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2012 Commission Summary for Valley County

Residential Real Property - Current

Number of Sales	101	Median	98.88
Total Sales Price	\$8,585,562	Mean	98.72
Total Adj. Sales Price	\$8,562,362	Wgt. Mean	98.27
Total Assessed Value	\$8,413,875	Average Assessed Value of the Base	\$51,799
Avg. Adj. Sales Price	\$84,776	Avg. Assessed Value	\$83,306

Confidence Interval - Current

95% Median C.I	96.57 to 99.54
95% Wgt. Mean C.I	95.67 to 100.86
95% Mean C.I	96.56 to 100.88
% of Value of the Class of all Real Property Value in the	17.79
% of Records Sold in the Study Period	5.80
% of Value Sold in the Study Period	9.33

Residential Real Property - History

Year	Number of Sales	LOV	Median
2011	108	97	97
2010	114	98	98
2009	120	93	93
2008	97	93	93

2012 Commission Summary for Valley County

Commercial Real Property - Current

Number of Sales	12	Median	97.26
Total Sales Price	\$720,095	Mean	97.24
Total Adj. Sales Price	\$720,095	Wgt. Mean	97.41
Total Assessed Value	\$701,435	Average Assessed Value of the Base	\$83,745
Avg. Adj. Sales Price	\$60,008	Avg. Assessed Value	\$58,453

Confidence Interval - Current

95% Median C.I	95.20 to 100.00
95% Wgt. Mean C.I	94.67 to 100.14
95% Mean C.I	95.65 to 98.83
% of Value of the Class of all Real Property Value in the County	5.93
% of Records Sold in the Study Period	3.34
% of Value Sold in the Study Period	2.33

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2011	17		93
2010	15	94	94
2009	15	97	97
2008	22	95	95

2012 Opinions of the Property Tax Administrator for Valley 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	99	Meets generally accepted mass appraisal practices.	No recommendation.
Commercial Real Property	*NEI	Meets 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 Valley County

For assessment year 2012 the contract appraiser performed a depreciation study on all valuation groupings and implemented the June 2011 Marshal-Swift costing.

The Valley County Assessor reviewed all residential sales. Questionnaires were sent out to each buyer and seller to gain as much information about the sale as possible.

All pick up work was completed and placed on the 2012 assessment roll.

2012 Residential Assessment Survey for Valley County

1.	Valuation data collection done by:	
	Deputy Assessor	
2.	In your opinion, what are the valuation groupings recognized in the County and describe the unique characteristics of each grouping:	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	01	Arcadia – is located in the southwest corner of the county and has a population of approximately 360. The town consists of a public school system, grocery store, post office, bank, lumber yard store, welding shop, public library, and bar/grill.
	02	Elyria- is located on HWY 11 in the northern part of the county and has a population of approximately 54. The town consists of a bar/grill, grade school that is affiliated with Ord Public, and a greenhouse with restaurant.
	03	North Loup- is located on HWY 22 in the southeast part of the county and has a population of approximately 340. The town consists of a convenience store/gas station, bar/grill, crop insurance business, lumberyard and the grade school.
	04	Ord- is located in the center of the county on junction of HWY's 11 and 70. The population is approximately 2,270. K-12 Public School system. The town is a very progressive town with a variety of jobs, services, and goods that make living in it desirable.
	05	Rural- The rural area in Valley County consists of all properties not located within any of the towns/villages.
	06	Suburban- The suburban valuation grouping consists of all properties located outside of the limits of an incorporated city or village, but within the legal jurisdiction of an incorporated city or village.
3.	List and describe the approach(es) used to estimate the market value of residential properties.	
	The Cost Approach is used as well as a market analysis of the qualified sales to estimate the market value of properties.	
4	What is the costing year of the cost approach being used for each valuation grouping?	
	June 2011	
5.	If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?	
	The county develops depreciation studies based on local market information.	
6.	Are individual depreciation tables developed for each valuation grouping?	
	Yes	
7.	When were the depreciation tables last updated for each valuation grouping?	
	2011	

8.	When was the last lot value study completed for each valuation grouping?
	2008 for all residential valuation groupings.
9.	Describe the methodology used to determine the residential lot values?
	The lot values were established by completing a sales study using a price per square foot analysis.
10.	How do you determine whether a sold parcel is substantially changed?
	A parcel is considered to be substantially changed when improvements are added that significantly affect the value such that the parcel no longer represents what sold. These sales are discussed with the field liaison as well.

88 Valley
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 : 101
Total Sales Price : 8,585,562
Total Adj. Sales Price : 8,562,362
Total Assessed Value : 8,413,875
Avg. Adj. Sales Price : 84,776
Avg. Assessed Value : 83,306

MEDIAN : 99
WGT. MEAN : 98
MEAN : 99
COD : 07.37
PRD : 100.46

COV : 11.20
STD : 11.06
Avg. Abs. Dev : 07.29
MAX Sales Ratio : 140.23
MIN Sales Ratio : 66.91

95% Median C.I. : 96.57 to 99.54
95% Wgt. Mean C.I. : 95.67 to 100.86
95% Mean C.I. : 96.56 to 100.88

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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	17	95.06	95.54	95.06	04.46	100.50	86.80	113.60	90.83 to 97.93	89,165	84,762
01-OCT-09 To 31-DEC-09	18	100.26	99.95	99.65	06.60	100.30	88.02	127.22	92.78 to 104.80	65,670	65,439
01-JAN-10 To 31-MAR-10	6	99.11	98.72	98.00	03.67	100.73	92.46	106.36	92.46 to 106.36	123,367	120,903
01-APR-10 To 30-JUN-10	12	98.94	98.14	99.05	09.79	99.08	66.91	137.79	91.03 to 102.12	68,458	67,808
01-JUL-10 To 30-SEP-10	15	96.45	97.36	97.73	07.84	99.62	78.15	128.57	93.41 to 101.01	101,453	99,148
01-OCT-10 To 31-DEC-10	9	98.18	95.74	91.04	05.01	105.16	83.47	102.74	87.51 to 101.75	93,022	84,686
01-JAN-11 To 31-MAR-11	10	100.03	100.08	99.63	11.07	100.45	72.42	123.33	86.46 to 118.59	74,800	74,523
01-APR-11 To 30-JUN-11	14	99.97	103.92	105.48	07.54	98.52	91.63	140.23	94.05 to 112.13	85,414	90,092
<u>Study Yrs</u>											
01-JUL-09 To 30-JUN-10	53	97.53	97.99	97.61	06.82	100.39	66.91	137.79	94.47 to 99.75	80,369	78,452
01-JUL-10 To 30-JUN-11	48	99.15	99.54	98.91	07.96	100.64	72.42	140.23	96.45 to 101.01	89,642	88,665
<u>Calendar Yrs</u>											
01-JAN-10 To 31-DEC-10	42	98.59	97.43	96.63	07.22	100.83	66.91	137.79	95.36 to 99.93	93,350	90,203
<u>ALL</u>	101	98.88	98.72	98.27	07.37	100.46	66.91	140.23	96.57 to 99.54	84,776	83,306

