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## 2011 Commission Summary for Dawson County

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### Residential Real Property - Current

Number of Sales	425	Median	97.68
Total Sales Price	\$38,483,634	Mean	100.32
Total Adj. Sales Price	\$38,939,134	Wgt. Mean	95.48
Total Assessed Value	\$37,178,532	Average Assessed Value of the Base	\$69,522
Avg. Adj. Sales Price	\$91,621	Avg. Assessed Value	\$87,479

### Confidence Interval - Current

95% Median C.I	96.29 to 98.75
95% Mean C.I	93.50 to 97.46
95% Wgt. Mean C.I	97.68 to 102.96
% of Value of the Class of all Real Property Value in the County	38.22
% of Records Sold in the Study Period	4.61
% of Value Sold in the Study Period	5.80

### Residential Real Property - History

Year	Number of Sales	LOV	Median
2010	441	98	98
2009	526	98	98
2008	652	98	98
2007	743	98	98

## 2011 Commission Summary for Dawson County

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### Commercial Real Property - Current

Number of Sales	76	Median	99.16
Total Sales Price	\$14,103,339	Mean	110.92
Total Adj. Sales Price	\$14,271,339	Wgt. Mean	103.66
Total Assessed Value	\$14,794,150	Average Assessed Value of the Base	\$166,971
Avg. Adj. Sales Price	\$187,781	Avg. Assessed Value	\$194,660

### Confidence Interval - Current

95% Median C.I	97.84 to 99.71
95% Mean C.I	98.13 to 123.71
95% Wgt. Mean C.I	95.85 to 111.48
% of Value of the Class of all Real Property Value in the County	11.79
% of Records Sold in the Study Period	6.42
% of Value Sold in the Study Period	7.48

### Commercial Real Property - History

Year	Number of Sales	LOV	Median
2010	79	100	95
2009	82	95	95
2008	94	97	97
2007	95	99	99



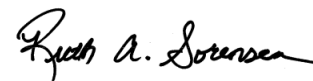
## 2011 Opinions of the Property Tax Administrator for Dawson County

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 (R. S. Supp., 2005). 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 this Reports and Opinions of the Property Tax Administrator. My opinion of quality of assessment for a class of real property may be influenced by the assessment practices of the county assessor.

Class	Level of Value	Quality of Assessment	Non-binding recommendation
<b>Residential Real Property</b>	<b>98</b>	Meets generally accepted mass appraisal practices.	No recommendation.
<b>Commercial Real Property</b>	<b>99</b>	Meets generally accepted mass appraisal practices.	No recommendation.
<b>Agricultural Land</b>	<b>72</b>	The qualitative measures calculated in the random include sample best reflect the dispersion of the assessed values within the population. The quality of assessment meets generally accepted mass appraisal practices.	No recommendation.
<b>Special Valuation of Agricultural Land</b>	<b>72</b>	The qualitative measures calculated in the random include sample best reflect the dispersion of the assessed values within the population. The quality of assessment 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 11th day of April, 2011.



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Ruth A. Sorensen  
Property Tax Administrator







## **2011 Assessment Actions for Dawson County**

### **taken to address the following property classes/subclasses:**

#### **Residential**

A complete reappraisal of rural residential parcels began in 2009, and was completed for this assessment year. A reappraisal was also completed for the Johnson Lake area and for the small villages of Overton, Sumner, Eddyville, and Farnam for 2011. A reappraisal includes an exterior review of all parcels; when warranted and permitted an interior inspection may be completed. Measurements are checked when necessary and new photographs are taken. The quality and condition of the improvements is reviewed and any changes are noted. Changes to the property record are made within the CAMA system.

After collecting data, the contract appraiser completes a new market valuation model. The model uses market data, stratified by key market characteristics, to produce market values on a per square foot basis. The cost approach is also completed for the residential class. For this assessment year, the costing tables were updated to the October, 2010 tables for the entire residential class. The two approaches are correlated in determining the assessed value.

Land values were reviewed in the areas that were reappraised for this year. Changes were made to the deeded tracts at Johnson Lake. Land values were assessed using the same price per square foot for Sumner, Eddyville, and Farnam.

The pickup work was completed.

## 2011 Residential Assessment Survey for Dawson County

1.	<b>Valuation data collection done by:</b>	
	The office appraiser, the assessor, and the contracted appraisal service.	
2.	<b>List the valuation groupings used by the County and describe the unique characteristics that effect value:</b>	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	01	Cozad – a depressed market after the 2010 announcement of the closure of the Tenneco Automotive plant (a major employer in the community). The plant has laid-off the majority of workers already and is currently in process of closing permanently.
	02	Cozad Rural – similar to the market in Cozad with a somewhat better market due to a stronger demand for rural living.
	03	Gothenburg – a strong market with good growth in recent years. This community also receives some influences from being located within 35 miles of North Platte in neighboring Lincoln County.
	04	Gothenburg rural – similar to the market in Gothenburg with a stronger demand for rural living.
	05	Lexington – this is the largest community in Dawson County, and its market is very different than either Cozad or Gothenburg. Tyson Foods is the largest employer in the county, and has brought a significant amount of cultural diversity to Lexington, which has had a unique impact on the market. Lexington also has a very high foreclosure rate which has an impact on the market.
	06	Lexington Rural – as Lexington has expanded since the opening of Tyson Foods, demand for Rural housing around Lexington has been and continues to be very strong.
	07	Eddyville – a small community in Northeastern Dawson County. Demand is sporadic, and there is no organization to the market.
	08	Farnam – a small community in Southwestern Dawson County. Demand is sporadic and there is no organization.
	09	Farnam Rural – there are no sales within this valuation grouping.
	10	Overton – a small community along the I-80 corridor. Because there are fewer services/amenities in Overton demand is not as good as the larger communities in the county; however, it’s location along I-80 gives it a stronger market than the other villages within the county.
	11	Overton Rural – similar to the market in Overton with a stronger demand for rural living.
	12	Sumner – a small village in Northeastern Dawson County. Sumner is home to the consolidated Sumner-Eddyville-Miller school giving it somewhat more demand than Eddyville or Farnam.
	13	Sumner Rural – less demand than the rural homes around the larger communities in the county, but slightly stronger demand than homes within Sumner.

	14	Johnson Lake – demand has remained quite strong at Johnson Lake for the past several years, as the recreational activity available at the lake continues to be desirable to buyers. While not all properties at the lake are occupied year round, the properties tend to be permanent homes rather than seasonal cabins.
	15	Midway Lake – a much smaller lake than Johnson lake, and is generally less desirable to buyers. The properties around the lake are primarily cabin type properties with fewer permanent homes.
	16	Plum Creek Canyons – a rural subdivision in the canyon area west of Johnson Lake. The area is less accessible with poorer, less developed roads; however, the remoteness in this area is apparently attractive to some buyers, and properties generally bring a premium.
3.	<b>List and describe the approach(es) used to estimate the market value of residential properties.</b>	
	The cost approach and a market value approach are both developed by the contract appraisal service. The cost approach uses pricing and depreciation from Marshall and Swift. The market value approach is developed by the contract appraisal service. This approach stratifies sales by location, style, age, and other market characteristics and develops a per square foot market price based on those characteristics.	
4	<b>When was the last lot value study completed?</b>	
	Sales are reviewed annually. The assessor notes that lot sales within the county are often offered through TIF projects or various economic development projects; there are many restrictions placed on these transfers and they are seldom arm’s length transactions. Because of this trend, there is typically little sales data to support any change in residential lot values.	
5.	<b>Describe the methodology used to determine the residential lot values.</b>	
	Lot values for residential properties in the towns and villages are established by completing a sales study based on price paid per square foot. For the lake properties, a leasehold value per unit was established because the lots at the lake are often abnormal shaped and market prices do not necessarily reflect the size of the lot. Because there are very few lot sales at the lake, leasehold values are monitored by deriving a market leasehold value from the residual after adjusting off the assessed value of the improvement.	
6.	<b>What costing year for the cost approach is being used for each valuation grouping?</b>	
	2010	
7.	<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 relies upon the CAMA depreciation tables for the cost approach; however, a market approach (described above) is also developed by the contract appraiser, and both methods are correlated in establishing the assessed value.	
8.	<b>Are individual depreciation tables developed for each valuation grouping?</b>	
	No, one depreciation table is used in the cost approach for the entire valuation grouping.	

9.	<b>How often does the County update the depreciation tables?</b>
	Sales are reviewed annually and changes are made to the depreciation tables when the sales study indicates a need.
10.	<b>Is the valuation process (cost date and depreciation schedule or market comparison) used for the pickup work the same as was used for the general population of the class/valuation grouping?</b>
	Because there is little market data available for new construction, the assessor will generally rely on the cost approach while the market approach developed by the contract appraiser generally is relied upon for existing properties. However, the cost date and the depreciation schedule that is used for new construction are the same tables that are used to establish the cost approach for the existing properties. The assessor notes that generally, the cost approach and the market approach will correlate closely.
11.	<b>Describe the method used to determine whether a sold parcel is substantially changed.</b>
	Generally, a parcel is considered substantially changed when the use or square footage of the property changes. However, these determinations are also subject to the opinion of the appraiser that reviews the property.
12.	<b>Please provide any documents related to the policies or procedures used for the residential class of property.</b>
	There are no written policies or procedures for use in the residential class of property; the assessor notes that the appraisal contract with Standard Appraisal is very detailed and describes the process employed by the appraisal service.

**24 Dawson**  
**RESIDENTIAL**

**PAD 2011 R&O Statistics (Using 2011 Values)**

Qualified

Date Range: 7/1/2008 To 6/30/2010 Posted on: 2/17/2011

Number of Sales : 425  
Total Sales Price : 38,483,634  
Total Adj. Sales Price : 38,939,134  
Total Assessed Value : 37,178,532  
Avg. Adj. Sales Price : 91,621  
Avg. Assessed Value : 87,479

MEDIAN : 98  
WGT. MEAN : 95  
MEAN : 100  
COD : 14.64  
PRD : 105.07

COV : 27.64  
STD : 27.73  
Avg. Abs. Dev : 14.30  
MAX Sales Ratio : 349.10  
MIN Sales Ratio : 06.30

95% Median C.I. : 96.29 to 98.75  
95% Wgt. Mean C.I. : 93.50 to 97.46  
95% Mean C.I. : 97.68 to 102.96

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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-JUL-08 To 30-SEP-08	53	98.79	101.48	96.12	10.60	105.58	69.38	220.38	95.81 to 99.89	94,658	90,982
01-OCT-08 To 31-DEC-08	48	98.41	98.89	98.80	11.13	100.09	56.20	150.05	95.22 to 100.80	84,117	83,106
01-JAN-09 To 31-MAR-09	41	99.17	101.74	99.90	14.90	101.84	60.00	154.55	92.60 to 102.94	82,732	82,651
01-APR-09 To 30-JUN-09	53	98.46	100.12	97.23	11.13	102.97	66.30	190.92	95.38 to 100.02	84,610	82,269
01-JUL-09 To 30-SEP-09	74	95.43	101.45	95.04	17.56	106.74	63.66	349.10	91.20 to 99.94	98,395	93,510
01-OCT-09 To 31-DEC-09	48	96.61	102.19	94.22	17.17	108.46	54.45	344.80	93.89 to 100.93	87,127	82,089
01-JAN-10 To 31-MAR-10	40	99.59	101.61	91.02	16.65	111.63	06.30	187.50	96.65 to 106.75	94,045	85,599
01-APR-10 To 30-JUN-10	68	94.03	96.42	93.38	16.35	103.26	08.61	280.00	89.71 to 96.94	99,754	93,155
<u>Study Yrs</u>											
01-JUL-08 To 30-JUN-09	195	98.50	100.53	97.81	11.81	102.78	56.20	220.38	97.33 to 99.37	86,824	84,923
01-JUL-09 To 30-JUN-10	230	96.42	100.14	93.68	17.08	106.90	06.30	349.10	94.25 to 98.37	95,689	89,646
<u>Calendar Yrs</u>											
01-JAN-09 To 31-DEC-09	216	97.80	101.34	96.22	15.32	105.32	54.45	349.10	95.38 to 99.17	89,535	86,153
<u>ALL</u>	425	97.68	100.32	95.48	14.64	105.07	06.30	349.10	96.29 to 98.75	91,621	87,479

**VALUATION GROUPING**

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	69	99.94	110.76	102.92	16.98	107.62	72.69	344.80	98.62 to 102.81	64,940	66,837
02	12	98.90	96.93	98.99	06.91	97.92	56.20	112.73	94.74 to 100.02	104,143	103,088
03	105	93.18	94.17	91.98	14.90	102.38	52.93	152.21	87.25 to 97.94	104,608	96,215
04	6	96.55	100.79	107.08	08.25	94.13	87.28	122.83	87.28 to 122.83	144,333	154,547
05	144	95.48	97.64	93.23	15.29	104.73	06.30	349.10	92.16 to 98.46	83,585	77,926
06	10	98.86	100.10	99.22	04.78	100.89	92.01	109.31	94.05 to 108.57	156,950	155,731
07	2	156.41	156.41	119.47	40.90	130.92	92.44	220.38	N/A	18,700	22,340
08	4	121.07	153.94	111.49	41.46	138.08	93.61	280.00	N/A	18,875	21,044
10	15	100.34	103.46	102.21	08.04	101.22	87.50	132.15	97.36 to 110.93	49,510	50,604
11	8	95.81	97.09	94.91	08.14	102.30	76.67	117.36	76.67 to 117.36	131,688	124,980
12	3	110.88	114.24	110.28	05.72	103.59	106.41	125.42	N/A	54,667	60,285
13	2	98.00	98.00	97.93	00.38	100.07	97.63	98.37	N/A	110,238	107,954
14	43	97.76	100.14	96.07	10.41	104.24	63.66	183.33	94.41 to 99.79	124,674	119,769
15	1	82.12	82.12	82.12	00.00	100.00	82.12	82.12	N/A	42,500	34,900
16	1	92.41	92.41	92.41	00.00	100.00	92.41	92.41	N/A	56,000	51,750
<u>ALL</u>	425	97.68	100.32	95.48	14.64	105.07	06.30	349.10	96.29 to 98.75	91,621	87,479

**24 Dawson**  
**RESIDENTIAL**

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COV : 27.64  
 STD : 27.73  
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 95% Wgt. Mean C.I. : 93.50 to 97.46  
 95% Mean C.I. : 97.68 to 102.96

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**PROPERTY TYPE \***

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	424	97.68	100.30	95.48	14.65	105.05	06.30	349.10	96.29 to 98.64	91,814	87,660
06											
07	1	107.61	107.61	107.61	00.00	100.00	107.61	107.61	N/A	10,000	10,761
<u>ALL</u>	425	97.68	100.32	95.48	14.64	105.07	06.30	349.10	96.29 to 98.75	91,621	87,479

**SALE PRICE \***

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Low \$</u>											
1 TO 4999	8	104.26	131.82	86.45	40.00	152.48	75.02	280.00	75.02 to 280.00	9,875	8,537
5000 TO 9999	9	105.00	143.62	142.64	49.48	100.69	60.00	344.80	100.00 to 220.38	5,911	8,432
<u>Total \$</u>											
1 TO 9999	17	105.00	138.06	109.06	44.89	126.59	60.00	344.80	97.95 to 183.33	7,777	8,481
10000 TO 29999	35	115.43	122.59	122.71	21.94	99.90	66.27	349.10	104.83 to 125.42	21,025	25,800
30000 TO 59999	78	99.50	99.54	100.21	14.48	99.33	54.45	154.37	94.43 to 102.04	45,557	45,653
60000 TO 99999	137	97.68	97.80	97.83	10.78	99.97	52.93	143.35	95.22 to 99.22	78,895	77,181
100000 TO 149999	94	94.50	93.56	93.47	09.04	100.10	63.66	119.55	90.25 to 97.63	122,081	114,113
150000 TO 249999	47	95.81	93.30	93.34	09.99	99.96	08.61	150.05	94.03 to 98.43	179,103	167,181
250000 TO 499999	12	93.26	86.83	88.16	16.58	98.49	06.30	122.83	79.11 to 101.10	304,958	268,843
500000 +											
<u>ALL</u>	425	97.68	100.32	95.48	14.64	105.07	06.30	349.10	96.29 to 98.75	91,621	87,479



**2011 Correlation Section  
for Dawson County**

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**A. Residential Real Property**

The residential sample for Dawson County adequately represents residential parcels within the county. The measures of central tendency correlate closely. The 95% median and weighted mean confidence intervals are sufficiently narrow and support measures within the acceptable range. All subclass samples with a sufficient number of sales are also within the acceptable range.

In Dawson County, the sales verification process is conducted through a variety of means. During the physical review work, the contracted appraiser and his staff will attempt to interview the buyers and sellers of properties within the valuation grouping being reviewed. When permitted an interior inspection will also be completed. Additionally, the assessor, deputy assessor and in-house appraiser will conduct a sales review. They will rely on their collective knowledge of the taxpayers and the market within the county in making qualification determinations. Public records and other government officials are often sources of sales information. When necessary, the buyer or seller, an attorney, realtor or other professional is contacted to discover terms of a sale.

