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2012 Commission Summary for Custer County

Residential Real Property - Current

Number of Sales	242	Median	97.23
Total Sales Price	\$15,077,119	Mean	104.08
Total Adj. Sales Price	\$15,069,419	Wgt. Mean	92.53
Total Assessed Value	\$13,944,034	Average Assessed Value of the Base	\$47,065
Avg. Adj. Sales Price	\$62,270	Avg. Assessed Value	\$57,620

Confidence Interval - Current

95% Median C.I	95.89 to 98.91
95% Wgt. Mean C.I	89.43 to 95.63
95% Mean C.I	99.13 to 109.03
% of Value of the Class of all Real Property Value in the	12.91
% of Records Sold in the Study Period	5.17
% of Value Sold in the Study Period	6.33

Residential Real Property - History

Year	Number of Sales	LOV	Median
2011	232	97	97
2010	239	98	98
2009	320	97	97
2008	368	98	98

2012 Commission Summary for Custer County

Commercial Real Property - Current

Number of Sales	37	Median	96.25
Total Sales Price	\$3,388,558	Mean	95.75
Total Adj. Sales Price	\$3,388,558	Wgt. Mean	97.60
Total Assessed Value	\$3,307,333	Average Assessed Value of the Base	\$92,364
Avg. Adj. Sales Price	\$91,583	Avg. Assessed Value	\$89,387

Confidence Interval - Current

95% Median C.I	95.34 to 97.93
95% Wgt. Mean C.I	96.31 to 98.90
95% Mean C.I	93.41 to 98.09
% of Value of the Class of all Real Property Value in the County	4.22
% of Records Sold in the Study Period	4.75
% of Value Sold in the Study Period	4.60

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2011	55		96
2010	63	96	96
2009	69	95	95
2008	69	97	97

2012 Opinions of the Property Tax Administrator for Custer 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	97	Meets generally accepted mass appraisal practices.	No recommendation.
Commercial Real Property	*NEI	Meets generally accepted mass appraisal practices.	No recommendation.
Agricultural Land	73	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 Custer County

A physical review of all residential parcels in the Village of Mason City was completed, as were the residential parcels in the Berwyn, Broken Bow, East Custer, and Garfield Townships. Review work was started in the City of Broken Bow; the assessor estimates that about 25% of the town was completed. The remainder of Broken Bow will be reviewed for 2013, completing the review cycle. The review process includes a physical inspection and exterior review of all parcels. The lister takes new photographs, notates any physical changes, and checks measurements. The assessor will review the pictures and data collected by the lister and will update the condition and effective age of the property when warranted. The effective age of all reviewed properties is calculated using a table available in the Marshall and Swift manual that is based on known improvements to the property.

A sales study was completed; additional depreciation was given to older homes in the Village of Merna, and the towns of Sargent and Oconto received additional economic depreciation.

Only routine maintenance occurred within the rest of the class; the pickup work was completed timely.

2012 Residential Assessment Survey for Custer County

1.	Valuation data collection done by:	
	The part-time lister	
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>
	01	Broken Bow – the largest community in the county and is a hub for business, jobs, and shopping in the County and in the Sandhills communities surrounding the county. Both growth and demand for existing housing is strong within the community.
	02	Callaway is a unique small town. The town contains a hospital, nursing home, assisted living complex as well as its own school system. These services provide jobs that are not typically found in towns of this size. Growth has been strong in recent years and the housing market is quite strong.
	03	Ansley, Arnold & Merna – these communities are progressive small towns. All are located within easy commuting distances of jobs and shopping opportunities in larger communities. All of these towns have their own school systems and have economic development organizations that work to grow and improve the communities. Growth is usually minimal, and the market is not as strong as groups 1 and 2.
	04	Anselmo, Mason City, Oconto & Sargent – these are small communities that are not within close commuting distance for jobs. The towns have some sales activity each year, but there is generally less organization in the residential real estate market.
	05	Berwyn & Comstock – these are very small communities with few sales annually. Demand for housing is sporadic, with no organization to the market.
	06	Rural – consists of all properties not within the political boundaries of a town or subdivision. Demand for rural housing has remained strong in Custer County.
3.	List and describe the approach(es) used to estimate the market value of residential properties.	
	Only the cost approach is used, as there is insufficient data to develop the sales comparison approach in most areas.	
4.	What is the costing year of the cost approach being used for each valuation grouping?	
	June 2007 is used for the entire class.	
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?	
	Depreciation tables are developed using local market information.	

6.	Are individual depreciation tables developed for each valuation grouping?
	One physical depreciation table is developed for the entire class; economic depreciation is applied by location where warranted.
7.	When were the depreciation tables last updated for each valuation grouping?
	The physical depreciation table was developed in 2008 when the cost table was updated; economic deprecation is reviewed annually and is adjusted when warranted.
8.	When was the last lot value study completed for each valuation grouping?
	A lot value study is completed annually for all valuation groupings.
9.	Describe the methodology used to determine the residential lot values?
	Lot values are established using a price per square foot analysis.
10.	How do you determine whether a sold parcel is substantially changed?
	A parcel is considered substantially changed when major structural changes have been made. The replacement of windows, siding, carpeting, etc. is considered maintenance and does not constitute substantial changes.

21 Custer
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 : 242
Total Sales Price : 15,077,119
Total Adj. Sales Price : 15,069,419
Total Assessed Value : 13,944,034
Avg. Adj. Sales Price : 62,270
Avg. Assessed Value : 57,620

MEDIAN : 97
WGT. MEAN : 93
MEAN : 104
COD : 21.93
PRD : 112.48

COV : 37.77
STD : 39.31
Avg. Abs. Dev : 21.32
MAX Sales Ratio : 452.96
MIN Sales Ratio : 37.83

95% Median C.I. : 95.89 to 98.91
95% Wgt. Mean C.I. : 89.43 to 95.63
95% Mean C.I. : 99.13 to 109.03

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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	31	98.91	103.87	88.21	17.91	117.75	51.48	189.46	94.65 to 106.71	59,718	52,679
01-OCT-09 To 31-DEC-09	18	99.03	100.47	98.06	18.87	102.46	37.83	207.31	87.62 to 104.03	74,301	72,860
01-JAN-10 To 31-MAR-10	21	96.12	101.44	87.39	22.15	116.08	49.14	195.09	85.71 to 107.42	63,683	55,652
01-APR-10 To 30-JUN-10	48	95.45	93.73	89.90	12.06	104.26	47.18	158.31	90.12 to 98.03	66,888	60,135
01-JUL-10 To 30-SEP-10	28	99.77	109.84	100.19	17.76	109.63	74.86	166.73	96.37 to 114.21	53,973	54,077
01-OCT-10 To 31-DEC-10	25	99.05	104.40	91.53	20.61	114.06	63.88	178.43	85.39 to 102.99	63,288	57,925
01-JAN-11 To 31-MAR-11	24	94.90	106.68	94.44	25.19	112.96	65.14	262.53	87.48 to 108.71	71,267	67,306
01-APR-11 To 30-JUN-11	47	95.80	112.39	93.59	36.51	120.09	43.45	452.96	87.60 to 101.61	53,807	50,356
<u>Study Yrs</u>											
01-JUL-09 To 30-JUN-10	118	96.98	98.79	90.48	16.65	109.18	37.83	207.31	95.30 to 98.81	65,565	59,320
01-JUL-10 To 30-JUN-11	124	97.65	109.10	94.70	26.85	115.21	43.45	452.96	94.65 to 100.06	59,135	56,003
<u>Calendar Yrs</u>											
01-JAN-10 To 31-DEC-10	122	97.11	100.94	91.83	17.17	109.92	47.18	195.09	95.30 to 99.15	62,634	57,520
<u>ALL</u>	242	97.23	104.08	92.53	21.93	112.48	37.83	452.96	95.89 to 98.91	62,270	57,620

VALUATION GROUPING										Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.		
01	99	92.82	96.18	91.28	18.41	105.37	43.45	262.53	89.46 to 96.67	70,800	64,627
02	20	99.08	107.29	97.10	25.52	110.49	37.83	195.09	88.64 to 125.54	66,740	64,806
03	54	98.22	107.46	92.14	25.33	116.63	47.18	269.87	92.62 to 103.98	41,017	37,793
04	31	99.02	119.83	96.21	30.15	124.55	73.30	452.96	95.30 to 124.93	32,592	31,356
05	9	99.29	120.78	102.52	24.45	117.81	91.95	207.31	96.12 to 189.46	21,267	21,802
06	29	99.05	100.48	91.90	14.22	109.34	49.14	187.75	95.30 to 102.56	114,095	104,857
<u>ALL</u>	242	97.23	104.08	92.53	21.93	112.48	37.83	452.96	95.89 to 98.91	62,270	57,620

PROPERTY TYPE *										Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.		
01	240	97.11	104.09	92.49	22.09	112.54	37.83	452.96	95.80 to 98.91	62,558	57,860
06											
07	2	102.44	102.44	104.02	04.20	98.48	98.14	106.73	N/A	27,750	28,866
<u>ALL</u>	242	97.23	104.08	92.53	21.93	112.48	37.83	452.96	95.89 to 98.91	62,270	57,620

