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## 2012 Commission Summary for Dawson County

### Residential Real Property - Current

Number of Sales	376	Median	97.42
Total Sales Price	\$38,145,540	Mean	100.37
Total Adj. Sales Price	\$38,283,540	Wgt. Mean	97.79
Total Assessed Value	\$37,435,825	Average Assessed Value of the Base	\$69,772
Avg. Adj. Sales Price	\$101,818	Avg. Assessed Value	\$99,563

### Confidence Interval - Current

95% Median C.I	96.58 to 98.40
95% Wgt. Mean C.I	96.36 to 99.21
95% Mean C.I	97.63 to 103.11
% of Value of the Class of all Real Property Value in the	33.48
% of Records Sold in the Study Period	4.46
% of Value Sold in the Study Period	6.36

### Residential Real Property - History

Year	Number of Sales	LOV	Median
2011	425	98	98
2010	441	98	98
2009	526	98	98
2008	652	98	98

## 2012 Commission Summary for Dawson County

### Commercial Real Property - Current

Number of Sales	70	Median	99.16
Total Sales Price	\$14,134,870	Mean	108.32
Total Adj. Sales Price	\$14,365,802	Wgt. Mean	103.33
Total Assessed Value	\$14,843,952	Average Assessed Value of the Base	\$177,568
Avg. Adj. Sales Price	\$205,226	Avg. Assessed Value	\$212,056

### Confidence Interval - Current

95% Median C.I	98.52 to 99.71
95% Wgt. Mean C.I	95.48 to 111.18
95% Mean C.I	99.29 to 117.35
% of Value of the Class of all Real Property Value in the County	11.89
% of Records Sold in the Study Period	5.95
% of Value Sold in the Study Period	7.10

### Commercial Real Property - History

Year	Number of Sales	LOV	Median
2011	76	99	99
2010	79	100	95
2009	82	95	95
2008	94	97	97



## 2012 Opinions of the Property Tax Administrator for Dawson County

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

Class	Level of Value	Quality of Assessment	Non-binding recommendation
<b>Residential Real Property</b>	97	Meets generally accepted mass appraisal practices.	No recommendation.
<b>Commercial Real Property</b>	99	Meets generally accepted mass appraisal practices.	No recommendation.
<b>Agricultural Land</b>	69	Meets generally accepted mass appraisal practices.	No recommendation.
<b>Special Valuation of Agricultural Land</b>	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 Dawson County**

Residential parcels within Valuation Grouping 3 (Gothenburg) were reappraised for 2012. The reappraisal was conducted by the contract appraisal service; it included a physical inspection of all residential properties. When possible, an interview with the property owners or interior inspection was also completed. On sold parcels, the interviewing appraiser would also attempt to verify terms of the sale.

After the physical inspection, all changes were entered into the CAMA system. The cost approach was considered, as was a market price per square foot model that is developed by the contract appraisal service. All parcels were revalued for 2012, generally showing moderate increases.

The physical inspection of residential properties within Lexington began during 2011, but could not be completed for this year. The review work will be completed during 2012, and all properties within Lexington will be reappraised for 2013.

A high-end home model was developed by the contract appraiser and the assessor. In order for a property to be valued using this model, it had to meet certain square footage and quality criteria. The assessor notes that classes in this subclass are not as affected by location as typical single family dwellings can be; therefore, the model is used countywide with locational adjustments accounted for in the land values.

Within the rest of the residential class, only routine maintenance was completed. A sales study was conducted and indicated that appraisal tables in the rest of the county are maintaining values within the acceptable range. The pickup work was completed timely.

## 2012 Residential Assessment Survey for Dawson County

1.	<b>Valuation data collection done by:</b>	
	The office appraiser, the assessor, and the contract appraisal service	
2.	<b>In your opinion, what are the valuation groupings recognized in the County and describe the unique characteristics of each grouping:</b>	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	01	Lexington – largest community in the county. Has significantly more jobs/industry than the other communities, including Tyson Foods which is the largest employer in the county. Tyson has brought a significant amount of cultural diversity to Lexington, which has had a unique impact on the market.
	02	Cozad – in the middle of the county located between Gothenburg and Lexington. Cozad has not experienced the amount of growth that Gothenburg and Lexington have over recent years. The market is active and fairly stable here, but generally softer than the market in Gothenburg and Lexington.
	03	Gothenburg – located on the western edge of the county, within commuting distance to North Platte. Gothenburg has a very strong residential market with good growth in recent years.
	04	Overton, Sumner & surrounding rural – smaller villages with their own school systems and basic services. The market is slower in these towns, but generally stable.
	05	Johnson Lake & Plum Creek Canyon – the market in both of these areas is influenced by location. Johnson Lake offers recreational opportunities that have been desirable to buyers and the Plum Creek Canyons area offers superior views and a remoteness that has been desirable to buyers.
	06	Farnam, Eddyville, surrounding rural and Midway Lake – this group consists of the more depressed areas of the county. All areas are off the I-80/Hwy 30 corridor, and are more remote than the other areas of the county. There are no schools and limited services in these areas. The market tends to be sporadic.
	07	Cozad & Lexington Rural – demand for rural housing around these communities has kept rural homes selling for a premium, however, the market in this part of the county is generally softer than the rural market around Gothenburg.
	08	Gothenburg Rural – includes rural residential and the homes at the Wild Horse Golf Course. Growth in Gothenburg and its proximity to North Platte has kept the demand for rural housing high in recent years. The market is quite strong in this area.
3.	<b>List and describe the approach(es) used to estimate the market value of residential properties.</b>	
	The cost approach and a market value approach are both developed by the contract	

