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2011 Commission Summary for Polk County

Residential Real Property - Current

Number of Sales	112	Median	95.93
Total Sales Price	\$6,868,372	Mean	107.07
Total Adj. Sales Price	\$6,860,372	Wgt. Mean	95.21
Total Assessed Value	\$6,531,880	Average Assessed Value of the Base	\$56,648
Avg. Adj. Sales Price	\$61,253	Avg. Assessed Value	\$58,320

Confidence Interval - Current

95% Median C.I	94.02 to 97.80
95% Mean C.I	91.00 to 99.42
95% Wgt. Mean C.I	99.87 to 114.27
% of Value of the Class of all Real Property Value in the County	14.58
% of Records Sold in the Study Period	4.95
% of Value Sold in the Study Period	5.10

Residential Real Property - History

Year	Number of Sales	LOV	Median
2010	120	98	98
2009	139	98	98
2008	149	99	99
2007	146	98	98

2011 Commission Summary for Polk County

Commercial Real Property - Current

Number of Sales	10	Median	94.82
Total Sales Price	\$446,831	Mean	90.70
Total Adj. Sales Price	\$446,831	Wgt. Mean	87.26
Total Assessed Value	\$389,905	Average Assessed Value of the Base	\$97,540
Avg. Adj. Sales Price	\$44,683	Avg. Assessed Value	\$38,991

Confidence Interval - Current

95% Median C.I	66.71 to 103.58
95% Mean C.I	80.09 to 101.31
95% Wgt. Mean C.I	75.70 to 98.82
% of Value of the Class of all Real Property Value in the County	3.32
% of Records Sold in the Study Period	3.34
% of Value Sold in the Study Period	1.34

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2010	11	100	96
2009	9	100	93
2008	9	100	93
2007	16	95	95

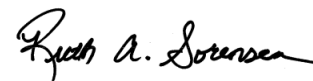
2011 Opinions of the Property Tax Administrator for Polk County

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
Residential Real Property	96	Meets generally accepted mass appraisal practices.	No recommendation.
Commercial Real Property	*NEI	Meets generally accepted mass appraisal practices.	No recommendation.
Agricultural Land	73	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.
Special Valuation of Agricultural Land	73	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.



Ruth A. Sorensen
Property Tax Administrator



2011 Residential Assessment Actions for Polk County

For 2011, Polk County has followed their 3 Year Plan which includes the following actions:

The county completed all pickup work of new improvements on residential parcels.

The county conducted a thorough sale verification and analysis process. This resulted in the adjustment of the economic depreciation on rural residential (acreage) houses from 5% to 10%.

For 2011, Polk County has not done any planned inspections of the residences. The preliminary analysis indicated that Stromsburg a town that was inspected and updated for 2009 was valued slightly too high. There was no inspection done, and no land value change needed but it was determined that the depreciation table needed to be updated this year. The net impact was a reduction of values averaging about 1 to 2 percent.

Among the rural residential parcels and the agricultural residential parcels, the home site acre was set at \$ 15,000 and the building site acre was set at \$4,000. There were no changes made to the building values and there were no other class or subclass adjustments.

2011 Residential Assessment Survey for Polk County

1.	Valuation data collection done by:	
	Assessor and contract appraiser	
2.	List the valuation groupings used by the County and describe the unique characteristics that effect value:	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	1	Lake: This is a grouping of all lake properties in the county, most of which are seasonal dwellings
	2	Osceola: County hospital is located in this town, the county seat.
	3	Polk: The town is limited in commerce and has limited residential sales activity. Parcels in this location have generally been occupied by the same owner for a longer period than other areas in the county.
	4	Rural: This valuation group consists of all parcels outside the city limits of any incorporated town.
	5	Shelby: Many residents commute to larger communities for employment. The local economy has a small number of commercial businesses.
	6	Stromsburg: The town of Stromsburg is the largest town in the county and has the largest commercial district.
3.	List and describe the approach(es) used to estimate the market value of residential properties.	
	Cost approach with market derived depreciation	
4	When was the last lot value study completed?	
	Lot value studies are done in conjunction with residential revaluations	
5.	Describe the methodology used to determine the residential lot values.	
	A vacant lot study is used to determine residential lot values	
6.	What costing year for the cost approach is being used for each valuation grouping?	
	Yes, 2006 costing is used for the residential class, and Lake properties are valued using 2009 costing, but all are factored to represent the same relationship to market.	
7.	If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?	
	Local market information is used to develop depreciation tables	
8.	Are individual depreciation tables developed for each valuation grouping?	
	Yes; Depreciation tables are developed on a countywide basis and then are modified with economic depreciation developed for each individual valuation group.	

9.	How often does the County update the depreciation tables?
	Depreciation tables are updated in conjunction with the revaluation of individual valuation groups.
10.	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?
	Yes
11.	Describe the method used to determine whether a sold parcel is substantially changed.
	If there is a building permit issued or construction operations are observed after a sale, the assessor makes an individual judgment whether the change is substantial. Examples are: - The construction of a new structure on a previously vacant or minimally improved lot. - A major addition or alteration to the structure, usually results in a change in square footage. - A dramatic increase in the depreciation and loss of value due to something like fire damage, vandalism or demolition of a structure. - Extensive rehabilitation and remodeling (change to the interior finish, mechanical systems or fixtures) of an existing structure causing a significant reduction of depreciation.
12.	Please provide any documents related to the policies or procedures used for the residential class of property.
	The county has a policy and procedure publication that covers some of the general duties and requirements of the office. They have provided a copy to the Department. The assessor also indicated that the Assessor's Reference Manual is used like a policy and procedures manual.

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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 : 112
 Total Sales Price : 6,868,372
 Total Adj. Sales Price : 6,860,372
 Total Assessed Value : 6,531,880
 Avg. Adj. Sales Price : 61,253
 Avg. Assessed Value : 58,320

MEDIAN : 96
 WGT. MEAN : 95
 MEAN : 107
 COD : 24.44
 PRD : 112.46

COV : 36.28
 STD : 38.85
 Avg. Abs. Dev : 23.45
 MAX Sales Ratio : 280.19
 MIN Sales Ratio : 28.05

95% Median C.I. : 94.02 to 97.80
 95% Wgt. Mean C.I. : 91.00 to 99.42
 95% Mean C.I. : 99.87 to 114.27

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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	20	98.90	110.54	100.84	20.79	109.62	74.92	207.32	95.21 to 106.56	49,759	50,176
01-OCT-08 To 31-DEC-08	14	96.42	102.87	93.20	14.48	110.38	81.19	178.30	83.41 to 105.14	67,583	62,988
01-JAN-09 To 31-MAR-09	8	97.36	119.60	101.02	31.24	118.39	83.90	280.19	83.90 to 280.19	44,819	45,275
01-APR-09 To 30-JUN-09	18	92.89	101.26	90.81	18.79	111.51	74.74	212.00	83.41 to 97.80	62,111	56,400
01-JUL-09 To 30-SEP-09	19	96.71	107.78	99.47	28.36	108.35	28.05	197.14	89.10 to 120.62	44,368	44,133
01-OCT-09 To 31-DEC-09	4	119.23	117.99	114.20	35.80	103.32	59.26	174.24	N/A	40,875	46,679
01-JAN-10 To 31-MAR-10	6	111.68	129.58	100.85	39.17	128.49	77.62	251.50	77.62 to 251.50	99,370	100,218
01-APR-10 To 30-JUN-10	23	92.14	98.45	89.28	22.64	110.27	58.70	176.00	80.14 to 105.51	79,990	71,416
<u>Study Yrs</u>											
01-JUL-08 To 30-JUN-09	60	95.93	107.17	95.46	20.57	112.27	74.74	280.19	94.17 to 98.80	56,965	54,379
01-JUL-09 To 30-JUN-10	52	95.98	106.95	94.96	28.91	112.63	28.05	251.50	90.41 to 105.51	66,202	62,868
<u>Calendar Yrs</u>											
01-JAN-09 To 31-DEC-09	49	94.84	108.15	96.76	27.02	111.77	28.05	280.19	90.91 to 97.84	50,674	49,034
<u>ALL</u>	112	95.93	107.07	95.21	24.44	112.46	28.05	280.19	94.02 to 97.80	61,253	58,320

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	21	95.51	95.84	90.71	14.73	105.66	28.05	142.74	91.33 to 97.80	61,010	55,343
02	31	94.17	102.85	97.00	22.17	106.03	59.26	197.14	85.62 to 100.55	46,196	44,810
03	9	96.89	100.68	90.37	17.35	111.41	78.43	178.30	81.19 to 105.14	32,074	28,986
04	14	94.34	106.74	93.46	28.26	114.21	58.70	251.50	76.09 to 120.62	122,179	114,184
05	15	94.89	112.30	93.90	30.31	119.60	75.24	207.32	80.14 to 143.70	63,893	59,993
06	22	98.05	123.00	102.67	33.28	119.80	63.23	280.19	94.44 to 147.12	54,068	55,511
<u>ALL</u>	112	95.93	107.07	95.21	24.44	112.46	28.05	280.19	94.02 to 97.80	61,253	58,320

PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	95	95.68	108.88	95.29	25.87	114.26	58.70	280.19	92.14 to 98.99	64,759	61,712
06	16	96.80	97.24	94.50	17.46	102.90	28.05	142.74	91.33 to 108.18	44,079	41,653
07	1	92.67	92.67	92.67	00.00	100.00	92.67	92.67	N/A	3,000	2,780
<u>ALL</u>	112	95.93	107.07	95.21	24.44	112.46	28.05	280.19	94.02 to 97.80	61,253	58,320

**72 Polk
RESIDENTIAL**

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 95% Mean C.I. : 99.87 to 114.27

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SALE PRICE *											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
<u>Low \$</u>												
1 TO 4999	2	96.34	96.34	94.23	03.81	102.24	92.67	100.00	N/A	1,908	1,798	
5000 TO 9999	4	195.15	188.60	201.46	29.46	93.62	83.90	280.19	N/A	6,250	12,591	
<u>Total \$</u>												
1 TO 9999	6	139.15	157.84	187.26	47.18	84.29	83.90	280.19	83.90 to 280.19	4,803	8,993	
10000 TO 29999	31	106.56	122.90	119.92	33.53	102.48	28.05	207.32	98.80 to 143.70	18,072	21,671	
30000 TO 59999	27	95.42	105.55	105.16	23.15	100.37	58.71	251.50	89.96 to 108.18	43,782	46,041	
60000 TO 99999	29	95.28	94.81	94.55	07.95	100.27	74.74	126.83	90.91 to 97.63	75,546	71,428	
100000 TO 149999	12	86.21	87.04	87.07	10.51	99.97	68.30	104.33	76.21 to 97.84	113,492	98,812	
150000 TO 249999	5	88.89	83.33	83.94	13.09	99.27	58.70	97.29	N/A	173,800	145,892	
250000 TO 499999	2	87.19	87.19	86.35	05.69	100.97	82.23	92.14	N/A	333,750	288,190	
500000 +												
<u>ALL</u>	112	95.93	107.07	95.21	24.44	112.46	28.05	280.19	94.02 to 97.80	61,253	58,320	

2011 Correlation Section for Polk County

A. Residential Real Property

Polk County is an agriculturally based county with an array of villages and small towns that exist primarily to support agriculture. Stromsburg is the largest town and Osceola is the county seat. Most of the residential properties in the county are in the towns and villages but there are some houses on acreages and houses on agricultural parcels. The county has divided the residential analysis and valuation work into six Valuation Groupings; four are centered on individual towns plus one for rural residential parcels and one for lake properties. In the Residential Survey and Residential Assessment Actions section of the R&O, the characteristics of the Valuation Groupings and the assessment process are described in detail. The county believes that each grouping is unique with differing combinations of population, schools, available commercial services, healthcare services and employment outside the agricultural sector. During the past few years there have been no significant economic events that have impacted the value of residential property. Some locations have shown positive residential growth and some have shown decline. In all, the residential is stable, but values are somewhat flat to slightly increasing. Over the past 10 years, the residential valuations have increased at an average of 4.78%, and without growth at an average of 3.67%. In the 2011 Abstract, the change in valuation to the residential class is 2.02%; and 0.90% excluding growth. The assessment sales ratio study of the 112 qualified sales in the 2 year study period sales is the lowest number of sales in 5 years, indicating a decrease in market activity. The average sales price has increased from \$ 60,082 in 2010 to \$ 61,232 in 2011.

The basic assessment sales ratio study of the 112 qualified sales produced a median ratio of 96%. The analysis of the assessment process in the county goes beyond the statistics that are produced from the sales that have occurred in the current study period. The actions taken during the assessment process are of considerable importance when determining the quality of assessment. The assessor annually reports their assessment intentions in their 3 Year Plan; they verify their accomplishments during the interview for the Assessment Actions section of the R&O; and explain many of the other details and valuation procedures or policies during the preparation of the Survey. The discussion of their 6 Year Inspection process further reveals steps in any inspection, review or revaluation process and supports the thoroughness and the consistency of their actions.

