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2012 Commission Summary for Otoe County

Residential Real Property - Current

Number of Sales	332	Median	97.12
Total Sales Price	\$38,136,266	Mean	97.91
Total Adj. Sales Price	\$38,135,066	Wgt. Mean	95.04
Total Assessed Value	\$36,244,660	Average Assessed Value of the Base	\$88,666
Avg. Adj. Sales Price	\$114,865	Avg. Assessed Value	\$109,171

Confidence Interval - Current

95% Median C.I	94.86 to 98.86
95% Wgt. Mean C.I	93.23 to 96.86
95% Mean C.I	95.36 to 100.46
% of Value of the Class of all Real Property Value in the	37.43
% of Records Sold in the Study Period	5.03
% of Value Sold in the Study Period	6.20

Residential Real Property - History

Year	Number of Sales	LOV	Median
2011	328	96	96
2010	383	94	94
2009	467	94	94
2008	501	94	94

2012 Commission Summary for Otoe County

Commercial Real Property - Current

Number of Sales	52	Median	95.24
Total Sales Price	\$7,212,075	Mean	108.26
Total Adj. Sales Price	\$7,212,075	Wgt. Mean	104.80
Total Assessed Value	\$7,558,070	Average Assessed Value of the Base	\$168,081
Avg. Adj. Sales Price	\$138,694	Avg. Assessed Value	\$145,348

Confidence Interval - Current

95% Median C.I	90.87 to 102.70
95% Wgt. Mean C.I	87.55 to 122.05
95% Mean C.I	97.28 to 119.24
% of Value of the Class of all Real Property Value in the County	8.81
% of Records Sold in the Study Period	6.35
% of Value Sold in the Study Period	5.49

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2011	51	95	95
2010	59	94	94
2009	76	99	99
2008	87	98	98

2012 Opinions of the Property Tax Administrator for Otoe County

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

Class	Level of Value	Quality of Assessment	Non-binding recommendation
Residential Real Property	97	Meets generally accepted mass appraisal practices.	No recommendation.
Commercial Real Property	94	Meets generally accepted mass appraisal practices.	No recommendation.
Agricultural Land	72	Meets generally accepted mass appraisal practices.	No recommendation.

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

Dated this 9th day of April, 2012.



Ruth A. Sorensen

Ruth A. Sorensen
Property Tax Administrator

2012 Residential Assessment Actions for Otoe County

Residential

Syracuse Residential

Initial Ratio: 100.96% Number of Sales: 59

Ending Ratio: 99.48%

Action Taken:

Adjusted all homes in Syracuse less than average condition built previous to 1960

.60 factor on fair condition

80% depreciation on average condition

Otoe Residential

Initial Ratio: 111.75% Number of Sales: 4

Ending Ratio: 94.61%

Action Taken:

Adjusted homes in poor to fair condition

.60 factor on poor to fair condition

Timber Lake

Initial Ratio: 103.79% Number of Sales: 4

Ending Ratio: 98%

Action Taken:

After study adjusted sold lot values to \$35,000.

Talmage

Initial Ratio: 122.20% Number of Sales: 8

Ending Ratio: 97.75%

Action Taken: Adjusted homes in poor to fair condition.80 factor on homes in less than average condition

The County annually conducts a statistical analysis on the assessor locations and applies adjustments to bring the statistics within the acceptable range. As shown on the preceding page the County applies a factor to each group or subclass where the preliminary value demonstrates a level of value outside the acceptable range to bring the group within the group to bring within the acceptable range.

The County also reviewed the rural recreational parcels. The County updated the property record cards to show current condition and improvement information. They updated depreciation tables and conducted an analysis on lot values.

Otoe County completed the permit and pickup work for the residential class of property.

2012 Residential Assessment Survey for Otoe County

1.	Valuation data collection done by:	
	Primarily completed by the appraisal assistant with additional help from the assessor, contracted appraiser and office staff.	
2.	In your opinion, what are the valuation groupings recognized in the County and describe the unique characteristics of each grouping:	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
		The county feels each have their own unique market by location and amenities as well as how they fit in the valuation sequence in the county as outlined in the 3 year plan.
	01	Nebraska City- County seat and major trade area of the county.
	03	Douglas
	04	Dunbar
	05	Lorton
	06	Otoe
	07	Palmyra
	09	Syracuse
	10	Talmage
	11	Unadilla
	12	Timber Lake
	13	Woodland Hills
	15	Rural Res
3.	List and describe the approach(es) used to estimate the market value of residential properties.	
	The Cost approach and the sales comparison are correlated for a final value. The sales comparison uses a heavier weighting in the correlation.	
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 county uses local market information and completes sales analysis annually to maintain the depreciation tables used in the cost approach to value.	
6.	Are individual depreciation tables developed for each valuation grouping?	
	Yes	
7.	When were the depreciation tables last updated for each valuation grouping?	
	2008 unless there is a change in the market to require it by analyzed sales	
8.	When was the last lot value study completed for each valuation grouping?	
	2008	
9.	Describe the methodology used to determine the residential lot values?	

	The County analyzes vacant lot sales and uses a square foot method as the smallest unit of comparison.
10.	How do you determine whether a sold parcel is substantially changed?
	Minor or inconsequential improvements or additions are not used to classify a sale as substantially changed. The change to the property needs to be substantial enough to effect the market value of the parcel.

66 Otoe
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 : 332
 Total Sales Price : 38,136,266
 Total Adj. Sales Price : 38,135,066
 Total Assessed Value : 36,244,660
 Avg. Adj. Sales Price : 114,865
 Avg. Assessed Value : 109,171

MEDIAN : 97
 WGT. MEAN : 95
 MEAN : 98
 COD : 16.74
 PRD : 103.02

COV : 24.18
 STD : 23.67
 Avg. Abs. Dev : 16.26
 MAX Sales Ratio : 224.47
 MIN Sales Ratio : 32.47

95% Median C.I. : 94.86 to 98.86
 95% Wgt. Mean C.I. : 93.23 to 96.86
 95% Mean C.I. : 95.36 to 100.46

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DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Qtrts</u>											
01-JUL-09 To 30-SEP-09	50	96.14	95.21	93.39	15.44	101.95	51.58	142.72	89.40 to 103.68	98,081	91,598
01-OCT-09 To 31-DEC-09	39	98.76	102.24	96.14	21.97	106.34	36.06	192.58	88.13 to 103.51	113,041	108,677
01-JAN-10 To 31-MAR-10	21	95.55	93.13	93.02	06.54	100.12	65.77	102.56	88.58 to 99.30	129,571	120,531
01-APR-10 To 30-JUN-10	51	97.64	94.98	94.83	12.32	100.16	48.35	141.45	91.81 to 99.93	119,493	113,311
01-JUL-10 To 30-SEP-10	34	98.99	100.29	98.22	14.54	102.11	61.23	187.44	91.08 to 106.80	111,971	109,982
01-OCT-10 To 31-DEC-10	52	98.30	98.69	94.60	16.36	104.32	56.27	166.91	92.13 to 103.47	111,846	105,807
01-JAN-11 To 31-MAR-11	33	101.65	107.48	98.02	26.02	109.65	32.47	224.47	93.92 to 116.45	133,241	130,599
01-APR-11 To 30-JUN-11	52	92.24	93.69	92.95	16.77	100.80	44.99	139.48	85.54 to 101.72	115,141	107,023
<u>Study Yrs</u>											
01-JUL-09 To 30-JUN-10	161	96.78	96.57	94.49	15.02	102.20	36.06	192.58	93.07 to 98.99	112,595	106,387
01-JUL-10 To 30-JUN-11	171	97.63	99.18	95.55	18.29	103.80	32.47	224.47	94.07 to 101.05	117,002	111,791
<u>Calendar Yrs</u>											
01-JAN-10 To 31-DEC-10	158	97.65	97.09	95.19	13.49	102.00	48.35	187.44	94.30 to 99.02	116,697	111,085
<u>ALL</u>	332	97.12	97.91	95.04	16.74	103.02	32.47	224.47	94.86 to 98.86	114,865	109,171