	appraisal service. The cost approach uses pricing and depreciation from Marshall and Swift. The market value approach stratifies sales by location, style, age, and other characteristics impacting the market to develop a per square foot market value.
4.	<b>What is the costing year of the cost approach being used for each valuation grouping?</b>
	2010
5.	<b>If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?</b>
	The county relies upon the CAMA depreciation tables for the cost approach; however, a market approach is developed using local market data.
6.	<b>Are individual depreciation tables developed for each valuation grouping?</b>
	No, since the depreciation tables for the cost approach come from the CAMA system they are not specific to valuation groupings.
7.	<b>When were the depreciation tables last updated for each valuation grouping?</b>
	The market models, developed by the contract appraisal service, are updated in conjunction with the reappraisal cycle. 01 – 2007, 02 – 2009, 03 – 2012, 04, 05, and 06 – 2011, 07 and 08 – 2010
8.	<b>When was the last lot value study completed for each valuation grouping?</b>
	Lot value studies are completed during the cyclical reappraisal. 01 – 2007, 02 – 2009, 03 – 2012, 04, 05, and 06 – 2011, 07 and 08 – 2010
9.	<b>Describe the methodology used to determine the residential lot values?</b>
	Lot values in the towns and villages are established using a cost per square foot analysis. For the lake properties, a leasehold value per unit was established because market prices do not necessarily relate to the size of the parcel. Because there are very few lot sales at the lake, leasehold values are monitored by deriving a lease residual from the selling price less the improvement.
10.	<b>How do you determine whether a sold parcel is substantially changed?</b>
	Generally, a parcel is considered substantially changed when the use or square footage of the property changes. However, these determinations are subject to the opinion of the appraiser that reviews the property.

**24 Dawson**  
**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 : 376  
Total Sales Price : 38,145,540  
Total Adj. Sales Price : 38,283,540  
Total Assessed Value : 37,435,825  
Avg. Adj. Sales Price : 101,818  
Avg. Assessed Value : 99,563

MEDIAN : 97  
WGT. MEAN : 98  
MEAN : 100  
COD : 13.04  
PRD : 102.64

COV : 26.97  
STD : 27.07  
Avg. Abs. Dev : 12.70  
MAX Sales Ratio : 349.10  
MIN Sales Ratio : 32.50

95% Median C.I. : 96.58 to 98.40  
95% Wgt. Mean C.I. : 96.36 to 99.21  
95% Mean C.I. : 97.63 to 103.11

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**DATE OF SALE \***

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Qtrts</u>											
01-JUL-09 To 30-SEP-09	71	96.88	99.77	96.57	13.06	103.31	63.66	349.10	93.88 to 99.15	102,194	98,693
01-OCT-09 To 31-DEC-09	46	96.80	105.01	98.27	13.94	106.86	75.20	344.80	95.85 to 100.93	89,458	87,911
01-JAN-10 To 31-MAR-10	36	99.67	105.34	102.61	11.83	102.66	80.56	187.50	97.72 to 108.70	103,288	105,984
01-APR-10 To 30-JUN-10	64	96.33	97.91	97.70	09.18	100.21	66.27	148.63	94.41 to 97.94	102,161	99,806
01-JUL-10 To 30-SEP-10	53	98.94	103.88	99.00	15.95	104.93	60.26	272.47	95.97 to 102.54	108,500	107,415
01-OCT-10 To 31-DEC-10	37	97.49	102.11	98.92	16.00	103.22	54.69	242.96	95.13 to 99.88	102,149	101,045
01-JAN-11 To 31-MAR-11	23	98.18	100.36	98.12	11.40	102.28	75.36	148.99	91.96 to 102.87	85,515	83,908
01-APR-11 To 30-JUN-11	46	96.10	90.74	93.43	12.51	97.12	32.50	120.59	87.64 to 98.40	112,157	104,785
<u>Study Yrs</u>											
01-JUL-09 To 30-JUN-10	217	97.29	101.26	98.27	12.04	103.04	63.66	349.10	96.44 to 98.63	99,666	97,946
01-JUL-10 To 30-JUN-11	159	97.49	99.16	97.15	14.41	102.07	32.50	272.47	95.97 to 98.99	104,755	101,771
<u>Calendar Yrs</u>											
01-JAN-10 To 31-DEC-10	190	97.93	101.80	99.23	13.09	102.59	54.69	272.47	96.70 to 99.09	104,140	103,341
<u>ALL</u>	376	97.42	100.37	97.79	13.04	102.64	32.50	349.10	96.58 to 98.40	101,818	99,563

**VALUATION GROUPING**

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	132	96.68	99.07	96.67	14.75	102.48	36.97	349.10	93.52 to 98.69	83,917	81,126
02	63	98.41	107.53	100.20	18.09	107.32	72.69	344.80	95.21 to 101.30	80,484	80,648
03	86	97.64	99.82	100.13	06.13	99.69	57.68	148.99	96.88 to 98.94	110,776	110,919
04	21	98.13	95.80	96.28	11.25	99.50	32.50	117.69	93.89 to 106.41	99,631	95,926
05	45	94.41	99.95	93.73	17.39	106.64	60.26	272.47	89.27 to 99.14	151,166	141,687
06	6	85.22	85.51	84.22	10.98	101.53	61.51	103.42	61.51 to 103.42	64,083	53,971
07	19	98.84	97.27	99.23	07.03	98.02	61.84	112.73	92.01 to 103.01	141,895	140,808
08	4	107.26	108.12	113.23	06.85	95.49	95.15	122.83	N/A	158,500	179,463
<u>ALL</u>	376	97.42	100.37	97.79	13.04	102.64	32.50	349.10	96.58 to 98.40	101,818	99,563

**PROPERTY TYPE \***

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	375	97.49	100.41	97.91	13.03	102.55	32.50	349.10	96.63 to 98.40	101,036	98,921
06	1	86.20	86.20	86.20	00.00	100.00	86.20	86.20	N/A	395,000	340,490
07											
<u>ALL</u>	376	97.42	100.37	97.79	13.04	102.64	32.50	349.10	96.58 to 98.40	101,818	99,563

**24 Dawson**  
**RESIDENTIAL**

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Qualified

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 Avg. Assessed Value : 99,563

