

# Table of Contents

## 2013 Commission Summary

## 2013 Opinions of the Property Tax Administrator

### Residential Reports

- Residential Assessment Actions
- Residential Assessment Survey
- Residential Statistics

### Residential Correlation

- I. Correlation
- II. Analysis of Sales Verification
- III. Measure of Central Tendency
- IV. Analysis of Quality of Assessment

### Commercial Reports

- Commercial Assessment Actions
- Commercial Assessment Survey
- Commercial Statistics

### Commercial Correlation

- I. Correlation
- II. Analysis of Sales Verification
- III. Measure of Central Tendency
- IV. Analysis of Quality of Assessment

### Agricultural and/or Special Valuation Reports

- Agricultural Assessment Actions
- Agricultural Assessment Survey
- Agricultural Land Statistics
- Agricultural Average Acre Values Table
- Special Valuation Methodology, if applicable
- Special Valuation Statistics, if applicable

### Agricultural and/or Special Valuation Correlation

- I. Correlation
- II. Analysis of Sales Verification
- III. Measure of Central Tendency
- IV. Analysis of Quality of Assessment

### County Reports

- County Abstract of Assessment for Real Property, Form 45
- County Agricultural Land Detail
- County Abstract of Assessment for Real Property Compared with the Prior Year Certificate of Taxes Levied (CTL).
- County Assessor's Three Year Plan of Assessment

Assessment Survey – General Information

**Certification**

**Maps**

Market Areas

Registered Wells > 500 GPM

**Valuation History Charts**



## 2013 Commission Summary for Kearney County

### Residential Real Property - Current

Number of Sales	169	Median	98.22
Total Sales Price	\$18,221,344	Mean	101.04
Total Adj. Sales Price	\$18,221,344	Wgt. Mean	97.22
Total Assessed Value	\$17,713,990	Average Assessed Value of the Base	\$91,631
Avg. Adj. Sales Price	\$107,819	Avg. Assessed Value	\$104,817

### Confidence Interval - Current

95% Median C.I	93.48 to 100.83
95% Wgt. Mean C.I	94.45 to 99.98
95% Mean C.I	96.85 to 105.23
% of Value of the Class of all Real Property Value in the	21.49
% of Records Sold in the Study Period	6.30
% of Value Sold in the Study Period	7.21

### Residential Real Property - History

Year	Number of Sales	LOV	Median
2012	132	93	93.28
2011	140	93	93
2010	152	96	96
2009	186	98	98

## 2013 Commission Summary for Kearney County

### Commercial Real Property - Current

Number of Sales	14	Median	98.70
Total Sales Price	\$569,850	Mean	102.11
Total Adj. Sales Price	\$569,850	Wgt. Mean	95.53
Total Assessed Value	\$544,380	Average Assessed Value of the Base	\$216,096
Avg. Adj. Sales Price	\$40,704	Avg. Assessed Value	\$38,884

### Confidence Interval - Current

95% Median C.I	47.66 to 166.04
95% Wgt. Mean C.I	54.22 to 136.84
95% Mean C.I	74.39 to 129.83
% of Value of the Class of all Real Property Value in the County	6.76
% of Records Sold in the Study Period	3.91
% of Value Sold in the Study Period	0.70

### Commercial Real Property - History

Year	Number of Sales	LOV	Median
2012	18		97.97
2011	20		98
2010	23	97	97
2009	18	100	99



## 2013 Opinions of the Property Tax Administrator for Kearney County

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

Class	Level of Value	Quality of Assessment	Non-binding recommendation
<b>Residential Real Property</b>	<b>98</b>	Meets generally accepted mass appraisal practices.	No recommendation.
<b>Commercial Real Property</b>	<b>*NEI</b>	Meets generally accepted mass appraisal practices.	No recommendation.
<b>Agricultural Land</b>	<b>70</b>	Meets generally accepted mass appraisal practices.	No recommendation.

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

Dated this 5th day of April, 2013.



\_\_\_\_\_  
Ruth A. Sorensen  
Property Tax Administrator



## **2013 Residential Assessment Actions for Kearney County**

All residential sales were reviewed and a spreadsheet analysis of the usable sales within the study period was completed, existing and potential market areas and neighborhoods were analyzed.

New pricing (December 2011) was applied to all residential property in the county. A market and depreciation study was completed for each valuation grouping, values were adjusted accordingly.

All residential sites were analyzed and adjusted to reflect the market.

Pickup work was timely completed by appraiser Ron Elliott.

## 2013 Residential Assessment Survey for Kearney County

1.	<b>Valuation data collection done by:</b>	
	Appraiser	
2.	<b>List the valuation groupings recognized by the County and describe the unique characteristics of each:</b>	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	01	Minden – largest community in the county; has a school system, as well as several amenities and job opportunities. The residential housing market in Minden is stable and active.
	02	Axtell – smaller community, located on a major highway, contains a school system and a few amenities and employment opportunities. The market is mainly influenced by its proximity to Kearney.
	03	Brandt’s – subdivision across the river from Kearney, properties are lakefront; homes are newer and have been desirable.
	04	El Charman – Rural subdivision, properties are lakefront; located over 14 miles from Kearney.
	05	Heartwell – Very small community with no school or amenities. There are a few agricultural businesses here, and the market is primarily agriculturally influenced.
	06	Lowell – Very small community, no school or amenities; located just south of an I-80 interchange.
	07	McConnell’s – Rural subdivision just across the river from Kearney, not on a lake. This subdivision is closest to Kearney and has better highway access than the other rural subdivisions.
	08	Norman – extremely small community, with no school or amenities. This community is further from any larger town than the other communities, it is closest to Hastings (30+ miles away).
	09	Summerhaven – Rural subdivision close to Kearney, properties are lakefront and are primarily improvements on leased land. The lake is more desirable than some of the other subdivisions on lakes.
	10	Wilcox – small community with a school system, but few other amenities.
	11	Awarii Dunes – new golf course between Axtell & Kearney. The homes are new and there is still room for more housing developments.
	12	Craneview – subdivision near the Axtell golf course. This subdivision is older than properties found on the golf course.
	15	Rural 1 – all rural residential properties not in an identified subdivision.
3.	<b>List and describe the approach(es) used to estimate the market value of residential properties.</b>	
	Sales comparison and cost approach	
4	<b>What is the costing year of the cost approach being used for each valuation</b>	

	<b>grouping?</b>
	December 2011
5.	<b>If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?</b>
	Depreciation tables are developed using local market information.
6.	<b>Are individual depreciation tables developed for each valuation grouping?</b>
	Yes
7.	<b>When were the depreciation tables last updated for each valuation grouping?</b>
	2013
8.	<b>When was the last lot value study completed for each valuation grouping?</b>
	2013
9.	<b>Describe the methodology used to determine the residential lot values?</b>
	The sales comparison approach is used. Lots are analyzed by the square foot, front foot, and per acre.

