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2012 Commission Summary for Jefferson County

Residential Real Property - Current

Number of Sales	148	Median	98.42
Total Sales Price	\$8,266,854	Mean	112.81
Total Adj. Sales Price	\$8,266,854	Wgt. Mean	93.41
Total Assessed Value	\$7,722,379	Average Assessed Value of the Base	\$46,366
Avg. Adj. Sales Price	\$55,857	Avg. Assessed Value	\$52,178

Confidence Interval - Current

95% Median C.I	93.75 to 104.62
95% Wgt. Mean C.I	89.27 to 97.55
95% Mean C.I	103.96 to 121.66
% of Value of the Class of all Real Property Value in the	17.67
% of Records Sold in the Study Period	4.03
% of Value Sold in the Study Period	4.54

Residential Real Property - History

Year	Number of Sales	LOV	Median
2011	162	98	98
2010	171	99	99
2009	212	98	98
2008	255	98	98

2012 Commission Summary for Jefferson County

Commercial Real Property - Current

Number of Sales	13	Median	98.40
Total Sales Price	\$692,945	Mean	105.90
Total Adj. Sales Price	\$682,945	Wgt. Mean	122.65
Total Assessed Value	\$837,604	Average Assessed Value of the Base	\$118,582
Avg. Adj. Sales Price	\$52,534	Avg. Assessed Value	\$64,431

Confidence Interval - Current

95% Median C.I	92.67 to 118.00
95% Wgt. Mean C.I	90.73 to 154.57
95% Mean C.I	86.41 to 125.39
% of Value of the Class of all Real Property Value in the County	6.26
% of Records Sold in the Study Period	2.56
% of Value Sold in the Study Period	1.39

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2011	24		97
2010	24	97	97
2009	32	94	94
2008	25	97	97

2012 Opinions of the Property Tax Administrator for Jefferson County

My opinions and recommendations are stated as a conclusion based on all of the factors known to me regarding the assessment practices and statistical analysis for this county. See, Neb. Rev. Stat. § 77-5027 (2011). While the median assessment sales ratio from the Qualified Statistical Reports for each class of real property is considered, my opinion of the level of value for a class of real property may be determined from other evidence contained within these Reports and Opinions of the Property Tax Administrator. My opinion of quality of assessment for a class of real property may be influenced by the assessment practices of the county assessor.

Class	Level of Value	Quality of Assessment	Non-binding recommendation
Residential Real Property	98	Meets generally accepted mass appraisal practices.	No recommendation.
Commercial Real Property	*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
Property Tax Administrator

2012 Residential Assessment Actions for Jefferson County

For 2012, Jefferson County has followed their 3 Year Plan which includes the following actions:

The county completed all residential pickup work.

The county conducted a thorough sale verification and analysis process.

The county inspected and updated all of the remaining residential property in the town of Fairbury.

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

Jefferson County expects to complete all of the residential inspection and review process within the required 6 years.

2012 Residential Assessment Survey for Jefferson County

1.	Valuation data collection done by:	
	Assessor, Staff and occasionally the Contract Appraiser	
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	Fairbury: The largest town; it is analyzed in 3 separate areas for valuation purposes; the main trade and employment center in the county; the county seat; has a K-12 school system.
	08	Plymouth: Located closer to a larger trade and employment center (Beatrice); the market for residential properties is unique. The Tri-County School District, a K-12 system is only 2 to 3 miles from Plymouth. The COOP is a very large one and is an important business and employer to the community.
	11	Rural: The locations are scattered across the county; the market for acreages is distinctly different than the market in the small villages.
	12	Daykin, Diller, Endicott and Jansen: These villages are grouped together for valuation purposes; they are located throughout the county; they have a limited but stable market for residential property; they have somewhat limited infrastructure; they have few school facilities and feed students into consolidated school districts.
	15	Harbine, Reynolds, and Steel City: These villages are grouped together for valuation purposes; they are located throughout the county; they have no organized market for residential property; they have very limited infrastructure; they have no school facilities and feed students into consolidated school districts.
3.	List and describe the approach(es) used to estimate the market value of residential properties.	
	The county uses both the Sales Comparison approach to value and Cost Approach to value (replacement cost new less depreciation). The values are reconciled with the Sales Comparison approach carrying the most weight.	

4	What is the costing year of the cost approach being used for each valuation grouping?
	2005 for Plymouth, and Diller; 2008 for rural residential; and Dec 2001 for the remainder of County. The County is in the process of changing to Dec 2008 costing and adjusting depreciation. This has not been finished, so won't use for 2012.
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?
	Local market information is used to develop the depreciation schedules.
6.	Are individual depreciation tables developed for each valuation grouping?
	Individual tables are developed with the assistance of the contract appraiser.
7.	When were the depreciation tables last updated for each valuation grouping?
	The depreciation tables are redone whenever the costs are updated. They tend to be the same or nearly the same date as the cost tables.
8.	When was the last lot value study completed for each valuation grouping?
	Lot sales are analyzed (if sales occur) on an ongoing basis. When the valuation groups are reviewed and re-appraised they verify whether the lot values are holding or if the values need to be adjusted before the improvements are appraised. Going forward, this practice will continue and the lots will be either affirmed or updated whenever the class or subclass is inspected, reviewed and recosted.
9.	Describe the methodology used to determine the residential lot values?
	Current local sales are used to determine lot and land values. The unit of comparison used for residential lot studies and application is by the square foot.
10.	How do you determine whether a sold parcel is substantially changed?
	The assessor has adopted the prior assessor's policy and reviews individual sold parcels that have been altered after the sale. This is done during the pick-up work or inspection and review by reviewing improvement statements and permits filed on parcels that sold, and actually inspecting the improvements on site. If there is a new structure, an extensive remodel or an actual addition to a property that is judged to result in a significant change in the market and the assessed value, it is considered a substantial change. Typically a minor rehab, repair, alteration or deferred maintenance would not be considered substantial.

**48 Jefferson
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 : 148
 Total Sales Price : 8,266,854
 Total Adj. Sales Price : 8,266,854
 Total Assessed Value : 7,722,379
 Avg. Adj. Sales Price : 55,857
 Avg. Assessed Value : 52,178

MEDIAN : 98
 WGT. MEAN : 93
 MEAN : 113
 COD : 31.61
 PRD : 120.77

COV : 48.70
 STD : 54.94
 Avg. Abs. Dev : 31.11
 MAX Sales Ratio : 418.20
 MIN Sales Ratio : 39.83

95% Median C.I. : 93.75 to 104.62
 95% Wgt. Mean C.I. : 89.27 to 97.55
 95% Mean C.I. : 103.96 to 121.66

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DATE OF SALE *										Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val
<u>Qtrts</u>											
01-JUL-09 To 30-SEP-09	21	98.41	103.26	93.14	23.47	110.87	39.83	171.09	86.30 to 124.68	60,106	55,981
01-OCT-09 To 31-DEC-09	24	103.12	110.91	91.45	29.49	121.28	59.16	242.04	84.37 to 116.75	65,038	59,477
01-JAN-10 To 31-MAR-10	8	92.84	102.36	96.31	14.08	106.28	87.00	153.96	87.00 to 153.96	50,125	48,275
01-APR-10 To 30-JUN-10	24	99.34	100.68	93.53	15.15	107.64	66.82	186.93	84.84 to 108.06	53,356	49,903
01-JUL-10 To 30-SEP-10	22	124.14	152.61	103.49	48.45	147.46	77.25	418.20	91.90 to 165.33	36,955	38,244
01-OCT-10 To 31-DEC-10	20	105.20	118.85	91.53	33.50	129.85	64.40	251.42	84.50 to 112.85	71,877	65,789
01-JAN-11 To 31-MAR-11	16	80.06	98.07	85.33	43.75	114.93	45.83	351.59	61.64 to 113.18	43,446	37,073
01-APR-11 To 30-JUN-11	13	97.51	102.06	96.16	14.41	106.14	79.41	158.50	87.73 to 114.83	62,808	60,395
<u>Study Yrs</u>											
01-JUL-09 To 30-JUN-10	77	98.41	104.75	92.95	22.43	112.69	39.83	242.04	93.71 to 105.26	58,502	54,376
01-JUL-10 To 30-JUN-11	71	99.03	121.55	93.97	41.30	129.35	45.83	418.20	90.64 to 110.67	52,988	49,795
<u>Calendar Yrs</u>											
01-JAN-10 To 31-DEC-10	74	99.65	121.21	95.14	34.76	127.40	64.40	418.20	94.10 to 109.36	53,136	50,554
<u>ALL</u>	148	98.42	112.81	93.41	31.61	120.77	39.83	418.20	93.75 to 104.62	55,857	52,178

VALUATION GROUPING										Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val
01	93	99.27	110.13	95.22	27.56	115.66	45.83	359.57	94.10 to 106.00	45,587	43,407
08	7	123.74	166.77	119.20	55.08	139.91	92.61	351.59	92.61 to 351.59	42,714	50,915
11	24	93.93	101.37	91.40	19.49	110.91	67.98	185.37	82.95 to 110.67	110,597	101,085
12	21	91.97	117.36	83.71	50.70	140.20	39.83	418.20	66.82 to 121.34	49,507	41,443
15	3	103.62	129.43	95.47	37.10	135.57	84.67	200.00	N/A	11,433	10,916
<u>ALL</u>	148	98.42	112.81	93.41	31.61	120.77	39.83	418.20	93.75 to 104.62	55,857	52,178

PROPERTY TYPE *										Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val
01	148	98.42	112.81	93.41	31.61	120.77	39.83	418.20	93.75 to 104.62	55,857	52,178
06											
07											
<u>ALL</u>	148	98.42	112.81	93.41	31.61	120.77	39.83	418.20	93.75 to 104.62	55,857	52,178