VALUATION GROUPING										Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.		
01	7	97.81	96.52	95.26	05.37	101.32	86.46	103.42	86.46 to 103.42	55,000	52,391
02	1	84.81	84.81	84.81	00.00	100.00	84.81	84.81	N/A	116,000	98,380
03	11	99.18	94.08	91.70	07.77	102.60	66.91	104.80	86.80 to 103.22	49,636	45,516
04	69	97.93	99.25	98.04	07.69	101.23	72.42	140.23	95.36 to 99.69	83,976	82,333
05	5	102.95	102.84	102.85	03.24	99.99	98.29	107.58	N/A	141,100	145,115
06	8	99.77	101.67	102.56	07.06	99.13	90.19	128.57	90.19 to 128.57	126,938	130,193
<u>ALL</u>	101	98.88	98.72	98.27	07.37	100.46	66.91	140.23	96.57 to 99.54	84,776	83,306

PROPERTY TYPE *										Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.		
01	97	98.52	98.68	98.24	07.52	100.45	66.91	140.23	96.45 to 99.49	86,388	84,869
06											
07	4	101.94	99.78	99.38	02.70	100.40	92.31	102.95	N/A	45,688	45,404
<u>ALL</u>	101	98.88	98.72	98.27	07.37	100.46	66.91	140.23	96.57 to 99.54	84,776	83,306

88 Valley
RESIDENTIAL

PAD 2012 R&O Statistics (Using 2012 Values)

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95% Mean C.I. : 96.56 to 100.88

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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												
Less Than 15,000	3	97.93	96.10	96.66	02.96	99.42	90.83	99.54	N/A	11,667	11,277	
Less Than 30,000	18	99.43	99.33	99.50	06.25	99.83	86.46	127.22	91.63 to 102.74	21,197	21,092	
<u>Ranges Excl. Low \$</u>												
Greater Than 4,999	101	98.88	98.72	98.27	07.37	100.46	66.91	140.23	96.57 to 99.54	84,776	83,306	
Greater Than 14,999	98	98.91	98.80	98.27	07.50	100.54	66.91	140.23	96.45 to 99.75	87,014	85,511	
Greater Than 29,999	83	98.29	98.59	98.21	07.62	100.39	66.91	140.23	96.24 to 99.49	98,564	96,798	
<u>Incremental Ranges</u>												
0 TO 4,999												
5,000 TO 14,999	3	97.93	96.10	96.66	02.96	99.42	90.83	99.54	N/A	11,667	11,277	
15,000 TO 29,999	15	101.75	99.98	99.79	06.50	100.19	86.46	127.22	91.63 to 103.42	23,103	23,055	
30,000 TO 59,999	22	98.94	98.47	99.22	09.74	99.24	66.91	137.79	92.31 to 103.60	43,328	42,992	
60,000 TO 99,999	29	98.98	99.85	99.72	06.00	100.13	78.15	123.33	95.32 to 102.07	75,607	75,396	
100,000 TO 149,999	17	95.36	96.21	96.44	06.63	99.76	84.81	128.57	88.67 to 99.34	122,912	118,531	
150,000 TO 249,999	13	98.99	100.11	99.59	07.33	100.52	84.03	140.23	92.46 to 100.79	179,908	179,170	
250,000 TO 499,999	2	92.02	92.02	91.92	09.29	100.11	83.47	100.56	N/A	303,350	278,845	
500,000 TO 999,999												
1,000,000 +												
<u>ALL</u>	101	98.88	98.72	98.27	07.37	100.46	66.91	140.23	96.57 to 99.54	84,776	83,306	

**2012 Correlation Section
for Valley County**

A. Residential Real Property

The residential sales file for Valley County consists of 101 qualified sales. This sample will be considered adequate and reliable for the measurement of the residential class of property. There is a close relationship between all three measures of central tendency, and the qualitative measures are within the recommended parameters. All valuation groupings that are adequately represented in the sales file are also within the acceptable range.

The Valley County Assessor reviews all residential sales. Questionnaires are sent to each buyer and seller to gain as much information about the sale as possible. Telephone contact is made to the buyer or seller if they have additional questions concerning the sale.

Based on the consideration of all available information, the level of value is determined to be 99% of market value for the residential class of real property. Because the known assessment practices are reliable and consistent it is believed that the residential class of property is being treated in the most uniform and proportionate manner possible.

**2012 Correlation Section
for Valley 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 Valley 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 Valley 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 Valley 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 Valley County

The contract appraiser physically reviewed and inspected all commercial properties within the county. New depreciation tables were developed as well as implementing the June 2011 Marshal-Swift costing.

All pickup work was completed and placed on the 2012 assessment roll.

2012 Commercial Assessment Survey for Valley County

1.	Valuation data collection done by:	
	Deputy Assessor	
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>
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	03	North Loup- is located on HWY 22 in the southeast part of the county and has a population of approximately 340. The town consists of a convenience store/gas station, bar/grill, crop insurance business, lumberyard and the grade school.
	04	Ord- is located in the center of the county on junction of HWY’s 11 and 70. The population is approximately 2,270. K-12 Public school system. The town is a very progressive town with a variety of jobs, services, and goods that make living in it desirable.
	05	Rural- The rural area in Valley County consists of all properties not located within any of the towns/villages.
	06	Suburban- The suburban valuation grouping consists of all properties located outside of the limits of an incorporated city or village, but within the legal jurisdiction of an incorporated city or village.
3.	List and describe the approach(es) used to estimate the market value of commercial properties.	
	The Cost Approach is used as well as a market analysis of the qualified sales to estimate the market value of properties.	
3a.	Describe the process used to value unique commercial properties.	
	Unique properties are valued by the contract appraiser.	
4.	What is the costing year of the cost approach being used for each valuation grouping?	
	June 2011	
5.	If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?	
	The county develops the depreciation studies based on local market information.	
6.	Are individual depreciation tables developed for each valuation grouping?	
	Yes	

7.	When were the depreciation tables last updated for each valuation grouping?
	2011
8.	When was the last lot value study completed for each valuation grouping?
	2010
9.	Describe the methodology used to determine the commercial lot values.
	The lot values were established by completing a sales study using a price per square foot analysis.
10.	How do you determine whether a sold parcel is substantially changed?
	A parcel is considered to be substantially changed when improvements are added that significantly affect the value such that the parcel no longer represents what sold. These sales are discussed with the field liaison as well.

