

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 Jefferson County

Residential Real Property - Current

| | | | |
|------------------------|-------------|------------------------------------|----------|
| Number of Sales | 162 | Median | 98.41 |
| Total Sales Price | \$8,265,131 | Mean | 106.64 |
| Total Adj. Sales Price | \$8,265,131 | Wgt. Mean | 92.58 |
| Total Assessed Value | \$7,652,182 | Average Assessed Value of the Base | \$46,114 |
| Avg. Adj. Sales Price | \$51,019 | Avg. Assessed Value | \$47,236 |

Confidence Interval - Current

| | |
|--|------------------|
| 95% Median C.I | 95.17 to 101.51 |
| 95% Mean C.I | 88.45 to 96.72 |
| 95% Wgt. Mean C.I | 100.31 to 112.97 |
| % of Value of the Class of all Real Property Value in the County | 19.62 |
| % of Records Sold in the Study Period | 4.40 |
| % of Value Sold in the Study Period | 4.51 |

Residential Real Property - History

| Year | Number of Sales | LOV | Median |
|------|-----------------|-----|--------|
| 2010 | 171 | 99 | 99 |
| 2009 | 212 | 98 | 98 |
| 2008 | 255 | 98 | 98 |
| 2007 | 273 | 98 | 98 |

2011 Commission Summary for Jefferson County

Commercial Real Property - Current

| | | | |
|------------------------|-------------|------------------------------------|-----------|
| Number of Sales | 24 | Median | 96.94 |
| Total Sales Price | \$1,479,945 | Mean | 96.03 |
| Total Adj. Sales Price | \$1,469,945 | Wgt. Mean | 105.26 |
| Total Assessed Value | \$1,547,292 | Average Assessed Value of the Base | \$122,878 |
| Avg. Adj. Sales Price | \$61,248 | Avg. Assessed Value | \$64,471 |

Confidence Interval - Current

| | |
|--|-----------------|
| 95% Median C.I | 93.67 to 98.57 |
| 95% Mean C.I | 87.88 to 104.18 |
| 95% Wgt. Mean C.I | 81.11 to 129.42 |
| % of Value of the Class of all Real Property Value in the County | 7.20 |
| % of Records Sold in the Study Period | 4.73 |
| % of Value Sold in the Study Period | 2.48 |

Commercial Real Property - History

| Year | Number of Sales | LOV | Median |
|------|-----------------|-----|--------|
| 2010 | 24 | 97 | 97 |
| 2009 | 32 | 94 | 94 |
| 2008 | 25 | 97 | 97 |
| 2007 | 28 | 97 | 97 |

2011 Opinions of the Property Tax Administrator for Jefferson County

My opinions and recommendations are stated as a conclusion based on all of the factors known to me regarding the assessment practices and statistical analysis for this county. See, Neb. Rev. Stat. §77-5027 (R. S. Supp., 2005). While the median assessment sales ratio from the Qualified Statistical Reports for each class of real property is considered, my opinion of the level of value for a class of real property may be determined from other evidence contained within this Reports and Opinions of the Property Tax Administrator. My opinion of quality of assessment for a class of real property may be influenced by the assessment practices of the county assessor.

| Class | Level of Value | Quality of Assessment | Non-binding recommendation |
|----------------------------------|----------------|---|----------------------------|
| Residential Real Property | 98 | Meets generally accepted mass appraisal practices. | No recommendation. |
| | | | |
| Commercial Real Property | *NEI | Meets generally accepted mass appraisal practices. | No recommendation. |
| | | | |
| Agricultural Land | 72 | The qualitative measures calculated in the random include sample best reflect the dispersion of the assessed values within the population. The quality of assessment meets generally accepted mass appraisal practices. | No recommendation. |
| | | | |

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

Dated this 11th day of April, 2011.



Ruth A. Sorensen

Ruth A. Sorensen
Property Tax Administrator

2011 Residential Assessment Actions for Jefferson County

Residential:

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

The county completed all residential pickup work.

The county conducted a thorough sale verification and analysis process.

The county inspected and updated all residential property in area 2 in the town of Fairbury. Fairbury is divided into 3 analysis areas, and area 2 is in the south and southwest part of town and is mostly made up of older houses and rental properties.

The county completed their review of the 2008 aerial photos looking for changes to improvements on residential parcels in the rural areas or in villages. Any discrepancies were resolved by updating the record on site or in the office.

The inspection process includes a going house to house with the existing record to verify or update the measurements, description of property characteristics, observations of quality and condition and take new photos. The parcels were all viewed from off site to note and record changes in condition. If needed, the inspection was done on site to review changes that needed measurement or closer inspection.

2011 Residential Assessment Survey for Jefferson County

| | | |
|----|---|--|
| 1. | Valuation data collection done by: | |
| | Assessor and Staff | |
| 2. | List the valuation groupings used by the County and describe the unique characteristics that effect value: | |
| | <u>Valuation Grouping</u> | <u>Description of unique characteristics</u> |
| | 01 | Fairbury: The largest town; it is analyzed in 3 separate areas for valuation purposes; the main trade and employment center in the county; the county seat; has a K-12 school system. |
| | 08 | Plymouth: Located closer to a larger trade and employment center (Beatrice); the market for residential properties is unique. The Tri-County School District, a K-12 system is only 2 to 3 miles from Plymouth. The COOP is a very large one and is an important business and employer to the community. |
| | 11 | Rural: The locations are scattered across the county; the market for acreages is distinctly different than the market in the small villages. |
| | 12 | Daykin, Diller, Endicott and Jansen: These villages are grouped together for valuation purposes; they are located throughout the county; they have a limited but stable market for residential property; they have somewhat limited infrastructure; they have few school facilities and feed students into consolidated school districts. |
| | 15 | Harbine, Reynolds, and Steel City: These villages are grouped together for valuation purposes; they are located throughout the county; they have no organized market for residential property; they have very limited infrastructure; they have no school facilities and feed students into consolidated school districts. |
| 3. | List and describe the approach(es) used to estimate the market value of residential properties. | |
| | The county uses both the Sales Comparison approach to value and Cost Approach to value (replacement cost new less depreciation). The values are reconciled with the Sales Comparison approach carrying the most weight. | |
| 4. | When was the last lot value study completed? | |
| | Lot sales are analyzed (if sales occur) on an ongoing basis. When the valuation groups are reviewed and re-appraised they verify whether the lot values are holding or if the values need to be adjusted before the improvements are appraised. | |
| 5. | Describe the methodology used to determine the residential lot values. | |
| | Current local sales are used to determine lot and land values. The unit of comparison used for residential lot studies and application is by the square foot. | |

| | |
|-----|---|
| 6. | What costing year for the cost approach is being used for each valuation grouping? |
| | 2005 for Plymouth, and Diller; 2008 for rural residential; and Dec 2001 for the remainder of County. The County is in the process of changing to Dec 2008 costing and adjusting depreciation. This has not been finished, so won't use for 2011. |
| 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 information is used to develop the depreciation schedules. |
| 8. | Are individual depreciation tables developed for each valuation grouping? |
| | The assessor is unsure but believes that individual tables are developed. |
| 9. | How often does the County update the depreciation tables? |
| | During any re-appraisal of a valuation group |
| 10. | Is the valuation process (cost date and depreciation schedule or market comparison) used for the pickup work the same as was used for the general population of the class/valuation grouping? |
| | Yes |
| 11. | Describe the method used to determine whether a sold parcel is substantially changed. |
| | The assessor just took office in January and has not yet developed a firm procedure. She plans to review the Regulations and Directives and establish a procedure soon. |
| 12. | Please provide any documents related to the policies or procedures used for the residential class of property. |
| | The assessor has provided the written plans in place at this time. As a new assessor, she plans to review them and either adopt or alter them as she deems necessary. |

**48 Jefferson
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 : 162
 Total Sales Price : 8,265,131
 Total Adj. Sales Price : 8,265,131
 Total Assessed Value : 7,652,182
 Avg. Adj. Sales Price : 51,019
 Avg. Assessed Value : 47,236

MEDIAN : 98
 WGT. MEAN : 93
 MEAN : 107
 COD : 26.84
 PRD : 115.19

COV : 38.55
 STD : 41.11
 Avg. Abs. Dev : 26.41
 MAX Sales Ratio : 284.20
 MIN Sales Ratio : 30.58

95% Median C.I. : 95.17 to 101.51
 95% Wgt. Mean C.I. : 88.45 to 96.72
 95% Mean C.I. : 100.31 to 112.97

Printed:3/31/2011 2:10:13PM

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 | 20 | 101.36 | 117.34 | 95.42 | 34.47 | 122.97 | 47.58 | 226.40 | 83.00 to 120.75 | 45,785 | 43,686 |
| 01-OCT-08 To 31-DEC-08 | 18 | 102.79 | 103.93 | 97.04 | 21.76 | 107.10 | 30.58 | 167.56 | 95.54 to 117.00 | 46,067 | 44,705 |
| 01-JAN-09 To 31-MAR-09 | 11 | 103.26 | 106.01 | 98.95 | 18.05 | 107.13 | 65.33 | 154.96 | 78.30 to 150.00 | 30,623 | 30,301 |
| 01-APR-09 To 30-JUN-09 | 27 | 92.14 | 89.63 | 86.00 | 16.40 | 104.22 | 49.71 | 133.01 | 75.40 to 99.52 | 64,091 | 55,115 |
| 01-JUL-09 To 30-SEP-09 | 21 | 96.18 | 103.74 | 92.83 | 25.72 | 111.75 | 39.83 | 171.09 | 86.19 to 124.68 | 60,106 | 55,795 |
| 01-OCT-09 To 31-DEC-09 | 26 | 105.47 | 114.01 | 92.10 | 29.32 | 123.79 | 59.16 | 242.04 | 88.25 to 119.35 | 60,419 | 55,647 |
| 01-JAN-10 To 31-MAR-10 | 10 | 92.84 | 114.91 | 98.36 | 28.87 | 116.83 | 82.53 | 246.80 | 87.00 to 153.96 | 41,450 | 40,772 |
| 01-APR-10 To 30-JUN-10 | 29 | 99.41 | 109.67 | 93.43 | 30.07 | 117.38 | 32.62 | 284.20 | 91.60 to 108.06 | 41,562 | 38,831 |
| <u>Study Yrs</u> | | | | | | | | | | | |
| 01-JUL-08 To 30-JUN-09 | 76 | 97.98 | 102.68 | 91.81 | 23.96 | 111.84 | 30.58 | 226.40 | 92.52 to 103.33 | 50,161 | 46,051 |
| 01-JUL-09 To 30-JUN-10 | 86 | 98.84 | 110.14 | 93.25 | 29.34 | 118.11 | 32.62 | 284.20 | 94.10 to 105.68 | 51,778 | 48,283 |
| <u>Calendar Yrs</u> | | | | | | | | | | | |
| 01-JAN-09 To 31-DEC-09 | 85 | 96.16 | 102.69 | 90.60 | 24.52 | 113.34 | 39.83 | 242.04 | 91.53 to 103.26 | 57,652 | 52,235 |
| <u>ALL</u> | 162 | 98.41 | 106.64 | 92.58 | 26.84 | 115.19 | 30.58 | 284.20 | 95.17 to 101.51 | 51,019 | 47,236 |

VALUATION GROUPING

| RANGE | COUNT | MEDIAN | MEAN | WGT.MEAN | COD | PRD | MIN | MAX | 95%_Median_C.I. | Avg. Adj. Sale Price | Avg. Assd. Val |
|------------|-------|--------|--------|----------|-------|--------|-------|--------|-----------------|----------------------|----------------|
| 01 | 99 | 99.92 | 110.34 | 92.53 | 29.39 | 119.25 | 32.62 | 284.20 | 95.09 to 105.26 | 45,737 | 42,318 |
| 08 | 5 | 93.71 | 99.82 | 96.99 | 07.69 | 102.92 | 92.14 | 123.74 | N/A | 67,400 | 65,371 |
| 11 | 22 | 98.41 | 102.78 | 95.43 | 15.86 | 107.70 | 67.98 | 185.37 | 89.94 to 108.60 | 100,341 | 95,752 |
| 12 | 27 | 91.97 | 93.97 | 86.45 | 21.15 | 108.70 | 39.83 | 193.00 | 75.40 to 100.21 | 39,767 | 34,377 |
| 15 | 9 | 118.06 | 117.25 | 84.99 | 37.52 | 137.96 | 30.58 | 200.00 | 49.71 to 196.00 | 13,222 | 11,238 |
| <u>ALL</u> | 162 | 98.41 | 106.64 | 92.58 | 26.84 | 115.19 | 30.58 | 284.20 | 95.17 to 101.51 | 51,019 | 47,236 |

PROPERTY TYPE *

| RANGE | COUNT | MEDIAN | MEAN | WGT.MEAN | COD | PRD | MIN | MAX | 95%_Median_C.I. | Avg. Adj. Sale Price | Avg. Assd. Val |
|------------|-------|--------|--------|----------|-------|--------|-------|--------|-----------------|----------------------|----------------|
| 01 | 161 | 98.41 | 106.71 | 92.58 | 26.99 | 115.26 | 30.58 | 284.20 | 95.09 to 101.66 | 51,329 | 47,523 |
| 06 | | | | | | | | | | | |
| 07 | 1 | 95.17 | 95.17 | 95.17 | 00.00 | 100.00 | 95.17 | 95.17 | N/A | 1,098 | 1,045 |
| <u>ALL</u> | 162 | 98.41 | 106.64 | 92.58 | 26.84 | 115.19 | 30.58 | 284.20 | 95.17 to 101.51 | 51,019 | 47,236 |

**48 Jefferson
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 : 162
 Total Sales Price : 8,265,131
 Total Adj. Sales Price : 8,265,131
 Total Assessed Value : 7,652,182
 Avg. Adj. Sales Price : 51,019
 Avg. Assessed Value : 47,236

MEDIAN : 98
 WGT. MEAN : 93
 MEAN : 107
 COD : 26.84
 PRD : 115.19

COV : 38.55
 STD : 41.11
 Avg. Abs. Dev : 26.41
 MAX Sales Ratio : 284.20
 MIN Sales Ratio : 30.58

95% Median C.I. : 95.17 to 101.51
 95% Wgt. Mean C.I. : 88.45 to 96.72
 95% Mean C.I. : 100.31 to 112.97

Printed:3/31/2011 2:10:13PM

| 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 | 20 | 124.26 | 141.64 | 140.35 | 39.14 | 100.92 | 65.33 | 284.20 | 96.00 to 186.93 | 2,752 | 3,863 | |
| 5000 TO 9999 | 12 | 136.36 | 135.90 | 134.56 | 35.64 | 101.00 | 30.58 | 246.80 | 82.53 to 167.56 | 7,092 | 9,543 | |
| <u>Total \$</u> | | | | | | | | | | | | |
| 1 TO 9999 | 32 | 131.69 | 139.49 | 136.83 | 37.29 | 101.94 | 30.58 | 284.20 | 96.00 to 162.48 | 4,380 | 5,993 | |
| 10000 TO 29999 | 32 | 104.10 | 108.38 | 106.42 | 22.08 | 101.84 | 32.62 | 225.18 | 95.92 to 116.71 | 19,817 | 21,088 | |
| 30000 TO 59999 | 46 | 99.34 | 102.00 | 99.83 | 21.62 | 102.17 | 39.83 | 226.40 | 91.18 to 103.70 | 42,364 | 42,293 | |
| 60000 TO 99999 | 31 | 96.18 | 94.84 | 94.93 | 14.19 | 99.91 | 60.00 | 124.68 | 86.86 to 104.49 | 76,468 | 72,593 | |
| 100000 TO 149999 | 12 | 78.69 | 79.22 | 79.15 | 14.56 | 100.09 | 47.58 | 97.54 | 67.98 to 94.30 | 124,475 | 98,526 | |
| 150000 TO 249999 | 9 | 86.19 | 84.60 | 83.88 | 10.60 | 100.86 | 62.34 | 99.01 | 73.04 to 95.54 | 186,433 | 156,378 | |
| 250000 TO 499999 | | | | | | | | | | | | |
| 500000 + | | | | | | | | | | | | |
| <u>ALL</u> | 162 | 98.41 | 106.64 | 92.58 | 26.84 | 115.19 | 30.58 | 284.20 | 95.17 to 101.51 | 51,019 | 47,236 | |

2011 Correlation Section for Jefferson County

A. Residential Real Property

Jefferson County is an agriculturally based county with an array of villages and small towns that exist primarily to support agriculture. Fairbury is the largest town and the county seat. Most of the residential properties in the county are in the towns and villages but there are some houses on acreages and houses on agricultural parcels. The county has divided the residential analysis and valuation work into 5 Valuation Groupings, Fairbury and Plymouth are the only individual towns, #12 is a grouping of 4 small towns, #15 is a grouping of 3 small villages, plus one grouping for rural residential parcels. In the Residential Survey and Residential Assessment Actions section of the R&O, the characteristics of the Valuation Groupings and the assessment process are described in detail. The county believes that each grouping is unique with differing combinations of population, schools, available commercial services, healthcare services and employment outside the agricultural sector. During the past few years there have been no significant economic events that have impacted the value of residential property. Some locations have shown positive residential growth and some have shown decline. In all, the residential is stable, but values are somewhat flat to slightly increasing. Over the past 10 years, the residential valuations have increased at an average of 4.93%, and without growth at an average of 3.72%. In the 2011 Abstract, the change in valuation to the residential class is 1.44%; and 0.91% excluding growth. The assessment sales ratio study of the 162 qualified sales in the 2 year study period sales is nearly the lowest number of sales in 5 years, indicating a decrease in market activity. The average sales price has decreased from \$ 53,369 in 2010 to \$ 51,019 in 2011.

