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## 2012 Commission Summary for Seward County

### Residential Real Property - Current

Number of Sales	290	Median	95.43
Total Sales Price	\$38,320,013	Mean	96.29
Total Adj. Sales Price	\$38,309,613	Wgt. Mean	95.14
Total Assessed Value	\$36,447,949	Average Assessed Value of the Base	\$111,272
Avg. Adj. Sales Price	\$132,102	Avg. Assessed Value	\$125,683

### Confidence Interval - Current

95% Median C.I	94.75 to 96.57
95% Wgt. Mean C.I	94.02 to 96.26
95% Mean C.I	94.50 to 98.08
% of Value of the Class of all Real Property Value in the	38.60
% of Records Sold in the Study Period	4.70
% of Value Sold in the Study Period	5.30

### Residential Real Property - History

Year	Number of Sales	LOV	Median
2011	299	94	94
2010	315	94	94
2009	515	95	95
2008	576	95	95

## 2012 Commission Summary for Seward County

### Commercial Real Property - Current

Number of Sales	11	Median	98.11
Total Sales Price	\$1,205,020	Mean	97.60
Total Adj. Sales Price	\$1,165,242	Wgt. Mean	90.32
Total Assessed Value	\$1,052,480	Average Assessed Value of the Base	\$193,981
Avg. Adj. Sales Price	\$105,931	Avg. Assessed Value	\$95,680

### Confidence Interval - Current

95% Median C.I	86.15 to 106.67
95% Wgt. Mean C.I	74.16 to 106.48
95% Mean C.I	85.98 to 109.22
% of Value of the Class of all Real Property Value in the County	7.51
% of Records Sold in the Study Period	1.60
% of Value Sold in the Study Period	0.79

### Commercial Real Property - History

Year	Number of Sales	LOV	Median
2011	21		95
2010	26	95	95
2009	42	95	95
2008	42	92	92



## 2012 Opinions of the Property Tax Administrator for Seward 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
<b>Residential Real Property</b>	95	Meets generally accepted mass appraisal practices.	No recommendation.
<b>Commercial Real Property</b>	*NEI	Meets generally accepted mass appraisal practices.	No recommendation.
<b>Agricultural Land</b>	72	Meets generally accepted mass appraisal practices.	No recommendation.
<b>Special Valuation of Agricultural Land</b>	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*

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Ruth A. Sorensen  
Property Tax Administrator



## **2012 Residential Assessment Actions for Seward County**

For 2012, Seward County has implemented their 3 Year Plan which includes the following actions:

The county completed all pickup work of new improvements on residential parcels, and updated any parcels that had partial values in 2011 to reflect their level of completion on January 1, 2012.

The county conducted a thorough sale verification and analysis process.

The county reappraised the residences and buildings and updated all land values on all parcels classified as residential in the towns of Cordova, Goehner, Staplehurst, Tamora, Utica and the fringe areas of Beaver Crossing and Utica. The reappraisal process included an on-site inspection to verify or update the measurements, the description of property characteristics, and the observations of quality and condition. If needed the county also took new photos of the improvements, prepared new replacement costs, new depreciation, and new estimates of value. The costs used were all 2011 except for the fringe area of Beaver Crossing which was costed with 2010 costs to match the costs for the rest of the town.

The county reviewed and updated lot values in some of the developing subdivisions that are valued using a lot discounting process. The lots in several subdivisions in Seward and in the rural areas were reviewed. This resulted in a few minor adjustments.

In 2012 for the 6 year process of inspection and review, the county reviewed and inspected the residences and buildings on all parcels classified as residential in the towns of Bee, Garland, Pleasant Dale and Staplehurst. The review and inspection included an on-site inspection to verify or update the measurements, the description of property characteristics, and the observations of quality and condition. The county took new photos of the improvements and added any omitted and unreported changes. Additionally as part of the 6 year process, the county reviewed and inspected the residences and buildings on all parcels classified as residential in the rural precincts identified by the county as B, G, I, J, O and P. Those precincts include the following geocodes; 3237, 3287, 3461, 3463, 3509, and 3511. The inspection process was done by comparing existing aerial photos to new aerial photos. If differences were discovered, the county did an on-site inspection to verify or update the measurements, the description of property characteristics, and the observations of quality and condition. The county took new photos of the improvements and added any omitted and unreported changes. It is the county's practice to separately schedule the inspection and review process from the reappraisal process. Often the parcels inspected and reviewed in one year are reappraised in the following year. This year, Staplehurst was included in both processes.

The county reports that they will inspect and review the remaining rural residential parcels and any rural subdivisions located in Ranges 1 and 2, (geocodes 3233, 3235, 3289, 3291, 3457, 3459, 3513, and 3515), during 2012 or 2013. They also plan to inspect and review the town of Milford and possibly part of Seward during 2012, Milford may be implemented for 2013, but any part of Seward that is inspected and reviewed will be held until the remainder of Seward is inspected and reviewed in 2013 so Seward is all implemented for 2014. The rural residential parcels and the rural subdivisions in ranges 3 and 4 were done during 2010 and 2011. All of the residences and buildings on agricultural parcels were completed during 2008 through 2011. That will complete the 6 year inspection and review process of all improvements on agricultural, rural residential and urban residential parcels.

## 2012 Residential Assessment Survey for Seward County

1.	<b>Valuation data collection done by:</b>	
	Assessor's Office Staff	
2.	<b>In your opinion, what are the valuation groupings recognized in the County and describe the unique characteristics of each grouping:</b>	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	01	<u>Seward</u> : -Seward is the county seat; has a full K-12 school system; very active commercial trade area with most services; very active real estate market; some influence as a bedroom community for Lincoln.
	02	<u>Beaver Crossing</u> : -Beaver Crossing is in the southwest part of the county. It has paved access as an exit off I-80. This town has very diverse residential properties. Some really nice quality homes and some low quality homes, many older homes and some newer ones. This town has a nice library, hardware store, a new lumberyard, a bank, a post office, a swimming pool, a gas station/auto repair service, a Coop elevator and a funeral home.
	03	<u>Bee</u> : -Bee is 8 miles northeast of Seward. A small town with a tavern, a post office and Coop elevator.
	04	<u>Cordova</u> : -Cordova is located in the far southwest corner of the county. There are three school districts in this town, Centennial, Exeter-Milligan and Friend. Cordova also has a post office, a Coop elevator and bank branch office.
	05	<u>Garland</u> : -Garland is in the eastern part of Seward County, 4 miles north of Highway 34 and 4 miles west of the Lancaster County line. There is some Lincoln influence due to the proximity of the town. The town has 2 taverns, a post office and Coop elevator.
	06	<u>Goehner</u> : -Goehner is located in the western half of the county only a half mile off I-80. The town has a post office and a new restaurant in an existing building that has been totally remodeled. There is no Coop elevator in Goehner.
	07	<u>Grover</u> : -Grover is an unincorporated town just outside of Milford across the Big Blue River. It does have 3 various businesses. About half of Grover is in a flood plain.
	08	<u>Milford</u> : -Milford is the second largest town in Seward County. It is home to Southeast Technical College which influences rental property. The county has identified various neighborhoods. Milford has a K-12 school, a downtown business district, a golf course and a swimming pool. Milford has 32 upscale residential properties ranging in value from \$200,000 to \$430,000.

09	<p><u>Pleasant Dale</u>: -Pleasant Dale is on the eastern edge of Seward County just 1 mile in from the Lancaster County line and 2 ½ miles south of I-80 and 2 miles south of Highway 6. It also has Highway 103 on the edge town that goes south to Crete in Saline County. The town has a post office, a Coop elevator, a lumberyard, a restaurant, two apartment buildings, a gas station/mini mart/car wash and auto service garage. Due to the towns location there is influence from Lincoln. The town has some nice ranch style homes along with older better kept homes.</p>
10	<p><u>Staplehurst</u>: -Staplehurst is located approximately 6 miles northwest of Seward. The town has a Coop elevator, a post office, a tavern, a towing business, storage unit business. There is very little new construction in this town. With the town's proximity and the older homes, it is a less desirable town to live in. Termites are a problem in Staplehurst. Very little to draw people to this town.</p>
11	<p><u>Tamora</u>: -Tamora is an unincorporated town 7 miles west of Seward on Highway 34. The main purpose of Tamora is the huge Coop elevator. The rest of the town has a few older homes and some mobile homes. Nothing is kept very well in this town. The properties have to have their own wells and septic systems.</p>
12	<p><u>Utica</u>: -Utica is the 3<sup>rd</sup> largest town in Seward County. It is just 1 mile from York County along Highway 34. The town has a K-12 school, a nursing home, a Coop elevator, a senior citizen center, a gas station/service business, a library, a beauty shop, a bowling alley, a grocery store, an auto and truck used/repared part business, a bank, 2 industrial businesses, a well drilling business a nursing home, a Family Medical Center and a book bindery business. It is a unique small town that stands on its own.</p>
13	<p><u>Rural</u>: -The rural residential properties in Seward County are characterized an individual acreages spread throughout the county. The east half of the county has Lancaster County influences. The west half of the county has much less activity for acreages and they tend to sell for less as there aren't the influences from Lincoln. The west half of the county is more agricultural.</p>
14	<p><u>Rural Sub</u>: -The Rural Sub class residential properties are platted subdivisions in the rural. They have gone through county zoning. Most have interior roads of some kind and covenants filed with the plat.</p>
3.	<p><b>List and describe the approach(es) used to estimate the market value of residential properties.</b></p>
	<p>Residential properties in Seward County are valued using the cost approach to value. They do use the market data to develop the depreciation used in the cost approach. Additionally, the county organizes their sales in such a manner that they can compare their cost approach results to the selling price of comparable properties. While this is not a fully developed market or sales comparison approach, it provides an additional perspective on the value.</p>

4	<b>What is the costing year of the cost approach being used for each valuation grouping?</b>
	The county is moving all valuation groups 2011 costs. Presently, Seward has 2004 pricing; Milford, Garland, Pleasant Dale, rural residential and farm homes are costed with 2005 base pricing; Beaver Crossing has 2010 pricing and the base cost tables for the residential parcels in Cordova, Goehner, Staplehurst and Utica are from 2011. As the county revalues a subclass of residential property, the base cost tables have been moved to <u>2011</u> . Even though the costs are from different base tables, each subclass has land values and unique locational factors in their depreciation that works with those costs.
5.	<b>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?</b>
	The local market
6.	<b>Are individual depreciation tables developed for each valuation grouping?</b>
	The county develops their own base depreciation tables based on the analysis of their market. Then they develop locational factors for use in each individual valuation group. The county continuously monitors their sales to affirm or update the locational factor or to adjust classes or subclasses.
7.	<b>When were the depreciation tables last updated for each valuation grouping?</b>
	Depreciation is updated when a valuation group is recosted and revalued.
8.	<b>When was the last lot value study completed for each valuation grouping?</b>
	The lot value analysis is ongoing and is monitored through sales activity. Whenever a class or subclass is reappraised or updated, the lot values are reviewed and either affirmed and left the same or updated based on the available market analysis.
9.	<b>Describe the methodology used to determine the residential lot values?</b>
	The market is monitored to see if there is any need to adjust or update the existing lot values. The lots are valued on a town by town basis.
10.	<b>How do you determine whether a sold parcel is substantially changed?</b>
	Among the factors used to determine if a parcel has been substantially changed after a sale are: -The construction of a new structure on a previously vacant or minimally improved lot. -A major addition or alteration to the structure, usually results in a change in square footage. -A dramatic increase in the depreciation, usually due to something like fire damage, vandalism or demolition of a structure. -Extensive rehabilitation and remodeling (change to the interior finish, mechanical systems or fixtures) of an existing structure causing a significant reduction of depreciation. The assessor evaluates each situation independently and has no percentage of value change or rule of thumb used to determine substantial change.