MEDIAN : 97  
 WGT. MEAN : 98  
 MEAN : 100  
 COD : 13.04  
 PRD : 102.64

COV : 26.97  
 STD : 27.07  
 Avg. Abs. Dev : 12.70  
 MAX Sales Ratio : 349.10  
 MIN Sales Ratio : 32.50

95% Median C.I. : 96.58 to 98.40  
 95% Wgt. Mean C.I. : 96.36 to 99.21  
 95% Mean C.I. : 97.63 to 103.11

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SALE PRICE *											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
<u>Low \$ Ranges</u>												
Less Than 5,000	1	32.50	32.50	32.50	00.00	100.00	32.50	32.50	N/A	1,000	325	
Less Than 15,000	4	219.87	204.26	237.52	40.76	86.00	32.50	344.80	N/A	7,500	17,814	
Less Than 30,000	27	115.43	135.41	128.80	44.66	105.13	32.50	349.10	95.47 to 130.18	21,400	27,564	
<u>Ranges Excl. Low \$</u>												
Greater Than 4,999	375	97.49	100.55	97.79	12.88	102.82	36.97	349.10	96.63 to 98.40	102,087	99,828	
Greater Than 14,999	372	97.33	99.25	97.68	11.65	101.61	36.97	349.10	96.54 to 98.38	102,832	100,442	
Greater Than 29,999	349	97.22	97.66	97.31	09.77	100.36	36.97	148.99	96.44 to 98.12	108,039	105,134	
<u>Incremental Ranges</u>												
0 TO 4,999	1	32.50	32.50	32.50	00.00	100.00	32.50	32.50	N/A	1,000	325	
5,000 TO 14,999	3	242.96	261.51	244.59	20.31	106.92	196.77	344.80	N/A	9,667	23,644	
15,000 TO 29,999	23	113.25	123.44	122.85	33.34	100.48	61.51	349.10	95.47 to 125.15	23,817	29,259	
30,000 TO 59,999	71	96.70	96.62	96.99	13.99	99.62	36.97	148.99	93.03 to 99.84	46,107	44,718	
60,000 TO 99,999	117	97.68	99.86	99.85	09.69	100.01	72.69	148.63	96.37 to 99.59	78,482	78,363	
100,000 TO 149,999	94	96.36	96.36	96.31	08.44	100.05	61.05	129.48	94.55 to 98.40	122,972	118,434	
150,000 TO 249,999	54	97.40	96.70	96.72	07.31	99.98	60.26	116.10	95.95 to 99.38	179,368	173,480	
250,000 TO 499,999	13	96.29	96.91	96.08	07.07	100.86	84.49	122.83	88.99 to 101.10	308,038	295,952	
500,000 TO 999,999												
1,000,000 +												
<u>ALL</u>	376	97.42	100.37	97.79	13.04	102.64	32.50	349.10	96.58 to 98.40	101,818	99,563	



## **2012 Correlation Section for Dawson County**

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### **A. Residential Real Property**

The residential market in Dawson County's three larger communities is influenced by various manufacturing employers, a large meat-packing plant in Lexington, and by a strong agricultural economy. Parcels in the more rural areas of the county are heavily influenced by the presence or absence of a school system within the community and by their proximity to employment opportunities. The valuation groupings have been structured based on these influences.

The sales verification process in the county is conducted through a variety of means. As part of the appraisal cycle, the contracted appraisal service will verify the sales in the area(s) being reviewed. This will include an interview with the buyers or sellers whenever possible. Additionally, the county assessor, deputy county assessor, and in-house appraiser will conduct a sales review. Public records and other government officials are often sources of sales information. When necessary, the buyer or seller, an attorney, realtor or other professional is contacted to discover terms of a sale.

The county is currently completing a county wide reappraisal. Prior to this year, all properties except those within valuation groupings 01 and 03 were reappraised. Group 03, Gothenburg, was reappraised by the contract appraisal service for 2012. When an area is reappraised all parcels are reviewed on site and revalued by considering both the cost approach and a market model developed by the appraisal service. The reappraisal is scheduled to be completed for assessment year 2013.

The abstract of assessment and an analysis of sold properties reflect the actions reported by the county assessor; the sample of sales reasonably represents the population. All valuation groupings except 06 and 08 have a sufficient number of sales and are appraised at relatively similar levels. Groupings 06 and 08 have been reappraised during the past two assessment years using the same process that was employed in the rest of the valuation groupings; therefore, it is believed that assessments in these groups are acceptable. The quality statistics support that residential assessments are uniform and proportionate.

Based on the review of all available information and the county assessor's commitment to completing a reappraisal of the class it is believed that residential assessments are as uniform as possible. The level of value of residential parcels in Dawson County is determined to be 97%; all subclasses are within the acceptable range.

**2012 Correlation Section  
for Dawson County**

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**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.



## 2012 Correlation Section for Dawson County

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### **C. Measures of Central Tendency**

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

## 2012 Correlation Section for Dawson County

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### D. Analysis of Quality of Assessment

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

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

**2012 Correlation Section  
for Dawson County**

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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 Dawson County**

All industrial parcels were inspected and reviewed for 2012; valuation adjustments were made where warranted. With the 2011 reappraisal of all commercial properties, this completes the review cycle within the class.

Only routine maintenance occurred for the commercial properties. A ratio study was conducted; no adjustments were made to the appraisal tables. The pickup work was completed timely.