**48 Jefferson
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 95% Mean C.I. : 103.96 to 121.66

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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	9	116.60	181.69	163.24	77.26	111.30	79.37	418.20	83.89 to 359.57	2,739	4,471	
Less Than 15,000	28	144.61	169.69	158.20	47.19	107.26	72.29	418.20	105.32 to 200.00	7,445	11,778	
Less Than 30,000	55	116.60	141.89	122.35	43.52	115.97	52.74	418.20	103.62 to 135.61	15,203	18,601	
<u>Ranges Excl. Low \$</u>												
Greater Than 4,999	139	97.53	108.35	93.20	27.77	116.26	39.83	351.59	93.71 to 101.60	59,296	55,267	
Greater Than 14,999	120	95.39	99.54	91.74	21.04	108.50	39.83	251.42	90.64 to 99.41	67,153	61,605	
Greater Than 29,999	93	94.46	95.61	90.16	18.30	106.04	39.83	198.12	89.61 to 98.41	79,900	72,036	
<u>Incremental Ranges</u>												
0 TO 4,999	9	116.60	181.69	163.24	77.26	111.30	79.37	418.20	83.89 to 359.57	2,739	4,471	
5,000 TO 14,999	19	153.60	164.01	157.52	36.43	104.12	72.29	351.59	105.32 to 210.64	9,675	15,239	
15,000 TO 29,999	27	105.68	113.05	110.45	26.55	102.35	52.74	251.42	88.66 to 127.46	23,248	25,677	
30,000 TO 59,999	46	98.28	101.35	98.87	20.36	102.51	39.83	198.12	91.97 to 106.77	42,608	42,126	
60,000 TO 99,999	26	97.70	95.86	95.64	14.45	100.23	64.69	124.68	86.86 to 106.28	77,442	74,066	
100,000 TO 149,999	11	80.95	81.89	80.72	12.63	101.45	63.94	113.79	64.40 to 92.61	127,136	102,625	
150,000 TO 249,999	8	84.63	84.21	83.32	08.78	101.07	62.34	96.72	62.34 to 96.72	184,217	153,490	
250,000 TO 499,999	2	81.50	81.50	81.88	03.68	99.54	78.50	84.50	N/A	292,500	239,511	
500,000 TO 999,999												
1,000,000 +												
<u>ALL</u>	148	98.42	112.81	93.41	31.61	120.77	39.83	418.20	93.75 to 104.62	55,857	52,178	

2012 Correlation Section for Jefferson County

A. Residential Real Property

Jefferson County is an agriculturally based county with an array of villages and small towns that exist primarily to support agriculture. Fairbury is the largest town and the county seat. Most of the residential properties in the county are in the towns and villages but there are some houses on acreages and houses on agricultural parcels. The county has divided the residential analysis and valuation work into 5 Valuation Groupings, Fairbury and Plymouth are the only individual towns, #12 is a grouping of 4 small towns, #15 is a grouping of 3 small villages, plus one grouping for rural residential parcels. Jefferson County is bordered on the north by Saline County, on the south by the State of Kansas, on the east by Gage County and on the west by Thayer County. In the Residential Survey and Residential Assessment Actions section of the R&O, the characteristics of the Valuation Groupings and the assessment process are described in detail. The county believes that each grouping is unique with differing combinations of population, schools, available commercial services, healthcare services and employment outside the agricultural sector. During the past few years there have been no significant economic events that have impacted the value of residential property. Some locations have shown positive residential growth and some have shown decline. In all, the residential is stable, but values are somewhat flat to slightly increasing.

The key statistics considered for measurement are as follows: there are 148 qualified sales; the median ratio is 98%; the weighted mean ratio is 93%; the mean ratio is 113%; the COD is 31.61; the PRD is 120.77 and the 95% median confidence interval is 93.75 to 104.62. The analysis of the assessment process in the county goes beyond the statistics that are produced from the sales that have occurred in the current study period. The actions taken during the assessment process are of considerable importance when determining the quality of assessment. The assessor annually reports their assessment intentions in their 3 Year Plan; they verify their accomplishments during the interview for the Assessment Actions section of the R&O; and explain many of the other details and valuation procedures or policies during the preparation of the Survey. The discussion of their 6 Year Inspection process further reveals steps in any inspection, review or revaluation process and supports the thoroughness and the consistency of their actions. The county reports that as of January 1, 2011, they had completed all of their 6 year process of inspection and review of the residential property.

The Department does not depend solely on the assessment statistics to evaluate equalization in the county. The best basis to evaluate intra-county equalization is to determine that the valuation process is current, accurate, and applied consistently. The assessment actions narratives prepared this year and in prior years describe a process that is likely to produce equalized results. The Department believes that the quality of assessment of residential property in the county is acceptable. There are numerous reasons, but the most relevant are the Departments ongoing interaction with the assessor, and the annual reporting of their actions with regard to residential property. The county has worked to keep current records by the regular inspection of all parcels, and the ongoing process of discovering any changes to those parcels. The county verifies all sales and reviews many of them in preparation for future updates or revaluations. All of the available indications are that the county has done a consistent and uniform job of valuation. The costs used are mostly 2001, except for the most recently reviewed towns and the rural residential. Going forward, the costs will be converted to 2008. The land values and the depreciation schedules are developed to work with the costs for each individual valuation group. Each valuation group may be adjusted between the years

**2012 Correlation Section
for Jefferson County**

of inspection and review if the market analysis indicates that an adjustment is needed to keep it current.

During 2011, the Department conducted a review of the values sent into the sales file using the 2011 AVU. This process was done to make sure that the data that had been used for the measurement process was in fact the 2011 assessed values of the parcels in the sales file. This test of the county assessment practices demonstrated only a few minor entry errors or oversights. Those practices are expected to be improved for 2012.

The Department is confident that the current R&O Statistics are meaningful to measure the entire class partly because the sample is adequate and partly because the assessment actions are acceptable. For 2012, the median ratio is 98% for the residential property. The COD is not within the acceptable range and PRD is not within the acceptable range. The median confidence interval indicates a level of value that may be within the range of 92 to 100%. The quality statistics can be strongly impacted by the low dollar sales. This is the case in Jefferson County. A review of the Sales Price stratification in the R&O Statistics indicates that as low dollar sales are removed, the quality statistics improve. The 139 sales above \$4,999 show an improved COD and an improved but still high PRD; the 120 sales above \$14,999 still show additional improvement to the COD and to the PRD; and the 93 sales above \$29,999 show a COD of 18.30 and a PRD of 106.04. The valuation group #08 with only 7 sales appears high, but the department is reluctant to recommend adjustment to such a small subclass. Otherwise, there are no notable subclasses outside the acceptable range. There are no recommendations for the adjustment of the class or for any subclasses of the residential class. The quality statistics are not particularly good, but considering the entire county, the median is still the most probable level of value at 98%. The quality of assessment based the statistics alone is questionable, but based on the reported assessment actions of the assessor the quality of assessment for the residential class is acceptable.

**2012 Correlation Section
for Jefferson 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 Jefferson County**

C. Measures of Central Tendency

There are three measures of central tendency calculated by the Division: median ratio, weighted mean ratio, and mean ratio. Since each measure of central tendency has strengths and weaknesses, the use of any statistic for equalization should be reconciled with the other two, as in an appraisal, based on the appropriateness 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 Jefferson County**

D. Analysis of Quality of Assessment

In analyzing the statistical data of assessment quality, there are two measures upon which assessment officials will primarily rely: the Coefficient of Dispersion (COD), and the Price Related Differential (PRD). Whether such statistics can be relied upon as meaningful for the population depends on whether the sample is representative.

The COD is commonly referred to as the index of assessment inequality. It is used to measure how closely the individual ratios are clustered around the median ratio and suggests the degree of uniformity or inaccuracy resulting in the assessments. The COD is computed by dividing the average deviation by the median ratio. For example, a COD of 20 means half of the ratios are 20 percent above or below the median. The closer the ratios are grouped around the median, the more equitable the assessment of property tends to be. Conversely, if the dispersion is quite large, there is a large spread in the ratios typically indicating a large spread around the median in the assessment of property, which results in an inequity in assessment and taxes. There is no range of acceptability stated in the Nebraska statutes for the COD measure. The 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
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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 Jefferson County

For 2012, Jefferson County has followed their 3 Year Plan which includes the following actions:

The county completed all commercial pickup work.

The county conducted a thorough sale verification and analysis process.

The county has completed the commercial inspection and update process so no additional commercial inspections and reviews were conducted during 2011.

2012 Commercial Assessment Survey for Jefferson County

1.	Valuation data collection done by:	
	Contract Appraiser	
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>
	19	Includes all Assessor Locations: All commercial sales in Jefferson County are grouped together for analysis and valuation.
3.	List and describe the approach(es) used to estimate the market value of commercial properties.	
	RCNLD (replacement cost new less depreciation) and Market Approach (sales comparison approach) and the two values are reconciled correlated for a final value.	
3a.	Describe the process used to value unique commercial properties.	
	The assessor relies heavily on the experience of the contract appraiser when unique commercial property is appraised. The contract appraiser has familiarity with the appraisal techniques, sales and procedures used in other counties. There is also an exchange of information among other assessors that have similar parcels. This process helps to determine a value and to value unique property similarly to other like property in nearby jurisdictions.	
4.	What is the costing year of the cost approach being used for each valuation grouping?	
	2008	
5.	If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?	
	The local market	
6.	Are individual depreciation tables developed for each valuation grouping?	
	Yes; but there is only one valuation group in commercial.	
7.	When were the depreciation tables last updated for each valuation grouping?	
	The depreciation tables are redone whenever the costs are updated. They tend to be the same or nearly the same date as the cost tables.	

8.	<p>When was the last lot value study completed for each valuation grouping?</p> <p>Lot sales are analyzed (if sales occur) on an ongoing basis. When the commercial parcels are reviewed and re-appraised they verify whether the lot values are holding or if the values need to be adjusted before the improvements are appraised. Going forward, this practice will continue and the lots will be either affirmed or updated whenever the class or subclass is inspected, reviewed and recosted.</p>
9.	<p>Describe the methodology used to determine the commercial lot values.</p> <p>Sales of vacant land using square foot and the common unit of comparison</p>
10.	<p>How do you determine whether a sold parcel is substantially changed?</p> <p>The assessor has adopted the prior assessor's policy and reviews individual sold parcels that have been altered after the sale. This is done during the pick-up work or inspection and review by reviewing improvement statements and permits filed on parcels that sold, and actually inspecting the improvements on site. If there is a new structure, an extensive remodel or an actual addition to a property that is judged to result in a significant change in the market and the assessed value, it is considered a substantial change. Typically a minor rehab, repair, alteration or deferred maintenance would not be considered substantial.</p>

48 Jefferson
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 : 13
Total Sales Price : 692,945
Total Adj. Sales Price : 682,945
Total Assessed Value : 837,604
Avg. Adj. Sales Price : 52,534
Avg. Assessed Value : 64,431

MEDIAN : 98
WGT. MEAN : 123
MEAN : 106
COD : 18.29
PRD : 86.34

COV : 30.45
STD : 32.25
Avg. Abs. Dev : 18.00
MAX Sales Ratio : 187.95
MIN Sales Ratio : 52.98

95% Median C.I. : 92.67 to 118.00
95% Wgt. Mean C.I. : 90.73 to 154.57
95% Mean C.I. : 86.41 to 125.39

