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## 2013 Commission Summary for Sheridan County

### Residential Real Property - Current

Number of Sales	99	Median	96.53
Total Sales Price	\$4,788,324	Mean	106.94
Total Adj. Sales Price	\$4,788,324	Wgt. Mean	91.90
Total Assessed Value	\$4,400,574	Average Assessed Value of the Base	\$32,940
Avg. Adj. Sales Price	\$48,367	Avg. Assessed Value	\$44,450

### Confidence Interval - Current

95% Median C.I	89.98 to 101.79
95% Wgt. Mean C.I	86.08 to 97.72
95% Mean C.I	97.62 to 116.26
% of Value of the Class of all Real Property Value in the	12.85
% of Records Sold in the Study Period	4.18
% of Value Sold in the Study Period	5.64

### Residential Real Property - History

Year	Number of Sales	LOV	Median
2012	95	96	96.25
2011	106	96	96
2010	136	96	96
2009	155	96	96

## 2013 Commission Summary for Sheridan County

### Commercial Real Property - Current

Number of Sales	15	Median	97.15
Total Sales Price	\$2,125,553	Mean	117.97
Total Adj. Sales Price	\$2,125,553	Wgt. Mean	52.31
Total Assessed Value	\$1,111,884	Average Assessed Value of the Base	\$53,334
Avg. Adj. Sales Price	\$141,704	Avg. Assessed Value	\$74,126

### Confidence Interval - Current

95% Median C.I	76.73 to 141.44
95% Wgt. Mean C.I	-5.85 to 110.47
95% Mean C.I	74.38 to 161.56
% of Value of the Class of all Real Property Value in the County	4.00
% of Records Sold in the Study Period	3.30
% of Value Sold in the Study Period	4.58

### Commercial Real Property - History

Year	Number of Sales	LOV	Median
2012	9		98.89
2011	20	94	94
2010	30	100	94
2009	38	94	94



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

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

Class	Level of Value	Quality of Assessment	Non-binding recommendation
<b>Residential Real Property</b>	<b>95</b>	Meets generally accepted mass appraisal practices.	No recommendation.
<b>Commercial Real Property</b>	<b>*NEI</b>	Meets generally accepted mass appraisal practices.	No recommendation.
<b>Agricultural Land</b>	<b>70</b>	Meets generally accepted mass appraisal practices.	No recommendation.

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

Dated this 5th day of April, 2013.



*Ruth A. Sorensen*

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Ruth A. Sorensen  
Property Tax Administrator



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

For assessment year 2013, Hay Springs, Rushville, Whiteclay, Clinton and the other towns that constitute the valuation group 40 were physically reviewed. Hay Springs residential received a decrease, and rural residential received an increase in valuation.

## 2013 Residential Assessment Survey for Sheridan County

1.	<b>Valuation data collection done by:</b>												
	The Assessor and her staff; Jeff Haugen for rural residential.												
2.	<b>List the valuation groupings recognized by the County and describe the unique characteristics of each:</b>												
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;"><u>Valuation Grouping</u></th> <th style="text-align: center;"><u>Description of unique characteristics</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">10</td> <td>Gordon—all residential parcels within Gordon and those that could be considered suburban (since there is no separate suburban market).</td> </tr> <tr> <td style="text-align: center;">20</td> <td>Hay Springs—the residential parcels within Hay Springs (again, there is no suburban residential market).</td> </tr> <tr> <td style="text-align: center;">30</td> <td>Rushville—all residential parcels within Rushville, and those that could be considered suburban.</td> </tr> <tr> <td style="text-align: center;">40</td> <td>Small Towns—all residential property that exists within Antioch, Bingham, Ellsworth, Lakeside and Whiteclay.</td> </tr> <tr> <td style="text-align: center;">80</td> <td>Rural—all rural residential parcels.</td> </tr> </tbody> </table>	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>	10	Gordon—all residential parcels within Gordon and those that could be considered suburban (since there is no separate suburban market).	20	Hay Springs—the residential parcels within Hay Springs (again, there is no suburban residential market).	30	Rushville—all residential parcels within Rushville, and those that could be considered suburban.	40	Small Towns—all residential property that exists within Antioch, Bingham, Ellsworth, Lakeside and Whiteclay.	80	Rural—all rural residential parcels.
<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>												
10	Gordon—all residential parcels within Gordon and those that could be considered suburban (since there is no separate suburban market).												
20	Hay Springs—the residential parcels within Hay Springs (again, there is no suburban residential market).												
30	Rushville—all residential parcels within Rushville, and those that could be considered suburban.												
40	Small Towns—all residential property that exists within Antioch, Bingham, Ellsworth, Lakeside and Whiteclay.												
80	Rural—all rural residential parcels.												
3.	<b>List and describe the approach(es) used to estimate the market value of residential properties.</b>												
	The cost approach minus depreciation is used to estimate the market value of residential properties.												
4	<b>What is the costing year of the cost approach being used for each valuation grouping?</b>												
	1988												
5.	<b>If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?</b>												
	The County uses the tables provided by the CAMA vendor.												
6.	<b>Are individual depreciation tables developed for each valuation grouping?</b>												
	No												
7.	<b>When were the depreciation tables last updated for each valuation grouping?</b>												
	1996												
8.	<b>When was the last lot value study completed for each valuation grouping?</b>												
	1996												
9.	<b>Describe the methodology used to determine the residential lot values?</b>												
	The Assessor reviews market value of the residential lots and expresses this as a value per front foot.												

**81 Sheridan  
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 : 99  
 Total Sales Price : 4,788,324  
 Total Adj. Sales Price : 4,788,324  
 Total Assessed Value : 4,400,574  
 Avg. Adj. Sales Price : 48,367  
 Avg. Assessed Value : 44,450

MEDIAN : 97  
 WGT. MEAN : 92  
 MEAN : 107  
 COD : 34.70  
 PRD : 116.37

COV : 44.22  
 STD : 47.29  
 Avg. Abs. Dev : 33.50  
 MAX Sales Ratio : 279.68  
 MIN Sales Ratio : 29.33

95% Median C.I. : 89.98 to 101.79  
 95% Wgt. Mean C.I. : 86.08 to 97.72  
 95% Mean C.I. : 97.62 to 116.26

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<b>DATE OF SALE *</b>										Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.		
<u>Qtrts</u>											
01-OCT-10 To 31-DEC-10	10	105.01	109.08	99.41	18.58	109.73	55.14	157.94	93.34 to 130.47	54,800	54,476
01-JAN-11 To 31-MAR-11	9	94.25	96.16	87.46	19.88	109.95	51.18	142.25	73.87 to 135.81	33,556	29,348
01-APR-11 To 30-JUN-11	23	85.89	96.79	90.77	30.64	106.63	53.47	190.74	74.08 to 104.68	52,566	47,715
01-JUL-11 To 30-SEP-11	13	101.35	123.95	88.43	58.00	140.17	42.89	279.68	51.74 to 195.82	30,685	27,136
01-OCT-11 To 31-DEC-11	7	83.41	94.44	89.32	22.60	105.73	66.50	138.01	66.50 to 138.01	62,257	55,610
01-JAN-12 To 31-MAR-12	6	102.70	110.28	102.14	23.13	107.97	68.28	184.82	68.28 to 184.82	49,333	50,391
01-APR-12 To 30-JUN-12	13	129.31	125.95	87.64	39.40	143.71	33.97	238.60	64.81 to 172.95	27,654	24,235
01-JUL-12 To 30-SEP-12	18	91.15	101.86	91.58	30.75	111.23	29.33	190.59	81.27 to 117.38	68,839	63,045
<u>Study Yrs</u>											
01-OCT-10 To 30-SEP-11	55	96.53	105.34	91.91	33.59	114.61	42.89	279.68	83.99 to 104.68	44,690	41,074
01-OCT-11 To 30-SEP-12	44	96.71	108.95	91.89	36.03	118.57	29.33	238.60	83.41 to 117.38	52,964	48,670
<u>Calendar Yrs</u>											
01-JAN-11 To 31-DEC-11	52	90.91	103.16	89.68	35.89	115.03	42.89	279.68	80.48 to 101.61	45,110	40,454
<u>ALL</u>	99	96.53	106.94	91.90	34.70	116.37	29.33	279.68	89.98 to 101.79	48,367	44,450

<b>VALUATION GROUPING</b>										Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.		
10	48	98.59	106.56	92.76	28.51	114.88	29.33	279.68	86.24 to 109.38	55,308	51,303
20	19	94.25	108.77	81.68	46.10	133.17	36.51	238.60	65.09 to 142.25	28,053	22,913
30	20	95.94	114.47	98.42	42.63	116.31	51.74	248.40	74.08 to 157.94	27,101	26,674
40	2	65.25	65.25	57.43	47.94	113.62	33.97	96.53	N/A	48,000	27,565
80	10	93.14	98.64	94.97	27.54	103.86	55.14	190.74	66.50 to 117.38	96,250	91,408
<u>ALL</u>	99	96.53	106.94	91.90	34.70	116.37	29.33	279.68	89.98 to 101.79	48,367	44,450

<b>PROPERTY TYPE *</b>										Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.		
01	99	96.53	106.94	91.90	34.70	116.37	29.33	279.68	89.98 to 101.79	48,367	44,450
06											
07											
<u>ALL</u>	99	96.53	106.94	91.90	34.70	116.37	29.33	279.68	89.98 to 101.79	48,367	44,450

**81 Sheridan**  
**RESIDENTIAL**

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95% Wgt. Mean C.I. : 86.08 to 97.72  
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SALE PRICE *											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
<u>Low \$ Ranges</u>												
Less Than 5,000	4	178.38	186.09	185.44	43.70	100.35	107.90	279.68	N/A	3,125	5,795	
Less Than 15,000	18	144.83	156.45	155.86	32.62	100.38	79.86	279.68	108.36 to 184.82	7,967	12,417	
Less Than 30,000	40	133.33	140.28	135.08	31.46	103.85	53.47	279.68	108.69 to 157.94	14,621	19,749	
<u>Ranges Excl. Low \$</u>												
Greater Than 4,999	95	95.01	103.61	91.66	32.75	113.04	29.33	238.60	86.24 to 101.61	50,272	46,078	
Greater Than 14,999	81	91.84	95.94	89.93	28.78	106.68	29.33	195.82	83.41 to 97.49	57,345	51,569	
Greater Than 29,999	59	85.89	84.34	85.90	22.18	98.18	29.33	155.82	77.09 to 96.46	71,246	61,197	
<u>Incremental Ranges</u>												
0 TO 4,999	4	178.38	186.09	185.44	43.70	100.35	107.90	279.68	N/A	3,125	5,795	
5,000 TO 14,999	14	144.83	147.98	153.03	26.57	96.70	79.86	238.60	94.25 to 184.82	9,350	14,309	
15,000 TO 29,999	22	129.92	127.05	128.33	28.12	99.00	53.47	195.82	92.16 to 157.94	20,065	25,749	
30,000 TO 59,999	28	95.14	87.37	87.35	22.24	100.02	36.51	155.82	72.07 to 101.21	41,786	36,500	
60,000 TO 99,999	19	76.72	73.62	75.23	19.73	97.86	29.33	120.33	64.54 to 82.54	77,211	58,085	
100,000 TO 149,999	10	91.28	92.72	92.27	11.90	100.49	65.39	117.38	80.67 to 109.38	115,150	106,249	
150,000 TO 249,999	1	102.77	102.77	102.77	00.00	100.00	102.77	102.77	N/A	160,000	164,427	
250,000 TO 499,999	1	101.20	101.20	101.20	00.00	100.00	101.20	101.20	N/A	255,000	258,070	
500,000 TO 999,999												
1,000,000 +												
<u>ALL</u>	99	96.53	106.94	91.90	34.70	116.37	29.33	279.68	89.98 to 101.79	48,367	44,450	



## 2013 Correlation Section for Sheridan County

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### A. Residential Real Property

With a County population of 5,469, Sheridan County's major occupations are found in agriculture, education, transportation and services. The city of Gordon has probably the only viable residential market within the County, with about 36% of total residential value. Rushville has 17% of residential value and the village of Hay Springs has approximately 12% of all residential value. Clinton consists of only 1% of value, and the remaining 34% is comprised of all rural residences. Residential home ownership is 67.59%; rentals constitute 20.69% and vacant homes are 11.72% within the County.

