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2012 Commission Summary for Cheyenne County

Residential Real Property - Current

Number of Sales	254	Median	97.82
Total Sales Price	\$29,555,891	Mean	97.84
Total Adj. Sales Price	\$29,555,891	Wgt. Mean	97.93
Total Assessed Value	\$28,945,198	Average Assessed Value of the Base	\$79,450
Avg. Adj. Sales Price	\$116,362	Avg. Assessed Value	\$113,957

Confidence Interval - Current

95% Median C.I	97.05 to 98.43
95% Wgt. Mean C.I	97.18 to 98.69
95% Mean C.I	96.96 to 98.72
% of Value of the Class of all Real Property Value in the	40.63
% of Records Sold in the Study Period	5.69
% of Value Sold in the Study Period	8.16

Residential Real Property - History

Year	Number of Sales	LOV	Median
2011	242	98	98
2010	310	95	95
2009	436	97	97
2008	451	99	99

2012 Commission Summary for Cheyenne County

Commercial Real Property - Current

Number of Sales	20	Median	98.37
Total Sales Price	\$6,154,500	Mean	98.98
Total Adj. Sales Price	\$5,654,500	Wgt. Mean	93.10
Total Assessed Value	\$5,264,322	Average Assessed Value of the Base	\$176,268
Avg. Adj. Sales Price	\$282,725	Avg. Assessed Value	\$263,216

Confidence Interval - Current

95% Median C.I	93.16 to 101.82
95% Wgt. Mean C.I	86.39 to 99.81
95% Mean C.I	93.77 to 104.19
% of Value of the Class of all Real Property Value in the County	16.40
% of Records Sold in the Study Period	2.46
% of Value Sold in the Study Period	3.68

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2011	35	98	98
2010	39	98	98
2009	47	96	96
2008	47	97	97

2012 Opinions of the Property Tax Administrator for Cheyenne 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 (2011). 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 these 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	98	Meets generally accepted mass appraisal practices.	No recommendation.
Agricultural Land	72	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 9th day of April, 2012.



Ruth A. Sorensen

Ruth A. Sorensen
Property Tax Administrator

2012 Residential Assessment Actions for Cheyenne County

For assessment year 2012, the Assessor completed all residential pick-up work. She reviewed lot values in Sidney and Lodgepole and addressed these to further reflect the market. The six-year review cycle has been completed in assessment year 2011 and will begin again for residential property.

2012 Residential Assessment Survey for Cheyenne County

1.	Valuation data collection done by:	
	Knoche Appraisal and the Assessor's staff.	
2.	In your opinion, what are the valuation groupings recognized in the County and describe the unique characteristics of each grouping:	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	10	Sidney—the County seat and the main center for services.
	11	Sky Manor, Indian Hills and Valley View subdivisions—“cookie cutter” subdivisions that were developed after the war years; they all look alike and sell differently than other residential subdivisions within Sidney.
	20	Unimproved—all unimproved (vacant) residential lots.
	40	Small Towns—consisting of Brownson, Dalton, Lodgepole, Lorenzo, Potter and Sunol—small towns and villages that are scattered throughout the County and have a similar residential market to each other.
	80	Rural—the properties outside of the city limits; includes those parcels that would be classified as “suburban,” and are small platted subdivisions (usually with lots that are larger than those typical in town), and would include all of the rural residential acreages.
3.	List and describe the approach(es) used to estimate the market value of residential properties.	
	The cost approach minus depreciation is the primary method used to estimate market value.	
4.	What is the costing year of the cost approach being used for each valuation grouping?	
	June, 2010.	
5.	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 depreciation is developed by the Assessor and is based on the current market and then applied to the specific valuation groupings.	
6.	Are individual depreciation tables developed for each valuation grouping?	
	Yes, as mentioned above.	
7.	When were the depreciation tables last updated for each valuation grouping?	
	In 2011.	
8.	When was the last lot value study completed for each valuation grouping?	
	Assessment year 2011.	
9.	Describe the methodology used to determine the residential lot values?	
	The Assessor derives a cost per square foot by the market approach.	
10.	How do you determine whether a sold parcel is substantially changed?	
	Extensive remodeling, or major additions to the parcel would constitute	

	“substantially changed” property.
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**17 Cheyenne
RESIDENTIAL**

PAD 2012 R&O Statistics (Using 2012 Values)

Qualified

Date Range: 7/1/2009 To 6/30/2011 Posted on: 3/21/2012

Number of Sales : 254
 Total Sales Price : 29,555,891
 Total Adj. Sales Price : 29,555,891
 Total Assessed Value : 28,945,198
 Avg. Adj. Sales Price : 116,362
 Avg. Assessed Value : 113,957

MEDIAN : 98
 WGT. MEAN : 98
 MEAN : 98
 COD : 04.27
 PRD : 99.91

COV : 07.34
 STD : 07.18
 Avg. Abs. Dev : 04.18
 MAX Sales Ratio : 144.79
 MIN Sales Ratio : 62.91

95% Median C.I. : 97.05 to 98.43
 95% Wgt. Mean C.I. : 97.18 to 98.69
 95% Mean C.I. : 96.96 to 98.72

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DATE OF SALE *										Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.		
<u>Qtrts</u>											
01-JUL-09 To 30-SEP-09	29	96.20	98.97	98.95	07.56	100.02	62.91	144.79	94.54 to 99.89	100,066	99,016
01-OCT-09 To 31-DEC-09	24	99.05	98.97	99.54	02.80	99.43	90.21	105.06	96.73 to 100.90	103,688	103,206
01-JAN-10 To 31-MAR-10	26	98.77	97.87	98.83	02.82	99.03	78.38	104.36	97.10 to 99.65	115,503	114,150
01-APR-10 To 30-JUN-10	45	98.17	97.41	97.40	02.73	100.01	83.15	108.42	96.47 to 98.81	115,009	112,022
01-JUL-10 To 30-SEP-10	31	96.42	96.62	96.86	03.32	99.75	74.28	115.85	95.36 to 98.15	99,979	96,842
01-OCT-10 To 31-DEC-10	30	98.69	99.30	99.82	03.16	99.48	93.24	120.48	96.69 to 100.17	114,041	113,841
01-JAN-11 To 31-MAR-11	28	97.47	99.68	98.94	04.06	100.75	91.72	120.37	96.33 to 99.51	126,407	125,065
01-APR-11 To 30-JUN-11	41	94.28	95.41	95.64	06.77	99.76	74.43	117.14	93.05 to 99.11	144,561	138,263
<u>Study Yrs</u>											
01-JUL-09 To 30-JUN-10	124	98.18	98.17	98.44	03.94	99.73	62.91	144.79	97.13 to 98.88	109,427	107,720
01-JUL-10 To 30-JUN-11	130	97.35	97.51	97.50	04.57	100.01	74.28	120.48	96.44 to 98.49	122,977	119,907
<u>Calendar Yrs</u>											
01-JAN-10 To 31-DEC-10	132	98.11	97.75	98.14	03.08	99.60	74.28	120.48	97.10 to 98.64	111,357	109,289
<u>ALL</u>	254	97.82	97.84	97.93	04.27	99.91	62.91	144.79	97.05 to 98.43	116,362	113,957

VALUATION GROUPING										Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.		
10	196	97.85	98.02	97.98	04.10	100.04	74.43	144.79	97.02 to 98.58	127,040	124,468
11	12	97.09	98.74	97.91	04.00	100.85	93.05	112.66	94.43 to 103.42	49,153	48,124
40	34	97.85	96.65	98.43	05.74	98.19	62.91	117.14	96.14 to 99.89	63,274	62,278
80	12	98.02	97.38	96.84	03.07	100.56	90.64	102.76	93.46 to 100.60	159,583	154,537
<u>ALL</u>	254	97.82	97.84	97.93	04.27	99.91	62.91	144.79	97.05 to 98.43	116,362	113,957

PROPERTY TYPE *										Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.		
01	250	97.94	97.96	97.95	04.21	100.01	62.91	144.79	97.13 to 98.49	117,800	115,383
06											
07	4	92.46	89.89	93.87	05.70	95.76	78.38	96.28	N/A	26,500	24,874
<u>ALL</u>	254	97.82	97.84	97.93	04.27	99.91	62.91	144.79	97.05 to 98.43	116,362	113,957

**17 Cheyenne
RESIDENTIAL**

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 95% Mean C.I. : 96.96 to 98.72

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SALE PRICE *											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
___ Low \$ Ranges ___												
Less Than 5,000												
Less Than 15,000	2	87.29	87.29	90.06	10.21	96.92	78.38	96.20	N/A	7,250	6,529	
Less Than 30,000	16	96.42	97.40	99.09	10.28	98.29	62.91	125.59	90.89 to 108.67	19,344	19,168	
___ Ranges Excl. Low \$ ___												
Greater Than 4,999	254	97.82	97.84	97.93	04.27	99.91	62.91	144.79	97.05 to 98.43	116,362	113,957	
Greater Than 14,999	252	97.85	97.92	97.94	04.22	99.98	62.91	144.79	97.10 to 98.49	117,228	114,810	
Greater Than 29,999	238	97.94	97.87	97.92	03.86	99.95	74.28	144.79	97.11 to 98.58	122,884	120,330	
___ Incremental Ranges ___												
0 TO 4,999												
5,000 TO 14,999	2	87.29	87.29	90.06	10.21	96.92	78.38	96.20	N/A	7,250	6,529	
15,000 TO 29,999	14	96.95	98.84	99.53	10.30	99.31	62.91	125.59	90.89 to 115.85	21,071	20,973	
30,000 TO 59,999	39	97.16	98.18	97.88	04.76	100.31	74.28	116.61	95.74 to 99.91	45,601	44,635	
60,000 TO 99,999	69	97.10	97.53	97.50	03.55	100.03	78.55	144.79	96.14 to 98.17	80,744	78,726	
100,000 TO 149,999	59	98.75	97.76	97.72	04.33	100.04	74.43	120.37	96.73 to 99.43	119,517	116,788	
150,000 TO 249,999	60	98.34	98.17	98.25	03.21	99.92	83.15	120.48	96.63 to 99.31	190,702	187,373	
250,000 TO 499,999	11	98.30	97.75	97.94	02.40	99.81	90.64	101.19	92.69 to 100.90	309,364	302,979	
500,000 TO 999,999												
1,000,000 +												
___ ALL ___	254	97.82	97.84	97.93	04.27	99.91	62.91	144.79	97.05 to 98.43	116,362	113,957	

**2012 Correlation Section
for Cheyenne County**

A. Residential Real Property

As the previous pages of the 2012 Reports and Opinions residential improved statistical profile shows, there were 254 sales deemed qualified by the Cheyenne County Assessor during the two years of the sales study period. All three measures of central tendency are virtually identical (if rounded) and any reference to an overall level of value would take account of these calculated results. Coupled with the "mirror image" measures of central tendency are a remarkably low Coefficient of Dispersion and a well-within prescribed range Price-Related Differential (4.27 and 99.91, respectively). The 95% Median Confidence Interval is one of the lowest of any of the Panhandle counties with a range of less than two points ($98.43 - 97.05 = 1.38$). Under the heading "Valuation Grouping," it can be seen that all ranges have both central tendency and qualitative statistical measures within range.

