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Residential Real Property - Current

Number of Sales	85	Median	92.80
Total Sales Price	$6,415,679	Mean	98.34
Total Adj. Sales Price	$6,381,734	Wgt. Mean	89.65
Total Assessed Value	$5,721,490	Average Assessed Value of the Base	$50,334
Avg. Adj. Sales Price	$75,079	Avg. Assessed Value	$67,312

Confidence Interval - Current

95% Median C.I	87.33 to 99.15
95% Wgt. Mean C.I	84.95 to 94.36
95% Mean C.I	90.73 to 105.95
% of Value of the Class of all Real Property Value in the	11.32
% of Records Sold in the Study Period	3.23
% of Value Sold in the Study Period	4.32

Residential Real Property - History

Year	Number of Sales	LOV	Median
2011	112	98	98
2010	135	96	96
2009	144	96	96
2008	132	99	99

2012 Commission Summary

for Cherry County

Commercial Real Property - Current

Number of Sales	23	Median	95.12
Total Sales Price	$1,733,091	Mean	96.45
Total Adj. Sales Price	$1,733,091	Wgt. Mean	93.67
Total Assessed Value	$1,623,466	Average Assessed Value of the Base	$107,708
Avg. Adj. Sales Price	$75,352	Avg. Assessed Value	$70,585

Confidence Interval - Current

95% Median C.I	87.63 to 103.67
95% Wgt. Mean C.I	83.24 to 104.11
95% Mean C.I	84.75 to 108.15
% of Value of the Class of all Real Property Value in the County	5.39
% of Records Sold in the Study Period	3.92
% of Value Sold in the Study Period	2.57

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2011	23	95	95
2010	24	97	97
2009	31	99	99
2008	38	99	99

2012 Opinions of the Property Tax Administrator for Cherry County

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

Class	Level of Value	Quality of Assessment	Non-binding recommendation
Residential Real Property	**93**	Meets generally accepted mass appraisal practices.	No recommendation.
Commercial Real Property	**95**	Meets generally accepted mass appraisal practices.	No recommendation.
Agricultural Land	**69**	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 9th day of April, 2012.

Ruth A. Sorensen
Property Tax Administrator

2012 Residential Assessment Actions for Cherry County

Within the residential class a review of the aerial photography for the residential acreage parcels was done and the appropriate changes were made to the property record cards. New zoning maps were acquired for the City of Valentine, they were reviewed and updates to the zoning were made in the property record files (electronic and hard copy).

Questionnaires were mailed out countywide inquiring about the basement finish of all homes within Cherry County. The letters included an original letter and then a follow-up letter; the response rate was over ninety percent. Property record cards were updated with the new information.

A new contract has been entered into with Knoche Appraisal and Consulting for a complete residential review for 2013. This will begin the next six-year physical inspection and review for the residential class.

General assessment work this year included updating all 9-1-1 addresses that were implemented by the county, updating the bulletin board displaying agricultural sales and school district history. Indexed and organized various plat maps and school district maps of the county. Compiled support letters for the GIS grant that was obtained this year. Scanned deeds, 521's, and survey plats into the CAMA system for use with GIS on-line, and will continue to scan information into the system to enhance GIS services to the taxpayers and subscribers.

Also, a thorough review of all permissive exemptions was undertaken to confirm ownership was correct, legal descriptions are accurate, and verify the use.

All pickup work was completed for assessment year 2012.

2012 Residential Assessment Survey for Cherry County

1.	**Valuation data collection done by:**
	Knoche Appraisal and office staff.
2.	**In your opinion, what are the valuation groupings recognized in the County and describe the unique characteristics of each grouping:**

Valuation Grouping	Description of unique characteristics - *The characteristics the assessor feels makes each of these groupings unique are: location, aesthetic value, market, population, school or no school, and distance to primary towns.*
1	Valentine: population – approximately 2800; schools – elementary, middle, and high school; full services
2	Rural V: population – approximately 100; within one mile jurisdiction of Valentine but out of city limits; school – attend Valentine schools; rely on services out of Valentine
3	Cody: population – approximately 149; distance from Valentine – 42 miles west; school – a high school; Cody also can provide some services to nearest villages not wanting to travel into Valentine
4	Crookston: population – approximately 96; distance from Valentine – 11 miles west; no school or services
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6	Merriman: population – approximately 118; distance from Valentine – 60 miles west; school – an elementary; services – welding shop, convenience store and bar
7	Wood Lake: population – approximately 72; distance from Valentine – 25 miles east; school – an elementary; services – café, service station along highway 20
8	Rural: countywide, will vary in distance from Valentine, is designated by neighborhoods, differing with location and aesthetic value
9	Nenzel: population – approximately 13; distance from Valentine – 35 miles west; no school or services, does not even levy tax for the village; there is a Catholic church

3.	**List and describe the approach(es) used to estimate the market value of residential properties.**
	Primarily the cost approach less depreciation derived from the market.
4	**What is the costing year of the cost approach being used for each valuation grouping?**
	2005

5.	**If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?**
	Depreciation is applicable during the review process; it is not built into the CAMA system.
6.	**Are individual depreciation tables developed for each valuation grouping?**
	No
7.	**When were the depreciation tables last updated for each valuation grouping?**
	2005
8.	**When was the last lot value study completed for each valuation grouping?**
	2005; rural residential acreages done annually.
9.	**Describe the methodology used to determine the residential lot values?**
	Vacant lot sales in similar neighborhoods are reviewed and cost per square foot derived from the market.
10.	**How do you determine whether a sold parcel is substantially changed?**
	After a sale, when a property undergoes a physical or economic change that affects the market value so it no longer represents the parcel when sold is substantially changed.

16 Cherry

RESIDENTIAL

PAD 2012 R&O Statistics (Using 2012 Values)

Qualified

Date Range: 7/1/2009 To 6/30/2011 Posted on: 3/21/2012

Number of Sales :	85	MEDIAN :	93	COV : 36.39	95% Median C.I. : 87.33 to 99.15
Total Sales Price :	6,415,679	WGT. MEAN :	90	STD : 35.79	95% Wgt. Mean C.I. : 84.95 to 94.36
Total Adj. Sales Price :	6,381,734	MEAN :	98	Avg. Abs. Dev : 22.62	95% Mean C.I. : 90.73 to 105.95
Total Assessed Value :	5,721,490				
Avg. Adj. Sales Price :	75,079	COD :	24.38	MAX Sales Ratio : 264.50	
Avg. Assessed Value :	67,312	PRD :	109.69	MIN Sales Ratio : 09.04	*Printed:3/29/2012 2:58:28PM*

DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Qrtrs_____											
01-JUL-09 To 30-SEP-09	8	81.09	88.68	83.74	18.49	105.90	68.20	131.43	68.20 to 131.43	78,433	65,677
01-OCT-09 To 31-DEC-09	6	94.64	97.17	93.08	13.60	104.39	73.92	133.83	73.92 to 133.83	81,417	75,787
01-JAN-10 To 31-MAR-10	8	104.03	108.93	90.55	33.01	120.30	55.03	190.51	55.03 to 190.51	91,538	82,891
01-APR-10 To 30-JUN-10	16	101.98	109.40	99.37	31.46	110.09	09.04	200.03	84.22 to 133.74	58,898	58,527
01-JUL-10 To 30-SEP-10	16	89.85	103.36	89.50	32.77	115.49	34.40	264.50	80.75 to 120.78	59,638	53,376
01-OCT-10 To 31-DEC-10	17	92.91	93.85	86.51	16.04	108.48	41.68	139.54	80.23 to 112.29	74,429	64,386
01-JAN-11 To 31-MAR-11	8	82.98	79.70	81.19	19.43	98.16	53.40	103.84	53.40 to 103.84	86,813	70,484
01-APR-11 To 30-JUN-11	6	92.21	92.98	92.95	06.05	100.03	79.06	103.78	79.06 to 103.78	112,850	104,893
_____Study Yrs_____											
01-JUL-09 To 30-JUN-10	38	95.13	103.01	92.44	28.35	111.43	09.04	200.03	84.22 to 109.53	73,438	67,887
01-JUL-10 To 30-JUN-11	47	92.11	94.57	87.49	20.57	108.09	34.40	264.50	85.41 to 96.51	76,406	66,847
_____Calendar Yrs_____											
01-JAN-10 To 31-DEC-10	57	94.19	103.00	91.11	28.51	113.05	09.04	264.50	87.33 to 102.12	68,319	62,248
_____ALL_____	85	92.80	98.34	89.65	24.38	109.69	09.04	264.50	87.33 to 99.15	75,079	67,312

