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2013 Commission Summary for Howard County

Residential Real Property - Current

Number of Sales	128	Median	98.71
Total Sales Price	\$11,679,055	Mean	100.18
Total Adj. Sales Price	\$11,679,055	Wgt. Mean	96.23
Total Assessed Value	\$11,238,860	Average Assessed Value of the Base	\$73,407
Avg. Adj. Sales Price	\$91,243	Avg. Assessed Value	\$87,804

Confidence Interval - Current

95% Median C.I	97.64 to 99.54
95% Wgt. Mean C.I	93.75 to 98.71
95% Mean C.I	96.73 to 103.63
% of Value of the Class of all Real Property Value in the	22.57
% of Records Sold in the Study Period	5.26
% of Value Sold in the Study Period	6.29

Residential Real Property - History

Year	Number of Sales	LOV	Median
2012	122	99	98.64
2011	148	96	96
2010	167	97	97
2009	165	98	98

2013 Commission Summary for Howard County

Commercial Real Property - Current

Number of Sales	13	Median	98.60
Total Sales Price	\$754,800	Mean	108.93
Total Adj. Sales Price	\$754,800	Wgt. Mean	84.15
Total Assessed Value	\$635,143	Average Assessed Value of the Base	\$82,873
Avg. Adj. Sales Price	\$58,062	Avg. Assessed Value	\$48,857

Confidence Interval - Current

95% Median C.I	68.35 to 112.65
95% Wgt. Mean C.I	63.81 to 104.48
95% Mean C.I	66.07 to 151.79
% of Value of the Class of all Real Property Value in the County	4.20
% of Records Sold in the Study Period	3.24
% of Value Sold in the Study Period	1.91

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2012	13		96.72
2011	15		99
2010	21	98	98
2009	23	98	98

2013 Opinions of the Property Tax Administrator for Howard 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	72	Does not meet generally accepted mass appraisal practices.	MrktArea:all; Dry; +43%

***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 5th day of April, 2013.



Ruth A. Sorensen

Ruth A. Sorensen
Property Tax Administrator

2013 Residential Assessment Actions for Howard County

Howard County updated their residential pricing and applied 06/2008 Marshall/Swift costing to existing data countywide in 2009.

All sales are reviewed through research of the deed, supplemental questionnaires to buyers and sellers and on-site reviews of the property as deemed appropriate. Additional resources such as attorney and real estate agents are utilized in this process to acquire more accurate information concerning sales. Permits are logged and reviewed for specific property activities and notable changes to the property valuations.

A complete review of all residential properties in all the small towns in Howard County: Boelus, Cotesfield, Cushing, Dannebrog, Elba, Farwell and St Libory were performed for 2013. All properties were physically inspected, with new photos taken. All corrections were made to the property records. A lot study was performed based on sales comparison and availability. A revaluation was then completed based on cost and sales comparison. There was no overall percentage adjustment used, but rather each property looked at separately due to previous equalization issues.

Also a complete review of all improved properties in Market Area 7300 was performed for 2013. All properties were physically inspected, with new photos taken. All corrections were made to the property records. A revaluation will be completed next year, in conjunction with the review of the rest of the counties improved rural parcels.

All residential pick-up work and building permits were reviewed and completed in a timely manner. A ratio study was completed on all other residential properties to identify any adjustments or other assessment actions that are necessary to properly value the residential class of real property.

2012 Residential Assessment Survey for Howard County

1.	Valuation data collection done by:	
	Assessor and 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>
	1	(St. Paul): St. Paul is the largest town in Howard County, with a population of 2,218. It is the county seat located on US Highway 281, 20 miles north of Grand Island. St. Paul has an active trade, business center for a prosperous ag area – predominantly irrigated crops. Housing market is very active, with a lot of St. Paul residents commuting to Grand Island for work.
	2	(Small Towns): This valuation group consists of the following seven small town/villages dispersed throughout the county: Boelus, Cotesfield, Cushing, Dannebrog, Elba, Farwell, and St. Libory. These towns each have a population of 350 or less, have very limited trade or business, but enjoy an active housing market.
	3	(Rural): This valuation group includes all residential property sales throughout the county of tracts that are 25 acres or less. There is an active market of rural residential sales due to desirable rural homesites in the area of or overlooking three river valleys that cross through the county. Many of these rural residential sites provide housing for people who are employed in Grand Island.
3.	List and describe the approach(es) used to estimate the market value of residential properties.	
	Cost and Sale Comparison	
4	What is the costing year of the cost approach being used for each valuation grouping?	
	2008	
5.	If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?	
	Combination of tables provided by Vendor and depreciation studies per market	
6.	Are individual depreciation tables developed for each valuation grouping?	
	Depreciation tables are developed on a county wide basis and then modified with economic depreciation developed for individual valuation groups.	
7.	When were the depreciation tables last updated for each valuation grouping?	
	Each year when the sales are reviewed	
8.	When was the last lot value study completed for each valuation grouping?	
	Lot studies are completed when a valuation group is reviewed. Latest study was St. Paul in 2012.	
9.	Describe the methodology used to determine the residential lot values?	
	Sales Comparison and availability	

10.	How do you determine whether a sold parcel is substantially changed?
	Review of questionnaire, building permits, and any other routine office/field work that results in awareness that there may be a substantial change in the physical or structural nature of the property. Change is then reviewed and determination made whether it is substantial or not, based on the structure – not a value/percentage based decision.

**47 Howard
RESIDENTIAL**

PAD 2013 R&O Statistics (Using 2013 Values)

Qualified

Date Range: 10/1/2010 To 9/30/2012 Posted on: 1/23/2013

Number of Sales : 128
 Total Sales Price : 11,679,055
 Total Adj. Sales Price : 11,679,055
 Total Assessed Value : 11,238,860
 Avg. Adj. Sales Price : 91,243
 Avg. Assessed Value : 87,804

MEDIAN : 99
 WGT. MEAN : 96
 MEAN : 100
 COD : 08.62
 PRD : 104.10

COV : 19.90
 STD : 19.94
 Avg. Abs. Dev : 08.51
 MAX Sales Ratio : 264.73
 MIN Sales Ratio : 64.31

95% Median C.I. : 97.64 to 99.54
 95% Wgt. Mean C.I. : 93.75 to 98.71
 95% Mean C.I. : 96.73 to 103.63

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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-OCT-10 To 31-DEC-10	16	98.34	95.62	90.38	06.97	105.80	64.31	120.78	95.57 to 99.28	87,373	78,970
01-JAN-11 To 31-MAR-11	14	96.51	94.84	92.24	07.06	102.82	77.81	115.25	81.90 to 100.53	83,521	77,037
01-APR-11 To 30-JUN-11	14	99.31	95.62	94.42	04.43	101.27	69.88	101.37	94.45 to 99.96	110,221	104,067
01-JUL-11 To 30-SEP-11	21	99.49	97.87	96.43	05.35	101.49	69.66	116.88	94.60 to 99.96	109,998	106,076
01-OCT-11 To 31-DEC-11	11	97.93	100.19	100.11	05.24	100.08	91.97	123.24	92.92 to 103.83	87,436	87,535
01-JAN-12 To 31-MAR-12	14	98.20	100.98	97.94	07.16	103.10	80.61	132.00	95.31 to 107.01	88,238	86,422
01-APR-12 To 30-JUN-12	20	98.34	105.47	97.27	16.45	108.43	68.94	264.73	94.76 to 100.76	83,600	81,320
01-JUL-12 To 30-SEP-12	18	100.44	108.15	101.69	12.20	106.35	89.99	192.42	96.67 to 109.09	77,200	78,504
<u>Study Yrs</u>											
01-OCT-10 To 30-SEP-11	65	98.78	96.18	93.87	06.00	102.46	64.31	120.78	97.21 to 99.49	98,774	92,717
01-OCT-11 To 30-SEP-12	63	98.61	104.31	99.12	11.33	105.24	68.94	264.73	97.63 to 100.76	83,472	82,735
<u>Calendar Yrs</u>											
01-JAN-11 To 31-DEC-11	60	98.98	97.06	95.69	05.59	101.43	69.66	123.24	97.10 to 99.72	99,736	95,433
<u>ALL</u>	128	98.71	100.18	96.23	08.62	104.10	64.31	264.73	97.64 to 99.54	91,243	87,804

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	73	99.45	102.07	99.75	05.63	102.33	85.60	264.73	98.63 to 99.78	93,411	93,180
02	23	98.07	99.98	99.20	06.70	100.79	80.00	128.89	94.76 to 99.77	51,130	50,723
03	32	95.14	96.01	88.76	16.61	108.17	64.31	192.42	81.90 to 99.83	115,126	102,191
<u>ALL</u>	128	98.71	100.18	96.23	08.62	104.10	64.31	264.73	97.64 to 99.54	91,243	87,804

PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	128	98.71	100.18	96.23	08.62	104.10	64.31	264.73	97.64 to 99.54	91,243	87,804
06											
07											
<u>ALL</u>	128	98.71	100.18	96.23	08.62	104.10	64.31	264.73	97.64 to 99.54	91,243	87,804

**47 Howard
RESIDENTIAL**

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 MEAN : 100
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 STD : 19.94
 Avg. Abs. Dev : 08.51
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 95% Wgt. Mean C.I. : 93.75 to 98.71
 95% Mean C.I. : 96.73 to 103.63

