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2013 Commission Summary for Red Willow County

Residential Real Property - Current

Number of Sales	271	Median	93.35
Total Sales Price	\$23,670,845	Mean	95.55
Total Adj. Sales Price	\$23,643,795	Wgt. Mean	90.56
Total Assessed Value	\$21,412,452	Average Assessed Value of the Base	\$59,427
Avg. Adj. Sales Price	\$87,246	Avg. Assessed Value	\$79,013

Confidence Interval - Current

95% Median C.I	91.38 to 96.02
95% Wgt. Mean C.I	88.38 to 92.75
95% Mean C.I	92.54 to 98.56
% of Value of the Class of all Real Property Value in the	34.50
% of Records Sold in the Study Period	5.60
% of Value Sold in the Study Period	7.45

Residential Real Property - History

Year	Number of Sales	LOV	Median
2012	267	95	94.72
2011	293	96	96
2010	333	97	97
2009	369	98	98

2013 Commission Summary for Red Willow County

Commercial Real Property - Current

Number of Sales	21	Median	96.93
Total Sales Price	\$2,499,500	Mean	103.80
Total Adj. Sales Price	\$2,488,000	Wgt. Mean	93.47
Total Assessed Value	\$2,325,507	Average Assessed Value of the Base	\$150,088
Avg. Adj. Sales Price	\$118,476	Avg. Assessed Value	\$110,738

Confidence Interval - Current

95% Median C.I	72.41 to 137.66
95% Wgt. Mean C.I	76.45 to 110.49
95% Mean C.I	85.81 to 121.79
% of Value of the Class of all Real Property Value in the County	13.38
% of Records Sold in the Study Period	2.83
% of Value Sold in the Study Period	2.09

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2012	28	98	98.08
2011	37	99	99
2010	40	98	98
2009	29	99	99

2013 Opinions of the Property Tax Administrator for Red Willow 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	93	Meets generally accepted mass appraisal practices.	No recommendation.
Commercial Real Property	*NEI	Meets generally accepted mass appraisal practices.	No recommendation.
Agricultural Land	71	Meets generally accepted mass appraisal practices.	No recommendation.

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

Dated this 5th day of April, 2013.



Ruth A. Sorensen
Property Tax Administrator

2013 Residential Assessment Actions for Red Willow County

The County Assessor reported that completed residential assessment work included physical inspections of rural and suburban subdivisions for 2013 accomplishments. Mobile Homes within the City of McCook were also inspected for correct property record card data. Physical inspections were completed of all suburban residential property including the suburban subdivisions.

Residential neighborhoods that increased were 1605, 2305, 2405 and 2406 with a 10% factor. The residential properties in the Village of Indianola were also reviewed and a new depreciation table developed for these parcels.

Annual pickup and review work continues each year with the inspection cycle within the residential property base.

2013 Residential Assessment Survey for Red Willow County

1.	Valuation data collection done by:	
	The Assessor and Staff	
2.	List the valuation groupings recognized by the County and describe the unique characteristics of each:	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	01	The City of McCook is the largest residential based community with a population of near 8,000. There are a limited number of vacant lots in the City of McCook. New construction is minimal at this time. Recently the City held public hearings concerning a resolution to declare areas as blighted and substandard. The community continues to research for ways to improve the housing shortage in McCook.
	02	Indianola is a small village located east of McCook along Hwy 6&34. It serves as a farming area with limited jobs. The majority of the residents commute to surrounding towns for employment.
	03	Bartley is located east of Indianola and has approx. 350 residents. The village is small and further distance from major resources for residents.
	04	Lebanon is a very small village located southeast of McCook with less than 70 residents. The majority of the residential properties are vacant.
	05	Danbury is located on Hwy 89 near Lebanon and has limited demands for residential properties. The population is less than 100.
	06	This grouping contains the suburban areas around McCook including the neighborhood 8500 which extends out to the west and north of the suburban boundary. Neighborhood 8500 includes a portion of land outside of the three mile radius of the city zoning based on the market data collected.
	07	Rural residential parcels are outside of the City and Village boundaries with their own water wells and utility services.
3.	List and describe the approach(es) used to estimate the market value of residential properties.	
	Cost Approach and sales comparison; the assessor develops spreadsheets and manuals of all sales for each grouping. The depreciation tables are developed from the information gathered from the studies.	
4.	What is the costing year of the cost approach being used for each valuation grouping?	
	Valuation groupings 01, 02, 03, 04, 05, 06 are all June of 2008 Valuation grouping 07 is on June of 2002	
5.	If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?	
	Local Market Information	

6.	Are individual depreciation tables developed for each valuation grouping?
	Yes
7.	When were the depreciation tables last updated for each valuation grouping?
	Valuation Grouping 01- 2009 Valuation Grouping 02- 2012 Valuation Grouping 03, 04, 05, 06 are 2010 and Valuation Grouping 07 is 2005
8.	When was the last lot value study completed for each valuation grouping?
	Lot studies are reviewed each year and market analyses are updated annually with lot sales.
9.	Describe the methodology used to determine the residential lot values?
	The value of residential lots are based on the market data of all vacant lots and total square foot of each lot.

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RESIDENTIAL

PAD 2013 R&O Statistics (Using 2013 Values)

Qualified

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

Number of Sales : 271
 Total Sales Price : 23,670,845
 Total Adj. Sales Price : 23,643,795
 Total Assessed Value : 21,412,452
 Avg. Adj. Sales Price : 87,246
 Avg. Assessed Value : 79,013

MEDIAN : 93
 WGT. MEAN : 91
 MEAN : 96
 COD : 17.12
 PRD : 105.51

COV : 26.43
 STD : 25.25
 Avg. Abs. Dev : 15.98
 MAX Sales Ratio : 307.59
 MIN Sales Ratio : 39.86

95% Median C.I. : 91.38 to 96.02
 95% Wgt. Mean C.I. : 88.38 to 92.75
 95% Mean C.I. : 92.54 to 98.56

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DATE OF SALE *										Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val
<u>Qtrts</u>											
01-OCT-10 To 31-DEC-10	30	97.36	98.80	97.55	11.31	101.28	74.03	126.12	90.40 to 104.69	75,230	73,387
01-JAN-11 To 31-MAR-11	21	98.09	101.87	96.96	20.92	105.06	55.53	204.48	85.06 to 113.73	75,836	73,534
01-APR-11 To 30-JUN-11	39	93.27	98.43	93.82	17.44	104.91	66.75	166.10	85.35 to 103.32	92,117	86,420
01-JUL-11 To 30-SEP-11	29	92.99	89.77	88.62	17.34	101.30	39.88	136.95	83.82 to 98.75	86,373	76,541
01-OCT-11 To 31-DEC-11	42	93.90	94.38	89.24	14.94	105.76	39.86	144.39	90.09 to 99.78	80,143	71,522
01-JAN-12 To 31-MAR-12	29	96.28	101.83	90.77	18.88	112.18	63.47	196.35	91.38 to 109.25	84,812	76,981
01-APR-12 To 30-JUN-12	46	87.86	90.39	85.97	17.86	105.14	46.94	307.59	82.88 to 93.13	90,874	78,122
01-JUL-12 To 30-SEP-12	35	91.47	93.53	87.95	16.57	106.34	51.16	138.38	83.65 to 98.54	105,463	92,758
<u>Study Yrs</u>											
01-OCT-10 To 30-SEP-11	119	96.52	97.02	93.86	16.34	103.37	39.88	204.48	90.40 to 98.69	83,587	78,453
01-OCT-11 To 30-SEP-12	152	92.58	94.40	88.17	17.24	107.07	39.86	307.59	89.85 to 94.62	90,112	79,451
<u>Calendar Yrs</u>											
01-JAN-11 To 31-DEC-11	131	94.64	95.76	91.70	17.27	104.43	39.86	204.48	90.32 to 98.01	84,397	77,391
<u>ALL</u>	271	93.35	95.55	90.56	17.12	105.51	39.86	307.59	91.38 to 96.02	87,246	79,013

VALUATION GROUPING										Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val
01	214	93.90	97.91	92.57	17.37	105.77	39.88	307.59	91.85 to 96.52	83,296	77,104
02	15	92.55	91.21	87.91	10.37	103.75	62.57	114.92	81.96 to 96.39	70,283	61,790
03	8	85.70	86.19	78.92	16.42	109.21	51.16	124.92	51.16 to 124.92	58,575	46,229
05	3	91.96	93.61	98.19	18.18	95.34	69.36	119.52	N/A	11,833	11,620
06	22	93.24	85.68	85.86	17.01	99.79	39.86	113.73	67.28 to 98.75	153,426	131,728
07	9	79.48	79.66	77.15	20.91	103.25	47.20	105.01	55.53 to 99.61	98,306	75,845
<u>ALL</u>	271	93.35	95.55	90.56	17.12	105.51	39.86	307.59	91.38 to 96.02	87,246	79,013

