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2014 Commission Summary for Dakota County

Residential Real Property - Current

Number of Sales	336	Median	94.87
Total Sales Price	\$38,396,952	Mean	99.92
Total Adj. Sales Price	\$38,410,552	Wgt. Mean	93.18
Total Assessed Value	\$35,790,035	Average Assessed Value of the Base	\$79,873
Avg. Adj. Sales Price	\$114,317	Avg. Assessed Value	\$106,518

Confidence Interval - Current

95% Median C.I	92.55 to 96.45
95% Wgt. Mean C.I	91.24 to 95.12
95% Mean C.I	95.82 to 104.02
% of Value of the Class of all Real Property Value in the	35.12
% of Records Sold in the Study Period	5.17
% of Value Sold in the Study Period	6.90

Residential Real Property - History

Year	Number of Sales	LOV	Median
2013	261	94	93.79
2012	280	94	93.83
2011	390	94	94
2010	387	95	95

2014 Commission Summary for Dakota County

Commercial Real Property - Current

Number of Sales	36	Median	98.09
Total Sales Price	\$12,193,088	Mean	96.54
Total Adj. Sales Price	\$12,118,088	Wgt. Mean	86.20
Total Assessed Value	\$10,446,095	Average Assessed Value of the Base	\$357,216
Avg. Adj. Sales Price	\$336,614	Avg. Assessed Value	\$290,169

Confidence Interval - Current

95% Median C.I	89.64 to 102.09
95% Wgt. Mean C.I	75.40 to 97.01
95% Mean C.I	87.90 to 105.18
% of Value of the Class of all Real Property Value in the County	21.28
% of Records Sold in the Study Period	4.09
% of Value Sold in the Study Period	3.32

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2013	42		99.92
2012	36		90.64
2011	35	98	98
2010	44	96	96

2014 Opinions of the Property Tax Administrator for Dakota 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	95	Meets generally accepted mass appraisal practices.	No recommendation.
Commercial Real Property	98	Meets generally accepted mass appraisal practices.	No recommendation.
Agricultural Land	72	Meets generally accepted mass appraisal practices.	No recommendation.

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

Dated this 7th day of April, 2014.



Ruth A. Sorensen
Property Tax Administrator

2014 Residential Assessment Actions for Dakota County

Overview:

Due to a change in leadership, budget constraints and staff limitations no pre-designated physical inspection and review of residential real property is scheduled at this time for 2014. A 2015 residential inspection and review is considered pending until a complete assessment of the previous six years can be conducted and a determination made as to which area or areas require the most attention to review.

The sales activity will be analyzed, inspected and reviewed. Market adjustments will be made in those situations that the Appraiser and Assessor agree upon and both deem as necessary.

All building permits and pick-up work will be analyzed, inspected and reviewed.

2014 Residential Assessment Survey for Dakota County

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4.	If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?																																								
	The local market.																																								

5. Are individual depreciation tables developed for each valuation grouping?

* We have 69 depreciaton tables all updated between 199 and 2013. Example: 1 20 year life updated 10/22/2013.

6. Describe the methodology used to determine the residential lot values?

Sales comparison.

<u>Valuation Grouping</u>	<u>Date of Depreciation Tables</u>	<u>Date of Costing</u>	<u>Date of Lot Value Study</u>
1	*	2003	2010
3	*	2003	2010
5	*	2003	2010
9	*	2003	2010
11	*	2003	2010
13	*	2003	2010
15	*	2003	2010
17	*	2003	2010
19	*	2003	2010
21	*	2003	
23			
25			
51			
52			
53			
54			
55			
56			
57			

1. The Assessor locations for Dakota County are primarily a matter of location. Each location is unique to a town, village or rural subdivision. The location values are influenced by such things as the relationship to the Missouri River, a paved highway, rural water, the distance from primary retail sources South Sioux City or Sioux City, school district, distance traveled to primary employers fromt he industrial complex's between South Sioux City and Dakota City and the general condition and value of the improvements in the area. That does not mean that in any one given year the values in two of the ares won't be the same, but as a matter of consistency and to avoid creating or combining two or more market areas in a particular year they are kept separated for Market Study purposes. In many cases these areas are combined for statistical analysis in a given year. Going forward in 2014 we will work to add the detail and reassess the need for each individual Valuation Group for the 2015 Survey/.

2014 Residential Correlation Section for Dakota County

County Overview

Dakota County is located in the northeast corner of the state and primarily influenced by nearby Sioux City economics. The population base of the county is near 21,000 and 64% of population base is in the city of South Sioux City (Valuation Groups 23 and 25). Dakota City is the next largest population base (1,910 residents) and the county seat. Emerson (Valuation Group 5) is located in Dakota, Dixon and Thurston counties with the east half (East of Highway 9) of the village in Dakota County. Smaller communities include Jackson (Valuation Group 17 and 19) west of South Sioux City on Highway 20. The village of Homer (Valuation Group 9 and 11) is located south of Dakota City on Highway 75-77 and Hubbard (Valuation Group 13) is west of Dakota City on Highway 35.

Description of Analysis

The statistical sample contains 336 qualified sales. The sample is distributed amongst 14 valuation groupings. The county has a new assessor and he examined the groupings as defined. For the 2014 assessment cycle the assessor described on the survey portion of the report that the valuation groupings follow closely with the town, village or subdivisions and will be reviewed during the 2015 assessment cycle.

The residential markets tend to be holding. The statistical profile reveals that 62% of the qualified sales are located in Valuation Group 23 indicating a statistical median of 95.33% (95%). The remainder of the valuation groups with a sufficient sample also indicates reliable measures. The measures of central tendency are within the acceptable range and demonstrate support for each other. All valuation groups with an adequate sample fall within the acceptable range for the calculated median.

Sales Qualification

The Division implemented a review of the sales qualification and documentation of all counties. The review demonstrates a sufficient explanation in the assessor notes to substantiate the reason for the exclusion from the qualified sales. The county utilized approximately 66% of the improved residential sales. The conclusion is that there is no bias in the decisions and the county has utilized a reasonable percentage of transactions.

Equalization and Quality of Assessment

All of the valuation groups with an adequate sample of sales fall within the acceptable range for the calculated median, it has been confirmed that the assessment practices are reliable and applied consistently. It is believed that the residential property is treated in a uniform and proportionate manner.

2014 Residential Correlation Section for Dakota County

Level of Value

Based on the consideration of all available information, the overall level of value in the residential class is determined to be 95% of market value.

2014 Commercial Assessment Actions for Dakota County

Overview:

Commercial property has and will continue to be systematically inspected and reviewed through March 19th for the purpose of meeting our 2014 statutory obligations (77-1311.03).

A 2015 commercial inspection and review is considered pending until a complete assessment of the previous six years can be conducted and a determination made as to which area or areas require a physical inspection and review. The assessment will be based on work previously completed, statistical analysis and need.

For the 2014 assessment year a physical review of commercial parcels was completed in neighborhoods 100 and 110 (South Sioux City). All the sales were analyzed, and the county determined that the occupancy code 352 (Multi low residence) built after 1980 in neighborhood 110 would be increased a percentage. All building permits and pick-up work will be analyzed, inspected and reviewed.

Ratio studies will be conducted on all properties not included in a total revalue or physical inspection and review. Market adjustments will be made in those situations where the Appraiser and Assessor agree upon and both deem as necessary.

2014 Commercial Assessment Survey for Dakota County

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5.	Are individual depreciation tables developed for each valuation grouping?																								
	Yes.																								
6.	Describe the methodology used to determine the commercial lot values.																								
	Items such as sale price, location, zoning, size, purchased by adjoining owner are considered.																								

7.	<u>Valuation Grouping</u>	<u>Date of Depreciation Tables</u>	<u>Date of Costing</u>	<u>Date of Lot Value Study</u>
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	3		2003	2010
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	23		2003	2010
	25			

The Assessor locations for Dakota County are primarily a matter of location. Each location is unique to a town, village or rural subdivision. The location values are influenced by such things as the relationship to the Missouri River, a paved highway, rural water, the distance from primary retail sources South Sioux City or Sioux City, school district, distance traveled to primary employers from the industrial complex's between South Sioux City and Dakota City and the general condition and value of the improvements in the area. That does not mean that in any one given year the values in two of the areas won't be the same, but as a matter of consistency and to avoid creating or combining two or more market areas in a particular year they are kept separated for Market Study purposes. In many cases these areas are combined for statistical analysis in a given year. Going forward in 2014 we will work to add the above detail and reassess the need for each individual Valuation Group for the 2015 Survey.

2014 Commercial Correlation Section for Dakota County

County Overview

Dakota County is located in the northeast corner of the state and primarily influenced by nearby Sioux City economics. The population base of the county is near 21,000 and 64% of population base is in the city of South Sioux City (Valuation Groups 23 and 25). Dakota City is the next largest population base (1,910 residents) and the county seat. This area is full of retail, shopping centers, auto dealers, industrial processing plants etc.. The majority of the commercial parcels service residents from a large area.

Emerson (Valuation Group 5) is located in Dakota, Dixon and Thurston counties with the east half (East of Highway 9) of the village in Dakota County. Smaller communities include Jackson (Valuation Group 17 and 19) west of South Sioux City on Highway 20. The village of Homer (Valuation Group 9 and 11) is located south of Dakota City on Highway 75-77 and Hubbard (Valuation Group 13) is west of Dakota City on Highway 35.

Description of Analysis

The statistical sample contains 36 qualified sales. The sample is distributed amongst six valuation groupings. The valuation groupings follow closely with the town, village or subdivisions.

The commercial markets tend to be holding. The statistical profile reveals that 69% of the qualified sales are located in Valuation Group 23 indicating a median of 98.69% (99%). The remainder of the valuation groups do not have sufficient sample to indicate- reliable measures. Two measures of central tendency are within the acceptable range with only the weighted mean below the acceptable level. The largest two valuation groups represented fall within the acceptable range for the calculated median.

Sales Qualification

The Division implemented a review of the sales qualification and documentation of all counties. The review demonstrates a sufficient explanation in the assessor notes to substantiate the reason for the exclusion from the qualified sales. The county utilized approximately 46% of the improved commercial sales. The conclusion is that there is no bias in the decisions and the county has utilized a reasonable percentage of transactions.

Equalization and Quality of Assessment

All of the valuation groups with an adequate sample of sales fall within the acceptable range for the calculated median.

Level of Value

Based on the consideration of all available information, the overall level of value in the commercial class is determined to be 98% of market value.

2014 Agricultural Assessment Actions for Dakota County

Overview:

Due to a change in leadership, budget constraints and staff limitations, no re-designated physical inspection and review of Agricultural property is scheduled at this time for 2014. A 2015 agricultural inspection and review is considered pending until a complete assessment of the previous six years can be conducted and a determination made as to which area or areas require a physical inspection.

All agriculture sales will be analyzed, inspected and reviewed.

All building permits and pick-up work will be analyzed, inspected and review.

It has been reported that an increase in Pivots has taken place in the County. We will place a premium on the need for an agricultural inspection and review during our needs assessment process.

One step we do have in place to assist in identifying any increase in irrigated acres will be the new GIS system expected to be in place no later than May of 2014. Efforts have been made to locate the new irrigation in the county, but the GIS will enhance efforts to locate irrigation in the future.

Ratio studies will be conducted on agricultural land and adjustments will be made in those situations where the Appraiser and Assessor agree upon and both deem as necessary.

2014 Agricultural Assessment Survey for Dakota County

1.	Valuation data collection done by:						
	Appraiser, Assessor and Staff.						
2.	List each market area, and describe the location and the specific characteristics that make each unique.						
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1	Flat bottom on East side of the county.						
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3.	Describe the process used to determine and monitor market areas.						
	Market, qualified sales.						
4.	Describe the process used to identify rural residential land and recreational land in the county apart from agricultural land.						
	Rural Residential would include only land tht is not part of ag income producing parcel. We have no rec. ground.						
5.	Do farm home sites carry the same value as rural residential home sites? If not, what are the market differences?						
	Yes.						
6.	Describe the process used to identify and monitor the influence of non-agricultural characteristics.						
	Physical inspeciton, Agri Data, Google Earth.						
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.						
	We have no Rec. ground and therefore no non ag influence.						
8.	If applicable, describe the process used to develop assessed values for parcels enrolled in the Wetland Reserve Program.						
	Our wetlands border the Missouri river and because of location next to the river we monitor sales up and down the river on both sides. The parcels that are selling seem to be toward the south end of the state. Our current values are the result of TERC cases.						