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SALE PRICE *											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
<u>Low \$ Ranges</u>												
Less Than 5,000	1	80.00	80.00	80.00	00.00	100.00	80.00	80.00	N/A	700	560	
Less Than 15,000	5	132.00	155.61	176.60	40.64	88.11	80.00	264.73	N/A	7,940	14,022	
Less Than 30,000	16	101.07	117.09	109.90	22.70	106.54	80.00	264.73	95.98 to 108.90	18,325	20,139	
<u>Ranges Excl. Low \$</u>												
Greater Than 4,999	127	98.78	100.34	96.23	08.53	104.27	64.31	264.73	97.64 to 99.59	91,956	88,491	
Greater Than 14,999	123	98.61	97.93	95.96	06.33	102.05	64.31	128.89	97.63 to 99.48	94,629	90,803	
Greater Than 29,999	112	98.59	97.77	95.88	06.49	101.97	64.31	128.89	97.62 to 99.35	101,659	97,470	
<u>Incremental Ranges</u>												
0 TO 4,999	1	80.00	80.00	80.00	00.00	100.00	80.00	80.00	N/A	700	560	
5,000 TO 14,999	4	162.21	174.51	178.34	33.33	97.85	108.90	264.73	N/A	9,750	17,388	
15,000 TO 29,999	11	99.54	99.58	99.45	04.38	100.13	85.60	108.24	95.97 to 108.20	23,045	22,919	
30,000 TO 59,999	26	99.56	100.43	101.04	06.56	99.40	68.94	128.89	97.63 to 101.33	43,769	44,223	
60,000 TO 99,999	39	98.98	100.27	100.23	04.37	100.04	91.99	124.36	97.21 to 99.83	77,242	77,416	
100,000 TO 149,999	22	98.08	97.70	97.32	06.38	100.39	71.75	116.88	94.45 to 99.59	123,995	120,674	
150,000 TO 249,999	25	95.57	91.14	90.80	09.05	100.37	64.31	109.66	90.85 to 98.06	180,301	163,712	
250,000 TO 499,999												
500,000 TO 999,999												
1,000,000 +												
<u>ALL</u>	128	98.71	100.18	96.23	08.62	104.10	64.31	264.73	97.64 to 99.54	91,243	87,804	

2013 Correlation Section for Howard County

A. Residential Real Property

Howard County is located in central Nebraska with St. Paul being the county seat, located 20 miles north of Grand Island on Highway 281.

Howard County had a total of 128 improved, qualified residential sales during the two year study period (October 1, 2012 to September 30, 2012), which is considered an adequate and reliable sample for the measurement of the residential class of real property in Howard County. The residential class of property in Howard County is made up of three separate valuation groups, each of which contained 23 or more sales.

The county reviews all sales through research of the deed, supplemental questionnaires to buyers and sellers and on-site reviews of the property as deemed appropriate. When necessary an attorney and/or real estate agents involved in the sale are contacted to obtain more accurate or additional information. The liaison also reviewed all non-qualified sales and there is confidence that all arm's length sales are being used in the sales file without bias.

Building permits are logged and reviewed for specific property activities and notable changes to the property valuations. All residential pick-up work and building permits were reviewed and completed on schedule. A ratio study was completed on all residential properties to identify any adjustments or other assessment actions that are necessary to properly value the residential class of real property.

During 2011 the Department's Property Assessment Division implemented a cyclical review process to conduct an assessment practices review of one-third of the counties within the state. Howard County was one of those selected. Within the residential class the review confirmed that the county assessor adheres to generally accepted mass appraisal standards, property tax laws, regulations, manuals, and directives issued by the Department of Revenue. Howard County assessment actions are reliable and are being applied consistently. The County does all of their own listing, pickup and revaluation work. Howard County is on schedule to complete the 6 year inspection requirement in 2014. The schedule is ambitious, doable, and similar to the workload just completed in 2012.

For 2013 a complete review, physical inspection, photos, property record updates, lot study and revaluation was completed on all Valuation Group 2 (Small Towns) properties. Also a complete review of all improved properties in Market Area 7300 was performed in 2013. All corrections were made to the property records. A revaluation will be completed next year, in conjunction with the review of the rest of the counties improved rural parcels. No other residential assessment actions or adjustments were made to the residential class.

It is the opinion of the Division that the level of value for Howard County residential real property is within the acceptable range and it is best measured by the median measure of central tendency. The median measure was calculated using a sufficient number of sales and because the county applies assessment practices to the sold and unsold parcels in a similar manner, the median ratio calculated from the sales file accurately reflects the level of value for the population. All the valuation groups that are adequately represented in the sales file are

**2013 Correlation Section
for Howard County**

within the acceptable range of 92% to 100%.

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 a uniform and proportionate manner.

**2013 Correlation Section
for Howard 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.

2013 Correlation Section for Howard 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.

2013 Correlation Section for Howard 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.

Note that as market activity changes or as the complexity of properties increases, the measures of variability usually increase, even though appraisal procedures may be equally valid. Standard on Ratio Studies—2010, International Association of Assessing Officers, (2010), p. 13.

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

**2013 Correlation Section
for Howard County**

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 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.

2013 Commercial Assessment Actions for Howard County

Howard County implemented a new Commercial Appraisal in 2009, completed by Stanard Appraisal.

Annually the county conducts a market analysis that includes the qualified commercial sales that occurred during the current study period (October 1, 2009 through September 30, 2012). The review and analysis is done to identify any adjustments or other assessment actions that are necessary to properly value the commercial class of real property.

Typically, the county plans to accomplish a portion of the required 6 year inspection process. However, due to the new commercial appraisal in 2009, no commercial inspections were done for 2013 other than pick up work. Permits are logged and reviewed for specific property activities and notable changes to the property valuations.

Howard County did not adjust commercial property values for 2013.

2012 Commercial Assessment Survey for Howard County

1.	Valuation data collection done by:	
	Assessor and 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>
	1	(St. Paul): St. Paul is the largest town in Howard County, with a population of 2,218. It is the county seat located on US Highway 281, 20 miles north of Grand Island. St. Paul has an active trade, business center for a prosperous ag area predominantly irrigated crops. A lot of St. Paul residents commuting to Grand Island for work.
	2	(Small Towns): This valuation group consists of the following seven small town/villages dispersed throughout the county: Boelus, Cotesfield, Cushing, Dannebrog, Elba, St. Libory and Farwell. These towns each have a population of 350 or less, have very limited trade or business, but enjoy an active housing market.
	3	(Rural): This valuation group includes all rural commercial sales throughout the county located outside city boundaries.
3.	List and describe the approach(es) used to estimate the market value of commercial properties.	
	Sales Comparison, Income and Costing	
3a.	Describe the process used to value unique commercial properties.	
	Physical inspection, joint review with commercial appraiser and locate comparable sales using new sate sales file query.	
4.	What is the costing year of the cost approach being used for each valuation grouping?	
	2008	
5.	If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?	
	Combination of tables provided by Vendor and depreciation studies per market	
6.	Are individual depreciation tables developed for each valuation grouping?	
	Depreciation tables are developed on a county wide basis and then modified with economic depreciation developed for individual valuation groups.	
7.	When were the depreciation tables last updated for each valuation grouping?	
	Annually when sales are reviewed	
8.	When was the last lot value study completed for each valuation grouping?	
	2009	
9.	Describe the methodology used to determine the commercial lot values.	
	Sales	
10.	How do you determine whether a sold parcel is substantially changed?	
	Review of questionnaire, building permits, and any other routine office/field work	

<p>that results in awareness that there may be a substantial change in the physical or structural nature of the property. Change is then reviewed and determination made whether it is substantial or not, based on the structure – not a value/percentage based decision.</p>
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47 Howard
COMMERCIAL

PAD 2013 R&O Statistics (Using 2013 Values)

Qualified

Date Range: 10/1/2009 To 9/30/2012 Posted on: 1/23/2013

Number of Sales : 13
Total Sales Price : 754,800
Total Adj. Sales Price : 754,800
Total Assessed Value : 635,143
Avg. Adj. Sales Price : 58,062
Avg. Assessed Value : 48,857

MEDIAN : 99
WGT. MEAN : 84
MEAN : 109
COD : 36.82
PRD : 129.45

COV : 65.11
STD : 70.92
Avg. Abs. Dev : 36.30
MAX Sales Ratio : 325.40
MIN Sales Ratio : 39.29

95% Median C.I. : 68.35 to 112.65
95% Wgt. Mean C.I. : 63.81 to 104.48
95% Mean C.I. : 66.07 to 151.79

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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-OCT-09 To 31-DEC-09	1	92.10	92.10	92.10	00.00	100.00	92.10	92.10	N/A	55,000	50,657	
01-JAN-10 To 31-MAR-10	1	112.65	112.65	112.65	00.00	100.00	112.65	112.65	N/A	120,000	135,184	
01-APR-10 To 30-JUN-10	2	102.38	102.38	97.50	05.88	105.01	96.36	108.40	N/A	116,000	113,098	
01-JUL-10 To 30-SEP-10												
01-OCT-10 To 31-DEC-10	1	84.08	84.08	84.08	00.00	100.00	84.08	84.08	N/A	59,000	49,610	
01-JAN-11 To 31-MAR-11	1	104.11	104.11	104.11	00.00	100.00	104.11	104.11	N/A	24,500	25,506	
01-APR-11 To 30-JUN-11	2	68.95	68.95	43.65	43.02	157.96	39.29	98.60	N/A	34,000	14,842	
01-JUL-11 To 30-SEP-11												
01-OCT-11 To 31-DEC-11												
01-JAN-12 To 31-MAR-12	1	325.40	325.40	325.40	00.00	100.00	325.40	325.40	N/A	500	1,627	
01-APR-12 To 30-JUN-12	3	98.98	104.14	77.31	25.84	134.70	68.35	145.10	N/A	31,933	24,688	
01-JUL-12 To 30-SEP-12	1	42.62	42.62	42.62	00.00	100.00	42.62	42.62	N/A	100,000	42,616	
<u>Study Yrs</u>												
01-OCT-09 To 30-SEP-10	4	102.38	102.38	101.24	07.96	101.13	92.10	112.65	N/A	101,750	103,009	
01-OCT-10 To 30-SEP-11	4	91.34	81.52	69.17	21.72	117.85	39.29	104.11	N/A	37,875	26,200	
01-OCT-11 To 30-SEP-12	5	98.98	136.09	60.27	72.65	225.80	42.62	325.40	N/A	39,260	23,661	
<u>Calendar Yrs</u>												
01-JAN-10 To 31-DEC-10	4	102.38	100.37	100.00	09.91	100.37	84.08	112.65	N/A	102,750	102,748	
01-JAN-11 To 31-DEC-11	3	98.60	80.67	59.66	21.92	135.22	39.29	104.11	N/A	30,833	18,397	
<u>ALL</u>	13	98.60	108.93	84.15	36.82	129.45	39.29	325.40	68.35 to 112.65	58,062	48,857	