PROPERTY TYPE *										Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val
01	255	93.13	94.85	90.37	16.36	104.96	46.94	307.59	90.66 to 95.01	90,926	82,172
06											
07	16	103.59	106.69	100.16	24.68	106.52	39.86	196.35	90.20 to 125.41	28,609	28,657
<u>ALL</u>	271	93.35	95.55	90.56	17.12	105.51	39.86	307.59	91.38 to 96.02	87,246	79,013

73 Red Willow

RESIDENTIAL

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 95% Mean C.I. : 92.54 to 98.56

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SALE PRICE *											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
___ Low \$ Ranges ___												
Less Than 5,000												
Less Than 15,000	13	98.14	120.93	117.81	38.62	102.65	59.65	307.59	86.05 to 130.28	9,592	11,301	
Less Than 30,000	41	100.71	114.61	112.35	27.73	102.01	59.65	307.59	93.27 to 120.90	19,334	21,721	
___ Ranges Excl. Low \$ ___												
Greater Than 4,999	271	93.35	95.55	90.56	17.12	105.51	39.86	307.59	91.38 to 96.02	87,246	79,013	
Greater Than 14,999	258	93.28	94.27	90.42	15.91	104.26	39.86	204.48	91.06 to 95.59	91,159	82,425	
Greater Than 29,999	230	92.77	92.15	89.81	14.64	102.61	39.86	151.15	89.85 to 94.64	99,353	89,226	
___ Incremental Ranges ___												
0 TO 4,999												
5,000 TO 14,999	13	98.14	120.93	117.81	38.62	102.65	59.65	307.59	86.05 to 130.28	9,592	11,301	
15,000 TO 29,999	28	102.58	111.67	111.33	22.52	100.31	66.75	204.48	93.27 to 123.68	23,857	26,559	
30,000 TO 59,999	57	96.28	99.87	99.51	19.07	100.36	39.86	151.15	88.69 to 108.29	44,001	43,786	
60,000 TO 99,999	84	93.57	91.90	92.04	14.15	99.85	46.94	125.64	86.59 to 96.70	77,759	71,571	
100,000 TO 149,999	54	91.07	89.52	89.63	09.72	99.88	51.16	117.57	88.42 to 93.63	126,614	113,485	
150,000 TO 249,999	26	91.77	84.08	84.34	15.60	99.69	47.20	106.85	70.17 to 98.01	171,715	144,830	
250,000 TO 499,999	9	83.89	84.74	84.50	09.19	100.28	64.39	97.66	74.57 to 96.42	278,835	235,601	
500,000 TO 999,999												
1,000,000 +												
___ ALL ___	271	93.35	95.55	90.56	17.12	105.51	39.86	307.59	91.38 to 96.02	87,246	79,013	

2013 Correlation Section for Red Willow County

A. Residential Real Property

McCook is the predominate valuation grouping for residential property. Historically this City of nearly 8,000 residents is the base of the residential market. The smaller Villages such as Indianola and Bartley reflect bedroom communities to McCook and offer the farming industry housing. Currently this residential area has an extremely low inventory of residential properties on the market. The local MLS lists only 35 within Red Willow County. Realtors are advertising for listings with the low inventory in McCook. Lower numbers of houses on the market have not decreased the number of sales within this two year study period. The 214 qualified sales in McCook and the 57 that are spread amongst the unorganized markets in the smaller assessor locations are nearly identical to last year. It is possible that economic conditions have shifted the real estate market toward agricultural property investments.

Current assessment actions included physical inspections to rural and suburban subdivisions and suburban residential, increases to four different neighborhoods and new depreciation tables applied to Indianola. The assessor not only reviews the major locations, but also the unique individual areas to achieve uniformity and proportionality in this class of property. The assessor and staff historically have kept current a verification process of sold property in all classes. They have utilized 67% of the total residential file for measurement purposes.

The ongoing cyclical assessment work performed by the assessor annually ensures all subclasses are at the same proportion of market value. Residential growth has increased from 2012 to this year by 3%. Along with the new construction, the mobile homes, and older properties are inspected and valued in a uniform manner. The qualitative statistics calculate parameters slightly over the IAAO standards, but there is no evidence within the assessment work that the assessments are not uniform and proportionate treatment has occurred.

Based on the consideration of all available information, the level of value is determined to be 93% of market value for the residential class of property, and all reliable calculated subclasses are determined to be valued within the acceptable range.

**2013 Correlation Section
for Red Willow County**

B. Analysis of Sales Verification

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

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

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

2013 Correlation Section for Red Willow County

C. Measures of Central Tendency

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

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

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

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

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

2013 Correlation Section for Red Willow County

D. Analysis of Quality of Assessment

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

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

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

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

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

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

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

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

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

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

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

**2013 Correlation Section
for Red Willow County**

high-value properties are over assessed in relation to low-value properties.

There is no range of acceptability stated in the Nebraska statutes for the PRD measure. The Standard on Ratio Studies, adopted by the International Association of Assessing Officers, January, 2010, recommends that the PRD should lie between 98 and 103. This range is centered slightly above 100 to allow for a slightly upward measurement bias inherent in the PRD.

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

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

2013 Commercial Assessment Actions for Red Willow County

Assessment actions within the commercial properties for the current assessment year included some new large buildings. These included the new McDonald's and the East Ward Low Income Housing project, several new mini warehouses, and some large storage warehouses.

The Valmont Industry property gained approximately \$8,000,000 in value that had previously been a tax increment financing project. All commercial properties were physically inspected for the assessment year in conjunction with the Three Year Plan of Assessment and Six Year Review Cycle.

2013 Commercial Assessment Survey for Red Willow County

1.	Valuation data collection done by:	
	County assessor and staff	
2.	List the valuation groupings recognized in the County and describe the unique characteristics of each:	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	01	The City of McCook is the largest commercial based community in Red Willow County. It has two large factories as well as a Super Wal-Mart.
	02	Indianola is a small village located 10 miles east of McCook on Hwy 6&34 with limited jobs in the town make residents commute to McCook for employment or retirement living.
	03	Bartley sits on east of Indianola with minimal commercial property base.
	04	Lebanon is located in the southeast portion of the county with vacant commercial properties. The only operating business is the grain elevator.
	05	Danbury is located on Hwy 89 near Lebanon with the majority of small business being vacated.
	06	This grouping contains the suburban areas around McCook including neighborhood (8500) which extends to the west and north of the suburban boundaries. There are limited commercial properties in this valuation grouping.
	07	Rural commercial parcels outside the city and village own their own water wells and utility services.
3.	List and describe the approach(es) used to estimate the market value of commercial properties.	
	All three approaches to value are used where applicable. Income data is not always available. Information for each occupancy code is limited to determine market value.	
3a.	Describe the process used to determine the value of unique commercial properties.	
	Determine the occupancy code and gather all available data from surrounding counties with the same comparable property types. An outside appraisal company would be hired for all unique commercial work if necessary.	
4.	What is the costing year of the cost approach being used for each valuation grouping?	
	June/2007	
5.	If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?	
	The local market data is used to develop the depreciation tables.	
6.	Are individual depreciation tables developed for each valuation grouping?	

	The outside appraiser determines the depreciation tables for similar occupancy codes and location for commercial properties.
7.	When were the depreciation tables last updated for each valuation grouping?
	2008
8.	When was the last lot value study completed for each valuation grouping?
	2008/All commercial sales are reviewed every year when available in the market.
9.	Describe the methodology used to determine the commercial lot values.
	Local market data from vacant commercial lots are used to determine the per square foot, front foot or per acre value.