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	55	94.19	99.94	93.02	19.01	107.44	55.03	193.65	88.83 to 100.42	74,497	69,298
02	5	79.06	86.36	87.99	25.98	98.15	53.40	123.96	N/A	138,520	121,880
03	7	94.36	119.01	97.13	39.58	122.53	53.80	200.03	53.80 to 200.03	24,086	23,395
04	1	34.40	34.40	34.40	00.00	100.00	34.40	34.40	N/A	42,500	14,619
05	1	69.59	69.59	69.59	00.00	100.00	69.59	69.59	N/A	38,000	26,443
06	4	112.88	138.52	116.81	56.25	118.59	63.83	264.50	N/A	4,425	5,169
07	4	80.34	67.96	66.61	36.52	102.03	09.04	102.12	N/A	18,750	12,489
08	7	85.41	82.06	81.28	15.75	100.96	41.68	101.83	41.68 to 101.83	167,071	135,791
09	1	92.80	92.80	92.80	00.00	100.00	92.80	92.80	N/A	80,500	74,706
_____ALL_____	85	92.80	98.34	89.65	24.38	109.69	09.04	264.50	87.33 to 99.15	75,079	67,312

PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	84	92.64	98.18	89.60	24.46	109.58	09.04	264.50	87.33 to 96.51	75,800	67,920
06											
07	1	111.78	111.78	111.78	00.00	100.00	111.78	111.78	N/A	14,500	16,208
_____ALL_____	85	92.80	98.34	89.65	24.38	109.69	09.04	264.50	87.33 to 99.15	75,079	67,312

16 Cherry

RESIDENTIAL

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95% Wgt. Mean C.I. : 84.95 to 94.36

95% Mean C.I. : 90.73 to 105.95

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SALE PRICE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Low $ Ranges_____											
Less Than 5,000	4	146.25	160.81	166.35	48.86	96.67	86.22	264.50	N/A	1,575	2,620
Less Than 15,000	12	101.06	121.20	116.19	46.39	104.31	09.04	264.50	86.22 to 190.51	5,942	6,904
Less Than 30,000	22	110.66	118.12	113.49	35.25	104.08	09.04	264.50	92.47 to 139.54	13,492	15,312
__Ranges Excl. Low $__											
Greater Than 4,999	81	92.80	95.25	89.58	21.77	106.33	09.04	193.65	87.33 to 96.51	78,709	70,506
Greater Than 14,999	73	92.11	94.58	89.35	19.93	105.85	34.40	193.65	85.41 to 96.38	86,444	77,242
Greater Than 29,999	63	91.03	91.43	88.49	16.79	103.32	34.40	158.99	84.22 to 93.48	96,586	85,470
__Incremental Ranges__											
0 TO 4,999	4	146.25	160.81	166.35	48.86	96.67	86.22	264.50	N/A	1,575	2,620
5,000 TO 14,999	8	101.06	101.40	111.33	34.23	91.08	09.04	190.51	09.04 to 190.51	8,125	9,046
15,000 TO 29,999	10	115.04	114.43	112.63	23.49	101.60	53.80	193.65	55.03 to 150.58	22,553	25,402
30,000 TO 59,999	18	94.82	99.90	99.90	26.91	100.00	34.40	158.99	77.95 to 121.52	42,489	42,446
60,000 TO 99,999	23	92.80	91.02	90.92	11.08	100.11	68.20	123.96	80.75 to 99.15	78,957	71,785
100,000 TO 149,999	13	85.41	87.25	87.31	07.95	99.93	73.00	116.71	80.80 to 91.54	124,038	108,297
150,000 TO 249,999	7	79.06	79.26	80.19	19.11	98.84	41.68	103.78	41.68 to 103.78	179,586	144,005
250,000 TO 499,999	2	89.81	89.81	87.26	13.39	102.92	77.78	101.83	N/A	317,250	276,820
500,000 TO 999,999											
1,000,000 +											
_____ALL_____	85	92.80	98.34	89.65	24.38	109.69	09.04	264.50	87.33 to 99.15	75,079	67,312

A. Residential Real Property

The statistical sampling of 85 residential sales will be considered an adequate and reliable sample for the measurement of the residential class of real property in Cherry County. The measures of central tendency are indicating that the weighted mean does not correlate with the median and mean. This measure of central tendency is being affected by sales occurring in the rural area (properties further away from Valentine) and rural villages of Cherry County which experience unorganized markets and different economic conditions than the town of Valentine and rural properties in close proximity to Valentine. The qualitative measures are being affected by them as well. When hypothetically removing these sales from the analysis the town of Valentine (55 sales) and rural acreages close to Valentine (5 sales) display statistics of; median – 94%, weighted mean – 92%, mean – 99%, COD – 19.64, and PRD - 107.06.

When examining the subclass Valuation Grouping 01 (Valentine) it is the only subclass with sufficient sales to have reliability in that statistical measure. The other subclasses are of smaller size and are being affected by different economic conditions, several of the valuation groupings could possibly be combined but at present the assessor still feels there is a difference to keep them separated; such as distance from Valentine, available services, an operating school or not.

The assessor is very attentive in keeping informed of the real estate market in Cherry County. The residential sales verification in Cherry County is handled primarily by telephone interview. Personal knowledge is helpful in some instances. Questionnaires have been mailed out in the past but the response was poor. All pertinent information is documented on either the supplemental sheet that is filled out in conjunction with the 521 or on a blank questionnaire and kept on file with a copy of the 521. The contracted appraiser, Knoche Appraisal, will also assist when doing a total review of a town or neighborhood. The assessor also feels that the area real estate agents, property appraisers, and local attorneys are excellent sources of information in determining the qualification of a sale. In a review of the qualified and non-qualified sales there appears to be no bias in the qualification determinations.

The assessor and staff work in conjunction with the contracted appraiser to maintain a six-year cycle of physical inspection and review and keep up with the annual appraisal maintenance. The assessor works with her county board in keeping the taxpayers of Cherry County well informed of assessment actions.

The Department of Revenue, Property Assessment Division has implemented a cyclical analysis of one-third of the counties within the state per year to systematically review assessment practices. Cherry County was one of those selected for review in 2011 and it has been confirmed that the assessment actions are reliable and are being applied consistently. Therefore, it is believed there is uniform and proportionate treatment within the residential class.

Based on all available information, the level of value of the residential property in Cherry County is 93%.

B. Analysis of Sales Verification

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

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

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

C. Measures of Central Tendency

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

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

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

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

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

D. Analysis of Quality of Assessment

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

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

Single-family residences: a COD of 15 percent or less.
For newer and fairly homogeneous areas: a COD of 10 or less.
Income-producing property: a COD of 20 or less, or in larger urban jurisdictions, 15 or less.
Vacant land and other unimproved property, such as agricultural land: a COD of 20 or less.
Rural residential and seasonal properties: a COD of 20 or less.

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

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

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 on Ratio Studies, adopted by the International Association of Assessing Officers, January, 2010, recommends that the PRD should lie between 98 and 103. This range is

centered slightly above 100 to allow for a slightly upward measurement bias inherent in the PRD.

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

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

2012 Commercial Assessment Actions for Cherry County

The first six-year physical inspection and review cycle has been completed for the commercial class.

New zoning maps were obtained and the zoning was updated in the property record files, both electronic and hard copy.

All commercial pickup work was completed for assessment year 2012.

General assessment work this year included updating all 9-1-1 addresses that were implemented by the county, updating the bulletin board displaying agricultural sales and school district history. Indexed and organized various plat maps and school district maps of the county. Compiled support letters for the GIS grant that was obtained this year. Scanned deeds, 521's, and survey plats into the CAMA system for use with GIS on-line, and will continue to scan information into the system to enhance GIS services to the taxpayers and subscribers.

Also, a thorough review of all permissive exemptions was undertaken to confirm ownership was correct, legal descriptions are accurate, and verify the use.