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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-08 To 30-SEP-08	1	118.00	118.00	118.00	00.00	100.00	118.00	118.00	N/A	5,000	5,900	
01-OCT-08 To 31-DEC-08	2	97.63	97.63	97.49	01.67	100.14	96.00	99.25	N/A	43,750	42,650	
01-JAN-09 To 31-MAR-09	2	96.48	96.48	95.49	02.00	101.04	94.55	98.40	N/A	25,500	24,350	
01-APR-09 To 30-JUN-09	2	97.19	97.19	97.54	04.65	99.64	92.67	101.71	N/A	32,500	31,700	
01-JUL-09 To 30-SEP-09												
01-OCT-09 To 31-DEC-09	1	100.00	100.00	100.00	00.00	100.00	100.00	100.00	N/A	21,000	21,000	
01-JAN-10 To 31-MAR-10	1	88.83	88.83	88.83	00.00	100.00	88.83	88.83	N/A	46,000	40,860	
01-APR-10 To 30-JUN-10	2	101.11	101.11	140.75	47.60	71.84	52.98	149.23	N/A	181,723	255,777	
01-JUL-10 To 30-SEP-10	1	187.95	187.95	187.95	00.00	100.00	187.95	187.95	N/A	20,000	37,590	
01-OCT-10 To 31-DEC-10												
01-JAN-11 To 31-MAR-11												
01-APR-11 To 30-JUN-11	1	97.08	97.08	97.08	00.00	100.00	97.08	97.08	N/A	24,000	23,300	
<u>Study Yrs</u>												
01-JUL-08 To 30-JUN-09	7	98.40	100.08	97.51	05.19	102.64	92.67	118.00	92.67 to 118.00	29,786	29,043	
01-JUL-09 To 30-JUN-10	4	94.42	97.76	133.21	28.45	73.39	52.98	149.23	N/A	107,611	143,354	
01-JUL-10 To 30-JUN-11	2	142.52	142.52	138.39	31.88	102.98	97.08	187.95	N/A	22,000	30,445	
<u>Calendar Yrs</u>												
01-JAN-09 To 31-DEC-09	5	98.40	97.47	97.15	02.95	100.33	92.67	101.71	N/A	27,400	26,620	
01-JAN-10 To 31-DEC-10	4	119.03	119.75	137.39	41.03	87.16	52.98	187.95	N/A	107,361	147,501	
<u>ALL</u>	13	98.40	105.90	122.65	18.29	86.34	52.98	187.95	92.67 to 118.00	52,534	64,431	

VALUATION GROUPING											Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.			
19	13	98.40	105.90	122.65	18.29	86.34	52.98	187.95	92.67 to 118.00	52,534	64,431	
<u>ALL</u>	13	98.40	105.90	122.65	18.29	86.34	52.98	187.95	92.67 to 118.00	52,534	64,431	

PROPERTY TYPE *											Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.			
02												
03	12	97.74	106.45	124.10	19.88	85.78	52.98	187.95	92.67 to 118.00	53,579	66,492	
04	1	99.25	99.25	99.25	00.00	100.00	99.25	99.25	N/A	40,000	39,700	
<u>ALL</u>	13	98.40	105.90	122.65	18.29	86.34	52.98	187.95	92.67 to 118.00	52,534	64,431	

48 Jefferson
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 : 13
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COD : 18.29
PRD : 86.34

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STD : 32.25
Avg. Abs. Dev : 18.00
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95% Wgt. Mean C.I. : 90.73 to 154.57
95% Mean C.I. : 86.41 to 125.39

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SALE PRICE *											Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.			
<u>Low \$ Ranges</u>												
Less Than 5,000												
Less Than 15,000	1	118.00	118.00	118.00	00.00	100.00	118.00	118.00	N/A	5,000	5,900	
Less Than 30,000	5	100.00	120.29	121.32	22.09	99.15	97.08	187.95	N/A	16,500	20,018	
<u>Ranges Excl. Low \$</u>												
Greater Than 4,999	13	98.40	105.90	122.65	18.29	86.34	52.98	187.95	92.67 to 118.00	52,534	64,431	
Greater Than 14,999	12	97.74	104.89	122.68	18.28	85.50	52.98	187.95	92.67 to 101.71	56,495	69,309	
Greater Than 29,999	8	95.28	96.90	122.83	15.38	78.89	52.98	149.23	52.98 to 149.23	75,056	92,189	
<u>Incremental Ranges</u>												
0 TO 4,999												
5,000 TO 14,999	1	118.00	118.00	118.00	00.00	100.00	118.00	118.00	N/A	5,000	5,900	
15,000 TO 29,999	4	99.20	120.86	121.54	23.31	99.44	97.08	187.95	N/A	19,375	23,548	
30,000 TO 59,999	7	94.55	89.43	90.30	09.44	99.04	52.98	101.71	52.98 to 101.71	38,429	34,702	
60,000 TO 99,999												
100,000 TO 149,999												
150,000 TO 249,999												
250,000 TO 499,999	1	149.23	149.23	149.23	00.00	100.00	149.23	149.23	N/A	331,445	494,600	
500,000 TO 999,999												
1,000,000 +												
<u>ALL</u>	13	98.40	105.90	122.65	18.29	86.34	52.98	187.95	92.67 to 118.00	52,534	64,431	

OCCUPANCY CODE											Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.			
326	1	52.98	52.98	52.98	00.00	100.00	52.98	52.98	N/A	32,000	16,954	
352	1	149.23	149.23	149.23	00.00	100.00	149.23	149.23	N/A	331,445	494,600	
353	5	97.08	113.68	106.45	21.54	106.79	88.83	187.95	N/A	29,900	31,830	
384	1	98.40	98.40	98.40	00.00	100.00	98.40	98.40	N/A	12,500	12,300	
406	2	108.63	108.63	101.33	08.63	107.20	99.25	118.00	N/A	22,500	22,800	
442	1	92.67	92.67	92.67	00.00	100.00	92.67	92.67	N/A	30,000	27,800	
528	1	96.00	96.00	96.00	00.00	100.00	96.00	96.00	N/A	47,500	45,600	
532	1	101.71	101.71	101.71	00.00	100.00	101.71	101.71	N/A	35,000	35,600	
<u>ALL</u>	13	98.40	105.90	122.65	18.29	86.34	52.98	187.95	92.67 to 118.00	52,534	64,431	

**2012 Correlation Section
for Jefferson County**

A. Commercial Real Property

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

The sales in the file have been reviewed and the following is noted: There was no evidence that there was any value for personal property, inventory or going concern included in the adjusted selling price of any of the commercial parcels. There was no evidence that there was any issue with the verification process and the resulting qualification codes submitted by the assessor. The inspection and review process was completed prior to 2012 and all of the commercial and industrial records are up to date. Based on that, the process used to value the commercial property is considered to be uniform.

The key statistics considered for measurement are as follows: there are 13 qualified sales; the median ratio is 98%; the weighted mean ratio is 123%; the mean ratio is 106%; the COD is 18.29; the PRD is 86.34 and the 95% median confidence interval is 92.67 to 118.00. There is concern whether the 13 sales in the sales file are representative of the population of commercial and industrial property. Of the qualified sales, 12 occurred in Fairbury, the predominant town. When the occupancy codes are reviewed, there are 8 different occupancy codes; there are 2 sales in occupancy code 406, (storage warehouse); 5 sales in occupancy code 353 (retail store); 1 sale in occupancy code 352 (multiple residence); and 1 sales in occupancy code 528 (service repair garage). This is not the picture of a class that is proportional to the population. Considering that many property types have no representation in the sales file, it is unlikely that one stratum of commercial and industrial property is indicative of the value of another stratum. We rely on the notion that thorough, timely and consistent assessment actions will produce consistent valuations.

The COD and the PRD of any sample of 13 sales, particularly in a non-homogeneous class is not likely to be stable. If the COD is high, there is a tendency to declare that the valuation is not uniform. If the COD is too low, there is the concern that there were disparate assessment actions for the sales versus the unsold members of the class. Small samples of non-homogeneous property sales can produce excessively high, excessively low or very desirable statistics. In this case, there is 1 sale that accounts for about 72% of the adjusted selling price of the commercial study. It appears to be over assessed, but its presence causes severe distortions to all of the statistics. The most apparent is the weighted mean. Then any other statistic that uses the weighted mean. The average selling price of the 12 remaining sales is less than \$16,000. In this case, the sample is insufficient to produce meaningful measurement. In the end, the sample is too small to measure any real class or subclass, and the class is too diverse to be adequately represented by this sample. That leaves the Department to conclude that there simply is not enough information available to determine a level of value for the class or for any subclass of the commercial and industrial property.

**2012 Correlation Section
for Jefferson 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 Jefferson County**

C. Measures of Central Tendency

There are three measures of central tendency calculated by the Division: median ratio, weighted mean ratio, and mean ratio. Since each measure of central tendency has strengths and weaknesses, the use of any statistic for equalization should be reconciled with the other two, as in an appraisal, based on the appropriateness 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 Jefferson County**

D. Analysis of Quality of Assessment

In analyzing the statistical data of assessment quality, there are two measures upon which assessment officials will primarily rely: the Coefficient of Dispersion (COD), and the Price Related Differential (PRD). Whether such statistics can be relied upon as meaningful for the population depends on whether the sample is representative.

The COD is commonly referred to as the index of assessment inequality. It is used to measure how closely the individual ratios are clustered around the median ratio and suggests the degree of uniformity or inaccuracy resulting in the assessments. The COD is computed by dividing the average deviation by the median ratio. For example, a COD of 20 means half of the ratios are 20 percent above or below the median. The closer the ratios are grouped around the median, the more equitable the assessment of property tends to be. Conversely, if the dispersion is quite large, there is a large spread in the ratios typically indicating a large spread around the median in the assessment of property, which results in an inequity in assessment and taxes. There is no range of acceptability stated in the Nebraska statutes for the COD measure. The 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 Jefferson 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 Jefferson County

For 2012, Jefferson County has followed their 3 Year Plan which includes the following actions:

The county completed all pickup work of new improvements on agricultural parcels. They also update the land use on all parcels where changes have been reported or observed.

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

The county has completed the inspection and update process for all agricultural improvements so no additional inspections and reviews were conducted during 2011.