Dakota County 2014 Average Acre Value Comparison

County	Mkt Area	1A1	1A	2A1	2A	3A1	3A	4A1	4A	WEIGHTED AVG IRR
Dakota	1	5,803	5,695	5,579	N/A	5,471	N/A	5,320	5,185	5,571
Burt	1	5,100	4,850	4,550	4,275	3,419	3,650	3,200	2,650	4,001
Thurston	2	5,195	5,190	4,610	4,610	4,605	4,475	4,125	3,550	4,674
Dakota	2	N/A	5,290	5,230	N/A	4,895	4,580	4,470	4,345	4,708
Dixon	1	5,420	5,320	5,060	4,895	4,555	4,470	4,135	3,970	4,856
Dixon	2	5,420	5,320	5,060	4,895	4,555	4,470	4,135	3,970	4,735
Thurston	1	5,195	5,190	4,710	4,710	4,695	4,680	4,150	3,575	4,900
Thurston	2	5,195	5,190	4,610	4,610	4,605	4,475	4,125	3,550	4,674

County	Mkt Area	1D1	1D	2D1	2D	3D1	3D	4D1	4D	WEIGHTED AVG DRY
Dakota	1	5,461	5,440	5,400	N/A	5,287	N/A	4,275	4,190	5,325
Burt	1	5,000	4,725	4,350	4,200	3,501	3,500	3,100	2,400	3,840
Thurston	2	4,470	4,375	4,115	3,660	3,570	3,560	3,510	3,250	3,735
Dakota	2	4,838	4,845	4,778	4,800	4,521	4,440	4,272	4,184	4,437
Dixon	1	4,885	4,565	4,405	4,235	3,987	3,745	3,585	3,265	4,051
Dixon	2	4,515	4,265	4,265	4,105	3,795	3,630	3,315	3,315	3,757
Thurston	1	4,995	4,990	4,610	4,610	4,595	4,580	4,050	3,475	4,583
Thurston	2	4,470	4,375	4,115	3,660	3,570	3,560	3,510	3,250	3,735

County	Mkt Area	1G1	1G	2G1	2G	3G1	3G	4G1	4G	WEIGHTED AVG GRASS
Dakota	1	2,089	1,769	2,010	N/A	1,607	N/A	1,537	761	1,573
Burt	1	2,102	2,039	1,986	1,683	1,727	1,746	1,688	1,388	1,692
Thurston	2	976	981	810	959	785	794	781	589	752
Dakota	2	2,160	2,534	2,241	2,960	2,582	2,740	2,198	1,456	1,970
Dixon	1	2,430	2,299	1,924	N/A	1,725	1,435	1,330	1,225	1,734
Dixon	2	2,107	2,254	1,886	1,795	1,581	1,433	1,288	1,080	1,409
Thurston	1	1,155	1,085	1,054	1,070	938	931	866	791	993
Thurston	2	976	981	810	959	785	794	781	589	752

Source: 2014 Abstract of Assessment, Form 45, Schedule IX

Methodology for Special Valuation Areas Values in Dakota County

INTRODUCTION

Special Valuation Areas, commonly referred to as Greenbelt Areas, are intended to give tax relief to those agricultural areas near developing areas. Normal practice would be to value this land at 69% to 75% of market value as estimated from sales in the immediate area. In areas of development, either residential or commercial, this value can become much higher than the estimated value of agricultural land in other areas of the county. With the use of Greenbelt Areas this land is given a Special Valuation, based on other land in the county, for property tax purposes.

HISTORY

Dakota County Greenbelt areas were set up between 1992 and 1995 by a contracted appraiser. The areas centered around South Sioux City and the industrial area to the south around the Iowa Beef Products complex. The Greenbelt values were set up with the centers being the highest values and values declining as you moved away from the center. While maps do exist defining the areas and showing the values for the different areas, I have not been able to find any record reflecting the sales that were used to arrive at the special values.

Since there were no sales in the majority of the areas setup between 1992 and 1995, in 2002 the special value for all but a few of the designated areas was reduced to an amount equal to the taxable value as determined by comparable property qualified sales in the county. It should also be noted the City of South Sioux annexed a 56.25 acre parcel of agricultural land near the IBP complex in 1997 disqualifying it for Greenbelt. Other farm ground adjoining the city has been converted to commercial but in each case it was first annexed and then TIF'ed.

CALCULATION OF VALUE

The Special Valuation, Greenbelt Value, is established by analysis of qualified sales in Market Area One of the county. This Market Area includes all the Greenbelt Areas. These values are established using Land Capability Groups to develop a value from qualified sales for each LCG. The values established should reflect 69% to 75% of Market Value.

The Recapture Value, 69% to 75% of Market Value, is determined on a per acre basis, with no regard for LVG, by analysis of sales within that area. Once the Recapture Value has been determined it is applied to all acres within that Greenbelt Area. Sales in that area are reviewed on an annual basis to determine if adjustments are necessary.

Dick Erickson
Appraiser for Dakota County

Jeff Curry
Assessor for Dakota County

2014 Agricultural Correlation Section for Dakota County

County Overview

Dakota County has two market areas identified. Market Area 1 is the eastern area of the county and is bordered by the Missouri River on the east and the remainder of Dakota County on the west. The majority of the land in area one is described as moderately well drained silty soils on upland and in depressions formed in loess and excessively drained sandy soils formed in alluvium in valleys and eolian sand on uplands in sandhills, which appear to be typical of land near the river. Market Area 2 is the western portion of the county and the land characteristics are very similar to the adjoining counties of Dixon and Thurston Counties.

Description of Analysis

Analysis of Dakota County alone indicated that the oldest year in the study period is represented with very few sales. The sample was expanded with comparable sales from neighboring counties to ensure proportionality while maintaining representative samples for the majority land use. The sample size for this county is smaller than any other agricultural base in the northeast region, primarily because the agricultural base in Dakota County represents only 44% of the total valuation base

Market Area 1 is unique from adjoining counties because of its location along the low lands near the Missouri River, and the inherent soil characteristics produced from occasional flooding. Lacking adjoining county comparable markets, it is difficult to have additional sales to create an adequate sample statistically. As reported in the county abstract approximately 32% of area one is irrigated, 60% is classified as dry land use and the remainder is grass and waste. Market area one consisted of only seven sales for analysis purposes. The sample was expanded with five sales from Burt County with similar soil characteristics. Low lying land in Burt County consists of the same general soil associations, so for purposes of inter county equalization comparisons to Burt County values were compared to Dakota. The comparison suggested the values established by Dakota County were reasonably similar with Burt County.

Market Area 2 is characterized as 67% dry land 27% grass land, the remainder is waste, as reported on the county abstract. The county reported on the abstract that there are now 384 acres of irrigated ground in area two. Assessment actions in area two included increasing dry land and grassland. Expansion of sales from adjoining Dixon and Thurston counties were included in the analysis to establish the land values for 2014 and to proportionately distribute sale activity by timeframe and majority land use

Sales Qualification

The Division conducted a review of the county's sales verification and documentation. This included a review of the sales deemed non-qualified as well as the County's sales verification and documentation. The conclusion of the review indicates no bias in the sales verification and that Dakota County utilized all arm's length transactions available.

2014 Agricultural Correlation Section for Dakota County

Equalization and Quality of Assessment

The Division has conducted an expanded review in 2012 of Dakota County concerning the review and inspection of the real class of property. It has been confirmed that the assessment practices are reliable and applied consistently. Therefore, it is believed there is uniform and proportionate treatment of the agricultural class.

Level of Value

Based on the consideration of all available information, the level of value is determined to be 72% of market value for the overall agricultural class of property. Each market area is also within the acceptable parameters of level of value.

22 Dakota
RESIDENTIAL

PAD 2014 R&O Statistics (Using 2014 Values)

Qualified

Date Range: 10/1/2011 To 9/30/2013 Posted on: 1/1/2014

Number of Sales : 336
 Total Sales Price : 38,396,952
 Total Adj. Sales Price : 38,410,552
 Total Assessed Value : 35,790,035
 Avg. Adj. Sales Price : 114,317
 Avg. Assessed Value : 106,518

MEDIAN : 95
 WGT. MEAN : 93
 MEAN : 100
 COD : 18.40
 PRD : 107.23

COV : 38.34
 STD : 38.31
 Avg. Abs. Dev : 17.46
 MAX Sales Ratio : 521.17
 MIN Sales Ratio : 19.48

95% Median C.I. : 92.55 to 96.45
 95% Wgt. Mean C.I. : 91.24 to 95.12
 95% Mean C.I. : 95.82 to 104.02

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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
Qrtrs											
01-OCT-11 To 31-DEC-11	37	96.28	97.35	97.97	12.01	99.37	50.63	133.30	90.83 to 100.69	114,359	112,032
01-JAN-12 To 31-MAR-12	28	99.05	112.04	92.26	29.25	121.44	23.62	521.17	92.35 to 107.56	105,059	96,932
01-APR-12 To 30-JUN-12	40	96.50	103.63	95.49	22.06	108.52	56.30	343.88	88.56 to 100.00	117,116	111,832
01-JUL-12 To 30-SEP-12	45	96.56	102.20	93.18	19.45	109.68	55.56	287.30	89.33 to 101.75	110,588	103,046
01-OCT-12 To 31-DEC-12	47	96.21	100.25	95.08	15.33	105.44	61.66	209.25	91.95 to 100.00	112,759	107,207
01-JAN-13 To 31-MAR-13	34	97.49	100.17	97.91	10.92	102.31	54.58	167.23	93.92 to 102.08	121,304	118,764
01-APR-13 To 30-JUN-13	51	90.25	91.21	86.34	14.48	105.64	19.48	186.25	84.04 to 94.31	110,920	95,769
01-JUL-13 To 30-SEP-13	54	90.46	98.52	90.21	22.29	109.21	52.02	288.04	86.06 to 94.87	120,288	108,508
Study Yrs											
01-OCT-11 To 30-SEP-12	150	96.77	103.22	94.87	20.31	108.80	23.62	521.17	93.45 to 99.35	112,227	106,465
01-OCT-12 To 30-SEP-13	186	93.25	97.25	91.86	16.63	105.87	19.48	288.04	91.95 to 95.24	116,003	106,561
Calendar Yrs											
01-JAN-12 To 31-DEC-12	160	96.77	103.71	94.20	20.75	110.10	23.62	521.17	93.45 to 98.92	111,890	105,395
ALL	336	94.87	99.92	93.18	18.40	107.23	19.48	521.17	92.55 to 96.45	114,317	106,518

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	38	94.74	94.41	92.71	12.02	101.83	59.54	120.29	88.84 to 101.58	102,510	95,041
03	1	75.03	75.03	75.03	00.00	100.00	75.03	75.03	N/A	185,000	138,810
05	12	93.27	91.26	88.08	10.29	103.61	72.91	117.16	76.14 to 100.00	79,401	69,938
09	10	94.73	95.14	95.41	11.21	99.72	69.46	123.08	78.19 to 110.28	90,600	86,439
11	3	100.48	99.82	97.16	06.34	102.74	89.93	109.04	N/A	104,900	101,925
13	6	102.70	99.00	98.61	12.12	100.40	74.35	114.22	74.35 to 114.22	91,533	90,262
17	7	94.11	89.44	91.28	18.00	97.98	61.66	133.42	61.66 to 133.42	130,086	118,749
21	18	92.33	93.50	91.89	07.30	101.75	77.71	118.08	90.70 to 99.30	175,861	161,594
23	210	95.33	104.05	94.22	22.18	110.43	19.48	521.17	92.50 to 97.31	107,406	101,199
25	25	94.28	90.69	90.25	13.76	100.49	55.56	121.47	81.92 to 98.93	160,884	145,198
51	3	93.19	97.53	95.51	06.67	102.11	90.37	109.02	N/A	101,333	96,780
52	1	102.44	102.44	102.44	00.00	100.00	102.44	102.44	N/A	165,000	169,020
53	1	95.17	95.17	95.17	00.00	100.00	95.17	95.17	N/A	360,000	342,615
54	1	52.02	52.02	52.02	00.00	100.00	52.02	52.02	N/A	125,000	65,030
ALL	336	94.87	99.92	93.18	18.40	107.23	19.48	521.17	92.55 to 96.45	114,317	106,518

**22 Dakota
RESIDENTIAL**

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 95% Wgt. Mean C.I. : 91.24 to 95.12
 95% Mean C.I. : 95.82 to 104.02

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PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	335	94.87	99.96	93.19	18.43	107.26	19.48	521.17	92.77 to 96.45	114,434	106,647
06											
07	1	84.44	84.44	84.44	00.00	100.00	84.44	84.44	N/A	75,000	63,330
<u>ALL</u>	336	94.87	99.92	93.18	18.40	107.23	19.48	521.17	92.55 to 96.45	114,317	106,518