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	92.10	80.34	76.31	26.33	105.28	39.29	112.65	39.29 to 112.65	64,429	49,165	
02	5	104.11	151.46	94.50	55.29	160.28	84.08	325.40	N/A	18,760	17,728	
03	1	96.36	96.36	96.36	00.00	100.00	96.36	96.36	N/A	210,000	202,348	
<u>ALL</u>	13	98.60	108.93	84.15	36.82	129.45	39.29	325.40	68.35 to 112.65	58,062	48,857	

PROPERTY TYPE *											Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.			
02												
03	13	98.60	108.93	84.15	36.82	129.45	39.29	325.40	68.35 to 112.65	58,062	48,857	
04												
<u>ALL</u>	13	98.60	108.93	84.15	36.82	129.45	39.29	325.40	68.35 to 112.65	58,062	48,857	

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Qualified

Date Range: 10/1/2009 To 9/30/2012 Posted on: 1/23/2013

Number of Sales : 13
 Total Sales Price : 754,800
 Total Adj. Sales Price : 754,800
 Total Assessed Value : 635,143
 Avg. Adj. Sales Price : 58,062
 Avg. Assessed Value : 48,857

MEDIAN : 99
 WGT. MEAN : 84
 MEAN : 109
 COD : 36.82
 PRD : 129.45

COV : 65.11
 STD : 70.92
 Avg. Abs. Dev : 36.30
 MAX Sales Ratio : 325.40
 MIN Sales Ratio : 39.29

95% Median C.I. : 68.35 to 112.65
 95% Wgt. Mean C.I. : 63.81 to 104.48
 95% Mean C.I. : 66.07 to 151.79

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SALE PRICE *											
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Low \$ Ranges</u>											
Less Than 5,000	2	235.25	235.25	162.11	38.32	145.12	145.10	325.40	N/A	2,650	4,296
Less Than 15,000	3	145.10	189.70	131.28	52.10	144.50	98.60	325.40	N/A	3,433	4,507
Less Than 30,000	6	106.26	146.77	108.12	43.48	135.75	98.60	325.40	98.60 to 325.40	12,133	13,119
<u>Ranges Excl. Low \$</u>											
Greater Than 4,999	11	96.36	85.96	83.60	18.52	102.82	39.29	112.65	42.62 to 108.40	68,136	56,959
Greater Than 14,999	10	94.23	84.69	83.50	20.60	101.43	39.29	112.65	42.62 to 108.40	74,450	62,162
Greater Than 29,999	7	84.08	76.49	81.59	25.63	93.75	39.29	112.65	39.29 to 112.65	97,429	79,490
<u>Incremental Ranges</u>											
0 TO 4,999	2	235.25	235.25	162.11	38.32	145.12	145.10	325.40	N/A	2,650	4,296
5,000 TO 14,999	1	98.60	98.60	98.60	00.00	100.00	98.60	98.60	N/A	5,000	4,930
15,000 TO 29,999	3	104.11	103.83	104.31	03.02	99.54	98.98	108.40	N/A	20,833	21,730
30,000 TO 59,999	2	88.09	88.09	87.95	04.55	100.16	84.08	92.10	N/A	57,000	50,134
60,000 TO 99,999	2	53.82	53.82	55.08	27.00	97.71	39.29	68.35	N/A	69,000	38,008
100,000 TO 149,999	2	77.64	77.64	80.82	45.11	96.07	42.62	112.65	N/A	110,000	88,900
150,000 TO 249,999	1	96.36	96.36	96.36	00.00	100.00	96.36	96.36	N/A	210,000	202,348
250,000 TO 499,999											
500,000 TO 999,999											
1,000,000 +											
<u>ALL</u>	13	98.60	108.93	84.15	36.82	129.45	39.29	325.40	68.35 to 112.65	58,062	48,857

OCCUPANCY CODE											
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
319	1	112.65	112.65	112.65	00.00	100.00	112.65	112.65	N/A	120,000	135,184
344	2	103.69	103.69	104.43	04.54	99.29	98.98	108.40	N/A	19,000	19,843
378	1	96.36	96.36	96.36	00.00	100.00	96.36	96.36	N/A	210,000	202,348
384	2	80.23	80.23	78.40	14.81	102.33	68.35	92.10	N/A	65,000	50,959
386	1	104.11	104.11	104.11	00.00	100.00	104.11	104.11	N/A	24,500	25,506
406	3	145.10	189.70	131.28	52.10	144.50	98.60	325.40	N/A	3,433	4,507
470	1	84.08	84.08	84.08	00.00	100.00	84.08	84.08	N/A	59,000	49,610
558	1	42.62	42.62	42.62	00.00	100.00	42.62	42.62	N/A	100,000	42,616
577	1	39.29	39.29	39.29	00.00	100.00	39.29	39.29	N/A	63,000	24,754
<u>ALL</u>	13	98.60	108.93	84.15	36.82	129.45	39.29	325.40	68.35 to 112.65	58,062	48,857

**2013 Correlation Section
for Howard County**

A. Commercial Real Property

Howard County is located in central Nebraska with St. Paul being the county seat, located 20 miles north of Grand Island on Highway 281.

The statistical sampling of 13 sales commercial sales will not be relied upon in determining the level of value for Howard County. A level of value for the commercial class of property cannot be made without a reasonable degree of certainty that the commercial sample is adequate and representative of the commercial population as a whole. The county reviews all sales that occurred during the current study period (October 1, 2009 through September 30, 2012) through research of the deed, supplemental questionnaires and/or interviews with buyers and sellers, and on-site reviews of the property as deemed appropriate. The liaison reviewed all non-qualified sales and there is confidence that all arm's length sales are being used in the sales file without bias.

The county completed a review and analysis to identify any adjustments or other assessment actions that are necessary to properly value the commercial class of real property. Howard County implemented a new commercial appraisal in 2009, completed by Stanard Appraisal. There were no assessment actions taken in the commercial class of property for assessment year 2013 other than pickup work.

During 2011 the Property Assessment Division (Division) implemented a cyclical review process to conduct an assessment practices review of one-third of the counties within the state. Howard County was one of those selected. Within the commercial class the review confirmed that the county assessor adheres to generally accepted mass appraisal standards, property tax laws, regulations, manuals, and directives issued by the Department of Revenue.

Based on the consideration of all available information, the level of value cannot be determined for the commercial class of real property. Because the known assessment practices are reliable and consistent it is believed that the commercial class of property is being treated in a uniform and proportionate manner.

**2013 Correlation Section
for Howard 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.

2013 Correlation Section for Howard 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.

2013 Correlation Section for Howard 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.

Note that as market activity changes or as the complexity of properties increases, the measures of variability usually increase, even though appraisal procedures may be equally valid. Standard on Ratio Studies—2010, International Association of Assessing Officers, (2010), p. 13.

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

**2013 Correlation Section
for Howard County**

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 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.

2013 Agricultural Assessment Actions for Howard County

All sales are reviewed through research of the deed, supplemental questionnaires to buyers and sellers and on-site reviews of the property as deemed appropriate. Additional resources such as attorney and real estate agents are utilized in this process to acquire more accurate information concerning sales. Permits are logged and reviewed for specific property activities and notable changes to the property valuations. The county completed all pick up work in a timely manner.

Annually the county conducts a market analysis that includes the qualified agricultural land sales that occurred the current study period (October 1, 2009 through September 30, 2012). The review and analysis is done to identify any adjustments or other assessment actions that are necessary to properly value the agricultural land class of real property. This analysis included a joint review with the field liaison of the sales file for each market area to determine proportionality, representativeness and adequacy of the sales. After completing the analysis, the county added sales in conformance with the R&O Ag spreadsheet analysis and prepared a new schedule of LCG values for each of the market areas.

Annually, the county plans to accomplish a portion of the required 6 year inspection process. Howard County Assessor and staff continued working on the land use inventory as part of the implementation of the new soil survey for the 2011 tax year. All classes of agricultural land were rolled from Alpha Soil System to the Numerical System per state mandate.

Continued working with the Natural Resource Districts in a cooperative effort focused on coordinating the irrigated acres on the records with the corresponding NRD and FSA records, as available.

The three market areas experienced changes to LCG values for 2013.