It is not certain that the county has achieved equalization in the residential class of property by simply reviewing the R&O Statistics. The Department does not depend solely on the assessment statistics to evaluate equalization in the county. The best basis to evaluate intra-county equalization is to determine that the valuation process is current accurate and applied consistently. The assessment actions narratives prepared this year and in prior years describe a process that likely to produce equalized results.

The Department believes that the quality of assessment of residential property in the county is good. There are numerous reasons, but the most relevant are the Departments ongoing interaction with the assessor, and the annual reporting of their actions with regard to residential property. The county has built thorough, high quality and current records by the regular inspection of all parcels. They keep the values updated and current by paying constant attention to the verification and analysis of sales. The county has done a consistent and uniform job of valuation. They verify all sales, are in regular contact with many property owners and apply their valuation processes even handedly. The residential costs used are all at

**2011 Correlation Section
for Polk County**

2006 except the lake parcels in Valuation Grouping 1, that use 2009 cost tables. Those values are still factored to the same measured level of value as the other residential property. The land values and depreciation schedules were developed to work with those costs and are consistent within each valuation group.

The Department is confident that Polk County has conducted a high quality assessment process for residential property. They are thorough and timely in their work, thoroughly analyze current sales to discover needed changes and consistent in the application any changes that are needed. There is confidence that the current R&O Statistics are meaningful to measure the entire class partly because the sample is reliable and partly because the assessment actions are good. The measurement of any subclass of residential property is considered less reliable in most cases. For 2011, the median ratio is 96% for the residential property. The COD and the PRD are both above the desired ranges. The median confidence interval indicates a level of value within the range of 92 to 100%. The statistics for this sample of sales indicate that no class or significant subclass is out of the desired range. Considering all of the factors, the level of value is 96%. There are no recommendations for the adjustment of the class or for any subclasses of the residential class. The quality of assessment for the residential class is acceptable.

**2011 Correlation Section
for Polk County**

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 Polk County**

C. Measures of Central Tendency

There are three measures of central tendency calculated by the Division: median ratio, weighted mean ratio, and mean ratio. Since each measure of central tendency has strengths and weaknesses, the use of any statistic for equalization should be reconciled with the other two, as in an appraisal, based on the appropriateness 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 Polk County

D. Analysis of Quality of Assessment

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

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

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 Commercial Assessment Actions for Polk County

For 2011, Polk County has followed their 3 Year Plan which includes the following actions:

The county completed all pickup work of new improvements on commercial parcels.

The county conducted a thorough sale verification and analysis process.

For 2011, Polk County has done inspections and reappraisal of all of the commercial improvements throughout the county

The inspection and reappraisal process included an on-site review using the record cards to verify the measurements, classification and condition of the existing improvements. Interior inspections were done on a majority of the commercial parcels. The county listed new unreported improvements and removed buildings from the records that had been torn down. They recosted all buildings using 2010 cost tables, took new photos of the significant buildings, prepared new sketches of the buildings and site plans, developed new land values, and prepared new record cards. The depreciation was developed on a countywide basis and then adjusted for individual locations as indicated by the market analysis

2011 Commercial Assessment Survey for Polk County

1.	Valuation data collection done by:	
	Contract Appraiser	
2.	List the valuation groupings used by the County and describe the unique characteristics that effect value:	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	1	All commercial properties are grouped together for valuation. Each of the valuation groups, as described in the residential survey, except the lakes are separately analyzed. However, as a work product, the entire class of commercial is updated, inspected or reappraised in the same assessment period.
3.	List and describe the approach(es) used to estimate the market value of commercial properties.	
	All three approaches are used and reconciled in the commercial valuation.	
4.	When was the last lot value study completed?	
	Lot values were last analyzed in 2010 for use in 2011 as a part of the commercial reappraisal which was just completed.	
5.	Describe the methodology used to determine the commercial lot values.	
	Vacant lot sales were analyzed to determine values.	
6.	What costing year for the cost approach is being used for each valuation grouping?	
	2010 for the entire commercial class	
7.	If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?	
	The county bases their depreciation off of the Marshall and Swift depreciation in the CAMA program and locally modified for locational differences.	
8.	Are individual depreciation tables developed for each valuation grouping?	
	Yes; Depreciation tables are developed on a countywide basis and then are modified with economic depreciation developed for each individual location.	
9.	How often does the County update the depreciation tables?	
	Whenever the class is revalued or updated.	
10.	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?	
	Yes	

11.	Describe the method used to determine whether a sold parcel is substantially changed.
	<p>If there is a building permit issued or construction operations are observed after a sale, the assessor makes an individual judgment whether the change is substantial. Examples are:</p> <ul style="list-style-type: none"> -The construction of a new structure on a previously vacant or minimally improved lot. -A major addition or alteration to the structure, usually results in a change in square footage. -A dramatic increase in the depreciation and loss of value due to something like fire damage, vandalism or demolition of a structure. -Extensive rehabilitation and remodeling (change to the interior finish, mechanical systems or fixtures) of an existing structure causing a significant reduction of depreciation.
12.	Please provide any documents related to the policies or procedures used for the commercial class of property.
	<p>The county has a policy and procedure publication that covers some of the general duties and requirements of the office. They have provided a copy to the Department. The assessor also indicated that the Assessor's Reference Manual is used like a policy and procedures manual.</p>

**72 Polk
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 : 10
 Total Sales Price : 446,831
 Total Adj. Sales Price : 446,831
 Total Assessed Value : 389,905
 Avg. Adj. Sales Price : 44,683
 Avg. Assessed Value : 38,991

MEDIAN : 95
 WGT. MEAN : 87
 MEAN : 91
 COD : 10.43
 PRD : 103.94

COV : 16.35
 STD : 14.83
 Avg. Abs. Dev : 09.89
 MAX Sales Ratio : 105.48
 MIN Sales Ratio : 61.62

95% Median C.I. : 66.71 to 103.58
 95% Wgt. Mean C.I. : 75.70 to 98.82
 95% Mean C.I. : 80.09 to 101.31

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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-07 To 30-SEP-07											
01-OCT-07 To 31-DEC-07	1	93.10	93.10	93.10	00.00	100.00	93.10	93.10	N/A	20,000	18,620
01-JAN-08 To 31-MAR-08	1	96.53	96.53	96.53	00.00	100.00	96.53	96.53	N/A	8,500	8,205
01-APR-08 To 30-JUN-08	2	64.17	64.17	63.56	03.97	100.96	61.62	66.71	N/A	52,500	33,370
01-JUL-08 To 30-SEP-08	1	100.30	100.30	100.30	00.00	100.00	100.30	100.30	N/A	10,000	10,030
01-OCT-08 To 31-DEC-08											
01-JAN-09 To 31-MAR-09	1	103.58	103.58	103.58	00.00	100.00	103.58	103.58	N/A	20,000	20,715
01-APR-09 To 30-JUN-09	1	105.48	105.48	105.48	00.00	100.00	105.48	105.48	N/A	20,000	21,095
01-JUL-09 To 30-SEP-09											
01-OCT-09 To 31-DEC-09	1	91.78	91.78	91.78	00.00	100.00	91.78	91.78	N/A	175,000	160,620
01-JAN-10 To 31-MAR-10	1	97.07	97.07	97.07	00.00	100.00	97.07	97.07	N/A	58,331	56,620
01-APR-10 To 30-JUN-10	1	90.87	90.87	90.87	00.00	100.00	90.87	90.87	N/A	30,000	27,260
<u>Study Yrs</u>											
01-JUL-07 To 30-JUN-08	4	79.91	79.49	70.09	19.18	113.41	61.62	96.53	N/A	33,375	23,391
01-JUL-08 To 30-JUN-09	3	103.58	103.12	103.68	01.67	99.46	100.30	105.48	N/A	16,667	17,280
01-JUL-09 To 30-JUN-10	3	91.78	93.24	92.85	02.26	100.42	90.87	97.07	N/A	87,777	81,500
<u>Calendar Yrs</u>											
01-JAN-08 To 31-DEC-08	4	81.62	81.29	68.81	20.99	118.14	61.62	100.30	N/A	30,875	21,244
01-JAN-09 To 31-DEC-09	3	103.58	100.28	94.15	04.41	106.51	91.78	105.48	N/A	71,667	67,477
<u>ALL</u>	10	94.82	90.70	87.26	10.43	103.94	61.62	105.48	66.71 to 103.58	44,683	38,991

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	10	94.82	90.70	87.26	10.43	103.94	61.62	105.48	66.71 to 103.58	44,683	38,991
<u>ALL</u>	10	94.82	90.70	87.26	10.43	103.94	61.62	105.48	66.71 to 103.58	44,683	38,991

PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
02											
03	10	94.82	90.70	87.26	10.43	103.94	61.62	105.48	66.71 to 103.58	44,683	38,991
04											
<u>ALL</u>	10	94.82	90.70	87.26	10.43	103.94	61.62	105.48	66.71 to 103.58	44,683	38,991

**72 Polk
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 : 10
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 COD : 10.43
 PRD : 103.94

COV : 16.35
 STD : 14.83
 Avg. Abs. Dev : 09.89
 MAX Sales Ratio : 105.48
 MIN Sales Ratio : 61.62

95% Median C.I. : 66.71 to 103.58
 95% Wgt. Mean C.I. : 75.70 to 98.82
 95% Mean C.I. : 80.09 to 101.31

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SALE PRICE *											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
<u>Low \$</u>												
1 TO 4999												
5000 TO 9999	1	96.53	96.53	96.53	00.00	100.00	96.53	96.53	N/A	8,500	8,205	
<u>Total \$</u>												
1 TO 9999	1	96.53	96.53	96.53	00.00	100.00	96.53	96.53	N/A	8,500	8,205	
10000 TO 29999	4	101.94	100.62	100.66	03.85	99.96	93.10	105.48	N/A	17,500	17,615	
30000 TO 59999	3	90.87	84.88	86.16	11.14	98.51	66.71	97.07	N/A	42,777	36,855	
60000 TO 99999	1	61.62	61.62	61.62	00.00	100.00	61.62	61.62	N/A	65,000	40,055	
100000 TO 149999												
150000 TO 249999	1	91.78	91.78	91.78	00.00	100.00	91.78	91.78	N/A	175,000	160,620	
250000 TO 499999												
500000 +												
<u>ALL</u>	10	94.82	90.70	87.26	10.43	103.94	61.62	105.48	66.71 to 103.58	44,683	38,991	

OCCUPANCY CODE											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
297	1	90.87	90.87	90.87	00.00	100.00	90.87	90.87	N/A	30,000	27,260	
344	1	66.71	66.71	66.71	00.00	100.00	66.71	66.71	N/A	40,000	26,685	
353	2	104.53	104.53	104.53	00.91	100.00	103.58	105.48	N/A	20,000	20,905	
355	1	91.78	91.78	91.78	00.00	100.00	91.78	91.78	N/A	175,000	160,620	
404	2	95.09	95.09	96.05	02.09	99.00	93.10	97.07	N/A	39,166	37,620	
406	1	96.53	96.53	96.53	00.00	100.00	96.53	96.53	N/A	8,500	8,205	
442	1	61.62	61.62	61.62	00.00	100.00	61.62	61.62	N/A	65,000	40,055	
528	1	100.30	100.30	100.30	00.00	100.00	100.30	100.30	N/A	10,000	10,030	
<u>ALL</u>	10	94.82	90.70	87.26	10.43	103.94	61.62	105.48	66.71 to 103.58	44,683	38,991	

2011 Correlation Section for Polk County

A. Commercial Real Property

Polk County is an agriculturally based county with an array of villages and small towns that exist primarily to support agriculture. Most of the commercial properties in the county either directly service or support agriculture or the people involved in agriculture. There are a few commercial activities operating outside of agricultural uses but they are in the minority. During the past year and even the past 5 to 10 years, commercial property has had no strong economic fluctuations. Some property uses have prospered and grown and some have declined. Some locations have shown positive commercial activity and some have shown decline. In all, the commercial is stable but somewhat flat in terms of value. There has been an average increase in commercial valuation over the past 10 years of 4.18%, but only 0.06% if growth is excluded.

The basic assessment sales ratio study of the 10 qualified sales produced a median ratio of 95%. The analysis of the assessment process in the county goes beyond the statistics that are produced from the sales that have occurred in the current study period. The actions taken during the assessment process are of considerable importance when determining the quality of assessment. The county annually reports their assessment intentions in their 3 Year Plan; they verify their accomplishments during the interview for the Assessment Actions section of the R&O; and explain many of the other details and valuation procedures or policies during the preparation of the Survey. The discussion of their 6 Year Inspection process further reveals steps in any inspection, review or revaluation process and supports the thoroughness and the consistency of their actions.

There is no way to know whether the county has achieved equalization in the commercial class of property by simply reviewing the R&O Statistics. The Commission Summary in the 2010 R&O indicated an average assessed value of the assessed base is \$93,110 and an average assessed value of the sold parcels at \$30,132. For 2011 the average value of the 10 sold parcels is \$38,991 indicating a lack of representativeness. The lack of sufficient sales and the likelihood that the sales are not representative of the class, leads one to conclude that the actions of the assessor are far more important in evaluating the level of value and likelihood of equalization of the class of commercial property. In the opinion of the Department, Polk County has achieved a reasonable degree of equalization based on their assessment practices, not based on the assessment statistics.