For the six-year physical review cycle, Gordon remains to be reviewed for assessment year 2014. The Department in 2012 conducted a review of each county's sales qualification process. This included a review of the sales deemed non-qualified as well as each county's sales verification documentation. A review of the qualification process used by the County indicated that no bias existed in the qualification of sales and the Assessor was utilizing all information available from the sales file to assist in developing valuations for all three property classes.

Assessment actions taken to address the residential property class for 2013 included the physical review of valuation groupings 20, 30 and the small towns that constitute the valuation grouping 40. Residential values were decreased in 20 (Hay Springs), and increased in grouping 80 (rural residential).

The statistical sample consists of ninety-nine qualified residential sales, and two out of the three overall measures of central tendency are within range (the mean is above its acceptable range). All valuation groupings with a significant sample have medians within acceptable range. It is interesting to note that valuation grouping 10 (Gordon) that was afore-mentioned to probably have the only viable residential market constitutes approximately 49% of the qualified sample. Two of this groups three measures of central tendency are within range (the median and the weighted mean) and the COD is less than 30%. Further review indicates that four low-dollar sales = \$10,000 are skewing both the mean and the COD (bk 2010, pg 838; bk 2011, pg 693; bk 2011, pg 672 and bk 2012, pg 40). The removal of these would move the median to 95, the mean to 99 and the COD to 24 (the weighted mean would round to 92).

Based on an analysis of all information, and taking into account that the city of Gordon probably provides the only viable residential market, it is believed that the level of value for residential property in Sheridan County is 95% of market value.

**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 Sheridan County

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### 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 Sheridan County

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### 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 Sheridan County**

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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 Sheridan County**

For assessment year 2013, commercial property in Clinton and Whiteclay was reviewed. All pickup work was also completed.

## 2013 Commercial Assessment Survey for Sheridan County

1.	<b>Valuation data collection done by:</b>	
	The Assessor, her staff and Jeff Haugen Appraisal Services.	
2.	<b>List the valuation groupings recognized in the County and describe the unique characteristics of each:</b>	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	10	Gordon—includes all commercial parcels within Gordon and any commercial parcels that would be considered suburban, since there is not a separate suburban commercial market.
	20	Hay Springs—all commercial parcels within and around Hay Springs.
	30	Rushville—the commercial parcels within and around Rushville.
	40	Small Towns—consists of any commercial property within Antioch, Bingham, Ellsworth, Lakeside and Whiteclay.
	80	Rural—all rural commercial parcels.
3.	<b>List and describe the approach(es) used to estimate the market value of commercial properties.</b>	
	The cost approach, that is replacement cost new, minus depreciation.	
3a.	<b>Describe the process used to determine the value of unique commercial properties.</b>	
	Currently, the County does not have unique commercial properties.	
4.	<b>What is the costing year of the cost approach being used for each valuation grouping?</b>	
	1999	
5.	<b>If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?</b>	
	The County uses tables provided by the CAMA vendor.	
6.	<b>Are individual depreciation tables developed for each valuation grouping?</b>	
	No	
7.	<b>When were the depreciation tables last updated for each valuation grouping?</b>	
	1999	
8.	<b>When was the last lot value study completed for each valuation grouping?</b>	
	In 1999	
9.	<b>Describe the methodology used to determine the commercial lot values.</b>	
	The Assessor uses market value and then expresses this as value per lot front foot.	

**81 Sheridan**  
**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 : 15  
Total Sales Price : 2,125,553  
Total Adj. Sales Price : 2,125,553  
Total Assessed Value : 1,111,884  
Avg. Adj. Sales Price : 141,704  
Avg. Assessed Value : 74,126

MEDIAN : 97  
WGT. MEAN : 52  
MEAN : 118  
COD : 52.23  
PRD : 225.52

COV : 66.72  
STD : 78.71  
Avg. Abs. Dev : 50.74  
MAX Sales Ratio : 292.52  
MIN Sales Ratio : 15.85

95% Median C.I. : 76.73 to 141.44  
95% Wgt. Mean C.I. : -5.85 to 110.47  
95% Mean C.I. : 74.38 to 161.56

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DATE OF SALE *											Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.			
<u>Qrtrs</u>												
01-OCT-09 To 31-DEC-09	1	82.82	82.82	82.82	00.00	100.00	82.82	82.82	N/A	50,000	41,411	
01-JAN-10 To 31-MAR-10	1	97.15	97.15	97.15	00.00	100.00	97.15	97.15	N/A	218,710	212,466	
01-APR-10 To 30-JUN-10	1	86.05	86.05	86.05	00.00	100.00	86.05	86.05	N/A	11,000	9,465	
01-JUL-10 To 30-SEP-10	1	98.89	98.89	98.89	00.00	100.00	98.89	98.89	N/A	37,500	37,084	
01-OCT-10 To 31-DEC-10	1	176.22	176.22	176.22	00.00	100.00	176.22	176.22	N/A	5,000	8,811	
01-JAN-11 To 31-MAR-11												
01-APR-11 To 30-JUN-11												
01-JUL-11 To 30-SEP-11	3	279.60	222.04	114.42	23.67	194.06	94.00	292.52	N/A	14,917	17,068	
01-OCT-11 To 31-DEC-11	1	108.52	108.52	108.52	00.00	100.00	108.52	108.52	N/A	50,000	54,259	
01-JAN-12 To 31-MAR-12	1	15.85	15.85	15.85	00.00	100.00	15.85	15.85	N/A	1,306,593	207,049	
01-APR-12 To 30-JUN-12	2	50.13	50.13	53.16	47.80	94.30	26.17	74.08	N/A	35,500	18,873	
01-JUL-12 To 30-SEP-12	3	119.56	112.58	136.67	18.04	82.37	76.73	141.44	N/A	110,333	150,796	
<u>Study Yrs</u>												
01-OCT-09 To 30-SEP-10	4	91.60	91.23	94.71	07.41	96.33	82.82	98.89	N/A	79,303	75,107	
01-OCT-10 To 30-SEP-11	4	227.91	210.59	120.63	33.12	174.58	94.00	292.52	N/A	12,438	15,004	
01-OCT-11 To 30-SEP-12	7	76.73	80.34	42.73	47.18	188.02	15.85	141.44	15.85 to 141.44	251,228	107,349	
<u>Calendar Yrs</u>												
01-JAN-10 To 31-DEC-10	4	98.02	114.58	98.39	23.44	116.45	86.05	176.22	N/A	68,053	66,957	
01-JAN-11 To 31-DEC-11	4	194.06	193.66	111.31	47.61	173.98	94.00	292.52	N/A	23,688	26,366	
<u>ALL</u>	15	97.15	117.97	52.31	52.23	225.52	15.85	292.52	76.73 to 141.44	141,704	74,126	

VALUATION GROUPING											Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.			
10	6	102.84	133.92	117.46	41.42	114.01	82.82	279.60	82.82 to 279.60	110,160	129,391	
20	4	81.39	132.35	83.92	69.96	157.71	74.08	292.52	N/A	18,625	15,631	
30	3	119.56	131.56	110.19	21.56	119.39	98.89	176.22	N/A	17,500	19,284	
40	2	21.01	21.01	16.09	24.56	130.58	15.85	26.17	N/A	668,797	107,581	
<u>ALL</u>	15	97.15	117.97	52.31	52.23	225.52	15.85	292.52	76.73 to 141.44	141,704	74,126	

PROPERTY TYPE *											Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.			
02	1	74.08	74.08	74.08	00.00	100.00	74.08	74.08	N/A	40,000	29,633	
03	14	98.02	121.11	51.89	53.77	233.40	15.85	292.52	76.73 to 176.22	148,968	77,304	
04												
<u>ALL</u>	15	97.15	117.97	52.31	52.23	225.52	15.85	292.52	76.73 to 141.44	141,704	74,126	

**81 Sheridan  
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 : 15  
 Total Sales Price : 2,125,553  
 Total Adj. Sales Price : 2,125,553  
 Total Assessed Value : 1,111,884  
 Avg. Adj. Sales Price : 141,704  
 Avg. Assessed Value : 74,126

MEDIAN : 97  
 WGT. MEAN : 52  
 MEAN : 118  
 COD : 52.23  
 PRD : 225.52

COV : 66.72  
 STD : 78.71  
 Avg. Abs. Dev : 50.74  
 MAX Sales Ratio : 292.52  
 MIN Sales Ratio : 15.85

95% Median C.I. : 76.73 to 141.44  
 95% Wgt. Mean C.I. : -5.85 to 110.47  
 95% Mean C.I. : 74.38 to 161.56

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SALE PRICE *											Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.			
<u>Low \$ Ranges</u>												
Less Than 5,000	2	286.06	286.06	286.40	02.26	99.88	279.60	292.52	N/A		2,375	6,802
Less Than 15,000	5	176.22	190.79	142.56	41.60	133.83	86.05	292.52	N/A		6,150	8,767
Less Than 30,000	6	147.89	171.78	115.84	52.52	148.29	76.73	292.52	76.73 to 292.52		8,625	9,992
<u>Ranges Excl. Low \$</u>												
Greater Than 4,999	13	94.00	92.11	51.79	31.11	177.85	15.85	176.22	74.08 to 119.56		163,139	84,483
Greater Than 14,999	10	88.41	81.57	50.99	29.91	159.97	15.85	141.44	26.17 to 108.52		209,480	106,805
Greater Than 29,999	9	94.00	82.10	50.72	29.20	161.87	15.85	141.44	26.17 to 108.52		230,423	116,882
<u>Incremental Ranges</u>												
0 TO 4,999	2	286.06	286.06	286.40	02.26	99.88	279.60	292.52	N/A		2,375	6,802
5,000 TO 14,999	3	119.56	127.28	116.28	25.14	109.46	86.05	176.22	N/A		8,667	10,077
15,000 TO 29,999	1	76.73	76.73	76.73	00.00	100.00	76.73	76.73	N/A		21,000	16,113
30,000 TO 59,999	6	88.41	80.75	83.74	22.31	96.43	26.17	108.52	26.17 to 108.52		41,417	34,683
60,000 TO 99,999												
100,000 TO 149,999												
150,000 TO 249,999	1	97.15	97.15	97.15	00.00	100.00	97.15	97.15	N/A		218,710	212,466
250,000 TO 499,999	1	141.44	141.44	141.44	00.00	100.00	141.44	141.44	N/A		300,000	424,320
500,000 TO 999,999												
1,000,000 +	1	15.85	15.85	15.85	00.00	100.00	15.85	15.85	N/A		1,306,593	207,049
<u>ALL</u>	15	97.15	117.97	52.31	52.23	225.52	15.85	292.52	76.73 to 141.44		141,704	74,126

OCCUPANCY CODE											Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.			
Blank	1	74.08	74.08	74.08	00.00	100.00	74.08	74.08	N/A		40,000	29,633
353	8	103.71	151.96	101.10	60.03	150.31	76.73	292.52	76.73 to 292.52		43,495	43,975
391	1	119.56	119.56	119.56	00.00	100.00	119.56	119.56	N/A		10,000	11,956
406	1	26.17	26.17	26.17	00.00	100.00	26.17	26.17	N/A		31,000	8,113
471	2	49.34	49.34	18.31	67.88	269.47	15.85	82.82	N/A		678,297	124,230
501	1	141.44	141.44	141.44	00.00	100.00	141.44	141.44	N/A		300,000	424,320
529	1	94.00	94.00	94.00	00.00	100.00	94.00	94.00	N/A		40,000	37,600
<u>ALL</u>	15	97.15	117.97	52.31	52.23	225.52	15.85	292.52	76.73 to 141.44		141,704	74,126



## 2013 Correlation Section for Sheridan County

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### A. Commercial Real Property

Sheridan County as of 2010 had a population of 5,469 and its county seat is located in the city of Rushville. The other city in the county is Gordon, and villages include Clinton and Hay Springs. Whiteclay is noted as a "census-designated place," and Antioch is listed as a "ghost town." There is very limited commercial activity consisting mostly of retail and service entities.