**21 Custer
RESIDENTIAL**

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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	2	320.36	320.36	289.75	41.39	110.56	187.75	452.96	N/A	3,250	9,417	
Less Than 15,000	32	148.93	159.90	148.81	30.13	107.45	94.65	452.96	124.93 to 170.03	8,116	12,077	
Less Than 30,000	79	108.03	128.00	113.93	32.56	112.35	37.83	452.96	101.50 to 128.14	16,096	18,338	
<u>Ranges Excl. Low \$</u>												
Greater Than 4,999	240	97.11	102.27	92.45	20.22	110.62	37.83	269.87	95.80 to 98.81	62,762	58,022	
Greater Than 14,999	210	95.92	95.57	91.55	15.51	104.39	37.83	190.59	92.39 to 97.24	70,522	64,560	
Greater Than 29,999	163	93.78	92.48	90.56	14.11	102.12	43.45	190.59	90.26 to 96.22	84,649	76,659	
<u>Incremental Ranges</u>												
0 TO 4,999	2	320.36	320.36	289.75	41.39	110.56	187.75	452.96	N/A	3,250	9,417	
5,000 TO 14,999	30	142.65	149.20	145.19	25.36	102.76	94.65	269.87	124.93 to 163.70	8,440	12,255	
15,000 TO 29,999	47	99.78	106.28	104.98	19.61	101.24	37.83	178.43	97.44 to 108.03	21,529	22,600	
30,000 TO 59,999	61	96.22	95.53	94.83	15.59	100.74	51.64	190.59	90.22 to 99.29	43,472	41,224	
60,000 TO 99,999	55	92.39	92.07	91.74	12.34	100.36	43.45	159.56	88.10 to 96.67	77,047	70,681	
100,000 TO 149,999	30	89.40	89.49	89.36	13.02	100.15	54.50	149.96	81.95 to 96.62	123,597	110,451	
150,000 TO 249,999	15	91.61	89.06	88.22	12.45	100.95	49.14	109.45	82.67 to 99.91	177,871	156,916	
250,000 TO 499,999	2	81.26	81.26	80.00	36.65	101.58	51.48	111.04	N/A	266,250	212,996	
500,000 TO 999,999												
1,000,000 +												
<u>ALL</u>	242	97.23	104.08	92.53	21.93	112.48	37.83	452.96	95.89 to 98.91	62,270	57,620	

2012 Correlation Section for Custer County

A. Residential Real Property

The residential market in Custer County is primarily influenced by the local agricultural economy. Broken Bow is a hub for goods and services in the Central Sandhills region, which creates a strong job market and demand for residential housing in Broken Bow. The market in the smaller communities is strongly impacted by their distance to employment opportunities. The presence or absence of a school system also affects the real estate market in the small communities. The county assessor recognizes six different valuation groupings that are defined by these influences.

Sales verification is conducted by sending a sales questionnaire to the buyer involved in each transaction. When necessary the office will conduct follow-up interviews for additional information. A review of the qualified and non-qualified sale rosters revealed no apparent bias in the usability determinations.

The residential appraisal work is done in-house by the part-time lister and the county assessor. The current appraisal cycle started in 2008 and is scheduled to be completed for assessment year 2013. During this inspection cycle, the county assessor began establishing effective age using a chart from the Marshall & Swift manual in an attempt to provide more uniformity in the residential assessments. Changes to the reviewed parcels are equalized with those that have not been reviewed by using the same costing and physical depreciation tables in all valuation groupings. Annually, ratio studies are conducted to ensure that all valuation groupings are at acceptable levels of value, and adjustments are made to the economic depreciation factors when warranted.

Analysis of the sold parcels indicates that all valuation groupings except 05 contain a sufficient sample size and appear to be within the acceptable range. Valuation grouping 05 is the small villages of Berwyn and Comstock. The market in these communities is not organized, so the small sample of sales cannot be used to make measurement determinations. The physical inspection and appraisal process of parcels in valuation grouping 05 is the same as the process used within the rest of the class. Therefore, it is believed that parcels in this group have been appraised within the acceptable range.

The coefficient of dispersion (COD) is slightly high, and the price related differential (PRD) is suggesting that assessments are regressive. The sale price substrata shows that 32 sales with selling prices less than \$15,000 are adversely impacting the qualitative statistics. Their hypothetical removal has little impact on the calculated median or weighted mean but reduces the mean, COD, and PRD to levels that support appraisal uniformity. These results are displayed in the Greater Than \$14,999 substratum in the statistical profile. The low dollar sales occur in all six valuation groupings. Analysis of the valuation grouping substrata after removal of the 32 sales consistently showed improvement of the qualitative statistics with little impact on the calculated median. The analysis supports that residential assessments are at uniform portions of market value.

Based on a review of all available information, the level of value of residential parcels in Custer County is determined to be 97%; all subclasses are within the acceptable range.

**2012 Correlation Section
for Custer 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 Custer 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 Custer 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 Custer 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 Custer County

For 2012, the county contracted with Stanard Appraisal for a reappraisal of all commercial properties. The appraisers conducted a physical inspection of each property, which included taking new pictures, checking measurements, and reviewing the property record card for accuracy. Interviews were conducted with property owners when possible; sales review interviews were also conducted. Where appropriate and available, rent and expense information was gathered for income approach estimates.

All three approaches to value were developed, when appropriate, and were considered in arriving at the 2012 commercial valuations.

2012 Commercial Assessment Survey for Custer County

1.	Valuation data collection done by:	
	Stanard Appraisal Services	
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>
	01	The assessor does not stratify the commercial properties into valuation groupings. Commercial properties are valued more by occupancy code than by location. Only lot values will vary by location.
3.	List and describe the approach(es) used to estimate the market value of commercial properties.	
	The income approach, cost approach, and sales comparison approach are all developed by the contract appraiser for the commercial class.	
3a.	Describe the process used to value unique commercial properties.	
	Unique commercial properties are valued, by the contract appraiser, using sales data from outside the county when appropriate and available.	
4.	What is the costing year of the cost approach being used for each valuation grouping?	
	June 2011	
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?	
	Depreciation studies are developed, by the contract appraiser, using local market information.	
6.	Are individual depreciation tables developed for each valuation grouping?	
	n/a	
7.	When were the depreciation tables last updated for each valuation grouping?	
	New depreciation tables were established for 2012.	
8.	When was the last lot value study completed for each valuation grouping?	
	2012	
9.	Describe the methodology used to determine the commercial lot values.	
	A sales price per square foot analysis is used to determine commercial lot values.	
10.	How do you determine whether a sold parcel is substantially changed?	
	A parcel is considered substantially changed when major structural changes have been made. The replacement of windows, siding, carpeting, etc. is considered maintenance and does not constitute substantial changes.	

21 Custer
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 : 37
Total Sales Price : 3,388,558
Total Adj. Sales Price : 3,388,558
Total Assessed Value : 3,307,333
Avg. Adj. Sales Price : 91,583
Avg. Assessed Value : 89,387

MEDIAN : 96
WGT. MEAN : 98
MEAN : 96
COD : 03.53
PRD : 98.10

COV : 07.58
STD : 07.26
Avg. Abs. Dev : 03.40
MAX Sales Ratio : 106.93
MIN Sales Ratio : 57.72

95% Median C.I. : 95.34 to 97.93
95% Wgt. Mean C.I. : 96.31 to 98.90
95% Mean C.I. : 93.41 to 98.09

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DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Qtrts</u>											
01-JUL-08 To 30-SEP-08	1	96.49	96.49	96.49	00.00	100.00	96.49	96.49	N/A	50,000	48,243
01-OCT-08 To 31-DEC-08	3	95.22	93.87	91.89	01.52	102.15	91.02	95.36	N/A	16,767	15,407
01-JAN-09 To 31-MAR-09	2	95.46	95.46	95.17	00.72	100.30	94.77	96.15	N/A	35,250	33,549
01-APR-09 To 30-JUN-09	3	94.66	95.94	95.12	02.13	100.86	93.54	99.61	N/A	69,333	65,950
01-JUL-09 To 30-SEP-09	2	97.40	97.40	96.98	01.29	100.43	96.14	98.65	N/A	37,500	36,367
01-OCT-09 To 31-DEC-09	4	97.50	97.21	95.34	01.96	101.96	94.36	99.49	N/A	36,250	34,562
01-JAN-10 To 31-MAR-10	4	98.43	97.75	99.88	04.71	97.87	88.07	106.06	N/A	25,125	25,096
01-APR-10 To 30-JUN-10	2	97.76	97.76	98.65	00.93	99.10	96.85	98.66	N/A	955,000	942,138
01-JUL-10 To 30-SEP-10											
01-OCT-10 To 31-DEC-10	5	93.92	88.38	95.07	09.53	92.96	57.72	98.76	N/A	37,980	36,106
01-JAN-11 To 31-MAR-11	5	95.52	96.36	97.12	01.73	99.22	94.14	99.34	N/A	32,117	31,191
01-APR-11 To 30-JUN-11	6	97.74	98.68	96.97	02.56	101.76	95.34	106.93	95.34 to 106.93	71,463	69,299
<u>Study Yrs</u>											
01-JUL-08 To 30-JUN-09	9	95.22	95.20	94.88	01.59	100.34	91.02	99.61	93.54 to 96.49	42,089	39,935
01-JUL-09 To 30-JUN-10	12	98.40	97.51	98.44	02.58	99.06	88.07	106.06	96.14 to 98.74	185,875	182,970
01-JUL-10 To 30-JUN-11	16	96.60	94.74	96.54	04.77	98.14	57.72	106.93	94.14 to 98.76	48,704	47,018
<u>Calendar Yrs</u>											
01-JAN-09 To 31-DEC-09	11	96.15	96.58	95.47	01.82	101.16	93.54	99.61	94.36 to 99.49	45,318	43,266
01-JAN-10 To 31-DEC-10	11	97.61	93.49	98.40	06.51	95.01	57.72	106.06	88.07 to 98.76	200,036	196,835
<u>ALL</u>	37	96.25	95.75	97.60	03.53	98.10	57.72	106.93	95.34 to 97.93	91,583	89,387

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	37	96.25	95.75	97.60	03.53	98.10	57.72	106.93	95.34 to 97.93	91,583	89,387
<u>ALL</u>	37	96.25	95.75	97.60	03.53	98.10	57.72	106.93	95.34 to 97.93	91,583	89,387

PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
02	1	98.76	98.76	98.76	00.00	100.00	98.76	98.76	N/A	57,900	57,181
03	36	96.20	95.67	97.58	03.57	98.04	57.72	106.93	95.22 to 97.93	92,518	90,282
04											
<u>ALL</u>	37	96.25	95.75	97.60	03.53	98.10	57.72	106.93	95.34 to 97.93	91,583	89,387

21 Custer
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 : 37
Total Sales Price : 3,388,558
Total Adj. Sales Price : 3,388,558
Total Assessed Value : 3,307,333
Avg. Adj. Sales Price : 91,583
Avg. Assessed Value : 89,387

MEDIAN : 96
WGT. MEAN : 98
MEAN : 96
COD : 03.53
PRD : 98.10

COV : 07.58
STD : 07.26
Avg. Abs. Dev : 03.40
MAX Sales Ratio : 106.93
MIN Sales Ratio : 57.72

95% Median C.I. : 95.34 to 97.93
95% Wgt. Mean C.I. : 96.31 to 98.90
95% Mean C.I. : 93.41 to 98.09

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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	2	76.47	76.47	81.83	24.52	93.45	57.72	95.22	N/A	3,500	2,864	
Less Than 15,000	12	95.29	93.24	95.73	06.21	97.40	57.72	106.93	93.92 to 98.74	8,006	7,665	
Less Than 30,000	17	96.25	94.47	96.69	04.82	97.70	57.72	106.93	94.14 to 98.65	12,686	12,266	
<u>Ranges Excl. Low \$</u>												
Greater Than 4,999	35	96.49	96.85	97.64	02.55	99.19	88.07	106.93	95.36 to 98.15	96,616	94,332	
Greater Than 14,999	25	96.49	96.95	97.66	02.20	99.27	91.02	106.06	95.52 to 98.65	131,699	128,614	
Greater Than 29,999	20	96.32	96.84	97.66	02.44	99.16	91.02	106.06	94.77 to 98.71	158,645	154,940	
<u>Incremental Ranges</u>												
0 TO 4,999	2	76.47	76.47	81.83	24.52	93.45	57.72	95.22	N/A	3,500	2,864	
5,000 TO 14,999	10	96.11	96.60	96.83	03.46	99.76	88.07	106.93	93.92 to 99.49	8,908	8,625	
15,000 TO 29,999	5	97.93	97.43	97.47	00.90	99.96	96.15	98.65	N/A	23,917	23,310	
30,000 TO 59,999	11	97.62	97.64	97.37	02.65	100.28	91.02	106.06	94.77 to 99.61	47,173	45,930	
60,000 TO 99,999	4	96.60	96.38	96.50	02.01	99.88	93.54	98.78	N/A	68,500	66,102	
100,000 TO 149,999	3	94.36	94.31	94.31	00.26	100.00	93.91	94.66	N/A	110,000	103,737	
150,000 TO 249,999	1	95.58	95.58	95.58	00.00	100.00	95.58	95.58	N/A	150,000	143,369	
250,000 TO 499,999												
500,000 TO 999,999												
1,000,000 +	1	98.66	98.66	98.66	00.00	100.00	98.66	98.66	N/A	1,900,000	1,874,591	
<u>ALL</u>	37	96.25	95.75	97.60	03.53	98.10	57.72	106.93	95.34 to 97.93	91,583	89,387	

21 Custer
COMMERCIAL

PAD 2012 R&O Statistics (Using 2012 Values)

Qualified

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Number of Sales : 37
Total Sales Price : 3,388,558
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95% Wgt. Mean C.I. : 96.31 to 98.90
95% Mean C.I. : 93.41 to 98.09

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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
319	1	98.66	98.66	98.66	00.00	100.00	98.66	98.66	N/A	1,900,000	1,874,591
326	4	96.76	96.61	97.94	01.92	98.64	94.14	98.78	N/A	27,325	26,763
331	1	96.14	96.14	96.14	00.00	100.00	96.14	96.14	N/A	50,000	48,071
344	8	96.58	97.62	96.64	03.03	101.01	93.91	106.06	93.91 to 106.06	35,573	34,378
350	1	88.07	88.07	88.07	00.00	100.00	88.07	88.07	N/A	8,500	7,486
351	1	98.74	98.74	98.74	00.00	100.00	98.74	98.74	N/A	10,000	9,874
352	1	98.76	98.76	98.76	00.00	100.00	98.76	98.76	N/A	57,900	57,181
353	7	96.15	96.17	95.55	01.19	100.65	94.36	98.65	94.36 to 98.65	56,786	54,256
406	4	96.22	87.44	95.84	11.21	91.24	57.72	99.61	N/A	48,875	46,842
442	2	96.48	96.48	95.57	01.18	100.95	95.34	97.61	N/A	39,000	37,272
444	1	106.93	106.93	106.93	00.00	100.00	106.93	106.93	N/A	9,775	10,452
451	1	99.34	99.34	99.34	00.00	100.00	99.34	99.34	N/A	56,000	55,630
470	1	91.02	91.02	91.02	00.00	100.00	91.02	91.02	N/A	40,000	36,406
476	1	93.54	93.54	93.54	00.00	100.00	93.54	93.54	N/A	60,000	56,122
491	1	93.92	93.92	93.92	00.00	100.00	93.92	93.92	N/A	6,500	6,105
528	1	97.85	97.85	97.85	00.00	100.00	97.85	97.85	N/A	75,000	73,388
557	1	96.49	96.49	96.49	00.00	100.00	96.49	96.49	N/A	50,000	48,243
<u>ALL</u>	<u>37</u>	96.25	95.75	97.60	03.53	98.10	57.72	106.93	95.34 to 97.93	91,583	89,387

**2012 Correlation Section
for Custer County**

A. Commercial Real Property

The majority of the commercial value in Custer County is within or around the City of Broken Bow; the town is a hub for goods and services in the county and the central Sandhills region. The market in the smaller communities is less organized, as commercial establishments will be more dependent on the small local populations. Although economic differences exist, the county values commercial property by occupancy type and makes locational adjustments in the land values; therefore, there are no valuation groupings within the commercial class.

Sales verification is conducted by sending a questionnaire to the buyer involved in each sale. When necessary the office will contact a professional involved in the sale in an attempt to verify sale terms. Additionally, during a reappraisal the contract appraisal service will verify sale terms; whenever possible this includes an interview with the buyer or seller. A review of the qualified and non-qualified sale rosters revealed no apparent bias in the qualification determinations.

The county assessor reported that a complete reappraisal of the commercial class was implemented for 2012. Analysis of the sold parcels reflects an uncommonly low amount of dispersion in the commercial assessments. Since the sales represent 17 different types of commercial property and include a substantial number of low dollar sales, it is unlikely that the calculated COD is a true reflection of the dispersion in the commercial market. From an analysis of only the sold properties it is not possible to determine whether the small COD is a result of an unrepresentative sample or whether it indicates a bias in the assessment of sold parcels. In either situation, the statistics do not provide an accurate indication of the level of value of commercial property in the county. The Department of Revenue, Property Assessment Division will conduct an expanded review of assessment practices in the county to better understand the valuation process.

Based on a review of all available information the level of value of commercial property in Custer County cannot be determined.

**2012 Correlation Section
for Custer 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 Custer 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 Custer 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 Custer 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 Custer County

A physical inspection of all agricultural improvements in the Berwyn, Broken Bow, East Custer, and Garfield Townships was completed for 2012. This work completes the physical inspection in the agricultural class. The review process includes a physical inspection and exterior review of all parcels. The lister takes new photographs, notates any physical changes, and checks measurements. The assessor will review the pictures and data collected by the lister and will update the condition when warranted. Only routine maintenance occurred in the rest of the rural townships, the pickup work was completed timely.

A ratio study was completed for agricultural land in all 5 market areas. The ratio study indicated that assessed values in areas 4 and 5 were very similar. The disparity between the values in these two areas has been decreasing the past few years, for 2011, grassland was valued the same in both areas. After analysis, the assessor decided to value all lands in areas 4 and 5 using the same schedule of values. The following adjustments were made.

- Area 1: all subclasses were increased; irrigation 21%, dry land 27% and grass 5%.
- Area 2: no changes
- Area 3: all subclasses were increased; irrigation 27%, dry land 3%, and grass 9%.
- Area 4: irrigation increased 6%, dry land increased 25%; grass values did not change.
- Area 5: irrigation increased 25%, dry land increased 14%; grass values did not change.