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	5	287.30	276.42	277.38	36.45	99.65	99.35	521.17	N/A	11,142	30,906
Less Than 30,000	16	162.75	198.32	179.04	47.64	110.77	92.10	521.17	110.91 to 287.30	19,007	34,031
<u>Ranges Excl. Low \$</u>											
Greater Than 4,999	336	94.87	99.92	93.18	18.40	107.23	19.48	521.17	92.55 to 96.45	114,317	106,518
Greater Than 14,999	331	94.31	97.25	92.91	15.88	104.67	19.48	343.88	92.50 to 96.25	115,876	107,660
Greater Than 29,999	320	93.96	95.00	92.49	13.96	102.71	19.48	201.51	92.11 to 95.55	119,083	110,142
<u>Incremental Ranges</u>											
0 TO 4,999											
5,000 TO 14,999	5	287.30	276.42	277.38	36.45	99.65	99.35	521.17	N/A	11,142	30,906
15,000 TO 29,999	11	146.38	162.82	156.98	32.31	103.72	92.10	343.88	97.73 to 209.25	22,583	35,451
30,000 TO 59,999	39	109.04	115.00	113.30	23.47	101.50	50.63	201.51	95.89 to 118.17	44,360	50,258
60,000 TO 99,999	100	94.21	94.00	93.60	13.38	100.43	54.58	133.42	90.79 to 98.51	78,918	73,866
100,000 TO 149,999	101	92.00	91.16	91.20	10.12	99.96	23.62	133.30	89.91 to 95.55	123,216	112,369
150,000 TO 249,999	67	93.93	91.69	91.11	11.83	100.64	19.48	134.49	90.05 to 96.45	183,669	167,335
250,000 TO 499,999	13	92.06	89.56	89.40	09.25	100.18	64.82	120.09	77.71 to 95.17	287,223	256,782
500,000 TO 999,999											
1,000,000 +											
<u>ALL</u>	336	94.87	99.92	93.18	18.40	107.23	19.48	521.17	92.55 to 96.45	114,317	106,518

22 Dakota
COMMERCIAL

PAD 2014 R&O Statistics (Using 2014 Values)

Qualified

Date Range: 10/1/2010 To 9/30/2013 Posted on: 1/1/2014

Number of Sales : 36
Total Sales Price : 12,193,088
Total Adj. Sales Price : 12,118,088
Total Assessed Value : 10,446,095
Avg. Adj. Sales Price : 336,614
Avg. Assessed Value : 290,169

MEDIAN : 98
WGT. MEAN : 86
MEAN : 97
COD : 18.45
PRD : 112.00

COV : 27.39
STD : 26.44
Avg. Abs. Dev : 18.10
MAX Sales Ratio : 153.84
MIN Sales Ratio : 37.21

95% Median C.I. : 89.64 to 102.09
95% Wgt. Mean C.I. : 75.40 to 97.01
95% Mean C.I. : 87.90 to 105.18

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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>Qrtrs</u>											
01-OCT-10 To 31-DEC-10	5	86.89	88.35	84.86	07.33	104.11	79.77	99.46	N/A	1,145,211	971,837
01-JAN-11 To 31-MAR-11	5	98.65	97.67	98.86	01.79	98.80	93.68	100.60	N/A	209,090	206,700
01-APR-11 To 30-JUN-11	7	112.89	120.49	113.44	13.30	106.21	96.98	153.84	96.98 to 153.84	171,071	194,066
01-JUL-11 To 30-SEP-11											
01-OCT-11 To 31-DEC-11	2	110.88	110.88	110.13	01.64	100.68	109.06	112.69	N/A	85,000	93,610
01-JAN-12 To 31-MAR-12	2	102.06	102.06	102.07	00.03	99.99	102.03	102.09	N/A	156,000	159,223
01-APR-12 To 30-JUN-12	1	40.87	40.87	40.87	00.00	100.00	40.87	40.87	N/A	185,000	75,615
01-JUL-12 To 30-SEP-12	2	92.76	92.76	91.37	03.96	101.52	89.09	96.42	N/A	72,500	66,240
01-OCT-12 To 31-DEC-12	3	97.52	89.06	70.98	14.13	125.47	64.17	105.50	N/A	355,500	252,322
01-JAN-13 To 31-MAR-13	2	82.82	82.82	72.23	21.59	114.66	64.94	100.70	N/A	78,500	56,703
01-APR-13 To 30-JUN-13	3	137.01	112.07	134.56	24.84	83.29	48.55	150.65	N/A	208,833	280,998
01-JUL-13 To 30-SEP-13	4	76.93	70.18	51.63	18.47	135.93	37.21	89.64	N/A	371,771	191,956
<u>Study Yrs</u>											
01-OCT-10 To 30-SEP-11	17	98.69	104.32	90.99	13.00	114.65	79.77	153.84	93.68 to 112.89	468,765	426,538
01-OCT-11 To 30-SEP-12	7	102.03	93.18	87.90	13.64	106.01	40.87	112.69	40.87 to 112.69	116,000	101,966
01-OCT-12 To 30-SEP-13	12	84.38	87.48	74.35	30.85	117.66	37.21	150.65	64.17 to 105.50	278,090	206,766
<u>Calendar Yrs</u>											
01-JAN-11 To 31-DEC-11	14	107.87	110.97	106.89	11.18	103.82	93.68	153.84	96.98 to 115.94	172,354	184,227
01-JAN-12 To 31-DEC-12	8	96.97	87.21	75.12	15.03	116.09	40.87	105.50	40.87 to 105.50	213,563	160,438
<u>ALL</u>	36	98.09	96.54	86.20	18.45	112.00	37.21	153.84	89.64 to 102.09	336,614	290,169

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	7	96.42	96.52	94.62	05.04	102.01	89.09	112.89	89.09 to 112.89	74,000	70,019
03	1	112.69	112.69	112.69	00.00	100.00	112.69	112.69	N/A	50,000	56,345
05	1	48.55	48.55	48.55	00.00	100.00	48.55	48.55	N/A	20,000	9,710
09	1	150.65	150.65	150.65	00.00	100.00	150.65	150.65	N/A	17,000	25,610
23	25	98.69	95.17	85.12	19.54	111.81	37.21	153.84	81.74 to 102.09	449,524	382,612
25	1	108.72	108.72	108.72	00.00	100.00	108.72	108.72	N/A	275,000	298,985
<u>ALL</u>	36	98.09	96.54	86.20	18.45	112.00	37.21	153.84	89.64 to 102.09	336,614	290,169

22 Dakota
COMMERCIAL

PAD 2014 R&O Statistics (Using 2014 Values)

Qualified

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Avg. Assessed Value : 290,169

MEDIAN : 98
WGT. MEAN : 86
MEAN : 97
COD : 18.45
PRD : 112.00

COV : 27.39
STD : 26.44
Avg. Abs. Dev : 18.10
MAX Sales Ratio : 153.84
MIN Sales Ratio : 37.21

95% Median C.I. : 89.64 to 102.09
95% Wgt. Mean C.I. : 75.40 to 97.01
95% Mean C.I. : 87.90 to 105.18

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PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
02											
03	36	98.09	96.54	86.20	18.45	112.00	37.21	153.84	89.64 to 102.09	336,614	290,169
04											
<u>ALL</u>	36	98.09	96.54	86.20	18.45	112.00	37.21	153.84	89.64 to 102.09	336,614	290,169

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											
Less Than 30,000	2	99.60	99.60	95.46	51.26	104.34	48.55	150.65	N/A	18,500	17,660
<u>Ranges Excl. Low \$</u>											
Greater Than 4,999	36	98.09	96.54	86.20	18.45	112.00	37.21	153.84	89.64 to 102.09	336,614	290,169
Greater Than 14,999	36	98.09	96.54	86.20	18.45	112.00	37.21	153.84	89.64 to 102.09	336,614	290,169
Greater Than 29,999	34	98.09	96.36	86.17	16.47	111.83	37.21	153.84	89.64 to 102.09	355,326	306,199
<u>Incremental Ranges</u>											
0 TO 4,999											
5,000 TO 14,999											
15,000 TO 29,999	2	99.60	99.60	95.46	51.26	104.34	48.55	150.65	N/A	18,500	17,660
30,000 TO 59,999	8	99.11	108.47	109.58	11.66	98.99	96.42	153.84	96.42 to 153.84	45,813	50,203
60,000 TO 99,999	3	93.68	106.94	111.93	24.52	95.54	79.12	148.03	N/A	78,333	87,680
100,000 TO 149,999	8	97.96	96.26	96.42	12.12	99.83	64.94	115.94	64.94 to 115.94	121,500	117,153
150,000 TO 249,999	4	90.22	80.85	79.62	21.66	101.54	40.87	102.09	N/A	166,875	132,866
250,000 TO 499,999	4	99.63	95.68	95.43	09.02	100.26	74.73	108.72	N/A	344,988	329,220
500,000 TO 999,999	5	99.46	88.97	81.50	28.68	109.17	37.21	137.01	N/A	725,797	591,512
1,000,000 +	2	83.33	83.33	82.86	04.27	100.57	79.77	86.89	N/A	2,415,577	2,001,495
<u>ALL</u>	36	98.09	96.54	86.20	18.45	112.00	37.21	153.84	89.64 to 102.09	336,614	290,169

22 Dakota
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95% Median C.I. : 89.64 to 102.09
 95% Wgt. Mean C.I. : 75.40 to 97.01
 95% Mean C.I. : 87.90 to 105.18

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OCCUPANCY CODE

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
300	5	86.89	90.78	85.22	13.35	106.52	74.73	107.01	N/A	1,170,731	997,732
323	1	48.55	48.55	48.55	00.00	100.00	48.55	48.55	N/A	20,000	9,710
326	3	98.65	102.95	99.85	05.13	103.10	97.52	112.69	N/A	177,167	176,898
336	1	89.64	89.64	89.64	00.00	100.00	89.64	89.64	N/A	125,000	112,055
343	1	99.46	99.46	99.46	00.00	100.00	99.46	99.46	N/A	624,900	621,540
344	5	96.98	110.96	128.34	23.15	86.46	79.12	148.03	N/A	172,900	221,901
352	5	93.88	82.48	73.34	23.10	112.46	40.87	112.89	N/A	316,990	232,486
353	3	98.69	81.65	51.67	24.27	158.02	37.21	109.06	N/A	414,861	214,358
386	1	102.03	102.03	102.03	00.00	100.00	102.03	102.03	N/A	137,000	139,785
391	1	100.70	100.70	100.70	00.00	100.00	100.70	100.70	N/A	32,000	32,225
394	1	108.72	108.72	108.72	00.00	100.00	108.72	108.72	N/A	275,000	298,985
406	2	117.79	117.79	99.32	30.61	118.60	81.74	153.84	N/A	102,500	101,808
407	1	64.94	64.94	64.94	00.00	100.00	64.94	64.94	N/A	125,000	81,180
419	2	106.18	106.18	110.62	09.19	95.99	96.42	115.94	N/A	82,500	91,258
434	1	89.09	89.09	89.09	00.00	100.00	89.09	89.09	N/A	100,000	89,090
442	1	150.65	150.65	150.65	00.00	100.00	150.65	150.65	N/A	17,000	25,610
471	1	102.09	102.09	102.09	00.00	100.00	102.09	102.09	N/A	175,000	178,660
472	1	96.74	96.74	96.74	00.00	100.00	96.74	96.74	N/A	38,000	36,760
<u> </u> ALL <u> </u>	36	98.09	96.54	86.20	18.45	112.00	37.21	153.84	89.64 to 102.09	336,614	290,169

22 Dakota
AGRICULTURAL LAND

PAD 2014 R&O Statistics (Using 2014 Values)

Qualified

Date Range: 10/1/2010 To 9/30/2013 Posted on: 1/1/2014

Number of Sales : 48
Total Sales Price : 30,752,241
Total Adj. Sales Price : 30,752,241
Total Assessed Value : 21,545,907
Avg. Adj. Sales Price : 640,672
Avg. Assessed Value : 448,873

MEDIAN : 72
WGT. MEAN : 70
MEAN : 73
COD : 29.85
PRD : 104.80

COV : 37.40
STD : 27.46
Avg. Abs. Dev : 21.51
MAX Sales Ratio : 130.29
MIN Sales Ratio : 00.00

95% Median C.I. : 61.52 to 88.75
95% Wgt. Mean C.I. : 55.31 to 84.82
95% Mean C.I. : 65.65 to 81.19