**50 Kearney  
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 : 169  
 Total Sales Price : 18,221,344  
 Total Adj. Sales Price : 18,221,344  
 Total Assessed Value : 17,713,990  
 Avg. Adj. Sales Price : 107,819  
 Avg. Assessed Value : 104,817

MEDIAN : 98  
 WGT. MEAN : 97  
 MEAN : 101  
 COD : 18.33  
 PRD : 103.93

COV : 27.48  
 STD : 27.77  
 Avg. Abs. Dev : 18.00  
 MAX Sales Ratio : 242.48  
 MIN Sales Ratio : 29.51

95% Median C.I. : 93.48 to 100.83  
 95% Wgt. Mean C.I. : 94.45 to 99.98  
 95% Mean C.I. : 96.85 to 105.23

Printed:3/21/2013 4:47:13PM

**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	14	100.74	108.79	97.14	22.08	111.99	80.63	226.71	80.67 to 121.70	92,417	89,777
01-JAN-11 To 31-MAR-11	13	101.31	100.61	102.14	09.98	98.50	70.19	116.72	92.72 to 111.94	114,904	117,367
01-APR-11 To 30-JUN-11	25	104.09	104.84	100.96	14.02	103.84	72.16	187.18	95.88 to 109.97	94,359	95,268
01-JUL-11 To 30-SEP-11	27	97.64	103.46	96.07	16.69	107.69	76.48	242.48	88.03 to 106.58	95,681	91,917
01-OCT-11 To 31-DEC-11	21	95.94	98.51	96.80	13.57	101.77	69.18	157.56	89.04 to 103.72	112,838	109,233
01-JAN-12 To 31-MAR-12	19	95.02	99.74	97.23	17.88	102.58	57.76	183.89	87.80 to 103.54	132,079	128,422
01-APR-12 To 30-JUN-12	25	91.64	96.67	94.41	20.56	102.39	59.14	189.49	79.39 to 103.17	106,356	100,408
01-JUL-12 To 30-SEP-12	25	95.30	97.96	95.61	27.79	102.46	29.51	175.29	81.50 to 108.82	118,136	112,950
<u>Study Yrs</u>											
01-OCT-10 To 30-SEP-11	79	100.26	104.37	98.92	15.93	105.51	70.19	242.48	96.39 to 105.25	97,848	96,786
01-OCT-11 To 30-SEP-12	90	94.24	98.11	95.96	20.51	102.24	29.51	189.49	90.07 to 99.72	116,571	111,865
<u>Calendar Yrs</u>											
01-JAN-11 To 31-DEC-11	86	99.77	102.22	98.61	14.36	103.66	69.18	242.48	95.94 to 103.72	102,392	100,967
<u>ALL</u>	169	98.22	101.04	97.22	18.33	103.93	29.51	242.48	93.48 to 100.83	107,819	104,817

**VALUATION GROUPING**

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	97	99.57	102.17	98.83	19.13	103.38	39.57	226.71	95.02 to 103.21	93,626	92,532
02	25	100.31	105.90	99.91	22.50	106.00	29.51	242.48	90.95 to 117.04	90,984	90,899
03	3	82.51	85.36	85.85	04.93	99.43	80.67	92.89	N/A	294,600	252,902
04	7	88.36	88.53	89.43	11.91	98.99	69.18	104.53	69.18 to 104.53	164,071	146,735
06	1	81.53	81.53	81.53	00.00	100.00	81.53	81.53	N/A	49,900	40,685
07	2	93.92	93.92	93.87	02.15	100.05	91.90	95.94	N/A	139,500	130,955
09	4	86.59	86.96	87.58	11.96	99.29	73.82	100.84	N/A	182,975	160,248
10	9	97.89	103.53	97.84	13.26	105.82	73.55	138.84	91.44 to 131.55	73,778	72,185
11	1	82.32	82.32	82.32	00.00	100.00	82.32	82.32	N/A	222,000	182,745
12	1	95.30	95.30	95.30	00.00	100.00	95.30	95.30	N/A	201,000	191,545
15	19	99.94	100.79	101.03	14.41	99.76	69.90	151.09	88.03 to 116.72	141,311	142,766
<u>ALL</u>	169	98.22	101.04	97.22	18.33	103.93	29.51	242.48	93.48 to 100.83	107,819	104,817

**50 Kearney  
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 : 169	MEDIAN : 98	COV : 27.48	95% Median C.I. : 93.48 to 100.83
Total Sales Price : 18,221,344	WGT. MEAN : 97	STD : 27.77	95% Wgt. Mean C.I. : 94.45 to 99.98
Total Adj. Sales Price : 18,221,344	MEAN : 101	Avg. Abs. Dev : 18.00	95% Mean C.I. : 96.85 to 105.23
Total Assessed Value : 17,713,990			
Avg. Adj. Sales Price : 107,819	COD : 18.33	MAX Sales Ratio : 242.48	
Avg. Assessed Value : 104,817	PRD : 103.93	MIN Sales Ratio : 29.51	

Printed:3/21/2013 4:47:13PM

**PROPERTY TYPE \***

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	169	98.22	101.04	97.22	18.33	103.93	29.51	242.48	93.48 to 100.83	107,819	104,817
06											
07											
<u>ALL</u>	169	98.22	101.04	97.22	18.33	103.93	29.51	242.48	93.48 to 100.83	107,819	104,817

**SALE PRICE \***

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Low \$ Ranges</u>											
Less Than 5,000											
Less Than 15,000	4	159.37	169.56	170.78	28.41	99.29	117.04	242.48	N/A	11,625	19,854
Less Than 30,000	13	129.79	141.74	138.33	29.68	102.47	87.00	242.48	99.65 to 187.18	20,133	27,850
<u>Ranges Excl. Low \$</u>											
Greater Than 4,999	169	98.22	101.04	97.22	18.33	103.93	29.51	242.48	93.48 to 100.83	107,819	104,817
Greater Than 14,999	165	97.64	99.38	97.03	17.10	102.42	29.51	226.71	92.89 to 100.26	110,151	106,876
Greater Than 29,999	156	96.22	97.64	96.62	16.29	101.06	29.51	189.49	92.34 to 99.94	115,126	111,230
<u>Incremental Ranges</u>											
0 TO 4,999											
5,000 TO 14,999	4	159.37	169.56	170.78	28.41	99.29	117.04	242.48	N/A	11,625	19,854
15,000 TO 29,999	9	103.21	129.37	131.32	31.18	98.52	87.00	226.71	98.79 to 183.89	23,914	31,404
30,000 TO 59,999	29	87.97	100.88	102.04	31.09	98.86	29.51	189.49	80.65 to 117.25	47,636	48,607
60,000 TO 99,999	49	99.72	98.95	98.80	16.32	100.15	39.57	157.68	90.69 to 105.25	79,539	78,587
100,000 TO 149,999	40	95.45	96.30	96.51	11.22	99.78	71.97	137.21	90.99 to 100.26	123,125	118,822
150,000 TO 249,999	32	95.93	95.73	95.81	11.45	99.92	59.14	118.36	88.03 to 104.51	188,813	180,894
250,000 TO 499,999	6	93.18	90.52	90.44	07.98	100.09	73.82	100.84	73.82 to 100.84	285,633	258,341
500,000 TO 999,999											
1,000,000 +											
<u>ALL</u>	169	98.22	101.04	97.22	18.33	103.93	29.51	242.48	93.48 to 100.83	107,819	104,817



## **2013 Correlation Section for Kearney County**

---

### **A. Residential Real Property**

Kearney County contains five small communities, as well as several rural subdivisions in the northern part of the county. Minden is the largest community with a population of nearly 3,000; it and the rural subdivisions contain the most organized markets. The other communities are influenced by their proximity to the City of Kearney as well as the amount of local amenities and the presence or absence of a school system within the community. The county assessor recognizes each community and rural subdivision as a separate valuation grouping.

The county is in compliance with the statutory six-year inspection requirement. All residential parcels were reviewed for the 2008 reappraisal of the class. Additionally, residential parcels were reviewed by aerial photographs in 2011 with follow-up physical inspections done when changes were noted.

The Department conducts two scheduled review processes each year. The first is a cyclical review of assessment practices in which one-third of the counties are reviewed each year. Kearney County received this review during 2011. The review indicated that assessment actions have been uniformly applied within the class. The second review process began in 2012 and involved a review of sales qualification determinations. All non-qualified sales were reviewed to determine whether the reasons for disqualifying sales were complete and adequately described why the transaction had been excluded. An on-site interview with the assessor and inspection of sales verification documentation was also completed. The review indicated that the verification process was well documented and that all arm's length sales have been made available for the measurement of real property in Kearney County.

Analysis of the statistical profile for the residential class shows measures of central tendency that are tightly clustered and suggest a level of value within the acceptable range. The qualitative statistics suggest uniformity in assessments. A review of the valuation grouping substrata indicates that only valuation groupings 01, 02, and 15 have a sufficient number of sales. The remaining valuation groupings contain so few sales that it is unclear how the county conducts meaningful market analysis in these areas. However, analysis of the sales does show that the small villages have received similar adjustments for 2013, as have the rural subdivisions. Therefore, it is believed that all the valuation groupings have been uniformly assessed within the acceptable range.