The county is complying with the six year inspection cycle. Currently, all residential parcels have been reappraised in this cycle with the exception of the communities of Gothenburg and Lexington. The three year plan indicates that this work will commence during 2011. After completing the review work, the contract appraiser will develop a market valuation model. The cost approach is also used; the appraiser and the assessor will correlate the two approaches in determining final value.

In analyzing assessment quality, all information is considered. The coefficient of dispersion is within the range recommended by the IAAO. The PRD is above the range, and suggests that assessments are regressive. However, in analyzing the sale price substrata, there are 17 sales with selling prices less than \$10,000. As is typical for low dollar sales, there is significant dispersion in the ratios within this substratum, the COD is 45%. When these sales are removed from the sample, the mean and the COD improve slightly, and the PRD is reduced to 103%.

The county separates its residential parcels into a significant number of valuation groupings. Review of the valuation grouping strata reveals that only four of these groupings contain a sufficient number of sales. Consolidating some of these areas into broader valuation groupings would produce more meaningful ratio studies. However, when similar areas were combined and analyzed, the measures of central tendency were all within the acceptable range. Based on this analysis and the assessor's commitment to completing the reappraisal of the residential class, it is believed that all subclasses are assessed as proportionately as possible. The county has demonstrated appraisal processes that meet generally accepted mass appraisal standards.

Based on all available information, the level of value of residential parcels in Dawson County is determined to be 98%; all subclasses are within the acceptable range.



**2011 Correlation Section  
for Dawson County**

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**B. Analysis of Sales Verification**

Neb. Rev. Stat. 77-1327(2) 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 (2007), 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 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.

## 2011 Correlation Section for Dawson 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 in 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 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.

## 2011 Correlation Section for Dawson 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 International Association of Assessing Officers 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.

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 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 of Ratio Studies, adopted by the International Association of Assessing Officers,

**2011 Correlation Section  
for Dawson County**

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July, 2007, 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. 247.



## **2011 Assessment Actions for Dawson County**

### **taken to address the following property classes/subclasses:**

#### **Commercial**

A complete reappraisal of the commercial class was completed for 2011. A reappraisal includes an exterior review of all parcels; when warranted and allowed an interior inspection may be completed. Measurements are checked when necessary and new photographs are taken. The quality and condition of the improvements is reviewed and any changes are noted. Changes to the property record are made in the CAMA system. The assessor noted that there were several corrections to occupancy codes made during the review process.

After data collection, the contract appraiser completes all three approaches to value. A market approach to values is completed; the model uses market data, stratified by use and other key market characteristics, to produce market values on a per square foot basis. The cost approach to value was also completed, with the costing tables updated to Marshall & Swift October, 2010. The income approach was completed where income and expense data was available and applicable. All three approaches are correlated in determining the assessed value.

## 2011 Commercial Assessment Survey for Dawson County

1.	<b>Valuation data collection done by:</b>	
	The office appraiser, the assessor, and the contract appraisal service	
2.	<b>List the valuation groupings used by the County and describe the unique characteristics that effect value:</b>	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	01	Cozad – a somewhat depressed market with the 2010 announcement of the closure of the local Tenneco plant.
	02	Cozad Rural – similar economic conditions as Cozad, but these properties tend to be more agricultural based and are generally not comparable to the properties within town.
	03	Gothenburg – a somewhat stronger market; local leadership has been very aggressive with the use of tax increment financing to grow industry and commercial development.
	04	Gothenburg Rural – similar economic conditions as Gothenburg, but these properties tend to be more agricultural based and are generally not comparable to the properties within town. There are no sales within this valuation grouping in the current study period.
	05	Lexington – an active market; Tyson Foods is the largest employer in the county, and has brought a significant amount of cultural diversity to Lexington; this diversity has had an impact on the commercial real estate market within Lexington.
	06	Lexington Rural – similar economic conditions as Lexington, but properties are agricultural based and are generally not comparable parcels.
	07	Eddyville – a very small community with little or no commercial activity; very few commercial properties.
	08	Farnam– a very small community with little or no commercial activity; very few commercial properties.
	10	Overton – a small community along the I-80/highway 30 corridor. The size of the community makes it incomparable to the larger communities, but its location makes the market stronger than the other small villages in the county. There are no sales within the current study period.
	12	Sumner – a very small community; usually more activity than Eddyville or Farnam, but no real organization in the market. There are no sales within the current study period.
3.	<b>List and describe the approach(es) used to estimate the market value of commercial properties.</b>	
	The income approach is utilized for all properties where rent, income, and expense data can be obtained. The sales comparison approach is also used for properties of the same occupancy codes if enough sales are available. There are not always enough sales of a single occupancy code to develop a sales comparison approach, if	

	neither the income or the sale comparison approach can be developed, then the cost approach is used to arrive at value.
4.	<b>When was the last lot value study completed?</b>
	Sales are reviewed annually; however, there are typically very few vacant lot sales available to justify a change in land values.
5.	<b>Describe the methodology used to determine the commercial lot values.</b>
	Lot values for commercial properties along the highway and main street strips are developed by completing a sales study using the front foot method. A value is assigned for the front feet based on the market influence of the highway/strip and value is assigned to the rear ground or remaining land based on the size of the lot. In areas where the market does not show an influence from being located along a highway or main street, the square foot method is employed.
6.	<b>What costing year for the cost approach is being used for each valuation grouping?</b>
	2010
7.	<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 depreciation tables provided within the CAMA package; however, the contract appraiser also develops a market valuation model using local sale information, and this method is correlated with the cost approach in determining assessed value.
8.	<b>Are individual depreciation tables developed for each valuation grouping?</b>
	No, one depreciation table is used for all valuation groupings for the cost approach to value.
9.	<b>How often does the County update the depreciation tables?</b>
	Sales are reviewed annually and changes are made to the depreciation tables when the sales study indicates a need.
10.	<b>Is the valuation process (cost date and depreciation schedule or market comparison) used for the pickup work the same as was used for the general population of the class/valuation grouping?</b>
	Because there is little market data available for new construction, the assessor will generally rely on the cost approach while the market approach developed by the contract appraiser generally is relied upon for existing properties. However, the cost date and the depreciation schedule that is used for new construction are the same tables that are used to establish the cost approach for the existing properties. The assessor notes that generally, the cost approach and the market approach will correlate closely.
11.	<b>Describe the method used to determine whether a sold parcel is substantially changed.</b>
	Generally, a parcel is considered substantially changed when the use or square footage of the property changes. However, these determinations are also subject to the opinion of the appraiser that reviews the property.
12.	<b>Please provide any documents related to the policies or procedures used for the commercial class of property.</b>



<p>There are no written policies or procedures for use in the commercial class of property; however, the assessor notes that the appraisal contract with Standard Appraisal is very detailed and describes the process employed by the appraisal service.</p>
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**24 Dawson**  
**COMMERCIAL**

**PAD 2011 R&O Statistics (Using 2011 Values)**

Qualified

Date Range: 7/1/2007 To 6/30/2010 Posted on: 2/17/2011

Number of Sales : 76  
Total Sales Price : 14,103,339  
Total Adj. Sales Price : 14,271,339  
Total Assessed Value : 14,794,150  
Avg. Adj. Sales Price : 187,781  
Avg. Assessed Value : 194,660

MEDIAN : 99  
WGT. MEAN : 104  
MEAN : 111  
COD : 18.82  
PRD : 107.00

COV : 51.30  
STD : 56.90  
Avg. Abs. Dev : 18.66  
MAX Sales Ratio : 503.00  
MIN Sales Ratio : 62.50

95% Median C.I. : 97.84 to 99.71  
95% Wgt. Mean C.I. : 95.85 to 111.48  
95% Mean C.I. : 98.13 to 123.71

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**DATE OF SALE \***

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Qrtrs</u>											
01-JUL-07 To 30-SEP-07	3	100.00	102.02	101.83	03.53	100.19	97.73	108.33	N/A	60,000	61,100
01-OCT-07 To 31-DEC-07	3	115.22	117.62	116.06	08.32	101.34	104.43	133.20	N/A	51,000	59,192
01-JAN-08 To 31-MAR-08	2	88.84	88.84	81.57	14.13	108.91	76.29	101.39	N/A	85,500	69,746
01-APR-08 To 30-JUN-08	12	97.46	93.29	96.47	07.09	96.70	62.50	103.73	93.34 to 99.72	96,925	93,499
01-JUL-08 To 30-SEP-08	6	95.89	106.77	97.07	16.92	109.99	81.23	173.33	81.23 to 173.33	246,667	239,438
01-OCT-08 To 31-DEC-08	7	99.00	119.01	108.93	21.73	109.25	95.35	226.00	95.35 to 226.00	119,071	129,710
01-JAN-09 To 31-MAR-09	6	99.55	99.20	99.21	02.38	99.99	95.00	105.29	95.00 to 105.29	610,333	605,504
01-APR-09 To 30-JUN-09	8	98.28	93.17	95.43	06.08	97.63	73.40	99.47	73.40 to 99.47	83,875	80,042
01-JUL-09 To 30-SEP-09	6	97.31	95.85	92.58	03.38	103.53	88.35	100.05	88.35 to 100.05	194,015	179,624
01-OCT-09 To 31-DEC-09	5	100.53	104.58	106.65	05.24	98.06	98.46	120.25	N/A	125,800	134,170
01-JAN-10 To 31-MAR-10	6	99.59	168.70	105.99	72.90	159.17	90.56	503.00	90.56 to 503.00	87,953	93,225
01-APR-10 To 30-JUN-10	12	99.97	129.10	116.74	36.16	110.59	77.68	315.28	94.39 to 144.75	303,078	353,825
<u>Study Yrs</u>											
01-JUL-07 To 30-JUN-08	20	99.02	97.80	97.32	09.04	100.49	62.50	133.20	96.15 to 101.88	83,355	81,118
01-JUL-08 To 30-JUN-09	27	99.00	104.23	99.57	11.85	104.68	73.40	226.00	95.53 to 99.49	246,167	245,110
01-JUL-09 To 30-JUN-10	29	99.56	126.19	110.01	31.89	114.71	77.68	503.00	97.96 to 102.39	205,439	225,994
<u>Calendar Yrs</u>											
01-JAN-08 To 31-DEC-08	27	97.84	102.62	98.86	13.73	103.80	62.50	226.00	95.35 to 99.72	135,096	133,558
01-JAN-09 To 31-DEC-09	25	99.11	97.55	98.30	04.60	99.24	73.40	120.25	96.66 to 99.56	245,044	240,878
<u>ALL</u>	76	99.16	110.92	103.66	18.82	107.00	62.50	503.00	97.84 to 99.71	187,781	194,660

**VALUATION GROUPING**

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	18	99.00	105.70	101.69	13.49	103.94	73.40	226.00	96.25 to 103.73	85,873	87,323
02	1	503.00	503.00	503.00	00.00	100.00	503.00	503.00	N/A	10,000	50,300
03	24	98.09	112.83	101.15	21.16	111.55	75.71	315.28	94.90 to 100.53	171,087	173,055
05	29	99.59	100.85	106.85	09.21	94.38	62.50	144.75	98.27 to 102.39	237,915	254,219
06	1	96.01	96.01	96.01	00.00	100.00	96.01	96.01	N/A	1,540,000	1,478,478
07	1	99.47	99.47	99.47	00.00	100.00	99.47	99.47	N/A	75,000	74,600
08	2	98.07	98.07	98.21	00.41	99.86	97.67	98.46	N/A	47,500	46,650
<u>ALL</u>	76	99.16	110.92	103.66	18.82	107.00	62.50	503.00	97.84 to 99.71	187,781	194,660

**24 Dawson**  
**COMMERCIAL**

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**PROPERTY TYPE \***

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
02	2	92.48	92.48	93.00	02.08	99.44	90.56	94.39	N/A	172,500	160,432
03	74	99.29	111.42	103.93	19.13	107.21	62.50	503.00	98.27 to 99.71	188,194	195,585
04											
<u>ALL</u>	<u>76</u>	<u>99.16</u>	<u>110.92</u>	<u>103.66</u>	<u>18.82</u>	<u>107.00</u>	<u>62.50</u>	<u>503.00</u>	<u>97.84 to 99.71</u>	<u>187,781</u>	<u>194,660</u>

**SALE PRICE \***

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Low \$</u>											
1 TO 4999	5	96.25	94.80	95.85	04.78	98.90	81.23	103.73	N/A	13,500	12,940
5000 TO 9999	1	94.90	94.90	94.90	00.00	100.00	94.90	94.90	N/A	7,200	6,833
<u>Total \$</u>											
1 TO 9999	6	96.20	94.82	95.76	04.22	99.02	81.23	103.73	81.23 to 103.73	12,450	11,923
10000 TO 29999	9	97.39	146.53	126.86	65.36	115.51	62.50	503.00	73.40 to 173.33	20,413	25,895
30000 TO 59999	16	99.86	128.47	129.02	34.32	99.57	77.68	315.28	94.40 to 133.20	43,344	55,922
60000 TO 99999	13	99.83	100.58	100.65	05.28	99.93	75.71	120.65	98.46 to 104.43	71,115	71,576
100000 TO 149999	11	97.84	94.24	94.06	05.49	100.19	76.29	104.69	83.31 to 99.00	128,636	121,002
150000 TO 249999	10	99.58	101.59	101.69	02.32	99.90	98.89	120.25	99.18 to 100.00	188,300	191,478
250000 TO 499999	2	106.76	106.76	107.11	04.57	99.67	101.88	111.63	N/A	303,298	324,850
500000 +	9	97.08	101.45	103.28	08.85	98.23	88.35	144.75	89.45 to 105.29	943,369	974,314
<u>ALL</u>	<u>76</u>	<u>99.16</u>	<u>110.92</u>	<u>103.66</u>	<u>18.82</u>	<u>107.00</u>	<u>62.50</u>	<u>503.00</u>	<u>97.84 to 99.71</u>	<u>187,781</u>	<u>194,660</u>

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**OCCUPANCY CODE**

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
Blank	8	95.53	91.17	92.98	13.78	98.05	62.50	121.20	62.50 to 121.20	9,865	9,172
303	1	96.01	96.01	96.01	00.00	100.00	96.01	96.01	N/A	1,540,000	1,478,478
323	1	101.39	101.39	101.39	00.00	100.00	101.39	101.39	N/A	36,000	36,500
326	3	101.88	99.76	101.46	02.41	98.32	95.00	102.39	N/A	117,532	119,250
336	1	120.25	120.25	120.25	00.00	100.00	120.25	120.25	N/A	200,000	240,500
343	3	95.53	93.65	93.91	03.05	99.72	88.35	97.08	N/A	818,296	768,462
344	8	99.66	105.48	105.08	06.78	100.38	97.84	133.20	97.84 to 133.20	120,000	126,097
346	1	98.46	98.46	98.46	00.00	100.00	98.46	98.46	N/A	65,000	64,000
349	4	99.49	101.72	100.16	05.70	101.56	92.69	115.22	N/A	130,500	130,715
350	3	98.44	92.02	95.12	07.54	96.74	77.68	99.93	N/A	81,667	77,680
352	6	101.04	116.69	105.13	22.16	111.00	90.56	208.45	90.56 to 208.45	121,417	127,648
353	9	100.00	121.15	112.31	25.12	107.87	93.34	226.00	94.40 to 173.33	46,945	52,724
381	1	99.71	99.71	99.71	00.00	100.00	99.71	99.71	N/A	200,000	199,414
384	1	99.14	99.14	99.14	00.00	100.00	99.14	99.14	N/A	70,000	69,399
386	1	98.89	98.89	98.89	00.00	100.00	98.89	98.89	N/A	225,000	222,500
387	1	95.35	95.35	95.35	00.00	100.00	95.35	95.35	N/A	112,500	107,268
406	2	95.44	95.44	95.03	02.05	100.43	93.48	97.39	N/A	29,000	27,560
408	1	83.31	83.31	83.31	00.00	100.00	83.31	83.31	N/A	121,000	100,800
410	3	97.08	97.27	97.85	05.44	99.41	89.45	105.29	N/A	720,000	704,520
412	1	99.49	99.49	99.49	00.00	100.00	99.49	99.49	N/A	1,125,000	1,119,300
421	1	99.47	99.47	99.47	00.00	100.00	99.47	99.47	N/A	75,000	74,600
426	1	99.46	99.46	99.46	00.00	100.00	99.46	99.46	N/A	48,500	48,239
470	2	99.00	99.00	99.00	00.00	100.00	99.00	99.00	N/A	100,000	99,000
471	5	99.11	94.50	92.67	05.14	101.97	76.29	99.83	N/A	93,400	86,558
493	1	99.40	99.40	99.40	00.00	100.00	99.40	99.40	N/A	150,000	149,100
494	2	323.88	323.88	147.69	55.31	219.30	144.75	503.00	N/A	610,218	901,200
528	4	110.35	159.00	134.14	53.44	118.53	100.00	315.28	N/A	90,875	121,898
551	1	75.71	75.71	75.71	00.00	100.00	75.71	75.71	N/A	70,000	53,000
<u>ALL</u>	<u>76</u>	<u>99.16</u>	<u>110.92</u>	<u>103.66</u>	<u>18.82</u>	<u>107.00</u>	<u>62.50</u>	<u>503.00</u>	<u>97.84 to 99.71</u>	<u>187,781</u>	<u>194,660</u>



## 2011 Correlation Section for Dawson County

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### A. Commercial Real Property

The commercial sample for Dawson County is reasonably representative of commercial parcels within the county. Only the median is within the acceptable range; the 95% median confidence interval is sufficiently narrow and supports a median within the acceptable range. The mean and weighted mean are affected by one outlier ratio. Sale 2010-638 is an improvement on leased land, and with a selling price of only \$10,000 is a low dollar outlier. When it is removed from the sample, the mean and weighted mean are reduced but remain above 100%. The COD and the PRD improve to 14% and 102%.