88 Valley
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 : 12
Total Sales Price : 720,095
Total Adj. Sales Price : 720,095
Total Assessed Value : 701,435
Avg. Adj. Sales Price : 60,008
Avg. Assessed Value : 58,453

MEDIAN : 97
WGT. MEAN : 97
MEAN : 97
COD : 02.16
PRD : 99.83

COV : 02.57
STD : 02.50
Avg. Abs. Dev : 02.10
MAX Sales Ratio : 100.28
MIN Sales Ratio : 93.36

95% Median C.I. : 95.20 to 100.00
95% Wgt. Mean C.I. : 94.67 to 100.14
95% Mean C.I. : 95.65 to 98.83

Printed:3/29/2012 3:42:18PM

DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Qtrts</u>											
01-JUL-08 To 30-SEP-08	2	96.97	96.97	97.54	01.83	99.42	95.20	98.74	N/A	30,250	29,505
01-OCT-08 To 31-DEC-08	1	100.00	100.00	100.00	00.00	100.00	100.00	100.00	N/A	30,000	30,000
01-JAN-09 To 31-MAR-09	1	96.07	96.07	96.07	00.00	100.00	96.07	96.07	N/A	36,000	34,585
01-APR-09 To 30-JUN-09	1	100.06	100.06	100.06	00.00	100.00	100.06	100.06	N/A	148,500	148,585
01-JUL-09 To 30-SEP-09	2	95.62	95.62	95.85	01.85	99.76	93.85	97.38	N/A	23,000	22,045
01-OCT-09 To 31-DEC-09											
01-JAN-10 To 31-MAR-10	1	99.61	99.61	99.61	00.00	100.00	99.61	99.61	N/A	24,095	24,000
01-APR-10 To 30-JUN-10	1	93.36	93.36	93.36	00.00	100.00	93.36	93.36	N/A	165,000	154,045
01-JUL-10 To 30-SEP-10	1	100.28	100.28	100.28	00.00	100.00	100.28	100.28	N/A	115,000	115,320
01-OCT-10 To 31-DEC-10											
01-JAN-11 To 31-MAR-11	1	95.20	95.20	95.20	00.00	100.00	95.20	95.20	N/A	25,000	23,800
01-APR-11 To 30-JUN-11	1	97.14	97.14	97.14	00.00	100.00	97.14	97.14	N/A	70,000	68,000
<u>Study Yrs</u>											
01-JUL-08 To 30-JUN-09	5	98.74	98.01	98.97	01.78	99.03	95.20	100.06	N/A	55,000	54,436
01-JUL-09 To 30-JUN-10	4	95.62	96.05	94.49	02.56	101.65	93.36	99.61	N/A	58,774	55,534
01-JUL-10 To 30-JUN-11	3	97.14	97.54	98.63	01.74	98.89	95.20	100.28	N/A	70,000	69,040
<u>Calendar Yrs</u>											
01-JAN-09 To 31-DEC-09	4	96.73	96.84	98.59	01.94	98.22	93.85	100.06	N/A	57,625	56,815
01-JAN-10 To 31-DEC-10	3	99.61	97.75	96.47	02.32	101.33	93.36	100.28	N/A	101,365	97,788
<u>ALL</u>	12	97.26	97.24	97.41	02.16	99.83	93.36	100.28	95.20 to 100.00	60,008	58,453

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
03	4	96.29	96.29	96.81	01.84	99.46	93.85	98.74	N/A	26,625	25,775
04	7	97.14	97.35	96.88	02.21	100.49	93.36	100.06	93.36 to 100.06	71,228	69,002
05	1	100.28	100.28	100.28	00.00	100.00	100.28	100.28	N/A	115,000	115,320
<u>ALL</u>	12	97.26	97.24	97.41	02.16	99.83	93.36	100.28	95.20 to 100.00	60,008	58,453

PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
02											
03	12	97.26	97.24	97.41	02.16	99.83	93.36	100.28	95.20 to 100.00	60,008	58,453
04											
<u>ALL</u>	12	97.26	97.24	97.41	02.16	99.83	93.36	100.28	95.20 to 100.00	60,008	58,453

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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 : 12
Total Sales Price : 720,095
Total Adj. Sales Price : 720,095
Total Assessed Value : 701,435
Avg. Adj. Sales Price : 60,008
Avg. Assessed Value : 58,453

MEDIAN : 97
WGT. MEAN : 97
MEAN : 97
COD : 02.16
PRD : 99.83

COV : 02.57
STD : 02.50
Avg. Abs. Dev : 02.10
MAX Sales Ratio : 100.28
MIN Sales Ratio : 93.36

95% Median C.I. : 95.20 to 100.00
95% Wgt. Mean C.I. : 94.67 to 100.14
95% Mean C.I. : 95.65 to 98.83

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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	
Low \$ Ranges												
Less Than 5,000												
Less Than 15,000												
Less Than 30,000	5	95.20	96.25	96.38	01.67	99.87	93.85	99.61	N/A	23,119	22,281	
Ranges Excl. Low \$												
Greater Than 4,999	12	97.26	97.24	97.41	02.16	99.83	93.36	100.28	95.20 to 100.00	60,008	58,453	
Greater Than 14,999	12	97.26	97.24	97.41	02.16	99.83	93.36	100.28	95.20 to 100.00	60,008	58,453	
Greater Than 29,999	7	98.74	97.95	97.61	02.00	100.35	93.36	100.28	93.36 to 100.28	86,357	84,290	
Incremental Ranges												
0 TO 4,999												
5,000 TO 14,999												
15,000 TO 29,999	5	95.20	96.25	96.38	01.67	99.87	93.85	99.61	N/A	23,119	22,281	
30,000 TO 59,999	3	98.74	98.27	98.19	01.33	100.08	96.07	100.00	N/A	35,333	34,693	
60,000 TO 99,999	1	97.14	97.14	97.14	00.00	100.00	97.14	97.14	N/A	70,000	68,000	
100,000 TO 149,999	2	100.17	100.17	100.15	00.11	100.02	100.06	100.28	N/A	131,750	131,953	
150,000 TO 249,999	1	93.36	93.36	93.36	00.00	100.00	93.36	93.36	N/A	165,000	154,045	
250,000 TO 499,999												
500,000 TO 999,999												
1,000,000 +												
ALL	12	97.26	97.24	97.41	02.16	99.83	93.36	100.28	95.20 to 100.00	60,008	58,453	

OCCUPANCY CODE											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
352	1	100.06	100.06	100.06	00.00	100.00	100.06	100.06	N/A	148,500	148,585	
353	5	96.07	95.93	96.34	01.13	99.57	93.85	97.38	N/A	34,500	33,238	
384	2	97.60	97.60	97.82	02.46	99.78	95.20	100.00	N/A	27,500	26,900	
387	1	100.28	100.28	100.28	00.00	100.00	100.28	100.28	N/A	115,000	115,320	
459	2	96.05	96.05	94.41	02.80	101.74	93.36	98.74	N/A	102,500	96,770	
471	1	99.61	99.61	99.61	00.00	100.00	99.61	99.61	N/A	24,095	24,000	
ALL	12	97.26	97.24	97.41	02.16	99.83	93.36	100.28	95.20 to 100.00	60,008	58,453	

**2012 Correlation Section
for Valley County**

A. Commercial Real Property

A review of the statistical analysis reveals 12 qualified commercial sales in the three year study period. Although the calculated statistics indicate the level of value is within the acceptable range, there are not a sufficient number of sales to have confidence in the calculated statistics. Commercial parcels in Valley County are generally valued by occupancy code. When looking at the sample by occupancy codes it displays six different codes within three different valuation groups. The measurement of these small samples is unrealistic and will not be relied upon to determine a level of value for Valley County.

The Valley County Assessor reviews all commercial sales. Questionnaires are sent to each buyer and seller to gain as much information about the sale as possible. Telephone contact is made to the buyer or seller if they have additional questions concerning the sale.

The commercial class of property was recently reviewed and revalued by the contract appraiser for assessment year 2012.