These profiled statistics are in part due to the verification and review process practiced by the Cheyenne County Assessor. Sales verification consists of a mailed questionnaire sent to the buyers of properties that exhibit an odd assessed value to sale price ratio. The Assessor estimates that of the questionnaires mailed, about 80% are returned. For the non-respondents, the Assessor attempts to gather further information regarding the sales transaction by all available means (realtors, on-site reviews, etc.). The completed data then forms a part of a sales verification book that is kept on file in the Assessor's office. It is the practice of the Assessor to physically inspect or conduct a drive-by review of all residential and commercial sales with an assessed value to sale price ratio above the upper limits of acceptable range, or sales with an A/S ratio of 50% or less. This is done to ensure that current data on the property record is accurate when compared to the actual property.

For assessment year 2012, the Assessor completed all residential pick-up work. She reviewed lot values in Sidney and Lodgepole and addressed these to further reflect the market. The six-year review cycle had been completed in assessment year 2011 and will begin again for residential property.

Considering all of the above information, the overall residential level of value is determined to be 98% of actual market value. Both assessment quality and uniformity statistics are well within their recommended ranges (the COD remarkably so), and would meet generally accepted mass appraisal practices.

**2012 Correlation Section
for Cheyenne County**

B. Analysis of Sales Verification

Neb. Rev. Stat. § 77-1327(2) (2011) 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 (2010), 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 Nebraska Department of Revenue, Property Assessment Division (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.

2012 Correlation Section for Cheyenne 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 of 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 International Association of Assessing Officers (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.

2012 Correlation Section for Cheyenne 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 IAAO 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 on Ratio Studies, adopted by the International Association of Assessing Officers, January, 2010, recommends that the PRD should lie between 98 and 103. This range is

**2012 Correlation Section
for Cheyenne County**

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. 239.

2012 Commercial Assessment Actions for Cheyenne County

All commercial pick-up work was completed, and the Assessor made corrections to any property that was discovered to have been changed. The completion of the six-year review cycle for commercial property was completed in 2009.

2012 Commercial Assessment Survey for Cheyenne County

1.	Valuation data collection done by:	
	Knoche Appraisal and the Assessor's staff.	
2.	In your opinion, what are the valuation groupings recognized in the County and describe the unique characteristics of each grouping:	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	10	Sidney and Rural Commercial—the primary commercial areas for Cheyenne County.
	20	Unimproved Commercial—consists of all vacant commercial lots.
	30	Sioux Meadows—a unique grouping of property consisting of old Army buildings (some have been updated and others have seen no change). There is also a railroad track that runs across these lots—and each lot is assessed for part of the track depending on how much and what type of track crosses the property.
	40	Village/Small Towns—a much smaller commercial market in these communities that is largely unorganized—i.e, there is not a viable, describable commercial market.
3.	List and describe the approach(es) used to estimate the market value of commercial properties.	
	The Assessor primarily used the cost approach. The income approach is utilized for apartments and low-income housing.	
3a.	Describe the process used to value unique commercial properties.	
	The Assessor obtains building permit information for any new property, and also consults with other Assessors to determine if they have similar unique commercial properties.	
4.	What is the costing year of the cost approach being used for each valuation grouping?	
	June, 2008.	
5.	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 CAMA information is reviewed, and then the Assessor and the contracted Appraiser further develop the depreciation from the market.	
6.	Are individual depreciation tables developed for each valuation grouping?	
	Only valuation groupings 30 (Sioux Meadows) and 40 (Village/Small Towns) receive individual depreciation tables.	
7.	When were the depreciation tables last updated for each valuation grouping?	
	In assessment year 2009.	
8.	When was the last lot value study completed for each valuation grouping?	
	The last lot value study was completed in 2009.	
9.	Describe the methodology used to determine the commercial lot values.	
	The value is derived from a study of the market: a cost per square foot is derived	

	and applied.
10.	How do you determine whether a sold parcel is substantially changed?
	For commercial property, this can occur when the occupancy code changes, and usually extensive remodeling of the interior/exterior of the improvement has occurred.

**17 Cheyenne
COMMERCIAL**

PAD 2012 R&O Statistics (Using 2012 Values)

Qualified

Date Range: 7/1/2008 To 6/30/2011 Posted on: 3/21/2012

Number of Sales : 20
 Total Sales Price : 6,154,500
 Total Adj. Sales Price : 5,654,500
 Total Assessed Value : 5,264,322
 Avg. Adj. Sales Price : 282,725
 Avg. Assessed Value : 263,216

MEDIAN : 98
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 MEAN : 99
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 PRD : 106.32

COV : 11.25
 STD : 11.14
 Avg. Abs. Dev : 08.05
 MAX Sales Ratio : 119.56
 MIN Sales Ratio : 71.36

95% Median C.I. : 93.16 to 101.82
 95% Wgt. Mean C.I. : 86.39 to 99.81
 95% Mean C.I. : 93.77 to 104.19

Printed:3/29/2012 2:59:07PM

DATE OF SALE *											Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.			
<u>Qtrts</u>												
01-JUL-08 To 30-SEP-08	2	97.82	97.82	97.89	00.76	99.93	97.08	98.55	N/A	36,250	35,485	
01-OCT-08 To 31-DEC-08	1	98.19	98.19	98.19	00.00	100.00	98.19	98.19	N/A	20,000	19,637	
01-JAN-09 To 31-MAR-09	2	94.46	94.46	89.70	06.38	105.31	88.43	100.49	N/A	1,897,500	1,701,997	
01-APR-09 To 30-JUN-09												
01-JUL-09 To 30-SEP-09	1	119.56	119.56	119.56	00.00	100.00	119.56	119.56	N/A	57,500	68,749	
01-OCT-09 To 31-DEC-09	2	103.42	103.42	99.67	05.98	103.76	97.24	109.59	N/A	127,500	127,074	
01-JAN-10 To 31-MAR-10	1	95.85	95.85	95.85	00.00	100.00	95.85	95.85	N/A	346,000	331,627	
01-APR-10 To 30-JUN-10	1	90.92	90.92	90.92	00.00	100.00	90.92	90.92	N/A	10,000	9,092	
01-JUL-10 To 30-SEP-10												
01-OCT-10 To 31-DEC-10	4	97.25	98.92	104.77	08.96	94.42	87.26	113.92	N/A	142,750	149,564	
01-JAN-11 To 31-MAR-11	4	106.20	104.12	106.26	07.83	97.99	89.77	114.29	N/A	69,375	73,718	
01-APR-11 To 30-JUN-11	2	85.77	85.77	85.19	16.80	100.68	71.36	100.17	N/A	125,000	106,491	
<u>Study Yrs</u>												
01-JUL-08 To 30-JUN-09	5	98.19	96.55	89.89	02.76	107.41	88.43	100.49	N/A	777,500	698,920	
01-JUL-09 To 30-JUN-10	5	97.24	102.63	99.27	08.72	103.38	90.92	119.56	N/A	133,700	132,723	
01-JUL-10 To 30-JUN-11	10	100.76	98.37	100.69	09.94	97.70	71.36	114.29	87.26 to 113.92	109,850	110,611	
<u>Calendar Yrs</u>												
01-JAN-09 To 31-DEC-09	5	100.49	103.06	90.73	08.66	113.59	88.43	119.56	N/A	821,500	745,378	
01-JAN-10 To 31-DEC-10	6	94.51	97.08	101.29	07.02	95.84	87.26	113.92	87.26 to 113.92	154,500	156,496	
<u>ALL</u>	20	98.37	98.98	93.10	08.18	106.32	71.36	119.56	93.16 to 101.82	282,725	263,216	

VALUATION GROUPING											Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.			
10	17	100.17	99.82	93.06	08.60	107.26	71.36	119.56	89.77 to 110.58	328,500	305,716	
40	3	93.16	94.21	95.92	02.73	98.22	90.92	98.55	N/A	23,333	22,381	
<u>ALL</u>	20	98.37	98.98	93.10	08.18	106.32	71.36	119.56	93.16 to 101.82	282,725	263,216	

PROPERTY TYPE *											Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.			
02	1	119.56	119.56	119.56	00.00	100.00	119.56	119.56	N/A	57,500	68,749	
03	18	98.37	98.01	92.63	07.76	105.81	71.36	114.29	90.92 to 101.82	291,722	270,219	
04	1	95.85	95.85	95.85	00.00	100.00	95.85	95.85	N/A	346,000	331,627	
<u>ALL</u>	20	98.37	98.98	93.10	08.18	106.32	71.36	119.56	93.16 to 101.82	282,725	263,216	

**17 Cheyenne
COMMERCIAL**

PAD 2012 R&O Statistics (Using 2012 Values)

Qualified

Date Range: 7/1/2008 To 6/30/2011 Posted on: 3/21/2012

Number of Sales : 20
 Total Sales Price : 6,154,500
 Total Adj. Sales Price : 5,654,500
 Total Assessed Value : 5,264,322
 Avg. Adj. Sales Price : 282,725
 Avg. Assessed Value : 263,216

MEDIAN : 98
 WGT. MEAN : 93
 MEAN : 99
 COD : 08.18
 PRD : 106.32

COV : 11.25
 STD : 11.14
 Avg. Abs. Dev : 08.05
 MAX Sales Ratio : 119.56
 MIN Sales Ratio : 71.36

95% Median C.I. : 93.16 to 101.82
 95% Wgt. Mean C.I. : 86.39 to 99.81
 95% Mean C.I. : 93.77 to 104.19

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SALE PRICE *											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
<u>Low \$ Ranges</u>												
Less Than 5,000												
Less Than 15,000	1	90.92	90.92	90.92	00.00	100.00	90.92	90.92	N/A	10,000	9,092	
Less Than 30,000	3	93.16	94.09	94.72	02.60	99.33	90.92	98.19	N/A	16,667	15,787	
<u>Ranges Excl. Low \$</u>												
Greater Than 4,999	20	98.37	98.98	93.10	08.18	106.32	71.36	119.56	93.16 to 101.82	282,725	263,216	
Greater Than 14,999	19	98.55	99.40	93.10	08.19	106.77	71.36	119.56	93.16 to 109.59	297,079	276,591	
Greater Than 29,999	17	100.17	99.84	93.09	08.58	107.25	71.36	119.56	89.77 to 110.58	329,676	306,880	
<u>Incremental Ranges</u>												
0 TO 4,999												
5,000 TO 14,999	1	90.92	90.92	90.92	00.00	100.00	90.92	90.92	N/A	10,000	9,092	
15,000 TO 29,999	2	95.68	95.68	95.67	02.63	100.01	93.16	98.19	N/A	20,000	19,135	
30,000 TO 59,999	5	98.55	102.91	105.30	08.58	97.73	89.77	119.56	N/A	42,400	44,648	
60,000 TO 99,999	4	106.20	103.49	102.92	08.43	100.55	87.26	114.29	N/A	82,875	85,297	
100,000 TO 149,999	2	85.77	85.77	85.19	16.80	100.68	71.36	100.17	N/A	125,000	106,491	
150,000 TO 249,999	2	99.29	99.29	99.27	02.06	100.02	97.24	101.34	N/A	202,500	201,017	
250,000 TO 499,999	3	100.49	103.42	102.42	05.99	100.98	95.85	113.92	N/A	337,000	345,160	
500,000 TO 999,999												
1,000,000 +	1	88.43	88.43	88.43	00.00	100.00	88.43	88.43	N/A	3,395,000	3,002,038	
<u>ALL</u>	20	98.37	98.98	93.10	08.18	106.32	71.36	119.56	93.16 to 101.82	282,725	263,216	

