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2012 Commission Summary for Sheridan County

Residential Real Property - Current

Number of Sales	95	Median	96.25
Total Sales Price	\$4,261,925	Mean	102.09
Total Adj. Sales Price	\$4,261,925	Wgt. Mean	93.65
Total Assessed Value	\$3,991,488	Average Assessed Value of the Base	\$33,034
Avg. Adj. Sales Price	\$44,862	Avg. Assessed Value	\$42,016

Confidence Interval - Current

95% Median C.I	91.84 to 101.61
95% Wgt. Mean C.I	88.76 to 98.55
95% Mean C.I	95.58 to 108.60
% of Value of the Class of all Real Property Value in the	13.44
% of Records Sold in the Study Period	4.01
% of Value Sold in the Study Period	5.10

Residential Real Property - History

Year	Number of Sales	LOV	Median
2011	106	96	96
2010	136	96	96
2009	155	96	96
2008	135	96	96

2012 Commission Summary for Sheridan County

Commercial Real Property - Current

Number of Sales	9	Median	98.89
Total Sales Price	\$436,301	Mean	110.61
Total Adj. Sales Price	\$436,301	Wgt. Mean	98.40
Total Assessed Value	\$429,326	Average Assessed Value of the Base	\$51,507
Avg. Adj. Sales Price	\$48,478	Avg. Assessed Value	\$47,703

Confidence Interval - Current

95% Median C.I	86.05 to 154.33
95% Wgt. Mean C.I	91.10 to 105.71
95% Mean C.I	85.84 to 135.38
% of Value of the Class of all Real Property Value in the County	4.01
% of Records Sold in the Study Period	1.98
% of Value Sold in the Study Period	1.84

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2011	20	94	94
2010	30	100	94
2009	38	94	94
2008	34	96	96

2012 Opinions of the Property Tax Administrator for Sheridan County

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

Class	Level of Value	Quality of Assessment	Non-binding recommendation
Residential Real Property	96	Does not meet generally accepted mass appraisal practices.	No recommendation.
Commercial Real Property	*NEI	Does not meet generally accepted mass appraisal practices.	No recommendation.
Agricultural Land	71	Meets generally accepted mass appraisal practices.	No recommendation.

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

Dated this 9th day of April, 2012.



Ruth A. Sorensen

Ruth A. Sorensen
Property Tax Administrator

2012 Residential Assessment Actions for Sheridan County

For assessment year 2012, the County completed the residential pick-up work and is continuing the physical review of rural residential improvements (it is estimated that after this year, only forty of these parcels remain to be reviewed).

2012 Residential Assessment Survey for Sheridan County

1.	Valuation data collection done by:	
	An independent lister, contracted appraiser Jeff Haugen and the Assessor and her staff.	
2.	In your opinion, what are the valuation groupings recognized in the County and describe the unique characteristics of each grouping:	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	10	Gordon—all residential parcels within Gordon and those that could be considered suburban (since there is no separate suburban market).
	20	Hay Springs—the residential parcels within Hay Springs (again, there is no suburban residential market).
	30	Rushville—all residential parcels within Rushville, and those that could be considered suburban.
	40	Small Towns—all residential property that exists within Antioch, Bingham, Ellsworth, Lakeside and Whiteclay.
	80	Rural—all rural residential parcels.
3.	List and describe the approach(es) used to estimate the market value of residential properties.	
	The cost approach is used, minus depreciation.	
4.	What is the costing year of the cost approach being used for each valuation grouping?	
	1988	
5.	If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?	
	The County utilizes the tables provided by the CAMA vendor.	
6.	Are individual depreciation tables developed for each valuation grouping?	
	No.	
7.	When were the depreciation tables last updated for each valuation grouping?	
	1996	
8.	When was the last lot value study completed for each valuation grouping?	
	In 1996.	
9.	Describe the methodology used to determine the residential lot values?	
	The method would review market value and express this as a value per front foot of residential lot.	
10.	How do you determine whether a sold parcel is substantially changed?	
	Significant new additions or extensive remodeling to the residential property would define a parcel as “substantially changed.”	

**81 Sheridan
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 : 95
 Total Sales Price : 4,261,925
 Total Adj. Sales Price : 4,261,925
 Total Assessed Value : 3,991,488
 Avg. Adj. Sales Price : 44,862
 Avg. Assessed Value : 42,016

MEDIAN : 96
 WGT. MEAN : 94
 MEAN : 102
 COD : 23.91
 PRD : 109.01

COV : 31.73
 STD : 32.39
 Avg. Abs. Dev : 23.01
 MAX Sales Ratio : 198.72
 MIN Sales Ratio : 43.33

95% Median C.I. : 91.84 to 101.61
 95% Wgt. Mean C.I. : 88.76 to 98.55
 95% Mean C.I. : 95.58 to 108.60

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DATE OF SALE *										Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.		
<u>Qtrts</u>											
01-JUL-09 To 30-SEP-09	10	90.59	87.78	80.98	16.87	108.40	43.33	132.70	65.11 to 101.60	49,500	40,084
01-OCT-09 To 31-DEC-09	15	101.81	111.37	108.03	18.80	103.09	69.72	192.85	94.80 to 111.82	33,027	35,679
01-JAN-10 To 31-MAR-10	2	84.93	84.93	82.37	16.90	103.11	70.58	99.28	N/A	36,500	30,067
01-APR-10 To 30-JUN-10	12	102.47	101.95	101.12	25.05	100.82	45.90	164.12	73.76 to 116.47	43,458	43,945
01-JUL-10 To 30-SEP-10	15	95.87	105.66	89.01	24.68	118.71	59.04	198.72	87.07 to 127.08	43,600	38,810
01-OCT-10 To 31-DEC-10	9	108.36	111.44	96.48	22.59	115.51	52.49	157.94	93.34 to 152.19	56,889	54,885
01-JAN-11 To 31-MAR-11	9	95.01	100.80	88.26	24.51	114.21	51.18	167.35	73.87 to 135.81	33,556	29,617
01-APR-11 To 30-JUN-11	23	91.84	98.36	93.08	26.18	105.67	53.47	188.45	74.91 to 102.36	52,566	48,927
<u>Study Yrs</u>											
01-JUL-09 To 30-JUN-10	39	99.28	101.07	96.13	21.26	105.14	43.33	192.85	90.52 to 108.68	40,638	39,064
01-JUL-10 To 30-JUN-11	56	95.44	102.81	92.19	25.42	111.52	51.18	198.72	88.39 to 102.36	47,804	44,071
<u>Calendar Yrs</u>											
01-JAN-10 To 31-DEC-10	38	97.91	104.77	94.50	24.85	110.87	45.90	198.72	88.12 to 109.87	46,329	43,779
<u>ALL</u>	95	96.25	102.09	93.65	23.91	109.01	43.33	198.72	91.84 to 101.61	44,862	42,016

VALUATION GROUPING										Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.		
10	38	97.58	99.64	92.40	17.83	107.84	43.33	164.12	88.12 to 104.68	46,263	42,747
20	19	94.68	103.64	86.51	31.79	119.80	45.90	192.85	72.72 to 132.70	33,232	28,749
30	27	96.87	100.72	94.14	25.23	106.99	51.18	198.72	76.15 to 106.65	34,168	32,164
40	1	96.53	96.53	96.53	00.00	100.00	96.53	96.53	N/A	36,000	34,749
80	10	99.31	112.73	100.40	29.02	112.28	52.49	183.73	85.52 to 155.75	91,400	91,770
<u>ALL</u>	95	96.25	102.09	93.65	23.91	109.01	43.33	198.72	91.84 to 101.61	44,862	42,016

PROPERTY TYPE *										Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.		
01	93	95.87	101.42	92.65	23.68	109.47	43.33	198.72	90.65 to 101.60	44,994	41,687
06											
07	2	133.50	133.50	147.91	16.24	90.26	111.82	155.18	N/A	38,750	57,315
<u>ALL</u>	95	96.25	102.09	93.65	23.91	109.01	43.33	198.72	91.84 to 101.61	44,862	42,016

**81 Sheridan
RESIDENTIAL**

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SALE PRICE *											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
<u>Low \$ Ranges</u>												
Less Than 5,000	4	150.61	150.80	148.10	29.87	101.82	103.28	198.72	N/A	3,100	4,591	
Less Than 15,000	16	109.63	123.54	114.99	27.57	107.44	73.52	198.72	95.29 to 164.12	7,744	8,905	
Less Than 30,000	40	110.38	118.86	117.12	26.25	101.49	53.47	198.72	101.51 to 132.70	15,398	18,034	
<u>Ranges Excl. Low \$</u>												
Greater Than 4,999	91	95.29	99.95	93.50	22.68	106.90	43.33	188.45	90.52 to 101.51	46,698	43,661	
Greater Than 14,999	79	94.77	97.75	93.02	22.00	105.08	43.33	188.45	88.39 to 101.21	52,380	48,722	
Greater Than 29,999	55	90.52	89.90	89.69	17.30	100.23	43.33	155.75	86.24 to 96.53	66,291	59,457	
<u>Incremental Ranges</u>												
0 TO 4,999	4	150.61	150.80	148.10	29.87	101.82	103.28	198.72	N/A	3,100	4,591	
5,000 TO 14,999	12	106.20	114.46	111.31	23.82	102.83	73.52	167.35	95.02 to 151.65	9,292	10,342	
15,000 TO 29,999	24	110.64	115.73	117.65	25.45	98.37	53.47	188.45	93.34 to 135.81	20,501	24,120	
30,000 TO 59,999	28	95.67	91.18	91.29	18.71	99.88	43.33	155.75	82.71 to 101.60	41,286	37,688	
60,000 TO 99,999	18	87.42	87.82	87.39	18.31	100.49	52.49	155.18	70.53 to 99.50	75,444	65,927	
100,000 TO 149,999	8	88.80	89.53	89.68	06.27	99.83	76.15	101.79	76.15 to 101.79	109,625	98,314	
150,000 TO 249,999												
250,000 TO 499,999	1	94.77	94.77	94.77	00.00	100.00	94.77	94.77	N/A	255,000	241,676	
500,000 TO 999,999												
1,000,000 +												
<u>ALL</u>	95	96.25	102.09	93.65	23.91	109.01	43.33	198.72	91.84 to 101.61	44,862	42,016	

**2012 Correlation Section
for Sheridan County**

A. Residential Real Property

As shown by the preceding Sheridan County 2012 residential improved statistical profile, there were ninety-five sales deemed qualified for the two-year time period of the sales study. Two of the three overall measures of central tendency are within acceptable range the median at 96% and the weighted mean at 94%. The mean is two points above the limit of acceptable range. The coefficient of dispersion is roughly nine points above its prescribed upper limit (at 23.91), and the PRD is six points outside of the upper limit of prescribed range (at 109.01). It should be noted under the heading "Sale Price" that there are four sales with an amount less than \$5,000, but the hypothetical removal of these would not bring either qualitative statistic within range-- the COD would become 22.78 and the PRD would still be above range at 106.89. Further analysis of the statistical profile reveals that no valuation grouping with a statistically significant number of sales in the sample has a median outside of acceptable range.

Sheridan County's sales qualification and review process consists of a questionnaire that is mailed to the buyer of each residential, commercial and agricultural parcel, with the exception of sales that are partial interests, family sales, etc. The return rate of the questionnaires is approximately 90%. The remaining 10% of sales then have a questionnaire sent to the parcels seller. After this process, if there are any sales that have not produced a response they are deemed qualified sales, unless future information is discovered that would disqualify them.

For assessment year 2012, the County completed the residential pickup work and is continuing the physical review of rural residential improvements (it is estimated that after this year, only forty of these parcels remain to be reviewed).

Considering all of the available data, it is determined that the overall residential level of value is 96% of actual market value. However, due to the fact that both the COD and PRD are outside of their respective ranges, coupled with the lack of current cost indexes (1988) and depreciation tables (1996) it is believed that the qualitative measures do not meet accepted mass appraisal practices.

**2012 Correlation Section
for Sheridan County**

B. Analysis of Sales Verification

Neb. Rev. Stat. § 77-1327(2) (2011) provides that all sales are deemed to be arms length transactions unless determined to be otherwise under professionally accepted mass appraisal techniques. The county assessor is responsible for the qualification of the sales included in the state sales file.

The Standard on Ratio Studies, International Association of Assessing Officials (2010), indicates that excessive trimming (the arbitrary exclusion or adjustment of arms length transactions) may indicate an attempt to inappropriately exclude arms length transactions to create the appearance of a higher level of value and quality of assessment. The sales file, in a case of excess trimming, will fail to properly represent the level of value and quality of assessment of the population of real property.