Regarding the six-year physical review cycle, Sheridan County still needs to complete Gordon, Rushville and Hay Springs. These are to be completed in assessment year 2014. For assessment year 2013, the village of Clinton and Whiteclay were reviewed. It is important that the commercial review be completed, because the last complete commercial review and re-appraisal occurred in assessment year 1999. The date of the commercial cost index utilized to value improvements is 2002.

The Department in 2012 conducted a review of each county's sales qualification process. This included a review of the sales deemed non-qualified as well as each county's sales verification documentation. A review of the qualification process used by the County indicated that no bias existed in the qualification of sales and the Assessor was utilizing all information available from the sales file to assist in developing valuations for all three property classes.

As shown by the statistical profile for commercial property, fifteen sales were deemed qualified by the Assessor. The fifteen sales are divided among four valuation groupings, with Gordon (val grp 10) having the most sales at six. None of the individual valuation groupings measurements are within acceptable range. Only the overall median is within prescribed parameters at 97% (rounded). The COD does not support the median measure of central tendency at 52%, and the price-related differential is an astounding 226%.

A further examination of the fifteen commercial sales by occupancy code reveals that eight of the fifteen sales (more than half) are coded 353--Retail Store. The Assessor queried occupancy coding 353 in her County and has noted that of the 455 commercial properties, only 72 or approximately 16% are coded 353--Retail Store. The sample is therefore skewed by the over-representation of this occupancy code when compared to the entire commercial base.

Based on an analysis of all information coupled with the realization that the physical review of all commercial property has not yet been completed, it is believed that the level of value for commercial property within Sheridan County cannot be determined.

**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 Sheridan County

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### 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 Sheridan County

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### 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 Sheridan County**

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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 Sheridan County**

Assessment actions taken by the Assessor to address agricultural land for 2013 included raising all irrigated land, all but two (2D1 and 3D1) capability groups, and increasing two grass subclasses—1G and 3G.

## 2013 Agricultural Assessment Survey for Sheridan County

1.	<b>Valuation data collection done by:</b>	
	Jeff Haugen Appraisal Services.	
2.	<b>List each market area, and describe the location and the specific characteristics that make each unique.</b>	
	Market Area	Description of unique characteristics
		At present, there are no significant differences by geographic location that would establish unique market areas with separate values determined by an adequate sample of arms'-length sales.
3.	<b>Describe the process used to determine and monitor market areas.</b>	
	The Assessor reviews sales in the various areas of the County to determine if there is a unique difference that would justify establishing market areas.	
4.	<b>Describe the process used to identify rural residential land and recreational land in the county apart from agricultural land.</b>	
	Rural residential land is identified by the Assessor as all other land that does not fit the statutory definition of agricultural/horticultural land, and further, does not meet the definition of recreational land. Recreational land is defined as all parcels of real property predominantly used or intended to be used for diversion, entertainment and relaxation on an occasional basis.	
5.	<b>Do farm home sites carry the same value as rural residential home sites? If not, what are the market differences?</b>	
	Yes, the County recognizes a standard value for the first acre—home site—and the second acre.	
6.	<b>Describe the process used to identify and monitor the influence of non-agricultural characteristics.</b>	
	Currently, the Assessor has not noted any non-agricultural influence. A review of the agricultural verification questionnaires would act as an alert to possible non-agricultural influence.	
7.	<b>Have special valuation applications been filed in the county? If a value difference is recognized describe the process used to develop the uninfluenced value.</b>	
	No	
8.	<b>If applicable, describe the process used to develop assessed values for parcels enrolled in the Wetland Reserve Program.</b>	
	The County at present has two parcels enrolled in the Wetland Reserve Program. The assessed value for these is established by taking the current assessed value and dividing this by the overall agricultural median (72% as of this time) to establish the new WRP value.	

**81 Sheridan**  
**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 : 40  
Total Sales Price : 15,985,731  
Total Adj. Sales Price : 15,576,716  
Total Assessed Value : 9,108,141  
Avg. Adj. Sales Price : 389,418  
Avg. Assessed Value : 227,704

MEDIAN : 70  
WGT. MEAN : 58  
MEAN : 70  
COD : 21.62  
PRD : 120.42

COV : 29.04  
STD : 20.45  
Avg. Abs. Dev : 15.13  
MAX Sales Ratio : 136.86  
MIN Sales Ratio : 33.62

95% Median C.I. : 62.95 to 75.91  
95% Wgt. Mean C.I. : 50.79 to 66.16  
95% Mean C.I. : 64.07 to 76.75

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**DATE OF SALE \***

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Qtrts</u>											
01-OCT-09 To 31-DEC-09	6	72.79	69.92	53.62	16.16	130.40	33.62	87.22	33.62 to 87.22	375,569	201,370
01-JAN-10 To 31-MAR-10	4	73.34	75.25	73.31	08.06	102.65	67.92	86.41	N/A	351,001	257,308
01-APR-10 To 30-JUN-10	2	103.36	103.36	89.62	32.42	115.33	69.85	136.86	N/A	129,680	116,218
01-JUL-10 To 30-SEP-10	4	86.13	82.88	76.76	12.64	107.97	61.19	98.07	N/A	71,857	55,156
01-OCT-10 To 31-DEC-10	3	85.18	81.91	70.95	10.32	115.45	67.09	93.47	N/A	779,225	552,898
01-JAN-11 To 31-MAR-11	5	63.06	63.00	62.16	10.10	101.35	47.09	75.82	N/A	231,343	143,809
01-APR-11 To 30-JUN-11	1	81.13	81.13	81.13	00.00	100.00	81.13	81.13	N/A	194,000	157,392
01-JUL-11 To 30-SEP-11	3	62.02	73.01	61.90	29.64	117.95	50.93	106.07	N/A	597,713	369,975
01-OCT-11 To 31-DEC-11	1	84.36	84.36	84.36	00.00	100.00	84.36	84.36	N/A	48,800	41,170
01-JAN-12 To 31-MAR-12	6	59.77	55.87	46.90	21.11	119.13	34.45	72.94	34.45 to 72.94	386,447	181,254
01-APR-12 To 30-JUN-12	5	47.93	55.41	46.65	23.53	118.78	42.42	84.24	N/A	704,700	328,776
01-JUL-12 To 30-SEP-12											
<u>Study Yrs</u>											
01-OCT-09 To 30-SEP-10	16	74.66	78.67	64.00	18.71	122.92	33.62	136.86	68.69 to 87.22	262,763	168,157
01-OCT-10 To 30-SEP-11	12	66.58	71.74	66.50	19.60	107.88	47.09	106.07	62.02 to 85.18	456,794	303,755
01-OCT-11 To 30-SEP-12	12	57.82	58.05	47.06	24.30	123.35	34.45	84.36	42.42 to 72.94	490,915	231,048
<u>Calendar Yrs</u>											
01-JAN-10 To 31-DEC-10	13	82.79	83.46	73.24	16.42	113.95	61.19	136.86	67.92 to 93.47	329,882	241,614
01-JAN-11 To 31-DEC-11	10	64.57	69.95	63.51	19.73	110.14	47.09	106.07	50.93 to 84.36	319,265	202,753
<u>ALL</u>	40	69.97	70.41	58.47	21.62	120.42	33.62	136.86	62.95 to 75.91	389,418	227,704

**AREA (MARKET)**

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
Blank	40	69.97	70.41	58.47	21.62	120.42	33.62	136.86	62.95 to 75.91	389,418	227,704
<u>ALL</u>	40	69.97	70.41	58.47	21.62	120.42	33.62	136.86	62.95 to 75.91	389,418	227,704

**81 Sheridan**  
**AGRICULTURAL LAND**

**PAD 2013 R&O Statistics (Using 2013 Values)**

Qualified

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WGT. MEAN : 58  
MEAN : 70  
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PRD : 120.42

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STD : 20.45  
Avg. Abs. Dev : 15.13  
MAX Sales Ratio : 136.86  
MIN Sales Ratio : 33.62

95% Median C.I. : 62.95 to 75.91  
95% Wgt. Mean C.I. : 50.79 to 66.16  
95% Mean C.I. : 64.07 to 76.75

Printed:3/26/2013 2:43:01PM

**95%MLU By Market Area**

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<b>Irrigated</b>											
County	1	136.86	136.86	136.86	00.00	100.00	136.86	136.86	N/A	76,500	104,701
Blank	1	136.86	136.86	136.86	00.00	100.00	136.86	136.86	N/A	76,500	104,701
<b>Dry</b>											
County	1	70.08	70.08	70.08	00.00	100.00	70.08	70.08	N/A	255,000	178,710
Blank	1	70.08	70.08	70.08	00.00	100.00	70.08	70.08	N/A	255,000	178,710
<b>Grass</b>											
County	14	74.66	72.32	60.48	17.20	119.58	38.20	98.07	50.93 to 84.40	419,032	253,431
Blank	14	74.66	72.32	60.48	17.20	119.58	38.20	98.07	50.93 to 84.40	419,032	253,431
<b>ALL</b>	<b>40</b>	<b>69.97</b>	<b>70.41</b>	<b>58.47</b>	<b>21.62</b>	<b>120.42</b>	<b>33.62</b>	<b>136.86</b>	<b>62.95 to 75.91</b>	<b>389,418</b>	<b>227,704</b>

**80%MLU By Market Area**

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<b>Irrigated</b>											
County	7	75.82	81.25	63.86	26.02	127.23	34.45	136.86	34.45 to 136.86	329,017	210,127
Blank	7	75.82	81.25	63.86	26.02	127.23	34.45	136.86	34.45 to 136.86	329,017	210,127
<b>Dry</b>											
County	2	88.08	88.08	81.51	20.44	108.06	70.08	106.07	N/A	186,824	152,278
Blank	2	88.08	88.08	81.51	20.44	108.06	70.08	106.07	N/A	186,824	152,278
<b>Grass</b>											
County	20	71.40	67.84	55.21	20.77	122.88	33.62	98.07	57.10 to 82.79	457,728	252,700
Blank	20	71.40	67.84	55.21	20.77	122.88	33.62	98.07	57.10 to 82.79	457,728	252,700
<b>ALL</b>	<b>40</b>	<b>69.97</b>	<b>70.41</b>	<b>58.47</b>	<b>21.62</b>	<b>120.42</b>	<b>33.62</b>	<b>136.86</b>	<b>62.95 to 75.91</b>	<b>389,418</b>	<b>227,704</b>