**17 Cheyenne
COMMERCIAL**

PAD 2012 R&O Statistics (Using 2012 Values)

Qualified

Date Range: 7/1/2008 To 6/30/2011 Posted on: 3/21/2012

Number of Sales : 20
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 95% Mean C.I. : 93.77 to 104.19

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OCCUPANCY CODE

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
Blank	1	100.49	100.49	100.49	00.00	100.00	100.49	100.49	N/A	400,000	401,955
297	1	101.82	101.82	101.82	00.00	100.00	101.82	101.82	N/A	87,500	89,092
319	1	95.85	95.85	95.85	00.00	100.00	95.85	95.85	N/A	346,000	331,627
326	2	106.36	106.36	112.75	12.41	94.33	93.16	119.56	N/A	38,750	43,691
343	1	88.43	88.43	88.43	00.00	100.00	88.43	88.43	N/A	3,395,000	3,002,038
344	2	103.91	103.91	101.47	06.42	102.40	97.24	110.58	N/A	150,000	152,201
350	1	109.59	109.59	109.59	00.00	100.00	109.59	109.59	N/A	50,000	54,796
352	1	101.34	101.34	101.34	00.00	100.00	101.34	101.34	N/A	200,000	202,683
353	2	100.78	100.78	98.69	13.42	102.12	87.26	114.29	N/A	74,500	73,522
406	4	94.00	93.99	94.19	03.88	99.79	89.77	98.19	N/A	23,625	22,252
442	1	98.55	98.55	98.55	00.00	100.00	98.55	98.55	N/A	40,000	39,418
528	2	107.05	107.05	109.64	06.43	97.64	100.17	113.92	N/A	192,500	211,052
558	1	71.36	71.36	71.36	00.00	100.00	71.36	71.36	N/A	130,000	92,774
<u>ALL</u>	20	98.37	98.98	93.10	08.18	106.32	71.36	119.56	93.16 to 101.82	282,725	263,216

2012 Correlation Section for Cheyenne County

A. Commercial Real Property

Cheyenne County determined that there were twenty improved commercial sales during the sales study period (7.01.08 to 6.30.11). Of the twenty sales, seventeen occurred in Valuation Grouping 10 (Sidney) and the remaining three are from Valuation Grouping 40 (Villages/Small Towns). The sales by Occupancy Code seem scattered, with the largest group consisting of four sales coded 406 (Warehouse Storage). The overall commercial statistics show all three measures of central tendency within acceptable range: the median is at 98% the mean is at 99% and the weighted mean is at 93%. The 95% Confidence Interval of the median is quite narrow (less than nine points) and would tend to lend credence to the median. Regarding the overall qualitative statistics, the COD is at an extremely low 8.18, and the PRD is above range at 106.32. It should be noted that one sale: book 147, page 509 with an adjusted sale price of \$3.895 million (approximately 69% of the Total Adjusted Sales Price for the sample) is skewing the PRD. Naturally, if this sale that constitutes almost two-thirds of the total sample value is not within A/S range, the PRD will be outside of its prescribed parameters.

Cheyenne County's verification and review process consists of a mailed questionnaire sent to the buyers of properties that exhibit an odd assessed value to sale price ratio. The Assessor estimates that of the questionnaires mailed, about 80% are returned. For the non-respondents, the Assessor attempts to gather further information regarding the sales transaction by all available means (realtors, on-site reviews, etc.). The completed data then forms a part of a sales verification book that is kept on file in the Assessor's office. It is the practice of the Assessor to physically inspect or conduct a drive-by review of all residential and commercial sales with an assessed value to sale price ratio above the upper limits of acceptable range, or sales with an A/S ratio of 50% or less. This is done to ensure that current data on the property record is accurate. A review of the non-qualified sales reveals that these were coded "4" based on the information gleaned from the verification process.

Regarding the six-year inspection cycle, Cheyenne County had completed the physical review and revalued all commercial property in 2009. Through the expanded review of assessment practices, it is believed that the Assessor's assessment actions are applied uniformly and proportionately to the commercial property class.

Therefore, based on all available information the level of value for commercial property in Cheyenne County is 98%. It is further believed that the qualitative statistics meet generally accepted mass appraisal practices, since the COD is well within acceptable range and the Price-Related Differential is only three points above range (due to sale book 147, page 509 as discussed above).

**2012 Correlation Section
for Cheyenne County**

B. Analysis of Sales Verification

Neb. Rev. Stat. § 77-1327(2) (2011) 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 (2010), 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 Nebraska Department of Revenue, Property Assessment Division (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.

2012 Correlation Section for Cheyenne 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 of 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 International Association of Assessing Officers (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.

2012 Correlation Section for Cheyenne 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 IAAO 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 on Ratio Studies, adopted by the International Association of Assessing Officers, January, 2010, recommends that the PRD should lie between 98 and 103. This range is

**2012 Correlation Section
for Cheyenne County**

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. 239.

2012 Agricultural Assessment Actions for Cheyenne County

For assessment year 2012 the Assessor completed the annual review for ag parcel acres and use via GIS. The boundary separating agricultural market areas two and four was reviewed and re-drawn. Each individual market area was reviewed and values in each were changed to closer match 75% of the market: in Area 1, all irrigated values were raised; in Area 2, virtually all Land Capability Group values experienced changes—irrigated, dry and grass was raised, as well CRP; Market Area 3 received raises in irrigated, grass and CRP—dry land values remained the same; In market Area 4, the three lowest dry subclasses were lowered and the two lowest grass values were raised.

2012 Agricultural Assessment Survey for Cheyenne County

1.	Valuation data collection done by:	
	Knoche Appraisal and the Assessor's 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	The soils in this area are generally thin and rocky with an abundance of hills. This area historically receives less rainfall than the remainder of the County. The majority of the land is classified as grass or is enrolled in CRP.
	2	This area is located south of Lodgepole Creek and is geographically an extension of the Colorado High Plains. This area is comprised of roughly 30% grass land. The northern border of this area was redefined and re-drawn for 2012.
	3	Market area three contains a mixture of soils: some are rich and others are marginal. This area is located between market areas 1 and 4. There is some deep well irrigation in this area.
	4	This area contains deep, rich soil, has a flatter topography and generally receives more rainfall than any of the other agricultural market areas. There is some grass land (slightly less than 30%), but the majority of land (about 67%) consists of dry land.
	5	This is an agricultural area found within the city limits of Sidney. When it was annexed into the city, the zoning was left as agricultural. However, when a parcel sells it in all probability changes use to commercial or residential.
3.	Describe the process that is used to determine and monitor market areas.	
	The Assessor and Commissioners review the geography, topography, soil production capability and the amount of moisture received by each area. The boundaries of market areas 2 and 4 were reviewed and revised for assessment year 2012.	
4.	Describe the process used to identify rural residential land and recreational land in the county apart from agricultural land.	
	This process is defined by the County in writing: Cheyenne County is zoned and all acreages and subdivisions containing less than 40 acres will be classified as rural residential, recreational or commercial property. Exceptions would be made for contiguous land to a current agricultural/horticultural operation. Whether the parcel is to be classified as rural residential or recreational would be determined by the stated use by the taxpayer and found in the sales verification questionnaire.	
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, and these are valued by market activity in the individual market areas.	
6.	What process is used to annually update land use? (Physical inspection, FSA maps, etc.)	
	FSA maps obtained from taxpayers, physical inspection and GIS.	

7.	Describe the process used to identify and monitor the influence of non-agricultural characteristics.
	The first indicator would be an inordinate price paid for agricultural land. Any changes in zoning, or land replatting would also act as indicators of other possible non-ag influence.
8.	Have special valuation applications been filed in the county? If yes, is there a value difference for the special valuation parcels.
	No.
9.	How do you determine whether a sold parcel is substantially changed?
	A new home and added improvements would indicate that a previously vacant parcel of agricultural land is substantially changed.

17 Cheyenne
AGRICULTURAL LAND

PAD 2012 R&O Statistics (Using 2012 Values)

Qualified

Date Range: 7/1/2008 To 6/30/2011 Posted on: 3/21/2012

Number of Sales : 79
Total Sales Price : 15,621,829
Total Adj. Sales Price : 15,428,630
Total Assessed Value : 10,979,860
Avg. Adj. Sales Price : 195,299
Avg. Assessed Value : 138,986

MEDIAN : 72
WGT. MEAN : 71
MEAN : 73
COD : 14.49
PRD : 102.80

COV : 19.16
STD : 14.02
Avg. Abs. Dev : 10.46
MAX Sales Ratio : 107.10
MIN Sales Ratio : 35.52

95% Median C.I. : 69.90 to 74.75
95% Wgt. Mean C.I. : 67.98 to 74.35
95% Mean C.I. : 70.07 to 76.25

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DATE OF SALE *											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Asstd. Val	
<u>Qtrts</u>												
01-JUL-08 To 30-SEP-08	3	72.81	70.20	71.55	03.61	98.11	64.95	72.83	N/A	232,333	166,241	
01-OCT-08 To 31-DEC-08	7	72.21	78.80	77.79	21.55	101.30	51.50	100.94	51.50 to 100.94	215,207	167,405	
01-JAN-09 To 31-MAR-09	7	66.72	71.66	69.95	13.92	102.44	55.23	94.75	55.23 to 94.75	199,971	139,878	
01-APR-09 To 30-JUN-09	7	61.86	65.98	63.92	15.89	103.22	50.52	82.30	50.52 to 82.30	152,171	97,266	
01-JUL-09 To 30-SEP-09	3	64.35	65.41	66.55	08.33	98.29	57.91	73.98	N/A	148,733	98,983	
01-OCT-09 To 31-DEC-09	12	74.87	80.38	83.58	13.53	96.17	59.78	107.10	71.31 to 94.87	121,067	101,193	
01-JAN-10 To 31-MAR-10	2	72.87	72.87	74.07	11.51	98.38	64.48	81.25	N/A	257,000	190,358	
01-APR-10 To 30-JUN-10	11	73.34	73.89	69.02	12.26	107.06	55.32	91.20	63.24 to 90.65	223,831	154,499	
01-JUL-10 To 30-SEP-10	2	75.60	75.60	69.91	14.11	108.14	64.93	86.27	N/A	75,000	52,434	
01-OCT-10 To 31-DEC-10	6	72.46	71.29	72.15	05.40	98.81	60.56	79.84	60.56 to 79.84	180,842	130,479	
01-JAN-11 To 31-MAR-11	7	71.82	75.56	72.51	13.85	104.21	55.87	92.94	55.87 to 92.94	344,519	249,813	
01-APR-11 To 30-JUN-11	12	72.58	68.89	63.50	19.58	108.49	35.52	98.98	54.37 to 80.42	186,529	118,449	
<u>Study Yrs</u>												
01-JUL-08 To 30-JUN-09	24	71.17	71.90	71.34	15.85	100.78	50.52	100.94	61.86 to 77.36	194,519	138,774	
01-JUL-09 To 30-JUN-10	28	73.72	75.69	73.67	12.85	102.74	55.32	107.10	68.58 to 80.80	174,112	128,267	
01-JUL-10 To 30-JUN-11	27	72.21	71.65	68.95	14.64	103.92	35.52	98.98	64.93 to 79.84	217,964	150,290	
<u>Calendar Yrs</u>												
01-JAN-09 To 31-DEC-09	29	72.05	73.25	72.67	14.67	100.80	50.52	107.10	64.35 to 76.00	150,483	109,354	
01-JAN-10 To 31-DEC-10	21	72.71	73.21	70.48	10.55	103.87	55.32	91.20	65.44 to 80.80	200,533	141,331	
<u>ALL</u>	79	72.21	73.16	71.17	14.49	102.80	35.52	107.10	69.90 to 74.75	195,299	138,986	

