9	125.97	127.68	110.96	39.73	115.07	22.56	200.03	55.02 to 191.46	19,778	21,945
04	4	58.94	62.91	92.05	68.60	68.34	21.75	112.00	N/A	18,000	16,569
05	1	52.66	52.66	52.66	00.00	100.00	52.66	52.66	N/A	18,000	9,479
06	3	106.93	131.74	144.48	46.23	91.18	70.00	218.30	N/A	2,900	4,190
07	5	68.20	96.99	87.97	84.15	110.25	09.04	249.73	N/A	16,753	14,738
08	13	99.62	96.52	87.66	17.83	110.11	58.84	141.48	73.73 to 107.22	135,962	119,180
09	2	57.10	57.10	82.80	61.56	68.96	21.95	92.24	N/A	46,500	38,500
<u>ALL</u>	112	97.65	103.59	94.55	30.69	109.56	09.04	249.73	92.38 to 104.06	65,681	62,100

PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	112	97.65	103.59	94.55	30.69	109.56	09.04	249.73	92.38 to 104.06	65,681	62,100
06											
07											
<u>ALL</u>	112	97.65	103.59	94.55	30.69	109.56	09.04	249.73	92.38 to 104.06	65,681	62,100

**16 Cherry
RESIDENTIAL**

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Qualified

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 Avg. Assessed Value : 62,100

MEDIAN : 98
 WGT. MEAN : 95
 MEAN : 104
 COD : 30.69
 PRD : 109.56

COV : 40.79
 STD : 42.25
 Avg. Abs. Dev : 29.97
 MAX Sales Ratio : 249.73
 MIN Sales Ratio : 09.04

95% Median C.I. : 92.38 to 104.06
 95% Wgt. Mean C.I. : 89.27 to 99.82
 95% Mean C.I. : 95.77 to 111.41

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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	
Low \$												
1 TO 4999	10	119.42	117.33	151.33	50.89	77.53	21.75	218.30	23.20 to 200.03	2,057	3,112	
5000 TO 9999	7	102.12	88.31	94.88	37.40	93.08	09.04	150.32	09.04 to 150.32	6,000	5,693	
Total \$												
1 TO 9999	17	106.93	105.38	113.44	48.96	92.89	09.04	218.30	23.20 to 169.87	3,680	4,175	
10000 TO 29999	21	115.25	119.69	116.37	36.94	102.85	21.95	249.73	76.78 to 150.58	18,859	21,947	
30000 TO 59999	28	102.93	113.53	114.13	27.30	99.47	64.33	221.05	92.43 to 125.97	43,927	50,134	
60000 TO 99999	23	92.24	90.34	90.84	14.56	99.45	58.84	120.69	80.23 to 96.77	75,707	68,772	
100000 TO 149999	10	86.47	91.90	92.02	12.76	99.87	71.79	116.56	80.80 to 107.25	123,500	113,641	
150000 TO 249999	10	91.78	87.46	87.74	16.06	99.68	59.01	113.19	67.06 to 105.01	177,200	155,474	
250000 TO 499999	3	77.78	82.34	81.20	12.64	101.40	69.87	99.37	N/A	306,500	248,879	
500000 +												
ALL	112	97.65	103.59	94.55	30.69	109.56	09.04	249.73	92.38 to 104.06	65,681	62,100	

**2011 Correlation Section
for Cherry County**

A. Residential Real Property

The statistical sampling of 112 residential sales, a 17% decline from 2010, will be considered an adequate and reliable sample for the measurement of the residential class of real property in Cherry County. There is a close relationship between two of the measures of central tendency, the median and the weighted mean, the mean is slightly above the acceptable standard but is most like to be effected by outliers. In this sample the low dollar sales are having an impact on the mean and the qualitative measures. However when analyzing the low dollar sales, the location and population, ranging from approximately 72 to 2800 people, of the small villages, it is apparent that the market is unorganized for these residential properties making it difficult to manage quality statistics.

The residential sales verification in Cherry County is handled primarily by telephone interview. Personal knowledge is helpful in some instances. Questionnaires have been mailed out in the past but the response was poor. All pertinent information is documented on either the supplemental sheet that is filled out in conjunction with the 521 or on a blank questionnaire and kept on file with a copy of the 521. The contracted appraiser, Knoche Appraisal, will also assist when doing a total review of a town or neighborhood. The assessor also feels that the area real estate agents, property appraisers, and local attorneys are excellent sources of information in determining the qualification of a sale.

Based on the consideration of all available information, the level of value is determined to be 98% of market value for the residential class of real property. Because the known assessment practices are reliable and consistent it is believed that the residential class of property is being treated in the most uniform and proportionate manner possible.

**2011 Correlation Section
for Cherry 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 Cherry 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 Cherry 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 Cherry 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 Cherry County

An initial valuation on the championship golf course was completed for assessment year 2011. This involved several physical reviews and obtaining information from the managers of the golf course.

The pickup work was completed on all commercial properties.

For all property types, the physical addresses were updated with the newly acquired 9-1-1 addressing. Also, repaired and made new cadastral map pages for the cadastral maps and entered the cadastral map book and page number into the CAMA system. Updated values on all property record files.

2011 Commercial Assessment Survey for Cherry County

1.	Valuation data collection done by:	
	Knoche Appraisal	
2.	List the valuation groupings used by the County and describe the unique characteristics that effect value:	
	<u>Valuation Grouping</u>	<i>Description of unique characteristics- The characteristics the assessor feels makes each of these groupings unique are: location, aesthetic value, market, population, school or no school, and distance to primary towns.</i>
	1	Valentine: population – approximately 2800; schools – elementary, middle, and high school; full services
	2	Rural V: population – approximately 100; within one mile jurisdiction of Valentine but out of city limits; school – attend Valentine schools; rely on services out of Valentine
	3	Cody: population – approximately 149; distance from Valentine – 42 miles west; school – a high school; Cody also can provide some services to nearest villages not wanting to travel into Valentine
	4	Crookston: population – approximately 96; distance from Valentine – 11 miles west; no school or services
	5	Kilgore: population – approximately 99; distance from Valentine – 11 miles west; no school or services
	6	Merriman: population – approximately 118; distance from Valentine – 60 miles west; school – an elementary; services – welding shop, convenience store and bar
	7	Wood Lake: population – approximately 72; distance from Valentine – 25 miles east; school – an elementary; services – café, service station, gift store along highway 20
	8	Rural: countywide, will vary in distance from Valentine, is designated by neighborhoods, differing with location and aesthetic value
	9	Nenzel: population – approximately 13; distance from Valentine – 35 miles west; no school or services, does not even levy tax for the village; there is a Catholic church
3.	List and describe the approach(es) used to estimate the market value of commercial properties.	
	Primarily the cost approach and the income approach if income and expense data can be obtained.	
4.	When was the last lot value study completed?	
	2007	
5.	Describe the methodology used to determine the commercial lot values.	
	A square foot cost was derived from the market.	

6.	What costing year for the cost approach is being used for each valuation grouping?
	2005
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 is not built into the CAMA system, but from the market and applied during review process.
8.	Are individual depreciation tables developed for each valuation grouping?
	No
9.	How often does the County update the depreciation tables?
	Upon a review of the property class if needed.
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.
	After a sale, when a property undergoes a physical or economic change that affects the market value so it no longer represents the parcel when sold is substantially changed.
12.	Please provide any documents related to the policies or procedures used for the commercial class of property.
	The assessor relies on statutes, regulations, and directives and the opinion of the contracted appraiser. There are no county specific policies or procedures.