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COMMERCIAL

PAD 2013 R&O Statistics (Using 2013 Values)

Qualified

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

Number of Sales : 21
 Total Sales Price : 2,499,500
 Total Adj. Sales Price : 2,488,000
 Total Assessed Value : 2,325,507
 Avg. Adj. Sales Price : 118,476
 Avg. Assessed Value : 110,738

MEDIAN : 97
 WGT. MEAN : 93
 MEAN : 104
 COD : 30.12
 PRD : 111.05

COV : 38.06
 STD : 39.51
 Avg. Abs. Dev : 29.20
 MAX Sales Ratio : 178.26
 MIN Sales Ratio : 40.49

95% Median C.I. : 72.41 to 137.66
 95% Wgt. Mean C.I. : 76.45 to 110.49
 95% Mean C.I. : 85.81 to 121.79

Printed:3/25/2013 2:19:29PM

DATE OF SALE *										Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val
<u>Qtrts</u>											
01-OCT-09 To 31-DEC-09	3	99.18	110.25	100.82	14.70	109.35	93.91	137.66	N/A	136,167	137,280
01-JAN-10 To 31-MAR-10	1	96.23	96.23	96.23	00.00	100.00	96.23	96.23	N/A	25,000	24,058
01-APR-10 To 30-JUN-10	1	97.64	97.64	97.64	00.00	100.00	97.64	97.64	N/A	60,000	58,583
01-JUL-10 To 30-SEP-10	3	94.70	88.05	77.57	10.76	113.51	69.44	100.00	N/A	188,000	145,837
01-OCT-10 To 31-DEC-10	4	126.62	123.97	112.61	32.28	110.09	64.38	178.26	N/A	16,375	18,440
01-JAN-11 To 31-MAR-11	2	110.41	110.41	81.09	46.48	136.16	59.09	161.73	N/A	70,000	56,760
01-APR-11 To 30-JUN-11	1	164.71	164.71	164.71	00.00	100.00	164.71	164.71	N/A	170,000	280,000
01-JUL-11 To 30-SEP-11	1	86.59	86.59	86.59	00.00	100.00	86.59	86.59	N/A	102,000	88,320
01-OCT-11 To 31-DEC-11											
01-JAN-12 To 31-MAR-12	1	96.93	96.93	96.93	00.00	100.00	96.93	96.93	N/A	565,000	547,636
01-APR-12 To 30-JUN-12	3	72.41	89.49	78.28	52.98	114.32	40.49	155.56	N/A	107,667	84,287
01-JUL-12 To 30-SEP-12	1	57.57	57.57	57.57	00.00	100.00	57.57	57.57	N/A	65,000	37,420
<u>Study Yrs</u>											
01-OCT-09 To 30-SEP-10	8	96.94	98.60	88.13	10.35	111.88	69.44	137.66	69.44 to 137.66	132,188	116,499
01-OCT-10 To 30-SEP-11	8	126.62	121.00	116.36	33.98	103.99	59.09	178.26	59.09 to 178.26	59,688	69,450
01-OCT-11 To 30-SEP-12	5	72.41	84.59	87.92	42.66	96.21	40.49	155.56	N/A	190,600	167,583
<u>Calendar Yrs</u>											
01-JAN-10 To 31-DEC-10	9	97.64	105.99	83.12	23.53	127.51	64.38	178.26	69.44 to 151.42	79,389	65,990
01-JAN-11 To 31-DEC-11	4	124.16	118.03	116.95	36.40	100.92	59.09	164.71	N/A	103,000	120,460
<u>ALL</u>	21	96.93	103.80	93.47	30.12	111.05	40.49	178.26	72.41 to 137.66	118,476	110,738

VALUATION GROUPING										Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val
01	16	96.58	105.00	94.30	29.41	111.35	40.49	164.71	72.41 to 151.42	144,781	136,532
02	1	101.82	101.82	101.82	00.00	100.00	101.82	101.82	N/A	25,000	25,454
03	1	178.26	178.26	178.26	00.00	100.00	178.26	178.26	N/A	5,000	8,913
05	1	64.38	64.38	64.38	00.00	100.00	64.38	64.38	N/A	16,500	10,623
06	1	97.64	97.64	97.64	00.00	100.00	97.64	97.64	N/A	60,000	58,583
07	1	57.57	57.57	57.57	00.00	100.00	57.57	57.57	N/A	65,000	37,420
<u>ALL</u>	21	96.93	103.80	93.47	30.12	111.05	40.49	178.26	72.41 to 137.66	118,476	110,738

73 Red Willow

COMMERCIAL

PAD 2013 R&O Statistics (Using 2013 Values)

Qualified

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

Number of Sales : 21
 Total Sales Price : 2,499,500
 Total Adj. Sales Price : 2,488,000
 Total Assessed Value : 2,325,507
 Avg. Adj. Sales Price : 118,476
 Avg. Assessed Value : 110,738

MEDIAN : 97
 WGT. MEAN : 93
 MEAN : 104
 COD : 30.12
 PRD : 111.05

COV : 38.06
 STD : 39.51
 Avg. Abs. Dev : 29.20
 MAX Sales Ratio : 178.26
 MIN Sales Ratio : 40.49

95% Median C.I. : 72.41 to 137.66
 95% Wgt. Mean C.I. : 76.45 to 110.49
 95% Mean C.I. : 85.81 to 121.79

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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	21	96.93	103.80	93.47	30.12	111.05	40.49	178.26	72.41 to 137.66	118,476	110,738
04											
<u>ALL</u>	21	96.93	103.80	93.47	30.12	111.05	40.49	178.26	72.41 to 137.66	118,476	110,738

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	1	178.26	178.26	178.26	00.00	100.00	178.26	178.26	N/A	5,000	8,913
Less Than 30,000	5	101.82	118.42	108.09	33.21	109.56	64.38	178.26	N/A	18,100	19,564
<u>Ranges Excl. Low \$</u>											
Greater Than 4,999	21	96.93	103.80	93.47	30.12	111.05	40.49	178.26	72.41 to 137.66	118,476	110,738
Greater Than 14,999	20	96.58	100.07	93.30	27.53	107.26	40.49	164.71	72.41 to 101.82	124,150	115,830
Greater Than 29,999	16	95.82	99.23	92.92	28.65	106.79	40.49	164.71	69.44 to 137.66	149,844	139,231
<u>Incremental Ranges</u>											
0 TO 4,999											
5,000 TO 14,999	1	178.26	178.26	178.26	00.00	100.00	178.26	178.26	N/A	5,000	8,913
15,000 TO 29,999	4	99.03	103.46	103.98	23.39	99.50	64.38	151.42	N/A	21,375	22,226
30,000 TO 59,999	3	137.66	123.93	113.92	21.63	108.79	72.41	161.73	N/A	43,000	48,987
60,000 TO 99,999	5	97.64	101.09	104.42	21.16	96.81	57.57	155.56	N/A	75,800	79,153
100,000 TO 149,999	2	72.84	72.84	72.32	18.88	100.72	59.09	86.59	N/A	106,000	76,660
150,000 TO 249,999	4	96.55	99.57	99.12	33.53	100.45	40.49	164.71	N/A	178,125	176,565
250,000 TO 499,999	1	69.44	69.44	69.44	00.00	100.00	69.44	69.44	N/A	400,000	277,750
500,000 TO 999,999	1	96.93	96.93	96.93	00.00	100.00	96.93	96.93	N/A	565,000	547,636
1,000,000 +											
<u>ALL</u>	21	96.93	103.80	93.47	30.12	111.05	40.49	178.26	72.41 to 137.66	118,476	110,738

73 Red Willow

COMMERCIAL

PAD 2013 R&O Statistics (Using 2013 Values)

Qualified

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

Number of Sales : 21
 Total Sales Price : 2,499,500
 Total Adj. Sales Price : 2,488,000
 Total Assessed Value : 2,325,507
 Avg. Adj. Sales Price : 118,476
 Avg. Assessed Value : 110,738

MEDIAN : 97
 WGT. MEAN : 93
 MEAN : 104
 COD : 30.12
 PRD : 111.05

COV : 38.06
 STD : 39.51
 Avg. Abs. Dev : 29.20
 MAX Sales Ratio : 178.26
 MIN Sales Ratio : 40.49

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 95% Mean C.I. : 85.81 to 121.79

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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
Blank	3	69.44	65.51	64.54	22.13	101.50	40.49	86.59	N/A	225,667	145,643
302	1	97.64	97.64	97.64	00.00	100.00	97.64	97.64	N/A	60,000	58,583
326	1	101.82	101.82	101.82	00.00	100.00	101.82	101.82	N/A	25,000	25,454
344	5	100.00	107.39	116.84	40.72	91.91	57.57	164.71	N/A	103,800	121,284
353	2	84.32	84.32	79.59	14.12	105.94	72.41	96.23	N/A	41,500	33,029
386	1	93.91	93.91	93.91	00.00	100.00	93.91	93.91	N/A	172,500	162,000
406	4	144.54	140.51	117.16	16.83	119.93	94.70	178.26	N/A	36,250	42,471
412	1	96.93	96.93	96.93	00.00	100.00	96.93	96.93	N/A	565,000	547,636
442	1	64.38	64.38	64.38	00.00	100.00	64.38	64.38	N/A	16,500	10,623
528	2	130.46	130.46	107.52	23.98	121.34	99.18	161.73	N/A	112,500	120,960
<u>ALL</u>	<u>21</u>	96.93	103.80	93.47	30.12	111.05	40.49	178.26	72.41 to 137.66	118,476	110,738

2013 Correlation Section for Red Willow County

A. Commercial Real Property

In Red Willow County, the City of McCook with approximately 8,000 residents is the primary commercial industry for county and area shoppers. McCook has Highway 6&34 that serves the locations for Wal-Mart, Schmick's Grocery, the West Sale Barn for cattle auctions, fast food, Mac's Drive In, fuel stations, Banks, car dealerships, grain elevators etc. Highway 83 runs north and south and traffic must detour through B St. before traveling north towards North Platte or south through Oberlin, KS. This highway is the location for motels, the popular fast food such as McDonald's, Runza, Pizza Hut and the agricultural supply business, Orscheln's. McCook remains as the strongest trade center for southwest Nebraska and the commercial properties are a large mixture of uses and building types. The small Villages such as Indianola, Bartley, Lebanon and Danbury are lacking services and do not show an organized market to see future growth of commercial industry. The basic needs in these Villages are the grain elevators for the agricultural producers. Even the fuel resources are transported to the farm sites.