**80 Seward  
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 : 290  
 Total Sales Price : 38,320,013  
 Total Adj. Sales Price : 38,309,613  
 Total Assessed Value : 36,447,949  
 Avg. Adj. Sales Price : 132,102  
 Avg. Assessed Value : 125,683

MEDIAN : 95  
 WGT. MEAN : 95  
 MEAN : 96  
 COD : 08.79  
 PRD : 101.21

COV : 16.15  
 STD : 15.55  
 Avg. Abs. Dev : 08.39  
 MAX Sales Ratio : 218.22  
 MIN Sales Ratio : 54.04

95% Median C.I. : 94.75 to 96.57  
 95% Wgt. Mean C.I. : 94.02 to 96.26  
 95% Mean C.I. : 94.50 to 98.08

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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	45	95.21	94.44	94.25	07.88	100.20	67.20	119.71	91.51 to 97.44	136,244	128,404
01-OCT-09 To 31-DEC-09	35	94.88	94.56	93.99	09.42	100.61	54.04	158.59	91.76 to 97.91	126,468	118,868
01-JAN-10 To 31-MAR-10	20	95.09	94.75	94.47	06.80	100.30	82.54	115.48	88.69 to 98.10	152,199	143,776
01-APR-10 To 30-JUN-10	51	95.47	94.90	94.82	06.67	100.08	70.56	130.66	92.47 to 97.51	136,729	129,647
01-JUL-10 To 30-SEP-10	40	96.96	96.13	95.09	07.47	101.09	72.95	118.74	93.28 to 99.73	135,978	129,306
01-OCT-10 To 31-DEC-10	17	97.60	104.15	98.85	12.68	105.36	87.53	202.15	91.64 to 108.42	145,000	143,332
01-JAN-11 To 31-MAR-11	32	95.52	100.23	99.21	11.64	101.03	72.90	186.25	93.21 to 101.34	108,988	108,131
01-APR-11 To 30-JUN-11	50	95.52	96.16	93.84	09.74	102.47	68.79	218.22	92.32 to 97.32	126,866	119,055
<u>Study Yrs</u>											
01-JUL-09 To 30-JUN-10	151	95.25	94.66	94.42	07.69	100.25	54.04	158.59	93.99 to 96.63	136,255	128,650
01-JUL-10 To 30-JUN-11	139	95.88	98.06	95.98	09.95	102.17	68.79	218.22	94.64 to 97.60	127,590	122,459
<u>Calendar Yrs</u>											
01-JAN-10 To 31-DEC-10	128	95.67	96.49	95.40	07.85	101.14	70.56	202.15	94.15 to 97.51	140,010	133,566
<u>ALL</u>	290	95.43	96.29	95.14	08.79	101.21	54.04	218.22	94.75 to 96.57	132,102	125,683

**VALUATION GROUPING**

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	163	94.80	94.73	94.13	08.12	100.64	54.04	202.15	92.93 to 96.43	136,877	128,848
02	2	97.10	97.10	97.16	01.68	99.94	95.47	98.72	N/A	88,500	85,984
03	3	92.15	97.36	95.58	10.14	101.86	85.96	113.97	N/A	58,667	56,076
04	4	98.87	98.20	98.35	01.26	99.85	95.34	99.73	N/A	69,500	68,355
05	4	107.39	116.33	119.44	20.64	97.40	89.05	161.48	N/A	46,625	55,687
06	7	96.01	95.47	95.86	01.72	99.59	92.60	98.18	92.60 to 98.18	104,286	99,971
07	2	91.46	91.46	91.74	03.88	99.69	87.91	95.01	N/A	92,250	84,627
08	43	96.70	100.01	97.35	15.11	102.73	68.79	218.22	91.45 to 100.50	132,976	129,451
09	3	112.01	110.07	109.34	02.66	100.67	104.63	113.57	N/A	162,833	178,042
10	7	95.64	95.78	95.88	01.56	99.90	92.20	98.01	92.20 to 98.01	64,036	61,400
11	1	99.87	99.87	99.87	00.00	100.00	99.87	99.87	N/A	7,500	7,490
12	21	98.03	98.39	98.05	02.93	100.35	94.34	119.71	95.38 to 99.73	107,138	105,049
13	25	91.99	94.11	92.81	08.88	101.40	78.03	130.66	86.62 to 95.88	157,420	146,107
14	5	96.49	93.74	94.70	07.33	98.99	72.95	107.00	N/A	283,819	268,778
<u>ALL</u>	290	95.43	96.29	95.14	08.79	101.21	54.04	218.22	94.75 to 96.57	132,102	125,683

**80 Seward  
RESIDENTIAL**

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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	289	95.39	96.27	95.14	08.81	101.19	54.04	218.22	94.75 to 96.49	132,518	126,075
06	1	101.78	101.78	101.78	00.00	100.00	101.78	101.78	N/A	12,000	12,213
07											
<u>ALL</u>	290	95.43	96.29	95.14	08.79	101.21	54.04	218.22	94.75 to 96.57	132,102	125,683

**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											
Less Than 15,000	2	100.83	100.83	101.04	00.95	99.79	99.87	101.78	N/A	9,750	9,852
Less Than 30,000	7	99.87	109.84	113.14	20.49	97.08	67.20	202.15	67.20 to 202.15	20,714	23,435
<u>Ranges Excl. Low \$</u>											
Greater Than 4,999	290	95.43	96.29	95.14	08.79	101.21	54.04	218.22	94.75 to 96.57	132,102	125,683
Greater Than 14,999	288	95.39	96.26	95.14	08.82	101.18	54.04	218.22	94.75 to 96.49	132,952	126,487
Greater Than 29,999	283	95.38	95.96	95.07	08.43	100.94	54.04	218.22	94.69 to 96.42	134,857	128,212
<u>Incremental Ranges</u>											
0 TO 4,999											
5,000 TO 14,999	2	100.83	100.83	101.04	00.95	99.79	99.87	101.78	N/A	9,750	9,852
15,000 TO 29,999	5	99.06	113.45	115.02	28.38	98.64	67.20	202.15	N/A	25,100	28,869
30,000 TO 59,999	16	96.62	110.48	111.26	25.85	99.30	68.79	218.22	89.05 to 135.36	46,317	51,530
60,000 TO 99,999	71	96.63	97.58	97.41	09.46	100.17	54.04	186.25	95.01 to 98.57	78,268	76,242
100,000 TO 149,999	89	94.35	93.83	93.82	07.59	100.01	69.73	118.74	91.58 to 96.88	121,272	113,772
150,000 TO 249,999	96	95.11	94.44	94.48	05.84	99.96	72.95	113.57	93.34 to 96.66	183,023	172,921
250,000 TO 499,999	11	96.32	94.83	94.77	04.02	100.06	86.26	100.84	87.80 to 100.66	318,468	301,825
500,000 TO 999,999											
1,000,000 +											
<u>ALL</u>	290	95.43	96.29	95.14	08.79	101.21	54.04	218.22	94.75 to 96.57	132,102	125,683



## 2012 Correlation Section for Seward County

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### A. Residential Real Property

Seward County is an agriculturally based county with an array of small towns and villages that exist primarily to support agriculture. Seward 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 acreages are found throughout the county, but are most prominent in the eastern part of the county that is nearest to Lincoln. Seward County is bordered on the north by Butler County, on the south by Saline County, on the east by Lancaster County and on the west by York County. The county has divided the residential analysis and valuation work into 14 Valuation Groupings, mostly centered on individual towns plus one for rural residential parcels and one for parcels in rural residential subdivisions. In the Residential Survey and Residential Assessment Actions section of the R&O, the characteristics of the Valuation Groupings 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 not been 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 valuation is stable, partly due to the influence from the Lincoln market.

The key statistics considered for measurement are as follows: there are 290 qualified sales; the median ratio is 95%; the weighted mean ratio is 95%; the mean ratio is 96%; the COD is 8.79; the PRD is 101.21 and the 95% median confidence interval is 94.75 to 96.57. 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. As of January 1, 2014, the county will have 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 likely to produce equalized results. The Department believes that the quality of assessment of residential property in the county is good. There are numerous reasons, but the most relevant are the Departments ongoing interaction with the assessor, and the annual reporting of their actions with regard to residential property. The county has built thorough, high quality and 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 related to the inspection and review dates associated with each individual valuation group and are the same within the individual groups. The land values and the depreciation schedules are developed to

**2012 Correlation Section  
for Seward County**

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work with the costs for each individual valuation group. Each valuation group may be adjusted between the years 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 no irregularities. Those practices are expected to also be the same 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 good. For 2012, the median ratio is 95% for the residential property. The PRD is within the acceptable range and COD is within the acceptable range. The median confidence interval indicates a level of value within the range of 92 to 100%. Considering all of the factors, the level of value is 95%. 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 of assessment based on the assessment actions of the assessor for the residential class is acceptable.

**2012 Correlation Section  
for Seward County**

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**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 Seward County**

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**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 Seward County

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### **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 Seward County**

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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 Seward County**

For 2012, Seward County has implemented their 3 Year Plan which includes the following actions:

The county completed all pickup work of new improvements on commercial and industrial parcels, and updated any parcels that had partial values in 2011 to reflect their level of completion on January 1, 2012.

The county conducted a thorough sale verification and analysis process.

For 2012, the county reviewed all Section 42 Housing parcels, but did not make any adjustments.

The county reports that they completed the systematic inspections of commercial parcels over a period of 3 assessment years. Portions were inspected in 2008 for implementation in 2009, part in 2009 for implementation in 2010, and part in 2010 for implementation in 2011. The county has completed the 6 year inspection and review process of all commercial and industrial land and improvements.

## 2012 Commercial Assessment Survey for Seward County

1.	<b>Valuation data collection done by:</b>	
	Contract Appraiser	
2.	<b>In your opinion, what are the valuation groupings recognized in the County and describe the unique characteristics of each grouping:</b>	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	01	<u>Seward</u> : -Seward is the county seat; has a full K-12 school system; very active commercial trade area with most services; very active real estate market; some influence as a bedroom community for Lincoln.
	02	<u>Beaver Crossing</u> : -Beaver Crossing is in the southwest part of the county. It has paved access as an exit off I-80. This town has very diverse residential properties. Some really nice quality homes and some low quality homes, many older homes and some newer ones. This town has a nice library, hardware store, a new lumberyard, a bank, a post office, a swimming pool, a gas station/auto repair service, a Coop elevator and a funeral home.
	03	<u>Bee</u> : -Bee is 8 miles northeast of Seward. A small town with a tavern, a post office and Coop elevator.
	04	<u>Cordova</u> : -Cordova is located in the far southwest corner of the county. There are three school districts in this town, Centennial, Exeter-Milligan and Friend. Cordova also has a post office, a Coop elevator and bank branch office.
	05	<u>Garland</u> : -Garland is in the eastern part of Seward County, 4 miles north of Highway 34 and 4 miles west of the Lancaster County line. There is some Lincoln influence due to the proximity of the town. The town has 2 taverns, a post office and Coop elevator.
	06	<u>Goehner</u> : -Goehner is located in the western half of the county only a half mile off I-80. The town has a post office and a new restaurant in an existing building that has been totally remodeled. There is no Coop elevator in Goehner.
	07	<u>Grover</u> : -Grover is an unincorporated town just outside of Milford across the Big Blue River. It does have 3 various businesses. About half of Grover is in a flood plain.
	08	<u>Milford</u> : -Milford is the second largest town in Seward County. It is home to Southeast Technical College which influences rental property. The county has identified various neighborhoods. Milford has a K-12 school, a downtown business district, a golf course and a swimming pool. Milford has 32 upscale residential properties ranging in value from \$200,000 to \$430,000.

09	<p><u>Pleasant Dale:</u> -Pleasant Dale is on the eastern edge of Seward County just 1 mile in from the Lancaster County line and 2 ½ miles south of I-80 and 2 miles south of Highway 6. It also has Highway 103 on the edge town that goes south to Saline County. The town has a post office, a Coop elevator, a lumberyard, a restaurant, two apartment buildings, and auto service garage. Due to the towns proximity there is influence from Lincoln. The town has some nice ranch style homes along with older better kept homes.</p>
10	<p><u>Staplehurst:</u> -Staplehurst is located approximately 6 miles northwest of Seward. The town has a Coop elevator, a post office, a tavern, a towing business, storage unit business. There is very little new construction in this town. With the town's proximity and the older homes, it is a less desirable town to live in. Termites are a problem in Staplehurst. There is very little to draw people to this town for new businesses.</p>
11	<p><u>Tamora:</u> - Tamora is an unincorporated town 7 miles west of Seward on Highway 34. The main function of Tamora is the huge Coop elevator. The rest of the town has a few older homes and some mobile homes. Except for the Coop, nothing is kept very well in this town. The properties have to have their own wells and septic systems.</p>
12	<p><u>Utica:</u> -Utica is the 3<sup>rd</sup> largest town in Seward County. It is just 1 mile from York County along Highway 34. The town has a K-12 school, a nursing home, a Coop elevator, a senior citizen center, a gas station/service business, a library, a beauty shop, a bowling alley, a grocery store, an auto and truck used/repared part business, a bank, 2 industrial businesses, a well drilling business a nursing home, a Family Medical Center and a book bindery business. It is a unique small town that stands on its own.</p>
13	<p><u>Rural:</u> -The rural commercial properties in Seward County are characterized by their location. Seward County has six I-80 Interchanges. The 2 predominant ones are at Milford and Seward. The Pleasant Dale exchange has an old service station and a travel trailer park. The Goehner exchange has a gas station. The other 2 do not have buildings. Other commercial rural properties are scattered throughout the county.</p>

3.	<b>List and describe the approach(es) used to estimate the market value of commercial properties.</b>
	The predominant valuation process in this county is to depend on the cost approach to value. They do use the market data to develop the depreciation used in the cost approach. Additionally, the county organizes their sales in broad occupancy groups so that they can compare their cost approach results to the selling price of similar properties. Those groups include retail, warehouse/service garage, office, restaurant/bar, land and other miscellaneous occupancies. While this is not a fully developed market or sales comparison approach, it provides an additional perspective on the value. The county may utilize any income data presented, but does not develop an overall income approach.
3a.	<b>Describe the process used to value unique commercial properties.</b>
	The cost approach is used but the county tries to supplement it with lease information if any is available.
4.	<b>What is the costing year of the cost approach being used for each valuation grouping?</b>
	The base cost year for commercial property in Seward is 2008; costs for Milford, Beaver Crossing and Cordova are 2009; and all the rest of the commercial property in the county is costed from the 2010 cost tables.
5.	<b>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?</b>
	Generally, the county relies on the analysis of sales in their local market to determine the base depreciation used for commercial property. Additional analysis includes linear regression techniques to build and extend depreciation tables.
6.	<b>Are individual depreciation tables developed for each valuation grouping?</b>
	Yes
7.	<b>When were the depreciation tables last updated for each valuation grouping?</b>
	Depreciation studies are conducted and tables are prepared for implementation with the latest new costs or updated costs. So the dates would parallel the cost dates.
8.	<b>When was the last lot value study completed for each valuation grouping?</b>
	Usually the land values are updated or affirmed during the update cycle for the subclass. Seward was current in 2008 and 2009; Beaver Crossing, Cordova, Milford and the commercial land at the Milford and Seward I-80 interchanges was current in 2010. The rest of the county was completed for 2011.
9.	<b>Describe the methodology used to determine the commercial lot values.</b>
	Generally, the county relies on the analysis of sales in their local market to determine their commercial land values.