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	170	96.75	99.21	95.16	19.22	104.26	36.06	224.47	92.36 to 101.05	94,073	89,522
03	3	75.73	109.85	78.01	57.81	140.82	61.23	192.58	N/A	58,667	45,767
04	3	98.01	97.26	97.41	01.12	99.85	95.23	98.54	N/A	106,833	104,070
06	4	94.61	97.10	103.26	16.25	94.03	69.56	129.60	N/A	18,625	19,233
07	16	92.24	90.13	90.26	14.23	99.86	48.35	125.44	79.97 to 104.06	86,819	78,364
09	54	99.48	98.37	97.84	09.79	100.54	65.77	132.33	97.65 to 101.92	103,893	101,645
10	8	97.75	105.53	90.42	29.09	116.71	55.40	159.59	55.40 to 159.59	27,025	24,436
11	7	99.25	90.38	95.36	27.63	94.78	32.47	129.28	32.47 to 129.28	73,214	69,816
12	4	98.00	110.71	103.93	16.60	106.52	92.13	154.73	N/A	202,975	210,945
13	8	97.56	97.88	96.68	05.00	101.24	86.04	106.91	86.04 to 106.91	304,125	294,041
15	55	95.81	94.08	93.19	13.44	100.96	44.99	173.91	88.13 to 100.03	192,705	179,575
<u>ALL</u>	332	97.12	97.91	95.04	16.74	103.02	32.47	224.47	94.86 to 98.86	114,865	109,171

66 Otoe
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 95% Mean C.I. : 95.36 to 100.46

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PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	331	97.22	97.94	95.34	16.75	102.73	32.47	224.47	95.23 to 98.86	110,378	105,239
06	1	88.15	88.15	88.15	00.00	100.00	88.15	88.15	N/A	1,600,000	1,410,430
07											
<u>ALL</u>	<u>332</u>	<u>97.12</u>	<u>97.91</u>	<u>95.04</u>	<u>16.74</u>	<u>103.02</u>	<u>32.47</u>	<u>224.47</u>	<u>94.86 to 98.86</u>	<u>114,865</u>	<u>109,171</u>

SALE PRICE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Low \$ Ranges</u>											
Less Than 5,000	3	95.33	88.88	87.48	11.26	101.60	69.56	101.75	N/A	3,833	3,353
Less Than 15,000	8	146.86	133.77	149.30	21.40	89.60	69.56	192.58	69.56 to 192.58	9,475	14,146
Less Than 30,000	29	121.92	119.40	119.34	25.95	100.05	32.47	224.47	100.16 to 139.87	17,938	21,408
<u>Ranges Excl. Low \$</u>											
Greater Than 4,999	329	97.22	98.00	95.05	16.77	103.10	32.47	224.47	94.86 to 98.86	115,877	110,136
Greater Than 14,999	324	96.89	97.03	94.93	16.07	102.21	32.47	224.47	94.14 to 98.75	117,467	111,517
Greater Than 29,999	303	96.26	95.86	94.71	14.85	101.21	36.06	187.44	93.89 to 98.24	124,141	117,570
<u>Incremental Ranges</u>											
0 TO 4,999	3	95.33	88.88	87.48	11.26	101.60	69.56	101.75	N/A	3,833	3,353
5,000 TO 14,999	5	157.60	160.70	160.36	07.42	100.21	142.72	192.58	N/A	12,860	20,622
15,000 TO 29,999	21	121.40	113.93	114.23	24.48	99.74	32.47	224.47	82.90 to 134.26	21,162	24,174
30,000 TO 59,999	47	98.69	101.82	100.79	22.57	101.02	48.35	187.44	91.87 to 105.17	42,909	43,246
60,000 TO 99,999	95	97.91	95.72	96.02	16.75	99.69	36.06	173.91	92.35 to 101.72	80,524	77,319
100,000 TO 149,999	82	94.22	93.44	93.34	12.58	100.11	56.27	154.73	89.60 to 99.93	123,631	115,400
150,000 TO 249,999	61	95.55	94.99	94.67	10.77	100.34	69.59	142.29	91.08 to 98.86	180,261	170,660
250,000 TO 499,999	16	96.15	95.92	96.17	05.39	99.74	81.09	110.44	90.56 to 100.02	293,422	282,193
500,000 TO 999,999	1	86.04	86.04	86.04	00.00	100.00	86.04	86.04	N/A	520,000	447,430
1,000,000 +	1	88.15	88.15	88.15	00.00	100.00	88.15	88.15	N/A	1,600,000	1,410,430
<u>ALL</u>	<u>332</u>	<u>97.12</u>	<u>97.91</u>	<u>95.04</u>	<u>16.74</u>	<u>103.02</u>	<u>32.47</u>	<u>224.47</u>	<u>94.86 to 98.86</u>	<u>114,865</u>	<u>109,171</u>

**2012 Correlation Section
for Otoe County**

A. Residential Real Property

Otoe County is located in southeast Nebraska along the Iowa border. The largest town and county seat is Nebraska City which is situated on the Missouri River. The county has seen a slight increase in population since 2000. The county is in relatively close proximity to both Lincoln and Omaha.

The statistical sampling of 332 qualified residential sales will be considered an adequate and reliable sample for the measurement of the residential class of real property in Otoe County. The measures of central tendency offer strong support for each other and all fall within the acceptable range. All three measures are within a spread of four points. The calculated median is 97%. The qualitative statistics the COD and PRD both suggest that the statistics can be relied on. All of the valuation groups with an adequate sample of sales fall within the acceptable range. The County maintains the current valuation groups to match with the appraisal cycle used in the valuation for the class.

Otoe County has a consistent sales verification process in place. The contract appraiser and the assessor, review all transactions. The qualified sales are verified by the contract appraiser. The appraiser conducts a physical inspection with interior inspections when allowed for each of the qualified sales. A review of the non-qualified sales shows there are assessor notes describing the circumstance for the disqualification. There is no evidence of excessive trimming in the file.

The county is on schedule with their 6 year review and inspection cycle for the county. This review includes a physical review of the properties with updates to measurements and photos. Otoe County utilizes a GIS system and maintains a web site for parcel searches.

Based on all available information, the level of value is determined to be 97% of market value for the residential class of property. The known assessment practices are deemed reliable and consistent and it is believed that the residential class of property is being treated in the most uniform and proportionate manner possible.

**2012 Correlation Section
for Otoe 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 Otoe 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 Otoe 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 Otoe County**

centered slightly above 100 to allow for a slightly upward measurement bias inherent in the PRD.

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

Mass Appraisal of Real Property, International Association of Assessing Officers, (1999), p. 239.

2012 Commercial Assessment Actions for Otoe County

Commercial

Syracuse Commercial

Initial Ratio: 107.36% Number of Sales: 14

Ending Ratio: 98.55%

Action Taken:

Adjusted all bar/tavern and office buildings

.92 factor on bar/tavern and office buildings

Otoe County conducted a review of the commercial statistics and applied a factor on the subclass of properties to bring the calculated median within the acceptable range. They completed the review of the Nebraska City commercial and adjusted depreciation tables and occupancies to reflect present use of the parcel and to bring the level of assessment to within the acceptable range.

The County also completed the permit and pickup work for the commercial class of property.

2012 Commercial Assessment Survey for Otoe County

1.	Valuation data collection done by:	
	Contract Appraiser, the Assessor and the appraisal assistant	
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	Nebraska City- county seat and major trade area of the county
	05	Remainder of the County, consists of smaller communities without a consistent or reliable market.
3.	List and describe the approach(es) used to estimate the market value of commercial properties.	
	All three approaches to value are considered. The cost is used with a market based depreciation model. Income is used as a check against the cost approach.	
3a.	Describe the process used to value unique commercial properties.	
	The county compares sales if available from other counties in the state or region and then will make adjustments for local market. The State sales file is utilized to help in gathering sale information.	
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 County develops depreciation tables using local market information to build the depreciation tables used in the cost approach to value.	
6.	Are individual depreciation tables developed for each valuation grouping?	
	Yes	
7.	When were the depreciation tables last updated for each valuation grouping?	
	The county completes an analysis on an annual basis, however a new depreciation will only be introduced after a complete review of the entire commercial class or subclasses is complete. 2008	
8.	When was the last lot value study completed for each valuation grouping?	
	The lot values were reviewed during the review of the commercial class of properties in 2008.	
9.	Describe the methodology used to determine the commercial lot values.	
	The county uses market approach, vacant lot are analyzed when possible. The county uses either a front foot or a square foot calculation where appropriate.	
10.	How do you determine whether a sold parcel is substantially changed?	
	There has to be a considerable change such as a large addition, or a change in use or occupancy. The County only makes the determination if the market value of the property has changed by a substantial amount.	