However, based on the consideration of all available information, the level of value cannot be determined for the commercial class of real property.

**2012 Correlation Section
for Valley 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 Valley 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 Valley 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 Valley 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 Valley County

For assessment year 2012 all improvements will be priced using the June 2011 Marshal-Swift costing. No changes were made in land valuation for the agricultural class of property for 2012.

Work is continuing on the implementation of the GIS system. Plans are for full implementation for assessment year 2013.

All pick up work was completed and placed on the 2012 assessment roll.

2012 Agricultural Assessment Survey for Valley County

1.	Valuation data collection done by:	
	Assessor and Staff	
2.	List each market area, and describe the location and the specific characteristics that make each unique.	
	Market Area	Description of unique characteristics
	1	Soils, land use and geographic characteristics.
3.	Describe the process that is used to determine and monitor market areas.	
	Each year agricultural sales and characteristics are studied to see if the market is showing any trend that may say a market area or areas are needed.	
4.	Describe the process used to identify rural residential land and recreational land in the county apart from agricultural land.	
	Residential is land directly associated with a residence, and is defined in Regulation 10.001.05A. Recreational land is defined according to Regulation 10.001.05E.	
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	
6.	What process is used to annually update land use? (Physical inspection, FSA maps, etc.)	
	Physical inspection, FSA maps via Agri-Data, certifications to NRD, and GIS once fully implemented.	
7.	Describe the process used to identify and monitor the influence of non-agricultural characteristics.	
	Sales are monitored and studied on a yearly basis to see if there are any non-agricultural characteristics.	
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?	
	A parcel is considered to be substantially changed when improvements are added that significantly affect the value such that the parcel no longer represents what sold. These sales are discussed with the field liaison as well.	

88 Valley
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 : 60
Total Sales Price : 20,420,341
Total Adj. Sales Price : 20,355,341
Total Assessed Value : 12,919,445
Avg. Adj. Sales Price : 339,256
Avg. Assessed Value : 215,324

MEDIAN : 71
WGT. MEAN : 63
MEAN : 72
COD : 20.06
PRD : 113.06

COV : 29.52
STD : 21.18
Avg. Abs. Dev : 14.26
MAX Sales Ratio : 142.76
MIN Sales Ratio : 34.37

95% Median C.I. : 65.65 to 72.40
95% Wgt. Mean C.I. : 58.13 to 68.80
95% Mean C.I. : 66.40 to 77.12

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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	4	87.93	91.82	76.68	33.22	119.74	58.95	132.47	N/A	122,688	94,077
01-OCT-08 To 31-DEC-08	6	74.37	74.47	68.73	13.74	108.35	55.85	93.16	55.85 to 93.16	344,062	236,466
01-JAN-09 To 31-MAR-09	5	71.15	68.16	67.71	08.59	100.66	57.33	78.83	N/A	275,890	186,796
01-APR-09 To 30-JUN-09	2	63.00	63.00	63.02	00.49	99.97	62.69	63.30	N/A	271,000	170,788
01-JUL-09 To 30-SEP-09	1	98.44	98.44	98.44	00.00	100.00	98.44	98.44	N/A	90,000	88,600
01-OCT-09 To 31-DEC-09	1	86.17	86.17	86.17	00.00	100.00	86.17	86.17	N/A	217,525	187,440
01-JAN-10 To 31-MAR-10	7	79.54	92.53	74.18	30.44	124.74	52.05	142.76	52.05 to 142.76	314,435	233,255
01-APR-10 To 30-JUN-10	12	71.22	72.88	72.31	07.10	100.79	59.45	104.68	69.71 to 74.05	318,239	230,115
01-JUL-10 To 30-SEP-10	1	41.06	41.06	41.06	00.00	100.00	41.06	41.06	N/A	520,000	213,520
01-OCT-10 To 31-DEC-10	13	65.02	59.99	55.01	18.75	109.05	36.77	78.22	40.58 to 72.40	435,122	239,354
01-JAN-11 To 31-MAR-11	4	62.99	62.05	48.61	32.70	127.65	34.37	87.87	N/A	457,436	222,378
01-APR-11 To 30-JUN-11	4	59.31	62.13	62.39	16.98	99.58	50.21	79.68	N/A	386,250	240,986
<u>Study Yrs</u>											
01-JUL-08 To 30-JUN-09	17	70.26	75.35	68.59	18.76	109.86	55.85	132.47	62.21 to 82.45	263,328	180,627
01-JUL-09 To 30-JUN-10	21	71.78	81.28	73.81	19.17	110.12	52.05	142.76	71.05 to 86.17	301,306	222,391
01-JUL-10 To 30-JUN-11	22	61.36	59.89	54.22	22.60	110.46	34.37	87.87	45.85 to 72.40	434,152	235,390
<u>Calendar Yrs</u>											
01-JAN-09 To 31-DEC-09	9	71.15	72.38	69.61	13.93	103.98	57.33	98.44	62.21 to 86.17	247,664	172,400
01-JAN-10 To 31-DEC-10	33	71.20	71.00	63.29	19.27	112.18	36.77	142.76	65.65 to 72.40	369,591	233,918
<u>ALL</u>	60	71.10	71.76	63.47	20.06	113.06	34.37	142.76	65.65 to 72.40	339,256	215,324

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
1	60	71.10	71.76	63.47	20.06	113.06	34.37	142.76	65.65 to 72.40	339,256	215,324
<u>ALL</u>	60	71.10	71.76	63.47	20.06	113.06	34.37	142.76	65.65 to 72.40	339,256	215,324

88 Valley
AGRICULTURAL LAND

PAD 2012 R&O Statistics (Using 2012 Values)

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PRD : 113.06

COV : 29.52
STD : 21.18
Avg. Abs. Dev : 14.26
MAX Sales Ratio : 142.76
MIN Sales Ratio : 34.37

95% Median C.I. : 65.65 to 72.40
95% Wgt. Mean C.I. : 58.13 to 68.80
95% Mean C.I. : 66.40 to 77.12

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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	10	75.66	82.99	62.26	31.62	133.30	40.58	142.76	48.53 to 120.51	285,734	177,905
1	10	75.66	82.99	62.26	31.62	133.30	40.58	142.76	48.53 to 120.51	285,734	177,905
Dry											
County	1	78.83	78.83	78.83	00.00	100.00	78.83	78.83	N/A	72,050	56,800
1	1	78.83	78.83	78.83	00.00	100.00	78.83	78.83	N/A	72,050	56,800
Grass											
County	17	71.27	70.59	67.79	13.79	104.13	39.22	109.58	58.95 to 78.22	295,632	200,398
1	17	71.27	70.59	67.79	13.79	104.13	39.22	109.58	58.95 to 78.22	295,632	200,398
ALL	60	71.10	71.76	63.47	20.06	113.06	34.37	142.76	65.65 to 72.40	339,256	215,324