10.	<b>How do you determine whether a sold parcel is substantially changed?</b>
	<p>Among the factors used to determine if a parcel has been substantially changed after a sale are: -The construction of a new structure on a previously vacant or minimally improved lot. -A major addition or alteration to the structure, usually results in a change in square footage. -A dramatic increase in the depreciation, usually due to something like fire damage, vandalism or demolition of a structure. -Extensive rehabilitation and remodeling (change to the interior finish, mechanical systems or fixtures) of an existing structure causing a significant reduction of depreciation. The assessor evaluates each situation independently and has no percentage of value change or rule of thumb used to determine substantial change.</p>

**80 Seward**  
**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 : 11  
Total Sales Price : 1,205,020  
Total Adj. Sales Price : 1,165,242  
Total Assessed Value : 1,052,480  
Avg. Adj. Sales Price : 105,931  
Avg. Assessed Value : 95,680

MEDIAN : 98  
WGT. MEAN : 90  
MEAN : 98  
COD : 11.43  
PRD : 108.06

COV : 17.73  
STD : 17.30  
Avg. Abs. Dev : 11.21  
MAX Sales Ratio : 138.80  
MIN Sales Ratio : 68.12

95% Median C.I. : 86.15 to 106.67  
95% Wgt. Mean C.I. : 74.16 to 106.48  
95% Mean C.I. : 85.98 to 109.22

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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	103.46	103.46	69.54	34.16	148.78	68.12	138.80	N/A	160,750	111,793
01-OCT-08 To 31-DEC-08	1	106.67	106.67	106.67	00.00	100.00	106.67	106.67	N/A	209,742	223,741
01-JAN-09 To 31-MAR-09											
01-APR-09 To 30-JUN-09											
01-JUL-09 To 30-SEP-09	3	98.11	95.63	95.40	05.61	100.24	86.15	102.64	N/A	128,333	122,432
01-OCT-09 To 31-DEC-09	2	96.26	96.26	95.16	02.74	101.16	93.62	98.90	N/A	60,750	57,810
01-JAN-10 To 31-MAR-10	1	102.35	102.35	102.35	00.00	100.00	102.35	102.35	N/A	65,000	66,525
01-APR-10 To 30-JUN-10											
01-JUL-10 To 30-SEP-10											
01-OCT-10 To 31-DEC-10											
01-JAN-11 To 31-MAR-11	2	89.11	89.11	89.14	01.11	99.97	88.12	90.09	N/A	31,250	27,858
01-APR-11 To 30-JUN-11											
<u>Study Yrs</u>											
01-JUL-08 To 30-JUN-09	3	106.67	104.53	84.20	22.09	124.14	68.12	138.80	N/A	177,081	149,109
01-JUL-09 To 30-JUN-10	6	98.51	96.96	96.14	04.41	100.85	86.15	102.64	86.15 to 102.64	95,250	91,573
01-JUL-10 To 30-JUN-11	2	89.11	89.11	89.14	01.11	99.97	88.12	90.09	N/A	31,250	27,858
<u>Calendar Yrs</u>											
01-JAN-09 To 31-DEC-09	5	98.11	95.88	95.34	04.43	100.57	86.15	102.64	N/A	101,300	96,583
01-JAN-10 To 31-DEC-10	1	102.35	102.35	102.35	00.00	100.00	102.35	102.35	N/A	65,000	66,525
<u>ALL</u>	11	98.11	97.60	90.32	11.43	108.06	68.12	138.80	86.15 to 106.67	105,931	95,680

**VALUATION GROUPING**

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	3	93.62	86.62	80.58	10.68	107.50	68.12	98.11	N/A	187,000	150,681
02	2	113.46	113.46	97.14	22.33	116.80	88.12	138.80	N/A	18,250	17,729
05	2	96.22	96.22	98.26	06.37	97.92	90.09	102.35	N/A	48,750	47,903
09	1	98.90	98.90	98.90	00.00	100.00	98.90	98.90	N/A	35,500	35,109
12	1	86.15	86.15	86.15	00.00	100.00	86.15	86.15	N/A	125,000	107,684
13	2	104.66	104.66	105.37	01.93	99.33	102.64	106.67	N/A	154,871	163,191
<u>ALL</u>	11	98.11	97.60	90.32	11.43	108.06	68.12	138.80	86.15 to 106.67	105,931	95,680

**80 Seward**  
**COMMERCIAL**

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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
02	1	98.11	98.11	98.11	00.00	100.00	98.11	98.11	N/A	160,000	156,970
03	10	96.26	97.55	89.08	12.81	109.51	68.12	138.80	86.15 to 106.67	100,524	89,551
04											
<u>ALL</u>	<u>11</u>	98.11	97.60	90.32	11.43	108.06	68.12	138.80	86.15 to 106.67	105,931	95,680

**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											
Less Than 15,000	1	138.80	138.80	138.80	00.00	100.00	138.80	138.80	N/A	6,500	9,022
Less Than 30,000	1	138.80	138.80	138.80	00.00	100.00	138.80	138.80	N/A	6,500	9,022
<u>Ranges Excl. Low \$</u>											
Greater Than 4,999	11	98.11	97.60	90.32	11.43	108.06	68.12	138.80	86.15 to 106.67	105,931	95,680
Greater Than 14,999	10	95.87	93.48	90.05	08.62	103.81	68.12	106.67	86.15 to 102.64	115,874	104,346
Greater Than 29,999	10	95.87	93.48	90.05	08.62	103.81	68.12	106.67	86.15 to 102.64	115,874	104,346
<u>Incremental Ranges</u>											
0 TO 4,999											
5,000 TO 14,999	1	138.80	138.80	138.80	00.00	100.00	138.80	138.80	N/A	6,500	9,022
15,000 TO 29,999											
30,000 TO 59,999	3	90.09	92.37	92.68	03.98	99.67	88.12	98.90	N/A	32,667	30,275
60,000 TO 99,999	2	97.99	97.99	97.37	04.46	100.64	93.62	102.35	N/A	75,500	73,518
100,000 TO 149,999	2	94.40	94.40	93.48	08.74	100.98	86.15	102.64	N/A	112,500	105,163
150,000 TO 249,999	2	102.39	102.39	102.97	04.18	99.44	98.11	106.67	N/A	184,871	190,356
250,000 TO 499,999	1	68.12	68.12	68.12	00.00	100.00	68.12	68.12	N/A	315,000	214,563
500,000 TO 999,999											
1,000,000 +											
<u>ALL</u>	<u>11</u>	98.11	97.60	90.32	11.43	108.06	68.12	138.80	86.15 to 106.67	105,931	95,680

**80 Seward**  
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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	2	94.50	94.50	94.69	04.67	99.80	90.09	98.90	N/A	34,000	32,195
325	1	106.67	106.67	106.67	00.00	100.00	106.67	106.67	N/A	209,742	223,741
340	1	86.15	86.15	86.15	00.00	100.00	86.15	86.15	N/A	125,000	107,684
352	1	98.11	98.11	98.11	00.00	100.00	98.11	98.11	N/A	160,000	156,970
353	2	80.87	80.87	73.58	15.77	109.91	68.12	93.62	N/A	200,500	147,537
358	1	102.35	102.35	102.35	00.00	100.00	102.35	102.35	N/A	65,000	66,525
406	1	138.80	138.80	138.80	00.00	100.00	138.80	138.80	N/A	6,500	9,022
419	1	102.64	102.64	102.64	00.00	100.00	102.64	102.64	N/A	100,000	102,641
528	1	88.12	88.12	88.12	00.00	100.00	88.12	88.12	N/A	30,000	26,435
<u>ALL</u>	11	98.11	97.60	90.32	11.43	108.06	68.12	138.80	86.15 to 106.67	105,931	95,680



**2012 Correlation Section  
for Seward County**

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**A. Commercial Real Property**

Seward County is an agriculturally based county with an array of small towns and villages 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. There are a few commercial activities operating outside of agricultural uses but they are in the minority. During the past year and even the past 5 to 10 years, commercial property has had no significant economic fluctuations. Some property uses have prospered and grown and some have declined. Some locations have shown positive commercial activity and some have shown decline. In all, the commercial values are stable.

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 2011 and is considered to be current. 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 11 qualified sales; the median ratio is 98%; the weighted mean ratio is 90%; the mean ratio is 98%; the COD is 11.43; the PRD is 108.06 and the 95% median confidence interval is 86.15 to 106.67. There is concern whether the 11 sales in the sales file are representative of the population of commercial and industrial property. Of the qualified sales, 3 occurred in Seward, the predominant town. When the occupancy codes are reviewed, there are 8 different occupancy codes; 2 sales with no occupancy code; there are 2 sales in occupancy code 353 (retail store); and the remaining 7 occupancy codes each had only 1 sale. 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. It is notable that the class of commercial and industrial is so broad that value of the class is impacted by both local and regional economic forces. We must rely on the notion that thorough, timely and consistent assessment actions will produce consistent valuations.

The COD and the PRD of any sample of 11 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. 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 Seward County**

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**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 Seward County

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### **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 Seward County**

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**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 Seward County**

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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 Agricultural Assessment Actions for Seward County**

For 2012, Seward 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 continually monitor and update the land use on all parcels where changes are reported or observed. Use changes are discovered through land owner reports, GIS and the observations of the assessor and staff. They are verified and measured using GIS, as well as NRD and FSA records and maps.

Analyzed the configuration of the 3 market areas and concluded that no change was needed for 2012.

The county conducted a thorough sale verification and analysis process. Following that, they implemented new values for agricultural land. Irrigated, dry and grass values changed in all 3 Market Areas. The assessed values in Area 2 (Special Valuation Area) were also changed and reflect the same LCG values as Market Area 3.

The county reports that the land use discovery process is ongoing, but was systematically inspected and reviewed during 2008 and 2009 using current aerial photos to discover any changes. Changes that were detected using the photos were further verified through the owner, FSA, NRD, or by a drive by inspection. The Residences and buildings on the agricultural parcels were all inspected between 2008 and 2011. The county has completed the 6 year inspection and review process of all agricultural land and all improvements on agricultural parcels.

## 2012 Agricultural Assessment Survey for Seward County

1.	<b>Valuation data collection done by:</b>	
	The Deputy Assessor does the land use and acre count and the county staff does improvements.	
2.	<b>List each market area, and describe the location and the specific characteristics that make each unique.</b>	
	Market Area	Description of unique characteristics
	1	Seward County is divided from east to west based mostly on general soil structure, irrigation water availability and the resulting farming practices. The western part of the county has water availability throughout and has developed irrigation, making the predominant farming practices irrigated row crop.
	2	The eastern part of the county has little water availability and developed irrigation, leaving the predominant farming practices as dry land crop or pasture uses. That eastern area is further divided due to non-agricultural influences impacting the easternmost part of the county abutting Lancaster County. That area has been valued under the provisions of special valuation. The special valuation schedule of value is annually derived from the analysis of the sales in Market Area 3.
	3	Seward County is divided from east to west based mostly on general soil structure, irrigation water availability and the resulting farming practices. The eastern part of the county has little water availability and developed irrigation, leaving the predominant farming practices as dry land crop or pasture uses.
3.	<b>Describe the process that is used to determine and monitor market areas.</b>	
	Sale verification and market analysis provide insight into market trends. The general land use is the key to each market area. If a trend were to change, the market area may also.	
4.	<b>Describe the process used to identify rural residential land and recreational land in the county apart from agricultural land.</b>	
	The predominant use of the parcel drives the decision. Then the analysis of the local market is used to establish values.	