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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
Qrtrs											
01-OCT-10 To 31-DEC-10	3	104.58	105.78	108.13	05.36	97.83	97.97	114.80	N/A	469,985	508,173
01-JAN-11 To 31-MAR-11	3	106.22	106.88	107.43	03.26	99.49	102.02	112.40	N/A	494,000	530,693
01-APR-11 To 30-JUN-11	5	93.78	86.93	76.45	22.53	113.71	48.72	115.02	N/A	608,545	465,248
01-JUL-11 To 30-SEP-11	3	90.64	76.76	88.09	15.50	87.14	48.75	90.90	N/A	529,076	466,085
01-OCT-11 To 31-DEC-11	2	107.27	107.27	112.72	21.47	95.17	84.24	130.29	N/A	582,719	656,860
01-JAN-12 To 31-MAR-12	6	79.29	78.37	77.90	14.05	100.60	58.65	93.28	58.65 to 93.28	396,833	309,142
01-APR-12 To 30-JUN-12	5	71.98	53.38	59.34	27.29	89.96	00.00	74.42	N/A	740,866	439,665
01-JUL-12 To 30-SEP-12	2	63.18	63.18	62.05	02.63	101.82	61.52	64.83	N/A	1,682,723	1,044,168
01-OCT-12 To 31-DEC-12	12	59.35	58.46	60.30	30.06	96.95	00.00	101.61	46.42 to 73.46	688,087	414,939
01-JAN-13 To 31-MAR-13	2	61.64	61.64	61.85	01.04	99.66	61.00	62.28	N/A	247,580	153,123
01-APR-13 To 30-JUN-13	2	73.43	73.43	73.42	29.50	100.01	51.77	95.08	N/A	200,000	146,845
01-JUL-13 To 30-SEP-13	3	55.95	57.25	48.25	26.49	118.65	35.68	80.13	N/A	1,153,975	556,792
Study Yrs											
01-OCT-10 To 30-SEP-11	14	100.00	93.07	90.95	15.97	102.33	48.72	115.02	68.90 to 112.40	537,279	488,650
01-OCT-11 To 30-SEP-12	15	72.11	71.86	70.22	23.42	102.34	00.00	130.29	61.52 to 86.47	707,748	497,015
01-OCT-12 To 30-SEP-13	19	60.92	60.18	57.47	26.63	104.72	00.00	101.61	47.83 to 73.46	663,901	381,557
Calendar Yrs											
01-JAN-11 To 31-DEC-11	13	93.78	92.32	91.11	19.85	101.33	48.72	130.29	68.90 to 112.40	559,799	510,023
01-JAN-12 To 31-DEC-12	25	64.83	62.60	62.80	26.35	99.68	00.00	101.61	57.77 to 72.13	708,313	444,831
ALL	48	72.05	73.42	70.06	29.85	104.80	00.00	130.29	61.52 to 88.75	640,672	448,873

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
1	12	69.92	74.52	68.62	17.56	108.60	48.72	93.78	62.28 to 89.82	674,114	462,589
2	36	72.12	73.06	70.58	34.00	103.51	00.00	130.29	57.77 to 90.90	629,524	444,301
ALL	48	72.05	73.42	70.06	29.85	104.80	00.00	130.29	61.52 to 88.75	640,672	448,873

22 Dakota
AGRICULTURAL LAND

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95% Mean C.I. : 65.65 to 81.19

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95%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Dry_____											
County	30	71.46	75.85	68.78	24.36	110.28	35.68	115.02	62.28 to 89.82	584,753	402,214
1	11	70.93	75.70	72.43	17.69	104.51	48.72	93.78	62.28 to 93.28	478,836	346,813
2	19	71.98	75.93	67.22	28.02	112.96	35.68	115.02	57.77 to 102.02	646,073	434,289
_____Grass_____											
County	1	46.42	46.42	46.42	00.00	100.00	46.42	46.42	N/A	200,000	92,830
2	1	46.42	46.42	46.42	00.00	100.00	46.42	46.42	N/A	200,000	92,830
_____ALL_____	48	72.05	73.42	70.06	29.85	104.80	00.00	130.29	61.52 to 88.75	640,672	448,873

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	2	54.68	54.68	56.45	12.53	96.86	47.83	61.52	N/A	2,240,338	1,264,663
1	1	61.52	61.52	61.52	00.00	100.00	61.52	61.52	N/A	2,822,175	1,736,120
2	1	47.83	47.83	47.83	00.00	100.00	47.83	47.83	N/A	1,658,500	793,205
_____Dry_____											
County	37	72.11	77.00	72.70	29.88	105.91	00.00	130.29	63.39 to 90.90	617,823	449,158
1	11	70.93	75.70	72.43	17.69	104.51	48.72	93.78	62.28 to 93.28	478,836	346,813
2	26	72.12	77.55	72.78	35.11	106.55	00.00	130.29	58.65 to 101.61	676,625	492,458
_____Grass_____											
County	3	48.75	58.43	66.25	23.06	88.20	46.42	80.13	N/A	238,182	157,788
2	3	48.75	58.43	66.25	23.06	88.20	46.42	80.13	N/A	238,182	157,788
_____ALL_____	48	72.05	73.42	70.06	29.85	104.80	00.00	130.29	61.52 to 88.75	640,672	448,873

Total Real Property Sum Lines 17, 25, & 30	Records : 9,643	Value : 1,477,363,285	Growth 9,465,100	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	497	5,038,370	165	1,179,040	97	932,175	759	7,149,585	
02. Res Improve Land	4,127	51,825,565	580	10,570,305	488	14,109,325	5,195	76,505,195	
03. Res Improvements	4,416	326,794,605	817	60,317,860	503	48,010,935	5,736	435,123,400	
04. Res Total	4,913	383,658,540	982	72,067,205	600	63,052,435	6,495	518,778,180	6,316,100
% of Res Total	75.64	73.95	15.12	13.89	9.24	12.15	67.35	35.12	66.73
05. Com UnImp Land	133	5,755,685	29	657,785	19	919,975	181	7,333,445	
06. Com Improve Land	573	28,419,265	45	2,642,465	26	1,358,425	644	32,420,155	
07. Com Improvements	579	146,402,295	49	10,156,245	28	4,006,475	656	160,565,015	
08. Com Total	712	180,577,245	78	13,456,495	47	6,284,875	837	200,318,615	1,104,755
% of Com Total	85.07	90.15	9.32	6.72	5.62	3.14	8.68	13.56	11.67
09. Ind UnImp Land	13	2,070,025	4	352,855	0	0	17	2,422,880	
10. Ind Improve Land	17	4,294,610	9	3,310,460	0	0	26	7,605,070	
11. Ind Improvements	17	54,588,535	9	49,414,705	0	0	26	104,003,240	
12. Ind Total	30	60,953,170	13	53,078,020	0	0	43	114,031,190	1,950,000
% of Ind Total	69.77	53.45	30.23	46.55	0.00	0.00	0.45	7.72	20.60
13. Rec UnImp Land	0	0	0	0	0	0	0	0	
14. Rec Improve Land	0	0	0	0	0	0	0	0	
15. Rec Improvements	0	0	0	0	0	0	0	0	
16. Rec Total	0	0	0	0	0	0	0	0	0
% of Rec Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Res & Rec Total	4,913	383,658,540	982	72,067,205	600	63,052,435	6,495	518,778,180	6,316,100
% of Res & Rec Total	75.64	73.95	15.12	13.89	9.24	12.15	67.35	35.12	66.73
Com & Ind Total	742	241,530,415	91	66,534,515	47	6,284,875	880	314,349,805	3,054,755
% of Com & Ind Total	84.32	76.83	10.34	21.17	5.34	2.00	9.13	21.28	32.27
17. Taxable Total	5,655	625,188,955	1,073	138,601,720	647	69,337,310	7,375	833,127,985	9,370,855
% of Taxable Total	76.68	75.04	14.55	16.64	8.77	8.32	76.48	56.39	99.00

Schedule II : Tax Increment Financing (TIF)

	Urban			SubUrban		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	108	5,576,070	3,686,735	0	0	0
19. Commercial	68	12,660,065	17,675,960	0	0	0
20. Industrial	1	181,330	31,246,230	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	108	5,576,070	3,686,735
19. Commercial	0	0	0	68	12,660,065	17,675,960
20. Industrial	0	0	0	1	181,330	31,246,230
21. Other	0	0	0	0	0	0
22. Total Sch II				177	18,417,465	52,608,925

Schedule III : Mineral Interest Records

Mineral Interest	Urban		SubUrban		Rural		Total		Growth
	Records	Value	Records	Value	Records	Value	Records	Value	
23. Producing	0	0	0	0	0	0	0	0	0
24. Non-Producing	0	0	0	0	0	0	0	0	0
25. Total	0	0	0	0	0	0	0	0	0

Schedule IV : Exempt Records : Non-Agricultural

	Urban Records	SubUrban Records	Rural Records	Total Records
26. Exempt	351	79	109	539

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	1	297,115	245	50,672,310	1,596	427,937,980	1,842	478,907,405
28. Ag-Improved Land	0	0	68	12,783,045	343	120,226,660	411	133,009,705
29. Ag Improvements	0	0	72	5,692,245	354	26,625,945	426	32,318,190
30. Ag Total							2,268	644,235,300

Schedule VI : Agricultural Records :Non-Agricultural Detail

	Urban			SubUrban			Growth
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	0	0.00	0	1	0.25	2,890	
32. HomeSite Improv Land	0	0.00	0	48	50.00	578,180	
33. HomeSite Improvements	0	0.00	0	48	48.00	4,355,980	
34. HomeSite Total							
35. FarmSite UnImp Land	0	0.00	0	5	6.00	12,810	
36. FarmSite Improv Land	0	0.00	0	56	133.10	241,365	
37. FarmSite Improvements	0	0.00	0	57	0.00	1,336,265	
38. FarmSite Total							
39. Road & Ditches	0	0.00	0	0	196.05	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	6	6.00	67,400	7	6.25	70,290	
32. HomeSite Improv Land	241	246.25	2,731,885	289	296.25	3,310,065	
33. HomeSite Improvements	241	235.25	20,589,230	289	283.25	24,945,210	94,245
34. HomeSite Total				296	302.50	28,325,565	
35. FarmSite UnImp Land	54	115.97	236,455	59	121.97	249,265	
36. FarmSite Improv Land	313	935.08	1,603,975	369	1,068.18	1,845,340	
37. FarmSite Improvements	303	0.00	6,036,715	360	0.00	7,372,980	0
38. FarmSite Total				419	1,190.15	9,467,585	
39. Road & Ditches	0	2,091.89	0	0	2,287.94	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
41. Total Section VI				715	3,780.59	37,793,150	94,245

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	1	40.00	13,600	1	40.00	13,600

Schedule VIII : Agricultural Records : Special Value

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
43. Special Value	0	0.00	0	46	1,673.42	7,550,645
44. Recapture Value N/A	0	0.00	0	46	1,673.42	7,596,885
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
43. Special Value	0	0.00	0	46	1,673.42	7,550,645
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	3,676.79	22.47%	21,336,895	23.40%	5,803.13
46. 1A	176.51	1.08%	1,005,220	1.10%	5,694.97
47. 2A1	4,941.66	30.20%	27,567,990	30.24%	5,578.69
48. 2A	0.00	0.00%	0	0.00%	0.00
49. 3A1	6,577.53	40.19%	35,984,255	39.47%	5,470.79
50. 3A	0.00	0.00%	0	0.00%	0.00
51. 4A1	970.76	5.93%	5,164,430	5.66%	5,319.99
52. 4A	21.70	0.13%	112,515	0.12%	5,185.02
53. Total	16,364.95	100.00%	91,171,305	100.00%	5,571.13
Dry					
54. 1D1	10,522.46	34.07%	57,461,420	34.93%	5,460.84
55. 1D	524.51	1.70%	2,853,370	1.73%	5,440.07
56. 2D1	7,642.40	24.74%	41,267,805	25.09%	5,399.85
57. 2D	0.00	0.00%	0	0.00%	0.00
58. 3D1	10,632.05	34.42%	56,209,725	34.17%	5,286.82
59. 3D	0.00	0.00%	0	0.00%	0.00
60. 4D1	1,500.38	4.86%	6,414,290	3.90%	4,275.11
61. 4D	65.73	0.21%	275,410	0.17%	4,190.02
62. Total	30,887.53	100.00%	164,482,020	100.00%	5,325.19
Grass					
63. 1G1	157.70	6.66%	329,390	8.84%	2,088.71
64. 1G	35.38	1.49%	62,575	1.68%	1,768.65
65. 2G1	424.71	17.93%	853,475	22.90%	2,009.55
66. 2G	0.00	0.00%	0	0.00%	0.00
67. 3G1	331.51	13.99%	532,795	14.30%	1,607.18
68. 3G	0.00	0.00%	0	0.00%	0.00
69. 4G1	1,119.09	47.24%	1,719,560	46.15%	1,536.57
70. 4G	300.58	12.69%	228,600	6.13%	760.53
71. Total	2,368.97	100.00%	3,726,395	100.00%	1,573.00
Irrigated Total					
Irrigated Total	16,364.95	31.93%	91,171,305	35.08%	5,571.13
Dry Total					
Dry Total	30,887.53	60.26%	164,482,020	63.29%	5,325.19
Grass Total					
Grass Total	2,368.97	4.62%	3,726,395	1.43%	1,573.00
72. Waste	1,289.24	2.52%	277,210	0.11%	215.02
73. Other	347.90	0.68%	244,130	0.09%	701.72
74. Exempt	343.18	0.67%	0	0.00%	0.00
75. Market Area Total	51,258.59	100.00%	259,901,060	100.00%	5,070.39