Based on a review of all available evidence the level of value of residential property in Kearney County is 98%; assessment practices meet generally accepted mass appraisal standards.

**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 Kearney 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 Kearney 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 Kearney 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 Kearney County**

All commercial sales, as well as existing and potential neighborhoods, were analyzed.

Market studies were conducted on each town and the rural commercial properties in the county. There continues to be few commercial sales within the small villages and rural area making the representativeness of the sample problematic.

All commercial pickup work was timely completed by appraiser Ron Elliott.

## 2013 Commercial Assessment Survey for Kearney County

1.	<b>Valuation data collection done by:</b>	
	Appraiser	
2.	<b>List the valuation groupings recognized in the County and describe the unique characteristics of each:</b>	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	01	Minden – largest community in the county with an active business district, there are few commercial sales per year here, but the market is more active than anywhere else in the county.
	02	Axtell – Small community with some commercial properties. Primarily influenced by its proximity to Kearney.
	03	Wilcox – Small community on a major highway, very few commercial parcels and little market activity.
	04	Heartwell – very small community on a major highway, very few commercial parcels and little market activity.
	05	Norman – very small community on a major highway, very few commercial parcels and little market activity.
	06	Rural 1 – All commercial properties not in the boundaries of a town. These properties will primarily be influenced by the agricultural economy.
3.	<b>List and describe the approach(es) used to estimate the market value of commercial properties.</b>	
	All three approaches are developed.	
3a.	<b>Describe the process used to determine the value of unique commercial properties.</b>	
	The appraiser is responsible for establishing values of unique commercial properties, and will use sales data from outside the county if necessary.	
4.	<b>What is the costing year of the cost approach being used for each valuation grouping?</b>	
	April 2007	
5.	<b>If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?</b>	
	The county develops depreciation tables based on local market information.	
6.	<b>Are individual depreciation tables developed for each valuation grouping?</b>	
	Yes	
7.	<b>When were the depreciation tables last updated for each valuation grouping?</b>	
	2013	
8.	<b>When was the last lot value study completed for each valuation grouping?</b>	
	2013	
9.	<b>Describe the methodology used to determine the commercial lot values.</b>	

	The sales comparison approach is used; lots are analyzed by the square foot, front foot and per acre.
--	---

**50 Kearney**  
**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 : 14  
Total Sales Price : 569,850  
Total Adj. Sales Price : 569,850  
Total Assessed Value : 544,380  
Avg. Adj. Sales Price : 40,704  
Avg. Assessed Value : 38,884

MEDIAN : 99  
WGT. MEAN : 96  
MEAN : 102  
COD : 36.68  
PRD : 106.89

COV : 47.03  
STD : 48.02  
Avg. Abs. Dev : 36.20  
MAX Sales Ratio : 184.58  
MIN Sales Ratio : 34.02

95% Median C.I. : 47.66 to 166.04  
95% Wgt. Mean C.I. : 54.22 to 136.84  
95% Mean C.I. : 74.39 to 129.83

Printed:3/21/2013 4:47:14PM

**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	2	98.65	98.65	99.53	03.74	99.12	94.96	102.33	N/A	35,500	35,333
01-JAN-10 To 31-MAR-10											
01-APR-10 To 30-JUN-10	2	85.80	85.80	85.53	12.47	100.32	75.10	96.50	N/A	19,500	16,678
01-JUL-10 To 30-SEP-10											
01-OCT-10 To 31-DEC-10	2	133.47	133.47	148.67	24.40	89.78	100.90	166.04	N/A	37,500	55,750
01-JAN-11 To 31-MAR-11	5	105.90	105.48	105.02	36.87	100.44	42.68	172.96	N/A	42,470	44,603
01-APR-11 To 30-JUN-11											
01-JUL-11 To 30-SEP-11	1	34.02	34.02	34.02	00.00	100.00	34.02	34.02	N/A	27,500	9,355
01-OCT-11 To 31-DEC-11											
01-JAN-12 To 31-MAR-12	1	47.66	47.66	47.66	00.00	100.00	47.66	47.66	N/A	125,000	59,575
01-APR-12 To 30-JUN-12	1	184.58	184.58	184.58	00.00	100.00	184.58	184.58	N/A	20,000	36,915
01-JUL-12 To 30-SEP-12											
<u>Study Yrs</u>											
01-OCT-09 To 30-SEP-10	4	95.73	92.22	94.56	07.51	97.53	75.10	102.33	N/A	27,500	26,005
01-OCT-10 To 30-SEP-11	8	103.40	103.55	109.22	40.17	94.81	34.02	172.96	34.02 to 172.96	39,356	42,984
01-OCT-11 To 30-SEP-12	2	116.12	116.12	66.54	58.96	174.51	47.66	184.58	N/A	72,500	48,245
<u>Calendar Yrs</u>											
01-JAN-10 To 31-DEC-10	4	98.70	109.64	127.07	24.15	86.28	75.10	166.04	N/A	28,500	36,214
01-JAN-11 To 31-DEC-11	6	88.17	93.57	96.88	50.50	96.58	34.02	172.96	34.02 to 172.96	39,975	38,728
<u>ALL</u>	14	98.70	102.11	95.53	36.68	106.89	34.02	184.58	47.66 to 166.04	40,704	38,884

**VALUATION GROUPING**

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	9	75.10	85.25	73.91	44.75	115.34	34.02	166.04	42.68 to 135.43	43,456	32,117
02	4	104.12	122.33	118.44	22.00	103.28	96.50	184.58	N/A	24,688	29,239
15	1	172.96	172.96	172.96	00.00	100.00	172.96	172.96	N/A	80,000	138,370
<u>ALL</u>	14	98.70	102.11	95.53	36.68	106.89	34.02	184.58	47.66 to 166.04	40,704	38,884

**PROPERTY TYPE \***

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
02											
03	14	98.70	102.11	95.53	36.68	106.89	34.02	184.58	47.66 to 166.04	40,704	38,884
04											
<u>ALL</u>	14	98.70	102.11	95.53	36.68	106.89	34.02	184.58	47.66 to 166.04	40,704	38,884

**50 Kearney  
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 : 14  
Total Sales Price : 569,850  
Total Adj. Sales Price : 569,850  
Total Assessed Value : 544,380  
Avg. Adj. Sales Price : 40,704  
Avg. Assessed Value : 38,884

MEDIAN : 99  
WGT. MEAN : 96  
MEAN : 102  
COD : 36.68  
PRD : 106.89

COV : 47.03  
STD : 48.02  
Avg. Abs. Dev : 36.20  
MAX Sales Ratio : 184.58  
MIN Sales Ratio : 34.02

95% Median C.I. : 47.66 to 166.04  
95% Wgt. Mean C.I. : 54.22 to 136.84  
95% Mean C.I. : 74.39 to 129.83

Printed:3/21/2013 4:47:14PM

SALE PRICE *											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
___ Low \$ Ranges ___												
Less Than 5,000												
Less Than 15,000	1	135.43	135.43	135.43	00.00	100.00	135.43	135.43	N/A	8,100	10,970	
Less Than 30,000	8	98.70	103.42	97.30	28.65	106.29	34.02	184.58	34.02 to 184.58	19,669	19,137	
___ Ranges Excl. Low \$ ___												
Greater Than 4,999	14	98.70	102.11	95.53	36.68	106.89	34.02	184.58	47.66 to 166.04	40,704	38,884	
Greater Than 14,999	13	96.50	99.54	94.96	37.30	104.82	34.02	184.58	47.66 to 166.04	43,212	41,032	
Greater Than 29,999	6	86.39	100.35	94.86	54.13	105.79	42.68	172.96	42.68 to 172.96	68,750	65,214	
___ Incremental Ranges ___												
0 TO 4,999												
5,000 TO 14,999	1	135.43	135.43	135.43	00.00	100.00	135.43	135.43	N/A	8,100	10,970	
15,000 TO 29,999	7	96.50	98.85	95.23	27.73	103.80	34.02	184.58	34.02 to 184.58	21,321	20,304	
30,000 TO 59,999	3	102.33	112.94	118.88	31.14	95.00	70.44	166.04	N/A	45,833	54,488	
60,000 TO 99,999	2	107.82	107.82	112.16	60.42	96.13	42.68	172.96	N/A	75,000	84,123	
100,000 TO 149,999	1	47.66	47.66	47.66	00.00	100.00	47.66	47.66	N/A	125,000	59,575	
150,000 TO 249,999												
250,000 TO 499,999												
500,000 TO 999,999												
1,000,000 +												
___ ALL ___	14	98.70	102.11	95.53	36.68	106.89	34.02	184.58	47.66 to 166.04	40,704	38,884	

