

Table of Contents

2011 Commission Summary

2011 Opinions of the Property Tax Administrator

Residential Reports

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

Residential Correlation

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

Commercial Reports

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

Commercial Correlation

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

Agricultural or Special Valuation Reports

- Agricultural Assessment Actions
- Agricultural Assessment Survey
- Agricultural Base Analysis Statistics
- Agricultural Random Inclusion Analysis Statistics
- Agricultural Random Exclusion Analysis Statistics

Special Valuation Statistics

- Special Valuation Methodology
- Special Valuation Base Analysis Statistics
- Special Valuation Random Inclusion Analysis Statistics
- Special Valuation Random Exclusion Analysis Statistics

Agricultural or Special Valuation Correlation

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

IV. Analysis of Quality of Assessment

County Reports

- 2011 County Abstract of Assessment for Real Property, Form 45
- 2011 County Agricultural Land Detail
- 2011 County Abstract of Assessment for Real Property Compared with the 2009 Certificate of Taxes Levied (CTL)
- County Assessor's Three Year Plan of Assessment
- Assessment Survey – General Information

Certification

Maps

- Market Areas
- Registered Wells > 500 GPM
- Geo Codes
- Soil Classes

Valuation History Charts

2011 Commission Summary for Dakota County

Residential Real Property - Current

Number of Sales	390	Median	93.63
Total Sales Price	\$40,034,149	Mean	98.73
Total Adj. Sales Price	\$40,034,149	Wgt. Mean	91.80
Total Assessed Value	\$36,751,940	Average Assessed Value of the Base	\$77,181
Avg. Adj. Sales Price	\$102,652	Avg. Assessed Value	\$94,236

Confidence Interval - Current

95% Median C.I	91.23 to 95.17
95% Mean C.I	89.95 to 93.65
95% Wgt. Mean C.I	93.14 to 104.32
% of Value of the Class of all Real Property Value in the County	44.15
% of Records Sold in the Study Period	6.00
% of Value Sold in the Study Period	7.32

Residential Real Property - History

Year	Number of Sales	LOV	Median
2010	387	95	95
2009	424	93	93
2008	444	95	95
2007	478	96	96

2011 Commission Summary for Dakota County

Commercial Real Property - Current

Number of Sales	35	Median	98.30
Total Sales Price	\$7,729,882	Mean	106.12
Total Adj. Sales Price	\$7,729,882	Wgt. Mean	86.81
Total Assessed Value	\$6,710,125	Average Assessed Value of the Base	\$333,206
Avg. Adj. Sales Price	\$220,854	Avg. Assessed Value	\$191,718

Confidence Interval - Current

95% Median C.I	80.00 to 116.70
95% Mean C.I	89.33 to 122.91
95% Wgt. Mean C.I	70.13 to 103.49
% of Value of the Class of all Real Property Value in the County	26.05
% of Records Sold in the Study Period	3.94
% of Value Sold in the Study Period	2.27

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2010	44	96	96
2009	61	96	96
2008	60	97	97
2007	64	95	95

2011 Opinions of the Property Tax Administrator for Dakota 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	94	Meets generally accepted mass appraisal practices.	No recommendation.
Commercial Real Property	98	Meets generally accepted mass appraisal practices.	No recommendation.
Agricultural Land	73	The qualitative measures calculated in the random include sample best reflect the dispersion of the assessed values within the population. The quality of assessment meets generally accepted mass appraisal practices.	No recommendation.
Special Valuation of Agricultural Land	73	The qualitative measures calculated in the random include sample best reflect the dispersion of the assessed values within the population. The quality of assessment meets generally accepted mass appraisal practices.	No recommendation.

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

Dated this 11th day of April, 2011.

Ruth A. Sorensen

Ruth A. Sorensen
Property Tax Administrator



2011 Residential Assessment Actions for Dakota County

Review the residential property in Emerson, Jackson, Homer and Hubbard. This is the second time for these towns therefore it is anticipated to be less time consuming. It is estimated to take about two weeks. New depreciation tables, based on market generated depreciation will be created for all properties included in a total revalue or physical review.

Ratio studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary.

Our residential draft statistics indicated a problem with our Valuation Grouping 25, South Sioux City Rural and Location Suburban. Further research revealed these were sales in the suburban subdivisions in GEO Code 703 and 704. The following changes were made in subdivisions as necessary.

- 1) Tompkins Tracts subdivision was given a 15% increase on Homes built before 1971
- 2) Fair Oaks 1st subdivision was given a 5% increase on all improvements
- 3) Fair Oaks 3rd subdivision was given a 7% increase on all improvements
- 4) Fair Meadows 3rd subdivision was given a 8% increase on all improvements

We did bring all building permits current and we did pick up any changes we found while out working on appraisal.

2011 Residential Assessment Survey for Dakota County

1.	Valuation data collection done by:	
	Appraiser/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>
	1	Dakota City
	2	Dakota City V
	3	Dakota City R
	4	Dakota City RV
	5	Emerson
	6	Emerson V
	7	Emerson R
	8	Emerson RV
	9	Homer
	10	Homer V
	11	Homer R
	12	Homer RV
	13	Hubbard
	14	Hubbard V
	15	Hubbard R
	16	Hubbard RV
	17	Jackson
	18	Jackson V
	19	Jackson R
	20	Jackson RV
	21	Rural
	22	Rural V
	23	South Sioux City
	24	South Sioux City V
	25	South Sioux City R
	26	South Sioux City RV
	51	SSC Proj
	52	Likuwanabch
	53	Dakota Flats
	54	Pasado Tiempo
	55	Canyon Est
	56	Cotwd Est
	57	Pasadio Tiempo 2
3.	List and describe the approach(es) used to estimate the market value of residential properties.	
	Market with general depreciation	

4	When was the last lot value study completed?
	Ongoing
5.	Describe the methodology used to determine the residential lot values.
	Market
6.	What costing year for the cost approach is being used for each valuation grouping?
	2003 with adjustment for time
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?
	Local market
8.	Are individual depreciation tables developed for each valuation grouping?
	Yes
9.	How often does the County update the depreciation tables?
	Ongoing
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.
	Physical inspection
12.	Please provide any documents related to the policies or procedures used for the residential class of property.
	Yes, the county maintains a notebook with all the adjustments to the residential class for the assessment year.

**22 Dakota
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 : 390
 Total Sales Price : 40,034,149
 Total Adj. Sales Price : 40,034,149
 Total Assessed Value : 36,751,940
 Avg. Adj. Sales Price : 102,652
 Avg. Assessed Value : 94,236

MEDIAN : 94
 WGT. MEAN : 92
 MEAN : 99
 COD : 20.65
 PRD : 107.55

COV : 57.06
 STD : 56.34
 Avg. Abs. Dev : 19.33
 MAX Sales Ratio : 979.00
 MIN Sales Ratio : 07.58

95% Median C.I. : 91.23 to 95.17
 95% Wgt. Mean C.I. : 89.95 to 93.65
 95% Mean C.I. : 93.14 to 104.32

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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	62	93.10	95.06	92.28	14.96	103.01	47.25	167.36	89.72 to 100.66	109,532	101,073
01-OCT-08 To 31-DEC-08	40	96.99	99.66	94.54	14.79	105.42	71.11	169.20	88.47 to 100.70	103,023	97,397
01-JAN-09 To 31-MAR-09	38	95.49	97.67	94.52	14.33	103.33	56.87	152.03	90.98 to 100.21	103,482	97,806
01-APR-09 To 30-JUN-09	54	92.68	100.17	91.78	20.05	109.14	65.71	204.00	88.04 to 95.36	90,643	83,194
01-JUL-09 To 30-SEP-09	38	84.26	84.15	84.44	15.25	99.66	47.19	114.99	80.53 to 93.62	112,447	94,950
01-OCT-09 To 31-DEC-09	63	94.71	96.64	91.34	15.38	105.80	61.25	184.43	89.08 to 98.33	100,406	91,709
01-JAN-10 To 31-MAR-10	29	90.75	128.16	95.37	56.41	134.38	07.58	979.00	85.99 to 99.36	104,307	99,479
01-APR-10 To 30-JUN-10	66	94.39	98.50	91.58	25.45	107.56	20.65	514.21	84.44 to 98.11	101,088	92,572
<u>Study Yrs</u>											
01-JUL-08 To 30-JUN-09	194	94.02	97.94	93.07	16.36	105.23	47.25	204.00	92.13 to 96.47	101,747	94,699
01-JUL-09 To 30-JUN-10	196	92.22	99.51	90.57	25.18	109.87	07.58	979.00	88.23 to 96.89	103,547	93,778
<u>Calendar Yrs</u>											
01-JAN-09 To 31-DEC-09	193	93.62	95.37	90.58	16.65	105.29	47.19	204.00	89.96 to 95.17	100,651	91,165
<u>ALL</u>	390	93.63	98.73	91.80	20.65	107.55	07.58	979.00	91.23 to 95.17	102,652	94,236

22 Dakota
RESIDENTIAL

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MAX Sales Ratio : 979.00
MIN Sales Ratio : 07.58

95% Median C.I. : 91.23 to 95.17
95% Wgt. Mean C.I. : 89.95 to 93.65
95% Mean C.I. : 93.14 to 104.32

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VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	33	95.13	96.31	92.15	14.60	104.51	63.77	171.41	87.31 to 101.88	113,761	104,836
02	4	66.71	66.17	67.32	25.87	98.29	47.25	84.00	N/A	15,175	10,216
05	3	82.68	89.22	87.97	09.24	101.42	81.03	103.94	N/A	77,833	68,467
09	13	92.33	91.50	92.75	24.41	98.65	25.33	140.87	71.81 to 108.52	82,731	76,732
11	1	120.06	120.06	120.06	00.00	100.00	120.06	120.06	N/A	25,000	30,015
13	6	69.36	76.44	75.21	17.73	101.64	61.05	97.36	61.05 to 97.36	99,167	74,584
17	4	78.10	75.74	78.95	16.98	95.93	56.23	90.51	N/A	86,750	68,489
18	4	98.75	85.79	80.17	39.71	107.01	20.65	125.00	N/A	17,750	14,230
20	1	108.92	108.92	108.92	00.00	100.00	108.92	108.92	N/A	30,000	32,675
21	23	93.76	93.80	91.01	10.95	103.07	61.25	128.24	88.04 to 100.78	153,604	139,788
22	2	216.33	216.33	320.12	56.14	67.58	94.89	337.77	N/A	8,088	25,890
23	258	93.73	95.45	91.78	13.99	104.00	56.87	196.84	90.48 to 96.05	101,855	93,486
24	7	154.10	311.82	337.40	126.61	92.42	79.27	979.00	79.27 to 979.00	15,857	53,502
25	20	93.22	91.24	90.23	18.24	101.12	47.19	170.25	81.01 to 100.66	133,833	120,757
26	6	68.44	86.11	78.56	75.80	109.61	07.58	237.42	07.58 to 237.42	71,750	56,363
51	2	89.91	89.91	84.96	27.02	105.83	65.62	114.20	N/A	276,250	234,713
52	2	93.87	93.87	91.01	09.02	103.14	85.40	102.34	N/A	120,750	109,898
57	1	162.00	162.00	162.00	00.00	100.00	162.00	162.00	N/A	2,500	4,050
<u> ALL </u>	<u>390</u>	93.63	98.73	91.80	20.65	107.55	07.58	979.00	91.23 to 95.17	102,652	94,236

PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	387	93.76	99.01	91.82	20.52	107.83	07.58	979.00	91.28 to 95.63	103,344	94,891
06											
07	3	73.27	62.03	73.16	28.28	84.79	25.33	87.48	N/A	13,333	9,755
<u> ALL </u>	<u>390</u>	93.63	98.73	91.80	20.65	107.55	07.58	979.00	91.23 to 95.17	102,652	94,236

22 Dakota
RESIDENTIAL

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95% Mean C.I. : 93.14 to 104.32

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SALE PRICE *											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
<u>Low \$</u>												
1 TO 4999	5	162.00	139.30	161.76	24.65	86.12	72.50	196.84	N/A	2,495	4,036	
5000 TO 9999	4	98.97	106.82	99.36	58.12	107.51	25.33	204.00	N/A	7,250	7,204	
<u>Total \$</u>												
1 TO 9999	9	124.67	124.86	118.13	41.63	105.70	25.33	204.00	72.50 to 196.84	4,608	5,444	
10000 TO 29999	28	121.57	166.58	161.84	68.00	102.93	07.58	979.00	105.62 to 150.43	19,042	30,818	
30000 TO 59999	49	100.19	105.81	105.84	22.98	99.97	20.65	237.42	97.52 to 108.52	42,952	45,462	
60000 TO 99999	111	93.52	92.23	91.77	14.39	100.50	56.23	140.87	87.44 to 98.19	79,545	73,000	
100000 TO 149999	119	90.48	89.80	89.94	09.67	99.84	65.21	115.36	88.62 to 94.06	119,723	107,680	
150000 TO 249999	65	90.08	89.65	89.44	08.98	100.23	66.33	117.96	85.78 to 92.27	177,319	158,602	
250000 TO 499999	9	93.76	86.73	86.70	14.58	100.03	61.25	102.72	63.77 to 101.89	305,833	265,145	
500000 +												
<u>ALL</u>	390	93.63	98.73	91.80	20.65	107.55	07.58	979.00	91.23 to 95.17	102,652	94,236	

**2011 Correlation Section
for Dakota County**

A. Residential Real Property

The residential statistical sample for Dakota County includes 390 qualified sales. The sample is considered reliable for the measurement of the county. The relationship between the median, weighted mean and mean are all within the acceptable level of 92-100 percent. The coefficient of dispersion and the price related differential are slightly outside the acceptable ranges.

The sales verified are mostly consider outlier sales. All other sales are deemed to be arm's length and the appraiser assistants will go out and review each sale. The assistant compares the parcel with the current listing and looks for any changes to the parcel. If there is a concern in the validity of a sale, the administrator will discuss the sale with the appraiser and further action may be taken to verify the sale.

The county reported that based on the statistical analysis there was a value issue with Valuation Group 25. Percentage adjustments were applied to the Valuation Group to achieve an acceptable level of value.

Based on the consideration of all the available information, the level of value is determined to be 94% of market value for the residential class of real property, and all subclasses are determined to be valued within the acceptable range.

**2011 Correlation Section
for Dakota 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 Dakota 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 Dakota 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 Dakota 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 Dakota County

We begin a systematic second review of all commercial property. Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary.

There were no major changes or percentage roll ups or downs in Commercial. We did bring all building permits current and we did pick up any changes we found while out working on appraisal.

2011 Commercial Assessment Survey for Dakota County

1.	Valuation data collection done by:	
	Appraiser/ 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>
	1	Dakota City
	2	Dakota City V
	3	Dakota City R
	4	Dakota City RV
	5	Emerson
	6	Emerson V
	7	Emerson R
	8	Emerson RV
	9	Homer
	10	Homer V
	11	Homer R
	12	Homer RV
	13	Hubbard
	14	Hubbard V
	15	Hubbard R
	16	Hubbard RV
	17	Jackson
	18	Jackson V
	19	Jackson R
	20	Jackson RV
	21	Rural
	22	Rural V
	23	South Sioux City
	24	South Sioux City V
	25	South Sioux City R
	26	South Sioux City RV
	51	SSC Proj
	52	Likuwanabch
	53	Dakota Flats
	54	Pasado Tiempo
	55	Canyon Est
	56	Cotwd Est
	57	Pasadio Tiempo 2
3.	List and describe the approach(es) used to estimate the market value of commercial properties.	
	Market	

4.	When was the last lot value study completed?
	Ongoing
5.	Describe the methodology used to determine the commercial lot values.
	Market
6.	What costing year for the cost approach is being used for each valuation grouping?
	2003
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?
	Local market
8.	Are individual depreciation tables developed for each valuation grouping?
	Yes
9.	How often does the County update the depreciation tables?
	Ongoing
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.
	Physical inspection
12.	Please provide any documents related to the policies or procedures used for the commercial class of property.
	Yes, the county maintains a notebook with all the adjustments to the residential class for the assessment year.