## Sheridan County 2013 Average Acre Value Comparison

County	Mkt Area	1A1	1A	2A1	2A	3A1	3A	4A1	4A	AVG IRR
Sheridan	1	N/A	1,195	1,170	975	950	925	875	850	1,019
Cherry	1	N/A	1,550	1,550	1,550	1,373	1,368	1,389	1,400	1,421
Garden	1	N/A	1,150	1,100	1,050	1,000	1,000	1,000	1,000	1,025
Dawes	1	N/A	610	515	515	455	455	435	435	470
Dawes	4	N/A	1,350	N/A	1,350	1,000	1,000	950	950	1,174
Box Butte	1	N/A	1,272	1,128	1,280	1,275	1,270	1,271	1,274	1,273
Box Butte	2	N/A	1,602	1,608	1,594	1,230	1,211	1,191	1,219	1,536
Box Butte	3	N/A	1,265	1,300	1,213	850	816	820	845	1,210
Grant	1	N/A	N/A	N/A	N/A	N/A	1,000	1,000	1,000	1,000
Morrill	2	N/A	1,350	1,275	1,250	N/A	1,100	1,100	1,100	1,141

County	Mkt Area	1D1	1D	2D1	2D	3D1	3D	4D1	4D	AVG DRY
Sheridan	1	N/A	550	525	460	410	405	355	355	448
Cherry	1	N/A	550	525	475	450	425	425	425	470
Garden	1	N/A	525	465	415	415	415	415	415	484
Dawes	1	N/A	415	375	375	340	340	330	330	366
Dawes	4	N/A	500	N/A	450	400	400	375	375	463
Box Butte	1	N/A	380	N/A	350	230	230	230	230	310
Box Butte	2	N/A	500	500	500	325	325	325	325	470
Box Butte	3	N/A	500	470	470	300	300	300	300	465
Grant	1	N/A								
Morrill	2	N/A	380	N/A	340	N/A	340	340	340	346

County	Mkt Area	1G1	1G	2G1	2G	3G1	3G	4G1	4G	AVG GRASS
Sheridan	1	N/A	375	295	285	250	250	230	220	234
Cherry	1	N/A	425	400	380	355	330	240	240	257
Garden	1	N/A	300	250	250	243	249	233	230	232
Dawes	1	N/A	210	195	195	180	180	180	180	182
Dawes	4	N/A	400	375	375	325	325	300	300	320
Box Butte	1	N/A	276	250	260	234	234	231	230	234
Box Butte	2	N/A	297	263	250	250	229	227	230	243
Box Butte	3	N/A	336	327	323	319	324	300	300	311
Grant	1	N/A	N/A	N/A	N/A	N/A	245	245	245	245
Morrill	2	N/A	220	220	220	N/A	220	220	220	220

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



## 2013 Correlation Section for Sheridan County

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### A. Agricultural Land

Sheridan County's total land area is 2,441 square miles. Agricultural land within the County is comprised of approximately 83% grass, 10% dry land and only 4.5% irrigated. The remaining one and a half percent is classified as waste. Sheridan County lies within the Upper Niobrara White NRD. "In 2003, the UNWNRD established a stay on new high capacity wells to prevent the over-appropriation of the water supply. Working with Nebraska Department of Natural Resources (DNR), the UNWNRD strives to maintain a balance of supply and demand for ground and surface water. Currently, DNR has determined that the majority of the UNWNRD is fully appropriated. Fully appropriated means the balance between the water supply and demand has been reached...no new high capacity wells or surface water rights are allowed in this area" (taken from the UNWNRD website).

However, in 2011 the Nebraska Supreme Court reversed the DNR "fully appropriated" designation for the Lower Niobrara River Basin that would permit landowners in that area (below the Dunlap Diversion and above the Spencer hydropower facility) "to add up to 20% of their currently certified irrigated acres once each year from 2011-2014 if they have an existing irrigation well" to service the acres (taken from the UNWNRD newsletter, Fall 2011).

Sheridan County currently has not identified unique agricultural market areas (although the potential for market areas has been examined for the last several years) and its neighboring counties are Dawes and Box Butte to the west (both have multiple market areas and Dawes has market area one that has land of topography, soils and lack of adequate water that extends somewhat into the northwestern part of Sheridan County). The State of South Dakota borders Sheridan to the north; Cherry County borders Sheridan to the east (and likewise has no identified agricultural market areas). A small portion of the extreme southeast of Sheridan County borders Grant County (with no market areas). Garden County borders Sheridan to the south (and also has no market areas).

Preliminary analysis of the agricultural sales sample indicated that there was time non-proportionality. The first year of the study had almost double the sales of the second and third years. A comparison of the Majority Land Use classes between the sales file sample and the County base indicate no statistically significant difference. Therefore, seven comparable sales were utilized to ensure time proportionality among the three years in the sales study, while maintaining the balance among the Majority Land Use classes.

These actions produced a sample of forty qualified sales that was used to determine the level of value in Sheridan County. Assessment actions taken to address the agricultural land class included the on average increase of all irrigated land by 23% (13-30%); five of the dry Land Capability Groups were raised between 1-20% to closer match 75% of the market. Only two grass capability groups were given a slight increase—1G and 3G. A review of the statistical data from the agricultural sample reveals a median of 70% that is supported by a COD of 22%. Under the heading "95% MLU By Market Area," the only land class with a significant number of sales was grass. There are fourteen grass sales with a median of 75%, supported by a coefficient of dispersion of 17% (all figures rounded).

**2013 Correlation Section  
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A review of the neighboring counties reveals that the 2013 values applied in Sheridan County are a mixture of higher and lower than its neighbors. Irrigated land in Sheridan is on average significantly higher than Dawes Area One, but lower than Dawes Area Four. This land class is most similar to that of Grant County, but 12-51% lower than the other contiguous counties. Dry land on average is closer in value to Cherry, Dawes Area Four and Box Butte Areas Two and Three, but higher than Dawes Area One, and Box Butte Area One. Garden dry is on average about 8% higher than Sheridan. Sheridan's grass values are similar to Garden, Box Butte Areas One, Two and Grant counties. It is significantly higher than Dawes Area One, but significantly lower than Dawes Area Four and Box Butte Area Three. Some of the differences may be due to the fact that two of the neighboring counties have unique market areas.

Based on the consideration of all available information, the level of value is determined to be 70% of market value for the agricultural land class of property, and all subclasses are determined to be valued within acceptable range.

There will be no non-binding recommendation made for the agricultural class of property in Sheridan 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 Sheridan County

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### 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 Sheridan County

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### 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

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

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

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

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



<b>Total Real Property</b> Sum Lines 17, 25, & 30	<b>Records : 8,177</b>	<b>Value : 607,183,425</b>	<b>Growth 3,121,323</b>	<b>Sum Lines 17, 25, &amp; 41</b>
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**Schedule I : Non-Agricultural Records**

	Urban		SubUrban		Rural		Total		Growth
	Records	Value	Records	Value	Records	Value	Records	Value	
<b>01. Res UnImp Land</b>	320	409,883	29	69,923	59	393,553	408	873,359	
<b>02. Res Improve Land</b>	1,535	5,759,500	62	652,546	239	4,365,495	1,836	10,777,541	
<b>03. Res Improvements</b>	1,592	44,800,593	69	3,679,351	276	17,464,411	1,937	65,944,355	
<b>04. Res Total</b>	1,912	50,969,976	98	4,401,820	335	22,223,459	2,345	77,595,255	184,516
<b>% of Res Total</b>	81.54	65.69	4.18	5.67	14.29	28.64	28.68	12.78	5.91
<b>05. Com UnImp Land</b>	62	277,442	7	22,002	11	48,675	80	348,119	
<b>06. Com Improve Land</b>	310	2,607,217	17	75,555	35	165,075	362	2,847,847	
<b>07. Com Improvements</b>	315	16,145,888	17	1,227,863	43	3,697,287	375	21,071,038	
<b>08. Com Total</b>	377	19,030,547	24	1,325,420	54	3,911,037	455	24,267,004	1,039,646
<b>% of Com Total</b>	82.86	78.42	5.27	5.46	11.87	16.12	5.56	4.00	33.31
<b>09. Ind UnImp Land</b>	0	0	0	0	0	0	0	0	
<b>10. Ind Improve Land</b>	0	0	0	0	0	0	0	0	
<b>11. Ind Improvements</b>	0	0	0	0	0	0	0	0	
<b>12. Ind Total</b>	0	0	0	0	0	0	0	0	0
<b>% of Ind Total</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>13. Rec UnImp Land</b>	0	0	0	0	24	439,083	24	439,083	
<b>14. Rec Improve Land</b>	0	0	0	0	0	0	0	0	
<b>15. Rec Improvements</b>	0	0	0	0	0	0	0	0	
<b>16. Rec Total</b>	0	0	0	0	24	439,083	24	439,083	0
<b>% of Rec Total</b>	0.00	0.00	0.00	0.00	100.00	100.00	0.29	0.07	0.00
<b>Res &amp; Rec Total</b>	1,912	50,969,976	98	4,401,820	359	22,662,542	2,369	78,034,338	184,516
<b>% of Res &amp; Rec Total</b>	80.71	65.32	4.14	5.64	15.15	29.04	28.97	12.85	5.91
<b>Com &amp; Ind Total</b>	377	19,030,547	24	1,325,420	54	3,911,037	455	24,267,004	1,039,646
<b>% of Com &amp; Ind Total</b>	82.86	78.42	5.27	5.46	11.87	16.12	5.56	4.00	33.31
<b>17. Taxable Total</b>	2,289	70,000,523	122	5,727,240	413	26,573,579	2,824	102,301,342	1,224,162
<b>% of Taxable Total</b>	81.06	68.43	4.32	5.60	14.62	25.98	34.54	16.85	39.22

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	0	0	0	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	0	0	0
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
22. Total Sch II				0	0	0

Schedule III : Mineral Interest Records

Mineral Interest	Records	Urban Value	Records	SubUrban Value	Records	Rural Value	Records	Total Value	Growth
23. Producing	0	0	0	0	0	0	0	0	0
24. Non-Producing	0	0	0	0	0	0	0	0	82,217
25. Total	0	0	0	0	0	0	0	0	82,217

Schedule IV : Exempt Records : Non-Agricultural

	Urban Records	SubUrban Records	Rural Records	Total Records
26. Exempt	247	0	502	749

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	13	113,742	5	298,434	4,304	334,384,767	4,322	334,796,943
28. Ag-Improved Land	1	16,012	1	0	974	117,139,134	976	117,155,146
29. Ag Improvements	1	72,433	1	2,244	1,029	52,855,317	1,031	52,929,994
30. Ag Total							5,353	504,882,083

Schedule VI : Agricultural Records :Non-Agricultural Detail

	Urban			SubUrban			Growth
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	0	0.00	0	0	0.00	0	
32. HomeSite Improv Land	1	1.00	12,000	0	0.00	0	
33. HomeSite Improvements	1	0.00	70,918	0	0.00	0	
34. HomeSite Total							
35. FarmSite UnImp Land	0	0.00	0	0	0.00	0	
36. FarmSite Improv Land	1	1.00	1,500	0	0.00	0	
37. FarmSite Improvements	1	0.00	1,515	1	0.00	2,244	
38. FarmSite Total							
39. Road & Ditches	0	0.00	0	1	0.59	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	29	30.00	360,000	29	30.00	360,000	
32. HomeSite Improv Land	700	733.72	8,800,140	701	734.72	8,812,140	
33. HomeSite Improvements	788	0.00	37,690,642	789	0.00	37,761,560	224,765
34. HomeSite Total				<b>818</b>	<b>764.72</b>	<b>46,933,700</b>	
35. FarmSite UnImp Land	35	78.18	117,270	35	78.18	117,270	
36. FarmSite Improv Land	772	1,405.42	2,108,130	773	1,406.42	2,109,630	
37. FarmSite Improvements	968	0.00	15,164,675	970	0.00	15,168,434	1,590,179
38. FarmSite Total				<b>1,005</b>	<b>1,484.60</b>	<b>17,395,334</b>	
39. Road & Ditches	1,616	6,308.19	0	1,617	6,308.78	0	
40. Other- Non Ag Use	2	10.37	33,915	2	10.37	33,915	
41. Total Section VI				<b>1,823</b>	<b>8,568.47</b>	<b>64,362,949</b>	<b>1,814,944</b>