OCCUPANCY CODE											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
325	1	75.10	75.10	75.10	00.00	100.00	75.10	75.10	N/A	20,000	15,020	
342	1	102.33	102.33	102.33	00.00	100.00	102.33	102.33	N/A	44,000	45,025	
344	1	47.66	47.66	47.66	00.00	100.00	47.66	47.66	N/A	125,000	59,575	
353	6	97.93	101.74	93.83	33.06	108.43	42.68	166.04	42.68 to 166.04	36,433	34,184	
381	1	172.96	172.96	172.96	00.00	100.00	172.96	172.96	N/A	80,000	138,370	
384	1	34.02	34.02	34.02	00.00	100.00	34.02	34.02	N/A	27,500	9,355	
389	1	96.50	96.50	96.50	00.00	100.00	96.50	96.50	N/A	19,000	18,335	
434	1	105.90	105.90	105.90	00.00	100.00	105.90	105.90	N/A	15,750	16,680	
528	1	184.58	184.58	184.58	00.00	100.00	184.58	184.58	N/A	20,000	36,915	
___ ALL ___	14	98.70	102.11	95.53	36.68	106.89	34.02	184.58	47.66 to 166.04	40,704	38,884	



## **2013 Correlation Section for Kearney County**

---

### **A. Commercial Real Property**

Kearney County contains five small communities. Minden is the largest of these with a population of nearly 3,000; it is the only community in the county with a viable market for commercial property. Even in Minden, the market for commercial properties can be unorganized and subject to various motivations. The county assessor recognizes each community as a valuation grouping due to population and locational influences; however, since the sample is generally quite small, only the overall sample is analyzed by the Department.

The county is in compliance with the statutory six year review requirement. All commercial parcels countywide were reviewed and revalued for 2009. Since that time only routine maintenance has occurred within the class.

The Department conducts two scheduled reviews each year. The first is a cyclical review of assessment practices in which one-third of the counties are reviewed each year. Kearney County received this review during 2011. The review revealed that assessment actions have been uniformly applied within the class. The second review process began in 2012 and involved a review of sales qualification determinations. All non-qualified sales were reviewed to determine whether the reasons for disqualifying sales were complete and adequately described why the transaction had been excluded. An on-site interview with the assessor and inspection of sales verification documentation was also completed. The review indicated that the verification process was well documented and that all arm's length sales have been made available for the measurement of real property in Kearney County.

A review of the statistical profile for the class shows a sample of only 14 sales. While the measures of central tendency are generally within the acceptable range, the qualitative statistics show enough dispersion in the ratios to suggest that statistics produced from such a small sample should not be relied upon with precision.

Based on the verified assessment practices within the county, the level of value is believed to be acceptable and assessment practices appear to meet generally accepted mass appraisal standards. There is insufficient information available to estimate a specific level of value for commercial property in Kearney County.

**2013 Correlation Section  
for Kearney 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 Kearney 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 Kearney 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 Kearney 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 Kearney County**

All agricultural sales were reviewed. An analysis of the sales was conducted by plotting the qualified sales within the study period. The analysis showed no geographic characteristic differences that would indicate a need for separate market areas. As a result of the analysis, all agricultural land in the county continues to be valued using one schedule of values.

A spreadsheet analysis was conducted on the sales in the county, as a result all land values increased. Irrigated land increased approximately 13%, dry land 10%, and grass 17%.

Land use changes were made as appropriate. Cooperation between the County Assessor's office and the Tri-Basin Natural Resources District continues to be good. Restrictions on water continue, along with water transfers within the county and from neighboring counties; however, water transfers have slowed.

All pickup work was timely completed by appraiser Ron Elliott.

## 2013 Agricultural Assessment Survey for Kearney County

1.	<b>Valuation data collection done by:</b>	
	Appraiser	
2.	<b>List each market area, and describe the location and the specific characteristics that make each unique.</b>	
	Market Area	Description of unique characteristics
	1	No geographic or economic differences have been determined.
3.	<b>Describe the process used to determine and monitor market areas.</b>	
	Sales are plotted and verified, water availability is monitored and NRD restrictions are reviewed.	
4.	<b>Describe the process used to identify rural residential land and recreational land in the county apart from agricultural land.</b>	
	Sales are reviewed and inspected for current use before a determination is made.	
5.	<b>Do farm home sites carry the same value as rural residential home sites? If not, what are the market differences?</b>	
	Farm home sites and rural residential home sites carry the same value county wide.	
6.	<b>Describe the process used to identify and monitor the influence of non-agricultural characteristics.</b>	
	Non-agricultural influences are identified by monitoring and reviewing sales. Additionally, land along the river is reviewed for use changes.	
7.	<b>Have special valuation applications been filed in the county? If a value difference is recognized describe the process used to develop the uninfluenced value.</b>	
	No	
8.	<b>If applicable, describe the process used to develop assessed values for parcels enrolled in the Wetland Reserve Program.</b>	
	n/a	

**50 Kearney**  
**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 : 34  
 Total Sales Price : 22,980,270  
 Total Adj. Sales Price : 22,980,270  
 Total Assessed Value : 13,767,658  
 Avg. Adj. Sales Price : 675,890  
 Avg. Assessed Value : 404,931

MEDIAN : 70  
 WGT. MEAN : 60  
 MEAN : 67  
 COD : 24.36  
 PRD : 112.47

COV : 32.53  
 STD : 21.92  
 Avg. Abs. Dev : 16.94  
 MAX Sales Ratio : 128.47  
 MIN Sales Ratio : 20.82

95% Median C.I. : 54.00 to 77.06  
 95% Wgt. Mean C.I. : 52.51 to 67.31  
 95% Mean C.I. : 60.01 to 74.75