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 2

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	77.59	20.20%	410,455	22.69%	5,290.05
47. 2A1	15.33	3.99%	80,175	4.43%	5,229.94
48. 2A	0.00	0.00%	0	0.00%	0.00
49. 3A1	35.99	9.37%	176,175	9.74%	4,895.11
50. 3A	14.05	3.66%	64,350	3.56%	4,580.07
51. 4A1	236.76	61.63%	1,058,310	58.51%	4,469.97
52. 4A	4.43	1.15%	19,250	1.06%	4,345.37
53. Total	384.15	100.00%	1,808,715	100.00%	4,708.36
Dry					
54. 1D1	1,275.11	1.94%	6,168,650	2.11%	4,837.74
55. 1D	10,312.79	15.69%	49,966,275	17.13%	4,845.08
56. 2D1	3,768.89	5.73%	18,007,565	6.17%	4,777.95
57. 2D	432.50	0.66%	2,076,010	0.71%	4,800.02
58. 3D1	8,768.92	13.34%	39,644,415	13.59%	4,521.01
59. 3D	2,551.93	3.88%	11,330,570	3.88%	4,440.00
60. 4D1	32,521.45	49.47%	138,933,920	47.63%	4,272.07
61. 4D	6,108.27	9.29%	25,554,660	8.76%	4,183.62
62. Total	65,739.86	100.00%	291,682,065	100.00%	4,436.91
Grass					
63. 1G1	52.64	0.20%	113,705	0.22%	2,160.05
64. 1G	2,631.58	9.99%	6,669,370	12.85%	2,534.36
65. 2G1	907.47	3.44%	2,033,490	3.92%	2,240.83
66. 2G	259.15	0.98%	767,180	1.48%	2,960.37
67. 3G1	1,704.59	6.47%	4,401,390	8.48%	2,582.08
68. 3G	170.43	0.65%	466,940	0.90%	2,739.78
69. 4G1	10,028.83	38.06%	22,041,705	42.46%	2,197.83
70. 4G	10,592.97	40.20%	15,422,570	29.71%	1,455.93
71. Total	26,347.66	100.00%	51,916,350	100.00%	1,970.43
Irrigated Total					
	384.15	0.39%	1,808,715	0.52%	4,708.36
Dry Total					
	65,739.86	67.16%	291,682,065	84.17%	4,436.91
Grass Total					
	26,347.66	26.92%	51,916,350	14.98%	1,970.43
72. Waste	5,407.76	5.52%	1,133,960	0.33%	209.69
73. Other	0.00	0.00%	0	0.00%	0.00
74. Exempt	761.61	0.78%	0	0.00%	0.00
75. Market Area Total	97,879.43	100.00%	346,541,090	100.00%	3,540.49

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	0.00	0	1,465.13	8,240,250	15,283.97	84,739,770	16,749.10	92,980,020
77. Dry Land	67.26	287,535	9,617.76	48,276,685	86,942.37	407,599,865	96,627.39	456,164,085
78. Grass	16.24	9,580	3,359.42	5,973,100	25,340.97	49,660,065	28,716.63	55,642,745
79. Waste	0.00	0	620.63	130,075	6,076.37	1,281,095	6,697.00	1,411,170
80. Other	0.00	0	0.00	0	347.90	244,130	347.90	244,130
81. Exempt	0.00	0	662.72	0	442.07	0	1,104.79	0
82. Total	83.50	297,115	15,062.94	62,620,110	133,991.58	543,524,925	149,138.02	606,442,150

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	16,749.10	11.23%	92,980,020	15.33%	5,551.34
Dry Land	96,627.39	64.79%	456,164,085	75.22%	4,720.86
Grass	28,716.63	19.26%	55,642,745	9.18%	1,937.65
Waste	6,697.00	4.49%	1,411,170	0.23%	210.72
Other	347.90	0.23%	244,130	0.04%	701.72
Exempt	1,104.79	0.74%	0	0.00%	0.00
Total	149,138.02	100.00%	606,442,150	100.00%	4,066.31

2014 County Abstract of Assessment for Real Property, Form 45 Compared with the 2013 Certificate of Taxes Levied (CTL)

22 Dakota

	2013 CTL County Total	2014 Form 45 County Total	Value Difference (2014 form 45 - 2013 CTL)	Percent Change	2014 Growth (New Construction Value)	Percent Change excl. Growth
01. Residential	510,940,590	518,778,180	7,837,590	1.53%	6,316,100	0.30%
02. Recreational	0	0	0		0	
03. Ag-Homesite Land, Ag-Res Dwelling	28,332,370	28,325,565	-6,805	-0.02%	94,245	-0.36%
04. Total Residential (sum lines 1-3)	539,272,960	547,103,745	7,830,785	1.45%	6,410,345	0.26%
05. Commercial	200,440,110	200,318,615	-121,495	-0.06%	1,104,755	-0.61%
06. Industrial	111,617,425	114,031,190	2,413,765	2.16%	1,950,000	0.42%
07. Ag-Farmsite Land, Outbuildings	9,493,300	9,467,585	-25,715	-0.27%	0	-0.27%
08. Minerals	0	0	0		0	
09. Total Commercial (sum lines 5-8)	321,550,835	323,817,390	2,266,555	0.70%	3,054,755	-0.25%
10. Total Non-Agland Real Property	860,823,795	870,921,135	10,097,340	1.17%	9,465,100	0.07%
11. Irrigated	70,416,250	92,980,020	22,563,770	32.04%		
12. Dryland	369,407,610	456,164,085	86,756,475	23.49%		
13. Grassland	48,890,870	55,642,745	6,751,875	13.81%		
14. Wasteland	1,941,200	1,411,170	-530,030	-27.30%		
15. Other Agland	-458,345	244,130	702,475			
16. Total Agricultural Land	490,197,585	606,442,150	116,244,565	23.71%		
17. Total Value of all Real Property (Locally Assessed)	1,351,021,380	1,477,363,285	126,341,905	9.35%	9,465,100	8.65%

Plan of Assessment for Dakota County Assessment Years 2014, 2015 and 2016

Date: July 31st, 2013

Amended: Nov. 5th 2013

This plan was modified and prepared per Statute 77-1311.02 and provided to the Dakota County Board of Equalization. Amendments may be deemed necessary as a result of Budget limitations and will be made on or before October 31st of 2013. The biggest risk to successfully completing our Assessment Actions for the next assessment year and two years thereafter will be funding to replace and train lost staff. Without the funding necessary our ability to proficiently complete the statutorily required obligations will be at risk. Our biggest need is in Appraisal. Currently, we only have one Appraiser for Dakota County.

Plan of Assessment Requirements:

Pursuant to Neb. Rev. Stat. 77-1311.02 (2007), 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 or subclasses of real property that the county assessor plans to examine during the years contained in the plan of assessment. The plan shall describe all the assessment actions necessary to achieve the levels of value and quality of assessment practices required by law, and the resources necessary to complete those actions. On or before July 31 each year, the assessor shall present the plan to the county board of equalization and the assessor may amend the plan, if necessary, after the 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.” Neb. Rev. Stat. §77-112 (Reissue 2003).

Assessment levels required for real property are as follows:

- 1) 100% of actual value for real property excluding agricultural and horticultural land;
- 2) 75% of actual value for agricultural land and horticultural land; and
- 3) 75% of special value for agricultural and horticultural land which meets the qualifications for special valuation under §77-1344 and 75% of its recapture value as defined in §77-1343 when the land is disqualified for special valuation under §77-1347.

Reference, Neb. Rev. Stat. §77-201 (R. S. Sup 2009).

General Description of Real Property in Dakota County:

Per the 2013 County Abstract, Dakota County consists of the following real property types:

	Parcels	% of Total Parcels	% of Taxable Value Base
Residential	6495	67%	37.7%
Commercial	842	9%	15.1%
Industrial	41	.43%	8.2%
Recreational	0	0%	0%
Agricultural	2269	24%	38.9%
Special Value	46	.48%	

Agricultural land – The total taxable acres are 149,066.48. These total acres are broke into two market areas; Area 1 contains 51,186 acres and Area 2 contains 97,880.48 acres.

Other pertinent facts: Approximately 89.9% of county acres are agricultural and of that approximately 19% consists primarily of grassland, 64.5% is dry land, 9.8% is irrigated and we have 6.2% in waste.

New Property: For assessment year 2013 an estimated building permits and/or information statements were filed for new property construction/additions in the county.

For more information see 2013 Reports & Opinions, Abstract and Assessor Survey and the TERC Findings and Orders

Current Resources

A. Staff/Training

- a. We currently have an Assessor, Deputy Assessor and Data Entry person on the assessment side. On the Appraisal side we have a Lead Appraiser. This gives us a staff of 4 in an office that should have 7 to function proficiently. To assist on the Appraisal side, we have contracted a part-time data collection specialist. Training on both sides is an on going process in the office. As time and funding allow, personnel are sent to schools offered by the Department of Property Assessment and Taxation as well as schools conducted by other organizations.

B. Cadastral Maps, other land use maps, aerial photos

- a. The Cadastral Maps are maintained by the Assessor. They are kept up to date and are in below average condition. In addition we use Farm Service Agency Maps as necessary to determine land use. We also have the complete set of aerial photos on CD for 2011 flight and are able to use these to determine land use, tree cover and so forth. The addition of the AgriData program has been a tremendous tool. In addition we have signed a contract with GIS Workshop to have GIS parcel layers included in our website. This project has an expected completion date of 06/30/2014

C. Property Record Cards

- a. The Property Record Cards are in electronic form and can be easily printed if a hard copy is needed. All residential property is current and complete as of the last physical inspection. They include a sketch and a photo of each house.

The Commercial Properties are being completed as time allows and the completed file includes a sketch and photos.

- D. Software for CAMA
 - a. Dakota County uses a CAMA system supplied by Terra Scan and serviced from their office in Lincoln Nebraska. In addition to the CAMA system we have a variety of software programs to enhance the office operation,(Word, Excel, Outlook and others)
- E. Assessment Administration Responsibilities
 - a. Meeting all Reporting requirements
 - b. Protest Management
 - c. CAMA Systems Maintenance
 - d. Tax Payer Interactions
 - e. Processing Real Estate Transfer Statements
 - f. Processing Building Permits
 - g. Cadastral Map Maintenance
- F. GIS
 - a. Our GIS system is expected to be in place no later than June of 2014.
- G. Website
 - a. Our website is can be found at: <HTTP://Dakota.gisworkshop.com>

Current Assessment Procedures for Real Property

Introduction: In the process of assessment it is imperative that all property be listed and accurately valued on the tax roll. Without a complete listing and without accurate values proper assessment cannot be achieved.

Purpose: This is intended to be a brief description of the process for the discovery, listing and updating of the record for all property including new construction, additions, remodeling or the removal of existing improvements to or from real property. This information is used by the appraiser to establish value therefore the accuracy of the information is vital.

Definition:

- A) Discovery: The various methods used to locate new property and changes in existing real property that may result in an adjustment to taxable value.
- B) Listing: The process of physically reviewing a property and correctly recording all of the information necessary to identify that property for valuation purposes.
- C) Pickup Work: The annual process by which changes in the physical characteristics of real property improvements or the addition or removal of improvements is discovered and listed.

DISCOVERY

There are three main sources of discovery, building permits, observed improvements and citizen reports.

Building Permits: Building Permits are furnished to the assessor's office from the

towns or county and they are the main source information regarding new construction or improvements to existing property. These permits are entered into the CAMA program. The information from the Building Permit is entered and this triggers a physical review of the property. When pickup work begins a report is printed. The report is used by the appraiser and appraisal assistants as a reference to all property needing review.

Observed Improvements: It is the responsibility of the appraiser and assistants to note the location of any new construction or additions and check the existing record to see if a building permit has been issued. If no permit has been issued, it will be necessary to record the information on the Building Permits section of the CAMA program with a code in the permit number space that would easily identify it as not having been issued a permit. As an example the code might be DAK-1 then the next one DAK-2 and so forth.

Citizen Reports: On occasion a property owner will come in and report he, she, or a neighbor, is adding a building or remodeling. In these instances the record is checked to see if a building permit exists and if it doesn't the property is included in the Building Permit section and coded as described above.

LISTING

The listing of real property for scheduled review and pickup work consists of four separate steps, organization of work, field work, data entry and review.