5.	<b>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?</b>
	Yes; The first (home site) acre is the same. The first acre for home sites on agricultural parcels and on residential parcels is valued at \$18,000. The additional site acres have different values for the two subclasses. The next four rural residential site acres are valued at \$5,000 to \$3,500 per acre, up to four additional rural residential site acres are valued at \$2,500 to \$1,500 per acre, and any residual acres over nine are valued at \$1,750 to \$1,000. Those variations are higher in the east where the special valuation exists and lower in the west of the county. The residual land beyond the first acre on parcels classified as agricultural has now been valued as a site value at \$1,800 per acre.
6.	<b>What process is used to annually update land use? (Physical inspection, FSA maps, etc.)</b>
	Land use is being done using GIS imagery, FSA maps, NRD verifications, individual certifications, and physical inspections.
7.	<b>Describe the process used to identify and monitor the influence of non-agricultural characteristics.</b>
	The special value area is monitored by comparing sales in Market Area 2 to the sales in Market Area 3. The values used for the parcels in Market Area 2, (special value area), are derived from the verification and analysis of the sales in Market Area 3. The two areas are very similar in land use and farming practices.
8.	<b>Have special valuation applications been filed in the county? If yes, is there a value difference for the special valuation parcels.</b>
	Yes; -Yes there is a difference; the values are derived from Market Area 3 sales.
9.	<b>How do you determine whether a sold parcel is substantially changed?</b>
	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 distort the measurement 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.

**80 Seward**  
**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 : 61  
Total Sales Price : 31,724,337  
Total Adj. Sales Price : 31,459,637  
Total Assessed Value : 21,195,187  
Avg. Adj. Sales Price : 515,732  
Avg. Assessed Value : 347,462

MEDIAN : 72  
WGT. MEAN : 67  
MEAN : 75  
COD : 21.24  
PRD : 111.71

COV : 27.86  
STD : 20.97  
Avg. Abs. Dev : 15.30  
MAX Sales Ratio : 145.79  
MIN Sales Ratio : 29.38

95% Median C.I. : 67.94 to 76.97  
95% Wgt. Mean C.I. : 62.40 to 72.34  
95% Mean C.I. : 70.00 to 80.52

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<b>DATE OF SALE *</b>											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-08 To 30-SEP-08	2	126.93	126.93	117.32	14.86	108.19	108.07	145.79	N/A	234,443	275,054	
01-OCT-08 To 31-DEC-08	6	88.58	88.30	86.45	09.14	102.14	73.83	102.31	73.83 to 102.31	418,500	361,781	
01-JAN-09 To 31-MAR-09	12	76.96	83.89	78.12	19.04	107.39	62.83	125.11	68.65 to 100.78	522,382	408,100	
01-APR-09 To 30-JUN-09	3	78.60	78.19	77.48	06.35	100.92	70.49	85.47	N/A	233,233	180,717	
01-JUL-09 To 30-SEP-09	3	111.92	100.91	97.91	10.98	103.06	76.97	113.85	N/A	221,500	216,881	
01-OCT-09 To 31-DEC-09	8	65.96	67.46	63.32	13.57	106.54	54.12	88.67	54.12 to 88.67	693,992	439,453	
01-JAN-10 To 31-MAR-10	6	69.43	70.52	68.64	09.97	102.74	59.29	86.07	59.29 to 86.07	404,508	277,657	
01-APR-10 To 30-JUN-10	2	53.99	53.99	51.68	16.65	104.47	45.00	62.98	N/A	955,430	493,796	
01-JUL-10 To 30-SEP-10	3	60.52	68.92	63.26	19.51	108.95	55.40	90.83	N/A	553,213	349,954	
01-OCT-10 To 31-DEC-10	7	67.94	66.61	61.47	13.44	108.36	49.00	83.09	49.00 to 83.09	504,700	310,217	
01-JAN-11 To 31-MAR-11	5	70.01	64.54	66.62	20.74	96.88	29.38	90.61	N/A	362,400	241,416	
01-APR-11 To 30-JUN-11	4	48.91	49.24	45.21	20.34	108.91	38.51	60.63	N/A	988,144	446,695	
<u>Study Yrs</u>												
01-JUL-08 To 30-JUN-09	23	84.81	88.04	82.03	17.42	107.33	62.83	145.79	73.83 to 98.64	432,529	354,789	
01-JUL-09 To 30-JUN-10	19	68.82	72.29	64.62	18.28	111.87	45.00	113.85	61.77 to 76.97	555,492	358,937	
01-JUL-10 To 30-JUN-11	19	60.67	62.77	56.72	21.43	110.67	29.38	90.83	51.30 to 72.02	576,690	327,118	
<u>Calendar Yrs</u>												
01-JAN-09 To 31-DEC-09	26	74.23	80.14	72.85	18.58	110.01	54.12	125.11	68.82 to 85.67	507,105	369,447	
01-JAN-10 To 31-DEC-10	18	66.81	66.90	61.64	14.47	108.53	45.00	90.83	59.29 to 74.07	529,469	326,384	
<u>ALL</u>	61	72.02	75.26	67.37	21.24	111.71	29.38	145.79	67.94 to 76.97	515,732	347,462	

<b>AREA (MARKET)</b>											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
1	48	71.69	75.05	66.32	19.56	113.16	38.51	125.11	67.94 to 76.97	568,095	376,740	
3	13	72.17	76.07	74.24	27.73	102.46	29.38	145.79	59.29 to 90.83	322,391	239,359	
<u>ALL</u>	61	72.02	75.26	67.37	21.24	111.71	29.38	145.79	67.94 to 76.97	515,732	347,462	

**80 Seward**  
**AGRICULTURAL LAND**

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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
<b>Irrigated</b>											
County	8	74.07	76.79	73.39	13.82	104.63	60.63	94.53	60.63 to 94.53	441,714	324,179
1	7	74.07	74.78	71.52	12.57	104.56	60.63	94.53	60.63 to 94.53	455,800	325,969
3	1	90.83	90.83	90.83	00.00	100.00	90.83	90.83	N/A	343,112	311,653
<b>Dry</b>											
County	8	77.63	77.65	76.56	14.93	101.42	59.29	102.31	59.29 to 102.31	308,694	236,344
1	3	83.09	78.83	76.07	07.03	103.63	67.94	85.47	N/A	211,833	161,132
3	5	72.17	76.94	76.73	17.81	100.27	59.29	102.31	N/A	366,810	281,471
<b>ALL</b>	<b>61</b>	<b>72.02</b>	<b>75.26</b>	<b>67.37</b>	<b>21.24</b>	<b>111.71</b>	<b>29.38</b>	<b>145.79</b>	<b>67.94 to 76.97</b>	<b>515,732</b>	<b>347,462</b>

**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
<b>Irrigated</b>											
County	32	71.30	74.20	64.60	21.35	114.86	38.51	125.11	63.10 to 85.67	620,374	400,750
1	31	71.25	73.66	64.14	21.16	114.84	38.51	125.11	63.10 to 81.94	629,318	403,624
3	1	90.83	90.83	90.83	00.00	100.00	90.83	90.83	N/A	343,112	311,653
<b>Dry</b>											
County	12	70.06	74.03	72.35	14.67	102.32	59.29	102.31	62.98 to 85.47	373,040	269,885
1	5	76.71	76.03	72.72	08.79	104.55	66.93	85.47	N/A	351,700	255,767
3	7	64.85	72.60	72.10	17.13	100.69	59.29	102.31	59.29 to 102.31	388,282	279,969
<b>ALL</b>	<b>61</b>	<b>72.02</b>	<b>75.26</b>	<b>67.37</b>	<b>21.24</b>	<b>111.71</b>	<b>29.38</b>	<b>145.79</b>	<b>67.94 to 76.97</b>	<b>515,732</b>	<b>347,462</b>

# Seward

	County	Mkt Area	1A1	1A	2A1	2A	3A1	3A	4A1	4A	AVG IRR
80.10	Seward	1	3,750	3,700	3,700	3,600	3,600	#DIV/0!	1,950	1,800	3,482
12.10	Butler	1	3,960	3,435	3,382	3,144	2,848	2,706	1,733	1,686	3,355
30.10	Fillmore	1	3,700	3,600	3,500	3,400	3,100	#DIV/0!	2,700	2,550	3,478
72.10	Polk	1	3,626	3,278	3,068	2,862	2,819	2,600	2,512	2,193	3,321
76.30	Saline	3	3,746	3,749	3,695	3,668	3,297	2,600	2,599	2,550	3,583
93.20	York	2	3,965	3,965	3,700	3,700	3,400	#DIV/0!	2,990	2,990	3,800
80.30	Seward	3	3,200	3,200	2,775	2,700	2,700	#DIV/0!	1,950	1,500	2,939
12.10	Butler	1	3,960	3,435	3,382	3,144	2,848	2,706	1,733	1,686	3,355
76.30	Saline	3	3,746	3,749	3,695	3,668	3,297	2,600	2,599	2,550	3,583

	County	Mkt Area	1D1	1D	2D1	2D	3D1	3D	4D1	4D	AVG DRY
	Seward	1	3,100	3,100	2,600	2,600	2,200	#DIV/0!	1,950	1,500	2,599
	Butler	1	3,515	3,285	3,220	3,043	2,825	2,694	1,675	1,590	2,765
	Fillmore	1	2,255	2,215	2,065	2,065	1,895	#DIV/0!	1,620	1,555	2,096
	Polk	1	2,412	2,278	1,730	1,730	1,580	1,530	1,480	1,480	2,111
	Saline	3	2,694	2,687	2,297	2,140	1,895	1,525	1,522	1,425	2,262
	York	2	3,400	3,400	2,800	2,800	2,600	#DIV/0!	2,400	2,399	3,068
	Seward	3	3,200	3,200	2,775	2,700	2,700	1,950	1,950	1,500	2,760
	Butler	1	3,515	3,285	3,220	3,043	2,825	2,694	1,675	1,590	2,765
	Saline	3	2,694	2,687	2,297	2,140	1,895	1,525	1,522	1,425	2,262

	County	Mkt Area	1G1	1G	2G1	2G	3G1	3G	4G1	4G	AVG GRASS
	Seward	1	841	884	732	685	664	900	607	549	635
	Butler	1	1,437	1,591	1,682	1,460	1,564	1,529	1,384	1,319	1,436
	Fillmore	1	960	940	880	820	800	#DIV/0!	700	700	786
	Polk	1	711	756	819	835	816	836	774	711	776
	Saline	3	1,047	1,224	1,002	1,230	1,148	959	1,008	752	978
	York	2	964	945	849	853	816	#DIV/0!	811	803	830
	Seward	3	984	939	770	794	701	711	633	550	678
	Butler	1	1,437	1,591	1,682	1,460	1,564	1,529	1,384	1,319	1,436
	Saline	3	1,047	1,224	1,002	1,230	1,148	959	1,008	752	978

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

# METHODOLOGY REPORT OF SPECIAL VALUATION PROCEDURES

## SEWARD COUNTY – 2012

### Special valuation methodology:

As done in the past, the agricultural values are set according to the agricultural sales that are determined to be arms length by the assessor and by the Nebraska Property Assessment Division. A market study is done based on those sales. Each sale is listed and contains the number of acres in each land capability group. New values per acre are substituted for last year's values to calculate new assessed values and ratios. New statistical measurements including the mean, median and weighted mean, coefficient of dispersion, price-related differential and the absolute standard deviation are calculated. The final step is the reconciliation of value. It is the process in which the estimates of value are evaluated and the applicability of the indicated values is weighed. This is a reconciliation of the facts, trends and observations developed in the analysis and a review of the conclusions and the validity and reliability of those conclusions. The market study to arrive at the special value was analyzed using only the uninfluenced sales from the Market Area 3, which was created in 2002. Area 3 does not have the aquifer lying under it. Market Area 3 is most like Market Area 2, which has special valuation. The new assessed value from Market Area 3 for each land capability group is then applied to all agricultural parcels in area 2.



## 2012 Correlation Section for Seward County

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### A. Agricultural Land

Seward 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 41% of the agricultural land is irrigated, 38% dry and 18% grass. Seward County is bordered on the north by Butler County, on the south by Saline County, on the east by Lancaster County and on the west by York County. The agricultural land is valued using three market areas that are more fully described in the survey. Market Area 2 is on the east side of the county, adjacent to Lancaster County and is valued as a special valuation area. The land and farming practices are very similar to Market Area 3, so the values are derived from the market analysis for Market Area 3. The sales that occurred in Market Area 2 have been excluded from the Seward County R&O statistics. 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 valuation increases in recent years, but for 2012 there was a minor increase to only 4D.