Because commercial parcels are valued in the county by stratifications of occupancy code and general location (such as interstate strips, downtown business districts, etc.) the subclass statistics were not considered to be reliable for measurement purposes.

In Dawson County, the sales verification process is conducted through a variety of means. During the reappraisal, the contracted appraiser and his staff attempted to interview the buyers and sellers of sold properties. When permitted an interior inspection was completed. Additionally, the assessor, deputy assessor and in-house appraiser will conduct a sales review. They will rely on their collective knowledge of the taxpayers and the market within the county in making qualification determinations. Public records and other government officials are often sources of sales information. When necessary, the buyer or seller, an attorney, realtor or other professional is contacted to discover terms of a sale.

All commercial parcels were reappraised for 2011, with the assistance of Standard Appraisal Service. The reappraisal included a physical review of all commercial parcels. All three approaches to value were developed and correlated in determining final value. Based on the appraisal process demonstrated by the county, it is believed that assessments are uniform and proportionate in the commercial class.

Based on all available information, the level of value of commercial parcels in Dawson County is determined to be 99%; all subclasses are within the acceptable range.

**2011 Correlation Section  
for Dawson County**

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**B. Analysis of Sales Verification**

Neb. Rev. Stat. 77-1327(2) 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 (2007), 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 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.

## 2011 Correlation Section for Dawson 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 in 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 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.



## 2011 Correlation Section for Dawson 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 International Association of Assessing Officers 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.

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 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 of Ratio Studies, adopted by the International Association of Assessing Officers,

**2011 Correlation Section  
for Dawson County**

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July, 2007, 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. 247.



## **2011 Assessment Actions for Dawson County**

### **taken to address the following property classes/subclasses:**

#### **Agricultural**

A reappraisal of the improved agricultural parcels began in 2009 and was completed for this assessment year. A reappraisal includes an exterior review of all parcels; when warranted and permitted an interior inspection may be completed. Measurements are checked when necessary and new photographs are taken. The quality and condition of the improvements is reviewed and any changes are noted. Changes to the property record are made within the CAMA system.

After collecting data, the contract appraiser completes a new market valuation model for the agricultural dwellings. The model uses market data, stratified by key market characteristics, to produce market values on a per square foot basis. The cost approach is also completed for the dwellings and outbuildings. For this assessment year, the costing tables were updated to the October, 2010 tables for the entire class. The two approaches are correlated in determining the assessed value of the dwellings; the cost approach is relied upon in determining the assessed value of the outbuildings.

A study of agricultural land sales was completed. After valuing market areas 1 and 3 using the same schedule for 2010, the areas were combined for 2011. The sales study indicated the following adjustments to value.

- Market area 1: irrigated and dry lands were increased 13%; grass land increased about 3%.
- Market area 2: the entire market area increased approximately 13%.

## 2011 Agricultural Assessment Survey for Dawson County

1.	<b>Valuation data collection done by:</b>	
	Data collection for the agricultural improvements is done by the office appraiser, the contract appraiser and the assessor. Land use and other data collection for agricultural land is done by the assessor with the deputy assessor and the appraiser assisting when necessary.	
2.	<b>List each market area, and describe the location and the specific characteristics that make each unique.</b>	
	<b>Market Area</b>	<b>Description of unique characteristics</b>
	01	Market area 1 consists of the Platte River Valley and rolling hills to the north of the valley. While the area consists of two distinct areas of soil and topographic make-up, the assessor notes that grain prices in recent years have caused strong demand for cropland in this area regardless of topography. The majority of the grassland is in the rolling hills in the northern part of the county. There is too little grassland in the Platte River Valley to justify a difference in value or a need for a market area.
	02	Market area 2 is in the southwestern corner of Dawson County. The area is hilly, but the terrain is much rougher than the rolling hills found in market area 1. The assessor notes that the market in area 2 is influenced by Frontier County to the south, where there are many common land-owners.
3.	<b>Describe the process that is used to determine and monitor market areas.</b>	
	The market areas were originally developed by establishing three areas of different geographic and topographic makeup. For the 2010 assessment year the assessor determined that that the geographic and topographical characteristics that originally influenced the market area determinations were no longer recognized within the market place for market area 3. The assessor conducted a sales study and determined that the markets for areas 1 and 3 were very similar, causing the areas to be consolidated. The sales study has continued to show a difference in the agricultural land market between areas 1 and 2.	
4.	<b>Describe the process used to identify and value rural residential land and recreational land in the county.</b>	
	Tracts of land that are less than 20 acres are reviewed for residential use. Rural residential land is valued using current sales information. Parcels that are in close proximity to bodies of water (Johnson Lake, Platte River, etc.) are reviewed for recreational use. Recreational lands along the Platte River are valued using similar sales of river grounds. Recreational tracts at Johnson Lake are leasehold parcels, and the value is monitored by determining the residual value of the leasehold after deducting the market value of the improvement.	
5.	<b>Do farm home sites carry the same value as rural residential home sites or are market differences recognized? If differences, what are the recognized market differences?</b>	
	The county does not differentiate a value between farm home site and rural	

	residential home sites, however, not all sites carry the same value countywide. Home site values have been established by location. Parcels closest to Lexington are valued at \$15,000 for the first acre. Those away from Lexington, but along the Highway 30/I-80 corridor are assessed at \$10,000 for the first acre. Parcels that are more rural, away from Lexington or the main travel corridor are assessed at \$5,000 for the first acre.
6.	<b>What land characteristics are used to assign differences in assessed values?</b>
	Assessed value is assigned using lcg/soil type. At times adjustments are made for flooded ground.
7.	<b>What process is used to annually update land use? (Physical inspection, FSA maps, etc.)</b>
	Land use is completed through normal discovery including pickup work, reappraisal work, requested inspections, property protests, etc. The office also implemented GIS in 2010 and also uses the GIS system to update land use.
8.	<b>Describe the process used to identify and monitor the influence of non-agricultural characteristics.</b>
	Sales that are less than 20 acres in size, are close in proximity to bodies of water, or are in aesthetically pleasing areas are closely monitored and verified to determine whether residential, recreational or other non-agricultural influences exist.
9.	<b>Have special valuations applications been filed in the county? If yes, is there a value difference for the special valuation parcels.</b>
	Yes, special valuation applications have been filed in the county, and the county carries a different value for the special valuation parcels.
10.	<b>Is the valuation process (cost date and depreciation schedule or market comparison) used for the pickup work on the rural improvements the same as was used for the general population of the class?</b>
	Yes
11.	<b>Describe the method used to determine whether a sold parcel is substantially changed.</b>
	For agricultural land, substantially changed determination will typically be made when the number of acres on a parcel changes, the use of the parcel changes (from irrigated to dry, etc.) or when an improvement is added to the parcel.
12.	<b>Please provide any documents related to the policies or procedures used for the agricultural class of property.</b>
	The county has a written policy to define agricultural and horticultural land use. The policy is attached.

## Dawson County Policy Defining Agricultural and Horticultural Land Use:

### Background –

The change in dealing with agricultural and horticultural parcel definition was initiated in LB 407 in 2005, which came out of the Nebraska Legislature’s Revenue Committee and was eventually amended into LB 808 in the 2006 session. The statute was amended again in LB 777 during the 2008 session.

Shaping the criteria of “use” as it relates to the definition of parcel for the entire state became problematic. What terms may work well in an Eastern Nebraska county could be totally unsuitable to Dawson County.

The discussion between the Dawson County Board of Commissioners and the County Assessor on this matter included:

- 1) Consideration on the basis of size of the parcel and its vicinity to currently active commercial agricultural business,
- 2) Whether the owner is directly involved in agricultural or horticultural ongoing business concerns,
- 3) The sale price and motivation behind the sale, and
- 4) The degree of what may be considered an agricultural use.

To be constructive, the guidelines within Dawson County offer flexibility. A routine review process is included as part of the policy. Annual examination of the use of all the agricultural property within the county would be impractical, but examination of perhaps a third of the county each year may be feasible. Certainly, any unusual market activity that would prompt a full review is possible.

### The Use Test –

- Is the applicable income generated directly from commercial agricultural production, as opposed to income incidental to the use of the parcel?
- What are zoning regulations as they pertain to parcel size?
  - The number of acres most often used to define nonagricultural status within Dawson County zoning regulations is 20 or less.
  - Dawson County’s policy is to review all sales of 20 acres or less. If the parcel’s owner has no other interest in a going agricultural concern that is contiguous to the smaller parcel, the question arises whether commercial agriculture is the primary purpose, or highest and best use of the land.
  - If in the assessor’s opinion the parcel, in line with generally accepted appraisal practices, is more likely to appear on the market as residential development or was purchased for that reason, the parcel is then defined as rural residential site.
- Practices that constitute commercial farming or ranching are determined under a county survey form entitled: “Status of Land Conforming to An Agricultural or Horticultural Use.” Many of the entries on this survey help define what use the parcel conforms to.

Final determination of whether a parcel conforms to a commercial agricultural use will follow inspection of the property, and completion of the county's survey form. Appeal of this decision would occur through the normal course of valuation protests administered within the authority of the county board of equalization.

Statutory references: Neb. Rev. Stat. §77-1359 and the Department of Revenue, Property Assessment Division Directive 08-04.



**In DAWSON COUNTY  
STATUS OF LAND CONFORMING TO AN  
AGRICULTURAL OR HORTICULTURAL USE**

Owner: \_\_\_\_\_

Legal Description: \_\_\_\_\_

Date of inquiry: \_\_\_\_\_ Assessor's verification: \_\_\_\_\_

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li><input type="checkbox"/> The property is primarily used for the production of agricultural or horticultural product(s).</li> <li><input type="checkbox"/> There are growing crops.</li> <li><input type="checkbox"/> Type of crop (s) _____</li> <li><input type="checkbox"/> Number of acres _____</li> <li><input type="checkbox"/> Length and time of year of growing season _____</li> <li><input type="checkbox"/> There is grazing, feeding, or breeding of livestock.</li> <li><input type="checkbox"/> Type of livestock _____</li> <li><input type="checkbox"/> Number of head _____</li> <li><input type="checkbox"/> Length and time of year of grazing season _____</li> <li><input type="checkbox"/> Horticultural use _____</li> <li><input type="checkbox"/> Type of product produced _____</li> <li><input type="checkbox"/> Length of season and time of year for the product _____</li> </ul> | <ul style="list-style-type: none"> <li><input type="checkbox"/> <b>The market sale of the parcel indicates it is derived from <u>non-agricultural</u> influence.</b></li> <li><input type="checkbox"/> Intended highest and best use _____</li> <li><input type="checkbox"/> <b>The market sale of the parcel indicates it is derived from agricultural influence.</b></li> <li><input type="checkbox"/> The land is enrolled in a state or federal government program that pays the landowner.</li> <li><input type="checkbox"/> Conservation Reserve Program</li> <li><input type="checkbox"/> Wetlands Reserve Program</li> <li><input type="checkbox"/> Other _____</li> <li><input type="checkbox"/> Number of acres in the parcel _____</li> <li><input type="checkbox"/> The majority of income generated on the parcel comes from the sale of crops or livestock or a horticultural product.</li> </ul> |
|--|---|

If the property meets the definition as an agricultural or horticultural parcel it will be assessed at up to 75% of the uninfluenced

agricultural market value, except land classified as building site will not be assessed as an agricultural or horticultural parcel.

If the owner believes the property qualifies for special valuation he or she must apply for that designation on forms prescribed by the Department of Property Assessment and Taxation. That valuation level is up to 75% of the agricultural market value as determined by uninfluenced agricultural sales.

**24 Dawson**  
**AGRICULTURAL - BASE STAT**

**PAD 2011 R&O Statistics (Using 2011 Values)**

Qualified

Date Range: 7/1/2007 To 6/30/2010 Posted on: 2/17/2011

Number of Sales : 109  
 Total Sales Price : 31,223,992  
 Total Adj. Sales Price : 31,748,992  
 Total Assessed Value : 22,967,102  
 Avg. Adj. Sales Price : 291,275  
 Avg. Assessed Value : 210,707

MEDIAN : 72  
 WGT. MEAN : 72  
 MEAN : 77  
 COD : 22.21  
 PRD : 105.85

COV : 30.43  
 STD : 23.30  
 Avg. Abs. Dev : 16.07  
 MAX Sales Ratio : 166.03  
 MIN Sales Ratio : 02.89

95% Median C.I. : 69.84 to 75.51  
 95% Wgt. Mean C.I. : 68.06 to 76.62  
 95% Mean C.I. : 72.20 to 80.94

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**DATE OF SALE \***

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Qrtrs</u>											
01-JUL-07 To 30-SEP-07											
01-OCT-07 To 31-DEC-07	9	72.99	81.48	76.74	15.00	106.18	66.27	110.73	69.54 to 104.89	293,229	225,027
01-JAN-08 To 31-MAR-08	28	75.63	82.72	76.07	22.37	108.74	40.01	125.60	70.89 to 91.20	316,704	240,911
01-APR-08 To 30-JUN-08	17	70.20	74.03	72.56	31.07	102.03	02.89	166.03	53.82 to 89.73	226,443	164,315
01-JUL-08 To 30-SEP-08	4	74.80	70.75	64.93	11.80	108.96	50.84	82.57	N/A	352,500	228,863
01-OCT-08 To 31-DEC-08	9	60.59	62.11	60.19	11.60	103.19	50.83	85.19	51.98 to 67.86	287,703	173,165
01-JAN-09 To 31-MAR-09	6	68.01	70.02	69.47	08.56	100.79	60.48	85.10	60.48 to 85.10	357,217	248,143
01-APR-09 To 30-JUN-09	12	74.62	83.48	78.69	20.64	106.09	60.28	149.65	68.40 to 96.68	255,828	201,311
01-JUL-09 To 30-SEP-09	3	111.22	95.76	71.53	32.55	133.87	33.74	142.33	N/A	367,418	262,802
01-OCT-09 To 31-DEC-09	9	66.36	71.79	69.71	12.52	102.98	59.22	94.00	61.60 to 82.76	342,888	239,033
01-JAN-10 To 31-MAR-10	7	71.77	73.33	75.77	21.74	96.78	41.75	100.95	41.75 to 100.95	238,271	180,531
01-APR-10 To 30-JUN-10	5	70.22	65.51	62.01	18.03	105.64	37.23	84.33	N/A	264,790	164,208
<u>Study Yrs</u>											
01-JUL-07 To 30-JUN-08	54	73.79	79.77	75.31	23.87	105.92	02.89	166.03	70.89 to 79.59	284,376	214,150
01-JUL-08 To 30-JUN-09	31	68.43	73.03	69.24	18.00	105.47	50.83	149.65	62.36 to 74.72	297,180	205,759
01-JUL-09 To 30-JUN-10	24	70.28	73.93	69.98	23.85	105.64	33.74	142.33	61.60 to 82.76	299,171	209,352
<u>Calendar Yrs</u>											
01-JAN-08 To 31-DEC-08	58	72.13	76.15	71.86	24.14	105.97	02.89	166.03	65.62 to 77.82	288,217	207,117
01-JAN-09 To 31-DEC-09	30	72.23	78.51	72.80	21.53	107.84	33.74	149.65	66.36 to 80.18	313,383	228,143
<u>ALL</u>	109	72.37	76.57	72.34	22.21	105.85	02.89	166.03	69.84 to 75.51	291,275	210,707

**AREA (MARKET)**

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
1	106	72.02	75.43	71.95	21.20	104.84	02.89	149.65	69.54 to 74.52	295,457	212,577
2	3	104.89	116.84	100.80	27.47	115.91	79.59	166.03	N/A	143,500	144,649
<u>ALL</u>	109	72.37	76.57	72.34	22.21	105.85	02.89	166.03	69.84 to 75.51	291,275	210,707

**24 Dawson**  
**AGRICULTURAL - BASE STAT**

**PAD 2011 R&O Statistics (Using 2011 Values)**

Qualified

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 WGT. MEAN : 72  
 MEAN : 77  
 COD : 22.21  
 PRD : 105.85

COV : 30.43  
 STD : 23.30  
 Avg. Abs. Dev : 16.07  
 MAX Sales Ratio : 166.03  
 MIN Sales Ratio : 02.89

95% Median C.I. : 69.84 to 75.51  
 95% Wgt. Mean C.I. : 68.06 to 76.62  
 95% Mean C.I. : 72.20 to 80.94