AREA (MARKET)											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Asstd. Val	
1	11	72.21	72.29	70.23	11.51	102.93	50.52	92.94	60.56 to 90.65	128,155	89,997	
2	20	71.90	70.21	68.65	15.05	102.27	35.52	98.98	64.35 to 76.29	203,410	139,639	
3	19	73.34	76.15	75.86	16.23	100.38	54.37	100.94	64.09 to 94.87	213,534	161,996	
4	29	72.07	73.56	69.89	13.82	105.25	51.50	107.10	64.95 to 79.84	203,227	142,041	
<u>ALL</u>	79	72.21	73.16	71.17	14.49	102.80	35.52	107.10	69.90 to 74.75	195,299	138,986	

17 Cheyenne
AGRICULTURAL LAND

PAD 2012 R&O Statistics (Using 2012 Values)

Qualified

Date Range: 7/1/2008 To 6/30/2011 Posted on: 3/21/2012

Number of Sales : 79
Total Sales Price : 15,621,829
Total Adj. Sales Price : 15,428,630
Total Assessed Value : 10,979,860
Avg. Adj. Sales Price : 195,299
Avg. Assessed Value : 138,986

MEDIAN : 72
WGT. MEAN : 71
MEAN : 73
COD : 14.49
PRD : 102.80

COV : 19.16
STD : 14.02
Avg. Abs. Dev : 10.46
MAX Sales Ratio : 107.10
MIN Sales Ratio : 35.52

95% Median C.I. : 69.90 to 74.75
95% Wgt. Mean C.I. : 67.98 to 74.35
95% Mean C.I. : 70.07 to 76.25

Printed:3/29/2012 2:59:08PM

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	35	72.07	72.90	71.46	11.75	102.02	51.50	97.98	65.44 to 75.59	177,002	126,490
1	2	73.05	73.05	73.65	04.04	99.19	70.10	76.00	N/A	83,250	61,310
2	5	67.70	73.33	67.92	13.87	107.97	61.65	92.17	N/A	144,800	98,342
3	10	73.40	73.99	77.90	13.83	94.98	55.87	97.98	57.91 to 94.87	151,220	117,804
4	18	72.06	72.17	69.48	10.42	103.87	51.50	94.75	64.95 to 77.36	210,688	146,377
_____Grass_____											
County	8	60.82	69.23	61.69	21.01	112.22	55.23	98.32	55.23 to 98.32	161,622	99,708
1	2	83.93	83.93	78.01	10.74	107.59	74.92	92.94	N/A	111,000	86,589
2	2	58.59	58.59	58.09	05.58	100.86	55.32	61.86	N/A	122,965	71,425
3	1	98.32	98.32	98.32	00.00	100.00	98.32	98.32	N/A	54,600	53,681
4	3	55.45	56.82	55.55	02.74	102.29	55.23	59.78	N/A	256,814	142,652
_____ALL_____	79	72.21	73.16	71.17	14.49	102.80	35.52	107.10	69.90 to 74.75	195,299	138,986

80%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Irrigated_____											
County	4	81.98	80.88	79.14	11.92	102.20	60.56	98.98	N/A	241,100	190,801
1	1	60.56	60.56	60.56	00.00	100.00	60.56	60.56	N/A	220,000	133,233
2	1	98.98	98.98	98.98	00.00	100.00	98.98	98.98	N/A	120,000	118,775
4	2	81.98	81.98	81.87	00.39	100.13	81.66	82.30	N/A	312,200	255,598
_____Dry_____											
County	42	72.71	73.33	71.85	13.57	102.06	37.62	107.10	67.70 to 75.59	190,514	136,883
1	2	73.05	73.05	73.65	04.04	99.19	70.10	76.00	N/A	83,250	61,310
2	9	71.82	69.68	68.41	14.34	101.86	37.62	92.17	61.65 to 80.80	244,959	167,567
3	12	73.40	75.04	79.98	16.21	93.82	55.87	100.94	59.63 to 94.87	149,004	119,170
4	19	72.07	74.00	69.97	12.43	105.76	51.50	107.10	64.95 to 79.84	202,231	141,492
_____Grass_____											
County	10	63.17	69.15	63.21	18.39	109.40	55.23	98.32	55.32 to 92.94	168,197	106,318
1	2	83.93	83.93	78.01	10.74	107.59	74.92	92.94	N/A	111,000	86,589
2	2	58.59	58.59	58.09	05.58	100.86	55.32	61.86	N/A	122,965	71,425
3	1	98.32	98.32	98.32	00.00	100.00	98.32	98.32	N/A	54,600	53,681
4	5	59.78	61.62	59.81	09.03	103.03	55.23	73.18	N/A	231,888	138,694
_____ALL_____	79	72.21	73.16	71.17	14.49	102.80	35.52	107.10	69.90 to 74.75	195,299	138,986

Cheyenne County 2012 Average LCG Value Comparison

	County	Mkt Area	1A1	1A	2A1	2A	3A1	3A	4A1	4A	AVG IRR
17.10	Cheyenne	1	N/A	1,005	1,035	1,019	1,025	999	863	798	1,010
17.20	Cheyenne	2	N/A	1,135	1,118	1,091	1,028	987	970	910	1,096
17.20	Cheyenne	2	N/A	1,135	1,118	1,091	1,028	987	970	910	1,096
17.40	Cheyenne	4	N/A	1,230	1,220	1,150	1,055	1,005	940	880	1,176
4.10	Banner	1	N/A	850	850	750	750	700	700	583	727
25.10	Deuel	1	N/A	855	850	845	730	670	590	500	811
35.10	Garden	1	N/A	975	850	750	650	650	650	650	702
53.10	Kimball	1	N/A	730	685	540	495	380	315	275	523
53.20	Kimball	2	N/A	770	695	575	495	385	340	275	544
53.40	Kimball	4	N/A	1,200	1,100	950	875	850	800	750	923
62.30	Morrill	3	N/A	1,210	1,210	1,210	1,075	1,075	1,075	1,075	1,147

	County	Mkt Area	1D1	1D	2D1	2D	3D1	3D	4D1	4D	AVG DRY
	Cheyenne	1	N/A	340	325	295	275	200	195	190	289
	Cheyenne	2	N/A	410	400	395	375	370	270	265	392
	Cheyenne	2	N/A	410	400	395	375	370	270	265	392
	Cheyenne	4	N/A	475	470	470	460	400	339	335	460
	Banner	1	N/A	320	320	320	290	260	245	225	298
	Deuel	1	N/A	475	375	375	375	300	300	300	442
	Garden	1	N/A	505	445	400	400	400	400	400	466
	Kimball	1	N/A	315	275	270	225	200	190	185	234
	Kimball	2	N/A	300	300	280	250	220	170	155	225
	Kimball	4	N/A	360	340	285	240	225	180	180	263
	Morrill	3	N/A	380	380	340	340	340	340	340	349

	County	Mkt Area	1G1	1G	2G1	2G	3G1	3G	4G1	4G	AVG GRASS
	Cheyenne	1	N/A	256	244	225	226	209	191	119	174
	Cheyenne	2	N/A	276	273	243	246	231	236	205	233
	Cheyenne	2	N/A	276	273	243	246	231	236	205	233
	Cheyenne	4	N/A	292	242	258	230	237	248	169	221
	Banner	1	N/A	304	303	295	258	254	233	221	245
	Deuel	1	N/A	235	237	235	230	229	230	230	232
	Garden	1	N/A	297	250	249	243	249	233	230	232
	Kimball	1	N/A	332	297	278	236	202	198	189	216
	Kimball	2	N/A	282	265	275	232	203	177	164	189
	Kimball	4	N/A	389	350	307	255	201	178	175	199
	Morrill	3	N/A	325	300	275	250	200	200	200	209

*Land capability grouping averages calculated using data reported on the 2012 Form 45, Abstract of Assessment

2012 Correlation Section for Cheyenne County

A. Agricultural Land

Cheyenne County consists of a total land area of 1196 square miles and agricultural land within the County is comprised of approximately 36% grass, 55% dry land and about 8% irrigated. The remaining one percent is classified as waste and other. The County currently has five clearly defined agricultural market areas based on topography, soil type and availability of water (the fifth area surrounds the city of Sidney, contains no qualified agricultural sales and only 1625.89 acres). Cheyenne County lies within the South Platte NRD (SPNRD), part of the Platte River Basin, and this NRD, like others within the Platte River Basin, "use regulation such as moratoriums on new well drilling in fully appropriated areas or require well metering and limit ground water pumping as part of their long-term ground water management plans for protecting the basin's stream flows" (quotation taken from the Platte River Basin web site).

Counties contiguous to Cheyenne are Morrill to the north, Deuel and Garden to the east; the southern part of the County borders the State of Colorado; Kimball and a small portion of Banner counties are to the west. Three of the neighboring counties have no defined agricultural market areas: Banner Deuel and Garden.

Sales verification consists of a mailed questionnaire sent to the buyers of properties that exhibit an odd assessed value to sale price ratio. The Assessor estimates that of the questionnaires mailed, about 80% are returned. For the non-respondents, the Assessor attempts to gather further information regarding the sales transaction by all available means (realtors, on-site reviews, etc.). The completed data then forms a part of a sales verification book that is kept on file in the Assessor's office. It is the practice of the Assessor to physically inspect or conduct a drive-by review of all residential and commercial sales with an assessed value to sale price ratio above the upper limits of acceptable range, or sales with an A/S ratio of 50% or less. This is done to ensure that current data on the property record is accurate.

Preliminary analysis of the sales sample for time proportionality and MLU representativeness by market area revealed the following:

Area One: It appeared that the time imbalance nine total sales, with four occurring in the first year, three in the second and two in the final year of the study, could be addressed by utilizing comparable sales from neighboring counties--without upsetting the threshold levels of Area One's Majority Land Uses.

Area Two: Of the nineteen sales occurring in this market area, the first two years contain four sales, and the latest year contains eleven sales. The time imbalance is skewed to the latest year of the study, and must be addressed. There were only five comparable sales available to be used in the first two years of the sales study, and their implementation would still not balance the third year ($6 + 7 + 11 = 24$ sales--not within the 10% threshold). Per Department policy, three Cheyenne County sales had to be randomly eliminated from the current study year to provide time balance. These three sales were: book 150, page 57; book 150, page 193 and book 150, page 206. The dry and grass MLU categories will not obtain balance, since the five comparable sales used to provide proportionality to the three years of the sales study were the only dry and grass sales available.

2012 Correlation Section for Cheyenne County

Area Three: With twenty-three sales total, only years two and three are proportionate with ten and eleven sales, respectively. Only two sales occurred in the first year, and a review of all comparable sales for Market Area Three in the first year of the sales study period produces only three. Therefore, per Department policy, the random elimination of three sales from the second year (7.01.2009 to 6.20.2010) of the sample and four sales from the latest year (7.01.2010 to 6.30.2011) was made to ensure time uniformity. The sales were book 148, page 513; book 149, page 11; book 148, page 79; book 149, page 271; book 149, page 497; book 149, page 527 and book 150, page 29.