2012 Agricultural Assessment Survey for Jefferson County

1.	Valuation data collection done by:	
	Assessor and Staff	
2.	List each market area, and describe the location and the specific characteristics that make each unique.	
	Market Area	Description of unique characteristics
	1	Market Area 1: This area covers the top one fourth of the county where the terrain has less of a slope and larger field sizes than the other two market areas also less grass and more irrigation potential with more access to ground water and is mostly developed for irrigation.
	2	Market Area 2: This area covers the middle one half of the county and is a cross section of market area 1 and 3 with significantly more dry land than market area 1, similar soils to Market Area 1 but with no ground water access for irrigation well development limiting irrigation development.
	3	Market Area 3: This area covers the lower one fourth of the county and in this area the terrain is rougher and steeper with smaller field sizes.
3.	Describe the process that is used to determine and monitor market areas.	
	The county has a strong sale verification and analysis process. This keeps them constantly aware of market trends and changes in agricultural land values. Presently, they are monitoring the sales in Market areas 1 and 2 in the North half of the county. There may be a gradual trend of higher values occurring in the North part of Market Area 2 which might bring about the expansion of Market Area 1 to the South.	
4.	Describe the process used to identify rural residential land and recreational land in the county apart from agricultural land.	
	Agricultural land is identified by its present and predominant use; it is defined in the state statutes as the commercial production of agricultural products. Residential as not used for the commercial production for agricultural products and Recreational predominantly used for rest and relaxation on an occasional basis. There is currently no land valued as Recreational.	

5.	Do farm home sites carry the same value as rural residential home sites or are market differences recognized? If differences, what are the recognized market differences?
	Yes; the first (home site) acre, for both farm home and rural residential home sites is valued the same at \$10,000. This home site acre value is the same throughout the county. The outbuilding site acres are valued at \$2,000 per acre and the excess or yard acres are valued at \$1,500 per acre. The area of the site is determined on a parcel by parcel basis using GIS and FSA data.
6.	What process is used to annually update land use? (Physical inspection, FSA maps, etc.)
	Property owner reports substantiated by changes to FSA maps supplied by the property owner. Additionally, changes are noticed on the GIS maps or casually observed when improvement inspections or pick up work is being done.
7.	Describe the process used to identify and monitor the influence of non-agricultural characteristics.
	Sale verification; information obtained from buyers and sellers is key technique.
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?
	In the case of agricultural land, the land use is a key indicator of substantial change. If the use of a parcel of land changes from dry or grass to irrigated the valuation difference is substantial. If there are only a few acres that change, that may not be viewed as substantial. If the resulting change in value is sufficient to noticeably change the value of the parcel, it is considered substantial. The reasons that pertain to structures may be similar to the residential or commercial reasons, but the threshold for substantial may be greater if the total purchase price for the land is greater.

48 Jefferson
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 : 68
Total Sales Price : 22,492,908
Total Adj. Sales Price : 22,447,908
Total Assessed Value : 16,204,869
Avg. Adj. Sales Price : 330,116
Avg. Assessed Value : 238,307

MEDIAN : 73
WGT. MEAN : 72
MEAN : 73
COD : 16.96
PRD : 101.32

COV : 21.83
STD : 15.97
Avg. Abs. Dev : 12.31
MAX Sales Ratio : 114.24
MIN Sales Ratio : 40.62

95% Median C.I. : 69.34 to 77.98
95% Wgt. Mean C.I. : 68.10 to 76.27
95% Mean C.I. : 69.34 to 76.94

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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	2	84.60	84.60	85.98	05.74	98.39	79.74	89.46	N/A	357,655	307,517
01-OCT-08 To 31-DEC-08	11	79.48	80.16	79.47	09.45	100.87	52.83	107.01	74.01 to 86.48	311,952	247,896
01-JAN-09 To 31-MAR-09	3	72.69	74.93	77.21	06.89	97.05	68.53	83.56	N/A	429,636	331,729
01-APR-09 To 30-JUN-09	6	71.35	76.65	75.04	10.26	102.15	69.16	93.73	69.16 to 93.73	463,173	347,583
01-JUL-09 To 30-SEP-09	4	75.23	74.68	75.50	07.59	98.91	65.48	82.80	N/A	379,600	286,601
01-OCT-09 To 31-DEC-09	3	70.37	80.85	84.66	16.54	95.50	68.63	103.55	N/A	217,073	183,775
01-JAN-10 To 31-MAR-10	9	88.21	82.39	84.38	14.05	97.64	57.31	99.94	61.73 to 97.66	350,683	295,900
01-APR-10 To 30-JUN-10	5	84.67	87.47	91.86	17.05	95.22	68.91	114.24	N/A	169,660	155,847
01-JUL-10 To 30-SEP-10	5	53.76	56.41	54.29	13.91	103.90	43.22	72.14	N/A	300,322	163,032
01-OCT-10 To 31-DEC-10	12	64.81	63.60	60.58	13.81	104.99	45.54	78.98	53.82 to 73.25	321,296	194,627
01-JAN-11 To 31-MAR-11	3	50.85	56.83	52.43	11.84	108.39	50.78	68.85	N/A	477,325	250,285
01-APR-11 To 30-JUN-11	5	59.51	60.40	58.32	25.46	103.57	40.62	88.91	N/A	253,996	148,140
<u>Study Yrs</u>											
01-JUL-08 To 30-JUN-09	22	79.32	78.89	78.18	09.81	100.91	52.83	107.01	72.69 to 84.59	373,397	291,935
01-JUL-09 To 30-JUN-10	21	78.26	81.91	83.25	16.20	98.39	57.31	114.24	70.37 to 94.12	294,003	244,765
01-JUL-10 To 30-JUN-11	25	59.51	60.71	57.60	17.39	105.40	40.62	88.91	52.22 to 70.21	322,365	185,690
<u>Calendar Yrs</u>											
01-JAN-09 To 31-DEC-09	16	72.58	76.62	76.61	10.25	100.01	65.48	103.55	69.16 to 83.56	389,848	298,651
01-JAN-10 To 31-DEC-10	31	71.33	71.75	70.43	19.28	101.87	43.22	114.24	60.69 to 78.26	301,987	212,678
<u>ALL</u>	68	72.58	73.14	72.19	16.96	101.32	40.62	114.24	69.34 to 77.98	330,116	238,307

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
1	17	72.69	76.83	71.64	22.80	107.24	43.22	114.24	56.15 to 98.20	414,926	297,265
2	33	73.88	74.48	74.18	16.26	100.40	42.73	107.01	68.91 to 84.10	310,752	230,521
3	18	70.31	67.20	68.96	12.09	97.45	40.62	80.27	57.31 to 74.01	285,520	196,898
<u>ALL</u>	68	72.58	73.14	72.19	16.96	101.32	40.62	114.24	69.34 to 77.98	330,116	238,307

48 Jefferson
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 : 68
Total Sales Price : 22,492,908
Total Adj. Sales Price : 22,447,908
Total Assessed Value : 16,204,869
Avg. Adj. Sales Price : 330,116
Avg. Assessed Value : 238,307

MEDIAN : 73
WGT. MEAN : 72
MEAN : 73
COD : 16.96
PRD : 101.32

COV : 21.83
STD : 15.97
Avg. Abs. Dev : 12.31
MAX Sales Ratio : 114.24
MIN Sales Ratio : 40.62

95% Median C.I. : 69.34 to 77.98
95% Wgt. Mean C.I. : 68.10 to 76.27
95% Mean C.I. : 69.34 to 76.94

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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	1	103.55	103.55	103.55	00.00	100.00	103.55	103.55	N/A	291,000	301,334
1	1	103.55	103.55	103.55	00.00	100.00	103.55	103.55	N/A	291,000	301,334
_____Dry_____											
County	8	72.54	71.06	67.72	17.89	104.93	52.12	98.20	52.12 to 98.20	209,657	141,986
1	1	98.20	98.20	98.20	00.00	100.00	98.20	98.20	N/A	90,000	88,382
2	6	72.54	69.70	68.58	13.26	101.63	53.82	84.10	53.82 to 84.10	223,043	152,955
3	1	52.12	52.12	52.12	00.00	100.00	52.12	52.12	N/A	249,000	129,780
_____Grass_____											
County	11	73.25	71.66	74.40	10.80	96.32	53.76	86.48	57.31 to 84.67	260,987	194,164
2	3	84.67	83.14	84.99	03.24	97.82	78.26	86.48	N/A	218,752	185,908
3	8	68.75	67.36	71.26	09.32	94.53	53.76	77.98	53.76 to 77.98	276,825	197,260
_____ALL_____	68	72.58	73.14	72.19	16.96	101.32	40.62	114.24	69.34 to 77.98	330,116	238,307

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	10	70.34	72.53	70.96	16.41	102.21	50.78	103.55	56.15 to 88.21	639,380	453,705
1	7	71.33	72.63	68.58	16.94	105.91	50.78	103.55	50.78 to 103.55	568,629	389,963
2	3	69.16	72.29	74.89	13.84	96.53	59.51	88.21	N/A	804,467	602,436
_____Dry_____											
County	16	68.58	68.12	64.75	23.87	105.20	40.62	107.01	52.12 to 84.10	230,667	149,353
1	1	98.20	98.20	98.20	00.00	100.00	98.20	98.20	N/A	90,000	88,382
2	10	72.54	69.84	67.67	22.26	103.21	42.73	107.01	45.54 to 84.98	246,479	166,803
3	5	52.83	58.67	55.75	20.84	105.24	40.62	79.15	N/A	227,176	126,647
_____Grass_____											
County	13	73.25	71.73	74.17	09.50	96.71	53.76	86.48	65.48 to 78.26	246,814	183,056
2	4	81.47	80.82	82.61	05.83	97.83	73.88	86.48	N/A	208,627	172,355
3	9	70.25	67.69	71.20	08.13	95.07	53.76	77.98	57.31 to 73.61	263,786	187,811
_____ALL_____	68	72.58	73.14	72.19	16.96	101.32	40.62	114.24	69.34 to 77.98	330,116	238,307

Jefferson County 2012 Average LCG Value Comparison

	County	Mkt Area	1A1	1A	2A1	2A	3A1	3A	4A1	4A	AVG IRR
48.10	Jefferson	1	3,620	4,288	3,619	3,095	3,097	#DIV/0!	2,570	1,490	3,672
30.10	Fillmore	1	3,700	3,600	3,500	3,400	3,100	#DIV/0!	2,700	2,550	3,478
34.10	Gage	1	2,848	2,872	2,566	2,575	2,303	2,309	2,130	2,113	2,609
76.20	Saline	2	2,796	2,797	2,686	2,397	2,196	#DIV/0!	1,897	1,827	2,569
85.10	Thayer	1	3,340	3,340	3,275	2,875	2,725	2,602	2,570	2,550	3,124
48.20	Jefferson	2	3,535	3,903	3,105	2,829	2,358	#DIV/0!	1,922	1,565	3,175
34.10	Gage	1	2,848	2,872	2,566	2,575	2,303	2,309	2,130	2,113	2,609
85.20	Thayer	2	3,150	3,150	2,850	2,650	2,450	#DIV/0!	2,225	2,200	2,741
48.30	Jefferson	3	3,040	3,074	2,490	2,375	2,265	#DIV/0!	1,810	1,585	2,536
34.10	Gage	1	2,848	2,872	2,566	2,575	2,303	2,309	2,130	2,113	2,609
34.20	Gage	2	1,960	1,960	1,760	1,760	1,570	#DIV/0!	1,495	1,497	1,738
85.20	Thayer	2	3,150	3,150	2,850	2,650	2,450	#DIV/0!	2,225	2,200	2,741