2012 Agricultural Assessment Survey for Custer County

1.	Valuation data collection done by:	
	The part-time lister	
2.	List each market area, and describe the location and the specific characteristics that make each unique.	
	Market Area	Description of unique characteristics
	01	This area contains the best farm ground in the county. The soils are harder soils than are found in other areas, and irrigation potential is generally better here.
	02	This is the Sandhills area of the county; the majority of the area contains Valentine Soil. There is very little farming in this area, as the land is best suited to grazing.
	03	This is a transition area between areas 1 and 2. Portions of the area contain Valentine Soil; however, as you move through the area, the land will start to contain more loam than the soil in area 2, making some farming possible. The presences of the loamier soils also makes for better pasture land as there are fewer areas of blow sand and better grass cover. To ensure equalization in the sandy areas, the assessor values the valentine sand in this area the same as valentine sand in area 2.
	04	This area contains good farmland; the soils are harder here and more typical of those found in area 1. However; irrigation is not as plentiful in market area 4 and well depth are deeper. Note: For 2012 areas 4 and 5 were valued using the same schedule. Therefore, sales that have occurred in market area 4, are displayed under the area 5 substratum in the R&O statistics.
	05	This is the area south of the South Loup River. The terrain here is very rough, and is primarily canyons. The majority of the land will be used for grazing; however, there is some farming on the plateaus.
3.	Describe the process that is used to determine and monitor market areas.	
	When the market areas were established, factors such as soil type, irrigation potential, land use, and topography were all determining factors. Each year the assessor plots sales on a county map to monitor market differences in the established areas.	
4.	Describe the process used to identify rural residential land and recreational land in the county apart from agricultural land.	
	All parcels of land under 40 acres that do not have common ownership with adjoining parcels are reviewed to determine whether the parcels are rural residential or agricultural land. Recreational land can be more difficult to identify. At this time, it is identified through routine land use studies and normal discovery.	
5.	Do farm home sites carry the same value as rural residential home sites or are market differences recognized? If differences, what are the recognized market differences?	
	Farm home sites and rural residential home sites are valued using the same tables. For most of the county, there is one home site value. However, because of the	

	remoteness of the area, all home sites are discounted in the Sandhills.
6.	What process is used to annually update land use? (Physical inspection, FSA maps, etc.)
	Land use is reviewed using the GIS system, and through normal discovery. Discovery methods include physical inspection, NRD and FSA maps and certifications, well registrations, information from taxpayers, real estate agents, personal property listings, etc.
7.	Describe the process used to identify and monitor the influence of non-agricultural characteristics.
	The assessor monitors non-agricultural influences by plotting sales annually and sending verification surveys. Small acres sales are carefully reviewed to determine whether a residential influence was associated with the sale. The assessor has also identified frequently flooded soils along the rivers and creeks within the county, so that she can monitor whether any non-agricultural influence is appearing along the rivers.
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?
	Generally, agricultural parcels are considered substantially changed when improvements are constructed or removed or when acres change use (from dry to irrigated, etc.).

21 Custer
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 : 160
Total Sales Price : 58,554,296
Total Adj. Sales Price : 58,274,985
Total Assessed Value : 43,009,159
Avg. Adj. Sales Price : 364,219
Avg. Assessed Value : 268,807

MEDIAN : 73
WGT. MEAN : 74
MEAN : 75
COD : 21.17
PRD : 101.48

COV : 30.75
STD : 23.03
Avg. Abs. Dev : 15.40
MAX Sales Ratio : 233.25
MIN Sales Ratio : 32.35

95% Median C.I. : 70.01 to 76.83
95% Wgt. Mean C.I. :
95% Mean C.I. : 71.32 to 78.46

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DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Qtrts</u>											
01-JUL-08 To 30-SEP-08	6	76.85	80.65	72.46	24.20	111.30	46.66	114.50	46.66 to 114.50	139,448	101,045
01-OCT-08 To 31-DEC-08	18	74.16	80.55	77.86	27.18	103.45	38.38	150.45	65.12 to 95.80	296,781	231,064
01-JAN-09 To 31-MAR-09	21	69.99	70.41	72.71	19.32	96.84	34.66	98.59	61.05 to 78.66	298,756	217,224
01-APR-09 To 30-JUN-09	11	81.24	77.78	79.50	13.70	97.84	56.50	96.47	57.89 to 89.35	357,294	284,050
01-JUL-09 To 30-SEP-09	5	71.58	75.04	71.52	10.63	104.92	64.21	97.50	N/A	928,329	663,932
01-OCT-09 To 31-DEC-09	11	81.95	86.96	84.27	15.52	103.19	64.53	123.14	69.95 to 109.24	300,257	253,026
01-JAN-10 To 31-MAR-10	12	68.59	70.74	73.80	19.80	95.85	45.88	95.53	52.32 to 90.00	276,477	204,029
01-APR-10 To 30-JUN-10	21	73.33	74.96	73.99	12.37	101.31	42.19	108.90	70.44 to 79.86	245,327	181,527
01-JUL-10 To 30-SEP-10	3	78.52	90.22	93.96	19.61	96.02	72.98	119.17	N/A	240,399	225,887
01-OCT-10 To 31-DEC-10	18	70.44	69.07	66.75	18.13	103.48	41.47	103.37	51.81 to 80.67	418,597	279,434
01-JAN-11 To 31-MAR-11	20	67.34	75.56	68.89	31.88	109.68	33.75	233.25	56.79 to 78.22	286,653	197,474
01-APR-11 To 30-JUN-11	14	62.60	66.80	74.31	27.40	89.89	32.35	127.12	45.83 to 83.94	820,648	609,796
<u>Study Yrs</u>											
01-JUL-08 To 30-JUN-09	56	73.07	76.22	76.00	22.14	100.29	34.66	150.45	68.73 to 80.17	292,551	222,352
01-JUL-09 To 30-JUN-10	49	73.33	76.62	75.32	16.09	101.73	42.19	123.14	70.79 to 79.86	334,981	252,314
01-JUL-10 To 30-JUN-11	55	70.01	72.01	71.41	25.22	100.84	32.35	233.25	60.78 to 76.49	463,238	330,802
<u>Calendar Yrs</u>											
01-JAN-09 To 31-DEC-09	48	75.21	76.38	75.98	17.83	100.53	34.66	123.14	69.32 to 81.95	378,096	287,275
01-JAN-10 To 31-DEC-10	54	72.39	72.91	71.55	16.60	101.90	41.47	119.17	69.55 to 78.52	309,732	221,628
<u>ALL</u>	160	72.76	74.89	73.80	21.17	101.48	32.35	233.25	70.01 to 76.83	364,219	268,807

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
1	82	72.68	77.66	75.07	22.18	103.45	38.38	233.25	68.57 to 79.24	302,341	226,958
2	27	74.12	75.44	79.80	12.64	94.54	46.66	104.06	68.73 to 79.39	689,768	550,410
3	15	71.20	70.22	67.99	20.18	103.28	41.47	114.50	51.09 to 79.61	280,036	190,410
5	36	70.59	70.15	62.68	26.15	111.92	32.35	123.14	59.38 to 81.24	296,076	185,593
<u>ALL</u>	160	72.76	74.89	73.80	21.17	101.48	32.35	233.25	70.01 to 76.83	364,219	268,807

21 Custer
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 : 160
 Total Sales Price : 58,554,296
 Total Adj. Sales Price : 58,274,985
 Total Assessed Value : 43,009,159
 Avg. Adj. Sales Price : 364,219
 Avg. Assessed Value : 268,807

MEDIAN : 73
 WGT. MEAN : 74
 MEAN : 75
 COD : 21.17
 PRD : 101.48

COV : 30.75
 STD : 23.03
 Avg. Abs. Dev : 15.40
 MAX Sales Ratio : 233.25
 MIN Sales Ratio : 32.35

95% Median C.I. : 70.01 to 76.83
 95% Wgt. Mean C.I. :
 95% Mean C.I. : 71.32 to 78.46

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95%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Irrigated_____											
County	13	67.79	69.61	67.57	17.70	103.02	51.09	103.37	54.83 to 84.02	411,225	277,862
1	6	72.08	75.57	72.77	15.27	103.85	56.79	103.37	56.79 to 103.37	489,299	356,070
2	1	67.79	67.79	67.79	00.00	100.00	67.79	67.79	N/A	61,560	41,730
3	2	55.47	55.47	59.31	07.90	93.53	51.09	59.84	N/A	618,650	366,892
5	4	66.20	68.18	63.02	21.63	108.19	52.90	87.42	N/A	277,818	175,070
_____Dry_____											
County	6	42.19	54.63	54.10	35.67	100.98	38.38	92.08	38.38 to 92.08	141,185	76,383
1	4	58.48	61.86	66.55	35.36	92.95	38.38	92.08	N/A	111,751	74,369
5	2	40.19	40.19	40.19	00.50	100.00	39.99	40.39	N/A	200,054	80,411
_____Grass_____											
County	72	73.18	75.90	77.75	18.86	97.62	42.19	233.25	70.32 to 76.37	346,256	269,231
1	26	70.86	76.04	71.90	21.86	105.76	45.88	233.25	62.70 to 75.18	124,166	89,275
2	22	75.07	75.91	79.81	12.96	95.11	46.66	104.06	70.00 to 87.29	744,891	594,507
3	9	71.20	74.23	71.55	21.11	103.75	43.81	114.50	45.83 to 89.04	255,198	182,583
5	15	73.32	76.66	77.58	21.04	98.81	42.19	123.14	64.67 to 87.74	201,185	156,071
_____ALL_____											
	160	72.76	74.89	73.80	21.17	101.48	32.35	233.25	70.01 to 76.83	364,219	268,807

21 Custer
AGRICULTURAL LAND

PAD 2012 R&O Statistics (Using 2012 Values)

Qualified

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Number of Sales : 160
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Total Assessed Value : 43,009,159
Avg. Adj. Sales Price : 364,219
Avg. Assessed Value : 268,807

MEDIAN : 73
WGT. MEAN : 74
MEAN : 75
COD : 21.17
PRD : 101.48

COV : 30.75
STD : 23.03
Avg. Abs. Dev : 15.40
MAX Sales Ratio : 233.25
MIN Sales Ratio : 32.35

95% Median C.I. : 70.01 to 76.83
95% Wgt. Mean C.I. :
95% Mean C.I. : 71.32 to 78.46