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**95%MLU By Market Area**

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<b>_____Irrigated_____</b>											
County	74	71.53	76.68	72.83	19.91	105.29	40.01	149.65	68.40 to 74.52	309,872	225,674
1	74	71.53	76.68	72.83	19.91	105.29	40.01	149.65	68.40 to 74.52	309,872	225,674
<b>_____Dry_____</b>											
County	3	59.15	68.92	62.60	25.78	110.10	50.94	96.68	N/A	134,875	84,431
1	3	59.15	68.92	62.60	25.78	110.10	50.94	96.68	N/A	134,875	84,431
<b>_____Grass_____</b>											
County	7	71.88	61.69	62.78	26.29	98.26	02.89	89.44	02.89 to 89.44	149,731	94,004
1	7	71.88	61.69	62.78	26.29	98.26	02.89	89.44	02.89 to 89.44	149,731	94,004
<b>_____ALL_____</b>	<b>109</b>	<b>72.37</b>	<b>76.57</b>	<b>72.34</b>	<b>22.21</b>	<b>105.85</b>	<b>02.89</b>	<b>166.03</b>	<b>69.84 to 75.51</b>	<b>291,275</b>	<b>210,707</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	91	72.37	76.89	73.24	19.39	104.98	40.01	149.65	69.54 to 75.51	312,261	228,695
1	91	72.37	76.89	73.24	19.39	104.98	40.01	149.65	69.54 to 75.51	312,261	228,695
<b>_____Dry_____</b>											
County	3	59.15	68.92	62.60	25.78	110.10	50.94	96.68	N/A	134,875	84,431
1	3	59.15	68.92	62.60	25.78	110.10	50.94	96.68	N/A	134,875	84,431
<b>_____Grass_____</b>											
County	8	71.04	62.75	64.23	23.58	97.70	02.89	89.44	02.89 to 89.44	162,890	104,629
1	8	71.04	62.75	64.23	23.58	97.70	02.89	89.44	02.89 to 89.44	162,890	104,629
<b>_____ALL_____</b>	<b>109</b>	<b>72.37</b>	<b>76.57</b>	<b>72.34</b>	<b>22.21</b>	<b>105.85</b>	<b>02.89</b>	<b>166.03</b>	<b>69.84 to 75.51</b>	<b>291,275</b>	<b>210,707</b>

24 Dawson

PAD 2011 R&O Statistics (Using 2011 Values)

Qualified

AGRICULTURAL - RANDOM INCLUDE

Date Range: 7/1/2007 To 6/30/2010 Posted on: 2/17/2011

Number of Sales : 135  
 Total Sales Price : 39,334,842  
 Total Adj. Sales Price : 39,816,617  
 Total Assessed Value : 28,321,430  
 Avg. Adj. Sales Price : 294,938  
 Avg. Assessed Value : 209,788

MEDIAN : 72  
 WGT. MEAN : 71  
 MEAN : 76  
 COD : 21.76  
 PRD : 106.28

COV : 29.52  
 STD : 22.32  
 Avg. Abs. Dev : 15.64  
 MAX Sales Ratio : 166.03  
 MIN Sales Ratio : 02.89

95% Median C.I. : 68.76 to 74.72  
 95% Wgt. Mean C.I. : 66.67 to 75.59  
 95% Mean C.I. : 71.83 to 79.37

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DATE OF SALE *											Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.			
<u>Qtrts</u>												
01-JUL-07 To 30-SEP-07												
01-OCT-07 To 31-DEC-07	8	76.22	83.38	78.26	15.06	106.54	69.54	110.73	69.54 to 110.73	288,174	225,517	
01-JAN-08 To 31-MAR-08	27	75.51	82.57	75.60	22.67	109.22	40.01	125.60	70.82 to 98.42	314,730	237,943	
01-APR-08 To 30-JUN-08	17	70.20	74.03	72.56	31.07	102.03	02.89	166.03	53.82 to 89.73	226,443	164,315	
01-JUL-08 To 30-SEP-08	4	74.80	70.75	64.93	11.80	108.96	50.84	82.57	N/A	352,500	228,863	
01-OCT-08 To 31-DEC-08	10	59.87	61.26	59.29	11.74	103.32	50.83	85.19	51.98 to 67.86	299,733	177,712	
01-JAN-09 To 31-MAR-09	10	68.60	70.86	68.78	10.22	103.02	58.24	86.65	60.48 to 85.10	379,296	260,881	
01-APR-09 To 30-JUN-09	18	74.62	80.68	77.44	18.71	104.18	60.17	149.65	68.00 to 92.57	249,684	193,363	
01-JUL-09 To 30-SEP-09	4	105.33	96.68	76.85	28.57	125.80	33.74	142.33	N/A	340,527	261,703	
01-OCT-09 To 31-DEC-09	13	70.34	73.24	71.38	14.84	102.61	54.18	94.00	61.60 to 85.36	336,181	239,969	
01-JAN-10 To 31-MAR-10	13	68.19	69.03	60.35	20.53	114.38	32.20	100.95	58.95 to 87.71	328,208	198,087	
01-APR-10 To 30-JUN-10	11	68.49	68.93	71.90	20.84	95.87	37.23	108.04	41.49 to 84.79	224,564	161,458	
<u>Study Yrs</u>												
01-JUL-07 To 30-JUN-08	52	73.79	79.90	75.22	24.24	106.22	02.89	166.03	70.89 to 79.59	281,782	211,961	
01-JUL-08 To 30-JUN-09	42	68.60	72.77	69.18	17.30	105.19	50.83	149.65	64.54 to 74.72	302,252	209,093	
01-JUL-09 To 30-JUN-10	41	70.22	73.03	68.31	22.83	106.91	32.20	142.33	65.45 to 80.18	304,131	207,746	
<u>Calendar Yrs</u>												
01-JAN-08 To 31-DEC-08	58	71.58	75.57	71.09	24.41	106.30	02.89	166.03	65.62 to 76.59	288,872	205,352	
01-JAN-09 To 31-DEC-09	45	73.98	77.77	73.15	19.33	106.32	33.74	149.65	68.00 to 81.04	311,550	227,906	
<u>ALL</u>	135	71.88	75.60	71.13	21.76	106.28	02.89	166.03	68.76 to 74.72	294,938	209,788	

AREA (MARKET)											Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.			
1	127	71.88	75.06	71.05	21.17	105.64	02.89	149.65	68.76 to 74.72	300,805	213,721	
2	8	71.44	84.15	73.03	31.08	115.23	54.18	166.03	54.18 to 166.03	201,794	147,363	
<u>ALL</u>	135	71.88	75.60	71.13	21.76	106.28	02.89	166.03	68.76 to 74.72	294,938	209,788	

**24 Dawson**  
**AGRICULTURAL - RANDOM INCLUDE**

**PAD 2011 R&O Statistics (Using 2011 Values)**

Qualified

Date Range: 7/1/2007 To 6/30/2010 Posted on: 2/17/2011

Number of Sales : 135  
 Total Sales Price : 39,334,842  
 Total Adj. Sales Price : 39,816,617  
 Total Assessed Value : 28,321,430  
 Avg. Adj. Sales Price : 294,938  
 Avg. Assessed Value : 209,788

MEDIAN : 72  
 WGT. MEAN : 71  
 MEAN : 76  
 COD : 21.76  
 PRD : 106.28

COV : 29.52  
 STD : 22.32  
 Avg. Abs. Dev : 15.64  
 MAX Sales Ratio : 166.03  
 MIN Sales Ratio : 02.89

95% Median C.I. : 68.76 to 74.72  
 95% Wgt. Mean C.I. : 66.67 to 75.59  
 95% Mean C.I. : 71.83 to 79.37

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**95%MLU By Market Area**

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<b>_____Irrigated_____</b>											
County	77	70.89	76.31	72.48	19.99	105.28	40.01	149.65	67.59 to 73.98	308,901	223,903
1	77	70.89	76.31	72.48	19.99	105.28	40.01	149.65	67.59 to 73.98	308,901	223,903
<b>_____Dry_____</b>											
County	3	59.15	68.92	62.60	25.78	110.10	50.94	96.68	N/A	134,875	84,431
1	3	59.15	68.92	62.60	25.78	110.10	50.94	96.68	N/A	134,875	84,431
<b>_____Grass_____</b>											
County	22	68.63	67.21	68.02	18.17	98.81	02.89	89.44	60.17 to 82.76	190,809	129,790
1	17	70.76	68.00	70.02	19.86	97.12	02.89	89.44	58.95 to 84.88	177,291	124,142
2	5	65.45	64.53	62.93	08.71	102.54	54.18	74.87	N/A	236,770	148,991
<b>_____ALL_____</b>	<b>135</b>	<b>71.88</b>	<b>75.60</b>	<b>71.13</b>	<b>21.76</b>	<b>106.28</b>	<b>02.89</b>	<b>166.03</b>	<b>68.76 to 74.72</b>	<b>294,938</b>	<b>209,788</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	96	72.27	76.63	72.84	19.41	105.20	40.01	149.65	68.43 to 75.51	315,878	230,088
1	96	72.27	76.63	72.84	19.41	105.20	40.01	149.65	68.43 to 75.51	315,878	230,088
<b>_____Dry_____</b>											
County	3	59.15	68.92	62.60	25.78	110.10	50.94	96.68	N/A	134,875	84,431
1	3	59.15	68.92	62.60	25.78	110.10	50.94	96.68	N/A	134,875	84,431
<b>_____Grass_____</b>											
County	24	69.48	67.91	68.95	17.27	98.49	02.89	89.44	62.38 to 81.04	197,800	136,373
1	19	70.76	68.80	70.94	18.57	96.98	02.89	89.44	62.38 to 84.79	187,545	133,053
2	5	65.45	64.53	62.93	08.71	102.54	54.18	74.87	N/A	236,770	148,991
<b>_____ALL_____</b>	<b>135</b>	<b>71.88</b>	<b>75.60</b>	<b>71.13</b>	<b>21.76</b>	<b>106.28</b>	<b>02.89</b>	<b>166.03</b>	<b>68.76 to 74.72</b>	<b>294,938</b>	<b>209,788</b>

**24 Dawson**  
**AGRICULTURAL - RANDOM EXCLUDE**

**PAD 2011 R&O Statistics (Using 2011 Values)**

Qualified

Date Range: 7/1/2007 To 6/30/2010 Posted on: 2/17/2011

Number of Sales : 143  
 Total Sales Price : 41,240,448  
 Total Adj. Sales Price : 41,722,223  
 Total Assessed Value : 29,986,646  
 Avg. Adj. Sales Price : 291,764  
 Avg. Assessed Value : 209,697

MEDIAN : 72  
 WGT. MEAN : 72  
 MEAN : 78  
 COD : 24.46  
 PRD : 108.72

COV : 37.16  
 STD : 29.04  
 Avg. Abs. Dev : 17.65  
 MAX Sales Ratio : 289.80  
 MIN Sales Ratio : 02.89

95% Median C.I. : 69.84 to 75.51  
 95% Wgt. Mean C.I. : 67.54 to 76.21  
 95% Mean C.I. : 73.38 to 82.90

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**DATE OF SALE \***

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Qrtrs</u>											
01-JUL-07 To 30-SEP-07	1	289.80	289.80	289.80	00.00	100.00	289.80	289.80	N/A	10,160	29,444
01-OCT-07 To 31-DEC-07	9	72.99	81.48	76.74	15.00	106.18	66.27	110.73	69.54 to 104.89	293,229	225,027
01-JAN-08 To 31-MAR-08	28	75.63	82.72	76.07	22.37	108.74	40.01	125.60	70.89 to 91.20	316,704	240,911
01-APR-08 To 30-JUN-08	17	70.20	74.03	72.56	31.07	102.03	02.89	166.03	53.82 to 89.73	226,443	164,315
01-JUL-08 To 30-SEP-08	5	73.00	69.70	65.06	11.73	107.13	50.84	82.57	N/A	363,200	236,288
01-OCT-08 To 31-DEC-08	11	60.59	67.59	61.51	21.09	109.88	50.83	130.92	51.98 to 85.19	281,211	172,984
01-JAN-09 To 31-MAR-09	12	71.37	80.25	73.61	21.80	109.02	58.36	137.27	64.54 to 92.29	358,440	263,831
01-APR-09 To 30-JUN-09	19	74.52	80.31	77.40	17.81	103.76	60.28	149.65	68.00 to 92.57	246,093	190,482
01-JUL-09 To 30-SEP-09	4	105.33	96.68	76.85	28.57	125.80	33.74	142.33	N/A	340,527	261,703
01-OCT-09 To 31-DEC-09	13	70.34	73.24	71.39	14.84	102.59	54.18	94.00	61.60 to 85.36	336,181	239,983
01-JAN-10 To 31-MAR-10	13	68.19	69.03	60.35	20.53	114.38	32.20	100.95	58.95 to 87.71	328,208	198,087
01-APR-10 To 30-JUN-10	11	68.49	69.06	72.14	20.91	95.73	37.23	109.02	41.49 to 84.79	224,564	161,998
<u>Study Yrs</u>											
01-JUL-07 To 30-JUN-08	55	73.93	83.59	75.45	28.69	110.79	02.89	289.80	70.89 to 84.39	279,391	210,792
01-JUL-08 To 30-JUN-09	47	70.47	76.19	71.07	20.45	107.20	50.83	149.65	65.51 to 76.59	295,455	209,987
01-JUL-09 To 30-JUN-10	41	70.22	73.07	68.36	22.86	106.89	32.20	142.33	65.47 to 80.18	304,131	207,895
<u>Calendar Yrs</u>											
01-JAN-08 To 31-DEC-08	61	71.88	76.50	71.61	24.94	106.83	02.89	166.03	65.62 to 77.82	288,960	206,937
01-JAN-09 To 31-DEC-09	48	74.25	79.75	74.45	21.05	107.12	33.74	149.65	68.40 to 84.88	306,448	228,161
<u>ALL</u>	143	72.16	78.14	71.87	24.46	108.72	02.89	289.80	69.84 to 75.51	291,764	209,697

**AREA (MARKET)**

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
1	135	72.16	77.58	71.70	23.86	108.20	02.89	289.80	69.84 to 75.51	297,273	213,151
2	8	73.80	87.69	76.16	33.63	115.14	54.18	166.03	54.18 to 166.03	198,803	151,400
<u>ALL</u>	143	72.16	78.14	71.87	24.46	108.72	02.89	289.80	69.84 to 75.51	291,764	209,697

**24 Dawson**  
**AGRICULTURAL - RANDOM EXCLUDE**

**PAD 2011 R&O Statistics (Using 2011 Values)**

Qualified

Date Range: 7/1/2007 To 6/30/2010 Posted on: 2/17/2011

Number of Sales : 143  
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 Avg. Assessed Value : 209,697

MEDIAN : 72  
 WGT. MEAN : 72  
 MEAN : 78  
 COD : 24.46  
 PRD : 108.72

COV : 37.16  
 STD : 29.04  
 Avg. Abs. Dev : 17.65  
 MAX Sales Ratio : 289.80  
 MIN Sales Ratio : 02.89

95% Median C.I. : 69.84 to 75.51  
 95% Wgt. Mean C.I. : 67.54 to 76.21  
 95% Mean C.I. : 73.38 to 82.90

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**95%MLU By Market Area**

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<b>_____Irrigated_____</b>											
County	80	71.09	77.13	73.03	20.64	105.61	40.01	149.65	67.86 to 74.52	306,676	223,951
1	80	71.09	77.13	73.03	20.64	105.61	40.01	149.65	67.86 to 74.52	306,676	223,951
<b>_____Dry_____</b>											
County	4	77.92	124.14	68.16	88.68	182.13	50.94	289.80	N/A	103,696	70,684
1	4	77.92	124.14	68.16	88.68	182.13	50.94	289.80	N/A	103,696	70,684
<b>_____Grass_____</b>											
County	21	68.49	67.02	68.10	18.37	98.41	02.89	89.44	62.38 to 82.76	191,899	130,683
1	17	70.76	68.00	70.02	19.86	97.12	02.89	89.44	58.95 to 84.88	177,291	124,142
2	4	64.64	62.86	62.40	06.33	100.74	54.18	68.00	N/A	253,982	158,484
<b>_____ALL_____</b>	<b>143</b>	<b>72.16</b>	<b>78.14</b>	<b>71.87</b>	<b>24.46</b>	<b>108.72</b>	<b>02.89</b>	<b>289.80</b>	<b>69.84 to 75.51</b>	<b>291,764</b>	<b>209,697</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	102	72.27	77.21	73.29	19.83	105.35	40.01	149.65	69.54 to 75.51	315,173	230,993
1	102	72.27	77.21	73.29	19.83	105.35	40.01	149.65	69.54 to 75.51	315,173	230,993
<b>_____Dry_____</b>											
County	4	77.92	124.14	68.16	88.68	182.13	50.94	289.80	N/A	103,696	70,684
1	4	77.92	124.14	68.16	88.68	182.13	50.94	289.80	N/A	103,696	70,684
<b>_____Grass_____</b>											
County	23	68.76	67.77	69.05	17.60	98.15	02.89	89.44	63.37 to 81.04	199,099	137,476
1	19	70.76	68.80	70.94	18.57	96.98	02.89	89.44	62.38 to 84.79	187,545	133,053
2	4	64.64	62.86	62.40	06.33	100.74	54.18	68.00	N/A	253,982	158,484
<b>_____ALL_____</b>	<b>143</b>	<b>72.16</b>	<b>78.14</b>	<b>71.87</b>	<b>24.46</b>	<b>108.72</b>	<b>02.89</b>	<b>289.80</b>	<b>69.84 to 75.51</b>	<b>291,764</b>	<b>209,697</b>





# Dawson County Assessor's Office

John Phillip Moore, Assessor

Joyce Reil, Deputy

February 24, 2011

TO: Department of Revenue, Property Assessment Division  
Ruth A. Sorensen Administrator  
SUBJECT: Designation of special value

Dear Property Tax Administrator Sorensen:

This letter concerns an explanation of how Dawson County arrives at valuations involving properties that receive special valuation. With the elimination of recapture, the commercial properties along the corridor to the Interstate in Lexington it seemed no longer needed a special valuation designation and that practice has ceased. There were eight parcels involved.