Reviewing the statistical sample, a total of 21 qualified commercial sales make the statistical profile. 16 of the 21 are located within the City of McCook where the only organized market exists. A variety within the 16 McCook sales includes one mobile home park, one mini storage unit building, two warehouses, three next door neighbors purchasing the vacant buildings, one carpet cleaning business and other older buildings. There were no fast food sales, motels, convenience stores, or restaurants that typically make up the commercial property base in McCook. During the summer of 2011 McCook experienced a horrific hail storm that brought baseball sized hail and 70 mph winds that destroyed the western part of the City. This caused some buildings to be completely rebuilt because it was more economically to rebuild than to repair the structures. McDonald's would be one of these businesses.

Assessment actions reported by the Assessor included physical inspections of commercial properties. Large valuation changes included the new McDonalds, the new East Ward Low Income Housing project and new mini warehouses and the addition of \$8,000,000 for the Valmont property that had previously been a tax increment financing project. Although the sales data is limited, the assessor and staff continue to complete physical inspections and conducts sales review questionnaires to all property types. Red Willow County remains to have a stronger agricultural market than commercial or residential at this time.

Based on all of the available information from the 21 commercial sales, it is determined the qualitative assessments are uniform and proportionate but the lack of representativeness still remains as the market declines. The analysis of completed reviews in the county reveals evidence that the county assessor is routinely completing commercial assessments within the county in a uniform and proportionate manner. Based on the consideration of all available information, the level of value cannot be determined for the commercial class of property.

**2013 Correlation Section
for Red Willow County**

B. Analysis of Sales Verification

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

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

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

C. Measures of Central Tendency

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

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

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

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

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

2013 Correlation Section for Red Willow County

D. Analysis of Quality of Assessment

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

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

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

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

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

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

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

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

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

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

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

**2013 Correlation Section
for Red Willow County**

high-value properties are over assessed in relation to low-value properties.

There is no range of acceptability stated in the Nebraska statutes for the PRD measure. The Standard on Ratio Studies, adopted by the International Association of Assessing Officers, January, 2010, recommends that the PRD should lie between 98 and 103. This range is centered slightly above 100 to allow for a slightly upward measurement bias inherent in the PRD.

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

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

2013 Agricultural Assessment Actions for Red Willow County

Agricultural land values for each subclass were increased substantially to keep up with current market prices for agricultural property. To meet acceptable levels of value, irrigated subclasses increased between 11-33% while the largest increases were in dry land categories. The dry subclasses increased from 32-68%. Grass also increased a total of 6% from \$350 in 2012 to \$370 in 2013.

2013 Agricultural Assessment Survey for Red Willow County

1.	Valuation data collection done by:	
	The assessor and staff	
2.	List each market area, and describe the location and the specific characteristics that make each unique.	
	Market Area	Description of unique characteristics
	01	There are no apparent characteristic differences throughout the county. Red Willow County consists of a mixture of dry, irrigated and grass. There are limited parcels or sales of a majority of a certain land class. Several parcels include unfenced grass and no stock wells. The water issues with Kansas have created uncertainty with the income potential with irrigated land. The assessor continually gathers information to determine the effect on the value due to the occupation tax and rapid response region that has been designated in the County.
3.	Describe the process used to determine and monitor market areas.	
	Spreadsheets and maps are developed to monitor sales of each land class in all geo codes to recognize any evidence to support more than one market area.	
4.	Describe the process used to identify rural residential land and recreational land in the county apart from agricultural land.	
	The study of the most recent sales determined the classification for a residential site. The information gathered was the price per acre, the typical number of desirable acres per site, and the location of the sites to determine the market areas. Based on the information gathered; 20 acres or less are valued as a site unless GIS mapping, a physical inspection or evidence is provided to show that the land is actively devoted to agricultural. Sales are monitored for any future recreational use.	
5.	Do farm home sites carry the same value as rural residential home sites? If not, what are the market differences?	
	Farm homes carry the same value as residential home sites.	
6.	Describe the process used to identify and monitor the influence of non-agricultural characteristics.	
	Analyses and maps are developed for all sales which include agricultural and possible recreational land uses.	
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.	
	No	
8.	If applicable, describe the process used to develop assessed values for parcels enrolled in the Wetland Reserve Program.	
	N/A	

73 Red Willow
AGRICULTURAL LAND

PAD 2013 R&O Statistics (Using 2013 Values)

Qualified

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

Number of Sales : 69
Total Sales Price : 18,487,816
Total Adj. Sales Price : 18,607,028
Total Assessed Value : 11,916,201
Avg. Adj. Sales Price : 269,667
Avg. Assessed Value : 172,699

MEDIAN : 71
WGT. MEAN : 64
MEAN : 70
COD : 25.90
PRD : 108.64

COV : 31.95
STD : 22.23
Avg. Abs. Dev : 18.26
MAX Sales Ratio : 119.63
MIN Sales Ratio : 21.15

95% Median C.I. : 59.67 to 76.57
95% Wgt. Mean C.I. : 57.60 to 70.48
95% Mean C.I. : 64.32 to 74.82

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DATE OF SALE *										Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val
<u>Qrtrs</u>											
01-OCT-09 To 31-DEC-09	9	92.60	87.09	80.50	10.69	108.19	63.37	107.47	64.88 to 96.39	239,407	192,734
01-JAN-10 To 31-MAR-10	4	86.14	89.35	92.78	15.89	96.30	73.56	111.56	N/A	146,756	136,159
01-APR-10 To 30-JUN-10	7	93.44	89.36	87.35	06.70	102.30	65.78	97.35	65.78 to 97.35	291,571	254,681
01-JUL-10 To 30-SEP-10	4	97.33	96.89	101.73	21.92	95.24	73.25	119.63	N/A	131,500	133,780
01-OCT-10 To 31-DEC-10	7	68.63	63.87	57.88	13.65	110.35	48.51	76.57	48.51 to 76.57	159,286	92,192
01-JAN-11 To 31-MAR-11	9	72.97	75.28	73.47	14.60	102.46	55.74	95.75	63.82 to 88.90	255,828	187,945
01-APR-11 To 30-JUN-11	8	66.02	65.52	65.06	19.80	100.71	44.67	92.29	44.67 to 92.29	197,864	128,731
01-JUL-11 To 30-SEP-11	2	50.20	50.20	57.95	17.03	86.63	41.65	58.74	N/A	322,500	186,877
01-OCT-11 To 31-DEC-11	3	57.08	53.21	54.16	09.15	98.25	43.45	59.11	N/A	286,933	155,410
01-JAN-12 To 31-MAR-12	4	58.17	55.51	49.45	23.88	112.25	30.24	75.45	N/A	398,000	196,795
01-APR-12 To 30-JUN-12	8	43.42	43.41	44.68	21.28	97.16	21.15	61.95	21.15 to 61.95	444,903	198,793
01-JUL-12 To 30-SEP-12	4	39.69	42.09	44.78	16.20	93.99	32.01	56.96	N/A	410,238	183,720
<u>Study Yrs</u>											
01-OCT-09 To 30-SEP-10	24	92.88	89.76	86.60	12.28	103.65	63.37	119.63	77.86 to 95.38	221,195	191,547
01-OCT-10 To 30-SEP-11	26	69.57	67.27	66.26	17.19	101.52	41.65	95.75	58.74 to 73.50	217,129	143,863
01-OCT-11 To 30-SEP-12	19	43.80	47.23	46.76	25.23	101.01	21.15	75.45	37.79 to 57.08	402,788	188,349
<u>Calendar Yrs</u>											
01-JAN-10 To 31-DEC-10	22	77.81	82.61	82.17	20.02	100.54	48.51	119.63	71.94 to 95.20	194,047	159,448
01-JAN-11 To 31-DEC-11	22	64.05	66.44	66.06	20.08	100.58	41.65	95.75	57.08 to 77.06	245,053	161,879
<u>ALL</u>	69	70.51	69.57	64.04	25.90	108.64	21.15	119.63	59.67 to 76.57	269,667	172,699

AREA (MARKET)										Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val
1	69	70.51	69.57	64.04	25.90	108.64	21.15	119.63	59.67 to 76.57	269,667	172,699
<u>ALL</u>	69	70.51	69.57	64.04	25.90	108.64	21.15	119.63	59.67 to 76.57	269,667	172,699