	County	Mkt Area	1D1	1D	2D1	2D	3D1	3D	4D1	4D	AVG DRY
	Jefferson	1	2,100	2,903	2,100	1,739	1,809	#DIV/0!	1,615	585	2,203
	Fillmore	1	2,255	2,215	2,065	2,065	1,895	#DIV/0!	1,620	1,555	2,096
	Gage	1	2,205	2,205	1,860	1,860	1,575	1,575	1,400	1,400	1,780
	Saline	2	1,948	1,947	1,749	1,696	1,618	1,300	1,296	1,198	1,735
	Thayer	1	2,075	2,075	1,900	1,775	1,650	1,525	1,525	1,500	1,881
	Jefferson	2	2,480	2,690	1,907	1,654	1,401	#DIV/0!	1,275	680	2,023
	Gage	1	2,205	2,205	1,860	1,860	1,575	1,575	1,400	1,400	1,780
	Thayer	2	1,650	1,625	1,600	1,500	1,450	1,301	1,250	1,250	1,494
	Jefferson	3	1,800	1,872	1,794	1,195	1,158	#DIV/0!	956	811	1,400
	Gage	1	2,205	2,205	1,860	1,860	1,575	1,575	1,400	1,400	1,780
	Gage	2	1,780	1,780	1,760	1,760	1,375	#DIV/0!	1,045	1,045	1,505
	Thayer	2	1,650	1,625	1,600	1,500	1,450	1,301	1,250	1,250	1,494

	County	Mkt Area	1G1	1G	2G1	2G	3G1	3G	4G1	4G	AVG GRASS
	Jefferson	1	1,155	1,434	1,138	1,342	778	#DIV/0!	1,301	519	973
	Fillmore	1	960	940	880	820	800	#DIV/0!	700	700	786
	Gage	1	786	1,097	935	1,105	984	885	885	641	889
	Saline	2	1,015	1,060	911	1,037	987	816	924	738	870
	Thayer	1	958	1,049	926	907	937	884	909	867	913
	Jefferson	2	699	794	547	883	921	#DIV/0!	803	625	767
	Gage	1	786	1,097	935	1,105	984	885	885	641	889
	Thayer	2	983	1,037	931	933	993	#DIV/0!	915	900	929
	Jefferson	3	962	1,062	869	845	1,050	#DIV/0!	839	723	820
	Gage	1	786	1,097	935	1,105	984	885	885	641	889
	Gage	2	872	1,091	965	1,142	933	1,235	802	647	884
	Thayer	2	983	1,037	931	933	993	#DIV/0!	915	900	929

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

2012 Correlation Section for Jefferson County

A. Agricultural Land

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

The measurement process begins with the sample of qualified sales that occurred within the 3 year study period defined for the 2012 R&O agricultural land measurement process. The sample made up of the county sales is not adequate, so comparable sales from adjacent counties were added to make the base sample adequate to measure the level of value of the agricultural land. In this case there were 20 comparable sales borrowed from adjacent counties that were needed to make the sample adequate for measurement and be considered proportional and representative. The strength of this method is that it uses the subject county sales and only borrows enough additional sales to make the sample statistically adequate. After the data has been analyzed and the county has revalued the agricultural land, the median ratio calculated for the county is 73%. The county has identified 3 market areas: Market Area 1 has a 73% median ratio; Market Area 2 has a 74% median ratio; and Market Area 3 has a 70% median ratio.

Another situation unique to Jefferson County should be explained before discussing the measurement of the agricultural land values. The county values their agricultural land by market areas and further breaks all parcels down to the individual soils for analysis and valuation. Each soil in each use in each market area has an individual value. There are more than 80 separate soils and the Department reporting system does not accommodate nearly that level of detail. The data from the county is reported by LCG, but each LCG in each market area can and does have many different values unlike most counties that would have only one. To conduct the analysis, the Department used the average value by LCG as it is compiled in the abstract to estimate the Jefferson County valuation for each borrowed sale. The counties own sales were measured with the values that the county provided. The Department believes that the borrowed sale values were reasonably estimated so the statistics are not unduly influenced by this process. The value estimate may have been a little high in some instances and a little low in others, but should still have reasonable accuracy.

The key statistics considered for measurement are as follows: there are 48 qualified sales from the subject county, 20 qualified sales borrowed sales for a total of 68 qualified sales used in the analysis; the median ratio is 73%; the weighted mean ratio is 72%; the mean ratio is 73%; the COD is 16.96; the PRD is 101.32 and the 95% median confidence interval is 69.34 to 77.98.

Based on a review of the county schedule of values and a general knowledge of their assessment practices relating to the valuation of agricultural land the county has achieved

**2012 Correlation Section
for Jefferson County**

intra-county equalization. Jefferson County reported that they completed the inspection and review of all residences and buildings on agricultural parcels by the end of 2010 for use in 2011. The 6 year process of inspection and review of land and structures in the agricultural class has been completed.

Schedule X of the 2012 Abstract of Jefferson County and the surrounding counties were compared to test for inter-county equalization. That comparison of the average assessed value for irrigated, dry and grass land uses revealed that the average assessed value for each of the land uses shows a logical progression from county to county. The values tended to be lower in the counties to the west and south and increase as you progress to the east and north, suggesting inter-county equalization.

The COD falls within the desired range and the PRD is well within the desired range in the statistical studies. The county increased irrigated values by over 18%, dry values by nearly 20%, and grass values by nearly 10%. Given the current market conditions the Department is not overly concerned that there are any quality issues in the valuation of agricultural land. The county has sound assessment practices relating to the verification and analysis of agricultural values. They have adequate tools and practices to keep land use up to date and there is no weakness or bias noticed in their assessment practices. The quality of assessment for agricultural land is acceptable.

It is the opinion of the Department that the level of value for agricultural land of value falls at or near the median ratio of the R&O Statistics, since the sample is both proportional and representative. In this case, the apparent level of value is 73% and the quality of the assessment process is acceptable. There are no recommended adjustments to the class or to any subclass of agricultural land.

**2012 Correlation Section
for Jefferson 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 Jefferson County**

C. Measures of Central Tendency

There are three measures of central tendency calculated by the Division: median ratio, weighted mean ratio, and mean ratio. Since each measure of central tendency has strengths and weaknesses, the use of any statistic for equalization should be reconciled with the other two, as in an appraisal, based on the appropriateness 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 Jefferson County

D. Analysis of Quality of Assessment

In analyzing the statistical data of assessment quality, there are two measures upon which assessment officials will primarily rely: the Coefficient of Dispersion (COD), and the Price Related Differential (PRD). Whether such statistics can be relied upon as meaningful for the population depends on whether the sample is representative.

The COD is commonly referred to as the index of assessment inequality. It is used to measure how closely the individual ratios are clustered around the median ratio and suggests the degree of uniformity or inaccuracy resulting in the assessments. The COD is computed by dividing the average deviation by the median ratio. For example, a COD of 20 means half of the ratios are 20 percent above or below the median. The closer the ratios are grouped around the median, the more equitable the assessment of property tends to be. Conversely, if the dispersion is quite large, there is a large spread in the ratios typically indicating a large spread around the median in the assessment of property, which results in an inequity in assessment and taxes. There is no range of acceptability stated in the Nebraska statutes for the COD measure. The 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 Jefferson 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 : 7,041	Value : 962,841,036	Growth 6,355,395	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	357	924,827	23	186,331	171	956,248	551	2,067,406	
02. Res Improve Land	2,548	7,271,040	28	493,281	551	9,502,275	3,127	17,266,596	
03. Res Improvements	2,549	94,061,026	28	4,993,089	524	49,974,102	3,101	149,028,217	
04. Res Total	2,906	102,256,893	51	5,672,701	695	60,432,625	3,652	168,362,219	622,344
% of Res Total	79.57	60.74	1.40	3.37	19.03	35.89	51.87	17.49	9.79
05. Com UnImp Land	68	633,331	3	66,095	20	716,628	91	1,416,054	
06. Com Improve Land	342	3,388,539	10	488,414	41	624,690	393	4,501,643	
07. Com Improvements	342	35,813,932	10	2,303,604	40	9,391,354	392	47,508,890	
08. Com Total	410	39,835,802	13	2,858,113	60	10,732,672	483	53,426,587	3,323,690
% of Com Total	84.89	74.56	2.69	5.35	12.42	20.09	6.86	5.55	52.30
09. Ind UnImp Land	6	16,398	0	0	3	47,696	9	64,094	
10. Ind Improve Land	8	141,396	2	129,962	6	168,107	16	439,465	
11. Ind Improvements	8	1,699,887	2	529,192	6	4,080,577	16	6,309,656	
12. Ind Total	14	1,857,681	2	659,154	9	4,296,380	25	6,813,215	0
% of Ind Total	56.00	27.27	8.00	9.67	36.00	63.06	0.36	0.71	0.00
13. Rec UnImp Land	0	0	0	0	11	446,008	11	446,008	
14. Rec Improve Land	0	0	0	0	7	522,468	7	522,468	
15. Rec Improvements	0	0	0	0	7	834,250	7	834,250	
16. Rec Total	0	0	0	0	18	1,802,726	18	1,802,726	0
% of Rec Total	0.00	0.00	0.00	0.00	100.00	100.00	0.26	0.19	0.00
Res & Rec Total	2,906	102,256,893	51	5,672,701	713	62,235,351	3,670	170,164,945	622,344
% of Res & Rec Total	79.18	60.09	1.39	3.33	19.43	36.57	52.12	17.67	9.79
Com & Ind Total	424	41,693,483	15	3,517,267	69	15,029,052	508	60,239,802	3,323,690
% of Com & Ind Total	83.46	69.21	2.95	5.84	13.58	24.95	7.21	6.26	52.30
17. Taxable Total	3,330	143,950,376	66	9,189,968	782	77,264,403	4,178	230,404,747	3,946,034
% of Taxable Total	79.70	62.48	1.58	3.99	18.72	33.53	59.34	23.93	62.09

Schedule II : Tax Increment Financing (TIF)