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

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	0	0.00	0	0	0.00	0
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	8	1,296.28	236,279	8	1,296.28	236,279

Schedule VIII : Agricultural Records : Special Value

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

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

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

Market Area 1

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	24,230.33	34.59%	28,955,260	40.57%	1,195.00
47. 2A1	732.78	1.05%	857,353	1.20%	1,170.00
48. 2A	16,782.57	23.96%	16,363,077	22.93%	975.00
49. 3A1	806.47	1.15%	766,156	1.07%	950.01
50. 3A	8,360.15	11.93%	7,733,170	10.83%	925.00
51. 4A1	17,325.63	24.73%	15,159,988	21.24%	875.00
52. 4A	1,809.73	2.58%	1,538,284	2.16%	850.01
53. Total	70,047.66	100.00%	71,373,288	100.00%	1,018.92
<b>Dry</b>					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	37,660.32	24.60%	20,713,414	30.17%	550.01
56. 2D1	2,659.63	1.74%	1,396,322	2.03%	525.01
57. 2D	58,589.99	38.27%	26,951,449	39.26%	460.00
58. 3D1	989.30	0.65%	405,615	0.59%	410.00
59. 3D	6,007.59	3.92%	2,433,084	3.54%	405.00
60. 4D1	40,161.93	26.23%	14,257,527	20.77%	355.00
61. 4D	7,020.59	4.59%	2,492,329	3.63%	355.00
62. Total	153,089.35	100.00%	68,649,740	100.00%	448.43
<b>Grass</b>					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	23,411.85	1.83%	8,779,574	2.94%	375.01
65. 2G1	3,757.96	0.29%	1,108,596	0.37%	295.00
66. 2G	69,414.59	5.43%	19,783,241	6.62%	285.00
67. 3G1	5,005.50	0.39%	1,251,422	0.42%	250.01
68. 3G	43,397.91	3.40%	10,849,536	3.63%	250.00
69. 4G1	754,898.75	59.06%	173,627,702	58.14%	230.00
70. 4G	378,276.67	29.60%	83,221,248	27.87%	220.00
71. Total	1,278,163.23	100.00%	298,621,319	100.00%	233.63
<b>Irrigated Total</b>					
	70,047.66	4.52%	71,373,288	16.20%	1,018.92
<b>Dry Total</b>					
	153,089.35	9.89%	68,649,740	15.58%	448.43
<b>Grass Total</b>					
	1,278,163.23	82.56%	298,621,319	67.79%	233.63
72. Waste	46,869.56	3.03%	1,874,787	0.43%	40.00
73. Other	0.00	0.00%	0	0.00%	0.00
74. Exempt	0.00	0.00%	0	0.00%	0.00
75. Market Area Total	1,548,169.80	100.00%	440,519,134	100.00%	284.54

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
<b>76. Irrigated</b>	0.00	0	0.00	0	70,047.66	71,373,288	70,047.66	71,373,288
<b>77. Dry Land</b>	49.27	21,896	0.00	0	153,040.08	68,627,844	153,089.35	68,649,740
<b>78. Grass</b>	411.82	94,358	1,316.81	298,034	1,276,434.60	298,228,927	1,278,163.23	298,621,319
<b>79. Waste</b>	0.00	0	10.00	400	46,859.56	1,874,387	46,869.56	1,874,787
<b>80. Other</b>	0.00	0	0.00	0	0.00	0	0.00	0
<b>81. Exempt</b>	0.00	0	0.00	0	0.00	0	0.00	0
<b>82. Total</b>	<b>461.09</b>	<b>116,254</b>	<b>1,326.81</b>	<b>298,434</b>	<b>1,546,381.90</b>	<b>440,104,446</b>	<b>1,548,169.80</b>	<b>440,519,134</b>

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
<b>Irrigated</b>	70,047.66	4.52%	71,373,288	16.20%	1,018.92
<b>Dry Land</b>	153,089.35	9.89%	68,649,740	15.58%	448.43
<b>Grass</b>	1,278,163.23	82.56%	298,621,319	67.79%	233.63
<b>Waste</b>	46,869.56	3.03%	1,874,787	0.43%	40.00
<b>Other</b>	0.00	0.00%	0	0.00%	0.00
<b>Exempt</b>	0.00	0.00%	0	0.00%	0.00
<b>Total</b>	<b>1,548,169.80</b>	<b>100.00%</b>	<b>440,519,134</b>	<b>100.00%</b>	<b>284.54</b>

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

### 81 Sheridan

	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	77,582,088	77,595,255	13,167	0.02%	184,516	-0.22%
02. Recreational	315,638	439,083	123,445	39.11%	0	39.11%
03. Ag-Homesite Land, Ag-Res Dwelling	43,813,990	46,933,700	3,119,710	7.12%	224,765	6.61%
<b>04. Total Residential (sum lines 1-3)</b>	<b>121,711,716</b>	<b>124,968,038</b>	<b>3,256,322</b>	<b>2.68%</b>	<b>409,281</b>	<b>2.34%</b>
05. Commercial	23,398,833	24,267,004	868,171	3.71%	1,039,646	-0.73%
06. Industrial	0	0	0		0	
07. Ag-Farmsite Land, Outbuildings	14,942,626	17,395,334	2,452,708	16.41%	1,590,179	5.77%
08. Minerals	0	0	0		82,217	
<b>09. Total Commercial (sum lines 5-8)</b>	<b>38,341,459</b>	<b>41,662,338</b>	<b>3,320,879</b>	<b>8.66%</b>	<b>2,712,042</b>	<b>1.59%</b>
<b>10. Total Non-Agland Real Property</b>	<b>160,053,175</b>	<b>166,664,291</b>	<b>6,611,116</b>	<b>4.13%</b>	<b>3,121,323</b>	<b>2.18%</b>
11. Irrigated	58,354,172	71,373,288	13,019,116	22.31%		
12. Dryland	64,103,771	68,649,740	4,545,969	7.09%		
13. Grassland	298,046,081	298,621,319	575,238	0.19%		
14. Wasteland	1,877,220	1,874,787	-2,433	-0.13%		
15. Other Agland	0	0	0			
<b>16. Total Agricultural Land</b>	<b>422,381,244</b>	<b>440,519,134</b>	<b>18,137,890</b>	<b>4.29%</b>		
<b>17. Total Value of all Real Property</b> (Locally Assessed)	<b>582,434,419</b>	<b>607,183,425</b>	<b>24,749,006</b>	<b>4.25%</b>	<b>3,121,323</b>	<b>3.71%</b>

# SHERIDAN COUNTY PLAN OF ASSESSMENT 2013, 2014 & 2015

## INTRODUCTION

Sheridan County is 69 miles long and 36 miles wide, being the fourth largest county in area in Nebraska. It is located in the Nebraska Panhandle joining South Dakota on the north with only Dawes and Sioux Counties between it and Wyoming to the west and Cherry County to the east.

The north portion of the county is pine covered hills and canyons, perfect for hunting and raising cattle. Cropland, both dry and irrigated, fills the next portion of the county, with the south two-thirds being sandhills complete with lakes of all sizes and sub-irrigated meadowland, perfect for fishing and raising cattle.

The staff of the Sheridan County Assessor's office consists of the Assessor, 2 Part time Clerks & one full-time Clerk. Presently there is no deputy assessor. The County does currently have a contract with an appraiser. Jeff Haugen, doing business as Haugen Appraisal Services LLC from Scottsbluff will be doing the rural review for the county. Jerry Knoche, doing business as Knoche Appraisal & Consulting L.L.C., does the sales studies and other consulting needs. Craig Stouffer, a local contractor, is doing the physical inspections of all new construction and remodeling, with Jerry helping with the difficult properties.

## PURPOSE

Pursuant to Neb. Laws 2005, LB 263, Section 9, and Directive 05-4 of the Property Assessment & Taxation, the Assessor shall submit a Plan of Assessment to the County Board of Commissioners on or before July 31. The Plan of Assessment shall describe the assessment actions the County Assessor plans to make for the next assessment year and the two years thereafter. The Assessor shall amend the plan, if necessary, after the budget is approved by the County Board. On or before October 31 of each year, the County Assessor shall electronically send a copy of the plan and any amendments to the Department of Property Assessment & Taxation.

## MISSION STATEMENT

The mission of the Sheridan County Assessor's Office is to provide accurate, fair and equitable valuations for all property in the county and continually inform the property owners of said values in accordance with current state statutes and regulations.

## PLAN OF ASSESSMENT 2013

### STAFF

The staff of the Sheridan County Assessor's office is set forth in the introduction section of this Plan of Assessment.

### BUDGET

The Assessor will annually determine the funding necessary to operate the office for the coming fiscal year and submit her request to the County Board of Commissioners. Special attention will be given to insure that funding will be sufficient to cover all of the plans of assessment.

The County Assessor received \$98,970 for operating expenses (Fund 605) for the 2011-2012 fiscal year. There is also an Appraisal Update budget (Fund 702) in the amount of \$98,230. The cost of all computer hardware and software is paid from a fund other than those mentioned above. However, this does not apply to GIS as the support is paid out of the Appraisal budget. For 2012-2013 fiscal year the County Assessor requested \$100,600 for operating expenses (Fund 605). The Appraisal Update budget (Fund 702) the requested the amount was \$153,844 for 2012-2013 fiscal year. However, the computer hardware and software will probably come out of the budgets mentioned above too.

### CONTINUING EDUCATION/TRAINING

The Assessor or Deputy will attend any courses or workshops necessary to secure the hours of continuing education required for the continuation of the Assessor's Certificate issued by the Property Tax Administrator or State Tax Commissioner.

The Panhandle County Assessors meet monthly to share problems, ideas and frustrations. These sessions provide uniformity of action, solutions to many problems and an invaluable support system.

### COMPUTERS

All computer software is contracted through the Department of Property Assessment & Taxation and includes CAMA, personal property and the administrative packages. We have contracted with GIS Workshop to implement GIS for this fiscal year. Currently we will be working to get the rest of the GIS information done as the new soil survey has been done. Once all the GIS information is done we will implement on line access then after a lot of cleanup work is done. At this time the land usage is complete for the entire county and the next step will be started then.

### PERSONAL PROPERTY

In 2012, 818 personal property returns were filed. Of those, 255 are commercial, with a total value of \$2,520,678 and 508 are agricultural, with a value of \$20,285,702. The total value of the personal property as of June 17, 2012, is \$22,806,380. However, an abstract did not have to be ran due to new legislation but the personal schedules will be checked before CTL time.

During 2012, the local newspapers were used for research to locate new businesses or liquidation of existing businesses or agricultural operations. This research, along with other information received during the year and the Returns filed in 2012, will form the basis for the Returns that will be provided to all personal property owners, who must file, in Sheridan

County, for 2013. For the past several years, Personal Property Returns have been mailed to all persons filing a Return the previous year. However, for 2010 post cards were mailed as reminders to file the personal property returns as well as requesting that they submit the depreciation worksheets or asset listings when filing their Personal Property schedules for 2010. This will be office policy for 2011 too. However, for 2012 the schedules will be mailed once again due to the rise in gasoline prices.