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	Knoche Appraisal
2.	**In your opinion, what are the valuation groupings recognized in the County and describe the unique characteristics of each grouping:**

Valuation Grouping	Description of unique characteristics - *The characteristics the assessor feels makes each of these groupings unique are: location, aesthetic value, market, population, school or no school, and distance to primary towns.*
1	Valentine: population – approximately 2800; schools – elementary, middle, and high school; full services
2	Rural V: population – approximately 100; within one mile jurisdiction of Valentine but out of city limits; school – attend Valentine schools; rely on services out of Valentine
3	Cody: population – approximately 149; distance from Valentine – 42 miles west; school – a high school; Cody also can provide some services to nearest villages not wanting to travel into Valentine
4	Crookston: population – approximately 96; distance from Valentine – 11 miles west; no school or services
5	Kilgore: population – approximately 99; distance from Valentine – 11 miles west; school – an elementary, no services
6	Merriman: population – approximately 118; distance from Valentine – 60 miles west; school – an elementary; services – welding shop, convenience store and bar
7	Wood Lake: population – approximately 72; distance from Valentine – 25 miles east; school – an elementary; services – café, service station along highway 20
8	Rural: countywide, will vary in distance from Valentine, is designated by neighborhoods, differing with location and aesthetic value
9	Nenzel: population – approximately 13; distance from Valentine – 35 miles west; no school or services, does not even levy tax for the village; there is a Catholic church

3.	**List and describe the approach(es) used to estimate the market value of commercial properties.**
	Primarily the cost approach and the income approach if income and expense data can be obtained.
3a.	**Describe the process used to value unique commercial properties.**
	Knoche Appraisal will determine the most appropriate process depending on the property and the availability of market data.

4.	**What is the costing year of the cost approach being used for each valuation grouping?**
	2005
5.	**If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?**
	Depreciation is not built into the CAMA system, but from the market and applied during review process.
6.	**Are individual depreciation tables developed for each valuation grouping?**
	No
7.	**When were the depreciation tables last updated for each valuation grouping?**
	2007
8.	**When was the last lot value study completed for each valuation grouping?**
	2007
9.	**Describe the methodology used to determine the commercial lot values.**
	A square foot cost was derived from the market.
10.	**How do you determine whether a sold parcel is substantially changed?**
	After a sale, when a property undergoes a physical or economic change that affects the market value so it no longer represents the parcel when sold is substantially changed.

16 Cherry

COMMERCIAL

PAD 2012 R&O Statistics (Using 2012 Values)

Qualified

Date Range: 7/1/2008 To 6/30/2011 Posted on: 3/21/2012

Number of Sales : 23	MEDIAN : 95	COV : 28.05	95% Median C.I. : 87.63 to 103.67
Total Sales Price : 1,733,091	WGT. MEAN : 94	STD : 27.05	95% Wgt. Mean C.I. : 83.24 to 104.11
Total Adj. Sales Price : 1,733,091	MEAN : 96	Avg. Abs. Dev : 19.10	95% Mean C.I. : 84.75 to 108.15
Total Assessed Value : 1,623,466			
Avg. Adj. Sales Price : 75,352	COD : 20.08	MAX Sales Ratio : 159.20	
Avg. Assessed Value : 70,585	PRD : 102.97	MIN Sales Ratio : 42.66	*Printed:3/29/2012 2:58:29PM*

DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Qrtrs_____											
01-JUL-08 To 30-SEP-08											
01-OCT-08 To 31-DEC-08	1	74.88	74.88	74.88	00.00	100.00	74.88	74.88	N/A	125,000	93,600
01-JAN-09 To 31-MAR-09	1	106.52	106.52	106.52	00.00	100.00	106.52	106.52	N/A	165,000	175,750
01-APR-09 To 30-JUN-09											
01-JUL-09 To 30-SEP-09	1	126.69	126.69	126.69	00.00	100.00	126.69	126.69	N/A	12,000	15,203
01-OCT-09 To 31-DEC-09	3	70.40	73.50	66.26	18.89	110.93	55.09	95.00	N/A	49,167	32,576
01-JAN-10 To 31-MAR-10											
01-APR-10 To 30-JUN-10	2	84.52	84.52	80.54	12.54	104.94	73.92	95.12	N/A	40,000	32,217
01-JUL-10 To 30-SEP-10	1	120.00	120.00	120.00	00.00	100.00	120.00	120.00	N/A	100,000	120,000
01-OCT-10 To 31-DEC-10	9	99.92	93.89	92.84	07.91	101.13	62.86	103.67	87.63 to 101.97	92,343	85,734
01-JAN-11 To 31-MAR-11	2	130.40	130.40	137.06	13.73	95.14	112.50	148.29	N/A	25,500	34,950
01-APR-11 To 30-JUN-11	3	93.05	98.30	97.18	41.75	101.15	42.66	159.20	N/A	73,833	71,748
_____Study Yrs_____											
01-JUL-08 To 30-JUN-09	2	90.70	90.70	92.88	17.44	97.65	74.88	106.52	N/A	145,000	134,675
01-JUL-09 To 30-JUN-10	6	84.46	86.04	74.06	23.17	116.18	55.09	126.69	55.09 to 126.69	39,917	29,561
01-JUL-10 To 30-JUN-11	15	101.21	101.38	97.77	18.07	103.69	42.66	159.20	91.65 to 112.50	80,239	78,450
_____Calendar Yrs_____											
01-JAN-09 To 31-DEC-09	5	95.00	90.74	88.96	22.67	102.00	55.09	126.69	N/A	64,900	57,736
01-JAN-10 To 31-DEC-10	12	97.52	94.50	94.56	10.43	99.94	62.86	120.00	87.63 to 101.97	84,258	79,670
_____ALL_____	23	95.12	96.45	93.67	20.08	102.97	42.66	159.20	87.63 to 103.67	75,352	70,585

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	19	95.00	93.41	89.53	20.80	104.33	42.66	159.20	73.92 to 103.67	69,271	62,016
02	2	110.99	110.99	106.58	08.13	104.14	101.97	120.00	N/A	195,471	208,338
03	2	110.76	110.76	109.53	14.39	101.12	94.82	126.69	N/A	13,000	14,239
_____ALL_____	23	95.12	96.45	93.67	20.08	102.97	42.66	159.20	87.63 to 103.67	75,352	70,585

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	23	95.12	96.45	93.67	20.08	102.97	42.66	159.20	87.63 to 103.67	75,352	70,585
04											
_____ALL_____	23	95.12	96.45	93.67	20.08	102.97	42.66	159.20	87.63 to 103.67	75,352	70,585

16 Cherry

COMMERCIAL

PAD 2012 R&O Statistics (Using 2012 Values)

Qualified

Date Range: 7/1/2008 To 6/30/2011 Posted on: 3/21/2012

Number of Sales :	23	MEDIAN :	95	COV : 28.05	95% Median C.I. : 87.63 to 103.67
Total Sales Price :	1,733,091	WGT. MEAN :	94	STD : 27.05	95% Wgt. Mean C.I. : 83.24 to 104.11
Total Adj. Sales Price :	1,733,091	MEAN :	96	Avg. Abs. Dev : 19.10	95% Mean C.I. : 84.75 to 108.15
Total Assessed Value :	1,623,466				
Avg. Adj. Sales Price :	75,352	COD :	20.08	MAX Sales Ratio : 159.20	
Avg. Assessed Value :	70,585	PRD :	102.97	MIN Sales Ratio : 42.66	*Printed:3/29/2012 2:58:29PM*

SALE PRICE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Low $ Ranges_____											
Less Than 5,000											
Less Than 15,000	3	95.00	105.50	104.81	11.18	100.66	94.82	126.69	N/A	12,833	13,451
Less Than 30,000	5	95.12	104.83	103.31	10.38	101.47	94.82	126.69	N/A	15,900	16,426
__Ranges Excl. Low $__											
Greater Than 4,999	23	95.12	96.45	93.67	20.08	102.97	42.66	159.20	87.63 to 103.67	75,352	70,585
Greater Than 14,999	20	97.52	95.09	93.42	20.88	101.79	42.66	159.20	74.88 to 103.67	84,730	79,156
Greater Than 29,999	18	96.49	94.12	93.21	22.45	100.98	42.66	159.20	73.92 to 103.67	91,866	85,630
__Incremental Ranges__											
0 TO 4,999											
5,000 TO 14,999	3	95.00	105.50	104.81	11.18	100.66	94.82	126.69	N/A	12,833	13,451
15,000 TO 29,999	2	103.81	103.81	101.90	08.37	101.87	95.12	112.50	N/A	20,500	20,890
30,000 TO 59,999	6	102.46	104.83	102.57	31.45	102.20	42.66	159.20	42.66 to 159.20	41,608	42,678
60,000 TO 99,999	5	87.63	80.94	81.30	15.09	99.56	55.09	99.92	N/A	69,000	56,095
100,000 TO 149,999	5	93.05	90.40	88.29	17.94	102.39	62.86	120.00	N/A	120,600	106,473
150,000 TO 249,999	1	106.52	106.52	106.52	00.00	100.00	106.52	106.52	N/A	165,000	175,750
250,000 TO 499,999	1	101.97	101.97	101.97	00.00	100.00	101.97	101.97	N/A	290,941	296,676
500,000 TO 999,999											
1,000,000 +											
_____ALL_____	23	95.12	96.45	93.67	20.08	102.97	42.66	159.20	87.63 to 103.67	75,352	70,585