**22 Dakota
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 : 35
 Total Sales Price : 7,729,882
 Total Adj. Sales Price : 7,729,882
 Total Assessed Value : 6,710,125
 Avg. Adj. Sales Price : 220,854
 Avg. Assessed Value : 191,718

MEDIAN : 98
 WGT. MEAN : 87
 MEAN : 106
 COD : 32.35
 PRD : 122.24

COV : 47.76
 STD : 50.68
 Avg. Abs. Dev : 31.80
 MAX Sales Ratio : 300.35
 MIN Sales Ratio : 45.89

95% Median C.I. : 80.00 to 116.70
 95% Wgt. Mean C.I. : 70.13 to 103.49
 95% Mean C.I. : 89.33 to 122.91

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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	5	89.80	81.07	78.00	24.42	103.94	51.14	116.70	N/A	221,000	172,370
01-OCT-07 To 31-DEC-07	6	112.81	141.04	135.17	34.75	104.34	99.51	300.35	99.51 to 300.35	102,500	138,549
01-JAN-08 To 31-MAR-08	3	78.04	74.08	68.39	22.39	108.32	45.89	98.30	N/A	530,677	362,932
01-APR-08 To 30-JUN-08	3	72.16	72.02	73.04	03.60	98.60	68.05	75.84	N/A	248,667	181,615
01-JUL-08 To 30-SEP-08	2	103.26	103.26	101.07	06.93	102.17	96.10	110.42	N/A	37,500	37,900
01-OCT-08 To 31-DEC-08											
01-JAN-09 To 31-MAR-09	2	98.85	98.85	106.90	22.16	92.47	76.94	120.76	N/A	292,500	312,695
01-APR-09 To 30-JUN-09	4	102.15	99.89	70.42	38.57	141.85	51.56	143.71	N/A	438,125	308,511
01-JUL-09 To 30-SEP-09	3	87.60	99.33	93.78	19.18	105.92	80.00	130.40	N/A	40,000	37,513
01-OCT-09 To 31-DEC-09											
01-JAN-10 To 31-MAR-10											
01-APR-10 To 30-JUN-10	7	117.73	131.77	117.22	32.06	112.41	77.38	247.21	77.38 to 247.21	162,764	190,795
<u>Study Yrs</u>											
01-JUL-07 To 30-JUN-08	17	95.89	99.40	81.98	32.42	121.25	45.89	300.35	68.05 to 116.70	238,708	195,693
01-JUL-08 To 30-JUN-09	8	103.26	100.47	80.22	26.12	125.24	51.56	143.71	51.56 to 143.71	301,563	241,904
01-JUL-09 To 30-JUN-10	10	113.37	122.04	114.99	30.41	106.13	77.38	247.21	80.00 to 167.23	125,935	144,811
<u>Calendar Yrs</u>											
01-JAN-08 To 31-DEC-08	8	76.94	80.60	70.84	19.65	113.78	45.89	110.42	45.89 to 110.42	301,629	213,680
01-JAN-09 To 31-DEC-09	9	87.60	99.47	80.24	31.94	123.97	51.56	143.71	69.42 to 134.88	273,056	219,108
<u>ALL</u>	35	98.30	106.12	86.81	32.35	122.24	45.89	300.35	80.00 to 116.70	220,854	191,718

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	4	96.00	96.78	97.27	10.56	99.50	77.38	117.73	N/A	59,250	57,635
02	1	106.26	106.26	106.26	00.00	100.00	106.26	106.26	N/A	45,000	47,815
09	2	88.70	88.70	89.34	01.24	99.28	87.60	89.80	N/A	202,500	180,905
23	22	98.91	98.64	82.94	31.06	118.93	45.89	247.21	69.42 to 120.04	303,767	251,947
24	5	119.35	148.55	147.37	52.24	100.80	75.84	300.35	N/A	68,000	100,209
25	1	130.40	130.40	130.40	00.00	100.00	130.40	130.40	N/A	20,000	26,080
<u>ALL</u>	35	98.30	106.12	86.81	32.35	122.24	45.89	300.35	80.00 to 116.70	220,854	191,718

**22 Dakota
COMMERCIAL**

PAD 2011 R&O Statistics (Using 2011 Values)

Qualified

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

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 Total Sales Price : 7,729,882
 Total Adj. Sales Price : 7,729,882
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 Avg. Adj. Sales Price : 220,854
 Avg. Assessed Value : 191,718

MEDIAN : 98
 WGT. MEAN : 87
 MEAN : 106
 COD : 32.35
 PRD : 122.24

COV : 47.76
 STD : 50.68
 Avg. Abs. Dev : 31.80
 MAX Sales Ratio : 300.35
 MIN Sales Ratio : 45.89

95% Median C.I. : 80.00 to 116.70
 95% Wgt. Mean C.I. : 70.13 to 103.49
 95% Mean C.I. : 89.33 to 122.91

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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	35	98.30	106.12	86.81	32.35	122.24	45.89	300.35	80.00 to 116.70	220,854	191,718
04											
<u>ALL</u>	35	98.30	106.12	86.81	32.35	122.24	45.89	300.35	80.00 to 116.70	220,854	191,718

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											
5000 TO 9999											
<u>Total \$</u>											
1 TO 9999											
10000 TO 29999	6	114.89	112.58	110.77	23.00	101.63	68.05	167.23	68.05 to 167.23	17,667	19,570
30000 TO 59999	4	101.18	99.37	100.74	12.48	98.64	77.38	117.73	N/A	41,000	41,303
60000 TO 99999	4	115.03	141.22	140.73	37.30	100.35	87.60	247.21	N/A	72,338	101,798
100000 TO 149999	4	115.39	145.57	134.47	62.44	108.25	51.14	300.35	N/A	121,375	163,219
150000 TO 249999	6	99.63	102.08	101.43	18.05	100.64	75.84	143.71	75.84 to 143.71	190,833	193,555
250000 TO 499999	7	83.81	84.56	86.03	18.69	98.29	51.80	120.76	51.80 to 120.76	362,429	311,794
500000 +	4	61.86	72.41	67.38	38.30	107.47	45.89	120.04	N/A	750,758	505,885
<u>ALL</u>	35	98.30	106.12	86.81	32.35	122.24	45.89	300.35	80.00 to 116.70	220,854	191,718

22 Dakota
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 : 35
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 95% Mean C.I. : 89.33 to 122.91

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OCCUPANCY CODE

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
Blank	11	106.26	122.14	116.82	39.97	104.55	68.05	300.35	75.84 to 167.23	80,682	94,256
300	1	45.89	45.89	45.89	00.00	100.00	45.89	45.89	N/A	777,032	356,555
325	2	69.37	69.37	64.62	26.28	107.35	51.14	87.60	N/A	115,000	74,308
326	3	120.04	148.06	121.77	47.28	121.59	76.94	247.21	N/A	286,450	348,798
340	1	78.04	78.04	78.04	00.00	100.00	78.04	78.04	N/A	340,000	265,320
343	1	72.16	72.16	72.16	00.00	100.00	72.16	72.16	N/A	526,000	379,555
344	1	99.75	99.75	99.75	00.00	100.00	99.75	99.75	N/A	220,000	219,455
350	1	99.51	99.51	99.51	00.00	100.00	99.51	99.51	N/A	180,000	179,120
352	1	51.56	51.56	51.56	00.00	100.00	51.56	51.56	N/A	1,100,000	567,180
353	3	110.42	113.40	118.56	03.55	95.65	109.01	120.76	N/A	165,333	196,020
406	1	121.04	121.04	121.04	00.00	100.00	121.04	121.04	N/A	60,000	72,625
407	2	119.80	119.80	124.77	19.96	96.02	95.89	143.71	N/A	149,000	185,910
419	5	96.10	94.27	88.44	11.82	106.59	69.42	117.73	N/A	246,800	218,282
426	1	51.80	51.80	51.80	00.00	100.00	51.80	51.80	N/A	342,000	177,145
494	1	116.70	116.70	116.70	00.00	100.00	116.70	116.70	N/A	180,000	210,055
<u>ALL</u>	<u>35</u>	98.30	106.12	86.81	32.35	122.24	45.89	300.35	80.00 to 116.70	220,854	191,718

**2011 Correlation Section
for Dakota County**

A. Commerical Real Property

The commercial statistical sample for Dakota County includes 35 qualified sales. Of this sample the median measure is the only measure within the acceptable range. The coefficient of dispersion and the price related differential are outside of the acceptable levels. The town of South Sioux City has the majority of the commercial property in the county and is represented in the sales file with 28 sales.

The sales verified are mostly consider outlier sales. All other sales are deemed to be arm's length and the appraiser assistants will go out and review each sale. The assistant compares the parcel with the current listing and looks for any changes to the parcel. If there is a concern in the validity of a sale, the administrator will discuss the sale with the appraiser and further action may be taken to verify the sale.

The county reported that there was no major valuation changes implemented in the commercial class for the 2011 assessment year.

Based on the consideration of all the available information, the level of value is determined to be 98% of market value for the commercial class of real property.

**2011 Correlation Section
for Dakota 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 Dakota 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 Dakota 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 Dakota 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 Dakota County

We will continue to monitor agricultural land usage as we work building permits in rural areas.

We are planning on reviewing as much of the agricultural residential and outbuildings as time will allow. Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary. The office will continue to monitor the Special Valuation Areas (greenbelt) and react to those sales as the market indicates.

We did bring all building permits current and we did pick up any changes we found while out working on appraisal.

2011 Agricultural Assessment Survey for Dakota County

1.	Valuation data collection done by:	
	Appraiser/Staff	
2.	List each market area, and describe the location and the specific characteristics that make each unique.	
	Market Area	Description of unique characteristics
	1	Bottom, river east side of county
	2	West side of bluff line
3.	Describe the process that is used to determine and monitor market areas.	
	Market	
4.	Describe the process used to identify and value rural residential land and recreational land in the county.	
	Rural Residential, no difference	
5.	Do farm home sites carry the same value as rural residential home sites or are market differences recognized? If differences, what are the recognized market differences?	
	Yes	
6.	What land characteristics are used to assign differences in assessed values?	
	Soil, location, contour, use	
7.	What process is used to annually update land use? (Physical inspection, FSA maps, etc.)	
	Sales review, Physical inspection, Statistical analysis, Agridata	
8.	Describe the process used to identify and monitor the influence of non-agricultural characteristics.	
	No recreational lands	
9.	Have special valuations applications been filed in the county? If yes, is there a value difference for the special valuation parcels.	
	Yes, no difference in values	
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.	
	Physical inspection	
12.	Please provide any documents related to the policies or procedures used for the agricultural class of property.	
	Yes, the county maintains a notebook with all the adjustments to the residential class for the assessment year.	

22 Dakota
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 : 23
Total Sales Price : 12,202,425
Total Adj. Sales Price : 12,202,425
Total Assessed Value : 7,374,440
Avg. Adj. Sales Price : 530,540
Avg. Assessed Value : 320,628

MEDIAN : 75
WGT. MEAN : 60
MEAN : 73
COD : 27.16
PRD : 121.48

COV : 37.12
STD : 27.25
Avg. Abs. Dev : 20.26
MAX Sales Ratio : 134.28
MIN Sales Ratio : 17.90

95% Median C.I. : 58.24 to 81.31
95% Wgt. Mean C.I. : 53.55 to 67.31
95% Mean C.I. : 61.63 to 85.19

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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
Qrtrs											
01-JUL-07 To 30-SEP-07	5	95.55	103.16	100.00	18.67	103.16	76.85	134.28	N/A	110,880	110,883
01-OCT-07 To 31-DEC-07	2	63.64	63.64	46.25	32.90	137.60	42.70	84.57	N/A	601,000	277,978
01-JAN-08 To 31-MAR-08	3	81.31	86.82	90.82	29.26	95.60	53.89	125.25	N/A	221,133	200,828
01-APR-08 To 30-JUN-08	2	51.58	51.58	53.01	06.71	97.30	48.12	55.04	N/A	1,963,988	1,041,088
01-JUL-08 To 30-SEP-08	2	64.49	64.49	54.23	24.95	118.92	48.40	80.58	N/A	745,215	404,100
01-OCT-08 To 31-DEC-08	1	65.48	65.48	65.48	00.00	100.00	65.48	65.48	N/A	1,029,480	674,095
01-JAN-09 To 31-MAR-09	4	66.42	56.78	57.86	28.17	98.13	17.90	76.39	N/A	145,200	84,015
01-APR-09 To 30-JUN-09	1	60.87	60.87	60.87	00.00	100.00	60.87	60.87	N/A	1,136,506	691,770
01-JUL-09 To 30-SEP-09	1	76.06	76.06	76.06	00.00	100.00	76.06	76.06	N/A	500,000	380,310
01-OCT-09 To 31-DEC-09											
01-JAN-10 To 31-MAR-10	2	61.66	61.66	61.66	00.37	100.00	61.43	61.88	N/A	558,718	344,488
01-APR-10 To 30-JUN-10											
Study Yrs											
01-JUL-07 To 30-JUN-08	12	82.94	83.89	59.79	29.23	140.31	42.70	134.28	53.89 to 120.45	528,981	316,253
01-JUL-08 To 30-JUN-09	8	63.18	60.31	59.24	22.08	101.81	17.90	80.58	17.90 to 80.58	529,652	313,766
01-JUL-09 To 30-JUN-10	3	61.88	66.46	66.11	07.89	100.53	61.43	76.06	N/A	539,145	356,428
Calendar Yrs											
01-JAN-08 To 31-DEC-08	8	60.26	69.76	58.60	30.53	119.04	48.12	125.25	48.12 to 125.25	888,911	520,869
01-JAN-09 To 31-DEC-09	6	67.73	60.68	63.51	22.16	95.54	17.90	76.39	17.90 to 76.39	369,551	234,690
ALL	23	74.59	73.41	60.43	27.16	121.48	17.90	134.28	58.24 to 81.31	530,540	320,628

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
1	6	71.17	67.78	55.12	21.91	122.97	42.70	88.69	42.70 to 88.69	616,551	339,870
2	17	74.59	75.40	62.74	29.37	120.18	17.90	134.28	55.04 to 95.55	500,183	313,836
ALL	23	74.59	73.41	60.43	27.16	121.48	17.90	134.28	58.24 to 81.31	530,540	320,628

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
Dry											
County	8	75.49	77.23	58.79	20.92	131.37	48.40	134.28	48.40 to 134.28	409,986	241,021
1	3	76.85	69.94	51.33	15.69	136.26	48.40	84.57	N/A	443,276	227,528
2	5	74.59	81.60	63.87	23.57	127.76	60.87	134.28	N/A	390,011	249,117
ALL	23	74.59	73.41	60.43	27.16	121.48	17.90	134.28	58.24 to 81.31	530,540	320,628

22 Dakota
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 : 23
 Total Sales Price : 12,202,425
 Total Adj. Sales Price : 12,202,425
 Total Assessed Value : 7,374,440
 Avg. Adj. Sales Price : 530,540
 Avg. Assessed Value : 320,628

MEDIAN : 75
 WGT. MEAN : 60
 MEAN : 73
 COD : 27.16
 PRD : 121.48

COV : 37.12
 STD : 27.25
 Avg. Abs. Dev : 20.26
 MAX Sales Ratio : 134.28
 MIN Sales Ratio : 17.90

95% Median C.I. : 58.24 to 81.31
 95% Wgt. Mean C.I. : 53.55 to 67.31
 95% Mean C.I. : 61.63 to 85.19