Area Four: The sample in this area contained twenty-two sales, with six each in the first two years and ten sales in the third year of the study. It appeared that adequate comparable sales from neighboring counties could be obtained that would maintain the MLU balance and correct time deficiencies in the first two years of the sales study. Three comparable sales were included for the first year and four comparable sales were included for the second.

Assessment actions taken to address agricultural land for assessment year 2012 included the completion of the annual review for ag parcel acres and use via GIS. The boundary separating agricultural Market Areas Two and Four was reviewed and re-drawn. Each individual market area was reviewed and values in each were changed to closer match 75% of the market: in Area One, all irrigated values were raised; in Area Two, virtually all Land Capability Group values experienced changes: irrigated, dry and grass was raised, as well CRP; Market Area Three received raises in irrigated, grass and CRP--dry land values remained the same; In market Area Four, the three lowest dry subclasses were lowered and the two lowest grass values were raised.

All of the above actions produced a statistical profile containing seventy-nine sales, with an overall median of 72%, a weighted mean of 71% and a mean of 73%. All three measures of central tendency are within acceptable range, and although any could express the point estimate of the overall level of value of agricultural land in Cheyenne County, it should be noted that the 95% Median Confidence Interval is extremely narrow at 4.85 (74.75 – 69.90 = 4.85) and confirms the confidence in the median. This confidence is coupled with an overall Coefficient of Dispersion at 14.49. The other qualitative statistic, the Price-Related Differential is within its prescribed parameters at 102.80.

A review of the heading "Area (Market)," reveals that none of the median measures of central tendency for the four areas is outside of acceptable range. All COD's for the four areas are less than 20%, and only Area Four's PRD is two points (rounded) above acceptable range. Further, since the agricultural land within Cheyenne County is composed of about 55% dry land, a cursory glance of dry land under the heading "95% MLU By Market Area" indicates that the two areas with significant numbers of 95% dry sales (Three and Four) have dry medians within acceptable range (73% and 72%, respectively).

In consideration of all available information, it is determined that the level of value of agricultural land in Cheyenne County is 72%. It is further determined that the quality and uniformity of assessment meet generally accepted mass appraisal standards.

**2012 Correlation Section
for Cheyenne County**

B. Analysis of Sales Verification

Neb. Rev. Stat. § 77-1327(2) (2011) 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 (2010), 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 Nebraska Department of Revenue, Property Assessment Division (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.

2012 Correlation Section for Cheyenne 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 of 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 International Association of Assessing Officers (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.

2012 Correlation Section for Cheyenne 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 IAAO 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 on Ratio Studies, adopted by the International Association of Assessing Officers, January, 2010, recommends that the PRD should lie between 98 and 103. This range is

**2012 Correlation Section
for Cheyenne County**

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. 239.

Total Real Property
Sum Lines 17, 25, & 30

Records : 9,350

Value : 872,673,502

Growth 6,916,349

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	552	4,423,042	26	176,041	125	1,435,115	703	6,034,198	
02. Res Improve Land	3,059	31,520,847	76	1,562,533	446	7,695,478	3,581	40,778,858	
03. Res Improvements	3,178	252,517,091	79	10,200,729	502	45,016,795	3,759	307,734,615	
04. Res Total	3,730	288,460,980	105	11,939,303	627	54,147,388	4,462	354,547,671	1,940,446
% of Res Total	83.59	81.36	2.35	3.37	14.05	15.27	47.72	40.63	28.06
05. Com UnImp Land	147	4,676,038	7	138,977	34	493,160	188	5,308,175	
06. Com Improve Land	449	19,731,086	20	250,883	42	842,607	511	20,824,576	
07. Com Improvements	475	97,538,247	20	1,612,331	48	6,388,439	543	105,539,017	
08. Com Total	622	121,945,371	27	2,002,191	82	7,724,206	731	131,671,768	3,618,342
% of Com Total	85.09	92.61	3.69	1.52	11.22	5.87	7.82	15.09	52.32
09. Ind UnImp Land	2	58,350	0	0	34	543,664	36	602,014	
10. Ind Improve Land	4	247,038	0	0	39	1,253,420	43	1,500,458	
11. Ind Improvements	4	415,584	0	0	41	8,939,905	45	9,355,489	
12. Ind Total	6	720,972	0	0	75	10,736,989	81	11,457,961	0
% of Ind Total	7.41	6.29	0.00	0.00	92.59	93.71	0.87	1.31	0.00
13. Rec UnImp Land	0	0	0	0	1	37,798	1	37,798	
14. Rec Improve Land	0	0	0	0	0	0	0	0	
15. Rec Improvements	0	0	0	0	0	0	0	0	
16. Rec Total	0	0	0	0	1	37,798	1	37,798	0
% of Rec Total	0.00	0.00	0.00	0.00	100.00	100.00	0.01	0.00	0.00
Res & Rec Total	3,730	288,460,980	105	11,939,303	628	54,185,186	4,463	354,585,469	1,940,446
% of Res & Rec Total	83.58	81.35	2.35	3.37	14.07	15.28	47.73	40.63	28.06
Com & Ind Total	628	122,666,343	27	2,002,191	157	18,461,195	812	143,129,729	3,618,342
% of Com & Ind Total	77.34	85.70	3.33	1.40	19.33	12.90	8.68	16.40	52.32
17. Taxable Total	4,358	411,127,323	132	13,941,494	785	72,646,381	5,275	497,715,198	5,558,788
% of Taxable Total	82.62	82.60	2.50	2.80	14.88	14.60	56.42	57.03	80.37

Schedule II : Tax Increment Financing (TIF)

	Urban			SubUrban		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	99	1,218,498	3,493,807	0	0	0
19. Commercial	23	12,112,783	5,280,384	0	0	0
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
	Rural			Total		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	99	1,218,498	3,493,807
19. Commercial	0	0	0	23	12,112,783	5,280,384
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
22. Total Sch II				122	13,331,281	8,774,191

Schedule III : Mineral Interest Records

Mineral Interest	Records	Urban Value	Records	SubUrban Value	Records	Rural Value	Records	Total Value	Growth
23. Producing	0	0	1	143,560	381	31,596,370	382	31,739,930	211,080
24. Non-Producing	0	0	0	0	333	300,699	333	300,699	0
25. Total	0	0	1	143,560	714	31,897,069	715	32,040,629	211,080

Schedule IV : Exempt Records : Non-Agricultural

	Urban Records	SubUrban Records	Rural Records	Total Records
26. Exempt	370	62	359	791

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	9	717,575	4	37,241	2,555	215,672,463	2,568	216,427,279
28. Ag-Improved Land	2	157,198	3	274,811	726	82,426,180	731	82,858,189
29. Ag Improvements	2	15,994	3	217,266	787	43,398,947	792	43,632,207
30. Ag Total							3,360	342,917,675

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	3	4.00	79,500	
33. HomeSite Improvements	0	0.00	0	3	4.00	167,851	
34. HomeSite Total							
35. FarmSite UnImp Land	2	37.08	31,768	0	0.00	0	
36. FarmSite Improv Land	1	5.00	1,350	2	9.27	4,913	
37. FarmSite Improvements	2	0.00	15,994	2	0.00	49,415	
38. FarmSite Total							
39. Road & Ditches	0	5.46	0	0	6.48	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	15	15.00	231,000	15	15.00	231,000	
32. HomeSite Improv Land	416	457.00	6,592,030	419	461.00	6,671,530	
33. HomeSite Improvements	415	442.00	31,008,137	418	446.00	31,175,988	1,146,481
34. HomeSite Total				433	476.00	38,078,518	
35. FarmSite UnImp Land	173	421.46	241,620	175	458.54	273,388	
36. FarmSite Improv Land	718	3,621.42	1,493,128	721	3,635.69	1,499,391	
37. FarmSite Improvements	748	0.00	12,390,810	752	0.00	12,456,219	0
38. FarmSite Total				927	4,094.23	14,228,998	
39. Road & Ditches	0	9,091.45	0	0	9,103.39	0	
40. Other- Non Ag Use	0	48.49	0	0	48.49	0	
41. Total Section VI				1,360	13,722.11	52,307,516	1,146,481

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	0	0.00	0	0	0.00	0

Schedule VIII : Agricultural Records : Special Value

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

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

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 1

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	764.01	7.03%	767,971	7.00%	1,005.18
47. 2A1	4,707.72	43.34%	4,871,453	44.42%	1,034.78
48. 2A	3,399.45	31.29%	3,463,374	31.58%	1,018.80
49. 3A1	58.98	0.54%	60,456	0.55%	1,025.03
50. 3A	1,097.88	10.11%	1,096,362	10.00%	998.62
51. 4A1	622.50	5.73%	537,008	4.90%	862.66
52. 4A	212.34	1.95%	169,508	1.55%	798.29
53. Total	10,862.88	100.00%	10,966,132	100.00%	1,009.51
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	4,507.26	17.61%	1,532,472	20.68%	340.00
56. 2D1	7,127.50	27.85%	2,316,470	31.26%	325.00
57. 2D	8,035.00	31.39%	2,370,363	31.99%	295.00
58. 3D1	353.64	1.38%	97,254	1.31%	275.01
59. 3D	1,973.28	7.71%	394,657	5.33%	200.00
60. 4D1	2,893.59	11.30%	564,270	7.62%	195.01
61. 4D	706.75	2.76%	134,292	1.81%	190.01
62. Total	25,597.02	100.00%	7,409,778	100.00%	289.48
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	6,926.10	6.08%	1,769,740	8.92%	255.52
65. 2G1	6,630.40	5.82%	1,620,054	8.16%	244.34
66. 2G	20,817.26	18.27%	4,691,022	23.63%	225.34
67. 3G1	1,388.11	1.22%	313,231	1.58%	225.65
68. 3G	8,643.71	7.58%	1,806,347	9.10%	208.98
69. 4G1	18,778.78	16.48%	3,592,422	18.10%	191.30
70. 4G	50,784.61	44.56%	6,055,000	30.51%	119.23
71. Total	113,968.97	100.00%	19,847,816	100.00%	174.15
Irrigated Total					
Irrigated Total	10,862.88	7.16%	10,966,132	28.59%	1,009.51
Dry Total					
Dry Total	25,597.02	16.87%	7,409,778	19.32%	289.48
Grass Total					
Grass Total	113,968.97	75.13%	19,847,816	51.75%	174.15
72. Waste	490.64	0.32%	49,064	0.13%	100.00
73. Other	771.64	0.51%	77,164	0.20%	100.00
74. Exempt	0.00	0.00%	0	0.00%	0.00
75. Market Area Total	151,691.15	100.00%	38,349,954	100.00%	252.82