16 Cherry
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 : 23
Total Sales Price : 2,114,800
Total Adj. Sales Price : 2,114,800
Total Assessed Value : 1,807,006
Avg. Adj. Sales Price : 91,948
Avg. Assessed Value : 78,565

MEDIAN : 95
WGT. MEAN : 85
MEAN : 104
COD : 40.51
PRD : 121.39

COV : 55.51
STD : 57.58
Avg. Abs. Dev : 38.48
MAX Sales Ratio : 271.00
MIN Sales Ratio : 20.23

95% Median C.I. : 71.52 to 106.52
95% Wgt. Mean C.I. : 72.02 to 98.88
95% Mean C.I. : 78.83 to 128.63

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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>Qrtrs</u>											
01-JUL-07 To 30-SEP-07	3	106.01	109.60	87.04	25.07	125.92	71.52	151.27	N/A	91,767	79,877
01-OCT-07 To 31-DEC-07											
01-JAN-08 To 31-MAR-08	1	69.56	69.56	69.56	00.00	100.00	69.56	69.56	N/A	600,000	417,360
01-APR-08 To 30-JUN-08	3	96.72	109.90	96.99	23.98	113.31	81.71	151.27	N/A	185,500	179,923
01-JUL-08 To 30-SEP-08											
01-OCT-08 To 31-DEC-08	3	74.88	138.82	76.79	89.21	180.78	70.59	271.00	N/A	45,000	34,555
01-JAN-09 To 31-MAR-09	2	63.38	63.38	88.35	68.08	71.74	20.23	106.52	N/A	104,500	92,327
01-APR-09 To 30-JUN-09	1	97.50	97.50	97.50	00.00	100.00	97.50	97.50	N/A	8,000	7,800
01-JUL-09 To 30-SEP-09	1	126.69	126.69	126.69	00.00	100.00	126.69	126.69	N/A	12,000	15,203
01-OCT-09 To 31-DEC-09	5	94.37	97.51	86.03	30.14	113.34	55.09	172.67	N/A	43,100	37,078
01-JAN-10 To 31-MAR-10											
01-APR-10 To 30-JUN-10	4	84.52	100.67	109.70	63.19	91.77	20.60	213.04	N/A	25,875	28,384
<u>Study Yrs</u>											
01-JUL-07 To 30-JUN-08	7	96.72	104.01	83.58	27.44	124.44	69.56	151.27	69.56 to 151.27	204,543	170,966
01-JUL-08 To 30-JUN-09	6	86.19	106.79	84.12	59.81	126.95	20.23	271.00	20.23 to 271.00	58,667	49,353
01-JUL-09 To 30-JUN-10	10	94.69	101.69	94.90	40.99	107.15	20.60	213.04	55.09 to 172.67	33,100	31,413
<u>Calendar Yrs</u>											
01-JAN-08 To 31-DEC-08	7	81.71	116.53	82.14	53.14	141.87	69.56	271.00	69.56 to 271.00	184,500	151,542
01-JAN-09 To 31-DEC-09	9	95.00	93.16	88.42	30.79	105.36	20.23	172.67	55.09 to 126.69	49,389	43,672
<u>ALL</u>	23	95.00	103.73	85.45	40.51	121.39	20.23	271.00	71.52 to 106.52	91,948	78,565

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	18	94.69	102.29	86.40	30.34	118.39	55.09	213.04	71.52 to 106.52	113,806	98,330
03	1	126.69	126.69	126.69	00.00	100.00	126.69	126.69	N/A	12,000	15,203
04	1	271.00	271.00	271.00	00.00	100.00	271.00	271.00	N/A	1,500	4,065
05	1	20.23	20.23	20.23	00.00	100.00	20.23	20.23	N/A	44,000	8,903
06	1	20.60	20.60	20.60	00.00	100.00	20.60	20.60	N/A	500	103
08	1	106.01	106.01	106.01	00.00	100.00	106.01	106.01	N/A	8,300	8,799
<u>ALL</u>	23	95.00	103.73	85.45	40.51	121.39	20.23	271.00	71.52 to 106.52	91,948	78,565

16 Cherry
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 : 23
Total Sales Price : 2,114,800
Total Adj. Sales Price : 2,114,800
Total Assessed Value : 1,807,006
Avg. Adj. Sales Price : 91,948
Avg. Assessed Value : 78,565

MEDIAN : 95
WGT. MEAN : 85
MEAN : 104
COD : 40.51
PRD : 121.39

COV : 55.51
STD : 57.58
Avg. Abs. Dev : 38.48
MAX Sales Ratio : 271.00
MIN Sales Ratio : 20.23

95% Median C.I. : 71.52 to 106.52
95% Wgt. Mean C.I. : 72.02 to 98.88
95% Mean C.I. : 78.83 to 128.63

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PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
02											
03	23	95.00	103.73	85.45	40.51	121.39	20.23	271.00	71.52 to 106.52	91,948	78,565
04											
<u>ALL</u>	23	95.00	103.73	85.45	40.51	121.39	20.23	271.00	71.52 to 106.52	91,948	78,565

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	2	145.80	145.80	208.40	85.87	69.96	20.60	271.00	N/A	1,000	2,084
5000 TO 9999	3	97.50	91.37	91.13	12.11	100.26	70.59	106.01	N/A	8,267	7,533
<u>Total \$</u>											
1 TO 9999	5	97.50	113.14	99.88	58.63	113.28	20.60	271.00	N/A	5,360	5,353
10000 TO 29999	4	110.91	132.46	137.73	33.72	96.17	95.00	213.04	N/A	18,125	24,964
30000 TO 59999	6	122.82	110.62	108.05	38.90	102.38	20.23	172.67	20.23 to 172.67	44,500	48,081
60000 TO 99999	2	62.75	62.75	63.59	12.21	98.68	55.09	70.40	N/A	67,500	42,927
100000 TO 149999	1	74.88	74.88	74.88	00.00	100.00	74.88	74.88	N/A	125,000	93,600
150000 TO 249999	3	81.71	86.58	85.11	14.28	101.73	71.52	106.52	N/A	184,500	157,028
250000 TO 499999	1	96.72	96.72	96.72	00.00	100.00	96.72	96.72	N/A	335,000	324,000
500000 +	1	69.56	69.56	69.56	00.00	100.00	69.56	69.56	N/A	600,000	417,360
<u>ALL</u>	23	95.00	103.73	85.45	40.51	121.39	20.23	271.00	71.52 to 106.52	91,948	78,565

OCCUPANCY CODE

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
Blank	5	81.71	75.28	82.74	27.49	90.98	20.60	106.01	N/A	39,360	32,567
300	2	84.12	84.12	86.81	14.98	96.90	71.52	96.72	N/A	276,000	239,600
350	2	151.27	151.27	151.27	00.00	100.00	151.27	151.27	N/A	50,000	75,633
352	1	74.88	74.88	74.88	00.00	100.00	74.88	74.88	N/A	125,000	93,600
353	1	73.92	73.92	73.92	00.00	100.00	73.92	73.92	N/A	55,000	40,655
406	10	100.82	129.99	102.53	47.60	126.78	55.09	271.00	70.40 to 213.04	44,200	45,319
528	1	20.23	20.23	20.23	00.00	100.00	20.23	20.23	N/A	44,000	8,903
531	1	69.56	69.56	69.56	00.00	100.00	69.56	69.56	N/A	600,000	417,360
<u>ALL</u>	23	95.00	103.73	85.45	40.51	121.39	20.23	271.00	71.52 to 106.52	91,948	78,565

**2011 Correlation Section
for Cherry County**

A. Commercial Real Property

The statistical sampling, for the commercial class of real property, of 23 sales will be used in the measurement of the commercial class. There is not a close relationship between any of the three measures of central tendency, and the qualitative measures are above the prescribed parameters of the International Association of Assessing Officers (IAAO) standards. There are the typical lower dollar sales and three outlier ratios over 170% that are affecting the COD and PRD. When further stratifying the sample by occupancy codes the samples become very small and spread out over eight different occupancy codes decreasing the reliability. However, there is not a test to determine if each occupancy code listed is representative of the population. The 23 sales represent 3.99% of the 577 commercial records in the county, and the average selling price is \$91,948 compared to the average of the population \$104,683.