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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	1	88.69	88.69	88.69	00.00	100.00	88.69	88.69	N/A	240,000	212,845
1	1	88.69	88.69	88.69	00.00	100.00	88.69	88.69	N/A	240,000	212,845
_____Dry_____											
County	10	75.49	75.35	58.08	20.12	129.73	48.40	134.28	55.04 to 84.57	632,338	367,239
1	3	76.85	69.94	51.33	15.69	136.26	48.40	84.57	N/A	443,276	227,528
2	7	74.59	77.66	59.87	21.73	129.71	55.04	134.28	55.04 to 134.28	713,364	427,115
_____Grass_____											
County	1	61.43	61.43	61.43	00.00	100.00	61.43	61.43	N/A	565,884	347,650
2	1	61.43	61.43	61.43	00.00	100.00	61.43	61.43	N/A	565,884	347,650
_____ALL_____	23	74.59	73.41	60.43	27.16	121.48	17.90	134.28	58.24 to 81.31	530,540	320,628

22 Dakota
AGRICULTURAL - RANDOM INCLUDE

PAD 2011 R&O Statistics (Using 2011 Values)

Qualified

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

Number of Sales : 27
 Total Sales Price : 13,262,925
 Total Adj. Sales Price : 13,262,925
 Total Assessed Value : 8,013,126
 Avg. Adj. Sales Price : 491,219
 Avg. Assessed Value : 296,782

MEDIAN : 73
 WGT. MEAN : 60
 MEAN : 74
 COD : 27.39
 PRD : 122.31

COV : 36.52
 STD : 26.99
 Avg. Abs. Dev : 20.12
 MAX Sales Ratio : 134.28
 MIN Sales Ratio : 17.90

95% Median C.I. : 58.24 to 81.31
 95% Wgt. Mean C.I. : 54.01 to 66.82
 95% Mean C.I. : 63.22 to 84.58

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DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
Qrtrs											
01-JUL-07 To 30-SEP-07	5	95.55	103.16	100.00	18.67	103.16	76.85	134.28	N/A	110,880	110,883
01-OCT-07 To 31-DEC-07	2	63.64	63.64	46.25	32.90	137.60	42.70	84.57	N/A	601,000	277,978
01-JAN-08 To 31-MAR-08	3	81.31	86.82	90.82	29.26	95.60	53.89	125.25	N/A	221,133	200,828
01-APR-08 To 30-JUN-08	2	51.58	51.58	53.01	06.71	97.30	48.12	55.04	N/A	1,963,988	1,041,088
01-JUL-08 To 30-SEP-08	2	64.49	64.49	54.23	24.95	118.92	48.40	80.58	N/A	745,215	404,100
01-OCT-08 To 31-DEC-08	1	65.48	65.48	65.48	00.00	100.00	65.48	65.48	N/A	1,029,480	674,095
01-JAN-09 To 31-MAR-09	4	66.42	56.78	57.86	28.17	98.13	17.90	76.39	N/A	145,200	84,015
01-APR-09 To 30-JUN-09	1	60.87	60.87	60.87	00.00	100.00	60.87	60.87	N/A	1,136,506	691,770
01-JUL-09 To 30-SEP-09	2	97.02	97.02	83.05	21.60	116.82	76.06	117.98	N/A	300,000	249,145
01-OCT-09 To 31-DEC-09	1	65.55	65.55	65.55	00.00	100.00	65.55	65.55	N/A	93,600	61,353
01-JAN-10 To 31-MAR-10	3	61.43	57.67	56.87	06.61	101.41	49.70	61.88	N/A	621,445	353,393
01-APR-10 To 30-JUN-10	1	73.46	73.46	73.46	00.00	100.00	73.46	73.46	N/A	120,000	88,148
Study Yrs											
01-JUL-07 To 30-JUN-08	12	82.94	83.89	59.79	29.23	140.31	42.70	134.28	53.89 to 120.45	528,981	316,253
01-JUL-08 To 30-JUN-09	8	63.18	60.31	59.24	22.08	101.81	17.90	80.58	17.90 to 80.58	529,652	313,766
01-JUL-09 To 30-JUN-10	7	65.55	72.29	63.78	20.59	113.34	49.70	117.98	49.70 to 117.98	382,562	243,996
Calendar Yrs											
01-JAN-08 To 31-DEC-08	8	60.26	69.76	58.60	30.53	119.04	48.12	125.25	48.12 to 125.25	888,911	520,869
01-JAN-09 To 31-DEC-09	8	70.07	68.45	65.85	25.42	103.95	17.90	117.98	17.90 to 117.98	301,363	198,434
ALL	27	73.46	73.90	60.42	27.39	122.31	17.90	134.28	58.24 to 81.31	491,219	296,782

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
1	6	71.17	67.78	55.12	21.91	122.97	42.70	88.69	42.70 to 88.69	616,551	339,870
2	21	73.46	75.64	62.46	29.16	121.10	17.90	134.28	58.24 to 81.31	455,410	284,472
ALL	27	73.46	73.90	60.42	27.39	122.31	17.90	134.28	58.24 to 81.31	491,219	296,782

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
Dry											
County	9	74.59	76.81	59.31	18.98	129.51	48.40	134.28	60.87 to 84.57	377,765	224,035
1	3	76.85	69.94	51.33	15.69	136.26	48.40	84.57	N/A	443,276	227,528
2	6	74.03	80.25	64.43	20.05	124.55	60.87	134.28	60.87 to 134.28	345,010	222,289
ALL	27	73.46	73.90	60.42	27.39	122.31	17.90	134.28	58.24 to 81.31	491,219	296,782

22 Dakota
AGRICULTURAL - RANDOM INCLUDE

PAD 2011 R&O Statistics (Using 2011 Values)

Qualified

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

Number of Sales : 27
 Total Sales Price : 13,262,925
 Total Adj. Sales Price : 13,262,925
 Total Assessed Value : 8,013,126
 Avg. Adj. Sales Price : 491,219
 Avg. Assessed Value : 296,782

MEDIAN : 73
 WGT. MEAN : 60
 MEAN : 74
 COD : 27.39
 PRD : 122.31

COV : 36.52
 STD : 26.99
 Avg. Abs. Dev : 20.12
 MAX Sales Ratio : 134.28
 MIN Sales Ratio : 17.90

95% Median C.I. : 58.24 to 81.31
 95% Wgt. Mean C.I. : 54.01 to 66.82
 95% Mean C.I. : 63.22 to 84.58

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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	2	69.20	69.20	59.18	28.18	116.93	49.70	88.69	N/A	493,450	292,025
1	1	88.69	88.69	88.69	00.00	100.00	88.69	88.69	N/A	240,000	212,845
2	1	49.70	49.70	49.70	00.00	100.00	49.70	49.70	N/A	746,900	371,205
_____Dry_____											
County	12	75.49	78.74	59.27	21.68	132.85	48.40	134.28	60.87 to 84.57	545,282	323,210
1	3	76.85	69.94	51.33	15.69	136.26	48.40	84.57	N/A	443,276	227,528
2	9	74.59	81.67	61.30	23.53	133.23	55.04	134.28	60.87 to 117.98	579,283	355,104
_____Grass_____											
County	1	61.43	61.43	61.43	00.00	100.00	61.43	61.43	N/A	565,884	347,650
2	1	61.43	61.43	61.43	00.00	100.00	61.43	61.43	N/A	565,884	347,650
_____ALL_____	27	73.46	73.90	60.42	27.39	122.31	17.90	134.28	58.24 to 81.31	491,219	296,782

22 Dakota
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 : 33
 Total Sales Price : 15,960,843
 Total Adj. Sales Price : 15,960,843
 Total Assessed Value : 9,891,145
 Avg. Adj. Sales Price : 483,662
 Avg. Assessed Value : 299,732

MEDIAN : 73
 WGT. MEAN : 62
 MEAN : 76
 COD : 28.66
 PRD : 122.12

COV : 38.27
 STD : 28.96
 Avg. Abs. Dev : 21.05
 MAX Sales Ratio : 156.59
 MIN Sales Ratio : 17.90

95% Median C.I. : 60.18 to 80.58
 95% Wgt. Mean C.I. : 56.11 to 67.83
 95% Mean C.I. : 65.80 to 85.56

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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	5	95.55	103.16	100.00	18.67	103.16	76.85	134.28	N/A	110,880	110,883
01-OCT-07 To 31-DEC-07	2	63.64	63.64	46.25	32.90	137.60	42.70	84.57	N/A	601,000	277,978
01-JAN-08 To 31-MAR-08	3	81.31	86.82	90.82	29.26	95.60	53.89	125.25	N/A	221,133	200,828
01-APR-08 To 30-JUN-08	4	56.31	79.33	57.74	49.28	137.39	48.12	156.59	N/A	1,298,874	750,013
01-JUL-08 To 30-SEP-08	2	64.49	64.49	54.23	24.95	118.92	48.40	80.58	N/A	745,215	404,100
01-OCT-08 To 31-DEC-08	3	65.48	66.15	64.18	08.92	103.07	57.73	75.25	N/A	528,493	339,167
01-JAN-09 To 31-MAR-09	4	66.42	56.78	57.86	28.17	98.13	17.90	76.39	N/A	145,200	84,015
01-APR-09 To 30-JUN-09	3	60.87	72.02	65.07	19.07	110.68	60.18	95.01	N/A	670,302	436,168
01-JUL-09 To 30-SEP-09	2	97.02	97.02	83.05	21.60	116.82	76.06	117.98	N/A	300,000	249,145
01-OCT-09 To 31-DEC-09	1	65.55	65.55	65.55	00.00	100.00	65.55	65.55	N/A	93,600	61,355
01-JAN-10 To 31-MAR-10	3	61.43	57.67	56.87	06.61	101.41	49.70	61.88	N/A	621,445	353,393
01-APR-10 To 30-JUN-10	1	73.46	73.46	73.46	00.00	100.00	73.46	73.46	N/A	120,000	88,150
<u>Study Yrs</u>											
01-JUL-07 To 30-JUN-08	14	82.94	87.20	61.89	33.58	140.90	42.70	156.59	53.89 to 125.25	543,949	336,636
01-JUL-08 To 30-JUN-09	12	63.18	64.22	61.23	21.64	104.88	17.90	95.01	57.73 to 76.39	472,301	289,189
01-JUL-09 To 30-JUN-10	7	65.55	72.29	63.78	20.59	113.34	49.70	117.98	49.70 to 117.98	382,562	243,996
<u>Calendar Yrs</u>											
01-JAN-08 To 31-DEC-08	12	61.61	75.43	60.75	35.68	124.16	48.12	156.59	53.89 to 81.31	744,567	452,353
01-JAN-09 To 31-DEC-09	10	70.07	70.28	67.09	25.30	104.75	17.90	117.98	58.24 to 95.01	328,531	220,421
<u>ALL</u>	33	73.46	75.68	61.97	28.66	122.12	17.90	156.59	60.18 to 80.58	483,662	299,732

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
1	6	71.17	67.78	55.12	21.91	122.97	42.70	88.69	42.70 to 88.69	616,551	339,870
2	27	73.46	77.44	64.04	30.32	120.92	17.90	156.59	58.24 to 81.31	454,131	290,812
<u>ALL</u>	33	73.46	75.68	61.97	28.66	122.12	17.90	156.59	60.18 to 80.58	483,662	299,732

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>Dry</u>											
County	11	74.59	75.16	59.93	17.37	125.41	48.40	134.28	60.18 to 84.57	376,571	225,670
1	3	76.85	69.94	51.33	15.69	136.26	48.40	84.57	N/A	443,276	227,528
2	8	74.03	77.11	63.99	17.59	120.50	60.18	134.28	60.18 to 134.28	351,557	224,973
<u>ALL</u>	33	73.46	75.68	61.97	28.66	122.12	17.90	156.59	60.18 to 80.58	483,662	299,732

22 Dakota
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 : 33
 Total Sales Price : 15,960,843
 Total Adj. Sales Price : 15,960,843
 Total Assessed Value : 9,891,145
 Avg. Adj. Sales Price : 483,662
 Avg. Assessed Value : 299,732

MEDIAN : 73
 WGT. MEAN : 62
 MEAN : 76
 COD : 28.66
 PRD : 122.12

COV : 38.27
 STD : 28.96
 Avg. Abs. Dev : 21.05
 MAX Sales Ratio : 156.59
 MIN Sales Ratio : 17.90

95% Median C.I. : 60.18 to 80.58
 95% Wgt. Mean C.I. : 56.11 to 67.83
 95% Mean C.I. : 65.80 to 85.56

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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	2	69.20	69.20	59.18	28.18	116.93	49.70	88.69	N/A	493,450	292,025
1	1	88.69	88.69	88.69	00.00	100.00	88.69	88.69	N/A	240,000	212,845
2	1	49.70	49.70	49.70	00.00	100.00	49.70	49.70	N/A	746,900	371,205
_____Dry_____											
County	16	74.92	80.91	61.53	25.91	131.50	48.40	156.59	60.18 to 84.57	534,581	328,903
1	3	76.85	69.94	51.33	15.69	136.26	48.40	84.57	N/A	443,276	227,528
2	13	74.59	83.44	63.40	28.06	131.61	55.04	156.59	60.18 to 117.98	555,651	352,297
_____Grass_____											
County	1	61.43	61.43	61.43	00.00	100.00	61.43	61.43	N/A	565,884	347,650
2	1	61.43	61.43	61.43	00.00	100.00	61.43	61.43	N/A	565,884	347,650
_____ALL_____	33	73.46	75.68	61.97	28.66	122.12	17.90	156.59	60.18 to 80.58	483,662	299,732

2011

Methodology for Special Valuation

Dakota County

The State Assessment office for Dakota County submits this report pursuant to Title 350, Neb. R. & Regs., Reg-11-005.004. The following methodologies are used to value agricultural land that is influenced by market factors other than purely agricultural or horticultural purposes. The following non-agricultural influence has been identified: Commercial/Industrial. The office maintains a file of all data used for determining the special and actual valuation. This file shall be available for inspection at the State Assessment office for Dakota County by any interested person.

A. Identification of the influenced area:

The land in market area 2 has been identified as the area least likely to be influenced by non-agricultural uses.

Land in market area 1 is located in an area where sales of farm property have sold substantially higher than in the surrounding agricultural markets. Trends along the south and northwest sections of South Sioux City have been toward commercial and industrial usage.

B. Describe the highest and best use of the properties in the influenced area, and how this was determined:

The area to the northwest of South Sioux City has been subject to a major development by Wal Mart. It includes a Wal Mart Super Store, three fast food restaurants and several small retail outlets. In addition to this Northeast Community College is building a new campus adjoining the development area. The highest and best use for this area is retail. While there are several lots still available for development this area is now in the city limits and the prospect of adjacent farm land being developed is in the distant future.

The area to the south of South Sioux City is influenced by the presence of the Tyson Beef Processing Plant. In recent years land in the vicinity of the plant has sold to companies that support and do finish processing of the output from Tyson. In addition a large tract of land was purchased by Beef Products Inc. and the Roth Industrial Park was platted in that tract. Three new industrial operations have located in the area in the last four years. This area's highest and best use is Industrial, based on the current usage and the establishment of the industrial park.

C. Describe the valuation models used in arriving at the value estimates, and explain why and how they were selected:

Page Two

Analysis of sales in the special valuation areas creates a market value for properties that are influenced by other use purposes. In the case of northwest South Sioux City sales, these sales will be located as near the subject property as possible. After analysis of sales along the expressway in this area it is evident the property is demanding a premium for development, the commercial value was set at a price reflective of the use as other than agricultural usage. After analysis of sales within the commercial area and ag land sales adjoining the commercial area a value is set using the sales comparison approach.