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 2

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	6,344.65	47.69%	7,199,757	49.37%	1,134.78
47. 2A1	1,541.47	11.59%	1,723,508	11.82%	1,118.09
48. 2A	3,149.93	23.68%	3,438,120	23.58%	1,091.49
49. 3A1	191.25	1.44%	196,688	1.35%	1,028.43
50. 3A	1,067.40	8.02%	1,053,452	7.22%	986.93
51. 4A1	873.14	6.56%	846,954	5.81%	970.01
52. 4A	136.54	1.03%	124,253	0.85%	910.01
53. Total	13,304.38	100.00%	14,582,732	100.00%	1,096.09
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	74,704.51	68.88%	30,628,909	72.04%	410.00
56. 2D1	3,642.30	3.36%	1,456,920	3.43%	400.00
57. 2D	11,460.70	10.57%	4,527,108	10.65%	395.01
58. 3D1	2,734.78	2.52%	1,025,583	2.41%	375.01
59. 3D	5,817.98	5.36%	2,152,661	5.06%	370.00
60. 4D1	9,514.03	8.77%	2,568,798	6.04%	270.00
61. 4D	581.95	0.54%	154,236	0.36%	265.03
62. Total	108,456.25	100.00%	42,514,215	100.00%	391.99
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	10,468.32	16.69%	2,891,269	19.79%	276.19
65. 2G1	1,252.35	2.00%	341,484	2.34%	272.67
66. 2G	8,978.78	14.32%	2,182,708	14.94%	243.10
67. 3G1	1,369.72	2.18%	336,425	2.30%	245.62
68. 3G	11,310.56	18.04%	2,614,424	17.90%	231.15
69. 4G1	7,740.96	12.34%	1,824,133	12.49%	235.65
70. 4G	21,593.54	34.43%	4,417,578	30.24%	204.58
71. Total	62,714.23	100.00%	14,608,021	100.00%	232.93
Irrigated Total					
	13,304.38	7.18%	14,582,732	20.31%	1,096.09
Dry Total					
	108,456.25	58.53%	42,514,215	59.22%	391.99
Grass Total					
	62,714.23	33.84%	14,608,021	20.35%	232.93
72. Waste	741.52	0.40%	74,152	0.10%	100.00
73. Other	85.31	0.05%	8,531	0.01%	100.00
74. Exempt	0.00	0.00%	0	0.00%	0.00
75. Market Area Total	185,301.69	100.00%	71,787,651	100.00%	387.41

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 3

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	19,683.33	74.17%	24,604,250	76.44%	1,250.00
47. 2A1	871.57	3.28%	1,067,686	3.32%	1,225.01
48. 2A	2,336.95	8.81%	2,780,975	8.64%	1,190.00
49. 3A1	873.18	3.29%	921,214	2.86%	1,055.01
50. 3A	1,059.22	3.99%	1,101,589	3.42%	1,040.00
51. 4A1	1,607.40	6.06%	1,607,400	4.99%	1,000.00
52. 4A	106.04	0.40%	103,391	0.32%	975.02
53. Total	26,537.69	100.00%	32,186,505	100.00%	1,212.86
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	83,144.49	73.25%	32,842,566	74.79%	395.01
56. 2D1	3,332.77	2.94%	1,283,153	2.92%	385.01
57. 2D	10,861.99	9.57%	4,181,986	9.52%	385.01
58. 3D1	2,468.75	2.17%	913,444	2.08%	370.00
59. 3D	4,707.12	4.15%	1,647,536	3.75%	350.01
60. 4D1	8,187.95	7.21%	2,783,909	6.34%	340.00
61. 4D	808.24	0.71%	258,636	0.59%	320.00
62. Total	113,511.31	100.00%	43,911,230	100.00%	386.84
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	10,862.35	35.13%	3,665,119	41.85%	337.41
65. 2G1	474.23	1.53%	177,540	2.03%	374.38
66. 2G	3,263.80	10.56%	1,085,143	12.39%	332.48
67. 3G1	664.55	2.15%	226,661	2.59%	341.07
68. 3G	1,776.42	5.74%	531,773	6.07%	299.35
69. 4G1	4,896.65	15.84%	1,463,962	16.71%	298.97
70. 4G	8,983.34	29.05%	1,608,320	18.36%	179.03
71. Total	30,921.34	100.00%	8,758,518	100.00%	283.25
Irrigated Total					
	26,537.69	15.43%	32,186,505	37.89%	1,212.86
Dry Total					
	113,511.31	66.00%	43,911,230	51.69%	386.84
Grass Total					
	30,921.34	17.98%	8,758,518	10.31%	283.25
72. Waste	786.60	0.46%	78,660	0.09%	100.00
73. Other	219.06	0.13%	21,906	0.03%	100.00
74. Exempt	0.00	0.00%	0	0.00%	0.00
75. Market Area Total	171,976.00	100.00%	84,956,819	100.00%	494.00

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 4

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	6,500.29	70.27%	7,995,371	73.52%	1,230.00
47. 2A1	287.89	3.11%	351,225	3.23%	1,220.00
48. 2A	695.26	7.52%	799,560	7.35%	1,150.02
49. 3A1	215.14	2.33%	226,974	2.09%	1,055.01
50. 3A	814.20	8.80%	818,274	7.52%	1,005.00
51. 4A1	563.62	6.09%	529,802	4.87%	940.00
52. 4A	174.38	1.89%	153,453	1.41%	879.99
53. Total	9,250.78	100.00%	10,874,659	100.00%	1,175.54
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	118,642.23	76.88%	56,355,784	79.31%	475.01
56. 2D1	2,732.43	1.77%	1,284,243	1.81%	470.00
57. 2D	13,524.35	8.76%	6,356,454	8.95%	470.00
58. 3D1	1,474.38	0.96%	678,218	0.95%	460.00
59. 3D	5,071.12	3.29%	2,028,451	2.85%	400.00
60. 4D1	12,064.83	7.82%	4,086,526	5.75%	338.71
61. 4D	809.14	0.52%	271,090	0.38%	335.03
62. Total	154,318.48	100.00%	71,060,766	100.00%	460.48
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	10,711.49	19.72%	3,130,949	26.12%	292.30
65. 2G1	1,033.08	1.90%	250,006	2.09%	242.00
66. 2G	4,330.99	7.97%	1,117,676	9.32%	258.06
67. 3G1	293.77	0.54%	67,442	0.56%	229.57
68. 3G	4,358.86	8.03%	1,031,268	8.60%	236.59
69. 4G1	9,113.09	16.78%	2,260,798	18.86%	248.08
70. 4G	24,472.23	45.06%	4,129,347	34.45%	168.74
71. Total	54,313.51	100.00%	11,987,486	100.00%	220.71
Irrigated Total					
	9,250.78	4.22%	10,874,659	11.56%	1,175.54
Dry Total					
	154,318.48	70.43%	71,060,766	75.56%	460.48
Grass Total					
	54,313.51	24.79%	11,987,486	12.75%	220.71
72. Waste	755.02	0.34%	75,502	0.08%	100.00
73. Other	472.07	0.22%	47,207	0.05%	100.00
74. Exempt	0.00	0.00%	0	0.00%	0.00
75. Market Area Total	219,109.86	100.00%	94,045,620	100.00%	429.22

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 5

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	7.00	2.47%	17,290	3.29%	2,470.00
47. 2A1	96.30	33.98%	218,602	41.59%	2,270.01
48. 2A	110.91	39.13%	246,777	46.95%	2,225.02
49. 3A1	0.00	0.00%	0	0.00%	0.00
50. 3A	45.41	16.02%	31,333	5.96%	690.00
51. 4A1	0.00	0.00%	0	0.00%	0.00
52. 4A	23.80	8.40%	11,662	2.22%	490.00
53. Total	283.42	100.00%	525,664	100.00%	1,854.72
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	108.79	42.25%	107,159	54.48%	985.01
56. 2D1	6.80	2.64%	6,018	3.06%	885.00
57. 2D	77.46	30.08%	64,681	32.89%	835.02
58. 3D1	0.00	0.00%	0	0.00%	0.00
59. 3D	2.66	1.03%	1,037	0.53%	389.85
60. 4D1	60.40	23.46%	17,516	8.91%	290.00
61. 4D	1.40	0.54%	266	0.14%	190.00
62. Total	257.51	100.00%	196,677	100.00%	763.76
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	47.81	4.41%	37,294	4.99%	780.05
65. 2G1	35.58	3.28%	27,576	3.69%	775.04
66. 2G	110.08	10.15%	80,335	10.75%	729.79
67. 3G1	0.00	0.00%	0	0.00%	0.00
68. 3G	249.52	23.00%	153,426	20.52%	614.88
69. 4G1	97.99	9.03%	71,747	9.60%	732.19
70. 4G	543.98	50.14%	377,218	50.46%	693.44
71. Total	1,084.96	100.00%	747,596	100.00%	689.05
Irrigated Total	283.42	17.23%	525,664	35.76%	1,854.72
Dry Total	257.51	15.65%	196,677	13.38%	763.76
Grass Total	1,084.96	65.95%	747,596	50.85%	689.05
72. Waste	4.03	0.24%	101	0.01%	25.06
73. Other	15.30	0.93%	77	0.01%	5.03
74. Exempt	0.00	0.00%	0	0.00%	0.00
75. Market Area Total	1,645.22	100.00%	1,470,115	100.00%	893.57

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	309.64	552,013	191.06	169,495	59,738.45	68,414,184	60,239.15	69,135,692
77. Dry Land	44.12	29,895	30.63	8,689	402,065.82	165,054,082	402,140.57	165,092,666
78. Grass	386.57	259,170	220.90	47,996	262,395.54	55,642,271	263,003.01	55,949,437
79. Waste	5.00	500	14.59	1,459	2,758.22	275,520	2,777.81	277,479
80. Other	15.30	77	0.00	0	1,548.08	154,808	1,563.38	154,885
81. Exempt	0.00	0	0.00	0	0.00	0	0.00	0
82. Total	760.63	841,655	457.18	227,639	728,506.11	289,540,865	729,723.92	290,610,159

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	60,239.15	8.26%	69,135,692	23.79%	1,147.69
Dry Land	402,140.57	55.11%	165,092,666	56.81%	410.53
Grass	263,003.01	36.04%	55,949,437	19.25%	212.73
Waste	2,777.81	0.38%	277,479	0.10%	99.89
Other	1,563.38	0.21%	154,885	0.05%	99.07
Exempt	0.00	0.00%	0	0.00%	0.00
Total	729,723.92	100.00%	290,610,159	100.00%	398.25

2012 County Abstract of Assessment for Real Property, Form 45 Compared with the 2011 Certificate of Taxes Levied (CTL)

17 Cheyenne

	2011 CTL County Total	2012 Form 45 County Total	Value Difference (2012 form 45 - 2011 CTL)	Percent Change	2012 Growth (New Construction Value)	Percent Change excl. Growth
01. Residential	349,033,591	354,547,671	5,514,080	1.58%	1,940,446	1.02%
02. Recreational	271,091	37,798	-233,293	-86.06%	0	-86.06%
03. Ag-Homesite Land, Ag-Res Dwelling	38,472,297	38,078,518	-393,779	-1.02%	1,146,481	-4.00%
04. Total Residential (sum lines 1-3)	387,776,979	392,663,987	4,887,008	1.26%	3,086,927	0.46%
05. Commercial	128,522,605	131,671,768	3,149,163	2.45%	3,618,342	-0.37%
06. Industrial	11,457,961	11,457,961	0	0.00%	0	0.00%
07. Ag-Farmsite Land, Outbuildings	12,932,784	14,228,998	1,296,214	10.02%	0	10.02%
08. Minerals	23,840,937	32,040,629	8,199,692	34.39	211,080	33.51
09. Total Commercial (sum lines 5-8)	176,754,287	189,399,356	12,645,069	7.15%	3,829,422	4.99%
10. Total Non-Agland Real Property	564,531,266	582,063,343	17,532,077	3.11%	6,916,349	1.88%
11. Irrigated	63,064,536	69,135,692	6,071,156	9.63%		
12. Dryland	163,914,263	165,092,666	1,178,403	0.72%		
13. Grassland	51,738,189	55,949,437	4,211,248	8.14%		
14. Wasteland	259,595	277,479	17,884	6.89%		
15. Other Agland	161,054	154,885	-6,169	-3.83%		
16. Total Agricultural Land	279,137,637	290,610,159	11,472,522	4.11%		
17. Total Value of all Real Property (Locally Assessed)	843,668,903	872,673,502	29,004,599	3.44%	6,916,349	2.62%