OCCUPANCY CODE

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
344	5	101.21	99.82	98.41	02.36	101.43	93.05	103.67	N/A	73,030	71,872
352	1	74.88	74.88	74.88	00.00	100.00	74.88	74.88	N/A	125,000	93,600
353	4	111.11	106.02	102.62	42.96	103.31	42.66	159.20	N/A	46,875	48,105
406	10	95.06	96.06	95.03	16.95	101.08	55.09	126.69	70.40 to 120.00	61,050	58,013
459	1	94.82	94.82	94.82	00.00	100.00	94.82	94.82	N/A	14,000	13,275
528	2	82.42	82.42	89.27	23.73	92.33	62.86	101.97	N/A	215,471	192,341
_____ALL_____	23	95.12	96.45	93.67	20.08	102.97	42.66	159.20	87.63 to 103.67	75,352	70,585

A. Commercial Real Property

The statistical sampling for the commercial class consists of 23 sales. Overall there is a close relationship between all three measures of central tendency, and the qualitative measures meet the prescribed parameters of the International Association of Assessing Officers (IAAO) standards. However, the statistical measurement is heavily weighted toward nineteen sales that occur within the town of Valentine. Also within the analysis of Valentine there are five occupancy codes of which code 406 (warehouse) makes up 42% of the sales. When sub-stratifying the sample to this extent the samples become even smaller and then the reliability and representativeness of the sample to the population comes into question.

The assessor is very perceptive of the real estate market in Cherry County. The commercial sales verification in Cherry County is handled primarily with telephone interviews and an effort is made to be as thorough as possible in determining if personal property or a going business concern was include in the total sale price. All information is documented and kept on file with a copy of the 521. The contracted appraiser, Knoche Appraisal, will also assist when doing a total review of a town or neighborhood. The assessor has found that in many instances the area real estate agents, property appraisers, and local attorney are her best source of information in determining the qualification of a sale. In a review of the qualified and non-qualified sales there appears to be no bias in the qualification determinations.

The assessor and staff work in conjunction with the contracted appraiser to maintain a six-year cycle of physical inspection and review and keep up with the annual appraisal maintenance. The assessor works with her county board in keeping the taxpayers of Cherry County well informed of assessment procedures.

Even though the sample is not consistent or representative of the population, consistency is present in what has occurred. In examining the subclasses the statistical data is not erratic. The extreme COD 42.96 as exhibited by occupancy code 353 is being calculated on four sales all in Valentine; two have ratios over 150%. Also, within this sub-stratum there is only a mere difference of $1230 between the Average Adjusted Sale Price (46,875) and the Average Assessed Value (48,105). If these two sales are hypothetically removed from the analysis the median for Valentine and the overall median for the county remain at 95% (COD 16.13, PRD 100.51).

The Department of Revenue, Property Assessment Division has implemented a cyclical analysis of one-third of the counties within the state per year to systematically review assessment practices. Cherry County was one of those selected for review in 2011 and it has been confirmed that the assessment actions are reliable and are being applied consistently. Therefore, it is believed there is uniform and proportionate treatment within the commercial class.

Based on all available information, the level of value of the commercial property in Cherry County is 95%.

B. Analysis of Sales Verification

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

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

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

C. Measures of Central Tendency

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

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

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

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

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

D. Analysis of Quality of Assessment

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

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

Single-family residences: a COD of 15 percent or less.
For newer and fairly homogeneous areas: a COD of 10 or less.
Income-producing property: a COD of 20 or less, or in larger urban jurisdictions, 15 or less.
Vacant land and other unimproved property, such as agricultural land: a COD of 20 or less.
Rural residential and seasonal properties: a COD of 20 or less.

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

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

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 on Ratio Studies, adopted by the International Association of Assessing Officers, January, 2010, recommends that the PRD should lie between 98 and 103. This range is

centered slightly above 100 to allow for a slightly upward measurement bias inherent in the PRD.

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

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

Agricultural and/or Special Valuation Reports

2012 Agricultural Assessment Actions for Cherry County

The agricultural homes were also a segment of the questionnaires that were mailed out countywide inquiring about basement finish. The letters included an original letter and then a follow-up letter; the response rate was over ninety percent. Property record cards were updated with the new information.

Agricultural trust parcels were checked to make sure that the trust was noted in the CAMA system.

Certified irrigated acres were reviewed with aerial maps furnished by the taxpayers.

A market analysis was conducted on the agricultural sales within the study period 07.01.08 to 06.30.11 and the determination was made to increase the irrigated and grass land values. All pickup work was completed for assessment year 2012.

The first six-year physical inspection and review has been completed for the agricultural class.

General assessment work this year included updating all 9-1-1 addresses that were implemented by the county, updating the bulletin board displaying agricultural sales and school district history. Indexed and organized various plat maps and school district maps of the county. Compiled support letters for the GIS grant that was obtained this year. Scanned deeds, 521's, and survey plats into the CAMA system for use with GIS on-line, and will continue to scan information into the system to enhance GIS services to the taxpayers and subscribers.

2012 Agricultural Assessment Survey for Cherry County

1.	**Valuation data collection done by:**
	Knoche Appraisal and office staff.
2.	**List each market area, and describe the location and the specific characteristics that make each unique.**

Market Area	Description of unique characteristics
	There are no market areas.

3.	**Describe the process that is used to determine and monitor market areas.**
	N/A
4.	**Describe the process used to identify rural residential land and recreational land in the county apart from agricultural land.**
	Agricultural land has the ability to conform to statutes 77-l359 and 77-1363 and based upon the standard agricultural practices of Cherry County. If it does not, it falls into the residential or recreational category. Use aids in making the decision. For residential or recreational site, amenities such as canyons, rivers, views, or lack of these bear differences in the market. Groupings of similar properties with similar amenities in similar areas form neighborhoods, not unlike other residential properties. It is the review of the market in these neighborhoods that form the basis for valuing of these 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?**
	Farm sites do not carry the same value as rural residential sites. Rural farm sites do not rely on amenities like the rural residential. Rural residential sites are valued like any other residential property at a dollar per square foot value, based on the market. Farm sites are valued at $5,000 for the home site acre.
6.	**What process is used to annually update land use? (Physical inspection, FSA maps, etc.)**
	Cherry County has contracted with GIS Workshop to implement a GIS system to work in conjunction with physical inspections, maps from the FSA provided by taxpayers, questionnaires to taxpayers, and occasional phone calls.
7.	**Describe the process used to identify and monitor the influence of non-agricultural characteristics.**
	The process would start with the sales review consisting of interviews, inspections, and possibly questionnaires.

8.	**Have special valuation applications been filed in the county? If yes, is there a value difference for the special valuation parcels.**
	No
9.	**How do you determine whether a sold parcel is substantially changed?**
	After a sale, when a property undergoes a physical or economic change that affects the market value so it no longer represents the parcel when sold is substantially changed.

16 Cherry

AGRICULTURAL LAND

PAD 2012 R&O Statistics (Using 2012 Values)

Qualified

Date Range: 7/1/2008 To 6/30/2011 Posted on: 3/21/2012

Number of Sales :	53	MEDIAN :	69	COV : 29.17	95% Median C.I. : 63.71 to 75.42
Total Sales Price :	29,020,334	WGT. MEAN :	61	STD : 20.09	95% Wgt. Mean C.I. : 54.07 to 68.09
Total Adj. Sales Price :	28,585,334	MEAN :	69	Avg. Abs. Dev : 14.43	95% Mean C.I. : 63.47 to 74.29
Total Assessed Value :	17,460,053				
Avg. Adj. Sales Price :	539,346	COD :	20.90	MAX Sales Ratio : 131.55	
Avg. Assessed Value :	329,435	PRD :	112.77	MIN Sales Ratio : 25.95	*Printed:3/29/2012 2:58:30PM*

DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Qrtrs_____											
01-JUL-08 To 30-SEP-08	1	43.02	43.02	43.02	00.00	100.00	43.02	43.02	N/A	749,840	322,548
01-OCT-08 To 31-DEC-08	4	83.17	87.82	88.51	29.22	99.22	53.91	131.04	N/A	405,116	358,580
01-JAN-09 To 31-MAR-09	3	78.48	72.94	68.07	13.60	107.15	54.17	86.17	N/A	124,217	84,550
01-APR-09 To 30-JUN-09	8	60.54	62.95	60.75	08.84	103.62	53.83	73.85	53.83 to 73.85	691,613	420,165
01-JUL-09 To 30-SEP-09	2	61.64	61.64	51.44	23.78	119.83	46.98	76.29	N/A	46,000	23,663
01-OCT-09 To 31-DEC-09	4	75.03	73.57	71.06	16.02	103.53	57.72	86.49	N/A	179,250	127,377
01-JAN-10 To 31-MAR-10	2	73.14	73.14	70.09	25.33	104.35	54.61	91.66	N/A	579,125	405,886
01-APR-10 To 30-JUN-10	9	70.84	66.55	72.24	18.11	92.12	25.95	84.13	45.85 to 80.18	355,143	256,562
01-JUL-10 To 30-SEP-10	3	83.12	85.85	67.82	35.56	126.59	42.87	131.55	N/A	385,100	261,172
01-OCT-10 To 31-DEC-10	6	70.16	71.04	71.69	07.10	99.09	64.30	79.82	64.30 to 79.82	459,267	329,240
01-JAN-11 To 31-MAR-11	5	56.85	52.19	38.17	32.19	136.73	26.76	75.42	N/A	468,610	178,857
01-APR-11 To 30-JUN-11	6	70.84	71.03	53.50	14.86	132.77	50.82	89.59	50.82 to 89.59	1,482,000	792,885
_____Study Yrs_____											
01-JUL-08 To 30-JUN-09	16	65.15	69.79	64.91	22.15	107.52	43.02	131.04	54.17 to 78.48	517,241	335,740
01-JUL-09 To 30-JUN-10	17	70.84	68.40	71.22	19.09	96.04	25.95	91.66	54.61 to 84.13	303,737	216,333
01-JUL-10 To 30-JUN-11	20	70.16	68.55	55.53	21.34	123.45	26.76	131.55	63.71 to 76.19	757,297	420,528
_____Calendar Yrs_____											
01-JAN-09 To 31-DEC-09	17	65.38	67.06	62.13	15.59	107.93	46.98	86.49	57.72 to 78.48	394,974	245,400
01-JAN-10 To 31-DEC-10	20	71.44	71.45	71.14	19.83	100.44	25.95	131.55	64.30 to 79.82	413,272	293,989
_____ALL_____	53	69.03	68.88	61.08	20.90	112.77	25.95	131.55	63.71 to 75.42	539,346	329,435

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
0	53	69.03	68.88	61.08	20.90	112.77	25.95	131.55	63.71 to 75.42	539,346	329,435
_____ALL_____	53	69.03	68.88	61.08	20.90	112.77	25.95	131.55	63.71 to 75.42	539,346	329,435

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	1	86.17	86.17	86.17	00.00	100.00	86.17	86.17	N/A	16,000	13,787
0	1	86.17	86.17	86.17	00.00	100.00	86.17	86.17	N/A	16,000	13,787
_____Grass_____											
County	32	68.96	70.85	65.17	22.88	108.72	25.95	131.55	61.42 to 79.06	523,015	340,865
0	32	68.96	70.85	65.17	22.88	108.72	25.95	131.55	61.42 to 79.06	523,015	340,865
_____ALL_____	53	69.03	68.88	61.08	20.90	112.77	25.95	131.55	63.71 to 75.42	539,346	329,435

16 Cherry

AGRICULTURAL LAND

PAD 2012 R&O Statistics (Using 2012 Values)

Qualified

Date Range: 7/1/2008 To 6/30/2011 Posted on: 3/21/2012

Number of Sales :	53	MEDIAN :	69	COV :	29.17
Total Sales Price :	29,020,334	WGT. MEAN :	61	STD :	20.09
Total Adj. Sales Price :	28,585,334	MEAN :	69	Avg. Abs. Dev :	14.43
Total Assessed Value :	17,460,053				
Avg. Adj. Sales Price :	539,346	COD :	20.90	MAX Sales Ratio :	131.55
Avg. Assessed Value :	329,435	PRD :	112.77	MIN Sales Ratio :	25.95

95% Median C.I. :	63.71 to 75.42
95% Wgt. Mean C.I. :	54.07 to 68.09
95% Mean C.I. :	63.47 to 74.29

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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	7	64.22	60.02	43.27	22.66	138.71	29.55	86.17	29.55 to 86.17	514,834	222,789
0	7	64.22	60.02	43.27	22.66	138.71	29.55	86.17	29.55 to 86.17	514,834	222,789
_____Dry_____											
County	1	89.59	89.59	89.59	00.00	100.00	89.59	89.59	N/A	84,000	75,255
0	1	89.59	89.59	89.59	00.00	100.00	89.59	89.59	N/A	84,000	75,255
_____Grass_____											
County	36	68.96	69.96	63.58	22.24	110.03	25.95	131.55	61.42 to 78.43	636,981	405,022
0	36	68.96	69.96	63.58	22.24	110.03	25.95	131.55	61.42 to 78.43	636,981	405,022
_____ALL_____	53	69.03	68.88	61.08	20.90	112.77	25.95	131.55	63.71 to 75.42	539,346	329,435

Cherry County 2012 Average LCG Value Comparison

	County	Mkt Area	1A1	1A	2A1	2A	3A1	3A	4A1	4A	AVG IRR
16.10	Cherry	1	#DIV/0!	950	900	875	837	834	844	850	851
52.10	Keya Paha	1	1,300	1,300	1,199	1,200	1,170	1,170	1,150	1,150	1,176
9.10	Brown	1	#DIV/0!	1,787	1,854	1,911	1,509	1,527	1,341	1,426	1,650
5.10	Blaine	1	#DIV/0!	590	#DIV/0!	590	575	560	500	465	516
86.10	Thomas	1	#DIV/0!	#DIV/0!	540	535	#DIV/0!	450	#DIV/0!	450	466
46.10	Hooker	1	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	450	450
38.10	Grant	1	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	450	450	450	450
81.10	Sheridan	1	#DIV/0!	975	900	780	750	750	750	750	837

County	Mkt Area	1D1	1D	2D1	2D	3D1	3D	4D1	4D	AVG DRY
Cherry	1	#DIV/0!	550	525	475	450	425	400	400	463
Keya Paha	1	600	600	570	570	550	550	520	520	561
Brown	1	#DIV/0!	600	600	600	550	450	395	395	517
Blaine	1	#DIV/0!	465	#DIV/0!	#DIV/0!	290	290	290	290	293
Thomas	1	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Hooker	1	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Grant	1	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Sheridan	1	#DIV/0!	460	460	440	410	400	350	350	416

County	Mkt Area	1G1	1G	2G1	2G	3G1	3G	4G1	4G	AVG GRASS
Cherry	1	#DIV/0!	425	400	375	350	325	230	225	244
Keya Paha	1	500	500	480	480	450	450	430	430	439
Brown	1	#DIV/0!	451	451	451	423	340	260	260	280
Blaine	1	#DIV/0!	290	#DIV/0!	290	290	290	290	290	290
Thomas	1	#DIV/0!	#DIV/0!	260	260	#DIV/0!	260	260	260	260
Hooker	1	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	235	235	215	215	216
Grant	1	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	230	230	230	230
Sheridan	1	#DIV/0!	370	295	285	250	245	230	220	233

*Land capability grouping averages calculated using data reported on the 2012 Form 45, Abstract of Assessment

Agricultural and/or Special Valuation Correlation

A. Agricultural Land

Cherry County abuts the State of South Dakota to the north and is Nebraska's largest county in land area at 6,048 square miles (96 miles by 63 miles). It lies in the northern part of the Nebraska Sand Hills. Unique to the county is the Valentine National Wildlife Refuge, Fort Niobrara National Wildlife Refuge, Samuel R. McKelvie National Forest, and Niobrara National Scenic River, along with the natural waterfalls located along the rivers. An attribute affecting the market would be major roads for the delivery of hay and livestock. Primary roads running through Cherry County are highway 20 running east to west in the northern part of the county and highway 83 running from north to south in the eastern part of the county. Other highways that traverse the county are 12, 61 and 97. Two natural resource districts split this county; the Middle Niobrara Natural Resource District governs the largest part of the county to the north while the Upper Loup governs the southern part. The Middle Niobrara has a 99.9% moratorium and well restrictions, while the Upper Loup has a small area that has moratoriums and restrictions, but part of that district has a 2500 acre annual new well maximum.