Beginning in 2000 a group of properties began receiving special valuation and they have these attributes in common:

- They are bordered by the first section line within one mile abutting the Platte River;
- They are situated generally south of Interstate 80;
- They most likely include some acres of accretion.

For the agricultural and recreational type properties along the Platte River, considerable uninfluenced agricultural sales information is available from activity well away from this proximity within Dawson County. Those market sales were used as a basis for establishing special values for these particular properties. Irrigated parcels appear to have no influence on the sales along the river, so none of the irrigated acres show a difference between the market value and the special value.

Market sales occurring along the river within a three-year period have diminished substantially, so the assessment process has been stretched somewhat to more of an historical picture of this particular market. Also, some leasing information involving hunting and bird watching, and anecdotal information, has helped the county to arrive at a market value for the acres influenced by other than agricultural/horticultural uses. There was cursive attention given to the income approach; more data is needed to make a case for special market value based on that approach.

The sale of accretion land alone is rare. It is technically not classified as agricultural even though it can often be used for grazing, or the harvest of wood for lumber or firewood, or other related agricultural and horticultural practices. Dawson County has looked at the property more as a recreational classification because of the popularity of the game bird flyway that is part of the natural geography of the region.

It has been difficult at best to decipher the sales in terms of the number of accretion acres involved. In many cases surveys (due to the expense) have not been conducted or have not been filed. The lack of sales has also made any viable market study difficult. Sales in more recent years of uninfluenced production ground have exceeded \$3,000 an acre, so that has also lessened it would seem the need for special valuation, except for the ongoing dilemma concerning the use of accretion.

The most recent sale of river ground involved property along the county line where Dawson abuts with Phelps County to the south and Buffalo County to the east. Two issues arise in making this useful for assessment purposes: The split on the county lines, and the fact that the buyer was a nonprofit bird trust with deep pockets. The sale did not seem to be open to typical market conditions in terms of the parties involved. There was also some confusion regarding the number of actual accretion acres called out in the transfer statement as compared to what is on county records.

There continues to be a difference in value involving accretion land along the river because historically when the property sells it does not appear to be sold as agricultural ground. However, owners turn to the special valuation (greenbelt) in hopes of dropping the property tax bill.

Without the detail of accurate acre counts, arriving at a unit value for "recreational" accretion becomes a challenge. One practice Dawson County has put in place as a way of mitigating this is to insist that the owners of large tracts of accretion designate at least some acres as site to get it into a nonagricultural classification and equalized to a degree with a similar use. This is to account for the recreational use that is limited to fewer acres for actual hunting and other similar outdoor activities while deriving benefits from the larger tract as a place for wildlife to reside.

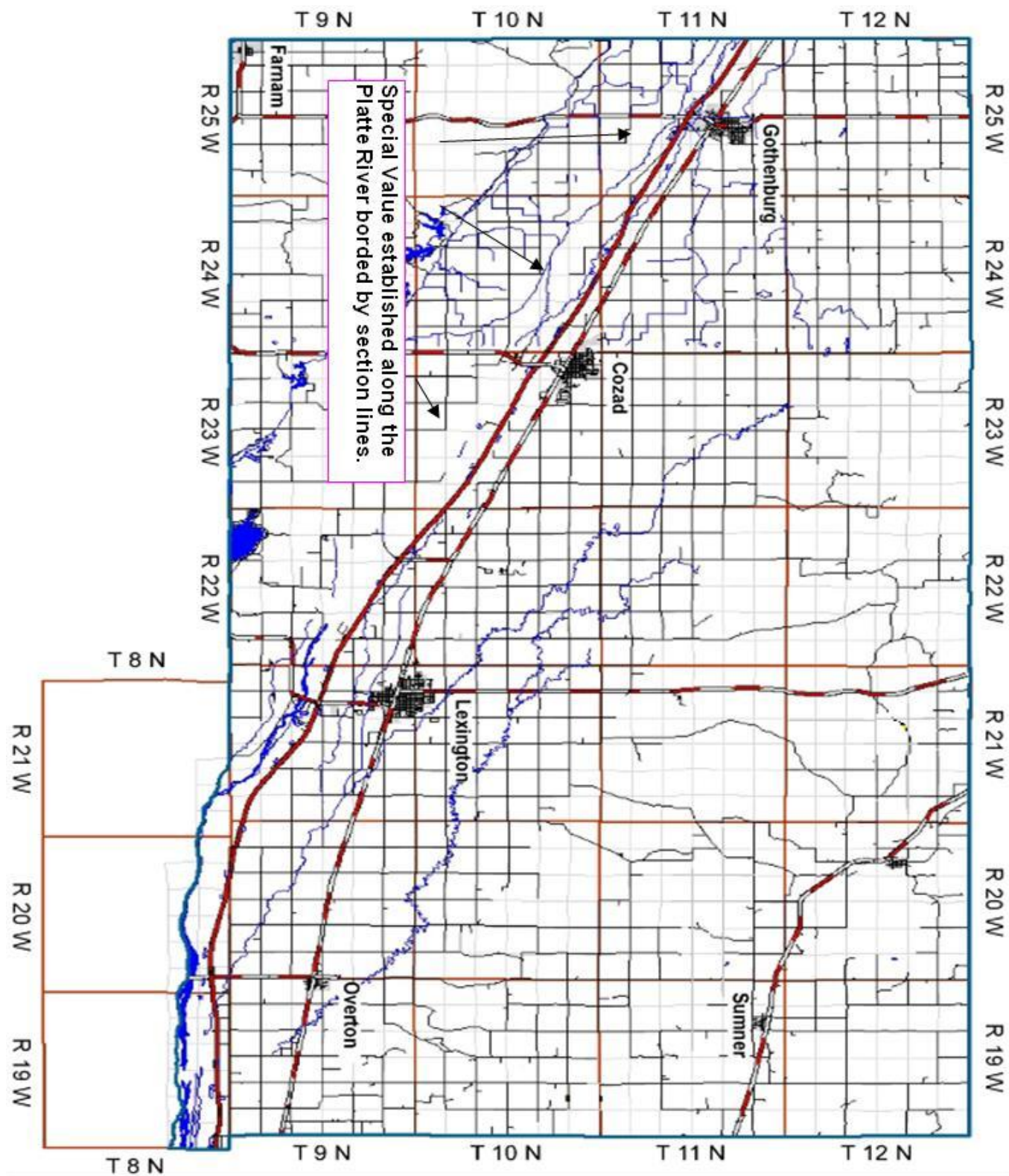
Those that have applied for special valuation continue to receive that designation if the property is put to some agricultural/horticultural use.

A map indicating the boundaries of the designated special valuation properties is enclosed.

Respectfully submitted,

John Phillip Moore  
Dawson County Assessor

Encl.



AGRICULTURAL - BASE STAT

Type : Qualified

Date Range : 07/01/2007 to 06/30/2010 Posted Before : 02/17/2011

Number of Sales :	109	Median :	72	COV :	30.43	95% Median C.I. :	69.84 to 75.51
Total Sales Price :	31,223,992	Wgt. Mean :	72	STD :	23.30	95% Wgt. Mean C.I. :	68.06 to 76.62
Total Adj. Sales Price :	31,748,992	Mean :	77	Avg.Abs.Dev :	16.07	95% Mean C.I. :	72.20 to 80.94
Total Assessed Value :	22,967,102						
Avg. Adj. Sales Price :	291,275	COD :	22.21	MAX Sales Ratio :	166.03		
Avg. Assessed Value :	210,707	PRD :	105.85	MIN Sales Ratio :	02.89		

Printed : 03/31/2011

DATE OF SALE \*

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg.Adj.SalePrice	Avg.AssdValue
<u>Qrtrs</u>											
07/01/2007 To 09/30/2007											
10/01/2007 To 12/31/2007	9	72.99	81.48	76.74	15.00	106.18	66.27	110.73	69.54 to 104.89	293,229	225,027
01/01/2008 To 03/31/2008	28	75.63	82.72	76.07	22.37	108.74	40.01	125.60	70.89 to 91.20	316,704	240,911
04/01/2008 To 06/30/2008	17	70.20	74.03	72.56	31.07	102.03	02.89	166.03	53.82 to 89.73	226,443	164,315
07/01/2008 To 09/30/2008	4	74.80	70.75	64.93	11.80	108.96	50.84	82.57	N/A	352,500	228,863
10/01/2008 To 12/31/2008	9	60.59	62.11	60.19	11.60	103.19	50.83	85.19	51.98 to 67.86	287,703	173,165
01/01/2009 To 03/31/2009	6	68.01	70.02	69.47	08.56	100.79	60.48	85.10	60.48 to 85.10	357,217	248,143
04/01/2009 To 06/30/2009	12	74.62	83.48	78.69	20.64	106.09	60.28	149.65	68.40 to 96.68	255,828	201,311
07/01/2009 To 09/30/2009	3	111.22	95.76	71.53	32.55	133.87	33.74	142.33	N/A	367,418	262,802
10/01/2009 To 12/31/2009	9	66.36	71.79	69.71	12.52	102.98	59.22	94.00	61.60 to 82.76	342,888	239,033
01/01/2010 To 03/31/2010	7	71.77	73.33	75.77	21.74	96.78	41.75	100.95	41.75 to 100.95	238,271	180,531
04/01/2010 To 06/30/2010	5	70.22	65.51	62.01	18.03	105.64	37.23	84.33	N/A	264,790	164,208
<u>Study Yrs</u>											
07/01/2007 To 06/30/2008	54	73.79	79.77	75.31	23.87	105.92	02.89	166.03	70.89 to 79.59	284,376	214,150
07/01/2008 To 06/30/2009	31	68.43	73.03	69.24	18.00	105.47	50.83	149.65	62.36 to 74.72	297,180	205,759
07/01/2009 To 06/30/2010	24	70.28	73.93	69.98	23.85	105.64	33.74	142.33	61.60 to 82.76	299,171	209,352
<u>Calendar Yrs</u>											
01/01/2008 To 12/31/2008	58	72.13	76.15	71.86	24.14	105.97	02.89	166.03	65.62 to 77.82	288,217	207,117
01/01/2009 To 12/31/2009	30	72.23	78.51	72.80	21.53	107.84	33.74	149.65	66.36 to 80.18	313,383	228,143
<u>ALL</u>											
07/01/2007 To 06/30/2010	109	72.37	76.57	72.34	22.21	105.85	02.89	166.03	69.84 to 75.51	291,275	210,707

AGRICULTURAL - BASE STAT

Type : Qualified

Date Range : 07/01/2007 to 06/30/2010 Posted Before : 02/17/2011

Number of Sales :	109	Median :	72	COV :	30.43	95% Median C.I. :	69.84 to 75.51
Total Sales Price :	31,223,992	Wgt. Mean :	72	STD :	23.30	95% Wgt. Mean C.I. :	68.06 to 76.62
Total Adj. Sales Price :	31,748,992	Mean :	77	Avg.Abs.Dev :	16.07	95% Mean C.I. :	72.20 to 80.94
Total Assessed Value :	22,967,102						
Avg. Adj. Sales Price :	291,275	COD :	22.21	MAX Sales Ratio :	166.03		
Avg. Assessed Value :	210,707	PRD :	105.85	MIN Sales Ratio :	02.89		

Printed : 03/31/2011

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg.Adj.SalePrice	Avg.AssdValue
1	106	72.02	75.43	71.95	21.20	104.84	02.89	149.65	69.54 to 74.52	295,457	212,577
2	3	104.89	116.84	100.80	27.47	115.91	79.59	166.03	N/A	143,500	144,649
<u>ALL</u>											
07/01/2007 To 06/30/2010	109	72.37	76.57	72.34	22.21	105.85	02.89	166.03	69.84 to 75.51	291,275	210,707

95%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg.Adj.SalePrice	Avg.AssdValue
<u>Irrigated</u>											
County	74	71.53	76.68	72.83	19.91	105.29	40.01	149.65	68.40 to 74.52	309,872	225,674
1	74	71.53	76.68	72.83	19.91	105.29	40.01	149.65	68.40 to 74.52	309,872	225,674
<u>Dry</u>											
County	3	59.15	68.92	62.60	25.78	110.10	50.94	96.68	N/A	134,875	84,431
1	3	59.15	68.92	62.60	25.78	110.10	50.94	96.68	N/A	134,875	84,431
<u>Grass</u>											
County	7	71.88	61.69	62.78	26.29	98.26	02.89	89.44	02.89 to 89.44	149,731	94,004
1	7	71.88	61.69	62.78	26.29	98.26	02.89	89.44	02.89 to 89.44	149,731	94,004
<u>ALL</u>											
07/01/2007 To 06/30/2010	109	72.37	76.57	72.34	22.21	105.85	02.89	166.03	69.84 to 75.51	291,275	210,707

AGRICULTURAL - BASE STAT

Type : Qualified

Date Range : 07/01/2007 to 06/30/2010 Posted Before : 02/17/2011

Number of Sales :	109	Median :	72	COV :	30.43	95% Median C.I. :	69.84 to 75.51
Total Sales Price :	31,223,992	Wgt. Mean :	72	STD :	23.30	95% Wgt. Mean C.I. :	68.06 to 76.62
Total Adj. Sales Price :	31,748,992	Mean :	77	Avg.Abs.Dev :	16.07	95% Mean C.I. :	72.20 to 80.94
Total Assessed Value :	22,967,102						
Avg. Adj. Sales Price :	291,275	COD :	22.21	MAX Sales Ratio :	166.03		
Avg. Assessed Value :	210,707	PRD :	105.85	MIN Sales Ratio :	02.89		

Printed : 03/31/2011

80%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg.Adj.SalePrice	Avg.AssdValue
<u>_____Irrigated_____</u>											
County	91	72.37	76.89	73.24	19.39	104.98	40.01	149.65	69.54 to 75.51	312,261	228,695
1	91	72.37	76.89	73.24	19.39	104.98	40.01	149.65	69.54 to 75.51	312,261	228,695
<u>_____Dry_____</u>											
County	3	59.15	68.92	62.60	25.78	110.10	50.94	96.68	N/A	134,875	84,431
1	3	59.15	68.92	62.60	25.78	110.10	50.94	96.68	N/A	134,875	84,431
<u>_____Grass_____</u>											
County	8	71.04	62.75	64.23	23.58	97.70	02.89	89.44	02.89 to 89.44	162,890	104,629
1	8	71.04	62.75	64.23	23.58	97.70	02.89	89.44	02.89 to 89.44	162,890	104,629
<u>_____ALL_____</u>											
07/01/2007 To 06/30/2010	109	72.37	76.57	72.34	22.21	105.85	02.89	166.03	69.84 to 75.51	291,275	210,707

AGRICULTURAL-RANDOM INCLUDE

Type : Qualified

Number of Sales :	135	Median :	72	COV :	29.52	95% Median C.I. :	68.76 to 74.72
Total Sales Price :	39,334,842	Wgt. Mean :	71	STD :	22.32	95% Wgt. Mean C.I. :	66.67 to 75.59
Total Adj. Sales Price :	39,816,617	Mean :	76	Avg. Abs. Dev :	15.64	95% Mean C.I. :	71.83 to 79.37
Total Assessed Value :	28,321,430						
Avg. Adj. Sales Price :	294,938	COD :	21.76	MAX Sales Ratio :	166.03		
Avg. Assessed Value :	209,788	PRD :	106.28	MIN Sales Ratio :	02.89		