The Nebraska Department of Revenue, Property Assessment Division (Division) frequently reviews the procedures used by the county assessor to qualify sales to ensure bias does not exist in judgments made. Arms length transactions should only be excluded when they compromise the reliability of the resulting statistics. In cases where a county assessor has disqualified sales without substantiation, the Division may include such sales in the ratio study.

**2012 Correlation Section
for Sheridan County**

C. Measures of Central Tendency

There are three measures of central tendency calculated by the Division: median ratio, weighted mean ratio, and mean ratio. Since each measure of central tendency has strengths and weaknesses, the use of any statistic for equalization should be reconciled with the other two, as in an appraisal, based on the appropriateness of the use of the statistic for a defined purpose, the quantity of the information from which it was drawn, and the reliability of the data that was used in its calculation. An examination of the three measures can serve to illustrate important trends in the data if the measures do not closely correlate to each other.

The International Association of Assessing Officers (IAAO) considers the median ratio the most appropriate statistical measure for use in determining level of value for direct equalization; the process of adjusting the values of classes or subclasses of property in response to the determination of level of value at a point above or below a particular range. Since the median ratio is considered neutral in relationship to either assessed value or selling price, its use in adjusting the class or subclass of properties will not change the relationships between assessed value and level of value already present within the class or subclass of properties, thus rendering an adjustment neutral in its impact on the relative tax burden to an individual property. Additionally, the median ratio is less influenced by the presence of extreme ratios, commonly called outliers. One outlier in a small sample size of sales can have controlling influence over the other measures of central tendency. The median ratio limits the distortion potential of an outlier.

The weighted mean ratio is viewed by the IAAO as the most appropriate statistical measure for indirect equalization. The weighted mean, because it is a value weighted ratio, best reflects a comparison of the assessed and market value of property in the political subdivision. If the distribution of aid to political subdivisions must relate to the market value available for assessment in the political subdivision, the measurement of central tendency used to analyze level of value should reflect the dollars of value available to be assessed. The weighted mean ratio does that more than either of the other measures of central tendency.

If the weighted mean ratio, because of its dollar-weighting feature, is significantly different from the median ratio, it may be an indication of other problems with assessment proportionality. When this occurs, an evaluation of the county's assessment practices and procedures is appropriate to discover remedies to the situation.

The mean ratio is used as a basis for other statistical calculations, such as the price related differential and coefficient of variation. However, the mean ratio has limited application in the analysis of level of value because it assumes a normal distribution of the data set around the mean ratio with each ratio having the same impact on the calculation regardless of the assessed value or the selling price.

2012 Correlation Section for Sheridan County

D. Analysis of Quality of Assessment

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

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

Single-family residences: a COD of 15 percent or less.

For newer and fairly homogeneous areas: a COD of 10 or less.

Income-producing property: a COD of 20 or less, or in larger urban jurisdictions, 15 or less.

Vacant land and other unimproved property, such as agricultural land: a COD of 20 or less.

Rural residential and seasonal properties: a COD of 20 or less.

Mass Appraisal of Real Property, International Association of Assessing Officers, (1999), p. 246.

In unusually homogeneous types of property low CODs can be anticipated; however, in all other cases CODs less than 5 percent may be indicative of non-representative samples or the selective reappraisal of sold parcels.

The PRD, also known as the index of regression, is a measurement of the relationship between the ratios of high-value and low-value properties to determine if the value of property has any influence on the assessment ratio. It is calculated by dividing the arithmetic mean ratio by the weighted mean ratio. The PRD provides an indicator of the degree to which high-value properties are over-assessed or under-assessed in relation to low-value properties. A PRD of 100 indicates there is no bias in the assessment of high-value properties in comparison to low-value properties. A PRD greater than 100 indicates the assessments are regressive, which means low-value properties tend to have a higher assessment ratio than high-value properties. The result is the owner of a low-value property pays a greater amount of tax in relation to value than the owner of a high-value property. Conversely, a PRD less than 100 indicates that high-value properties are over assessed in relation to low-value properties.

There is no range of acceptability stated in the Nebraska statutes for the PRD measure. The Standard on Ratio Studies, adopted by the International Association of Assessing Officers, January, 2010, recommends that the PRD should lie between 98 and 103. This range is

**2012 Correlation Section
for Sheridan County**

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

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

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

2012 Commercial Assessment Actions for Sheridan County

Other than the completion of commercial pick-up work, and making corrections to some property based on discovery, no assessment actions were taken to address the commercial property class.

2012 Commercial Assessment Survey for Sheridan County

1.	Valuation data collection done by:	
	An independent lister, contracted appraiser Jeff Haugen and the Assessor and her staff.	
2.	In your opinion, what are the valuation groupings recognized in the County and describe the unique characteristics of each grouping:	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	10	Gordon—includes all commercial parcels within Gordon and any commercial parcels that would be considered suburban—since there is not a separate suburban commercial market.
	20	Hay Springs—all commercial parcels within and around Hay Springs.
	30	Rushville—the commercial parcels within and around Rushville.
	40	Small Towns—consists of any commercial property within Antioch, Bingham, Ellsworth, Lakeside and Whiteclay.
	80	Rural—all rural commercial parcels.
3.	List and describe the approach(es) used to estimate the market value of commercial properties.	
	The cost approach: replacement cost new, minus applicable depreciation.	
3a.	Describe the process used to value unique commercial properties.	
	At present, the County does not have unique commercial properties.	
4.	What is the costing year of the cost approach being used for each valuation grouping?	
	1999	
5.	If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?	
	The County uses the tables provided by the CAMA vendor.	
6.	Are individual depreciation tables developed for each valuation grouping?	
	No	
7.	When were the depreciation tables last updated for each valuation grouping?	
	1999	
8.	When was the last lot value study completed for each valuation grouping?	
	1999	
9.	Describe the methodology used to determine the commercial lot values.	
	The Assessor uses market value that is then expressed as value per lot front foot.	
10.	How do you determine whether a sold parcel is substantially changed?	
	New additions or extensive remodeling would constitute a substantially changed parcel.	

81 Sheridan
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 : 9
Total Sales Price : 436,301
Total Adj. Sales Price : 436,301
Total Assessed Value : 429,326
Avg. Adj. Sales Price : 48,478
Avg. Assessed Value : 47,703

MEDIAN : 99
WGT. MEAN : 98
MEAN : 111
COD : 19.67
PRD : 112.41

COV : 29.13
STD : 32.22
Avg. Abs. Dev : 19.45
MAX Sales Ratio : 176.22
MIN Sales Ratio : 82.82

95% Median C.I. : 86.05 to 154.33
95% Wgt. Mean C.I. : 91.10 to 105.71
95% Mean C.I. : 85.84 to 135.38

Printed:3/29/2012 3:38:47PM

DATE OF SALE *											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
<u>Qtrts</u>												
01-JUL-08 To 30-SEP-08	2	124.54	124.54	108.17	23.93	115.13	94.74	154.33	N/A	35,500	38,399	
01-OCT-08 To 31-DEC-08												
01-JAN-09 To 31-MAR-09												
01-APR-09 To 30-JUN-09	1	100.00	100.00	100.00	00.00	100.00	100.00	100.00	N/A	39,291	39,291	
01-JUL-09 To 30-SEP-09	1	105.26	105.26	105.26	00.00	100.00	105.26	105.26	N/A	3,800	4,000	
01-OCT-09 To 31-DEC-09	1	82.82	82.82	82.82	00.00	100.00	82.82	82.82	N/A	50,000	41,411	
01-JAN-10 To 31-MAR-10	1	97.15	97.15	97.15	00.00	100.00	97.15	97.15	N/A	218,710	212,466	
01-APR-10 To 30-JUN-10	1	86.05	86.05	86.05	00.00	100.00	86.05	86.05	N/A	11,000	9,465	
01-JUL-10 To 30-SEP-10	1	98.89	98.89	98.89	00.00	100.00	98.89	98.89	N/A	37,500	37,084	
01-OCT-10 To 31-DEC-10	1	176.22	176.22	176.22	00.00	100.00	176.22	176.22	N/A	5,000	8,811	
01-JAN-11 To 31-MAR-11												
01-APR-11 To 30-JUN-11												
<u>Study Yrs</u>												
01-JUL-08 To 30-JUN-09	3	100.00	116.36	105.26	19.86	110.55	94.74	154.33	N/A	36,764	38,696	
01-JUL-09 To 30-JUN-10	4	91.60	92.82	94.30	09.16	98.43	82.82	105.26	N/A	70,878	66,836	
01-JUL-10 To 30-JUN-11	2	137.56	137.56	107.99	28.11	127.38	98.89	176.22	N/A	21,250	22,948	
<u>Calendar Yrs</u>												
01-JAN-09 To 31-DEC-09	3	100.00	96.03	90.99	07.48	105.54	82.82	105.26	N/A	31,030	28,234	
01-JAN-10 To 31-DEC-10	4	98.02	114.58	98.39	23.44	116.45	86.05	176.22	N/A	68,053	66,957	
<u>ALL</u>	9	98.89	110.61	98.40	19.67	112.41	82.82	176.22	86.05 to 154.33	48,478	47,703	

VALUATION GROUPING											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
10	5	97.15	105.81	97.62	15.80	108.39	82.82	154.33	N/A	75,800	73,993	
20	2	95.66	95.66	90.98	10.05	105.14	86.05	105.26	N/A	7,400	6,733	
30	2	137.56	137.56	107.99	28.11	127.38	98.89	176.22	N/A	21,250	22,948	
<u>ALL</u>	9	98.89	110.61	98.40	19.67	112.41	82.82	176.22	86.05 to 154.33	48,478	47,703	

PROPERTY TYPE *											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
02												
03	9	98.89	110.61	98.40	19.67	112.41	82.82	176.22	86.05 to 154.33	48,478	47,703	
04												
<u>ALL</u>	9	98.89	110.61	98.40	19.67	112.41	82.82	176.22	86.05 to 154.33	48,478	47,703	

81 Sheridan
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 : 9
Total Sales Price : 436,301
Total Adj. Sales Price : 436,301
Total Assessed Value : 429,326
Avg. Adj. Sales Price : 48,478
Avg. Assessed Value : 47,703

MEDIAN : 99
WGT. MEAN : 98
MEAN : 111
COD : 19.67
PRD : 112.41

COV : 29.13
STD : 32.22
Avg. Abs. Dev : 19.45
MAX Sales Ratio : 176.22
MIN Sales Ratio : 82.82

95% Median C.I. : 86.05 to 154.33
95% Wgt. Mean C.I. : 91.10 to 105.71
95% Mean C.I. : 85.84 to 135.38

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SALE PRICE *											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Asstd. Val	
<u>Low \$ Ranges</u>												
Less Than 5,000	1	105.26	105.26	105.26	00.00	100.00	105.26	105.26	N/A	3,800	4,000	
Less Than 15,000	3	105.26	122.51	112.51	28.56	108.89	86.05	176.22	N/A	6,600	7,425	
Less Than 30,000	4	129.80	130.47	131.20	26.82	99.44	86.05	176.22	N/A	8,950	11,742	
<u>Ranges Excl. Low \$</u>												
Greater Than 4,999	8	98.02	111.28	98.34	21.52	113.16	82.82	176.22	82.82 to 176.22	54,063	53,166	
Greater Than 14,999	6	98.02	104.66	97.73	13.35	107.09	82.82	154.33	82.82 to 154.33	69,417	67,842	
Greater Than 29,999	5	97.15	94.72	95.47	04.40	99.21	82.82	100.00	N/A	80,100	76,471	
<u>Incremental Ranges</u>												
0 TO 4,999	1	105.26	105.26	105.26	00.00	100.00	105.26	105.26	N/A	3,800	4,000	
5,000 TO 14,999	2	131.14	131.14	114.23	34.38	114.80	86.05	176.22	N/A	8,000	9,138	
15,000 TO 29,999	1	154.33	154.33	154.33	00.00	100.00	154.33	154.33	N/A	16,000	24,693	
30,000 TO 59,999	4	96.82	94.11	93.45	05.51	100.71	82.82	100.00	N/A	45,448	42,473	
60,000 TO 99,999												
100,000 TO 149,999												
150,000 TO 249,999	1	97.15	97.15	97.15	00.00	100.00	97.15	97.15	N/A	218,710	212,466	
250,000 TO 499,999												
500,000 TO 999,999												
1,000,000 +												
<u>ALL</u>	9	98.89	110.61	98.40	19.67	112.41	82.82	176.22	86.05 to 154.33	48,478	47,703	

OCCUPANCY CODE											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Asstd. Val	
300	1	94.74	94.74	94.74	00.00	100.00	94.74	94.74	N/A	55,000	52,105	
350	1	105.26	105.26	105.26	00.00	100.00	105.26	105.26	N/A	3,800	4,000	
353	5	98.89	122.53	101.50	29.80	120.72	86.05	176.22	N/A	57,642	58,504	
471	1	82.82	82.82	82.82	00.00	100.00	82.82	82.82	N/A	50,000	41,411	
528	1	100.00	100.00	100.00	00.00	100.00	100.00	100.00	N/A	39,291	39,291	
<u>ALL</u>	9	98.89	110.61	98.40	19.67	112.41	82.82	176.22	86.05 to 154.33	48,478	47,703	

**2012 Correlation Section
for Sheridan County**

A. Commercial Real Property

There were nine qualified improved commercial sales that occurred during the three-year timeframe of the sales study period (7.01.08 to 6.30.11). Of these nine sales, five occurred in Valuation Grouping 10 (Gordon) and the remaining four are evenly divided between Valuation Groupings 20 (Hay Springs) and 30 (Rushville). The overall statistical profile indicates that two of the three measures of central tendency are within acceptable range--a median of 99% and a weighted mean of 98% (the third measure, the mean is at 111%). Further, one of the qualitative statistical measures is within its prescribed limits: a COD of 19.67. The price-related differential is significantly above the upper limit (103) of its acceptable range at 112.41.