The basic assessment sales ratio study of the 162 qualified sales produced a median ratio of 98%. The analysis of the assessment process in the county goes beyond the statistics that are produced from the sales that have occurred in the current study period. The actions taken during the assessment process are of considerable importance when determining the quality of assessment. The assessor annually reports their assessment intentions in their 3 Year Plan; they verify their accomplishments during the interview for the Assessment Actions section of the R&O; and explain many of the other details and valuation procedures or policies during the preparation of the Survey. The discussion of their 6 Year Inspection process further reveals steps in any inspection, review or revaluation process and supports the thoroughness and the consistency of their actions.

The Department does not depend solely on the assessment statistics to evaluate equalization in the county. The best basis to evaluate intra-county equalization is to determine that the valuation process is current accurate and applied consistently. The assessment actions narratives prepared this year and in prior years describe a process that likely to produce equalized results.

The Department believes that the quality of assessment of residential property in the county is good. The reason for that belief is the Departments ongoing interaction with the assessor, and the annual reporting of their actions with regard to residential property. The county has built current records by the regular inspection of all parcels. They keep the values updated and current by their verification and analysis of sales. The county has done a consistent and uniform job of valuation. They verify all sales, are in regular contact with many property owners and apply their valuation processes even handedly. The costs used are varied are being updated as the parcels are inspected. The land values and depreciation schedules were

**2011 Correlation Section
for Jefferson County**

developed to work with those costs and are consistent within each valuation group.

The Department is confident that Jefferson County has conducted an acceptable assessment process for residential property. They are thorough and timely in their work, they analyze current sales to discover needed changes, and they are consistent in applying any changes that are needed. The Department is confident that the current R&O Statistics are sufficient to measure the entire class partly because the sample is ample and partly because the assessment actions are good. The measurement of any subclass of residential property is considered less reliable in most cases. For 2011, the median ratio is 98% for the residential property. The COD and the PRD are both outside the desired ranges. Most of the problem with the COD and the PRD is associated with a few large ratios among the low dollar parcels. The regressive valuations indicated by the PRD are unlikely to be as severe as the 115.19 PRD indicates, but regressivity does exist. The statistics for this sample of sales indicate that no class or significant subclass is out of the desired range. Valuation Grouping #15 is a minor subclass which consists of 3 small villages has 9 sales and a median ratio of 118%. This sample seems too small to support an adjustment. Considering all of the factors, the level of value is 98%. There are no recommendations for the adjustment of the class or for any subclasses of the residential class. The quality of assessment for the residential class is acceptable.

**2011 Correlation Section
for Jefferson 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 Jefferson 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 Jefferson 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 Jefferson 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 Jefferson County

Commercial:

The county completed all commercial pickup work.

The county conducted a thorough sale verification process.

The county completed the inspection and update of all commercial property two years ago, so they did not do any systematic inspection of commercial property for 2011.

The only commercial update done for 2011 was a review of all grain elevator and “COOP” type of parcels. The purpose of this project is to be sure that all are listed and valued consistently throughout the county. There were no major changes expected; only those that might be needed in the case of an error, omission or inconsistency.

2011 Commercial Assessment Survey for Jefferson County

| | | |
|-----|--|---|
| 1. | Valuation data collection done by: | |
| | Contract Appraiser | |
| 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> |
| | 19 | Includes all Assessor Locations: All commercial sales in Jefferson County are grouped together for analysis and valuation. |
| 3. | List and describe the approach(es) used to estimate the market value of commercial properties. | |
| | RCNLD (replacement cost new less depreciation) and Market Approach (sales comparison approach) and the two values are reconciled correlated for a final value. | |
| 4. | When was the last lot value study completed? | |
| | Lot values are analyzed when the valuation group is re-appraised to verify if the values are close to market. | |
| 5. | Describe the methodology used to determine the commercial lot values. | |
| | Sales of vacant land using square foot and the common unit of comparison | |
| 6. | What costing year for the cost approach is being used for each valuation grouping? | |
| | 2008 | |
| 7. | If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor? | |
| | The local market | |
| 8. | Are individual depreciation tables developed for each valuation grouping? | |
| | Yes; but there is only one valuation group in commercial. | |
| 9. | How often does the County update the depreciation tables? | |
| | When the valuation group is revalued or updated | |
| 10. | Is the valuation process (cost date and depreciation schedule or market comparison) used for the pickup work the same as was used for the general population of the class/valuation grouping? | |
| | Yes | |
| 11. | Describe the method used to determine whether a sold parcel is substantially changed. | |
| | The assessor just took office in January and has not yet developed a firm procedure. She plans to review the Regulations and Directives and establish a procedure soon. | |
| 12. | Please provide any documents related to the policies or procedures used for the commercial class of property. | |
| | The assessor has provided the written plans in place at this time. As a new assessor, she plans to review them and either adopt or alter them as she deems necessary. | |

48 Jefferson
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 : 24
Total Sales Price : 1,479,945
Total Adj. Sales Price : 1,469,945
Total Assessed Value : 1,547,292
Avg. Adj. Sales Price : 61,248
Avg. Assessed Value : 64,471

MEDIAN : 97
WGT. MEAN : 105
MEAN : 96
COD : 10.42
PRD : 91.23

COV : 20.09
STD : 19.29
Avg. Abs. Dev : 10.10
MAX Sales Ratio : 149.23
MIN Sales Ratio : 43.70

95% Median C.I. : 93.67 to 98.57
95% Wgt. Mean C.I. : 81.11 to 129.42
95% Mean C.I. : 87.88 to 104.18

Printed:3/31/2011 2:10:16PM

DATE OF SALE *

| RANGE | COUNT | MEDIAN | MEAN | WGT.MEAN | COD | PRD | MIN | MAX | 95%_Median_C.I. | Avg. Adj. Sale Price | Avg. Assd. Val |
|------------------------|-------|--------|--------|----------|-------|--------|--------|--------|-----------------|----------------------|----------------|
| <u>Qtrts</u> | | | | | | | | | | | |
| 01-JUL-07 To 30-SEP-07 | | | | | | | | | | | |
| 01-OCT-07 To 31-DEC-07 | 6 | 96.05 | 95.52 | 96.59 | 02.63 | 98.89 | 90.00 | 99.50 | 90.00 to 99.50 | 24,917 | 24,067 |
| 01-JAN-08 To 31-MAR-08 | 1 | 97.08 | 97.08 | 97.08 | 00.00 | 100.00 | 97.08 | 97.08 | N/A | 24,000 | 23,300 |
| 01-APR-08 To 30-JUN-08 | 5 | 98.33 | 96.42 | 92.14 | 02.14 | 104.65 | 91.63 | 98.57 | N/A | 128,800 | 118,680 |
| 01-JUL-08 To 30-SEP-08 | 1 | 118.00 | 118.00 | 118.00 | 00.00 | 100.00 | 118.00 | 118.00 | N/A | 5,000 | 5,900 |
| 01-OCT-08 To 31-DEC-08 | 2 | 97.63 | 97.63 | 97.49 | 01.67 | 100.14 | 96.00 | 99.25 | N/A | 43,750 | 42,650 |
| 01-JAN-09 To 31-MAR-09 | 2 | 96.48 | 96.48 | 95.49 | 02.00 | 101.04 | 94.55 | 98.40 | N/A | 25,500 | 24,350 |
| 01-APR-09 To 30-JUN-09 | 2 | 97.19 | 97.19 | 97.54 | 04.65 | 99.64 | 92.67 | 101.71 | N/A | 32,500 | 31,700 |
| 01-JUL-09 To 30-SEP-09 | | | | | | | | | | | |
| 01-OCT-09 To 31-DEC-09 | 2 | 80.37 | 80.37 | 88.34 | 45.63 | 90.98 | 43.70 | 117.04 | N/A | 17,250 | 15,239 |
| 01-JAN-10 To 31-MAR-10 | 1 | 88.83 | 88.83 | 88.83 | 00.00 | 100.00 | 88.83 | 88.83 | N/A | 46,000 | 40,860 |
| 01-APR-10 To 30-JUN-10 | 2 | 101.11 | 101.11 | 140.75 | 47.60 | 71.84 | 52.98 | 149.23 | N/A | 181,723 | 255,777 |
| <u>Study Yrs</u> | | | | | | | | | | | |
| 01-JUL-07 To 30-JUN-08 | 12 | 96.94 | 96.02 | 93.10 | 02.36 | 103.14 | 90.00 | 99.50 | 93.67 to 98.57 | 68,125 | 63,425 |
| 01-JUL-08 To 30-JUN-09 | 7 | 98.40 | 100.08 | 97.51 | 05.19 | 102.64 | 92.67 | 118.00 | 92.67 to 118.00 | 29,786 | 29,043 |
| 01-JUL-09 To 30-JUN-10 | 5 | 88.83 | 90.36 | 131.30 | 38.19 | 68.82 | 43.70 | 149.23 | N/A | 88,789 | 116,578 |
| <u>Calendar Yrs</u> | | | | | | | | | | | |
| 01-JAN-08 To 31-DEC-08 | 9 | 98.33 | 99.16 | 93.08 | 03.92 | 106.53 | 91.63 | 118.00 | 95.00 to 99.25 | 84,500 | 78,656 |
| 01-JAN-09 To 31-DEC-09 | 6 | 96.48 | 91.35 | 94.74 | 14.89 | 96.42 | 43.70 | 117.04 | 43.70 to 117.04 | 25,083 | 23,763 |
| <u>ALL</u> | 24 | 96.94 | 96.03 | 105.26 | 10.42 | 91.23 | 43.70 | 149.23 | 93.67 to 98.57 | 61,248 | 64,471 |

VALUATION GROUPING

| RANGE | COUNT | MEDIAN | MEAN | WGT.MEAN | COD | PRD | MIN | MAX | 95%_Median_C.I. | Avg. Adj. Sale Price | Avg. Assd. Val |
|------------|-------|--------|-------|----------|-------|-------|-------|--------|-----------------|----------------------|----------------|
| 19 | 24 | 96.94 | 96.03 | 105.26 | 10.42 | 91.23 | 43.70 | 149.23 | 93.67 to 98.57 | 61,248 | 64,471 |
| <u>ALL</u> | 24 | 96.94 | 96.03 | 105.26 | 10.42 | 91.23 | 43.70 | 149.23 | 93.67 to 98.57 | 61,248 | 64,471 |

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 | 22 | 96.94 | 96.08 | 115.13 | 11.01 | 83.45 | 43.70 | 149.23 | 93.67 to 98.57 | 38,179 | 43,954 |
| 04 | 2 | 95.44 | 95.44 | 92.11 | 03.99 | 103.62 | 91.63 | 99.25 | N/A | 315,000 | 290,150 |
| <u>ALL</u> | 24 | 96.94 | 96.03 | 105.26 | 10.42 | 91.23 | 43.70 | 149.23 | 93.67 to 98.57 | 61,248 | 64,471 |

**48 Jefferson
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 : 24
 Total Sales Price : 1,479,945
 Total Adj. Sales Price : 1,469,945
 Total Assessed Value : 1,547,292
 Avg. Adj. Sales Price : 61,248
 Avg. Assessed Value : 64,471

MEDIAN : 97
 WGT. MEAN : 105
 MEAN : 96
 COD : 10.42
 PRD : 91.23

COV : 20.09
 STD : 19.29
 Avg. Abs. Dev : 10.10
 MAX Sales Ratio : 149.23
 MIN Sales Ratio : 43.70

95% Median C.I. : 93.67 to 98.57
 95% Wgt. Mean C.I. : 81.11 to 129.42
 95% Mean C.I. : 87.88 to 104.18