66 Otoe
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 : 52
Total Sales Price : 7,212,075
Total Adj. Sales Price : 7,212,075
Total Assessed Value : 7,558,070
Avg. Adj. Sales Price : 138,694
Avg. Assessed Value : 145,348

MEDIAN : 95
WGT. MEAN : 105
MEAN : 108
COD : 30.74
PRD : 103.30

COV : 37.32
STD : 40.40
Avg. Abs. Dev : 29.28
MAX Sales Ratio : 216.74
MIN Sales Ratio : 29.29

95% Median C.I. : 90.87 to 102.70
95% Wgt. Mean C.I. : 87.55 to 122.05
95% Mean C.I. : 97.28 to 119.24

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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	5	92.01	97.77	89.35	16.52	109.42	75.20	141.71	N/A	175,500	156,802
01-OCT-08 To 31-DEC-08	2	158.78	158.78	135.38	16.14	117.28	133.15	184.40	N/A	115,135	155,870
01-JAN-09 To 31-MAR-09	1	93.10	93.10	93.10	00.00	100.00	93.10	93.10	N/A	30,000	27,930
01-APR-09 To 30-JUN-09	2	76.12	76.12	71.65	19.39	106.24	61.36	90.87	N/A	121,960	87,380
01-JUL-09 To 30-SEP-09	7	124.36	111.84	115.68	19.38	96.68	54.45	150.00	54.45 to 150.00	131,783	152,447
01-OCT-09 To 31-DEC-09	9	98.88	108.40	105.54	22.24	102.71	59.46	152.65	86.27 to 148.30	44,267	46,719
01-JAN-10 To 31-MAR-10	5	87.73	77.99	66.04	17.15	118.10	29.29	99.67	N/A	189,571	125,186
01-APR-10 To 30-JUN-10	2	79.80	79.80	69.72	14.51	114.46	68.22	91.37	N/A	243,250	169,600
01-JUL-10 To 30-SEP-10	5	90.84	88.08	90.07	09.83	97.79	73.12	98.77	N/A	206,200	185,730
01-OCT-10 To 31-DEC-10	6	135.97	136.22	158.16	33.80	86.13	60.15	216.74	60.15 to 216.74	223,442	353,405
01-JAN-11 To 31-MAR-11	5	145.35	144.49	106.67	30.92	135.46	82.65	216.00	N/A	85,500	91,206
01-APR-11 To 30-JUN-11	3	91.08	96.49	109.34	30.67	88.25	57.29	141.09	N/A	92,000	100,597
<u>Study Yrs</u>											
01-JUL-08 To 30-JUN-09	10	92.56	105.18	93.97	26.19	111.93	61.36	184.40	75.20 to 141.71	138,169	129,844
01-JUL-09 To 30-JUN-10	23	98.33	100.35	89.02	24.02	112.73	29.29	152.65	87.73 to 124.36	119,793	106,640
01-JUL-10 To 30-JUN-11	19	98.33	119.45	123.80	38.81	96.49	57.29	216.74	82.65 to 156.45	161,850	200,363
<u>Calendar Yrs</u>											
01-JAN-09 To 31-DEC-09	19	98.88	105.46	105.99	24.01	99.50	54.45	152.65	87.78 to 136.71	83,937	88,963
01-JAN-10 To 31-DEC-10	18	91.11	100.40	105.47	29.47	95.19	29.29	216.74	79.33 to 99.67	211,445	223,012
<u>ALL</u>	52	95.24	108.26	104.80	30.74	103.30	29.29	216.74	90.87 to 102.70	138,694	145,348

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	25	93.54	107.07	92.69	25.66	115.51	29.29	184.90	89.07 to 124.36	109,321	101,327
05	27	98.33	109.36	112.19	34.32	97.48	54.45	216.74	75.20 to 136.71	165,891	186,107
<u>ALL</u>	52	95.24	108.26	104.80	30.74	103.30	29.29	216.74	90.87 to 102.70	138,694	145,348

PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
02											
03	51	95.14	106.13	99.94	28.87	106.19	29.29	216.00	90.87 to 99.67	135,531	135,448
04	1	216.74	216.74	216.74	00.00	100.00	216.74	216.74	N/A	300,000	650,220
<u>ALL</u>	52	95.24	108.26	104.80	30.74	103.30	29.29	216.74	90.87 to 102.70	138,694	145,348

66 Otoe
COMMERCIAL

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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	1	98.33	98.33	98.33	00.00	100.00	98.33	98.33	N/A	3,000	2,950	
Less Than 15,000	5	138.50	130.11	132.68	22.64	98.06	79.33	184.40	N/A	8,940	11,862	
Less Than 30,000	14	119.09	125.26	124.93	38.74	100.26	57.29	216.00	60.15 to 184.40	17,907	22,371	
<u>Ranges Excl. Low \$</u>												
Greater Than 4,999	51	95.14	108.45	104.80	31.31	103.48	29.29	216.74	90.87 to 102.70	141,354	148,140	
Greater Than 14,999	47	94.71	105.93	104.62	29.55	101.25	29.29	216.74	90.84 to 99.67	152,497	159,548	
Greater Than 29,999	38	93.32	101.99	104.07	23.92	98.00	29.29	216.74	89.07 to 98.88	183,194	190,655	
<u>Incremental Ranges</u>												
0 TO 4,999	1	98.33	98.33	98.33	00.00	100.00	98.33	98.33	N/A	3,000	2,950	
5,000 TO 14,999	4	144.25	138.06	135.16	20.20	102.15	79.33	184.40	N/A	10,425	14,090	
15,000 TO 29,999	9	99.67	122.57	123.24	50.21	99.46	57.29	216.00	59.46 to 184.90	22,889	28,209	
30,000 TO 59,999	12	98.55	111.76	113.31	21.08	98.63	86.27	148.30	89.07 to 141.71	43,750	49,572	
60,000 TO 99,999	4	82.00	78.45	80.72	17.88	97.19	54.45	95.34	N/A	81,225	65,568	
100,000 TO 149,999	6	97.01	103.74	103.29	10.81	100.44	91.08	141.09	91.08 to 141.09	122,250	126,270	
150,000 TO 249,999	8	89.87	92.79	94.13	17.86	98.58	61.36	133.15	61.36 to 133.15	194,949	183,510	
250,000 TO 499,999	5	84.18	96.73	92.67	48.57	104.38	29.29	216.74	N/A	333,771	309,312	
500,000 TO 999,999	3	125.12	124.14	121.68	17.48	102.02	90.84	156.45	N/A	716,511	871,830	
1,000,000 +												
<u>ALL</u>	52	95.24	108.26	104.80	30.74	103.30	29.29	216.74	90.87 to 102.70	138,694	145,348	

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OCCUPANCY CODE

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
Blank	8	85.21	87.21	84.77	33.01	102.88	29.29	150.00	29.29 to 150.00	210,667	178,574
306	1	133.15	133.15	133.15	00.00	100.00	133.15	133.15	N/A	220,270	293,300
319	1	95.34	95.34	95.34	00.00	100.00	95.34	95.34	N/A	97,900	93,340
341	1	92.01	92.01	92.01	00.00	100.00	92.01	92.01	N/A	150,000	138,010
343	1	156.45	156.45	156.45	00.00	100.00	156.45	156.45	N/A	693,750	1,085,390
344	5	102.70	121.35	99.37	24.30	122.12	90.84	173.33	N/A	236,800	235,308
349	1	124.36	124.36	124.36	00.00	100.00	124.36	124.36	N/A	55,000	68,400
350	2	87.76	87.76	87.74	00.03	100.02	87.73	87.78	N/A	117,500	103,095
353	5	94.71	110.56	94.02	23.11	117.59	85.24	184.90	N/A	130,000	122,230
386	1	84.18	84.18	84.18	00.00	100.00	84.18	84.18	N/A	325,000	273,580
406	3	99.64	116.87	119.58	18.18	97.73	98.33	152.65	N/A	15,000	17,937
407	1	93.54	93.54	93.54	00.00	100.00	93.54	93.54	N/A	132,500	123,940
412	1	90.87	90.87	90.87	00.00	100.00	90.87	90.87	N/A	85,000	77,240
442	6	118.19	132.75	96.63	39.17	137.38	61.36	216.00	61.36 to 216.00	50,903	49,187
459	2	145.01	145.01	144.93	02.28	100.06	141.71	148.30	N/A	44,000	63,770
470	3	73.12	88.69	69.43	38.32	127.74	54.45	138.50	N/A	50,667	35,180
471	1	82.65	82.65	82.65	00.00	100.00	82.65	82.65	N/A	195,000	161,170
472	2	58.72	58.72	58.68	02.44	100.07	57.29	60.15	N/A	20,500	12,030
494	1	216.74	216.74	216.74	00.00	100.00	216.74	216.74	N/A	300,000	650,220
526	1	91.37	91.37	91.37	00.00	100.00	91.37	91.37	N/A	31,500	28,780
528	4	100.88	105.58	99.57	24.62	106.04	75.20	145.35	N/A	127,600	127,058
558	1	93.10	93.10	93.10	00.00	100.00	93.10	93.10	N/A	30,000	27,930
<u>ALL</u>	<u>52</u>	<u>95.24</u>	<u>108.26</u>	<u>104.80</u>	<u>30.74</u>	<u>103.30</u>	<u>29.29</u>	<u>216.74</u>	<u>90.87 to 102.70</u>	<u>138,694</u>	<u>145,348</u>