Printed:3/21/2013 4:47:15PM

**DATE OF SALE \***

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<b>Qtrts</b>											
01-OCT-09 To 31-DEC-09	3	65.20	84.42	75.26	35.21	112.17	59.58	128.47	N/A	332,635	250,355
01-JAN-10 To 31-MAR-10	3	73.86	76.64	76.44	05.04	100.26	72.45	83.61	N/A	649,183	496,245
01-APR-10 To 30-JUN-10	1	71.12	71.12	71.12	00.00	100.00	71.12	71.12	N/A	1,574,000	1,119,420
01-JUL-10 To 30-SEP-10	3	72.93	74.06	74.42	02.22	99.52	72.20	77.06	N/A	537,257	399,819
01-OCT-10 To 31-DEC-10	7	65.04	68.28	63.31	23.37	107.85	46.43	90.50	46.43 to 90.50	605,666	383,459
01-JAN-11 To 31-MAR-11	2	83.33	83.33	81.17	11.23	102.66	73.97	92.69	N/A	260,000	211,038
01-APR-11 To 30-JUN-11	1	81.64	81.64	81.64	00.00	100.00	81.64	81.64	N/A	176,355	143,980
01-JUL-11 To 30-SEP-11	3	54.00	58.18	58.43	08.02	99.57	53.77	66.77	N/A	705,000	411,930
01-OCT-11 To 31-DEC-11	6	77.53	72.44	62.85	24.27	115.26	38.63	94.16	38.63 to 94.16	810,237	509,195
01-JAN-12 To 31-MAR-12	3	46.81	41.66	38.77	14.87	107.45	28.64	49.53	N/A	769,102	298,203
01-APR-12 To 30-JUN-12											
01-JUL-12 To 30-SEP-12	2	27.08	27.08	29.40	23.12	92.11	20.82	33.34	N/A	1,314,652	386,572
<b>Study Yrs</b>											
01-OCT-09 To 30-SEP-10	10	72.69	77.65	74.35	13.12	104.44	59.58	128.47	65.20 to 83.61	613,122	455,868
01-OCT-10 To 30-SEP-11	13	66.77	69.29	63.62	20.95	108.91	46.43	92.69	53.64 to 89.81	542,386	345,081
01-OCT-11 To 30-SEP-12	11	49.53	55.80	48.20	41.81	115.77	20.82	94.16	28.64 to 92.52	890,730	429,357
<b>Calendar Yrs</b>											
01-JAN-10 To 31-DEC-10	14	72.69	71.51	69.26	13.07	103.25	46.43	90.50	53.64 to 83.61	669,499	463,702
01-JAN-11 To 31-DEC-11	12	70.97	71.46	63.30	21.92	112.89	38.63	94.16	54.00 to 92.52	639,398	404,751
<b>ALL</b>	34	69.54	67.38	59.91	24.36	112.47	20.82	128.47	54.00 to 77.06	675,890	404,931

**AREA (MARKET)**

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
1	34	69.54	67.38	59.91	24.36	112.47	20.82	128.47	54.00 to 77.06	675,890	404,931
<b>ALL</b>	34	69.54	67.38	59.91	24.36	112.47	20.82	128.47	54.00 to 77.06	675,890	404,931

**50 Kearney**  
**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 : 34  
Total Sales Price : 22,980,270  
Total Adj. Sales Price : 22,980,270  
Total Assessed Value : 13,767,658  
Avg. Adj. Sales Price : 675,890  
Avg. Assessed Value : 404,931

MEDIAN : 70  
WGT. MEAN : 60  
MEAN : 67  
COD : 24.36  
PRD : 112.47

COV : 32.53  
STD : 21.92  
Avg. Abs. Dev : 16.94  
MAX Sales Ratio : 128.47  
MIN Sales Ratio : 20.82

95% Median C.I. : 54.00 to 77.06  
95% Wgt. Mean C.I. : 52.51 to 67.31  
95% Mean C.I. : 60.01 to 74.75

Printed:3/21/2013 4:47:15PM

**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
<b>_____Irrigated_____</b>											
County	14	73.40	77.51	69.44	20.44	111.62	46.81	128.47	54.28 to 90.50	715,420	496,793
1	14	73.40	77.51	69.44	20.44	111.62	46.81	128.47	54.28 to 90.50	715,420	496,793
<b>_____Dry_____</b>											
County	1	73.97	73.97	73.97	00.00	100.00	73.97	73.97	N/A	320,000	236,695
1	1	73.97	73.97	73.97	00.00	100.00	73.97	73.97	N/A	320,000	236,695
<b>_____Grass_____</b>											
County	1	49.53	49.53	49.53	00.00	100.00	49.53	49.53	N/A	230,000	113,930
1	1	49.53	49.53	49.53	00.00	100.00	49.53	49.53	N/A	230,000	113,930
<b>_____ALL_____</b>	<b>34</b>	<b>69.54</b>	<b>67.38</b>	<b>59.91</b>	<b>24.36</b>	<b>112.47</b>	<b>20.82</b>	<b>128.47</b>	<b>54.00 to 77.06</b>	<b>675,890</b>	<b>404,931</b>

**80%MLU By Market Area**

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<b>_____Irrigated_____</b>											
County	28	69.54	67.49	59.86	24.71	112.75	20.82	128.47	54.00 to 77.06	738,069	441,796
1	28	69.54	67.49	59.86	24.71	112.75	20.82	128.47	54.00 to 77.06	738,069	441,796
<b>_____Dry_____</b>											
County	2	69.59	69.59	69.74	06.31	99.78	65.20	73.97	N/A	308,998	215,500
1	2	69.59	69.59	69.74	06.31	99.78	65.20	73.97	N/A	308,998	215,500
<b>_____Grass_____</b>											
County	2	65.59	65.59	63.47	24.49	103.34	49.53	81.64	N/A	203,178	128,955
1	2	65.59	65.59	63.47	24.49	103.34	49.53	81.64	N/A	203,178	128,955
<b>_____ALL_____</b>	<b>34</b>	<b>69.54</b>	<b>67.38</b>	<b>59.91</b>	<b>24.36</b>	<b>112.47</b>	<b>20.82</b>	<b>128.47</b>	<b>54.00 to 77.06</b>	<b>675,890</b>	<b>404,931</b>

## Kearney County 2013 Average Acre Value Comparison

County	Mkt Area	1A1	1A	2A1	2A	3A1	3A	4A1	4A	AVG IRR
Kearney	1	N/A	3,585	2,930	2,675	1,780	1,210	1,210	910	2,932
Phelps	1	2,806	3,800	3,000	2,798	2,500	2,400	2,300	2,100	3,526
Phelps	2	N/A	2,300	2,000	1,800	1,600	1,500	1,400	1,300	1,975
Adams	4000	4,190	4,090	3,625	3,190	2,595	2,570	2,370	2,130	3,787
Harlan	1	N/A	3,206	2,580	2,235	N/A	N/A	1,485	1,485	2,925
Franklin	2	3,040	3,049	2,898	2,883	2,362	2,133	2,337	2,293	2,866
Webster	1	2,475	2,475	2,475	2,475	2,430	2,430	2,430	2,430	2,453
Buffalo	2	4,018	4,017	3,518	3,589	3,200	3,527	3,100	3,191	3,807

County	Mkt Area	1D1	1D	2D1	2D	3D1	3D	4D1	4D	AVG DRY
Kearney	1	N/A	1,600	1,500	1,400	850	650	650	500	1,348
Phelps	1	1,400	1,400	1,200	1,100	1,050	1,000	900	800	1,277
Phelps	2	N/A	1,400	1,200	1,100	1,050	1,000	900	800	1,158
Adams	4000	2,075	2,075	1,755	1,595	1,595	1,595	1,450	1,450	1,902
Harlan	1	N/A	1,554	1,380	1,370	N/A	N/A	935	935	1,448
Franklin	2	1,485	1,485	1,255	1,255	1,130	1,020	975	975	1,343
Webster	1	1,600	1,600	1,600	1,500	1,500	1,500	1,450	1,450	1,545
Buffalo	2	1,874	1,685	1,498	1,450	1,250	1,503	1,022	1,280	1,469

County	Mkt Area	1G1	1G	2G1	2G	3G1	3G	4G1	4G	AVG GRASS
Kearney	1	N/A	600	600	600	600	600	600	550	592
Phelps	1	750	925	1,127	813	728	726	639	530	708
Phelps	2	N/A	600	550	500	506	475	463	450	465
Adams	4000	945	945	945	885	760	760	760	760	818
Harlan	1	N/A	600	600	600	N/A	N/A	600	600	600
Franklin	2	815	805	725	710	700	700	650	650	670
Webster	1	765	765	765	765	765	765	765	765	765
Buffalo	2	1,232	1,171	943	923	988	902	905	830	933

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



## 2013 Correlation Section for Kearney County

---

### A. Agricultural Land

Agricultural land in Kearney County can be described as plains land which is primarily irrigated cropland. The majority the cropland acres are in the upper capability groupings. Phelps and Adams counties are the most comparable to Kearney in terms of land characteristics; however, Adams County is in a different Natural Resource District causing some reservation about the comparability of irrigated land between the counties. Buffalo County is not considered comparable due to soil differences; additionally the portion of Buffalo County that adjoins Kearney County is subject to nonagricultural influences and receives special valuation. Only portions of Harlan, Franklin, and Webster Counties could be considered comparable in terms of land characteristics; these counties are all in the Republican River Basin and have irrigation limitations that Kearney County is not subject to. Phelps County has typically been considered the most comparable to Kearney County.