All information will be verified by the property owners and income tax depreciation worksheets, also known as tax asset listings, will be reviewed before the Returns are signed and filed. Penalties for late filing will be added when applicable.

Shortly after June 1, a letter will be mailed to those who have not filed. The letter will state that no filing has been received and describe the penalties for late filings.

The County Abstract of Assessment Report for Personal Property will be filed as required by 77-1514 of the Nebraska Statutes as Revised.

#### MOBILE HOME COURT REPORTS

In December, 2012, mobile home court reports will be mailed to all persons who own and operate a mobile home court in Sheridan County in accordance with 77-3706 of the Nebraska Statutes as Revised. Upon receipt of the completed reports, the Assessor and her staff will review the reports to determine whether or not the list is the same as the year before. Any additions or removal of mobile homes will be dealt with in an appropriate manner.

#### HOMESTEAD EXEMPTIONS

There were 300 homestead exemptions processed in 2011, with an exempted value of \$8,216,007 resulting in a tax loss of \$170,024.40. At this time, the roster shows that there are 271 homesteads that were approved and 29 that were disapproved for 2011. The preliminary count of homesteads for 2012 is at 347.

Applications for homestead exemptions, along with the appropriate information and income statements, will be mailed to persons receiving an Application last year. The Applications will be reviewed to determine if the property has been sold or the Applicant is now deceased, prior to mailing.

Information about the homestead exemptions will be printed in the local newspapers and sent to the radio station for those who are just becoming eligible for the exemptions and for others who may have applied in previous years. Reminders of the filing deadline will also be published in the newspaper and sent to the radio station. With new legislation introduced in 2007 notices will be mailed to applicants who have not responded by April 1<sup>st</sup> in accordance to Section 77-3508 under subdivision 1.

After the Applications and supporting forms are filed, they will be checked for accuracy, ownership will be verified, valued will be added, the Applications will be approved or disapproved and the forms mailed to the Department of Revenue as required by statute. Homestead rejection letters will be mailed on or before July 31 in accordance with Section 77-3516 of the Nebraska Revised Statutes.

On or before September 1 of each year, the County Assessor shall determine the average single-family residential value in the county for the current year for purposes of Section 77-3507 to 77-3509, in accordance with Section 77-3506.02 of the Nebraska Revised Statutes. Value will be determined referring to Directive 95-4, issued by the Department of Property

Assessment and Taxation, as the guideline. A certification of the value will be sent to the Department of Revenue on or before September 1, as required by said Section. The total number of residential reports, the total value of all residential properties and the exempt amounts will be included in the certification. Information will be obtained from the most current real estate abstract.

For the tax year 2012, it was determined from the Abstract of Assessment for Real Estate, Form 45, as certified March 19, 2012, that there were 2730 single-family residential records in Sheridan County; that the total value of these residences is \$121,647,447. The average assessed value of single-family residential property is \$44,021 as of August 15, 2011. The exempt amount is \$40,000 pursuant to Section 77-3501.01(1) and \$50,000 pursuant to 77-3501.01(2).

At this time the average assessed value for single family residential property in Sheridan County for 2011 is 44,021 for the age 65 category and 52,825 for disabled individuals. The exempt amount is \$44,021 pursuant to Section 77-3501.01(1) and \$52,825 pursuant to 77-3501.01(2) from 2011. It is too early to tell what it will be in 2012.

#### PERMISSIVE EXEMPTIONS

There are 47 organizations which filed for permission exemptions on real estate for the tax year 2011. Which total exemptions filed were 63 from these organizations.

In December 2012, Exemption Applications or Affidavits of Use for Continued Tax Exemption will be mailed. Upon receipt of the proper forms, ownership and other pertinent information will be reviewed, recommendations made and the forms filed with the Board of Equalization for their action as required by 7-202.91 of the Nebraska Revised Statutes.

Hearings may be required if questions arise concerning the continuing exempt status on any of the properties.

#### REAL ESTATE

Sheridan County is the fourth largest county in Nebraska by area. The south two-thirds of the county is grass covered sand hills dotted with lakes of various sizes bordered on the north by the Niobrara River. The north end of the county is pine covered canyons. There is a band of primarily dry cropland (154,819.67 acres) with some irrigation (58,365,423 acres) between the two areas. Grassland occupies about 1,276,777.15 acres with 46,744.65 acres of waste.

In the sand hills area, there are mostly trail roads to buildings and, generally, the trail road ends at a ranch home. This makes physical inspections challenging to say the least. In the north end of the county, roads are few, but generally graveled and can be traveled by a car.

According to the 2012 County Abstract of Assessment of Real Property, Form 45, there are 8,162 records in Sheridan County with a total value of \$582,824,939.

#### RESIDENTIAL

In 2012, there are 2,347 residential parcels in Sheridan County, 407 unimproved residential parcels and 1,940 improved residential parcels with a total value of \$78,007,501 as of March 19, 2012. 29% of the parcels in Sheridan County are residential accounting for 14% of the total value.

According to the 2012 Reports and Opinion statistics for the current study period, there were 95 qualified sales of residential property with a median of 96.0, a COD of 23.91 and a PRD of 109.01. The level of value, as determined by the Department of Property Assessment & Taxation, is 96% of actual value. The quality of assessment was determined to meet generally accepted mass appraisal practices.

The sales roster, sales verification, current year Reports & Opinion of the Property Tax Administrator and whatever other information is available will be used annually to determine whether or not residential values are in compliance with the various statutes and regulations. Preliminary statistical reports indicated that the towns of Gordon, Rushville and Hay Springs were in compliance and no adjustment was needed. The same was true for Rural residential properties as they were are 99% without any adjustments needed for 2012.

Special attention will be given to those residential properties selling well above or below the assessed value. Physical inspections will be made as needed as well as neighborhood reviews or inspections. Appropriate adjustments will be made as needed.

Due to new legislation it will become mandatory that over a six year period a portion of the county be reviewed each year. As of 2010, 2011 & 2012 we are reviewing the Rural Residential properties at this time. Craig Stouffer and Jeff Haugen are in the process of doing these currently in 2012. The review involves measuring all improvements and taking pictures of each property. We hope to implement this for 2013. The Assessor and staff have reviewed the residences in Hay Springs and currently in Rushville. See attachment to this plan dated June 2012.

#### COMMERCIAL

In 2012, there are 454 commercial parcels in Sheridan County, 78 unimproved parcels and 376 improved parcels with a total value of \$23,384,176. Commercial properties account for 6% of the total parcels and also 4% of the total value.

According to the Reports & Opinion statistics for the current study period, there were 9 qualified sales with a median of 99.0, a COD of 19.67 and a PRD of 112.41. The level of value, as determined by the Department of Property Assessment & Taxation, is 94% of actual value. The quality of assessment is not in compliance with generally accepted mass appraisal practices. There was no listed median however since there was not enough sales to determine a market for 2012.

The sales roster, sales verifications, current year Reports & Opinion of the Property Tax Administrator and whatever other information is available will be used annually to determine whether or not commercial values are in compliance with the various statutes and regulations. Percentage adjustments will be made, if necessary, to bring commercial values within the acceptable range of the guidelines given.

In addition to the information obtained from the above sources, all of the commercial parcels in Sheridan County will be reviewed as funding allows, to then determine whether or not adjustments should be made on an individual basis. The review will consist of physical inspections, drive by inspections and review of property records, as needed. At the present time only one town White Clay has been completely reviewed. All other commercial properties will be reviewed. Currently Mr. Haugen is reviewing all rural commercial properties as he comes across them while doing the rural review. The commercial properties in Clinton will be completed in the next month. Once Mr. Haugen is done with the review only the three towns of Gordon, Hay Springs and Rushville will need to be completed.

#### INDUSTRIAL

There are no industrial parcels in Sheridan County.

#### RECREATIONAL

In 2006, there are 23 recreational parcels, valued at \$690.00. For 2009, the recreational class was reviewed and an increase of 1,200 per Lot was implemented due to sales occurring here for 2009. So they are now at a value of 27,600. No adjustments were made for the year of 2010. However in 2010 two agricultural properties were included in the recreational count per the easement for the Wetlands Reserve Program for one owner's property which added some additional value. Presently, there are 24 recreational parcels with a total value of 315,638 for 2012.

The sales roster, sales verifications, current year Report & Opinion and whatever other information is available will be used annually to determine whether or not recreational values are in compliance with the various statutes and regulations. Appropriate adjustments will be made.

#### AGRICULTURAL

In 2012, there are 69,738.16 acres of irrigation with a value of \$58,365,423; 154,819.67 acres of dry crop land with a value of \$64,368,307; 1,276,777.15 acres of grass with a value of \$297,872,407; 46,744.65 acres of waste with a value of \$1,869,790; 1,296.28 acres owned by Game & Parks, subject to an in lieu of tax, valued at \$236,279 and 370.95 acres exempt from taxation. Agricultural land values account for 73% of the total value.

According to the 2012, Reports & Opinion statistics for the current study period, there were 36 qualified sales of unimproved agricultural land with a median of 71%, a COD of 23.09 and a PRD of 122.24 Level of value is at 71% of actual value. To get the level required all classes of irrigated, dry crop and some classes of grass were increased for 2012. The subclass of waste was also increased from \$10 to \$40 per acre. Waste remained at \$40 per acre for 2012. The subclasses of dry crop and irrigated were increased some while the lower subclasses of grass were decreased for 2012. The quality of assessment is not in compliance with generally accepted mass appraisal practices.

The sales roster, sales verifications, current year Reports & Opinion of the Property Tax Administrator and whatever other information is available will be used annually to determine whether or not agricultural values are in compliance with the various statutes and regulations. Values of the various classes will be adjusted, as necessary, to bring agricultural values within the acceptable range of the guidelines given. Physical inspections will continue.

The Assessor, staff and appraisal firm will continually monitor sales to determine if there is a need for market areas. At this time we will be reviewing the sales and implementing market areas hopefully for 2013.

Due to new legislation it will become mandatory that over a six year period a portion of the county be reviewed each year. At the present time it is estimated that we may have 40% of the rural inspections done. We are currently addressing this with the County Board to get the rural reappraisal done. However, the County Board has some reservations on doing the reappraisal because of the cost and the fact that the Department is telling us it needs done. They would like to offer a different alternative to do it and visit with the Department on this matter. We are hoping to hire an appraiser to do this review as Sheridan County is quite

large for the staff and assessor to do the review with the office staff on hand currently. Presently an appraiser has been hired to do the rural review and is willing to work with the Assessor with what the budget will allow as the amount approved was not what was requested. We are currently in the process of the rural review and will complete it hopefully in 2013. See attached letter with this plan.

Abandoned rural home sites and farm sites were identified and values adjusted in 2004. This will be an ongoing project and physical inspections of these sites will continue as part of the regular inspection process.

#### MINERAL INTEREST

We currently have no taxable mineral interests.

#### TIF

We currently have no parcels affected by tax increment financing.

#### SPECIAL VALUE

Two property owners have filed application for special value, which implements special value in Sheridan County. However, it was determined, from a comprehensive study of Ag sales, that there is insufficient non-agricultural and horticultural influence to establish a value different from the current value per our discussion with our appraiser. However this too, will be an ongoing process each year.

#### EXEMPT PROPERTIES

There are 684 parcels, which are exempt from taxation.