2013 Agricultural Assessment Survey for Howard 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
	7100	This market area includes the southerly portion of Howard County lying south of the Middle Loup and Loup Rivers. This area is characterized by the sandy soils common in the “sandhills” of Nebraska, with significant groundwater irrigation development utilizing center pivot systems. The southeast portion of this market area is included in the Central Platte Natural Resource District (Platte River drainage area). The northwest portion of this area is included in the Lower Loup Natural Resource District (Loup River drainage area).
	7200	This market area includes the westerly portion of the county located west of the Middle Loup and North Loup Rivers. The topography ranges from near level along the river valleys to rolling uplands, much of which is suitable for center pivot irrigation. The soils in this area are silty. This area is nearly an equal mix of irrigated land and grassland, with a small amount of dry cropland. This area is included in the Lower Loup Natural Resource District (Loup River drainage area).
	7300	This market area includes the area located north and east of the North Loup and Loup Rivers. This area is transitional from the sandy soils to the southeast and the silty soils to the southwest. This area consists of more uplands with a limited amount of irrigation and dry cropland. This area is primarily grassland, with most of the irrigated close to the river. Most of this area is utilized as grassland due to topography not suitable for dryland or irrigated cropping. This area is included in the Lower Loup Natural Resource District (Loup River drainage area).
3.	Describe the process used to determine and monitor market areas.	
	River boundaries, common geographic characteristics, topography, market characteristics	
4.	Describe the process used to identify rural residential land and recreational land in the county apart from agricultural land.	
	Through review of questionnaire, discussions with owner.	
5.	Do farm home sites carry the same value as rural residential home sites? If not, what are the market differences?	
	Farm home sites and rural residential home sites carry the same value.	
6.	Describe the process used to identify and monitor the influence of non-agricultural characteristics.	
	Questionnaires, talk to buyers & sellers, talk to real estate agents, sales analysis.	

7.	Have special valuation applications been filed in the county? If a value difference is recognized describe the process used to develop the uninfluenced value.
	Applications have been filed. These parcels are all carrying ag land values.
8.	If applicable, describe the process used to develop assessed values for parcels enrolled in the Wetland Reserve Program.
	All cropland is valued as grass. All of the parcel is valued at 100 % of Agland.

47 Howard
AGRICULTURAL LAND

PAD 2013 R&O Statistics (Using 2013 Values)

Qualified

Date Range: 10/1/2009 To 9/30/2012 Posted on: 1/23/2013

Number of Sales : 64
Total Sales Price : 20,348,007
Total Adj. Sales Price : 20,334,007
Total Assessed Value : 12,414,628
Avg. Adj. Sales Price : 317,719
Avg. Assessed Value : 193,979

MEDIAN : 72
WGT. MEAN : 61
MEAN : 70
COD : 21.30
PRD : 114.20

COV : 28.23
STD : 19.68
Avg. Abs. Dev : 15.26
MAX Sales Ratio : 120.97
MIN Sales Ratio : 34.02

95% Median C.I. : 63.83 to 74.44
95% Wgt. Mean C.I. : 54.28 to 67.83
95% Mean C.I. : 64.90 to 74.54

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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-OCT-09 To 31-DEC-09	4	72.90	71.99	73.07	06.61	98.52	63.83	78.32	N/A	184,934	135,134
01-JAN-10 To 31-MAR-10	8	84.34	86.76	84.45	17.73	102.74	63.32	120.97	63.32 to 120.97	201,825	170,432
01-APR-10 To 30-JUN-10	2	95.53	95.53	95.06	04.06	100.49	91.65	99.41	N/A	238,290	226,525
01-JUL-10 To 30-SEP-10	6	74.70	77.58	75.66	15.05	102.54	58.66	103.29	58.66 to 103.29	256,700	194,216
01-OCT-10 To 31-DEC-10	5	74.44	78.16	77.90	05.64	100.33	73.61	90.96	N/A	196,616	153,166
01-JAN-11 To 31-MAR-11	7	71.89	75.25	78.85	15.94	95.43	47.72	103.22	47.72 to 103.22	254,035	200,304
01-APR-11 To 30-JUN-11	6	74.23	68.65	69.56	12.08	98.69	34.02	80.53	34.02 to 80.53	156,305	108,719
01-JUL-11 To 30-SEP-11	2	85.69	85.69	92.81	16.47	92.33	71.58	99.79	N/A	242,500	225,064
01-OCT-11 To 31-DEC-11	8	60.22	64.67	53.29	20.47	121.35	40.72	103.17	40.72 to 103.17	320,326	170,687
01-JAN-12 To 31-MAR-12	7	49.87	53.05	47.69	19.37	111.24	41.82	88.65	41.82 to 88.65	547,124	260,898
01-APR-12 To 30-JUN-12	5	48.99	45.68	45.03	11.15	101.44	37.87	53.09	N/A	484,556	218,196
01-JUL-12 To 30-SEP-12	4	45.77	51.41	45.19	20.71	113.76	41.58	72.50	N/A	740,869	334,783
<u>Study Yrs</u>											
01-OCT-09 To 30-SEP-10	20	78.02	81.93	80.58	16.38	101.68	58.66	120.97	70.50 to 91.65	218,556	176,117
01-OCT-10 To 30-SEP-11	20	73.84	75.04	78.16	12.73	96.01	34.02	103.22	71.58 to 77.71	209,208	163,520
01-OCT-11 To 30-SEP-12	24	50.06	55.11	47.73	22.75	115.46	37.87	103.17	42.31 to 60.04	490,781	234,245
<u>Calendar Yrs</u>											
01-JAN-10 To 31-DEC-10	21	77.71	82.92	81.21	15.67	102.11	58.66	120.97	71.75 to 91.65	219,736	178,459
01-JAN-11 To 31-DEC-11	23	71.58	70.76	67.15	17.71	105.38	34.02	103.22	60.39 to 75.07	250,595	168,264
<u>ALL</u>	64	71.64	69.72	61.05	21.30	114.20	34.02	120.97	63.83 to 74.44	317,719	193,979

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
7100	24	71.58	69.74	65.73	21.28	106.10	37.87	120.97	50.58 to 75.07	238,324	156,651
7200	26	72.68	70.89	59.24	19.24	119.67	42.28	103.17	59.59 to 80.53	431,770	255,773
7300	14	70.13	67.51	59.17	25.14	114.09	34.02	102.76	40.72 to 90.96	242,014	143,209
<u>ALL</u>	64	71.64	69.72	61.05	21.30	114.20	34.02	120.97	63.83 to 74.44	317,719	193,979

47 Howard
AGRICULTURAL LAND

PAD 2013 R&O Statistics (Using 2013 Values)

Qualified

Date Range: 10/1/2009 To 9/30/2012 Posted on: 1/23/2013

Number of Sales : 64
Total Sales Price : 20,348,007
Total Adj. Sales Price : 20,334,007
Total Assessed Value : 12,414,628
Avg. Adj. Sales Price : 317,719
Avg. Assessed Value : 193,979

MEDIAN : 72
WGT. MEAN : 61
MEAN : 70
COD : 21.30
PRD : 114.20

COV : 28.23
STD : 19.68
Avg. Abs. Dev : 15.26
MAX Sales Ratio : 120.97
MIN Sales Ratio : 34.02

95% Median C.I. : 63.83 to 74.44
95% Wgt. Mean C.I. : 54.28 to 67.83
95% Mean C.I. : 64.90 to 74.54

Printed:3/21/2013 4:44:15PM

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	6	53.31	55.63	48.33	27.48	115.10	37.87	78.32	37.87 to 78.32	908,368	438,974
7100	2	50.85	50.85	46.18	25.53	110.11	37.87	63.83	N/A	358,867	165,735
7200	4	55.73	58.02	48.65	27.78	119.26	42.28	78.32	N/A	1,183,119	575,594
_____Dry_____											
County	3	41.58	39.14	39.18	06.25	99.90	34.02	41.82	N/A	163,067	63,896
7100	2	41.70	41.70	41.69	00.29	100.02	41.58	41.82	N/A	164,600	68,628
7300	1	34.02	34.02	34.02	00.00	100.00	34.02	34.02	N/A	160,000	54,433
_____Grass_____											
County	23	71.75	74.17	68.90	18.52	107.65	42.31	120.97	63.32 to 77.33	145,696	100,381
7100	12	72.58	72.67	64.44	20.47	112.77	42.31	120.97	50.25 to 77.33	165,854	106,880
7200	3	70.50	77.75	82.13	20.61	94.67	59.59	103.17	N/A	58,667	48,180
7300	8	72.13	75.07	74.42	14.32	100.87	58.66	102.76	58.66 to 102.76	148,094	110,207
_____ALL_____	64	71.64	69.72	61.05	21.30	114.20	34.02	120.97	63.83 to 74.44	317,719	193,979

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	19	68.67	62.94	54.39	21.93	115.72	37.87	99.41	42.79 to 73.61	597,589	325,002
7100	7	71.58	62.86	60.33	12.75	104.19	37.87	72.90	37.87 to 72.90	378,105	228,115
7200	10	71.14	67.70	54.93	22.60	123.25	42.28	99.41	42.79 to 85.43	737,594	405,139
7300	2	39.45	39.45	39.57	03.22	99.70	38.18	40.72	N/A	665,761	263,426
_____Dry_____											
County	4	41.70	47.72	40.49	23.79	117.86	34.02	73.46	N/A	127,133	51,472
7100	2	41.70	41.70	41.69	00.29	100.02	41.58	41.82	N/A	164,600	68,628
7200	1	73.46	73.46	73.46	00.00	100.00	73.46	73.46	N/A	19,330	14,199
7300	1	34.02	34.02	34.02	00.00	100.00	34.02	34.02	N/A	160,000	54,433
_____Grass_____											
County	26	73.28	75.11	70.15	17.63	107.07	42.31	120.97	68.51 to 77.33	144,154	101,122
7100	13	74.06	72.87	64.86	18.65	112.35	42.31	120.97	50.25 to 77.33	159,250	103,292
7200	5	74.99	80.97	82.09	18.58	98.64	59.59	103.17	N/A	98,600	80,941
7300	8	72.13	75.07	74.42	14.32	100.87	58.66	102.76	58.66 to 102.76	148,094	110,207
_____ALL_____	64	71.64	69.72	61.05	21.30	114.20	34.02	120.97	63.83 to 74.44	317,719	193,979