95%MLU By Market Area										Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val
<u>Dry</u>											
County	7	56.96	63.42	53.13	32.83	119.37	37.79	93.23	37.79 to 93.23	417,454	221,802
1	7	56.96	63.42	53.13	32.83	119.37	37.79	93.23	37.79 to 93.23	417,454	221,802
<u>Grass</u>											
County	9	68.63	68.62	69.50	18.56	98.73	41.65	92.60	55.74 to 88.90	137,550	95,594
1	9	68.63	68.62	69.50	18.56	98.73	41.65	92.60	55.74 to 88.90	137,550	95,594
<u>ALL</u>	69	70.51	69.57	64.04	25.90	108.64	21.15	119.63	59.67 to 76.57	269,667	172,699

73 Red Willow
AGRICULTURAL LAND

PAD 2013 R&O Statistics (Using 2013 Values)

Qualified

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

Number of Sales : 69
 Total Sales Price : 18,487,816
 Total Adj. Sales Price : 18,607,028
 Total Assessed Value : 11,916,201
 Avg. Adj. Sales Price : 269,667
 Avg. Assessed Value : 172,699

MEDIAN : 71
 WGT. MEAN : 64
 MEAN : 70
 COD : 25.90
 PRD : 108.64

COV : 31.95
 STD : 22.23
 Avg. Abs. Dev : 18.26
 MAX Sales Ratio : 119.63
 MIN Sales Ratio : 21.15

95% Median C.I. : 59.67 to 76.57
 95% Wgt. Mean C.I. : 57.60 to 70.48
 95% Mean C.I. : 64.32 to 74.82

Printed:3/25/2013 2:19:30PM

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	3	58.24	62.88	60.86	17.79	103.32	49.67	80.74	N/A	251,567	153,096
1	3	58.24	62.88	60.86	17.79	103.32	49.67	80.74	N/A	251,567	153,096
_____Dry_____											
County	12	73.53	71.33	59.39	21.95	120.10	37.79	96.39	46.44 to 93.07	298,917	177,532
1	12	73.53	71.33	59.39	21.95	120.10	37.79	96.39	46.44 to 93.07	298,917	177,532
_____Grass_____											
County	11	68.63	70.69	70.60	19.36	100.13	41.65	95.75	55.74 to 92.60	154,904	109,363
1	11	68.63	70.69	70.60	19.36	100.13	41.65	95.75	55.74 to 92.60	154,904	109,363
_____ALL_____											
	69	70.51	69.57	64.04	25.90	108.64	21.15	119.63	59.67 to 76.57	269,667	172,699

Red Willow County 2013 Average Acre Value Comparison

County	Mkt Area	1A1	1A	2A1	2A	3A1	3A	4A1	4A	AVG IRR
Red Willow	1	1,950	1,900	1,687	1,515	1,369	1,203	1,112	1,004	1,791
Hitchcock	90	1,855	1,855	1,680	1,680	1,510	1,510	1,395	1,395	1,788
Frontier	1	1,950	1,947	1,817	1,868	1,800	1,800	1,722	1,673	1,907
Furnas	1	3,050	2,750	2,290	2,175	1,655	1,540	1,410	1,410	2,459
Hayes	1	1,900	1,900	1,750	1,750	1,625	1,625	1,500	1,500	1,748

County	Mkt Area	1D1	1D	2D1	2D	3D1	3D	4D1	4D	AVG DRY
Red Willow	1	1,000	1,000	950	950	850	750	700	690	946
Hitchcock	90	890	891	752	750	650	650	551	552	836
Frontier	1	910	910	850	850	795	795	740	740	876
Furnas	1	1,450	1,450	1,100	1,100	950	950	850	850	1,260
Hayes	1	890	890	800	800	750	750	600	600	826

County	Mkt Area	1G1	1G	2G1	2G	3G1	3G	4G1	4G	AVG GRASS
Red Willow	1	370	370	370	370	370	370	370	370	370
Hitchcock	90	425	315	315	323	315	315	318	315	315
Frontier	1	390	390	390	390	390	390	390	390	390
Furnas	1	650	650	620	620	500	485	450	425	454
Hayes	1	310	310	310	310	310	310	310	310	310

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

2013 Correlation Section for Red Willow County

A. Agricultural Land

Within the Red Willow County boundaries, the agricultural market continues to climb. Water restrictions from the Middle Republican NRD are a factor within irrigated sub classifications to consider. With over 40% of the acres allocating to grass and dry LCG's; the irrigated locations are mainly along the Republican River where the wells are located. A few irrigated wells are located along Highway 89 on the southern end of the county. Chief concerns along the Republican River counties are the water supply and regulations imposed upon operators. The assessor keeps monitoring the restrictions and how the covenants relay into the agricultural market.

Similar market tones with the adjoining counties of Hitchcock to the west and Furnas to the east of Red Willow have occurred in 2013. Last year a larger averaged increase happened in the irrigated subclasses whereas this year the dry values have increased at a higher rate than the irrigated. These changes are parallel to the neighbors and similar actions have been assessed. Dry land increases ranged between 32-68% in Red Willow County and 21% in irrigated values. Grass has similarities with the smaller 6% increase. Furnas County experienced 59% dry land increases compared to 31% in the irrigated values. Hitchcock also supports the dry increases at a rate of 23% versus 15 in the irrigated. The northwest neighbor of Hayes County had very similar changes in agricultural land values.

The studies reflect subclasses within the county are at relative proportion of market value to achieve intra-county equalization. This is also supported with statistical measures of a reliable proportionate sample of 69 qualified sales in Red Willow County. In relationship to inter-county equalization between neighboring assessments, the assessor has set the 2013 values in conjunction with all reliable data in similar homogeneous areas. This has created uniform treatment throughout the agricultural class. The assessment practices all support that the qualitative assessments have been met.

Based on the consideration of all available information, the level of value is determined to be 71% of market value for the agricultural land class of property, and all subclasses are determined to be valued within the acceptable range.

**2013 Correlation Section
for Red Willow County**

B. Analysis of Sales Verification

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

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

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

2013 Correlation Section for Red Willow County

C. Measures of Central Tendency

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

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

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

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

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

2013 Correlation Section for Red Willow County

D. Analysis of Quality of Assessment

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

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

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

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

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

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

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

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

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

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

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

**2013 Correlation Section
for Red Willow County**

high-value properties are over assessed in relation to low-value properties.

There is no range of acceptability stated in the Nebraska statutes for the PRD measure. The Standard on Ratio Studies, adopted by the International Association of Assessing Officers, January, 2010, recommends that the PRD should lie between 98 and 103. This range is centered slightly above 100 to allow for a slightly upward measurement bias inherent in the PRD.

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

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

Total Real Property Sum Lines 17, 25, & 30	Records : 8,205	Value : 833,428,257	Growth 5,828,507	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	439	1,768,864	106	765,279	74	233,954	619	2,768,097	
02. Res Improve Land	3,485	19,632,677	265	2,572,722	296	2,723,996	4,046	24,929,395	
03. Res Improvements	3,617	208,771,535	281	28,176,292	321	22,864,103	4,219	259,811,930	
04. Res Total	4,056	230,173,076	387	31,514,293	395	25,822,053	4,838	287,509,422	1,657,294
% of Res Total	83.84	80.06	8.00	10.96	8.16	8.98	58.96	34.50	28.43
05. Com UnImp Land	132	1,758,809	12	161,382	0	0	144	1,920,191	
06. Com Improve Land	506	11,026,493	31	493,892	12	762,967	549	12,283,352	
07. Com Improvements	531	87,909,360	35	4,899,253	33	4,502,957	599	97,311,570	
08. Com Total	663	100,694,662	47	5,554,527	33	5,265,924	743	111,515,113	2,918,361
% of Com Total	89.23	90.30	6.33	4.98	4.44	4.72	9.06	13.38	50.07
09. Ind UnImp Land	0	0	0	0	0	0	0	0	
10. Ind Improve Land	0	0	0	0	0	0	0	0	
11. Ind Improvements	0	0	0	0	0	0	0	0	
12. Ind Total	0	0	0	0	0	0	0	0	0
% of Ind Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13. Rec UnImp Land	0	0	0	0	0	0	0	0	
14. Rec Improve Land	0	0	0	0	0	0	0	0	
15. Rec Improvements	0	0	0	0	0	0	0	0	
16. Rec Total	0	0	0	0	0	0	0	0	0
% of Rec Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Res & Rec Total	4,056	230,173,076	387	31,514,293	395	25,822,053	4,838	287,509,422	1,657,294
% of Res & Rec Total	83.84	80.06	8.00	10.96	8.16	8.98	58.96	34.50	28.43
Com & Ind Total	663	100,694,662	47	5,554,527	33	5,265,924	743	111,515,113	2,918,361
% of Com & Ind Total	89.23	90.30	6.33	4.98	4.44	4.72	9.06	13.38	50.07
17. Taxable Total	4,719	330,867,738	434	37,068,820	428	31,087,977	5,581	399,024,535	4,575,655
% of Taxable Total	84.55	82.92	7.78	9.29	7.67	7.79	68.02	47.88	78.50