## 2012 Commercial Assessment Survey for Dawson County

1.	<b>Valuation data collection done by:</b>	
	The office appraiser, the assessor, and the contract appraisal service	
2.	<b>In your opinion, what are the valuation groupings recognized in the County and describe the unique characteristics of each grouping:</b>	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	01	Cozad, Gothenburg & Lexington and industrial areas outside of these towns. All three towns are located along the I-80/Hwy 30 corridor and have similar economic influence.
	02	Rest of County – includes the villages of Overton, Sumner, Eddyville, and Farnam. There are very few commercial parcels in the rest of the county, and the market tends to be disorganized.
3.	<b>List and describe the approach(es) used to estimate the market value of commercial properties.</b>	
	The income approach is utilized for all properties where rent, income, and expense data can be obtained. The sales comparison approach is also used for properties of the same occupancy codes if sufficient sales data is available. Where there are insufficient sales to conduct the income and sales comparison approaches, the cost approach is used to arrive at value.	
3a.	<b>Describe the process used to value unique commercial properties.</b>	
	The contract appraiser uses information from across the state to develop the value for unique commercial properties. A separate appraisal contract is maintained for the large industrial properties in the county.	
4.	<b>What is the costing year of the cost approach being used for each valuation grouping?</b>	
	2010	
5.	<b>If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?</b>	
	The county uses depreciation tables provided within the CAMA package; however, the contract appraiser also develops a market valuation model using local sale information.	
6.	<b>Are individual depreciation tables developed for each valuation grouping?</b>	
	Within the commercial class, models are developed based on occupancy code when sufficient data exists.	
7.	<b>When were the depreciation tables last updated for each valuation grouping?</b>	
	2011	
8.	<b>When was the last lot value study completed for each valuation grouping?</b>	
	2011	
9.	<b>Describe the methodology used to determine the commercial lot values.</b>	
	Lot values for properties along highway and main street strips are developed using a front foot analysis. In areas where the market does not show a locational influence,	

	the square foot method is employed.
10.	<b>How do you determine whether a sold parcel is substantially changed?</b>
	Generally, a parcel is considered substantially changed when the use or square footage of the property changes. However, these determinations are also subject to the opinion of the appraiser that reviews the property.

**24 Dawson**  
**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 : 70  
Total Sales Price : 14,134,870  
Total Adj. Sales Price : 14,365,802  
Total Assessed Value : 14,843,952  
Avg. Adj. Sales Price : 205,226  
Avg. Assessed Value : 212,056

MEDIAN : 99  
WGT. MEAN : 103  
MEAN : 108  
COD : 18.48  
PRD : 104.83

COV : 35.60  
STD : 38.56  
Avg. Abs. Dev : 18.32  
MAX Sales Ratio : 315.28  
MIN Sales Ratio : 45.56

95% Median C.I. : 98.52 to 99.71  
95% Wgt. Mean C.I. : 95.48 to 111.18  
95% Mean C.I. : 99.29 to 117.35

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**DATE OF SALE \***

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Qtrts</u>											
01-JUL-08 To 30-SEP-08	3	99.40	123.45	98.96	25.39	124.75	97.61	173.33	N/A	488,267	483,167
01-OCT-08 To 31-DEC-08	7	99.00	119.01	108.93	21.73	109.25	95.35	226.00	95.35 to 226.00	119,071	129,710
01-JAN-09 To 31-MAR-09	6	99.55	99.20	99.21	02.38	99.99	95.00	105.29	95.00 to 105.29	610,333	605,504
01-APR-09 To 30-JUN-09	7	98.89	96.00	95.76	03.23	100.25	83.31	99.47	83.31 to 99.47	94,429	90,428
01-JUL-09 To 30-SEP-09	6	98.54	97.65	98.72	01.91	98.92	92.69	100.05	92.69 to 100.05	194,015	191,524
01-OCT-09 To 31-DEC-09	5	100.53	104.58	106.65	05.24	98.06	98.46	120.25	N/A	125,800	134,170
01-JAN-10 To 31-MAR-10	6	101.58	104.87	99.03	08.55	105.90	90.56	121.20	90.56 to 121.20	87,953	87,097
01-APR-10 To 30-JUN-10	12	100.58	130.58	116.10	34.68	112.47	89.43	315.28	94.39 to 144.75	303,078	351,859
01-JUL-10 To 30-SEP-10	6	99.00	107.36	94.03	28.55	114.18	68.71	168.36	68.71 to 168.36	154,989	145,734
01-OCT-10 To 31-DEC-10	4	74.72	73.45	81.03	25.16	90.65	45.56	98.78	N/A	75,750	61,383
01-JAN-11 To 31-MAR-11											
01-APR-11 To 30-JUN-11	8	102.13	108.63	96.72	28.42	112.31	67.41	174.00	67.41 to 174.00	69,228	66,956
<u>Study Yrs</u>											
01-JUL-08 To 30-JUN-09	23	99.11	107.42	100.03	11.59	107.39	83.31	226.00	97.61 to 99.60	287,883	287,978
01-JUL-09 To 30-JUN-10	29	99.71	113.96	110.19	17.68	103.42	89.43	315.28	98.46 to 103.45	205,439	226,375
01-JUL-10 To 30-JUN-11	18	96.36	100.39	92.66	28.97	108.34	45.56	174.00	70.00 to 110.45	99,264	91,977
<u>Calendar Yrs</u>											
01-JAN-09 To 31-DEC-09	24	99.13	99.00	99.51	03.26	99.49	83.31	120.25	97.67 to 99.60	254,837	253,584
01-JAN-10 To 31-DEC-10	28	99.33	111.93	108.66	26.81	103.01	45.56	315.28	94.39 to 103.45	192,771	209,458
<u>ALL</u>	70	99.16	108.32	103.33	18.48	104.83	45.56	315.28	98.52 to 99.71	205,226	212,056

**VALUATION GROUPING**

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	66	99.16	108.04	103.32	18.69	104.57	45.56	315.28	98.52 to 99.83	214,815	221,939
02	4	98.97	112.93	104.26	15.02	108.32	97.67	156.13	N/A	47,000	49,001
<u>ALL</u>	70	99.16	108.32	103.33	18.48	104.83	45.56	315.28	98.52 to 99.71	205,226	212,056

**PROPERTY TYPE \***

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
02	4	102.22	101.36	97.88	08.70	103.56	90.56	110.45	N/A	120,250	117,701
03	66	99.16	108.74	103.52	19.05	105.04	45.56	315.28	98.52 to 99.71	210,376	217,775
04											
<u>ALL</u>	70	99.16	108.32	103.33	18.48	104.83	45.56	315.28	98.52 to 99.71	205,226	212,056