47 County 2013 Average Acre Value Comparison

County	Mkt Area	1A1	1A	2A1	2A	3A1	3A	4A1	4A	AVG IRR
Howard	7100	2,900	2,800	2,700	2,600	2,400	2,300	2,200	2,100	2,355
Hall	1	4,096	4,099	3,512	3,498	2,553	2,551	2,420	2,420	3,631
Merrick	1	3,500	3,500	3,450	3,400	3,000	2,900	2,325	2,000	3,135
Nance	1	3,399	3,200	3,096	2,993	2,887	2,734	2,399	2,348	3,014
Howard	7300	2,700	2,700	2,500	2,500	2,300	2,300	2,100	2,100	2,490
Greeley	2	N/A	3,225	2,945	2,755	2,610	2,555	2,555	2,390	2,766
Howard	7200	3,100	2,900	2,725	2,700	2,550	2,550	2,525	2,400	2,747
Valley	1	N/A	3,200	3,200	2,400	2,100	2,100	1,500	1,500	2,528
Sherman	1	N/A	2,700	2,610	2,610	2,520	2,520	2,460	2,459	2,549
Buffalo	1	3,190	3,180	2,949	2,824	2,500	2,450	2,348	2,347	2,685

County	Mkt Area	1D1	1D	2D1	2D	3D1	3D	4D1	4D	AVG DRY
Howard	7100	1,200	1,200	1,100	1,100	1,000	950	900	800	959
Hall	1	2,047	2,046	1,809	1,802	1,365	1,347	1,205	1,204	1,763
Merrick	1	1,540	1,495	1,400	1,350	1,200	1,170	1,105	975	1,257
Nance	1	1,974	1,785	1,663	1,611	1,580	1,516	1,475	1,400	1,626
Howard	7300	1,000	1,000	900	800	750	700	680	650	837
Greeley	2	N/A	1,675	1,650	1,640	1,435	1,370	950	780	1,221
Howard	7200	970	950	810	800	770	750	740	700	788
Valley	1	N/A	1,400	1,400	1,400	1,120	1,120	1,120	1,050	1,224
Sherman	1	N/A	1,210	1,150	1,150	1,085	1,085	1,020	1,019	1,076
Buffalo	1	1,350	1,350	1,300	1,250	1,000	950	925	900	1,077

County	Mkt Area	1G1	1G	2G1	2G	3G1	3G	4G1	4G	AVG GRASS
Howard	7100	805	800	795	780	750	750	700	700	717
Hall	1	1,555	1,556	1,221	1,224	896	896	892	897	1,002
Merrick	1	1,117	1,034	996	932	891	879	821	737	850
Nance	1	881	906	876	883	842	833	845	813	834
Howard	7300	800	800	800	800	750	750	725	725	730
Greeley	2	N/A	703	668	633	622	604	576	555	569
Howard	7200	760	740	713	713	675	666	611	610	629
Valley	1	N/A	751	751	747	750	741	566	548	574
Sherman	1	N/A	631	613	610	583	582	571	570	574
Buffalo	1	849	832	799	788	672	595	549	535	593

Source: 2013 Abstract of Assessment, Form 45, Schedule IX

Neal Dethlefs
Howard County Assessor
(308)754-4261

March 26, 2013

Re: Special Value for 2013

I have reviewed the Special Valuation parcels for Howard County for the 2013 tax year.

The highest and best use for these parcels is agricultural. They are not suburban in nature and are not within any town or village's zoning jurisdiction. There are not any residential or commercial influences in regard to value. They are all currently used for agriculture.

The income approach to value does not apply at this time.

Sincerely,

Neal Dethlefs
Howard County Assessor

2013 Correlation Section for Howard County

Howard County is located in central Nebraska with St. Paul being the county seat, located 20 miles north of Grand Island on Highway 28.

Howard County is a rural area with 8 small towns in the county, St. Paul being the largest with a population on 2,200. The county is agriculture: 40% irrigated, 11% dry land, and 48% grassland. The majority of the irrigated land is center pivot or gravity irrigated. The North Loup River flowing from the northwest and the Middle Loup River flowing from the southwest converge just northeast of St. Paul to form the Loup River that then flows east out of the county. The majority of Howard County is within the Lower Loup Natural Resource District (LLNRD). Certification of irrigated acres is strictly enforced, with close monitoring of assessed irrigated acres, with regulations prohibiting the irrigation of uncertified acres. The extreme southeast corner of Howard County is located in the central Platte Natural Resource District (CPNRD). The CPNRD has a groundwater management program that includes certification of irrigated acres, well registration and metering, nitrogen use, irrigation runoff, and groundwater level monitoring which is part of CPNRD's participation in the Cooperative Agreement on the Platte River.

Howard County is bordered on the west by Sherman County, to the north by Greeley County, to the south by Buffalo and Hall Counties, and to the east by Merrick County. It needs to be noted that although Nance County does not adjoin Howard County, it is located less than 1 mile to the east along the northerly third of Howard County. Howard County is made up of three market areas. Market Area 7100 is that portion of the county lying south of the Middle Loup and Loup Rivers. This area is characterized by sandy soils, center pivot irrigation, and generally high ground water tables. This market area includes about 30% of the county, with 44% irrigated cropland, 9% dry land, and 44% grassland. Market Area 7200 is the northwesterly portion of the county, which has silty soils, uplands type topography. This area is made up of 48% irrigated cropland, 11% dry land, and 40% grassland. Market Area 7300 is located in the northeast portion of the county. This area has heavier, silty type soils with center pivot irrigation development where water and topography allow. This area is made up of 17% irrigated cropland, 14% dry land, and 68% grassland.

For 2013, the county increased each of the three market areas uniquely. County wide increases of irrigated amounted to 13%, grass land increased 12%, and dry land increased about 9%. Specifically for dry land, Market Area 7100 increased 10%, 7200 increased 5%, and 7300 increased 15%.

Analysis of the irrigated and grass values indicates assessment levels are within the acceptable range and values are relatively similar to adjoining counties. For the subclass of dry land however, historical changes in assessed values do not appear to have increased parallel to the general dry land market which as increased 20-30% in each of the past 3 years based on general sales analysis and economic indicators such as the Federal Reserve Survey, and the 2012 Real Estate Market Development publication by the University of Nebraska.

2013 Correlation Section for Howard County

Conversely, in Howard County, dry land assessed values have increased an average of 4% per year since the beginning of the significant market increases in 2008. A comparison to dry land value change in neighboring counties for the same period is as follows:

County	2008-13 Sum of Annual Increases	Annual Average Change %
Sherman	55.31	9.22
Valley	88.78	14.8
Greeley	77.91	12.98
Merrick	60.68	10.11
Hall	83.49	13.92
Howard	26.16	4.36

Source: 2008-2013 Abstract of Assessment, Form 45

Looking back to value changes over a 21 year period reveals that dry land assessed value changes in Howard County have been lagging the market as compared to neighboring counties.

County	1992 Avg Value	2013 Avg Value	Percent Change
Sherman	347	1076	210%
Valley	361	1224	239%
Greeley	322	1221	279%
Merrick	488	1257	156%
Hall	650	1763	171%
Howard	464	891	92%

Source: 2013 Abstract of Assessment, Form 45

While market values transition in this area and are generally higher in the Southern end of this study region, Howard County weighted average values are significantly lower than neighboring counties.

2013 Correlation Section for Howard County

Since dry land in Howard County only makes up approximately 10% of the agricultural acres in the county, finding a sufficient sample of dry sales has been difficult. Three market areas have further segregated the dry sales. The assessor has worked with limited information available to establish dry land values.

Year	80% Dry Sales	Median
2007	3	61.03
2008	4	66.74
2009	1	54.41
2010	1	83.66
2011	6	54.58
2012	2	55.68
2013	4	41.70

While these samples have traditionally been too small to warrant further review, the median ratios on these small samples have almost unanimously indicated the assessed values are below the acceptable range of 69-75% of market value.

To expand the sample to get a sufficient sample of sales to measure the dry land, the Division studied neighboring counties with similar land features. While perfect comparability does not exist, recognizing the land attributes driving the market produces a sample of sales reasonably comparable. Sales were compiled from the counties of Sherman, Custer, Northern Buffalo, Greeley, Hall, and Nance to add to the Howard sales. A total of 14 sales were analyzed in which 80% or more of each sale was dry land. The assessed values of the comparable sales were calculated using the Howard County market area values that they most closely compared to. The following statistics were calculated from this sample:

Median	50.16% AAD	20.55%
Mean	53.15% PRD	122.71%
W/ Mean	43.32% COD	40.97%

Based on a correlation of all available information, the level of value for the dry land subclass is determined to be at 50% of market value. The recommendation of the Property Tax

2013 Correlation Section for Howard County

Administrator is to increase dry land 43% in the entire county to bring the subclass level of value to the midpoint of the acceptable range.