However, additional examination of the nine commercial sales by occupancy code reveals that five of the nine sales (or 56%) are coded 353--Retail Store. The Assessor has queried occupancy coding in her County and has noted that of the 454 commercial properties, only 72 or approximately 16% of commercial parcels has an occupancy code of 353--Retail Store. The sample is therefore skewed to over-represent this occupancy code when compared to the entire commercial base.

Although the Assessor utilizes a sales verification questionnaire to ultimately determine the usability of each sale, and assiduously tries to include every qualified commercial sale available, a sample of nine commercial sales is statistically insufficient to determine the overall level of value for the Sheridan County commercial population.

Additionally, it should be noted that the last complete commercial review and re-appraisal occurred in assessment year 1999. The date of the commercial cost index utilized to value improvements is dated 1999. Any discrepancies between the stratified sample statistics and the statutorily required level of value have been addressed primarily by percentage adjustments. Therefore, it is believed that the level of value for the Sheridan County commercial property class cannot be determined without a reasonable degree of certainty that the sample is adequate and truly representative of the commercial population.

**2012 Correlation Section
for Sheridan County**

B. Analysis of Sales Verification

Neb. Rev. Stat. § 77-1327(2) (2011) provides that all sales are deemed to be arms length transactions unless determined to be otherwise under professionally accepted mass appraisal techniques. The county assessor is responsible for the qualification of the sales included in the state sales file.

The Standard on Ratio Studies, International Association of Assessing Officials (2010), indicates that excessive trimming (the arbitrary exclusion or adjustment of arms length transactions) may indicate an attempt to inappropriately exclude arms length transactions to create the appearance of a higher level of value and quality of assessment. The sales file, in a case of excess trimming, will fail to properly represent the level of value and quality of assessment of the population of real property.

The Nebraska Department of Revenue, Property Assessment Division (Division) frequently reviews the procedures used by the county assessor to qualify sales to ensure bias does not exist in judgments made. Arms length transactions should only be excluded when they compromise the reliability of the resulting statistics. In cases where a county assessor has disqualified sales without substantiation, the Division may include such sales in the ratio study.

**2012 Correlation Section
for Sheridan County**

C. Measures of Central Tendency

There are three measures of central tendency calculated by the Division: median ratio, weighted mean ratio, and mean ratio. Since each measure of central tendency has strengths and weaknesses, the use of any statistic for equalization should be reconciled with the other two, as in an appraisal, based on the appropriateness of the use of the statistic for a defined purpose, the quantity of the information from which it was drawn, and the reliability of the data that was used in its calculation. An examination of the three measures can serve to illustrate important trends in the data if the measures do not closely correlate to each other.

The International Association of Assessing Officers (IAAO) considers the median ratio the most appropriate statistical measure for use in determining level of value for direct equalization; the process of adjusting the values of classes or subclasses of property in response to the determination of level of value at a point above or below a particular range. Since the median ratio is considered neutral in relationship to either assessed value or selling price, its use in adjusting the class or subclass of properties will not change the relationships between assessed value and level of value already present within the class or subclass of properties, thus rendering an adjustment neutral in its impact on the relative tax burden to an individual property. Additionally, the median ratio is less influenced by the presence of extreme ratios, commonly called outliers. One outlier in a small sample size of sales can have controlling influence over the other measures of central tendency. The median ratio limits the distortion potential of an outlier.

The weighted mean ratio is viewed by the IAAO as the most appropriate statistical measure for indirect equalization. The weighted mean, because it is a value weighted ratio, best reflects a comparison of the assessed and market value of property in the political subdivision. If the distribution of aid to political subdivisions must relate to the market value available for assessment in the political subdivision, the measurement of central tendency used to analyze level of value should reflect the dollars of value available to be assessed. The weighted mean ratio does that more than either of the other measures of central tendency.

If the weighted mean ratio, because of its dollar-weighting feature, is significantly different from the median ratio, it may be an indication of other problems with assessment proportionality. When this occurs, an evaluation of the county's assessment practices and procedures is appropriate to discover remedies to the situation.

The mean ratio is used as a basis for other statistical calculations, such as the price related differential and coefficient of variation. However, the mean ratio has limited application in the analysis of level of value because it assumes a normal distribution of the data set around the mean ratio with each ratio having the same impact on the calculation regardless of the assessed value or the selling price.

2012 Correlation Section for Sheridan County

D. Analysis of Quality of Assessment

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

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

Single-family residences: a COD of 15 percent or less.

For newer and fairly homogeneous areas: a COD of 10 or less.

Income-producing property: a COD of 20 or less, or in larger urban jurisdictions, 15 or less.

Vacant land and other unimproved property, such as agricultural land: a COD of 20 or less.

Rural residential and seasonal properties: a COD of 20 or less.

Mass Appraisal of Real Property, International Association of Assessing Officers, (1999), p. 246.

In unusually homogeneous types of property low CODs can be anticipated; however, in all other cases CODs less than 5 percent may be indicative of non-representative samples or the selective reappraisal of sold parcels.

The PRD, also known as the index of regression, is a measurement of the relationship between the ratios of high-value and low-value properties to determine if the value of property has any influence on the assessment ratio. It is calculated by dividing the arithmetic mean ratio by the weighted mean ratio. The PRD provides an indicator of the degree to which high-value properties are over-assessed or under-assessed in relation to low-value properties. A PRD of 100 indicates there is no bias in the assessment of high-value properties in comparison to low-value properties. A PRD greater than 100 indicates the assessments are regressive, which means low-value properties tend to have a higher assessment ratio than high-value properties. The result is the owner of a low-value property pays a greater amount of tax in relation to value than the owner of a high-value property. Conversely, a PRD less than 100 indicates that high-value properties are over assessed in relation to low-value properties.

There is no range of acceptability stated in the Nebraska statutes for the PRD measure. The Standard on Ratio Studies, adopted by the International Association of Assessing Officers, January, 2010, recommends that the PRD should lie between 98 and 103. This range is

**2012 Correlation Section
for Sheridan County**

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

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

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

2012 Agricultural Assessment Actions for Sheridan County

For assessment year 2012, all agricultural improvements in the northeastern part of the County and south of the river were physically reviewed. Also, the Assessor examined the possibility of agricultural market areas, and concluded that at present, there are no significant differences that would establish unique market areas with separate values. Land Capability Group values that were changed for 2012 were: all irrigated subclasses received a raise, as well as all dry subclasses. All grass subclasses were lowered to closer match 75% of market.

2012 Agricultural Assessment Survey for Sheridan County

1.	Valuation data collection done by:	
	Contracted appraiser Jeff Haugen, the Assessor and her staff.	
2.	List each market area, and describe the location and the specific characteristics that make each unique.	
	Market Area	Description of unique characteristics
		The Assessor reviewed specific areas in her County to determine if there were unique market areas. At present, there are no significant differences that would establish unique market areas with separate values determined by an adequate sample of arms'-length sales.
3.	Describe the process that is used to determine and monitor market areas.	
	The Assessor will review all of the above mentioned for the next assessment year.	
4.	Describe the process used to identify rural residential land and recreational land in the county apart from agricultural land.	
	Rural residential land is identified by the Assessor as all other land that does not fit the statutory definition of agricultural/horticultural land, and further, does not meet the definition of recreational land. Recreational land is defined as all parcels of real property predominantly used or intended to be used for diversion, entertainment and relaxation on an occasional basis.	
5.	Do farm home sites carry the same value as rural residential home sites or are market differences recognized? If differences, what are the recognized market differences?	
	Yes, the County recognizes a standard value for the first acre—home site—and the second acre.	
6.	What process is used to annually update land use? (Physical inspection, FSA maps, etc.)	
	Land use is updated by physical inspection, NRD information and GIS maps.	
7.	Describe the process used to identify and monitor the influence of non-agricultural characteristics.	
	At present, the Assessor has not noted any non-agricultural influence. A review of the agricultural sales verification questionnaires would act as an alert to possible non-agricultural influence.	
8.	Have special valuation applications been filed in the county? If yes, is there a value difference for the special valuation parcels.	
	No.	
9.	How do you determine whether a sold parcel is substantially changed?	
	For example, new buildings erected on previously vacant land would probably constitute a substantially changed parcel. Also, the presence of hunting cabins on land could indicate a change in use—especially if the land is not used for agriculture or grazed.	

81 Sheridan
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 : 36
Total Sales Price : 8,998,775
Total Adj. Sales Price : 8,818,775
Total Assessed Value : 4,857,741
Avg. Adj. Sales Price : 244,966
Avg. Assessed Value : 134,937

MEDIAN : 71
WGT. MEAN : 55
MEAN : 67
COD : 23.09
PRD : 122.24

COV : 32.16
STD : 21.65
Avg. Abs. Dev : 16.39
MAX Sales Ratio : 115.46
MIN Sales Ratio : 23.94

95% Median C.I. : 59.06 to 76.22
95% Wgt. Mean C.I. : 46.25 to 63.92
95% Mean C.I. : 60.26 to 74.40

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DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Qtrts</u>											
01-JUL-08 To 30-SEP-08	5	69.46	68.44	68.00	12.31	100.65	53.11	87.01	N/A	76,000	51,682
01-OCT-08 To 31-DEC-08	3	78.21	88.29	81.90	18.86	107.80	71.20	115.46	N/A	101,895	83,453
01-JAN-09 To 31-MAR-09	3	76.22	76.89	78.44	02.85	98.02	73.97	80.49	N/A	191,883	150,517
01-APR-09 To 30-JUN-09	2	46.23	46.23	42.51	24.40	108.75	34.95	57.50	N/A	657,208	279,368
01-JUL-09 To 30-SEP-09											
01-OCT-09 To 31-DEC-09	6	66.23	62.87	49.67	22.12	126.58	33.24	84.07	33.24 to 84.07	378,339	187,940
01-JAN-10 To 31-MAR-10	4	61.74	60.34	55.55	32.73	108.62	32.07	85.81	N/A	384,975	213,845
01-APR-10 To 30-JUN-10	2	90.76	90.76	82.10	23.27	110.55	69.64	111.88	N/A	129,680	106,468
01-JUL-10 To 30-SEP-10	4	85.88	82.01	75.46	13.11	108.68	58.83	97.43	N/A	71,857	54,226
01-OCT-10 To 31-DEC-10	3	71.54	58.79	63.70	23.97	92.29	26.69	78.15	N/A	184,167	117,312
01-JAN-11 To 31-MAR-11	3	61.04	55.13	55.49	10.67	99.35	42.41	61.94	N/A	269,000	149,261
01-APR-11 To 30-JUN-11	1	23.94	23.94	23.94	00.00	100.00	23.94	23.94	N/A	526,800	126,111
<u>Study Yrs</u>											
01-JUL-08 To 30-JUN-09	13	71.20	71.55	58.98	17.68	121.31	34.95	115.46	57.50 to 80.49	198,135	116,851
01-JUL-09 To 30-JUN-10	12	71.52	66.67	53.96	24.58	123.55	32.07	111.88	48.19 to 84.07	339,108	182,996
01-JUL-10 To 30-JUN-11	11	61.94	63.07	52.57	30.22	119.97	23.94	97.43	26.69 to 89.10	197,612	103,885
<u>Calendar Yrs</u>											
01-JAN-09 To 31-DEC-09	11	73.40	63.67	51.39	18.91	123.90	33.24	84.07	34.95 to 80.49	378,191	194,357
01-JAN-10 To 31-DEC-10	13	75.28	71.33	62.03	24.32	114.99	26.69	111.88	48.19 to 89.10	203,015	125,935
<u>ALL</u>	36	70.97	67.33	55.08	23.09	122.24	23.94	115.46	59.06 to 76.22	244,966	134,937