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80%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____ Irrigated _____											
County	35	67.79	72.61	68.41	22.76	106.14	33.75	150.45	63.72 to 77.57	507,284	347,012
1	22	68.85	79.10	73.08	22.77	108.24	49.79	150.45	65.64 to 87.29	552,233	403,559
2	1	67.79	67.79	67.79	00.00	100.00	67.79	67.79	N/A	61,560	41,730
3	3	51.09	50.80	57.93	11.98	87.69	41.47	59.84	N/A	446,829	258,859
5	9	59.38	64.54	58.25	25.24	110.80	33.75	87.42	51.81 to 81.95	467,083	272,090
_____ Dry _____											
County	8	58.48	67.17	63.35	45.28	106.03	38.38	109.24	38.38 to 109.24	128,464	81,383
1	6	82.53	76.16	78.11	29.54	97.50	38.38	109.24	38.38 to 109.24	104,601	81,708
5	2	40.19	40.19	40.19	00.50	100.00	39.99	40.39	N/A	200,054	80,411
_____ Grass _____											
County	86	73.33	75.59	77.85	18.16	97.10	42.19	233.25	70.44 to 77.57	346,093	269,438
1	34	71.98	75.35	74.59	21.08	101.02	45.88	233.25	62.70 to 79.24	156,471	116,708
2	25	74.12	75.68	79.93	13.15	94.68	46.66	104.06	70.00 to 79.39	718,487	574,260
3	10	74.39	74.57	71.89	19.03	103.73	43.81	114.50	45.83 to 89.04	243,806	175,283
5	17	73.32	76.54	76.52	19.37	100.03	42.19	123.14	64.67 to 87.74	237,869	182,017
_____ ALL _____	160	72.76	74.89	73.80	21.17	101.48	32.35	233.25	70.01 to 76.83	364,219	268,807

Custer County 2012 Average LCG Value Comparison

	County	Mkt Area	1A1	1A	2A1	2A	3A1	3A	4A1	4A	AVG IRR
21.10	Custer	1	#DIV/0!	2,902	2,562	2,439	2,281	2,105	2,084	2,082	2,512
21.20	Custer	2	#DIV/0!	770	583	509	#DIV/0!	442	445	445	452
21.30	Custer	3	#DIV/0!	1,644	1,599	1,505	1,397	1,351	960	868	1,276
21.40	Custer	4	#DIV/0!	1,958	1,795	1,494	1,372	1,290	1,269	1,192	1,602
21.50	Custer	5	#DIV/0!	1,950	1,791	1,489	1,367	1,272	1,259	1,179	1,648
88.10	Valley	1	#DIV/0!	2,400	2,400	1,800	1,400	1,400	1,000	1,000	1,846
82.10	Sherman	1	#DIV/0!	2,075	2,005	2,005	1,935	1,935	1,895	1,895	1,962
10.10	Buffalo	1	2,980	2,985	2,846	2,450	1,800	1,650	1,449	1,396	2,127
24.10	Dawson	1	#DIV/0!	2,294	2,222	2,063	1,865	1,579	1,590	1,495	2,144
56.20	Lincoln	2	1,180	1,180	1,168	1,180	1,180	1,163	1,176	1,178	1,176
57.10	Logan	1	#DIV/0!	1,150	1,150	1,100	1,100	1,100	1,100	1,100	1,116
86.10	Thomas	1	#DIV/0!	#DIV/0!	540	535	#DIV/0!	450	#DIV/0!	450	466
5.10	Blaine	1	#DIV/0!	590	#DIV/0!	590	575	560	500	465	516
58.10	Loup	1	#DIV/0!	1,800	#DIV/0!	1,600	1,265	1,155	1,155	675	1,416
36.10	Garfield	1	#DIV/0!	2,390	2,080	1,810	1,775	1,700	1,075	1,040	1,599

	County	Mkt Area	1D1	1D	2D1	2D	3D1	3D	4D1	4D	AVG DRY
	Custer	1	#DIV/0!	1,050	980	972	910	710	705	700	876
	Custer	2	#DIV/0!	450	440	400	335	330	325	320	364
	Custer	3	#DIV/0!	470	465	465	465	465	465	465	466
	Custer	4	#DIV/0!	770	730	720	670	540	525	520	665
	Custer	5	#DIV/0!	770	731	726	670	540	526	527	666
	Valley	1	#DIV/0!	1,000	1,000	1,000	800	800	800	750	875
	Sherman	1	#DIV/0!	865	820	820	775	775	730	730	767
	Buffalo	1	1,208	1,291	1,005	1,000	853	850	857	845	940
	Dawson	1	#DIV/0!	1,160	1,090	1,025	950	880	730	730	948
	Lincoln	2	435	435	435	435	435	435	435	435	435
	Logan	1	#DIV/0!	570	440	395	355	325	315	315	403
	Thomas	1	#DIV/0!								
	Blaine	1	#DIV/0!	465	#DIV/0!	#DIV/0!	290	290	290	290	293
	Loup	1	#DIV/0!	670	#DIV/0!	450	435	375	230	230	378
	Garfield	1	#DIV/0!	930	825	790	715	645	575	505	696

	County	Mkt Area	1G1	1G	2G1	2G	3G1	3G	4G1	4G	AVG GRASS
	Custer	1	#DIV/0!	512	505	507	501	500	480	485	487
	Custer	2	#DIV/0!	315	315	315	315	315	314	315	315
	Custer	3	#DIV/0!	461	462	460	461	460	451	401	415
	Custer	4	#DIV/0!	456	450	450	445	445	424	404	413
	Custer	5	#DIV/0!	455	450	452	445	451	437	432	435
	Valley	1	#DIV/0!	751	751	747	750	743	568	523	557
	Sherman	1	#DIV/0!	607	594	590	559	556	547	546	550
	Buffalo	1	923	863	839	856	715	642	587	530	615
	Dawson	1	#DIV/0!	690	585	540	515	475	471	465	481
	Lincoln	2	300	300	300	300	300	280	280	280	280
	Logan	1	#DIV/0!	315	315	315	315	315	315	315	315
	Thomas	1	#DIV/0!	#DIV/0!	260	260	#DIV/0!	260	260	260	260
	Blaine	1	#DIV/0!	290	#DIV/0!	290	290	290	290	290	290
	Loup	1	#DIV/0!	605	#DIV/0!	465	330	330	305	290	295
	Garfield	1	#DIV/0!	535	535	535	495	471	419	343	370

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

2012 Correlation Section for Custer County

A. Agricultural Land

Custer County is divided into five market areas which are primarily drawn around soil and topographical differences. The majority of the county is grassland, although, quality farmland exists in some areas. While the county assessor recognizes characteristic differences between market areas four and five, the disparity in the assessed values have decreased over the past few years indicating that the market is not affected by the characteristic differences. For 2012, the areas were valued the same; they have been combined for measurement purposes.

The characteristics of the individual market areas were analyzed and compared to the characteristics in the adjoining counties; all adjoining counties are comparable to Custer except for Lincoln County. The political boundary between the counties clearly divides the Sandhills from the rolling hills and loamier soils found in Custer County. Also, while parts of Dawson County are comparable to Custer, the comparable area is defined using a soil map and not by an absolute extension of the county line.

Analysis of the sales within the county revealed that only the market area one sample was adequate. Areas two, three, and five were expanded using sales from the defined comparable areas. The prescribed thresholds for time distribution and land use representation were achieved in all areas. Areas two and three remained smaller than desired, and area five contains a high amount of dispersion. Area two is the Sandhills region; the coefficient of dispersion (COD) of the sample is quite low. Since the properties in this area are homogeneous the COD is expected and suggests that the sample is adequate. Area three is considered a buffer area and is not homogeneous, therefore, the small sample provides reliability concerns; analysis of area five showed that the high COD was attributed to the cropland sales, which contain small subclass samples. Determinations of acceptability in areas three and five were primarily based on assessment actions and comparison of adjoining county values.

The county assessor generally increased cropland values 14-27% and grassland values 0-11%. These adjustments are typical for the market in this region; and resulted in values for areas one, two, and three that are reasonably comparable to all adjacent counties. Area two is the only area where values were not changed; this was the trend in this Central Sandhills region where the market is driven by the value of grassland.

Area five can only be compared to Dawson County; however, the comparable area is limited to the hills in the northern part of Dawson County where the topography and soil types are similar. Grassland in both of these counties will primarily be in the lowest two land capability groupings (LCG) and the weighted average value of grassland between these counties is very similar. More disparity exists between the weighted average values of cropland; this is partially caused by a difference in acre distribution among the LCG structure. Analysis of value changes over a five year period show that both counties have increased irrigated and dry land values at similar rates. The analysis supports that agricultural assessments in area five have kept up with the market; area five is determined to be in the acceptable range.

The agricultural statistics in both the 95% and 80% Majority Land Use substrata show

**2012 Correlation Section
for Custer County**

irrigated medians for the overall county being below the acceptable range. These medians are not meaningful as the county is divided into distinct market areas. The actions of the county assessor and comparison of adjoining county values described above support that the irrigated assessments are acceptable.

All available information supports that the agricultural subclasses have been valued at uniform portions of market value and are generally equalized with adjoining counties. The level of value of agricultural land in Custer County is determined to be 73%.