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 14 comparable sales borrowed from adjacent counties 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 72%. The county has 2 market areas identified for measurement in this part of the report. Market Area 2 is measured as a special value area. Market Area 1 has a 72% median ratio and Market Area 3 has a 72% median ratio.

The key statistics considered for measurement are as follows: there are 47 qualified sales from the subject county, 14 qualified sales borrowed sales for a total of 61 qualified sales used in the analysis; the median ratio is 72%; the weighted mean ratio is 67%; the mean ratio is 75%; the COD is 21.24; the PRD is 111.71 and the 95% median confidence interval is 67.94 to 76.97.

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 intra-county equalization. Seward County reported that they completed the inspection and review of all residences and buildings on agricultural parcels by the end of 2011 for use in 2012. 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 Seward 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. There are minor exceptions among some of the minor subclasses but most of the relevant ones fit the expected pattern.

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The COD is slightly above the desired range and the PRD is well above the desired range in the statistical studies. The quality statistics have become less likely to be in the desired range with the rapid upward trend of the value of agricultural land and the resulting ratios. The county increased irrigated values by over 9%, dry values by over 36%, and some grass values increased a little, but most stayed the same. 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. 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 72% and the quality of the assessment process is acceptable. The 95% MLU Table for dry land with only 8 sales has a median of 77.63. The 80% MLU Table for dry land has 12 sales, and a median of 70.06. The larger sample is the preferred indicator of the level of value. In the end, there are no credible indications from any of the MLU Tables that any subclass needs adjustment and the average values compare favorably with most of the surrounding counties. There are no recommended adjustments to the class or to any subclass of agricultural land.

### **A1. Correlation for Special Valuation of Agricultural Land**

A review of Seward County indicates that applications for special valuation have been filed. Market Area 2, which is in the eastern portion of the county, has been valued under the provisions of special valuation. The special valuation schedule of value is annually derived from the analysis of the sales in Market Area 3 which are influenced by purely agricultural factors.

It is the opinion of the Property Tax Administrator that the level of value for special value parcels in Seward County is 72%, as indicated by the level of value for Market Area 3, and the assessment practices for special valuation are acceptable.

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**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.

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### 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.

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### **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

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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.



<b>Total Real Property</b> Sum Lines 17, 25, & 30	<b>Records : 10,158</b>	<b>Value : 1,780,110,692</b>	<b>Growth 15,011,186</b>	<b>Sum Lines 17, 25, &amp; 41</b>
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Schedule I : Non-Agricultural Records

	Urban		SubUrban		Rural		Total		Growth
	Records	Value	Records	Value	Records	Value	Records	Value	
<b>01. Res UnImp Land</b>	356	4,104,297	128	3,151,770	172	4,951,464	656	12,207,531	
<b>02. Res Improve Land</b>	3,875	61,385,244	387	12,262,459	1,018	39,705,041	5,280	113,352,744	
<b>03. Res Improvements</b>	3,954	362,499,432	394	53,008,024	1,066	144,595,691	5,414	560,103,147	
<b>04. Res Total</b>	4,310	427,988,973	522	68,422,253	1,238	189,252,196	6,070	685,663,422	9,236,809
<b>% of Res Total</b>	71.00	62.42	8.60	9.98	20.40	27.60	59.76	38.52	61.53
<b>05. Com UnImp Land</b>	72	1,712,085	7	121,708	31	957,779	110	2,791,572	
<b>06. Com Improve Land</b>	449	14,453,740	25	757,574	36	4,688,673	510	19,899,987	
<b>07. Com Improvements</b>	475	67,456,245	34	7,790,625	57	19,387,457	566	94,634,327	
<b>08. Com Total</b>	547	83,622,070	41	8,669,907	88	25,033,909	676	117,325,886	1,409,322
<b>% of Com Total</b>	80.92	71.27	6.07	7.39	13.02	21.34	6.65	6.59	9.39
<b>09. Ind UnImp Land</b>	5	51,431	0	0	0	0	5	51,431	
<b>10. Ind Improve Land</b>	7	1,661,505	1	122,250	0	0	8	1,783,755	
<b>11. Ind Improvements</b>	7	11,544,585	1	2,946,948	0	0	8	14,491,533	
<b>12. Ind Total</b>	12	13,257,521	1	3,069,198	0	0	13	16,326,719	383,148
<b>% of Ind Total</b>	92.31	81.20	7.69	18.80	0.00	0.00	0.13	0.92	2.55
<b>13. Rec UnImp Land</b>	0	0	2	66,429	6	152,500	8	218,929	
<b>14. Rec Improve Land</b>	0	0	2	81,007	3	49,055	5	130,062	
<b>15. Rec Improvements</b>	1	1,320	4	363,606	92	729,237	97	1,094,163	
<b>16. Rec Total</b>	1	1,320	6	511,042	98	930,792	105	1,443,154	0
<b>% of Rec Total</b>	0.95	0.09	5.71	35.41	93.33	64.50	1.03	0.08	0.00
<b>Res &amp; Rec Total</b>	4,311	427,990,293	528	68,933,295	1,336	190,182,988	6,175	687,106,576	9,236,809
<b>% of Res &amp; Rec Total</b>	69.81	62.29	8.55	10.03	21.64	27.68	60.79	38.60	61.53
<b>Com &amp; Ind Total</b>	559	96,879,591	42	11,739,105	88	25,033,909	689	133,652,605	1,792,470
<b>% of Com &amp; Ind Total</b>	81.13	72.49	6.10	8.78	12.77	18.73	6.78	7.51	11.94
<b>17. Taxable Total</b>	4,870	524,869,884	570	80,672,400	1,424	215,216,897	6,864	820,759,181	11,029,279
<b>% of Taxable Total</b>	70.95	63.95	8.30	9.83	20.75	26.22	67.57	46.11	73.47

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	0	0	0	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	0	0	0
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
22. Total Sch II				0	0	0

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	374	70	112	556

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	8	868,137	289	71,536,994	1,793	457,163,702	2,090	529,568,833
28. Ag-Improved Land	0	0	145	44,143,149	939	278,381,749	1,084	322,524,898
29. Ag Improvements	0	0	155	14,922,121	1,049	92,335,659	1,204	107,257,780
30. Ag Total							3,294	959,351,511

Schedule VI : Agricultural Records :Non-Agricultural Detail

	Urban			SubUrban			Growth
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	0	0.00	0	1	1.00	18,000	
32. HomeSite Improv Land	0	0.00	0	99	101.00	1,805,000	
33. HomeSite Improvements	0	0.00	0	97	96.00	10,772,229	
34. HomeSite Total							
35. FarmSite UnImp Land	5	135.57	259,922	22	61.81	31,261	
36. FarmSite Improv Land	0	0.00	0	141	652.24	1,188,711	
37. FarmSite Improvements	0	0.00	0	151	0.00	4,149,892	
38. FarmSite Total							
39. Road & Ditches	0	0.77	0	0	745.80	0	
40. Other- Non Ag Use	0	0.00	0	0	110.47	0	
	Records	Acres	Value	Records	Acres	Value	Growth
31. HomeSite UnImp Land	9	9.00	162,000	10	10.00	180,000	
32. HomeSite Improv Land	637	643.00	11,493,800	736	744.00	13,298,800	
33. HomeSite Improvements	606	601.00	67,056,881	703	697.00	77,829,110	3,981,907
34. HomeSite Total				<b>713</b>	<b>754.00</b>	<b>91,307,910</b>	
35. FarmSite UnImp Land	146	590.29	513,411	173	787.67	804,594	
36. FarmSite Improv Land	917	3,102.73	5,362,664	1,058	3,754.97	6,551,375	
37. FarmSite Improvements	1,026	0.00	25,278,778	1,177	0.00	29,428,670	0
38. FarmSite Total				<b>1,350</b>	<b>4,542.64</b>	<b>36,784,639</b>	
39. Road & Ditches	0	5,849.60	0	0	6,596.17	0	
40. Other- Non Ag Use	0	196.32	0	0	306.79	0	
41. Total Section VI				<b>2,063</b>	<b>12,199.60</b>	<b>128,092,549</b>	<b>3,981,907</b>

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

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	0	0.00	0	3	343.02	504,627
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	12	1,194.55	1,444,078	15	1,537.57	1,948,705

Schedule VIII : Agricultural Records : Special Value

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
43. Special Value	0	0.00	0	101	10,309.60	20,598,389
44. Recapture Value N/A	0	0.00	0	101	10,309.60	23,419,860
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
43. Special Value	795	81,223.77	132,303,072	896	91,533.37	152,901,461
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	38,626.31	30.39%	144,848,964	32.73%	3,750.01
46. 1A	33,177.63	26.10%	122,757,231	27.74%	3,700.00
47. 2A1	11,829.11	9.31%	43,767,707	9.89%	3,700.00
48. 2A	749.41	0.59%	2,697,876	0.61%	3,600.00
49. 3A1	27,796.66	21.87%	100,067,990	22.61%	3,600.00
50. 3A	0.00	0.00%	0	0.00%	0.00
51. 4A1	10,013.46	7.88%	19,526,507	4.41%	1,950.03
52. 4A	4,905.46	3.86%	8,829,828	2.00%	1,800.00
<b>53. Total</b>	<b>127,098.04</b>	<b>100.00%</b>	<b>442,496,103</b>	<b>100.00%</b>	<b>3,481.53</b>
<b>Dry</b>					
54. 1D1	9,218.72	20.84%	28,578,043	24.85%	3,100.00
55. 1D	12,008.20	27.14%	37,225,420	32.37%	3,100.00
56. 2D1	3,979.81	8.99%	10,347,506	9.00%	2,600.00
57. 2D	350.85	0.79%	912,210	0.79%	2,600.00
58. 3D1	9,869.67	22.31%	21,713,274	18.88%	2,200.00
59. 3D	0.00	0.00%	0	0.00%	0.00
60. 4D1	6,663.35	15.06%	12,993,820	11.30%	1,950.04
61. 4D	2,155.36	4.87%	3,233,042	2.81%	1,500.00
<b>62. Total</b>	<b>44,245.96</b>	<b>100.00%</b>	<b>115,003,315</b>	<b>100.00%</b>	<b>2,599.18</b>
<b>Grass</b>					
63. 1G1	571.95	4.26%	481,077	5.64%	841.12
64. 1G	963.63	7.18%	851,403	9.99%	883.54
65. 2G1	1,085.50	8.09%	794,318	9.32%	731.75
66. 2G	390.28	2.91%	267,461	3.14%	685.31
67. 3G1	2,202.74	16.42%	1,462,124	17.16%	663.78
68. 3G	0.13	0.00%	117	0.00%	900.00
69. 4G1	2,830.30	21.10%	1,718,962	20.17%	607.34
70. 4G	5,372.29	40.04%	2,947,511	34.58%	548.65
<b>71. Total</b>	<b>13,416.82</b>	<b>100.00%</b>	<b>8,522,973</b>	<b>100.00%</b>	<b>635.25</b>
<b>Irrigated Total</b>					
<b>Irrigated Total</b>	<b>127,098.04</b>	<b>67.54%</b>	<b>442,496,103</b>	<b>78.07%</b>	<b>3,481.53</b>
<b>Dry Total</b>					
<b>Dry Total</b>	<b>44,245.96</b>	<b>23.51%</b>	<b>115,003,315</b>	<b>20.29%</b>	<b>2,599.18</b>
<b>Grass Total</b>					
<b>Grass Total</b>	<b>13,416.82</b>	<b>7.13%</b>	<b>8,522,973</b>	<b>1.50%</b>	<b>635.25</b>
72. Waste	1,651.27	0.88%	165,127	0.03%	100.00
73. Other	1,779.56	0.95%	575,544	0.10%	323.42
74. Exempt	74.07	0.04%	0	0.00%	0.00
<b>75. Market Area Total</b>	<b>188,191.65</b>	<b>100.00%</b>	<b>566,763,062</b>	<b>100.00%</b>	<b>3,011.63</b>

## Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 2

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	362.85	30.01%	1,161,120	33.16%	3,200.00
46. 1A	226.68	18.75%	725,376	20.72%	3,200.00
47. 2A1	354.33	29.31%	983,266	28.08%	2,775.00
48. 2A	0.00	0.00%	0	0.00%	0.00
49. 3A1	164.11	13.57%	443,097	12.66%	2,700.00
50. 3A	11.19	0.93%	21,822	0.62%	1,950.13
51. 4A1	70.47	5.83%	137,421	3.92%	1,950.06
52. 4A	19.39	1.60%	29,085	0.83%	1,500.00
<b>53. Total</b>	<b>1,209.02</b>	<b>100.00%</b>	<b>3,501,187</b>	<b>100.00%</b>	<b>2,895.89</b>
<b>Dry</b>					
54. 1D1	4,260.30	10.92%	13,632,960	13.59%	3,200.00
55. 1D	7,393.60	18.95%	23,659,520	23.59%	3,200.00
56. 2D1	6,350.87	16.28%	17,623,768	17.57%	2,775.02
57. 2D	737.57	1.89%	1,991,439	1.99%	2,700.00
58. 3D1	6,268.00	16.07%	16,923,600	16.87%	2,700.00
59. 3D	5,139.63	13.17%	10,022,415	9.99%	1,950.03
60. 4D1	7,004.67	17.95%	13,659,308	13.62%	1,950.03
61. 4D	1,859.35	4.77%	2,789,025	2.78%	1,500.00
<b>62. Total</b>	<b>39,013.99</b>	<b>100.00%</b>	<b>100,302,035</b>	<b>100.00%</b>	<b>2,570.92</b>
<b>Grass</b>					
63. 1G1	257.18	0.68%	265,585	1.00%	1,032.68
64. 1G	1,077.57	2.83%	1,153,222	4.36%	1,070.21
65. 2G1	4,437.84	11.66%	4,085,883	15.43%	920.69
66. 2G	716.41	1.88%	637,552	2.41%	889.93
67. 3G1	4,960.90	13.03%	3,745,796	14.15%	755.06
68. 3G	6,228.85	16.37%	4,498,839	16.99%	722.26
69. 4G1	9,710.29	25.51%	6,192,378	23.39%	637.71
70. 4G	10,670.11	28.04%	5,898,112	22.28%	552.77
<b>71. Total</b>	<b>38,059.15</b>	<b>100.00%</b>	<b>26,477,367</b>	<b>100.00%</b>	<b>695.69</b>
<b>Irrigated Total</b>					
<b>Irrigated Total</b>	<b>1,209.02</b>	<b>1.46%</b>	<b>3,501,187</b>	<b>2.66%</b>	<b>2,895.89</b>
<b>Dry Total</b>					
<b>Dry Total</b>	<b>39,013.99</b>	<b>47.16%</b>	<b>100,302,035</b>	<b>76.31%</b>	<b>2,570.92</b>
<b>Grass Total</b>					
<b>Grass Total</b>	<b>38,059.15</b>	<b>46.01%</b>	<b>26,477,367</b>	<b>20.14%</b>	<b>695.69</b>
72. Waste	1,592.60	1.93%	159,260	0.12%	100.00
73. Other	2,850.86	3.45%	1,000,499	0.76%	350.95
74. Exempt	58.70	0.07%	0	0.00%	0.00
<b>75. Market Area Total</b>	<b>82,725.62</b>	<b>100.00%</b>	<b>131,440,348</b>	<b>100.00%</b>	<b>1,588.87</b>

## Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 3

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	2,180.46	37.00%	6,977,472	40.29%	3,200.00
46. 1A	1,202.31	20.40%	3,847,392	22.22%	3,200.00
47. 2A1	1,098.20	18.63%	3,047,514	17.60%	2,775.01
48. 2A	164.86	2.80%	445,122	2.57%	2,700.00
49. 3A1	833.78	14.15%	2,251,206	13.00%	2,700.00
50. 3A	0.00	0.00%	0	0.00%	0.00
51. 4A1	286.02	4.85%	557,753	3.22%	1,950.05
52. 4A	127.60	2.17%	191,400	1.11%	1,500.00
<b>53. Total</b>	<b>5,893.23</b>	<b>100.00%</b>	<b>17,317,859</b>	<b>100.00%</b>	<b>2,938.60</b>
<b>Dry</b>					
54. 1D1	9,267.33	23.20%	29,655,456	26.90%	3,200.00
55. 1D	9,268.43	23.20%	29,658,976	26.90%	3,200.00
56. 2D1	4,448.53	11.14%	12,344,721	11.20%	2,775.01
57. 2D	360.37	0.90%	972,999	0.88%	2,700.00
58. 3D1	7,654.19	19.16%	20,666,313	18.74%	2,700.00
59. 3D	157.19	0.39%	306,527	0.28%	1,950.04
60. 4D1	7,712.47	19.31%	15,039,506	13.64%	1,950.02
61. 4D	1,077.75	2.70%	1,616,625	1.47%	1,500.00
<b>62. Total</b>	<b>39,946.26</b>	<b>100.00%</b>	<b>110,261,123</b>	<b>100.00%</b>	<b>2,760.24</b>
<b>Grass</b>					
63. 1G1	329.36	4.38%	324,057	6.36%	983.90
64. 1G	566.95	7.54%	532,121	10.44%	938.57
65. 2G1	999.70	13.29%	769,307	15.09%	769.54
66. 2G	211.53	2.81%	167,908	3.29%	793.78
67. 3G1	988.89	13.15%	693,005	13.59%	700.79
68. 3G	177.03	2.35%	125,796	2.47%	710.59
69. 4G1	1,815.18	24.14%	1,148,521	22.53%	632.73
70. 4G	2,431.91	32.34%	1,337,644	26.24%	550.04
<b>71. Total</b>	<b>7,520.55</b>	<b>100.00%</b>	<b>5,098,359</b>	<b>100.00%</b>	<b>677.92</b>
<b>Irrigated Total</b>	<b>5,893.23</b>	<b>10.61%</b>	<b>17,317,859</b>	<b>13.02%</b>	<b>2,938.60</b>
<b>Dry Total</b>	<b>39,946.26</b>	<b>71.95%</b>	<b>110,261,123</b>	<b>82.87%</b>	<b>2,760.24</b>
<b>Grass Total</b>	<b>7,520.55</b>	<b>13.55%</b>	<b>5,098,359</b>	<b>3.83%</b>	<b>677.92</b>
72. Waste	1,418.81	2.56%	141,881	0.11%	100.00
73. Other	742.96	1.34%	236,330	0.18%	318.09
74. Exempt	37.01	0.07%	0	0.00%	0.00
<b>75. Market Area Total</b>	<b>55,521.81</b>	<b>100.00%</b>	<b>133,055,552</b>	<b>100.00%</b>	<b>2,396.46</b>

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
<b>76. Irrigated</b>	0.00	0	14,605.75	50,480,773	119,594.54	412,834,376	134,200.29	463,315,149
<b>77. Dry Land</b>	227.60	594,339	21,307.75	57,628,509	101,670.86	267,343,625	123,206.21	325,566,473
<b>78. Grass</b>	15.44	11,129	6,443.26	4,231,550	52,537.82	35,856,020	58,996.52	40,098,699
<b>79. Waste</b>	17.54	1,754	970.63	97,063	3,674.51	367,451	4,662.68	466,268
<b>80. Other</b>	5.38	993	636.75	199,276	4,731.25	1,612,104	5,373.38	1,812,373
<b>81. Exempt</b>	4.17	0	37.01	0	128.60	0	169.78	0
<b>82. Total</b>	<b>265.96</b>	<b>608,215</b>	<b>43,964.14</b>	<b>112,637,171</b>	<b>282,208.98</b>	<b>718,013,576</b>	<b>326,439.08</b>	<b>831,258,962</b>

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
<b>Irrigated</b>	134,200.29	41.11%	463,315,149	55.74%	3,452.42
<b>Dry Land</b>	123,206.21	37.74%	325,566,473	39.17%	2,642.45
<b>Grass</b>	58,996.52	18.07%	40,098,699	4.82%	679.68
<b>Waste</b>	4,662.68	1.43%	466,268	0.06%	100.00
<b>Other</b>	5,373.38	1.65%	1,812,373	0.22%	337.29
<b>Exempt</b>	169.78	0.05%	0	0.00%	0.00
<b>Total</b>	<b>326,439.08</b>	<b>100.00%</b>	<b>831,258,962</b>	<b>100.00%</b>	<b>2,546.44</b>

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

80 Seward

	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	672,200,701	685,663,422	13,462,721	2.00%	9,236,809	0.63%
02. Recreational	1,421,440	1,443,154	21,714	1.53%	0	1.53%
03. Ag-Homesite Land, Ag-Res Dwelling	90,098,373	91,307,910	1,209,537	1.34%	3,981,907	-3.08%
<b>04. Total Residential (sum lines 1-3)</b>	<b>763,720,514</b>	<b>778,414,486</b>	<b>14,693,972</b>	<b>1.92%</b>	<b>13,218,716</b>	<b>0.19%</b>
05. Commercial	115,653,559	117,325,886	1,672,327	1.45%	1,409,322	0.23%
06. Industrial	16,005,988	16,326,719	320,731	2.00%	383,148	-0.39%
07. Ag-Farmsite Land, Outbuildings	34,990,281	36,784,639	1,794,358	5.13%	0	5.13%
08. Minerals	0	0	0		0	
<b>09. Total Commercial (sum lines 5-8)</b>	<b>166,649,828</b>	<b>170,437,244</b>	<b>3,787,416</b>	<b>2.27%</b>	<b>1,792,470</b>	<b>1.20%</b>
<b>10. Total Non-Agland Real Property</b>	<b>930,370,342</b>	<b>948,851,730</b>	<b>18,481,388</b>	<b>1.99%</b>	<b>15,011,186</b>	<b>0.37%</b>
11. Irrigated	424,890,917	463,315,149	38,424,232	9.04%		
12. Dryland	238,238,356	325,566,473	87,328,117	36.66%		
13. Grassland	41,678,552	40,098,699	-1,579,853	-3.79%		
14. Wasteland	466,978	466,268	-710	-0.15%		
15. Other Agland	32,968	1,812,373	1,779,405	5,397.37%		
<b>16. Total Agricultural Land</b>	<b>705,307,771</b>	<b>831,258,962</b>	<b>125,951,191</b>	<b>17.86%</b>		
<b>17. Total Value of all Real Property</b> (Locally Assessed)	<b>1,635,678,113</b>	<b>1,780,110,692</b>	<b>144,432,579</b>	<b>8.83%</b>	<b>15,011,186</b>	<b>7.91%</b>

**Seward County  
2011 Plan of Assessment  
For years 2012, 2013 & 2014**

**Requirements:**

Pursuant to Neb. Laws 2005, LB263, Section 9, on or before June 15 each year, the Assessor shall prepare a plan of assessment which describes the assessment actions planned to 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 of equalization and the assessor may amend the plan if necessary, after the county board approves the budget. A copy of the plan and any amendments thereto shall be mailed to the Department of Revenue, Property Assessment Division on or before October 31 each year.

**Real Property Assessment Requirements:**

All property in the State of Nebraska is subject to property tax unless expressly exempt by Nebraska Constitution, Article VIII, or is permitted by the constitution and enabling legislation adopted by the legislature. The uniform standard for the assessed value of real property for tax purposes is actual value, which is defined by law as "the market value of real property in the ordinary course of trade." Neb. Rev. Stat. 77-112 (Reissue 2003).

Assessment levels required for real property are as follows:

- 1) 100% of actual value for all classes or 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.

**Assessment Statistics for 2011:**

<u>Property Class</u>	<u>Median</u>	<u>COD</u>	<u>PRD</u>
Residential	94%	8.59	100.83
Commercial	N/A	N/A	N/A
Agricultural Land	73%	17.65	108.22
Agricultural Land receiving Special Valuation	71%	22.50	115.36

Median: The middle placement when the assessment/sales ratios are arrayed from high to low (or low to high)

COD: (Coefficient of Dispersion) the average absolute deviation divided by the median

PRD: (Price Related Differential) the mean ratio divided by the aggregate ratio

Aggregate: The sum of the assessed values divided by the sum of the sales prices

Average Absolute Deviation: Each ratio minus the median, summed and divided by the number of sales

Mean: The sum of the ratios divided by the number of sales.

***Office Staff and Budget Information***

Seward County Assessor's Office currently employs 2 full time personnel, 1 part time field lister, 1 temporary part time person and a part time contract Appraiser besides the Assessor and Deputy Assessor. Information pertaining to budget and staffing is included in the survey given to the Department of Revenue, Property Assessment Division (PAD). Staff salaries are included in the office's budget presented to the County Board each year.

***Goals***

The primary goal for the Seward County Assessor's Office is doing the best job possible in a professional manner to maintain fair and equitable values in meeting the statutory statistical requirements with the resources available.

### *Procedures Manual*

Procedures have been established in the office and are updated as needed. The Department of Revenue, Property Assessment Division Regulations and Directives as approved by the Attorney General and signed by the Governor is filed in the office.

### *Responsibilities:*

#### *Record Maintenance*

Property record cards are maintained for every parcel of real property including improvements on leased land. The cards are updated annually to include any changes made to the assessment information of the property. The record cards contain current owner name and address, legal description, book and page number of the last deed of record and any changes of record of ownership. Also included is situs address, pictures of improvement or main structure, sketches, cadastral map book and page numbers, tax district codes, valuation information and other codes created that are relevant to the specific parcel.

The office maintains a cadastral map system. The current cadastral maps were done in May 1966. They have been kept up to date with name changes, separations and new subdivisions. Seward County has implemented a GIS system. The office staff has completed identifying each parcel and attaching the parcel identification number used in the Terra Scan CAMA system. A land use layer is completed. A flood plane layer has been added. Other layers will be developed in the future.