	Urban			SubUrban		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	0	0	0
19. Commercial	4	139,673	2,719,732	0	0	0
20. Industrial	2	258,465	245,235	0	0	0
21. Other	0	0	0	0	0	0
	Rural			Total		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	0	0	0
19. Commercial	0	0	0	4	139,673	2,719,732
20. Industrial	0	0	0	2	258,465	245,235
21. Other	0	0	0	0	0	0
22. Total Sch II				6	398,138	2,964,967

Schedule III : Mineral Interest Records

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

Schedule IV : Exempt Records : Non-Agricultural

	Urban Records	SubUrban Records	Rural Records	Total Records
26. Exempt	266	37	78	381

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	0	0	0	0	1,999	438,131,208	1,999	438,131,208
28. Ag-Improved Land	0	0	0	0	864	223,481,161	864	223,481,161
29. Ag Improvements	0	0	0	0	864	70,823,920	864	70,823,920
30. Ag Total							2,863	732,436,289

Schedule VI : Agricultural Records :Non-Agricultural Detail

	Urban			SubUrban			Growth
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	0	0.00	0	0	0.00	0	
32. HomeSite Improv Land	0	0.00	0	0	0.00	0	
33. HomeSite Improvements	0	0.00	0	0	0.00	0	
34. HomeSite Total							
35. FarmSite UnImp Land	0	0.00	0	0	0.00	0	
36. FarmSite Improv Land	0	0.00	0	0	0.00	0	
37. FarmSite Improvements	0	0.00	0	0	0.00	0	
38. FarmSite Total							
39. Road & Ditches	0	0.00	0	0	0.00	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
	Records	Acres	Value	Records	Acres	Value	Growth
31. HomeSite UnImp Land	19	18.43	184,300	19	18.43	184,300	
32. HomeSite Improv Land	524	533.91	5,338,100	524	533.91	5,338,100	
33. HomeSite Improvements	547	0.00	40,943,015	547	0.00	40,943,015	484,026
34. HomeSite Total				566	552.34	46,465,415	
35. FarmSite UnImp Land	174	518.64	620,375	174	518.64	620,375	
36. FarmSite Improv Land	777	2,746.57	4,944,205	777	2,746.57	4,944,205	
37. FarmSite Improvements	854	0.00	29,880,905	854	0.00	29,880,905	1,925,335
38. FarmSite Total				1,028	3,265.21	35,445,485	
39. Road & Ditches	2,390	6,723.91	0	2,390	6,723.91	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
41. Total Section VI				1,594	10,541.46	81,910,900	2,409,361

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

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	0	0.00	0	0	0.00	0
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	26	2,501.45	2,696,541	26	2,501.45	2,696,541

Schedule VIII : Agricultural Records : Special Value

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

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

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 1

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	1,289.56	2.67%	4,668,206	2.63%	3,620.00
46. 1A	24,669.70	51.02%	105,783,675	59.58%	4,288.00
47. 2A1	3,032.50	6.27%	10,975,055	6.18%	3,619.14
48. 2A	8,858.07	18.32%	27,411,972	15.44%	3,094.58
49. 3A1	5,579.28	11.54%	17,279,606	9.73%	3,097.10
50. 3A	0.00	0.00%	0	0.00%	0.00
51. 4A1	3,805.34	7.87%	9,779,725	5.51%	2,570.00
52. 4A	1,116.87	2.31%	1,664,115	0.94%	1,489.98
53. Total	48,351.32	100.00%	177,562,354	100.00%	3,672.34
Dry					
54. 1D1	753.11	2.89%	1,581,531	2.75%	2,100.00
55. 1D	10,512.72	40.33%	30,518,573	53.14%	2,903.01
56. 2D1	1,061.24	4.07%	2,228,541	3.88%	2,099.94
57. 2D	5,898.80	22.63%	10,260,627	17.87%	1,739.44
58. 3D1	4,272.10	16.39%	7,726,456	13.45%	1,808.59
59. 3D	0.00	0.00%	0	0.00%	0.00
60. 4D1	2,934.86	11.26%	4,739,897	8.25%	1,615.03
61. 4D	633.62	2.43%	370,711	0.65%	585.07
62. Total	26,066.45	100.00%	57,426,336	100.00%	2,203.07
Grass					
63. 1G1	207.23	1.80%	239,446	2.14%	1,155.46
64. 1G	836.54	7.27%	1,199,227	10.72%	1,433.56
65. 2G1	951.67	8.28%	1,082,633	9.68%	1,137.61
66. 2G	2,093.38	18.20%	2,809,538	25.12%	1,342.11
67. 3G1	2,016.56	17.54%	1,568,300	14.02%	777.71
68. 3G	0.00	0.00%	0	0.00%	0.00
69. 4G1	1,903.70	16.55%	2,476,451	22.14%	1,300.86
70. 4G	3,490.54	30.35%	1,810,033	16.18%	518.55
71. Total	11,499.62	100.00%	11,185,628	100.00%	972.70
<hr/>					
Irrigated Total	48,351.32	55.68%	177,562,354	72.09%	3,672.34
Dry Total	26,066.45	30.02%	57,426,336	23.31%	2,203.07
Grass Total	11,499.62	13.24%	11,185,628	4.54%	972.70
72. Waste	914.41	1.05%	146,306	0.06%	160.00
73. Other	0.00	0.00%	0	0.00%	0.00
74. Exempt	0.00	0.00%	0	0.00%	0.00
75. Market Area Total	86,831.80	100.00%	246,320,624	100.00%	2,836.76

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 2

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	1,318.60	4.41%	4,660,978	4.91%	3,534.79
46. 1A	12,782.96	42.73%	49,888,119	52.53%	3,902.70
47. 2A1	2,203.87	7.37%	6,842,186	7.20%	3,104.62
48. 2A	5,999.17	20.05%	16,974,250	17.87%	2,829.43
49. 3A1	4,970.30	16.61%	11,721,815	12.34%	2,358.37
50. 3A	0.00	0.00%	0	0.00%	0.00
51. 4A1	2,105.88	7.04%	4,048,505	4.26%	1,922.48
52. 4A	535.80	1.79%	838,543	0.88%	1,565.03
53. Total	29,916.58	100.00%	94,974,396	100.00%	3,174.64
Dry					
54. 1D1	3,816.72	4.20%	9,465,464	5.15%	2,480.00
55. 1D	35,722.03	39.35%	96,096,078	52.32%	2,690.11
56. 2D1	6,232.95	6.87%	11,889,235	6.47%	1,907.48
57. 2D	19,964.14	21.99%	33,012,484	17.97%	1,653.59
58. 3D1	16,356.78	18.02%	22,909,339	12.47%	1,400.60
59. 3D	0.00	0.00%	0	0.00%	0.00
60. 4D1	7,406.50	8.16%	9,441,700	5.14%	1,274.79
61. 4D	1,283.10	1.41%	872,508	0.47%	680.00
62. Total	90,782.22	100.00%	183,686,808	100.00%	2,023.38
Grass					
63. 1G1	456.35	1.09%	319,069	0.99%	699.18
64. 1G	2,882.11	6.87%	2,289,464	7.12%	794.37
65. 2G1	3,278.20	7.82%	1,794,129	5.58%	547.29
66. 2G	8,072.39	19.25%	7,124,264	22.16%	882.55
67. 3G1	8,843.37	21.09%	8,146,345	25.34%	921.18
68. 3G	0.00	0.00%	0	0.00%	0.00
69. 4G1	5,506.25	13.13%	4,420,406	13.75%	802.80
70. 4G	12,889.97	30.74%	8,057,738	25.06%	625.12
71. Total	41,928.64	100.00%	32,151,415	100.00%	766.81
Irrigated Total					
	29,916.58	18.03%	94,974,396	30.51%	3,174.64
Dry Total					
	90,782.22	54.71%	183,686,808	59.00%	2,023.38
Grass Total					
	41,928.64	25.27%	32,151,415	10.33%	766.81
72. Waste	3,292.23	1.98%	526,756	0.17%	160.00
73. Other	0.00	0.00%	0	0.00%	0.00
74. Exempt	0.00	0.00%	0	0.00%	0.00
75. Market Area Total	165,919.67	100.00%	311,339,375	100.00%	1,876.45

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 3

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	573.80	17.45%	1,744,352	20.92%	3,040.00
46. 1A	863.86	26.26%	2,655,733	31.84%	3,074.26
47. 2A1	264.27	8.03%	658,033	7.89%	2,490.00
48. 2A	264.70	8.05%	628,665	7.54%	2,375.01
49. 3A1	663.00	20.16%	1,501,491	18.00%	2,264.69
50. 3A	0.00	0.00%	0	0.00%	0.00
51. 4A1	473.83	14.41%	857,633	10.28%	1,810.00
52. 4A	185.60	5.64%	294,182	3.53%	1,585.03
53. Total	3,289.06	100.00%	8,340,089	100.00%	2,535.71
Dry					
54. 1D1	2,631.16	8.68%	4,736,088	11.17%	1,800.00
55. 1D	7,631.32	25.19%	14,288,850	33.69%	1,872.40
56. 2D1	1,984.63	6.55%	3,560,386	8.39%	1,793.98
57. 2D	6,942.45	22.91%	8,296,277	19.56%	1,195.01
58. 3D1	5,375.42	17.74%	6,226,013	14.68%	1,158.24
59. 3D	0.00	0.00%	0	0.00%	0.00
60. 4D1	4,551.17	15.02%	4,349,729	10.25%	955.74
61. 4D	1,183.21	3.91%	959,675	2.26%	811.08
62. Total	30,299.36	100.00%	42,417,018	100.00%	1,399.93
Grass					
63. 1G1	443.70	0.87%	426,786	1.02%	961.88
64. 1G	1,585.47	3.11%	1,683,587	4.02%	1,061.89
65. 2G1	1,190.41	2.33%	1,034,846	2.47%	869.32
66. 2G	4,982.49	9.76%	4,208,244	10.05%	844.61
67. 3G1	7,470.05	14.63%	7,845,405	18.73%	1,050.25
68. 3G	0.00	0.00%	0	0.00%	0.00
69. 4G1	9,512.96	18.64%	7,984,476	19.07%	839.33
70. 4G	25,858.11	50.66%	18,693,357	44.64%	722.92
71. Total	51,043.19	100.00%	41,876,701	100.00%	820.42
Irrigated Total					
Irrigated Total	3,289.06	3.83%	8,340,089	8.98%	2,535.71
Dry Total					
Dry Total	30,299.36	35.25%	42,417,018	45.68%	1,399.93
Grass Total					
Grass Total	51,043.19	59.39%	41,876,701	45.09%	820.42
72. Waste	1,257.09	1.46%	201,132	0.22%	160.00
73. Other	60.90	0.07%	30,450	0.03%	500.00
74. Exempt	0.00	0.00%	0	0.00%	0.00
75. Market Area Total	85,949.60	100.00%	92,865,390	100.00%	1,080.46