**2012 Correlation Section
for Otoe County**

A. Commercial Real Property

Otoe County is located in south east Nebraska along the Iowa border. The largest town and county seat is Nebraska City which is situated on the Missouri River. The county has seen a slight increase in population since 2000. The county is in relatively close proximity to both Lincoln and Omaha.

The 2012 Otoe County commercial statistical profile reveals a total of 52 qualified commercial sales to be used as a sample for the three-year study period. The calculated median is 95. The profile indicates that only the median of the three measures of central tendency is within the acceptable range. Regarding the qualitative statistical measures, the COD and the PRD are both above the recommended range.

Valuation group 01, which represents Nebraska City, is the one valuation group that is representative of the class of commercial property that can provide any meaningful analysis. Of the measures of central tendency only the mean is above the acceptable range within this valuation group. The COD is 25.66 with a PRD of 115.51. In analyzing the sales there is a wide range in sales prices within the valuation group, no doubt affecting the statistics in this sub class. This group will be relied on for the overall level of value for the County. Valuation group 05 is the balance of the County, the quality statistics provide little support for the overall statistics and the measures of central tendency demonstrate the same lack of confidence.

Otoe County has a consistent sales verification process in place. The contract appraiser and the assessor review all transactions. The qualified sales are verified by the contract appraiser. A review of the assessor comments in the sales file shows no evidence of excessive trimming. The appraiser conducts a physical inspection with interior inspections when allowed for each of the qualified sales.

The county is on schedule with their 6 year review and inspection cycle for the county. This review includes a physical review of the properties with updates to measurements and photos. The County is progressive in their assessment actions for the commercial class of property.

Based on all available information, the level of value is determined to be 94% of market value for the residential class of property. The known assessment practices are deemed reliable and consistent and it is believed that the residential class of property is being treated in the most uniform and proportionate manner possible.

**2012 Correlation Section
for Otoe 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 Otoe 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 Otoe 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 Otoe 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 Otoe County

Agricultural

Preliminary Ratios: Unimproved: 61.32 % Number of Sales: 77
Ending Ratio: 71.87%

Action Taken:

After comprehensive study- equalized and adjusted values

Market Area 7000: 72.79%

Market Area 8000: 71.87%

Otoe County completed a comprehensive analysis for the agricultural class of property. In this the analysis they reviewed current market areas and concluded to continue the use of two market areas for the county. They also adjusted agricultural land values by subclass and land use. The County continually reviews sales and also updates land use for the agricultural class. The County completed all pickup and permit work for the class for 2012.

2012 Agricultural Assessment Survey for Otoe County

1.	Valuation data collection done by:	
	Assessor Staff and contract Appraiser	
2.	List each market area, and describe the location and the specific characteristics that make each unique.	
	Market Area	Description of unique characteristics
	7000	SW portion of the county, less rainfall, a soil structure which results in an overall lower production capability and corresponding lower market value.
	8000	Topography is different with more rainfall. Overall production capability is higher and corresponding higher market.
3.	Describe the process that is used to determine and monitor market areas.	
4.	Describe the process used to identify rural residential land and recreational land in the county apart from agricultural land.	
	The county considers the highest and best use methodology and looks at the present use of the parcel. The county analyzes the market value and applies either the 100% of market for residential or recreational or the 75% of market value for agricultural land.	
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?	
	Presently there is a market difference between the two based on the market. The trend has been towards a more uniform market.	
6.	What process is used to annually update land use? (Physical inspection, FSA maps, etc.)	
	FSA maps, GIS imagery as well as physical inspection and sales review and verification	
7.	Describe the process used to identify and monitor the influence of non-agricultural characteristics.	
	Present use, sales study analysis and location of the properties.	
8.	Have special valuation applications been filed in the county? If yes, is there a value difference for the special valuation parcels.	
	Yes, at the present time there is no difference in value.	
9.	How do you determine whether a sold parcel is substantially changed?	
	Minor or inconsequential changes are not considered. If a change has occurred that is significant enough to alter the market value of a parcel it would then be considered a substantially changed parcel. Generally for agricultural land it would be a change in use such as a significant number of acres going from grass to row crop or from dry crop land to irrigated crop land.	

66 Otoe

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 : 80
 Total Sales Price : 25,956,154
 Total Adj. Sales Price : 25,956,154
 Total Assessed Value : 18,334,793
 Avg. Adj. Sales Price : 324,452
 Avg. Assessed Value : 229,185

MEDIAN : 72
 WGT. MEAN : 71
 MEAN : 74
 COD : 18.30
 PRD : 104.78

COV : 25.24
 STD : 18.68
 Avg. Abs. Dev : 13.21
 MAX Sales Ratio : 143.32
 MIN Sales Ratio : 35.19

95% Median C.I. : 68.87 to 75.32
 95% Wgt. Mean C.I. : 67.46 to 73.81
 95% Mean C.I. : 69.93 to 78.11

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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	4	72.08	65.58	59.31	18.80	110.57	35.19	82.96	N/A	307,338	182,268	
01-OCT-08 To 31-DEC-08	9	78.78	83.55	83.13	11.07	100.51	70.20	106.57	74.22 to 97.45	272,589	226,591	
01-JAN-09 To 31-MAR-09	8	87.61	92.56	85.76	18.61	107.93	67.12	137.28	67.12 to 137.28	203,844	174,813	
01-APR-09 To 30-JUN-09	4	90.82	97.92	76.61	29.63	127.82	66.70	143.32	N/A	531,499	407,195	
01-JUL-09 To 30-SEP-09	3	70.92	69.74	67.68	09.86	103.04	58.66	79.64	N/A	175,257	118,620	
01-OCT-09 To 31-DEC-09	6	87.90	84.45	81.61	07.72	103.48	68.28	95.48	68.28 to 95.48	314,591	256,742	
01-JAN-10 To 31-MAR-10	6	71.39	68.49	67.54	15.34	101.41	50.33	86.19	50.33 to 86.19	350,789	236,930	
01-APR-10 To 30-JUN-10	9	69.38	73.76	70.39	15.15	104.79	54.96	108.02	61.70 to 91.14	391,920	275,854	
01-JUL-10 To 30-SEP-10	5	69.73	65.02	69.99	16.38	92.90	43.12	82.59	N/A	204,497	143,132	
01-OCT-10 To 31-DEC-10	11	63.78	65.80	65.41	09.33	100.60	57.09	85.76	57.43 to 75.15	375,982	245,936	
01-JAN-11 To 31-MAR-11	10	68.97	66.50	67.16	10.50	99.02	52.51	75.59	54.66 to 75.08	319,143	214,333	
01-APR-11 To 30-JUN-11	5	47.87	54.06	55.34	20.14	97.69	42.21	78.59	N/A	424,341	234,850	
<u>Study Yrs</u>												
01-JUL-08 To 30-JUN-09	25	78.78	85.85	77.91	19.94	110.19	35.19	143.32	75.29 to 88.95	297,576	231,827	
01-JUL-09 To 30-JUN-10	24	71.85	74.61	72.10	15.50	103.48	50.33	108.02	68.28 to 86.19	335,222	241,691	
01-JUL-10 To 30-JUN-11	31	65.02	64.01	64.35	14.23	99.47	42.21	85.76	57.09 to 70.90	337,788	217,372	
<u>Calendar Yrs</u>												
01-JAN-09 To 31-DEC-09	21	86.27	88.00	79.80	18.22	110.28	58.66	143.32	72.88 to 95.48	293,813	234,457	
01-JAN-10 To 31-DEC-10	31	68.84	68.51	67.89	14.29	100.91	43.12	108.02	61.98 to 71.87	348,074	236,298	
<u>ALL</u>	80	72.17	74.02	70.64	18.30	104.78	35.19	143.32	68.87 to 75.32	324,452	229,185	