**24 Dawson**  
**COMMERCIAL**

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SALE PRICE *											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
<u>Low \$ Ranges</u>												
Less Than 5,000	1	96.66	96.66	96.66	00.00	100.00	96.66	96.66	N/A	54,001	52,200	
Less Than 15,000	2	106.33	106.33	99.69	09.09	106.66	96.66	116.00	N/A	32,001	31,900	
Less Than 30,000	8	106.70	112.66	110.43	27.19	102.02	45.56	173.33	45.56 to 173.33	24,840	27,432	
<u>Ranges Excl. Low \$</u>												
Greater Than 4,999	69	99.18	108.49	103.35	18.70	104.97	45.56	315.28	98.52 to 99.83	207,417	214,373	
Greater Than 14,999	68	99.16	108.38	103.34	18.73	104.88	45.56	315.28	98.52 to 99.71	210,321	217,355	
Greater Than 29,999	62	99.16	107.76	103.23	17.08	104.39	63.73	315.28	98.52 to 99.71	228,501	235,879	
<u>Incremental Ranges</u>												
0 TO 4,999	1	96.66	96.66	96.66	00.00	100.00	96.66	96.66	N/A	54,001	52,200	
5,000 TO 14,999	1	116.00	116.00	116.00	00.00	100.00	116.00	116.00	N/A	10,000	11,600	
15,000 TO 29,999	6	109.30	114.77	115.54	32.43	99.33	45.56	173.33	45.56 to 173.33	22,453	25,942	
30,000 TO 59,999	15	98.70	132.89	132.91	42.64	99.98	67.41	315.28	94.20 to 168.36	45,088	59,927	
60,000 TO 99,999	14	99.94	105.02	103.84	12.11	101.14	68.71	174.00	98.46 to 110.45	71,964	74,725	
100,000 TO 149,999	11	97.96	93.19	93.65	06.72	99.51	63.73	104.69	83.31 to 99.00	124,545	116,641	
150,000 TO 249,999	12	99.49	96.44	95.43	06.98	101.06	70.00	120.25	98.89 to 99.93	196,244	187,273	
250,000 TO 499,999	2	105.56	105.56	104.62	05.76	100.90	99.48	111.63	N/A	384,000	401,744	
500,000 TO 999,999	4	95.86	96.61	96.87	05.84	99.73	89.43	105.29	N/A	705,647	683,588	
1,000,000 +	4	98.55	109.47	108.58	12.85	100.82	96.01	144.75	N/A	1,291,934	1,402,820	
<u>ALL</u>	70	99.16	108.32	103.33	18.48	104.83	45.56	315.28	98.52 to 99.71	205,226	212,056	

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**OCCUPANCY CODE**

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
108	1	99.48	99.48	99.48	00.00	100.00	99.48	99.48	N/A	443,000	440,687
303	1	96.01	96.01	96.01	00.00	100.00	96.01	96.01	N/A	1,540,000	1,478,478
326	2	98.70	98.70	99.79	03.75	98.91	95.00	102.39	N/A	35,500	35,425
336	1	120.25	120.25	120.25	00.00	100.00	120.25	120.25	N/A	200,000	240,500
343	2	98.37	98.37	98.12	00.77	100.25	97.61	99.12	N/A	977,445	959,095
344	5	98.27	98.01	103.51	06.08	94.69	86.77	111.63	N/A	149,565	154,810
346	1	98.46	98.46	98.46	00.00	100.00	98.46	98.46	N/A	65,000	64,000
349	5	99.41	105.88	100.34	23.57	105.52	63.73	174.00	N/A	127,400	127,829
350	4	98.74	95.78	96.84	03.63	98.91	85.71	99.93	N/A	96,250	93,213
352	8	104.40	115.08	105.94	17.56	108.63	90.56	208.45	90.56 to 208.45	108,063	114,479
353	10	95.53	113.55	88.89	41.27	127.74	67.41	226.00	68.71 to 173.33	89,243	79,324
381	1	99.71	99.71	99.71	00.00	100.00	99.71	99.71	N/A	200,000	199,414
384	2	98.83	98.83	98.96	00.31	99.87	98.52	99.14	N/A	50,000	49,478
386	1	98.89	98.89	98.89	00.00	100.00	98.89	98.89	N/A	225,000	222,500
387	1	95.35	95.35	95.35	00.00	100.00	95.35	95.35	N/A	112,500	107,268
389	1	156.13	156.13	156.13	00.00	100.00	156.13	156.13	N/A	18,000	28,103
406	2	71.48	71.48	74.63	36.26	95.78	45.56	97.39	N/A	20,500	15,300
408	1	83.31	83.31	83.31	00.00	100.00	83.31	83.31	N/A	121,000	100,800
410	3	92.60	95.77	96.18	05.71	99.57	89.43	105.29	N/A	720,000	692,521
412	1	99.49	99.49	99.49	00.00	100.00	99.49	99.49	N/A	1,125,000	1,119,300
420	1	121.20	121.20	121.20	00.00	100.00	121.20	121.20	N/A	28,218	34,200
421	1	99.47	99.47	99.47	00.00	100.00	99.47	99.47	N/A	75,000	74,600
426	1	103.45	103.45	103.45	00.00	100.00	103.45	103.45	N/A	48,500	50,175
436	1	139.02	139.02	139.02	00.00	100.00	139.02	139.02	N/A	45,000	62,560
470	2	99.00	99.00	99.00	00.00	100.00	99.00	99.00	N/A	100,000	99,000
471	4	99.36	99.05	99.34	00.66	99.71	97.67	99.83	N/A	83,000	82,449
493	1	99.40	99.40	99.40	00.00	100.00	99.40	99.40	N/A	150,000	149,100
494	2	130.38	130.38	144.51	11.03	90.22	116.00	144.75	N/A	610,218	881,850
528	4	110.94	159.30	134.66	52.88	118.30	100.05	315.28	N/A	90,875	122,373
<u>ALL</u>	<u>70</u>	<u>99.16</u>	<u>108.32</u>	<u>103.33</u>	<u>18.48</u>	<u>104.83</u>	<u>45.56</u>	<u>315.28</u>	<u>98.52 to 99.71</u>	<u>205,226</u>	<u>212,056</u>



## **2012 Correlation Section for Dawson County**

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### **A. Commercial Real Property**

The majority of commercial properties in Dawson County are in or around the communities of Cozad, Gothenburg, and Lexington. All three communities are along the I-80/Highway 30 corridor and have very similar economic influences. There is good demand for commercial properties in these areas; the market has been stable for the past several years. In the more rural areas of the county there is not an organized market for commercial properties, the market in these areas is heavily influenced by the small local population. Two valuation groupings have been developed based on these characteristics.