The Department believes that the quality of assessment of commercial property in the county is good. There are numerous reasons, but the most relevant are the Departments ongoing interaction with the assessor, and the annual reporting of their actions with regard to commercial property. The COD and the PRD might be a good test of the quality of assessment if there was any assurance that the sample was reliable and represented the population. Every indicator available says that it does not. The county has built thorough, high quality and current records by the regular inspection of all parcels. They keep the values updated and current by paying constant attention to the verification and review of sales. While perfect valuation of commercial property is unlikely, the county continually works to do a consistent and uniform job of valuation. They verify all sales, are in regular contact with the property owners and apply their valuation processes even handedly. The costs used are universal across the county and the land values and depreciation are consistent within each valuation group. That is the best basis that they can have for intra county equalization.

**2011 Correlation Section
for Polk County**

The Department is confident that Polk County has conducted a sound assessment process for commercial property. They have revalued all of the commercial class for 2011. They are consistent in their verification and analysis of sales and the application of the results of the analysis. Historically, the county assessment process has produced a level of value of about 95 to 100%. The median of the 2011 statistics is 95% which is supported by the historical data. The Department is reluctant to certify a level of value based on the median ratio of a small sample of sales that is not apparently representative of this diverse class of property. There is not sufficient data to determine a level of value for the commercial class. There is not sufficient data to recommend any adjustment of the class or of any subclass of commercial property. The quality of assessment for the commercial class is acceptable based on the known practices of the assessor.

**2011 Correlation Section
for Polk County**

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 Polk County

C. Measures of Central Tendency

There are three measures of central tendency calculated by the Division: median ratio, weighted mean ratio, and mean ratio. Since each measure of central tendency has strengths and weaknesses, the use of any statistic for equalization should be reconciled with the other two, as in an appraisal, based on the appropriateness 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 Polk County

D. Analysis of Quality of Assessment

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

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

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 Agricultural Assessment Actions for Polk County

For 2011, Polk County has followed their 3 Year Plan which includes the following actions:

The county completed all pickup work of new improvements on agricultural parcels.

The county conducted a thorough sale verification and analysis process. Following that, they implemented new values for agricultural land throughout the county.

For 2011, Polk County has not done inspections in the rural areas of the county.

2011 Agricultural Assessment Survey for Polk County

1.	Valuation data collection done by:	
	Assessor	
2.	List each market area, and describe the location and the specific characteristics that make each unique.	
	Market Area	Description of unique characteristics
	1	The county verifies sales, and reviews that information for changing market trends. The county has not identified any characteristics that impact value differently in various regions of the county. They also monitor any market differences between NRDs. The Central Platte NRD in the north part of the county is fully appropriated while the Upper Big Blue NRD in the south part is not. Even this has not demonstrated a measureable difference in values. As a result, they only value agricultural land using one market area.
3.	Describe the process that is used to determine and monitor market areas.	
	The county monitors market value of the parcels based on land use and based on the water policy instituted by the Natural Resource District and it's affect on value.	
4.	Describe the process used to identify and value rural residential land and recreational land in the county.	
	The determination of predominant use is the key to the identification of use. Agricultural if it is primarily used for the production of an ag product and residential if it is not being used for ag and has a primary residence. The county has not recognized any recreational property in the county beyond the lake properties.	
5.	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?	
	The two sites are valued the same as there are no recognized differences.	
6.	What land characteristics are used to assign differences in assessed values?	
	The characteristics used to assign value differences are the major land uses, the LCG's that depict the soil capability. These characteristics are used to analyze and structure the land valuation process.	
7.	What process is used to annually update land use? (Physical inspection, FSA maps, etc.)	
	Physical inspection, FSA, GIS, Etc. The aerial maps are updated regularly. The county is currently using a 2010 photo base.	
8.	Describe the process used to identify and monitor the influence of non-agricultural characteristics.	
	There has none been observed.	
9.	Have special valuations applications been filed in the county? If yes, is there a value difference for the special valuation parcels.	
	Yes, there are two applications on file. The county has not recognized that there is a value difference in the county.	

10.	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?
	Yes
11.	Describe the method used to determine whether a sold parcel is substantially changed.
	In the case of agricultural land, the land use is a key indicator of substantial change. If the use of a parcel of land changes from dry or grass to irrigated the valuation difference is substantial. If there are only a few acres that change, that may not be viewed as substantial. The reasons that pertain to structures may be similar to the residential or commercial reasons, but the threshold for substantial may be greater if the total purchase price for the land is greater. The assessor will decide each situation on a case by case basis.
12.	Please provide any documents related to the policies or procedures used for the agricultural class of property.
	The county has a policy and procedure publication that covers some of the general duties and requirements of the office. They have provided a copy to the Department. The assessor also indicated that the Assessor's Reference Manual is used like a policy and procedures manual.

72 Polk
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 : 39
 Total Sales Price : 15,761,815
 Total Adj. Sales Price : 15,794,415
 Total Assessed Value : 10,431,390
 Avg. Adj. Sales Price : 404,985
 Avg. Assessed Value : 267,472

MEDIAN : 73
 WGT. MEAN : 66
 MEAN : 71
 COD : 15.29
 PRD : 107.81

COV : 22.81
 STD : 16.24
 Avg. Abs. Dev : 11.18
 MAX Sales Ratio : 103.59
 MIN Sales Ratio : 23.82

95% Median C.I. : 67.82 to 77.82
 95% Wgt. Mean C.I. : 58.10 to 73.99
 95% Mean C.I. : 66.10 to 76.30

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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-07 To 30-SEP-07	3	75.49	81.04	78.26	09.58	103.55	72.96	94.66	N/A	352,322	275,742
01-OCT-07 To 31-DEC-07	2	77.70	77.70	79.05	07.05	98.29	72.22	83.17	N/A	437,519	345,868
01-JAN-08 To 31-MAR-08	5	80.72	82.24	73.08	19.86	112.53	60.96	103.59	N/A	308,685	225,598
01-APR-08 To 30-JUN-08	1	80.98	80.98	80.98	00.00	100.00	80.98	80.98	N/A	290,400	235,160
01-JUL-08 To 30-SEP-08	3	62.59	69.32	68.43	12.57	101.30	60.88	84.50	N/A	411,833	281,807
01-OCT-08 To 31-DEC-08	4	65.45	61.79	63.22	14.13	97.74	41.89	74.36	N/A	313,726	198,325
01-JAN-09 To 31-MAR-09	7	80.36	79.32	79.72	05.57	99.50	72.94	85.86	72.94 to 85.86	471,489	375,865
01-APR-09 To 30-JUN-09											
01-JUL-09 To 30-SEP-09											
01-OCT-09 To 31-DEC-09	2	64.95	64.95	64.95	04.43	100.00	62.07	67.82	N/A	355,155	230,658
01-JAN-10 To 31-MAR-10	6	62.38	55.91	42.14	29.35	132.68	23.82	77.84	23.82 to 77.84	599,028	252,459
01-APR-10 To 30-JUN-10	6	73.83	68.42	67.42	11.00	101.48	40.46	77.82	40.46 to 77.82	322,215	217,239
<u>Study Yrs</u>											
01-JUL-07 To 30-JUN-08	11	80.72	80.97	76.53	13.32	105.80	60.96	103.59	64.21 to 101.74	342,348	262,010
01-JUL-08 To 30-JUN-09	14	73.74	72.17	73.73	12.18	97.88	41.89	85.86	62.59 to 84.50	413,630	304,984
01-JUL-09 To 30-JUN-10	14	69.68	62.56	52.58	17.68	118.98	23.82	77.84	40.46 to 76.07	445,554	234,250
<u>Calendar Yrs</u>											
01-JAN-08 To 31-DEC-08	13	67.71	72.87	69.42	19.55	104.97	41.89	103.59	60.96 to 84.50	332,633	230,913
01-JAN-09 To 31-DEC-09	9	75.72	76.13	77.10	08.44	98.74	62.07	85.86	67.82 to 85.00	445,637	343,597
<u>ALL</u>	39	73.12	71.20	66.04	15.29	107.81	23.82	103.59	67.82 to 77.82	404,985	267,472

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
1	39	73.12	71.20	66.04	15.29	107.81	23.82	103.59	67.82 to 77.82	404,985	267,472
<u>ALL</u>	39	73.12	71.20	66.04	15.29	107.81	23.82	103.59	67.82 to 77.82	404,985	267,472

72 Polk
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 : 39
 Total Sales Price : 15,761,815
 Total Adj. Sales Price : 15,794,415
 Total Assessed Value : 10,431,390
 Avg. Adj. Sales Price : 404,985
 Avg. Assessed Value : 267,472

MEDIAN : 73
 WGT. MEAN : 66
 MEAN : 71
 COD : 15.29
 PRD : 107.81

COV : 22.81
 STD : 16.24
 Avg. Abs. Dev : 11.18
 MAX Sales Ratio : 103.59
 MIN Sales Ratio : 23.82

95% Median C.I. : 67.82 to 77.82
 95% Wgt. Mean C.I. : 58.10 to 73.99
 95% Mean C.I. : 66.10 to 76.30

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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
Irrigated											
County	21	72.96	70.91	67.48	12.16	105.08	35.07	85.86	63.19 to 80.36	501,338	338,317
1	21	72.96	70.91	67.48	12.16	105.08	35.07	85.86	63.19 to 80.36	501,338	338,317
Dry											
County	5	73.12	76.11	74.18	12.04	102.60	60.88	101.74	N/A	185,522	137,621
1	5	73.12	76.11	74.18	12.04	102.60	60.88	101.74	N/A	185,522	137,621
Grass											
County	1	103.59	103.59	103.59	00.00	100.00	103.59	103.59	N/A	32,000	33,150
1	1	103.59	103.59	103.59	00.00	100.00	103.59	103.59	N/A	32,000	33,150
ALL	39	73.12	71.20	66.04	15.29	107.81	23.82	103.59	67.82 to 77.82	404,985	267,472

80%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
Irrigated											
County	28	72.95	69.68	65.07	15.67	107.08	23.82	94.66	64.21 to 80.36	495,175	322,222
1	28	72.95	69.68	65.07	15.67	107.08	23.82	94.66	64.21 to 80.36	495,175	322,222
Dry											
County	5	73.12	76.11	74.18	12.04	102.60	60.88	101.74	N/A	185,522	137,621
1	5	73.12	76.11	74.18	12.04	102.60	60.88	101.74	N/A	185,522	137,621
Grass											
County	1	103.59	103.59	103.59	00.00	100.00	103.59	103.59	N/A	32,000	33,150
1	1	103.59	103.59	103.59	00.00	100.00	103.59	103.59	N/A	32,000	33,150
ALL	39	73.12	71.20	66.04	15.29	107.81	23.82	103.59	67.82 to 77.82	404,985	267,472

72 Polk
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 : 41
 Total Sales Price : 16,847,815
 Total Adj. Sales Price : 16,880,415
 Total Assessed Value : 11,071,051
 Avg. Adj. Sales Price : 411,717
 Avg. Assessed Value : 270,026

MEDIAN : 73
 WGT. MEAN : 66
 MEAN : 71
 COD : 15.37
 PRD : 108.16

COV : 22.71
 STD : 16.11
 Avg. Abs. Dev : 11.24
 MAX Sales Ratio : 103.59
 MIN Sales Ratio : 23.82

95% Median C.I. : 67.82 to 77.82
 95% Wgt. Mean C.I. : 58.16 to 73.01
 95% Mean C.I. : 66.01 to 75.87

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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-07 To 30-SEP-07	3	75.49	81.04	78.26	09.58	103.55	72.96	94.66	N/A	352,322	275,742
01-OCT-07 To 31-DEC-07	3	78.25	77.88	78.88	04.66	98.73	72.22	83.17	N/A	371,679	293,174
01-JAN-08 To 31-MAR-08	6	72.47	77.44	66.12	24.71	117.12	53.41	103.59	53.41 to 103.59	398,238	263,311
01-APR-08 To 30-JUN-08	1	80.98	80.98	80.98	00.00	100.00	80.98	80.98	N/A	290,400	235,160
01-JUL-08 To 30-SEP-08	3	62.59	69.32	68.43	12.57	101.30	60.88	84.50	N/A	411,833	281,807
01-OCT-08 To 31-DEC-08	4	65.45	61.79	63.22	14.13	97.74	41.89	74.36	N/A	313,726	198,325
01-JAN-09 To 31-MAR-09	7	80.36	79.32	79.72	05.57	99.50	72.94	85.86	72.94 to 85.86	471,489	375,865
01-APR-09 To 30-JUN-09											
01-JUL-09 To 30-SEP-09											
01-OCT-09 To 31-DEC-09	2	64.95	64.95	64.95	04.43	100.00	62.07	67.82	N/A	355,155	230,658
01-JAN-10 To 31-MAR-10	6	62.38	55.91	42.14	29.35	132.68	23.82	77.84	23.82 to 77.84	599,028	252,459
01-APR-10 To 30-JUN-10	6	73.83	68.42	67.42	11.00	101.48	40.46	77.82	40.46 to 77.82	322,215	217,239
<u>Study Yrs</u>											
01-JUL-07 To 30-JUN-08	13	78.25	78.64	72.59	14.31	108.33	53.41	103.59	64.21 to 94.66	373,218	270,905
01-JUL-08 To 30-JUN-09	14	73.74	72.17	73.73	12.18	97.88	41.89	85.86	62.59 to 84.50	413,630	304,984
01-JUL-09 To 30-JUN-10	14	69.68	62.56	52.58	17.68	118.98	23.82	77.84	40.46 to 76.07	445,554	234,250
<u>Calendar Yrs</u>											
01-JAN-08 To 31-DEC-08	14	65.96	71.48	66.80	20.19	107.01	41.89	103.59	60.88 to 84.50	369,302	246,696
01-JAN-09 To 31-DEC-09	9	75.72	76.13	77.10	08.44	98.74	62.07	85.86	67.82 to 85.00	445,637	343,597
<u>ALL</u>	41	73.12	70.94	65.59	15.37	108.16	23.82	103.59	67.82 to 77.82	411,717	270,026