Printed:3/31/2011 2:10:16PM

| SALE PRICE * | | | | | | | | | | | Avg. Adj. | Avg. |
|----------------------|-------|--------|--------|----------|-------|--------|--------|--------|-----------------|------------|-----------|------|
| RANGE | COUNT | MEDIAN | MEAN | WGT.MEAN | COD | PRD | MIN | MAX | 95%_Median_C.I. | Sale Price | Assd. Val | |
| _____ Low \$ _____ | | | | | | | | | | | | |
| 1 TO 4999 | | | | | | | | | | | | |
| 5000 TO 9999 | 4 | 98.57 | 101.29 | 100.83 | 07.10 | 100.46 | 90.00 | 118.00 | N/A | 6,000 | 6,050 | |
| _____ Total \$ _____ | | | | | | | | | | | | |
| 1 TO 9999 | 4 | 98.57 | 101.29 | 100.83 | 07.10 | 100.46 | 90.00 | 118.00 | N/A | 6,000 | 6,050 | |
| 10000 TO 29999 | 8 | 96.94 | 92.85 | 94.85 | 10.47 | 97.89 | 43.70 | 117.04 | 43.70 to 117.04 | 16,313 | 15,472 | |
| 30000 TO 59999 | 9 | 94.55 | 90.89 | 91.34 | 07.89 | 99.51 | 52.98 | 101.71 | 88.83 to 99.25 | 36,556 | 33,390 | |
| 60000 TO 99999 | 1 | 97.85 | 97.85 | 97.85 | 00.00 | 100.00 | 97.85 | 97.85 | N/A | 65,000 | 63,600 | |
| 100000 TO 149999 | | | | | | | | | | | | |
| 150000 TO 249999 | | | | | | | | | | | | |
| 250000 TO 499999 | 1 | 149.23 | 149.23 | 149.23 | 00.00 | 100.00 | 149.23 | 149.23 | N/A | 331,445 | 494,600 | |
| 500000 + | 1 | 91.63 | 91.63 | 91.63 | 00.00 | 100.00 | 91.63 | 91.63 | N/A | 590,000 | 540,600 | |
| _____ ALL _____ | 24 | 96.94 | 96.03 | 105.26 | 10.42 | 91.23 | 43.70 | 149.23 | 93.67 to 98.57 | 61,248 | 64,471 | |

| OCCUPANCY CODE | | | | | | | | | | | Avg. Adj. | Avg. |
|-----------------|-------|--------|--------|----------|-------|--------|--------|--------|-----------------|------------|-----------|------|
| RANGE | COUNT | MEDIAN | MEAN | WGT.MEAN | COD | PRD | MIN | MAX | 95%_Median_C.I. | Sale Price | Assd. Val | |
| Blank | 4 | 94.20 | 83.45 | 88.33 | 17.62 | 94.48 | 43.70 | 101.71 | N/A | 16,500 | 14,575 | |
| 1 | 1 | 149.23 | 149.23 | 149.23 | 00.00 | 100.00 | 149.23 | 149.23 | N/A | 331,445 | 494,600 | |
| 123 | 2 | 93.17 | 93.17 | 93.17 | 00.54 | 100.00 | 92.67 | 93.67 | N/A | 30,000 | 27,950 | |
| 161 | 1 | 91.63 | 91.63 | 91.63 | 00.00 | 100.00 | 91.63 | 91.63 | N/A | 590,000 | 540,600 | |
| 166 | 1 | 118.00 | 118.00 | 118.00 | 00.00 | 100.00 | 118.00 | 118.00 | N/A | 5,000 | 5,900 | |
| 170 | 2 | 96.54 | 96.54 | 96.36 | 00.56 | 100.19 | 96.00 | 97.08 | N/A | 35,750 | 34,450 | |
| 25 | 4 | 97.69 | 86.73 | 73.25 | 12.12 | 118.40 | 52.98 | 98.57 | N/A | 14,625 | 10,714 | |
| 50 | 7 | 95.29 | 98.36 | 96.95 | 05.47 | 101.45 | 88.83 | 117.04 | 88.83 to 117.04 | 26,071 | 25,277 | |
| 98 | 2 | 98.55 | 98.55 | 98.38 | 00.71 | 100.17 | 97.85 | 99.25 | N/A | 52,500 | 51,650 | |
| _____ ALL _____ | 24 | 96.94 | 96.03 | 105.26 | 10.42 | 91.23 | 43.70 | 149.23 | 93.67 to 98.57 | 61,248 | 64,471 | |

**2011 Correlation Section
for Jefferson County**

A. Commercial Real Property

Jefferson County is an agriculturally based county with an array of villages and small towns that exist primarily to support agriculture. Most of the commercial properties in the county either directly service or support agriculture or the people involved in agriculture. During the past year and even the past 5 to 10 years, commercial property has had no real economic fluctuations. Some property uses and some locations have prospered and grown and some have declined. In all, the commercial is stable but somewhat flat in terms of value. There has been an average increase in commercial valuation over the past 10 years of 3.50%, but only 0.17% if growth is excluded.

The basic assessment sales ratio study of the 24 qualified sales produced a median ratio of 97%. The analysis of the assessment process in the county goes beyond the statistics that are produced from the sales that have occurred in the current study period. The actions taken during the assessment process are of considerable importance when determining the quality of assessment. The county annually reports their assessment intentions in their 3 Year Plan; they verify their accomplishments during the interview for the Assessment Actions section of the R&O; and explain many of the other details and valuation procedures or policies during the preparation of the Survey. The discussion of their 6 Year Inspection process further reveals steps in any inspection, review or revaluation process and supports the thoroughness and the consistency of their actions.

There is no way to know whether the county has achieved equalization in the commercial class of property by simply reviewing the R&O Statistics. The Commission Summary in the 2010 R&O indicated an average assessed value of the assessed base is \$45,548 and an average assessed value of the sold parcels at \$50,020. For 2011 the average assessed value of the 24 sold parcels is \$64,471 indicating a lack of representativeness. The lack of sufficient sales and the likelihood that the sales are not representative of the class, leads one to conclude that the actions of the assessor are far more important in evaluating the level of value and likelihood of equalization of the class of commercial property. In the opinion of the Department, Jefferson County has achieved a reasonable degree of equalization based on their assessment practices, not based on the assessment statistics.

The Department believes that the quality of assessment of commercial property in the county is good. There are numerous reasons, but the most relevant are the Departments ongoing interaction with the assessor, and the annual reporting of their actions with regard to commercial property. The county has built current records by the regular inspection of all parcels. They keep the values updated and current by sale verification and review. While perfect valuation of commercial property is unlikely, the county continually works to do a consistent and uniform job of valuation. They verify all sales, are in regular contact with the property owners and apply their valuation processes even handedly. The costs used across the county are from 2008 and the land values and depreciation are consistent within each valuation group. That is the best basis that they can have for intra county equalization.

The Department is confident that Jefferson County has conducted a sound assessment process for commercial property. They are consistent in their verification and analysis of sales and the application of the results of the analysis. Historically, the county assessment process has produced a level of value of about 98 to 99%. The median of the 2011 statistics is 97%. The Department is reluctant to certify a level of value based on the median ratio of a small sample

**2011 Correlation Section
for Jefferson County**

of sales that is not apparently representative of this diverse class of property. There is not sufficient data to determine a level of value for the commercial class. There is not sufficient data to recommend any adjustment of the class or of any subclass of commercial property. The quality of assessment for the commercial class is acceptable based on the known practices of the assessor.

**2011 Correlation Section
for Jefferson 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 Jefferson 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 Jefferson 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 Jefferson 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 Jefferson County

Agricultural:

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

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

For 2011 the County finished the project begun in earlier years to review all small towns and all rural buildings and houses using aerial photos taken by Cirrus Photo in November, 2008. Most of this project had been completed for 2010. In doing this project, the noted changes were inspected and the property record card was updated to reflect current status of the parcel. New improvements discovered were added and structures that have been torn down were removed from the record.

Using aerial photos and the photo base in their GIS system, the county plans to continuously review the agricultural parcels and agricultural buildings for apparent changes. The county presently has photos from 2008 and is investigating the possibility of adding Pictometry using oblique photo capability to their GIS system. If this is done, the photo base would be updated at least every 3 years to be current and assist the county in their ongoing inspection process. Then if a discrepancy is discovered in the listing records, an onsite inspection can be done to resolve the differences.

2011 Agricultural Assessment Survey for Jefferson County

| | | |
|----|--|--|
| 1. | Valuation data collection done by: | |
| | Assessor and Staff | |
| 2. | List each market area, and describe the location and the specific characteristics that make each unique. | |
| | Market Area | Description of unique characteristics |
| | 1 | Market Area 1: This area covers the top one fourth of the county where the terrain has less of a slope and larger field sizes than the other two market areas also less grass and more irrigation potential with more access to ground water and is mostly developed for irrigation. |
| | 2 | Market Area 2: This area covers the middle one half of the county and is a cross section of market area 1 and 3 with significantly more dry land than market area 1, similar soils to Market Area 1 but with no ground water access for irrigation well development limiting irrigation development. |
| | 3 | Market Area 3: This area covers the lower one fourth of the county and in this area the terrain is rougher and steeper with smaller field sizes. |
| 3. | Describe the process that is used to determine and monitor market areas. | |
| | The county has a strong sale verification and analysis process. This keeps them constantly aware of market trends and changes in agricultural land values. Presently, they are monitoring the sales in Market areas 1 and 2 in the North half of the county. There may be a gradual trend of higher values occurring in the North part of Market Area 2 which might bring about the expansion of Market Area 1 to the South. | |
| 4. | Describe the process used to identify and value rural residential land and recreational land in the county. | |
| | Agricultural land is identified by its present and predominant use; it is defined in the state statutes as the commercial production of agricultural products. Residential as not used for the commercial production for agricultural products and Recreational predominantly used for rest and relaxation on an occasional basis. There is currently no land valued as Recreational. | |
| 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; the first (home site) acre, for both farm home and rural residential home sites is valued the same at \$10,000. This home site acre value is the same throughout the county. The outbuilding site acres are valued at \$2,000 per acre and the excess or yard acres are valued at \$1,500 per acre. The area of the site is determined on a parcel by parcel basis using GIS and FSA data. | |
| 6. | What land characteristics are used to assign differences in assessed values? | |
| | Soil classification by soil type is how the agland is valued. The average of each of the soil types in the three years of sales are applied to each soil type and not to just the current LVG. | |

| | |
|-----|--|
| 7. | What process is used to annually update land use? (Physical inspection, FSA maps, etc.) |
| | Property owner reports substantiated by changes to FSA maps supplied by the property owner. Additionally, changes are noticed on the GIS maps or casually observed when improvement inspections or pick up work is being done. |
| 8. | Describe the process used to identify and monitor the influence of non-agricultural characteristics. |
| | Sale verification; information obtained from buyers and sellers is key technique. |
| 9. | Have special valuations applications been filed in the county? If yes, is there a value difference for the special valuation parcels. |
| | No |
| 10. | Is the valuation process (cost date and depreciation schedule or market comparison) used for the pickup work on the rural improvements the same as was used for the general population of the class? |
| | Yes |
| 11. | Describe the method used to determine whether a sold parcel is substantially changed. |
| | The assessor just took office in January and has not yet developed a firm procedure. She plans to review the Regulations and Directives and establish a procedure soon. |
| 12. | Please provide any documents related to the policies or procedures used for the agricultural class of property. |
| | The assessor has provided the written plans in place at this time. As a new assessor, she plans to review them and either adopt or alter them as she deems necessary. |

48 Jefferson
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 : 62
Total Sales Price : 16,942,787
Total Adj. Sales Price : 17,170,876
Total Assessed Value : 12,224,760
Avg. Adj. Sales Price : 276,950
Avg. Assessed Value : 197,174

MEDIAN : 72
WGT. MEAN : 71
MEAN : 73
COD : 12.57
PRD : 102.96

COV : 17.34
STD : 12.71
Avg. Abs. Dev : 09.01
MAX Sales Ratio : 120.41
MIN Sales Ratio : 50.83

95% Median C.I. : 69.29 to 75.87
95% Wgt. Mean C.I. : 68.70 to 73.69
95% Mean C.I. : 70.14 to 76.46

Printed:3/31/2011 2:10:19PM

DATE OF SALE *

| RANGE | COUNT | MEDIAN | MEAN | WGT.MEAN | COD | PRD | MIN | MAX | 95%_Median_C.I. | Avg. Adj. Sale Price | Avg. Assd. Val |
|------------------------|-------|--------|-------|----------|-------|--------|-------|--------|-----------------|----------------------|----------------|
| <u>Qtrts</u> | | | | | | | | | | | |
| 01-JUL-07 To 30-SEP-07 | 4 | 81.28 | 80.83 | 81.84 | 05.79 | 98.77 | 71.89 | 88.86 | N/A | 194,400 | 159,105 |
| 01-OCT-07 To 31-DEC-07 | 15 | 77.55 | 81.46 | 75.69 | 18.03 | 107.62 | 58.27 | 120.41 | 66.44 to 93.34 | 244,332 | 184,943 |
| 01-JAN-08 To 31-MAR-08 | 7 | 73.91 | 72.93 | 71.49 | 08.51 | 102.01 | 62.37 | 81.28 | 62.37 to 81.28 | 233,071 | 166,623 |
| 01-APR-08 To 30-JUN-08 | 7 | 69.95 | 71.45 | 69.01 | 07.88 | 103.54 | 59.67 | 87.91 | 59.67 to 87.91 | 274,829 | 189,653 |
| 01-JUL-08 To 30-SEP-08 | 1 | 74.38 | 74.38 | 74.38 | 00.00 | 100.00 | 74.38 | 74.38 | N/A | 256,000 | 190,405 |
| 01-OCT-08 To 31-DEC-08 | 7 | 76.70 | 74.87 | 73.87 | 04.80 | 101.35 | 67.71 | 80.18 | 67.71 to 80.18 | 315,040 | 232,733 |
| 01-JAN-09 To 31-MAR-09 | 3 | 61.44 | 64.02 | 65.16 | 05.26 | 98.25 | 60.46 | 70.15 | N/A | 429,636 | 279,970 |
| 01-APR-09 To 30-JUN-09 | 4 | 66.27 | 68.67 | 67.29 | 12.42 | 102.05 | 58.74 | 83.42 | N/A | 475,188 | 319,733 |
| 01-JUL-09 To 30-SEP-09 | 4 | 67.19 | 68.19 | 70.93 | 07.34 | 96.14 | 62.49 | 75.87 | N/A | 379,600 | 269,269 |
| 01-OCT-09 To 31-DEC-09 | 2 | 63.40 | 63.40 | 63.13 | 03.66 | 100.43 | 61.08 | 65.71 | N/A | 180,110 | 113,704 |
| 01-JAN-10 To 31-MAR-10 | 5 | 68.09 | 64.46 | 64.46 | 12.97 | 100.00 | 50.83 | 79.87 | N/A | 237,029 | 152,791 |
| 01-APR-10 To 30-JUN-10 | 3 | 60.84 | 67.18 | 68.39 | 11.05 | 98.23 | 60.28 | 80.43 | N/A | 152,767 | 104,480 |
| <u>Study Yrs</u> | | | | | | | | | | | |
| 01-JUL-07 To 30-JUN-08 | 33 | 73.67 | 77.45 | 73.83 | 13.74 | 104.90 | 58.27 | 120.41 | 70.57 to 80.37 | 242,360 | 178,924 |
| 01-JUL-08 To 30-JUN-09 | 15 | 71.21 | 71.01 | 69.69 | 08.61 | 101.89 | 58.74 | 83.42 | 62.15 to 76.83 | 376,729 | 262,559 |
| 01-JUL-09 To 30-JUN-10 | 14 | 64.87 | 65.95 | 67.63 | 10.56 | 97.52 | 50.83 | 80.43 | 60.28 to 75.87 | 251,576 | 170,134 |
| <u>Calendar Yrs</u> | | | | | | | | | | | |
| 01-JAN-08 To 31-DEC-08 | 22 | 73.24 | 73.14 | 71.69 | 07.30 | 102.02 | 59.67 | 87.91 | 69.72 to 78.66 | 273,481 | 196,067 |
| 01-JAN-09 To 31-DEC-09 | 13 | 64.02 | 66.64 | 67.54 | 08.36 | 98.67 | 58.74 | 83.42 | 61.08 to 70.38 | 389,867 | 263,333 |
| <u>ALL</u> | 62 | 71.68 | 73.30 | 71.19 | 12.57 | 102.96 | 50.83 | 120.41 | 69.29 to 75.87 | 276,950 | 197,174 |

AREA (MARKET)

| RANGE | COUNT | MEDIAN | MEAN | WGT.MEAN | COD | PRD | MIN | MAX | 95%_Median_C.I. | Avg. Adj. Sale Price | Avg. Assd. Val |
|------------|-------|--------|-------|----------|-------|--------|-------|--------|-----------------|----------------------|----------------|
| 1 | 12 | 72.35 | 75.31 | 69.64 | 14.39 | 108.14 | 58.74 | 117.42 | 61.44 to 83.42 | 330,328 | 230,047 |
| 2 | 35 | 71.89 | 74.43 | 72.32 | 13.51 | 102.92 | 54.20 | 120.41 | 69.29 to 79.54 | 245,726 | 177,715 |
| 3 | 15 | 70.38 | 69.04 | 70.43 | 08.62 | 98.03 | 50.83 | 80.34 | 62.49 to 75.87 | 307,101 | 216,279 |
| <u>ALL</u> | 62 | 71.68 | 73.30 | 71.19 | 12.57 | 102.96 | 50.83 | 120.41 | 69.29 to 75.87 | 276,950 | 197,174 |