County	Market Area	Dry Avg Assessed
Howard	7100	1371
Merrick	1	1257
Hall	1	1763
Howard	7200	1127
Sherman	1	1076
Valley	1	1224
Howard	7300	1197
Greeley	2	1221
Nance	1	1626

The resulting values expected from a 43% increase indicates that assessed values are within the acceptable range and reasonably similar to similar markets in adjoining counties, as indicated in the chart above. Since the tax burden is essentially shifted to the irrigated and grass sectors as a result of the assessor's failure to increase dry land, assessment practices are not in compliance with professionally accepted mass appraisal standards.

Total Real Property Sum Lines 17, 25, & 30	Records : 5,555	Value : 791,589,940	Growth 6,462,106	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	176	1,026,461	0	0	160	2,628,844	336	3,655,305	
02. Res Improve Land	1,328	10,599,253	0	0	649	17,312,764	1,977	27,912,017	
03. Res Improvements	1,355	80,923,744	0	0	710	60,675,515	2,065	141,599,259	
04. Res Total	1,531	92,549,458	0	0	870	80,617,123	2,401	173,166,581	2,212,919
% of Res Total	63.77	53.45	0.00	0.00	36.23	46.55	43.22	21.88	34.24
05. Com UnImp Land	76	657,589	0	0	5	23,712	81	681,301	
06. Com Improve Land	270	2,343,987	0	0	38	1,692,851	308	4,036,838	
07. Com Improvements	274	22,262,635	0	0	46	6,251,375	320	28,514,010	
08. Com Total	350	25,264,211	0	0	51	7,967,938	401	33,232,149	2,320,952
% of Com Total	87.28	76.02	0.00	0.00	12.72	23.98	7.22	4.20	35.92
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	20	1,749,500	20	1,749,500	
14. Rec Improve Land	0	0	0	0	13	1,534,209	13	1,534,209	
15. Rec Improvements	0	0	0	0	13	2,223,334	13	2,223,334	
16. Rec Total	0	0	0	0	33	5,507,043	33	5,507,043	225,732
% of Rec Total	0.00	0.00	0.00	0.00	100.00	100.00	0.59	0.70	3.49
Res & Rec Total	1,531	92,549,458	0	0	903	86,124,166	2,434	178,673,624	2,438,651
% of Res & Rec Total	62.90	51.80	0.00	0.00	37.10	48.20	43.82	22.57	37.74
Com & Ind Total	350	25,264,211	0	0	51	7,967,938	401	33,232,149	2,320,952
% of Com & Ind Total	87.28	76.02	0.00	0.00	12.72	23.98	7.22	4.20	35.92
17. Taxable Total	1,881	117,813,669	0	0	954	94,092,104	2,835	211,905,773	4,759,603
% of Taxable Total	66.35	55.60	0.00	0.00	33.65	44.40	51.04	26.77	73.65

Schedule II : Tax Increment Financing (TIF)

	Urban			SubUrban		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	1	17,275	0	0	0	0
19. Commercial	6	285,854	1,369,466	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	1	17,275	0
19. Commercial	0	0	0	6	285,854	1,369,466
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
22. Total Sch II				7	303,129	1,369,466

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	154	0	185	339

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	3	43,825	0	0	1,697	297,745,563	1,700	297,789,388
28. Ag-Improved Land	1	29,000	0	0	977	215,025,251	978	215,054,251
29. Ag Improvements	1	59,527	0	0	1,019	66,781,001	1,020	66,840,528
30. Ag Total							2,720	579,684,167

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	12,500	0	0.00	0	
33. HomeSite Improvements	1	1.00	51,129	0	0.00	0	
34. HomeSite Total							
35. FarmSite UnImp Land	0	0.00	0	0	0.00	0	
36. FarmSite Improv Land	1	5.50	16,500	0	0.00	0	
37. FarmSite Improvements	1	0.00	8,398	0	0.00	0	
38. FarmSite Total							
39. Road & Ditches	0	0.00	0	0	0.00	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
	Records	Acres	Value	Records	Acres	Value	Growth
31. HomeSite UnImp Land	0	0.00	0	0	0.00	0	
32. HomeSite Improv Land	704	718.50	8,964,000	705	719.50	8,976,500	
33. HomeSite Improvements	742	711.50	47,592,157	743	712.50	47,643,286	1,702,503
34. HomeSite Total				743	719.50	56,619,786	
35. FarmSite UnImp Land	47	106.34	249,412	47	106.34	249,412	
36. FarmSite Improv Land	919	4,316.30	9,929,627	920	4,321.80	9,946,127	
37. FarmSite Improvements	947	0.00	19,188,844	948	0.00	19,197,242	0
38. FarmSite Total				995	4,428.14	29,392,781	
39. Road & Ditches	0	6,428.36	0	0	6,428.36	0	
40. Other- Non Ag Use	0	38.28	7,656	0	38.28	7,656	
41. Total Section VI				1,738	11,614.28	86,020,223	1,702,503

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	5	608.32	465,318	5	608.32	465,318

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	11	166.79	181,652	11	166.79	181,652
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 7100

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	435.86	0.95%	1,263,994	1.16%	2,900.00
46. 1A	3,523.92	7.64%	9,866,976	9.09%	2,800.00
47. 2A1	3,530.14	7.66%	9,531,378	8.78%	2,700.00
48. 2A	2,012.09	4.36%	5,231,434	4.82%	2,600.00
49. 3A1	12,623.67	27.38%	30,296,810	27.91%	2,400.00
50. 3A	8,363.08	18.14%	19,235,084	17.72%	2,300.00
51. 4A1	3,454.38	7.49%	7,599,636	7.00%	2,200.00
52. 4A	12,163.64	26.38%	25,543,638	23.53%	2,100.00
53. Total	46,106.78	100.00%	108,568,950	100.00%	2,354.73
Dry					
54. 1D1	76.05	0.78%	91,260	0.98%	1,200.00
55. 1D	558.85	5.75%	670,620	7.19%	1,200.00
56. 2D1	514.18	5.29%	565,598	6.07%	1,100.00
57. 2D	731.60	7.53%	804,760	8.63%	1,100.00
58. 3D1	2,638.46	27.15%	2,638,457	28.30%	1,000.00
59. 3D	2,072.60	21.33%	1,969,008	21.12%	950.02
60. 4D1	827.78	8.52%	745,002	7.99%	900.00
61. 4D	2,299.24	23.66%	1,839,388	19.73%	800.00
62. Total	9,718.76	100.00%	9,324,093	100.00%	959.39
Grass					
63. 1G1	28.46	0.06%	22,910	0.07%	804.99
64. 1G	426.33	0.95%	341,064	1.06%	800.00
65. 2G1	618.70	1.38%	491,872	1.53%	795.01
66. 2G	1,603.38	3.57%	1,250,638	3.88%	780.00
67. 3G1	2,805.59	6.25%	2,104,229	6.53%	750.01
68. 3G	7,747.21	17.25%	5,810,467	18.04%	750.01
69. 4G1	9,455.28	21.05%	6,618,695	20.55%	700.00
70. 4G	22,233.07	49.50%	15,563,154	48.33%	700.00
71. Total	44,918.02	100.00%	32,203,029	100.00%	716.93
Irrigated Total					
	46,106.78	45.04%	108,568,950	72.02%	2,354.73
Dry Total					
	9,718.76	9.49%	9,324,093	6.19%	959.39
Grass Total					
	44,918.02	43.88%	32,203,029	21.36%	716.93
72. Waste	1,333.12	1.30%	533,247	0.35%	400.00
73. Other	289.68	0.28%	115,872	0.08%	400.00
74. Exempt	610.21	0.60%	0	0.00%	0.00
75. Market Area Total	102,366.36	100.00%	150,745,191	100.00%	1,472.60

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 7200

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	1,793.99	2.36%	5,561,387	2.67%	3,100.01
46. 1A	40,790.72	53.77%	118,293,067	56.76%	2,900.00
47. 2A1	4,636.18	6.11%	12,633,632	6.06%	2,725.01
48. 2A	1,091.14	1.44%	2,946,070	1.41%	2,699.99
49. 3A1	4,584.97	6.04%	11,691,693	5.61%	2,550.00
50. 3A	623.20	0.82%	1,589,165	0.76%	2,550.01
51. 4A1	16,549.13	21.81%	41,786,705	20.05%	2,525.01
52. 4A	5,796.32	7.64%	13,911,180	6.67%	2,400.00
53. Total	75,865.65	100.00%	208,412,899	100.00%	2,747.13
Dry					
54. 1D1	456.01	2.71%	442,329	3.34%	970.00
55. 1D	3,243.10	19.29%	3,080,979	23.27%	950.01
56. 2D1	1,048.16	6.24%	849,018	6.41%	810.01
57. 2D	339.69	2.02%	271,752	2.05%	800.00
58. 3D1	924.61	5.50%	711,953	5.38%	770.00
59. 3D	431.95	2.57%	323,965	2.45%	750.01
60. 4D1	7,584.11	45.12%	5,612,246	42.39%	740.00
61. 4D	2,780.64	16.54%	1,946,447	14.70%	700.00
62. Total	16,808.27	100.00%	13,238,689	100.00%	787.63
Grass					
63. 1G1	863.13	1.44%	655,977	1.74%	760.00
64. 1G	3,987.54	6.66%	2,950,771	7.83%	740.00
65. 2G1	1,772.63	2.96%	1,264,436	3.36%	713.31
66. 2G	1,106.90	1.85%	789,196	2.09%	712.98
67. 3G1	1,279.10	2.14%	863,417	2.29%	675.02
68. 3G	2,134.58	3.57%	1,421,467	3.77%	665.92
69. 4G1	17,002.27	28.40%	10,385,418	27.56%	610.83
70. 4G	31,712.48	52.98%	19,345,515	51.35%	610.03
71. Total	59,858.63	100.00%	37,676,197	100.00%	629.42
Irrigated Total					
	75,865.65	49.26%	208,412,899	80.18%	2,747.13
Dry Total					
	16,808.27	10.91%	13,238,689	5.09%	787.63
Grass Total					
	59,858.63	38.87%	37,676,197	14.50%	629.42
72. Waste	1,328.32	0.86%	536,165	0.21%	403.64
73. Other	136.84	0.09%	54,736	0.02%	400.00
74. Exempt	1,204.28	0.78%	0	0.00%	0.00
75. Market Area Total	153,997.71	100.00%	259,918,686	100.00%	1,687.81