The industrial area to the south of South Sioux City is well defined by the Industrial Park. Analysis of sales in the special valuation areas creates a market value for properties that are influenced by other use purposes. In the case of the southern area of South Sioux City, these sales will be located as near the subject property as possible. After analysis of sales within the industrial park and ag land sales adjoining the industrial park a value is set using the sales comparison approach

D. Describe which market areas were analyzed, both in the County and in any county deemed comparable:

For 2011, non-influenced market areas 1 and 2 were analyzed and a determination was made for the need of only two (2) non-influenced market areas.

Each of the special valuation market areas in area 1 were created in conjunction with the surrounding agricultural market areas. To date, special valuation has values determined by the agricultural tables developed for the related market areas. These relationships were determined geographically and are considered to be the best indicators.

E. Describe any adjustments made to sales to reflect current cash equivalency of typical market conditions. Include how this affects the actual and special value:

N/A

F. Describe any estimates of economic rent or net operating income used in an income capitalization approach. Include estimates of yields, commodity prices, typical crop share:

We have not studied rents for these properties because typically actual income information is not readily available to this office.

Page Three

G. Describe the typical expenses allowed in an income capitalization approach. Include how this affects the actual and special value:

N/A

H. Describe the overall capitalization rate used in an income capitalization approach. Include how this affects the actual and special value:

N/A

I. Describe any other information used in supporting the estimate of actual and special value. Include how this affects the actual and special value:

An examination of Farm Land sales does not produce sufficient evidence to support the creation of recreational areas at this time. Therefore no recreational areas are used in Dakota County.

Dick Erickson
State Assessment Manager for Dakota County

Dick Erickson
State Appraiser for Dakota County

2011 Correlation Section for Dakota County

A. Agricultural Land

Dakota County is divided into two market areas. The agricultural land in area one consists of approximately 32% irrigated, 60% dry land, 5% grass and the remaining 2% classified as other. The area is bordered on the east by the Missouri river and the remainder of the county on the west. The agricultural land in area two consists of no irrigation, 68% dry land, 27% grass and 5% of other. The surrounding counties of Dixon and Thurston are comparable in topography and have similar soil classifications.

The analyses of the base statistics reveal that the county is slightly out of proportion in the distribution of time. The land use in area one is disproportionate in the irrigated and dry use.

The base statistic was expanded to include and exclude comparable sales from common market areas adjoining Dakota County to proportionately represent the time frame and land use. In the random inclusion four additional sales were all that was available in the most recent time frame for market area 2. With the borders of area one being the remainder of Dakota County and the river there were no sales to expand market area one.

Dakota County analyzed the sales within the county and reacted to the market by increasing values in both market areas where the appraiser deemed necessary. The coefficient of dispersion and the price related differential are far outside the acceptable levels.

Based on the analysis of all available information, the level of value of the agricultural land in Dakota County has been determined to be 73%.

A1. Correlation for Special Valuation of Agricultural Land

Review of the agricultural land values having non-agricultural influences indicates that the values are similar to areas of the county where there are not any non-agricultural influences. It is the opinion of the Property tax administrator that the level of value for Special Valuation is at 73%.

**2011 Correlation Section
for Dakota 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 Dakota 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 Dakota 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 Dakota 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.

AGRICULTURAL - BASE STAT

Type : Qualified

Date Range : 07/01/2007 to 06/30/2010 Posted Before : 03/17/2011

Number of Sales :	24	Median :	70	COV :	43.08	95% Median C.I. :	55.04 to 81.31
Total Sales Price :	12,367,675	Wgt. Mean :	60	STD :	30.35	95% Wgt. Mean C.I. :	53.05 to 66.26
Total Adj. Sales Price :	12,367,675	Mean :	70	Avg.Abs.Dev :	22.43	95% Mean C.I. :	57.63 to 83.27
Total Assessed Value :	7,378,180						
Avg. Adj. Sales Price :	515,320	COD :	32.02	MAX Sales Ratio :	134.28		
Avg. Assessed Value :	307,424	PRD :	118.09	MIN Sales Ratio :	02.26		

Printed : 03/29/2011

DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg.Adj.SalePrice	Avg.AssdValue
<u>Qrtrs</u>											
07/01/2007 To 09/30/2007	5	95.55	103.16	100.00	18.67	103.16	76.85	134.28	N/A	110,880	110,883
10/01/2007 To 12/31/2007	2	63.64	63.64	46.25	32.90	137.60	42.70	84.57	N/A	601,000	277,978
01/01/2008 To 03/31/2008	3	81.31	86.82	90.82	29.26	95.60	53.89	125.25	N/A	221,133	200,828
04/01/2008 To 06/30/2008	2	51.58	51.58	53.01	06.71	97.30	48.12	55.04	N/A	1,963,988	1,041,088
07/01/2008 To 09/30/2008	2	64.49	64.49	54.23	24.95	118.92	48.40	80.58	N/A	745,215	404,100
10/01/2008 To 12/31/2008	1	65.48	65.48	65.48		100.00	65.48	65.48	N/A	1,029,480	674,095
01/01/2009 To 03/31/2009	4	66.42	56.78	57.86	28.17	98.13	17.90	76.39	N/A	145,200	84,015
04/01/2009 To 06/30/2009	1	60.87	60.87	60.87		100.00	60.87	60.87	N/A	1,136,506	691,770
07/01/2009 To 09/30/2009	1	76.06	76.06	76.06		100.00	76.06	76.06	N/A	500,000	380,310
10/01/2009 To 12/31/2009											
01/01/2010 To 03/31/2010	3	61.43	41.86	54.01	32.35	77.50	02.26	61.88	N/A	427,562	230,905
04/01/2010 To 06/30/2010											
<u>Study Yrs</u>											
07/01/2007 To 06/30/2008	12	82.94	83.89	59.79	29.23	140.31	42.70	134.28	53.89 to 120.45	528,981	316,253
07/01/2008 To 06/30/2009	8	63.18	60.31	59.24	22.08	101.81	17.90	80.58	17.90 to 80.58	529,652	313,766
07/01/2009 To 06/30/2010	4	61.66	50.41	60.19	30.10	83.75	02.26	76.06	N/A	445,671	268,256
<u>Calendar Yrs</u>											
01/01/2008 To 12/31/2008	8	60.26	69.76	58.60	30.53	119.04	48.12	125.25	48.12 to 125.25	888,911	520,869
01/01/2009 To 12/31/2009	6	67.73	60.68	63.51	22.16	95.54	17.90	76.39	17.90 to 76.39	369,551	234,690
<u>ALL</u>											
07/01/2007 To 06/30/2010	24	70.04	70.45	59.66	32.02	118.09	02.26	134.28	55.04 to 81.31	515,320	307,424

AGRICULTURAL - BASE STAT

Type : Qualified

Date Range : 07/01/2007 to 06/30/2010 Posted Before : 03/17/2011

Number of Sales :	24	Median :	70	COV :	43.08	95% Median C.I. :	55.04 to 81.31
Total Sales Price :	12,367,675	Wgt. Mean :	60	STD :	30.35	95% Wgt. Mean C.I. :	53.05 to 66.26
Total Adj. Sales Price :	12,367,675	Mean :	70	Avg.Abs.Dev :	22.43	95% Mean C.I. :	57.63 to 83.27
Total Assessed Value :	7,378,180						
Avg. Adj. Sales Price :	515,320	COD :	32.02	MAX Sales Ratio :	134.28		
Avg. Assessed Value :	307,424	PRD :	118.09	MIN Sales Ratio :	02.26		

Printed : 03/29/2011

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg.Adj.SalePrice	Avg.AssdValue
1	6	71.17	67.78	55.12	21.91	122.97	42.70	88.69	42.70 to 88.69	616,551	339,870
2	18	68.24	71.34	61.59	36.21	115.83	02.26	134.28	55.04 to 81.31	481,576	296,609
<u>ALL</u>											
07/01/2007 To 06/30/2010	24	70.04	70.45	59.66	32.02	118.09	02.26	134.28	55.04 to 81.31	515,320	307,424

95%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg.Adj.SalePrice	Avg.AssdValue
<u>Dry</u>											
County	8	75.49	77.23	58.79	20.92	131.37	48.40	134.28	48.40 to 134.28	409,986	241,021
1	3	76.85	69.94	51.33	15.69	136.26	48.40	84.57	N/A	443,276	227,528
2	5	74.59	81.60	63.87	23.57	127.76	60.87	134.28	N/A	390,011	249,117
<u>Grass</u>											
County	1	02.26	02.26	02.26		100.00	02.26	02.26	N/A	165,250	3,740
2	1	02.26	02.26	02.26		100.00	02.26	02.26	N/A	165,250	3,740
<u>ALL</u>											
07/01/2007 To 06/30/2010	24	70.04	70.45	59.66	32.02	118.09	02.26	134.28	55.04 to 81.31	515,320	307,424

80%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg.Adj.SalePrice	Avg.AssdValue
<u>Irrigated</u>											
County	1	88.69	88.69	88.69		100.00	88.69	88.69	N/A	240,000	212,845
1	1	88.69	88.69	88.69		100.00	88.69	88.69	N/A	240,000	212,845
<u>Dry</u>											
County	10	75.49	75.35	58.08	20.12	129.73	48.40	134.28	55.04 to 84.57	632,338	367,239
1	3	76.85	69.94	51.33	15.69	136.26	48.40	84.57	N/A	443,276	227,528
2	7	74.59	77.66	59.87	21.73	129.71	55.04	134.28	55.04 to 134.28	713,364	427,115
<u>Grass</u>											

County	2	31.85	31.85	48.06	92.90	66.27	02.26	61.43	N/A	365,567	175,695
2	2	31.85	31.85	48.06	92.90	66.27	02.26	61.43	N/A	365,567	175,695
<u>ALL</u>											
07/01/2007 To 06/30/2010	24	70.04	70.45	59.66	32.02	118.09	02.26	134.28	55.04 to 81.31	515,320	307,424

AGRICULTURAL-RANDOM INCLUDE

Type : Qualified

Number of Sales :	28	Median :	70	COV :	41.69	95% Median C.I. :	58.24 to 80.58
Total Sales Price :	13,428,175	Wgt. Mean :	60	STD :	29.74	95% Wgt. Mean C.I. :	53.54 to 65.87
Total Adj. Sales Price :	13,428,175	Mean :	71	Avg. Abs. Dev :	21.95	95% Mean C.I. :	59.81 to 82.87
Total Assessed Value :	8,016,866						
Avg. Adj. Sales Price :	479,578	COD :	31.58	MAX Sales Ratio :	134.28		
Avg. Assessed Value :	286,317	PRD :	119.50	MIN Sales Ratio :	02.26		

DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Value
<u>Qrtrs</u>											
07/01/2007 To 09/30/2007	5	95.55	103.16	100.00	18.67	103.16	76.85	134.28	N/A	110,880	110,883
10/01/2007 To 12/31/2007	2	63.64	63.64	46.25	32.90	137.60	42.70	84.57	N/A	601,000	277,978
01/01/2008 To 03/31/2008	3	81.31	86.82	90.82	29.26	95.60	53.89	125.25	N/A	221,133	200,828
04/01/2008 To 06/30/2008	2	51.58	51.58	53.01	06.71	97.30	48.12	55.04	N/A	1,963,988	1,041,088
07/01/2008 To 09/30/2008	2	64.49	64.49	54.23	24.95	118.92	48.40	80.58	N/A	745,215	404,100
10/01/2008 To 12/31/2008	1	65.48	65.48	65.48		100.00	65.48	65.48	N/A	1,029,480	674,095
01/01/2009 To 03/31/2009	4	66.42	56.78	57.86	28.17	98.13	17.90	76.39	N/A	145,200	84,015
04/01/2009 To 06/30/2009	1	60.87	60.87	60.87		100.00	60.87	60.87	N/A	1,136,506	691,770
07/01/2009 To 09/30/2009	2	97.02	97.02	83.05	21.60	116.82	76.06	117.98	N/A	300,000	249,145
10/01/2009 To 12/31/2009	1	65.55	65.55	65.55		100.00	65.55	65.55	N/A	93,600	61,353
01/01/2010 To 03/31/2010	4	55.57	43.82	52.42	32.10	83.59	02.26	61.88	N/A	507,396	265,980
04/01/2010 To 06/30/2010	1	73.46	73.46	73.46		100.00	73.46	73.46	N/A	120,000	88,148
<u>Study Yrs</u>											
07/01/2007 To 06/30/2008	12	82.94	83.89	59.79	29.23	140.31	42.70	134.28	53.89 to 120.45	528,981	316,253
07/01/2008 To 06/30/2009	8	63.18	60.31	59.24	22.08	101.81	17.90	80.58	17.90 to 80.58	529,652	313,766
07/01/2009 To 06/30/2010	8	63.72	63.54	60.20	30.95	105.55	02.26	117.98	02.26 to 117.98	355,398	213,964
<u>Calendar Yrs</u>											
01/01/2008 To 12/31/2008	8	60.26	69.76	58.60	30.53	119.04	48.12	125.25	48.12 to 125.25	888,911	520,869
01/01/2009 To 12/31/2009	8	70.07	68.45	65.85	25.42	103.95	17.90	117.98	17.90 to 117.98	301,363	198,434

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Value
1	6	71.17	67.78	55.12	21.91	122.97	42.70	88.69	42.70 to 88.69	616,551	339,870
2	22	69.51	72.31	61.44	34.07	117.69	02.26	134.28	55.04 to 81.31	442,221	271,711

AGRICULTURAL-RANDOM INCLUDE

Type : Qualified

Number of Sales :	28	Median :	70	COV :	41.69	95% Median C.I. :	58.24 to 80.58
Total Sales Price :	13,428,175	Wgt. Mean :	60	STD :	29.74	95% Wgt. Mean C.I. :	53.54 to 65.87
Total Adj. Sales Price :	13,428,175	Mean :	71	Avg. Abs. Dev :	21.95	95% Mean C.I. :	59.81 to 82.87
Total Assessed Value :	8,016,866						
Avg. Adj. Sales Price :	479,578	COD :	31.58	MAX Sales Ratio :	134.28		
Avg. Assessed Value :	286,317	PRD :	119.50	MIN Sales Ratio :	02.26		

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 Value
<u>_____Dry_____</u>											
County	9	74.59	76.81	59.31	18.98	129.51	48.40	134.28	60.87 to 84.57	377,765	224,035
1	3	76.85	69.94	51.33	15.69	136.26	48.40	84.57	N/A	443,276	227,528
2	6	74.03	80.25	64.43	20.05	124.55	60.87	134.28	60.87 to 134.28	345,010	222,289
<u>_____Grass_____</u>											
County	1	02.26	02.26	02.26		100.00	02.26	02.26	N/A	165,250	3,740
2	1	02.26	02.26	02.26		100.00	02.26	02.26	N/A	165,250	3,740
<u>_____ALL_____</u>											
07/01/2007 To 06/30/2010	28	69.51	71.34	59.70	31.58	119.50	02.26	134.28	58.24 to 80.58	479,578	286,317

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 Value
<u>_____Irrigated_____</u>											
County	2	69.20	69.20	59.18	28.18	116.93	49.70	88.69	N/A	493,450	292,025
1	1	88.69	88.69	88.69		100.00	88.69	88.69	N/A	240,000	212,845
2	1	49.70	49.70	49.70		100.00	49.70	49.70	N/A	746,900	371,205
<u>_____Dry_____</u>											
County	12	75.49	78.74	59.27	21.68	132.85	48.40	134.28	60.87 to 84.57	545,282	323,210
1	3	76.85	69.94	51.33	15.69	136.26	48.40	84.57	N/A	443,276	227,528
2	9	74.59	81.67	61.30	23.53	133.23	55.04	134.28	60.87 to 117.98	579,283	355,104
<u>_____Grass_____</u>											
County	2	31.85	31.85	48.06	92.90	66.27	02.26	61.43	N/A	365,567	175,695
2	2	31.85	31.85	48.06	92.90	66.27	02.26	61.43	N/A	365,567	175,695
<u>_____ALL_____</u>											
07/01/2007 To 06/30/2010	28	69.51	71.34	59.70	31.58	119.50	02.26	134.28	58.24 to 80.58	479,578	286,317