48 Jefferson
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 : 62
 Total Sales Price : 16,942,787
 Total Adj. Sales Price : 17,170,876
 Total Assessed Value : 12,224,760
 Avg. Adj. Sales Price : 276,950
 Avg. Assessed Value : 197,174

MEDIAN : 72
 WGT. MEAN : 71
 MEAN : 73
 COD : 12.57
 PRD : 102.96

COV : 17.34
 STD : 12.71
 Avg. Abs. Dev : 09.01
 MAX Sales Ratio : 120.41
 MIN Sales Ratio : 50.83

95% Median C.I. : 69.29 to 75.87
 95% Wgt. Mean C.I. : 68.70 to 73.69
 95% Mean C.I. : 70.14 to 76.46

Printed:3/31/2011 2:10:19PM

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 | 67.08 | 74.13 | 71.21 | 18.25 | 104.10 | 58.27 | 117.42 | 58.27 to 117.42 | 236,790 | 168,627 |
| 1 | 1 | 117.42 | 117.42 | 117.42 | 00.00 | 100.00 | 117.42 | 117.42 | N/A | 72,000 | 84,539 |
| 2 | 7 | 66.44 | 67.94 | 69.39 | 10.10 | 97.91 | 58.27 | 88.86 | 58.27 to 88.86 | 260,331 | 180,639 |
| _____Grass_____ | | | | | | | | | | | |
| County | 10 | 68.69 | 69.85 | 71.36 | 12.14 | 97.88 | 50.83 | 85.01 | 59.80 to 80.43 | 221,191 | 157,850 |
| 1 | 2 | 75.68 | 75.68 | 73.10 | 12.33 | 103.53 | 66.35 | 85.01 | N/A | 94,000 | 68,710 |
| 2 | 3 | 69.29 | 69.84 | 74.53 | 09.93 | 93.71 | 59.80 | 80.43 | N/A | 101,102 | 75,350 |
| 3 | 5 | 68.09 | 67.52 | 70.62 | 12.60 | 95.61 | 50.83 | 80.34 | N/A | 344,120 | 243,005 |
| _____ALL_____ | 62 | 71.68 | 73.30 | 71.19 | 12.57 | 102.96 | 50.83 | 120.41 | 69.29 to 75.87 | 276,950 | 197,174 |

80%MLU By Market Area

| RANGE | COUNT | MEDIAN | MEAN | WGT.MEAN | COD | PRD | MIN | MAX | 95%_Median_C.I. | Avg. Adj. Sale Price | Avg. Assd. Val |
|----------------------------|-----------|--------------|--------------|--------------|--------------|---------------|--------------|---------------|-----------------------|----------------------|----------------|
| _____Irrigated_____ | | | | | | | | | | | |
| County | 6 | 61.14 | 64.16 | 64.22 | 07.21 | 99.91 | 58.74 | 72.34 | 58.74 to 72.34 | 554,733 | 356,255 |
| 1 | 4 | 61.14 | 63.23 | 63.56 | 05.63 | 99.48 | 58.74 | 71.90 | N/A | 543,100 | 345,212 |
| 2 | 2 | 66.01 | 66.01 | 65.46 | 09.60 | 100.84 | 59.67 | 72.34 | N/A | 578,000 | 378,342 |
| _____Dry_____ | | | | | | | | | | | |
| County | 19 | 72.80 | 76.65 | 72.57 | 16.68 | 105.62 | 58.27 | 120.41 | 62.37 to 82.22 | 207,339 | 150,456 |
| 1 | 2 | 95.11 | 95.11 | 85.55 | 23.46 | 111.17 | 72.80 | 117.42 | N/A | 126,000 | 107,789 |
| 2 | 15 | 73.91 | 75.90 | 72.70 | 15.06 | 104.40 | 58.27 | 120.41 | 62.37 to 82.22 | 217,279 | 157,952 |
| 3 | 2 | 63.77 | 63.77 | 63.94 | 04.22 | 99.73 | 61.08 | 66.45 | N/A | 214,125 | 136,902 |
| _____Grass_____ | | | | | | | | | | | |
| County | 12 | 68.69 | 69.51 | 70.91 | 10.63 | 98.03 | 50.83 | 85.01 | 62.49 to 80.34 | 212,281 | 150,533 |
| 1 | 2 | 75.68 | 75.68 | 73.10 | 12.33 | 103.53 | 66.35 | 85.01 | N/A | 94,000 | 68,710 |
| 2 | 4 | 69.62 | 69.87 | 72.85 | 07.64 | 95.91 | 59.80 | 80.43 | N/A | 119,827 | 87,292 |
| 3 | 6 | 66.90 | 67.22 | 70.20 | 11.29 | 95.75 | 50.83 | 80.34 | 50.83 to 80.34 | 313,345 | 219,969 |
| _____ALL_____ | 62 | 71.68 | 73.30 | 71.19 | 12.57 | 102.96 | 50.83 | 120.41 | 69.29 to 75.87 | 276,950 | 197,174 |

48 Jefferson
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 : 68
 Total Sales Price : 20,619,325
 Total Adj. Sales Price : 20,847,414
 Total Assessed Value : 14,916,864
 Avg. Adj. Sales Price : 306,580
 Avg. Assessed Value : 219,366

MEDIAN : 72
 WGT. MEAN : 72
 MEAN : 72
 COD : 12.36
 PRD : 101.22

COV : 16.57
 STD : 12.00
 Avg. Abs. Dev : 08.89
 MAX Sales Ratio : 117.42
 MIN Sales Ratio : 39.08

95% Median C.I. : 68.09 to 75.87
 95% Wgt. Mean C.I. : 68.74 to 74.36
 95% Mean C.I. : 69.57 to 75.27

Printed:3/31/2011 2:10:21PM

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 | 3 | 80.34 | 80.36 | 81.81 | 07.05 | 98.23 | 71.89 | 88.86 | N/A | 239,200 | 195,697 |
| 01-OCT-07 To 31-DEC-07 | 9 | 78.46 | 83.35 | 79.50 | 13.06 | 104.84 | 66.35 | 117.42 | 72.34 to 93.34 | 261,325 | 207,761 |
| 01-JAN-08 To 31-MAR-08 | 7 | 73.91 | 72.93 | 71.49 | 08.51 | 102.01 | 62.37 | 81.28 | 62.37 to 81.28 | 233,071 | 166,623 |
| 01-APR-08 To 30-JUN-08 | 5 | 72.80 | 72.10 | 68.82 | 09.74 | 104.77 | 59.67 | 87.91 | N/A | 312,460 | 215,023 |
| 01-JUL-08 To 30-SEP-08 | 2 | 74.12 | 74.12 | 74.05 | 00.35 | 100.09 | 73.86 | 74.38 | N/A | 357,655 | 264,833 |
| 01-OCT-08 To 31-DEC-08 | 10 | 71.79 | 72.30 | 71.48 | 06.59 | 101.15 | 63.22 | 80.18 | 64.06 to 79.54 | 327,147 | 233,859 |
| 01-JAN-09 To 31-MAR-09 | 3 | 61.44 | 64.02 | 65.16 | 05.26 | 98.25 | 60.46 | 70.15 | N/A | 429,636 | 279,970 |
| 01-APR-09 To 30-JUN-09 | 5 | 62.15 | 66.31 | 66.62 | 12.29 | 99.53 | 56.87 | 83.42 | N/A | 405,968 | 270,469 |
| 01-JUL-09 To 30-SEP-09 | 5 | 64.73 | 67.49 | 70.03 | 06.09 | 96.37 | 62.49 | 75.87 | N/A | 355,680 | 249,073 |
| 01-OCT-09 To 31-DEC-09 | 4 | 64.25 | 69.66 | 67.99 | 12.03 | 102.46 | 61.08 | 89.07 | N/A | 372,805 | 253,485 |
| 01-JAN-10 To 31-MAR-10 | 10 | 68.69 | 66.55 | 70.73 | 15.45 | 94.09 | 39.08 | 82.83 | 50.83 to 79.87 | 328,815 | 232,575 |
| 01-APR-10 To 30-JUN-10 | 5 | 80.43 | 77.12 | 79.48 | 15.64 | 97.03 | 60.28 | 103.02 | N/A | 144,160 | 114,574 |
| <u>Study Yrs</u> | | | | | | | | | | | |
| 01-JUL-07 To 30-JUN-08 | 24 | 75.73 | 77.59 | 75.01 | 11.47 | 103.44 | 59.67 | 117.42 | 71.89 to 81.28 | 260,972 | 195,768 |
| 01-JUL-08 To 30-JUN-09 | 20 | 70.80 | 69.74 | 69.27 | 08.80 | 100.68 | 56.87 | 83.42 | 63.22 to 74.38 | 365,276 | 253,026 |
| 01-JUL-09 To 30-JUN-10 | 24 | 67.80 | 69.47 | 70.86 | 14.75 | 98.04 | 39.08 | 103.02 | 62.49 to 77.56 | 303,274 | 214,914 |
| <u>Calendar Yrs</u> | | | | | | | | | | | |
| 01-JAN-08 To 31-DEC-08 | 24 | 73.24 | 72.59 | 71.16 | 07.52 | 102.01 | 59.67 | 87.91 | 67.71 to 76.83 | 299,191 | 212,906 |
| 01-JAN-09 To 31-DEC-09 | 17 | 64.02 | 67.04 | 67.57 | 09.53 | 99.22 | 56.87 | 89.07 | 61.08 to 70.38 | 387,551 | 261,856 |
| <u>ALL</u> | 68 | 71.90 | 72.42 | 71.55 | 12.36 | 101.22 | 39.08 | 117.42 | 68.09 to 75.87 | 306,580 | 219,366 |

AREA (MARKET)

| RANGE | COUNT | MEDIAN | MEAN | WGT.MEAN | COD | PRD | MIN | MAX | 95%_Median_C.I. | Avg. Adj. Sale Price | Avg. Assd. Val |
|------------|-------|--------|-------|----------|-------|--------|-------|--------|-----------------|----------------------|----------------|
| 1 | 15 | 71.90 | 74.87 | 69.58 | 14.42 | 107.60 | 58.74 | 117.42 | 62.78 to 83.42 | 345,929 | 240,703 |
| 2 | 38 | 73.10 | 72.78 | 72.95 | 12.74 | 99.77 | 39.08 | 103.02 | 67.71 to 78.66 | 290,841 | 212,161 |
| 3 | 15 | 70.38 | 69.04 | 70.43 | 08.62 | 98.03 | 50.83 | 80.34 | 62.49 to 75.87 | 307,101 | 216,279 |
| <u>ALL</u> | 68 | 71.90 | 72.42 | 71.55 | 12.36 | 101.22 | 39.08 | 117.42 | 68.09 to 75.87 | 306,580 | 219,366 |

48 Jefferson
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 : 68
 Total Sales Price : 20,619,325
 Total Adj. Sales Price : 20,847,414
 Total Assessed Value : 14,916,864
 Avg. Adj. Sales Price : 306,580
 Avg. Assessed Value : 219,366

MEDIAN : 72
 WGT. MEAN : 72
 MEAN : 72
 COD : 12.36
 PRD : 101.22

COV : 16.57
 STD : 12.00
 Avg. Abs. Dev : 08.89
 MAX Sales Ratio : 117.42
 MIN Sales Ratio : 39.08

95% Median C.I. : 68.09 to 75.87
 95% Wgt. Mean C.I. : 68.74 to 74.36
 95% Mean C.I. : 69.57 to 75.27

Printed:3/31/2011 2:10:21PM

95%MLU By Market Area

| RANGE | COUNT | MEDIAN | MEAN | WGT.MEAN | COD | PRD | MIN | MAX | 95%_Median_C.I. | Avg. Adj. Sale Price | Avg. Assd. Val |
|----------------------------|-----------|--------------|--------------|--------------|--------------|---------------|--------------|---------------|-----------------------|----------------------|----------------|
| _____Irrigated_____ | | | | | | | | | | | |
| County | 1 | 89.07 | 89.07 | 89.07 | 00.00 | 100.00 | 89.07 | 89.07 | N/A | 291,000 | 259,200 |
| 1 | 1 | 89.07 | 89.07 | 89.07 | 00.00 | 100.00 | 89.07 | 89.07 | N/A | 291,000 | 259,200 |
| _____Dry_____ | | | | | | | | | | | |
| County | 8 | 65.89 | 74.45 | 71.17 | 18.09 | 104.61 | 60.46 | 117.42 | 60.46 to 117.42 | 240,969 | 171,496 |
| 1 | 1 | 117.42 | 117.42 | 117.42 | 00.00 | 100.00 | 117.42 | 117.42 | N/A | 72,000 | 84,539 |
| 2 | 7 | 64.06 | 68.31 | 69.37 | 09.37 | 98.47 | 60.46 | 88.86 | 60.46 to 88.86 | 265,108 | 183,918 |
| _____Grass_____ | | | | | | | | | | | |
| County | 10 | 68.69 | 67.78 | 69.26 | 15.16 | 97.86 | 39.08 | 85.01 | 50.83 to 80.43 | 233,611 | 161,795 |
| 1 | 2 | 75.68 | 75.68 | 73.10 | 12.33 | 103.53 | 66.35 | 85.01 | N/A | 94,000 | 68,710 |
| 2 | 3 | 69.29 | 62.93 | 62.11 | 19.89 | 101.32 | 39.08 | 80.43 | N/A | 142,502 | 88,502 |
| 3 | 5 | 68.09 | 67.52 | 70.62 | 12.60 | 95.61 | 50.83 | 80.34 | N/A | 344,120 | 243,005 |
| _____ALL_____ | 68 | 71.90 | 72.42 | 71.55 | 12.36 | 101.22 | 39.08 | 117.42 | 68.09 to 75.87 | 306,580 | 219,366 |

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 | 8 | 66.67 | 68.78 | 68.46 | 12.91 | 100.47 | 58.74 | 89.07 | 58.74 to 89.07 | 582,550 | 398,809 |
| 1 | 5 | 61.44 | 68.40 | 66.58 | 13.48 | 102.73 | 58.74 | 89.07 | N/A | 492,680 | 328,009 |
| 2 | 3 | 72.34 | 69.42 | 70.57 | 07.64 | 98.37 | 59.67 | 76.25 | N/A | 732,333 | 516,808 |
| _____Dry_____ | | | | | | | | | | | |
| County | 17 | 71.47 | 73.90 | 72.01 | 13.98 | 102.62 | 60.46 | 117.42 | 62.37 to 80.18 | 228,405 | 164,480 |
| 1 | 2 | 95.11 | 95.11 | 85.55 | 23.46 | 111.17 | 72.80 | 117.42 | N/A | 126,000 | 107,789 |
| 2 | 13 | 71.47 | 72.19 | 72.03 | 11.53 | 100.22 | 60.46 | 88.86 | 62.37 to 80.18 | 246,356 | 177,445 |
| 3 | 2 | 63.77 | 63.77 | 63.94 | 04.22 | 99.73 | 61.08 | 66.45 | N/A | 214,125 | 136,902 |
| _____Grass_____ | | | | | | | | | | | |
| County | 12 | 67.22 | 66.70 | 68.43 | 14.59 | 97.47 | 39.08 | 85.01 | 56.87 to 80.34 | 218,722 | 149,679 |
| 1 | 2 | 75.68 | 75.68 | 73.10 | 12.33 | 103.53 | 66.35 | 85.01 | N/A | 94,000 | 68,710 |
| 2 | 4 | 63.08 | 61.42 | 60.89 | 21.31 | 100.87 | 39.08 | 80.43 | N/A | 139,149 | 84,730 |
| 3 | 6 | 66.90 | 67.22 | 70.20 | 11.29 | 95.75 | 50.83 | 80.34 | 50.83 to 80.34 | 313,345 | 219,969 |
| _____ALL_____ | 68 | 71.90 | 72.42 | 71.55 | 12.36 | 101.22 | 39.08 | 117.42 | 68.09 to 75.87 | 306,580 | 219,366 |