Analysis of the sales within Kearney County showed that the sample was not proportionately distributed when stratified by sale date; it was expanded to resolve this issue. The resulting sample is proportionately distributed, representative of the mix of land of uses found within the county, and large enough to be analyzed. Only the irrigated majority land use subclasses have sufficient samples of sales; since this area is primarily irrigated cropland it was not possible to expand the sample to have a reliable measurement of dry or grassland.

Assessment actions for 2013 show increases to cropland that are lower than typical for the area; with a grassland increase that was typical for the area. Analysis of the statistical profile suggests that adjustments made by the assessor are at the low end of the acceptable range. Since the county is most comparable to Phelps County, analysis was conducted comparing both current values and historic actions. The Average Acre Comparison Chart shows that while Kearney County's irrigated values average lower than Phelps County; the upper three LCG's where the majority of the acres lie are only 2-6% lower than Phelps County; this is effectively the difference between assessment actions at the low end versus the upper end of the acceptable range. The difference in the average value is attributed both to Phelps County having higher concentrations of 1A land, and Kearney County carrying a significantly lower value on the minority LCG categories. Analysis of past values does show that while Kearney County has traditionally established comparable LCG values, the weighted average value has typically been lower in Kearney County.

Finally, comparison of past assessment actions shows that since the agricultural land market started increasing significantly in 2008, Kearney County has increased irrigated land 10% more than Phelps County, and dry land 17% more than Phelps County. These factors all suggest that irrigated land in Kearney County is at the low end of the acceptable range.

Dry and grassland values generally compare well with all adjoining counties. It should be noted that while Kearney County does not adjoin Phelps County area two, these values have been provided in the Average Acre Comparison Chart because they more accurately reflect the grassland values used in Phelps County; the Phelps area one grass values are inflated by irrigated grass values and WRP lands.

**2013 Correlation Section  
for Kearney County**

---

Based on the review of all available information, the level of value of agricultural land in Kearney County is determined to be 70%; all subclasses are in the acceptable range.

**2013 Correlation Section  
for Kearney 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 Kearney 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 Kearney 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 Kearney 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.



<b>Total Real Property</b> Sum Lines 17, 25, & 30	<b>Records : 5,550</b>	<b>Value : 1,144,061,424</b>	<b>Growth 8,858,380</b>	<b>Sum Lines 17, 25, &amp; 41</b>
--	------------------------	------------------------------	-------------------------	-----------------------------------

Schedule I : Non-Agricultural Records

	Urban		SubUrban		Rural		Total		Growth
	Records	Value	Records	Value	Records	Value	Records	Value	
<b>01. Res UnImp Land</b>	178	1,385,850	4	186,025	73	1,735,825	255	3,307,700	
<b>02. Res Improve Land</b>	1,618	13,035,255	68	2,150,435	602	16,222,495	2,288	31,408,185	
<b>03. Res Improvements</b>	1,688	124,003,555	68	10,588,740	671	76,148,275	2,427	210,740,570	
<b>04. Res Total</b>	1,866	138,424,660	72	12,925,200	744	94,106,595	2,682	245,456,455	3,121,845
<b>% of Res Total</b>	69.57	56.39	2.68	5.27	27.74	38.34	48.32	21.45	35.24
<b>05. Com UnImp Land</b>	50	437,145	4	104,350	10	876,320	64	1,417,815	
<b>06. Com Improve Land</b>	240	2,520,445	11	390,800	28	1,779,521	279	4,690,766	
<b>07. Com Improvements</b>	250	26,322,410	13	9,721,640	31	35,209,800	294	71,253,850	
<b>08. Com Total</b>	300	29,280,000	17	10,216,790	41	37,865,641	358	77,362,431	2,639,610
<b>% of Com Total</b>	83.80	37.85	4.75	13.21	11.45	48.95	6.45	6.76	29.80
<b>09. Ind UnImp Land</b>	0	0	0	0	0	0	0	0	
<b>10. Ind Improve Land</b>	0	0	0	0	0	0	0	0	
<b>11. Ind Improvements</b>	0	0	0	0	0	0	0	0	
<b>12. Ind Total</b>	0	0	0	0	0	0	0	0	0
<b>% of Ind Total</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>13. Rec UnImp Land</b>	0	0	0	0	0	0	0	0	
<b>14. Rec Improve Land</b>	0	0	0	0	1	388,220	1	388,220	
<b>15. Rec Improvements</b>	0	0	0	0	1	500	1	500	
<b>16. Rec Total</b>	0	0	0	0	1	388,720	1	388,720	0
<b>% of Rec Total</b>	0.00	0.00	0.00	0.00	100.00	100.00	0.02	0.03	0.00
<b>Res &amp; Rec Total</b>	1,866	138,424,660	72	12,925,200	745	94,495,315	2,683	245,845,175	3,121,845
<b>% of Res &amp; Rec Total</b>	69.55	56.31	2.68	5.26	27.77	38.44	48.34	21.49	35.24
<b>Com &amp; Ind Total</b>	300	29,280,000	17	10,216,790	41	37,865,641	358	77,362,431	2,639,610
<b>% of Com &amp; Ind Total</b>	83.80	37.85	4.75	13.21	11.45	48.95	6.45	6.76	29.80
<b>17. Taxable Total</b>	2,166	167,704,660	89	23,141,990	786	132,360,956	3,041	323,207,606	5,761,455
<b>% of Taxable Total</b>	71.23	51.89	2.93	7.16	25.85	40.95	54.79	28.25	65.04

Schedule II : Tax Increment Financing (TIF)

	Urban			SubUrban		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	0	0	0
19. Commercial	1	49,350	562,635	0	0	0
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
	Rural			Total		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	0	0	0
19. Commercial	0	0	0	1	49,350	562,635
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
22. Total Sch II				1	49,350	562,635

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	194	0	81	275

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	2	16,025	3	15,985	1,878	550,734,590	1,883	550,766,600
28. Ag-Improved Land	0	0	9	20,915	954	211,962,125	963	211,983,040
29. Ag Improvements	1	490	0	0	625	58,103,688	626	58,104,178
30. Ag Total							2,509	820,853,818

Schedule VI : Agricultural Records :Non-Agricultural Detail

	Urban			SubUrban			Growth
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	0	0.00	0	0	0.00	0	
32. HomeSite Improv Land	0	0.00	0	0	0.00	0	
33. HomeSite Improvements	0	0.00	0	0	0.00	0	
34. HomeSite Total							
35. FarmSite UnImp Land	0	0.00	0	0	0.00	0	
36. FarmSite Improv Land	0	0.00	0	0	0.00	0	
37. FarmSite Improvements	1	0.00	490	0	0.00	0	
38. FarmSite Total							
39. Road & Ditches	1	0.12	0	8	2.18	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	44	48.75	480,645	44	48.75	480,645	
32. HomeSite Improv Land	348	395.81	9,127,790	348	395.81	9,127,790	
33. HomeSite Improvements	351	0.00	27,236,915	351	0.00	27,236,915	0
34. HomeSite Total				<b>395</b>	<b>444.56</b>	<b>36,845,350</b>	
35. FarmSite UnImp Land	1	1.00	25,000	1	1.00	25,000	
36. FarmSite Improv Land	448	454.66	2,657,320	448	454.66	2,657,320	
37. FarmSite Improvements	592	0.00	30,866,773	593	0.00	30,867,263	3,096,925
38. FarmSite Total				<b>594</b>	<b>455.66</b>	<b>33,549,583</b>	
39. Road & Ditches	2,662	7,459.63	0	2,671	7,461.93	0	
40. Other- Non Ag Use	51	1,600.87	1,308,695	51	1,600.87	1,308,695	
41. Total Section VI				<b>989</b>	<b>9,963.02</b>	<b>71,703,628</b>	<b>3,096,925</b>