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
Blank	36	70.97	67.33	55.08	23.09	122.24	23.94	115.46	59.06 to 76.22	244,966	134,937
<u>ALL</u>	36	70.97	67.33	55.08	23.09	122.24	23.94	115.46	59.06 to 76.22	244,966	134,937

81 Sheridan
AGRICULTURAL LAND

PAD 2012 R&O Statistics (Using 2012 Values)

Qualified

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 COD : 23.09
 PRD : 122.24

COV : 32.16
 STD : 21.65
 Avg. Abs. Dev : 16.39
 MAX Sales Ratio : 115.46
 MIN Sales Ratio : 23.94

95% Median C.I. : 59.06 to 76.22
 95% Wgt. Mean C.I. : 46.25 to 63.92
 95% Mean C.I. : 60.26 to 74.40

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95%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Irrigated_____											
County	1	111.88	111.88	111.88	00.00	100.00	111.88	111.88	N/A	76,500	85,592
Blank	1	111.88	111.88	111.88	00.00	100.00	111.88	111.88	N/A	76,500	85,592
_____Dry_____											
County	4	74.98	74.71	77.48	12.06	96.42	61.88	87.01	N/A	125,038	96,881
Blank	4	74.98	74.71	77.48	12.06	96.42	61.88	87.01	N/A	125,038	96,881
_____Grass_____											
County	14	74.63	74.66	71.11	18.68	104.99	26.69	115.46	57.50 to 89.10	157,731	112,157
Blank	14	74.63	74.66	71.11	18.68	104.99	26.69	115.46	57.50 to 89.10	157,731	112,157
_____ALL_____	36	70.97	67.33	55.08	23.09	122.24	23.94	115.46	59.06 to 76.22	244,966	134,937

80%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Irrigated_____											
County	5	71.54	73.76	61.21	23.15	120.50	48.19	111.88	N/A	285,820	174,959
Blank	5	71.54	73.76	61.21	23.15	120.50	48.19	111.88	N/A	285,820	174,959
_____Dry_____											
County	4	74.98	74.71	77.48	12.06	96.42	61.88	87.01	N/A	125,038	96,881
Blank	4	74.98	74.71	77.48	12.06	96.42	61.88	87.01	N/A	125,038	96,881
_____Grass_____											
County	17	73.40	69.14	53.20	22.96	129.96	26.69	115.46	53.11 to 84.07	262,189	139,497
Blank	17	73.40	69.14	53.20	22.96	129.96	26.69	115.46	53.11 to 84.07	262,189	139,497
_____ALL_____	36	70.97	67.33	55.08	23.09	122.24	23.94	115.46	59.06 to 76.22	244,966	134,937

Sheridan County 2012 Average LCG Value Comparison

	County	Mkt Area	1A1	1A	2A1	2A	3A1	3A	4A1	4A	AVG IRR
81.10	Sheridan	1	N/A	975	900	780	750	750	750	750	837
7.10	Box Butte	1	N/A	1,203	1,036	1,208	1,230	1,223	1,225	1,228	1,219
7.20	Box Butte	2	N/A	1,586	1,594	1,577	1,230	1,206	1,182	1,216	1,522
7.30	Box Butte	3	N/A	1,261	1,100	1,023	850	814	820	844	1,155
16.10	Cherry	1	N/A	950	900	875	837	834	844	850	851
23.10	Dawes	1	N/A	610	515	515	455	455	435	435	470
23.40	Dawes	4	N/A	1,215	N/A	1,100	870	870	850	850	1,038
35.10	Garden	1	N/A	975	850	750	650	650	650	650	702
38.10	Grant	1	N/A	N/A	N/A	N/A	N/A	450	450	450	450
62.20	Morrill	2	N/A	975	925	825	N/A	650	650	650	697

	County	Mkt Area	1D1	1D	2D1	2D	3D1	3D	4D1	4D	AVG DRY
	Sheridan	1	N/A	460	460	440	410	400	350	350	416
	Box Butte	1	N/A	350	N/A	270	225	225	225	225	275
	Box Butte	2	N/A	465	465	465	300	300	250	250	429
	Box Butte	3	N/A	480	470	450	300	300	300	300	448
	Cherry	1	N/A	550	525	475	450	425	400	400	463
	Dawes	1	N/A	415	375	375	340	340	330	330	366
	Dawes	4	N/A	450	N/A	400	360	360	350	350	419
	Garden	1	N/A	505	445	400	400	400	400	400	466
	Grant	1	N/A								
	Morrill	2	N/A	240	240	240	N/A	240	240	240	240

	County	Mkt Area	1G1	1G	2G1	2G	3G1	3G	4G1	4G	AVG GRASS
	Sheridan	1	N/A	370	295	285	250	245	230	220	233
	Box Butte	1	N/A	271	245	253	205	204	201	200	206
	Box Butte	2	N/A	297	263	250	250	224	223	225	240
	Box Butte	3	N/A	336	327	300	300	251	251	250	269
	Cherry	1	N/A	425	400	375	350	325	230	225	244
	Dawes	1	N/A	210	195	195	180	180	150	150	159
	Dawes	4	N/A	350	330	330	246	246	246	246	265
	Garden	1	N/A	297	250	249	243	249	233	230	232
	Grant	1	N/A	N/A	N/A	N/A	N/A	230	230	230	230
	Morrill	2	N/A	220	220	220	N/A	220	220	220	220

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

**2012 Correlation Section
for Sheridan County**

A. Agricultural Land

Sheridan County's land area contains 2441 square miles and the agricultural land within the County consists of approximately 85% grass, 10% dry land and only 4% irrigated. The remaining one percent is classified as waste. Sheridan County lies within the Upper Niobrara White NRD. "In 2003, the UNWNRD established a stay on new high capacity wells to prevent the over-appropriation of the water supply. Working with Nebraska Department of Natural Resources (DNR), the UNWNRD strives to maintain a balance of supply and demand for ground and surface water. Currently, DNR has determined that the majority of the UNWNRD is fully appropriated. Fully appropriated means the balance between the water supply and demand has been reached...no new high capacity wells or surface water rights are allowed in this area" (taken from the UNWNRD website).

However, in 2011 the Nebraska Supreme Court reversed the DNR "fully appropriated" designation for the Lower Niobrara River Basin that would permit landowners in that area (below the Dunlap Diversion and above the Spencer hydropower facility) "to add up to 20% of their currently certified irrigated acres once each year from 2011-2014 if they have an existing irrigation well to service the acres" (taken from the UNWNRD newsletter, Fall 2011).

Sheridan County currently has no defined market areas (although the Assessor examined the possibility of dividing the County into unique market areas in 2012), and its neighboring counties are Dawes and Box Butte to the west (both have multiple market areas and Dawes has market area one that has land of topography, soils and lack of adequate water that extends somewhat into the northwestern part of Sheridan County). The State of South Dakota borders Sheridan to the north; Cherry County borders Sheridan to the east (and likewise has no defined market areas). A small portion of the extreme southeast of Sheridan County borders Grant County (that has no market areas). Garden County borders Sheridan to the south and also has no market areas.

Sheridan County's sales qualification and review process consists of a questionnaire that is mailed to the buyer of each residential, commercial and agricultural parcel, with the exception of sales that are partial interests, family sales, etc. The return rate of the questionnaires is approximately 90%. The remaining 10% of sales then have a questionnaire sent to the parcel's seller. After this process, if there are any sales that have not produced a response they are deemed qualified sales, unless future information is discovered that would disqualify them.

Preliminary analysis indicated all three years of the sales study period are comprised of almost the same number of sales (of the thirty-six sales, thirteen occur in the first year, twelve in the second and eleven in the third year of the study), and therefore well within the prescribed thresholds. Further, a comparison of the Majority Land Use classes between the sales file sample and the County base indicate no statistically significant difference. Therefore, no comparable sales were needed to assure the representativeness of the agricultural sample.

For assessment year 2012, all agricultural improvements in the northeastern part of the County and south of the river were physically reviewed. Also, the Assessor examined the possibility of agricultural market areas, and concluded that at present, there are no significant differences

**2012 Correlation Section
for Sheridan County**

that would establish unique market areas with distinct market-derived values. Land Capability Group values that were changed for 2012 were: all irrigated subclasses received a raise, as well as all dry subclasses. All grass subclasses were lowered to closer match 75% of market.

A review of the statistical data from the agricultural sample reveals a median of 71%, a weighted mean of 55%, and a mean of 67%. Thus, only the median of the three measures of central tendency is within acceptable range. The COD is at 23.09 and the PRD is at 122.24. Both qualitative statistical measures are outside of their respective prescribed parameters. The hypothetical removal of the two most extreme outliers (book 117, page 286 and book 2011, page 309) would bring the COD within less than one point of acceptable range at 20.66, but the PRD would still remain at 118.56. Back to the original statistical profile, under the heading "95% MLU By Market Area," there are fourteen grass sales with a median of 74.63%, a mean of 74.66%, and a weighted mean of 71.11%. The COD for grass is at 18.68 and the PRD is 104.99. Since grass land constitutes about 85% of all agricultural land, the 95% MLU grass median is within acceptable range, and the qualitative figures would indicate uniformity of assessment for the agricultural land base.

On consideration of all available data, it is determined that the level of value of agricultural land in Sheridan County is 71%.

**2012 Correlation Section
for Sheridan County**

B. Analysis of Sales Verification

Neb. Rev. Stat. § 77-1327(2) (2011) provides that all sales are deemed to be arms length transactions unless determined to be otherwise under professionally accepted mass appraisal techniques. The county assessor is responsible for the qualification of the sales included in the state sales file.

The Standard on Ratio Studies, International Association of Assessing Officials (2010), indicates that excessive trimming (the arbitrary exclusion or adjustment of arms length transactions) may indicate an attempt to inappropriately exclude arms length transactions to create the appearance of a higher level of value and quality of assessment. The sales file, in a case of excess trimming, will fail to properly represent the level of value and quality of assessment of the population of real property.

The Nebraska Department of Revenue, Property Assessment Division (Division) frequently reviews the procedures used by the county assessor to qualify sales to ensure bias does not exist in judgments made. Arms length transactions should only be excluded when they compromise the reliability of the resulting statistics. In cases where a county assessor has disqualified sales without substantiation, the Division may include such sales in the ratio study.

**2012 Correlation Section
for Sheridan County**

C. Measures of Central Tendency

There are three measures of central tendency calculated by the Division: median ratio, weighted mean ratio, and mean ratio. Since each measure of central tendency has strengths and weaknesses, the use of any statistic for equalization should be reconciled with the other two, as in an appraisal, based on the appropriateness of the use of the statistic for a defined purpose, the quantity of the information from which it was drawn, and the reliability of the data that was used in its calculation. An examination of the three measures can serve to illustrate important trends in the data if the measures do not closely correlate to each other.

The International Association of Assessing Officers (IAAO) considers the median ratio the most appropriate statistical measure for use in determining level of value for direct equalization; the process of adjusting the values of classes or subclasses of property in response to the determination of level of value at a point above or below a particular range. Since the median ratio is considered neutral in relationship to either assessed value or selling price, its use in adjusting the class or subclass of properties will not change the relationships between assessed value and level of value already present within the class or subclass of properties, thus rendering an adjustment neutral in its impact on the relative tax burden to an individual property. Additionally, the median ratio is less influenced by the presence of extreme ratios, commonly called outliers. One outlier in a small sample size of sales can have controlling influence over the other measures of central tendency. The median ratio limits the distortion potential of an outlier.

The weighted mean ratio is viewed by the IAAO as the most appropriate statistical measure for indirect equalization. The weighted mean, because it is a value weighted ratio, best reflects a comparison of the assessed and market value of property in the political subdivision. If the distribution of aid to political subdivisions must relate to the market value available for assessment in the political subdivision, the measurement of central tendency used to analyze level of value should reflect the dollars of value available to be assessed. The weighted mean ratio does that more than either of the other measures of central tendency.

If the weighted mean ratio, because of its dollar-weighting feature, is significantly different from the median ratio, it may be an indication of other problems with assessment proportionality. When this occurs, an evaluation of the county's assessment practices and procedures is appropriate to discover remedies to the situation.