48 Jefferson
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 : 83
 Total Sales Price : 24,730,847
 Total Adj. Sales Price : 24,884,976
 Total Assessed Value : 17,817,301
 Avg. Adj. Sales Price : 299,819
 Avg. Assessed Value : 214,666

MEDIAN : 72
 WGT. MEAN : 72
 MEAN : 73
 COD : 12.73
 PRD : 101.30

COV : 16.63
 STD : 12.06
 Avg. Abs. Dev : 09.15
 MAX Sales Ratio : 117.42
 MIN Sales Ratio : 39.08

95% Median C.I. : 70.15 to 76.25
 95% Wgt. Mean C.I. : 69.03 to 74.17
 95% Mean C.I. : 69.94 to 75.12

Printed:3/31/2011 2:10:24PM

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 | 3 | 80.34 | 80.36 | 81.81 | 07.05 | 98.23 | 71.89 | 88.86 | N/A | 239,200 | 195,697 |
| 01-OCT-07 To 31-DEC-07 | 10 | 81.21 | 83.41 | 79.98 | 12.03 | 104.29 | 66.35 | 117.42 | 72.34 to 93.34 | 263,631 | 210,862 |
| 01-JAN-08 To 31-MAR-08 | 9 | 71.47 | 71.43 | 70.30 | 08.87 | 101.61 | 61.87 | 81.28 | 62.37 to 80.37 | 249,867 | 175,665 |
| 01-APR-08 To 30-JUN-08 | 6 | 69.63 | 68.43 | 67.94 | 13.93 | 100.72 | 50.07 | 87.91 | 50.07 to 87.91 | 273,217 | 185,612 |
| 01-JUL-08 To 30-SEP-08 | 3 | 74.38 | 74.94 | 75.50 | 01.22 | 99.26 | 73.86 | 76.59 | N/A | 555,103 | 419,079 |
| 01-OCT-08 To 31-DEC-08 | 12 | 71.79 | 71.01 | 70.29 | 08.48 | 101.02 | 51.68 | 80.18 | 64.06 to 77.47 | 306,467 | 215,426 |
| 01-JAN-09 To 31-MAR-09 | 3 | 61.44 | 64.02 | 65.16 | 05.26 | 98.25 | 60.46 | 70.15 | N/A | 429,636 | 279,970 |
| 01-APR-09 To 30-JUN-09 | 7 | 65.79 | 68.11 | 67.19 | 12.04 | 101.37 | 56.87 | 83.42 | 56.87 to 83.42 | 422,720 | 284,028 |
| 01-JUL-09 To 30-SEP-09 | 6 | 64.38 | 66.88 | 69.42 | 05.34 | 96.34 | 62.49 | 75.87 | 62.49 to 75.87 | 328,400 | 227,978 |
| 01-OCT-09 To 31-DEC-09 | 5 | 65.71 | 71.45 | 69.13 | 13.35 | 103.36 | 61.08 | 89.07 | N/A | 333,752 | 230,707 |
| 01-JAN-10 To 31-MAR-10 | 12 | 72.77 | 70.59 | 71.87 | 17.07 | 98.22 | 39.08 | 95.72 | 54.20 to 83.56 | 289,846 | 208,314 |
| 01-APR-10 To 30-JUN-10 | 7 | 80.43 | 77.08 | 78.66 | 13.58 | 97.99 | 60.28 | 103.02 | 60.28 to 103.02 | 133,543 | 105,044 |
| <u>Study Yrs</u> | | | | | | | | | | | |
| 01-JUL-07 To 30-JUN-08 | 28 | 73.79 | 76.02 | 74.43 | 12.48 | 102.14 | 50.07 | 117.42 | 71.47 to 80.37 | 258,643 | 192,513 |
| 01-JUL-08 To 30-JUN-09 | 25 | 71.21 | 69.83 | 69.55 | 09.51 | 100.40 | 51.68 | 83.42 | 64.06 to 76.59 | 383,634 | 266,818 |
| 01-JUL-09 To 30-JUN-10 | 30 | 69.76 | 71.50 | 71.49 | 15.08 | 100.01 | 39.08 | 103.02 | 64.02 to 78.63 | 268,404 | 191,883 |
| <u>Calendar Yrs</u> | | | | | | | | | | | |
| 01-JAN-08 To 31-DEC-08 | 30 | 72.35 | 71.01 | 70.82 | 09.12 | 100.27 | 50.07 | 87.91 | 67.71 to 76.59 | 307,700 | 217,900 |
| 01-JAN-09 To 31-DEC-09 | 21 | 64.73 | 67.97 | 67.83 | 09.93 | 100.21 | 56.87 | 89.07 | 62.15 to 70.38 | 375,577 | 254,738 |
| <u>ALL</u> | 83 | 71.90 | 72.53 | 71.60 | 12.73 | 101.30 | 39.08 | 117.42 | 70.15 to 76.25 | 299,819 | 214,666 |

AREA (MARKET)

| RANGE | COUNT | MEDIAN | MEAN | WGT.MEAN | COD | PRD | MIN | MAX | 95%_Median_C.I. | Avg. Adj. Sale Price | Avg. Assd. Val |
|------------|-------|--------|-------|----------|-------|--------|-------|--------|-----------------|----------------------|----------------|
| 1 | 23 | 76.59 | 76.98 | 71.62 | 12.98 | 107.48 | 58.74 | 117.42 | 67.51 to 83.56 | 339,568 | 243,207 |
| 2 | 38 | 73.10 | 72.84 | 73.02 | 12.82 | 99.75 | 39.08 | 103.02 | 67.71 to 78.66 | 290,841 | 212,371 |
| 3 | 22 | 69.16 | 67.33 | 68.96 | 10.01 | 97.64 | 50.07 | 80.34 | 62.45 to 73.67 | 273,771 | 188,794 |
| <u>ALL</u> | 83 | 71.90 | 72.53 | 71.60 | 12.73 | 101.30 | 39.08 | 117.42 | 70.15 to 76.25 | 299,819 | 214,666 |

48 Jefferson
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 : 83
 Total Sales Price : 24,730,847
 Total Adj. Sales Price : 24,884,976
 Total Assessed Value : 17,817,301
 Avg. Adj. Sales Price : 299,819
 Avg. Assessed Value : 214,666

MEDIAN : 72
 WGT. MEAN : 72
 MEAN : 73
 COD : 12.73
 PRD : 101.30

COV : 16.63
 STD : 12.06
 Avg. Abs. Dev : 09.15
 MAX Sales Ratio : 117.42
 MIN Sales Ratio : 39.08

95% Median C.I. : 70.15 to 76.25
 95% Wgt. Mean C.I. : 69.03 to 74.17
 95% Mean C.I. : 69.94 to 75.12

Printed:3/31/2011 2:10:24PM

95%MLU By Market Area

| RANGE | COUNT | MEDIAN | MEAN | WGT.MEAN | COD | PRD | MIN | MAX | 95%_Median_C.I. | Avg. Adj. Sale Price | Avg. Assd. Val |
|----------------------------|-----------|--------------|--------------|--------------|--------------|---------------|--------------|---------------|-----------------------|----------------------|----------------|
| _____Irrigated_____ | | | | | | | | | | | |
| County | 3 | 83.96 | 84.15 | 84.85 | 03.82 | 99.18 | 79.43 | 89.07 | N/A | 251,797 | 213,648 |
| 1 | 3 | 83.96 | 84.15 | 84.85 | 03.82 | 99.18 | 79.43 | 89.07 | N/A | 251,797 | 213,648 |
| _____Dry_____ | | | | | | | | | | | |
| County | 9 | 67.71 | 75.48 | 71.73 | 18.27 | 105.23 | 60.46 | 117.42 | 62.37 to 88.86 | 224,195 | 160,814 |
| 1 | 2 | 100.58 | 100.58 | 98.70 | 16.75 | 101.90 | 83.73 | 117.42 | N/A | 81,000 | 79,949 |
| 2 | 7 | 64.06 | 68.31 | 69.37 | 09.37 | 98.47 | 60.46 | 88.86 | 60.46 to 88.86 | 265,108 | 183,918 |
| _____Grass_____ | | | | | | | | | | | |
| County | 10 | 68.69 | 67.78 | 69.26 | 15.16 | 97.86 | 39.08 | 85.01 | 50.83 to 80.43 | 233,611 | 161,795 |
| 1 | 2 | 75.68 | 75.68 | 73.10 | 12.33 | 103.53 | 66.35 | 85.01 | N/A | 94,000 | 68,710 |
| 2 | 3 | 69.29 | 62.93 | 62.11 | 19.89 | 101.32 | 39.08 | 80.43 | N/A | 142,502 | 88,502 |
| 3 | 5 | 68.09 | 67.52 | 70.62 | 12.60 | 95.61 | 50.83 | 80.34 | N/A | 344,120 | 243,005 |
| _____ALL_____ | 83 | 71.90 | 72.53 | 71.60 | 12.73 | 101.30 | 39.08 | 117.42 | 70.15 to 76.25 | 299,819 | 214,666 |

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 | 11 | 71.90 | 70.86 | 69.20 | 11.96 | 102.40 | 58.74 | 89.07 | 59.67 to 83.96 | 533,999 | 369,553 |
| 1 | 8 | 68.85 | 71.40 | 68.39 | 14.07 | 104.40 | 58.74 | 89.07 | 58.74 to 89.07 | 459,624 | 314,333 |
| 2 | 3 | 72.34 | 69.42 | 70.57 | 07.64 | 98.37 | 59.67 | 76.25 | N/A | 732,333 | 516,808 |
| _____Dry_____ | | | | | | | | | | | |
| County | 21 | 72.80 | 73.70 | 71.49 | 13.97 | 103.09 | 51.68 | 117.42 | 63.22 to 78.66 | 216,979 | 155,125 |
| 1 | 4 | 81.18 | 88.15 | 82.87 | 15.31 | 106.37 | 72.80 | 117.42 | N/A | 129,885 | 107,632 |
| 2 | 13 | 71.47 | 72.19 | 72.03 | 11.53 | 100.22 | 60.46 | 88.86 | 62.37 to 80.18 | 246,356 | 177,445 |
| 3 | 4 | 63.77 | 64.17 | 62.36 | 12.22 | 102.90 | 51.68 | 77.47 | N/A | 208,596 | 130,080 |
| _____Grass_____ | | | | | | | | | | | |
| County | 13 | 68.09 | 66.99 | 68.69 | 13.57 | 97.53 | 39.08 | 85.01 | 56.87 to 80.34 | 231,082 | 158,738 |
| 1 | 2 | 75.68 | 75.68 | 73.10 | 12.33 | 103.53 | 66.35 | 85.01 | N/A | 94,000 | 68,710 |
| 2 | 4 | 63.08 | 61.42 | 60.89 | 21.31 | 100.87 | 39.08 | 80.43 | N/A | 139,149 | 84,730 |
| 3 | 7 | 68.09 | 67.69 | 70.25 | 10.00 | 96.36 | 50.83 | 80.34 | 50.83 to 80.34 | 322,781 | 226,752 |
| _____ALL_____ | 83 | 71.90 | 72.53 | 71.60 | 12.73 | 101.30 | 39.08 | 117.42 | 70.15 to 76.25 | 299,819 | 214,666 |

2011 Correlation Section for Jefferson County

A. Agricultural Land

Jefferson County is an agriculturally based county with an array of small towns and villages that exist primarily to support agriculture. The primary crops are row crops with corn, soybeans, and some grain sorghum. About 24% of the agricultural land is irrigated, 44% dry and 31% grass. There is pasture land spread throughout the county, but mostly located in the south part of the county as well as along rivers and streams. The agricultural land is valued using three market areas that are more fully described in the survey. The agricultural economy is strong, driven by a very high grain prices for the past few years. The value of crop land has followed the high grain prices with historic increases in value. Grazing land has also experienced very large increases over the past 3 to 4 years. The assessed values of agricultural land have likewise increased.

The Department has conducted three separate measurement processes for 2011 to determine the level of value of the agricultural land. There were 62 qualified agricultural sales that occurred in the county during the three year study period. 12 are located in Market Area 1; 35 are located in Market Area 2; and 15 are located in Market Area 3. The sales are not distributed proportionately across the study years. The oldest study year has 33 sales, the middle study year has 15 sales and the newest study year has 14 sales.

The Base sample calculates assessment statistics using only the subject county sales. A review of the 62 sales reveals that the sample is not proportional. The strength of this sample is that it uses only the subject county sales. The weakness is that the calculations may not be statistically reliable. To achieve reliability the sample was short no sales in the first study year, 12 sales in the middle study year and 13 sales in the third study year. The median ratio of the Base Sample is 72%; Market Area 1 has a 72% median ratio and Market Area 2 has a 72% median ratio and Market Area 3 has a 70% median ratio.

To develop the second and third samples, it was apparent that the base sample was highly irregular due to the occurrence of 15 sales in the second quarter of the first study year. A preliminary review of the comparable sales available near Jefferson revealed that there were not enough sales to supplement either the Random Include or the Random Exclude samples and make them reliable. It was even necessary to look beyond 6 miles and find 4 more comparable sales to keep from having to cut more Area 2 sales. In the end, 9 sales were randomly removed from the 23 sales in the first study year of Market Area 2.

The Random Include sample begins with the Base sample and adds enough comparable sales to make the base sample reliable. There were 15 borrowed comparable sales from adjacent counties and 9 sales removed from Jefferson county Market Area 2 in order to make the sample reliable for measurement and be proportional and representative. The sample then totaled 68 sales and was considered a reliable sample. The strength of this sample is that it uses the subject county sales and only borrows enough additional sales to make the sample statistically reliable. The median ratio of the Random Include sample is 72%; Market Area 1 has a 72% median ratio and Market Area 2 has a 73% median ratio and Market Area 3 has a 70% median ratio.

Another situation unique to Jefferson County should be explained before discussing the Random Exclude sample. The county values their agricultural land by market areas and further breaks all parcels down to the individual soils for analysis and valuation. Each soil in each use in each market area has an individual value. There are more than 80 separate soils and the Department reporting system does not accommodate nearly that level of detail. The

2011 Correlation Section for Jefferson County

data from the county is reported by LCG, but each LCG in each market area can and does have many different values unlike most counties that would have only one. To conduct the analysis, the Department used the average value by LCG as it is compiled in the abstract to estimate a Jefferson County valuation for each borrowed sale. The counties own sales were measured with the values that the county provided. The Department believes that the borrowed sale values were reasonably estimated so the statistics are not unduly influenced by this process. The Base sample had only Jefferson County sales and valuations, the Random Include sample had 15 sales that were impacted and the Random Exclude sample had 30 borrowed sales. The value estimate may have been a little high in some instances and a little low in others, but should still have reasonable accuracy. The obviously the chance of distortion would increase with more borrowed sales.