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

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	0	0.00	0	0	0.00	0
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	0	0.00	0	0	0.00	0

Schedule VIII : Agricultural Records : Special Value

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

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

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

Market Area 1

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	135,915.25	59.76%	487,189,200	73.07%	3,584.51
47. 2A1	13,466.35	5.92%	39,456,340	5.92%	2,930.00
48. 2A	28,547.79	12.55%	76,365,445	11.45%	2,675.00
49. 3A1	11,641.70	5.12%	20,722,170	3.11%	1,780.00
50. 3A	8,291.87	3.65%	10,033,145	1.50%	1,210.00
51. 4A1	20,340.72	8.94%	24,612,260	3.69%	1,210.00
52. 4A	9,224.97	4.06%	8,394,745	1.26%	910.00
53. Total	227,428.65	100.00%	666,773,305	100.00%	2,931.79
<b>Dry</b>					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	22,604.10	50.60%	36,166,430	60.05%	1,599.99
56. 2D1	1,764.46	3.95%	2,646,685	4.39%	1,500.00
57. 2D	9,935.30	22.24%	13,909,390	23.09%	1,400.00
58. 3D1	4,581.27	10.26%	3,894,300	6.47%	850.05
59. 3D	870.51	1.95%	565,860	0.94%	650.03
60. 4D1	3,932.94	8.80%	2,556,600	4.24%	650.05
61. 4D	981.02	2.20%	490,510	0.81%	500.00
62. Total	44,669.60	100.00%	60,229,775	100.00%	1,348.34
<b>Grass</b>					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	3,394.60	9.10%	2,036,740	9.22%	599.99
65. 2G1	662.15	1.78%	397,285	1.80%	599.99
66. 2G	2,231.23	5.98%	1,338,795	6.06%	600.03
67. 3G1	2,053.57	5.51%	1,232,165	5.58%	600.01
68. 3G	3,378.80	9.06%	2,027,255	9.18%	599.99
69. 4G1	19,833.28	53.19%	11,899,950	53.88%	600.00
70. 4G	5,733.37	15.38%	3,153,460	14.28%	550.02
71. Total	37,287.00	100.00%	22,085,650	100.00%	592.32
<b>Irrigated Total</b>					
	227,428.65	73.19%	666,773,305	89.00%	2,931.79
<b>Dry Total</b>					
	44,669.60	14.37%	60,229,775	8.04%	1,348.34
<b>Grass Total</b>					
	37,287.00	12.00%	22,085,650	2.95%	592.32
72. Waste	1,365.82	0.44%	61,460	0.01%	45.00
73. Other	0.00	0.00%	0	0.00%	0.00
74. Exempt	13.00	0.00%	0	0.00%	0.00
75. Market Area Total	310,751.07	100.00%	749,150,190	100.00%	2,410.77

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
<b>76. Irrigated</b>	4.47	16,025	4.75	13,540	227,419.43	666,743,740	227,428.65	666,773,305
<b>77. Dry Land</b>	0.00	0	13.35	19,095	44,656.25	60,210,680	44,669.60	60,229,775
<b>78. Grass</b>	0.00	0	7.11	4,265	37,279.89	22,081,385	37,287.00	22,085,650
<b>79. Waste</b>	0.00	0	0.00	0	1,365.82	61,460	1,365.82	61,460
<b>80. Other</b>	0.00	0	0.00	0	0.00	0	0.00	0
<b>81. Exempt</b>	0.00	0	0.00	0	13.00	0	13.00	0
<b>82. Total</b>	<b>4.47</b>	<b>16,025</b>	<b>25.21</b>	<b>36,900</b>	<b>310,721.39</b>	<b>749,097,265</b>	<b>310,751.07</b>	<b>749,150,190</b>

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
<b>Irrigated</b>	227,428.65	73.19%	666,773,305	89.00%	2,931.79
<b>Dry Land</b>	44,669.60	14.37%	60,229,775	8.04%	1,348.34
<b>Grass</b>	37,287.00	12.00%	22,085,650	2.95%	592.32
<b>Waste</b>	1,365.82	0.44%	61,460	0.01%	45.00
<b>Other</b>	0.00	0.00%	0	0.00%	0.00
<b>Exempt</b>	13.00	0.00%	0	0.00%	0.00
<b>Total</b>	<b>310,751.07</b>	<b>100.00%</b>	<b>749,150,190</b>	<b>100.00%</b>	<b>2,410.77</b>

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

50 Kearney

	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	223,478,360	245,456,455	21,978,095	9.83%	3,121,845	8.44%
02. Recreational	381,500	388,720	7,220	1.89%	0	1.89%
03. Ag-Homesite Land, Ag-Res Dwelling	34,478,790	36,845,350	2,366,560	6.86%	0	6.86%
<b>04. Total Residential (sum lines 1-3)</b>	<b>258,338,650</b>	<b>282,690,525</b>	<b>24,351,875</b>	<b>9.43%</b>	<b>3,121,845</b>	<b>8.22%</b>
05. Commercial	75,952,961	77,362,431	1,409,470	1.86%	2,639,610	-1.62%
06. Industrial	0	0	0		0	
07. Ag-Farmsite Land, Outbuildings	34,051,455	33,549,583	-501,872	-1.47%	3,096,925	-10.57%
08. Minerals	0	0	0		0	
<b>09. Total Commercial (sum lines 5-8)</b>	<b>110,004,416</b>	<b>110,912,014</b>	<b>907,598</b>	<b>0.83%</b>	<b>5,736,535</b>	<b>-4.39%</b>
<b>10. Total Non-Agland Real Property</b>	<b>368,343,066</b>	<b>394,911,234</b>	<b>26,568,168</b>	<b>7.21%</b>	<b>8,858,380</b>	<b>4.81%</b>
11. Irrigated	587,482,590	666,773,305	79,290,715	13.50%		
12. Dryland	54,816,670	60,229,775	5,413,105	9.87%		
13. Grassland	18,880,805	22,085,650	3,204,845	16.97%		
14. Wasteland	61,385	61,460	75	0.12%		
15. Other Agland	1,308,695	0	-1,308,695	-100.00%		
<b>16. Total Agricultural Land</b>	<b>662,550,145</b>	<b>749,150,190</b>	<b>86,600,045</b>	<b>13.07%</b>		
<b>17. Total Value of all Real Property</b> (Locally Assessed)	<b>1,030,893,211</b>	<b>1,144,061,424</b>	<b>113,168,213</b>	<b>10.98%</b>	<b>8,858,380</b>	<b>10.12%</b>

**2012 Plan Of Assessment For Kearney County**  
**Assessment Years 2013, 2014 and 2015**  
**June 15, 2012**

Real Property Assessment Requirements:

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

Assessment levels required for real property are as follows:

- 1) 100% of actual value for all classes of real property excluding agricultural and horticultural land;
- 2) 75% of actual value for agricultural land and horticultural land; and
- 3) 75% of special value for agricultural and horticultural land which meets the qualifications for special valuation under 77-1344.

Current Resources:

Staff members consist of the Assessor and Deputy Assessor. The assessor and deputy are certified by the Property Tax Administrator. Certificate holders will continue to keep their certifications current by attending continuing education classes offered at workshops, district meetings and IAAO classes. Current statutes, regulations and directives will continue to be followed.

The assessor requested and received an office budget of \$95,135. The assessor requested and received an appraisal maintenance budget of \$27,400.

The GIS system is continually updated for land use changes. Cadastral pages are printed from a plotter in the office. Aerial photos will be flown by GIS Workshop in 2013. Property record cards are continually updated for name changes, sales information, valuation changes, photos of property and sketches.

MIPS provides software used for Assessment Administration. Arc-View is the GIS software currently being used and is supported by GIS Workshop.

The Assessor’s website can be found at [kearney.gisworkshop.com](http://kearney.gisworkshop.com). All property record information, including maps, is available to the public at no charge.