AREA (MARKET)											Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.			
7000	23	69.73	73.94	66.88	26.86	110.56	35.19	137.28	57.09 to 86.27	244,313	163,395	
8000	57	72.47	74.04	71.68	15.08	103.29	42.21	143.32	69.38 to 75.29	356,789	255,732	
<u>ALL</u>	80	72.17	74.02	70.64	18.30	104.78	35.19	143.32	68.87 to 75.32	324,452	229,185	

66 Otoe
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 : 80
Total Sales Price : 25,956,154
Total Adj. Sales Price : 25,956,154
Total Assessed Value : 18,334,793
Avg. Adj. Sales Price : 324,452
Avg. Assessed Value : 229,185

MEDIAN : 72
WGT. MEAN : 71
MEAN : 74
COD : 18.30
PRD : 104.78

COV : 25.24
STD : 18.68
Avg. Abs. Dev : 13.21
MAX Sales Ratio : 143.32
MIN Sales Ratio : 35.19

95% Median C.I. : 68.87 to 75.32
95% Wgt. Mean C.I. : 67.46 to 73.81
95% Mean C.I. : 69.93 to 78.11

Printed:3/29/2012 3:48:47PM

95%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Dry_____											
County	30	72.25	73.26	71.02	13.77	103.15	51.38	97.45	68.84 to 79.64	335,248	238,098
7000	5	65.53	67.67	61.44	18.53	110.14	51.38	87.12	N/A	195,904	120,354
8000	25	73.58	74.37	72.06	12.49	103.21	56.03	97.45	68.87 to 82.59	363,117	261,647
_____Grass_____											
County	1	91.14	91.14	91.14	00.00	100.00	91.14	91.14	N/A	288,000	262,489
8000	1	91.14	91.14	91.14	00.00	100.00	91.14	91.14	N/A	288,000	262,489
_____ALL_____	80	72.17	74.02	70.64	18.30	104.78	35.19	143.32	68.87 to 75.32	324,452	229,185

80%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Irrigated_____											
County	1	70.92	70.92	70.92	00.00	100.00	70.92	70.92	N/A	258,772	183,510
8000	1	70.92	70.92	70.92	00.00	100.00	70.92	70.92	N/A	258,772	183,510
_____Dry_____											
County	53	71.82	74.23	71.43	16.21	103.92	44.89	143.32	68.28 to 75.59	360,377	257,433
7000	11	69.73	71.14	66.66	18.99	106.72	44.89	108.02	51.38 to 87.12	233,449	155,606
8000	42	71.85	75.05	72.18	15.55	103.98	52.51	143.32	68.84 to 75.32	393,621	284,102
_____Grass_____											
County	3	91.14	82.69	74.50	20.58	110.99	50.33	106.60	N/A	209,833	156,323
7000	2	78.47	78.47	60.46	35.86	129.79	50.33	106.60	N/A	170,750	103,240
8000	1	91.14	91.14	91.14	00.00	100.00	91.14	91.14	N/A	288,000	262,489
_____ALL_____	80	72.17	74.02	70.64	18.30	104.78	35.19	143.32	68.87 to 75.32	324,452	229,185

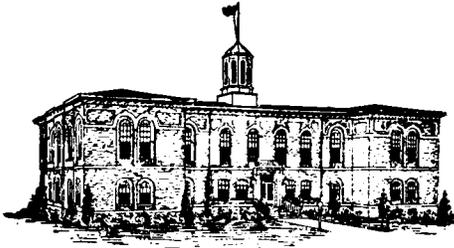
Otoe County 2012 Average LCG Value Comparison

	County	Mkt Area	1A1	1A	2A1	2A	3A1	3A	4A1	4A	AVG IRR
66.70	Otoe	7000	3,240	2,910	2,910	2,010	1,890	#DIV/0!	1,740	850	2,194
55.10	Lancaster	1	3,734	3,750	3,747	3,744	3,000	2,986	2,623	2,616	3,493
49.10	Johnson	1	3,331	3,103	3,100	2,632	2,500	#DIV/0!	1,556	1,300	2,626
66.80	Otoe	8000	3,630	3,630	3,360	2,750	2,750	2,750	2,090	1,210	2,895
13.27	Cass	27	3,510	3,400	2,990	2,990	2,430	2,430	2,200	1,740	2,667
64.83	Nemaha	8300	2,951	3,122	2,458	2,806	2,022	2,541	1,412	1,248	2,413
55.10	Lancaster	1	3,734	3,750	3,747	3,744	3,000	2,986	2,623	2,616	3,493
49.10	Johnson	1	3,331	3,103	3,100	2,632	2,500	#DIV/0!	1,556	1,300	2,626

	County	Mkt Area	1D1	1D	2D1	2D	3D1	3D	4D1	4D	AVG DRY
	Otoe	7000	2,950	2,650	2,650	1,830	1,720	#DIV/0!	1,580	770	1,841
	Lancaster	1	3,371	3,375	2,845	2,847	2,250	2,248	1,649	1,647	2,649
	Johnson	1	2,465	2,276	2,310	1,882	1,950	1,962	1,185	1,000	1,798
	Otoe	8000	3,300	3,300	3,050	2,500	2,500	2,500	1,900	1,100	2,581
	Cass	27	2,790	2,768	2,660	2,369	2,250	2,249	2,310	1,898	2,422
	Nemaha	8300	2,933	2,991	2,652	2,038	1,718	2,267	1,471	1,018	2,160
	Lancaster	1	3,371	3,375	2,845	2,847	2,250	2,248	1,649	1,647	2,649
	Johnson	1	2,465	2,276	2,310	1,882	1,950	1,962	1,185	1,000	1,798

	County	Mkt Area	1G1	1G	2G1	2G	3G1	3G	4G1	4G	AVG GRASS
	Otoe	7000	1,006	1,106	1,026	1,157	992	#DIV/0!	996	677	1,016
	Lancaster	1	1,860	2,017	1,707	1,786	1,440	1,451	1,052	996	1,401
	Johnson	1	1,288	1,666	1,453	1,204	1,251	1,236	940	679	1,039
	Otoe	8000	1,217	1,232	1,174	1,282	1,140	1,111	1,037	729	1,084
	Cass	27	1,030	1,060	970	790	860	860	830	630	778
	Nemaha	8300	1,763	2,031	1,906	1,162	1,200	1,158	977	830	1,170
	Lancaster	1	1,860	2,017	1,707	1,786	1,440	1,451	1,052	996	1,401
	Johnson	1	1,288	1,666	1,453	1,204	1,251	1,236	940	679	1,039

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



Therese E. Gruber
Assessor

Christina M. Smallfoot
Deputy Assessor

Office of Otoe County Assessor

February 29, 2012

Ms. Ruth Sorenson
Property Tax Administrator
Nebraska Department of Revenue/Property Assessment Division
301 Centennial Mall South
P.O. Box 98919
Lincoln, NE 68509

Re: Special Valuation Methodology – 2012

Introduction

From a geographic standpoint, Otoe County is located directly to the south of Cass County, east of Lancaster County, north of Nemaha and Johnson Counties, and west of the Missouri River. Two of the bordering counties, Lancaster and Cass have a high degree of real estate sales activity and have implemented special valuation for their entire county's agriculture base. Neither Nemaha nor Johnson counties have the same degree of activity as Lancaster, Cass, or Otoe counties. Our county has a relatively high degree of activity in the agricultural market.