The sales verification process in the county is conducted through a variety of means. As part of the appraisal cycle, the contracted appraisal service will verify the sales in the area(s) being reviewed. This will include an interview with the buyers or sellers whenever possible. Additionally, the county assessor, deputy county assessor, and in-house appraiser will conduct a sales review. Public records and other government officials are often sources of sales information. When necessary, the buyer or seller, an attorney, realtor or other professional is contacted to discover terms of a sale. A review of the non-qualified sales rosters revealed no apparent bias in the qualification determinations.

The entire commercial class was reappraised for assessment year 2011; the county assessor reported only appraisal maintenance for commercial properties in 2012. The industrial properties were reviewed for 2012. Analysis of the sold commercial properties and the county's abstract of assessment supported the reported actions.

The commercial sample consists of 70 qualified sales. Because the county considers both location and occupancy code in determining commercial assessments, it is uncertain whether the types of sold properties proportionately represent the population. However, the stratification of sales by occupancy code suggests that the occupancies have generally been appraised at similar levels, and the coefficient of dispersion is low enough to suggest appraisal uniformity. Because last year's reappraisal was applied to sold and unsold properties consistently, and the statistical profile supports uniformity in the commercial assessments, the statistics can be considered in determining the level of value in the commercial class.

Based on a review of all available information, the quality of assessment of the commercial class has been determined to be in compliance with generally accepted mass appraisal standards. The level of value of commercial parcels within the county is 99%; all subclasses are within the acceptable range.

**2012 Correlation Section  
for Dawson County**

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**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.

## 2012 Correlation Section for Dawson County

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### C. Measures of Central Tendency

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

## 2012 Correlation Section for Dawson County

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### D. Analysis of Quality of Assessment

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

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

**2012 Correlation Section  
for Dawson County**

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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 Agricultural Assessment Actions for Dawson County**

Only routine maintenance occurred for the agricultural improvements. These properties were reviewed for assessment years 2010 and 2011; no adjustments were needed to the appraisal tables this year. The pickup work was completed timely.

A ratio study of agricultural land sales was conducted. All agricultural land in the county increased 6%, with the exception of a few grassland subclasses in market area 1 which were increased slightly more.

## 2012 Agricultural Assessment Survey for Dawson County

1.	<b>Valuation data collection done by:</b>	
	Data collection for the agricultural improvements is done by the office appraiser, the assessor, and the contract appraisal service. Land use and data collection for agricultural land is done by the assessor with the deputy assessor and office appraiser assisting when necessary.	
2.	<b>List each market area, and describe the location and the specific characteristics that make each unique.</b>	
	<b>Market Area</b>	<b>Description of unique characteristics</b>
	01	Consists of the Platte River Valley and rolling hills to the north of the valley. While the area consists of two distinct areas of soil and topographic make-up, the assessor notes that grain prices in recent years have caused strong demand for cropland in the area regardless of topography.
	02	This is the southwestern corner of the county; the terrain here is much rougher than the rolling hills found in area 1. The assessor notes that area 2 is influenced by Frontier County to the south, where there are many common land owners.
3.	<b>Describe the process that is used to determine and monitor market areas.</b>	
	The market areas were established based on geographic and topographic differences. A ratio study is conducted annually to monitor the areas.	
4.	<b>Describe the process used to identify rural residential land and recreational land in the county apart from agricultural land.</b>	
	Tracts of land that are less than 20 acres are reviewed for residential use. Parcels that are in close proximity to bodies of water (Johnson Lake, Platte River, etc.) are reviewed for recreational use.	
5.	<b>Do farm home sites carry the same value as rural residential home sites or are market differences recognized? If differences, what are the recognized market differences?</b>	
	The county does not differentiate a value between farm home sites and rural residential home sites; however, there are differences in the home site value based on location. Parcels closest to Lexington are valued at \$15,000 for the first acre. Those away from Lexington, but along the I-80/Hwy 30 corridor are \$10,000 for the first acre, and those in the more rural areas of the county are assessed at \$5,000 for the first acre.	
6.	<b>What process is used to annually update land use? (Physical inspection, FSA maps, etc.)</b>	
	Land use reviews are completed using GIS data as well as normal discovery including pickup work, NRD certifications, reappraisal work, requested inspections, and property protests.	
7.	<b>Describe the process used to identify and monitor the influence of non-agricultural characteristics.</b>	
	Sales that are less than 20 acres, are within close proximity to bodies of water, or are in aesthetically pleasing areas are reviewed for non-agricultural influence/uses.	

	Additionally, information is gathered using the sales verification process and the annual ratio study/market analysis.
8.	<b>Have special valuation applications been filed in the county? If yes, is there a value difference for the special valuation parcels.</b>
	Special valuation applications have been filed, and there is a difference in value on the special value parcels.
9.	<b>How do you determine whether a sold parcel is substantially changed?</b>
	For agricultural land, substantially changed determinations will typically be made when the number of acres on a parcel changes, the use of the parcel changes, or when an improvement is added to the parcel.