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
1	41	73.12	70.94	65.59	15.37	108.16	23.82	103.59	67.82 to 77.82	411,717	270,026
<u>ALL</u>	41	73.12	70.94	65.59	15.37	108.16	23.82	103.59	67.82 to 77.82	411,717	270,026

72 Polk
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 : 41
 Total Sales Price : 16,847,815
 Total Adj. Sales Price : 16,880,415
 Total Assessed Value : 11,071,051
 Avg. Adj. Sales Price : 411,717
 Avg. Assessed Value : 270,026

MEDIAN : 73
 WGT. MEAN : 66
 MEAN : 71
 COD : 15.37
 PRD : 108.16

COV : 22.71
 STD : 16.11
 Avg. Abs. Dev : 11.24
 MAX Sales Ratio : 103.59
 MIN Sales Ratio : 23.82

95% Median C.I. : 67.82 to 77.82
 95% Wgt. Mean C.I. : 58.16 to 73.01
 95% Mean C.I. : 66.01 to 75.87

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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
Irrigated											
County	21	72.96	70.91	67.48	12.16	105.08	35.07	85.86	63.19 to 80.36	501,338	338,317
1	21	72.96	70.91	67.48	12.16	105.08	35.07	85.86	63.19 to 80.36	501,338	338,317
Dry											
County	6	71.98	72.33	64.27	14.75	112.54	53.41	101.74	53.41 to 101.74	295,602	189,996
1	6	71.98	72.33	64.27	14.75	112.54	53.41	101.74	53.41 to 101.74	295,602	189,996
Grass											
County	2	90.92	90.92	81.23	13.94	111.93	78.25	103.59	N/A	136,000	110,469
1	2	90.92	90.92	81.23	13.94	111.93	78.25	103.59	N/A	136,000	110,469
ALL	41	73.12	70.94	65.59	15.37	108.16	23.82	103.59	67.82 to 77.82	411,717	270,026

80%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
Irrigated											
County	28	72.95	69.68	65.07	15.67	107.08	23.82	94.66	64.21 to 80.36	495,175	322,222
1	28	72.95	69.68	65.07	15.67	107.08	23.82	94.66	64.21 to 80.36	495,175	322,222
Dry											
County	6	71.98	72.33	64.27	14.75	112.54	53.41	101.74	53.41 to 101.74	295,602	189,996
1	6	71.98	72.33	64.27	14.75	112.54	53.41	101.74	53.41 to 101.74	295,602	189,996
Grass											
County	2	90.92	90.92	81.23	13.94	111.93	78.25	103.59	N/A	136,000	110,469
1	2	90.92	90.92	81.23	13.94	111.93	78.25	103.59	N/A	136,000	110,469
ALL	41	73.12	70.94	65.59	15.37	108.16	23.82	103.59	67.82 to 77.82	411,717	270,026

72 Polk
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 : 116
 Total Sales Price : 49,193,728
 Total Adj. Sales Price : 49,201,328
 Total Assessed Value : 32,665,200
 Avg. Adj. Sales Price : 424,149
 Avg. Assessed Value : 281,597

MEDIAN : 70
 WGT. MEAN : 66
 MEAN : 71
 COD : 19.66
 PRD : 107.38

COV : 26.71
 STD : 19.04
 Avg. Abs. Dev : 13.82
 MAX Sales Ratio : 138.41
 MIN Sales Ratio : 23.82

95% Median C.I. : 66.88 to 74.36
 95% Wgt. Mean C.I. : 62.96 to 69.82
 95% Mean C.I. : 67.83 to 74.75

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DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Qtrts</u>											
01-JUL-07 To 30-SEP-07	4	75.53	79.67	77.76	07.22	102.46	72.96	94.66	N/A	325,241	252,901
01-OCT-07 To 31-DEC-07	13	76.05	81.66	76.15	18.96	107.24	58.87	138.41	67.78 to 97.91	427,792	325,766
01-JAN-08 To 31-MAR-08	13	75.20	77.63	70.81	18.03	109.63	53.41	103.59	64.05 to 93.70	405,548	287,154
01-APR-08 To 30-JUN-08	12	76.75	76.29	77.30	18.88	98.69	56.59	119.96	57.58 to 88.35	360,248	278,478
01-JUL-08 To 30-SEP-08	9	67.24	70.58	69.52	13.83	101.52	54.44	94.55	60.88 to 84.50	375,474	261,026
01-OCT-08 To 31-DEC-08	13	67.71	67.44	67.32	21.39	100.18	35.62	132.31	50.97 to 74.36	297,723	200,440
01-JAN-09 To 31-MAR-09	14	74.92	79.70	74.38	18.02	107.15	52.90	130.76	64.81 to 85.86	470,332	349,841
01-APR-09 To 30-JUN-09	7	79.74	76.99	76.76	06.87	100.30	64.59	84.13	64.59 to 84.13	338,509	259,839
01-JUL-09 To 30-SEP-09	1	57.72	57.72	57.72	00.00	100.00	57.72	57.72	N/A	776,960	448,469
01-OCT-09 To 31-DEC-09	5	60.60	60.26	59.82	06.30	100.74	54.36	67.82	N/A	442,212	264,519
01-JAN-10 To 31-MAR-10	12	53.07	54.00	45.56	22.40	118.53	23.82	77.84	38.54 to 70.83	538,610	245,398
01-APR-10 To 30-JUN-10	13	58.38	60.84	55.81	20.91	109.01	40.46	77.82	48.92 to 75.73	545,287	304,344
<u>Study Yrs</u>											
01-JUL-07 To 30-JUN-08	42	75.81	78.69	74.87	17.64	105.10	53.41	138.41	69.40 to 82.92	391,842	293,364
01-JUL-08 To 30-JUN-09	43	71.87	73.64	72.03	17.49	102.24	35.62	132.31	67.24 to 75.72	376,834	271,432
01-JUL-09 To 30-JUN-10	31	56.45	58.00	52.43	19.29	110.62	23.82	77.84	51.50 to 67.82	533,551	279,752
<u>Calendar Yrs</u>											
01-JAN-08 To 31-DEC-08	47	69.54	73.12	71.41	19.74	102.39	35.62	132.31	64.21 to 76.20	358,399	255,951
01-JAN-09 To 31-DEC-09	27	73.12	74.58	71.07	16.14	104.94	52.90	130.76	64.59 to 81.44	442,305	314,359
<u>ALL</u>	116	70.29	71.29	66.39	19.66	107.38	23.82	138.41	66.88 to 74.36	424,149	281,597

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
1	116	70.29	71.29	66.39	19.66	107.38	23.82	138.41	66.88 to 74.36	424,149	281,597
<u>ALL</u>	116	70.29	71.29	66.39	19.66	107.38	23.82	138.41	66.88 to 74.36	424,149	281,597

72 Polk
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 : 116
 Total Sales Price : 49,193,728
 Total Adj. Sales Price : 49,201,328
 Total Assessed Value : 32,665,200
 Avg. Adj. Sales Price : 424,149
 Avg. Assessed Value : 281,597

MEDIAN : 70
 WGT. MEAN : 66
 MEAN : 71
 COD : 19.66
 PRD : 107.38

COV : 26.71
 STD : 19.04
 Avg. Abs. Dev : 13.82
 MAX Sales Ratio : 138.41
 MIN Sales Ratio : 23.82

95% Median C.I. : 66.88 to 74.36
 95% Wgt. Mean C.I. : 62.96 to 69.82
 95% Mean C.I. : 67.83 to 74.75

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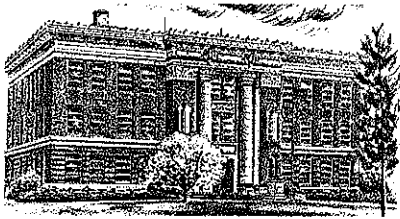
95%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Irrigated_____											
County	55	72.22	71.86	67.24	18.13	106.87	35.07	138.41	64.05 to 76.07	474,455	319,031
1	55	72.22	71.86	67.24	18.13	106.87	35.07	138.41	64.05 to 76.07	474,455	319,031
_____Dry_____											
County	9	70.83	70.56	64.36	15.12	109.63	53.41	101.74	56.45 to 81.44	263,482	169,589
1	9	70.83	70.56	64.36	15.12	109.63	53.41	101.74	56.45 to 81.44	263,482	169,589
_____Grass_____											
County	4	64.88	71.08	67.02	30.58	106.06	50.97	103.59	N/A	129,155	86,561
1	4	64.88	71.08	67.02	30.58	106.06	50.97	103.59	N/A	129,155	86,561
_____ALL_____	116	70.29	71.29	66.39	19.66	107.38	23.82	138.41	66.88 to 74.36	424,149	281,597

80%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Irrigated_____											
County	85	69.40	70.17	65.15	18.85	107.71	23.82	138.41	64.59 to 74.57	481,915	313,978
1	85	69.40	70.17	65.15	18.85	107.71	23.82	138.41	64.59 to 74.57	481,915	313,978
_____Dry_____											
County	9	70.83	70.56	64.36	15.12	109.63	53.41	101.74	56.45 to 81.44	263,482	169,589
1	9	70.83	70.56	64.36	15.12	109.63	53.41	101.74	56.45 to 81.44	263,482	169,589
_____Grass_____											
County	4	64.88	71.08	67.02	30.58	106.06	50.97	103.59	N/A	129,155	86,561
1	4	64.88	71.08	67.02	30.58	106.06	50.97	103.59	N/A	129,155	86,561
_____ALL_____	116	70.29	71.29	66.39	19.66	107.38	23.82	138.41	66.88 to 74.36	424,149	281,597

Office of the
POLK COUNTY ASSESSOR
P.O. Box 375
Osceola, NE 68651



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NEBRASKA DEPT. OF REVENUE
PROPERTY ASSESSMENT DIVISION

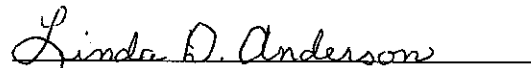
Linda D. Anderson, Assessor
Tammy Jones, Deputy
RaNae Calder, Office Clerk
Phone: (402) 747-4491
Fax: (402) 747-2656
polkassessor@yahoo.com

Special Valuation Methodology

Currently, Polk County has two applications on file for Special Value. Both parcels meet the criteria for special valuation, so they have been approved and remain on file.

Presently, we are unable to discern a non-agricultural influence affecting the value of these properties. The taxable value is calculated in the same manner on these parcels as it is on all other agricultural land in Polk County.

We continue to analyze the sales market, and if a difference is noted, Special Valuation will be implemented.