**2012 Correlation Section
for Custer 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 Custer 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 Custer 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 Custer 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 : 14,291	Value : 1,706,224,931	Growth 11,013,299	Sum Lines 17, 25, & 41
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Schedule I : Non-Agricultural Records

	Urban		SubUrban		Rural		Total		Growth
	Records	Value	Records	Value	Records	Value	Records	Value	
01. Res UnImp Land	596	1,168,746	157	1,281,327	68	705,181	821	3,155,254	
02. Res Improve Land	3,213	12,861,073	307	7,127,337	265	6,441,944	3,785	26,430,354	
03. Res Improvements	3,249	135,451,132	309	27,630,319	300	27,550,009	3,858	190,631,460	
04. Res Total	3,845	149,480,951	466	36,038,983	368	34,697,134	4,679	220,217,068	2,782,231
% of Res Total	82.18	67.88	9.96	16.37	7.86	15.76	32.74	12.91	25.26
05. Com UnImp Land	131	807,946	21	214,411	2	33,472	154	1,055,829	
06. Com Improve Land	533	6,328,957	48	987,936	11	496,607	592	7,813,500	
07. Com Improvements	553	43,158,772	52	7,527,783	16	6,402,007	621	57,088,562	
08. Com Total	684	50,295,675	73	8,730,130	18	6,932,086	775	65,957,891	2,392,367
% of Com Total	88.26	76.25	9.42	13.24	2.32	10.51	5.42	3.87	21.72
09. Ind UnImp Land	0	0	0	0	0	0	0	0	
10. Ind Improve Land	2	84,813	2	331,278	0	0	4	416,091	
11. Ind Improvements	2	244,968	2	5,332,392	0	0	4	5,577,360	
12. Ind Total	2	329,781	2	5,663,670	0	0	4	5,993,451	0
% of Ind Total	50.00	5.50	50.00	94.50	0.00	0.00	0.03	0.35	0.00
13. Rec UnImp Land	0	0	0	0	0	0	0	0	
14. Rec Improve Land	0	0	0	0	0	0	0	0	
15. Rec Improvements	0	0	0	0	0	0	0	0	
16. Rec Total	0	0	0	0	0	0	0	0	0
% of Rec Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Res & Rec Total	3,845	149,480,951	466	36,038,983	368	34,697,134	4,679	220,217,068	2,782,231
% of Res & Rec Total	82.18	67.88	9.96	16.37	7.86	15.76	32.74	12.91	25.26
Com & Ind Total	686	50,625,456	75	14,393,800	18	6,932,086	779	71,951,342	2,392,367
% of Com & Ind Total	88.06	70.36	9.63	20.00	2.31	9.63	5.45	4.22	21.72
17. Taxable Total	4,531	200,106,407	541	50,432,783	386	41,629,220	5,458	292,168,410	5,174,598
% of Taxable Total	83.02	68.49	9.91	17.26	7.07	14.25	38.19	17.12	46.98

Schedule II : Tax Increment Financing (TIF)

	Urban			SubUrban		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	0	0	0
19. Commercial	15	1,414,952	7,349,585	0	0	0
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
	Rural			Total		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	0	0	0
19. Commercial	0	0	0	15	1,414,952	7,349,585
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
22. Total Sch II				15	1,414,952	7,349,585

Schedule III : Mineral Interest Records

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

Schedule IV : Exempt Records : Non-Agricultural

	Urban Records	SubUrban Records	Rural Records	Total Records
26. Exempt	481	46	538	1,065

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	46	609,329	16	750,455	6,595	850,326,667	6,657	851,686,451
28. Ag-Improved Land	6	79,377	19	606,618	2,091	429,257,811	2,116	429,943,806
29. Ag Improvements	10	199,016	19	1,535,527	2,147	130,691,721	2,176	132,426,264
30. Ag Total							8,833	1,414,056,521

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	5	5.00	40,370	15	16.00	142,765	
33. HomeSite Improvements	5	5.00	139,897	16	16.00	1,323,126	
34. HomeSite Total							
35. FarmSite UnImp Land	11	14.86	23,334	5	25.86	33,616	
36. FarmSite Improv Land	1	1.00	2,615	17	45.59	121,784	
37. FarmSite Improvements	10	0.00	59,119	16	0.00	212,401	
38. FarmSite Total							
39. Road & Ditches	0	1.10	0	0	10.38	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
	Records	Acres	Value	Records	Acres	Value	Growth
31. HomeSite UnImp Land	18	17.80	134,078	18	17.80	134,078	
32. HomeSite Improv Land	1,358	1,467.89	11,235,153	1,378	1,488.89	11,418,288	
33. HomeSite Improvements	1,348	1,432.89	83,150,779	1,369	1,453.89	84,613,802	5,838,701
34. HomeSite Total				1,387	1,506.69	96,166,168	
35. FarmSite UnImp Land	27	48.80	137,603	43	89.52	194,553	
36. FarmSite Improv Land	1,805	2,831.27	8,440,806	1,823	2,877.86	8,565,205	
37. FarmSite Improvements	2,063	0.00	47,540,942	2,089	0.00	47,812,462	0
38. FarmSite Total				2,132	2,967.38	56,572,220	
39. Road & Ditches	0	15,959.33	0	0	15,970.81	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
41. Total Section VI				3,519	20,444.88	152,738,388	5,838,701

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	13	2,353.07	292,427	13	2,353.07	292,427

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	79,678.25	40.78%	231,263,145	47.12%	2,902.46
47. 2A1	14,476.22	7.41%	37,082,429	7.56%	2,561.61
48. 2A	23,861.33	12.21%	58,192,781	11.86%	2,438.79
49. 3A1	14,859.89	7.61%	33,896,876	6.91%	2,281.10
50. 3A	6,255.76	3.20%	13,170,757	2.68%	2,105.38
51. 4A1	25,841.46	13.23%	53,848,642	10.97%	2,083.81
52. 4A	30,416.27	15.57%	63,341,037	12.91%	2,082.47
53. Total	195,389.18	100.00%	490,795,667	100.00%	2,511.89
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	26,452.91	26.44%	27,787,172	31.70%	1,050.44
56. 2D1	8,480.89	8.48%	8,311,271	9.48%	980.00
57. 2D	9,387.33	9.38%	9,124,459	10.41%	972.00
58. 3D1	15,792.42	15.79%	14,372,914	16.40%	910.11
59. 3D	1,013.39	1.01%	719,506	0.82%	710.00
60. 4D1	20,733.73	20.73%	14,617,896	16.68%	705.03
61. 4D	18,170.32	18.16%	12,720,274	14.51%	700.06
62. Total	100,030.99	100.00%	87,653,492	100.00%	876.26
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	18,638.22	3.01%	9,549,962	3.17%	512.39
65. 2G1	16,026.60	2.59%	8,100,644	2.69%	505.45
66. 2G	14,979.27	2.42%	7,589,012	2.52%	506.63
67. 3G1	8,384.78	1.35%	4,204,901	1.39%	501.49
68. 3G	9,859.24	1.59%	4,929,622	1.64%	500.00
69. 4G1	51,851.23	8.38%	24,913,434	8.26%	480.48
70. 4G	499,255.97	80.66%	242,215,568	80.34%	485.15
71. Total	618,995.31	100.00%	301,503,143	100.00%	487.08
Irrigated Total					
Irrigated Total	195,389.18	21.33%	490,795,667	55.77%	2,511.89
Dry Total					
Dry Total	100,030.99	10.92%	87,653,492	9.96%	876.26
Grass Total					
Grass Total	618,995.31	67.58%	301,503,143	34.26%	487.08
72. Waste	1,385.53	0.15%	62,385	0.01%	45.03
73. Other	149.10	0.02%	29,820	0.00%	200.00
74. Exempt	5,227.95	0.57%	0	0.00%	0.00
75. Market Area Total	915,950.11	100.00%	880,044,507	100.00%	960.80

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	16.30	0.90%	12,547	1.53%	769.75
47. 2A1	44.50	2.46%	25,965	3.18%	583.48
48. 2A	43.90	2.43%	22,325	2.73%	508.54
49. 3A1	0.00	0.00%	0	0.00%	0.00
50. 3A	367.10	20.32%	162,093	19.83%	441.55
51. 4A1	669.92	37.07%	298,352	36.49%	445.35
52. 4A	665.30	36.82%	296,262	36.24%	445.31
53. Total	1,807.02	100.00%	817,544	100.00%	452.43
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	72.60	16.78%	32,670	20.75%	450.00
56. 2D1	43.90	10.15%	19,316	12.27%	440.00
57. 2D	38.10	8.81%	15,240	9.68%	400.00
58. 3D1	1.00	0.23%	335	0.21%	335.00
59. 3D	73.20	16.92%	24,156	15.34%	330.00
60. 4D1	96.35	22.27%	31,315	19.89%	325.01
61. 4D	107.50	24.85%	34,400	21.85%	320.00
62. Total	432.65	100.00%	157,432	100.00%	363.88
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	138.73	0.08%	43,707	0.08%	315.05
65. 2G1	192.74	0.11%	60,715	0.11%	315.01
66. 2G	1,391.81	0.82%	438,446	0.82%	315.02
67. 3G1	337.00	0.20%	106,162	0.20%	315.02
68. 3G	3,436.13	2.01%	1,082,405	2.01%	315.01
69. 4G1	13,862.74	8.12%	4,359,176	8.11%	314.45
70. 4G	151,308.18	88.66%	47,661,032	88.67%	314.99
71. Total	170,667.33	100.00%	53,751,643	100.00%	314.95
Irrigated Total					
	1,807.02	1.04%	817,544	1.49%	452.43
Dry Total					
	432.65	0.25%	157,432	0.29%	363.88
Grass Total					
	170,667.33	98.68%	53,751,643	98.22%	314.95
72. Waste	52.00	0.03%	1,302	0.00%	25.04
73. Other	0.00	0.00%	0	0.00%	0.00
74. Exempt	161.89	0.09%	0	0.00%	0.00
75. Market Area Total	172,959.00	100.00%	54,727,921	100.00%	316.42