The mean ratio is used as a basis for other statistical calculations, such as the price related differential and coefficient of variation. However, the mean ratio has limited application in the analysis of level of value because it assumes a normal distribution of the data set around the mean ratio with each ratio having the same impact on the calculation regardless of the assessed value or the selling price.

2012 Correlation Section for Sheridan County

D. Analysis of Quality of Assessment

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

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

Single-family residences: a COD of 15 percent or less.

For newer and fairly homogeneous areas: a COD of 10 or less.

Income-producing property: a COD of 20 or less, or in larger urban jurisdictions, 15 or less.

Vacant land and other unimproved property, such as agricultural land: a COD of 20 or less.

Rural residential and seasonal properties: a COD of 20 or less.

Mass Appraisal of Real Property, International Association of Assessing Officers, (1999), p. 246.

In unusually homogeneous types of property low CODs can be anticipated; however, in all other cases CODs less than 5 percent may be indicative of non-representative samples or the selective reappraisal of sold parcels.

The PRD, also known as the index of regression, is a measurement of the relationship between the ratios of high-value and low-value properties to determine if the value of property has any influence on the assessment ratio. It is calculated by dividing the arithmetic mean ratio by the weighted mean ratio. The PRD provides an indicator of the degree to which high-value properties are over-assessed or under-assessed in relation to low-value properties. A PRD of 100 indicates there is no bias in the assessment of high-value properties in comparison to low-value properties. A PRD greater than 100 indicates the assessments are regressive, which means low-value properties tend to have a higher assessment ratio than high-value properties. The result is the owner of a low-value property pays a greater amount of tax in relation to value than the owner of a high-value property. Conversely, a PRD less than 100 indicates that high-value properties are over assessed in relation to low-value properties.

There is no range of acceptability stated in the Nebraska statutes for the PRD measure. The Standard on Ratio Studies, adopted by the International Association of Assessing Officers, January, 2010, recommends that the PRD should lie between 98 and 103. This range is

**2012 Correlation Section
for Sheridan County**

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

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

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

Total Real Property Sum Lines 17, 25, & 30	Records : 8,162	Value : 582,824,939	Growth 1,862,809	Sum Lines 17, 25, & 41
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Schedule I : Non-Agricultural Records

	Urban		SubUrban		Rural		Total		Growth
	Records	Value	Records	Value	Records	Value	Records	Value	
01. Res UnImp Land	318	421,566	29	72,022	60	394,204	407	887,792	
02. Res Improve Land	1,535	5,929,735	62	656,019	241	4,437,320	1,838	11,023,074	
03. Res Improvements	1,593	46,052,648	69	3,590,421	278	16,453,566	1,940	66,096,635	
04. Res Total	1,911	52,403,949	98	4,318,462	338	21,285,090	2,347	78,007,501	212,884
% of Res Total	81.42	67.18	4.18	5.54	14.40	27.29	28.76	13.38	11.43
05. Com UnImp Land	63	288,205	5	19,643	10	33,992	78	341,840	
06. Com Improve Land	310	2,617,001	17	75,999	37	173,346	364	2,866,346	
07. Com Improvements	315	16,106,821	17	673,587	44	3,395,582	376	20,175,990	
08. Com Total	378	19,012,027	22	769,229	54	3,602,920	454	23,384,176	430,829
% of Com Total	83.26	81.30	4.85	3.29	11.89	15.41	5.56	4.01	23.13
09. Ind UnImp Land	0	0	0	0	0	0	0	0	
10. Ind Improve Land	0	0	0	0	0	0	0	0	
11. Ind Improvements	0	0	0	0	0	0	0	0	
12. Ind Total	0	0	0	0	0	0	0	0	0
% of Ind Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13. Rec UnImp Land	0	0	0	0	24	315,638	24	315,638	
14. Rec Improve Land	0	0	0	0	0	0	0	0	
15. Rec Improvements	0	0	0	0	0	0	0	0	
16. Rec Total	0	0	0	0	24	315,638	24	315,638	0
% of Rec Total	0.00	0.00	0.00	0.00	100.00	100.00	0.29	0.05	0.00
Res & Rec Total	1,911	52,403,949	98	4,318,462	362	21,600,728	2,371	78,323,139	212,884
% of Res & Rec Total	80.60	66.91	4.13	5.51	15.27	27.58	29.05	13.44	11.43
Com & Ind Total	378	19,012,027	22	769,229	54	3,602,920	454	23,384,176	430,829
% of Com & Ind Total	83.26	81.30	4.85	3.29	11.89	15.41	5.56	4.01	23.13
17. Taxable Total	2,289	71,415,976	120	5,087,691	416	25,203,648	2,825	101,707,315	643,713
% of Taxable Total	81.03	70.22	4.25	5.00	14.73	24.78	34.61	17.45	34.56

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	247	0	500	747

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	13	112,317	5	298,381	4,306	325,636,013	4,324	326,046,711
28. Ag-Improved Land	1	16,012	0	0	954	107,798,744	955	107,814,756
29. Ag Improvements	1	67,068	1	2,244	1,011	47,186,845	1,013	47,256,157
30. Ag Total							5,337	481,117,624

Schedule VI : Agricultural Records :Non-Agricultural Detail

	Urban			SubUrban			Growth
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	0	0.00	0	0	0.00	0	
32. HomeSite Improv Land	1	1.00	12,000	0	0.00	0	
33. HomeSite Improvements	1	0.00	65,665	0	0.00	0	
34. HomeSite Total							
35. FarmSite UnImp Land	0	0.00	0	0	0.00	0	
36. FarmSite Improv Land	1	1.00	1,500	0	0.00	0	
37. FarmSite Improvements	1	0.00	1,403	1	0.00	2,244	
38. FarmSite Total							
39. Road & Ditches	0	0.00	0	0	0.00	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
	Rural			Total			
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	27	29.00	348,000	27	29.00	348,000	
32. HomeSite Improv Land	701	733.72	8,800,140	702	734.72	8,812,140	
33. HomeSite Improvements	789	0.00	34,414,141	790	0.00	34,479,806	0
34. HomeSite Total				817	763.72	43,639,946	
35. FarmSite UnImp Land	34	78.27	117,405	34	78.27	117,405	
36. FarmSite Improv Land	769	1,403.33	2,104,995	770	1,404.33	2,106,495	
37. FarmSite Improvements	944	0.00	12,772,704	946	0.00	12,776,351	1,219,096
38. FarmSite Total				980	1,482.60	15,000,251	
39. Road & Ditches	1,607	6,305.55	0	1,607	6,305.55	0	
40. Other- Non Ag Use	1	1.00	1,500	1	1.00	1,500	
41. Total Section VI				1,797	8,552.87	58,641,697	1,219,096

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

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	0	0.00	0	0	0.00	0
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	8	1,296.28	236,279	8	1,296.28	236,279

Schedule VIII : Agricultural Records : Special Value

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

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

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 1

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	24,230.33	34.74%	23,624,660	40.48%	975.00
47. 2A1	732.78	1.05%	659,502	1.13%	900.00
48. 2A	16,659.22	23.89%	12,994,204	22.26%	780.00
49. 3A1	806.47	1.16%	604,862	1.04%	750.01
50. 3A	8,347.54	11.97%	6,260,706	10.73%	750.01
51. 4A1	17,176.49	24.63%	12,882,478	22.07%	750.01
52. 4A	1,785.33	2.56%	1,339,011	2.29%	750.01
53. Total	69,738.16	100.00%	58,365,423	100.00%	836.92
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	38,101.21	24.61%	17,526,577	27.23%	460.00
56. 2D1	2,669.63	1.72%	1,228,032	1.91%	460.00
57. 2D	59,239.75	38.26%	26,065,441	40.49%	440.00
58. 3D1	989.30	0.64%	405,615	0.63%	410.00
59. 3D	6,106.91	3.94%	2,442,764	3.79%	400.00
60. 4D1	40,627.45	26.24%	14,219,903	22.09%	350.01
61. 4D	7,085.42	4.58%	2,479,975	3.85%	350.01
62. Total	154,819.67	100.00%	64,368,307	100.00%	415.76
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	22,982.01	1.80%	8,503,382	2.85%	370.00
65. 2G1	3,747.96	0.29%	1,105,646	0.37%	295.00
66. 2G	68,817.18	5.39%	19,612,972	6.58%	285.00
67. 3G1	5,005.50	0.39%	1,251,422	0.42%	250.01
68. 3G	43,302.47	3.39%	10,608,842	3.56%	244.99
69. 4G1	754,570.75	59.10%	173,552,340	58.26%	230.00
70. 4G	378,352.67	29.63%	83,237,803	27.94%	220.00
71. Total	1,276,778.54	100.00%	297,872,407	100.00%	233.30
Irrigated Total					
	69,738.16	4.50%	58,365,423	13.82%	836.92
Dry Total					
	154,819.67	10.00%	64,368,307	15.24%	415.76
Grass Total					
	1,276,778.54	82.47%	297,872,407	70.51%	233.30
72. Waste	46,744.65	3.02%	1,869,790	0.44%	40.00
73. Other	0.00	0.00%	0	0.00%	0.00
74. Exempt	0.00	0.00%	0	0.00%	0.00
75. Market Area Total	1,548,081.02	100.00%	422,475,927	100.00%	272.90

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	0.00	0	0.00	0	69,738.16	58,365,423	69,738.16	58,365,423
77. Dry Land	49.27	20,528	0.00	0	154,770.40	64,347,779	154,819.67	64,368,307
78. Grass	411.82	94,301	1,316.81	297,981	1,275,049.91	297,480,125	1,276,778.54	297,872,407
79. Waste	0.00	0	10.00	400	46,734.65	1,869,390	46,744.65	1,869,790
80. Other	0.00	0	0.00	0	0.00	0	0.00	0
81. Exempt	0.00	0	0.00	0	0.00	0	0.00	0
82. Total	461.09	114,829	1,326.81	298,381	1,546,293.12	422,062,717	1,548,081.02	422,475,927

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	69,738.16	4.50%	58,365,423	13.82%	836.92
Dry Land	154,819.67	10.00%	64,368,307	15.24%	415.76
Grass	1,276,778.54	82.47%	297,872,407	70.51%	233.30
Waste	46,744.65	3.02%	1,869,790	0.44%	40.00
Other	0.00	0.00%	0	0.00%	0.00
Exempt	0.00	0.00%	0	0.00%	0.00
Total	1,548,081.02	100.00%	422,475,927	100.00%	272.90

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

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	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	78,196,806	78,007,501	-189,305	-0.24%	212,884	-0.51%
02. Recreational	332,307	315,638	-16,669	-5.02%	0	-5.02%
03. Ag-Homesite Land, Ag-Res Dwelling	42,797,215	43,639,946	842,731	1.97%	0	1.97%
04. Total Residential (sum lines 1-3)	121,326,328	121,963,085	636,757	0.52%	212,884	0.35%
05. Commercial	23,132,674	23,384,176	251,502	1.09%	430,829	-0.78%
06. Industrial	0	0	0		0	
07. Ag-Farmsite Land, Outbuildings	14,304,365	15,000,251	695,886	4.86%	1,219,096	-3.66%
08. Minerals	0	0	0		0	
09. Total Commercial (sum lines 5-8)	37,437,039	38,384,427	947,388	2.53%	1,649,925	-1.88%
10. Total Non-Agland Real Property	158,763,367	160,349,012	1,585,645	1.00%	1,862,809	-0.17%
11. Irrigated	53,703,720	58,365,423	4,661,703	8.68%		
12. Dryland	56,706,976	64,368,307	7,661,331	13.51%		
13. Grassland	310,968,927	297,872,407	-13,096,520	-4.21%		
14. Wasteland	1,842,408	1,869,790	27,382	1.49%		
15. Other Agland	0	0	0			
16. Total Agricultural Land	423,222,031	422,475,927	-746,104	-0.18%		
17. Total Value of all Real Property (Locally Assessed)	581,985,398	582,824,939	839,541	0.14%	1,862,809	-0.18%

SHERIDAN COUNTY PLAN OF ASSESSMENT 2012, 2013 & 2014

INTRODUCTION

Sheridan County is 69 miles long and 36 miles wide, being the fourth largest county in area in Nebraska. It is located in the Nebraska Panhandle joining South Dakota on the north with only Dawes and Sioux Counties between it and Wyoming to the west and Cherry County to the east.

The north portion of the county is pine covered hills and canyons, perfect for hunting and raising cattle. Cropland, both dry and irrigated, fills the next portion of the county, with the south two-thirds being sandhills complete with lakes of all sizes and sub-irrigated meadowland, perfect for fishing and raising cattle.