## Current Assessment Procedures for Real Property

Real Estate transfer statements are handled daily. Ownership changes are made in the administrative package and are updated on the website monthly. All agricultural sales are verified by a sales verification form sent to the grantee and the grantor and physical inspections as necessary. Commercial sales are verified by a telephone call and physical inspections as necessary. Building permits are checked yearly beginning in April. All pick-up work is scheduled to be completed by March 1 of each year.

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 conducted on all sales beginning in September. Excel spreadsheets are used to run ratios on each property type. These studies are used to determine the areas that are out of compliance. A review is then conducted for the next assessment cycle.

The current cost manual for residential property is June, 2007. Commercial properties are costed from April, 2007. Depreciation studies are done yearly according to the market. The cost approach is used to establish the replacement cost new. Depreciation is then derived from the market. The income approach is also used on the commercial and industrial properties.

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

Agricultural land values are established yearly. Assessment records are used by Tri-Basin NRD for the allocation of water to each land owner. Land owners verify the land use in the assessor's office. The land use is then entered into the GIS system and forwarded to the Tri-Basin NRD to assist them in this allocation process.

New ratio studies are run using the newly established values to determine if any areas are out of compliance or if all guidelines are met.

Notice of Valuation Change forms are mailed to all property owners on or before June 1.

### Level of Value, for assessment year 2012:

<u>Property Class</u>	<u>Median</u>
Residential	93
Commercial	0
Agricultural Land	72

Assessment Actions Planned for Assessment Year 2013:

Residential:

All residential property pricing will be updated to December, 2011 using Marshall & Swift tables. Depreciation tables will be adjusted accordingly depending on the actions of the market. All residential pick-up work and building permits will be reviewed and completed by March 1, 2013.

Commercial:

All commercial property pricing will be updated to January, 2012 using Marshall and Swift tables. Depreciation tables will be adjusted accordingly by the market. All pick-up work and building permits will be reviewed and completed by March 1, 2013.

Agricultural Land:

All land use is currently sketched into the GIS system. Irrigation land use changes are made after the property owner has signed off on a transfer sheet to be in compliance with NRD rules and regulations. Other land use changes will be monitored by the assessor and her staff. A market analysis will be conducted for 2013 and values will be assessed at 75% of market value. Aerial photos will be flown by GIS Workshop to check for unreported improvements. All pick-up work will be reviewed and completed by March 1, 2013.

Assessment Actions Planned for Assessment year 2014:

Residential:

The market will continue to be monitored. All residential pick-up work and building permits will be reviewed and completed by March 1, 2014.

Commercial:

The market will continue to be monitored for changes. All pick-up work and building permits will be reviewed and completed by March 1, 2014.

Agricultural Land:

Market analysis will be conducted to ensure that the level of value and quality of assessment is in compliance with state statutes. Land use will be updated as the information becomes available. All pick-up work will be completed by March 1, 2014.

Assessment Actions Planned for Assessment year 2015:

Residential:

Market analysis will be conducted to ensure that the level of value and quality of assessment in Kearney County is in compliance with state statutes to facilitate equalization within the residential class. Pick-up work and building permits will be reviewed by March 1, 2015.

Commercial:

Market analysis of commercial data will be conducted to ensure the integrity of the reappraisal. Pick-up work and building permits will be reviewed and completed by March 1, 2015.

Agricultural Land:

Market analysis will be conducted to ensure that the level of value and quality of assessment in Kearney County is in compliance with state statutes to facilitate equalization within the agricultural class. Land use will be updated as the information becomes available. Drive-by inspections will be conducted. All pick-up work will be reviewed and completed by March 1, 2015.

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 offices from the Register of Deeds. Green sheets are now sent electronically to the department. Splits and subdivision changes are made as they become available to the Assessor's office from the County Clerk. All information is updated in the GIS system and the computer administrative system when they are changed on the appraisal cards.
2. Annually prepare and file Assessor Administrative Reports requested by law/regulation:

- Abstract
- Assessor Survey
- Sales information to PAD, rosters and annual assessed value update
- Certification of Value to political subdivisions
- School District Taxable Value Report
- Homestead Exemption Tax Loss Report
- Certificate of Taxes Levied Report
- Report of all exempt property and taxable government owned property
- Annual Plan of Assessment Report

3. Personal Property: Administer annual filing of approximately 1200 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 notice of intent to tax.
6. Homestead Exemptions: Administer approximately 194 annual filings of applications, approval/denial process, taxpayer notifications and taxpayer assistance.
7. Centrally Assessed: Review of valuations as certified by PAD 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 and review of tax rates used for tax billing process.
10. Tax Lists: Prepare and certify tax lists to the County Treasurer for real property, personal property and centrally assessed properties.
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 implement orders of the Commission.

15. Education: Assessor Education – attend meetings, workshops and education classes to obtain required hours of continuing education to maintain assessor certification. The Assessor and Deputy Assessor both hold an Assessor certificate and will meet their 60 hours of education in a four year period to maintain it.

Respectfully submitted,

Linda K. Larsen  
Kearney County Assessor

## 2013 Assessment Survey for Kearney County

### A. Staffing and Funding Information

1.	<b>Deputy(ies) on staff:</b>
	1
2.	<b>Appraiser(s) on staff:</b>
	0
3.	<b>Other full-time employees:</b>
	0
4.	<b>Other part-time employees:</b>
	0
5.	<b>Number of shared employees:</b>
	0
6.	<b>Assessor's requested budget for current fiscal year:</b>
	\$95,135
7.	<b>Adopted budget, or granted budget if different from above:</b>
	Same
8.	<b>Amount of the total assessor's budget set aside for appraisal work:</b>
	n/a
9.	<b>If appraisal/reappraisal budget is a separate levied fund, what is that amount:</b>
	\$27,400
10.	<b>Part of the assessor's budget that is dedicated to the computer system:</b>
	\$27,000
11.	<b>Amount of the assessor's budget set aside for education/workshops:</b>
	\$1,000
12.	<b>Other miscellaneous funds:</b>
	n/a
13.	<b>Amount of last year's assessor's budget not used:</b>
	n/a

### B. Computer, Automation Information and GIS

1.	<b>Administrative software:</b>
	MIPS PC System v2
2.	<b>CAMA software:</b>
	MIPS PC System v2
3.	<b>Are cadastral maps currently being used?</b>
	Yes
4.	<b>If so, who maintains the Cadastral Maps?</b>
	Assessor and deputy assessor
5.	<b>Does the county have GIS software?</b>
	Yes

6.	<b>Is GIS available to the public? If so, what is the web address?</b>
	Yes, kearney.gisworkshop.com
7.	<b>Who maintains the GIS software and maps?</b>
	Assessor and deputy assessor
8.	<b>Personal Property software:</b>
	MIPS PC System v2

### C. Zoning Information

1.	<b>Does the county have zoning?</b>
	Yes
2.	<b>If so, is the zoning countywide?</b>
	Yes
3.	<b>What municipalities in the county are zoned?</b>
	Axtell, Minden, Wilcox, Heartwell, Norman and some subdivisions within the county.
4.	<b>When was zoning implemented?</b>
	2001

### D. Contracted Services

1.	<b>Appraisal Services:</b>
	Ron Elliott Appraisal
2.	<b>GIS Services:</b>
	GIS Workshop, Inc.
3.	<b>Other services:</b>
	n/a

### E. Appraisal /Listing Services

1.	<b>Does the county employ outside help for appraisal or listing services?</b>
	Yes
2.	<b>If so, is the appraisal or listing service performed under contract?</b>
	No
3.	<b>What appraisal certifications or qualifications does the County require?</b>
	The county requires that the contracted appraiser be a Registered Appraiser.
4.	<b>Have the existing contracts been approved by the PTA?</b>
	n/a
5.	<b>Does the appraisal or listing service providers establish assessed values for the county?</b>
	No



# 2013 Certification for Kearney 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 Kearney County Assessor.

Dated this 5th day of April, 2013.



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

---

Ruth A. Sorensen  
Property Tax Administrator