AGRICULTURAL-RANDOM EXCLUDE

Type : Qualified

Number of Sales :	36	Median :	70	COV :	41.65	95% Median C.I. :	58.24 to 76.85
Total Sales Price :	17,184,793	Wgt. Mean :	61	STD :	30.44	95% Wgt. Mean C.I. :	55.89 to 66.61
Total Adj. Sales Price :	17,184,793	Mean :	73	Avg. Abs. Dev :	21.89	95% Mean C.I. :	63.15 to 83.03
Total Assessed Value :	10,525,440						
Avg. Adj. Sales Price :	477,355	COD :	31.49	MAX Sales Ratio :	156.59		
Avg. Assessed Value :	292,373	PRD :	119.33	MIN Sales Ratio :	02.26		

DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Value
<u>Qrtrs</u>											
07/01/2007 To 09/30/2007	5	95.55	103.16	100.00	18.67	103.16	76.85	134.28	N/A	110,880	110,883
10/01/2007 To 12/31/2007	3	76.68	67.98	51.20	18.21	132.77	42.70	84.57	N/A	478,467	244,975
01/01/2008 To 03/31/2008	3	81.31	86.82	90.82	29.26	95.60	53.89	125.25	N/A	221,133	200,828
04/01/2008 To 06/30/2008	4	56.31	79.33	57.74	49.28	137.39	48.12	156.59	N/A	1,298,874	750,013
07/01/2008 To 09/30/2008	2	64.49	64.49	54.23	24.95	118.92	48.40	80.58	N/A	745,215	404,100
10/01/2008 To 12/31/2008	3	65.48	66.15	64.18	08.92	103.07	57.73	75.25	N/A	528,493	339,167
01/01/2009 To 03/31/2009	4	66.42	56.78	57.86	28.17	98.13	17.90	76.39	N/A	145,200	84,015
04/01/2009 To 06/30/2009	4	60.53	67.70	62.06	16.93	109.09	54.72	95.01	N/A	709,052	440,023
07/01/2009 To 09/30/2009	2	97.02	97.02	83.05	21.60	116.82	76.06	117.98	N/A	300,000	249,145
10/01/2009 To 12/31/2009	1	65.55	65.55	65.55		100.00	65.55	65.55	N/A	93,600	61,355
01/01/2010 To 03/31/2010	4	55.57	43.82	52.42	32.10	83.59	02.26	61.88	N/A	507,396	265,980
04/01/2010 To 06/30/2010	1	73.46	73.46	73.46		100.00	73.46	73.46	N/A	120,000	88,150
<u>Study Yrs</u>											
07/01/2007 To 06/30/2008	15	81.31	86.50	62.33	32.35	138.78	42.70	156.59	55.04 to 120.45	523,246	326,125
07/01/2008 To 06/30/2009	13	60.87	63.49	60.40	21.50	105.12	17.90	95.01	54.72 to 76.39	499,455	301,681
07/01/2009 To 06/30/2010	8	63.72	63.54	60.20	30.95	105.55	02.26	117.98	02.26 to 117.98	355,398	213,964
<u>Calendar Yrs</u>											
01/01/2008 To 12/31/2008	12	61.61	75.43	60.75	35.68	124.16	48.12	156.59	53.89 to 81.31	744,567	452,353
01/01/2009 To 12/31/2009	11	65.55	68.86	64.61	26.09	106.58	17.90	117.98	54.72 to 95.01	373,691	241,436

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Value
1	6	71.17	67.78	55.12	21.91	122.97	42.70	88.69	42.70 to 88.69	616,551	339,870
2	30	69.51	74.15	62.93	33.30	117.83	02.26	156.59	58.24 to 76.68	449,516	282,874

AGRICULTURAL-RANDOM EXCLUDE

Type : Qualified

Number of Sales :	36	Median :	70	COV :	41.65	95% Median C.I. :	58.24 to 76.85
Total Sales Price :	17,184,793	Wgt. Mean :	61	STD :	30.44	95% Wgt. Mean C.I. :	55.89 to 66.61
Total Adj. Sales Price :	17,184,793	Mean :	73	Avg. Abs.Dev :	21.89	95% Mean C.I. :	63.15 to 83.03
Total Assessed Value :	10,525,440						
Avg. Adj. Sales Price :	477,355	COD :	31.49	MAX Sales Ratio :	156.59		
Avg. Assessed Value :	292,373	PRD :	119.33	MIN Sales Ratio :	02.26		

95%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg.Adj.SalePrice	Avg.AssdValue
<u> Dry </u>											
County	13	74.59	73.70	59.85	16.96	123.14	48.40	134.28	60.18 to 76.85	400,076	239,455
1	3	76.85	69.94	51.33	15.69	136.26	48.40	84.57	N/A	443,276	227,528
2	10	74.03	74.83	62.78	17.03	119.19	54.72	134.28	60.18 to 76.68	387,116	243,034
<u> Grass </u>											
County	1	02.26	02.26	02.26		100.00	02.26	02.26	N/A	165,250	3,740
2	1	02.26	02.26	02.26		100.00	02.26	02.26	N/A	165,250	3,740
<u> ALL </u>											
07/01/2007 To 06/30/2010	36	69.51	73.09	61.25	31.49	119.33	02.26	156.59	58.24 to 76.85	477,355	292,373

80%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg.Adj.SalePrice	Avg.AssdValue
<u> Irrigated </u>											
County	2	69.20	69.20	59.18	28.18	116.93	49.70	88.69	N/A	493,450	292,025
1	1	88.69	88.69	88.69		100.00	88.69	88.69	N/A	240,000	212,845
2	1	49.70	49.70	49.70		100.00	49.70	49.70	N/A	746,900	371,205
<u> Dry </u>											
County	18	74.92	79.22	61.31	24.65	129.21	48.40	156.59	60.18 to 80.58	534,000	327,389
1	3	76.85	69.94	51.33	15.69	136.26	48.40	84.57	N/A	443,276	227,528
2	15	74.59	81.07	62.91	26.28	128.87	54.72	156.59	60.18 to 80.58	552,145	347,361
<u> Grass </u>											
County	2	31.85	31.85	48.06	92.90	66.27	02.26	61.43	N/A	365,567	175,695
2	2	31.85	31.85	48.06	92.90	66.27	02.26	61.43	N/A	365,567	175,695
<u> ALL </u>											
07/01/2007 To 06/30/2010	36	69.51	73.09	61.25	31.49	119.33	02.26	156.59	58.24 to 76.85	477,355	292,373

Total Real Property Sum Lines 17, 25, & 30	Records : 9,648	Value : 1,137,096,005	Growth 16,868,730	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	480	5,216,025	167	1,322,375	96	940,520	743	7,478,920	
02. Res Improve Land	4,116	50,887,245	565	9,556,495	473	13,380,105	5,154	73,823,845	
03. Res Improvements	4,409	318,210,265	861	56,022,040	491	46,452,060	5,761	420,684,365	
04. Res Total	4,889	374,313,535	1,028	66,900,910	587	60,772,685	6,504	501,987,130	3,848,580
% of Res Total	75.17	74.57	15.81	13.33	9.03	12.11	67.41	44.15	22.81
05. Com UnImp Land	153	5,197,235	21	526,350	19	917,345	193	6,640,930	
06. Com Improve Land	571	25,665,760	45	2,494,745	26	1,142,485	642	29,302,990	
07. Com Improvements	578	135,803,540	49	11,304,175	28	4,206,975	655	151,314,690	
08. Com Total	731	166,666,535	70	14,325,270	47	6,266,805	848	187,258,610	1,336,180
% of Com Total	86.20	89.00	8.25	7.65	5.54	3.35	8.79	16.47	7.92
09. Ind UnImp Land	13	1,936,565	4	287,510	0	0	17	2,224,075	
10. Ind Improve Land	17	3,935,525	7	2,639,590	0	0	24	6,575,115	
11. Ind Improvements	17	53,519,045	7	46,643,310	0	0	24	100,162,355	
12. Ind Total	30	59,391,135	11	49,570,410	0	0	41	108,961,545	10,839,385
% of Ind Total	73.17	54.51	26.83	45.49	0.00	0.00	0.42	9.58	64.26
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	4,889	374,313,535	1,028	66,900,910	587	60,772,685	6,504	501,987,130	3,848,580
% of Res & Rec Total	75.17	74.57	15.81	13.33	9.03	12.11	67.41	44.15	22.81
Com & Ind Total	761	226,057,670	81	63,895,680	47	6,266,805	889	296,220,155	12,175,565
% of Com & Ind Total	85.60	76.31	9.11	21.57	5.29	2.12	9.21	26.05	72.18
17. Taxable Total	5,650	600,371,205	1,109	130,796,590	634	67,039,490	7,393	798,207,285	16,024,145
% of Taxable Total	76.42	75.21	15.00	16.39	8.58	8.40	76.63	70.20	94.99

Schedule II : Tax Increment Financing (TIF)

	Urban			SubUrban		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	149	7,433,555	1,527,615	0	0	0
19. Commercial	115	15,576,680	21,769,930	0	0	0
20. Industrial	1	181,330	31,211,965	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	149	7,433,555	1,527,615
19. Commercial	0	0	0	115	15,576,680	21,769,930
20. Industrial	0	0	0	1	181,330	31,211,965
21. Other	0	0	0	0	0	0
22. Total Sch II				265	23,191,565	54,509,510

Schedule III : Mineral Interest Records

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

Schedule IV : Exempt Records : Non-Agricultural

	Urban Records	SubUrban Records	Rural Records	Total Records
26. Exempt	349	67	91	507

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	0	0	248	25,611,485	1,572	211,888,310	1,820	237,499,795
28. Ag-Improved Land	0	0	70	7,280,685	344	63,390,205	414	70,670,890
29. Ag Improvements	0	0	74	5,542,770	361	25,175,265	435	30,718,035
30. Ag Total							2,255	338,888,720

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	51	53.00	611,390	
33. HomeSite Improvements	0	0.00	0	51	51.00	4,523,905	
34. HomeSite Total							
35. FarmSite UnImp Land	0	0.00	0	5	6.00	12,810	
36. FarmSite Improv Land	0	0.00	0	59	141.10	257,395	
37. FarmSite Improvements	0	0.00	0	57	0.00	1,018,865	
38. FarmSite Total							
39. Road & Ditches	0	0.00	0	0	201.58	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	5	5.00	55,850	5	5.00	55,850	
32. HomeSite Improv Land	244	251.28	2,787,690	295	304.28	3,399,080	
33. HomeSite Improvements	246	244.28	19,116,345	297	295.28	23,640,250	844,585
34. HomeSite Total				302	309.28	27,095,180	
35. FarmSite UnImp Land	53	116.29	234,125	58	122.29	246,935	
36. FarmSite Improv Land	313	940.25	1,616,005	372	1,081.35	1,873,400	
37. FarmSite Improvements	305	0.00	6,058,920	362	0.00	7,077,785	0
38. FarmSite Total				420	1,203.64	9,198,120	
39. Road & Ditches	0	2,095.20	0	0	2,296.78	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
41. Total Section VI				722	3,809.70	36,293,300	844,585

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	1	40.00	13,600	1	40.00	13,600

Schedule VIII : Agricultural Records : Special Value

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
43. Special Value	0	0.00	0	47	1,696.92	3,736,905
44. Recapture Value N/A	0	0.00	0	47	1,696.92	4,002,145
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
43. Special Value	0	0.00	0	47	1,696.92	3,736,905
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	3,635.27	22.18%	10,360,525	23.27%	2,850.00
46. 1A	176.51	1.08%	494,230	1.11%	2,800.01
47. 2A1	4,952.87	30.22%	13,620,430	30.59%	2,750.01
48. 2A	0.00	0.00%	0	0.00%	0.00
49. 3A1	6,594.02	40.23%	17,474,185	39.24%	2,650.00
50. 3A	0.00	0.00%	0	0.00%	0.00
51. 4A1	1,009.37	6.16%	2,523,425	5.67%	2,500.00
52. 4A	22.70	0.14%	56,190	0.13%	2,475.33
53. Total	16,390.74	100.00%	44,528,985	100.00%	2,716.72
Dry					
54. 1D1	10,672.31	34.61%	27,729,775	35.58%	2,598.29
55. 1D	566.51	1.84%	1,457,550	1.87%	2,572.86
56. 2D1	7,635.12	24.76%	19,469,490	24.98%	2,549.99
57. 2D	0.00	0.00%	0	0.00%	0.00
58. 3D1	10,704.87	34.71%	26,761,030	34.34%	2,499.89
59. 3D	0.00	0.00%	0	0.00%	0.00
60. 4D1	1,199.71	3.89%	2,399,120	3.08%	1,999.75
61. 4D	61.83	0.20%	117,475	0.15%	1,899.97
62. Total	30,840.35	100.00%	77,934,440	100.00%	2,527.03
Grass					
63. 1G1	200.10	7.05%	293,710	9.26%	1,467.82
64. 1G	36.66	1.29%	45,470	1.43%	1,240.32
65. 2G1	461.22	16.25%	642,095	20.25%	1,392.17
66. 2G	0.00	0.00%	0	0.00%	0.00
67. 3G1	327.48	11.54%	373,535	11.78%	1,140.63
68. 3G	0.00	0.00%	0	0.00%	0.00
69. 4G1	1,511.82	53.27%	1,666,875	52.58%	1,102.56
70. 4G	300.58	10.59%	148,560	4.69%	494.24
71. Total	2,837.86	100.00%	3,170,245	100.00%	1,117.13
Irrigated Total					
	16,390.74	31.92%	44,528,985	35.32%	2,716.72
Dry Total					
	30,840.35	60.06%	77,934,440	61.82%	2,527.03
Grass Total					
	2,837.86	5.53%	3,170,245	2.51%	1,117.13
72. Waste	1,276.42	2.49%	439,405	0.35%	344.25
73. Other	0.00	0.00%	0	0.00%	0.00
74. Exempt	165.45	0.32%	0	0.00%	0.00
75. Market Area Total	51,345.37	100.00%	126,073,075	100.00%	2,455.39

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 2

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	0.00	0.00%	0	0.00%	0.00
47. 2A1	0.00	0.00%	0	0.00%	0.00
48. 2A	0.00	0.00%	0	0.00%	0.00
49. 3A1	0.00	0.00%	0	0.00%	0.00
50. 3A	0.00	0.00%	0	0.00%	0.00
51. 4A1	0.00	0.00%	0	0.00%	0.00
52. 4A	0.00	0.00%	0	0.00%	0.00
53. Total	0.00	0.00%	0	0.00%	0.00
Dry					
54. 1D1	1,265.32	1.90%	3,163,300	2.10%	2,500.00
55. 1D	10,583.89	15.91%	26,181,855	17.42%	2,473.75
56. 2D1	3,855.64	5.80%	9,446,415	6.28%	2,450.03
57. 2D	442.70	0.67%	1,073,585	0.71%	2,425.08
58. 3D1	8,880.19	13.35%	21,312,460	14.18%	2,400.00
59. 3D	2,552.98	3.84%	5,744,275	3.82%	2,250.03
60. 4D1	32,792.39	49.29%	70,477,535	46.88%	2,149.20
61. 4D	6,159.76	9.26%	12,923,935	8.60%	2,098.12
62. Total	66,532.87	100.00%	150,323,360	100.00%	2,259.38
Grass					
63. 1G1	52.64	0.20%	58,250	0.23%	1,106.57
64. 1G	2,656.27	10.03%	3,425,220	13.49%	1,289.48
65. 2G1	913.07	3.45%	1,023,720	4.03%	1,121.18
66. 2G	262.25	0.99%	369,640	1.46%	1,409.49
67. 3G1	1,697.05	6.41%	2,080,040	8.19%	1,225.68
68. 3G	170.63	0.64%	217,460	0.86%	1,274.45
69. 4G1	10,080.56	38.06%	10,585,860	41.70%	1,050.13
70. 4G	10,656.73	40.23%	7,625,035	30.04%	715.51
71. Total	26,489.20	100.00%	25,385,225	100.00%	958.32
Irrigated Total					
	0.00	0.00%	0	0.00%	0.00
Dry Total					
	66,532.87	67.59%	150,323,360	85.16%	2,259.38
Grass Total					
	26,489.20	26.91%	25,385,225	14.38%	958.32
72. Waste	5,418.21	5.50%	813,760	0.46%	150.19
73. Other	0.00	0.00%	0	0.00%	0.00
74. Exempt	85.71	0.09%	0	0.00%	0.00
75. Market Area Total	98,440.28	100.00%	176,522,345	100.00%	1,793.19