The staff of the Sheridan County Assessor's office consists of the Assessor, 1 Part time Clerk & two full-time Clerks. Presently there is no deputy assessor. The County does currently have a contract with an appraiser. Jeff Haugen, doing business as Haugen Appraisal Services LLC from Scottsbluff will be doing the rural review for the county. Jerry Knoche, doing business as Knoche Appraisal & Consulting L.L.C., does the sales studies and other consulting needs. Craig Stouffer, a local contractor, is doing the physical inspections of all new construction and remodeling, with Jerry helping with the difficult properties.

PURPOSE

Pursuant to Neb. Laws 2005, LB 263, Section 9, and Directive 05-4 of the Property Assessment & Taxation, the Assessor shall submit a Plan of Assessment to the County Board of Commissioners on or before July 31. The Plan of Assessment shall describe the assessment actions the County Assessor plans to make for the next assessment year and the two years thereafter. The Assessor shall amend the plan, if necessary, after the budget is approved by the County Board. On or before October 31 of each year, the County Assessor shall electronically send a copy of the plan and any amendments to the Department of Property Assessment & Taxation.

MISSION STATEMENT

The mission of the Sheridan County Assessor's Office is to provide accurate, fair and equitable valuations for all property in the county and continually inform the property owners of said values in accordance with current state statutes and regulations.

PLAN OF ASSESSMENT 2012

STAFF

The staff of the Sheridan County Assessor's office is set forth in the introduction section of this Plan of Assessment.

BUDGET

The Assessor will annually determine the funding necessary to operate the office for the coming fiscal year and submit her request to the County Board of Commissioners. Special attention will be given to insure that funding will be sufficient to cover all of the plans of assessment.

The County Assessor requested and received \$94,445 for operating expenses (Fund 605) for the 2010-2011 fiscal year. There is also an Appraisal Update budget (Fund 702) in the amount of \$98,230. The cost of all computer hardware and software is paid from a fund other than those mentioned above. For 2011-2012 fiscal year the County Assessor requested \$98,362 for operating expenses (Fund 605). The budget that was approved for the County Assessor Budget (Fund 605) was \$98,970 for 2011-2012. The Appraisal Update budget (Fund 702) the requested the amount was \$129,663 for 2011-2012 fiscal year. The budget that was approved for the Appraisal Update (Fund 702) is \$98,230 for fiscal year 2011-2012. The computer hardware and software will continue to be paid from another account.

CONTINUING EDUCATION/TRAINING

The Assessor or Deputy will attend any courses or workshops necessary to secure the hours of continuing education required for the continuation of the Assessor's Certificate issued by the Property Tax Administrator or State Tax Commissioner.

The Panhandle County Assessors meet monthly to share problems, ideas and frustrations. These sessions provide uniformity of action, solutions to many problems and an invaluable support system.

COMPUTERS

All computer software is contracted through the Department of Property Assessment & Taxation and includes CAMA, personal property and the administrative packages. We have contracted with GIS Workshop to implement GIS for this fiscal year. Currently we will be working to get the rest of the GIS information done as the new soil survey has been done. Once all the GIS information is done we will implement on line access then after a lot of cleanup work is done. At this time the land usage is complete for the entire county and the next step will be started then.

PERSONAL PROPERTY

In 2011, 811 personal property returns were filed. Of those, 260 are commercial, with a total value of \$3,251,825 and 551 are agricultural, with a value of \$20,997,747. The total value of the personal property as of June 17, 2011, is \$24,249,572. However, we are in the process of going through the schedules and I will be running another abstract to see what the amount actually is as there were a lot of errors. After the corrections were completed the total for personal property is \$24,503,526. Total schedules 818 of which 262 are commercial and 556 are agricultural schedules.

During 2011, the local newspapers were used for research to locate new businesses or liquidation of existing businesses or agricultural operations. This research, along with other information received during the year and the Returns filed in 2011, will form the basis for the Returns that will be provided to all personal property owners, who must file, in Sheridan County, for 2012. For the past several years, Personal Property Returns have been mailed to all persons filing a Return the previous year. However, for 2010 post cards were mailed as reminders to file the personal property returns as well as requesting that they submit the depreciation worksheets or asset listings when filing their Personal Property schedules for 2010. This will be office policy for 2011 too. However, for 2012 the schedules will be mailed once again due to the rise in gasoline prices.

All information will be verified by the property owners and income tax depreciation worksheets, also known as tax asset listings, will be reviewed before the Returns are signed and filed. Penalties for late filing will be added when applicable.

Shortly after June 1, a letter will be mailed to those who have not filed. The letter will state that no filing has been received and describe the penalties for late filings.

The County Abstract of Assessment Report for Personal Property will be filed as required by 77-1514 of the Nebraska Statutes as Revised.

MOBILE HOME COURT REPORTS

In December, 2011, mobile home court reports will be mailed to all persons who own and operate a mobile home court in Sheridan County in accordance with 77-3706 of the Nebraska Statutes as Revised. Upon receipt of the completed reports, the Assessor and her staff will review the reports to determine whether or not the list is the same as the year before. Any additions or removal of mobile homes will be dealt with in an appropriate manner.

HOMESTEAD EXEMPTIONS

There were 291 homestead exemptions processed in 2010, with an exempted value of \$8,698,918 resulting in a tax loss of \$175,081.64. At this time, the roster shows that there are 295 homesteads that were approved and 17 that were disapproved for 2010. The preliminary count of homesteads for 2011 is at 309. The homestead roster shows that there are 271 homesteads that were approved and 29 were disapproved for 2011.

Applications for homestead exemptions, along with the appropriate information and income statements, will be mailed to persons receiving an Application last year. The Applications will be reviewed to determine if the property has been sold or the Applicant is now deceased, prior to mailing.

Information about the homestead exemptions will be printed in the local newspapers and sent to the radio station for those who are just becoming eligible for the exemptions and for others who may have applied in previous years. Reminders of the filing deadline will also be published in the newspaper and sent to the radio station. With new legislation introduced in 2007 notices will be mailed to applicants who have not responded by April 1st in accordance to Section 77-3508 under subdivision 1.

After the Applications and supporting forms are filed, they will be checked for accuracy, ownership will be verified, valued will be added, the Applications will be approved or disapproved and the forms mailed to the Department of Revenue as required by statute. Homestead rejection letters will be mailed on or before July 31 in accordance with Section

77-3516 of the Nebraska Revised Statutes.

On or before September 1 of each year, the County Assessor shall determine the average single-family residential value in the county for the current year for purposes of Section 77-3507 to 77-3509, in accordance with Section 77-3506.02 of the Nebraska Revised Statutes. Value will be determined referring to Directive 95-4, issued by the Department of Property Assessment and Taxation, as the guideline. A certification of the value will be sent to the Department of Revenue on or before September 1, as required by said Section. The total number of residential reports, the total value of all residential properties and the exempt amounts will be included in the certification. Information will be obtained from the most current real estate abstract.

For the tax year 2011, it was determined from the Abstract of Assessment for Real Estate, Form 45, as certified March 19, 2011, that there were 2730 single-family residential records in Sheridan County; that the total value of these residences is \$124,385,066. The average assessed value of single-family residential property is \$44,021 as of August 15, 2011. The exempt amount is \$40,000 pursuant to Section 77-3501.01(1) and \$50,000 pursuant to 77-3501.01(2).

At this time the average assessed value for single family residential property in Sheridan County for 2011 is 44,021 for the age 65 category and 52,825 for disabled individuals. The exempt amount is \$44,021 pursuant to Section 77-3501.01(1) and \$52,825 pursuant to 77-3501.01(2) from 2011.

PERMISSIVE EXEMPTIONS

There are 47 organizations which filed for permission exemptions on real estate for the tax year 2011.

In December 2011, Exemption Applications or Affidavits of Use for Continued Tax Exemption will be mailed. Upon receipt of the proper forms, ownership and other pertinent information will be reviewed, recommendations made and the forms filed with the Board of Equalization for their action as required by 7-202.91 of the Nebraska Revised Statutes.

Hearings may be required if questions arise concerning the continuing exempt status on any of the properties.

REAL ESTATE

Sheridan County is the fourth largest county in Nebraska by area. The south two-thirds of the county is grass covered sand hills dotted with lakes of various sizes bordered on the north by the Niobrara River. The north end of the county is pine covered canyons. There is a band of primarily dry cropland (156,865.07 acres) with some irrigation (69,743.71 acres) between the two areas. Grassland occupies about 1,279,563.59 acres with 42,054.21 acres of waste.

In the sand hills area, there are mostly trail roads to buildings and, generally, the trail road ends at a ranch home. This makes physical inspections challenging to say the least. In the north end of the county, roads are few, but generally graveled and can be traveled by a car.

According to the 2011 County Abstract of Assessment of Real Property, Form 45, there are 8,160 records in Sheridan County with a total value of \$583,419,650.

RESIDENTIAL

In 2011, there are 2,355 residential parcels in Sheridan County, 400 unimproved residential parcels and 1,955 improved residential parcels with a total value of \$78,832,844 as of March 19, 2011. 29% of the parcels in Sheridan County are residential accounting for 14% of the total value.

According to the 2011 Reports and Opinion statistics for the current study period, there were 106 qualified sales of residential property with a median of 96.0, a COD of 33.26 and a PRD of 116.64. The level of value, as determined by the Department of Property Assessment & Taxation, is 96% of actual value. The quality of assessment was determined to meet generally accepted mass appraisal practices.

The sales roster, sales verification, current year Reports & Opinion of the Property Tax Administrator and whatever other information is available will be used annually to determine whether or not residential values are in compliance with the various statutes and regulations. Preliminary statistical reports indicated that the towns of Gordon, Rushville and Hay Springs were in compliance and no adjustment was needed. Percentage adjustments will be made, as necessary, to bring residential values within the acceptable range of the guidelines given. Rural residential properties were decreased 15% on all of the improvements to get within the acceptable range of 95.84 or 96% for 2011.

Special attention will be given to those residential properties selling well above or below the assessed value. Physical inspections will be made as needed as well as neighborhood reviews or inspections. Appropriate adjustments will be made as needed.

Due to new legislation it will become mandatory that over a six year period a portion of the county be reviewed each year. No directive has been received from the Department of Property Assessment and Taxation, so no permanent plan is in place at this time. But since the Assessor's workshop in September of 2008, rural Sheridan County will be reviewed by the office with Jerry Knoche's assistance for 2011. As of 2010, we are reviewing the Rural Residential properties at this time. The review involves measuring all improvements and taking pictures of each property. We hope to implement this for 2012. Also, as time permits the Assessor and staff will do a physical review of the residences in the towns for 2012.

COMMERCIAL

In 2011, there are 458 commercial parcels in Sheridan County, 79 unimproved parcels and 379 improved parcels with a total value of \$23,324,823. Commercial properties account for 6% of the total parcels and also 4% of the total value.

According to the Reports & Opinion statistics for the current study period, there were 20 qualified sales with a median of 94.0, a COD of 39.07 and a PRD of 115.17. The level of value, as determined by the Department of Property Assessment & Taxation, is 94% of actual value. The quality of assessment is not in compliance with generally accepted mass appraisal practices.

The sales roster, sales verifications, current year Reports & Opinion of the Property Tax Administrator and whatever other information is available will be used annually to determine whether or not commercial values are in compliance with the various statutes and regulations. Percentage adjustments will be made, if necessary, to bring commercial values within the acceptable range of the guidelines given.

In addition to the information obtained from the above sources, all of the commercial parcels in Sheridan County will be reviewed as funding allows, to then determine whether or not adjustments should be made on an individual basis. The review will consist of physical inspections, drive by inspections and review of property records, as needed. At the present

time only one town White Clay has been completely reviewed. All other commercial properties will be reviewed.

INDUSTRIAL

There are no industrial parcels in Sheridan County.

RECREATIONAL

In 2006, there are 23 recreational parcels, valued at \$690.00. For 2009, the recreational class was reviewed and an increase of 1,200 per Lot was implemented due to sales occurring here for 2009. So they are now at a value of 27,600. No adjustments were made for the year of 2010. However in 2010 two agricultural properties were included in the recreational count per the easement for the Wetlands Reserve Program for one owner's property which added some additional value. Presently, there are 24 recreational parcels with a total value of 332,307 for 2011.

The sales roster, sales verifications, current year Report & Opinion and whatever other information is available will be used annually to determine whether or not recreational values are in compliance with the various statutes and regulations. Appropriate adjustments will be made.