2012 Plan of Assessment for Cheyenne County, Nebraska
Assessment Years 2012, 2013, and 2014
Date: June 15, 2011

Plan of Assessment Requirements

Pursuant to Neb.Laws 2005, LB263, Section 9, on or before June 15 each year, the assessor shall prepare a plan of assessment, (herein after referred to as the “plan”), which describes the assessment actions planned for the next assessment year and two years thereafter. The plan shall indicate the classes or subclasses of real property that the county assessor plans to examine during the years contained in the plan of assessment. The plan shall describe all the assessment actions necessary to achieve the levels of value and quality of assessments practices required by law, and the resources necessary to complete those actions. On or before July 31 each year, the assessor shall present the plan to the County Board of Equalization and the assessor may amend the plan, if necessary, after the budget is approved by the county board. A copy of the plan and any amendments thereto shall be mailed to the Property Assessment Division of the Nebraska Department of Revenue 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 2004).

General Description of Real Property in Cheyenne County:

Per the 2011 County Abstract, Cheyenne County consists of the following real property types:

	Parcels	% of Total Parcels	% of Taxable Value Base	
Residential	4453	47.89	41.42%	
Commercial	725	7.79	15.16%	
Industrial	81	.871	1.35%	
Agricultural	3347	36.00	39.11%	
Mineral	689	7.41	.0292%	
Recreational	2	00.022	.002%	
Agricultural land-taxable acres	730,291.44			
Irrigation	Dry land	Grassland	Waste	Other
8.255%	55.27%	35.90%	.3531%	.2103%

Other pertinent facts-30,284.87 acres or 4.15% of Cheyenne County is residential, commercial and or industrial.

New Property: For assessment year 2011, 757 building and/or information statements were filed for new property construction/additions in the city and county, changes in CRP and new EQUIP programs and general information to update parcels.

Current Resources

- A. **Staff**-1 Deputy Assessor and 3 Clerks
- B. **Budget**-\$200,370 (2010-2011)
- C. **Training**-Workshops and required continuing education for certification for assessor & deputy.
- D. **Cadastral Maps accuracy/condition, other land use maps, aerial photos**-Our cadastral map is continually updated per Neb statutes. It is dated 1968 and is worn out. Our aerial maps are updated on a continual basis and they are dated about 1989-1991.
- E. **Property Record cards**-On file in the assessor's office are property record cards for each parcel of real property including improvements on leased land and exempt properties. These are updated every time a valuation year has been done and before the valuation notices are sent out June 1. We have both a hard copy and electronic version of the property. Each card or electronic copy contains a worksheet of the property, picture, sketch of the improvement, school district codes, four or more years of valuation history including the nature of the change and an indication of assessment body or official ordering the change. The cost approach is most generally used in valuing the residential and commercial properties. We have also used the income and cost approach for some of our low-income housing. Sales comparisons are used for our agricultural land.
- F. **Software for CAMA, Assessment Administration, GIS**-The Cheyenne County Assessor's office has a contract with Terra Scan for support to July 1, 2012. The data used for cost calculations is supplied by Marshall & Swift. The Assessor's office has contracted with GIS Workshop in Lincoln, NE for our GIS system.
- G. **Web-based**-our parcels are now online at <http://cheyenne.assessor.gisworkshop.com>

Current Assessment Procedures for Real Property

- A. **Discover, list & inventory all property**-After all Real Estate transfers are transferred to the new owner all corresponding changes are made to the record card, computer, and cadastral map. The transfer is reviewed by the assessor and deputy to ascertain if it is a good sale. If the property is a commercial or agricultural parcel, we try to contact the buyer or seller, either by letter or telephone to verify the sale. All sale verifications are kept in a notebook in the office. If the sale is over or under 50% of the assessed value, we do a drive by or visit the property to confirm our information. Cheyenne County is zoned as well as Sidney, Potter and Lodgepole. Building permits for Sidney and the County are handled through the City of Sidney and are received in the assessor's office at month's end. Potter, Lodgepole, Dalton and Gurley provide the office with new building permits as they occur. We also go out physically to review areas of the county as well as the towns to pick up additional building projects that owners failed to apply for permits. Real estate listings also provide us with information if we have been unable to review the interior of a home.
- B. **Data Collection**-For 2011, our appraiser, Jerry Knoche and the office staff, physically measured and reviewed all new residential, commercial and agricultural improvements. All residential, agricultural residential and agricultural buildings were reviewed in 2009-2010 for 2011 valuation updates.
- C. **Review assessment sales ratio studies before assessment actions**-Ratio studies are done on all classes of property. The assessor's office contacts either the buyer or seller by phone, in person or by a letter to qualify the agricultural and commercial sales. Agricultural sales were studied by processing all agricultural lands with improvements and without improvements. Each market area was defined and ratio studies were done. Each individual class of land was defined and ratio studies were done for them. The ideal was for each land class to come in between 69-75% of value so that all land classes were equalized. GIS is being utilized to update all agricultural parcels and to double check all soils, dry land, irrigation, grass and CRP. Ratio studies on all residential parcels were done to double check the median, aggregate mean and weighted mean, price related differential, the coefficient of dispersion and standard deviation. These studies included Sidney, rural residential as well as Potter, Dalton, Lodgepole, Gurley, Lorenzo, Sunol & Brownson. All sales were analyzed to make sure Cheyenne County was in compliance with respect to equalization procedures. All pickup work and new construction were added to the assessment rolls. Low-income housing was reviewed and an income approach to value was developed.
- D. **Approaches to value**
- 1.) Market Value- For 2011, depreciation studies and statistics were reviewed to make sure our values were still within the 92% to 100% of market values for residential and commercial properties. All residential homes and improvements and agricultural homes and improvements were put in a new Marshall & Swift 2010 cost table

with a new depreciation. Commercial properties were analyzed, but were within the 92% & 100% of market value and were not changed unless pickup work or a new building was added. We studied our agricultural sales and new market areas were implemented for market areas 3 & 4 for 2011. Values for Cheyenne County came in at 73% of market value for all classes of land.

- 2.) Cost Approach-Residential properties, both urban and rural, are using the 2010 Marshall & Swift cost index with a new depreciation. Commercial properties were put in a new 2008 cost index in 2009.
 - 3.) Income Approach-The income approach was used for low income housing parcels and apartment rental properties. Information timely provided by management for the low income housing was used.
 - 4.) Land Valuation-Statistical Studies were conducted for all agricultural properties in Cheyenne County as a whole as well as each individual market grouping and contiguous counties. A new market area for areas 3 & 4 was implemented. Contacts were made to the buyers and sellers of the land as well as visiting the sale parcels. Each land class was tested so that every class (irrigation, grass, and dry land) came in within the 69-75% of value.
- E. **Reconciliation of final value and documentation**-Each parcel shows how we arrived at the value using the Marshall and Swift costs for the cost indices we used for 2011. New agricultural values are shown on the agricultural record as well as the soil type with the final value.
- F. **Review assessment sales ratio studies after assessment actions**-Ratios were run for all residential and commercial properties (vacant and improved) as well as all rural residential parcels to check to see if we were within market value. Ratios were run in each agricultural area as well as for each land class to check our new values.
- G. **Notices and public relations**-Valuation notices were sent out May 31, 2011. Along with the notice was a letter explaining why valuations changed along with a listing of the agricultural, residential and commercial sales. A legal notice certifying the completion of the real property assessment roll was published in the Sidney Sun-Telegraph. By June 6 of each year, the assessor mailed assessment/sales ratio statistics (as determined by TERC) to the media (KSID and Sidney Sun-Telegraph) and posted the level of value in the assessor's office.

Level of Value, Quality and Uniformity for assessment year 2011:

Property Class	Median	COD	PRD
Residential	98.00	3.45	100.26
Commercial	98.00	8 .59	105.19
Agricultural	73.00	14.70	99.82

(COD means coefficient of dispersion and PRD means price related differential.)

For more information regarding statistical measures see 2011 Reports and Opinions of the Property Tax Administrator and the Nebraska Tax Equalization and Review Commission Findings and Orders.

Assessment actions planned for Assessment Year 2012

Residential-We will do statistics on all residential and rural residential homes in Cheyenne County. All new residential homes, additions, etc will be physically measured and inspected and put on the tax rolls. All sales 50% above or 50% below the sale price will be physically inspected or looked at with a drive by to check our current record card to make sure all information is correct. All permits will be inspected. Duplicate sales and matched pairs and multiple regression and model building will be utilized to monitor the market as well as running statistics for all residential property and subclasses. Review residential sale rosters for any changes or corrections. Mobile homes will be physically reviewed and again checked in January of 2012 to make sure they are still there for assessment purposes and to double check mobile home reports.

Commercial-Commercial properties will be physically reviewed starting in 2011. New construction and vacant land sales will be measured and evaluated. We will review low-income housing and do an income and cost approach. All permits and pickup work will be appraised. All sales 50% above and 50% below the sales price will be physically checked to verify our records. Commercial sale rosters will be reviewed for any changes or corrections. Statistics will be run to show the level of value. A new depreciation may be used for 2012 for commercial properties to more closely mirror the sales.

Agricultural-All five market areas will be looked at for changes in value for dry land, irrigation and grass as well as any use changes. All market areas will be reviewed to see if the market areas are still viable or if we need to make changes in them. We have 54 sales as of June 15. We will try to contact either the buyer or seller to determine whether the sale is an arms length sale or not and if there are any adjustments to the sale price because of personal property or any other indication pertinent to the sale. Physically inspect different areas of agricultural land for any land change uses and contact agricultural owners for any updates. Agricultural sale rosters will be reviewed for any changes or corrections. Develop criteria to be used in making the determination of primary use of a parcel of land including a field review of the property. The criteria will be used to determine if the parcel is eligible for assessment as agricultural or horticultural land. GIS will be used to double check soils and land use.

Assessment Actions Planned For Assessment Year 2013

Residential-Statistics will be run on each class and subclass of residential properties to check to see if we are in compliance. If the statistics show that we are overvalued or under valued, we will take steps to rectify the valuations. Review vacant land sales in the country and in the urban areas. Review all sales 50% above and 50% below sales price to verify property record card. All permits and pickup work to be reviewed and put on the assessment rolls. Again, use duplicate sales, multiple regressions and matched pair studies to monitor the market and refine depreciation schedules. Residential sale rosters will be reviewed and corrected.

Commercial-Commercial parcels will be evaluated and statistics will be run to make sure we are still within the 92% to 100 % of market value. All permits and pickup work

will be assessed and put on the tax rolls. Commercial sale rosters will be reviewed and corrected. A new Marshall & Swift cost index may be implemented with a new depreciation.