Sales verification is normally done by phone, to a third party involved in the transaction such as the real estate agent, or one of the local attorneys. More often than not ranch properties sold in Cherry County will involve several thousand acres, out of town attorneys seem to be skeptical about sharing details or facts to help establish if the sale was or was not an arms length transaction. Local attorneys, real estate agents, and property appraisers are typically the most cooperative in determining the qualification of a sale.

The county is homogenous enough in makeup that no market areas have been created. A review of the agricultural sales over the three year study period indicate 14 sales occurred from 7/01/08 to 6/30/09, 8 sales occurred from 7/01/09 to 6/30/10 and 20 sales occurred from 7/01/10 to 6/30/11. The sample is not proportionate among each year of the study period. The way the sales are distributed over the study period may cause Cherry County to be compared to a different time standard than others as the first and second years of the study period are under-represented in comparison to the third year.

The sample indicates the land use to be 92% grass, this would be considered a good representation of the overall makeup of land use in Cherry County. With over approximately three and a half million acres of grass, or approximately 97%, naturally it is the most predominant land use, followed by some irrigated and dry crop land. The assessor has developed subclasses for meadows as they are an integral part of many ranches as a source of winter feed, and the market indicates a need to recognize them.

Comparable sales were identified and pooled together from the surrounding counties of Keya Paha, Brown, Blaine, Thomas, Hooker, Grant, and Sheridan counties. The sales were stratified by geo code to first determine the distance from Cherry County. The comparable sales were then further stratified by sale date and land use. From the pool 2 sales were brought into the first year of the study period and 9 were brought into the second year. The sample was considered adequate and proportionate and there was not a difference of more than 10 percentage points between each year.

The analysis, based on a sample of 53 sales, demonstrated the overall median to be 69.03%. Within the subclass Majority Land Use (MLU) greater than 95% strata grass the median is shown to be 68.96% (69% rounded) utilizing 32 sales and with a coefficient of dispersion (COD) of 22.88. The median for the MLU greater than 95% strata grass will be given the most consideration in determining the level of value for Cherry County since the makeup of the county is ninety-seven percent grass.

From the assessor's analysis of the agricultural land market the grassland values were adjusted upward. Even though there were not a lot of irrigated sales the assessor opted to recognize the movement in the market and adjusted the irrigated land values upward as well. Cherry County has a consistent method of assigning and implementing agricultural land values, it is believed that the assessments are uniform and proportionate within and across county lines.

Based on the consideration of all available information, the level of value is determined to be 69% of market value for the agricultural land class of property.

There will be no non-binding recommendations made for the agricultural class of property.

B. Analysis of Sales Verification

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

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

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

C. Measures of Central Tendency

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

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

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

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

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

D. Analysis of Quality of Assessment

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

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

Single-family residences: a COD of 15 percent or less.
For newer and fairly homogeneous areas: a COD of 10 or less.
Income-producing property: a COD of 20 or less, or in larger urban jurisdictions, 15 or less.
Vacant land and other unimproved property, such as agricultural land: a COD of 20 or less.
Rural residential and seasonal properties: a COD of 20 or less.

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

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

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 on Ratio Studies, adopted by the International Association of Assessing Officers, January, 2010, recommends that the PRD should lie between 98 and 103. This range is

centered slightly above 100 to allow for a slightly upward measurement bias inherent in the PRD.

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

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

Total Real Property (Sum Lines 17, 25, & 30) **Records :** 14,427 **Value :** 1,170,219,824 **Growth** 5,362,066 (Sum Lines 17, 25, & 41)

Schedule I : Non-Agricultural Records

	Urban		SubUrban		Rural		Total		Growth
	Records	Value	Records	Value	Records	Value	Records	Value	
01. Res UnImp Land	542	1,298,420	58	792,030	204	2,510,616	804	4,601,066	
02. Res Improve Land	1,459	8,109,670	93	1,848,234	198	3,997,401	1,750	13,955,305	
03. Res Improvements	1,521	81,303,193	94	12,287,159	213	20,331,399	1,828	113,921,751	
04. Res Total	2,063	90,711,283	152	14,927,423	417	26,839,416	2,632	132,478,122	1,767,306
% of Res Total	78.38	68.47	5.78	11.27	15.84	20.26	18.24	11.32	32.96
05. Com UnImp Land	152	1,103,192	34	471,878	14	2,867,829	200	4,442,899	
06. Com Improve Land	344	4,928,811	19	412,147	14	1,259,296	377	6,600,254	
07. Com Improvements	351	34,531,594	19	2,720,246	16	14,821,651	386	52,073,491	
08. Com Total	503	40,563,597	53	3,604,271	30	18,948,776	586	63,116,644	2,276,698
% of Com Total	85.84	64.27	9.04	5.71	5.12	30.02	4.06	5.39	42.46
09. Ind UnImp Land	0	0	0	0	0	0	0	0	
10. Ind Improve Land	0	0	0	0	0	0	0	0	
11. Ind Improvements	0	0	0	0	0	0	0	0	
12. Ind Total	0	0	0	0	0	0	0	0	0
% of Ind Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13. Rec UnImp Land	0	0	0	0	0	0	0	0	
14. Rec Improve Land	0	0	0	0	0	0	0	0	
15. Rec Improvements	0	0	0	0	0	0	0	0	
16. Rec Total	0	0	0	0	0	0	0	0	0
% of Rec Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Res & Rec Total	2,063	90,711,283	152	14,927,423	417	26,839,416	2,632	132,478,122	1,767,306
% of Res & Rec Total	78.38	68.47	5.78	11.27	15.84	20.26	18.24	11.32	32.96
Com & Ind Total	503	40,563,597	53	3,604,271	30	18,948,776	586	63,116,644	2,276,698
% of Com & Ind Total	85.84	64.27	9.04	5.71	5.12	30.02	4.06	5.39	42.46
17. Taxable Total	2,566	131,274,880	205	18,531,694	447	45,788,192	3,218	195,594,766	4,044,004
% of Taxable Total	79.74	67.12	6.37	9.47	13.89	23.41	22.31	16.71	75.42

Schedule II : Tax Increment Financing (TIF)

	Urban			SubUrban		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	0	0	0
19. Commercial	4	304,319	1,783,227	0	0	0
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
	Rural			**Total**		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	0	0	0
19. Commercial	0	0	0	4	304,319	1,783,227
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
22. Total Sch II				**4**	**304,319**	**1,783,227**

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	6	6,405	6	6,405	0
25. Total	0	0	0	0	6	6,405	6	6,405	0

Schedule IV : Exempt Records : Non-Agricultural

	Urban	SubUrban	Rural	Total
	Records	Records	Records	Records
26. Exempt	275	21	548	844

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	0	0	19	250,287	10,089	799,520,951	10,108	799,771,238
28. Ag-Improved Land	0	0	6	399,472	990	105,825,514	996	106,224,986
29. Ag Improvements	2	4,707	7	405,699	1,086	68,212,023	1,095	68,622,429
30. Ag Total							**11,203**	**974,618,653**

Schedule VI : Agricultural Records :Non-Agricultural Detail

	Urban			SubUrban			
	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	5	5.00	25,000	
33. HomeSite Improvements	0	0.00	0	6	5.00	349,429	
34. HomeSite Total							
35. FarmSite UnImp Land	0	0.00	0	0	0.00	0	
36. FarmSite Improv Land	0	0.00	0	3	11.00	2,480	
37. FarmSite Improvements	2	0.00	4,707	5	0.00	56,270	
38. FarmSite Total							
39. Road & Ditches	0	0.00	0	0	12.16	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
	Rural			**Total**			**Growth**
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	27	27.00	135,000	27	27.00	135,000	
32. HomeSite Improv Land	776	774.06	3,869,050	781	779.06	3,894,050	
33. HomeSite Improvements	819	718.06	47,402,234	825	723.06	47,751,663	1,318,062
34. HomeSite Total				**852**	**806.06**	**51,780,713**	
35. FarmSite UnImp Land	17	53.68	14,381	17	53.68	14,381	
36. FarmSite Improv Land	665	2,365.13	701,481	668	2,376.13	703,961	
37. FarmSite Improvements	975	0.00	20,809,789	982	0.00	20,870,766	0
38. FarmSite Total				**999**	**2,429.81**	**21,589,108**	
39. Road & Ditches	0	10,462.94	0	0	10,475.10	0	
40. Other- Non Ag Use	0	105.09	0	0	105.09	0	
41. Total Section VI				**1,851**	**13,816.06**	**73,369,821**	**1,318,062**

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	16	3,485.57	635,413	16	3,485.57	635,413

Schedule VIII : Agricultural Records : Special Value

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

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

Schedule IX : Agricultural Records : Ag Land Market Area Detail **Market Area 1**