The commercial sales verification in Cherry County is handled primarily with telephone interviews. All information is documented and kept on file with a copy of the 521. The contracted appraiser, Knoche Appraisal, will also assist when doing a total review of a town or neighborhood. The assessor has found that in many instances the area real estate agents, property appraisers, and local attorney are her best source of information in determining the qualification of a sale.

Only routine maintenance was done in the commercial class of real property for assessment year 2011. With the exception of the championship golf course which was placed on the assessment rolls at a partial value for this year.

Based on the consideration of all available information, the level of value is determined to be 95% of market value for the commercial class of real property. While the Division has some concerns because of the high COD we have not identified any assessment practices that violate professional standards.

**2011 Correlation Section
for Cherry 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 Cherry 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 Cherry 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 Cherry 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 Cherry County

The six year physical inspection and review was completed for all rural sites. This involved aerial photos, mailing site plans to property owners to verify, physical inspection and pricing.

A review of the agland values for 2011 was done, and no changes were warranted. Land usage was tracked for CRP and irrigation by questionnaires and phone calls.

For all property types, the physical addresses were updated with the newly acquired 9-1-1 addressing. Also, repaired and made new cadastral map pages for the cadastral maps and entered the cadastral map book and page number into the CAMA system. Updated values on all property record files.

2011 Agricultural Assessment Survey for Cherry County

1.	Valuation data collection done by:	
	Knoche Appraisal and office staff.	
2.	List each market area, and describe the location and the specific characteristics that make each unique.	
	Market Area	Description of unique characteristics
		There are no market areas.
3.	Describe the process that is used to determine and monitor market areas.	
	N/A	
4.	Describe the process used to identify and value rural residential land and recreational land in the county.	
	<p>Agricultural land has the ability to conform to statutes 77-1359 and 77-1363 and based upon the standard agricultural practices of Cherry County. If it does not, it falls into the residential or recreational category. Use aids in making the decision. For residential or recreational site, amenities such as canyons, rivers, views, or lack of these bear differences in the market. Groupings of similar properties with similar amenities in similar areas form neighborhoods, not unlike other residential properties. It is the review of the market in these neighborhoods that form the basis for valuing of these properties.</p>	
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?	
	<p>Farm sites do not carry the same value as rural residential sites. Rural farm sites do not rely on amenities like the rural residential, based on the market. Rural residential sites are valued like any other residential property at a dollar per square foot value, based on the market. Farm sites are valued at \$5,000 for the home site acre.</p>	
6.	What land characteristics are used to assign differences in assessed values?	
	<p>Cherry County is approximately 96% grass and is part of a large expanse of sand-dune area known as the Nebraska Sand Hills and lies above the Ogallala aquifer. The remainder of the county consists of meadows, dry cropland, irrigated land and some waste.</p>	
7.	What process is used to annually update land use? (Physical inspection, FSA maps, etc.)	
	<p>Physical inspections, maps from the FSA provided by taxpayers, questionnaires to taxpayers, and occasional phone calls.</p>	

8.	Describe the process used to identify and monitor the influence of non-agricultural characteristics.
	The process would start with the sales review consisting of interviews, inspections, and possibly questionnaires.
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.
	After a sale, when a property undergoes a physical or economic change that affects the market value so it no longer represents the parcel when sold is substantially changed.
12.	Please provide any documents related to the policies or procedures used for the agricultural class of property.
	The assessor relies on statutes, regulations, and directives and the opinion of the contracted appraiser. There are no county specific policies or procedures.

16 Cherry
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 : 46
 Total Sales Price : 26,321,827
 Total Adj. Sales Price : 26,102,667
 Total Assessed Value : 15,627,222
 Avg. Adj. Sales Price : 567,449
 Avg. Assessed Value : 339,722

MEDIAN : 69
 WGT. MEAN : 60
 MEAN : 72
 COD : 26.26
 PRD : 120.31

COV : 45.11
 STD : 32.49
 Avg. Abs. Dev : 18.12
 MAX Sales Ratio : 229.84
 MIN Sales Ratio : 33.04

95% Median C.I. : 57.26 to 74.51
 95% Wgt. Mean C.I. : 53.14 to 66.60
 95% Mean C.I. : 62.64 to 81.42

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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	115.86	115.86	62.43	46.17	185.58	62.37	169.34	N/A	4,776,924	2,982,064
01-OCT-07 To 31-DEC-07	8	75.04	69.49	60.29	18.70	115.26	33.04	87.54	33.04 to 87.54	301,938	182,030
01-JAN-08 To 31-MAR-08	3	55.43	59.43	42.85	29.33	138.69	37.04	85.81	N/A	1,053,556	451,425
01-APR-08 To 30-JUN-08	9	70.60	65.08	63.89	13.97	101.86	44.35	76.14	46.54 to 76.14	111,517	71,249
01-JUL-08 To 30-SEP-08	3	59.27	110.11	48.47	106.07	227.17	41.23	229.84	N/A	291,280	141,190
01-OCT-08 To 31-DEC-08	4	77.91	80.37	79.30	27.54	101.35	46.02	119.64	N/A	405,116	321,241
01-JAN-09 To 31-MAR-09	2	61.27	61.27	50.68	21.01	120.90	48.40	74.13	N/A	90,325	45,775
01-APR-09 To 30-JUN-09	7	56.88	57.38	54.79	08.25	104.73	48.97	65.79	48.97 to 65.79	762,557	417,839
01-JUL-09 To 30-SEP-09	1	69.71	69.71	69.71	00.00	100.00	69.71	69.71	N/A	14,000	9,759
01-OCT-09 To 31-DEC-09	2	69.25	69.25	66.25	17.55	104.53	57.10	81.39	N/A	172,500	114,278
01-JAN-10 To 31-MAR-10	1	86.94	86.94	86.94	00.00	100.00	86.94	86.94	N/A	483,750	420,570
01-APR-10 To 30-JUN-10	4	73.52	72.60	74.32	03.47	97.69	67.07	76.28	N/A	278,350	206,875
<u>Study Yrs</u>											
01-JUL-07 To 30-JUN-08	22	70.66	70.53	58.36	23.93	120.85	33.04	169.34	55.43 to 79.37	733,348	427,995
01-JUL-08 To 30-JUN-09	16	58.27	73.50	58.97	39.09	124.64	41.23	229.84	48.97 to 74.13	500,803	295,310
01-JUL-09 To 30-JUN-10	8	73.52	73.19	75.99	08.79	96.32	57.10	86.94	57.10 to 86.94	244,519	185,798
<u>Calendar Yrs</u>											
01-JAN-08 To 31-DEC-08	19	70.60	74.52	55.63	32.86	133.96	37.04	229.84	46.54 to 76.14	350,454	194,950
01-JAN-09 To 31-DEC-09	12	57.18	61.04	55.38	13.94	110.22	48.40	81.39	53.06 to 69.71	489,796	271,228
<u>ALL</u>	46	68.99	72.03	59.87	26.26	120.31	33.04	229.84	57.26 to 74.51	567,449	339,722

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
0	46	68.99	72.03	59.87	26.26	120.31	33.04	229.84	57.26 to 74.51	567,449	339,722
<u>ALL</u>	46	68.99	72.03	59.87	26.26	120.31	33.04	229.84	57.26 to 74.51	567,449	339,722