**24 Dawson**  
**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 : 115  
Total Sales Price : 36,494,567  
Total Adj. Sales Price : 37,019,567  
Total Assessed Value : 25,085,020  
Avg. Adj. Sales Price : 321,909  
Avg. Assessed Value : 218,131

MEDIAN : 69  
WGT. MEAN : 68  
MEAN : 72  
COD : 20.12  
PRD : 106.73

COV : 28.43  
STD : 20.56  
Avg. Abs. Dev : 13.98  
MAX Sales Ratio : 158.62  
MIN Sales Ratio : 36.37

95% Median C.I. : 66.70 to 73.59  
95% Wgt. Mean C.I. :  
95% Mean C.I. : 68.56 to 76.08

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<b>DATE OF SALE *</b>											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
<u>Qtrts</u>												
01-JUL-08 To 30-SEP-08	3	77.38	70.85	65.76	11.80	107.74	53.88	81.28	N/A	403,333	265,218	
01-OCT-08 To 31-DEC-08	10	64.38	64.75	63.67	13.05	101.70	49.55	90.32	53.87 to 71.95	291,015	185,291	
01-JAN-09 To 31-MAR-09	9	72.73	74.15	73.58	07.51	100.77	64.10	90.20	68.41 to 79.69	319,728	235,260	
01-APR-09 To 30-JUN-09	18	77.72	82.09	76.98	19.83	106.64	48.84	158.62	66.70 to 90.99	255,241	196,491	
01-JUL-09 To 30-SEP-09	6	87.34	91.00	73.81	35.07	123.29	38.14	150.85	38.14 to 150.85	365,126	269,483	
01-OCT-09 To 31-DEC-09	13	74.58	77.09	74.97	12.60	102.83	62.78	99.63	65.29 to 87.26	320,230	240,061	
01-JAN-10 To 31-MAR-10	9	73.02	75.11	77.78	12.20	96.57	60.77	106.99	64.07 to 80.63	217,783	169,386	
01-APR-10 To 30-JUN-10	11	69.72	67.47	65.10	17.51	103.64	40.87	89.40	44.38 to 85.68	207,745	135,241	
01-JUL-10 To 30-SEP-10	4	66.58	62.66	65.45	14.96	95.74	40.26	77.22	N/A	315,125	206,239	
01-OCT-10 To 31-DEC-10	13	63.51	72.81	63.27	27.60	115.08	50.25	154.81	53.57 to 83.86	549,049	347,389	
01-JAN-11 To 31-MAR-11	13	59.30	60.62	56.25	18.13	107.77	36.52	90.07	50.80 to 69.83	378,466	212,887	
01-APR-11 To 30-JUN-11	6	60.54	60.12	61.17	15.33	98.28	36.37	78.25	36.37 to 78.25	251,722	153,986	
<u>Study Yrs</u>												
01-JUL-08 To 30-JUN-09	40	72.62	75.13	71.62	17.05	104.90	48.84	158.62	68.00 to 77.99	289,801	207,568	
01-JUL-09 To 30-JUN-10	39	73.31	76.06	73.12	18.76	104.02	38.14	150.85	67.04 to 80.55	271,769	198,713	
01-JUL-10 To 30-JUN-11	36	60.29	65.17	60.91	22.08	106.99	36.37	154.81	55.88 to 69.13	411,903	250,902	
<u>Calendar Yrs</u>												
01-JAN-09 To 31-DEC-09	46	76.97	80.29	75.16	18.36	106.83	38.14	158.62	70.37 to 79.69	300,557	225,910	
01-JAN-10 To 31-DEC-10	37	68.01	70.68	66.07	19.88	106.98	40.26	154.81	63.51 to 75.13	341,713	225,760	
<u>ALL</u>	115	69.48	72.32	67.76	20.12	106.73	36.37	158.62	66.70 to 73.59	321,909	218,131	

<b>AREA (MARKET)</b>											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
1	99	69.44	72.77	67.75	20.65	107.41	36.52	158.62	66.09 to 73.59	338,718	229,484	
2	16	69.78	69.59	67.86	16.85	102.55	36.37	96.15	60.12 to 79.69	217,908	147,882	
<u>ALL</u>	115	69.48	72.32	67.76	20.12	106.73	36.37	158.62	66.70 to 73.59	321,909	218,131	

**24 Dawson**  
**AGRICULTURAL LAND**

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95% Median C.I. : 66.70 to 73.59  
 95% Wgt. Mean C.I. :  
 95% Mean C.I. : 68.56 to 76.08

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**95%MLU By Market Area**

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<b>_____Irrigated_____</b>											
County	55	71.95	76.02	71.42	19.10	106.44	36.52	158.62	68.00 to 77.88	313,216	223,708
1	54	72.23	76.51	71.73	18.80	106.66	36.52	158.62	68.41 to 77.88	314,572	225,649
2	1	49.55	49.55	49.55	00.00	100.00	49.55	49.55	N/A	240,000	118,915
<b>_____Dry_____</b>											
County	5	62.67	73.31	67.00	29.90	109.42	50.25	102.64	N/A	153,525	102,858
1	3	62.67	71.85	63.55	27.86	113.06	50.25	102.64	N/A	154,875	98,422
2	2	75.49	75.49	72.28	27.37	104.44	54.83	96.15	N/A	151,500	109,512
<b>_____Grass_____</b>											
County	27	69.13	69.14	70.36	15.33	98.27	36.37	90.99	64.07 to 78.25	196,354	138,157
1	17	69.13	68.64	71.53	14.31	95.96	40.26	90.99	56.70 to 78.53	200,142	143,164
2	10	73.59	69.99	68.27	15.86	102.52	36.37	87.26	60.12 to 85.68	189,913	129,645
<b>_____ALL_____</b>	<b>115</b>	<b>69.48</b>	<b>72.32</b>	<b>67.76</b>	<b>20.12</b>	<b>106.73</b>	<b>36.37</b>	<b>158.62</b>	<b>66.70 to 73.59</b>	<b>321,909</b>	<b>218,131</b>