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	0.00	0	1,500.56	4,083,645	14,890.18	40,445,340	16,390.74	44,528,985
77. Dry Land	0.00	0	10,059.67	24,508,780	87,313.55	203,749,020	97,373.22	228,257,800
78. Grass	0.00	0	3,465.30	3,281,340	25,861.76	25,274,130	29,327.06	28,555,470
79. Waste	0.00	0	612.25	136,810	6,082.38	1,116,355	6,694.63	1,253,165
80. Other	0.00	0	0.00	0	0.00	0	0.00	0
81. Exempt	0.00	0	149.97	0	101.19	0	251.16	0
82. Total	0.00	0	15,637.78	32,010,575	134,147.87	270,584,845	149,785.65	302,595,420

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	16,390.74	10.94%	44,528,985	14.72%	2,716.72
Dry Land	97,373.22	65.01%	228,257,800	75.43%	2,344.15
Grass	29,327.06	19.58%	28,555,470	9.44%	973.69
Waste	6,694.63	4.47%	1,253,165	0.41%	187.19
Other	0.00	0.00%	0	0.00%	0.00
Exempt	251.16	0.17%	0	0.00%	0.00
Total	149,785.65	100.00%	302,595,420	100.00%	2,020.19

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

22 Dakota

	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	496,820,940	501,987,130	5,166,190	1.04%	3,848,580	0.27%
02. Recreational	0	0	0		0	
03. Ag-Homesite Land, Ag-Res Dwelling	26,969,890	27,095,180	125,290	0.46%	844,585	-2.67%
04. Total Residential (sum lines 1-3)	523,790,830	529,082,310	5,291,480	1.01%	4,693,165	0.11%
05. Commercial	186,280,255	187,258,610	978,355	0.53%	1,336,180	-0.19%
06. Industrial	97,968,820	108,961,545	10,992,725	11.22%	10,839,385	0.16%
07. Ag-Farmsite Land, Outbuildings	8,473,335	9,198,120	724,785	8.55%	0	8.55%
08. Minerals	0	0	0		0	
09. Total Commercial (sum lines 5-8)	292,722,410	305,418,275	12,695,865	4.34%	12,175,565	0.18%
10. Total Non-Agland Real Property	816,513,240	834,500,585	17,987,345	2.20%	16,868,730	0.14%
11. Irrigated	40,101,055	44,528,985	4,427,930	11.04%		
12. Dryland	197,933,220	228,257,800	30,324,580	15.32%		
13. Grassland	29,511,310	28,555,470	-955,840	-3.24%		
14. Wasteland	1,254,965	1,253,165	-1,800	-0.14%		
15. Other Agland	0	0	0			
16. Total Agricultural Land	268,800,550	302,595,420	33,794,870	12.57%		
17. Total Value of all Real Property (Locally Assessed)	1,085,313,790	1,137,096,005	51,782,215	4.77%	16,868,730	3.22%

2010 Plan of Assessment for Dakota County
Assessment Years 2011, 2012 and 2013
Date: June 14, 2010

Plan of Assessment Requirements:

Pursuant to Neb. Rev. Stat. 77-1311.02 (2007), on or before June 15 each year, the assessor shall prepare a plan of assessment, (herein after referred to as the “plan”), which describes the assessment actions planned for the next assessment year and two years thereafter. The plan shall indicate the classes or subclasses of real property that the county assessor plans to examine during the years contained in the plan of assessment. The plan shall describe all the assessment actions necessary to achieve the levels of value and quality of assessment practices required by law, and the resources necessary to complete those actions. On or before July 31 each year, the assessor shall present the plan to the county board of equalization and the assessor may amend the plan, if necessary, after the budget is approved by the county board. A copy of the plan and any amendments thereto shall be mailed to the Department of Property Assessment and Taxation on or before October 31 each year.

Real Property Assessment Requirements:

All property in the State of Nebraska is subject to property tax unless expressly exempt by Nebraska Constitution, Article VIII, or is permitted by the constitution and enabling legislation adopted by the legislature. The uniform standard for the assessed value of real property for tax purposes is actual value, which is defined by law as “the market value of real property in the ordinary course of trade.” Neb. Rev. Stat. §77-112 (Reissue 2003).

Assessment levels required for real property are as follows:

- 1) 100% of actual value for all classes of real property excluding agricultural and horticultural land;
- 2) 75% of actual value for agricultural land and horticultural land; and
- 3) 75% of special value for agricultural and horticultural land which meets the qualifications for special valuation under §77-1344 and 75% of its recapture value as defined in §77-1343 when the land is disqualified for special valuation under §77-1347.

Reference, Neb. Rev. Stat. §77-201 (R. S. Supp 2009).

General Description of Real Property in Dakota County:

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

	Parcels	% of Total Parcels	% of Taxable Value Base
Residential	6513	68%	46%
Commercial	843	9%	17%
Industrial	35	.36%	9%
Recreational	0	0%	0%
Agricultural	2262	23%	28%
Special Value	52	.53%	.3%

Agricultural land - taxable acres 150,202.95. Area 1 51,728.55 acres. Area 2 98,474.40 acres.

Other pertinent facts: Approximately 92 % of county is agricultural and of that approximately 19% consists primarily of grassland.

New Property: For assessment year 2010 an estimated 436 building permits and/or information statements were filed for new property construction/additions in the county.

For more information see 2010 Reports & Opinions, Abstract and Assessor Survey and the TERC Findings and Orders

Current Resources

A. Staff/Training

- a. We currently have an Assessment Administrator, Assistant Administrator and Data Entry person on the assessment side. On the Appraisal side we have an Appraisal Supervisor and 2 Appraisal Assistants. Training on both sides is an on going process in the office. As time and funding allow personnel are sent to schools offered by the Department of Property Assessment and Taxation as well schools conducted by other organizations.

B. Cadastral Maps, other land use maps, aerial photos

- a. The Cadastral Maps are maintained by the Assessment Administrator. They are kept up to date and are in very good condition. In addition we use Farm Service Agency Maps as necessary to determine land use. We also have the complete set of aerial photos on CD for 2004 flight and are able to use these to determine land use, tree cover and so forth. The addition of the Agridata program has been a tremendous tool.

C. Property Record Cards

- a. The Property Record Cards are in electronic form and can be easily printed if a hard copy is needed. All residential property is current and complete as of the last physical inspection. They include a sketch and a photo of each house. The Commercial Properties are being completed as time allows and the completed file includes a sketch and photos.

D. Software for CAMA

- a. Dakota County uses a CAMA system supplied by Terra Scan and serviced from their office in Lincoln Nebraska. In addition to the CAMA system we

have a variety of software programs to enhance the office operation,(Word, Excel, Outlook and others)

E. Assessment Administration

- a. The day to day operation of the office consists, for the most part, of entering information into the CAMA system or retrieving information from the system to answer inquiries. The exception to this is the handling of the Real Estate Transfer Forms and the updating of the Cadastral Maps

F. GIS

- a. We do not have GIS at this time and are hoping to have in the next year or two.

G. Website

- a. We currently have Web Access to Dakota County.

Current Assessment Procedures for Real Property

Introduction: In the process of assessment it is imperative that all property be listed and accurately valued on the tax roll. Without a complete listing and without accurate values proper assessment cannot be achieved.

Purpose: This is intended to be a brief description of the process for the discovery, listing and updating of the record for all property including new construction, additions, remodeling or the removal of existing improvements to or from real property. This information is used by the appraiser to establish value therefore the accuracy of the information is vital.

Definition:

- A) Discovery: The various methods used to locate changes in real property that may result in an adjustment to taxable value.
- B) Listing: The process of physically reviewing a property and correctly recording all of the information necessary to identify that property for valuation purposes.
- C) Pickup Work: The annual process by which changes in the physical characteristics of real property improvements or the addition or removal of improvements is discovered and listed.

DISCOVERY

There are three main sources of discovery, building permits, observed improvements and citizen reports.

Building Permits: Building Permits are furnished to the assessor's office from the towns or county and they are the main source information regarding new construction or improvements to existing property. These permits are entered into the CAMA program. The information from the Building Permit is entered and this triggers a physical review of the property. When pickup work begins a report is printed. The report is used by the appraiser and appraisal assistants as a reference to all property needing review.

Observed Improvements: It is the responsibility of the appraiser and the assistants to note the location of any new construction or additions and check the existing record to see if a building permit has been issued. If no permit has been issued it will be necessary to record the information on the Building Permits section of the CAMA program with a code in the permit number space that would easily identify it as not having been issued a permit. As an example the code might be DAK-1 then the next one DAK-2 and so forth.

Citizen Reports: On occasion a property owner will come in and report either he, she, or a neighbor, is adding a building or remodeling. In these instances the record is checked to see if a building permit exists and if it doesn't the property is included in the Building Permit section and coded as described above.

LISTING

The listing of real property for pickup work consists of four separate steps, organization of work, field work, data entry and review.

Organization of Work: It is the responsibility of the appraiser to assign specific areas of work for each assistant. Those areas may be based on geographical areas such as towns or townships, or on property classes such as Residential, Agricultural or Commercial, or a combination of the two.

Once the areas are defined it is the responsibility of the assistant to organize the work in such a manner as to most efficiently use his or her time in the field. Properties in the same general area are combined for review to eliminate unnecessary travel time.

When going to the field the assistant takes the tools necessary to complete the work. This includes a tape measure, sketch pad, pencil, camera and discs, business cards and door hangers. The information taken to the field includes the Review Sheet printed from the Appraisal File, the Laser Report and a copy of the Building Permit if applicable. Other information may be used as the assistant deems necessary.

Safety is the most important part of any job. When preparing to go to the field it is the responsibility of the assistant to dress in an appropriate manner. In cold weather special care should be taken to stay warm and in warm weather sunburn and dehydration are a concern. It is also a good idea to carry dog biscuits and insect repellent.

Field Work: When arriving at the property the assistant first goes to the door to alert the owner or occupant of his or her presence. Proper identification is presented including a business card and the photo ID is visibly displayed by attaching it to a collar or shirt pocket. In cold weather it is attached to the outside of the jacket or coat.

If no one is home an effort is made to gather as much necessary information as possible. This would include photos, and verification of existing information on the Review Sheet. This should be done with discretion and without being intrusive.
NO BUILDINGS ARE ENTERED WITHOUT PERMISSION.

The assistant verifies the dimensions on the sketch. This can be based on previous knowledge, spot check of two or three measurements or a complete re-measure. Once the assistant has visited the property and verified the dimensions the accuracy of the measurements are his or her responsibility. When field sketching the measurements are rounded to the nearest foot and before leaving the property the **SKETCH IS BALANCED TO BE SURE IT WILL CLOSE WHEN ENTERED IN THE COMPUTER.** Additions such as porches, decks or rooms are measured and a dimension from a reference point is included to locate it on the subject.

The Review Sheet is carefully checked for accuracy and completeness.

The *Marshall and Swift Residential Cost Handbook* is the guideline for any subjective decisions such as Quality or Style. Any necessary changes or additions are noted in red. This includes address and any pertinent notes that are needed. If the address is not apparent on the property the assistant supplies his or her best estimate of the address from street signs or neighboring properties. Care is taken to assure the changes and notes are clear and concise for later data entry use. A completed Review Sheet is critical to the record in the computer, without complete and accurate information we will not have defensible values.

Each property has a photo of the front of the property as well a photo of each addition.

The file should include a picture of major outbuildings or other improvements such as detached garages, large yard sheds, swimming pools or in the case of rural properties the outbuildings.

Before leaving the property the assistant makes one final review of the information gathered to confirm it is complete and accurate.

Data Entry:

The information for data entry should be complete and easily obtainable from the Review Sheet. The information and sketch should be clear, concise and legible. It is not the responsibility of the data entry person to estimate missing information or to correct incomplete sketches. Any data that is questionable or incomplete should be returned to the appraiser. When data entry is complete the information should be returned to the assistant for review.

Review:

The assistant reviews the file for completeness and accuracy when it is returned from data entry. At this time the amount of growth on the individual parcel is verified. After he or she is satisfied with the file it will be passed to the appraiser for final review. The passing of the file to the appraiser indicates the assistant has completed the work and believes it to be correct. The appraiser reviews the work to the degree necessary and confirms the values in the computer appraisal file. After the values are confirmed the appraiser will notify the assessment side that the work is complete.

APPROACHES TO VALUE

Appraisal is defined as:

"(1) Noun-the act or process of developing an opinion of value; an opinion of

value

(2)Adjective-of or pertaining to appraising and related functions such as appraisal practice or appraisal services."¹

The process is used to determine an estimate of value as of a given date. The estimate is arrived at by the careful and unbiased analysis of physical features and condition, and economic and governmental forces affecting the value of the subject property. Several Economic Principles form the foundation for the value of the subject, those having the most influence on value are the *Principle of Supply and Demand* and the *Principle of Substitution*.

The *Principle of Supply and Demand* simply stated says that if the supply of a commodity exceeds the demand the value of that commodity will diminish, if the demand for a commodity exceeds the supply of that commodity then the value will increase. ²

The *Principle of Substitution* simply stated says a buyer will not pay more for a commodity than a similar commodity can be purchased for. This is the base assumption in the Cost Approach and Sales Comparison Approach. A consumer will not pay more for a commodity than he can build a new one for or than he can buy a similar one for.³

Factors Affecting Value

During the appraisal process the appraiser considers several different factors 'in determining the value of the subject property. Among these are location, use, sale of similar properties, income potential of the property and the replacement cost of the property taking into consideration the various forms of depreciation affecting the value of the property.

Location: In general, the most important physical factor affecting value is location. "All other factors are subordinated to, or considered in relation to, location. If all other factors are positive, but the location is not desirable, the property will probably suffer a loss in value. ⁴

Highest and Best Use: "A principle of appraisal and assessment requiring that each property be appraised as though it were being put to it's most profitable use (highest possible net worth), given probable legal, physical, and financial constraints. The principle entails first identifying the most appropriate market, and, second, the most profitable use within that market"⁵

1) USPAP 2001, The Appraisal Foundation p.1

2) Condensed from Mass Appraisal of Real Property p.5

3) Condensed from The Glossary for Property Appraisal and Assessment p.108

4) Property Assessment Valuation, Second Addition p. 55 IAAO

5)Glossary for Property Appraisal and Assessment p. 65 IAAO

Sales Comparison Approach to Value: "The sales comparison approach uses sales prices as evidence of the value of similar properties. The price at which a particular property sells is the price determined by the interaction of supply and demand at the time of sale. If competitive market conditions are approximated, and conditions have not changed greatly, a similar property would sell at approximately the same price."⁶

Methodology for Sales Comparison Approach

Overview

The Sales Comparison Approach uses sales prices as evidence of value of similar properties. The price at which a particular property sells is the price determined by the interaction of supply and demand at the time of sale. If competitive market conditions are approximated, and conditions have not changed greatly, a similar property would sell at approximately the same price.¹

Market Value² is defined as “The most probable price (in terms of money) which a property should bring in a competitive market under all conditions requisite to a fair sale, the buyer and the seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of the sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- 1) The buyer and seller are typically motivated
- 2) Both parties are well informed or advised and act in what they consider their best interests
- 3) A reasonable time is allowed for exposure on the open market
- 4) Payment is made in terms of cash or financial arrangements comparable thereto
- 5) The price is unaffected by special financing or concessions.”