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
<u>Irrigated</u>											
County	1	74.13	74.13	74.13	00.00	100.00	74.13	74.13	N/A	16,000	11,860
0	1	74.13	74.13	74.13	00.00	100.00	74.13	74.13	N/A	16,000	11,860
<u>Grass</u>											
County	32	70.66	73.15	67.07	21.00	109.07	46.54	169.34	59.27 to 79.37	484,204	324,773
0	32	70.66	73.15	67.07	21.00	109.07	46.54	169.34	59.27 to 79.37	484,204	324,773
<u>ALL</u>	46	68.99	72.03	59.87	26.26	120.31	33.04	229.84	57.26 to 74.51	567,449	339,722

16 Cherry
AGRICULTURAL - BASE STAT

PAD 2011 R&O Statistics (Using 2011 Values)

Qualified

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 WGT. MEAN : 60
 MEAN : 72
 COD : 26.26
 PRD : 120.31

COV : 45.11
 STD : 32.49
 Avg. Abs. Dev : 18.12
 MAX Sales Ratio : 229.84
 MIN Sales Ratio : 33.04

95% Median C.I. : 57.26 to 74.51
 95% Wgt. Mean C.I. : 53.14 to 66.60
 95% Mean C.I. : 62.64 to 81.42

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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	4	52.06	52.82	37.93	34.15	139.26	33.04	74.13	N/A	830,460	314,978
0	4	52.06	52.82	37.93	34.15	139.26	33.04	74.13	N/A	830,460	314,978
_____Grass_____											
County	36	70.16	70.91	63.04	21.79	112.48	41.23	169.34	57.26 to 76.14	580,538	365,978
0	36	70.16	70.91	63.04	21.79	112.48	41.23	169.34	57.26 to 76.14	580,538	365,978
_____ALL_____	46	68.99	72.03	59.87	26.26	120.31	33.04	229.84	57.26 to 74.51	567,449	339,722

16 Cherry
AGRICULTURAL - RANDOM INCLUDE

PAD 2011 R&O Statistics (Using 2011 Values)

Qualified

Date Range: 7/1/2007 To 6/30/2010 Posted on: 3/12/2011

Number of Sales : 55
 Total Sales Price : 34,126,454
 Total Adj. Sales Price : 33,882,294
 Total Assessed Value : 19,568,112
 Avg. Adj. Sales Price : 616,042
 Avg. Assessed Value : 355,784

MEDIAN : 66
 WGT. MEAN : 58
 MEAN : 69
 COD : 27.87
 PRD : 120.00

COV : 45.25
 STD : 31.36
 Avg. Abs. Dev : 18.35
 MAX Sales Ratio : 229.84
 MIN Sales Ratio : 29.68

95% Median C.I. : 57.10 to 73.03
 95% Wgt. Mean C.I. : 51.40 to 64.11
 95% Mean C.I. : 61.01 to 77.59

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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	115.86	115.86	62.43	46.17	185.58	62.37	169.34	N/A	4,776,924	2,982,064
01-OCT-07 To 31-DEC-07	8	75.04	69.49	60.29	18.70	115.26	33.04	87.54	33.04 to 87.54	301,938	182,030
01-JAN-08 To 31-MAR-08	3	55.43	59.43	42.85	29.33	138.69	37.04	85.81	N/A	1,053,556	451,425
01-APR-08 To 30-JUN-08	9	70.60	65.08	63.89	13.97	101.86	44.35	76.14	46.54 to 76.14	111,517	71,249
01-JUL-08 To 30-SEP-08	3	59.27	110.11	48.47	106.07	227.17	41.23	229.84	N/A	291,280	141,190
01-OCT-08 To 31-DEC-08	4	77.91	80.37	79.30	27.54	101.35	46.02	119.64	N/A	405,116	321,241
01-JAN-09 To 31-MAR-09	2	61.27	61.27	50.68	21.01	120.90	48.40	74.13	N/A	90,325	45,775
01-APR-09 To 30-JUN-09	8	57.07	59.11	55.37	10.32	106.75	48.97	71.21	48.97 to 71.21	691,613	382,966
01-JUL-09 To 30-SEP-09	1	69.71	69.71	69.71	00.00	100.00	69.71	69.71	N/A	14,000	9,759
01-OCT-09 To 31-DEC-09	3	57.10	61.32	46.98	20.96	130.52	45.48	81.39	N/A	1,589,789	746,846
01-JAN-10 To 31-MAR-10	3	86.94	76.33	72.07	20.58	105.91	44.20	97.86	N/A	536,083	386,360
01-APR-10 To 30-JUN-10	9	65.83	58.91	59.67	19.66	98.73	29.68	76.28	39.17 to 74.01	349,907	208,783
<u>Study Yrs</u>											
01-JUL-07 To 30-JUN-08	22	70.66	70.53	58.36	23.93	120.85	33.04	169.34	55.43 to 79.37	733,348	427,995
01-JUL-08 To 30-JUN-09	17	59.27	73.37	59.26	37.35	123.81	41.23	229.84	48.97 to 74.13	482,815	286,106
01-JUL-09 To 30-JUN-10	16	66.45	63.30	55.43	22.54	114.20	29.68	97.86	44.20 to 76.28	596,299	330,526
<u>Calendar Yrs</u>											
01-JAN-08 To 31-DEC-08	19	70.60	74.52	55.63	32.86	133.96	37.04	229.84	46.54 to 76.14	350,454	194,950
01-JAN-09 To 31-DEC-09	14	57.18	60.65	51.50	15.16	117.77	45.48	81.39	48.97 to 71.21	749,780	386,112
<u>ALL</u>	55	65.83	69.30	57.75	27.87	120.00	29.68	229.84	57.10 to 73.03	616,042	355,784

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
0	55	65.83	69.30	57.75	27.87	120.00	29.68	229.84	57.10 to 73.03	616,042	355,784
<u>ALL</u>	55	65.83	69.30	57.75	27.87	120.00	29.68	229.84	57.10 to 73.03	616,042	355,784

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
<u>Irrigated</u>											
County	1	74.13	74.13	74.13	00.00	100.00	74.13	74.13	N/A	16,000	11,860
0	1	74.13	74.13	74.13	00.00	100.00	74.13	74.13	N/A	16,000	11,860
<u>Grass</u>											
County	38	70.16	70.20	61.93	23.53	113.35	29.68	169.34	57.26 to 76.14	564,596	349,678
0	38	70.16	70.20	61.93	23.53	113.35	29.68	169.34	57.26 to 76.14	564,596	349,678
<u>ALL</u>	55	65.83	69.30	57.75	27.87	120.00	29.68	229.84	57.10 to 73.03	616,042	355,784

16 Cherry
AGRICULTURAL - RANDOM INCLUDE

PAD 2011 R&O Statistics (Using 2011 Values)

Qualified

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MEDIAN : 66
 WGT. MEAN : 58
 MEAN : 69
 COD : 27.87
 PRD : 120.00

COV : 45.25
 STD : 31.36
 Avg. Abs. Dev : 18.35
 MAX Sales Ratio : 229.84
 MIN Sales Ratio : 29.68

95% Median C.I. : 57.10 to 73.03
 95% Wgt. Mean C.I. : 51.40 to 64.11
 95% Mean C.I. : 61.01 to 77.59

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80%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____ Irrigated _____											
County	6	53.06	52.90	39.84	27.91	132.78	33.04	74.13	33.04 to 74.13	691,890	275,668
0	6	53.06	52.90	39.84	27.91	132.78	33.04	74.13	33.04 to 74.13	691,890	275,668
_____ Grass _____											
County	43	65.83	68.49	60.04	24.78	114.07	29.68	169.34	56.88 to 74.51	647,663	388,884
0	43	65.83	68.49	60.04	24.78	114.07	29.68	169.34	56.88 to 74.51	647,663	388,884
_____ ALL _____	55	65.83	69.30	57.75	27.87	120.00	29.68	229.84	57.10 to 73.03	616,042	355,784

16 Cherry
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 : 60
 Total Sales Price : 35,586,922
 Total Adj. Sales Price : 35,342,762
 Total Assessed Value : 20,640,352
 Avg. Adj. Sales Price : 589,046
 Avg. Assessed Value : 344,006