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	336.82	0.67%	319,980	0.74%	950.00
47. 2A1	3,890.18	7.70%	3,501,162	8.14%	900.00
48. 2A	7,108.75	14.07%	6,220,159	14.46%	875.00
49. 3A1	4,029.36	7.98%	3,370,838	7.84%	836.57
50. 3A	8,878.95	17.57%	7,407,004	17.22%	834.22
51. 4A1	23,971.75	47.45%	20,239,904	47.05%	844.32
52. 4A	2,307.29	4.57%	1,961,199	4.56%	850.00
53. Total	50,523.10	100.00%	43,020,246	100.00%	851.50
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	698.93	3.51%	384,413	4.17%	550.00
56. 2D1	3,518.04	17.66%	1,846,974	20.03%	525.00
57. 2D	8,174.95	41.04%	3,883,110	42.11%	475.00
58. 3D1	867.35	4.35%	390,308	4.23%	450.00
59. 3D	2,141.95	10.75%	910,333	9.87%	425.00
60. 4D1	4,033.43	20.25%	1,613,372	17.49%	400.00
61. 4D	484.22	2.43%	193,688	2.10%	400.00
62. Total	19,918.87	100.00%	9,222,198	100.00%	462.99
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	1,370.45	0.04%	582,442	0.07%	425.00
65. 2G1	8,207.30	0.24%	3,282,920	0.39%	400.00
66. 2G	102,753.97	2.97%	38,512,829	4.55%	374.81
67. 3G1	171,042.42	4.94%	59,803,299	7.07%	349.64
68. 3G	241,959.84	6.99%	78,616,840	9.29%	324.92
69. 4G1	980,628.76	28.32%	225,534,216	26.65%	229.99
70. 4G	1,956,349.07	56.50%	440,097,712	51.99%	224.96
71. Total	3,462,311.81	100.00%	846,430,258	100.00%	244.47

Irrigated Total	50,523.10	1.41%	43,020,246	4.77%	851.50
Dry Total	19,918.87	0.56%	9,222,198	1.02%	462.99
Grass Total	3,462,311.81	96.56%	846,430,258	93.92%	244.47
72. Waste	52,816.23	1.47%	2,576,130	0.29%	48.78
73. Other	0.00	0.00%	0	0.00%	0.00
74. Exempt	7,405.95	0.21%	0	0.00%	0.00
75. Market Area Total	3,585,570.01	100.00%	901,248,832	100.00%	251.35

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	0.00	0	366.81	311,789	50,156.29	42,708,457	50,523.10	43,020,246
77. Dry Land	0.00	0	60.00	28,100	19,858.87	9,194,098	19,918.87	9,222,198
78. Grass	0.00	0	1,124.07	282,290	3,461,187.74	846,147,968	3,462,311.81	846,430,258
79. Waste	0.00	0	2.00	100	52,814.23	2,576,030	52,816.23	2,576,130
80. Other	0.00	0	0.00	0	0.00	0	0.00	0
81. Exempt	0.00	0	329.59	0	7,076.36	0	7,405.95	0
82. Total	**0.00**	**0**	**1,552.88**	**622,279**	**3,584,017.13**	**900,626,553**	**3,585,570.01**	**901,248,832**

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	50,523.10	1.41%	43,020,246	4.77%	851.50
Dry Land	19,918.87	0.56%	9,222,198	1.02%	462.99
Grass	3,462,311.81	96.56%	846,430,258	93.92%	244.47
Waste	52,816.23	1.47%	2,576,130	0.29%	48.78
Other	0.00	0.00%	0	0.00%	0.00
Exempt	7,405.95	0.21%	0	0.00%	0.00
Total	**3,585,570.01**	100.00%	**901,248,832**	100.00%	251.35

2012 County Abstract of Assessment for Real Property, Form 45 Compared with the 2011 Certificate of Taxes Levied (CTL)

16 Cherry

	2011 CTL County Total	2012 Form 45 County Total	Value Difference (2012 form 45 - 2011 CTL)	Percent Change	2012 Growth (New Construction Value)	Percent Change excl. Growth
01. Residential	130,250,713	132,478,122	2,227,409	1.71%	1,767,306	0.35%
02. Recreational	0	0	0		0	
03. Ag-Homesite Land, Ag-Res Dwelling	51,322,413	51,780,713	458,300	0.89%	1,318,062	-1.68%
04. Total Residential (sum lines 1-3)	**181,573,126**	**184,258,835**	**2,685,709**	**1.48%**	**3,085,368**	**-0.22%**
05. Commercial	60,412,028	63,116,644	2,704,616	4.48%	2,276,698	0.71%
06. Industrial	0	0	0		0	
07. Ag-Farmsite Land, Outbuildings	20,848,210	21,589,108	740,898	3.55%	0	3.55%
08. Minerals	6,405	6,405	0	0.00	0	0.00
09. Total Commercial (sum lines 5-8)	**81,266,643**	**84,712,157**	**3,445,514**	**4.24%**	**2,276,698**	**1.44%**
10. Total Non-Agland Real Property	**262,839,769**	**268,970,992**	**6,131,223**	**2.33%**	**5,362,066**	**0.29%**
11. Irrigated	36,717,872	43,020,246	6,302,374	17.16%		
12. Dryland	9,215,728	9,222,198	6,470	0.07%		
13. Grassland	794,664,756	846,430,258	51,765,502	6.51%		
14. Wasteland	2,576,130	2,576,130	0	0.00%		
15. Other Agland	0	0	0			
16. Total Agricultural Land	**843,174,486**	**901,248,832**	**58,074,346**	**6.89%**		
17. Total Value of all Real Property	**1,106,014,255**	**1,170,219,824**	**64,205,569**	**5.81%**	**5,362,066**	**5.32%**
(Locally Assessed)						

CHERRY COUNTY
2011
PLAN OF ASSESSMENT
(AMENDED)

All property in the State of Nebraska is subject to property tax unless expressly exempt by Nebraska Constitution or is permitted by the constitution and enabling legislation adopted by the legislature.

The standard for valuing certain classes of property for tax purposes is controversial in nature. Many feel a "production" basis would benefit our agricultural community. Although much time and service has been allotted to changing this standard, the standard remains:

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."

Our assessment levels are also defined by statute:

- 100% of actual value for all classes of real property excluding agricultural and horticultural land;
- 75% of actual value for agricultural and horticultural land;
- 75% of special valuation for agricultural and horticultural land which meets qualifications for special valuation

The assessor's office consists of the assessor, deputy, and one full-time clerk. The county contracts with an appraisal company for aid with property revaluation, appraisal updating, and maintenance issues. Currently, the assessor feels the office is not at a sufficient level of staffing needed for completing basic operations. Ideally, more appraiser services would benefit the county, and some networking has been started with other surrounding counties to explore potential possibilities.

The importance of continuing education is recognized by this office. The assessor, and now her deputy, will attend assessor workshops that are offered by Property Assessment Division and the Nebraska Assessor Association. The cost is not prohibitive, and much information is derived through speakers and networking with other assessors throughout the state. She would like to take some further IAAO courses during the next term.

As far as record management, records in the Cherry County Assessor's office are basically **public information.** There are a few exceptions, which are labeled confidential, and admission to these files is carefully screened.

Due to the size of Cherry County, various methods are utilized to access property information. Index cards give an alphabetical listing of all property owned under a particular name. Property record files are filed by legal description. Our computer system had the capability to run property record files for the public. This ability is frequently used by real estate agents, banks, appraisers, FSA office, and insurance companies. Cadastral maps are kept current by office clerks. The maps are old, but property can readily be identified and located by using them.

The office uses Terra Scan assessment and appraisal system for electronic property record files and appraisal assistance. In the fall of 2008, we upgraded our server and other hardware. The office has installed wireless internet service to electronically file reports and to aid with e-mail. A State Record Boards grant has been approved to add GIS services, this should be implemented by 2-15-2012.

Sales review is an important factor in establishing fair market values. Statistics are only as reliable as the sample they are derived from. Cherry County adheres to the minimum standards of sales review from the International Association of Assessing Officers, Standard of Ratio Studies, 2007. These standards include, but are not limited to:

- Cherry County recognizes all sales over $2.25 in Doc Stamps or $100 consideration as arms-length transactions, unless verification proves otherwise
- Verification is made on all sales, usually with a knowledgeable third party
- In verifications, a standard form of questions is used. For residential and commercial sales, sales are verified and the response noted on supplemental sheets.
- Adjustments are made through the verification process if not noted on the Form 521.