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	24	70.66	72.38	62.65	24.46	115.53	34.37	142.76	59.45 to 77.31	411,173	257,618
1	24	70.66	72.38	62.65	24.46	115.53	34.37	142.76	59.45 to 77.31	411,173	257,618
Dry											
County	1	78.83	78.83	78.83	00.00	100.00	78.83	78.83	N/A	72,050	56,800
1	1	78.83	78.83	78.83	00.00	100.00	78.83	78.83	N/A	72,050	56,800
Grass											
County	24	71.26	73.06	67.87	18.24	107.65	39.22	132.47	64.71 to 78.22	249,952	169,649
1	24	71.26	73.06	67.87	18.24	107.65	39.22	132.47	64.71 to 78.22	249,952	169,649
ALL	60	71.10	71.76	63.47	20.06	113.06	34.37	142.76	65.65 to 72.40	339,256	215,324

Valley County 2012 Average LCG Value Comparison

	County	Mkt Area	1A1	1A	2A1	2A	3A1	3A	4A1	4A	AVG IRR
88.10	Valley	1	#DIV/0!	2,400	2,400	1,800	1,400	1,400	1,000	1,000	1,846
82.10	Sherman	1	#DIV/0!	2,075	2,005	2,005	1,935	1,935	1,895	1,895	1,962
36.10	Garfield	1	#DIV/0!	2,390	2,080	1,810	1,775	1,700	1,075	1,040	1,599
21.10	Custer	1	#DIV/0!	2,902	2,562	2,439	2,281	2,105	2,084	2,082	2,512
39.20	Greeley	2	#DIV/0!	2,540	2,320	2,170	2,055	2,010	2,010	1,880	2,182
47.72	Howard	7200	2,750	2,750	2,500	2,350	2,155	2,100	1,910	1,800	2,439
92.10	Wheeler	1	2,460	2,455	2,210	2,090	1,930	1,855	1,750	1,640	1,788
58.10	Loup	1	#DIV/0!	1,800	#DIV/0!	1,600	1,265	1,155	1,155	675	1,416

	County	Mkt Area	1D1	1D	2D1	2D	3D1	3D	4D1	4D	AVG DRY
	Valley	1	#DIV/0!	1,000	1,000	1,000	800	800	800	750	875
	Sherman	1	#DIV/0!	865	820	820	775	775	730	730	767
	Garfield	1	#DIV/0!	930	825	790	715	645	575	505	696
	Custer	1	#DIV/0!	1,050	980	972	910	710	705	700	876
	Greeley	2	#DIV/0!	1,320	1,300	1,290	1,130	1,080	750	615	963
	Howard	7200	920	900	765	760	730	710	700	660	744
	Wheeler	1	1,185	1,170	915	905	890	730	600	455	722
	Loup	1	#DIV/0!	670	#DIV/0!	450	435	375	230	230	378

	County	Mkt Area	1G1	1G	2G1	2G	3G1	3G	4G1	4G	AVG GRASS
	Valley	1	#DIV/0!	751	751	747	750	743	568	523	557
	Sherman	1	#DIV/0!	607	594	590	559	556	547	546	550
	Garfield	1	#DIV/0!	535	535	535	495	471	419	343	370
	Custer	1	#DIV/0!	512	505	507	501	500	480	485	487
	Greeley	2	#DIV/0!	689	658	623	612	594	576	554	568
	Howard	7200	740	720	693	693	665	651	556	555	581
	Wheeler	1	915	900	675	615	599	549	450	384	434
	Loup	1	#DIV/0!	605	#DIV/0!	465	330	330	305	290	295

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

**2012 Correlation Section
for Valley County**

A. Agricultural Land

Valley County is located in central Nebraska with Ord being the county seat. The county is comprised of 29% irrigated, 10% dry crop and 60% grass/pasture land. The Lower Loup Natural Resource District governs this county. The county currently has no defined market areas and its comparable neighboring counties are Custer, southern Garfield, southwest Greeley, northwest Howard and Sherman counties. All these areas share characteristics with Valley County that are comparable in soils and topography.

The Valley County Assessor reviews all agricultural sales. Questionnaires are sent to each buyer and seller to gain as much information about the sale as possible. Telephone contact is made to the buyer or seller if they have additional questions concerning the sale.

In analyzing the agricultural sales within Valley County the land use of the sales generally matched the County as a whole. However, the sales were not proportionately distributed among the study years. To make the sample reliable and proportionate the agricultural land analysis was expanded using sales from the comparable areas as described above. In total 60 sales were used in the analysis. The statistical profile that is now proportionately distributed and representative of the land uses suggests that values are within the acceptable range. The median and mean measures are within the acceptable range. The coefficient of dispersion suggests that the statistics are reliable and lends support to using the calculated median to represent the level of value.

Valley County's agricultural land values received no adjustments for assessment year 2012. Further analysis of comparing these values across county lines to the common adjoining markets appears fairly equalized. Valley County has a consistent method of assigning and implementing agricultural land values, it is believed that the assessments are uniform and proportionate.

Based on the consideration of all available information, the level of value is determined to be 71% of market value for the agricultural land class of property.

**2012 Correlation Section
for Valley 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 Valley 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 Valley 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 Valley 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 : 4,221

Value : 507,020,615

Growth 6,245,095

Sum Lines 17, 25, & 41

Schedule I : Non-Agricultural Records

	Urban		SubUrban		Rural		Total		Growth
	Records	Value	Records	Value	Records	Value	Records	Value	
01. Res UnImp Land	219	1,044,230	10	166,930	12	154,240	241	1,365,400	
02. Res Improve Land	1,316	7,085,175	50	965,785	100	2,374,470	1,466	10,425,430	
03. Res Improvements	1,339	63,136,860	51	4,595,360	110	10,658,160	1,500	78,390,380	
04. Res Total	1,558	71,266,265	61	5,728,075	122	13,186,870	1,741	90,181,210	1,251,295
% of Res Total	89.49	79.03	3.50	6.35	7.01	14.62	41.25	17.79	20.04
05. Com UnImp Land	73	309,550	8	57,960	12	332,735	93	700,245	
06. Com Improve Land	234	1,991,625	6	79,630	8	214,460	248	2,285,715	
07. Com Improvements	245	24,227,575	7	495,260	14	2,355,570	266	27,078,405	
08. Com Total	318	26,528,750	15	632,850	26	2,902,765	359	30,064,365	2,847,805
% of Com Total	88.58	88.24	4.18	2.10	7.24	9.66	8.51	5.93	45.60
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	0	0	0	0	
14. Rec Improve Land	0	0	0	0	0	0	0	0	
15. Rec Improvements	0	0	0	0	0	0	0	0	
16. Rec Total	0	0	0	0	0	0	0	0	0
% of Rec Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Res & Rec Total	1,558	71,266,265	61	5,728,075	122	13,186,870	1,741	90,181,210	1,251,295
% of Res & Rec Total	89.49	79.03	3.50	6.35	7.01	14.62	41.25	17.79	20.04
Com & Ind Total	318	26,528,750	15	632,850	26	2,902,765	359	30,064,365	2,847,805
% of Com & Ind Total	88.58	88.24	4.18	2.10	7.24	9.66	8.51	5.93	45.60
17. Taxable Total	1,876	97,795,015	76	6,360,925	148	16,089,635	2,100	120,245,575	4,099,100
% of Taxable Total	89.33	81.33	3.62	5.29	7.05	13.38	49.75	23.72	65.64