Market Areas in Otoe County

In 2012, Otoe County has two market areas for the valuation of agricultural land. These market areas were developed to account for the differences in sale price for comparable soil groups and uses. The market areas are geographically based to determine values and our analysis of sales show that we still have two distinct market areas.

Special Values

The market analysis that has been performed in Otoe County for 2012 shows that our county does not have any measurable "influence" for agricultural land. Otoe County uses the sales comparison approach to set agricultural values. Extensive research is done with the buyer, seller, and any real estate agents involved in the sale to determine if it was influenced by commercial or rural residential factors (i.e. acreage or subdivision development, etc.)

If the determination of the assessor and/or appraiser is that the sale is uninfluenced by factors other than agricultural use for the land the sale is included in the sales analysis study to help determine agricultural values. This analysis is done on all sales on a countywide basis, and is not restricted to a certain market area.

Certification

The previous narrative is a true and accurate representation of the methodology of the special valuation procedures in Otoe County.

Sincerely,
Therese E. Gruber
Otoe County Assessor

1021 Central Avenue, Nebraska City, NE 68410
assessor@otoe.nacone.org

Phone (402) 873-9520

Fax (402) 873-9523

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**2012 Correlation Section
for Otoe County**

A. Agricultural Land

Otoe County is comprised of approximately 1% irrigated land, 79% dry crop land and 18% grass/pasture land. Otoe County has two market areas. Annually sales are reviewed and plotted to verify accuracy of the market area determination. The county contends that topography and soils as well as well as proximity to Lancaster affect the market values for land among the two areas. The overall calculated median for the County is 72%, with all three measures of central tendency within the acceptable range showing strong support for each other.

Market area 700 can be described as the southwestern portion of the County. The majority land use for area 7000 shows more of an influence of grass than the overall county. The market area totals, 1% irrigated, 74% dry and 23% grass. Otoe County has 23 qualified agricultural sales in area 7000 for the three year study period. The sales are proportionately spread across the three years of the study period. In looking at the majority land use of the sales in area 1 they appear to be representative of the market area. The calculated median for market area 7000 is 70%.

The majority land use for area 8000 shows the market area to be fairly representative of the County as a whole. 57 qualified agricultural sales were used in the agricultural analysis for the three year study period for area 8000. The sample consists of sales that meet the required balance as to the date of sale and are proportionate by majority land use. This was met by including comparable sales from the same general agricultural market all within six miles of the subject county. The sales within this market area in Otoe County were not proportionately spread across the three years of the study period. There were fewer sales in the second year of the study period. Three additional sales were brought into the study from the same general market area. The market area totals are, 1% irrigated, 80% dry and 18% grass. The statistics show an overall calculated median of 72% for area 8000.

Both market areas as indicated by the 80% majority land use of dry land by market area demonstrate that they are within the acceptable range. In analyzing the average values by LCG of adjoining counties the values are relatively close between Otoe and Nemaha demonstrating support for the schedule of values for Otoe County. With the same contract appraiser in both counties this comes as no surprise.

Based on the consideration of all available information, the level of value is determined to be 72% of market value for the agricultural class of real property. Because the known assessment practices are reliable and consistent it is believed that the agricultural class of property is being treated in the most uniform and proportionate manner possible.

**2012 Correlation Section
for Otoe 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 Otoe 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 Otoe 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 Otoe 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 : 11,421	Value : 1,562,085,895	Growth 11,767,540	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	755	3,772,130	54	1,104,510	228	5,739,140	1,037	10,615,780	
02. Res Improve Land	4,192	29,738,600	236	7,667,030	1,069	38,598,210	5,497	76,003,840	
03. Res Improvements	4,214	313,670,470	236	29,992,870	1,072	145,902,460	5,522	489,565,800	
04. Res Total	4,969	347,181,200	290	38,764,410	1,300	190,239,810	6,559	576,185,420	4,770,790
% of Res Total	75.76	60.26	4.42	6.73	19.82	33.02	57.43	36.89	40.54
05. Com UnImp Land	147	2,438,530	18	874,000	9	168,150	174	3,480,680	
06. Com Improve Land	547	11,944,900	40	2,416,200	23	960,180	610	15,321,280	
07. Com Improvements	563	82,681,750	40	15,052,280	24	3,937,420	627	101,671,450	
08. Com Total	710	97,065,180	58	18,342,480	33	5,065,750	801	120,473,410	4,068,490
% of Com Total	88.64	80.57	7.24	15.23	4.12	4.20	7.01	7.71	34.57
09. Ind UnImp Land	4	42,350	0	0	0	0	4	42,350	
10. Ind Improve Land	9	443,200	5	487,280	0	0	14	930,480	
11. Ind Improvements	9	8,488,200	5	7,724,180	0	0	14	16,212,380	
12. Ind Total	13	8,973,750	5	8,211,460	0	0	18	17,185,210	0
% of Ind Total	72.22	52.22	27.78	47.78	0.00	0.00	0.16	1.10	0.00
13. Rec UnImp Land	0	0	1	10,660	15	1,825,580	16	1,836,240	
14. Rec Improve Land	0	0	1	149,760	17	5,054,250	18	5,204,010	
15. Rec Improvements	0	0	2	58,740	17	1,376,530	19	1,435,270	
16. Rec Total	0	0	3	219,160	32	8,256,360	35	8,475,520	252,420
% of Rec Total	0.00	0.00	8.57	2.59	91.43	97.41	0.31	0.54	2.15
Res & Rec Total	4,969	347,181,200	293	38,983,570	1,332	198,496,170	6,594	584,660,940	5,023,210
% of Res & Rec Total	75.36	59.38	4.44	6.67	20.20	33.95	57.74	37.43	42.69
Com & Ind Total	723	106,038,930	63	26,553,940	33	5,065,750	819	137,658,620	4,068,490
% of Com & Ind Total	88.28	77.03	7.69	19.29	4.03	3.68	7.17	8.81	34.57
17. Taxable Total	5,692	453,220,130	356	65,537,510	1,365	203,561,920	7,413	722,319,560	9,091,700
% of Taxable Total	76.78	62.75	4.80	9.07	18.41	28.18	64.91	46.24	77.26

Schedule II : Tax Increment Financing (TIF)

	Urban			SubUrban		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	0	0	0
19. Commercial	3	114,150	1,817,890	0	0	0
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
	Rural			Total		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	0	0	0
19. Commercial	0	0	0	3	114,150	1,817,890
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
22. Total Sch II				3	114,150	1,817,890

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	132	1,284,190	0	0	33	253,710	165	1,537,900	11,370
25. Total	132	1,284,190	0	0	33	253,710	165	1,537,900	11,370

Schedule IV : Exempt Records : Non-Agricultural

	Urban Records	SubUrban Records	Rural Records	Total Records
26. Exempt	604	88	332	1,024

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	1	39,040	299	48,161,500	2,230	413,753,740	2,530	461,954,280
28. Ag-Improved Land	1	31,060	151	31,928,370	1,121	270,745,300	1,273	302,704,730
29. Ag Improvements	1	6,040	151	8,074,670	1,161	65,488,715	1,313	73,569,425
30. Ag Total							3,843	838,228,435

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	1	1.00	10,000	79	79.00	790,000	
33. HomeSite Improvements	1	1.00	6,040	76	75.00	5,732,550	
34. HomeSite Total							
35. FarmSite UnImp Land	0	0.00	0	17	133.72	112,640	
36. FarmSite Improv Land	0	0.00	0	133	325.48	418,720	
37. FarmSite Improvements	0	0.00	0	148	0.00	2,342,120	
38. FarmSite Total							
39. Road & Ditches	0	0.00	0	0	686.60	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	6	11.45	65,120	6	11.45	65,120	
32. HomeSite Improv Land	669	676.00	6,826,500	749	756.00	7,626,500	
33. HomeSite Improvements	657	641.00	47,383,215	734	717.00	53,121,805	2,664,470
34. HomeSite Total				740	767.45	60,813,425	
35. FarmSite UnImp Land	208	2,752.54	2,114,240	225	2,886.26	2,226,880	
36. FarmSite Improv Land	1,035	2,865.87	2,748,590	1,168	3,191.35	3,167,310	
37. FarmSite Improvements	1,132	0.00	18,105,500	1,280	0.00	20,447,620	0
38. FarmSite Total				1,505	6,077.61	25,841,810	
39. Road & Ditches	0	7,034.18	0	0	7,720.78	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
41. Total Section VI				2,245	14,565.84	86,655,235	2,664,470