DATE OF SALE \*

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Value
<u>Qrtrs</u>											
07/01/2007 To 09/30/2007											
10/01/2007 To 12/31/2007	8	76.22	83.38	78.26	15.06	106.54	69.54	110.73	69.54 to 110.73	288,174	225,517
01/01/2008 To 03/31/2008	27	75.51	82.57	75.60	22.67	109.22	40.01	125.60	70.82 to 98.42	314,730	237,943
04/01/2008 To 06/30/2008	17	70.20	74.03	72.56	31.07	102.03	02.89	166.03	53.82 to 89.73	226,443	164,315
07/01/2008 To 09/30/2008	4	74.80	70.75	64.93	11.80	108.96	50.84	82.57	N/A	352,500	228,863
10/01/2008 To 12/31/2008	10	59.87	61.26	59.29	11.74	103.32	50.83	85.19	51.98 to 67.86	299,733	177,712
01/01/2009 To 03/31/2009	10	68.60	70.86	68.78	10.22	103.02	58.24	86.65	60.48 to 85.10	379,296	260,881
04/01/2009 To 06/30/2009	18	74.62	80.68	77.44	18.71	104.18	60.17	149.65	68.00 to 92.57	249,684	193,363
07/01/2009 To 09/30/2009	4	105.33	96.68	76.85	28.57	125.80	33.74	142.33	N/A	340,527	261,703
10/01/2009 To 12/31/2009	13	70.34	73.24	71.38	14.84	102.61	54.18	94.00	61.60 to 85.36	336,181	239,969
01/01/2010 To 03/31/2010	13	68.19	69.03	60.35	20.53	114.38	32.20	100.95	58.95 to 87.71	328,208	198,087
04/01/2010 To 06/30/2010	11	68.49	68.93	71.90	20.84	95.87	37.23	108.04	41.49 to 84.79	224,564	161,458
<u>Study Yrs</u>											
07/01/2007 To 06/30/2008	52	73.79	79.90	75.22	24.24	106.22	02.89	166.03	70.89 to 79.59	281,782	211,961
07/01/2008 To 06/30/2009	42	68.60	72.77	69.18	17.30	105.19	50.83	149.65	64.54 to 74.72	302,252	209,093
07/01/2009 To 06/30/2010	41	70.22	73.03	68.31	22.83	106.91	32.20	142.33	65.45 to 80.18	304,131	207,746
<u>Calendar Yrs</u>											
01/01/2008 To 12/31/2008	58	71.58	75.57	71.09	24.41	106.30	02.89	166.03	65.62 to 76.59	288,872	205,352
01/01/2009 To 12/31/2009	45	73.98	77.77	73.15	19.33	106.32	33.74	149.65	68.00 to 81.04	311,550	227,906

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Value
1	127	71.88	75.06	71.05	21.17	105.64	02.89	149.65	68.76 to 74.72	300,805	213,721
2	8	71.44	84.15	73.03	31.08	115.23	54.18	166.03	54.18 to 166.03	201,794	147,363

AGRICULTURAL-RANDOM INCLUDE

Type : Qualified

Number of Sales :	135	Median :	72	COV :	29.52	95% Median C.I. :	68.76 to 74.72
Total Sales Price :	39,334,842	Wgt. Mean :	71	STD :	22.32	95% Wgt. Mean C.I. :	66.67 to 75.59
Total Adj. Sales Price :	39,816,617	Mean :	76	Avg. Abs. Dev :	15.64	95% Mean C.I. :	71.83 to 79.37
Total Assessed Value :	28,321,430						
Avg. Adj. Sales Price :	294,938	COD :	21.76	MAX Sales Ratio :	166.03		
Avg. Assessed Value :	209,788	PRD :	106.28	MIN Sales Ratio :	02.89		

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 Value
<u>Irrigated</u>											
County	77	70.89	76.31	72.48	19.99	105.28	40.01	149.65	67.59 to 73.98	308,901	223,903
1	77	70.89	76.31	72.48	19.99	105.28	40.01	149.65	67.59 to 73.98	308,901	223,903
<u>Dry</u>											
County	3	59.15	68.92	62.60	25.78	110.10	50.94	96.68	N/A	134,875	84,431
1	3	59.15	68.92	62.60	25.78	110.10	50.94	96.68	N/A	134,875	84,431
<u>Grass</u>											
County	22	68.63	67.21	68.02	18.17	98.81	02.89	89.44	60.17 to 82.76	190,809	129,790
1	17	70.76	68.00	70.02	19.86	97.12	02.89	89.44	58.95 to 84.88	177,291	124,142
2	5	65.45	64.53	62.93	08.71	102.54	54.18	74.87	N/A	236,770	148,991
<u>ALL</u>											
07/01/2007 To 06/30/2010	135	71.88	75.60	71.13	21.76	106.28	02.89	166.03	68.76 to 74.72	294,938	209,788

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 Value
<u>Irrigated</u>											
County	96	72.27	76.63	72.84	19.41	105.20	40.01	149.65	68.43 to 75.51	315,878	230,088
1	96	72.27	76.63	72.84	19.41	105.20	40.01	149.65	68.43 to 75.51	315,878	230,088
<u>Dry</u>											
County	3	59.15	68.92	62.60	25.78	110.10	50.94	96.68	N/A	134,875	84,431
1	3	59.15	68.92	62.60	25.78	110.10	50.94	96.68	N/A	134,875	84,431
<u>Grass</u>											
County	24	69.48	67.91	68.95	17.27	98.49	02.89	89.44	62.38 to 81.04	197,800	136,373
1	19	70.76	68.80	70.94	18.57	96.98	02.89	89.44	62.38 to 84.79	187,545	133,053
2	5	65.45	64.53	62.93	08.71	102.54	54.18	74.87	N/A	236,770	148,991
<u>ALL</u>											
07/01/2007 To 06/30/2010	135	71.88	75.60	71.13	21.76	106.28	02.89	166.03	68.76 to 74.72	294,938	209,788



AGRICULTURAL-RANDOM EXCLUDE

Type : Qualified

Number of Sales :	143	Median :	72	COV :	37.16	95% Median C.I. :	69.84 to 75.51
Total Sales Price :	41,240,448	Wgt. Mean :	72	STD :	29.04	95% Wgt. Mean C.I. :	67.54 to 76.21
Total Adj. Sales Price :	41,722,223	Mean :	78	Avg. Abs.Dev :	17.65	95% Mean C.I. :	73.38 to 82.90
Total Assessed Value :	29,986,646						
Avg. Adj. Sales Price :	291,764	COD :	24.46	MAX Sales Ratio :	289.80		
Avg. Assessed Value :	209,697	PRD :	108.72	MIN Sales Ratio :	02.89		

DATE OF SALE \*

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg.Adj.SalePrice	Avg.AssdValue
<u>Qrtrs</u>											
07/01/2007 To 09/30/2007	1	289.80	289.80	289.80		100.00	289.80	289.80	N/A	10,160	29,444
10/01/2007 To 12/31/2007	9	72.99	81.48	76.74	15.00	106.18	66.27	110.73	69.54 to 104.89	293,229	225,027
01/01/2008 To 03/31/2008	28	75.63	82.72	76.07	22.37	108.74	40.01	125.60	70.89 to 91.20	316,704	240,911
04/01/2008 To 06/30/2008	17	70.20	74.03	72.56	31.07	102.03	02.89	166.03	53.82 to 89.73	226,443	164,315
07/01/2008 To 09/30/2008	5	73.00	69.70	65.06	11.73	107.13	50.84	82.57	N/A	363,200	236,288
10/01/2008 To 12/31/2008	11	60.59	67.59	61.51	21.09	109.88	50.83	130.92	51.98 to 85.19	281,211	172,984
01/01/2009 To 03/31/2009	12	71.37	80.25	73.61	21.80	109.02	58.36	137.27	64.54 to 92.29	358,440	263,831
04/01/2009 To 06/30/2009	19	74.52	80.31	77.40	17.81	103.76	60.28	149.65	68.00 to 92.57	246,093	190,482
07/01/2009 To 09/30/2009	4	105.33	96.68	76.85	28.57	125.80	33.74	142.33	N/A	340,527	261,703
10/01/2009 To 12/31/2009	13	70.34	73.24	71.39	14.84	102.59	54.18	94.00	61.60 to 85.36	336,181	239,983
01/01/2010 To 03/31/2010	13	68.19	69.03	60.35	20.53	114.38	32.20	100.95	58.95 to 87.71	328,208	198,087
04/01/2010 To 06/30/2010	11	68.49	69.06	72.14	20.91	95.73	37.23	109.02	41.49 to 84.79	224,564	161,998
<u>Study Yrs</u>											
07/01/2007 To 06/30/2008	55	73.93	83.59	75.45	28.69	110.79	02.89	289.80	70.89 to 84.39	279,391	210,792
07/01/2008 To 06/30/2009	47	70.47	76.19	71.07	20.45	107.20	50.83	149.65	65.51 to 76.59	295,455	209,987
07/01/2009 To 06/30/2010	41	70.22	73.07	68.36	22.86	106.89	32.20	142.33	65.47 to 80.18	304,131	207,895
<u>Calendar Yrs</u>											
01/01/2008 To 12/31/2008	61	71.88	76.50	71.61	24.94	106.83	02.89	166.03	65.62 to 77.82	288,960	206,937
01/01/2009 To 12/31/2009	48	74.25	79.75	74.45	21.05	107.12	33.74	149.65	68.40 to 84.88	306,448	228,161

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg.Adj.SalePrice	Avg.AssdValue
1	135	72.16	77.58	71.70	23.86	108.20	02.89	289.80	69.84 to 75.51	297,273	213,151
2	8	73.80	87.69	76.16	33.63	115.14	54.18	166.03	54.18 to 166.03	198,803	151,400

AGRICULTURAL-RANDOM EXCLUDE

Type : Qualified

Number of Sales :	143	Median :	72	COV :	37.16	95% Median C.I. :	69.84 to 75.51
Total Sales Price :	41,240,448	Wgt. Mean :	72	STD :	29.04	95% Wgt. Mean C.I. :	67.54 to 76.21
Total Adj. Sales Price :	41,722,223	Mean :	78	Avg. Abs.Dev :	17.65	95% Mean C.I. :	73.38 to 82.90
Total Assessed Value :	29,986,646						
Avg. Adj. Sales Price :	291,764	COD :	24.46	MAX Sales Ratio :	289.80		
Avg. Assessed Value :	209,697	PRD :	108.72	MIN Sales Ratio :	02.89		

95%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg.Adj.SalePrice	Avg.AssdValue
<u>Irrigated</u>											
County	80	71.09	77.13	73.03	20.64	105.61	40.01	149.65	67.86 to 74.52	306,676	223,951
1	80	71.09	77.13	73.03	20.64	105.61	40.01	149.65	67.86 to 74.52	306,676	223,951
<u>Dry</u>											
County	4	77.92	124.14	68.16	88.68	182.13	50.94	289.80	N/A	103,696	70,684
1	4	77.92	124.14	68.16	88.68	182.13	50.94	289.80	N/A	103,696	70,684
<u>Grass</u>											
County	21	68.49	67.02	68.10	18.37	98.41	02.89	89.44	62.38 to 82.76	191,899	130,683
1	17	70.76	68.00	70.02	19.86	97.12	02.89	89.44	58.95 to 84.88	177,291	124,142
2	4	64.64	62.86	62.40	06.33	100.74	54.18	68.00	N/A	253,982	158,484
<u>ALL</u>											
07/01/2007 To 06/30/2010	143	72.16	78.14	71.87	24.46	108.72	02.89	289.80	69.84 to 75.51	291,764	209,697

80%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg.Adj.SalePrice	Avg.AssdValue
<u>Irrigated</u>											
County	102	72.27	77.21	73.29	19.83	105.35	40.01	149.65	69.54 to 75.51	315,173	230,993
1	102	72.27	77.21	73.29	19.83	105.35	40.01	149.65	69.54 to 75.51	315,173	230,993
<u>Dry</u>											
County	4	77.92	124.14	68.16	88.68	182.13	50.94	289.80	N/A	103,696	70,684
1	4	77.92	124.14	68.16	88.68	182.13	50.94	289.80	N/A	103,696	70,684
<u>Grass</u>											
County	23	68.76	67.77	69.05	17.60	98.15	02.89	89.44	63.37 to 81.04	199,099	137,476
1	19	70.76	68.80	70.94	18.57	96.98	02.89	89.44	62.38 to 84.79	187,545	133,053
2	4	64.64	62.86	62.40	06.33	100.74	54.18	68.00	N/A	253,982	158,484
<u>ALL</u>											
07/01/2007 To 06/30/2010	143	72.16	78.14	71.87	24.46	108.72	02.89	289.80	69.84 to 75.51	291,764	209,697



## 2011 Correlation Section for Dawson County

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### A. Agricultural Land

Dawson County is divided into two market areas; area 1 comprises the majority of the county and contains flat, rich farmland in the Platte River Valley and the hills to the north of the valley. In past years, the assessor has split this into two different market areas; however, current analysis shows that crop land in the northern part is just as valuable in today's market as the flatter land, causing these areas to be combined. The majority of this area is irrigated crop land, with grazing occurring in the hillier portion. In identifying comparable areas outside of the county, all land within six miles of area 1 was determined to be comparable, except Lincoln County market area 2. This area of Lincoln County primarily consists of Valentine Sand soils which are not found in Dawson County. Market area 2 is south of the Platte River valley and is rougher topographically. This area is comparable to both Lincoln County and Frontier County in terms of topography and soil types. However, because differences exist in the irrigation allocation imposed by the Natural Resource District in the comparable counties, only grass and dry land is comparable in the market.

Three statistical samples were analyzed for measurement purposes. The base sample contains a disproportionate and non-representative mix of sales in market area 1. In market area 2, the base sample is too small to be statistically adequately.

In the two expanded samples, sales from the identified comparable areas were brought into the samples. For the random inclusion sample, after bringing in all available sales within six miles, the sample was still slightly disproportionate. The area of comparability was expanded beyond the six mile radius; however, it could only be expanded into portions of Gosper and Buffalo County. As additional sales in the newest year were not available, two Dawson County sales were randomly eliminated from the oldest year. All thresholds were met for both expanded samples.

For market area 2, the expansion of the sample identified very few sales from the newest year available for inclusion. After expanding the sample 12 miles into the comparable areas only two sales from the newest year were identified. The sample remains too small to be statistically adequate.

In correlating the statistical measures, all samples that are large enough to be reliable correlate closely and indicate that assessments are acceptable. The overall median for the county dropped 1% from the base to the expanded samples, which is expected given the lack of new sales. The two expanded samples correlate closely.

A comparison of the values compared to surrounding counties reveals that generally Dawson's values are higher than Custer, Lincoln, and Frontier Counties, comparable to Gosper County, and somewhat lower than Buffalo and Phelps Counties. Since agricultural land values generally increase moving East in the state, these results are logical and support that the values are equalized with the surrounding counties.

In analyzing intra-county equalization and assessment quality, both the statistical measures and the assessment actions are considered. The coefficient of dispersion in each sample is

## **2011 Correlation Section for Dawson County**

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reasonable given the current fluctuation in the agricultural market and supports the reliability of the statistics. The subclass statistics indicate that irrigated cropland and grass land have been valued at similar portions of market value. The dry land subclass is too small to be measured, as is market area 2; since a 13% increase was applied to all of market area 2 and all crop land in area 1, it is believed that all values are acceptable and proportionate.

Based on an analysis of all available information, it is determined that the level of value of agricultural land in Dawson County is 72%; all subclasses are determined to be acceptable.

### **A1. Correlation for Special Valuation of Agricultural Land**

A review of the agricultural land values in Dawson County in areas that have other non-agricultural influences indicates that the values used are similar to other areas in the County where there are no non-agricultural influences. Therefore, it is the opinion of the Property Tax Administrator that the level of value for special valuation of agricultural land in Dawson County is 72%.

**2011 Correlation Section  
for Dawson County**

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**B. Analysis of Sales Verification**

Neb. Rev. Stat. 77-1327(2) 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 (2007), 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 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.

## 2011 Correlation Section for Dawson 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 in 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 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.

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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 International Association of Assessing Officers 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.

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 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 of Ratio Studies, adopted by the International Association of Assessing Officers,



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July, 2007, 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. 247.