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 7300

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	554.92	4.05%	1,498,284	4.40%	2,700.00
46. 1A	6,980.69	50.99%	18,847,863	55.30%	2,700.00
47. 2A1	1,125.71	8.22%	2,814,275	8.26%	2,500.00
48. 2A	507.56	3.71%	1,268,900	3.72%	2,500.00
49. 3A1	199.19	1.45%	458,137	1.34%	2,300.00
50. 3A	598.12	4.37%	1,375,676	4.04%	2,300.00
51. 4A1	1,843.45	13.46%	3,871,245	11.36%	2,100.00
52. 4A	1,881.06	13.74%	3,950,226	11.59%	2,100.00
53. Total	13,690.70	100.00%	34,084,606	100.00%	2,489.62
Dry					
54. 1D1	149.64	1.40%	149,640	1.68%	1,000.00
55. 1D	4,856.43	45.59%	4,856,428	54.44%	1,000.00
56. 2D1	361.36	3.39%	325,224	3.65%	900.00
57. 2D	318.11	2.99%	254,488	2.85%	800.00
58. 3D1	163.53	1.54%	122,648	1.37%	750.00
59. 3D	94.43	0.89%	66,101	0.74%	700.00
60. 4D1	2,856.15	26.81%	1,942,185	21.77%	680.00
61. 4D	1,853.48	17.40%	1,204,784	13.50%	650.01
62. Total	10,653.13	100.00%	8,921,498	100.00%	837.45
Grass					
63. 1G1	162.33	0.30%	129,864	0.33%	800.00
64. 1G	2,102.58	3.86%	1,682,069	4.23%	800.00
65. 2G1	538.73	0.99%	430,984	1.08%	800.00
66. 2G	633.40	1.16%	506,718	1.27%	800.00
67. 3G1	170.79	0.31%	128,095	0.32%	750.01
68. 3G	492.65	0.90%	369,495	0.93%	750.02
69. 4G1	11,723.23	21.50%	8,499,373	21.35%	725.00
70. 4G	38,699.35	70.98%	28,056,504	70.49%	724.99
71. Total	54,523.06	100.00%	39,803,102	100.00%	730.02
Irrigated Total					
	13,690.70	17.26%	34,084,606	41.07%	2,489.62
Dry Total					
	10,653.13	13.43%	8,921,498	10.75%	837.45
Grass Total					
	54,523.06	68.72%	39,803,102	47.96%	730.02
72. Waste	474.43	0.60%	190,861	0.23%	402.30
73. Other	0.00	0.00%	0	0.00%	0.00
74. Exempt	645.56	0.81%	0	0.00%	0.00
75. Market Area Total	79,341.32	100.00%	83,000,067	100.00%	1,046.11

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	12.00	34,800	0.00	0	135,651.13	351,031,655	135,663.13	351,066,455
77. Dry Land	9.50	9,025	0.00	0	37,170.66	31,475,255	37,180.16	31,484,280
78. Grass	0.00	0	0.00	0	159,299.71	109,682,328	159,299.71	109,682,328
79. Waste	0.00	0	0.00	0	3,135.87	1,260,273	3,135.87	1,260,273
80. Other	0.00	0	0.00	0	426.52	170,608	426.52	170,608
81. Exempt	26.93	0	0.00	0	2,433.12	0	2,460.05	0
82. Total	21.50	43,825	0.00	0	335,683.89	493,620,119	335,705.39	493,663,944

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	135,663.13	40.41%	351,066,455	71.11%	2,587.78
Dry Land	37,180.16	11.08%	31,484,280	6.38%	846.80
Grass	159,299.71	47.45%	109,682,328	22.22%	688.53
Waste	3,135.87	0.93%	1,260,273	0.26%	401.89
Other	426.52	0.13%	170,608	0.03%	400.00
Exempt	2,460.05	0.73%	0	0.00%	0.00
Total	335,705.39	100.00%	493,663,944	100.00%	1,470.53

2013 County Abstract of Assessment for Real Property, Form 45 Compared with the 2012 Certificate of Taxes Levied (CTL)

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	2012 CTL County Total	2013 Form 45 County Total	Value Difference (2013 form 45 - 2012 CTL)	Percent Change	2013 Growth (New Construction Value)	Percent Change excl. Growth
01. Residential	169,725,241	173,166,581	3,441,340	2.03%	2,212,919	0.72%
02. Recreational	4,698,772	5,507,043	808,271	17.20%	225,732	12.40%
03. Ag-Homesite Land, Ag-Res Dwelling	55,655,280	56,619,786	964,506	1.73%	1,702,503	-1.33%
04. Total Residential (sum lines 1-3)	230,079,293	235,293,410	5,214,117	2.27%	4,141,154	0.47%
05. Commercial	30,940,991	33,232,149	2,291,158	7.40%	2,320,952	-0.10%
06. Industrial	0	0	0		0	
07. Ag-Farmsite Land, Outbuildings	28,649,847	29,392,781	742,934	2.59%	0	2.59%
08. Minerals	0	0	0		0	
09. Total Commercial (sum lines 5-8)	59,590,838	62,624,930	3,034,092	5.09%	2,320,952	1.20%
10. Total Non-Agland Real Property	289,670,131	297,925,996	8,255,865	2.85%	6,462,106	0.62%
11. Irrigated	305,191,848	351,066,455	45,874,607	15.03%		
12. Dryland	29,113,903	31,484,280	2,370,377	8.14%		
13. Grassland	99,195,676	109,682,328	10,486,652	10.57%		
14. Wasteland	1,405,341	1,260,273	-145,068	-10.32%		
15. Other Agland	183,552	170,608	-12,944	-7.05%		
16. Total Agricultural Land	435,090,320	493,663,944	58,573,624	13.46%		
17. Total Value of all Real Property (Locally Assessed)	724,760,451	791,589,940	66,829,489	9.22%	6,462,106	8.33%

2012 Plan of Assessment for Howard County

Assessment years 2013, 2014, 2015

Date: June 15, 2012

Plan of Assessment Requirements:

Pursuant to Neb. Laws 2005, LB 263, Section 9, on or before June 15 each year, the assessor shall prepare a plan of assessment, (herein after referred to as the “plan”), which describes the assessment actions planned for the next assessment year and two years thereafter. The plan shall indicate the classes and subclasses of real property that the county assessor plans to examine during the years contained in the plan of assessment. The plan shall describe all the assessment actions necessary to achieve the levels of value and quality of assessment practices required by law, and the resources necessary to complete those actions. On or before July 31 each year, the assessor shall present the plan to the county board of equalization and the assessor may amend the plan, if necessary, after the budget is approved by the county board. A copy of the plan and any amendments thereto shall be mailed to the Department of Property Assessment and Taxation on or before October 31 each year.

Real Property Assessment Requirements:

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

Assessment levels required for real property are as follows:

- 1) 100% of actual value for all classes of real property excluding agricultural and horticultural land.
- 2) 75% of actual value for agricultural land and horticulture land

General Description of Real Property in Howard County

Per the 2012 County Abstract, Howard County consists of the following real property types:

	Parcels	% of Total Parcels	% of Taxable Value
Base			
Residential	2421	44%	24%
Commercial	411	7%	4%
Agricultural	2709	49%	72%

Agricultural land – value for taxable acres for 2012 assessment was \$519,780,181.

Agricultural land is 60% of the real property valuation base in Howard County and of that 70% is assessed as irrigated, 23% is assessed as grass and 7% is assessed as dry.

For assessment year 2012, an estimated 224 permits were filed for new property construction/additions in the county.

For more information see 2012 Reports & Opinions, Abstract and Assessor Survey.

Current Resources

There are currently three full time employees on staff including the assessor. Also there is one part-time summer help. The assessor and deputy are certified by the Property Tax Administrator.

The certificate holders will continue to keep their certifications current by attending continuing education and obtaining the number of hours required by the Property Tax Division. At least part of these hours will be courses offered by IAAO or the equivalent. The assessor or a staff member will attend all the district meetings and workshops provided. Current statutes and regulations will continue to be followed to the best of our ability and the office will keep current on any changes that may be made to them.

The county started a GIS project in 2005, which was greatly needed as Howard County does not have Cadastral Maps. The Howard County Assessor's office is currently working on correcting and completing the county map. Also GIS Workshop will be getting the Dannebrog area implemented on the maps. GIS Workshop completed our land use conversion prior to January 1, 2010 and also put Howard County Assessor data on line. Our website is <http://howard.assessor.gisworkshop.com>. The Howard County Board accepted GIS Workshop's proposal for maintenance for the mapping and the website. With the GIS Workshop completion of the mapping information, maps will be printed in the future when the information is available.

Office Budget for July 1, 2011 – June 30, 2012 was \$109,200. Office Budget for July 1, 2012 – June 30, 2013 is \$113,300.