Because no two real properties are ever exactly alike, systematic methods must be used to adjust the prices of sold properties, known as comparison properties, or comparables. Known prices are adjusted by adding or subtracting the amount which a given feature (*attribute*) appears to add to, or subtract from, the value of the comparable property.³

In single property appraisal, the appraiser manually determines which sales can be used as comparables, adjusts them for differences from the subject property, and determines the value of the subject property from the adjusted sales. Although conceptually excellent, this is too time consuming for mass appraisal and is also subject to inconsistencies.⁴

In mass appraisal, the sales comparison approach is applied by developing a model that estimates probable selling prices based on physical and locational characteristics. During model calibration, the appraiser determines from the market the amount each variable included in the model contributes to price. The model is then applied to properties meeting that same criteria, for example those in the same market or economic area. Because the same model is applied to all such properties, values should be consistent.⁵

Basic Premise

As a matter of consistency it is imperative the subjective decisions be kept at a minimum and the guidelines for those decisions be well defined and based on established

¹ Mass Appraisal of Real Property, Copyright 1999 IAAO page 5

² Mass Appraisal of Real Property, Copyright 1999 IAAO page 380

³ Mass Appraisal of Real Property, Copyright 1999 IAAO page 5

⁴ Mass Appraisal of Real Property, Copyright 1999 IAAO page 18

⁵ Mass Appraisal of Real Property, Copyright 1999 IAAO page 19

appraisal principles. Subjective decisions such as Quality, Condition and Style, when based on established costing manuals such as Marshall and Swift, are well defined and an acceptable level of consistency can be achieved.

Subjective decisions such as adjustments for time of sale, location, lot value, view, design and appeal, age, gross living area, functional utility and garage/carport should be based on conclusions drawn from market studies and should be explainable and documented. An opinion based on “experience and expertise” without specific documentation is very subjective and should be viewed with skepticism. These types of decisions, especially when multiplied by such things as lot or building area can lead to large discrepancies or a tendency on the part of some appraisers to adjust to a result. It is difficult to evaluate the legitimacy of the adjustment without knowing the underlying data. The opinion of an expert is only as good as the underlying data.

In an effort to keep those types of subjective decisions at a minimum and to limit the variance or error that comes from using gross area adjustments the CAMA system is basing its Sales Comparison Approach on either the Minkowski Metric or the Euclidean Metric systems of adjustments. The appraiser may choose either method in the process of applying the Sales Comparison Approach.

While both algorithms⁶ are metric based (base of ten) the difference is that in the Minkowski Metric system the absolute percentage difference is computed for each attribute while in the Euclidean the difference between the attribute of the subject and the comparable is squared and then divided by the absolute deviation. Both are a measurement of difference or distance from the subject to the comparable and that difference is used to select the comparables for the purpose of arriving at value.

The important thing to note is that both work from the square foot value of the comparable and adjustments are made to the square foot value. The final adjusted square foot value is then multiplied by the area of the subject to arrive at an adjusted sale price. There is no subjective decision by the appraiser as to a value per square foot adjustment for the difference in living area. This eliminates the opportunity for adjustments that effect the adjusted value to skew the adjusted value.

Process

The process consists of two basic steps. The first is the creation of the Comparable Sales Selection Model Table and the second step is the creation of the Comparable Sales Adjustment Table. A model is defined as “a representation (in words or an equation) that explains the relationship between value or the estimated sale price and variables representing factors of supply and demand.”⁷

Each step in the process consists of two parts, model specification and model calibration. Model specification is defined as “the formal development of a model in a statement or equation, based on data analysis and appraisal theory. During model specification, one determines the variables to test or use in a mass appraisal model.”⁸ Model

⁶ A systematic method of solving a certain kind of mathematical problem-Webster’s New World Dict. 1996

⁷ Mass Appraisal of Real Property Copyright 1999 IAAO page 382

⁸ Mass Appraisal of Real Property Copyright 1999 IAAO page 382

calibration is “the development of the adjustments or coefficients from market analysis of the variables to be used in a mass appraisal model.”⁹

The Comparable Sales Selection Model Table

The Comparable Sales Selection Model Table determines which properties in the Residential Sales File are selected as comparable sales for Residential and Mobile Home appraisal records. The Comparable Sales Selection Model Table is a user defined series of records.¹⁰ The Comparable Sales Selection Model Table contains the following fields:¹¹

- 1) **Table Number**- the Table Number is a unique number identifying the model.
- 2) **Description**- the description of the model, example-Residential Model for South Sioux etc.
- 3) **Index Type**-the appraiser chooses either “MINKOWSKI” or “EUCLIDEAN”.
- 4) **Neighborhood Options**- the appraiser chooses either “SAME” or “RANGE”
- 5) **Neighborhood Range**- this must be completed if “RANGE” is selected in Neighborhood Options.
- 6) **Sale Date Range**- the appraiser chooses the beginning and ending dates for the time period the comparables are to be selected from.
- 7) **Maximum Distance Factor**- the appraiser enters the maximum distance to include sales as comparables. Sales of properties above this number will not be selected. This is not the physical distance from the house, but a measure of compatibility between the subject house and the potential comparable.
- 8) **Source Name**-the appraiser selects the fields from the Appraisal File for the attribute used to determine Comparable selection.
- 9) **Attribute**- enter the field name for the attribute of the comparable
- 10) **Weight**- the appraiser assigns a weight to each attribute on its importance in the model. The higher the weight, the closer the comparable will have to be to the subject.

In the case of the Comparable Sales Selection Model Table the calibration of the table is in the weight assigned to each attribute. Location should not be an issue in most cases because this is probably addressed in the Neighborhood Options choice. Generally the most weight should be put on Floor Area, Style and Quality. These attributes should receive the higher weight number. The next attributes to include may be Condition, Garage Style and Area, Basement Area, Basement Finish and Exterior Wall. All weights assigned to attributes must be supported by a sales study to show their relative importance.

The Comparable Sales Adjustment Table

The Comparable Sales Adjustment Table calculates the difference between the subject and each comparable and adjusts the sale price per square foot accordingly.¹² The appraiser selects those attributes that are to be adjusted from the Appraisal File, determines

¹⁰ Terra Scan Appraisal System Version 5.61, Comparable Sales Selection Model Table

¹¹ Condensed from Terra Scan Appraisal System Version 5.61, Comparable Sales Selection Model Table

¹² Terra Scan Appraisal System Version 5.61, Comparable Sales Adjustment Table

the calibration of each, and the CAMA program applies that algorithm to each comparable selected by the Comparable Sales Selection Model. The Comparable Sales Adjustment Table is a user defined series of attributes.¹³ The Comparable Sales Adjustment Table contains the following fields:¹⁴

- 1) **Table #** - The unique number identifying this table. The default table should be number one.
- 2) **Description** – The description of the model. Example-Ranch style in So. Sioux City
- 3) **Time Adjustment** – This field allows for the adjustment of sale price in relation to the assessment date. The appraiser sets the time adjustment as a percentage per month for the difference between the sale date and the assessment date. The adjustment is derived from a market study of properties with multiple sales in a selected time frame. The CAMA system will compute the time period in months and adjust by the percent per month determined from the study and entered into the system.
- 4) **Max**- This allows for a maximum percent of time adjustment. It is an elective field and may or may not be used.
- 5) **Area Adjust**- This field gives the appraiser the option to adjust for Gross Living Area. If YES is selected the adjustment is made by developing a formula to determine the adjustment. If NO is selected the CAMA system adjusts the square foot value of the comparables and then multiplies that value by the area of the subject to arrive at an indicated value.
- 6) **Land Adjust**- The choices are “USE SUBJECT” and “NO ADJUSTMENT”. If “USE SUBJECT” is selected the program will adjust the lot value based on the difference between the subject and the comparable. If “NOADJUSTMENT” is selected there will not be an adjustment for lot value. The assumption here is lot values in the CAMA system are reasonable.
- 7) **The Components Table**- This table consists of five columns or sections. Each selected component of the comparable is addressed in each section.
 - a. **Source Column** – The appraiser selects those attributes that are determined to affect value from the Appraisal File and records them in this column.
 - b. **Name Column**- A descriptive name, which will appear on the Residential Comparables Sales Grid, is given to each attribute
 - c. **Sequence Column**- This number is automatically assigned by the CAMA System.
 - d. **Type Column**- The choices in this column are “Value” “Factor” and “Multiplier”. If “Value” is chosen the sale price is adjusted by a dollar amount. If “Factor” is chosen the difference between the subject and the comparable is multiplied by a factor amount. If “Multiplier” is chosen the difference between the subject and the comparable is multiplied by a percentage amount.
 - e. **Factor**- This column contains the formula (mathematical process) used to make the adjustment. Whether it be a value, factor or Multiplier

Application

¹³ Terra Scan Appraisal System Version 5.61, Comparable Sales Selection Model Table

¹⁴ Condensed from Terra Scan Appraisal System Version 5.61, Comparable Sales Selection Model Table

In the application of the above process it is important to remember the following things:

- 1) Neighborhood doesn't necessarily refer to just a defined geographical location but may also include physical characteristics specific to a given group of properties... "such as to insure for later multiple regression modeling that the properties are homogeneous and share important locational characteristics."¹⁵
- 2) Subjective decisions must be kept at a minimum and must be supported by existing guidelines or text such as Marshall and Swift Costing Service or IAAO reference books.
- 3) Each factor used in the development of the Comparable Sales Selection Model Table or the Comparable Sales Adjustment Table must be supported by market information.
- 4) Some adjustments may come from the study of multiple neighborhoods because of a lack of sales in a particular neighborhood, for instance, in ground swimming pools, but nevertheless each adjustment must come from the market. A subjective adjustment, not based on documented sales, has no credible basis.
- 5) The purpose of the appraisal is not to meet a predetermined value. The purpose of the appraisal is to estimate market value based on sales data. The market value estimated is intended as support for the final reconciliation of value based on all approaches.

The final step in the valuation process is a field review of the property and the application of the appraisers experience and judgment "It is good practice in mass appraisal to review preliminary values in the field to check for errors or unusual situations and ensure consistency among parcels. During this review process, the appraiser may correct grading or other data errors or override values for parcels with special conditions."¹⁶

The final assessed value as reported to the property owner is a correlation of all the approaches used to estimate value. It may or may not match any particular value arrived at in any one approach. It is the result of the appraisers experience and expertise.

Income Approach to Value: "The income approach requires the appraiser to estimate the rental income from a property and capitalize the income into an estimate of current value. The approach recognizes that potential buyers demand property because they anticipate a future stream of income. "The appraiser estimates the income stream that would be produced in the highest and best use under typical management. The property, not the current management, is being valued; therefore, it is proper to assume that potential buyers would use the property for it's most profitable legal use, and the buyer would employ typical rather than extraordinary management,"⁷

Cost Approach to Value: "the cost approach is based on the principle of substitution-that a rational, informed purchaser would pay no more for a property than the cost of building an acceptable substitute with like utility. The cost approach seeks to determine the replacement cost new of an improvement less depreciation plus land."⁸

¹⁵ Glossary for Property Appraisal and Assessment p. 92 IAAO copyright 1997

¹⁶ Mass Appraisal of Real Property Copyright 1999 IAAO page 22

As the Cost Approach Applies to Mass Appraisal: In mass appraisal the sales, in a given neighborhood, are stratified by class, style, quality and condition. The Replacement Cost New for each sold improvement is calculated and the percentage difference between that RCN and the sale price, less land value, is considered to be the depreciation. The appraiser then uses the depreciations in a specific strata to determine the percentage of depreciation for that particular class, style, quality and condition. In the case of commercial/industrial property the Occupancy Code is used in place of the style since the Occupancy Code determines the interior finish, i.e. retail store, office building, medical building, bowling alley etc.

Methodology for the Cost Approach

Overview

The Cost Approach is based on the Replacement Cost New¹⁷ (RCN) of an improvement minus the accrued depreciation¹⁸ due to physical deterioration¹⁹, functional obsolescence²⁰ and economic obsolescence²¹. The three most commonly used methods of calculating depreciation are the Overall Age Life Method, Capitalization of Income Method and the Sales Comparison Method,

Overall Age Life Method- "The overall age life method provides a direct estimate of depreciation of the subject property. Borrowed from accounting, the method is based on straight-line depreciation, in which the building is assumed to depreciate by a constant percentage each year over its economic life."²² "Although the overall age life method is simple, it has several shortcomings. For example, it recognizes primarily physical depreciation and does not distinguish between curable and incurable conditions, more serious is the assumption that depreciation occurs in a straight line. Most structures depreciate rapidly in early life and more slowly later. Actual rates vary with type of property, location, and market conditions. This method may produce satisfactory results for short-lived items, notably personal property, but it is simplistic for real property appraisal, in which depreciation should be derived from the market."²³

¹⁷ "Replacement Cost New- The cost, including material, labor and overhead, that would be incurred constructing an improvement having the same utility to its owner as the subject improvement." Glossary for Property Appraisal and Assessment Copyright 1997 IAAO page 120

¹⁸ "Depreciation, Accrued--(l) The amount of depreciation, from any and all sources, that affects the value of the property in question on the effective date of the appraisal." Glossary for Property Appraisal and Assessment Copyright 1997 IAAO page 41

¹⁹ "Physical Deterioration- a cause of depreciation that is a loss in value due to ordinary wear and tear and the forces of nature." Glossary for Property Appraisal and Assessment Copyright 1997 IAAO page 102

²⁰ "Functional Obsolescence-Loss in value of a property resulting from changes in tastes, preferences, technical innovations or market standards," Glossary for Property Appraisal and Assessment Copyright 1997 IAAO page 59

²¹ "Economic (External) Obsolescence--(1) A cause of depreciation that is a loss in value as a result of impairment in utility and desirability caused by factors outside the property's boundaries." Glossary for Property Appraisal and Assessment Copyright 1997 IAAO page 48

²² Property Appraisal and Assessment Administration Copyright 1990 IAAO page 224

²³ Property Appraisal and Assessment Administration Copyright 1990 IAAO page 224-225

Capitalization of Income Method- "This method is the same as the sales comparison method except that values based on the income approach are used instead of comparables sales. Although conceptually inferior to the sales comparison method because appraisals are substituted for actual sales, the capitalization of income method can be useful for income producing properties for which good sales are usually scarce. Reliability depends on the accuracy of the income data, capitalization methods, and land values used in the analysis."²⁴
"Income Approach to Value: The income approach requires the appraiser to estimate the rental income from a property and capitalize the income into an estimate of current value. The approach recognizes that potential buyers demand property because they anticipate a future stream of income. "The appraiser estimates the income stream that would be produced in the highest and best use under typical management. The property, not the current management, *is* being valued; therefore, it is proper to assume that potential buyers would use the property for it's most profitable legal use, and the buyer would employ employee typical rather than extraordinary management"²⁵

Sales Comparison Method "The sales comparison method is borrowed from the sales comparison approach. Recent sales of properties similar to the subject are identified. Building residuals, calculated by subtracting the land from sales prices, are subtracted from replacement cost new to yield accrued depreciation.... From the available data, a typical depreciation factor is calculated and multiplied against the RCN of the subject building to estimate its total accrued depreciation from all causes."²⁶

The Sales comparison method of the cost approach uses sales prices as evidence of value of similar properties. The price at which a particular property sells is the price determined by the interaction of supply and demand at the time of sale. If competitive market conditions are approximated, and conditions have not changed greatly, a similar property would sell at approximately the same price.