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

Prepare annually and file the following Administrative Reports

- County Abstract of Assessment for Real Property and Personal Property
- Assessor Survey
- Certification of Values to Political Subdivision
- School District Taxable Value Report
- Sales information including rosters & annual Assessed Value Update w/Abstract
- Certification of Taxes Levied Report
- Homestead Exemption Tax Loss
- Report of current values for properties owned by Board of Education Lands & Funds
- Annual Plan of Assessment Report

*Homestead Exemptions* - Homestead Exemption applications are accepted in the office from February 1<sup>st</sup> through June 30. They are verified that the applicant is owner/occupant. An ad is placed in the two newspapers in the county with information about the Homestead Exemption. Follow up post cards and phone calls are made to ensure all applicants from the previous year refile and those inquiring throughout the year are notified that they may now file. Applications along with an income statement and a doctor's certification of disability (where appropriate) is forwarded to the Nebraska Department of Revenue by August 1 for income verification. Notice of rejection is sent when the applicant does not the requirement of owner/occupant through August 15<sup>th</sup>. The State returns a roster in October of approved (with a percentage) and disapproved for final processing. Property record cards are pulled and the Homestead Exemption percentage and amount is notated on them with a follow up of the data entered in the computer.

*Personal Property* - All depreciable tangible personal property which is used in a trade or business for the production of income, and which has a determinable life of longer than one year is filed on or before May 1. After May 1<sup>st</sup> but before August 1<sup>st</sup> a 10 percent penalty is applied and on August 1<sup>st</sup> and after a 25 percent penalty is applied. Every year notices are published in the local newspapers and a weekly news supplement for non-subscribers. The office has filing of Personal Property Schedules available on the internet. A postcard is sent to those with existing schedules as reminders and also includes the User ID and Password to access their schedules on the internet to complete and submit. A letter is sent to those who would be new filers explaining what is needed. This office documents at least 4-6 reminders to those who need to file personal property.

*Permissive Exemptions* - Administer annual filings of applications for new or continued exempt use or continued exempt use. Review and make recommendations to the county board.

*Taxable Government Owned Property* - Annual review of government owned property not used public purpose, send notices of intent to tax, etc.

*Centrally Assessed Properties* - Review the valuations as certified by the Department of Revenue, Property Assessment Division. Establish and maintain assessment records and tax billing for the tax list.

*Tax Districts and Tax Rates* – Maintain school district and other tax entity boundary changes necessary for correct assessment and tax information including the input of tax rates used for tax billing.

*Tax Lists* - Prepare and certify the tax lists to the county treasurer for real property, personal property and centrally assessed properties.

*Tax List Corrections* - Prepare tax list correction documents for the county board's approval.

*County Board of Equalization* - Attend county board of equalization meetings including meetings for valuation protests. Prepare documentation for the board for the hearings.

*TERC (Tax Equalization and Review Commission) Appeals* - Prepare the information and attend the taxpayer appeals hearings before TERC. Testify in defense of the county's valuation.

*TERC Statewide Equalization* - Attend the hearings if applicable to the county, to testify in defense of the county's values, and to implement TERC's orders.

*Education* - Attend meetings, workshops and educational classes to obtain the required hours of continuing education to maintain the assessor certification.

*Real Property:* A four-year comprehensive countywide reappraisal of all classes of real property was started for assessment year 1997 and completed for assessment year 2000. The county contracted with an appraisal company for this project. The reappraisal consisted of visiting every property, re-measuring, new photographs of the main structure and interior inspections of homes where permitted. New property record cards were made. The following is a list of what properties were complete in each year.

- 1997 - Residential properties in the towns of Seward and Milford
- 1998 - Residential properties in the towns of Beaver Crossing, Bee, Garland, Goehner, Pleasant Dale, Staplehurst, Tamora, Utica and all the acreages
- 1999 - All improvements on properties classified as farm (residences and outbuildings)
- 2000 - All commercial and industrial properties in the county.

An annual analysis will be done and areas prioritized for reappraisal accordingly. Reviews of properties will be done along with a market analysis to establish physical and economic depreciation. New pricing will be applied. Adequate funding will be needed to support the continuation of this process.

For assessment year 2001 the following was reappraised: Bee and Milford residential.

For assessment year 2002, the following was reappraised:

- Seward residential land and changed some boundaries on some neighborhoods and added some new ones.
- Reappraised the residential properties in the towns of Cordova, Pleasant Dale, and Staplehurst including new lot values.
- Re-priced acreage land in the county. Range 4 houses received a 5% increase and Range 3 received 3% increase.
- Approximately 550 building and development permits were picked up along with approximately 70 recounts of agricultural land due to use changes or requests.
- Ag Land: Established a 3<sup>rd</sup> Market Area and expanded Market Area 2 by 8 sections.  
Market Area 1 is an area defined as such as it lies over an aquifer and recognizes the possibility for irrigation.  
Market Area 2 is an area defined as Range 4 (six miles wide adjacent to Lancaster County). It was expanded for 2002 by 8 sections, 2 miles closer to Seward and 2 miles on either side of Highway 34. Area 2 is a special valuation area.  
Market Area 3 is an area defined as it does not lie over an aquifer. The probability of irrigation will likely be limited to ponds and rivers. The agricultural values established in Market Area 3 set the special valuations in Market Area 2.

For the assessment year 2003, the following changes were made:

Residential:

- Reappraisal of the towns of Garland, Goehner and land in Beaver Crossing
- Range 3 & 4 acreages – increase in land values & Range 3 acreage houses – increased 3%
- Countywide increased improved site by an additional 2000 valuation
- Reviewed new subdivisions in Seward, recalculated discount cash flow and re-priced some to reflect current market trends

- Completed pickup work – 376 parcels including building permits on new construction

Commercial:

- Reviewed and analyzed sales to see if the comprehensive 2000 reappraisal was staying with the current market
- Revalued land in the towns of Garland, Goehner and Beaver Crossing
- Reviewed neighborhoods in Seward and re-neighborhooded 2 areas
- Completed pickup work – 34 parcels including building permits on new construction

Agricultural Land:

- Reviewed and analyzed sales to verify Market Areas follow the market trends
- Changed irrigated values in Market Area 1
- Verified land use changes using FSA records and maps along with contact with property owners and inspection of the property
- Reclassified wetlands into it's own class and valuation
- Started to reclassify CRP into it's own class and valuation
- Completed pickup work on ag improvements and building permits (rural homes and out buildings) – 64

For the assessment year 2004, the following changes were made:

Residential:

- Reviewed sales
- Reappraisal of the towns of Bee, Utica and improvements only in Beaver Crossing.
- Reappraisal of the acreages in Range 4
- Reappraisal of the platted rural subdivisions in Range 4
- Reviewed new subdivisions in Seward, recalculated discount cash flow and priced some to reflect current market trends
- Completed pickup work and building permits on new construction
- Completed inspections on rural sites, both farms and acreages in the north half of the county (8 precincts) except about two-thirds of A Precinct due to running out of time. Inspected and updated properties for new construction, changes in construction including condition and removal or buildings.

Commercial:

- Reviewed sales to see if the 2000 county's comprehensive reappraisal was staying with the current market.
- Completed pickup work and building permits on new construction.

Agricultural Land:

- Reviewed sales and verified Market Areas still follow the market trends
- Verified land use changes using FSA records and maps, form 13AG (Nebraska Sales and Use Tax Exemption Certificate) along with contact with property owners. Completed changes and recounted acres on 110 properties.
- Reviewed and made changes for the properties enrolled in CRP as needed.
- Revalued agricultural land as needed to comply with the required level of value.
- Revalued the market (recapture) value as needed to comply with the required level of value.

For assessment year 2005, the following changes were made:

Residential:

- Reviewed sales
- Reappraisal of the towns of Seward and Milford
- Reappraisal of the acreages in Range 3 (Precincts B, G, J and O)
- Completed pickup work and building permits on new construction
- Completed inspections on rural sites, both farms and acreages in the south half of the county. Picked up unreported improvements.
- Increased by five percent (5%) the houses on properties classified as farms in the east half of the county.

Commercial:

- Reviewed sales
- Completed pickup work

Agricultural land:

- Reviewed sales
- Verified land use changes, completed changes.
- Reviewed and accounted for the properties in CRP.
- Verified Market Areas still follow the market trends.
- Revalued agricultural land as needed to comply with the required level of value.
- Started to create the land use layer in the GIS program.

For assessment year 2006, the following changes were made:

Residential:

- Reviewed sales
- Reappraisal of the acreages in the west half of the county. (Completes a 3 year process of county-wide acreage reappraisal)
- Completed pickup work and building permits on new construction. Reviewed parcels that were a partial valuation for 2005 and changed according to completion as of January 1, 2006

- Increased by five percent (5%) the houses on properties classified as farms in the west half of the county
- Appraisal update on residential properties in the towns of Garland, Goehner, Grover and Pleasant Dale
- Reviewed and recalculated cash flow discounts on new subdivisions that were discounted and re-classified some neighborhoods in Seward as the market analysis indicated.

Commercial:

- Reviewed the sales
- Completed pickup work and building permits on new construction. Reviewed parcels that were a partial valuation for 2005 and changed according to completion as of January 1, 2006
- Reviewed and revalued tower sites on improvements on leased land (IOLL)
- Revalued land in Garland, Goehner, Grover and Pleasant Dale
- Reappraisal of the apartment buildings in Seward, Milford and Pleasant Dale

Agricultural Land:

- Reviewed the sales
- Verified land use changes using GIS, FSA records and maps along with contact with property owners and physical inspections. Completed such changes and recounted acres
- Reviewed and accounted for the properties enrolled in the CRP and WRP programs and made changes.
- Verified the existing market areas still follow the market trends
- Revalued agricultural land as needed to comply with the required level of value. Changed various irrigated and dry cropland LCG values in the Market Area 1. Changed 1D1, 1D and 3D1 in Market Area 3
- Analyzed and changed market/recapture values in all the LCG's in the special valuation Market Area 2

For assessment year 2007, the following changes were made:

Residential:

- Reviewed sales
- Reappraisal of the villages of Garland, Pleasant Dale and Staplehurst
- Reanalyzed neighborhoods in Milford and changed 5 of them
- Completed pickup work and building permits on new construction. Reviewed parcels that were a partial valuation for 2006 and changed according to completion as of January 1, 2007.
- Reappraisal of the houses and buildings on properties classified as farms in Range 4
- Changed farm home sites county wide from 12,000 to 15,000 for the first acre.
- Reviewed and recalculated cash flow discounts on new subdivisions that were discounted.
- Picked up improvements at Horseshoe Bend Lake in 15-10-3

Commercial:

- Reviewed sales
- Completed pickup work and building permits on new construction. Reviewed parcels that was a partial valuation for 2006 and changed according to completion as of January 1, 2007.
- Re-Neighborhooded and repriced land at the Seward and I80 Interchange.

Agricultural land:

- Reviewed sales
- Verified land use changes using GIS, FSA maps along with contacting property owners and physical inspections. Completed changes and recounted acres. Fifteen out of sixteen precincts completed for GIS land use layer.
- Reviewed and accounted for the properties enrolled in the CRP and WRP programs and made changes.
- Verified the existing market areas still follow the market trends.
- Revalued agricultural land as needed to comply with the required level of value. Changed various irrigated and dry cropland LCG values in Market Area 1. Changed various irrigated LCG values in Market Areas 2 & 3.
- Analyzed and changed market/recapture values in the special valuation Market Area 2.

For assessment year 2008, the following changes were made:

Residential:

- Reviewed sales
- Reappraisal of the improvements in the city of Milford
- Reanalyzed neighborhoods in Milford and changed some subdivision lot values
- Completed pickup work and building permits on new construction. Reviewed parcels that were a partial valuation for 2007 and changed according to completion as of January 1, 2008.
- Reappraisal of the houses and buildings on properties classified as farms in Range 3. New aerial photos were taken in May 2008 for the project and GPS'd into the GIS system and attached to the parcel in the TerraScan cama system.
- Changed farm homesites and rural residential homesites county wide from 15,000 and 17,000 respectively to 18,000 for the first acre.
- Reviewed and recalculated cash flow discounts on new subdivisions that were discounted.
- Reviewed land values in rural residential subdivisions and revalued Westford Downs Subdivision.
- Reviewed and revalued lots in several Seward subdivisions.
- Reviewed, inspected and disqualified special valuation on parcels not primarily used for agricultural and horticultural purposes. Sent disqualification notices and held County Board of Equalization hearings for appeals.

Commercial:

- Reviewed sales

- Completed pickup work and building permits on new construction. Reviewed parcels that were a partial valuation for 2007 and changed according to completion as of January 1, 2008.
- Revalued land in the city of Seward
- Revalued land in Seward on properties classified as apartments.
- Reviewed Section 42 Housing properties and revalued.