<b>Total Real Property</b> Sum Lines 17, 25, & 30	<b>Records : 14,831</b>	<b>Value : 1,676,491,570</b>	<b>Growth 4,235,962</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>	716	3,602,615	59	603,984	123	1,434,184	898	5,640,783	
<b>02. Res Improve Land</b>	5,716	44,124,109	173	1,928,423	1,028	17,598,709	6,917	63,651,241	
<b>03. Res Improvements</b>	6,489	375,666,998	177	16,355,746	1,074	110,156,063	7,740	502,178,807	
<b>04. Res Total</b>	7,205	423,393,722	236	18,888,153	1,197	129,188,956	8,638	571,470,831	2,024,847
<b>% of Res Total</b>	83.41	74.09	2.73	3.31	13.86	22.61	58.24	34.09	47.80
<b>05. Com UnImp Land</b>	155	2,780,087	7	212,478	21	191,437	183	3,184,002	
<b>06. Com Improve Land</b>	833	18,355,313	38	949,331	102	1,992,310	973	21,296,954	
<b>07. Com Improvements</b>	834	110,181,632	38	6,545,563	102	16,738,051	974	133,465,246	
<b>08. Com Total</b>	989	131,317,032	45	7,707,372	123	18,921,798	1,157	157,946,202	34,481
<b>% of Com Total</b>	85.48	83.14	3.89	4.88	10.63	11.98	7.80	9.42	0.81
<b>09. Ind UnImp Land</b>	6	192,781	1	254,196	0	0	7	446,977	
<b>10. Ind Improve Land</b>	12	426,432	7	1,228,007	1	57,486	20	1,711,925	
<b>11. Ind Improvements</b>	12	11,471,497	7	25,249,706	1	867,869	20	37,589,072	
<b>12. Ind Total</b>	18	12,090,710	8	26,731,909	1	925,355	27	39,747,974	0
<b>% of Ind Total</b>	66.67	30.42	29.63	67.25	3.70	2.33	0.18	2.37	0.00
<b>13. Rec UnImp Land</b>	0	0	0	0	58	1,239,507	58	1,239,507	
<b>14. Rec Improve Land</b>	0	0	0	0	521	18,975,810	521	18,975,810	
<b>15. Rec Improvements</b>	0	0	0	0	521	49,100,738	521	49,100,738	
<b>16. Rec Total</b>	0	0	0	0	579	69,316,055	579	69,316,055	350,097
<b>% of Rec Total</b>	0.00	0.00	0.00	0.00	100.00	100.00	3.90	4.13	8.26
<b>Res &amp; Rec Total</b>	7,205	423,393,722	236	18,888,153	1,776	198,505,011	9,217	640,786,886	2,374,944
<b>% of Res &amp; Rec Total</b>	78.17	66.07	2.56	2.95	19.27	30.98	62.15	38.22	56.07
<b>Com &amp; Ind Total</b>	1,007	143,407,742	53	34,439,281	124	19,847,153	1,184	197,694,176	34,481
<b>% of Com &amp; Ind Total</b>	85.05	72.54	4.48	17.42	10.47	10.04	7.98	11.79	0.81
<b>17. Taxable Total</b>	8,212	566,801,464	289	53,327,434	1,900	218,352,164	10,401	838,481,062	2,409,425
<b>% of Taxable Total</b>	78.95	67.60	2.78	6.36	18.27	26.04	70.13	50.01	56.88

Schedule II : Tax Increment Financing (TIF)

	Urban			SubUrban		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	118	2,937,237	5,995,692	0	0	0
19. Commercial	86	6,582,121	38,098,266	0	0	0
20. Industrial	2	147,205	31,046,222	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	118	2,937,237	5,995,692
19. Commercial	1	58,263	103,928	87	6,640,384	38,202,194
20. Industrial	0	0	0	2	147,205	31,046,222
21. Other	0	0	0	0	0	0
22. Total Sch II				207	9,724,826	75,244,108

Schedule III : Mineral Interest Records

Mineral Interest	Urban		SubUrban		Rural		Total		Growth
	Records	Value	Records	Value	Records	Value	Records	Value	
23. Producing	0	0	0	0	0	0	0	0	0
24. Non-Producing	0	0	0	0	1	4,257	1	4,257	0
25. Total	0	0	0	0	1	4,257	1	4,257	0

Schedule IV : Exempt Records : Non-Agricultural

	Urban Records	SubUrban Records	Rural Records	Total Records
26. Exempt	1,401	5	27	1,433

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	0	0	0	0	3,297	526,310,041	3,297	526,310,041
28. Ag-Improved Land	0	0	0	0	1,132	210,213,987	1,132	210,213,987
29. Ag Improvements	0	0	0	0	1,132	101,482,223	1,132	101,482,223
30. Ag Total							4,429	838,006,251

Schedule VI : Agricultural Records :Non-Agricultural Detail

	Urban			SubUrban			Growth
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	0	0.00	0	0	0.00	0	
32. HomeSite Improv Land	0	0.00	0	0	0.00	0	
33. HomeSite Improvements	0	0.00	0	0	0.00	0	
34. HomeSite Total							
35. FarmSite UnImp Land	0	0.00	0	0	0.00	0	
36. FarmSite Improv Land	0	0.00	0	0	0.00	0	
37. FarmSite Improvements	0	0.00	0	0	0.00	0	
38. FarmSite Total							
39. Road & Ditches	0	0.00	0	0	0.00	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
	Records	Acres	Value	Records	Acres	Value	Growth
31. HomeSite UnImp Land	117	379.85	400,450	117	379.85	400,450	
32. HomeSite Improv Land	169	708.32	777,414	169	708.32	777,414	
33. HomeSite Improvements	715	0.00	62,621,175	715	0.00	62,621,175	696,206
34. HomeSite Total				<b>832</b>	<b>1,088.17</b>	<b>63,799,039</b>	
35. FarmSite UnImp Land	73	213.10	842,078	73	213.10	842,078	
36. FarmSite Improv Land	884	2,796.07	10,255,355	884	2,796.07	10,255,355	
37. FarmSite Improvements	1,092	0.00	38,861,048	1,092	0.00	38,861,048	1,130,331
38. FarmSite Total				<b>1,165</b>	<b>3,009.17</b>	<b>49,958,481</b>	
39. Road & Ditches	3,338	8,794.56	0	3,338	8,794.56	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
41. Total Section VI				<b>1,997</b>	<b>12,891.90</b>	<b>113,757,520</b>	<b>1,826,537</b>

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

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	2	212.43	123,906	0	0.00	0
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	0	0.00	0	2	212.43	123,906

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	227	33,218.62	24,253,380	227	33,218.62	24,253,380
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	189,045.44	68.72%	409,170,229	73.62%	2,164.40
47. 2A1	17,498.79	6.36%	36,547,900	6.58%	2,088.60
48. 2A	17,769.02	6.46%	34,463,052	6.20%	1,939.50
49. 3A1	2,817.96	1.02%	4,945,521	0.89%	1,755.00
50. 3A	7,063.04	2.57%	10,437,944	1.88%	1,477.83
51. 4A1	29,968.35	10.89%	44,825,844	8.07%	1,495.77
52. 4A	10,945.18	3.98%	15,376,233	2.77%	1,404.84
53. Total	275,107.78	100.00%	555,766,723	100.00%	2,020.18
<b>Dry</b>					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	8,186.31	33.94%	8,964,029	41.57%	1,095.00
56. 2D1	2,320.51	9.62%	2,378,535	11.03%	1,025.01
57. 2D	1,719.61	7.13%	1,659,661	7.70%	965.14
58. 3D1	596.34	2.47%	533,727	2.48%	895.00
59. 3D	1,675.25	6.95%	1,390,019	6.45%	829.74
60. 4D1	5,255.52	21.79%	3,626,315	16.82%	690.00
61. 4D	4,365.65	18.10%	3,012,303	13.97%	690.00
62. Total	24,119.19	100.00%	21,564,589	100.00%	894.08
<b>Grass</b>					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	10,834.25	4.49%	7,042,386	6.61%	650.01
65. 2G1	7,381.85	3.06%	4,060,072	3.81%	550.01
66. 2G	3,949.47	1.64%	2,014,239	1.89%	510.00
67. 3G1	1,606.67	0.67%	779,237	0.73%	485.00
68. 3G	7,386.78	3.06%	3,287,132	3.08%	445.00
69. 4G1	28,668.74	11.87%	12,199,635	11.44%	425.54
70. 4G	181,614.29	75.22%	77,231,291	72.44%	425.25
71. Total	241,442.05	100.00%	106,613,992	100.00%	441.57
<b>Irrigated Total</b>					
	275,107.78	48.92%	555,766,723	80.51%	2,020.18
<b>Dry Total</b>					
	24,119.19	4.29%	21,564,589	3.12%	894.08
<b>Grass Total</b>					
	241,442.05	42.93%	106,613,992	15.44%	441.57
72. Waste	2,418.72	0.43%	84,665	0.01%	35.00
73. Other	19,316.66	3.43%	6,314,678	0.91%	326.90
74. Exempt	0.00	0.00%	702,611	0.10%	0.00
75. Market Area Total	562,404.40	100.00%	690,344,647	100.00%	1,227.49

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

Market Area 2

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	11,254.52	80.68%	17,163,167	88.04%	1,525.00
47. 2A1	262.07	1.88%	386,554	1.98%	1,475.00
48. 2A	32.76	0.23%	41,606	0.21%	1,270.02
49. 3A1	1,494.24	10.71%	1,304,746	6.69%	873.18
50. 3A	0.00	0.00%	0	0.00%	0.00
51. 4A1	470.10	3.37%	310,266	1.59%	660.00
52. 4A	436.73	3.13%	288,241	1.48%	660.00
53. Total	13,950.42	100.00%	19,494,580	100.00%	1,397.42
<b>Dry</b>					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	3,255.13	35.75%	2,359,977	46.83%	725.00
56. 2D1	477.70	5.25%	324,836	6.45%	680.00
57. 2D	32.73	0.36%	18,492	0.37%	564.99
58. 3D1	1,630.79	17.91%	848,014	16.83%	520.00
59. 3D	0.00	0.00%	0	0.00%	0.00
60. 4D1	1,363.20	14.97%	572,546	11.36%	420.00
61. 4D	2,346.53	25.77%	915,149	18.16%	390.00
62. Total	9,106.08	100.00%	5,039,014	100.00%	553.37
<b>Grass</b>					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	1,742.10	7.04%	1,053,976	11.25%	605.00
65. 2G1	760.48	3.07%	403,057	4.30%	530.00
66. 2G	419.60	1.69%	188,824	2.02%	450.01
67. 3G1	1,763.49	7.12%	793,582	8.47%	450.01
68. 3G	0.00	0.00%	0	0.00%	0.00
69. 4G1	3,011.67	12.16%	1,039,024	11.09%	345.00
70. 4G	17,063.30	68.91%	5,886,840	62.86%	345.00
71. Total	24,760.64	100.00%	9,365,303	100.00%	378.23
<b>Irrigated Total</b>					
	13,950.42	29.08%	19,494,580	57.50%	1,397.42
<b>Dry Total</b>					
	9,106.08	18.98%	5,039,014	14.86%	553.37
<b>Grass Total</b>					
	24,760.64	51.62%	9,365,303	27.62%	378.23
72. Waste	148.20	0.31%	5,187	0.02%	35.00
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	47,965.34	100.00%	33,904,084	100.00%	706.85



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	289,058.20	575,261,303	289,058.20	575,261,303
<b>77. Dry Land</b>	0.00	0	0.00	0	33,225.27	26,603,603	33,225.27	26,603,603
<b>78. Grass</b>	0.00	0	0.00	0	266,202.69	115,979,295	266,202.69	115,979,295
<b>79. Waste</b>	0.00	0	0.00	0	2,566.92	89,852	2,566.92	89,852
<b>80. Other</b>	0.00	0	0.00	0	19,316.66	6,314,678	19,316.66	6,314,678
<b>81. Exempt</b>	0.00	702,611	0.00	0	0.00	0	0.00	702,611
<b>82. Total</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>610,369.74</b>	<b>724,248,731</b>	<b>610,369.74</b>	<b>724,248,731</b>

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
<b>Irrigated</b>	289,058.20	47.36%	575,261,303	79.43%	1,990.12
<b>Dry Land</b>	33,225.27	5.44%	26,603,603	3.67%	800.70
<b>Grass</b>	266,202.69	43.61%	115,979,295	16.01%	435.68
<b>Waste</b>	2,566.92	0.42%	89,852	0.01%	35.00
<b>Other</b>	19,316.66	3.16%	6,314,678	0.87%	326.90
<b>Exempt</b>	0.00	0.00%	702,611	0.10%	0.00
<b>Total</b>	<b>610,369.74</b>	<b>100.00%</b>	<b>724,248,731</b>	<b>100.00%</b>	<b>1,186.57</b>

## 2011 County Abstract of Assessment for Real Property, Form 45 Compared with the 2010 Certificate of Taxes Levied (CTL)

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	2010 CTL County Total	2011 Form 45 County Total	Value Difference (2011 form 45 - 2010 CTL)	Percent Change	2011 Growth (New Construction Value)	Percent Change excl. Growth
01. Residential	562,145,266	571,470,831	9,325,565	1.66%	2,024,847	1.30%
02. Recreational	60,070,461	69,316,055	9,245,594	15.39%	350,097	14.81%
03. Ag-Homesite Land, Ag-Res Dwelling	72,190,854	63,799,039	-8,391,815	-11.62%	696,206	-12.59%
<b>04. Total Residential (sum lines 1-3)</b>	<b>694,406,581</b>	<b>704,585,925</b>	<b>10,179,344</b>	<b>1.47%</b>	<b>3,071,150</b>	<b>1.02%</b>
05. Commercial	146,396,652	157,946,202	11,549,550	7.89%	34,481	7.87%
06. Industrial	36,991,385	39,747,974	2,756,589	7.45%	0	7.45%
07. Ag-Farmsite Land, Outbuildings	35,119,265	49,958,481	14,839,216	42.25%	1,130,331	39.04%
08. Minerals	4,257	4,257	0	0.00	0	0.00
<b>09. Total Commercial (sum lines 5-8)</b>	<b>218,511,559</b>	<b>247,656,914</b>	<b>29,145,355</b>	<b>13.34%</b>	<b>1,164,812</b>	<b>12.81%</b>
<b>10. Total Non-Agland Real Property</b>	<b>912,918,140</b>	<b>952,242,839</b>	<b>39,324,699</b>	<b>4.31%</b>	<b>4,235,962</b>	<b>3.84%</b>
11. Irrigated	509,325,741	575,261,303	65,935,562	12.95%		
12. Dryland	23,292,293	26,603,603	3,311,310	14.22%		
13. Grassland	111,275,079	115,979,295	4,704,216	4.23%		
14. Wasteland	90,226	89,852	-374	-0.41%		
15. Other Agland	6,314,678	6,314,678	0	0.00%		
<b>16. Total Agricultural Land</b>	<b>650,298,017</b>	<b>724,248,731</b>	<b>73,950,714</b>	<b>11.37%</b>		
<b>17. Total Value of all Real Property</b> (Locally Assessed)	<b>1,563,216,157</b>	<b>1,676,491,570</b>	<b>113,275,413</b>	<b>7.25%</b>	<b>4,235,962</b>	<b>6.98%</b>

# ϕDawson County Assessor's Office

John Phillip Moore, Assessor

Joyce Reil, Deputy

January 4, 2011

To: Dawson County Board of Commissioners  
(Copy for Ruth Sorensen, Property Tax Administrator)  
Subject: Three-Year Plan of Assessment  
From: John Phillip Moore, Dawson County Assessor

Dear County Board of Commissioners:

## **A Synopsis of the Coming Year--**

As you are all aware, the Property Tax Administrator has asked that my office offer a plan of assessment in regard to her request recently to reappraise all commercial and residential property in Dawson County. Commissioner Bill Stewart, Darrel Stanard our professional contract appraiser and I, met on site with Administrator Sorenson and three of her staff members earlier in December.

She has asked that this report, due at the end of July by statute, please be offered by January 15 in 2011. The report attempts to bring you as county commissioners into a discussion about the process of setting valuations each year, and develops a plan for a three-year period. Notably, another statute approved by the state Legislature about two years ago requires an assessor to look at all property within the county at least once in a six-year period. There are of course all sorts of thoughts by assessors and others what "look at" or "inspect" or whatever term is used, actually means. Obviously, that will not be an issue for Dawson County given the current action.

Generally, at this time of year in order to meet a March deadline, we are in the midst of completing "updates" on properties for assessor locations that are statistically out of compliance within the three main classes of property. All classes, except agricultural production ground, should fall within the 92%-100% range of assessment to the sale, and proportionate to that agricultural ground at 75% of the range or 69%-75%.

More often than not, no artificially established time frame—whether it's three years or six years—matches the actual market flow in the real world. Our office seldom goes more than three to four years before it is faced with some sort of an update of some location within a particular class. In terms of commercial properties, that has been influenced heavily by occupation (or use) codes. In terms of agricultural ground of late it has become an annual task, and it does not appear that will end soon.

Due to the unprecedented work load required by the total relisting of the county's soil survey in 2010, in my judgment it was prudent to avoid a planned revaluation of the commercial file until 2011 but correct any errors in the sales file in terms of use or other inconsistencies such as square feet. However, concerns were brought forward to the PTA by her measurement staff

involving questions of equalization, and that prompted a remark in her annual report in 2010 to the Tax Equalization and Review Commission finding fault with the practices pertaining to commercial properties only. Those concerns from the PTA were then (in the last few months) expanded to include the residential file. None of this has resulted in further action from the Tax Equalization and Review Commission.

Most of you have had enough experience in the board of equalization business to realize that a year seldom goes by when some group of property owners—depending on whatever sector received increases in valuation for a particular year—has not appeared before you to protest. In 2010 the sectors involved were agricultural production ground and rural residents in the western half of the county. There were assorted commercial property owners on the list as well.

In 2009, the majority of protests involved Cozad residential property owners since that community received a revaluation that year. The last year comprehensive updates occurred involving commercial properties were in 2005 and 2006. But many occupation codes received attention within the last few years: franchise fast food twice since 2005, and motels at least twice since then, and mobile home parks as well as others.

For lack of a better description, the practice has been to work with the biggest fires first. That has required expenditures of some \$90,000-\$100,000 or more, depending on the project, for each fiscal budget since 1995 when a complete reappraisal was completed costing the county more than \$500,000.

With that in mind, and the request of the PTA in place, Mr. Stanard and I have determined that we will complete a revaluation or reappraisal of the commercial file for 2011, relisting any property that appears to be inaccurate on the record, and as is the practice regardless in a revaluation, inspect all properties.

We will concentrate on Lexington first because that is the location that appeared to be statistically in question as we looked at the data in the sales file from 2010. But the entire file will be updated.

Stanard Appraisal has presented an estimated cost of \$136,000 to do that, and despite my preliminary discussions with the county board, the fiscal 2010-2011 budget does not include enough money for that specific work. We are presently attempting to complete a rural residential project in the east half of the county which was initially earmarked for \$72,000. With \$110,000 in the appraisal budget, obviously, some sort of shifting will have to be considered.

I have assured the PTA that we will attempt to complete a revaluation/reappraisal of the residential file as well but that will take at least two years. Work will be completed this year on the Johnson Lake area and the rural residential already mentioned.