Agricultural Land- Letters will be sent out to all agricultural owners about their expired CRP contracts. Statistics will be run for all market areas and as a whole. All land classes will be looked at statistically to see if they are in at market value and adjusted accordingly. Buyers or sellers will be contacted to verify sales. Land classes will need to be double checked for any use changes. Contiguous counties may also be used to determine agricultural land values.

Assessment Actions Planned for Assessment Year 2014

Residential-Statistics will be run to determine the median, COD and PRD. It may be necessary to move up or down a class, subclass, subdivision or town. Mobile homes and rural residential will be checked for any significant changes. Matched pair studies, duplicate sales and multiple regression and market models will be utilized. Review the cost index and make changes if necessary. Residential sale rosters will be reviewed and corrected. Put on the assessment roll all new residential permits-new construction, additions, alterations, etc. Begin reviewing residential homes.

Commercial-Review all sales and statistics for compliance. All pickup work and permits will be appraised and put on the assessment roll. The buyer or seller will be contacted to verify sales. If applicable, use income approach with cost approach on properties. Commercial sale rosters will be reviewed and corrected. Put commercial properties in a new cost index with a new depreciation.

Agriculture-Double-check all market areas. Run statistics on all markets areas and subclasses. Contact buyers or sellers to verify sales. Check dry land, irrigation and grass for any change of use. Check on expiring or new CRP contracts. Agricultural sale rosters will be reviewed and corrected. Contiguous counties may also be used to determine agricultural land values.

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

1. The assessor's office maintains over 10,329 real property parcels. Each card is continually updated with new values and data sheets as well as an explanation on what we did that valuation year with that parcel. We continually update our cadastral, GIS and aerial maps with split outs and new ownership changes.
2. Annually prepare and file Assessor Administrative Reports required by law/regulation:
 - a. **Abstracts (Real & Personal)**-This is a summary of all the agricultural, residential and commercial parcels in Cheyenne County broken down into classes and subclasses and their valuations. The personal property abstract is a summary of all

commercial and agricultural personal property and their value. The real estate abstract is due on or before March 19 of each year and the personal property abstract is due on or before June 15 of each year. The abstract for real property shall include a report of the current assessed value for properties that sold and are listed in the state's sales file.

- b. **Assessor's survey**-Each year on or before June 15, each assessor must outline what they are planning to focus on for the following valuation year. This plan of action must be presented before the Board of Equalization before July 31 of each year. The Department of Revenue Property Assessment Division, receives a copy of this report on or before October 31 of each year. This survey is a report of information regarding each assessor's office.
- c. **Sales information to PAD rosters & annual Assessed Value Update w/abstract**-Sales information is reviewed and qualified as either a good sale or not. For commercial and agricultural sales, we try to verify prices and personal property. Electronic rosters of all sales are reviewed and checked on the Assessor Assistant and the final roster in January is used as our preliminary statistics for the new year. After all new values are put on the parcels, an abstract of all real property is filed on or before March 19
- d. **Certification of value to political Subdivision**-By August 20 of each year, current valuations of all personal property, central assessed and real property by class or subclass for all political entities must be certified. These certified values are used in determining tax levies.
- e. **School District Taxable Report**-The report of each school district's current valuations of all personal property, central assessed and real property by class or subclass as required by the Property Tax Administrator.
- f. **Homestead Exemption Tax Loss Report (in conjunction w/treasurer)**-File on or before November 30 of each year with the County Treasurer, the total tax revenue that will be lost to the taxing agencies within the county from taxes levied and assessed in that year because of exemptions allowed under Chapter 77 article 35.
- g. **Certificate of Taxes Levied Report**-This report is the current year's valuations, tax rates, and taxes levied for each political subdivision levying a tax in a county. Taxes levied for bonds shall be identified separately from other taxes levied. The CTL report shall include each political subdivision's property tax loss due to homestead exemptions, taxes collected for public power districts, other in-lieu of taxes, valuation and taxes for community redevelopment projects, consolidated tax districts

descriptions and rates, tax rate or levy sheets and any other information required by the Property Tax Administrator.

- h. **Report of current values for properties owned by Board of Educational Lands & Funds**-Section 72-258.03 requires the Property Tax Administrator to determine “adjusted values” for each of these parcels. So that she or he may determine these values, the assessor sends the assessed value and school district information to PAD on or before December 1 of that year.
 - i. **Annual plan of assessment report**-A report that addresses the level, quality and uniformity of assessment, and shall propose actions to be taken for the following years to assure uniform and proportionate assessments and is within the constitutional, statutory, and administrative guidelines as set forth in Nebraska law.
3. **Personal Property**-Approximately 1900 personal property schedules are processed each year. We mail out of state schedules during the first week of January. Subsequently we send out the rest of the schedules during the middle of March if the people haven’t filed yet. After May 1 we go through all of the schedules that aren’t in and send out a failure to file notice and penalties applied as required. If a schedule is timely filed, but without a signature, an unsigned notice is sent out. After July 31, a penalty of 25% is attached to each schedule not filed and a notice of failure to file is again sent out.
 4. **Permissive exemptions**-Approximately 100 permissive exemptions are administered each year. Each application is reviewed and a recommendation is made to the Board of Equalization.
 5. **Taxable government owned property**-Each year before March 1 the county assessor shall send a notice to the state or to any governmental subdivision if it has property not being used for a public purpose upon which a payment in lieu of taxes is not made. The notice shall inform the state or governmental subdivision that the property will be subject to taxation for property tax purposes.
 6. **Homestead Exemptions**-Approximately 400 homestead exemptions are processed each year. Applications received from the Department of Revenue are mailed to the prior year recipients on February 1 of each year. Every application is examined by the assessor, and except for the income requirements, it is determined whether or not such application should be approved or rejected. If it is approved, the county assessor marks the same approved and signs the application. If the application is not allowed by reason of not being in conformity to law, the assessor marks the application rejected and states thereon the reason for such rejection and signs the application. All application rejections are notified of such action by mailing a written notice to the applicant at the address shown in the application, which notice is mailed not later than July 31 of each year except in cases of a change in ownership or occupancy from January 1

through August 15 or a late application authorized by the county board, the notice is sent within a reasonable time.

7. **Centrally assessed**-All valuations certified by PAD for railroads and public service entities are reviewed, and assessment and tax billing records are established. If any new tax districts or sanitary tax districts have been established, new boundary maps are sent to the central assessed companies. PAD is also informed if there are new tax districts, sanitary improvement districts, etc. Any new towers, railroad tracks, etc., are also reported to PAD.
8. **Tax increment financing**-This report includes a copy of the redevelopment plan and any amendments, if not already filed, including the date of the approval of the plan and its boundaries and the total valuation of the real property in the redevelopment project subject to allocation before the project began. In subsequent years, the report indicates by tax year, the total consolidated tax on the property in the redevelopment project and the total amount of ad valorem taxes on property in the redevelopment project paid into a special fund for the payment of principal and interest. Sidney has seven (7) Tax Increment Financing projects. We also fill out reports sent to us from the City of Sidney for new valuations on TIF projects.
9. **Tax districts and tax rates**-The assessor is responsible for maintaining all real and personal property in the correct tax district. Any tax or school district change requires us to make sure all real and personal property is classified in such. For taxing purposes, we are responsible for making sure all tax rates are correct when we do the billing for taxes at the end of November. Also our grand values in each taxing entity are used to figure tax rates on.
10. **Tax lists**-On or before November 22 of each year, the county assessor prepares and certifies the tax list to the county treasurer for real property, personal property and centrally assessed properties.
11. **Tax list corrections**-The county assessor prepares tax list correction documents for county board approval. It includes the date, name, address, year corrected, school district, tax district, description of the property and the original tax, the corrected tax, added tax or deducted tax and the reason for the correction.
12. **County Board of Equalization**-The county assessor attends all county board of equalization meetings for valuation protests and assembles and provides information for the board so that they may make an informed decision about the protest.
13. **TERC appeals**-The assessor prepares information to defend their valuation and attends taxpayer appeal hearings before TERC.
14. **TERC statewide equalization**-The assessor attends hearings if it is applicable to the county, defending values, and/or implementing orders of the TERC. If a county has to raise or lower a class or subclass, an abstract has to be re-certified by June 5 of that year.

15. **Education**-The assessor and his/her deputy must have 60 hours of approved continuing education to be eligible to receive approval by the Property Tax Administrator for re-certification. These hours are obtained through workshops, educational classes, and assessor meetings.

Conclusion

The 2011-2012 budget request for the assessor's office is \$295,000. The appraisal budget out of the inheritance fund will include GIS (\$400 for ESRI software, \$7000 for support and \$2500 for online availability). It also will include the approximate budgets for Pritchard & Abbott for the oil appraisals (\$11,500) and Jerry Knoche (\$25,000) for residential and commercial appraisals. We hope to have a vehicle to do appraisal pickup work.

Respectfully submitted,

Assessor signature _____ Date: June 15, 2011

Amendment:

Agricultural markets will be studied again for market areas 2 & 4. The commissioners have requested a review of these areas. As for commercial, Sidney will be reviewed to double check a few of our occupancy codes and their values.

2012 Assessment Survey for Cheyenne County

A. Staffing and Funding Information

1.	Deputy(ies) on staff:
	None
2.	Appraiser(s) on staff:
	None
3.	Other full-time employees:
	Four
4.	Other part-time employees:
	None
5.	Number of shared employees:
	None
6.	Assessor's requested budget for current fiscal year:
	\$205,720
7.	Adopted budget, or granted budget if different from above:
	\$193,720
8.	Amount of the total assessor's budget set aside for appraisal work:
	N/A
9.	If appraisal/reappraisal budget is a separate levied fund, what is that amount:
	\$46,400
10.	Part of the assessor's budget that is dedicated to the computer system:
	\$2,500
11.	Amount of the assessor's budget set aside for education/workshops:
	\$4,500
12.	Other miscellaneous funds:
	None
13.	Amount of last year's assessor's budget not used:
	\$2,556

B. Computer, Automation Information and GIS

1.	Administrative software:
	Terra Scan
2.	CAMA software:
	Terra Scan
3.	Are cadastral maps currently being used?
	Yes
4.	If so, who maintains the Cadastral Maps?
	Assessor's office staff
5.	Does the county have GIS software?
	Yes, GIS Workshop

6.	Is GIS available on a website? If so, what is the name of the website?
	Only the County record information is on the website—not the GIS maps. The address of the website is http://cheyenne.assessor.gisworkshop.com
7.	Who maintains the GIS software and maps?
	GIS Workshop
8.	Personal Property software:
	Terra Scan

C. Zoning Information

1.	Does the county have zoning?
	Yes
2.	If so, is the zoning countywide?
	Yes
3.	What municipalities in the county are zoned?
	Sidney, Lodgepole and Potter
4.	When was zoning implemented?
	1980

D. Contracted Services

1.	Appraisal Services:
	Knoche Appraisal
2.	Other services:
	Pritchard & Abbott for oil and gas; GIS Workshop for GIS.

2012 Certification for Cheyenne County

This is to certify that the 2012 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 Cheyenne County Assessor.

Dated this 9th day of April, 2012.



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

Ruth A. Sorensen
Property Tax Administrator