MEDIAN : 66
 WGT. MEAN : 58
 MEAN : 72
 COD : 29.86
 PRD : 122.60

COV : 46.90
 STD : 33.58
 Avg. Abs. Dev : 19.84
 MAX Sales Ratio : 229.84
 MIN Sales Ratio : 29.68

95% Median C.I. : 57.26 to 73.03
 95% Wgt. Mean C.I. : 52.40 to 64.40
 95% Mean C.I. : 63.10 to 80.10

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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	115.86	115.86	62.43	46.17	185.58	62.37	169.34	N/A	4,776,924	2,982,064
01-OCT-07 To 31-DEC-07	8	75.04	69.49	60.29	18.70	115.26	33.04	87.54	33.04 to 87.54	301,938	182,030
01-JAN-08 To 31-MAR-08	3	55.43	59.43	42.85	29.33	138.69	37.04	85.81	N/A	1,053,556	451,425
01-APR-08 To 30-JUN-08	9	70.60	65.08	63.89	13.97	101.86	44.35	76.14	46.54 to 76.14	111,517	71,249
01-JUL-08 To 30-SEP-08	4	65.23	100.38	51.61	76.85	194.50	41.23	229.84	N/A	253,460	130,807
01-OCT-08 To 31-DEC-08	4	77.91	80.37	79.30	27.54	101.35	46.02	119.64	N/A	405,116	321,241
01-JAN-09 To 31-MAR-09	5	74.13	96.18	77.68	49.16	123.82	48.40	173.34	N/A	212,150	164,808
01-APR-09 To 30-JUN-09	9	56.88	58.57	55.29	09.72	105.93	48.97	71.21	53.06 to 65.79	663,696	366,966
01-JUL-09 To 30-SEP-09	1	69.71	69.71	69.71	00.00	100.00	69.71	69.71	N/A	14,000	9,759
01-OCT-09 To 31-DEC-09	3	57.10	61.32	46.98	20.96	130.52	45.48	81.39	N/A	1,589,789	746,846
01-JAN-10 To 31-MAR-10	3	86.94	76.33	72.07	20.58	105.91	44.20	97.86	N/A	536,083	386,360
01-APR-10 To 30-JUN-10	9	65.83	58.99	59.70	19.54	98.81	29.68	76.28	39.17 to 74.01	349,907	208,907
<u>Study Yrs</u>											
01-JUL-07 To 30-JUN-08	22	70.66	70.53	58.36	23.93	120.85	33.04	169.34	55.43 to 79.37	733,348	427,995
01-JUL-08 To 30-JUN-09	22	64.83	78.69	61.39	39.60	128.18	41.23	229.84	53.97 to 74.13	439,469	269,769
01-JUL-09 To 30-JUN-10	16	66.45	63.35	55.44	22.48	114.27	29.68	97.86	44.20 to 76.28	596,299	330,596
<u>Calendar Yrs</u>											
01-JAN-08 To 31-DEC-08	20	70.89	74.35	55.95	31.13	132.89	37.04	229.84	54.03 to 76.14	339,931	190,185
01-JAN-09 To 31-DEC-09	18	60.58	70.10	53.96	28.52	129.91	45.48	173.34	53.97 to 71.21	656,521	354,280
<u>ALL</u>	60	66.45	71.60	58.40	29.86	122.60	29.68	229.84	57.26 to 73.03	589,046	344,006

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
0	60	66.45	71.60	58.40	29.86	122.60	29.68	229.84	57.26 to 73.03	589,046	344,006
<u>ALL</u>	60	66.45	71.60	58.40	29.86	122.60	29.68	229.84	57.26 to 73.03	589,046	344,006

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
<u>Irrigated</u>											
County	1	74.13	74.13	74.13	00.00	100.00	74.13	74.13	N/A	16,000	11,860
0	1	74.13	74.13	74.13	00.00	100.00	74.13	74.13	N/A	16,000	11,860
<u>Grass</u>											
County	43	70.60	73.29	62.66	26.50	116.96	29.68	173.34	59.27 to 76.14	532,910	333,928
0	43	70.60	73.29	62.66	26.50	116.96	29.68	173.34	59.27 to 76.14	532,910	333,928
<u>ALL</u>	60	66.45	71.60	58.40	29.86	122.60	29.68	229.84	57.26 to 73.03	589,046	344,006

16 Cherry
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

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MEDIAN : 66
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 MEAN : 72
 COD : 29.86
 PRD : 122.60

COV : 46.90
 STD : 33.58
 Avg. Abs. Dev : 19.84
 MAX Sales Ratio : 229.84
 MIN Sales Ratio : 29.68

95% Median C.I. : 57.26 to 73.03
 95% Wgt. Mean C.I. : 52.40 to 64.40
 95% Mean C.I. : 63.10 to 80.10

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80%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Irrigated_____											
County	6	53.42	53.02	39.87	27.95	132.98	33.04	74.13	33.04 to 74.13	691,890	275,855
0	6	53.42	53.02	39.87	27.95	132.98	33.04	74.13	33.04 to 74.13	691,890	275,855
_____Grass_____											
County	48	67.77	71.43	60.71	27.15	117.66	29.68	173.34	57.26 to 74.51	610,624	370,690
0	48	67.77	71.43	60.71	27.15	117.66	29.68	173.34	57.26 to 74.51	610,624	370,690
_____ALL_____											
	60	66.45	71.60	58.40	29.86	122.60	29.68	229.84	57.26 to 73.03	589,046	344,006

2011 Correlation Section for Cherry County

A. Agricultural Land

Cherry County abuts the State of South Dakota to the north and is Nebraska's largest county in land area at 6,048 square miles (96 miles by 63 miles). It lies in the northern part of a large expanse of sand-dune area known as the Nebraska Sand Hills which is the primary recharge area for the Ogallala aquifer that underlies this region. Unique to the county is the Valentine National Wildlife Refuge, Fort Niobrara National Wildlife Refuge, Samuel R. McKelvie National Forest, and Niobrara National Scenic River. Along with the natural waterfalls located along the rivers, the Snake River Falls is the largest in Nebraska and the Smith Falls is the tallest.

Cherry County is known for its well balanced ranches, the makeup of the meadows and pasture put this county among the best for the cattle industry. Major roads that are important to the shipment of livestock are; highway 20 running from the east to the west in the northern part of the county and highway 83 running from north to south in the eastern part of the county. Other highways that traverse the county are 12, 61 and 97. Two natural resource districts split this county; the Middle Niobrara Natural Resource District governs the largest part of the county to the north while the Upper Loup governs the southern part. The Middle Niobrara has a 99.9% moratorium and well restrictions, while the Upper Loup has a small area that has moratoriums and restrictions, but part of that district has a 2500 acre annual new well maximum.

Sales verification is normally done by phone, to a third party involved in the transaction such as the real estate agent, or one of the local attorneys. More often than not ranch properties sold in Cherry County will involve several thousand acres, out of town attorneys seem to be skeptical about sharing details or facts to help establish if the sale was or was not an arms length transaction. Local attorneys, real estate agents, and property appraisers are typically the most helpful in determining the qualification of a sale.

The county is homogenous enough in makeup that no market areas have been created. A review of the agricultural sales over the three year study period indicate 22 sales occurred from 7/01/07 to 6/30/08, 16 sales occurred from 7/01/08 to 6/30/09 and 8 sales occurred from 7/01/09 to 6/30/10. The way the sales are distributed over the study period may cause Cherry County to be compared to a different time standard than others as the third year of the study period is under-represented in comparison to the first and second years.

The sample indicates the land use to be 94% grass; this is a good representation of the land use in Cherry County as a whole. With over approximately three and a half million acres of grass, or approximately 96%, naturally it is the most predominant land use, followed by some irrigated and dry crop land. The assessor has developed subclasses for meadows as they are an integral part of many ranches and the market indicates a need to recognize them.