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	3,143.06	17.91%	5,166,568	23.08%	1,643.80
47. 2A1	769.08	4.38%	1,229,868	5.49%	1,599.14
48. 2A	4,123.09	23.50%	6,204,278	27.72%	1,504.76
49. 3A1	747.14	4.26%	1,043,410	4.66%	1,396.54
50. 3A	1,648.01	9.39%	2,226,248	9.95%	1,350.87
51. 4A1	3,638.32	20.74%	3,492,378	15.60%	959.89
52. 4A	3,476.99	19.82%	3,019,174	13.49%	868.33
53. Total	17,545.69	100.00%	22,381,924	100.00%	1,275.64
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	1,795.33	15.78%	843,805	15.93%	470.00
56. 2D1	196.43	1.73%	91,351	1.72%	465.06
57. 2D	2,875.80	25.28%	1,337,307	25.24%	465.02
58. 3D1	1,273.12	11.19%	592,028	11.17%	465.02
59. 3D	621.77	5.47%	289,142	5.46%	465.03
60. 4D1	2,583.21	22.71%	1,201,262	22.67%	465.03
61. 4D	2,028.06	17.83%	943,145	17.80%	465.05
62. Total	11,373.72	100.00%	5,298,040	100.00%	465.81
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	1,853.65	1.86%	855,144	2.07%	461.33
65. 2G1	1,009.15	1.01%	466,048	1.13%	461.82
66. 2G	5,433.79	5.46%	2,500,680	6.06%	460.21
67. 3G1	2,266.66	2.28%	1,044,264	2.53%	460.71
68. 3G	2,272.61	2.28%	1,045,400	2.53%	460.00
69. 4G1	12,113.84	12.17%	5,465,799	13.25%	451.20
70. 4G	74,585.02	74.93%	29,881,523	72.42%	400.64
71. Total	99,534.72	100.00%	41,258,858	100.00%	414.52
Irrigated Total					
	17,545.69	13.64%	22,381,924	32.46%	1,275.64
Dry Total					
	11,373.72	8.84%	5,298,040	7.68%	465.81
Grass Total					
	99,534.72	77.40%	41,258,858	59.84%	414.52
72. Waste	136.22	0.11%	4,776	0.01%	35.06
73. Other	0.00	0.00%	0	0.00%	0.00
74. Exempt	314.06	0.24%	0	0.00%	0.00
75. Market Area Total	128,590.35	100.00%	68,943,598	100.00%	536.15

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	11,834.48	37.35%	23,173,250	45.66%	1,958.11
47. 2A1	2,411.02	7.61%	4,328,340	8.53%	1,795.23
48. 2A	3,402.12	10.74%	5,083,876	10.02%	1,494.33
49. 3A1	4,848.52	15.30%	6,652,002	13.11%	1,371.97
50. 3A	410.60	1.30%	529,674	1.04%	1,290.00
51. 4A1	6,681.78	21.09%	8,479,819	16.71%	1,269.10
52. 4A	2,098.76	6.62%	2,502,142	4.93%	1,192.20
53. Total	31,687.28	100.00%	50,749,103	100.00%	1,601.56
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	8,292.66	29.43%	6,385,348	34.06%	770.00
56. 2D1	1,927.30	6.84%	1,406,929	7.50%	730.00
57. 2D	2,535.92	9.00%	1,825,862	9.74%	720.00
58. 3D1	7,181.54	25.49%	4,811,636	25.66%	670.00
59. 3D	133.63	0.47%	72,160	0.38%	540.00
60. 4D1	6,550.56	23.25%	3,439,170	18.34%	525.02
61. 4D	1,553.52	5.51%	807,830	4.31%	520.00
62. Total	28,175.13	100.00%	18,748,935	100.00%	665.44
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	5,500.00	5.41%	2,506,594	5.97%	455.74
65. 2G1	2,614.90	2.57%	1,177,368	2.80%	450.25
66. 2G	3,774.14	3.71%	1,698,367	4.04%	450.00
67. 3G1	3,231.31	3.18%	1,438,020	3.42%	445.03
68. 3G	710.39	0.70%	316,140	0.75%	445.02
69. 4G1	11,018.50	10.84%	4,670,744	11.12%	423.90
70. 4G	74,822.27	73.59%	30,209,538	71.90%	403.75
71. Total	101,671.51	100.00%	42,016,771	100.00%	413.26
Irrigated Total					
	31,687.28	19.60%	50,749,103	45.50%	1,601.56
Dry Total					
	28,175.13	17.42%	18,748,935	16.81%	665.44
Grass Total					
	101,671.51	62.88%	42,016,771	37.67%	413.26
72. Waste	103.74	0.06%	4,672	0.00%	45.04
73. Other	58.50	0.04%	11,700	0.01%	200.00
74. Exempt	649.55	0.40%	0	0.00%	0.00
75. Market Area Total	161,696.16	100.00%	111,531,181	100.00%	689.76

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	14,491.67	42.73%	28,258,384	50.55%	1,949.97
47. 2A1	3,843.38	11.33%	6,883,609	12.31%	1,791.03
48. 2A	4,780.96	14.10%	7,117,503	12.73%	1,488.72
49. 3A1	2,397.26	7.07%	3,277,840	5.86%	1,367.33
50. 3A	1,307.78	3.86%	1,663,653	2.98%	1,272.12
51. 4A1	4,165.20	12.28%	5,245,884	9.38%	1,259.46
52. 4A	2,930.92	8.64%	3,455,653	6.18%	1,179.03
53. Total	33,917.17	100.00%	55,902,526	100.00%	1,648.21
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	5,774.85	30.94%	4,448,495	35.80%	770.32
56. 2D1	2,042.00	10.94%	1,492,573	12.01%	730.94
57. 2D	1,891.82	10.14%	1,372,618	11.05%	725.55
58. 3D1	2,737.70	14.67%	1,834,259	14.76%	670.00
59. 3D	473.10	2.53%	255,474	2.06%	540.00
60. 4D1	3,217.76	17.24%	1,691,788	13.62%	525.77
61. 4D	2,525.59	13.53%	1,330,127	10.70%	526.66
62. Total	18,662.82	100.00%	12,425,334	100.00%	665.78
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	5,427.88	3.04%	2,471,004	3.18%	455.24
65. 2G1	5,593.71	3.13%	2,518,658	3.24%	450.27
66. 2G	3,803.95	2.13%	1,717,725	2.21%	451.56
67. 3G1	2,832.97	1.58%	1,260,755	1.62%	445.03
68. 3G	1,634.43	0.91%	736,851	0.95%	450.83
69. 4G1	11,994.47	6.71%	5,242,217	6.75%	437.05
70. 4G	147,527.35	82.50%	63,768,688	82.05%	432.25
71. Total	178,814.76	100.00%	77,715,898	100.00%	434.62
Irrigated Total					
	33,917.17	14.62%	55,902,526	38.27%	1,648.21
Dry Total					
	18,662.82	8.05%	12,425,334	8.51%	665.78
Grass Total					
	178,814.76	77.09%	77,715,898	53.20%	434.62
72. Waste	532.97	0.23%	24,008	0.02%	45.05
73. Other	15.80	0.01%	3,160	0.00%	200.00
74. Exempt	677.79	0.29%	0	0.00%	0.00
75. Market Area Total	231,943.52	100.00%	146,070,926	100.00%	629.77

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	213.85	536,739	276.01	714,904	279,856.48	619,395,121	280,346.34	620,646,764
77. Dry Land	26.54	25,776	189.34	175,620	158,459.43	124,081,837	158,675.31	124,283,233
78. Grass	123.12	59,872	347.00	167,733	1,169,213.51	516,018,708	1,169,683.63	516,246,313
79. Waste	0.00	0	14.46	651	2,196.00	96,492	2,210.46	97,143
80. Other	0.00	0	0.00	0	223.40	44,680	223.40	44,680
81. Exempt	64.33	0	239.75	0	6,727.16	0	7,031.24	0
82. Total	363.51	622,387	826.81	1,058,908	1,609,948.82	1,259,636,838	1,611,139.14	1,261,318,133

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	280,346.34	17.40%	620,646,764	49.21%	2,213.86
Dry Land	158,675.31	9.85%	124,283,233	9.85%	783.26
Grass	1,169,683.63	72.60%	516,246,313	40.93%	441.36
Waste	2,210.46	0.14%	97,143	0.01%	43.95
Other	223.40	0.01%	44,680	0.00%	200.00
Exempt	7,031.24	0.44%	0	0.00%	0.00
Total	1,611,139.14	100.00%	1,261,318,133	100.00%	782.87

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

21 Custer

	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	215,564,008	220,217,068	4,653,060	2.16%	2,782,231	0.87%
02. Recreational	0	0	0		0	
03. Ag-Homesite Land, Ag-Res Dwelling	91,006,289	96,166,168	5,159,879	5.67%	5,838,701	-0.75%
04. Total Residential (sum lines 1-3)	306,570,297	316,383,236	9,812,939	3.20%	8,620,932	0.39%
05. Commercial	59,903,167	65,957,891	6,054,724	10.11%	2,392,367	6.11%
06. Industrial	5,991,430	5,993,451	2,021	0.03%	0	0.03%
07. Ag-Farmsite Land, Outbuildings	50,401,672	56,572,220	6,170,548	12.24%	0	12.24%
08. Minerals	0	0	0		0	
09. Total Commercial (sum lines 5-8)	116,296,269	128,523,562	12,227,293	10.51%	2,392,367	8.46%
10. Total Non-Agland Real Property	422,866,566	444,906,798	22,040,232	5.21%	11,013,299	2.61%
11. Irrigated	516,330,331	620,646,764	104,316,433	20.20%		
12. Dryland	100,823,823	124,283,233	23,459,410	23.27%		
13. Grassland	498,687,513	516,246,313	17,558,800	3.52%		
14. Wasteland	83,531	97,143	13,612	16.30%		
15. Other Agland	49,680	44,680	-5,000	-10.06%		
16. Total Agricultural Land	1,115,974,878	1,261,318,133	145,343,255	13.02%		
17. Total Value of all Real Property (Locally Assessed)	1,538,841,444	1,706,224,931	167,383,487	10.88%	11,013,299	10.16%

**CUSTER COUNTY PLAN OF ASSESSMENT
ASSESSMENT YEARS 2011, 2012, AND 2013**

Introduction

Pursuant to LB 263, Section 9 the assessor shall submit a plan of assessment, which describes the assessment actions planned for the next assessment year and two years thereafter to the county board of equalization on or before July 31, 2011. The plan shall describe all the assessment actions necessary to achieve the levels of value and quality of assessment practices required by law, and the resources necessary to complete those actions. 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 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 VII, 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” NE 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 and horticultural land; and
- 3) 75% of special value for agricultural and horticultural land that meets the qualifications for special valuation under 77-1344 and 755 of its recapture value as defined in 77-1343 when the land is disqualified for special valuation under 77-1347.