Linda D. Anderson
Polk County Assessor
February 22, 2011

AGRICULTURAL - BASE STAT

Type : Qualified

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

Number of Sales :	39	Median :	73	COV :	22.81	95% Median C.I. :	67.82 to 77.82
Total Sales Price :	15,761,815	Wgt. Mean :	66	STD :	16.24	95% Wgt. Mean C.I. :	58.10 to 73.99
Total Adj. Sales Price :	15,794,415	Mean :	71	Avg.Abs.Dev :	11.18	95% Mean C.I. :	66.10 to 76.30
Total Assessed Value :	10,431,390						
Avg. Adj. Sales Price :	404,985	COD :	15.29	MAX Sales Ratio :	103.59		
Avg. Assessed Value :	267,472	PRD :	107.81	MIN Sales Ratio :	23.82		

Printed : 03/30/2011

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	3	75.49	81.04	78.26	09.58	103.55	72.96	94.66	N/A	352,322	275,742
10/01/2007 To 12/31/2007	2	77.70	77.70	79.05	07.05	98.29	72.22	83.17	N/A	437,519	345,868
01/01/2008 To 03/31/2008	5	80.72	82.24	73.08	19.86	112.53	60.96	103.59	N/A	308,685	225,598
04/01/2008 To 06/30/2008	1	80.98	80.98	80.98		100.00	80.98	80.98	N/A	290,400	235,160
07/01/2008 To 09/30/2008	3	62.59	69.32	68.43	12.57	101.30	60.88	84.50	N/A	411,833	281,807
10/01/2008 To 12/31/2008	4	65.45	61.79	63.22	14.13	97.74	41.89	74.36	N/A	313,726	198,325
01/01/2009 To 03/31/2009	7	80.36	79.32	79.72	05.57	99.50	72.94	85.86	72.94 to 85.86	471,489	375,865
04/01/2009 To 06/30/2009											
07/01/2009 To 09/30/2009											
10/01/2009 To 12/31/2009	2	64.95	64.95	64.95	04.43	100.00	62.07	67.82	N/A	355,155	230,658
01/01/2010 To 03/31/2010	6	62.38	55.91	42.14	29.35	132.68	23.82	77.84	23.82 to 77.84	599,028	252,459
04/01/2010 To 06/30/2010	6	73.83	68.42	67.42	11.00	101.48	40.46	77.82	40.46 to 77.82	322,215	217,239
<u>Study Yrs</u>											
07/01/2007 To 06/30/2008	11	80.72	80.97	76.53	13.32	105.80	60.96	103.59	64.21 to 101.74	342,348	262,010
07/01/2008 To 06/30/2009	14	73.74	72.17	73.73	12.18	97.88	41.89	85.86	62.59 to 84.50	413,630	304,984
07/01/2009 To 06/30/2010	14	69.68	62.56	52.58	17.68	118.98	23.82	77.84	40.46 to 76.07	445,554	234,250
<u>Calendar Yrs</u>											
01/01/2008 To 12/31/2008	13	67.71	72.87	69.42	19.55	104.97	41.89	103.59	60.96 to 84.50	332,633	230,913
01/01/2009 To 12/31/2009	9	75.72	76.13	77.10	08.44	98.74	62.07	85.86	67.82 to 85.00	445,637	343,597
<u>ALL</u>											
07/01/2007 To 06/30/2010	39	73.12	71.20	66.04	15.29	107.81	23.82	103.59	67.82 to 77.82	404,985	267,472

AGRICULTURAL - BASE STAT

Type : Qualified

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

Number of Sales :	39	Median :	73	COV :	22.81	95% Median C.I. :	67.82 to 77.82
Total Sales Price :	15,761,815	Wgt. Mean :	66	STD :	16.24	95% Wgt. Mean C.I. :	58.10 to 73.99
Total Adj. Sales Price :	15,794,415	Mean :	71	Avg.Abs.Dev :	11.18	95% Mean C.I. :	66.10 to 76.30
Total Assessed Value :	10,431,390						
Avg. Adj. Sales Price :	404,985	COD :	15.29	MAX Sales Ratio :	103.59		
Avg. Assessed Value :	267,472	PRD :	107.81	MIN Sales Ratio :	23.82		

Printed : 03/30/2011

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg.Adj.SalePrice	Avg.AssdValue
1	39	73.12	71.20	66.04	15.29	107.81	23.82	103.59	67.82 to 77.82	404,985	267,472
<u>ALL</u>											
07/01/2007 To 06/30/2010	39	73.12	71.20	66.04	15.29	107.81	23.82	103.59	67.82 to 77.82	404,985	267,472

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	21	72.96	70.91	67.48	12.16	105.08	35.07	85.86	63.19 to 80.36	501,338	338,317
1	21	72.96	70.91	67.48	12.16	105.08	35.07	85.86	63.19 to 80.36	501,338	338,317
<u>Dry</u>											
County	5	73.12	76.11	74.18	12.04	102.60	60.88	101.74	N/A	185,522	137,621
1	5	73.12	76.11	74.18	12.04	102.60	60.88	101.74	N/A	185,522	137,621
<u>Grass</u>											
County	1	103.59	103.59	103.59		100.00	103.59	103.59	N/A	32,000	33,150
1	1	103.59	103.59	103.59		100.00	103.59	103.59	N/A	32,000	33,150
<u>ALL</u>											
07/01/2007 To 06/30/2010	39	73.12	71.20	66.04	15.29	107.81	23.82	103.59	67.82 to 77.82	404,985	267,472

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	28	72.95	69.68	65.07	15.67	107.08	23.82	94.66	64.21 to 80.36	495,175	322,222
1	28	72.95	69.68	65.07	15.67	107.08	23.82	94.66	64.21 to 80.36	495,175	322,222
<u>Dry</u>											
County	5	73.12	76.11	74.18	12.04	102.60	60.88	101.74	N/A	185,522	137,621
1	5	73.12	76.11	74.18	12.04	102.60	60.88	101.74	N/A	185,522	137,621
<u>Grass</u>											

County	1	103.59	103.59	103.59		100.00	103.59	103.59	N/A	32,000	33,150
1	1	103.59	103.59	103.59		100.00	103.59	103.59	N/A	32,000	33,150
<u>ALL</u>											
07/01/2007 To 06/30/2010	39	73.12	71.20	66.04	15.29	107.81	23.82	103.59	67.82 to 77.82	404,985	267,472

AGRICULTURAL-RANDOM INCLUDE

Type : Qualified

Number of Sales :	41	Median :	73	COV :	22.71	95% Median C.I. :	67.82 to 77.82
Total Sales Price :	16,847,815	Wgt. Mean :	66	STD :	16.11	95% Wgt. Mean C.I. :	58.16 to 73.01
Total Adj. Sales Price :	16,880,415	Mean :	71	Avg. Abs. Dev :	11.24	95% Mean C.I. :	66.01 to 75.87
Total Assessed Value :	11,071,051						
Avg. Adj. Sales Price :	411,717	COD :	15.37	MAX Sales Ratio :	103.59		
Avg. Assessed Value :	270,026	PRD :	108.16	MIN Sales Ratio :	23.82		

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	3	75.49	81.04	78.26	09.58	103.55	72.96	94.66	N/A	352,322	275,742
10/01/2007 To 12/31/2007	3	78.25	77.88	78.88	04.66	98.73	72.22	83.17	N/A	371,679	293,174
01/01/2008 To 03/31/2008	6	72.47	77.44	66.12	24.71	117.12	53.41	103.59	53.41 to 103.59	398,238	263,311
04/01/2008 To 06/30/2008	1	80.98	80.98	80.98		100.00	80.98	80.98	N/A	290,400	235,160
07/01/2008 To 09/30/2008	3	62.59	69.32	68.43	12.57	101.30	60.88	84.50	N/A	411,833	281,807
10/01/2008 To 12/31/2008	4	65.45	61.79	63.22	14.13	97.74	41.89	74.36	N/A	313,726	198,325
01/01/2009 To 03/31/2009	7	80.36	79.32	79.72	05.57	99.50	72.94	85.86	72.94 to 85.86	471,489	375,865
04/01/2009 To 06/30/2009											
07/01/2009 To 09/30/2009											
10/01/2009 To 12/31/2009	2	64.95	64.95	64.95	04.43	100.00	62.07	67.82	N/A	355,155	230,658
01/01/2010 To 03/31/2010	6	62.38	55.91	42.14	29.35	132.68	23.82	77.84	23.82 to 77.84	599,028	252,459
04/01/2010 To 06/30/2010	6	73.83	68.42	67.42	11.00	101.48	40.46	77.82	40.46 to 77.82	322,215	217,239
<u>Study Yrs</u>											
07/01/2007 To 06/30/2008	13	78.25	78.64	72.59	14.31	108.33	53.41	103.59	64.21 to 94.66	373,218	270,905
07/01/2008 To 06/30/2009	14	73.74	72.17	73.73	12.18	97.88	41.89	85.86	62.59 to 84.50	413,630	304,984
07/01/2009 To 06/30/2010	14	69.68	62.56	52.58	17.68	118.98	23.82	77.84	40.46 to 76.07	445,554	234,250
<u>Calendar Yrs</u>											
01/01/2008 To 12/31/2008	14	65.96	71.48	66.80	20.19	107.01	41.89	103.59	60.88 to 84.50	369,302	246,696
01/01/2009 To 12/31/2009	9	75.72	76.13	77.10	08.44	98.74	62.07	85.86	67.82 to 85.00	445,637	343,597

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Value
1	41	73.12	70.94	65.59	15.37	108.16	23.82	103.59	67.82 to 77.82	411,717	270,026

AGRICULTURAL-RANDOM INCLUDE

Type : Qualified

Number of Sales :	41	Median :	73	COV :	22.71	95% Median C.I. :	67.82 to 77.82
Total Sales Price :	16,847,815	Wgt. Mean :	66	STD :	16.11	95% Wgt. Mean C.I. :	58.16 to 73.01
Total Adj. Sales Price :	16,880,415	Mean :	71	Avg. Abs. Dev :	11.24	95% Mean C.I. :	66.01 to 75.87
Total Assessed Value :	11,071,051						
Avg. Adj. Sales Price :	411,717	COD :	15.37	MAX Sales Ratio :	103.59		
Avg. Assessed Value :	270,026	PRD :	108.16	MIN Sales Ratio :	23.82		

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	21	72.96	70.91	67.48	12.16	105.08	35.07	85.86	63.19 to 80.36	501,338	338,317
1	21	72.96	70.91	67.48	12.16	105.08	35.07	85.86	63.19 to 80.36	501,338	338,317
<u>Dry</u>											
County	6	71.98	72.33	64.27	14.75	112.54	53.41	101.74	53.41 to 101.74	295,602	189,996
1	6	71.98	72.33	64.27	14.75	112.54	53.41	101.74	53.41 to 101.74	295,602	189,996
<u>Grass</u>											
County	2	90.92	90.92	81.23	13.94	111.93	78.25	103.59	N/A	136,000	110,469
1	2	90.92	90.92	81.23	13.94	111.93	78.25	103.59	N/A	136,000	110,469
<u>ALL</u>											
07/01/2007 To 06/30/2010	41	73.12	70.94	65.59	15.37	108.16	23.82	103.59	67.82 to 77.82	411,717	270,026

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	28	72.95	69.68	65.07	15.67	107.08	23.82	94.66	64.21 to 80.36	495,175	322,222
1	28	72.95	69.68	65.07	15.67	107.08	23.82	94.66	64.21 to 80.36	495,175	322,222
<u>Dry</u>											
County	6	71.98	72.33	64.27	14.75	112.54	53.41	101.74	53.41 to 101.74	295,602	189,996
1	6	71.98	72.33	64.27	14.75	112.54	53.41	101.74	53.41 to 101.74	295,602	189,996
<u>Grass</u>											
County	2	90.92	90.92	81.23	13.94	111.93	78.25	103.59	N/A	136,000	110,469
1	2	90.92	90.92	81.23	13.94	111.93	78.25	103.59	N/A	136,000	110,469
<u>ALL</u>											
07/01/2007 To 06/30/2010	41	73.12	70.94	65.59	15.37	108.16	23.82	103.59	67.82 to 77.82	411,717	270,026

AGRICULTURAL-RANDOM EXCLUDE

Type : Qualified

Number of Sales :	116	Median :	70	COV :	26.71	95% Median C.I. :	66.88 to 74.36
Total Sales Price :	49,193,728	Wgt. Mean :	66	STD :	19.04	95% Wgt. Mean C.I. :	62.96 to 69.82
Total Adj. Sales Price :	49,201,328	Mean :	71	Avg. Abs. Dev :	13.82	95% Mean C.I. :	67.83 to 74.75
Total Assessed Value :	32,665,200						
Avg. Adj. Sales Price :	424,149	COD :	19.66	MAX Sales Ratio :	138.41		
Avg. Assessed Value :	281,597	PRD :	107.38	MIN Sales Ratio :	23.82		

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	4	75.53	79.67	77.76	07.22	102.46	72.96	94.66	N/A	325,241	252,901
10/01/2007 To 12/31/2007	13	76.05	81.66	76.15	18.96	107.24	58.87	138.41	67.78 to 97.91	427,792	325,766
01/01/2008 To 03/31/2008	13	75.20	77.63	70.81	18.03	109.63	53.41	103.59	64.05 to 93.70	405,548	287,154
04/01/2008 To 06/30/2008	12	76.75	76.29	77.30	18.88	98.69	56.59	119.96	57.58 to 88.35	360,248	278,478
07/01/2008 To 09/30/2008	9	67.24	70.58	69.52	13.83	101.52	54.44	94.55	60.88 to 84.50	375,474	261,026
10/01/2008 To 12/31/2008	13	67.71	67.44	67.32	21.39	100.18	35.62	132.31	50.97 to 74.36	297,723	200,440
01/01/2009 To 03/31/2009	14	74.92	79.70	74.38	18.02	107.15	52.90	130.76	64.81 to 85.86	470,332	349,841
04/01/2009 To 06/30/2009	7	79.74	76.99	76.76	06.87	100.30	64.59	84.13	64.59 to 84.13	338,509	259,839
07/01/2009 To 09/30/2009	1	57.72	57.72	57.72		100.00	57.72	57.72	N/A	776,960	448,469
10/01/2009 To 12/31/2009	5	60.60	60.26	59.82	06.30	100.74	54.36	67.82	N/A	442,212	264,519
01/01/2010 To 03/31/2010	12	53.07	54.00	45.56	22.40	118.53	23.82	77.84	38.54 to 70.83	538,610	245,398
04/01/2010 To 06/30/2010	13	58.38	60.84	55.81	20.91	109.01	40.46	77.82	48.92 to 75.73	545,287	304,344
<u>Study Yrs</u>											
07/01/2007 To 06/30/2008	42	75.81	78.69	74.87	17.64	105.10	53.41	138.41	69.40 to 82.92	391,842	293,364
07/01/2008 To 06/30/2009	43	71.87	73.64	72.03	17.49	102.24	35.62	132.31	67.24 to 75.72	376,834	271,432
07/01/2009 To 06/30/2010	31	56.45	58.00	52.43	19.29	110.62	23.82	77.84	51.50 to 67.82	533,551	279,752
<u>Calendar Yrs</u>											
01/01/2008 To 12/31/2008	47	69.54	73.12	71.41	19.74	102.39	35.62	132.31	64.21 to 76.20	358,399	255,951
01/01/2009 To 12/31/2009	27	73.12	74.58	71.07	16.14	104.94	52.90	130.76	64.59 to 81.44	442,305	314,359