In determining the level of value and the quality of assessment within and across county lines three measurement tests were reviewed: the first, being the base statistical profile which is an analysis of only the sales within Cherry County; the second, an analysis of the sales in Cherry County with the inclusion of sales from surrounding counties with similar soils, land use

2011 Correlation Section for Cherry County

makeup, and topography. In order to develop a pool of sales that could be used to eliminate the time bias, and not require the exclusion of any sales occurring in Cherry County to achieve proportionality, the search for similar sales was extended to twelve miles. From a pool of twenty three sales, none were needed in the first year, one sale was brought into the second year, and eight sales were brought into the third year, thus the minimum threshold as set in policy that allows a variance of 10% of the total sales in the analysis to the sales between study years was met and a proportionate sample was maintained.

The third test was to bring in as many sales from the pool as possible to maintain a proportionate and representative sample and to meet the 10% threshold between study years. To maintain this requirement there was a need to randomly eliminate some of the sales that were brought into the test. As a result the sales file was not distorted with the inclusion of the remaining sales (none included in the first year, six in the second year and eight in the third year), there is a proportionate distribution of sales among each year of the study period, the sample is considered adequate to be statistically reliable, and there continues to be a reasonable representation of the land use in Cherry County.

There is a close correlation of all three tests, the subclass Majority Land Use (MLU) greater than 95% strata grass will be considered the best indicator of the level of value since Cherry County is predominantly 96% grass, the remainder of the land is an approximate equal split between irrigated, dry, and other.

From the assessors analysis of the agricultural land market it was determined that no changes were needed to the agricultural land values.

Based on the consideration of all available information, the level of value is determined to be 71% of market value for the agricultural land class of property. Cherry County has a consistent method of assigning and implementing agricultural land values, it is believed that the assessments are uniform and proportionate.

There will be no non binding recommendations made for the agricultural class of property.

**2011 Correlation Section
for Cherry 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 Cherry 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 Cherry 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 Cherry 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 : 14,395	Value : 1,106,090,883	Growth 14,872,118	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	542	1,331,045	56	768,242	200	2,476,875	798	4,576,162	
02. Res Improve Land	1,455	8,019,172	92	1,835,309	196	3,929,850	1,743	13,784,331	
03. Res Improvements	1,519	79,999,798	93	12,199,439	210	19,865,569	1,822	112,064,806	
04. Res Total	2,061	89,350,015	149	14,802,990	410	26,272,294	2,620	130,425,299	2,478,313
% of Res Total	78.66	68.51	5.69	11.35	15.65	20.14	18.20	11.79	16.66
05. Com UnImp Land	153	1,144,301	34	474,897	13	2,867,286	200	4,486,484	
06. Com Improve Land	338	4,872,574	19	412,147	14	1,259,296	371	6,544,017	
07. Com Improvements	342	32,617,268	19	2,578,162	16	14,176,412	377	49,371,842	
08. Com Total	495	38,634,143	53	3,465,206	29	18,302,994	577	60,402,343	10,870,724
% of Com Total	85.79	63.96	9.19	5.74	5.03	30.30	4.01	5.46	73.09
09. Ind UnImp Land	0	0	0	0	0	0	0	0	
10. Ind Improve Land	0	0	0	0	0	0	0	0	
11. Ind Improvements	0	0	0	0	0	0	0	0	
12. Ind Total	0	0	0	0	0	0	0	0	0
% of Ind Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13. Rec UnImp Land	0	0	0	0	0	0	0	0	
14. Rec Improve Land	0	0	0	0	0	0	0	0	
15. Rec Improvements	0	0	0	0	0	0	0	0	
16. Rec Total	0	0	0	0	0	0	0	0	0
% of Rec Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Res & Rec Total	2,061	89,350,015	149	14,802,990	410	26,272,294	2,620	130,425,299	2,478,313
% of Res & Rec Total	78.66	68.51	5.69	11.35	15.65	20.14	18.20	11.79	16.66
Com & Ind Total	495	38,634,143	53	3,465,206	29	18,302,994	577	60,402,343	10,870,724
% of Com & Ind Total	85.79	63.96	9.19	5.74	5.03	30.30	4.01	5.46	73.09
17. Taxable Total	2,556	127,984,158	202	18,268,196	439	44,575,288	3,197	190,827,642	13,349,037
% of Taxable Total	79.95	67.07	6.32	9.57	13.73	23.36	22.21	17.25	89.76

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	4	304,319	1,783,227	0	0	0
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
	Rural			Total		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	0	0	0
19. Commercial	0	0	0	4	304,319	1,783,227
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
22. Total Sch II				4	304,319	1,783,227

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	6	6,405	6	6,405	0
25. Total	0	0	0	0	6	6,405	6	6,405	0

Schedule IV : Exempt Records : Non-Agricultural

	Urban Records	SubUrban Records	Rural Records	Total Records
26. Exempt	275	22	548	845

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	0	0	20	235,617	10,080	749,662,941	10,100	749,898,558
28. Ag-Improved Land	0	0	7	349,525	985	97,622,826	992	97,972,351
29. Ag Improvements	2	4,707	8	472,542	1,082	66,908,678	1,092	67,385,927
30. Ag Total							11,192	915,256,836

Schedule VI : Agricultural Records :Non-Agricultural Detail

	Urban			SubUrban			Growth
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	0	0.00	0	0	0.00	0	
32. HomeSite Improv Land	0	0.00	0	6	6.00	30,000	
33. HomeSite Improvements	0	0.00	0	7	6.00	412,170	
34. HomeSite Total							
35. FarmSite UnImp Land	0	0.00	0	0	0.00	0	
36. FarmSite Improv Land	0	0.00	0	3	11.00	2,387	
37. FarmSite Improvements	2	0.00	4,707	6	0.00	60,372	
38. FarmSite Total							
39. Road & Ditches	0	0.00	0	0	14.16	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	27	27.00	135,000	27	27.00	135,000	
32. HomeSite Improv Land	772	771.74	3,857,450	778	777.74	3,887,450	
33. HomeSite Improvements	816	715.74	46,788,746	823	721.74	47,200,916	1,523,081
34. HomeSite Total				850	804.74	51,223,366	
35. FarmSite UnImp Land	17	53.68	13,308	17	53.68	13,308	
36. FarmSite Improv Land	664	2,364.63	657,005	667	2,375.63	659,392	
37. FarmSite Improvements	975	0.00	20,119,932	983	0.00	20,185,011	0
38. FarmSite Total				1,000	2,429.31	20,857,711	
39. Road & Ditches	0	10,464.94	0	0	10,479.10	0	
40. Other- Non Ag Use	0	105.09	0	0	105.09	0	
41. Total Section VI				1,850	13,818.24	72,081,077	1,523,081

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

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	0	0.00	0	0	0.00	0
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	16	3,485.57	602,317	16	3,485.57	602,317