Cherry County processed 308 real estate transfers. Over the past two years, the number of real estate transfer statements has slowed in number. It has been obvious that even though transfers have slowed in number, average, maintained properties have retained their value even with the current recession.

Cherry County mailed over 900 personal property returns last January. The office refers to Regulations-Chapter 20 for guidance in the assessment of personal property.

Cherry County will process approximately 250 Homestead Exemption Applications. We make every effort to inform our taxpayers about homestead exemptions. This is one of the few forms of tax relief offered to our citizens, and this exemption loss is reimbursed to the county by the state. We personally visit the Valentine Senior Center, Northwest Community Action, Veteran's Service Office, and publish notice in the local newspaper for new filers. We mail previous filers new application forms annually. As a courtesy, we mail and phone reminders for former applicants to timely file their applications.

In the area of property discovery, the biggest obstacle for Cherry County is its size. Cherry County encompasses 6000 square miles and is dissected by a time zone. Because of the size of this county, our office utilizes building and zoning permits. We can pinpoint new building projects with little cost or time allocation. In April 2009, we contracted with an aerial photography company to take pictures of all sites in rural Cherry County. The pictures were excellent, and provided us with a tool for discovering new construction. Site plans were mailed to landowners to verify. With almost all appraisal maintenance, an external physical inspection is done at the time of listing.

As far as land usage, FSA maps were a great tool. However, these records have now been closed for public use. During the certification of irrigated acres, a requirement from the local natural resource district was that irrigators were responsible to furnish us with a map so we could locate the irrigated area. This worked out ideally, and again gave us the information we needed with minimal time and expense. We also mail questionnaires to known CRP participants to verify if they are still in the program, and to verify acre amounts. The Natural Resource Districts are contemplating doing a certification for CRP participants involving acres and maps, similar to the irrigated acres.

Our office considers assessment/sale ratio studies supplied by the Property Assessment Division a tool in considering assessment actions. These studies may work as a flag for detecting problems with our assessment practices. I also feel it necessary to give credit to our field liaison, Pat Albro, for her assistance in answering questions concerning our assessment actions. She does an excellent job for her counties.

Information concerning statistical measures such as level of values, etc. is contained in the 2011 Reports and Opinions, issued by the Property Tax Administrator, April 2011.

2012 ASSESSMENT ACTIONS

Residential-We will implement all new 9-1-1 addressing through the rural residential sites and villages. Despite the struggle some states are experiencing, we have not seen values deteriorate on maintained properties. It appears, especially in times of recession, these properties retain their value. The challenge comes more from lenders tightening up requirements for loans. Per LB 334, that includes the 6-year inspection review, we have completed our residential review. We seem to be having difficulties with our rural residential acreages. There have been changes done to properties we have not been aware of until sale, and this type of property class is one of the most sought-after. For the sake of quality control, we will continue to do a review on these properties for changes or additions to improvements &/or land values. Another problem area we will explore is our villages. In a lot of cases, sales of property are done without being exposed on the open market, or any appraisal done. Lots right next to each other can have hundreds of dollars difference per lot for no apparent reason. It is hard to find a "market". Also, to further quality control, we are focusing on basement finishes. We will be mailing questionnaires to taxpayers to verify any changes to their property record files. We will be addressing our residential statistics with our contracted appraiser to get his input about a residential review for Cherry County. Appraisal maintenance will be completed.

Commercial- The major area of focus was the new championship golf course that opened May 31, 2010. We will pick-up additional construction. It will be interesting to see how our commercial levels are retaining. We have had a several commercial sales over the past year, however, there are so few that are common either in location or occupancy, it is difficult to derive the market from these sales. We have had no new TIF projects during the past year. All appraisal maintenance will be completed. Per LB 334, the six-year review, we will complete the commercial review.

Agriculture- Cherry County has a single market area. Cherry County did not increase their agricultural land values for the 2011 year. An additional methodology was utilized by the Department of Property Assessment termed "extended agland analysis". The purpose of this was to guarantee counties equalization by using comparable sales across county lines. For Cherry County, this was a good thing. The analysis supported the fact that Cherry County did not need to increase agricultural land values. This fact was also supported by the assessor. On the basis of her grass sales, and her county being 98% grass, this market was not as driven as it had been in the past. Going forward into 2011, sales have not resumed their hectic pace. We will be examining these sales for further adjustments. We will also be monitoring an area along the Snake River corridor for special valuation potential. Per LB 334, after verifying site plans with taxpayers, examining aerial photos, confirming land use with NRD's and taxpayers and applying all changes, our agricultural review is complete. As previously mentioned, we have applied for, and had approved, a grant to implement GIS . This should be implemented by

February 2012. All updating of 9-1-1 addressing in rural areas will be complete. Appraisal maintenance will be completed.

2013 PLANNED ACTIONS

Residential - Complete appraisal maintenance. If warranted, it might be time again to review values for Valentine City. We are consulting our contracted appraiser for his opinion A review does not necessarily mean all values will go up, but rather values are equalized again. It may also mean appropriately adjusting lot values as well as improvement values. Review rural acreages and villages for problem areas.

Commercial -Complete appraisal maintenance. Would like to see more happen in the commercial market as to similar location &/or occupancy classes before doing a complete commercial review. Also, review income approach to value.

Agricultural - Concentrate on improving sales review. Monitor the market. Keep aware of legislative changes. Complete appraisal maintenance.

GIS should be fully implemented by now in all classes.

2014
PLANNED ACTIONS

Residential -Monitor sales in county and review for problem areas. Complete appraisal maintenance.

Commercial -Do all appraisal maintenance. Review all subclasses of commercial properties to detect problem areas. Review and inspect for LB 334 compliance.

Agricultural - Concentrate on sales review. Monitor the market. Continue with appraisal maintenance.

Conclusion

It is a common business practice to prepare a budget and plan a course of action. It is no different with county business. Our recent economic slowdown has not been budget-friendly. The county board took the position this year to eliminate the separate Reappraisal Fund, and merge it with the County General Fund. This moved a little over $99,000 into the General Fund. This office was allotted $50,000 for appraisal needs for the coming budget period. These needs will include expenses associated with the new GIS system to be installed after the first of the year. We owe it to our taxpayers for proportionate assessments at the most economical/efficient means possible. Hopefully this shifting of funds will not impact negatively on assessment functions.

Our job is never done. In our world of assessment practice, we can never let ourselves become satisfied that there is no room for improvement, that we are done researching alternate methods to accomplish accurate assessments, or our appraisal education is complete.

Our board is a very informed, supportive board, and also answers to our taxpayers concerning assessment practices and expenditures of tax dollars.

That being said, it will continue to be the goal of this office to comply with state statute and regulations to provide uniform and proportionate assessments on all properties in Cherry County.

And, as always, it is the utmost goal of this office to make every effort to promote good public relations and stay sensitive to the needs of its public.

Respectfully submitted,

Betty J. Daugherty
Cherry County Assessor
Amended September 23, 2011

2012 Assessment Survey for Cherry 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:**
	1
5.	**Number of shared employees:**
	0
6.	**Assessor's requested budget for current fiscal year:**
	$ 122,261
7.	**Adopted budget, or granted budget *if different from above*:**
	same
8.	**Amount of the total assessor's budget set aside for appraisal work:**
	$ 50,000
9.	**If appraisal/reappraisal budget is a separate levied fund, what is that amount:**
	none
10.	**Part of the assessor's budget that is dedicated to the computer system:**
	$ 16,300
11.	**Amount of the assessor's budget set aside for education/workshops:**
	$ 3,200
12.	**Other miscellaneous funds:**
	none
13.	**Amount of last year's assessor's budget not used:**
	$ 4,651

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?**
	Office clerk
5.	**Does the county have GIS software?**
	Working with GIS Workshop to implement

6.	**Is GIS available on a website? If so, what is the name of the website?**
	No currently.
7.	**Who maintains the GIS software and maps?**
	Office staff and GIS Workshop will maintain when converted this spring.
8.	**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?**
	Valentine
4.	**When was zoning implemented?**
	2000

D. Contracted Services

1.	**Appraisal Services:**
	Knoche Consulting & Appraisal
2.	**Other services:**
	GIS Workshop, TerraScan Inc.

2012 Certification for Cherry County

This is to certify that the 2012 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 Cherry County Assessor.

Dated this 9th day of April, 2012.

Ruth A. Sorensen
Property Tax Administrator

STATE OF NEBRASKA
PROPERTY TAX ADMINISTRATOR
DEPT. OF REVENUE PROPERTY ASSESSMENT DIVISION