There are several other less popular methods of determining value using the cost approach among these are the Engineering Breakdown Method and the Observed Condition Breakdown Method.

The Engineering Breakdown Method resembles the age-life method except that a separate depreciation is estimated for each element of the improvement the total value loss is compared to the total RCN to arrive at the percent of depreciation. This is not a market generated depreciation and therefore may lead to an inaccurate estimate of market value.

Observed Condition Breakdown Method This method breaks down depreciation into all its various components: curable physical deterioration, incurable short-lived-item physical deterioration, incurable basic structure (long-lived items) physical deterioration, curable functional obsolescence, incurable functional obsolescence and economic obsolescence."²⁷ This is not a market generated depreciation and therefore may lead to an inaccurate estimate of market value.

²⁴ Property Appraisal and Assessment Administration Copyright 1990 IAAO page 224

²⁵ Property Appraisal and Assessment Administration Copyright 1990 IAAO page 83

²⁶ Property Appraisal and Assessment Administration Copyright 1990 IAAO page 223

²⁷ Property Appraisal and Assessment Administration Copyright 1990 IAAO page 225

Basic Premise

By its very nature mass appraisal deals with a multitude of properties. The goal of mass appraisal is two fold, equalization and an accurate estimate of market value. The most important of these is equalization.

The result of good mass appraisal practices is an accurate estimate of market value. Equalization can only be achieved if all properties are treated equally as to the method by which RCN and depreciation are calculated. To approach a subject property, for purposes of ad valorem tax, with a single property appraisal tends to distort equalization.

Conclusion

The Cost Approach as used in mass appraisal is based on a market generated depreciation. This is the most reliable method for estimating value in as much as it addresses the specific data of the subject's RCN and the depreciation is generated from sales of similar property ie. all properties are treated equally. This is known as the sales comparison method of the Cost Approach.

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Arriving at an Estimate of Value

Real Estate is appraised at its highest and best use. To determine the highest and best use the property must be given consideration as if vacant and then as improved. Highest and best use is that use which will generate the highest percentage of net return to the property over a reasonable length of time. In determining the highest percentage of net return four requirements must be met. The use must be:

1) Legally Permissible

- 6) Mass Appraisal of Real Property p.5 IAAO
- 7) Condensed from Mass Appraisal of Real Property p.7 IAAO
- 8) Condensed from Glossary for Property Appraisal and Assessment p.35

2) Physically Possible

3) Financially Feasible

4) Produce Maximum Profitability

In the process of determining an estimate of value the appraiser has reviewed each of the requirements based on the following characteristics:

Legally Permissible: A general knowledge of zoning laws, city ordinances, state and federal laws indicates the subject property meets this requirement. More specifically an examination of city zoning maps and regulations indicate the present use meets this requirement.

Physically Possible: A site's potential uses can be limited by such things as size, configuration, terrain, utilities and location. An improvement's possible uses can be limited by type, size, design and condition. More specifically an examination of the site and the improvement indicate the present use meets this requirement.

Financially Feasible: When analyzing the financial feasibility of a site or improvements the appraiser considers those legally and physically possible options which would give a positive return on the investment.

Maximum Profitability: While some options may appear to have a higher return at first glance, the appraiser must include in his analysis the cost of removing existing improvements as well as the cost of the new improvements. In many cases, even though the Net Operating Income 1 of a change in use exceeds that of present use, the return on the investment required to remove the old and build a new improvement does not exceed that of present use. More specifically an examination of other possible uses indicates the present use would probably yield the highest percentage of return on the investment.

Highest and Best Use as Vacant

Legally Permissible: Of the four requirements mentioned earlier probably the one that has the biggest influence on value. Any consideration for the use of land as vacant must take into account the restrictions put on it by existing laws and regulations. Without clear and convincing evidence that those restrictions could be changed, i.e. zoning, building codes etc. it would be inappropriate to consider other uses.

Example: Although there is a demand for land to be used to build a shopping mall, if the present zoning is residential and there is no evidence that a change could be made it would be inappropriate to value the land as a possible commercial site eligible for development.

More specifically this property is zoned as commercial and should be valued as such.

Physically Possible: When considering this requirement the appraiser must examine the zoning regulations for use, set back, height restrictions, building types and so forth. He must also consider such things as terrain, soil type, utilities and off site hazards or nuisances that would limit the uses of the site. It is then the responsibility of the appraiser to determine if the physical limitations of the property, either on site or off, further limit the use of the property.

More specifically there doesn't appear to be any physical limitations that affect the use of the subject beyond the legal limitations.

Financial Feasibility: Since the neighborhood is factored for commercial and the area continues to have a steady growth rate it is reasonable to assume this land as vacant would be acquired for commercial use after a reasonable market time. Since there are no apparent off site influences on the property a study of vacant commercial sales should yield a reliable estimate of value. "The sales comparison approach is always the preferred approach when sufficient data are available. Only when sales data are insufficient should the assessor (appraiser) resort to alternative methods."¹

More specifically the subject property appears to be typical of the commercial properties in the area and therefore the sales comparison approach to value should produce a reasonable estimate of value.

Produce Maximum Profitability: In reviewing the possible uses for the site based on existing legal restraints it is apparent to the appraiser that the site will return the maximum profitability as a commercial site.

COMPUTER AIDED MASS APPRAISAL (CAMA SYSTEM)

The final estimate of value was arrived at using a CAMA system. The appraisal section of the system has several main components. They include *Neighborhood Land Table, Commercial Cost Tables, Site Improvement Cost Tables* and *Depreciation Tables*

Neighborhood Land Tables are used to value land with similar market characteristics together. A market analysis is used to determine what neighborhood applies and then that table can be designed in such a way as to make allowances for the size to value relationship based on that analysis.

More specifically an examination of the *Neighborhood Land Table* will show that the subject was adjusted for size.

Commercial Cost Tables are supplied by Marshall and Swift. These are based on an Occupancy Code. The system will pull the cost from the table, make the necessary adjustments for floor area, construction type, wall height and so forth, then apply that cost to the subject as a Replacement Cost New (RCN).

More specifically an examination of the Property Record Cards for the subject will show the various elements of the buildings and the RCN of each.

Site Improvement Cost Tables are supplied by Marshall and Swift. These are based on an Improvement Code. The system will pull the cost from the table, make the necessary adjustments for floor area, construction type and so forth then apply that cost to the subject as a Replacement Cost New (RCN).

¹ Property Assessment Valuation second Edition IAAO p.84

More specifically an examination of the Property Record Cards for the subject will show the various elements of the improvement and the RCN of each.

Depreciation Tables are built using verified sales and RCN. These tables are then applied to the subject. See the *As the Cost Approach Applies to Mass Appraisal* section above for more detail.

More specifically an examination of the Property Record Cards for the subject will show the various

elements of the improvements and the depreciation applied to each.

CONCLUSION

The subject was valued using Marshall and Swift costing as applied by the CAMA system. Depreciation was determined from the market and physical inspection of the site.

The market generated depreciation is given the most weight in the reconciliation process. Since this is a market generated depreciation, based on sales assessment ratios, a verification of the accuracy of the depreciation tables is easily attained by a ratio study.

In an effort to keep the public informed the news media is advised of annual indications of changes in value. As an example the office would inform the media that, generally speaking, sales indicate real property has appreciated about 5% in the last year. In addition to this much time is spent in the office explaining valuation changes to individual property owners

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

<u>Property Class</u>	<u>Median</u>	<u>COD*</u>	<u>PRD*</u>
Residential	95	15.61	104.55
Commercial	96	21.64	108.52
Agricultural Land	72	30.94	119.13
Special Value Agland	Insufficient sales to calculate reliable statistics		

COD means coefficient of dispersion and PRD means price related differential. For more information regarding statistical measures see 2008 Reports & Opinions.

ACTIONS PLANNED FOR SUMMER 2010 AND BEYOND

2010 – Residential

Review the residential property in Emerson, Jackson, Homer and Hubbard. This is the second time for these towns therefore it is anticipated to be less time consuming. It is estimated to take about two weeks. New depreciation tables, based on a market generated depreciation, will be created for all properties included in a total revalue or physical review.

Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary.

2010-Commercial

We begin a systematic second review of all commercial property. Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary

2010-Agricultural

We will continue to monitor agricultural land usage as we work building permits in rural areas. We are planning on reviewing as much of the agricultural residential and outbuildings as time will allow. . Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary. The office will continue to monitor the Special Valuation Areas (greenbelt) and react to those sales as the market indicates.

2011 – Residential

Review the rural residential property. The plan also includes and re-measuring. New depreciation tables, based on a market generated depreciation, will be created for all properties included in a total revalue or physical review. Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary.

2011-Commercial

Continue a systematic review of all commercial property. Commercial sales will be reviewed. Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary

2011-Agricultural

We will continue to monitor agricultural land usage as we work building permits in rural areas. We are planning on reviewing all of the agricultural residential and outbuildings. Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary. The office will continue to monitor the Special Valuation Areas (greenbelt) and react to those sales as the market indicates.

2012-Residential

Review the residential the south ½ of South Sioux City This is the third time for this town therefore it is anticipated to be less time consuming. It is estimated to take about three weeks. New depreciation tables, based on a market generated depreciation, will be created for all properties included in a total revalue or physical review. Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary.

2012-Commercial

We continue to work on the systematic review of Commercials and estimate completing another 25% of total commercials for this year. Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary

2012-Agricultural

We will continue to monitor agricultural land usage as we work building permits in rural areas. Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary. The office will continue to monitor the Special Valuation Areas (greenbelt) and react to those sales as the market

indicates.

2013 – Residential

Continue the first time physical review of rural residential and unplatted suburban residential. It is estimated this will be finished this year. The plan also includes and re-measuring. New depreciation tables, based on a market generated depreciation, will be created for all properties included in a total revalue or physical review. Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary.

2013-Commercial

We continue to work on the second physical review of Commercials and estimate having a total of about 60% of the commercials completed by the end of year. Commercials in South Sioux City will be reviewed. Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary

2013-Agricultural

We will continue to monitor agricultural land usage as we work building permits in rural areas. We are planning on reviewing a portion of the agricultural residential and outbuildings. Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary. The office will continue to monitor the Special Valuation Areas (greenbelt) and react to those sales as the market indicates.

Appraiser’s Note: The amount of work required to re-list and enter the new data in to computer program may and probably will cause adjustments to above schedule. It is imperative that the initial information entered is correct and complete in every respect. Once the correct information, for all parcels, is entered then the review process will be much less time consuming. It is the position of the appraiser that it is more important to get the correct information entered each time than it is to stay on a schedule. This will lead to full utilization of the CAMA. An acceptable Level of Value and the Quality of Assessment are always the goal of any appraisal action. The current Level of Value and the Quality of Assessment are noted earlier in this document.

Other Actions Necessary to Quality Assessment

Cadastral Maps

Cadastral Maps show the boundaries of subdivisions of land, usually with the bearing and lengths thereof and the areas of individual tracts, for purposes of describing and recording ownership. A cadastral map may also show culture, drainage and other features relating to the value and use of the land.

Maintained By Assessment----The Assessment Manager keeps the maps up to date and draws in new subdivisions, parcel splits and anything that needs to be done. This function is aided by the use of the Agridata Program to determine soil type and location. The maps are in good condition.

Property Record Cards

Property Record Cards show the name of owner, the street address and the legal description of the property. Land improvements are indicated on the card. The lot size is shown. A sketch of the house drawn to scale, the outside dimensions and the type of construction. Sales date is also shown. Current year value is broken down by land value, improvements and then the total value is shown. It is the position of this office that the old hard copy file Property Record Cards are now considered Historical files only and will be represented as such.

Real Estate Transfers (521's)

Real Estate Transfer Statements have pertinent information including Grantor-Grantee, address and legal description of property, purchase price, and instrument number. When we get the 521 from the Register of Deeds, we are able to change owners on the property record card and on the computer assessment screen.

Maintained by Assessment—Assessment has copies on file as well as does the Appraisal side. Assessment copies are filed in order of instrument number.

In Good Condition

Annual Assessor Administrative Reports Required by Law/Regulation:

Abstracts (Real & Personal Property)

Assessor Survey

Sales information to PA&T rosters & annual Assessed Value Update w/Abstract

Certification of Value to Political Subdivisions

School District Taxable Value Report

Homestead Exemption Tax Loss Report (in conjunction with Treasurer)

Certificate of Taxes Levied Report

Report of current values for properties owned by Board of Education Lands & Funds

Report of all Exempt Property and Taxable Government Owned Property

Annual Plan of Assessment Report

Personal Property; administer annual filing of 1038 schedules, prepare subsequent notices for incomplete filings or failure to file and penalties applied, as required.

Permissive Exemptions: administer annual filings of applications for new or continued exempt use, review and make recommendations to county board.

Taxable Government Owned Property – annual review of government owned property not used for public purpose, send notices of intent to tax, etc.

Homestead Exemptions; administer 525 annual filings of applications, approval/denial process, taxpayer notifications, and taxpayer assistance.

Centrally Assessed – review of valuations as certified by PA&T for railroads and public service entities, establish assessment records and tax billing for tax list.

Tax Increment Financing – management of record/valuation information for properties in community redevelopment projects for proper reporting on administrative reports and allocation of ad valorem tax.

Tax Districts and Tax Rates – management of school district and other tax entity boundary changes necessary for correct assessment and tax information; input/review of tax rates used for tax billing process.

Tax Lists; prepare and certify tax lists to county treasurer for real property, personal property, and centrally assessed.

Tax List Corrections – prepare tax list correction documents for county board approval.

County Board of Equalization - attend all county board of equalization meetings for valuation protests –assemble and provide information

TERC Appeals - prepare information and attend taxpayer appeal hearings before TERC, defend valuation.

TERC Statewide Equalization – attend hearings if applicable to county, defend values, and/or implement orders of the TERC.

Education: Assessment Manager and Appraiser Education – Both the Assessment Manager and the Appriaser attend meetings, workshops, and educational classes to obtain required hours of continuing education to maintain the Assessor Certificate and the Appraiser License. The Assessor Certificate is issued by Property Assessment and Taxation and the Appraiser License is issued by Nebraska Real Estate Appraisal Board.

Respectfully submitted:

Assessment Manager Signature: _____ Date:

Appraisal
Date_____

Supervisor

Signature:_____

2011 Assessment Survey for Dakota County

A. Staffing and Funding Information

1.	Deputy(ies) on staff:
	1
2.	Appraiser(s) on staff:
	3
3.	Other full-time employees:
	0
4.	Other part-time employees:
	0
5.	Number of shared employees:
	0
6.	Assessor's requested budget for current fiscal year:
	\$162,700.31
7.	Adopted budget, or granted budget if different from above:
8.	Amount of the total budget set aside for appraisal work:
	\$173,247.33
9.	Appraisal/Reappraisal budget, if not part of the total budget:
10.	Part of the budget that is dedicated to the computer system:
	\$13,805.40
11.	Amount of the total budget set aside for education/workshops:
12.	Other miscellaneous funds:
13.	Amount of last year's budget not used:

B. Computer, Automation Information and GIS

1.	Administrative software:
	Terra Scan
2.	CAMA software:
	Terra Scan
3.	Are cadastral maps currently being used?
	Yes
4.	If so, who maintains the Cadastral Maps?
	Staff
5.	Does the county have GIS software?
	No

6.	Who maintains the GIS software and maps?
	N/A
7.	Personal Property software:
	Terra Scan

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?
	A South Sioux City, Dakota City, Homer, Hubbard, Jackson and Emerson
4.	When was zoning implemented?
	1978

D. Contracted Services

1.	Appraisal Services:
	In House
2.	Other services:
	None

2011 Certification for Dakota 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 Dakota 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