Schedule II : Tax Increment Financing (TIF)

	Urban			SubUrban		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	0	0	0
19. Commercial	3	411,807	7,714,182	0	0	0
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
	Rural			Total		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	0	0	0
19. Commercial	0	0	0	3	411,807	7,714,182
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
22. Total Sch II				3	411,807	7,714,182

Schedule III : Mineral Interest Records

Mineral Interest	Records	Urban Value	Records	SubUrban Value	Records	Rural Value	Records	Total Value	Growth
23. Producing	0	0	0	0	51	42,367,950	51	42,367,950	0
24. Non-Producing	0	0	0	0	0	0	0	0	0
25. Total	0	0	0	0	51	42,367,950	51	42,367,950	0

Schedule IV : Exempt Records : Non-Agricultural

	Urban Records	SubUrban Records	Rural Records	Total Records
26. Exempt	470	126	198	794

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	31	403,621	336	35,263,832	1,581	225,090,284	1,948	260,757,737
28. Ag-Improved Land	2	88,329	156	21,863,092	431	74,818,457	589	96,769,878
29. Ag Improvements	2	3,934	158	8,495,708	465	26,008,515	625	34,508,157
30. Ag Total							2,573	392,035,772

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	1.00	7,000	
32. HomeSite Improv Land	0	0.00	0	88	88.00	538,000	
33. HomeSite Improvements	1	0.00	3,280	91	86.00	6,041,465	
34. HomeSite Total							
35. FarmSite UnImp Land	1	4.11	4,110	10	97.42	30,028	
36. FarmSite Improv Land	1	1.00	1,000	134	635.37	493,013	
37. FarmSite Improvements	1	0.00	654	138	0.00	2,454,243	
38. FarmSite Total							
39. Road & Ditches	0	4.76	0	0	992.29	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	11	11.00	59,000	12	12.00	66,000	
32. HomeSite Improv Land	296	296.00	1,516,000	384	384.00	2,054,000	
33. HomeSite Improvements	300	289.00	17,561,803	392	375.00	23,606,548	1,252,852
34. HomeSite Total				404	396.00	25,726,548	
35. FarmSite UnImp Land	33	420.04	162,265	44	521.57	196,403	
36. FarmSite Improv Land	376	1,442.16	1,403,901	511	2,078.53	1,897,914	
37. FarmSite Improvements	433	0.00	8,446,712	572	0.00	10,901,609	0
38. FarmSite Total				616	2,600.10	12,995,926	
39. Road & Ditches	0	5,862.67	0	0	6,859.72	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
41. Total Section VI				1,020	9,855.82	38,722,474	1,252,852

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

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

Schedule VIII : Agricultural Records : Special Value

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

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

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 1

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	3,998.50	6.46%	7,796,617	7.04%	1,949.89
46. 1A	43,503.16	70.33%	82,654,427	74.63%	1,899.96
47. 2A1	5,279.54	8.54%	8,908,054	8.04%	1,687.28
48. 2A	2,374.54	3.84%	3,596,269	3.25%	1,514.51
49. 3A1	2,181.50	3.53%	2,986,891	2.70%	1,369.19
50. 3A	216.63	0.35%	260,592	0.24%	1,202.94
51. 4A1	2,165.67	3.50%	2,407,466	2.17%	1,111.65
52. 4A	2,135.69	3.45%	2,144,969	1.94%	1,004.34
53. Total	61,855.23	100.00%	110,755,285	100.00%	1,790.56
Dry					
54. 1D1	1,238.27	0.69%	1,238,270	0.72%	1,000.00
55. 1D	130,467.15	72.18%	130,467,150	76.29%	1,000.00
56. 2D1	4,593.21	2.54%	4,363,624	2.55%	950.02
57. 2D	1,246.47	0.69%	1,184,210	0.69%	950.05
58. 3D1	23,885.64	13.22%	20,303,081	11.87%	850.01
59. 3D	131.14	0.07%	98,359	0.06%	750.03
60. 4D1	12,223.29	6.76%	8,556,303	5.00%	700.00
61. 4D	6,958.17	3.85%	4,801,242	2.81%	690.02
62. Total	180,743.34	100.00%	171,012,239	100.00%	946.16
Grass					
63. 1G1	1,000.29	0.52%	370,118	0.52%	370.01
64. 1G	20,450.43	10.58%	7,566,817	10.58%	370.01
65. 2G1	6,081.44	3.15%	2,250,164	3.15%	370.01
66. 2G	3,736.87	1.93%	1,382,672	1.93%	370.01
67. 3G1	5,912.00	3.06%	2,187,481	3.06%	370.01
68. 3G	298.56	0.15%	110,474	0.15%	370.02
69. 4G1	29,685.48	15.36%	10,983,728	15.36%	370.00
70. 4G	126,108.87	65.25%	46,660,420	65.25%	370.00
71. Total	193,273.94	100.00%	71,511,874	100.00%	370.00
Irrigated Total					
	61,855.23	14.16%	110,755,285	31.35%	1,790.56
Dry Total					
	180,743.34	41.38%	171,012,239	48.40%	946.16
Grass Total					
	193,273.94	44.25%	71,511,874	20.24%	370.00
72. Waste	867.25	0.20%	21,730	0.01%	25.06
73. Other	12.17	0.00%	12,170	0.00%	1,000.00
74. Exempt	12.00	0.00%	0	0.00%	0.00
75. Market Area Total	436,751.93	100.00%	353,313,298	100.00%	808.96

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	158.87	301,717	18,215.41	32,503,614	43,480.95	77,949,954	61,855.23	110,755,285
77. Dry Land	151.70	143,618	16,975.51	15,968,774	163,616.13	154,899,847	180,743.34	171,012,239
78. Grass	112.17	41,505	20,491.46	7,581,924	172,670.31	63,888,445	193,273.94	71,511,874
79. Waste	0.00	0	182.40	4,571	684.85	17,159	867.25	21,730
80. Other	0.00	0	0.00	0	12.17	12,170	12.17	12,170
81. Exempt	0.00	0	10.00	0	2.00	0	12.00	0
82. Total	422.74	486,840	55,864.78	56,058,883	380,464.41	296,767,575	436,751.93	353,313,298

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	61,855.23	14.16%	110,755,285	31.35%	1,790.56
Dry Land	180,743.34	41.38%	171,012,239	48.40%	946.16
Grass	193,273.94	44.25%	71,511,874	20.24%	370.00
Waste	867.25	0.20%	21,730	0.01%	25.06
Other	12.17	0.00%	12,170	0.00%	1,000.00
Exempt	12.00	0.00%	0	0.00%	0.00
Total	436,751.93	100.00%	353,313,298	100.00%	808.96

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

73 Red Willow

	2012 CTL County Total	2013 Form 45 County Total	Value Difference (2013 form 45 - 2012 CTL)	Percent Change	2013 Growth (New Construction Value)	Percent Change excl. Growth
01. Residential	275,569,912	287,509,422	11,939,510	4.33%	1,657,294	3.73%
02. Recreational	0	0	0		0	
03. Ag-Homesite Land, Ag-Res Dwelling	25,194,128	25,726,548	532,420	2.11%	1,252,852	-2.86%
04. Total Residential (sum lines 1-3)	300,764,040	313,235,970	12,471,930	4.15%	2,910,146	3.18%
05. Commercial	100,154,552	111,515,113	11,360,561	11.34%	2,918,361	8.43%
06. Industrial	0	0	0		0	
07. Ag-Farmsite Land, Outbuildings	12,333,142	12,995,926	662,784	5.37%	0	5.37%
08. Minerals	48,865,140	42,367,950	-6,497,190	-13.30	0	-13.30
09. Total Commercial (sum lines 5-8)	161,352,834	166,878,989	5,526,155	3.42%	2,918,361	1.62%
10. Total Non-Agland Real Property	462,116,874	480,114,959	17,998,085	3.89%	5,828,507	2.63%
11. Irrigated	91,552,303	110,755,285	19,202,982	20.97%		
12. Dryland	124,774,535	171,012,239	46,237,704	37.06%		
13. Grassland	67,906,894	71,511,874	3,604,980	5.31%		
14. Wasteland	21,876	21,730	-146	-0.67%		
15. Other Agland	0	12,170	12,170			
16. Total Agricultural Land	284,255,608	353,313,298	69,057,690	24.29%		
17. Total Value of all Real Property (Locally Assessed)	746,372,482	833,428,257	87,055,775	11.66%	5,828,507	10.88%

AMENDED
2012 PLAN OF ASSESSMENT FOR RED WILLOW COUNTY
ASSESSMENT YEARS 2013, 2014 AND 2015
DATE: JUNE 15, 2012

Pursuant to Neb. Laws 2005, LB263, Section 9, on or before June 15 each year, the assessor shall prepare a plan of assessment which describes the assessment actions planned for the next assessment year and two years thereafter. 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.