Terra Scan is the vendor for the assessment administration and CAMA. ArcView is the GIS software currently being used by Howard County.

Current Assessment Procedures for Real Property

Real Estate transfer statements are handled weekly. Depending on the number of transfers filed, there is a 2-4 week turn around time. Ownership changes are made as sales are processed. All Residential, Agricultural and Commercial sales are verified by sales questionnaires by telephone calls to sellers, buyers and realtors involved in the sale. Physical inspections are performed if deemed necessary to confirm any corrections to the parcel information. Most residential sales are inspected and new photos taken if necessary. Building permits are checked yearly beginning in July. Pickup work is to be completed by March 1 each year.

2008 Marshall & Swift costing was implemented for 2009.

It is the goal of the office to review at least 25 percent of the properties yearly. Market data is gathered and reviewed yearly.

Ratio studies are done on all the sales after August 15 each year. These studies are used to determine the areas that are out of compliance and need reviewing for the next assessment cycle.

Continual market analysis will be conducted in all categories of properties to ensure that the level of value and quality of assessment in Howard County is in compliance with state statutes to facilitate equalization within the classes and subclasses of Howard County.

By approximately March 1 of each year, ratio studies are run using the newly established values to see if the areas out of compliance will now meet the guidelines.

Notices of Valuation Changes are mailed to the property owners on or before June 1.

Level of Value, Quality, and Uniformity for assessment year 2012:

<u>Property Class</u>	<u>Median</u>	<u>COD</u>	<u>PRD</u>
Residential	99	9.48	102.27
Commercial	Not	Enough	Information
Agricultural Land	71	16.75	104.79

For more information regarding statistical measures see 2012 Reports & Opinions.

Assessment Actions Planned for Assessment Year 2013:

Residential:

A complete review of all Small Towns (St. Libory, Dannebrog, Boelus, Farwell, Elba, Cotesfield and Cushing) residential properties will be completed for 2013. If time permits, all rural residential in Market Area 7300 will also be reviewed. All residential pick-up work and building permits will be reviewed and completed by March 1, 2013. A ratio study will be done on all other residential properties and adjustments will be made if they are out of compliance. Corrections of listing errors will be done when correct information is obtained.

Commercial:

A ratio study will be completed for 2013 to see if any commercial properties are out of compliance. Corrections of listing errors will be done when correct information is obtained. All pick-up work and building permits will be reviewed and completed by March 1, 2013. Commercial appraisal was done for 2009 by Stanard Appraisal and implemented by Assessor's Office.

Agricultural Land:

A market analysis will be conducted for 2013 and agricultural land values will be assessed by the market values. Corrections of listing errors will be done when correct information is obtained. The certification of irrigated acres for the NRD was completed and those changes were updated for the 2009 assessment year. New land use conversion was implemented for 2010. The use of agricultural land use for recreational purposes will be reviewed and possibly reclassified as recreational property.

Assessment actions planned for assessment year 2014:

Residential:

A complete review of all rural residential properties in Market Areas 7100 will be completed for 2014. Also Market Area 7300 will be reviewed, if it was not completed for 2013. A ratio study will be done on all residential properties and adjustments will be made if they are out of compliance. All residential pick-up work and building permits will be reviewed and completed by March 1, 2014. Corrections of listing errors will be done when information is obtained.

Commercial:

A review of all commercial properties in the county will be done in 2014. The review and market study will be completed for adjusting values for 2014. Corrections of listing errors will be done when information is obtained. All pick-up work and building permits will be reviewed and completed by March 1, 2014.

Agricultural:

A market analysis will be conducted for 2014 and agricultural land values will be assessed by market values and market areas will be reviewed. Corrections of listing errors will be done when information is obtained. We will begin a land use study to update our property record cards with possible changes.

Assessment actions planned for assessment year 2015:

Residential:

A complete review of the rural residential properties in Market Area 7200 will be completed for 2015. A ratio study will be done on all residential properties and adjustments will be made if they are out of compliance. All residential pick-up work and building permits will be reviewed and completed by March 1, 2015. Corrections of listing errors will be done when information is obtained.

Commercial:

A ratio study will be completed for 2015 to see if any commercial properties are out of compliance. Corrections of listing errors will be done when information is obtained. All pick-up work and building permits will be reviewed and completed by March 1, 2015.

Agricultural Land:

A market analysis will be conducted for 2015 and agricultural land values will be assessed by market values and market areas will be reviewed. Corrections of listing errors will be done when information is obtained. We will continue to do a land use study to update our property record cards with possible changes.

Other functions performed by the Assessor's Office, but not limited to:

1. Appraisal cards are updated yearly. Ownership changes are made as the transfers are given to the assessor's office from the register of deeds and the green sheets are worked and forwarded to the property tax division electronically on a quarterly basis. Splits and subdivision changes are made as they become available to the assessor's office from the county clerk. These will be updated in the GIS system at the same time they are changed on the appraisal cards and in the computer administrative package. Assessor's website is updated monthly by GIS Workshop.
2. Annually prepare and file Assessor Administrative Reports required by law/regulation:
 - a. Abstracts (Real and Personal Property)
 - b. Assessor Survey
 - c. Sales information to PA&T rosters & annual Assessed Value Update & w/Abstract
 - d. Certification of Value to Political Subdivision
 - e. School District Taxable Value Report
 - f. Homestead Exemption Tax Loss Report
 - g. Certificate of Taxes Levied Report
 - h. Report of all exempt property and taxable government owned property
 - i. Annual Plan of Assessment Report
3. Personal Property: administer annual filing of approximately 760 schedules; prepare subsequent notices for incomplete filings or failure to file and penalties applied, as required.
4. Permissive Exemptions: administer annual filings of applications for new or continued exempt use, review and make recommendations to county board.
5. Taxable Government Owned Property – annual review of government owned property not used for public purpose, send notices of intent to tax, etc.
6. Homestead Exemptions: administer approximately 375 annual filings of applications, approval/denial process, taxpayer notifications and taxpayer assistance.
7. Centrally Assessed – review of valuations as certified by PA&T for railroads and public service entities, establish assessment records and tax billing for tax list.
8. Tax Increment Financing – management of record/valuation information for properties in community redevelopment projects for proper reporting on administrative reports and allocation of ad valorem tax.
9. Tax Districts and Tax Rates – management of school district and other tax entity boundary changes necessary for correct assessment and tax information; input/review of tax rates used for tax billing process.
10. Tax Lists – prepare and certify tax lists to county treasurer for real property, personal property, and centrally assessed.
11. Tax List Corrections – prepare tax list correction documents for county board approval.
12. County Board of Equalization – attend county board of equalization meetings for valuation protests – assemble and provide information.

13. TERC Appeals – prepare information and attend taxpayer appeal hearings before TERC, defend valuation.
14. TERC Statewide Equalization – attend hearings if applicable to county, defend values, and/or implement orders of the TERC.
15. Education: Assessor and Appraisal Education – attend meetings, workshops and education classes to obtain required hours of continuing education to maintain assessor certification and work toward an appraiser license. The staff of the assessor’s office with an assessor’s certificate will meet their 60 hours of education in the 4 year period to maintain it and the remainder of the staff will take the required test to obtain an assessor’s certificate.

Conclusion:

The Howard County Assessor’s Office will strive for a uniform and proportionate valuing of property throughout the county.

Amendment

The Howard County Commissioners moved office equipment and cell phone expenses from County General to Elected Office budgets. Therefore the budget was adjusted to \$117,339 for the Assessor’s office.

2012 Assessment Survey for Howard County

A. Staffing and Funding Information

1.	Deputy(ies) on staff:
	1 Deputy
2.	Appraiser(s) on staff:
	0
3.	Other full-time employees:
	1 Clerk
4.	Other part-time employees:
	1 Summer help (high school kid) to help do property reviews
5.	Number of shared employees:
	0
6.	Assessor's requested budget for current fiscal year:
	\$109,200
7.	Adopted budget, or granted budget if different from above:
	Same
8.	Amount of the total assessor's budget set aside for appraisal work:
	\$0
9.	If appraisal/reappraisal budget is a separate levied fund, what is that amount:
	\$500
10.	Part of the assessor's budget that is dedicated to the computer system:
	\$8,500
11.	Amount of the assessor's budget set aside for education/workshops:
	\$2,600
12.	Other miscellaneous funds:
13.	Amount of last year's assessor's budget not used:
	Short approximately \$3,500 to \$4,500

B. Computer, Automation Information and GIS

1.	Administrative software:
	Terra Scan
2.	CAMA software:
	Terra Scan
3.	Are cadastral maps currently being used?
	Howard County has never had any cadastral maps
4.	If so, who maintains the Cadastral Maps?
	N/A
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 howard.assessor.gisworkshop.com
7.	Who maintains the GIS software and maps?
	GIS Workshop & Assessor Staff (provide information to contractor)
8.	Personal Property software:
	Terra Scan

C. Zoning Information

1.	Does the county have zoning?
	Yes
2.	If so, is the zoning countywide?
	No
3.	What municipalities in the county are zoned?
	St. Paul and Boelus
4.	When was zoning implemented?
	1973

D. Contracted Services

1.	Appraisal Services:
	None
2.	Other services:
	GIS Workshop \$9,000 yearly maintenance fee

2013 Certification for Howard County

This is to certify that the 2013 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 Howard County Assessor.

Dated this 5th day of April, 2013.



A handwritten signature in black ink that reads "Ruth A. Sorensen".

Ruth A. Sorensen
Property Tax Administrator