I am also going to attempt to complete residential work on the villages as it appears Overton needs to be evaluated, and we can look at Sumner, Eddyville and Farnam as well. Farnam,

however, has received some attention in the recent past. The residential markets in these villages tend to be static and there are seldom enough sales to establish good readings for assessment and appraisal decisions.

Let me point out that any new value or growth within the files is handled ably by the on staff appraiser. So any structure added to the files in the last five years will demonstrate accuracy in terms of generally held appraisal and assessment practices. I am also confident that we have corrected any errors discovered following updates and revaluations over the last several years in the rest of the records .

With that in mind, and the fact that our contract appraisal company completed residential work in Cozad in 2009, and rural residential in the west three ranges of the county in 2010 (and the eastern ranges now), we will concentrate future residential market studies on Gothenburg and Lexington for 2011 and have work completed for the 2012 tax roll. That should provide a current market picture of all the major classes on or before 2012. If it appears we can at any time accelerate the activity in residential locations, we will.

New cost sheets, based on the last quarter of 2010 tables for Marshall Swift price guide service, will be placed in the files, as well as work involving the market approach models for both residential and commercial properties, and the income approach for commercial properties.

It appears it could take upwards of \$300,000 in each of the next two fiscal years to complete all this work.

I will also be working with updated figures for the agricultural production ground in 2011. That market continues to take unusual leaps and it has been difficult to keep up with those increases. There may be a need for double-digit changes each of the next two years, given the trend I have seen in the last six months. Those newer sales will not influence the 2011 assessments. But the process is ongoing and I look at several years to anticipate the outlook which is part of any solid assessment practice. My discussions with market experts point to an ever increasing valuation picture for farm ground.

A good deal of the statistical back drop for this class is contained within PTD models. We also look at the income approach. Because the sales have indicated there is no longer a significant difference in the markets of the Platte Valley and the northeast sector of Dawson County, last year I combined the two market areas involving those locations. The market area that is bordered by the Farnam-Eustis school district in this county remains intact. The sharing of that school district has created an historic incongruity of the markets in all those counties touched by the district borders. For Dawson County, the lack of sales makes it even more difficult to establish easily defendable valuations.

#### **Other Information**

An assessor works within the framework established by State law. A real property assessment system requires that procedures be accomplished in a complete and uniform manner each time

they are repeated. Accurate and efficient assessment practices represent prudent expenditure of tax dollars. They establish taxpayer confidence in local government while allowing that government to serve its citizens effectively. Therefore, the important role assessment practices play is significant.

Here are the statistics for Dawson County as reported for 2010 based on the median:

	Residential Property	Commercial Property	Agricultural Property
No. Of Sales	441	79	147
AS%:	98	100	72

The number of usable sales placed in the sales files dropped significantly in the residential file but remained basically consistent in the other two classes.

This report outlines time frames for reappraising or updating of property values. It is the intention of the assessor, relative to the amount of change annually in the market (cf. above), to look at updating each class of property in a three-year cycle starting with residential, and then continuing with agriculture production ground, and then commercial. The utilization of a Computer Assisted Mass Appraisal (CAMA) system helps determine the need for an on-site physical inspection that could lead to a large-scale reappraisal.

Pursuant to section 77-1311.02, assessors are to submit a three-year plan of assessment annually to the county board of equalization by July 31, and a copy of that report to the Property Assessment Division of the Department of Revenue by October 31 with amendments if necessary. Included in the plan is the examination of the level, quality, and uniformity of assessment in the county.

#### **Definitions**

To help draw boundaries in terms of methods, these definitions are offered:

**Updating:** This is the examination of sold properties on-site in each instance and the development of a model to be used for a particular market area or neighborhood for both sold and unsold properties. This occurs following a statistical analysis and thorough market study of the level of value. It normally does not include a complete *new* record, but a check of the current record for accuracy, and may or may not warrant physical measurement and complete inspection of the property. The updates generally are limited to particular locations, and may be as restricted as one property in the case of an increase in the square footage of a dwelling, or the addition of some other structure, such as a new garage. But the term "update" is used most often in relation to the change of numerous sold and unsold properties within a given area. It is most likely to involve a group of properties contained in no less than a residential subdivision. It generally would not involve a group as large as the entire county because that could shift it into a definition of a full reappraisal.

**Reappraisal:** The complete new measurement of all *sold and unsold* properties within the entire county in a given classification. The appraisers and listers would be looking at the property, initially, absent in-depth knowledge of its history. The outcome would be the creation of all new property record cards. This most likely would include either commercial or residential classifications but seldom both at the same time, due to the cost involved to prepare and complete the reappraisal in a timely manner. A reappraisal would be prompted most likely only if there was an unusual upward or downward surge in every economic sector of the county at once, and that surge results in a classification falling well out of mandated ranges of level of value, and then particularly as it pertains to qualifying statistics of PRD and COD.

It would also be difficult to include agricultural production ground under this definition because that tends to receive annual ongoing attention due to the differences inherent in the property type. A complete new measurement of all acres within the agriculture sector annually would be prohibitive for many reasons, though recent popularity of pivot irrigation systems has resulted in some acre count work. The county board of commissioners has determined that a certified copy of an individual's contract with federal farm programs, showing the amount of acres involved in a particular use is the best evidence of the number of acres that should be on record in accordance with their use. For irrigated acres we depend on the certification filed with Central Platte NRD.

**Review:** This is the initial stage of checking real estate transfer statements, changes on properties, and preliminary statistical studies to determine the need to proceed toward an update or reappraisal. Unless there is additional credible information from other resources, reviews only serve to provide cursive support of the level of value, but may encourage further action.

### **Residential Information**

The upheaval on the national level concerning real estate markets remains uncertain locally, but the closure of a major manufacturing plant in Cozad could cause a sudden drop in that city's real estate market. The community received an update for 2009 on the heels of updates that had already been required in most other residential sectors of the county in prior years. This plant closing looms heavily on the market now, according to reports received from property owners during 2010.

As a result of the increases of valuation in 2010, the ratio countywide is well within the necessary range overall for the residential class. The qualitative statistics in 2010 revealed relatively good results in higher population areas where abundant sales were helpful in determining market valuation levels, though the number of residential sales did drop. The models developed and applied contributed substantially to the acceptable assessment level. Though minor changes will be applied if needed, these models are expected to continue to achieve uniformity within their given market. Other changes and work have been discussed previously within this report.

## **Commercial/Industrial Properties**

The countywide ratio for this property classification came within standards in preliminary calculations for 2010.

The results of that analysis show that a full update conducted in 2006 for commercial properties continues to show values within an acceptable range. Appraisers conduct a thorough review on an ongoing basis in anticipation of at least refining various occupation codes.

At the request of the property tax administrator, however, a complete revaluation of this class is now underway (cf. discussed earlier in the report).

Results of statistical readings of qualitative figures on commercial property can be quite misleading given the diverse nature of the property class. A good COD for retail stores does not necessarily mean the same holds true for office buildings, as an example.

Sales reviews on this class of property have been conducted with professional appraisers for the last several years and that practice will continue. The materials used when a reappraisal was completed for 2000 are still available, and this office has geared up to make the process more formal at that level. Budget constraints have for many years been a limiting factor in this process. Updated values were in place for 2006.

A specialist appraiser reviews industrial properties with staff help. This is done annually, and any activity that is prompted is done in a timely manner in accordance with the assessment calendar. The number of industrial properties within Dawson County is relatively small, but the valuation involved has a significant impact on the overall file. An ethanol plant that began production two years ago is a prime example.

Again, due to the diversity of the within variety of commercial property, very often review and update of values are conducted in terms of categories, such as all fast food franchise businesses, or motels. Reviews within neighborhoods, like highway strips to Interstate 80, are also conducted regularly. And depending on the activity within the market, main business districts within the larger communities of Dawson County undergo some review as well.

## **Agricultural Ground**

The mixture that typifies any description of agricultural production ground gives a strong indication of why these numbers can be ambiguous. The overall ratio studies ending in 2010 continue to indicate the unprecedented upward trend in agricultural sales.

Values increased at historic highs given market sales that continue in a trend now about four years in the making. The top of the range for irrigated ground now appears could be exceeding \$4,500 to \$5,000 an acre. Some obvious influence of this has been seen in both dry and grass subclasses.



A GIS system has been set up and sometime in 2011 a public website will be available. It is now in the testing stages and available within the office.

Models have also been established in terms of the income approach. Various resources have been utilized, particularly from the University of Nebraska and the local Extension Service that conducts an annual survey of land rents. Capitalization rates are derived from market sales and interviews with local banking and farm investment firms. Separate capitalization rates are employed in connection with specific uses: irrigation, dry or grass.

### **Background**

Dawson County has more than 22,000 total parcels in the files. Of that number about 58 percent represents residential and recreational properties, 7-8 percent commercial/industrial, 28 percent agricultural parcels, and the remainder is accounted for in exempt property. Nearly 50 percent of the county's valuation, on the other hand, rests in agricultural land, and that percentage could climb quite significantly with the 2011 valuations.

Currently the office staff includes the assessor, the deputy, a part-time chief appraiser, one full-time, and one part-time data entry employee. There has been a full-time position open for several months involving personal property work. Due to county board discussions, the position remains open in response to budget constraints. Some professional appraisers are also utilized on a contract basis. The deputy assessor holds an assessor certificate, and all appraisers who work either directly or by contract in this county are licensed. The assessor, deputy and appraiser all attend continuing education classes on a regular basis.

### **Office Procedures, Materials**

This office has written policies and procedures concerning appraisal/assessment practices, and personnel guidelines that basically incorporate county policies and job descriptions. Cadastral maps were reviewed and resketched over several years concluding about 1995. They are updated almost daily as the surveyor provides the needed information. Black and white aerial photos of the rural sections were taken in 1982. Rural home site aerial photos were taken in December 1995 for use in a 1997 update. Record cards were redesigned with the reappraisal process that began about 1993. New photographs are taken upon each inspection of a property. Digital photographs were added to the CAMA system as the properties underwent review the last several years; however, the process of moving photos electronically to the records has proven to be time consuming and difficult to keep current.

The GIS system enables the office to place cadastral and other statistical information in electronic form on computers. It is expected that there will eventually be a web site to help expedite inquiries and keep information current and concise.

Reviews are conducted regularly on the sales file. Data entry occurs as the transfer statements are examined and sent through a routine that begins with the deputy assessor who completes needed changes on the properties. She then sends the information on to staff. They add the

pertinent facts to the CAMA and administrative systems. The assessor reviews all sales and makes the final judgment as to qualifying them for use in statistical measurements.

Often the properties that come up for review on the sales file are physically inspected in the field, particularly if they appear to be an outlier within the statistics. Attempts are made to inspect all properties that are protested to the county board of equalization. Review of entire neighborhoods, and in the case of commercial properties with all similar types of structures, are conducted as well whenever there are wholesale updates of values to be entered on the record for a given year. For example, many residential properties are checked before establishing the model that changes values. Within the first few months of a year, on-site inspections are conducted on all dwellings before a value is entered for the record, if those parcels are part of a market update.

This same procedure follows for the other classes of property as the cycle continues throughout the three years. An outside appraisal firm helps with this work. The sales files are matched up with state property assessment division records. Confirmation of sales may be conducted at various levels including personal interviews and on-site inspections. More formal methods were incorporated beginning in 2005.

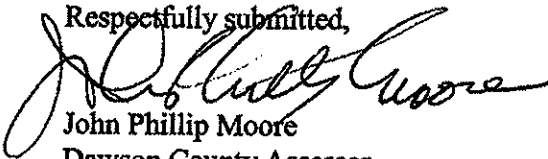
Time and expense are major factors in the percentage of the number of sales that can be reviewed, particularly in the residential sales. Due to many home owners working outside the home, and the cultural diversity of Dawson County, personal interviews are sometimes difficult to obtain. There have also been numerous foreclosure procedures in recent years and those sales tend to increase the time schedule despite their limited use in the sales file.

### Conclusion

The Dawson County Assessor's Office attempts to review and maintain market value updates on all classes of property on an annual basis, but follows three-year cycles for each class depending on the amount of sales activity. A CAMA system helps in maintaining the proper level of values as required by statute.

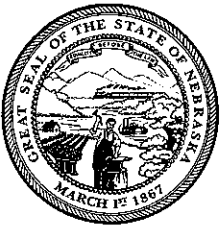
A countywide reappraisal process that included a new measurement of all structures, and therefore a completely new record of each parcel, was started about 1993 and had been completed as of 2000. Revaluations prompted by market changes are considered annually; however, a more thorough review is planned at three-year increments to determine if another comprehensive reappraisal would be desirable.

Respectfully submitted,



John Phillip Moore  
Dawson County Assessor

<b>DAWSON COUNTY ASSESSOR</b>			
<b>Plans &amp; Review for</b>			
<b>6-Year Period</b>			
<b>Pr Locat</b>	<b>Prop. Type</b>	<b>Last Updated</b>	<b>Scheduled Review</b>
Eddyvl	Res	2001	2011
Eddyvl	Comm	2006	2011
Farnam	Res	2009	2011
Farnam	Comm	2006	2011
Over	Res	2010	2011
Over	Comm	2006	2011
Sumner	Res	2005	2011
Sumner	Comm	2006	2011
J Lake	Res	2006	2011
J Lake	Comm	2006	2011
Lexington	Res	2007-2008	2011-12
Lexington	Comm	2006	2011
Cozad	Res	2009	2011-12
Cozad	Comm	2005	2011
Gothenburg	Res	2007	2011-12
Gothenburg	Comm	2005	2011
Rural	Res	2010-2011	2013
Rural	Comm	2007	2011
PC Canyon	Res	2005	2011-12
All Ag	Soils	2010	Annual
		New soil survey 2010	



**Dave Heineman**  
Governor

# STATE OF NEBRASKA

DEPARTMENT OF REVENUE  
**Douglas A. Ewald**, Tax Commissioner  
PROPERTY ASSESSMENT DIVISION, **Ruth A. Sorensen**, Administrator  
P.O. Box 98919 • Lincoln, Nebraska 68509-8919  
Phone: (402) 471-5984 • Fax (402) 471-5993  
www.pat.ne.gov

January 24, 2010

John Moore  
Dawson County Assessor  
7<sup>th</sup> & Washington  
Lexington, Nebraska 68850

**RE: Assessment Practices Review**

Dear Mr. Moore:

Thank you for your recently submitted three-year plan. I commend you for your ambition, which will serve the property owners of Dawson County well in ensuring uniform and proportionate valuations.

I am pleased to see that you are addressing the concerns that were raised in my prior correspondence. The Department will continue to monitor the level of value and quality of assessment in Dawson County as new values are established. It is imperative that the field liaison, Sarah Scott, be kept informed and involved with the process that has been set out in the three-year plan. As you have indicated, I expect that you will complete a revaluation of the class of commercial property in Dawson County. You have also indicated that you will be inspecting all properties in this class. You have also indicated your intent to complete a revaluation of the residential class of property within the next two years.

Please continue to work closely with Ms. Scott and she will keep me informed of the progress taking place in Dawson County. This letter will be included with the three-year plan in the 2011 Reports and Opinions of the Property Tax Administrator for Dawson County.

Should you wish to discuss this matter further or if you have any questions, please feel free to contact me.

FOR THE TAX COMMISSIONER

Sincerely,

Ruth A. Sorensen  
Property Tax Administrator  
(402) 471-5962

cc: Dawson County Board of Equalization  
Elizabeth Waterman, Dawson County Attorney

## 2011 Assessment Survey for Dawson County

### A. Staffing and Funding Information

1.	<b>Deputy(ies) on staff:</b>
	1
2.	<b>Appraiser(s) on staff:</b>
	1 part-time
3.	<b>Other full-time employees:</b>
	1
4.	<b>Other part-time employees:</b>
	1
5.	<b>Number of shared employees:</b>
	0
6.	<b>Assessor's requested budget for current fiscal year:</b>
	\$300,000
7.	<b>Adopted budget, or granted budget if different from above:</b>
	Same
8.	<b>Amount of the total budget set aside for appraisal work:</b>
	\$110,000
9.	<b>Appraisal/Reappraisal budget, if not part of the total budget:</b>
	n/a
10.	<b>Part of the budget that is dedicated to the computer system:</b>
	\$22,500
11.	<b>Amount of the total budget set aside for education/workshops:</b>
	\$4,500
12.	<b>Other miscellaneous funds:</b>
	n/a
13.	<b>Amount of last year's budget not used:</b>
	No

### B. Computer, Automation Information and GIS

1.	<b>Administrative software:</b>
	MIPS
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>
	The maps (1995) are maintained in house with the assistance of the county surveyor.
5.	<b>Does the county have GIS software?</b>
	Yes

6.	<b>Who maintains the GIS software and maps?</b>
	The county surveyor.
7.	<b>Personal Property software:</b>
	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>
	Lexington, Cozad and Gothenburg
4.	<b>When was zoning implemented?</b>
	1991

### D. Contracted Services

1.	<b>Appraisal Services:</b>
	Standard Appraisal Services
2.	<b>Other services:</b>
	None



## 2011 Certification for Dawson County

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This is to certify that the 2011 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 Dawson County Assessor.

Dated this 11th day of April, 2011.



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

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Ruth A. Sorensen  
Property Tax Administrator