General Description of Real Property in Red Willow County:

	<u>Parcels</u>	<u>% of Total Parcels</u>	<u>% of Taxable Value Base</u>
Residential	4,849	59.20%	36.63%
Commercial	731	08.92%	14.05%
Agricultural	2,561	31.26%	42.80%
Mineral Interest	51	00.62%	06.52%

Agricultural Land – taxable acres:

Irrigated	62,036.34	14.20%
Dry	180,113.81	41.21%
Grass	194,010.19	44.39%
Waste	873.28	00.20%

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

Current Resources:

A. Staff/Budget/Training

The Red Willow County Assessor provides general supervision over the staff and directs the assessment of all property in Red Willow County. The assessor supervises all reappraisals in the county. Reviews of all properties that have sold are completed and a questionnaire is mailed to both buyer and seller. Other duties include managing the staff, preparing the budget, making decisions on the purchases and filing claims for payment of the expenses for the county assessor's office. The assessor also meets with the liaison on surveys and reports and completes all reports as required by the statutes in a timely manner. When a protest is filed the assessor views each property with the county board. All Tax Equalization and Review Commission hearings are prepared for and attended by the assessor and county attorney. Hiring new employees is handled by the assessor including interviews, setting the salary and preparing the job description for that employee. The state assessed values are verified and certified to the entities by the assessor. The assessor oversees the filing of the personal property schedules. She

works

the schedules in the mail and corresponds with taxpayers requesting additional information.

The deputy assessor assists the assessor with personnel matters, including interviewing applicants for employment and helps with reviews for the sold properties. The deputy handles the valuation of all oil and gas properties in the county, processing the appraisals done by Pritchard & Abbott, preparing the personal property schedules for oil, and entering values in the computer. Spreadsheets are prepared in the computer for property sold listing all information about the sale for use in the sales studies. The homestead exemptions are prepared for mailing by the deputy, checking for sold property, deceased individuals and verifying that the information on the application is correct. The qualified sales roster is reviewed by the deputy checking all data entry and any changes in value because of appraisals or corrections. The deputy works with the assessor to prepare materials for TERC hearings and hearings are attended with the assessor. The deputy assists the assessor with all reports and assumes the duties in the absence of the assessor. Her job is to prepare spreadsheets for the agland properties and work with the county assessor on the ag what-if program in determining the agland values.

The assessor's clerk handles the real estate transfers including changing the record cards, computer records, and electronically files the sales information. Sales books are developed for assessor's office use and for the public's use which includes pictures, lot size, sales price and general data on the property. Split-outs are completed by the clerk which would include splitting the parcel on GIS and keeping all maps current. She is also responsible for mailing the questionnaires on the sold property. The clerk prepares leased land letters for the signatures of the land owner and improvement owner.

The assessor's clerk updates record cards and copies information to the current records. Her duties include updating the inventory report. The annual tax exempt applications are prepared by the clerk. She also assists the data collector with pickup work.

The data collector/clerk collects data for the appraisal work, gets measurements of new construction, takes pictures and gathers information on new construction as well as for reappraisals. The photos in our record cards are updated as we physically inspect the property.

The entire staff is trained to handle personal property schedules including reviewing the taxpayer's depreciation worksheets. They assist real estate agents, appraisers and customers requesting information from our office. The staff helps the public with completing their homestead exemption applications and income forms. They also do data entry on the Marshall-Swift costing. We work together to print and mail notice of valuation changes. Various staff members serve on personnel and safety committees that were set up by the county board.

The county assessor and deputy assessor hold an assessor's certificate with the State of Nebraska. The assessor and deputy attend the Assessor's workshops, IAAO courses, as well as district meetings to keep informed about new legislation and the latest information. The required hours of education are completed in order to retain the assessor's certificate. Red Willow

County has a procedure manual in place to guide the staff in the process of the pick-up work, reappraisals, real estate transfers, homestead exemptions and all major functions of the assessor's office. The manual describes and explains these operations in detail.

The 2012 budget for the Red Willow County Assessor's office is \$201,512.00

B. Cadastral Maps

The Red Willow County Assessor's office has identified all ag parcels and land classifications on GIS. The new soil conversion was completed for 2009. The staff maintains and keeps the data current by updating the information from current surveys and transfers. Our city and village maps were made in 1967. We had maps drawn of the new subdivisions. The county surveyor assists us with any questions concerning surveys.

C. Property Record Cards

Property record cards in the assessor's office include owner's name and mailing address, the address of the property, legal description, classification codes, tax district codes and lot size. Property information including square foot and all physical components of the improvements, quality, condition, sketches and photos are included in the record card. All record cards are updated from information recorded with the county clerk, clerk of the district court and county court. The record cards are kept current due to the number of requests for information by the public. We now have a guest computer that is used by the public to access all information.

D. Software for CAMA, Assessment Administration, GIS

We are currently using Terra Scan/Manatron software for our CAMA as well as our administrative package. We have a contract with GIS Workshop Inc. for our GIS software & website.

Current Assessment Procedures for Real Property

Real property in Red Willow County is divided into three groups: residential, commercial and agricultural. In Red Willow County reappraisals are usually done annually on a rotating basis. We continually study our statistics so we can also focus on the areas that are falling below the required level of value.

All improved properties are inspected at the time of a reappraisal. Current data is checked for accuracy, notes are made as to the condition and a photograph is taken of each improvement. Interior updates are verified with the owner if possible. Otherwise we leave a door hanger at each property asking them to contact our office. If additional information is needed to complete the pricing we follow up with a phone call. The interior of our commercial property is currently being inspected by the data collectors.

On new construction we make an inspection of the improvement, we measure and determine the quality of the improvement and collect all the data at the site. If the property is not entirely done upon inspection, a follow-up review takes place at the end of the year. The owner is then contacted by phone or letter to confirm the percent of completion. The Marshall-Swift table of completion is used to determine the percent finished.

The pickup work in Red Willow County is continuous. Building permits are provided by the McCook city office as well as the village of Indianola. The other villages have no offices so permits are not available. Information about new improvements is seldom reported. We complete the pickup work as time permits throughout the year and follow-up with a check of the partially completed improvements right before the end of the year.

Depreciation tables are developed by analyzing the sales in a neighborhood. We gather facts and create a spreadsheet with all the sales information. We have built the sales information in our Terra Scan system so we can study the statistics annually.

Red Willow County uses the income analysis on commercial property only. An outside appraisal company is hired to assist us with our commercial appraisals. Knoche Appraisal is hired on an hourly basis at the determination of the County Assessor. A market analysis is completed on a yearly basis.

Level of Value, Quality and Uniformity for assessment year 2012

<u>Property Class</u>	<u>Median</u>	<u>COD*</u>	<u>PRD*</u>
Residential	95.00	15.96	107.01
Commercial	98.00	23.99	103.74
Agricultural	70.00	19.85	104.82

*COD means coefficient of dispersion and PRD means price related differential.
For more information regarding statistical measures see 2012 Reports & Opinions.

All reports are completed and filed in a timely manner usually being completed by the assessor with the assistance of the deputy assessor. These reports include the abstract, the certification of values, the school district taxable value report, the tax roll and the certificate of taxes levied. There are also tax list corrections filed throughout the year. The Red Willow County Assessor's office prepares the real estate and personal property tax statements for the county treasurer.

The Red Willow County Assessor's office accepts homestead exemption applications from February 1st thru June 30th of each year. We refer to statute 77-3510 thru 77-3528 as a guideline when questions arise. We prepare the applications prior to mailing them out in February, checking for sold property, deceased individuals and making sure information on the application is complete and correct. We assist the applicants with the homestead application and income forms that are provided by the department. We file the applications with the Nebraska Department of Revenue by August 1st of each year.

Personal property schedules are to be filed with our office between January 1st and May 1st of each year. Personal property regulation 20 is used for assistance when questions arise. Schedules are mailed to each individual or company that filed the previous year. If they have not filed two weeks before the May 1st deadline we send a second reminder notice. We also notify all new business and property owners. Penalties on personal property are applied to late filings as the law permits.

Our real estate transfers are completed and sent to the Property Assessment Division. The assessor's clerk works the 521's, changes all the necessary records, electronically files the sales information and develops the sales books. A questionnaire is sent to both the buyer and seller for all classes of property. The sales are reviewed with a drive by inspection. At that time we are checking the quality, condition, neighborhood and other factors that may have affected the sale.