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	2	77.00	76,890	2	77.00	76,890

Schedule VIII : Agricultural Records : Special Value

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
43. Special Value	0	0.00	0	290	25,978.42	54,582,550
44. Recapture Value N/A	0	0.00	0	290	25,978.42	54,582,550
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
43. Special Value	2,299	233,696.05	491,931,090	2,589	259,674.47	546,513,640
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 7000

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	32.93	4.83%	106,690	7.14%	3,239.90
46. 1A	116.14	17.04%	337,980	22.61%	2,910.11
47. 2A1	67.28	9.87%	195,790	13.10%	2,910.08
48. 2A	186.35	27.34%	374,560	25.05%	2,009.98
49. 3A1	120.34	17.66%	227,450	15.21%	1,890.06
50. 3A	0.00	0.00%	0	0.00%	0.00
51. 4A1	132.48	19.44%	230,520	15.42%	1,740.04
52. 4A	26.08	3.83%	22,160	1.48%	849.69
53. Total	681.60	100.00%	1,495,150	100.00%	2,193.59
Dry					
54. 1D1	454.47	0.75%	1,340,740	1.20%	2,950.12
55. 1D	3,868.01	6.35%	10,250,380	9.15%	2,650.04
56. 2D1	4,408.68	7.24%	11,683,020	10.43%	2,650.00
57. 2D	13,102.26	21.52%	23,977,210	21.40%	1,830.01
58. 3D1	24,187.31	39.73%	41,602,170	37.13%	1,720.00
59. 3D	0.00	0.00%	0	0.00%	0.00
60. 4D1	14,522.11	23.85%	22,945,060	20.48%	1,580.01
61. 4D	335.82	0.55%	258,650	0.23%	770.20
62. Total	60,878.66	100.00%	112,057,230	100.00%	1,840.67
Grass					
63. 1G1	51.98	0.25%	52,280	0.24%	1,005.77
64. 1G	1,363.62	6.44%	1,508,050	7.01%	1,105.92
65. 2G1	4,514.37	21.31%	4,630,250	21.52%	1,025.67
66. 2G	3,748.76	17.69%	4,336,270	20.15%	1,156.72
67. 3G1	2,370.56	11.19%	2,351,830	10.93%	992.10
68. 3G	0.00	0.00%	0	0.00%	0.00
69. 4G1	7,695.88	36.32%	7,661,890	35.61%	995.58
70. 4G	1,443.22	6.81%	977,560	4.54%	677.35
71. Total	21,188.39	100.00%	21,518,130	100.00%	1,015.56
Irrigated Total					
	681.60	0.82%	1,495,150	1.11%	2,193.59
Dry Total					
	60,878.66	73.01%	112,057,230	82.92%	1,840.67
Grass Total					
	21,188.39	25.41%	21,518,130	15.92%	1,015.56
72. Waste	636.65	0.76%	63,700	0.05%	100.05
73. Other	1.68	0.00%	170	0.00%	101.19
74. Exempt	1.81	0.00%	0	0.00%	0.00
75. Market Area Total	83,386.98	100.00%	135,134,380	100.00%	1,620.57

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 8000

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	110.21	3.09%	400,070	3.87%	3,630.07
46. 1A	578.87	16.22%	2,101,320	20.33%	3,630.04
47. 2A1	412.43	11.55%	1,385,760	13.41%	3,359.99
48. 2A	1,001.74	28.06%	2,754,820	26.66%	2,750.03
49. 3A1	705.70	19.77%	1,940,680	18.78%	2,750.01
50. 3A	311.01	8.71%	855,280	8.28%	2,750.01
51. 4A1	400.94	11.23%	837,970	8.11%	2,090.01
52. 4A	48.47	1.36%	58,650	0.57%	1,210.03
53. Total	3,569.37	100.00%	10,334,550	100.00%	2,895.34
Dry					
54. 1D1	2,387.29	1.11%	7,878,160	1.42%	3,300.04
55. 1D	30,462.13	14.18%	100,526,280	18.12%	3,300.04
56. 2D1	20,792.97	9.68%	63,419,330	11.43%	3,050.04
57. 2D	62,276.99	28.98%	155,696,620	28.07%	2,500.07
58. 3D1	33,282.55	15.49%	83,214,040	15.00%	2,500.23
59. 3D	34,605.18	16.10%	86,515,630	15.60%	2,500.08
60. 4D1	29,087.97	13.54%	55,268,170	9.96%	1,900.04
61. 4D	2,003.36	0.93%	2,203,980	0.40%	1,100.14
62. Total	214,898.44	100.00%	554,722,210	100.00%	2,581.32
Grass					
63. 1G1	125.86	0.27%	153,110	0.30%	1,216.51
64. 1G	3,491.81	7.41%	4,302,070	8.42%	1,232.05
65. 2G1	11,469.86	24.34%	13,470,910	26.36%	1,174.46
66. 2G	7,289.15	15.47%	9,346,630	18.29%	1,282.27
67. 3G1	3,651.22	7.75%	4,161,970	8.14%	1,139.88
68. 3G	3,371.56	7.15%	3,745,940	7.33%	1,111.04
69. 4G1	9,735.68	20.66%	10,094,430	19.75%	1,036.85
70. 4G	7,992.91	16.96%	5,827,870	11.40%	729.13
71. Total	47,128.05	100.00%	51,102,930	100.00%	1,084.34
Irrigated Total					
Irrigated Total	3,569.37	1.33%	10,334,550	1.68%	2,895.34
Dry Total					
Dry Total	214,898.44	80.07%	554,722,210	89.99%	2,581.32
Grass Total					
Grass Total	47,128.05	17.56%	51,102,930	8.29%	1,084.34
72. Waste	2,775.17	1.03%	278,300	0.05%	100.28
73. Other	8.32	0.00%	830	0.00%	99.76
74. Exempt	222.10	0.08%	0	0.00%	0.00
75. Market Area Total	268,379.35	100.00%	616,438,820	100.00%	2,296.89

Schedule X : Agricultural Records :Ag Land Total

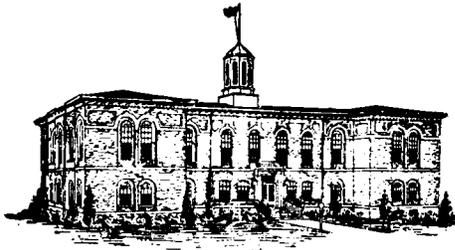
	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	0.00	0	621.85	1,648,040	3,629.12	10,181,660	4,250.97	11,829,700
77. Dry Land	21.08	60,100	29,259.66	70,306,140	246,496.36	596,413,200	275,777.10	666,779,440
78. Grass	0.00	0	6,565.09	6,751,060	61,751.35	65,870,000	68,316.44	72,621,060
79. Waste	0.00	0	629.65	63,040	2,782.17	278,960	3,411.82	342,000
80. Other	0.00	0	2.27	230	7.73	770	10.00	1,000
81. Exempt	0.00	0	79.51	0	144.40	0	223.91	0
82. Total	21.08	60,100	37,078.52	78,768,510	314,666.73	672,744,590	351,766.33	751,573,200

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	4,250.97	1.21%	11,829,700	1.57%	2,782.82
Dry Land	275,777.10	78.40%	666,779,440	88.72%	2,417.82
Grass	68,316.44	19.42%	72,621,060	9.66%	1,063.01
Waste	3,411.82	0.97%	342,000	0.05%	100.24
Other	10.00	0.00%	1,000	0.00%	100.00
Exempt	223.91	0.06%	0	0.00%	0.00
Total	351,766.33	100.00%	751,573,200	100.00%	2,136.57