General Description of Real Property in Custer County

Per the 2011 county Abstract, Custer County consists of the following real property types;

	<u>Parcels</u>	<u>% of Total Parcels</u>	<u>% of Taxable Value</u>
Residential	4708	32.96%	14.00%
Commercial	776	5.43%	3.87%
Industrial	4	.02%	.40%
Recreational	0	.00%	.00%
Agricultural	8792	61.59%	81.73%
Special Value	0	.00%	.00%

Agricultural land-taxable acres were 1,611,130.01 Acres.

Other pertinent facts: Custer County is predominately agricultural and 72% is grassland.

For more information see 2011 Reports and Opinions, Abstract, and Assessor Survey.

Current Resources

A. Staff/Budget/Training:

Assessor/\$44,457/I hold the assessor's certificate when I passed the test in the early 1980's. I have attended many of the IAAO courses and classes of the PA&T. I have all the hours needed at this time to keep the certificate current.

Deputy Assessor/\$33,342.75/She also holds the assessor's certificate, passing the test in 2004. She has completed all her hours needed at this time to keep the certificate current.

3 full time clerks-One clerk has 10 years experience in the assessor's office and one has 5 years experience and the third was hired in 2011.

1 part-time listers. The lister was hired in August 2007.

B. The Cadastral Maps were flown in the 1970's but are in good condition. They are kept current with monthly land sales. The county board agreed to hire Great Plains GIS Workshop to help the county get started with the county GIS program and we are currently using agridatainc.com to measure land by soil types and land use.

C. The Property Record cards list all information required by statute with current photos and sketches.

D. The county uses the TERASCAN software package. There are 5 terminals and 1 public-use terminal.

E. The county has a Web-site with all parcels listed.

Current Assessment Procedures for Real Property

A. Discovery: The County now has zoning and has a zoning administrator. Before any construction is allowed, the property owner must file a permit with the zoning administrator and in turn the assessor is notified. At the beginning of the year each property is reviewed for % of completion and valued accordingly. In Real Estate Transfers the name is changed within the month the deed is filed, cadastral maps updated, and a sales review is mailed to the new owner.

B. Data Collection: The part-time lister travels throughout the different areas each year, measuring each home, and

outbuilding, taking new pictures, and interviewing each property owner as to the interior work. In new construction & remodeling the property is inspected inside and out. As sales occur, the sale is used for 3 years to set property values.

C. Review assessment sales ratio studies before assessment actions: The area Field Liaison works very hard with the assessor and staff and with the help of an excel program we enter sales data to be able to adjust the problem areas.

D. Approaches to Value:

1. Market Approach; sales comparison: Using the sales of the various styles, conditions, and ages, I use the information to adjust the depreciation.
2. Cost Approach: The RCN (replacement cost new) is figured with the July 2007 Marshall and Swift values from the TerraScan software system.
3. Income Approach: income and expense data collection/analysis from the market is done by the Commercial Appraiser that is hired to value commercial and industrial properties.
4. Sales of agricultural land are mapped out and when a trend in sales indicate a market area change is required will be the only time areas will change. One market area is set with soil type boundaries and one with natural boundaries such as rivers.

After assessment action, a review of the sales ratio is a top priority.

Notices of valuation changes are mailed to all property owners that have a change of value and notices are also published in the local newspaper.

Level of Value, Quality and Uniformity of Assessment Year 2009

<u>Property Class</u>	<u>Median</u>
Residential	97%
Commercial	95%
Agricultural Land	70%
Special Value Ag-land	00%

For more information regarding statistical measures see 2009 Reports and Opinions.

2009 ACTION TAKEN:

The villages of Arnold, and Anselmo were physically viewed and revalued. Also the improvements in the townships of Grant, Wayne, Elim, Arnold, Hayes, Triumph, Ryno, Kilfoil and Cliff were physically viewed and revalued.

2010 ACTION TAKEN:

The village of Merna and the improvements in the townships of Loup, Lillian, Victoria, Milburn, West Union, Sargent, Corner, Comstock, Spring Creek, Myrtle, and Garfield was physically viewed and revalued. Land values were adjusted because of sales ratios in the villages of Oconto, Ansley, & Anselmo, the

Suburban areas, the Commercial land in the Suburban areas and all homesites and farmsites in the rural.

2011 ACTION TAKEN:

The villages of Sargent, Comstock, and Ansley and the improvements in the townships of Algernon, Ansley, Westerville, and Douglas Grove were viewed and revalued.

RESIDENTIAL PLAN:

2012

The village of Berwyn, Mason City, and Broken Bow City and the townships of Elk Creek, Berwyn, East Custer and Broken Bow will be physical viewed and revaluated

2013

Maintain the level of assessment as required by statute and change the area as necessary.

2014

Maintain the level of assessment as required by statute and change the area as necessary.

COMMERCIAL PLAN:

2012

Stanard Appraisal Service will be hired to revalue all Commercial properties to meet the requirement of review and revalue every 6 years.

2013

Only new construction and change of use on commercial properties will need to be revalued by Stanard Appraisal Service unless sales indicate a need for further action.

2014

Only new construction and change of use on commercial properties will need to be revalued by Stanard Appraisal Service unless sales indicate a need for further action.

AGRICULTURAL LAND:

2011

Land values will be figured at 75% of sales in a 3-year history and these values will be applied to each parcel in each market area.

2012

Land values will be figured at 75% of sales in a 3-year history and these values will be applied to each parcel in each market area.

2013

The land values will be figured at 75% of sales in a 3-year history and these values will be applied to each parcel in each market area.

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

I will continue to maintain the parcel records on each property owner making changes monthly of ownership and maintain accurate cadastral maps with ownership changes.

I will continually perform the duties required of me by law to serve the property owners of Custer County and to maintain equality in assessment for all. I will file all the administrative reports required by law/regulations such as abstracts, both real and personal property, the assessor's survey, the sales information to PA&T rosters & annual assessed value updates, school district taxable value report, homestead exemption tax loss report, and certificate of taxes levied report. I will certify the value to political subdivisions, and report the current values to the Board of Education Lands & Funds of properties they own and report the exempt property and taxable property owned by governmental subdivisions. I will also report to the county board the annual plan of assessment.

I will continually administer the annual filing of all personal property schedules and notify the taxpayer of incomplete filings, failure to file and penalties applied.

I will send the applications for annual filings for permissive exemptions, review and make recommendations to the county board.

I will administer approximately 650 annual filings of applications for homestead exemptions and assist where necessary and continue to monitor approval/denial process and send out denial notification.

I will continue to review the centrally assessed valuation certified by PA&T for railroads and public service entities, and establish assessment records and tax billing for tax list.

I will continue to manage the record/valuation information for properties in community redevelopment project (TIFF) and administer the reports and allocate the ad valorem tax.

I will continue to manage the tax entity boundaries making changes only when legal changes dictate and review the tax rates used for the tax billing process.

I will continue to prepare tax lists and certify these to the county treasurer for real estate, personal, and centrally assessed.

I will continue to attend the county board of equalization meetings for valuation protests and assemble and provide necessary information.

I will prepare information and attend taxpayer appeal hearings before TERC (tax equalization and review commission) to defend county valuations.

I will continue to attend hearing if applicable to the county, defend values and/or implement orders of the TERC.

I will continue to attend meetings, workshops, and educational classes to obtain required hours of continuing education for maintaining my assessor's certificate.

CONCLUSION:

The assessor maintains two budgets; the assessor's functions budget and the reappraisal budget. The assessor's office budget will be \$159,684.75. The reappraisal budget will be \$47,690.00.

Respectfully submitted:

Custer County Assessor

2012 Assessment Survey for Custer County

A. Staffing and Funding Information

1.	Deputy(ies) on staff:
	1
2.	Appraiser(s) on staff:
	0
3.	Other full-time employees:
	3
4.	Other part-time employees:
	1 part-time lister
5.	Number of shared employees:
	1 employee shared with the Register of Deeds
6.	Assessor's requested budget for current fiscal year:
	\$159,684
7.	Adopted budget, or granted budget if different from above:
	Same
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:
	\$47,690
10.	Part of the assessor's budget that is dedicated to the computer system:
	The county clerk controls a budget for the computer system for the entire courthouse; however, \$30,000 of the assessor's budget is dedicated to the GIS system.
11.	Amount of the assessor's budget set aside for education/workshops:
	\$500
12.	Other miscellaneous funds:
	n/a
13.	Amount of last year's assessor's budget not used:
	\$4,740 from the administrative budget, \$1,113 from the reappraisal budget

B. Computer, Automation Information and GIS

1.	Administrative software:
	TerraScan
2.	CAMA software:
	TerraScan
3.	Are cadastral maps currently being used?
	Yes
4.	If so, who maintains the Cadastral Maps?
	The maintenance of the cadastral maps is shared between the Assessor's office and

	the Register of Deeds office. The maps that are currently in use are not digitized and were flown in the 1970's.
5.	Does the county have GIS software?
	Yes
6.	Is GIS available on a website? If so, what is the name of the website?
	The GIS data is not available via the internet at this time, but will be when the GIS system is fully implemented. The assessor does have a parcel search website through the CAMA vendor, http://custerne.taxsifter.com .
7.	Who maintains the GIS software and maps?
	The office staff has all been trained to maintain the GIS system.
8.	Personal Property software:
	TerraScan

C. Zoning Information

1.	Does the county have zoning?
	Yes
2.	If so, is the zoning countywide?
	Yes
3.	What municipalities in the county are zoned?
	Broken Bow
4.	When was zoning implemented?
	2005

D. Contracted Services

1.	Appraisal Services:
	The county contracts with Stanard Appraisal Service for the commercial class of property; the remainder of the appraisal work is done in-house.
2.	Other services:
	None

2012 Certification for Custer 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 Custer 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