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Value
1	116	70.29	71.29	66.39	19.66	107.38	23.82	138.41	66.88 to 74.36	424,149	281,597

AGRICULTURAL-RANDOM EXCLUDE

Type : Qualified

Number of Sales :	116	Median :	70	COV :	26.71	95% Median C.I. :	66.88 to 74.36
Total Sales Price :	49,193,728	Wgt. Mean :	66	STD :	19.04	95% Wgt. Mean C.I. :	62.96 to 69.82
Total Adj. Sales Price :	49,201,328	Mean :	71	Avg. Abs. Dev :	13.82	95% Mean C.I. :	67.83 to 74.75
Total Assessed Value :	32,665,200						
Avg. Adj. Sales Price :	424,149	COD :	19.66	MAX Sales Ratio :	138.41		
Avg. Assessed Value :	281,597	PRD :	107.38	MIN Sales Ratio :	23.82		

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	55	72.22	71.86	67.24	18.13	106.87	35.07	138.41	64.05 to 76.07	474,455	319,031
1	55	72.22	71.86	67.24	18.13	106.87	35.07	138.41	64.05 to 76.07	474,455	319,031
<u>Dry</u>											
County	9	70.83	70.56	64.36	15.12	109.63	53.41	101.74	56.45 to 81.44	263,482	169,589
1	9	70.83	70.56	64.36	15.12	109.63	53.41	101.74	56.45 to 81.44	263,482	169,589
<u>Grass</u>											
County	4	64.88	71.08	67.02	30.58	106.06	50.97	103.59	N/A	129,155	86,561
1	4	64.88	71.08	67.02	30.58	106.06	50.97	103.59	N/A	129,155	86,561
<u>ALL</u>											
07/01/2007 To 06/30/2010	116	70.29	71.29	66.39	19.66	107.38	23.82	138.41	66.88 to 74.36	424,149	281,597

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	85	69.40	70.17	65.15	18.85	107.71	23.82	138.41	64.59 to 74.57	481,915	313,978
1	85	69.40	70.17	65.15	18.85	107.71	23.82	138.41	64.59 to 74.57	481,915	313,978
<u>Dry</u>											
County	9	70.83	70.56	64.36	15.12	109.63	53.41	101.74	56.45 to 81.44	263,482	169,589
1	9	70.83	70.56	64.36	15.12	109.63	53.41	101.74	56.45 to 81.44	263,482	169,589
<u>Grass</u>											
County	4	64.88	71.08	67.02	30.58	106.06	50.97	103.59	N/A	129,155	86,561
1	4	64.88	71.08	67.02	30.58	106.06	50.97	103.59	N/A	129,155	86,561
<u>ALL</u>											
07/01/2007 To 06/30/2010	116	70.29	71.29	66.39	19.66	107.38	23.82	138.41	66.88 to 74.36	424,149	281,597

2011 Correlation Section for Polk County

A. Agricultural Land

Polk County is an agriculturally based county with four of small towns that exist primarily to support agriculture. The primary crops are row crops with corn, soybeans, and some grain sorghum. About 66% of the agricultural land is irrigated, 18% dry and 14% grass. The agricultural land is valued using no market areas. The agricultural economy is strong, driven by a very high grain prices for the past few years. The value of crop land has followed the high grain prices with historic increases in value. The assessed values of agricultural land have likewise increased significantly in recent years.

The Department has conducted three separate measurement processes for 2011 to determine the level of value of the agricultural land. There were 39 qualified agricultural sales that occurred in the county during the three year study period. The sales are distributed proportionately across the study years. The oldest study year has 11 sales, the middle study year has 14 sales and the newest study year has 14 sales.

The Base sample calculates assessment statistics using only the subject county sales. A review of the 39 sales reveals that the sample is proportional but not quite representative. The strength of this sample is that it uses only the subject county sales. The weakness is that the calculations may not be statistically reliable. The median ratio of the Base Sample is 73%.

The Random Include sample begins with the Base sample and adds enough comparable sales to make the base sample reliable. There were 2 borrowed comparable sales from adjacent counties in order to make the sample reliable for measurement and be considered proportional and representative. The Base sample needed some additional dry land and grass land sales to make it representative. The 2 added sales accomplished that goal. The strength of this sample is that it uses the subject county sales and only borrows enough additional sales to make the sample statistically reliable. The median ratio of the Random Include sample is 73%.

The Random Exclude sample begins with the Base sample and adds all if the available comparable sales within 6 miles of the border of the county. The supplemented file is then trimmed of excess sales in order to make the base sample statistically reliable. In this case, the available sales were trimmed to 77 comparable sales, making the entire sample 116 sales. The sample was then considered proportional and is representative. Of the three methods, the Random Exclude sample relies on a higher number of sales from outside the host county. In the case for Polk County, 66% of the sales in this sample were borrowed. While the proximity to the host county is one test of comparability, the chance of an external bias increases as additional sales are added. The median ratio of the Random Exclude sample is 70%.

Based on a review of the schedule of values and a general knowledge of their assessment practices relating to the valuation of agricultural land the county has achieved intra-county equalization. Schedule X of the Abstracts of Polk County and the surrounding counties were compared to test for inter-county equalization. That comparison of the average assessed value for irrigated, dry and grass land uses revealed that the average assessed value for each of the land uses shows a logical progression from county to county. The values tended to be lower in the counties to the west and south and increase as you progress to the east and north, suggesting inter-county equalization. Polk County valuations generally fit into that pattern and appear to be equalized.

The COD falls within the desired range and the PRD is somewhat regressive in all three statistical studies. COD and the PRD are both worse in the Random Exclude sample with the

2011 Correlation Section for Polk County

majority of the sales from outside of Polk County. The high PRD is not surprising given the rapid upward trend of the value of agricultural land. For 2011, the Abstract showed that the county increased irrigated values by about 12% and dry values by nearly 16% and grass did not show a change. The Department is not overly concerned that there are any quality issues in the valuation of agricultural land. The county has strong assessment practices relating to the verification and analysis of agricultural values. They have reliable tools and practices to keep land use up to date and there is no weakness or bias noticed in their assessment practices. The quality of assessment for agricultural land is good.

It is the opinion of the Department that the level of value for agricultural land of value falls among the median ratios of the three samples. The Base sample median was 73% but was not quite reliable based a lack of representativeness by majority land use. The other two methods after supplementation were considered reliable and produced medians of 73% and 70%. All 3 samples produced medians within the range for the county. All were supportive of each other. A review of the majority land uses was favorable in the Base sample and the Random Include sample. The MLU tables in the Random Exclude sample were also favorable but indicated lower dry land levels of value. All of the CODs were within the desired range and all of the PRDs indicated regressivity. In this case, the apparent level of value is 73% and the quality of the assessment process is acceptable. There are no recommended adjustments to the class or to any subclass of agricultural land.

A1. Correlation for Special Valuation of Agricultural Land

A review of Polk County indicates that applications for special valuation have been filed. The county analysis determined that the only factors influencing the value of agricultural are those typical of the agricultural market. As a result the assessed values for agricultural land and special value land are the same. It is the opinion of the Property Tax Administrator that the level of value for special value parcels in Polk County is 73%, and that the assessment practices for special valuation are acceptable.

**2011 Correlation Section
for Polk County**

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 Polk County

C. Measures of Central Tendency

There are three measures of central tendency calculated by the Division: median ratio, weighted mean ratio, and mean ratio. Since each measure of central tendency has strengths and weaknesses, the use of any statistic for equalization should be reconciled with the other two, as in an appraisal, based on the appropriateness 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 Polk County

D. Analysis of Quality of Assessment

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

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

Total Real Property Sum Lines 17, 25, & 30	Records : 5,502	Value : 879,179,115	Growth 3,245,730	Sum Lines 17, 25, & 41
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Schedule I : Non-Agricultural Records

	Urban		SubUrban		Rural		Total		Growth
	Records	Value	Records	Value	Records	Value	Records	Value	
01. Res UnImp Land	177	584,890	10	15,680	35	631,030	222	1,231,600	
02. Res Improve Land	1,347	7,547,090	45	864,545	279	6,557,455	1,671	14,969,090	
03. Res Improvements	1,370	66,646,790	46	3,780,260	349	31,697,290	1,765	102,124,340	
04. Res Total	1,547	74,778,770	56	4,660,485	384	38,885,775	1,987	118,325,030	1,299,445
% of Res Total	77.86	63.20	2.82	3.94	19.33	32.86	36.11	13.46	40.04
05. Com UnImp Land	41	315,435	1	5,500	3	57,475	45	378,410	
06. Com Improve Land	192	1,275,740	14	306,615	22	1,017,720	228	2,600,075	
07. Com Improvements	211	11,905,715	16	4,945,585	25	8,433,270	252	25,284,570	
08. Com Total	252	13,496,890	17	5,257,700	28	9,508,465	297	28,263,055	135,485
% of Com Total	84.85	47.75	5.72	18.60	9.43	33.64	5.40	3.21	4.17
09. Ind UnImp Land	0	0	0	0	0	0	0	0	
10. Ind Improve Land	1	17,350	0	0	1	85,015	2	102,365	
11. Ind Improvements	1	123,380	0	0	1	675,550	2	798,930	
12. Ind Total	1	140,730	0	0	1	760,565	2	901,295	0
% of Ind Total	50.00	15.61	0.00	0.00	50.00	84.39	0.04	0.10	0.00
13. Rec UnImp Land	0	0	0	0	21	1,702,545	21	1,702,545	
14. Rec Improve Land	0	0	0	0	24	716,185	24	716,185	
15. Rec Improvements	0	0	7	291,435	248	7,159,815	255	7,451,250	
16. Rec Total	0	0	7	291,435	269	9,578,545	276	9,869,980	107,045
% of Rec Total	0.00	0.00	2.54	2.95	97.46	97.05	5.02	1.12	3.30
Res & Rec Total	1,547	74,778,770	63	4,951,920	653	48,464,320	2,263	128,195,010	1,406,490
% of Res & Rec Total	68.36	58.33	2.78	3.86	28.86	37.81	41.13	14.58	43.33
Com & Ind Total	253	13,637,620	17	5,257,700	29	10,269,030	299	29,164,350	135,485
% of Com & Ind Total	84.62	46.76	5.69	18.03	9.70	35.21	5.43	3.32	4.17
17. Taxable Total	1,800	88,416,390	80	10,209,620	682	58,733,350	2,562	157,359,360	1,541,975
% of Taxable Total	70.26	56.19	3.12	6.49	26.62	37.32	46.56	17.90	47.51

Schedule II : Tax Increment Financing (TIF)

	Urban			SubUrban		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	198	5,216,935	4,324,885	0	0	0
19. Commercial	63	1,618,830	968,555	0	0	0
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
	Rural			Total		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	198	5,216,935	4,324,885
19. Commercial	0	0	0	63	1,618,830	968,555
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
22. Total Sch II				261	6,835,765	5,293,440

Schedule III : Mineral Interest Records

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

Schedule IV : Exempt Records : Non-Agricultural

	Urban Records	SubUrban Records	Rural Records	Total Records
26. Exempt	182	8	229	419

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	17	203,315	144	29,020,070	1,651	363,359,545	1,812	392,582,930
28. Ag-Improved Land	1	4,540	85	13,248,115	957	238,411,670	1,043	251,664,325
29. Ag Improvements	2	8,155	90	7,505,870	1,036	70,058,475	1,128	77,572,500
30. Ag Total							2,940	721,819,755