Assessment Actions Planned for Assessment Year 2013

Residential (and/or subclasses):

Statistics for all residential neighborhoods will be generated and sales information will be studied. Rural and suburban residential subdivisions will be physically inspected in 2013. Our office will begin the physical inspection of the residential in the City of McCook. We will continue to gather data for the upcoming rural and suburban reappraisal. Our plan is to update the costing and develop new depreciation tables for the rural residential.

Commercial (and/or subclasses):

Based on the completion of the physical inspection and study of the market and income of all commercial properties we may proceed with a reappraisal. I will continue to build spreadsheets by occupation codes, commercial land sales and market areas.

Agricultural Land (and/or subclasses):

All recorded surveys will be updated on our GIS mapping system. We have completed the review of our current agland breakdown against the most recent GIS information. More physical inspections of land use will be required due to the recent activity in Red Willow County which shows a change in the method of farming compared to prior history. A study of all land sales will be completed and values will be determined annually.

Assessment Actions Planned for Assessment Year 2014

We will continue with the physical inspections of the City of McCook. Statistics for all residential neighborhoods will be generated and sales information will be studied.

Based on the progress of the commercial inspections and data collection we can begin entering data with new costing and possibly new values for 2014.

A study of all land sales will be completed and values will be determined annually. GIS maps will be used to compare land use with assessor breakdown.

Assessment Actions planned for Assessment Year 2015

Update City of McCook with new costing and new depreciation tables which will be developed for each neighborhood.

A study of all land sales will be completed and values will be determined annually.

Detailed Breakdown of functions performed by the assessor's office, but not limited to:

1. Record maintenance, mapping updates and ownership changes
2. Annually prepare and file Assessor Administrative reports required by law/regulation:
 - a. Abstracts (Real & Personal Property)
 - b. Assessor survey
 - c. Sales information to PA&T rosters and annual Assessed Value Update w/Abstract
 - d. Certification of Value to Political Subdivisions
 - e. School District Taxable Value Report
 - f. Homestead Exemption Tax Loss Report (in conjunction with Treasurer)
 - g. Certificate of Taxes Levied Report
 - h. Report of current values for properties owned by Board of Education Lands & funds
 - i. Report of all Exempt Property and Taxable Government Owned Property
 - j. Annual Plan of Assessment Report
3. Personal Property; administer annual filing of 929 schedules, prepare subsequent notices for incomplete filings or failure to file and penalties applied, as required.
4. Permissive Exemptions: administer annual filings of applications for new or continued exempt use, review and make recommendations to county board.
5. Taxable Government Owned Property; annual review of government owned property not used for public purpose, send notices of intent to tax, etc.
6. Homestead Exemptions; administer 438 annual filings of applications, approval/denial process, taxpayer notifications, and taxpayer assistance.
7. Centrally Assessed-review of valuations as certified by PA&T for railroads and public service entities, establish assessment records and tax billing for tax list.
8. Tax Increment Financing-management of record/valuation information for properties in community redevelopment projects for proper reporting on administrative reports and allocation of ad valorem tax.

9. Tax Districts and Tax Rates-management of school district and other tax entity boundary changes necessary for correct assessment and tax information; input/review of tax rates used for tax billing process.
10. Tax Lists; prepare and certify tax lists to county treasurer for real property, personal property and centrally assessed. Prepare tax statements for the county treasurer.
11. Tax List Corrections-prepare tax list correction documents for county board approval.
12. County Board of Equalization-attend county board of equalization meetings for valuation protests-assemble and provide information.
13. TERC Appeals-prepare information and attend taxpayer appeal hearings before TERC, defend valuation.
14. TERC Statewide Equalization-attend hearings if applicable to county, defend values, and/or implement orders of the TERC.
15. Education: Assessor and Deputy Assessor attend meetings, workshops and educational classes to obtain required hours of continuing education to maintain assessor certification.

Conclusion:

Our current budget includes a line item for reappraisals. This covers expenses for the oil and gas appraisal. I have also budgeted for Knoche Appraisal for guidance on commercial and residential reappraisals. This line item also includes expenses for fuel costs for sales reviews and on-site inspections for all appraisals.

Our budget also contains a line item for the geographical information system. This would include the annual costs for maintenance of GIS.

Respectfully submitted,

Sandra K. Kotschwar
Red Willow County Assessor

Date

PRIOR YEAR'S STATISTICAL CORRELATION

ASSESSMENT YEAR	R & O MEDIAN	WGT. MEAN	COD	PRD
RESIDENTIAL				
2002	94	92	17.01	103.62
2003	95	93	18	104.00
2004	97.22	95.74	19.70	107.19
2005	97.42	95.18	15.14	106.19
2006	95.98	93.17	17.25	106.94
2007	93.71	91.46	16.86	105.81
2008	95.37	92.36	18.21	107.54
2009	98.00	95.00	20.07	107.23
2010	97.00	95.00	12.44	103.79
2011	96.00	96.00	11.73	104.05
COMMERCIAL				
2002	98	97	17.54	102.80
2003	96	95	17.00	94.00
2004	96	97.08	24.31	99.09
2005	96.09	97.01	25.75	99.38
2006	96.09	95.96	20.11	95.57
2007	97.38	92.13	20.97	106.64
2008	96.00	91.76	23.41	103.07
2009	99.00	97.00	7.84	101.32
2010	98.00	83.00	13.77	109.01
2011	99.00	94.00	13.47	98.44
AG-LAND				
2002	75	74	15.78	100.43
2003	76	75	15.00	102.00
2004	74	74.95	19.24	103.65
2005	76.33	76.38	15.56	102.21
2006	75.82	73.70	18.79	103.26
2007	71.69	66.35	26.81	108.15
2008	71.59	68.25	24.70	109.43
2009	71.00	66.00	24.12	108.27
2010	72.00	65.00	19.56	110.79
2011	69.00	70.00	18.22	108.11

2013 Assessment Survey for Red Willow County

A. Staffing and Funding Information

1.	Deputy(ies) on staff:
	One
2.	Appraiser(s) on staff:
	0
3.	Other full-time employees:
	Three
4.	Other part-time employees:
	0
5.	Number of shared employees:
	0
6.	Assessor's requested budget for current fiscal year:
	\$201,034
7.	Adopted budget, or granted budget if different from above:
	\$201,512
8.	Amount of the total assessor's budget set aside for appraisal work:
	\$28,000
9.	If appraisal/reappraisal budget is a separate levied fund, what is that amount:
	0
10.	Part of the assessor's budget that is dedicated to the computer system:
	\$10,000 is dedicated to the GIS System. The Co. Treasurer and Co. Assessor share a computer budget out of the general fund for programs and equipment in the Thomas Reuters system.
11.	Amount of the assessor's budget set aside for education/workshops:
	\$1,800
12.	Other miscellaneous funds:
	0
13.	Amount of last year's assessor's budget not used:
	\$12,781.26

B. Computer, Automation Information and GIS

1.	Administrative software:
	Thomson Reuters
2.	CAMA software:
	Marshall Swift
3.	Are cadastral maps currently being used?
	Yes, the cadastral maps are utilized for the City of McCook and Villages. R.W. County is in the process of identifying the City of McCook and Village on GIS. All agricultural parcels are maintained through the GIS system.

4.	If so, who maintains the Cadastral Maps?
	Office staff
5.	Does the county have GIS software?
	Yes
6.	Is GIS available to the public? If so, what is the web address?
	Yes; redwillow.gisworkshop.com Red Willow County recently signed a contract to show the maps on-line for 2013.
7.	Who maintains the GIS software and maps?
	Office staff
8.	Personal Property software:
	Thomson Reuters

C. Zoning Information

1.	Does the county have zoning?
	Yes
2.	If so, is the zoning countywide?
	Yes, but excludes Villages
3.	What municipalities in the county are zoned?
	The City of McCook
4.	When was zoning implemented?
	October of 2001

D. Contracted Services

1.	Appraisal Services:
	Pritchard & Abbott is contracted for Mineral Appraisals
2.	GIS Services:
	GIS Workshop
3.	Other services:
	None

E. Appraisal /Listing Services

1.	Does the county employ outside help for appraisal or listing services?
	An appraiser is contracted on an as needed basis for real property.
2.	If so, is the appraisal or listing service performed under contract?
	No
3.	What appraisal certifications or qualifications does the County require?
	Nebraska License
4.	Have the existing contracts been approved by the PTA?
	Through John Rutledge for Pritchard & Abbott, mineral appraisal contract.
5.	Does the appraisal or listing service providers establish assessed values for the

	county?
	They aid in determining the value for Commercial property and mineral values.

2013 Certification for Red Willow County

This is to certify that the 2013 Reports and Opinions of the Property Tax Administrator have been sent to the following:

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

One copy by electronic transmission to the Red Willow County Assessor.

Dated this 5th day of April, 2013.



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

Ruth A. Sorensen
Property Tax Administrator