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	2	27,110	3,309,175	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	1	198,460	19,712,770	3	225,570	23,021,945
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
22. Total Sch II				3	225,570	23,021,945

Schedule III : Mineral Interest Records

Mineral Interest	Urban		SubUrban		Rural		Total		Growth
	Records	Value	Records	Value	Records	Value	Records	Value	
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	217	34	236	487

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	0	0	86	8,930,710	1,269	180,343,060	1,355	189,273,770
28. Ag-Improved Land	0	0	74	7,728,450	641	144,039,105	715	151,767,555
29. Ag Improvements	0	0	76	5,177,760	690	40,555,955	766	45,733,715
30. Ag Total							2,121	386,775,040

Schedule VI : Agricultural Records :Non-Agricultural Detail

	Urban			SubUrban			Growth
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	0	0.00	0	0	0.00	0	
32. HomeSite Improv Land	0	0.00	0	57	58.00	464,000	
33. HomeSite Improvements	0	0.00	0	57	58.00	3,952,915	
34. HomeSite Total							
35. FarmSite UnImp Land	0	0.00	0	1	0.50	1,500	
36. FarmSite Improv Land	0	0.00	0	70	208.87	542,365	
37. FarmSite Improvements	0	0.00	0	70	0.00	1,224,845	
38. FarmSite Total							
39. Road & Ditches	0	0.00	0	0	246.75	0	
40. Other- Non Ag Use	0	0.00	0	0	0.04	5	
	Records	Acres	Value	Records	Acres	Value	Growth
31. HomeSite UnImp Land	6	6.00	48,000	6	6.00	48,000	
32. HomeSite Improv Land	420	441.00	3,528,000	477	499.00	3,992,000	
33. HomeSite Improvements	427	430.00	28,090,990	484	488.00	32,043,905	2,145,995
34. HomeSite Total				490	505.00	36,083,905	
35. FarmSite UnImp Land	13	56.57	154,715	14	57.07	156,215	
36. FarmSite Improv Land	615	1,351.82	4,502,805	685	1,560.69	5,045,170	
37. FarmSite Improvements	657	0.00	12,464,965	727	0.00	13,689,810	0
38. FarmSite Total				741	1,617.76	18,891,195	
39. Road & Ditches	0	4,772.17	0	0	5,018.92	0	
40. Other- Non Ag Use	0	40.87	4,090	0	40.91	4,095	
41. Total Section VI				1,231	7,182.59	54,979,195	2,145,995

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	0	0.00	0	0	0.00	0

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	43,942.96	43.92%	105,463,115	57.09%	2,400.00
47. 2A1	6,409.96	6.41%	15,383,915	8.33%	2,400.00
48. 2A	11,291.72	11.29%	20,325,090	11.00%	1,800.00
49. 3A1	8,935.90	8.93%	12,510,265	6.77%	1,400.00
50. 3A	3,935.31	3.93%	5,509,435	2.98%	1,400.00
51. 4A1	12,930.48	12.92%	12,930,475	7.00%	1,000.00
52. 4A	12,602.54	12.60%	12,602,540	6.82%	1,000.00
53. Total	100,048.87	100.00%	184,724,835	100.00%	1,846.35
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	8,434.41	24.23%	8,434,405	27.70%	1,000.00
56. 2D1	2,051.51	5.89%	2,051,510	6.74%	1,000.00
57. 2D	4,674.02	13.43%	4,674,020	15.35%	1,000.00
58. 3D1	3,169.05	9.10%	2,535,245	8.33%	800.00
59. 3D	434.70	1.25%	347,760	1.14%	800.00
60. 4D1	7,384.97	21.21%	5,907,975	19.40%	800.00
61. 4D	8,664.21	24.89%	6,498,255	21.34%	750.01
62. Total	34,812.87	100.00%	30,449,170	100.00%	874.65
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	7,423.56	3.57%	5,574,280	4.82%	750.89
65. 2G1	2,563.24	1.23%	1,925,025	1.66%	751.01
66. 2G	7,171.31	3.45%	5,355,740	4.63%	746.83
67. 3G1	3,677.08	1.77%	2,757,835	2.38%	750.01
68. 3G	3,972.37	1.91%	2,953,280	2.55%	743.46
69. 4G1	32,606.24	15.69%	18,508,510	15.99%	567.64
70. 4G	150,442.54	72.38%	78,682,275	67.97%	523.01
71. Total	207,856.34	100.00%	115,756,945	100.00%	556.91
Irrigated Total					
	100,048.87	28.89%	184,724,835	55.67%	1,846.35
Dry Total					
	34,812.87	10.05%	30,449,170	9.18%	874.65
Grass Total					
	207,856.34	60.01%	115,756,945	34.89%	556.91
72. Waste	2,969.95	0.86%	743,115	0.22%	250.21
73. Other	657.45	0.19%	121,780	0.04%	185.23
74. Exempt	6,794.42	1.96%	0	0.00%	0.00
75. Market Area Total	346,345.48	100.00%	331,795,845	100.00%	957.99

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	0.00	0	6,278.63	11,421,625	93,770.24	173,303,210	100,048.87	184,724,835
77. Dry Land	0.00	0	892.75	782,490	33,920.12	29,666,680	34,812.87	30,449,170
78. Grass	0.00	0	5,543.34	3,363,250	202,313.00	112,393,695	207,856.34	115,756,945
79. Waste	0.00	0	301.17	75,310	2,668.78	667,805	2,969.95	743,115
80. Other	0.00	0	109.96	8,615	547.49	113,165	657.45	121,780
81. Exempt	0.00	0	361.86	0	6,432.56	0	6,794.42	0
82. Total	0.00	0	13,125.85	15,651,290	333,219.63	316,144,555	346,345.48	331,795,845

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	100,048.87	28.89%	184,724,835	55.67%	1,846.35
Dry Land	34,812.87	10.05%	30,449,170	9.18%	874.65
Grass	207,856.34	60.01%	115,756,945	34.89%	556.91
Waste	2,969.95	0.86%	743,115	0.22%	250.21
Other	657.45	0.19%	121,780	0.04%	185.23
Exempt	6,794.42	1.96%	0	0.00%	0.00
Total	346,345.48	100.00%	331,795,845	100.00%	957.99

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	85,772,355	90,181,210	4,408,855	5.14%	1,251,295	3.68%
02. Recreational	0	0	0		0	
03. Ag-Homesite Land, Ag-Res Dwelling	33,916,030	36,083,905	2,167,875	6.39%	2,145,995	0.06%
04. Total Residential (sum lines 1-3)	119,688,385	126,265,115	6,576,730	5.49%	3,397,290	2.66%
05. Commercial	24,589,610	30,064,365	5,474,755	22.26%	2,847,805	10.68%
06. Industrial	0	0	0		0	
07. Ag-Farmsite Land, Outbuildings	16,059,725	18,891,195	2,831,470	17.63%	0	17.63%
08. Minerals	0	0	0		0	
09. Total Commercial (sum lines 5-8)	40,649,335	48,955,560	8,306,225	20.43%	2,847,805	13.43%
10. Total Non-Agland Real Property	160,337,720	175,224,770	14,887,050	9.28%	6,245,095	5.39%
11. Irrigated	183,609,015	184,724,835	1,115,820	0.61%		
12. Dryland	30,845,595	30,449,170	-396,425	-1.29%		
13. Grassland	116,358,010	115,756,945	-601,065	-0.52%		
14. Wasteland	737,735	743,115	5,380	0.73%		
15. Other Agland	130,805	121,780	-9,025	-6.90%		
16. Total Agricultural Land	331,681,160	331,795,845	114,685	0.03%		
17. Total Value of all Real Property (Locally Assessed)	492,018,880	507,020,615	15,001,735	3.05%	6,245,095	1.78%