Schedule VIII : Agricultural Records : Special Value

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

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

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 1

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	336.82	0.67%	303,138	0.83%	900.00
47. 2A1	3,890.18	7.72%	3,423,359	9.32%	880.00
48. 2A	7,012.75	13.91%	5,960,842	16.23%	850.00
49. 3A1	3,970.96	7.88%	3,031,493	8.26%	763.42
50. 3A	8,808.35	17.47%	6,278,577	17.10%	712.80
51. 4A1	24,088.52	47.78%	16,163,041	44.02%	670.99
52. 4A	2,307.29	4.58%	1,557,422	4.24%	675.00
53. Total	50,414.87	100.00%	36,717,872	100.00%	728.31
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	673.93	3.39%	370,663	4.02%	550.00
56. 2D1	3,517.04	17.67%	1,846,449	20.04%	525.00
57. 2D	8,210.95	41.25%	3,900,210	42.32%	475.00
58. 3D1	867.35	4.36%	390,308	4.24%	450.00
59. 3D	2,142.95	10.77%	910,758	9.88%	425.00
60. 4D1	4,011.13	20.15%	1,604,452	17.41%	400.00
61. 4D	482.22	2.42%	192,888	2.09%	400.00
62. Total	19,905.57	100.00%	9,215,728	100.00%	462.97
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	1,395.45	0.04%	558,180	0.07%	400.00
65. 2G1	8,208.30	0.24%	3,078,121	0.39%	375.00
66. 2G	102,831.18	2.97%	35,972,315	4.53%	349.82
67. 3G1	171,081.82	4.94%	51,271,746	6.45%	299.69
68. 3G	241,965.76	6.99%	66,525,248	8.37%	274.94
69. 4G1	980,631.34	28.32%	212,787,231	26.78%	216.99
70. 4G	1,956,458.19	56.50%	424,473,188	53.42%	216.96
71. Total	3,462,572.04	100.00%	794,666,029	100.00%	229.50
Irrigated Total					
	50,414.87	1.41%	36,717,872	4.35%	728.31
Dry Total					
	19,905.57	0.56%	9,215,728	1.09%	462.97
Grass Total					
	3,462,572.04	96.57%	794,666,029	94.25%	229.50
72. Waste	52,816.23	1.47%	2,576,130	0.31%	48.78
73. Other	0.00	0.00%	0	0.00%	0.00
74. Exempt	7,410.89	0.21%	0	0.00%	0.00
75. Market Area Total	3,585,708.71	100.00%	843,175,759	100.00%	235.15

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	0.00	0	366.81	247,597	50,048.06	36,470,275	50,414.87	36,717,872
77. Dry Land	0.00	0	60.00	28,100	19,845.57	9,187,628	19,905.57	9,215,728
78. Grass	0.00	0	1,174.15	276,958	3,461,397.89	794,389,071	3,462,572.04	794,666,029
79. Waste	0.00	0	2.00	100	52,814.23	2,576,030	52,816.23	2,576,130
80. Other	0.00	0	0.00	0	0.00	0	0.00	0
81. Exempt	0.00	0	329.59	0	7,081.30	0	7,410.89	0
82. Total	0.00	0	1,602.96	552,755	3,584,105.75	842,623,004	3,585,708.71	843,175,759

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	50,414.87	1.41%	36,717,872	4.35%	728.31
Dry Land	19,905.57	0.56%	9,215,728	1.09%	462.97
Grass	3,462,572.04	96.57%	794,666,029	94.25%	229.50
Waste	52,816.23	1.47%	2,576,130	0.31%	48.78
Other	0.00	0.00%	0	0.00%	0.00
Exempt	7,410.89	0.21%	0	0.00%	0.00
Total	3,585,708.71	100.00%	843,175,759	100.00%	235.15

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

16 Cherry

	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	126,941,566	130,425,299	3,483,733	2.74%	2,478,313	0.79%
02. Recreational	0	0	0		0	
03. Ag-Homesite Land, Ag-Res Dwelling	51,173,347	51,223,366	50,019	0.10%	1,523,081	-2.88%
04. Total Residential (sum lines 1-3)	178,114,913	181,648,665	3,533,752	1.98%	4,001,394	-0.26%
05. Commercial	46,176,775	60,402,343	14,225,568	30.81%	10,870,724	7.27%
06. Industrial	0	0	0		0	
07. Ag-Farmsite Land, Outbuildings	19,770,752	20,857,711	1,086,959	5.50%	0	5.50%
08. Minerals	6,405	6,405	0	0.00	0	0.00
09. Total Commercial (sum lines 5-8)	65,953,932	81,266,459	15,312,527	23.22%	10,870,724	6.73%
10. Total Non-Agland Real Property	244,068,845	262,915,124	18,846,279	7.72%	14,872,118	1.63%
11. Irrigated	36,551,064	36,717,872	166,808	0.46%		
12. Dryland	10,531,426	9,215,728	-1,315,698	-12.49%		
13. Grassland	793,589,008	794,666,029	1,077,021	0.14%		
14. Wasteland	2,576,130	2,576,130	0	0.00%		
15. Other Agland	0	0	0			
16. Total Agricultural Land	843,247,628	843,175,759	-71,869	-0.01%		
17. Total Value of all Real Property (Locally Assessed)	1,087,316,473	1,106,090,883	18,774,410	1.73%	14,872,118	0.36%

CHERRY COUNTY 2010 PLAN OF ASSESSMENT

All property in the State of Nebraska is subject to property tax unless expressly exempt by Nebraska Constitution or is permitted by the constitution and enabling legislation adopted by the legislature.

The standard for valuing certain classes of property for tax purposes is controversial in nature. Many feel a "production" basis would benefit our agricultural community. Although much time and service has been allotted to changing this standard, the standard remains:

The uniform standard for the assessed value of real property for tax purposes is actual value, which is defined by law as "the market value of real property in the ordinary course of trade."

Our assessment levels are also defined by statute:

- 100% of actual value for all classes of real property excluding agricultural and horticultural land;
- 75% of actual value for agricultural and horticultural land;
- 75% of special valuation for agricultural and horticultural land which meets qualifications for special valuation

The assessor's office consists of the assessor and three full-time clerks. The county contracts with an appraisal company for aid with property revaluation, appraisal updating, and maintenance issues. Currently, the assessor feels the office is at a sufficient level of staffing needed for completing basic operations. Ideally, more appraiser services would benefit the county, and some networking has been started with other surrounding counties to explore potential possibilities.

The importance of continuing education is recognized by this office. The assessor attends assessor workshops that are offered by Property Assessment Division and the Nebraska Assessor Association. The cost is not prohibitive, and much information is derived through speakers and networking with other assessors throughout the state. She would like to take some further IAAO courses during the next term.

As far as record management, records in the Cherry County Assessor's office are basically **public information**. There are a few exceptions, which are labeled confidential, and admission to these files is carefully screened.

Due to the size of Cherry County, various methods are utilized to access property information. Index cards give an alphabetical listing of all property owned under a particular name. Property record files are filed by legal description. Our computer system had the capability to run property record files for the public. This ability is frequently used by real estate agents, banks, appraisers, FSA office, and insurance companies. Cadastral maps are kept current by office clerks. The maps are old, but property can readily be identified and located by using them.

The office uses Terra Scan assessment and appraisal system for electronic property record files and appraisal assistance. In the fall of 2008, we upgraded our server and other hardware. The office has installed wireless internet service to electronically file reports and to aid with e-mail. A GIS system has been explored but no action has been taken.

Sales review is an important factor in establishing fair market values. Cherry County adheres to the minimum standards of sales review from the International Association of Assessing Officers, Standard of Ratio Studies, 2007. These standards include, but are not limited to:

- Cherry County recognizes all sales over \$2.25 in Doc Stamps or \$100 consideration as arms-length transactions, unless verification proves otherwise
- Verification is made on all sales, usually with a knowledgeable third party
- In verifications, a standard form of questions is used. For residential and commercial sales, sales are verified and the response noted in the electronic sales file.
- Adjustments are made through the verification process if not noted on the Form 521.

Cherry County processed 283 real estate transfers. Over the past two years, the number of real estate transfer statements has slowed in number. It has been obvious that even though transfers have slowed in number, average, maintained properties have retained their value even with the current recession.

Cherry County mailed over 900 personal property returns last January. The office refers to Regulations-Chapter 20 for guidance in the assessment of personal property.