The Random Exclude sample begins with the Base sample and added all if the available comparable sales within 6 miles of the border of Jefferson County, plus 4 sales that were beyond 6 miles because of a lack of sales in the second and third study years in Market Area 2. The supplemented file is then trimmed of excess borrowed sales and the 9 excess Jefferson County sales in order to make the base sample statistically reliable. In this case, the available sales were trimmed to 30 comparable sales, making the entire sample 83 sales. The sample was then considered proportional and representative. Of the three methods, the Random Exclude sample relies on a higher number of sales from outside the host county. While the proximity to the host county is one test of comparability, the chance of an external bias increases as additional sales are added. The median ratio of the Random Exclude sample is 72%; Market Area 1 has a 77% median ratio and Market Area 2 has a 73% median ratio and Market Area 3 has a 69% median ratio.

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

The COD and the PRD both fall within the desired range in all three statistical studies. For 2011, the Abstract showed that the county increased irrigated values by about 21% and dry values by nearly 5% and grass values by about 1%. The county has elaborate assessment practices relating to the verification and analysis of agricultural values. They have reliable tools and practices to keep land use up to date and there is no known weakness or bias in their assessment practices but it is notable that there is significantly more detail than most other counties. The quality of assessment for agricultural land is acceptable.

It is the opinion of the Department that the level of value for agricultural land of value falls among the median ratios of the three samples. The Base sample median was 72% but was not reliable based a lack of proportionality of the sales among the study years. The other two methods after supplementation were considered statistically reliable and both produced medians of 72%. All 3 samples produced medians within the range for the entire county and

**2011 Correlation Section
for Jefferson County**

the individual market areas, except the Random Exclude sample for Market Area 1 which was 77%. This particular subclass was supplemented with a total of 11 of the 23 total sales and was the only real inconsistency in this process. This subclass has probably been impacted by the borrowing and the uncertainty of the value estimates on the 11 borrowed sales. The Department would not recommend an adjustment based on only this one statistic. Otherwise, all three samples were supportive of each other. A review of the majority land uses was generally favorable in the all three samples. The 80% Grass MLU tables in the Random Include sample and the Random Exclude sample indicated that the countywide grass levels of value with 12 and 13 sales were 67 or 68%. The same tables showed mixed results among the 3 market areas and no individual market area had more than 7 grass sales, none being sufficient to recommend an adjustment. A countywide grass adjustment would not be warranted either. In this class, the level of value is 72% and the quality of the assessment process is acceptable. There are no recommended adjustments to the class or to any subclass of agricultural land.

**2011 Correlation Section
for Jefferson 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 Jefferson 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 Jefferson 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 Jefferson County**

July, 2007, recommends that the PRD should lie between 98 and 103. This range is centered slightly above 100 to allow for a slightly upward measurement bias inherent in the PRD.

The PRD is calculated based on the selling price/assessed value in the sales file. This measure can be misleading if the dollar value of the records in the sales file is not proportionate to the dollar value of records in the population.

Mass Appraisal of Real Property, International Association of Assessing Officers, (1999), p. 247.

| | | | | |
|--|------------------------|----------------------------|-------------------------|-----------------------------------|
| Total Real Property Sum Lines 17, 25, & 30 | Records : 7,047 | Value : 864,717,850 | Growth 2,986,299 | Sum Lines 17, 25, & 41 |
|--|------------------------|----------------------------|-------------------------|-----------------------------------|

Schedule I : Non-Agricultural Records

| | Urban | | SubUrban | | Rural | | Total | | Growth |
|---------------------------------|---------|-------------|----------|-----------|---------|------------|---------|-------------|---------|
| | Records | Value | Records | Value | Records | Value | Records | Value | |
| 01. Res UnImp Land | 346 | 914,083 | 23 | 249,385 | 173 | 967,842 | 542 | 2,131,310 | |
| 02. Res Improve Land | 2,565 | 7,272,829 | 28 | 493,281 | 548 | 9,422,490 | 3,141 | 17,188,600 | |
| 03. Res Improvements | 2,566 | 93,999,433 | 28 | 4,987,464 | 525 | 49,467,358 | 3,119 | 148,454,255 | |
| 04. Res Total | 2,912 | 102,186,345 | 51 | 5,730,130 | 698 | 59,857,690 | 3,661 | 167,774,165 | 876,784 |
| % of Res Total | 79.54 | 60.91 | 1.39 | 3.42 | 19.07 | 35.68 | 51.95 | 19.40 | 29.36 |
| 05. Com UnImp Land | 67 | 615,054 | 3 | 83,795 | 20 | 716,628 | 90 | 1,415,477 | |
| 06. Com Improve Land | 340 | 3,471,697 | 11 | 530,398 | 42 | 700,808 | 393 | 4,702,903 | |
| 07. Com Improvements | 340 | 35,089,175 | 11 | 2,768,459 | 41 | 11,510,056 | 392 | 49,367,690 | |
| 08. Com Total | 407 | 39,175,926 | 14 | 3,382,652 | 61 | 12,927,492 | 482 | 55,486,070 | 120,241 |
| % of Com Total | 84.44 | 70.60 | 2.90 | 6.10 | 12.66 | 23.30 | 6.84 | 6.42 | 4.03 |
| 09. Ind UnImp Land | 6 | 16,398 | 0 | 0 | 3 | 47,696 | 9 | 64,094 | |
| 10. Ind Improve Land | 8 | 141,396 | 2 | 129,962 | 6 | 168,107 | 16 | 439,465 | |
| 11. Ind Improvements | 8 | 1,699,887 | 2 | 529,192 | 6 | 4,080,577 | 16 | 6,309,656 | |
| 12. Ind Total | 14 | 1,857,681 | 2 | 659,154 | 9 | 4,296,380 | 25 | 6,813,215 | 0 |
| % of Ind Total | 56.00 | 27.27 | 8.00 | 9.67 | 36.00 | 63.06 | 0.35 | 0.79 | 0.00 |
| 13. Rec UnImp Land | 0 | 0 | 0 | 0 | 11 | 566,367 | 11 | 566,367 | |
| 14. Rec Improve Land | 0 | 0 | 0 | 0 | 7 | 498,815 | 7 | 498,815 | |
| 15. Rec Improvements | 0 | 0 | 0 | 0 | 7 | 815,345 | 7 | 815,345 | |
| 16. Rec Total | 0 | 0 | 0 | 0 | 18 | 1,880,527 | 18 | 1,880,527 | 0 |
| % of Rec Total | 0.00 | 0.00 | 0.00 | 0.00 | 100.00 | 100.00 | 0.26 | 0.22 | 0.00 |
| Res & Rec Total | 2,912 | 102,186,345 | 51 | 5,730,130 | 716 | 61,738,217 | 3,679 | 169,654,692 | 876,784 |
| % of Res & Rec Total | 79.15 | 60.23 | 1.39 | 3.38 | 19.46 | 36.39 | 52.21 | 19.62 | 29.36 |
| Com & Ind Total | 421 | 41,033,607 | 16 | 4,041,806 | 70 | 17,223,872 | 507 | 62,299,285 | 120,241 |
| % of Com & Ind Total | 83.04 | 65.87 | 3.16 | 6.49 | 13.81 | 27.65 | 7.19 | 7.20 | 4.03 |
| 17. Taxable Total | 3,333 | 143,219,952 | 67 | 9,771,936 | 786 | 78,962,089 | 4,186 | 231,953,977 | 997,025 |
| % of Taxable Total | 79.62 | 61.74 | 1.60 | 4.21 | 18.78 | 34.04 | 59.40 | 26.82 | 33.39 |

Schedule II : Tax Increment Financing (TIF)

| | Urban | | | SubUrban | | |
|------------------|---------|------------|--------------|----------|------------|--------------|
| | Records | Value Base | Value Excess | Records | Value Base | Value Excess |
| 18. Residential | 0 | 0 | 0 | 0 | 0 | 0 |
| 19. Commercial | 3 | 87,168 | 2,719,732 | 0 | 0 | 0 |
| 20. Industrial | 2 | 258,465 | 245,235 | 0 | 0 | 0 |
| 21. Other | 0 | 0 | 0 | 0 | 0 | 0 |
| | Rural | | | Total | | |
| | Records | Value Base | Value Excess | Records | Value Base | Value Excess |
| 18. Residential | 0 | 0 | 0 | 0 | 0 | 0 |
| 19. Commercial | 0 | 0 | 0 | 3 | 87,168 | 2,719,732 |
| 20. Industrial | 0 | 0 | 0 | 2 | 258,465 | 245,235 |
| 21. Other | 0 | 0 | 0 | 0 | 0 | 0 |
| 22. Total Sch II | | | | 5 | 345,633 | 2,964,967 |

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 | 262 | 36 | 78 | 376 |

Schedule V : Agricultural Records

| | Urban | | SubUrban | | Rural | | Total | |
|----------------------|---------|-------|----------|--------|---------|-------------|---------|-------------|
| | Records | Value | Records | Value | Records | Value | Records | Value |
| 27. Ag-Vacant Land | 0 | 0 | 1 | 35,305 | 1,992 | 369,538,496 | 1,993 | 369,573,801 |
| 28. Ag-Improved Land | 0 | 0 | 0 | 0 | 868 | 194,489,626 | 868 | 194,489,626 |
| 29. Ag Improvements | 0 | 0 | 0 | 0 | 868 | 68,700,446 | 868 | 68,700,446 |
| 30. Ag Total | | | | | | | 2,861 | 632,763,873 |

Schedule VI : Agricultural Records :Non-Agricultural Detail

| | Urban | | | SubUrban | | | Growth |
|---------------------------|---------|----------|------------|--------------|------------------|-------------------|------------------|
| | Records | Acres | Value | Records | Acres | Value | |
| 31. HomeSite UnImp Land | 0 | 0.00 | 0 | 0 | 0.00 | 0 | |
| 32. HomeSite Improv Land | 0 | 0.00 | 0 | 0 | 0.00 | 0 | |
| 33. HomeSite Improvements | 0 | 0.00 | 0 | 0 | 0.00 | 0 | |
| 34. HomeSite Total | | | | | | | |
| 35. FarmSite UnImp Land | 0 | 0.00 | 0 | 0 | 0.00 | 0 | |
| 36. FarmSite Improv Land | 0 | 0.00 | 0 | 0 | 0.00 | 0 | |
| 37. FarmSite Improvements | 0 | 0.00 | 0 | 0 | 0.00 | 0 | |
| 38. FarmSite Total | | | | | | | |
| 39. Road & Ditches | 0 | 0.00 | 0 | 0 | 0.00 | 0 | |
| 40. Other- Non Ag Use | 0 | 0.00 | 0 | 0 | 0.00 | 0 | |
| | Rural | | | Total | | | |
| | Records | Acres | Value | Records | Acres | Value | |
| 31. HomeSite UnImp Land | 24 | 23.43 | 234,300 | 24 | 23.43 | 234,300 | |
| 32. HomeSite Improv Land | 532 | 542.91 | 5,428,100 | 532 | 542.91 | 5,428,100 | |
| 33. HomeSite Improvements | 556 | 0.00 | 40,523,439 | 556 | 0.00 | 40,523,439 | 13,213 |
| 34. HomeSite Total | | | | 580 | 566.34 | 46,185,839 | |
| 35. FarmSite UnImp Land | 177 | 518.71 | 620,465 | 177 | 518.71 | 620,465 | |
| 36. FarmSite Improv Land | 783 | 2,733.69 | 4,932,735 | 783 | 2,733.69 | 4,932,735 | |
| 37. FarmSite Improvements | 857 | 0.00 | 28,177,007 | 857 | 0.00 | 28,177,007 | 1,976,061 |
| 38. FarmSite Total | | | | 1,034 | 3,252.40 | 33,730,207 | |
| 39. Road & Ditches | 2,393 | 6,742.25 | 0 | 2,393 | 6,742.25 | 0 | |
| 40. Other- Non Ag Use | 0 | 0.00 | 0 | 0 | 0.00 | 0 | |
| 41. Total Section VI | | | | 1,614 | 10,560.99 | 79,916,046 | 1,989,274 |

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 | 26 | 2,501.45 | 2,354,510 | 26 | 2,501.45 | 2,354,510 |

Schedule VIII : Agricultural Records : Special Value

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

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

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 1

| Irrigated | Acres | % of Acres* | Value | % of Value* | Average Assessed Value* |
|------------------------|-----------|-------------|-------------|-------------|-------------------------|
| 45. 1A1 | 1,273.26 | 2.67% | 3,928,016 | 2.63% | 3,085.01 |
| 46. 1A | 24,555.24 | 51.51% | 89,665,268 | 59.97% | 3,651.57 |
| 47. 2A1 | 3,028.60 | 6.35% | 9,341,055 | 6.25% | 3,084.28 |
| 48. 2A | 8,735.47 | 18.32% | 23,014,768 | 15.39% | 2,634.63 |
| 49. 3A1 | 5,419.68 | 11.37% | 14,304,061 | 9.57% | 2,639.28 |
| 50. 3A | 0.00 | 0.00% | 0 | 0.00% | 0.00 |
| 51. 4A1 | 3,639.76 | 7.64% | 7,971,076 | 5.33% | 2,190.00 |
| 52. 4A | 1,019.70 | 2.14% | 1,295,002 | 0.87% | 1,269.98 |
| 53. Total | 47,671.71 | 100.00% | 149,519,246 | 100.00% | 3,136.44 |
| Dry | | | | | |
| 54. 1D1 | 772.15 | 2.92% | 1,513,414 | 3.00% | 1,960.00 |
| 55. 1D | 10,576.62 | 39.97% | 24,624,042 | 48.74% | 2,328.16 |
| 56. 2D1 | 1,096.39 | 4.14% | 2,372,799 | 4.70% | 2,164.19 |
| 57. 2D | 5,852.59 | 22.12% | 10,425,774 | 20.64% | 1,781.39 |
| 58. 3D1 | 4,473.87 | 16.91% | 7,128,604 | 14.11% | 1,593.39 |
| 59. 3D | 0.00 | 0.00% | 0 | 0.00% | 0.00 |
| 60. 4D1 | 3,023.57 | 11.43% | 4,064,590 | 8.05% | 1,344.30 |
| 61. 4D | 667.02 | 2.52% | 390,250 | 0.77% | 585.06 |
| 62. Total | 26,462.21 | 100.00% | 50,519,473 | 100.00% | 1,909.12 |
| Grass | | | | | |
| 63. 1G1 | 207.63 | 1.76% | 225,799 | 2.21% | 1,087.51 |
| 64. 1G | 875.14 | 7.40% | 1,118,402 | 10.93% | 1,277.97 |
| 65. 2G1 | 1,018.08 | 8.61% | 873,482 | 8.54% | 857.97 |
| 66. 2G | 2,121.95 | 17.94% | 2,729,144 | 26.68% | 1,286.15 |
| 67. 3G1 | 2,126.36 | 17.98% | 1,561,788 | 15.27% | 734.49 |
| 68. 3G | 0.00 | 0.00% | 0 | 0.00% | 0.00 |
| 69. 4G1 | 1,980.42 | 16.74% | 1,914,211 | 18.71% | 966.57 |
| 70. 4G | 3,498.66 | 29.58% | 1,807,383 | 17.67% | 516.59 |
| 71. Total | 11,828.24 | 100.00% | 10,230,209 | 100.00% | 864.90 |
| Irrigated Total | | | | | |
| | 47,671.71 | 54.91% | 149,519,246 | 71.07% | 3,136.44 |
| Dry Total | | | | | |
| | 26,462.21 | 30.48% | 50,519,473 | 24.01% | 1,909.12 |
| Grass Total | | | | | |
| | 11,828.24 | 13.62% | 10,230,209 | 4.86% | 864.90 |
| 72. Waste | 860.71 | 0.99% | 124,837 | 0.06% | 145.04 |
| 73. Other | 0.00 | 0.00% | 0 | 0.00% | 0.00 |
| 74. Exempt | 0.00 | 0.00% | 0 | 0.00% | 0.00 |
| 75. Market Area Total | 86,822.87 | 100.00% | 210,393,765 | 100.00% | 2,423.25 |