#### CENTRALLY ASSESSED PROPERTY

All centrally assessed values certified by the Department of Property Assessment & Taxation, including railroads and public utilities (both real and personal property) will be balanced before the information is entered into the computer. After the tax lists are run, a copy of the appropriate list will be mailed to each entity.

#### PICK UP WORK

##### (ALL CLASSES)

Pick up work began in August of 2011. Information accumulated during the year in the form of building permits, owner reports and physical inspections by the Assessor and her staff will be used. Recorded contracts between siding and window companies and property owners are also a very good source of information regarding improvements to homes. Depreciation worksheets, supplied for personal property returns, are another source of building information. Several previously unreported buildings have been discovered in this manner. As new construction is discovered, the property record card will be tagged and the property will be added to the list of work to be done. New construction will be physically inspected in order to determine value. All pick up work will be completed before the statutory deadline for setting values.

Notices will be aired and published reminding property owners of their responsibility to report any improvements to their property in excess of \$2,500.00.

Approximately 180 parcels were inspected for new construction for the 2010 tax year. And, presently there are approximately 80 parcels or more that will be inspected for 2012. This number could change as we are constantly finding properties that need to be added to the list and inspected by our lister. There were 80 parcels total inspected for 2012 for pickup work. However, Mr. Haugen has found several buildings while doing the rural review and 34 more have been added as omitted property for 2012.

## LAND USE

(AG)

Copies of the Agland Inventory Report were sent to all owners of agricultural land in 2001 when it was discovered that some of the agricultural land use shown on the property record cards was incorrect. We had thought that we would repeat the process. However, the Natural Resources District is limiting the number of irrigated acres of each property owner to the number of acres reported to the County Assessor. It is expected that the number of irrigated acres will increase over the next few years as irrigated acres from the Assessor's records are compared to FSA maps and the acres actually irrigated, because property owners forget to report changes to the Assessor.

Agreements for electric service to irrigation pumps and stock wells, which have been recorded in the County Clerk's office, are used to help in the determination of new irrigated land. This is also a tool for discovering new irrigation systems to be added to the personal property returns and pumping equipment for stock wells. Follow up physical inspections are also used.

We did not keep a count of the number of land use changes that were made for 2012. However, for 2013 we hope to start a count of the land use changes that are made. We seem to forget to do this!!

## SOIL SURVEY MAPS

(AG)

Soil survey maps will be updated as land use changes and existing tracts are split. The most recent soil survey maps from the Natural Resources Conservation Service are used in conjunction with the soil survey maps in the office. However with the implementation of GIS the maps will only be used as a reference once the conversion is complete.

## 521 FORMS

(ALL CLASSES)

There were 639 deeds and 521 forms processed in the fiscal year beginning July 1, 2010, and ending June 30, 2012.

A sale verification system was developed and implemented by the Sheridan County Assessor's office effective October 1, 2003, to replace the work done by the state sale reviewer, which position was terminated on September 5, 2003. Verification forms were developed by using a combination of forms obtained from Panhandle County Assessors and the Department of Property Assessment and Taxation. It is believed that more reliable statistics will be the result of the implementation of this system

521 forms will be reviewed periodically and the Assessor and staff shall use sales

verifications and whatever other means they feel necessary to determine whether or not the sale was an arms length transaction and should be used in the determination of value for each of the real estate classifications. The forms and supporting documents will be forwarded to the Property Tax Administration in accordance with the statutes and rules and regulations.

#### SALES ROSTER (ALL CLASSES)

Special attention will be given to the sales roster to ascertain whether or not the correct data has been entered from the 521 forms and the supporting documents. The Assessor will supply any and all information required by statute, directives, rules and regulations to the Property Tax Administration at the times and in the manner prescribed to insure total accuracy in all data use. Accuracy is essential because so much emphasis is placed on market and errors can produce a skewed view of the market. For 2012, after reviewing the sales it has been decided to develop market areas for Sheridan County. This will be done prior to the first of the year 2012. After considerable study no market areas were done for 2012 however, the sales will be looked at again for 2013.

#### PROPERTY RECORD CARDS (ALL CLASSES)

Property record cards and all supporting records, including all computer data, will be updated daily as the deeds are received from the County Clerk's office and change of addresses and other information is obtained.

Property record cards contain all the available information regarding the subject property. A simple map showing the location of the parcel within the section appears on each card. All building information appears on each improved parcel, as does a sketch of the house. Photos of the house and all main buildings are also contained in the file as well as the aerial photo of the farms, which were flown in 1985.

#### CADASTRAL MAPS (ALL CLASSES)

Our cadastral maps were originally drawn in 1974 on mylar, by an excellent and meticulous draftsman and have been kept up very well over the years.

Cadastral maps will be updated at least monthly. This will include change of ownership, splits of tracts, platting of subdivisions or additions to towns and any other changes required. These may become a thing of the past once GIS is implemented on the computer system.

#### GIS

Currently, we are implementing the new soil survey on our computer system for the new soil survey conversion from the alpha system to the numerical system which has been completed by March 19<sup>th</sup> of 2010. GIS workshop has been hired to implement the new soil survey conversion and it will be done sequentially by township to avoid total confusion. Hopefully, some of the other layers of the GIS software will be implemented for 2011. All parcel Id's have been entered and we are currently working on land classifications as of this date. Since July 31<sup>st</sup> the land usage has been completed so the next step will be done. GIS

Work Shop is now doing the work for the office as there is not enough staff to do this duty too. GIS Work Shop continues to do all of the updating for us at this time.

## PROPERTY VALUATION PROTESTS

(ALL CLASSES)

There have been 32 protests of value filed during June of 2012 and heard by the Board of Equalization. Thirty five protests were heard by the Board in 2011. Properties upon which a valuation protest has been filed will be inspected as needed and time allows. These inspections will be made in conjunction with the continuing physical inspection of the County whenever possible. The County Assessor's Recommendation portion of the form will be completed prior to the Board of Equalization hearing whenever possible. The Assessor or Deputy shall attend all hearings since the Revenue's clean up bill this past legislature.

Decisions of the Board will be implemented or appealed to the Tax Equalization and Review Commission as is appropriate.

The Assessor shall prepare a list of undervalued, overvalued and omitted real estate and submit it to the Board of Equalization as necessary. At this time there are thirty five parcels of omitted property that have been submitted to the County Board.

Of the 49 protests filed in 2009, there was not any that appealed to the Tax Equalization & Review Commission. The one appeal in 2008, the Tax Equalization & Review Commission ruled in favor of the County Board's decision. Of the protests for 2010 one has filed an appeal to the Tax Equalization and Review Commission. It was heard on July 11, 2011 and we have not received a decision on this as of this date. The decision received back was the order for dismissal with prejudice from the TERC board dated September 20, 2011. Final order on the 2010 appeal was received October 27, 2011. No appeals were filed to TERC for 2011 protests.

The appeal to the Tax Equalization & Review Commission from the 2006 protest was settled before the hearing occurred.

The County Assessor shall prepare and submit any evidence necessary to defend the property values, which have been appealed to the Tax Equalization & Review Commission by a property owner, as well as attending any hearings.

## PHYSICAL INSPECTIONS

(ALL CLASSES)

The County Assessor and staff will continue the physical inspection of the real estate in Sheridan County as time and the budget allows. Maps will be maintained to show the progress of the inspections. All rural residential properties shall be inspected by the Assessor and staff for the year of 2012 and hopefully will be completed by 2013.

Several unreported houses and other buildings have been discovered in the last several years as a direct result of physical inspections making it apparent that more time needs to be devoted to these inspections to insure that all taxable property is properly assessed.

## TRUST REPORT

(AG)

The Assessor shall submit the report of land held by trustees to the Secretary of State in compliance with 76-1517 Nebraska Statutes as Revised. However, due to legislative changes the Ag trust roster report was done away with in 2011.

#### PLAN OF ASSESSMENT

(ALL CLASSES)

The Assessor shall submit a Plan of Assessment to the County Board of Equalization and the Department of Revenue Property assessment Division as provided by statute and rules and regulations.

#### NOTICE OF VALUATION CHANGE

(ALL CLASSES)

All property owners will be sent notice of any change, either the increase or decrease of value of all real estate on or before June 1, in compliance with Section 77-1315 of the Revised Statutes of Nebraska. In addition, the Assessor will certify the completion of the real estate assessment roll and publish the certification in the newspaper.

In 2009, listings of appropriate sales information were mailed with the Notices. Property owners were able to see what had caused the changes in value. The number of questions decreased, as well as, fewer protests being filed. This practice will continue as long as results are positive. For 2010 a letter of explanation will be included. For 2010 a letter was drafted and sent with the list of sales in which the number of questions and protests decreased once again. For 2011 there was no letter or a list of sales sent out with the notices due to cost of postage.

Gordon, Rushville, Hay Springs and Small Towns residences required no change for 2012. No changes were needed on commercial properties as well. Other statistics were not within the acceptable range as far as the median was concerned, so an increase in all classes of all agricultural land was required for 2012. A raise of the sub class of waste from ten dollars an acre to forty dollars an acre was implemented in 2010. The raise of the sub classes of land for 2012 brought us in to an acceptable range of 71%.

#### NOTICE OF TAXABLE STATUS

(ALL CLASSES)

Pursuant to Section 77-202.12 of the Nebraska Statutes, as Revised, Notices of Taxable Status will be mailed to governmental subdivisions owning taxable real estate, annually.

#### REPORTS AND OPINION OF THE PROPERTY TAX ADMINISTRATOR

The opinion of the Property Tax Administrator concerning the level of value of the residential, commercial and agricultural lands will be posted in the office of the County Assessor and mailed to the media as required by the various statutes and rules and regulations.

The Assessor shall prepare and submit any evidence necessary to defend the property values that were established as a result of the sale studies and reported in the Reports and

Opinion of the Property Tax Administrator, if a show cause hearing is ordered by the Tax Equalization and Review Commission. All such hearings will be attended by the County Assessor, if possible.

#### CERTIFICATION OF TAXABLE VALUE

The Appropriate Certification of Taxable Value and Value Attributable to Growth will be sent to all governmental subdivisions pursuant to Section 13-509 and 13-518.

The school district taxable value report will be mailed to the Property Tax Administrator on or before August 25 as required by 79-1016 of the Revised Statutes of Nebraska.

#### INVENTORY

The Assessor will maintain a list of all of the property within the office for which she is responsible along with the purchase price and date of purchase. An inventory of the property will be filed annually.

#### TAX DISTRICTS

Records will be updated as changes in tax districts occur.

In 2006, all Class I schools were dissolved, resulting in changes to about two-thirds to three-fourths of the property records in Sheridan County. Because of the controversy and general election issue, tax districts were not consolidated at this time, but will be next year, if the school reorganization stands. After checking the tax districts it has been determined that none could be consolidated due to the make up of the tax district. For example the hospital, fire district or school district. However, since the reorganization of schools was not reversed there will be changes or consolidation of tax districts done hopefully before the tax list is run for 2008. At the moment, there has been a change in the fire districts of Hay Springs and Rushville and a tax district has been eliminated and a new one added due to this change for the 2008 tax year. No changes had to be done for the 2009 tax year. Once again, no changes had to be done for 2010. And for 2011 no changes were done to the tax districts. No changes were needed for 2012 again.

#### TAX LIST

Personal property and real estate tax lists will be prepared and presented to the County Treasurer as required by Section 77-1613.01 of the Nebraska Revised Statutes. In addition to the daily changes of ownership and splitting current tracts, addresses will be updated and other adjustments made to make a more user friendly tax list.

The tax list shall be based on the levies certified by the Sheridan County Clerk from the budgets submitted by each governmental subdivision.

#### TAX LIST CORRECTIONS

Corrections to the tax list will be made, as necessary, after approval by the County Board of Equalization.