Agricultural Land:

- Reviewed sales
- Verified land use changes using GIS, FSA records and maps along with contact with property owners and physical inspections. Completed such changes and recounted acres. All sixteen precincts completed for GIS land use layer.
- Reviewed and accounted for the properties enrolled in the CRP and WRP programs and made necessary changes.
- Verified the existing market areas still follow the market trends. Made a slight change in moving properties in 3 Sections from Market Area 1 to Market Area 3.
- Revalued agricultural land as needed to comply with the required level of value. Changed various irrigated and dry land crop and grassland LCG values in Market Areas 1 and 3. Changed special valuation and market (recapture) values in Market Area 2.
- Changed building site acre from 1,750 to 1,800.

For assessment year 2009 the following changes were made:

Residential:

- Reviewed sales
- Reappraisal of the land and improvements in the unincorporated village of Tamora with 2005 pricing.
- Reappraisal of the houses and buildings on properties classified as farms in Range 2.
- Increased land in Beaver Crossing by 10% (percent).
- Completed pickup work and building permits on new construction. Reviewed parcels that were a partial valuation for 2008 and changed according to completion as of January 1, 2009.
- Increased the first vacant acre value and the additional acres on the homesites.
- Reviewed and recalculated cash flow discounts on new subdivisions that were discounted.
- Reviewed lots in several Seward subdivisions and made minor adjustments.
- Reappraised the properties that were annexed to Milford in 2008 using the same cost table as the rest of the town.

Commercial:

- Reviewed the sales to see if the 2000 county's comprehensive reappraisal was staying with the current market.
- Completed pickup work and building permits on new construction. Reviewed parcels that were a partial valuation for 2008 and changed according to completion as of January 1, 2009.
- Revalued land in the city of Seward for 2008 and made some adjustments for 2009.
- Revalued land and improvements in the city of Milford and adjusted by a percentage.
- Reviewed land reappraised commercial properties (improvements) in the city limits of Seward.
- Reviewed Section 42 Housing properties. No adjustments were made.

Agricultural Land:

- Reviewed the sales.
- Verified land use changes using GIS, FSA maps along with contact with property owners and physical inspections if necessary. Completed such changes and recounted acres. Completed all sixteen precincts for GIS land use layer.
- Reviewed and accounted for properties enrolled in the CRP and WRP programs and made changes as necessary.
- Verified the existing market areas still follow the market trends. No change for 2009.
- Revalued agricultural land as needed to comply with the required level of value. Changed various irrigated and dry Cropland and grassland LCG values in Market Areas 1 and 3. Values in area 3 are the special valuations for Market Area 2.
- Changed the tree cover classifications into one class which is GRT1 with one value for trees.
- Completed the soil conversion in Market Areas 2 and 3. Recounted all the acres in these two market areas.
- Removed the spot symbol adjustments.

For assessment year 2010 the following changes were made:

Residential:

- Reviewed sales
- Reappraisal of houses and buildings on properties classified as farms in Range 1.
- Revalued lots in the town of Beaver Crossing under 1 acre
- Completed pickup work and building permits on new construction. Reviewed parcels that were a partial valuation for 2009 and changed according to completion as of January 1, 2010.
- Reviewed lots in several Seward subdivisions and made minor changes

Commercial:

- Reviewed sales
- Completed pickup work and building permits on new construction. Reviewed parcels that were a partial valuation for 2009 and changed according to completion as of January 1, 2010.
- Reappraisal of improvements and land in the city of Milford. Physical inspections and new photos were taken.
- Reappraisal of improvements in the village of Cordova. Physical inspections and new photos were taken.
- Reappraisal of improvements and land in the village of Beaver Crossing. Physical inspections and new photos were taken.
- Reappraisal of the improvements and land at the I-80 and Milford Interchange. Physical inspections and new photos

were taken.

- Reviewed Section 42 Housing projects. No adjustments were made.

Agricultural Land:

- Reviewed the sales.
- Verified land use changes using GIS, FSA records and maps along with contact with property owners and some physical inspections. Completed such changes and recounted acres.
- Reviewed and accounted for the properties enrolled in the CRP and WRP programs and made changes as necessary.
- Verified the existing market areas still follow the market trends. No change for 2010.
- Revalued agricultural land as needed to comply with the required level of value. Changed various irrigated and dry Cropland LCG values in Market Area 1.
- Completed the soil conversion in Market Area 1. Recounted all agricultural parcels in this market area.
- Revalued wetland easements.

For assessment year 2011 the following changes were made:

Residential:

- Reviewed sales
- Reappraisal of the houses and buildings on properties in Beaver Crossing. Physical inspections and new photos were completed.
- Completed pickup work and buildings permits on new construction. Reviewed parcels that were a partial valuation for 2010 and changed according to completion on January 1, 2011.
- Reviewed new subdivisions that were discounted and priced as necessary.
- Reviewed lots in several Seward subdivisions and made minor changes.
- Reviewed and inspected properties in Cordova, Goehner, Utica and Tamora as part of the 6 year inspection requirement. New photos were taken and measurements when necessary. Added omitted, unreported changes.
- Reviewed acreages and changed land pricing in the west half of the county.
- Using GIS, recounted excess farm building sites and values.

Commercial:

- Reviewed sales.
- Completed pickup work for 2010 and changed according to completion as of January 1, 2011.
- Reappraisal of improvements in the Village of Bee, Goehner, Pleasant Dale and the unincorporated towns of Tamora and Ruby. Changed some lot pricing. Physical inspections and new photos completed.
- Reappraisal of improvements and land in the Village of Garland and Utica. Physical inspections and new photos completed.
- Reappraisal of improvements in the Village of Staplehurst. Physical inspections and new photos completed.
- Reappraisal of the improvements and land in the rural except for the I 80 interchanges at Seward and Milford which were completed in 2010.
- Reviewed Section 42 Housing properties and made no changes.

Agricultural Land:

- Reviewed the sales.
- Verified land use changes using GIS, FSA records and maps along with contact with property owners and physical inspections. Completed such changes and recounted acres.
- Verified the existing market area areas still follow the market trends. No change for 2011.
- Revalued agricultural land as needed to comply with the required levels of value. Changed various irrigated, dry cropland and grass LCG values in all 3 market areas. Change market values in the Special Valuation Market Area 2.

Agricultural land is reviewed every year and values established to maintain the ratios and statistics mandated by the Tax Equalization and Review Commission. An annual study will be conducted to see if the current market continues to support the areas.

The office utilizes the Terra Scan administrative and CAMA system using the Marshall Swift costs. We download digital camera photos into the system. Eight by ten color aerial photos were taken during 2000 and 2001. The aerial photos were scanned into the computer and attached to the property record card. Some new digital aerials of the rural properties in Ranges 1 and 2 have been taken in 2008 and 2009. New digital aerials were taken of the rural properties with improvements in Range 3 and 4 in 2010.

Pickup work, the collection of data relating to new construction, remodeling, additions, alterations and removals of existing buildings or structures along with zoning and annexation is done on a continuous year round basis. Parcels are flagged if the value is to be added for the following year to be changed during the appropriate time frame.

RCN (replacement cost new). The cost approach is used in setting our values. An income analysis is only used occasionally for commercial property to substantiate the cost approach.

The real estate transfer statements, form 521, are processed on a continual basis.

The assessment plans for year 2012 are as follows:

Residential:

- ◆ Reappraisal of the Villages of Cordova, Goehner, Staplehurst, Tamora and Utica.
- ◆ Review and analyze sales. Prioritize other areas that need adjustments. Possible percentage adjustments as budget restraints, personnel limitations and time factors limit resources to reappraise.
- ◆ Review and analyze and recalculate newer subdivisions in Seward that already have land values discounted. Set values in new subdivisions using a discount factor
- ◆ Complete pickup work, including building permits on new construction.
- ◆ Inspections and reappraisal of the towns of Bee and Milford including new photos. Analyze other villages/towns to continue with the 6 year inspection cycle.

Commercial:

- ◆ Complete pickup work and building permits on new construction.
- ◆ Review and analyze the sales.
- ◆ Reappraisal (including inspections, review and new photos) of the industrial properties in the county.

Agricultural Land:

- ◆ Review and analyze sales for market trends
- ◆ Review and analyze the 3 market areas
- ◆ Revalue land as needed to comply with the required level of value
- ◆ Continue to monitor land use changes, using GIS, FSA records, maps, owner information and inspection of properties

The assessment plans for year 2013 are as follows:

Residential:

- Review and analyze sales. Prioritize areas that need appraisal review.
- Complete pickup work, including building permits on new construction.
- Continue with the 6 year inspection, review and new photos process.

Commercial:

- Review and analyze sales. Prioritize areas that need appraisal review.
- Complete pickup work, including building permits on new construction.

Agricultural Land:

- Review and analyze sales and market areas.
- Review and keep current on CRP and other farm programs.
- Monitor and keep current with land use changes.
- 

The assessment plans for year 2014 are as follows:

Residential:

- Prioritize areas that need review and analyze sales.
- Complete pickup work, including building permits on new construction.
- Continue with the 6 year inspection process.

Commercial:

- Review and analyze sales. Prioritize areas that need appraisal and review.
- Complete pickup work, including building permits on new construction.

Agricultural Land:

- Review and analyze sales and market areas.
- Review and keep current with CRP and other farm programs.
- Monitor and keep current with land use changes.

I respectfully submit this plan of assessment and request the resources needed to continue with maintaining up-to-date, fair and equitable assessments in achieving the statutory required statistics.

June 15, 2011  
Date

Marilyn Hladky  
Marilyn Hladky, Seward County Assessor

## 2012 Assessment Survey for Seward County

### A. Staffing and Funding Information

1.	<b>Deputy(ies) on staff:</b>
	1
2.	<b>Appraiser(s) on staff:</b>
	0
3.	<b>Other full-time employees:</b>
	2 - One employee is 40 hours a week and the other is 30 hours a week
4.	<b>Other part-time employees:</b>
	2 -1 temporary part time & -1 part time lister 20 -25 hrs per week
5.	<b>Number of shared employees:</b>
	0
6.	<b>Assessor's requested budget for current fiscal year:</b>
	\$ 256,570
7.	<b>Adopted budget, or granted budget if different from above:</b>
	\$ 255,570
8.	<b>Amount of the total budget set aside for appraisal work:</b>
	\$ 37,000
9.	<b>Appraisal/Reappraisal budget, if not part of the total budget:</b>
	0
10.	<b>Part of the budget that is dedicated to the computer system:</b>
	\$ 27,300 Includes GIS, Network maintenance, GIS Workshop, and Personal Property on line.
11.	<b>Amount of the total budget set aside for education/workshops:</b>
	\$ 1,000
12.	<b>Other miscellaneous funds:</b>
	None in the current budget. There has been a sinking fund established with the treasurer to replace the server. No additional monies in this budget went into the sinking fund as an adequate amount exists to replace the server if need be.
13.	<b>Amount of last year's budget not used:</b>
	\$ 1,235.98

## B. Computer, Automation Information and GIS

1.	<b>Administrative software:</b>
	TerraScan
2.	<b>CAMA software:</b>
	TerraScan
3.	<b>Are cadastral maps currently being used?</b>
	Yes; The cadastral maps were purchased in 1966 and are still maintained by the County Assessor's office. The county also uses GIS.
4.	<b>If so, who maintains the Cadastral Maps?</b>
	The county assessor's staff
5.	<b>Does the county have GIS software?</b>
	Yes
6.	<b>Who maintains the GIS software and maps?</b>
	The programming is maintained by GIS Workshop and the maps are maintained by the county assessor's office staff.
7.	<b>Personal Property software:</b>
	TerraScan

## C. Zoning Information

1.	<b>Does the county have zoning?</b>
	Yes
2.	<b>If so, is the zoning countywide?</b>
	Yes
3.	<b>What municipalities in the county are zoned?</b>
	Beaver Crossing, Bee, Garland, Goehner, Milford, Pleasant Dale, Seward, and Utica
4.	<b>When was zoning implemented?</b>
	1973; The comprehensive plan was updated in 1995. More recently, the county board conducted a total review of the comprehensive plan. It was then updated and adopted in 2007.

## D. Contracted Services

1.	<b>Appraisal Services:</b>
	Jon Fritz does all commercial & industrial valuations including pickup work, sales verification and maintenance. He also assists in residential market studies and has been doing reappraisal of towns and rural areas as needed. Jon assists in other requests from the assessor, including difficult to value properties.
2.	<b>Other services:</b>
	TerraScan software package for administrative purposes and for CAMA processes, including Marshall and Swift. GIS Workshop maintains and supports the GIS software ESRI updates and maintains a website that provides public access to the counties assessment records. New in 2010 is an on line personal property schedule system. It is developed by Bottom Line Resources from Aurora.



# 2012 Certification for Seward County

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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 Seward County Assessor.

Dated this 9th day of April, 2012.



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

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Ruth A. Sorensen  
Property Tax Administrator