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 2

| Irrigated | Acres | % of Acres* | Value | % of Value* | Average Assessed Value* |
|------------------------|------------|-------------|-------------|-------------|-------------------------|
| 45. 1A1 | 1,318.60 | 4.42% | 3,968,746 | 4.91% | 3,009.82 |
| 46. 1A | 12,773.88 | 42.79% | 42,461,936 | 52.58% | 3,324.12 |
| 47. 2A1 | 2,202.09 | 7.38% | 5,835,248 | 7.23% | 2,649.87 |
| 48. 2A | 5,938.45 | 19.89% | 14,311,664 | 17.72% | 2,410.00 |
| 49. 3A1 | 4,996.20 | 16.74% | 10,042,994 | 12.44% | 2,010.13 |
| 50. 3A | 0.00 | 0.00% | 0 | 0.00% | 0.00 |
| 51. 4A1 | 2,095.86 | 7.02% | 3,432,635 | 4.25% | 1,637.82 |
| 52. 4A | 525.50 | 1.76% | 701,558 | 0.87% | 1,335.03 |
| 53. Total | 29,850.58 | 100.00% | 80,754,781 | 100.00% | 2,705.30 |
| Dry | | | | | |
| 54. 1D1 | 3,814.15 | 4.20% | 8,143,247 | 5.54% | 2,135.01 |
| 55. 1D | 35,595.62 | 39.24% | 72,784,369 | 49.55% | 2,044.76 |
| 56. 2D1 | 6,240.62 | 6.88% | 11,004,338 | 7.49% | 1,763.34 |
| 57. 2D | 19,840.94 | 21.87% | 29,994,560 | 20.42% | 1,511.75 |
| 58. 3D1 | 16,480.21 | 18.17% | 17,572,953 | 11.96% | 1,066.31 |
| 59. 3D | 0.00 | 0.00% | 0 | 0.00% | 0.00 |
| 60. 4D1 | 7,463.71 | 8.23% | 6,682,096 | 4.55% | 895.28 |
| 61. 4D | 1,278.35 | 1.41% | 714,357 | 0.49% | 558.81 |
| 62. Total | 90,713.60 | 100.00% | 146,895,920 | 100.00% | 1,619.34 |
| Grass | | | | | |
| 63. 1G1 | 461.85 | 1.10% | 318,683 | 1.13% | 690.01 |
| 64. 1G | 2,878.30 | 6.85% | 2,032,275 | 7.21% | 706.07 |
| 65. 2G1 | 3,364.70 | 8.01% | 1,889,908 | 6.71% | 561.69 |
| 66. 2G | 8,045.98 | 19.16% | 6,496,459 | 23.06% | 807.42 |
| 67. 3G1 | 8,983.33 | 21.39% | 7,120,824 | 25.28% | 792.67 |
| 68. 3G | 0.00 | 0.00% | 0 | 0.00% | 0.00 |
| 69. 4G1 | 5,499.39 | 13.10% | 3,561,633 | 12.64% | 647.64 |
| 70. 4G | 12,756.73 | 30.38% | 6,748,991 | 23.96% | 529.05 |
| 71. Total | 41,990.28 | 100.00% | 28,168,773 | 100.00% | 670.84 |
| Irrigated Total | | | | | |
| | 29,850.58 | 17.99% | 80,754,781 | 31.51% | 2,705.30 |
| Dry Total | | | | | |
| | 90,713.60 | 54.68% | 146,895,920 | 57.31% | 1,619.34 |
| Grass Total | | | | | |
| | 41,990.28 | 25.31% | 28,168,773 | 10.99% | 670.84 |
| 72. Waste | 3,336.83 | 2.01% | 483,916 | 0.19% | 145.02 |
| 73. Other | 0.00 | 0.00% | 0 | 0.00% | 0.00 |
| 74. Exempt | 0.00 | 0.00% | 0 | 0.00% | 0.00 |
| 75. Market Area Total | 165,891.29 | 100.00% | 256,303,390 | 100.00% | 1,545.01 |

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 3

| Irrigated | Acres | % of Acres* | Value | % of Value* | Average Assessed Value* |
|------------------------|-----------|-------------|------------|-------------|-------------------------|
| 45. 1A1 | 643.20 | 19.12% | 1,490,923 | 20.93% | 2,317.98 |
| 46. 1A | 865.96 | 25.74% | 2,266,434 | 31.82% | 2,617.25 |
| 47. 2A1 | 268.37 | 7.98% | 568,945 | 7.99% | 2,120.00 |
| 48. 2A | 264.70 | 7.87% | 536,020 | 7.53% | 2,025.01 |
| 49. 3A1 | 663.00 | 19.70% | 1,280,340 | 17.97% | 1,931.13 |
| 50. 3A | 0.00 | 0.00% | 0 | 0.00% | 0.00 |
| 51. 4A1 | 473.83 | 14.08% | 729,698 | 10.24% | 1,540.00 |
| 52. 4A | 185.60 | 5.52% | 250,560 | 3.52% | 1,350.00 |
| 53. Total | 3,364.66 | 100.00% | 7,122,920 | 100.00% | 2,116.98 |
| Dry | | | | | |
| 54. 1D1 | 2,563.86 | 8.48% | 3,961,186 | 10.02% | 1,545.01 |
| 55. 1D | 7,596.92 | 25.12% | 13,263,785 | 33.54% | 1,745.94 |
| 56. 2D1 | 1,945.23 | 6.43% | 2,998,359 | 7.58% | 1,541.39 |
| 57. 2D | 6,932.00 | 22.92% | 8,456,196 | 21.38% | 1,219.88 |
| 58. 3D1 | 5,394.64 | 17.84% | 6,002,354 | 15.18% | 1,112.65 |
| 59. 3D | 0.00 | 0.00% | 0 | 0.00% | 0.00 |
| 60. 4D1 | 4,599.63 | 15.21% | 3,919,241 | 9.91% | 852.08 |
| 61. 4D | 1,213.01 | 4.01% | 943,160 | 2.39% | 777.54 |
| 62. Total | 30,245.29 | 100.00% | 39,544,281 | 100.00% | 1,307.45 |
| Grass | | | | | |
| 63. 1G1 | 446.80 | 0.88% | 410,289 | 1.04% | 918.28 |
| 64. 1G | 1,578.87 | 3.09% | 1,501,302 | 3.82% | 950.87 |
| 65. 2G1 | 1,191.71 | 2.34% | 994,512 | 2.53% | 834.53 |
| 66. 2G | 4,783.22 | 9.37% | 3,635,107 | 9.26% | 759.97 |
| 67. 3G1 | 7,687.20 | 15.07% | 7,453,928 | 18.98% | 969.65 |
| 68. 3G | 0.00 | 0.00% | 0 | 0.00% | 0.00 |
| 69. 4G1 | 9,501.29 | 18.62% | 7,581,668 | 19.31% | 797.96 |
| 70. 4G | 25,832.98 | 50.63% | 17,689,485 | 45.05% | 684.76 |
| 71. Total | 51,022.07 | 100.00% | 39,266,291 | 100.00% | 769.59 |
| Irrigated Total | | | | | |
| | 3,364.66 | 3.91% | 7,122,920 | 8.27% | 2,116.98 |
| Dry Total | | | | | |
| | 30,245.29 | 35.18% | 39,544,281 | 45.90% | 1,307.45 |
| Grass Total | | | | | |
| | 51,022.07 | 59.34% | 39,266,291 | 45.58% | 769.59 |
| 72. Waste | 1,287.49 | 1.50% | 186,730 | 0.22% | 145.03 |
| 73. Other | 60.90 | 0.07% | 30,450 | 0.04% | 500.00 |
| 74. Exempt | 0.00 | 0.00% | 0 | 0.00% | 0.00 |
| 75. Market Area Total | 85,980.41 | 100.00% | 86,150,672 | 100.00% | 1,001.98 |

Schedule X : Agricultural Records :Ag Land Total

| | Urban | | SubUrban | | Rural | | Total | |
|----------------------|-------------|----------|--------------|---------------|-------------------|--------------------|-------------------|--------------------|
| | Acres | Value | Acres | Value | Acres | Value | Acres | Value |
| 76. Irrigated | 0.00 | 0 | 0.00 | 0 | 80,886.95 | 237,396,947 | 80,886.95 | 237,396,947 |
| 77. Dry Land | 0.00 | 0 | 6.00 | 9,630 | 147,415.10 | 236,950,044 | 147,421.10 | 236,959,674 |
| 78. Grass | 0.00 | 0 | 34.00 | 25,675 | 104,806.59 | 77,639,598 | 104,840.59 | 77,665,273 |
| 79. Waste | 0.00 | 0 | 0.00 | 0 | 5,485.03 | 795,483 | 5,485.03 | 795,483 |
| 80. Other | 0.00 | 0 | 0.00 | 0 | 60.90 | 30,450 | 60.90 | 30,450 |
| 81. Exempt | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 |
| 82. Total | 0.00 | 0 | 40.00 | 35,305 | 338,654.57 | 552,812,522 | 338,694.57 | 552,847,827 |

| | Acres | % of Acres* | Value | % of Value* | Average Assessed Value* |
|------------------|-------------------|----------------|--------------------|----------------|-------------------------|
| Irrigated | 80,886.95 | 23.88% | 237,396,947 | 42.94% | 2,934.92 |
| Dry Land | 147,421.10 | 43.53% | 236,959,674 | 42.86% | 1,607.37 |
| Grass | 104,840.59 | 30.95% | 77,665,273 | 14.05% | 740.79 |
| Waste | 5,485.03 | 1.62% | 795,483 | 0.14% | 145.03 |
| Other | 60.90 | 0.02% | 30,450 | 0.01% | 500.00 |
| Exempt | 0.00 | 0.00% | 0 | 0.00% | 0.00 |
| Total | 338,694.57 | 100.00% | 552,847,827 | 100.00% | 1,632.29 |

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

48 Jefferson

| | 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 | 165,392,158 | 167,774,165 | 2,382,007 | 1.44% | 876,784 | 0.91% |
| 02. Recreational | 1,597,433 | 1,880,527 | 283,094 | 17.72% | 0 | 17.72% |
| 03. Ag-Homesite Land, Ag-Res Dwelling | 46,569,522 | 46,185,839 | -383,683 | -0.82% | 13,213 | -0.85% |
| 04. Total Residential (sum lines 1-3) | 213,559,113 | 215,840,531 | 2,281,418 | 1.07% | 889,997 | 0.65% |
| 05. Commercial | 44,687,990 | 55,486,070 | 10,798,080 | 24.16% | 120,241 | 23.89% |
| 06. Industrial | 6,813,215 | 6,813,215 | 0 | 0.00% | 0 | 0.00% |
| 07. Ag-Farmsite Land, Outbuildings | 32,254,188 | 33,730,207 | 1,476,019 | 4.58% | 1,976,061 | -1.55% |
| 08. Minerals | 0 | 0 | 0 | | 0 | |
| 09. Total Commercial (sum lines 5-8) | 83,755,393 | 96,029,492 | 12,274,099 | 14.65% | 2,096,302 | 12.15% |
| 10. Total Non-Agland Real Property | 297,314,506 | 311,870,023 | 14,555,517 | 4.90% | 2,986,299 | 3.89% |
| 11. Irrigated | 196,855,265 | 237,396,947 | 40,541,682 | 20.59% | | |
| 12. Dryland | 225,699,717 | 236,959,674 | 11,259,957 | 4.99% | | |
| 13. Grassland | 77,052,685 | 77,665,273 | 612,588 | 0.80% | | |
| 14. Wasteland | 724,849 | 795,483 | 70,634 | 9.74% | | |
| 15. Other Agland | 0 | 30,450 | 30,450 | | | |
| 16. Total Agricultural Land | 500,332,516 | 552,847,827 | 52,515,311 | 10.50% | | |
| 17. Total Value of all Real Property (Locally Assessed) | 797,647,022 | 864,717,850 | 67,070,828 | 8.41% | 2,986,299 | 8.03% |

**2010 Plan of Assessment for Jefferson County
Assessment Years 2011, 2012, and 2013
Date: June 1, 2010**

Plan of Assessment Requirements:

Pursuant to Neb. Rev. Stat. Section 77-1311.02 RS Supp 2005, 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. 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 2006).

General Description of Real Property in Jefferson County:

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

| | Parcels | % of Total Parcels |
|--------------|---------|--------------------|
| Residential | 4238 | 56% |
| Commercial | 394 | 5% |
| Industrial | 25 | 1% |
| Recreational | 17 | 0% |
| Agricultural | 2864 | 38% |

Agricultural land – 338,864.03 acres

New Property: For assessment year 2010, an estimated 218 building permits and/or information statements were filed for new property construction/additions, demolitions, land use changes and etc. in the county.

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

Current Resources:

A. Staff includes:

- 1 Deputy
- 2 Full-time employees

Budget for 2009-2010 including salaries for above employees and deputy was \$ 172,182. Requested budget for 2010-2011 is \$ 174,600. Approved budget \$ 172,749.

The Deputy as well as the Assessor is required to obtain 60 hours of education each by December 31, 2010, in order to retain their Assessor’s certificate. This certificate is required by law in order to hold the position of Assessor or Deputy Assessor. The Property Tax Administrator must approve this education. The 60 hrs of continued education must be attained within a 4 year time period. The cost of this education includes registration fees, lodging, meals and any supplies needed. (Section 77-702, R.S. Supp., 2002 and 77-414, R.S. Supp., 2003.)

B. Cadastral Maps

Cadastral Map Books were printed in 1984. The information in these books have been updated each time there is a change of ownership and the maps marked if there is a change in parcel lines. These books are used a great deal by our office, realtors, surveyors and the general public. The pages of this book are showing the wear. Both the Cadastral Maps and the GIS have to be changed each time a split or combination of a

parcel is made. We are in the process of running new GIS produced Cadastral Maps. We have decided to make an individual book for each Precinct in the county and the maps will be one page per section. Following Reg-10-.004.4 - .004.03G is our goal and we are saving the County money by doing this project within the office.

FSA maps were purchased for \$1.00 each for every section of land in Jefferson County in approximately 1989. The FSA office will no longer supply maps unless a written statement (form must be approved by FSA) signed by the landowner or tenant is presented at the FSA office. New maps have been requested from the land owner each time there has been a land use change reported or discovered and also if a protest has been made on a rural property.

Aerial photos are to be flown in the fall of 2010 which we have done every two years to keep up to date on rural buildings. These are shared with the Zoning Manager, Emergency Manager and the Weed Superintendent. The Law Enforcement Agency of Jefferson County has also requested various copies of these pictures. It is important that we continue to have new aerial photos taken in at least a two year cycle so each new home site or building site has a picture in its property record card and available for other departments to use.