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

66 Otoe

	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	564,198,980	576,185,420	11,986,440	2.12%	4,770,790	1.28%
02. Recreational	3,479,670	8,475,520	4,995,850	143.57%	252,420	136.32%
03. Ag-Homesite Land, Ag-Res Dwelling	65,073,330	60,813,425	-4,259,905	-6.55%	2,664,470	-10.64%
04. Total Residential (sum lines 1-3)	632,751,980	645,474,365	12,722,385	2.01%	7,687,680	0.80%
05. Commercial	116,653,700	120,473,410	3,819,710	3.27%	4,068,490	-0.21%
06. Industrial	17,434,290	17,185,210	-249,080	-1.43%	0	-1.43%
07. Ag-Farmsite Land, Outbuildings	24,848,450	25,841,810	993,360	4.00%	0	4.00%
08. Minerals	1,560,100	1,537,900	-22,200	-1.42	11,370	-2.15
09. Total Commercial (sum lines 5-8)	160,496,540	165,038,330	4,541,790	2.83%	4,079,860	0.29%
10. Total Non-Agland Real Property	793,248,520	810,512,695	17,264,175	2.18%	11,767,540	0.69%
11. Irrigated	9,653,100	11,829,700	2,176,600	22.55%		
12. Dryland	569,586,620	666,779,440	97,192,820	17.06%		
13. Grassland	63,150,600	72,621,060	9,470,460	15.00%		
14. Wasteland	344,910	342,000	-2,910	-0.84%		
15. Other Agland	0	1,000	1,000			
16. Total Agricultural Land	642,735,230	751,573,200	108,837,970	16.93%		
17. Total Value of all Real Property (Locally Assessed)	1,435,983,750	1,562,085,895	126,102,145	8.78%	11,767,540	7.96%



Therese E. Gruber
Assessor

Christina M. Smallfoot
Deputy Assessor

Office of Otoe County Assessor

**** Three Year Plan ****

	<u># of Parcels</u>
Residential	6482
Commercial	799
Industrial	18
Agriculture	3924
Special Value	2629

Property Review: For assessment year 2011, an estimated 1008 building permits and/or information statements were filed for new property construction/additions or improvements in Otoe County. My office also reviewed approximately 1500 parcels to comply with the state mandated six year review cycle.

Assessment Action Planned for Assessment Year 2012:

Residential – Review rural recreational parcels. Update property record cards to show current condition and improvement information. Fine tune improvement and outbuilding depreciation tables. Conduct study on lot values. Adjust to market value.

Commercial – Finish review of Nebraska City commercial properties. Adjust depreciation tables and occupancy codes to reflect current use and condition of all commercial properties. Adjust to market value.

Agricultural- Continue physical review of improved agricultural parcels. Correct property record cards to show current condition, dwelling and outbuilding information. Adjust to market value.

Assessment Action Planned for Assessment Year 2013:

Residential – Start 6 year review cycle over. Review Nebraska City (1/2), and the smaller towns of Burr, Dunbar, Otoe, Lorton, and Douglas. Update property record cards. Adjust to market value.

Commercial - Fine tune depreciation tables for improvements. Study lot values. Adjust parcels as needed.

Agricultural – Continue to adjust values to agricultural value per sales studies.

Assessment Action Planned for Assessment Year 2014:

Residential – Review Nebraska City (1/2), Syracuse, Unadilla, Talmage, and Palmyra. Update property record cards. Adjust value to market.

Commercial – Start 6 year cycle of review over. Review commercial properties in rural areas, and begin review of small town commercial. Update property record cards. Adjust to market.

Agricultural – Start land use review of unimproved agland parcels. Adjust property record cards to reflect any changes. Adjust value to agricultural values.

Current Resources:

The Otoe County Assessor’s Office has five full-time and one part-time staff; Assessor, Deputy Assessor, Administrative Assistant, Appraisal Assistant, GIS Specialist, and Appraiser (104 hours a month). I have a total of \$217,416 (10-11 figures) in our budget for staff salaries, \$1,500 for training for my staff, and an additional \$250 in my budget for convention/workshop fees.

The cadastral maps are current in my office and are continually maintained by the staff. They also update our GIS system on a daily basis with new subdivisions, splits and surveys. The GIS specialist verifies and corrects information by using the cadastrals, Terrascan, the GIS system, and physical reviews. The GIS and sales information is available online.

Physical and electronic property record cards are maintained for all real property parcels in Otoe County. My administrative assistant does an annual inventory on all the physical cards to match the electronic updated card.

Otoe County continues to physically review 100% of all qualified sales in each class of property. We make an attempt to briefly interview either a buyer, seller, or real estate agent involved with the sale. We also conduct interviews on any questionable disqualified sales. After inclusion or exclusion from the sales files, we continually review sales in order to determine if a change in qualification occurs.

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

Annually prepare and file Assessor Administrative reports required by law/regulation:

- Maintain all records, paper and electronic
- File abstract with Department of Revenue Property Assessment Division
- Assessor Survey
- Sales information to PAD rosters & annual Assessed Value Update w/ Abstract
- Certification of Value to Political Subdivisions
- School District Taxable Value Report
- Homestead Exemption Tax Loss Report
- Certificate of Taxes Levied Report
- Report of current values for properties owned by Board of Education Lands & Funds
- Annual Plan of Assessment Report

521's Filed with Department of Revenue
Annual Level of Value Certification

Personal Property: administer annual filing of approximately 1400 schedules; prepare subsequent notices for change of value, incomplete filings, failure to file and/or penalties applied, as required. Review and implement Beginning Farmer Exemptions Form #1027.

Permissive Exemptions: administer annual filings of approximately 150 applications for new or continued exempt use, review and make recommendations to county board of equalization.

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

Homestead Exemptions: administer approximately 700 annual filings of applications, approval/denial process, taxpayer notifications, and taxpayer assistance. We also hold workshops in smaller communities outside of the county seat for those who need assistance with their applications.

Centrally assessed: review valuations as certified by PAD for railroads and public service entities, establish assessment records and tax billing for tax list.

Tax Increment Financing: management of record/valuation information for properties in community redevelopment projects for proper reporting on administrative reports and allocation of ad valorem tax. We currently have 3 TIF projects for tax year 2011.

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

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

County Board of Equalization: attend county board of equalization meetings for valuation protests – assemble and provide information. Prepare tax list correction documents for county board of equalization approval.

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

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

Education: Assessor – attend southeast district assessor's meetings once a month, workshops sponsored by NACO or PAD, and educational classes to obtain required hours for continued education in order to maintain assessor/deputy assessor certification. Have each staff member attend at least one 15 or 30-hour course each year, depending on budget constraints.

Conclusion:

I feel that my office is accomplishing a great deal of work both efficiently and accurately. My office will continue to strive to do the absolute best job that can be done.

This concludes my three-year plan of assessment at this time.

Respectfully submitted,

Therese Gruber
Otoe County Assessor

2012 Assessment Survey for Otoe County

A. Staffing and Funding Information

1.	Deputy(ies) on staff:
	1
2.	Appraiser(s) on staff:
	0
3.	Other full-time employees:
	3
4.	Other part-time employees:
	0
5.	Number of shared employees:
	0
6.	Assessor's requested budget for current fiscal year:
	229,968
7.	Adopted budget, or granted budget if different from above:
8.	Amount of the total assessor's budget set aside for appraisal work:
	77,900
9.	If appraisal/reappraisal budget is a separate levied fund, what is that amount:
10.	Part of the assessor's budget that is dedicated to the computer system:
	0 Computer system is paid through the County General Budget
11.	Amount of the assessor's budget set aside for education/workshops:
	1,250
12.	Other miscellaneous funds:
13.	Amount of last year's assessor's budget not used:
	2,500

B. Computer, Automation Information and GIS

1.	Administrative software:
	TerrScan
2.	CAMA software:
	TerraScan
3.	Are cadastral maps currently being used?
	Yes, Paper maps are still maintained
4.	If so, who maintains the Cadastral Maps?
	Assessor , Deputy, and GIS technician
5.	Does the county have GIS software?
	Yes

6.	Is GIS available on a website? If so, what is the name of the website?
	Yes, http://otoe.assessor.gisworkshop.com/
7.	Who maintains the GIS software and maps?
	Assessor, Deputy, and GIS technician
8.	Personal Property software:
	TerraScan

C. Zoning Information

1.	Does the county have zoning?
	Yes
2.	If so, is the zoning countywide?
	Yes
3.	What municipalities in the county are zoned?
	Nebraska City and Syracuse
4.	When was zoning implemented?
	April 2002

D. Contracted Services

1.	Appraisal Services:
	Ron Elliot, Contract appraiser establishes value for pickup work and helps to maintain the cost/depreciation tables.
2.	Other services:
	ASI (TerraScan) and GIS Workshop(maintains website for county parcel searches)

2012 Certification for Otoe 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 Otoe 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