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	46	46.00	690,000	
33. HomeSite Improvements	0	0.00	0	47	46.00	5,190,555	
34. HomeSite Total							
35. FarmSite UnImp Land	0	0.00	0	8	32.73	69,790	
36. FarmSite Improv Land	0	0.00	0	82	329.69	900,405	
37. FarmSite Improvements	2	0.00	8,155	88	0.00	2,315,315	
38. FarmSite Total							
39. Road & Ditches	0	0.00	0	0	319.71	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	2	2.00	30,000	2	2.00	30,000	
32. HomeSite Improv Land	564	570.40	8,595,000	610	616.40	9,285,000	
33. HomeSite Improvements	563	562.40	46,712,230	610	608.40	51,902,785	1,703,755
34. HomeSite Total				612	618.40	61,217,785	
35. FarmSite UnImp Land	61	185.74	507,395	69	218.47	577,185	
36. FarmSite Improv Land	931	4,055.30	10,595,820	1,013	4,384.99	11,496,225	
37. FarmSite Improvements	997	0.00	23,346,245	1,087	0.00	25,669,715	0
38. FarmSite Total				1,156	4,603.46	37,743,125	
39. Road & Ditches	0	5,148.14	0	0	5,467.85	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
41. Total Section VI				1,768	10,689.71	98,960,910	1,703,755

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

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	0	0.00	0	0	0.00	0
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	1	79.45	66,685	1	79.45	66,685

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	2	275.74	388,425	2	275.74	388,425
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	99,671.33	57.25%	311,547,590	63.14%	3,125.75
46. 1A	22,270.37	12.79%	61,885,840	12.54%	2,778.84
47. 2A1	11,668.58	6.70%	30,009,195	6.08%	2,571.79
48. 2A	9,972.32	5.73%	24,104,665	4.89%	2,417.16
49. 3A1	9,480.15	5.45%	22,480,215	4.56%	2,371.29
50. 3A	7,310.11	4.20%	15,791,430	3.20%	2,160.22
51. 4A1	11,249.47	6.46%	23,255,240	4.71%	2,067.23
52. 4A	2,478.29	1.42%	4,355,180	0.88%	1,757.33
53. Total	174,100.62	100.00%	493,429,355	100.00%	2,834.16
Dry					
54. 1D1	23,520.20	48.49%	55,073,825	55.59%	2,341.55
55. 1D	8,633.19	17.80%	19,057,900	19.24%	2,207.52
56. 2D1	2,313.80	4.77%	3,840,920	3.88%	1,660.01
57. 2D	3,635.79	7.50%	6,032,700	6.09%	1,659.25
58. 3D1	3,158.18	6.51%	4,768,855	4.81%	1,510.00
59. 3D	1,476.05	3.04%	2,153,995	2.17%	1,459.30
60. 4D1	4,618.24	9.52%	6,511,735	6.57%	1,410.00
61. 4D	1,150.84	2.37%	1,622,710	1.64%	1,410.02
62. Total	48,506.29	100.00%	99,062,640	100.00%	2,042.26
Grass					
63. 1G1	1,440.71	3.84%	1,017,260	3.51%	706.08
64. 1G	1,062.71	2.84%	800,945	2.76%	753.68
65. 2G1	2,011.77	5.37%	1,645,760	5.67%	818.07
66. 2G	3,745.71	9.99%	3,127,160	10.78%	834.86
67. 3G1	714.52	1.91%	585,305	2.02%	819.16
68. 3G	9,519.67	25.40%	7,954,650	27.41%	835.60
69. 4G1	6,863.55	18.31%	5,309,065	18.30%	773.52
70. 4G	12,119.93	32.34%	8,579,015	29.56%	707.84
71. Total	37,478.57	100.00%	29,019,160	100.00%	774.29
Irrigated Total					
	174,100.62	66.20%	493,429,355	79.22%	2,834.16
Dry Total					
	48,506.29	18.44%	99,062,640	15.90%	2,042.26
Grass Total					
	37,478.57	14.25%	29,019,160	4.66%	774.29
72. Waste	50.00	0.02%	2,000	0.00%	40.00
73. Other	2,863.16	1.09%	1,345,690	0.22%	470.00
74. Exempt	20.96	0.01%	0	0.00%	0.00
75. Market Area Total	262,998.64	100.00%	622,858,845	100.00%	2,368.30

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	27.62	82,230	11,528.31	33,374,655	162,544.69	459,972,470	174,100.62	493,429,355
77. Dry Land	66.39	124,730	3,324.35	6,777,755	45,115.55	92,160,155	48,506.29	99,062,640
78. Grass	1.05	895	614.42	454,700	36,863.10	28,563,565	37,478.57	29,019,160
79. Waste	0.00	0	22.00	880	28.00	1,120	50.00	2,000
80. Other	0.00	0	0.00	0	2,863.16	1,345,690	2,863.16	1,345,690
81. Exempt	0.00	0	3.21	0	17.75	0	20.96	0
82. Total	95.06	207,855	15,489.08	40,607,990	247,414.50	582,043,000	262,998.64	622,858,845

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	174,100.62	66.20%	493,429,355	79.22%	2,834.16
Dry Land	48,506.29	18.44%	99,062,640	15.90%	2,042.26
Grass	37,478.57	14.25%	29,019,160	4.66%	774.29
Waste	50.00	0.02%	2,000	0.00%	40.00
Other	2,863.16	1.09%	1,345,690	0.22%	470.00
Exempt	20.96	0.01%	0	0.00%	0.00
Total	262,998.64	100.00%	622,858,845	100.00%	2,368.30

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	115,985,530	118,325,030	2,339,500	2.02%	1,299,445	0.90%
02. Recreational	9,661,705	9,869,980	208,275	2.16%	107,045	1.05%
03. Ag-Homesite Land, Ag-Res Dwelling	60,748,615	61,217,785	469,170	0.77%	1,703,755	-2.03%
04. Total Residential (sum lines 1-3)	186,395,850	189,412,795	3,016,945	1.62%	3,110,245	-0.05%
05. Commercial	27,496,635	28,263,055	766,420	2.79%	135,485	2.29%
06. Industrial	904,455	901,295	-3,160	-0.35%	0	-0.35%
07. Ag-Farmsite Land, Outbuildings	29,952,675	37,743,125	7,790,450	26.01%	0	26.01%
08. Minerals	0	0	0		0	
09. Total Commercial (sum lines 5-8)	58,353,765	66,907,475	8,553,710	14.66%	135,485	14.43%
10. Total Non-Agland Real Property	244,749,615	256,320,270	11,570,655	4.73%	3,245,730	3.40%
11. Irrigated	439,267,325	493,429,355	54,162,030	12.33%		
12. Dryland	85,650,480	99,062,640	13,412,160	15.66%		
13. Grassland	29,090,195	29,019,160	-71,035	-0.24%		
14. Wasteland	2,000	2,000	0	0.00%		
15. Other Agland	1,292,525	1,345,690	53,165	4.11%		
16. Total Agricultural Land	555,302,525	622,858,845	67,556,320	12.17%		
17. Total Value of all Real Property (Locally Assessed)	800,052,140	879,179,115	79,126,975	9.89%	3,245,730	9.48%

2010 Plan of Assessment for Polk County
Assessment Years 2011, 2012 and 2013
Date: June 15, 2010

Plan of Assessment Requirements:

Pursuant to Neb. Rev. Stat. §77-1311.02, on or before June 15 each year, the assessor shall prepare a plan of assessment (herein after referred to as the “plan”), which describes the assessment actions planned for the next assessment year and two years thereafter. The plan shall indicate the classes or subclasses of real property that the county assessor plans to examine during the years contained in the plan of assessment. The plan shall describe all the assessment actions necessary to achieve the levels of value and quality of assessment practices required by law, and the resources necessary to complete those actions. On or before July 31 each year, the assessor shall present the plan to the County Board of Equalization. The assessor may amend the plan, if necessary, after the budget is approved by the county board. A copy of the plan and any amendments thereto shall be mailed to the Department of Revenue, Property Assessment Division, on or before October 31 each year.

Real Property Assessment Requirements:

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

Assessment levels required for real property are:

- 1) 100% of actual value for all classes of real property excluding agricultural and horticultural land:
- 2) 75% of actual value for agricultural land and horticultural land.

Reference, Neb. Rev. Stat. §77-201.

General Description of Real Property in Polk County:

Per the 2010 Abstract, Polk County consists of the following real property types:

	Parcels	% of Total Parcels	% of Taxable Value Base
Residential	1984	36%	15%
Commercial	303	6%	3%
Industrial	2	0%	0%
Recreational	279	5%	1%
Agricultural	2913	53%	81%

Agricultural Land: Polk County consists of 263,099 taxable ag land acres. Of those acres, 66% are irrigated cropland, 19% are dry cropland, 14% are grass/pasture and 1% is used for other agricultural purposes. It is interesting to note that in the last five years, irrigation has increased by 13,350 acres, and by \$167,509,980 in value.

New Property: In 2009, there were 21 applications approved for new construction in our four towns and 2 in their suburban zoning jurisdictions. 59 Permits were received in 2009 from our County Zoning Administrator, plus an additional 12 permits for demolition or removal of improvements. A total of \$3,992,700 was added for new construction in 2010, plus an additional \$13,070 in Stromsburg's Tax Increment Financing district.

For more information, see the 2010 Reports & Opinions, Abstract and Assessment Survey.

Current Resources:

- A) *Staff/Budget/Training* – The office staff consists of the assessor, a certified deputy assessor and one office clerk. Each staff member is expected to be knowledgeable in all aspects of the daily office operation, with varying degrees of responsibility. A shared employee is available if needed, however, due to continuity and training issues, she is rarely used by our office. Jon Fritz, of Fritz Appraisal Company, is paid a monthly retainer fee, working 2 days per month, for pick-up work and appraisal maintenance. Mr. Fritz is a Certified General Appraiser, who has been involved in mass appraisal for many years. His credentials qualify him for all forms of appraisal work. Our budget for FY 2009-2010 was \$97,950. That budget was limited to a 2½% increase from the previous year. Funding for reappraisal projects, as well as 75% of the monthly retainer for the appraiser, have been paid through Inheritance Tax funds. Employee benefits, such as FICA, health insurance, etc., are funded through a general source, rather than through the assessor's budget. Expenses for 2009-2010 came in approximately \$6,000 under what was budgeted. This has been a rare occurrence over the past 10 years, and was mainly due to a personnel issue where the office clerk was replaced, and the new hire worked only part-time for several months. It is anticipated that next year's budget will be spent in full.
- B) *Maps and Aerial Photos* – The cadastral maps currently in use were purchased in 1973 and are showing a great deal of wear. Ownership changes are kept current with each group of transfer statements received. Our GIS is linked with the Terra Scan system, however the cadastral maps are still maintained. GIS has 2003, 2006, 2007 and 2009

aerial imagery. Aerial photos of all rural improved properties were taken in the Fall of 2002. Each photo was scanned into the computer and linked to the proper parcel. A hard copy of each photo is filed in the property record card.

- C) *Property Record Cards* – The office still maintains a hard copy of the property record card, even though most of the information can be accessed from the computer. The front of each card lists ownership and assessment information. For improved properties, each card has a photo of the main improvement. The computerized Property Record Card contains ownership and assessment information, scanned & digital photos, sketches, and assessment data.
- D) *Computerization* - Our assessment records are computerized and networked with the County Treasurer’s office. We currently contract with Terra Scan, Inc., utilizing their administrative and appraisal programs. We also contract with GIS Workshop for GIS applications. Computer hardware and software were updated in 2003, with additional upgrades in 2004 to accommodate GIS. Each staff member has access to Terra Scan, word processing, spreadsheet and internet software through a PC terminal. A guest terminal and emote internet access are available for the appraiser. ArcGIS software is available on two terminals for editing GIS information. In November 2006, a grant was received from the Nebraska Secretary of State for assistance in getting assessment information available on our web site. The county continues to support the web site by paying the annual maintenance fees.

Current Assessment Procedures for Real Property:

- A) *Discover, List & Inventory All Property* – The assessor supervises maintenance of the real estate file. Ownership changes are made by the assessor’s office staff, when Real Estate Transfer Statements (Form 521) are received from the County Clerk. When building permits or other information is received regarding potential changes in property, the property record card is flagged, and a notation is made in the “building permits” section in the computer. Cards for pick-up work are given to the appraiser, who reviews the property and lists the changes. Market trends are studied, and economic depreciation adjustments are made to particular sub-classes of property when indicated. We currently maintain 3,621 parcels with improvements of some kind (including IOLL and TIF parcels). Our goal is to systematically reappraise all improved parcels in a 6-year cycle, with 2 years allotted for rural reappraisal, 1 year for the towns of Shelby & Osceola, 1 year for Stromsburg & Polk, 1 year for recreational properties and 1 year for commercial properties. The extent of each reappraisal, of course, depends on the allotment of funds. Unimproved urban properties are included in the 6-year cycle for each specific town. Unimproved ag parcels are viewed/reviewed continually for land use changes, through NRD maps, GIS and drive-by.
- B) *Data Collection* – Information for reappraisals or general pick-up work is done under the direction of the assessor and the contract appraiser. Questionnaires and interviews may be used to gather preliminary data. Field visits and inspection of the property are the primary method used to obtain, update and confirm assessment data.
- C) *Review Assessment/Sales Ratio Studies Before Assessment Actions* – The Terra Scan system has an efficient program which can process the sales file and perform assessment/sales ratio studies. Running these figures periodically, assists in identifying areas that may need attention. When problem areas show up, various solutions can be worked into the file to determine the appropriate action to take.