AGRICULTURAL

In 2011, there are 69,743.71 acres of irrigation with a value of \$53,720,037; 156,865.07 acres of dry crop land with a value of \$57,315,317; 1,279,563.59 acres of grass with a value of \$311,402,036; 42,054.21 acres of waste with a value of \$1,682,172; 1,296.28 acres owned by Game & Parks, subject to an in lieu of tax, valued at \$246,484 and 370.95 acres exempt from taxation. Agricultural land values account for 73% of the total value.

According to the 2011, Reports & Opinion statistics for the current study period, there were 47 qualified sales of unimproved agricultural land with a median of 71%, a COD of 27.35 and a PRD of 113.97. The level of value is at 71% of actual value. To get the level required all classes of irrigated, dry crop and some classes of grass were increased for 2011. The subclass of waste was also increased from \$10 to \$40 per acre. Waste remained at \$40 per acre. The quality of assessment is not in compliance with generally accepted mass appraisal practices.

The sales roster, sales verifications, current year Reports & Opinion of the Property Tax Administrator and whatever other information is available will be used annually to determine whether or not agricultural values are in compliance with the various statutes and regulations. Values of the various classes will be adjusted, as necessary, to bring agricultural values within the acceptable range of the guidelines given. Physical inspections will continue.

The Assessor, staff and appraisal firm will continually monitor sales to determine if there is a need for market areas. At this time we will be reviewing the sales and implementing market areas hopefully for 2012.

Due to new legislation it will become mandatory that over a six year period a portion of the county be reviewed each year. However no directive has been received from the Department of Property Assessment and Taxation to date. Since the Assessor's Fall

Workshop a review continues of rural Sheridan County with Jerry Knoche's assistance. At the present time it is estimated that we may have 40% of the rural inspections done. We are currently addressing this with the County Board to get the rural reappraisal done. However, the County Board has some reservations on doing the reappraisal because of the cost and the fact that the Department is telling us it needs done. They would like to offer a different alternative to do it and visit with the Department on this matter. We are hoping to hire an appraiser to do this review as Sheridan County is quite large for the staff and assessor to do the review with the office staff on hand currently. Presently an appraiser has been hired to do the rural review and is willing to work with the Assessor with what the budget will allow as the amount approved was not what was requested.

Abandoned rural home sites and farm sites were identified and values adjusted in 2004. This will be an ongoing project and physical inspections of these sites will continue as part of the regular inspection process.

MINERAL INTEREST

We currently have no taxable mineral interests.

TIF

We currently have no parcels affected by tax increment financing.

SPECIAL VALUE

Two property owners have filed application for special value, which implements special value in Sheridan County. However, it was determined, from a comprehensive study of Ag sales, that there is insufficient non-agricultural and horticultural influence to establish a value different from the current value per our discussion with our appraiser. However this too, will be an ongoing process each year.

EXEMPT PROPERTIES

There are 684 parcels, which are exempt from taxation.

CENTRALLY ASSESSED PROPERTY

All centrally assessed values certified by the Department of Property Assessment & Taxation, including railroads and public utilities (both real and personal property) will be balanced before the information is entered into the computer. After the tax lists are run, a copy of the appropriate list will be mailed to each entity.

PICK UP WORK

(ALL CLASSES)

Pick up work began in March of 2011. Information accumulated during the year in the form of building permits, owner reports and physical inspections by the Assessor and her staff will be used. Recorded contracts between siding and window companies and property

owners are also a very good source of information regarding improvements to homes. Depreciation worksheets, supplied for personal property returns, are another source of building information. Several previously unreported buildings have been discovered in this manner. As new construction is discovered, the property record card will be tagged and the property will be added to the list of work to be done. New construction will be physically inspected in order to determine value. All pick up work will be completed before the statutory deadline for setting values.

Notices will be aired and published reminding property owners of their responsibility to report any improvements to their property in excess of \$2,500.00.

Approximately 180 parcels were inspected for new construction for the 2010 tax year. And, presently there are approximately 80 parcels or more that will be inspected for 2012. This number could change as we are constantly finding properties that need to be added to the list and inspected by our lister.

LAND USE

(AG)

Copies of the Agland Inventory Report were sent to all owners of agricultural land in 2001 when it was discovered that some of the agricultural land use shown on the property record cards was incorrect. We had thought that we would repeat the process. However, the Natural Resources District is limiting the number of irrigated acres of each property owner to the number of acres reported to the County Assessor. It is expected that the number of irrigated acres will increase over the next few years as irrigated acres from the Assessor's records are compared to FSA maps and the acres actually irrigated, because property owners forget to report changes to the Assessor.

Agreements for electric service to irrigation pumps and stock wells, which have been recorded in the County Clerk's office, are used to help in the determination of new irrigated land. This is also a tool for discovering new irrigation systems to be added to the personal property returns and pumping equipment for stock wells. Follow up physical inspections are also used.

We did not keep a count of the number of land use changes that were made for 2011. However, for 2012 we hope to start a count of the land use changes that are made. We seem to forget to do this!!

SOIL SURVEY MAPS

(AG)

Soil survey maps will be updated as land use changes and existing tracts are split. The most recent soil survey maps from the Natural Resources Conservation Service are used in conjunction with the soil survey maps in the office. However with the implementation of GIS the maps will only be used as a reference once the conversion is complete.

521 FORMS

(ALL CLASSES)

There were 550 deeds and 521 forms processed in the fiscal year beginning July 1, 2009, and ending June 30, 2011.

A sale verification system was developed and implemented by the Sheridan County Assessor's office effective October 1, 2003, to replace the work done by the state sale

reviewer, which position was terminated on September 5, 2003. Verification forms were developed by using a combination of forms obtained from Panhandle County Assessors and the Department of Property Assessment and Taxation. It is believed that more reliable statistics will be the result of the implementation of this system

521 forms will be reviewed periodically and the Assessor and staff shall use sales verifications and whatever other means they feel necessary to determine whether or not the sale was an arms length transaction and should be used in the determination of value for each of the real estate classifications. The forms and supporting documents will be forwarded to the Property Tax Administration in accordance with the statutes and rules and regulations.

SALES ROSTER
(ALL CLASSES)

Special attention will be given to the sales roster to ascertain whether or not the correct data has been entered from the 521 forms and the supporting documents. The Assessor will supply any and all information required by statute, directives, rules and regulations to the Property Tax Administration at the times and in the manner prescribed to insure total accuracy in all data use. Accuracy is essential because so much emphasis is placed on market and errors can produce a skewed view of the market. For 2012, after reviewing the sales it has been decided to develop market areas for Sheridan County. This will be done prior to the first of the year 2012.

PROPERTY RECORD CARDS
(ALL CLASSES)

Property record cards and all supporting records, including all computer data, will be updated daily as the deeds are received from the County Clerk's office and change of addresses and other information is obtained.

Property record cards contain all the available information regarding the subject property. A simple map showing the location of the parcel within the section appears on each card. All building information appears on each improved parcel, as does a sketch of the house. Photos of the house and all main buildings are also contained in the file as well as the aerial photo of the farms, which were flown in 1985.

CADASTRAL MAPS
(ALL CLASSES)

Our cadastral maps were originally drawn in 1974 on mylar, by an excellent and meticulous draftsman and have been kept up very well over the years.

Cadastral maps will be updated at least monthly. This will include change of ownership, splits of tracts, platting of subdivisions or additions to towns and any other changes required. These may become a thing of the past once GIS is implemented on the computer system.

GIS

Currently, we are implementing the new soil survey on our computer system for the new soil survey conversion from the alpha system to the numerical system which has been

completed by March 19th of 2010. GIS workshop has been hired to implement the new soil survey conversion and it will be done sequentially by township to avoid total confusion. Hopefully, some of the other layers of the GIS software will be implemented for 2011. All parcel Id's have been entered and we are currently working on land classifications as of this date. Since July 31st the land usage has been completed so the next step will be done. GIS Work Shop is now doing the work for the office as there are not enough staff to do this duty too.

PROPERTY VALUATION PROTESTS

(ALL CLASSES)

There have been 35 protests of value filed during June of 2011 and heard by the Board of Equalization. Forty protests were heard by the Board in 2010. Properties upon which a valuation protest has been filed will be inspected as needed and time allows. These inspections will be made in conjunction with the continuing physical inspection of the County whenever possible. The County Assessor's Recommendation portion of the form will be completed prior to the Board of Equalization hearing whenever possible. The Assessor or Deputy shall attend all hearings since the Revenue's clean up bill this past legislature.

Decisions of the Board will be implemented or appealed to the Tax Equalization and Review Commission as is appropriate.

The Assessor shall prepare a list of undervalued, overvalued and omitted real estate and submit it to the Board of Equalization as necessary.

Of the 49 protests filed in 2009, there was not any that appealed to the Tax Equalization & Review Commission. The one appeal in 2008, the Tax Equalization & Review Commission ruled in favor of the County Board's decision. Of the protests for 2010 one has filed an appeal to the Tax Equalization and Review Commission. It was heard on July 11, 2011 and we have not received a decision on this as of this date. The decision received back was the order for dismissal with prejudice from the TERC board dated September 20, 2011. Final order on the 2010 appeal was received October 27, 2011. No appeals were filed to TERC for 2011 protests.

The appeal to the Tax Equalization & Review Commission from the 2006 protest was settled before the hearing occurred.

The County Assessor shall prepare and submit any evidence necessary to defend the property values, which have been appealed to the Tax Equalization & Review Commission by a property owner, as well as attending any hearings.

PHYSICAL INSPECTIONS

(ALL CLASSES)

The County Assessor and staff will continue the physical inspection of the real estate in Sheridan County as time and the budget allows. Maps will be maintained to show the progress of the inspections. All rural residential properties shall be inspected by the Assessor and staff for the year of 2012.

Several unreported houses and other buildings have been discovered in the last several years as a direct result of physical inspections making it apparent that more time needs to be devoted to these inspections to insure that all taxable property is properly assessed.

TRUST REPORT

(AG)

The Assessor shall submit the report of land held by trustees to the Secretary of State in compliance with 76-1517 Nebraska Statutes as Revised. However, due to legislative changes the Ag trust roster report was done away with in 2011.

PLAN OF ASSESSMENT

(ALL CLASSES)

The Assessor shall submit a Plan of Assessment to the County Board of Equalization and the Department of Revenue Property assessment Division as provided by statute and rules and regulations.

NOTICE OF VALUATION CHANGE

(ALL CLASSES)

All property owners will be sent notice of any change, either the increase or decrease of value of all real estate on or before June 1, in compliance with Section 77-1315 of the Revised Statutes of Nebraska. In addition, the Assessor will certify the completion of the real estate assessment roll and publish the certification in the newspaper.

In 2009, listings of appropriate sales information were mailed with the Notices. Property owners were able to see what had caused the changes in value. The number of questions decreased, as well as, fewer protests being filed. This practice will continue as long as results are positive. For 2010 a letter of explanation will be included. For 2010 a letter was drafted and sent with the list of sales in which the number of questions and protests decreased once again. For 2011 there was no letter or a list of sales sent out with the notices due to cost of postage.

Gordon, Rushville, Hay Springs and Small Towns residences required no change for 2011. No changes were needed on commercial properties as well. Other statistics were not within the acceptable range as far as the median was concerned, so an increase in all classes of all agricultural land was required for 2011. A raise of the sub class of waste from ten dollars an acre to forty dollars an acre was implemented in 2010. The raise of the sub classes of land for 2011 brought us in to an acceptable range of 71%.

NOTICE OF TAXABLE STATUS

(ALL CLASSES)

Pursuant to Section 77-202.12 of the Nebraska Statutes, as Revised, Notices of Taxable Status will be mailed to governmental subdivisions owning taxable real estate, annually.

REPORTS AND OPINION OF THE PROPERTY TAX ADMINISTRATOR

The opinion of the Property Tax Administrator concerning the level of value of the residential, commercial and agricultural lands will be posted in the office of the County Assessor and mailed to the media as required by the various statues and rules and regulations.

The Assessor shall prepare and submit any evidence necessary to defend the property values that were established as a result of the sale studies and reported in the Reports and Opinion of the Property Tax Administrator, if a show cause hearing is ordered by the Tax Equalization and Review Commission. All such hearings will be attended by the County Assessor, if possible.

CERTIFICATION OF TAXABLE VALUE

The Appropriate Certification of Taxable Value and Value Attributable to Growth will be sent to all governmental subdivisions pursuant to Section 13-509 and 13-518.

The school district taxable value report will be mailed to the Property Tax Administrator on or before August 25 as required by 79-1016 of the Revised Statutes of Nebraska.

INVENTORY

The Assessor will maintain a list of all of the property within the office for which she is responsible along with the purchase price and date of purchase. An inventory of the property will be filed annually.