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	0.00	0	0.00	0	81,556.96	280,876,839	81,556.96	280,876,839
77. Dry Land	0.00	0	0.00	0	147,148.03	283,530,162	147,148.03	283,530,162
78. Grass	0.00	0	0.00	0	104,471.45	85,213,744	104,471.45	85,213,744
79. Waste	0.00	0	0.00	0	5,463.73	874,194	5,463.73	874,194
80. Other	0.00	0	0.00	0	60.90	30,450	60.90	30,450
81. Exempt	0.00	0	0.00	0	0.00	0	0.00	0
82. Total	0.00	0	0.00	0	338,701.07	650,525,389	338,701.07	650,525,389

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	81,556.96	24.08%	280,876,839	43.18%	3,443.93
Dry Land	147,148.03	43.44%	283,530,162	43.58%	1,926.84
Grass	104,471.45	30.84%	85,213,744	13.10%	815.67
Waste	5,463.73	1.61%	874,194	0.13%	160.00
Other	60.90	0.02%	30,450	0.00%	500.00
Exempt	0.00	0.00%	0	0.00%	0.00
Total	338,701.07	100.00%	650,525,389	100.00%	1,920.65

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

48 Jefferson

	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	166,976,453	168,362,219	1,385,766	0.83%	622,344	0.46%
02. Recreational	1,734,196	1,802,726	68,530	3.95%	0	3.95%
03. Ag-Homesite Land, Ag-Res Dwelling	46,044,174	46,465,415	421,241	0.91%	484,026	-0.14%
04. Total Residential (sum lines 1-3)	214,754,823	216,630,360	1,875,537	0.87%	1,106,370	0.36%
05. Commercial	49,958,036	53,426,587	3,468,551	6.94%	3,323,690	0.29%
06. Industrial	6,813,215	6,813,215	0	0.00%	0	0.00%
07. Ag-Farmsite Land, Outbuildings	34,172,173	35,445,485	1,273,312	3.73%	1,925,335	-1.91%
08. Minerals	0	0	0		0	
09. Total Commercial (sum lines 5-8)	90,943,424	95,685,287	4,741,863	5.21%	5,249,025	-0.56%
10. Total Non-Agland Real Property	305,698,247	312,315,647	6,617,400	2.16%	6,355,395	0.09%
11. Irrigated	237,723,129	280,876,839	43,153,710	18.15%		
12. Dryland	236,717,605	283,530,162	46,812,557	19.78%		
13. Grassland	77,691,739	85,213,744	7,522,005	9.68%		
14. Wasteland	800,542	874,194	73,652	9.20%		
15. Other Agland	0	30,450	30,450			
16. Total Agricultural Land	552,933,015	650,525,389	97,592,374	17.65%		
17. Total Value of all Real Property (Locally Assessed)	858,631,262	962,841,036	104,209,774	12.14%	6,355,395	11.40%

2011 Plan of Assessment for Jefferson County
Assessment Years 2012, 2013, and 2014
Date: June 13, 2011
Amended: September 22, 2011

Plan of Assessment Requirements:

Pursuant to Neb. Rev. Stat. Section 77-1311.02 RS Supp 2005, on or before June 15 each year, the assessor shall prepare a plan of assessment, (herein after referred to as the “plan”), which describes the assessment actions planned for the next assessment year and two years thereafter. The plan shall indicate the classes or subclasses of real property that the county assessor plans to examine during the years contained in the plan of assessment. The plan shall describe all the assessment actions necessary to achieve the levels of value and quality of assessment practices required by law, and the resources necessary to complete those actions. On or before July 31 each year, the assessor shall present the plan to the county board. A copy of the plan and any amendments thereto shall be mailed to the Department of Property Assessment and Taxation on or before October 31 each year.

Real Property Assessment Requirements:

All property in the State of Nebraska is subject to property tax unless expressly exempt by Nebraska Constitution, Article VIII, or is permitted by the constitution and enabling legislation adopted by the legislature. The uniform standard for the assessed value of real property for tax purposes is actual value, which is defined by law as “the market value of real property in the ordinary course of trade.” Neb. Rev. Stat. 77-112 (Reissue September 2010).

Assessment levels required for real property are as follows:

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

Reference, Neb. Rev. Stat. 77-201 (R. S. Supp 2006).

General Description of Real Property in Jefferson County:

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

	Parcels	% of Total Parcels
Residential	4241	56%
Commercial	482	6%
Industrial	25	1%
Recreational	18	0%
Agricultural	2861	37%

Agricultural land – 338,694.57 acres

New Property: For assessment year 2011, an estimated 173 building permits and/or information statements were filed for new property construction/additions, demolitions, land use changes, etc., in the county.

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

Current Resources:

A. Staff includes:

- 2 Full-time employees
- 1 Part-time employee

Budget for 2010-2011 including salaries for above employees was \$172,749. Requested budget for 2011-2012 was \$174,486. Board proposed and adopted budget of \$152,337.

The Assessor is required to obtain 60 hours of continuing education by December 31, 2014 in order to retain her Assessor's certificate. This certificate is required by law in order to hold the position of Assessor or Deputy Assessor. The Property Tax Administrator must approve this education. The 60 hours of continuing education must be attained within a 4 year time period for re-certification. The cost of this education includes registration fees, lodging, meals and any supplies needed. (Section 77-702, R.S. Supp., 2002 and 77-414, R.S. Supp., 2003.)

A change in Assessor's was the result of the incumbent retiring and the general election. Vacancies in the office were filled with 1 full-time and 1 part-time person which were previously held by 2 full-time employees. Until the new employees were hired, (2/14/2011) the newly elected Assessor prepared all personal property and homestead exemptions for mailing. In addition, the new Assessor was learning the administrative procedures, policies and reports required by the Property Assessment Department. The

initial shortage and consequently new personnel in three positions created a hardship for the office in 2011.

B. Cadastral Maps

Cadastral Map Books were printed in 1984. The information in these books have been updated each time there is a change of ownership and the maps marked if there is a change in parcel lines. These books are used a great deal by our office, realtors, surveyors and the general public. The pages of this book are showing extreme wear. Both the Cadastral Maps and the GIS have to be changed each time a split or combination of a parcel is made. We are in the process of running new GIS produced Cadastral Maps. We have decided to make an individual book for each Precinct in the county and the maps will be one page per section. Following Reg-10-.004.4 - .004.03G is our goal and we are saving the County money by doing this project within the office. Due to staffing and time involved, this is an ongoing project.

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

Aerial photos were flown in the fall of 2010 which we have done every two years to keep up to date on rural buildings. These are shared with the Zoning Manager, Emergency Manager and the Weed Superintendent. The Law Enforcement Agency of Jefferson County has also requested various copies of these pictures. In September of 2010 a contract was signed with Pictometry International Corporation. The contract will run thru 2013 and include 2 flights. Pictometry software is installed in the offices of the County Assessor, County Clerk, Register of Deeds, Planning & Zoning Management, Emergency Management, Weed Control, Highway Department and all county and city office at the Law Enforcement Center.

It is important that we continue to have new aerial photos taken in at least a **two year** cycle so each new home site or building site has a picture in its property record card and available for other departments to use.

All of the Farmers Cooperative properties in the county were reviewed by a hired appraiser. Adjustments in value were made for new additions and to equalize with like properties.

C. Property Record Cards

Property record cards are kept for taxable residential, commercial, industrial, improvements on leased land, TIF, and partially taxed parcels. Non-taxable properties such as tax exempt (permissive exempt or government exempt) and centrally assessed

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

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

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

All taxable property record cards are also entered into the computer CAMA system with most of the above information. The Assessment Administration computer system is Mips-County Solutions and includes most information in the property record card plus two years of valuations for each parcel. This system links with the CAMA system and also the GIS system that will eventually replace our old cadastral maps. Our property record card information has been made accessible through www.nebraskataxesonline.us since 2006. Updates to this information will be made yearly after taxes have been certified to the County Treasurer in the fall.

Current Assessment Procedures for Real Property

A. Discover, List & Inventory all property

Real estate transfer statements, plus a copy of the deed, is given to the Assessor's Office by the Register of Deeds. Appropriate real estate cards are pulled from the files to be changed to the new owners' name and address. Sales worksheets are filled out with the information needed for the PAD's sales file. Sales history is added to the real estate card, and the administrative computer program is changed for new owner, address and sales history. Alphabetical index file and cadastral maps are updated for ownership. Sales questionnaires are sent to new property owners of most transactions. CAMA system is updated and sales are added to sales file. Sales sheets for the sales books are run and added to current book of sales. Properties that require a split are done on the GIS system before any other changes are made. Copy of real estate card and transfer are made to be used when our hired appraiser goes physically to the property and inventories the information that is on the card to what was actually there when the sale took place. Any differences are noted and brought back to the Assessor's office to correct the CAMA sales file. Real estate cards are tabbed

for the next year to correct information. This on sight verification may also determine whether the sale was an arms-length transaction or not. New pictures are taken of the house, commercial building or lot for each residential and commercial property. Income data is collected, if applicable. Rural land sales are categorized on a computer program as to number of acres of each soil type, classification and percent that each soil type attributes to the sale price. The clerk that works with rural land sales, splits and GIS programs attends most rural land auctions and verifies other sales.

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

B. Data Collection

All cards tabbed for new structures, additions, changes or demolition are pulled from the files and physically inspected by either the County Assessor or a hired appraiser between October and February of the Assessment year. The property record card is used for listing additions or changes to buildings so current data may be updated. New structures are measured and a form filled out for all the components needed to produce a new cost approach on our CAMA program. Commercial properties are listed and measured by a hired appraiser who also collects income data. New or corrected sketches are made and digital pictures are taken. Data entry is a combined effort between the appraiser and employees of the Assessor's office. The County Assessor approves the final value before it is placed on the property record card or computer administrative program.

C. Review assessment sales ratio studies before assessment actions.

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

D. Approaches to Value

The Assessor and County Board of Commissioners/Equalization hire appraisers to do mass appraisal within the County. The appraisers hired use the counties sales studies and comparisons to do a market approach that is in compliance with the IAAO standards. Cost approach is done on the CAMA system using Marshall-Swift pricing and the current depreciation study at the time of the appraisal. The hired appraiser also does income approach. He collects the income and expense

data to be entered in the Counties CAMA system and runs an analysis from the market.