- D) *Sales File* – The assessor supervises maintenance of the real estate sales file. After ownership changes have been made by the office staff, transfer statements are then given to the assessor for sales review, and for electronic transfer of the data to the state sales file. A questionnaire is sent to most buyers and sellers on agricultural and residential sales. If no response is received from the questionnaire, and questions exist, verification is conducted through a phone call or personal visit. Commercial sales review is done by telephone or through a personal visit. Due to the variables involved with commercial sales, a specific form has not been practical. Standard questions are asked, similar to those on the residential questionnaire, with additional questions depending on the type of business.
- E) *Approaches to Value*
- Market information* – A sales file is maintained on improved properties, both in a paper copy and in the computer. Six sub-class divisions in the file coincide with the “Assessor Location” reported in the sales file maintained by the Property Assessment Division of the Nebraska Department of Revenue (Shelby, Osceola, Stromsburg, Polk, Rural, and Lake). Economic depreciation for each assessor location is derived from this sales file. A sales file is also maintained for ag land sales, with the valuation process being explained in #4 below.
- 1) *Market Approach* – The market approach to value is predominantly used in the valuation of unimproved agricultural land as explained in #4 below. There has been no market-approach-to-value process set up for the residential and commercial appraisal process in the current Terra Scan appraisal package.
 - 2) *Cost Approach* – The 2006 Marshall & Swift cost manual is used to price all rural residential properties in Polk County, as well as the four towns (Shelby, Osceola, Stromsburg & Polk). Recreational lake properties are priced using the 2009 cost manual. The depreciation study used for the towns of Shelby & Osceola is from 2007, and from 2008 for Stromsburg & Polk. Economic depreciation was updated for lake properties in 2010, when new values were established from the reappraisal. Commercial & Industrial properties are being priced from the 2002 Marshall & Swift manual, using a depreciation study from 2002, but will be updated next year due to the Commercial reappraisal. Commercial depreciation was updated in 2006 for the City of Stromsburg, and will be updated for the reappraisal. All depreciation studies have been prepared by the contract certified general appraiser.
 - 3) *Income Approach* – Income and expense data collection and analysis is all done by a Certified General Appraiser. The income approach to value is not conducive to many properties in Polk County, with its use being limited to select commercial and industrial properties.
 - 4) *Land Valuation Studies* – Spread sheets are prepared annually by the assessor, to study sales of agricultural land in the County, and updates are made to adjust values to the market trends. Currently the county has not seen a need to establish different ag land market areas, nor has the need for special value been identified, though these possibilities are studied annually.
- F) *Reconciliation of Final Value and Documentation* – Residential, commercial and industrial properties are predominately priced using the cost approach, with economic depreciation being derived from the market. When other approaches are used, the contract appraiser reconciles the values. Ag land is predominately priced using the market approach to value.
- G) *Review Assessment/Sales Ratio Studies After Assessment Actions* – The Terra Scan sales file is updated, and statistics are reviewed to assure that the actions taken were the most appropriate.

- H) *Notices and Public Relations* – Per Neb. Rev. Stat. §77-1315, on or before June 1st, a “Notice of Valuation Change” is sent to owners of real property for all parcels which have been assessed at a value different than in the previous year. Real Estate Transfer Statements filed through May 20th are reviewed to assure notification to the proper owner of record of each affected parcel. Property owners with questions about their valuation change, are encouraged to visit with personnel in the assessor’s office. The property record card is reviewed with the owner and explanations are given regarding the change.

Further explanation of the assessment process can be found in the regulations issued by the Nebraska Department Revenue, Property Assessment Division, Title 350, Chapter 50.

Level of Value, Quality and Uniformity for Assessment Year 2010:

	<u>Median</u>	<u>COD*</u>	<u>PRD**</u>
Residential	98%	15.73	108.05
Commercial	96%	21.85	103.35
Agricultural Land	73%	15.60	102.97

*COD = Coefficient of Dispersion

**PRD = Price-Related Differential

For more information regarding statistical measures, see the 2010 Reports & Opinions.

Real Estate Assessment Actions Planned for Assessment Year 2011:

Residential:

- Request funds for a 2-year reappraisal project of rural improved parcels (approximately 1400 parcels), and begin inspections, with new values to be established for 2013. This project will consist of an exterior inspection of all rural improvements, with an interior inspection when possible (as defined by Title 350, Neb. Admin. Code, REG-50).
- We will review sales for possible economic depreciation adjustments in other locations.
- We will complete pick-up work with the assistance of the contract appraiser.

Commercial:

- Complete the reappraisal of commercial improvements in Polk County with new values established for 2011 (as defined by Title 350, Neb. Admin. Code, REG-50).
- With the assistance of the contract appraiser, we will continue to study sales.
- We will complete pick-up work with the assistance of the contract appraiser.

Agricultural Land:

- We will work with our property owners, with our GIS system, and with the Upper Big Blue and Central Platte Natural Resources Districts, to assure land use accuracy.
- We will review well registration information on the Department of Natural Resources web site to assist with agricultural land use changes.
- The assessor will study sales data for possible agricultural land valuation adjustments.

Real Estate Assessment Actions Planned for Assessment Year 2012:

Residential:

- Continue inspections of rural improved parcels, with new values to be established for 2013.
- Review sales for possible economic depreciation adjustments.
- Complete pick-up work with the assistance of the contract appraiser.

Commercial:

- With the assistance of the contract appraiser, we will study sales to determine if an economic depreciation adjustment is necessary.
- Complete pick-up work with the assistance of the contract appraiser.

Agricultural Land:

- Continue to study land use through aerial photography, personal inspection and working with property owners.
- Continue to review sales for possible valuation adjustments.
- Continue to work with the Natural Resource Districts regarding land use.

Real Estate Assessment Actions Planned for Assessment Year 2013:

Residential:

- Complete the reappraisal of rural improved parcels, with new values to be established for 2013.
- Request funds for reappraisal of the towns of Shelby & Osceola, which are the next group in our 6-year inspection cycle.
- Review sales for possible economic depreciation adjustments.
- Complete pick-up work with the assistance of the contract appraiser.

Commercial:

- Review sales for possible economic depreciation adjustments.
- Complete pick-up work with the assistance of the contract appraiser.

Agricultural Land:

- Continue to study land use through aerial photography, personal inspection and working with property owners.
- Continue to review sales for possible valuation adjustments.
- Continue to work with the Natural Resource Districts regarding land use.

Additional Assessment Actions:

- 1) *Record Maintenance, Mapping Updates and Ownership Changes* – Maintain assessment records for changes in real estate ownership.
- 2) *Annual Administrative Reports* required by law and/or regulation –
 - a. Abstracts (Real & Personal Property)
 - b. Assessor Survey (included in the Property Tax Administrator’s annual Reports & Opinions)
 - c. Sales information to PAD for rosters and Assessed Value Update
 - d. Annual Plan of Assessment Report
 - e. Certification of Value to Political Subdivisions
 - f. School District Taxable Value Report
 - g. Report of values for Board of Educational Lands & Funds properties
 - h. Annual Inventory Statement
 - i. Certification of Average Assessed Residential Value
 - j. Homestead Exemption Tax Loss Report (in conjunction with Treasurer)
 - k. Certificate of Taxes Levied Report
- 3) *Personal Property* – Administer annual filing of approximately 1,100 schedules, prepare subsequent notices for incomplete filings or failure to file and apply penalties as required. Review Beginning Farmer Exemption applications and issue notices of approval or denial for exemption of personal property. Personal Property amounts to less than 5% of our county tax base, however, administration is very time consuming. Diligent effort is given to the process by the deputy assessor and office clerk, to ensure that filings are accurate and timely, and that penalties are few.
- 4) *Permissive Exemptions* – Administer annual filings of applications for new or continued exempt use, review and make recommendations to the county board.
- 5) *Taxable Government Owned Property* – Review government owned property not used for public a purpose, and send notices of intent to tax. Facilitate publishing the list in the county newspaper.
- 6) *Homestead Exemptions* – Administer approximately 225 annual filings of applications. Review each application for approval or denial and send taxpayer notifications for denials. Send preprinted applications to all who applied the pervious year. Maintain a list of those who inquire after the filing deadlines, to send a form for next year. Continue to visit homes of those needing assistance in completing the form, but who cannot make it up to the courthouse.
- 7) *Centrally Assessed Property* – Review valuations as certified by Department of Revenue for railroads and public service entities, and establish assessment records for tax list purposes.
- 8) *Tax Increment Financing* – Maintain valuation information for properties in community redevelopment projects for proper reporting on administrative reports and allocation of ad valorem tax.
- 9) *Tax Districts and Tax Rates* – Maintain records of taxing entity boundaries, and review for changes necessary for proper taxation of all property. Input and review tax rates, and export to county treasurer.
- 10) *Tax List & Tax Statements* – Prepare and certify the tax list to the county treasurer for real property, personal property and centrally assessed property. Prepare and deliver tax statements to the county treasurer for mailing, along with a second “drawer copy” for the treasurer’s office use.

- 11) *Tax List Corrections* – Prepare correction documents for approval by the county board.
- 12) *County Board of Equalization* – Attend all meetings pertaining to property valuation. Assemble and provide information for protest hearings.
- 13) *TERC Appeals* – Prepare and submit information and attend taxpayer appeal hearings to defend valuation before the Tax Equalization and Review Commission.
- 14) *TERC Statewide Equalization* – Attend hearings if applicable to our county, defend values and implement any orders received from the Tax Equalization and Review Commission.
- 15) *Education* – Maintain certification for assessor and deputy assessor by attending meetings, workshops and educational classes to obtain continuing education as outlined in Title 350, Neb. Admin. Code, REG-71.

Conclusion:

Budget concerns have been addressed under the Staff/Budget/Training section on Page 2. It is assumed the County Board will request that we adhere to the same budget increases for FY 2010-2011. Problems with budget increases have not been because the county board is unwilling to fund the assessment process, but rather that the statutory percentage increases do not allow much room for expansion. Voters defeated a second request for a levy override in the May 2010 election. The majority of our appraisal budget, along with annual maintenance agreements for assessment/appraisal software, GIS and the county web site, are funded through Inheritance Tax funds. However, with increased estate planning, we have seen significant declines in the amount of Inheritance Tax receipts in the past 5 years. If those funds continue to decline, I'm not sure how the mandated assessment functions will be funded.

Continuing education hours will be needed for the assessor and deputy. The Assessor's Association and the Property Assessment Division offer useful and affordable training courses. Many of the most affordable hours are offered during assessor's workshops, although it is not always practical for both the assessor and the deputy to be gone from the office at the same time.

I am anticipating that Fritz Appraisal Company will continue working with us on our reappraisal projects, as well as continue with annual pick-up work. He has recently hired a lister from the Utica area, which is relatively close to us. Hopefully this man will be able to assist with our rural reappraisal, when we start listing in the summer of 2011.

Linda D. Anderson
Polk County Assessor
June 15, 2010

2011 Assessment Survey for Polk County

A. Staffing and Funding Information

1.	Deputy(ies) on staff:
	1
2.	Appraiser(s) on staff:
	0
3.	Other full-time employees:
	1
4.	Other part-time employees:
	0
5.	Number of shared employees:
	0
6.	Assessor's requested budget for current fiscal year:
	\$100,399
7.	Adopted budget, or granted budget if different from above:
	\$100,399
8.	Amount of the total budget set aside for appraisal work :
	\$2,400
9.	Appraisal/Reappraisal budget, if not part of the total budget:
	\$44,400
10.	Part of the budget that is dedicated to the computer system:
	None: This expenditure comes from the inheritance tax, not the assessor's budget; Total is \$18,200 which includes; \$5,600 for TerraScan maintenance agreement plus \$12,600 for GIS support.
11.	Amount of the total budget set aside for education/workshops :
	\$2,200
12.	Other miscellaneous funds :
	None
13.	Amount of last year's budget not used:
	No

B. Computer, Automation Information and GIS

1.	Administrative software :
	TerraScan
2.	CAMA software :
	TerraScan
3.	Are cadastral maps currently being used?
	Yes
4.	If so, who maintains the Cadastral Maps?
	Assessor and Staff

5.	Does the county have GIS software?
	Yes
6.	Who maintains the GIS software and maps?
	Assessor and Staff
7.	Personal Property software:
	TerraScan

C. Zoning Information

1.	Does the county have zoning?
	Yes
2.	If so, is the zoning countywide?
	Yes
3.	What municipalities in the county are zoned?
	All municipalities are zoned
4.	When was zoning implemented?
	2001

D. Contracted Services

1.	Appraisal Services:
	Jon Fritz is the contract appraiser
2.	Other services:
	TerraScan and GIS Workshop

2011 Certification for Polk County

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 Polk County Assessor.

Dated this 11th day of April, 2011.



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

Ruth A. Sorensen
Property Tax Administrator