TAX DISTRICTS

Records will be updated as changes in tax districts occur.

In 2006, all Class I schools were dissolved, resulting in changes to about two-thirds to three-fourths of the property records in Sheridan County. Because of the controversy and general election issue, tax districts were not consolidated at this time, but will be next year, if the school reorganization stands. After checking the tax districts it has been determined that none could be consolidated due to the make up of the tax district. For example the hospital, fire district or school district. However, since the reorganization of schools was not reversed there will be changes or consolidation of tax districts done hopefully before the tax list is run for 2008. At the moment, there has been a change in the fire districts of Hay Springs and Rushville and a tax district has been eliminated and a new one added due to this change for the 2008 tax year. No changes had to be done for the 2009 tax year. Once again, no changes had to be done for 2010. And for 2011 no changes were done to the tax districts.

TAX LIST

Personal property and real estate tax lists will be prepared and presented to the County Treasurer as required by Section 77-1613.01 of the Nebraska Revised Statutes. In addition to the daily changes of ownership and splitting current tracts, addresses will be updated and other adjustments made to make a more user friendly tax list.

The tax list shall be based on the levies certified by the Sheridan County Clerk from the

budgets submitted by each governmental subdivision.

TAX LIST CORRECTIONS

Corrections to the tax list will be made, as necessary, after approval by the County Board of Equalization.

CERTIFICATE OF TAXES LEVIED

The Certificate of Taxes Levied, Form 49, will be filed in accordance with 77-1613.01 of the Nebraska Statutes, as Revised.

The County Assessor will balance the amounts levied, as shown on the Certificate of Taxes Levied, against the tax dollars budget whenever possible.

REPORTS

All reports required by the statutes and by the rules and regulations, will be filed in a timely fashion, including the annual report of value of real estate owned by the Board of Educational Lands and Funds.

REPORT IN ACCORDANCE WITH LB 644

The report required by LB 644 passed in the 2004 Legislative Session will be made on or before December 1 every four years.

PROCEDURES MANUAL

The office procedures manual will be updated periodically to reflect changes in office procedures, values of agricultural land by class, statutory requirements and other applicable changes.

RECORDS MANAGEMENT

All records and files will be retained in accordance with the records retention and disposition schedule recommended by the States Records Administrator.

PLAN OF ASSESSMENT 2013

REAL ESTATE

RESIDENTIAL

The sales roster, sales verifications, current year Reports & Opinion of the Property Tax Administrator and whatever other information is available, will be used annually to determine whether or not residential values are in compliance with the various statutes and regulations. Percentage adjustments will be made, if necessary, to bring residential values within the acceptable range of the guidelines given.

Special attention will be give to those residential properties selling well above or below the assessed value. Physical inspects will be made as needed as well as neighborhood reviews or inspections. Appropriate adjustments will be made as needed.

Due to new legislation it will become mandatory that over a six year period a portion of the county be reviewed each year. However, at this time no directive has been received from the Department of Property Assessment and Taxation. So no permanent plan has been put in to place at this time. However, since the Assessor's Fall Workshop in September a portion of the agricultural land and improvements in Sheridan County will be reviewed by the office with Jerry Knoche's assistance. The rural area was the first to be reviewed previously. This will be ongoing process over the next six years. As mentioned in 2012 we are hoping to complete the residences in the towns for 2012 but if time does not permit they may be completed for 2013.

COMMERCIAL

The sales roster, sales verifications, current year Reports & Opinion of the Property Tax Administrator and whatever other information is available will be used annually to determine whether or not commercial values are in compliance with the various statutes and regulations. Percentage adjustments will be made, if necessary, to being commercial values within the acceptable range of the guidelines given.

In addition to the information obtained from the above sources, all of the commercial parcels in Sheridan County will be reviewed as funding allows, and determine whether or not adjustments should be made on an individual basis. The review will consist of physical inspections, drive by inspections and review of property records, as needed. It is also believed that the sales verification system, developed and implemented in October of 2003,

will help to create more reliable statistics for future use.

INDUSTRIAL

There are no industrial parcels in Sheridan County. The commercial properties will be the last to be reviewed in the six year process.

RECREATIONAL

The sales roster, sales verifications, current year Report & Opinion and whatever other information is available will be used annually to determine whether or not recreational values are in compliance with the various statutes and regulations. Appropriate adjustments will be made.

AGRICULTURAL

The sales roster, sales verifications, current year Reports & Opinion of the Property Tax Administrator and whatever other information is available, will be used annually to determine whether or not agricultural values are in compliance with the various statutes and regulations. Values of the various classes will be adjusted by percentage, if necessary, to bring agricultural values within the acceptable range of the guidelines given. Physical inspections will continue.

The Assessor, staff and appraisal firm will continue to monitor sales to determine if there is a need for market areas.

Due to new legislation it will become mandatory that over a six year period a portion of the county be reviewed each year. However, as to date no directive has been received from the Department of Property Assessment and Taxation so, no permanent plan is in place as of yet. However, since the Assessor's Fall Workshop a portion of the Agricultural will be the first to be reviewed since it was the first to be done in the last review. Jeff Haugen will assist the office in the review process. This will be ongoing process over the next six years. As mentioned from the year of 2012 we are trying to get this completed!!! In addition to the review the market areas will be reviewed each year too.

GIS

This will be updated daily once implemented in 2009 and will be ongoing process for our office.

SPECIAL VALUE

Plans for 2012 will depend on the outcome of the study to be conducted in the fall of 2011.

In addition to the foregoing, the County Assessor shall perform all such other duties as the statutes and rules and regulations require and to promote a used friendly office environment for staff, property owners and researchers that come in to the office.

PLAN OF ASSESSMENT 2014

REAL ESTATE

RESIDENTIAL

The sales roster, sales verifications, current year Reports & Opinions of the Property Tax Administrator and other information available will be used annually to determine as to whether or not the residential values are in compliance with the statutes and regulations provided by the Department of Property Assessment and Taxation. Percentage adjustments will be made, if necessary, to bring the residential values within the acceptable range of the guidelines given.

Those properties that are selling above the assessed value will be inspected as well as those selling below our assessed value. Physical inspections will be done by the assessor or the lister who works for the office part time as well as neighborhood reviews. Adjustments will be made per these inspections and reviews.

Due to new legislation in 2007 it will become mandatory that over a six year period a portion of the county be reviewed each year. No directive has been received from the Department of Property Assessment and Taxation at this time. Once this is received a permanent plan will be put into place for the review of the county. Since the Assessor's Fall Workshop in September it has been decided to start reviewing a portion of the Agricultural land and improvements in the county since it was done first years ago in the review process. Jerry Knoche will assist the office on the review process. This will be an ongoing process over the next six years until the county has been reviewed. These will be reviewed in 2012.

COMMERCIAL

The sales roster, sales verifications, current year Reports & Opinions of the Property Tax Administrator and other information available will be used annually to

determine as to whether or not the commercial values are in compliance with the statutes and regulations provided by the Department of Property Assessment and Taxation. Percentage adjustments will be made, if necessary, to bring the commercial values within the acceptable range of the guidelines given.

In addition to the information above the commercial properties in Sheridan County will be reviewed as part of the six year portion of plan of assessment as mentioned above in the residential plan of assessment. The sales verification system developed in October of 2003 has helped to create a more reliable system of statistics for our future use. As mentioned before these will be the last to be reviewed.

INDUSTRIAL

So far there are no industrial parcels in Sheridan County.

RECREATIONAL

The sales roster, sales verifications, current Reports & Opinions and other information will be used annually to determine whether or not recreational values are in compliance with the statutes and regulations. Appropriate adjustments will be made to the values as needed.

GIS

The GIS system, once implemented in 2009 will be updated daily and will be an ongoing process for the office.

AGRICULTURAL

The sales roster, sales verifications, current year Reports & Opinions of the Property Tax Administrator will be used annually to determine whether or not the agricultural values are in compliance with the statutes and regulations. Values will be adjusted accordingly to be within the acceptable range of the guidelines given. Physical inspections will continue. The Assessor, staff and appraisal firm will continue to monitor all sales to determine if there is a need for market areas in Sheridan County.

Per new legislation from 2007, it will be mandatory that over a six year period a portion of the county will be reviewed each year. Once a directive is received from the Department of Property Assessment and Taxation a plan will be implemented. No plan is in place as of this date.

Since the Assessor's Fall Workshop it has been decided that a portion of the Agricultural area in the county would be reviewed first with Jeff Haugen's assistance and the process would be ongoing over the next six years until the county has been reviewed. In addition the market areas will be reviewed each year too.

SPECIAL VALUE

Plans for 2013 will depend on the outcome of the study to be conducted in the fall of 2012.

The County Assessor shall continue to perform all such other duties as the statutes and rules and regulations require of her. The office will be open and user friendly to all staff, property owners and others that need any of the information that the office has to offer.

COMMENTS:

Annual valuation of all real estate to market is a large project, even with computers to do the mundane work for us.

The constant fluctuation of assessed values makes the budget process very difficult for the various governmental subdivisions that are concerned with statutory levy limits and lid requirements. This is especially true of towns, which are affected by even small market fluctuations. The small towns such as those in Sheridan County do have quite a time just surviving as do others across the state of Nebraska.

Few sales and an erratic market made commercial valuations a special problem again this year. Although a complete reappraisal of the commercial properties was done recently, erratic purchase prices continue to be make valuation difficult to say the least. We are continuing to review all commercial properties hoping for better statistics and there is hope that a complete new review over the next six years will be of some help. However, as long as people pay a premium to own the only grocery store in 15 miles or the only New Holland machinery store in 45 miles, there will be problems. The franchise often goes with the building, but is never set out as such on the 521.

Unfortunately, most of what an Assessor can do is based on funding, over which we have no control. Commissioners continue to be reluctant to begin complete reappraisals and we can't override their decisions. New legislation passed in 2007 of which it becomes mandatory to review the county will hopefully let us do the reappraisal that we so desperately need. The longer that I work in the Assessor's office, it seems that there is less time for the Assessor to get all of the duties done as required by the regulations and statutes passed by the legislature each year. But I will keep trying each year. I have chosen to do the reappraisal even though the commissioners are reluctant and as much will be done as time permits as well as funding given to the office.

Respectfully submitted this 27th day of October, 2011.

Trudy A. Winter
Sheridan County Assessor

2012 Assessment Survey for Sheridan County

A. Staffing and Funding Information

1.	Deputy(ies) on staff:
	None
2.	Appraiser(s) on staff:
	None
3.	Other full-time employees:
	Two
4.	Other part-time employees:
	One
5.	Number of shared employees:
	None
6.	Assessor's requested budget for current fiscal year:
	\$228,025
7.	Adopted budget, or granted budget if different from above:
	\$197,200
8.	Amount of the total assessor's budget set aside for appraisal work:
	\$98,230
9.	If appraisal/reappraisal budget is a separate levied fund, what is that amount:
	An additional \$10,263
10.	Part of the assessor's budget that is dedicated to the computer system:
	\$2,600
11.	Amount of the assessor's budget set aside for education/workshops:
	\$5,830
12.	Other miscellaneous funds:
	None
13.	Amount of last year's assessor's budget not used:
	\$12,663 (\$7,921 for the Assessor's office, and \$4,742 for appraisal).

B. Computer, Automation Information and GIS

1.	Administrative software:
	PC Admin
2.	CAMA software:
	MIPS
3.	Are cadastral maps currently being used?
	Yes
4.	If so, who maintains the Cadastral Maps?
	Staff employee Linda Witt
5.	Does the county have GIS software?
	Yes

6.	Is GIS available on a website? If so, what is the name of the website?
	The County's information is not available at this time. GIS is testing a site at present.
7.	Who maintains the GIS software and maps?
	GIS Workshop
8.	Personal Property software:
	PC Admin/MIPS

C. Zoning Information

1.	Does the county have zoning?
	Yes
2.	If so, is the zoning countywide?
	Yes
3.	What municipalities in the county are zoned?
	Gordon, Hay Springs, Rushville and Small Towns
4.	When was zoning implemented?
	In 1981

D. Contracted Services

1.	Appraisal Services:
	Knoche Appraisal; Jeff Haugen Appraisal Services
2.	Other services:
	MIPS/PC Admin for administrative, CAMA and personal property software; GIS Workshop.

2012 Certification for Sheridan County

This is to certify that the 2012 Reports and Opinions of the Property Tax Administrator have been sent to the following:

One copy by electronic transmission to the Tax Equalization and Review Commission.

One copy by electronic transmission to the Sheridan County Assessor.

Dated this 9th day of April, 2012.



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

Ruth A. Sorensen
Property Tax Administrator