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

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

Notices are mailed to all land owners in the County that have had either an increase or decrease in value from the previous assessment year. These notices are mailed by June 1 of each year. Any changes made after the 19th of March are made by the County Board of Equalization and also mailed. Approximately 3471 notices of valuation changes were mailed for the 2011 tax assessment year.

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

<u>Property Class</u>	<u>Median</u>	<u>COD*</u>	<u>PRD*</u>
Residential	98%	26.84	115.19
Commercial	NEI		
Agricultural	72%	12.36	101.22

For assessment year 2011, the PAD recommended to TERC that a level of value for commercial property be rendered "not enough information" to establish statistics.

*COD means coefficient of dispersion and PRD means price related differential. For more information regarding statistical measures see 2011 Reports & Opinions.

Assessment Actions Planned for Assessment Year 2012:

Residential:

Finish the review of the three neighborhoods in Fairbury and adjust lines and land values to reflect sales study. Hire an appraiser to continue the review in Fairbury who will take new digital pictures to add to the CAMA system and make random inside inspections. Appraiser will also physically review all revalued properties to help ensure equality. Depreciation tables for Fairbury will be developed by the appraiser and updated cost factor sheets for Fairbury will be run. All other small towns that show a need for adjustment, based on their statistics, will be reviewed and valuations changed according to sales study. All pick up work of reported or discovered changes to residential parcels will be reviewed. Begin review of Daykin, Endicott, Harbine, Jansen, Reynolds and Steele City.

Commercial:

Commercial property statistics will be reviewed and analyzed for 2012 by the Assessor and a hired appraiser to determine any changes that need to be made in either land or building values. All new construction and changes reported on improvement statements, city permits or rural permits will be physically inspected, pictures taken and new sketches made for all changes. Income and expense information will be obtained on appropriate parcels and sales verifications will be made. An appraiser will be hired to help do this work.

Agricultural Land:

An employee of the County Assessor's office attends most agricultural auction sales. Verification of rural sales is done by phone or in person with buyer, seller, auctioneer or realtor and occasionally an attorney may be contacted. A yearly review of all agricultural sales within the study period set forth by TERC and PAD is done to determine any changes in land value according to the market in Jefferson County. The study of agricultural land sales is done by breaking each sale down by total number of acres, soil type and land use in each parcel sold. Using this study the weighted average value per acre is determined. If there were no sales of a certain type of soil, the value is determined by using values within the same land classification. Our three neighborhoods are also reviewed to determine if changes in area lines need to be made to keep equality in the valuations for Jefferson County. An increase in values will be made again in agricultural land values for the 2012 tax roll in order to stay within the 69% to 75% level of assessment based on the three year sales study in Jefferson County. All land use changes reported are verified and files are changed to reflect current land use. New FSA maps are requested from property owners and the GIS system is changed accordingly.

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

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

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

Staff will keep updating and correcting information on GIS layers and probably add more layers and information as it is collected. It is also planned to link County GIS systems, so information obtained from other offices will be shared with information on GIS layers. The city of Fairbury is sharing information layers with us to use in our GIS system and they are using some of our

layers. The County Emergency Manager, Weed Manager and Zoning Manager also use the Assessor's layers with their GIS program.

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

Assessment Actions Planned for 2013

Residential:

Review new aerial photos and make necessary changes on our Real Estate cards after they have been physically inspected. Run new cost sheets using Marshall Swift cost factors. Physically inspect and list all new or changed construction and update all records accordingly. Continue to review Daykin, Endicott, Harbine, Jansen, Reynolds, and Steele City. Develop depreciation tables and run updated cost factor sheets for these villages. Begin review of Diller and Plymouth.

Hire appraiser to review sales.

Commercial:

Update Marshall Swift unit costs to most current figures.

Review depreciation.

Run new cost sheets.

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

Review all Commercial Properties in Fairbury and Rural area.

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

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

Have digital pictures available on GIS system

Agricultural Land

Verify sales.

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

Review neighborhood boundaries.

Make all known changes to land use.

Physical inspection of all pickup work and change all records accordingly.

Run new irrigation listing for Jefferson County from Internet

Continue updating the GIS system.

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

Assessment Actions Planned for Assessment Year 2014

Residential:

Complete review of Daykin, Endicott, Harbine, Jansen, Reynolds, Steele City, run updated cost factor sheets using most current Marshall Swift costing available on our computer system.

Continue to review Diller and Plymouth.

Review depreciation table.

Physically review parcels with changes.

Hire an appraiser to help accomplish this project.

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

Commercial:

Review sales

Study statistics

Physically review all Commercial properties in the small towns

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

Agricultural Land:

Verify sales

Study sales

Make changes to reported or discovered changes

Get new FSA maps if available

Change valuations according to sales analysis

Do pickup work by physically inspecting, listing and changing records

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

1. Record maintenance, mapping updates, and ownership changes are a monthly project that usually take about 1 to 2 weeks to get everything changed. Records that need to be split take longer than just a change of ownership. Changes to a record card also have to be changed on the CAMA program, the County Solutions program, and the GIS program if there is a split or combination, the cadastral books, the alphabetical index cards, and the Register of Deeds program (for all transfers filed in the deed book or miscellaneous book) before the card may be refiled. Each transfer statement has to have a sales worksheet filled out if there are doc stamps of a \$2.25 or more or total purchase price is \$100 or more. This is all done electronically using our County Solutions program which is linked with the Property Assessment Divisions computer system.

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

- Abstract of Assessment for Real Estate
- Abstract of Assessment for Personal Property (eliminated for 2012; ref. LB 162)
- Assessor Survey
- Sales information to PAD rosters & annual Assessed Value Update w/Abstract
- Certification of Value to Political Sub Divisions and a copy of each to the County Clerk
- School District Taxable Value Report
- Homestead Exemption Tax Loss Report
- Amended Homestead Exemption Summary Certificate (as needed)
- Certificate of Taxes Levied Report and a copy for the County Treasurer
- Report of current values for properties owned by Board of Education Lands & Funds
- Report of all Exempt Property and Taxable Government Owned Property
- Annual Plan of Assessment Report
- Annual Report of agricultural land owned by a Trust to the Nebraska Secretary of State (eliminated for 2011; ref. LB 160)
- 3-year Plan of Assessment

3. Administer annual Personal Property filings. For 2010 there were 996 schedules on the tax roll. Prepare schedules for mailing to anyone who filed the previous year and anyone that the office feels may need to file. Prepare notices of change, unsigned schedule notices, reminder of schedules due (July 5-10), and penalty notices. Help people review schedule mailed them; fill out schedule for new schedules and contact personal property owner when needed to obtain more information regarding the filed personal property.

4. Permissive exemptions are prepared and mailed to the previous years' applicant. Reminder notices are mailed on or about Dec 1 to any applicant that has not returned their form. Review and make recommendations to county board.

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

6. Homestead Exemptions – 467 applications were mailed out for 2011 to people who had filed in 2010. An additional 36 were mailed to people who requested they be sent form. For 2010 we had 430 approved applications and 31 disapproved. Taxpayer assistance is given at counter, applications are processed as to ownership and verified that forms are filled out properly. The Assessor approves or disapproves the owner/occupancy requirements and signs the application. Original exemption form and income statement are forwarded to PAD. A copy of the exemption application and income statement are returned to applicant after the current valuation is entered on the form. Reminder notices are sent to applicants that haven't filed by June 1.

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

8. Tax Increment Financing – management of record/valuation information for properties in community redevelopment projects for proper reporting on administrative reports and allocation of ad valorem tax. Two parcels for each TIF property, one real estate card with the base value and one for the excess value of the property are maintained.
9. Tax Districts and Tax Rates – management of school district and other tax entity boundary changes necessary for correct assessment and tax information; input/review of tax rates used for tax billing process.
10. Tax Lists - prepare and certify tax list to county treasurer for real property, personal property, and centrally assessed.
11. Tax List Corrections – prepare tax list correction documents for county board approval and file with County Clerk and County Treasurer.
12. County Board of Equalization – attends county board of equalization meetings/hearings for valuation protests; assemble and provide information.
13. TERC Appeals – prepare information and attend taxpayer appeal hearings before TERC and defend valuation as determined by the Assessor. If the taxpayer is appealing a valuation set by the County Board of Equalization, the board will defend the value.
14. TERC Statewide Equalization – attend hearings, if applicable, to the county, defend values as determined by the Assessor, and/or implement orders of the TERC, which requires an amended abstract be filed with the PAD.
15. Trust owning agricultural land – a list of all trusts owning agricultural land must be filed with the Secretary of State each year. (Eliminated for 2011; ref. LB 160)
16. Pull real estate cards; make copies; answer questions over the phone, over the counter or through the mail and email from realtors, appraisers, lending institutions, property owners, lawyers, other county offices and surveyors. This is just a few of the people that visit our office each year.
17. Attend Southeast District Assessor’s meetings, NACO meetings & conferences, Nebraska Assessor’s Workshops and other meetings that provide hours of continuing education credit to keep my Assessor’s certificate current as required by the Nebraska Department of Revenue, Property Assessment Division Regulations.

Respectfully submitted:

Assessor signature _____ Date June 13, 2011

Vicki L. Haskell

2012 Assessment Survey for Jefferson County

A. Staffing and Funding Information

1.	Deputy(ies) on staff:
	0
2.	Appraiser(s) on staff:
	0
3.	Other full-time employees:
	1 (second position presently vacant)
4.	Other part-time employees:
	1
5.	Number of shared employees:
	0
6.	Assessor's requested budget for current fiscal year:
	\$174,486
7.	Adopted budget, or granted budget if different from above:
	\$152,337 –all health care, retirement and social security are paid from county general.
8.	Amount of the total budget set aside for appraisal work:
	\$10,000
9.	Appraisal/Reappraisal budget, if not part of the total budget:
	\$50,000 controlled by commissioners for projects and other appraisal contracts
10.	Part of the budget that is dedicated to the computer system:
	0 computer costs now come entirely from thre county general budget
11.	Amount of the total budget set aside for education/workshops:
	\$3,000
12.	Other miscellaneous funds:
	None
13.	Amount of last year's budget not used:
	0 , (actually went \$600 over)

B. Computer, Automation Information and GIS

1.	Administrative software:
	County Solutions
2.	CAMA software:
	County Solutions
3.	Are cadastral maps currently being used?
	Yes
4.	If so, who maintains the Cadastral Maps?
	Assessor and Staff
5.	Does the county have GIS software?
	Yes
6.	Who maintains the GIS software and maps?
	Assessor and Staff
7.	Personal Property software:
	County Solutions

C. Zoning Information

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

D. Contracted Services

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

2012 Certification for Jefferson 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 Jefferson 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