Pamella K. Arnold
Valley County Assessor
125 S. 15th
Ord, NE 68862
(308) 728-5081
Fax: (308) 728-7725

2011

Plan of Assessment

Due July 31, 2011

Introduction:

Required by Law. Pursuant to Section 77-1311, as amended by 2001 Neb. Laws LB 263, Section 9, the assessor shall submit a 3 Year Plan of Assessment to the County Board of Equalization on or before June 15, 2006, and every year thereafter. The Plan of Assessment shall be updated each year, on or before June 15th. This plan and any update is to examine the level of value, quality, and uniformity of assessment in the county and include any proposed actions to be taken for the following year for the purpose of assuring uniform and proportionate assessments of real property.

Personnel Policy:

Valley County has a Personnel Policy last revised in April 2009.

Personnel Count:

The office is comprised of the County Assessor, the Deputy Assessor and one full-time clerk. One hourly clerk is employed to certain assigned duties to help ease the work burden.

Responsibilities:

Record Maintenance / Mapping – Reg. 10-004.03:

The County Assessor maintains the cadastral maps. Ownership and description are kept current and updated as each real estate transfer is processed. The Cadastral Maps are circa 1965. The condition of the four books would best be described as Poor. New maps would be beneficial; however, I do not foresee such changes occurring due to financial restraints. We will be rolling over to the GIS mapping system in January 2012.

Property Record Cards – Reg 10-004:

The County Assessor maintains both a computer ATR (Assessment Tax Record) / Appraisal record and a physical file folder. To the best of my knowledge, the rules and regulations are followed and include the required legal description, ownership, classification coding and all other pertinent information.

Report Generation:

This includes the Abstract of Assessment – Reg. 60-004.02 due March 19th, the Certificate of Valuation due August 20th, the School District Value Report due August 25th, the Certificate of Taxes Levied due December 1st, the Tax List Corrections- Reason (Reg. 10-0029A) and the generation of the Tax Roll to be delivered to the Treasurer by November 22nd.

Filing for Homestead Exemption:

All applications for Homestead Exemption and related forms are accepted per §77-3510 through §77-3528.

The full time clerk now oversees the daily administration of this program and provides verbal progress reports to the County Assessor. Courtesy correspondence is mass-mailed to all pre-printed form applicants and other individuals noted on a separate roster. Upon request from the applicant or agent thereof, applicable forms are mailed. Advertisements are posted in the local designated newspaper and other public relations acts may also occur. As a final courtesy, another correspondence is mailed approximately two weeks prior to the deadline to the remaining individuals to encourage their participation. The final weeks often illustrate the staff's diligent attempts to have complete success with the homestead exemption program.

For 2011, the county board did not vote to extend the deadline to July 20th under §77-3512.

The Department of Revenue count for Homestead Exemption for 2010 was 248 applications approved. Form 458S exempted \$9,772,825 in valuation and the tax loss was \$234,904.08.

Filing for Personal Property:

As per Reg. 20 and applicable statutes. Staff oversees the daily administration of personal property and provides County Assessor with verbal progress reports. Local addresses are abstracted from the first mass mailing of personal property forms in January to reduce costs. Schedules that bear out-of-county/state are mailed. Advertisements are placed in the local newspaper to attract public awareness. A mass mailing of all remaining schedules / correspondence occurs by April. Due to the high cost of postage we no longer mail courtesy reminders. After May 1st we mail out schedules that haven't been filed with a 10% penalty & encourage them to file prior to August 1st to avoid a 25% penalty. The Personal Property Abstract is generated by June 15th deadline and is based upon all known schedules at this point in time.

Real Estate:

Real Property:

Level of Value:

2011 Level of Value for Residential is 97%; quality of assessment is acceptable. Commercial at 93%, quality of assessment is acceptable. Agricultural Land at 74%, quality of assessment is acceptable.

PA&T 2011 R&O Statistics dated 05/12/2011 read as follows:											
Residential :	# Sales	Median	Mean	Aggregate	COD (Median)	COV (Mean)	STD	AAD	PRD	MAX Sales Ratio	MIN Sales Ratio
Qualified	108	97	95	93.85	9.78	15.42	15.08	09.45	103.19	159.29	43.72
Commercial:											
Qualified	17	93	86	96.36	19.22	26.11	22.54	17.82	109.93	121.46	37.65
Agricultural: Unimproved											
Qualified	56	74	79	71.21	17.72	23.94	18.86	13.09	105.66	142.76	52.05

Residential: The city and villages are driven on an annual basis to review the exterior of the residential housing units and other neighborhood improvements. Data entry of the components is revised upon the discovery with the following year's "pick-up" work. This does not occur as readily in the rural areas because of time, access and budget restraints. All Residential improvements are on M&S pricing for 06/03. Plan to implement newest up to date pricing for 2012.

Commercial: Sales properties are reviewed and questionnaire's sent out at the time of sale to get as much information as possible. Commercial properties are also on M & S pricing for 06/03. Reappraisal in progress for all Commercial property. Will be implemented in 2012. Will also have newest pricing implemented.

Agricultural: The improvements in the rural areas are now all on M & S 06/03 pricing. We have just completed the fourth tier of our rural improvements & land use checks per FSA maps which are obtained with property owners permission. Appraiser continues to do sales studies to keep depreciation updated. It is to be understood that many maps are obtained from the FSA annually to review land use due to property owner's requests, real estate sales transactions, UCC filings, "drive-by" observances, etc. As we did each tier of the County, we tried to obtain permission from land owners to get FSA maps to check land use & make sure our records are correct. Property owners brought in maps to check their irrigated acres so we could certify them to NRD. We typed labels for all parcels that have irrigated acres so NRD can do a mass mailing to get their irrigated acres certified. Irrigated acres were certified to FSA by January 1, 2008.

No market areas have been defined as I continue to study sales and seek expertise from local representatives regarding this situation.

Computer Review:

The computer system is Terra-Scan, Automated Systems, Inc of Lincoln, NE. GIS system is now being implemented. Ages of all photos range from current back to 1997 on all classes of property. A digital camera, which is compatible, was recently purchased and such photography project is in process as time permits. Sketches regarding residential housing units exist in each respective file folder and the project was completed during 2002. Maintenance as indicated.

Sketches of the commercial properties exist in each respective file folder. The commercial sketches have been entered into the computer system. This is a project intended for further revision / completion as physical review occurs.

Sketches of the rural housing exist in each respective file folder. Maintenance as indicated. The rural improvement site sketches are being entered into the computer system. Information is available in each respective physical file folder.