Organization of Work: It is the responsibility of the appraiser to assign specific areas of work for each assistant. Those areas may be based on geographical areas such as towns or townships, or on property classes such as Residential, Agricultural or Commercial, or a combination of the two.

Once the areas are defined it is the responsibility of the assistant to organize the work in such a manner as to most efficiently use his or her time in the field. Properties in the same general area are combined for review to eliminate unnecessary travel time.

When going to the field the assistant takes the tools necessary to complete the work. This includes a tape measure, sketch pad, pencil, camera, business cards and door hangers. The information taken to the field includes the Review Sheet printed from the Appraisal File, the Laser Report and a copy of the Building Permit if applicable. Other information and tools may be used as the assistant deems necessary.

Safety is the most important part of any job. When preparing to go to the field it is the responsibility of the assistant to dress in an appropriate manner. In cold weather special care should be taken to stay warm and in warm weather sunburn and dehydration are a concern. It is also a good idea to carry dog biscuits and insect repellent.

Field Work: Prior to arriving at the property an attempt is made to contact the owner to let him know we are coming. When arriving at the property the assistant first goes to the door to alert the owner or occupant of his or her presence. Proper identification

is presented including a business card and the photo ID is visibly displayed by attaching it to a collar or shirt pocket. In cold weather it is attached to the outside of the jacket or coat.

If no one is home an effort is made to gather as much necessary information as possible. This would include photos, and verification of existing information on the Review Sheet. This should be done with discretion and without being intrusive.
NO BUILDINGS ARE ENTERED WITHOUT PERMISSION.

The assistant verifies the dimensions on the sketch. This can be based on previous knowledge, spot check of two or three measurements or a complete re-measure. Once the assistant has visited the property and verified the dimensions the accuracy of the measurements are his or her responsibility. When field sketching the measurements are rounded to the nearest foot and before leaving the property the **SKETCH IS BALANCED TO BE SURE IT WILL CLOSE WHEN ENTERED IN THE COMPUTER.** Additions such as porches, decks or rooms are measured and a dimension from a reference point is included to locate it on the subject.

The Review Sheet is carefully checked for accuracy and completeness.

The *Marshall and Swift Residential Cost Handbook* is the guideline for any subjective decisions such as Quality or Style. Any necessary changes or additions are noted in red. This includes address and any pertinent notes that are needed. If the address is not apparent on the property the assistant supplies his or her best estimate of the address from street signs or neighboring properties. Care is taken to assure the changes and notes are clear and concise for later data entry use. A completed Review Sheet is critical to the record in the computer, without complete and accurate information we will not have defensible values.

Each property has a photo of the front of the property as well a photo of each addition.

The file should include a picture of major outbuildings or other improvements such as detached garages, large yard sheds, swimming pools or in the case of rural properties the outbuildings.

Before leaving the property the assistant makes one final review of the information gathered to confirm it is complete and accurate. A door hanger is left if necessary.

Data Entry:

The information for data entry should be complete and easily obtainable from the Review Sheet. The information and sketch should be clear, concise and legible. It is not the responsibility of the data entry person to estimate missing information or to correct incomplete sketches. Any data that is questionable or incomplete should be returned to the appraiser. When data entry is complete the information is returned to the assistant for review.

Review:

The assistant reviews the file for completeness and accuracy when it is returned from data entry. At this time the amount of growth on the individual parcel is verified. After he or she is satisfied with the file it will be passed to the appraiser for final

review. The passing of the file to the appraiser indicates the assistant has completed the work and believes it to be correct. The appraiser reviews the work to the degree necessary and confirms the values in the computer appraisal file. After the values are confirmed the appraiser will notify the assessment side that the work is complete.

APPROACHES TO VALUE

Appraisal is defined as:

"(1) Noun-the act or process of developing an opinion of value; an opinion of Value

(2) Adjective-of or pertaining to appraising and related functions such as appraisal Practice or appraisal services. "L

The process is used to determine an estimate of value as of a given date. The estimate is arrived at by the careful and unbiased analysis of physical features and condition, and economic and governmental forces affecting the value of the subject property. Several Economic Principles form the foundation for the value of the subject, those having the most influence on value are the *Principle of Supply and Demand* and the *Principle of Substitution*.

The *Principle of Supply and Demand* simply stated says that if the supply of a commodity exceeds the demand the value of that commodity will diminish, if the demand for a commodity exceeds the supply of that commodity then the value will increase. 2

The *Principle of Substitution* simply stated says a buyer will not pay more for a commodity than a similar commodity can be purchased for. This is the base assumption in the Cost Approach and Sales Comparison Approach. A consumer will not pay more for a commodity than he can build a new one for or than he can buy a similar one for.3

Factors Affecting Value

During the appraisal process the appraiser considers several different factors 'in determining the value of the subject property. Among these are location, use, sale of similar properties, and income potential of the property and the replacement cost of the property taking into consideration the various forms of depreciation affecting the value of the property.

Location: In general, the most important physical factor affecting value is location. "All other factors are subordinated to, or considered in relation to, location. If all other factors are positive, but the location is not desirable, the property will probably suffer a loss in value. 4

Highest and Best Use: "A principle of appraisal and assessment requiring that each property be appraised as though it were being put to it's most profitable use (highest possible net worth), given probable legal, physical, and financial constraints. The principle entails first identifying the most appropriate market, and, second, the most profitable use within that market"5

- 1) USPAP 2001, The Appraisal Foundation p.1
- 2) Condensed from Mass Appraisal of Real Property p.5
- 3) Condensed from The Glossary for Property Appraisal and Assessment p.108
- 4) Property Assessment Valuation, Second Addition p. 55 IAAO
- 5) Glossary for Property Appraisal and Assessment p. 65 IAAO

Sales Comparison Approach to Value: "The sales comparison approach uses sales prices as evidence of the value of similar properties. The price at which a particular property sells is the price determined by the interaction of supply and demand at the time of sale. If competitive market conditions are approximated, and conditions have not changed greatly, a similar property would sell at approximately the same price."⁶

Methodology for Sales Comparison Approach

Overview

The Sales Comparison Approach uses sales prices as evidence of value of similar properties. The price at which a particular property sells is the price determined by the interaction of supply and demand at the time of sale. If competitive market conditions are approximated, and conditions have not changed greatly, a similar property would sell at approximately the same price.¹

Market Value² is defined as "The most probable price (in terms of money) which a property should bring in a competitive market under all conditions requisite to a fair sale, the buyer and the seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of the sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- 1) The buyer and seller are typically motivated
- 2) Both parties are well informed or advised and act in what they consider their best interests
- 3) A reasonable time is allowed for exposure on the open market
- 4) Payment is made in terms of cash or financial arrangements comparable thereto
- 5) The price is unaffected by special financing or concessions."

Because no two real properties are ever exactly alike, systematic methods must be used to adjust the prices of sold properties, known as comparison properties, or comparable. Known prices are adjusted by adding or subtracting the amount which a given feature (*attribute*) appears to add to, or subtract from, the value of the comparable property.³

In single property appraisal, the appraiser manually determines which sales can be used as comparable, adjusts them for differences from the subject property, and determines the value of the subject property from the adjusted sales. Although conceptually excellent, this is too time consuming for mass appraisal and is also subject to inconsistencies.⁴

In mass appraisal, the sales comparison approach is applied by developing a model that estimates probable selling prices based on physical and locational characteristics. During

¹ Mass Appraisal of Real Property, Copyright 1999 IAAO page 5

² Mass Appraisal of Real Property, Copyright 1999 IAAO page 380

³ Mass Appraisal of Real Property, Copyright 1999 IAAO page 5

⁴ Mass Appraisal of Real Property, Copyright 1999 IAAO page 18

model calibration, the appraiser determines from the market the amount each variable included in the model contributes to price. The model is then applied to properties meeting that same criteria, for example those in the same market or economic area. Because the same model is applied to all such properties, values should be consistent.⁵

Basic Premise

As a matter of consistency it is imperative the subjective decisions be kept at a minimum and the guidelines for those decisions be well defined and based on established appraisal principles. Subjective decisions such as Quality, Condition and Style, when based on established costing manuals such as Marshall and Swift, are well defined and an acceptable level of consistency can be achieved.

Subjective decisions such as adjustments for time of sale, location, lot value, view, design and appeal, age, gross living area, functional utility and garage/carport should be based on conclusions drawn from market studies and should be explainable and documented. An opinion based on “experience and expertise” without specific documentation is very subjective and should be viewed with skepticism. These types of decisions, especially when multiplied by such things as lot or building area can lead to large discrepancies or a tendency on the part of some appraisers to adjust to a result. It is difficult to evaluate the legitimacy of the adjustment without knowing the underlying data. The opinion of an expert is only as good as the underlying data.

In an effort to keep those types of subjective decisions at a minimum and to limit the variance or error that comes from using gross area adjustments the CAMA system is basing its Sales Comparison Approach on either the Minkowski Metric or the Euclidean Metric systems of adjustments. The appraiser may choose either method in the process of applying the Sales Comparison Approach.

While both algorithms⁶ are metric based (base of ten) the difference is that in the Minkowski Metric system the absolute percentage difference is computed for each attribute while in the Euclidean the difference between the attribute of the subject and the comparable is squared and then divided by the absolute deviation. Both are a measurement of difference or distance from the subject to the comparable and that difference is used to select the comparable for the purpose of arriving at value.

The important thing to note is that both work from the square foot value of the comparable and adjustments are made to the square foot value. The final adjusted square foot value is then multiplied by the area of the subject to arrive at an adjusted sale price. There is no subjective decision by the appraiser as to a value per square foot adjustment for the difference in living area. This eliminates the opportunity for adjustments that affect the adjusted value to skew the adjusted value.

Process

The process consists of two basic steps. The first is the creation of the Comparable

⁵ Mass Appraisal of Real Property, Copyright 1999 IAAO page 19

⁶ A systematic method of solving a certain kind of mathematical problem-Webster’s New World Dict. 1996

Sales Selection Model Table and the second step is the creation of the Comparable Sales Adjustment Table. A model is defined as “a representation (in words or an equation) that explains the relationship between value or the estimated sale price and variables representing factors of supply and demand.”⁷

Each step in the process consists of two parts, model specification and model calibration. Model specification is defined as “the formal development of a model in a statement or equation, based on data analysis and appraisal theory. During model specification, one determines the variables to test or use in a mass appraisal model.”⁸ Model calibration is “the development of the adjustments or coefficients from market analysis of the variables to be used in a mass appraisal model.”⁹

The Comparable Sales Selection Model Table

The Comparable Sales Selection Model Table determines which properties in the Residential Sales File are selected as comparable sales for Residential and Mobile Home appraisal records. The Comparable Sales Selection Model Table is a user defined series of records.¹⁰ The Comparable Sales Selection Model Table contains the following fields:¹¹

- 1) **Table Number**- the Table Number is a unique number identifying the model.
- 2) **Description**- the description of the model, example-Residential Model for South Sioux etc.
- 3) **Index Type**-the appraiser chooses either “MINKOWSKI” or “EUCLIDEAN”.
- 4) **Neighborhood Options**- the appraiser chooses either “SAME” or “RANGE”
- 5) **Neighborhood Range**- this must be completed if “RANGE” is selected in Neighborhood Options.
- 6) **Sale Date Range**- the appraiser chooses the beginning and ending dates for the time period the comparable are to be selected from.
- 7) **Maximum Distance Factor**- the appraiser enters the maximum distance to include sales as comparable. Sales of properties above this number will not be selected. This is not the physical distance from the house, but a measure of compatibility between the subject house and the potential comparable.
- 8) **Source Name**-the appraiser selects the fields from the Appraisal File for the attribute used to determine Comparable selection.
- 9) **Attribute**- enter the field name for the attribute of the comparable
- 10) **Weight**- the appraiser assigns a weight to each attribute on its importance in the model. The higher the weight, the closer the comparable will have to be to the subject.

In the case of the Comparable Sales Selection Model Table the calibration of the table is in the weight assigned to each attribute. Location should not be an issue in most cases

⁷ Mass Appraisal of Real Property Copyright 1999 IAAO page 382

⁸ Mass Appraisal of Real Property Copyright 1999 IAAO page 382

¹⁰ Terra Scan Appraisal System Version 5.61, Comparable Sales Selection Model Table

¹¹ Condensed from Terra Scan Appraisal System Version 5.61, Comparable Sales Selection Model Table

because this is probably addressed in the Neighborhood Options choice. Generally the most weight should be put on Floor Area, Style and Quality. These attributes should receive the higher weight number. The next attributes to include may be Condition, Garage Style and Area, Basement Area, Basement Finish and Exterior Wall. All weights assigned to attributes must be supported by a sales study to show their relative importance.