C. Property Record Cards

Property record cards are kept for taxable residential, commercial, industrial, improvements on leased land, TIF, and partially taxed parcels. Non-taxable property such as tax exempt (permissive exempt or government exempt) and centrally assessed utility companies also has a property record card. Property record cards are color coded in file cabinets and filed by legal description. Each taxable and permissive exempt property record card has according to REG-10-004; the legal description of the parcel, the book and page of the last deed of record during the past five years, current owner name and address, situs address of parcel, cadastral map book and page, current property classification code, tax district code and current and one or more prior years assessed value of land and improvements except property that receives an exemption pursuant to section 77-202 (1) (a) (b) (c) (d).

Each record card with buildings contains a picture, sketch of the house, aerial photographs if available. The front of the card has identification number, school district codes, and land classification, history of valuation changes, coded for reason or change or assessment body or official ordering the change; The Status, property type, zoning, location, city size and parcel size.

A cost approach, income summary and comparable approach are included in each real estate card if applicable. Also found within each card is land size or acres and value.

All taxable property record cards are also entered into the computer Cama system with most of the above information. The Assessment Administration computer system is Mips-County Solutions and includes most information in property record card plus two years of taxes for each parcel. This system links with the Cama system and also the GIS

system that will eventually replace our old cadastral maps. Our property record card information has been made accessible through www.nebraskataxesonline.us in 2006. Updates to this information will be made yearly after taxes have been certified to the County Treasure in the fall.

Current Assessment Procedures for Real Property

A. Discover, List & Inventory all property

Real estate transfer statement plus a copy of the deed is given to the Assessor's Office by the Register of Deeds. Appropriate real estate cards are pulled from files to be changed to the new owners name and address. Sales worksheets are filled out with the information needed for the PAD's sales file. Sales history is added to real estate card, administrative computer program is changed for new owner, address and sales history. Alphabetical index file and cadastral maps are updated for ownership. Sales questionnaires are sent to new property owners of most transactions. Cama system is updated and sales are added to sales file plus sales sheets for Sales books are run and added to current book of sales. Properties that require a split are done on the GIS system before any other changes are made. Copy of real estate card and transfer are made to be used when our hired appraiser goes physically to the property and inventories the information that is on the card to what was actually there when the sale took place and any differences are noted and brought back to the Assessor's office to correct Cama sales file and real estate cards are tabbed for the next year to correct information. This on sight verification may also determine whether the sale was an arms-length transaction or not. New pictures are taken of the house, commercial building or lot for each residential and commercial property. Income data is collected if applicable. Rural land sales are broke down on a computer program as to acres of each soil type and classification, number of acres of each and percent each soil type attributes to the sale price. The clerk that works with rural land sales, splits and GIS programs attends most rural land auctions and verifies other sales.

Building permits are received from the rural zoning manager, the Fairbury city engineer, and the village clerks of Plymouth and Diller. The County Assessor and Clerk/Lister inspect other small towns, by driving each street and alley of the town to verify if any changes have been made. All appropriate real estate cards are pulled and tabbed. Information statements received in the Assessor's office are also tabbed.

B. Data Collection

All tabbed cards for new structures, additions, changes or demolition are pulled from the files and physically inspected by either the County Assessor or a hired appraiser between October and February of the Assessment year. The property record card is used for additions to buildings or changes so current data may be updated. New structures are measured and a form filled out for all the components needed to produce a new cost approach on our Cama program. Commercial properties are

listed and measured by a hired appraiser who also collects income data. New or corrected sketches are made and digital pictures are taken. Data entry is a combined effort between the appraiser and employees of the Assessor’s office and the County Assessor approves the final value before it is placed on the property record card or computer administrative program.

C. Review assessment sales ratio studies before assessment actions.

Sales studies are done in office and compared to the sales analysis provided by the Department of Property Assessment and Taxation. Between these two sales studies and knowledge of the current sales not within the sales study, the Assessor determines where and what changes need to be made to valuation for the current assessment year to stay in compliance with the laws of Nebraska and to have a fair and equitable assessment of real estate within the County itself.

D. Approaches to Value

The Assessor and County to do mass appraisal within the County hire appraisers. The appraisers hired use the counties sales studies and comparisons to do a market approach that is in compliance with the IAAO standards. Cost approach is done on the Cama system using Marshall-Swift pricing and current depreciation study at the time of the appraisal. The hired appraiser also does income approach. He collects the income and expense data to be entered in the Counties Cama system and runs an analysis from the market.

Land valuation studies are done within the County using a spreadsheet program developed in the Assessor’s office to analyze land valuations and check established market areas within the County.

New established values replace the old values and new statistics are ran using the same sales in our sales study to determine a cost approach to value. These statistics verify the fact that county valuations are in compliance with the laws of Nebraska.

Notices are mailed to all land owners in the County that have had either an increase or decrease to value from the previous assessment year. These notices are mailed by June 1 of each year. Any changes made after the 19th of March are made by the County Board of Equalization and also mailed. Approximately 3852 notices of valuation changes were mailed for the 2009 tax assessment year.

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

| <u>Property Class</u> | <u>Median</u> | <u>COD*</u> | <u>PRD*</u> |
|-----------------------|---------------|-------------|-------------|
| Residential | 99% | 23.96 | 110.25 |
| Commercial | 97% | 3.98 | 102.47 |

Agricultural 71% 13.28 104.04

*COD means coefficient of dispersion and PRD means price related differential.
For more information regarding statistical measures see 2009 Reports & Opinions.

Assessment Actions Planned for Assessment Year 2011:

Residential:

Finish the review of the three neighborhoods in Fairbury and adjust lines and land values to reflect sales study. Hire an appraiser to continue the review in Fairbury who will take new digital pictures to add to the Cama system and make random inside inspections. Appraiser will also physically review all revalued properties to help ensure equality. All other small towns that show a need for adjustment, based on their statistics, will be reviewed and valuations changed according to sales study. All pick up work of reported or discovered changes to residential parcels will be reviewed.

Commercial:

Commercial property statistics will be reviewed and analyzed for 2011 by the Assessor and a hired appraiser to determine any changes that need to be made in either land or building values. All new construction and changes reported on improvement statements, city permits or rural permits will be physically inspected, pictures taken and new sketches made for all changes. Income and expense information will be obtained on appropriate parcels and sales verifications will be made. An appraiser will be hired to help do this work.

Agricultural Land:

An employee of the County Assessor's office attends most agricultural auction sales. Verification of rural sales is done by phone or in person with buyer, seller, auctioneer or Realtor and occasionally an attorney may be contacted. A yearly review of all agricultural sales within the study period set forth by TERC and PAD is done to determine any changes in land value according to the market in Jefferson County. The study of agricultural land sales is done by breaking each sale down by total number of acres, soil type and land use in each parcel sold. Using this study the weighted average value per acre is determined. If there were no sales of a certain type of soil, the value is determined by using values within the same land classification. Our three neighborhoods are also reviewed to determine if changes in area lines need to be made to keep equality in the valuations for Jefferson County. An increase in values will be made again in agricultural land values for 2011 tax roll in order to stay within the 69 to 75 per cent level of assessment based on the three year sales study in Jefferson County. All land use changes reported are verified and files are changed to reflect current land use. New FSA maps are requested from property owners and the GIS system is changed accordingly.

Update GIS maps to most current flight taken by FSA aerial if new ones are available.

Pickup work is done annually with an on sight inspection of each reported improvement or demolition. Unreported improvements that come to the attention of the County Assessor are also visually inspected if possible and also reported to the Zoning Manager. Requests by real estate owners to review property are also done at this time. Digital pictures are taken of new homes to be added to the Cama system. All new or changed improvements are listed and entered into the Assessor's Cama system and priced out using the Marshall Swift pricing. No special value has been determined in Jefferson County at this time.

Hire a microfilming company to microfilm old records for storage with the State Archives to help free space for other things that need to be stored.

Staff will keep on updating and correcting information on GIS layers and probably add more layers and information as it is collected. It is also planned to link County GIS systems, so information obtained from other offices with information on GIS layers. The city of Fairbury is sharing information layers with us to use in our GIS system and they are using some of our layers. The County Emergency Manager, Weed Manager also uses the Assessor's layers with their GIS program.

The GIS program is being used to make new up-to-date cadastral maps for Jefferson County.

The Emergency Manager got permission from the County Board to sign a contract for a Pictometry program and the Company will be taking pictures in November, 2010. (Weather permitting). These will be shared with the Assessor's office, Sheriff's office and possible others.

Assessment Actions Planned for 2012

Residential:

Review new aerial photos and make necessary changes on our Real Estate cards after they have been physically inspected; Run new cost sheets using Marshall Swift cost factors. Physically inspect and list all new or changed construction and update all records accordingly.

Hire appraiser to review sales.

Commercial:

Update Marshall Swift unit costs to most current figures.

Review depreciation.

Run new cost sheets.

Review income and expense on appropriate commercial properties and run new income summary.

Review all Commercial Properties in Fairbury and Rural area.

Study sales statistics to determine if any changes need to be made

Hire appraiser to help review sales and valuations and to do pickup work of all new or changed construction by physically inspecting, listing and updating all records.

Have digital pictures available on GIS system

Agricultural Land

Verify sales.

Review sales study to determine changes of valuations per soil type and land use.

Review neighborhood boundaries

Make all known changes to land use

Do physical inspections of all pickup work and change all records accordingly.

Run new irrigation listing for Jefferson County from Internet

Continue updating the GIS system

Print maps on GIS to replace old cadastral maps land ownership and parcel lines.

.

Assessment Actions Planned for Assessment Year 2013

Residential:

Review whatever small towns didn't get finished in 2011 or 2012.

Run new cost sheets using most current Marshall Swift costing available on our computer system.

Review depreciation table

Physically review parcels with changes

Hire an appraiser to help accomplish this project

Review statistics to determine what other towns or subclasses need to be reviewed

Commercial:

Review sales

Study Statistics

Physically review all Commercial properties in the small towns

Hire an appraiser to help with this physical review and to also do pickup work

Agricultural Land:

Verify sales

Study sales

Make changes to reported or discovered changes

Get new FSA maps if available

Change valuations according to sales analysis

Do pickup work by physically inspecting, listing and changing records

Other functions performed by the Assessor's office, but not limited to:

1. Record Maintenance, Mapping updates, & Ownership changes are a monthly project that usually takes about a week to get everything changed. Records that need to be split take longer

than just a change of ownership. Changes to a record card also have to be changed on the Cama program, the County Solutions program, and the GIS program if there is a split or combination, the cadastral books, the alphabetical index cards and the black books before the card maybe refilled.

Each transfer statement has to have a sale worksheet filled out if there are doc stamps \$1.75 or more and this is all done electronically using our County Solutions program which is linked with the Property Tax Administrators computer system.

2. Annually prepare and file Assessor Administrative Reports with the Property Tax Administrator as required by law/regulation:

Real Estate Abstract

Personal Property Abstract

Assessor Survey

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

Certification of Value to Political Sub Divisions and a copy of each to the County Clerk

School District Taxable Value Report

Homestead Exemption Tax Loss Report

Certificate of Taxes Levied Report and a copy for the County Treasurer

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

Annual Report of agricultural land owned by a Trust to the Nebraska Secretary of State
Required 3-year plan

3. Personal Property; administer annual filings which was 1010 schedules that were on the tax roll, prepare notices of change, unsigned schedule notices, reminder of schedules due, penalties applied notices. Help people review schedule mailed them; fill out schedule for new schedules and contact personal property owner when needed to obtain more information regarding the filed personal property.

4. Permissive exemptions are typed and mailed to previous year's applicants; send reminders that they are due; review and make recommendations to county board.

5. Taxable Government Owned Property-annual review of government owned property not used for public purpose, send notices of intent to tax and attend protest hearing if entity files a protest.

6. Homestead Exemptions: mailed out for 2009 were 500 applications. 2008 we have 405 approved applications and 43 disapproved. Taxpayer assistance is given at counter, applications are processed as to ownership and that everything is filled out properly, copy of exemption application is returned to applicant after the current valuation is entered and the application approved or disapproved and signed by the Assessor. Reminders are sent or calls made to applicants that haven't filed by June 15.

7. Centrally Assessed – review of valuations as certified by PAD for railroads and public service entities, establish assessment records for each subdivision taxed to each company and tax billing for tax list given the County Treasurer.

8. Tax Increment Financing – management of record/valuation information for properties in community redevelopment projects for proper reporting on administrative reports and allocation of ad valorem tax. Two parcels for each TIF property, one real estate card with the base value and one for the excess value of the property are maintained.

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

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

11. Tax List Corrections – prepare tax list correction documents for county board approval and file with County Clerk and County Treasurer.

12. County Board of Equalization – attends county board of equalization meetings for valuation protests – assemble and provide information.

13. TERC Appeals – prepare information and attend taxpayer appeal hearings before TERC and defend valuation.

14. TERC Statewide Equalization – attend hearings if applicable to county, defend values, and/or implement orders of the TERC, which requires an amended abstract be filed with the PAD.

15. Trust owning agricultural land – a list of all trusts owning agricultural land must be filed with the Secretary of State each year

16. Pull real estate cards make copies and answer questions over the phone, over the counter or through the mail and email for realtors, appraisers, lending institutions, property owners, lawyers, other county offices and surveyors. Just to name a few of the people that visit our office each year.

17. Attend Southeast Assessor’s meetings, NACO meetings & conferences, Nebraska Assessor’s Workshops and other meetings that provide hours of credit for continuing education to keep my Assessor’s certificate current as required by law.

Respectfully submitted:

Assessor signature _____ Date June 2, 20

2011 Assessment Survey for Jefferson County

A. Staffing and Funding Information

| | |
|-----|---|
| 1. | Deputy(ies) on staff: |
| | 0 |
| 2. | Appraiser(s) on staff: |
| | 0 |
| 3. | Other full-time employees: |
| | 2 |
| 4. | Other part-time employees: |
| | 1 |
| 5. | Number of shared employees: |
| | 0 |
| 6. | Assessor's requested budget for current fiscal year: |
| | \$174,600 |
| 7. | Adopted budget, or granted budget if different from above: |
| | \$172,749 –all health care, retirement and social security are paid from county general. |
| 8. | Amount of the total budget set aside for appraisal work : |
| | \$10,000 |
| 9. | Appraisal/Reappraisal budget, if not part of the total budget: |
| | \$50,000 |
| 10. | Part of the budget that is dedicated to the computer system: |
| | \$7,500 |
| 11. | Amount of the total budget set aside for education/workshops : |
| | \$2,500 |
| 12. | Other miscellaneous funds : |
| | none |
| 13. | Amount of last year's budget not used: |
| | General \$10,475.79; and \$35,509.20 from the appraisal budget, (this is not carried forward) |

B. Computer, Automation Information and GIS

| | |
|----|---|
| 1. | Administrative software : |
| | County Solutions |
| 2. | CAMA software : |
| | County Solutions |
| 3. | Are cadastral maps currently being used? |
| | Yes |
| 4. | If so, who maintains the Cadastral Maps? |
| | Assessor and Staff |

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

C. Zoning Information

| | |
|----|---|
| 1. | Does the county have zoning? |
| | Yes |
| 2. | If so, is the zoning countywide? |
| | No |
| 3. | What municipalities in the county are zoned? |
| | Diller, Fairbury, and Plymouth |
| 4. | When was zoning implemented? |
| | 2001 |

D. Contracted Services

| | |
|----|--|
| 1. | Appraisal Services: |
| | Knoche Consulting LLC |
| 2. | Other services: |
| | MIPS/County Solutions –administrative and appraisal software maintenance |

2011 Certification for Jefferson 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 Jefferson County Assessor.

Dated this 11th day of April, 2011.



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

Ruth A. Sorensen
Property Tax Administrator