Cherry County will process approximately 250 Homestead Exemption Applications. We make every effort to inform our taxpayers about homestead exemptions. This is one of the few forms of tax relief offered to our citizens, and this exemption loss is reimbursed to the county by the state. We personally visit the Valentine Senior Center, Northwest Community Action, Veteran's Service Office, and publish notice in the local newspaper for new filers. We mail previous filers new application forms annually. As a courtesy, we mail and phone reminders for former applicants to timely file their applications.

In the area of property discovery, the biggest obstacle for Cherry County is its size. You can take half a day just driving from one end of the county to the other. Because of the size of this county, our office utilizes building and zoning permits. We can pinpoint new building projects with little cost or time allocation. In April 2009, we contracted with an aerial photography company to take pictures of all sites in rural Cherry County. The pictures were excellent, and provided us with a tool for discovering new construction. Site plans were mailed to landowners to verify. With almost all appraisal maintenance, an external physical inspection is done at the time of listing.

As far as land usage, FSA maps were a great tool. However, these records have now been closed for public use. During the certification of irrigated acres completed last year, a requirement from the local natural resource districts was that irrigators were responsible to furnish us with a map so we could locate the irrigated area. This worked out ideally, and again gave us the information we needed with minimal time and expense.

Our office considers assessment/sale ratio studies supplied by the Property Assessment Division a tool in considering assessment actions. These studies may work as a flag for detecting problems with our assessment practices. I also feel it necessary to give credit to our field liaison, Pat Albro, for her

assistance in answering questions concerning our assessment actions. She has gone well beyond the call of duty, and does an excellent job for her counties.

Information concerning statistical measures such as level of values, etc. is contained in the 2010 Reports and Opinions, issued by the Property Tax Administrator, April 2010.

2011 ASSESSMENT ACTIONS

Residential-As previously noted, the number of sales in 2009-2010 slowed in number, but not necessarily in consideration. Despite the struggle some states are experiencing, we have not seen values deteriorate on maintained properties. It appears, especially in times of recession, these properties retain their value. The challenge comes more from lenders tightening up requirements for loans. Per LB 334, that includes the 6-year inspection review, we have reviewed Nenzel and Crookston, with Valentine and Kilgore on for this summer. We seem to be having difficulties with our rural residential acreages. There have been changes done to properties we have not been aware of until sale, and this type of property class is one of the most sought-after. We would like our contracted appraiser to do a review on these properties for changes or additions to improvements &/or land values. Another problem area we will explore is our villages. In a lot of cases, sales of property are done without being exposed on the open market, or any appraisal done. Lots right next to each other can have hundreds of dollars difference per lot for no apparent reason. It is hard to find a "market". This was not the case in Cody Village a couple of years ago, where there was a good hold on what was happening in the market. Appraisal maintenance will be completed.

Commercial- A major area of focus will be the new championship golf course that is opening May 31, 2010. The clubhouse and motel and one cabin were added for 2010 tax year at a 50% completion rate. Next year completion on the clubhouse as well as valuing the greens will be completed. It will be interesting to see how our commercial levels are retaining. We have had a few commercial sales over the past year, however, there are so few that are common either in location or occupancy, it is difficult to derive the market from these sales. We have had no new TIF projects during the past year. All appraisal maintenance will be completed.

Agriculture- Cherry County again increased their agricultural land values for the 2010 year. Irrigated land bore the greatest increase at \$100 per acre. Dry cropland and meadows received a \$50 increase with grassland receiving the lowest increase at \$7 per acre. A new methodology was introduced by the Department of Property Assessment termed "extended agland analysis". The purpose of this was to guarantee counties that did not have enough measurable sales could borrow comparable sales across county lines. For Cherry County, this was a good thing. The County Board of Equalization took a hard look at values across county lines to our west and south. There was sufficient reasoning to support this. These adjoining counties share large school districts (with the high school located in their county) with Cherry County. At times our county has been valued \$50-\$60 more per 4G1-4G land class acre (these classes making up the majority LVG shared) making an unequalized burden on Cherry County taxpayers. These other counties presumably did not raise valuations due to lack of sales. This point has been questioned by taxpayers owning land in the southern and western part of the county. They have wanted to understand why, because of some imaginary line, that values can fluctuate to that extent. It is conceded that probably no other county in Nebraska shares these large school districts to the extent that Cherry County does, but nonetheless, Cherry County taxpayers are as entitled to equalization as

well as any other county, and this equalization issue needed to be addressed. The 2010 year was probably the most "fair" as far as the values on these shared districts as it has been for a long time.

Our conversion from the alpha soil coding to the numeric was completed by January 1, 2010.

We were well satisfied with the photos taken by Morningstar Photography. We have completed reviewing the photos taken on rural improvements. This review involved comparing the new photos with the old photos (twice), mailing landowners their site plans, and some physical inspection for additions or removals. As far as physical inspections, we hope to have those completed by January 1, 2011. This, along with tracking land usage, should put us in compliance with LB 334 for our agricultural class.

All of this new information can be found in the appropriate property record files that were made last year.

2012 PLANNED ACTIONS

Residential- Complete appraisal maintenance. If warranted, it might be time again to review values for Valentine City. A review does not necessarily mean all values will go up, but rather values are equalized again. It may also mean appropriately adjusting lot values as well as improvement values. Review rural acreages and villages for problem areas.

Commercial- Complete appraisal maintenance. Would like to see more happen in the commercial market as to similar location &/or occupancy classes before doing a complete commercial review.

Agricultural- Concentrate on improving sales review. Monitor the market. Keep aware of legislative changes. Complete appraisal maintenance.

2013 PLANNED ACTIONS

Residential- Monitor sales in county and review for problem areas. Complete appraisal maintenance.

Commercial- Do all appraisal maintenance. Review all subclasses of commercial properties to detect problem areas. Review and inspect for LB 334 compliance.

Agricultural- Concentrate on sales review. Monitor the market. Continue with appraisal maintenance.

Conclusion

It is a common business practice to prepare a budget and plan a course of action. It is no different with county business. We do owe it to our taxpayers for proportionate assessments at the most

economical/efficient means possible. Planning saves time, money, and can assure our taxpayers that they are being well- served.

Our county board has been co-operative with allocating adequate funding requested for appraisal needs. Our board is a very informed, supportive board, and also answers to our taxpayers concerning assessment practices and expenditures of tax dollars. We may not always agree on the means, but the best interest of our taxpayers is foremost to all.

That being said, it will continue to be the goal of this office to comply with state statute and regulations to provide uniform and proportionate assessments on all properties in Cherry County.

And, as always, it is the utmost goal of this office to make every effort to promote good public relations and stay sensitive to the needs of its public.

Respectfully submitted,

Betty J. Daugherty
Cherry County Assessor
June 15, 2010

2011 Assessment Survey for Cherry County

A. Staffing and Funding Information

1.	Deputy(ies) on staff:
	0
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:
	\$121,786
7.	Adopted budget, or granted budget if different from above:
	Same
8.	Amount of the total budget set aside for appraisal work:
	0
9.	Appraisal/Reappraisal budget, if not part of the total budget:
	0 – working with what is left in the budget from last year and then next year this will be converted over to the general budget.
10.	Part of the budget that is dedicated to the computer system:
	\$18,700
11.	Amount of the total budget set aside for education/workshops:
	\$3,200
12.	Other miscellaneous funds:
	\$8,600
13.	Amount of last year's budget not used:
	\$8,349.60

B. Computer, Automation Information and GIS

1.	Administrative software:
	TerraScan
2.	CAMA software:
	TerraScan
3.	Are cadastral maps currently being used?
	Yes
4.	If so, who maintains the Cadastral Maps?
	Office clerk
5.	Does the county have GIS software?
	No
6.	Who maintains the GIS software and maps?
	N/A
7.	Personal Property software:
	TerraScan

C. Zoning Information

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

D. Contracted Services

1.	Appraisal Services:
	Knoche Consulting & Appraisal
2.	Other services:

2011 Certification for Cherry 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 Cherry 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