The Comparable Sales Adjustment Table

The Comparable Sales Adjustment Table calculates the difference between the subject and each comparable and adjusts the sale price per square foot accordingly.¹² The appraiser selects those attributes that are to be adjusted from the Appraisal File, determines the calibration of each, and the CAMA program applies that algorithm to each comparable selected by the Comparable Sales Selection Model. The Comparable Sales Adjustment Table is a user defined series of attributes.¹³ The Comparable Sales Adjustment Table contains the following fields:¹⁴

- 1) **Table #** - The unique number identifying this table. The default table should be number one.
- 2) **Description** – The description of the model. Example-Ranch style in So. Sioux City
- 3) **Time Adjustment** – This field allows for the adjustment of sale price in relation to the assessment date. The appraiser sets the time adjustment as a percentage per month for the difference between the sale date and the assessment date. The adjustment is derived from a market study of properties with multiple sales in a selected time frame. The CAMA system will compute the time period in months and adjust by the percent per month determined from the study and entered into the system.
- 4) **Max**- This allows for a maximum percent of time adjustment. It is an elective field and may or may not be used.
- 5) **Area Adjust**- This field gives the appraiser the option to adjust for Gross Living Area. If YES is selected the adjustment is made by developing a formula to determine the adjustment. If NO is selected the CAMA system adjusts the square foot value of the comparable and then multiplies that value by the area of the subject to arrive at an indicated value.
- 6) **Land Adjust**- The choices are “USE SUBJECT” and “NO ADJUSTMENT”. If “USE SUBJECT” is selected the program will adjust the lot value based on the difference between the subject and the comparable. If “NOADJUSTMENT” is selected there will not be an adjustment for lot value. The assumption here is lot values in the CAMA system are reasonable.
- 7) **The Components Table**- This table consists of five columns or sections. Each selected component of the comparable is addressed in each section.
 - a. **Source Column** – The appraiser selects those attributes that are determined to affect value from the Appraisal File and records them in this column.
 - b. **Name Column**- A descriptive name, which will appear on the Residential Comparable Sales Grid, is given to each attribute

¹² Terra Scan Appraisal System Version 5.61, Comparable Sales Adjustment Table

¹³ Terra Scan Appraisal System Version 5.61, Comparable Sales Selection Model Table

¹⁴ Condensed from Terra Scan Appraisal System Version 5.61, Comparable Sales Selection Model Table

- c. **Sequence Column-** This number is automatically assigned by the CAMA System.
- d. **Type Column-** The choices in this column are “Value” “Factor” and “Multiplier”. If “Value” is chosen the sale price is adjusted by a dollar amount. If “Factor” is chosen the difference between the subject and the comparable is multiplied by a factor amount. If “Multiplier” is chosen the difference between the subject and the comparable is multiplied by a percentage amount.
- e. **Factor-** This column contains the formula (mathematical process) used to make the adjustment. Whether it be a value, factor or Multiplier

Application

In the application of the above process it is important to remember the following things:

- 1) Neighborhood doesn't necessarily refer to just a defined geographical location but may also include physical characteristics specific to a given group of properties, “such as to insure for later multiple regression modeling that the properties are homogeneous and share important locational characteristics.”¹⁵
- 2) Subjective decisions must be kept at a minimum and must be supported by existing guidelines or text such as Marshall and Swift Costing Service or IAAO reference books.
- 3) Each factor used in the development of the Comparable Sales Selection Model Table or the Comparable Sales Adjustment Table must be supported by market information.
- 4) Some adjustments may come from the study of multiple neighborhoods because of a lack of sales in a particular neighborhood, for instance, in ground swimming pools, but nevertheless each adjustment must come from the market. A subjective adjustment, not based on documented sales, has no credible basis.
- 5) The purpose of the appraisal is not to meet a predetermined value. The purpose of the appraisal is to estimate market value based on sales data. The market value estimated is intended as support for the final reconciliation of value based on all approaches.

The final step in the valuation process is a field review of the property and the application of the appraisers experience and judgment “It is good practice in mass appraisal to review preliminary values in the field to check for errors or unusual situations and ensure consistency among parcels. During this review process, the appraiser may correct grading or other data errors or override values for parcels with special conditions.”¹⁶

The final assessed value as reported to the property owner is a correlation of all the approaches used to estimate value. It may or may not match any particular value arrived at in any one approach. It is the result of the appraisers experience and expertise.

Income Approach to Value: “The income approach requires the appraiser to estimate the

¹⁵ Glossary for Property Appraisal and Assessment p. 92 IAAO copyright 1997

¹⁶ Mass Appraisal of Real Property Copyright 1999 IAAO page 22

rental income from a property and capitalize the income into an estimate of current value. The approach recognizes that potential buyers demand property because they anticipate a future stream of income. "The appraiser estimates the income stream that would be produced in the highest and best use under typical management. The property, not the current management, is being valued; therefore, it is proper to assume that potential buyers would use the property for its most profitable legal use, and the buyer would employ typical rather than extraordinary management,"⁷

Cost Approach to Value: "the cost approach is based on the principle of substitution-that a rational, informed purchaser would pay no more for a property than the cost of building an acceptable substitute with like utility. The cost approach seeks to determine the replacement cost new of an improvement less depreciation plus land."⁸

As the Cost Approach Applies to Mass Appraisal: In mass appraisal the sales, in a given neighborhood, are stratified by class, style, quality and condition. The Replacement Cost New for each sold improvement is calculated and the percentage difference between that RCN and the sale price, less land value, is considered to be the depreciation. The appraiser then uses the depreciations in specific strata to determine the percentage of depreciation for that particular class, style, quality and condition. In the case of commercial/industrial property the Occupancy Code is used in place of the style since the Occupancy Code determines the interior finish, i.e. retail store, office building, medical building, bowling alley etc.

Methodology for the Cost Approach

Overview

The Cost Approach is based on the Replacement Cost New¹⁷ (RCN) of an improvement minus the accrued depreciation¹⁸ due to physical deterioration¹⁹, functional obsolescence²⁰ and economic obsolescence²¹. The three most commonly used methods of calculating depreciation are the Overall Age Life Method, Capitalization of Income Method and the Sales Comparison Method,

Overall Age Life Method- "The overall age life method provides a direct estimate of depreciation of the subject property. Borrowed from accounting, the method is based on

¹⁷ "Replacement Cost New- The cost, including material, labor and overhead, that would be incurred constructing an improvement having the same utility to its owner as the subject improvement." Glossary for Property Appraisal and Assessment Copyright 1997 IAAO page 120

¹⁸ "Depreciation, Accrued--(l) The amount of depreciation, from any and all sources, that affects the value of the property in question on the effective date of the appraisal." Glossary for Property Appraisal and Assessment Copyright 1997 IAAO page 41

¹⁹ "Physical Deterioration- a cause of depreciation that is a loss in value due to ordinary wear and tear and the forces of nature." Glossary for Property Appraisal and Assessment Copyright 1997 IAAO page 102

²⁰ "Functional Obsolescence-Loss in value of a property resulting from changes in tastes, preferences, technical innovations or market standards," Glossary for Property Appraisal and Assessment Copyright 1997 IAAO page 59

²¹ "Economic (External) Obsolescence--(1) A cause of depreciation that is a loss in value as a result of impairment in utility and desirability caused by factors outside the property's boundaries." Glossary for Property Appraisal and Assessment Copyright 1997 IAAO page 48

straight-line depreciation, in which the building is assumed to depreciate by a constant percentage each year over its economic life."²² "Although the overall age life method is simple, it has several shortcomings. For example, it recognizes primarily physical depreciation and does not distinguish between curable and incurable conditions, more serious is the assumption that depreciation occurs in a straight line. Most structures depreciate rapidly in early life and more slowly later. Actual rates vary with type of property, location, and market conditions. This method may produce satisfactory results for short-lived items, notably personal property, but it is simplistic for real property appraisal, in which depreciation should be derived from the market."²³

Capitalization of Income Method- "This method is the same as the sales comparison method except that values based on the income approach are used instead of comparable sales. Although conceptually inferior to the sales comparison method because appraisals are substituted for actual sales, the capitalization of income method can be useful for income producing properties for which good sales are usually scarce. Reliability depends on the accuracy of the income data, capitalization methods, and land values used in the analysis."²⁴ "*Income Approach to Value*: The income approach requires the appraiser to estimate the rental income from a property and capitalize the income into an estimate of current value. The approach recognizes that potential buyers demand property because they anticipate a future stream of income. "The appraiser estimates the income stream that would be produced in the highest and best use under typical management. The property, not the current management, *is* being valued; therefore, it is proper to assume that potential buyers would use the property for its most profitable legal use, and the buyer would employ typical rather than extraordinary management"²⁵

Sales Comparison Method "The sales comparison method is borrowed from the sales comparison approach. Recent sales of properties similar to the subject are identified. Building residuals, calculated by subtracting the land from sales prices, are subtracted from replacement cost new to yield accrued depreciation.... From the available data, a typical depreciation factor is calculated and multiplied against the RCN of the subject building to estimate its total accrued depreciation from all causes."²⁶

The Sales comparison method of the cost approach uses sales prices as evidence of value of similar properties. The price at which a particular property sells is the price determined by the interaction of supply and demand at the time of sale. If competitive market conditions are approximated, and conditions have not changed greatly, a similar property would sell at approximately the same price.

There are several others less popular methods of determining value using the cost approach among these are the Engineering Breakdown Method and the Observed Condition Breakdown Method.

The Engineering Breakdown Method resembles the age-life method except that a

²² Property Appraisal and Assessment Administration Copyright1990 IAAO page 224

²³ Property Appraisal and Assessment Administration Copyright1990 IAAO page 224-225

²⁴ Property Appraisal and Assessment Administration Copyright1990 IAAO page 224

²⁵ Property Appraisal and Assessment Administration Copyright1990 IAAO page 83

²⁶ Property Appraisal and Assessment Administration Copyright1990 IAAO page 223

separate depreciation is estimated for each element of the improvement the total value loss is compared to the total RCN to arrive at the percent of depreciation. This is not market generated depreciation and therefore may lead to an inaccurate estimate of market value.

Observed Condition Breakdown Method This method breaks down depreciation into all its various components: curable physical deterioration, incurable short-lived-item physical deterioration, incurable basic structure (long-lived items) physical deterioration, curable functional obsolescence, incurable functional obsolescence and economic obsolescence."²⁷ This is not market generated depreciation and therefore may lead to an inaccurate estimate of market value.

Basic Premise

The goal of mass appraisal is two fold, equalization and an accurate estimate of market value. The most important of these is equalization. The result of good mass appraisal practices is an accurate estimate of market value. Equalization can only be achieved if all properties are treated equally as to the method by which RCN and depreciation are calculated. To approach a subject property, for purposes of ad valorem tax, with a single property appraisal tends to distort equalization.

Conclusion

The Cost Approach as used in mass appraisal is based on a market generated depreciation. This is the most reliable method for estimating value in as much as it addresses the specific data of the subject's RCN and the depreciation is generated from sales of similar property i.e. all properties are treated equally. This is known as the sales comparison method of the Cost Approach.

∴

Arriving at an Estimate of Value

Real Estate is appraised at its highest and best use. To determine the highest and best use the property must be given consideration as if vacant and then as improved. Highest and best use is that use which will generate the highest percentage of net return to the property over a reasonable length of time. In determining the highest percentage of net return four requirements must be met. The use must be:

- 1) Legally Permissible
- 2) Physically Possible
- 3) Financially Feasible
- 4) Produce Maximum Profitability

²⁷ Property Appraisal and Assessment Administration Copyright 1990 IAAO page 225

In the process of determining an estimate of value the appraiser has reviewed each of the requirements based on the following characteristics:

Legally Permissible: A general knowledge of zoning laws, city ordinances, state and federal laws indicates the subject property meets this requirement. More specifically an examination of city zoning maps and regulations indicate the present use meets this requirement.

Physically Possible: A site's potential uses can be limited by such things as size, configuration, terrain, utilities and location. An improvement's possible uses can be limited by type, size, design and condition. More specifically an examination of the site and the improvement indicate the present use meets this requirement.

Financially Feasible: When analyzing the financial feasibility of a site or improvements the appraiser considers those legally and physically possible options which would give a positive return on the investment.

Maximum Profitability: While some options may appear to have a higher return at first glance, the appraiser must include in his analysis the cost of removing existing improvements as well as the cost of the new improvements. In many cases, even though the Net Operating Income 1 of a change in use exceeds that of present use, the return on the investment required to remove the old and build a new improvement does not exceed that of present use. More specifically an examination of other possible uses indicates the present use would probably yield the highest percentage of return on the investment.

Highest and Best Use as Vacant

Legally Permissible: Of the four requirements mentioned earlier probably the one that has the biggest influence on value. Any consideration for the use of land as vacant must take into account the restrictions put on it by existing laws and regulations. Without clear and convincing evidence that those restrictions could be changed, i.e. zoning, building codes etc. it would be inappropriate to consider other uses.