Many tools offered by Terra-Scan remain idle due to lack of knowledge and training sessions. Further educational classes should be pursued; however, time and budgetary restraints continue to negatively affect this area also.

Pricing / Depreciation:

New pricing: Plan to go with more up to date pricing from M & S for 2012. New depreciation tables were established by appraiser Larry Rexroth based upon his sales study on residential properties in North Loup & Elyria Villages.

Pickup Work:

The resources used to collect this data include building permits, zoning permits, owner (or other interested person) reporting, UCC filings, real estate sales transaction reviews, Register of Deed's Miscellaneous Book contents, anonymous leads, the local newspaper, drive-by observances, etc.

All classes of property are monitored for the collection of specific data relative to new construction, remodeling, renovations, additions, alterations and removals of existing improvements / structures, land use changes, etc. See 50-001.06. The field data is ordinary monitored by the full-time clerk throughout the course of the tax year and provides progress reports to the County Assessor. Data collection includes photography of the subject property. The purchase of a video camera occurred June 2002 and will assist with future appraisal maintenance. The County Assessor determines the assessed value and in recent years, expanded the Deputy Assessor duties to provide assistance. The majority of all "pick-up work" is completed by the office and not from outside appraisal services.

Sales Review:

Every attempt to timely file the 521's – Reg. 12-003 does occur on a monthly basis.

The real estate transfers once received from the Register of Deeds are given priority attention. It is a joint venture with contributions from the entire staff. The Assessor mails questionnaires and correspondence out to the Grantor and Grantee. Policy is to allow two weeks response time prior to any follow-up activity. All office records, computer, cadastral maps are updated. Sales book and photo bulletin board on residential transaction is staff-maintained for the benefit of the public sector.

Correspondence is mailed to current property owner to schedule appointment to complete an on-site physical inspection to review accuracy of property record file two to three times annually. The goal this year is to set aside specific dates each month to physically review the real estate transaction prior to mailing such forms and supplements to PA&T. Currently, such inspections are underway to bring the office closer to this goal and then proceed on a regular basis. Another procedure that is being done is to take adjacent property record files and complete an exterior review of the properties that aren't included with the sales file. Usually, a drive by of the neighborhood will include watching for new construction, renovations, etc. Any changes noted will result in the respective file being tagged for further review.

Office is striving to complete interior/exterior review of each residential and commercial transaction. More focus does need to occur on the rural residential and agricultural transactions. Agricultural properties have a high ratio of FSA section maps and land use reviews occurring. The County Assessor reviews each real estate transfer and ensuing information so collected prior to forwarding Form 521 to P.A.T. for their processing. The worksheets are now sent over the computer to P.A.T. The review includes discussion of the questionnaire responses, interviews that occurred with grantor, grantee, realtors, etc along with land use review, possible zoning use changes, coding changes, data listing, discovery as examples to determine whether transaction is a qualified sale or not. Further research may occur. The Assessor assigns a preliminary use coding and County Assessor assigns a final use coding. It is interesting to note that all the responses received from grantor and grantee may differ to a great extent; the same is true in discussion with information given to this office verses information given to state personnel or what a participating realtor may provide in sharing of information.

Valley County usually averages 100-150 real estate transfer forms on an annual basis. This office has taken great strides to monitor this program with greater accuracy in recent years. The questionnaire response rate is good; averaging at a 50% response overall and has been a good indicator that the majority of our records are accurate in listing data. The majority of the on-site physical reviews have been representative of the data listing of the property file also.

2012: Review Residential properties in at least one of the villages, depending on funds required for such a project. Plan to do Arcadia Village for 2012. Plan to go to more up to date pricing for 2012 as we are currently on 06/03 pricing. Wanted to get the whole county on same pricing first. My appraiser will do new sales studies and create new depreciation tables for residential properties. I hope to do Arcadia Village for 2012. We have a two year contract with Stanard Appraisal to do the Commercial properties in the County. Will go on line in 2012. Commercial will also have more up to date pricing for 2012.

2013: Review Residential properties in part of Ord City depending on funds required for such a project. Won't be able to get funding for all of Ord City with tight budget restraints.

2014: Review Residential properties in Ord City that didn't get reviewed in 2013. Would strive to complete review of all Residential properties in the County.

Property record files reflect a computer code for tax districts. The real estate cards also show school district codes. New cards are being made for all the parcels in the County. Project of entering rural improvement site sketches began August 2004 and is completed. We have completed entering information in the GIS mapping program & plan to roll over to the GIS mapping system in January 2012.

Budget:

The fiscal budget submitted by the Assessor for 2011/2012 was \$166,341.03. Of the 166,341.03 submitted, 106,561.03 is associated with salaries & 22,000 is associated with office services, expenses and supplies, 37,780 for appraisal fees. The outcome of any pending county board action will be known in the near future. If we aren't allowed what is budgeted we may not be able to achieve the plan of assessment set forth. I did hire a full time employee & one employee still works 61 hours a month. The budget won't be submitted by July 31st for 2011/2012. So the above figures could change. The updated Plan of Assessment will reflect those changes.

The County Board had me add my appraisal fees to my budget. I no longer have a separate appraisal budget. Now that we have GIS mapping and a web site, will have to pay maintenance on those for 2012. I have been told that the County Board plans to cut budgets this year so not sure if I will be able to complete the plan of assessment as outlined if they cut my budget. I am sure that if they do look for areas to cut it will be my appraisal budget. We did get a web site with the \$15,000 grant and was put into place January 2011.

Pamella K. Arnold
Valley County Assessor

Date

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2012 Assessment Survey for Valley County

A. Staffing and Funding Information

1.	Deputy(ies) on staff:
	One
2.	Appraiser(s) on staff:
	None
3.	Other full-time employees:
	One
4.	Other part-time employees:
	One
5.	Number of shared employees:
	None
6.	Assessor's requested budget for current fiscal year:
	\$166,341.03
7.	Adopted budget, or granted budget if different from above:
	Same as above
8.	Amount of the total assessor's budget set aside for appraisal work:
	\$37,780
9.	If appraisal/reappraisal budget is a separate levied fund, what is that amount:
	N/A
10.	Part of the assessor's budget that is dedicated to the computer system:
	\$11,600
11.	Amount of the assessor's budget set aside for education/workshops:
	\$1,700
12.	Other miscellaneous funds:
	None
13.	Amount of last year's assessor's budget not used:
	Approximately \$3,216.68

B. Computer, Automation Information and GIS

1.	Administrative software:
	Terra Scan
2.	CAMA software:
	Terra Scan
3.	Are cadastral maps currently being used?
	Once in a while
4.	If so, who maintains the Cadastral Maps?
	Assessor and staff
5.	Does the county have GIS software?
	Yes

6.	Is GIS available on a website? If so, what is the name of the website?
	Yes – valley.gisworkshop.com
7.	Who maintains the GIS software and maps?
	Deputy and Clerk
8.	Personal Property software:
	Terra Scan

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?
	Ord, North Loup, Arcadia and Elyria
4.	When was zoning implemented?
	1999

D. Contracted Services

1.	Appraisal Services:
	Larry Rexroth
2.	Other services:
	Stanard Appraisal

2012 Certification for Valley 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 Valley 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