## CERTIFICATE OF TAXES LEVIED

The Certificate of Taxes Levied, Form 49, will be filed in accordance with 77-1613.01 of the Nebraska Statutes, as Revised.

The County Assessor will balance the amounts levied, as shown on the Certificate of Taxes Levied, against the tax dollars budget whenever possible.

## REPORTS

All reports required by the statutes and by the rules and regulations, will be filed in a timely fashion, including the annual report of value of real estate owned by the Board of Educational Lands and Funds.

## REPORT IN ACCORDANCE WITH LB 644

The report required by LB 644 passed in the 2004 Legislative Session will be made on or before December 1 every four years.

## PROCEDURES MANUAL

The office procedures manual will be updated periodically to reflect changes in office procedures, values of agricultural land by class, statutory requirements and other applicable changes.

## RECORDS MANAGEMENT

All records and files will be retained in accordance with the records retention and disposition schedule recommended by the States Records Administrator.

# PLAN OF ASSESSMENT 2014

## REAL ESTATE

### RESIDENTIAL

The sales roster, sales verifications, current year Reports & Opinion of the Property Tax Administrator and whatever other information is available, will be used annually to determine whether or not residential values are in compliance with the various statutes and regulations. Percentage adjustments will be made, if necessary, to bring residential values within the acceptable range of the guidelines given.

Special attention will be give to those residential properties selling well above or below the assessed value. Physical inspects will be made as needed as well as neighborhood reviews or inspections. Appropriate adjustments will be made as needed.

Due to new legislation it will become mandatory that over a six year period a portion of the county be reviewed each year. The rural area was the first to be reviewed previously. This will be ongoing process over the next six years. As mentioned in 2013 we are hoping to complete the residences in the towns for 2013.

### COMMERCIAL

The sales roster, sales verifications, current year Reports & Opinion of the Property Tax Administrator and whatever other information is available will be used annually to determine whether or not commercial values are in compliance with the various statutes and regulations. Percentage adjustments will be made, if necessary, to being commercial values within the acceptable range of the guidelines given.

In addition to the information obtained from the above sources, all of the commercial parcels in Sheridan County will be reviewed as funding allows, and determine whether or not adjustments should be made on an individual basis. The review will consist of physical inspections, drive by inspections and review of property records, as needed. It is also believed that the sales verification system, developed and implemented in October of 2003, will help to create more reliable statistics for future use.

### INDUSTRIAL

There are no industrial parcels in Sheridan County. The commercial properties will be the last to be reviewed in the six year process.

### RECREATIONAL

The sales roster, sales verifications, current year Report & Opinion and whatever other information is available will be used annually to determine whether or not recreational values are in compliance with the various statutes and regulations. Appropriate adjustments will be made.

## AGRICULTURAL

The sales roster, sales verifications, current year Reports & Opinion of the Property Tax Administrator and whatever other information is available, will be used annually to determine whether or not agricultural values are in compliance with the various statutes and regulations. Values of the various classes will be adjusted by percentage, if necessary, to bring agricultural values within the acceptable range of the guidelines given. Physical inspections will continue.

The Assessor, staff and appraisal firm will continue to monitor sales to determine if there is a need for market areas.

Due to new legislation it will become mandatory that over a six year period a portion of the county be reviewed each year. However, as to date no directive has been received from the Department of Property Assessment and Taxation so, no permanent plan is in place as of yet. However, since the Assessor's Fall Workshop a portion of the Agricultural will be the first to be reviewed since it was the first to be done in the last review. Jeff Haugen will assist the office in the review process. This will be ongoing process over the next six years. As mentioned from the year of 2013 we are trying to get this completed!!! In addition to the review the market areas will be reviewed each year too.

## GIS

This will be updated daily once implemented in 2009 and will be ongoing process for our office.

## SPECIAL VALUE

Plans for 2013 will depend on the outcome of the study to be conducted in the fall of 2012.

In addition to the foregoing, the County Assessor shall perform all such other duties as the statutes and rules and regulations require and to promote a used friendly office environment for staff, property owners and researchers that come in to the office.

# **PLAN OF ASSESSMENT 2015**

## **REAL ESTATE**

### **RESIDENTIAL**

The sales roster, sales verifications, current year Reports & Opinions of the Property Tax Administrator and other information available will be used annually to determine as to whether or not the residential values are in compliance with the statutes and regulations provided by the Department of Property Assessment and Taxation. Percentage adjustments will be made, if necessary, to bring the residential values within the acceptable range of the guidelines given.

Those properties that are selling above the assessed value will be inspected as well as those selling below our assessed value. Physical inspections will be done by the assessor or the lister who works for the office part time as well as neighborhood reviews. Adjustments will be made per these inspections and reviews.

Due to new legislation in 2007 it will become mandatory that over a six year period a portion of the county be reviewed each year. This will be an ongoing process over the next six years until the county has been reviewed. Once the county is complete for 2015 the review process will be started again.

### **COMMERCIAL**

The sales roster, sales verifications, current year Reports & Opinions of the Property Tax Administrator and other information available will be used annually to determine as to whether or not the commercial values are in compliance with the statutes and regulations provided by the Department of Property Assessment and Taxation. Percentage adjustments will be made, if necessary, to bring the commercial values within the acceptable range of the guidelines given.

In addition to the information above the commercial properties in Sheridan County will be reviewed as part of the six year portion of plan of assessment as mentioned above in the residential plan of assessment. The sales verification system developed in October of 2003 has helped to create a more reliable system of statistics for our future use. As mentioned before these will be the last to be reviewed.

## INDUSTRIAL

So far there are no industrial parcels in Sheridan County.

## RECREATIONAL

The sales roster, sales verifications, current Reports & Opinions and other information will be used annually to determine whether or not recreational values are in compliance with the statutes and regulations. Appropriate adjustments will be made to the values as needed.

## GIS

The GIS system, once implemented in 2009 will be updated daily and will be an ongoing process for the office.

## AGRICULTURAL

The sales roster, sales verifications, current year Reports & Opinions of the Property Tax Administrator will be used annually to determine whether or not the agricultural values are in compliance with the statutes and regulations. Values will be adjusted accordingly to be within the acceptable range of the guidelines given. Physical inspections will continue. The Assessor, staff and appraisal firm will continue to monitor all sales to determine if there is a need for market areas in Sheridan County.

Per new legislation from 2007, it will be mandatory that over a six year period a portion of the county will be reviewed each year. Once a directive is received from the Department of Property Assessment and Taxation a plan will be implemented. No plan is in place as of this date.

Since the Assessor's Fall Workshop it has been decided that a portion of the Agricultural area in the county would be reviewed first with Jeff Haugen's assistance and the process would be ongoing over the next six years until the county has been reviewed. In addition the market areas will be reviewed each year too.

## SPECIAL VALUE

Plans for 2015 will depend on the outcome of the study to be conducted in the fall of 2014.

The County Assessor shall continue to perform all such other duties as the statutes and rules and regulations require of her. The office will be open and user friendly to all staff, property owners and others that need any of the information that the office has to offer.

## COMMENTS:

Annual valuation of all real estate to market is a large project, even with computers to do the mundane work for us.

The constant fluctuation of assessed values makes the budget process very difficult for

the various governmental subdivisions that are concerned with statutory levy limits and lid requirements. This is especially true of towns, which are affected by even small market fluctuations. The small towns such as those in Sheridan County do have quite a time just surviving as do others across the state of Nebraska.

Few sales and an erratic market made commercial valuations a special problem again this year. Although a complete reappraisal of the commercial properties was done recently, erratic purchase prices continue to be make valuation difficult to say the least. We are continuing to review all commercial properties hoping for better statistics and there is hope that a complete new review over the next six years will be of some help. However, as long as people pay a premium to own the only grocery store in 15 miles or the only New Holland machinery store in 45 miles, there will be problems. The franchise often goes with the building, but is never set out as such on the 521.

Unfortunately, most of what an Assessor can do is based on funding, over which we have no control. Commissioners continue to be reluctant to begin complete reappraisals and we can't override their decisions. New legislation passed in 2007 of which it becomes mandatory to review the county will hopefully let us do the reappraisal that we so desperately need. The longer that I work in the Assessor's office, it seems that there is less time for the Assessor to get all of the duties done as required by the regulations and statutes passed by the legislature each year. But I will keep trying each year. I have chosen to do the reappraisal even though the commissioners are reluctant and as much will be done as time permits as well as funding given to the office.

Respectfully submitted this 31st day of July, 2012.

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Trudy A. Winter  
Sheridan County Assessor

ATTACHMENT:  
See timeline on review process attached to this plan.

## 2013 Assessment Survey for Sheridan County

### A. Staffing and Funding Information

1.	<b>Deputy(ies) on staff:</b>
	None
2.	<b>Appraiser(s) on staff:</b>
	None
3.	<b>Other full-time employees:</b>
	One
4.	<b>Other part-time employees:</b>
	Two
5.	<b>Number of shared employees:</b>
	None
6.	<b>Assessor's requested budget for current fiscal year:</b>
	\$100,600
7.	<b>Adopted budget, or granted budget if different from above:</b>
	\$100,600`
8.	<b>Amount of the total assessor's budget set aside for appraisal work:</b>
	None—the appraisal work is a separate budget.
9.	<b>If appraisal/reappraisal budget is a separate levied fund, what is that amount:</b>
	\$97,000
10.	<b>Part of the assessor's budget that is dedicated to the computer system:</b>
	\$3,100 and includes all electronics used in the Assessor's office (e.g. copier).
11.	<b>Amount of the assessor's budget set aside for education/workshops:</b>
	\$1,660
12.	<b>Other miscellaneous funds:</b>
	None
13.	<b>Amount of last year's assessor's budget not used:</b>
	From the assessment budget = \$3,406.99; from the appraisal budget = \$4,909.34

### B. Computer, Automation Information and GIS

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

6.	<b>Is GIS available to the public? If so, what is the web address?</b>
	Yes, and the web address is <a href="http://sheridan.gisworkshop.com">http://sheridan.gisworkshop.com</a>
7.	<b>Who maintains the GIS software and maps?</b>
	GIS Workshop
8.	<b>Personal Property software:</b>
	PC Admin/MIPS

### C. Zoning Information

1.	<b>Does the county have zoning?</b>
	Yes
2.	<b>If so, is the zoning countywide?</b>
	Yes
3.	<b>What municipalities in the county are zoned?</b>
	Gordon, Hay Springs, Rushville and small towns.
4.	<b>When was zoning implemented?</b>
	1981

### D. Contracted Services

1.	<b>Appraisal Services:</b>
	Jeff Haugen Appraisal Services
2.	<b>GIS Services:</b>
	GIS Workshop
3.	<b>Other services:</b>
	MIPS/PC Admin for administrative, CAMA and personal property software.

### E. Appraisal /Listing Services

1.	<b>Does the county employ outside help for appraisal or listing services?</b>
	Yes, Jeff Haugen Appraisal Services.
2.	<b>If so, is the appraisal or listing service performed under contract?</b>
	Yes
3.	<b>What appraisal certifications or qualifications does the County require?</b>
	Mr. Haugen is a General Certified Appraiser.
4.	<b>Have the existing contracts been approved by the PTA?</b>
	The contract has been sent to the PTA.
5.	<b>Does the appraisal or listing service providers establish assessed values for the county?</b>
	Both the Assessor and the contracted appraiser establish assessed values for the County.



# 2013 Certification for Sheridan County

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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 Sheridan County Assessor.

Dated this 5th day of April, 2013.



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

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Ruth A. Sorensen  
Property Tax Administrator