Example: Although there is a demand for land to be used to build a shopping mall, if the present zoning is residential and there is no evidence that a change could be made it would be inappropriate to value the land as a possible commercial site eligible for development.

More specifically this property is zoned as commercial and should be valued as such.

Physically Possible: When considering this requirement the appraiser must examine the zoning regulations for use, set back, height restrictions, building types and so forth. He must also consider such things as terrain, soil type, utilities and off site hazards or nuisances that would limit the uses of the site. It is then the responsibility of the appraiser to determine if the physical limitations of the property, either on site or off, further limit the use of the property.

More specifically there doesn't appear to be any physical limitations that affect the use of the subject

beyond the legal limitations.

Financial Feasibility: Since the neighborhood is factored for commercial and the area continues to have a steady growth rate it is reasonable to assume this land as vacant would be acquired for commercial use after a reasonable market time. Since there are no apparent off site influences on the property a study of vacant commercial sales should yield a reliable estimate of value. "The sales comparison approach is always the preferred approach when sufficient data are available. Only when sales data are insufficient should the assessor (appraiser) resort to alternative methods."¹

More specifically the subject property appears to be typical of the commercial properties in the area and therefore the sales comparison approach to value should produce a reasonable estimate of value.

Produce Maximum Profitability: In reviewing the possible uses for the site based on existing legal restraints it is apparent to the appraiser that the site will return the maximum profitability as a commercial site.

COMPUTER AIDED MASS APPRAISAL (CAMA SYSTEM)

The final estimate of value was arrived at using a CAMA system. The appraisal section of the system has several main components. They include *Neighborhood Land Table*, *Commercial Cost Tables*, *Site Improvement Cost Tables* and *Depreciation Tables*

Neighborhood Land Tables are used to value land with similar market characteristics together. A market analysis is used to determine what neighborhood applies and then that table can be designed in such a way as to make allowances for the size to value relationship based on that analysis.

More specifically an examination of the *Neighborhood Land Table* will show that the subject was adjusted for size.

Commercial Cost Tables are supplied by Marshall and Swift. These are based on an Occupancy Code. The system will pull the cost from the table, make the necessary adjustments for floor area, construction type, wall height and so forth, then apply that cost to the subject as a Replacement Cost New (RCN).

More specifically an examination of the Property Record Cards for the subject will show the various elements of the buildings and the RCN of each.

Site Improvement Cost Tables are supplied by Marshall and Swift. These are based on an Improvement Code. The system will pull the cost from the table, make the necessary adjustments for floor area, construction type and so forth then apply that cost to the subject as a Replacement Cost New (RCN).

¹ Property Assessment Valuation second Edition IAAO p.84

More specifically an examination of the Property Record Cards for the subject will show the various

elements of the improvement and the RCN of each.

Depreciation Tables are built using verified sales and RCN. These tables are then applied to the subject. See the *As the Cost Approach Applies to Mass Appraisal* section above for more detail.

More specifically an examination of the Property Record Cards for the subject will show the various elements of the improvements and the depreciation applied to each.

CONCLUSION

The subject was valued using Marshall and Swift costing as applied by the CAMA system. Depreciation was determined from the market and physical inspection of the site.

The market generated depreciation is given the most weight in the reconciliation process. Since this is a market generated depreciation, based on sales assessment ratios, a verification of the accuracy of the depreciation tables is easily attained by a ratio study.

In an effort to keep the public informed the news media is advised of annual indications of changes in value. As an example the office would inform the media that, generally speaking, sales indicate real property has appreciated about 5% in the last year. In addition to this much time is spent in the office explaining valuation changes to individual property owners

Level of Value, Quality, and Uniformity for assessment year 2013:

<u>Property Class</u>	<u>Median</u>	<u>COD*</u>	<u>PRD*</u>
Residential	94	24.77	111.70
Commercial	100	32.06	121.23
Agricultural Land	72	32.13	103.60
Special Value Ag-land	insufficient sales to calculate reliable statistics		

COD means coefficient of dispersion and PRD means price related differential. For more information regarding statistical measures see 2013 Reports & Opinions.

ACTIONS PLANNED FOR SUMMER 2014 AND BEYOND

2014-Residential

- Due to staff limitations no pre-designated review of residential is scheduled
- Complete study to determine next Residential location requiring review
- All Sales will be reviewed
- All Building Permits and Pick-Up work will be reviewed and completed
- Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary

2014-Commercial

- If needed, work to finalize the 2013 systematic review of Commercial properties
- All Sales will be reviewed and completed
- All Building Permits and Pick-Up work will be reviewed
- Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary

2014-Agricultural

- Start systematic review of Agricultural parcels with an anticipated 2014 completion
 - Conduct a review of Irrigated / Non-Irrigated Acres as evidence received points to an increase in pivots.
 - Including a partial review of the agricultural residential and outbuildings.
- All Sales will be reviewed
- All Building Permits and Pick-Up work will be reviewed and completed
- We will continue to monitor agricultural land usage
- Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary

2015 – Residential

- Start systematic review of identified residential location with an anticipated 2014 completion.
- All Sales will be reviewed
- All Building Permits and Pick-Up work will be reviewed and completed
- We will continue to monitor agricultural land usage
- Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary

2015-Commercial

New depreciation tables, based on market generated depreciation, will be created for all properties included in a total revalue or physical review. Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary.

2015-Agricultural

- If needed, complete the 2014 systematic review of Agricultural parcels
- All Sales will be reviewed and completed
- All Building Permits and Pick-Up work will be reviewed
- Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary

2016 – Residential

- If needed, complete the 2015 systematic review of Residential parcels
- Start systematic review of identified residential location with an anticipated 2015 completion.
- All Sales will be reviewed
- All Building Permits and Pick-Up work will be reviewed and completed
- We will continue to monitor agricultural land usage
- Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary

2016-Commercial

We begin a systematic second review of all commercial property. Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary

2016-Agricultural

We will continue to monitor agricultural land usage as we work building permits in rural areas. We are planning on reviewing as much of the agricultural residential and outbuildings as time will allow. . Ratio Studies will be conducted on all properties not included in a total revalue or physical review, market adjustments will be made in those situations the appraiser deems necessary. The office will continue to monitor the Special Valuation Areas (greenbelt) and react to those sales as the market indicates.

Assessor's Note: The amount of work required to re-list and enter the new data in to computer program may and probably will cause adjustments to the above schedule. It is imperative that the initial information entered is correct and complete in every respect. Once the correct information for all parcels, is entered then the review process will be much less time consuming. It is the position of the assessor that it is more important to get the correct information entered each time than it is to stay on a schedule. This will lead to full utilization of the CAMA. An acceptable Level of Value and the Quality of Assessment are always the goal of any appraisal action. The current Level of Value and the Quality of Assessment are noted earlier in this document.

Other Actions Necessary to Quality Assessment

Cadastral Maps

Cadastral Maps show the boundaries of subdivisions of land, usually with the bearing and lengths thereof and the areas of individual tracts, for purposes of describing and recording ownership. A cadastral map may also show culture, drainage and other features relating to the value and use of the land. Maintained By Assessment----The Assessor keeps the maps up to date and draws in new subdivisions, parcel splits and anything that needs to be done. This function is aided by the use of the AgriData Program to determine soil type and location. The maps are up to date, but the Cadastral Books

themselves are in poor condition.

Property Record Cards

Property Record Cards show the name of owner, the street address and the legal description of the property. Land improvements are indicated on the card. The lot size is shown. A sketch of the house drawn to scale, the outside dimensions and the type of construction are also included. Sales date is also shown. The Current year value is broken down by land value, improvements and then the total value. It is the position of this office that the old hard copy file Property Record Cards are now considered Historical files only and will be represented as such.

Real Estate Transfers (521's)

Real Estate Transfer Statements have pertinent information including Grantor-Grantee, address and legal description of property, purchase price, and instrument number. When we get the 521 from the Register of Deeds, we are able to verify and amend the ownership as needed on the property record card, Cadastral Map and CAMA System. These Transfer Statements are kept in hard copy and scanned into the CAMA System.

Annual Assessor Administrative Reports Required by Law/Regulation:

- Abstracts (Real & Personal Property)
- Assessor Survey
- Sales information to PA&T rosters & annual Assessed Value Update w/Abstract
- Certification of Value to Political Subdivisions
- School District Taxable Value Report
- Homestead Exemption Tax Loss Report (in conjunction with Treasurer)
- Certificate of Taxes Levied Report
- Report of current values for properties owned by Board of Education Lands & Funds
- Report of all Exempt Property and Taxable Government Owned Property
- Annual Plan of Assessment Report

Personal Property; administer annual filing of 1038 schedules; prepare subsequent notices for incomplete filings or failure to file and penalties applied, as required.

Permissive Exemptions: administer annual filings of applications for new or continued exempt use, review and make recommendations to county board.

Taxable Government Owned Property – annual review of government owned property not used for public purpose, send notices of intent to tax, etc.

Homestead Exemptions; administer 525 annual filings of applications, approval/denial process, taxpayer notifications, and taxpayer assistance.

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.

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.

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.

Tax Lists; prepare and certify tax lists to county treasurer for real property, personal property, and centrally assessed. In 2012 we had 531 tax list corrections as a result of problems with the CAMA program errors. That program was replaced in July 2012.

Tax List Corrections – prepare tax list correction documents for county board approval.

County Board of Equalization - attends all county board of equalization meetings for valuation protests –assemble and provide information

TERC Appeals - prepare information and attend taxpayer appeal hearings before TERC, defend valuation.

TERC Statewide Equalization – attend hearings if applicable to county, defend values, and/or implement orders of the TERC.

Education: Assessment Manager and Appraiser Education – Both the Assessment Manager and the Appraiser attend meetings, workshops, and educational classes to obtain required hours of continuing education to maintain the Assessor Certificate and the Appraiser License. The Assessor Certificate is issued by Property Assessment and Taxation and the Appraiser License is issued by Nebraska Real Estate Appraisal Board.

Respectfully submitted:

Assessor Signature: _____ Date: _____

2014 Assessment Survey for Dakota County

A. Staffing and Funding Information

1.	Deputy(ies) on staff:
	1
2.	Appraiser(s) on staff:
	1
3.	Other full-time employees:
	1
4.	Other part-time employees:
	0
5.	Number of shared employees:
	1
6.	Assessor's requested budget for current fiscal year:
	\$319,589.47
7.	Adopted budget, or granted budget if different from above:
	\$284,044.89
8.	Amount of the total assessor's budget set aside for appraisal work:
	\$60,760.00
9.	If appraisal/reappraisal budget is a separate levied fund, what is that amount:
	\$
10.	Part of the assessor's budget that is dedicated to the computer system:
	\$3,500.00(WEB), \$19,000.00(GIS), \$12,000.00 (CAMA) = \$34,500.00
11.	Amount of the assessor's budget set aside for education/workshops:
	\$2,500.00
12.	Other miscellaneous funds:
	\$1,000.00
13.	Amount of last year's assessor's budget not used:
	\$3,900.00

B. Computer, Automation Information and GIS

1.	Administrative software:
	Terra Scan, Agri-Data, Web
2.	CAMA software:
	Terra Scan
3.	Are cadastral maps currently being used?
	Yes
4.	If so, who maintains the Cadastral Maps?
	Staff
5.	Does the county have GIS software?
	Expected May of 2014
6.	Is GIS available to the public? If so, what is the web address?
	It will be Dakota.Gisworkshop.com
7.	Who maintains the GIS software and maps?
	GISWorkshop
8.	Personal Property software:
	Terra Scan

C. Zoning Information

1.	Does the county have zoning?
	Yes
2.	If so, is the zoning countywide?
	Yes
3.	What municipalities in the county are zoned?
	All
4.	When was zoning implemented?
	1978

D. Contracted Services

1.	Appraisal Services:
	No-Currently completed in house
2.	GIS Services:
	Yes, GISWorkshop
3.	Other services:
	Yes, Residential Data Collection (Innovative Appraisal) and IT Support (NETSYS+)

E. Appraisal /Listing Services

1.	Does the county employ outside help for appraisal or listing services?
	Yes, Residential data collection by Innovative Appraisal for listing only.
2.	If so, is the appraisal or listing service performed under contract?
	Based on a per parcel fixed rate
3.	What appraisal certifications or qualifications does the County require?
	N/A
4.	Have the existing contracts been approved by the PTA?
	N/A
5.	Does the appraisal or listing service providers establish assessed values for the county?
	N/A

2014 Certification for Dakota County

This is to certify that the 2014 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 Dakota County Assessor.

Dated this 7th day of April, 2014.



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

Ruth A. Sorensen
Property Tax Administrator