**80%MLU By Market Area**

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<b>_____Irrigated_____</b>											
County	69	71.95	74.77	69.76	18.55	107.18	36.52	158.62	67.04 to 77.38	374,413	261,198
1	68	72.23	75.14	69.95	18.30	107.42	36.52	158.62	68.00 to 77.38	376,390	263,291
2	1	49.55	49.55	49.55	00.00	100.00	49.55	49.55	N/A	240,000	118,915
<b>_____Dry_____</b>											
County	6	60.00	70.65	66.51	27.52	106.22	50.25	102.64	50.25 to 102.64	134,687	89,585
1	4	60.00	68.22	63.05	24.05	108.20	50.25	102.64	N/A	126,281	79,622
2	2	75.49	75.49	72.28	27.37	104.44	54.83	96.15	N/A	151,500	109,512
<b>_____Grass_____</b>											
County	30	69.13	68.78	69.54	15.03	98.91	36.37	90.99	64.61 to 76.48	202,198	140,606
1	18	68.86	67.80	70.09	14.84	96.73	40.26	90.99	56.70 to 73.59	205,412	143,973
2	12	73.10	70.26	68.68	14.42	102.30	36.37	87.26	60.77 to 79.69	197,378	135,555
<b>_____ALL_____</b>	<b>115</b>	<b>69.48</b>	<b>72.32</b>	<b>67.76</b>	<b>20.12</b>	<b>106.73</b>	<b>36.37</b>	<b>158.62</b>	<b>66.70 to 73.59</b>	<b>321,909</b>	<b>218,131</b>

## Dawson County 2012 Average LCG Value Comparison

	County	Mkt Area	1A1	1A	2A1	2A	3A1	3A	4A1	4A	AVG IRR
24.10	Dawson	1	#DIV/0!	2,294	2,222	2,063	1,865	1,579	1,590	1,495	2,144
24.20	Dawson	2	#DIV/0!	1,615	1,565	1,345	927	#DIV/0!	700	700	1,480
10.01	Buffalo	1	2,980	2,985	2,846	2,450	1,800	1,650	1,449	1,396	2,127
10.30	Buffalo	3	2,500	2,500	1,575	1,575	1,575	1,575	1,575	1,550	2,055
69.10	Phelps	1	1966	2700	2500	2398	2000	1900	1700	1500	2552
37.10	Gosper	1	#DIV/0!	2,450	2,050	1,710	1,591	1,540	1,480	1,368	2,351
32.10	Frontier	1	1,300	1,299	1,218	1,246	1,200	1,200	1,148	1,121	1,273
56.40	Lincoln	4	1,375	1,366	1,276	1,375	1,293	1,325	1,225	1,263	1,323
56.10	Lincoln	1	2,125	2,123	2,124	2,122	2,028	2,004	2,013	1,989	2,075
56.20	Lincoln	2	1,180	1,180	1,168	1,180	1,180	1,163	1,176	1,178	1,176
21.40	Custer	4	#DIV/0!	1,958	1,795	1,494	1,372	1,290	1,269	1,192	1,602
21.50	Custer	5	#DIV/0!	1,950	1,791	1,489	1,367	1,272	1,259	1,179	1,648

	County	Mkt Area	1D1	1D	2D1	2D	3D1	3D	4D1	4D	AVG DRY
	Dawson	1	#DIV/0!	1,160	1,090	1,025	950	880	730	730	948
	Dawson	2	#DIV/0!	770	720	600	550	#DIV/0!	445	415	593
	Buffalo	1	1,208	1,291	1,005	1,000	853	850	857	845	940
	Buffalo	3	1,200	1,100	1,100	1,100	850	850	850	850	965
	Phelps	1	1,300	1,300	1,100	950	700	600	550	500	1,131
	Gosper	1	#DIV/0!	800	750	700	640	550	530	530	748
	Frontier	1	790	790	740	740	690	690	640	640	760
	Lincoln	4	500	500	500	500	500	500	500	500	500
	Lincoln	1	750	750	750	750	750	750	750	750	750
	Lincoln	2	435	435	435	435	435	435	435	435	435
	Custer	4	#DIV/0!	770	730	720	670	540	525	520	665
	Custer	5	#DIV/0!	770	731	726	670	540	526	527	666

	County	Mkt Area	1G1	1G	2G1	2G	3G1	3G	4G1	4G	AVG GRASS
	Dawson	1	#DIV/0!	690	585	540	515	475	471	465	481
	Dawson	2	#DIV/0!	640	560	475	475	#DIV/0!	365	365	400
	Buffalo	1	923	863	839	856	715	642	587	530	615
	Buffalo	3	849	837	834	832	788	797	696	672	710
	Phelps	1	447	634	857	658	520	543	479	399	521
	Gosper	1	#DIV/0!	557	494	441	407	487	400	396	412
	Frontier	1	350	350	350	350	350	350	350	350	350
	Lincoln	4	400	400	400	400	400	380	380	380	382
	Lincoln	1	860	860	860	860	860	830	830	830	834
	Lincoln	2	300	300	300	300	300	280	280	280	280
	Custer	4	#DIV/0!	456	450	450	445	445	424	404	413
	Custer	5	#DIV/0!	455	450	452	445	451	437	432	435

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

# Dawson County Assessor's Office

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John Phillip Moore, Assessor

Joyce Reil, Deputy

February 28, 2012

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

Dear Property Tax Administrator Sorensen:

This letter concerns an explanation of how Dawson County arrives at valuations involving real estate properties that receive special valuation. With the elimination of recapture I have determined there is no longer the need for a special valuation designation and that practice has, for practical purposes, ceased.

However, some acres of accretion that had in the past been loosely recognized as recreational for hunting and other non-farm purposes have retained values higher than "normal" accretion ground which this year is at \$450 an acre.

I have been informed this is a form of "special" valuation. Those codes remain in the file at the higher value but are seen as accretion at *market value* related to the recreational use. There continues to be little sales activity that would allow for any reliable measurement of value. The current unit value for these is \$1,275 an acre derived from a decade of compiling general knowledge of sales by the assessor. Further study is anticipated for 2013.

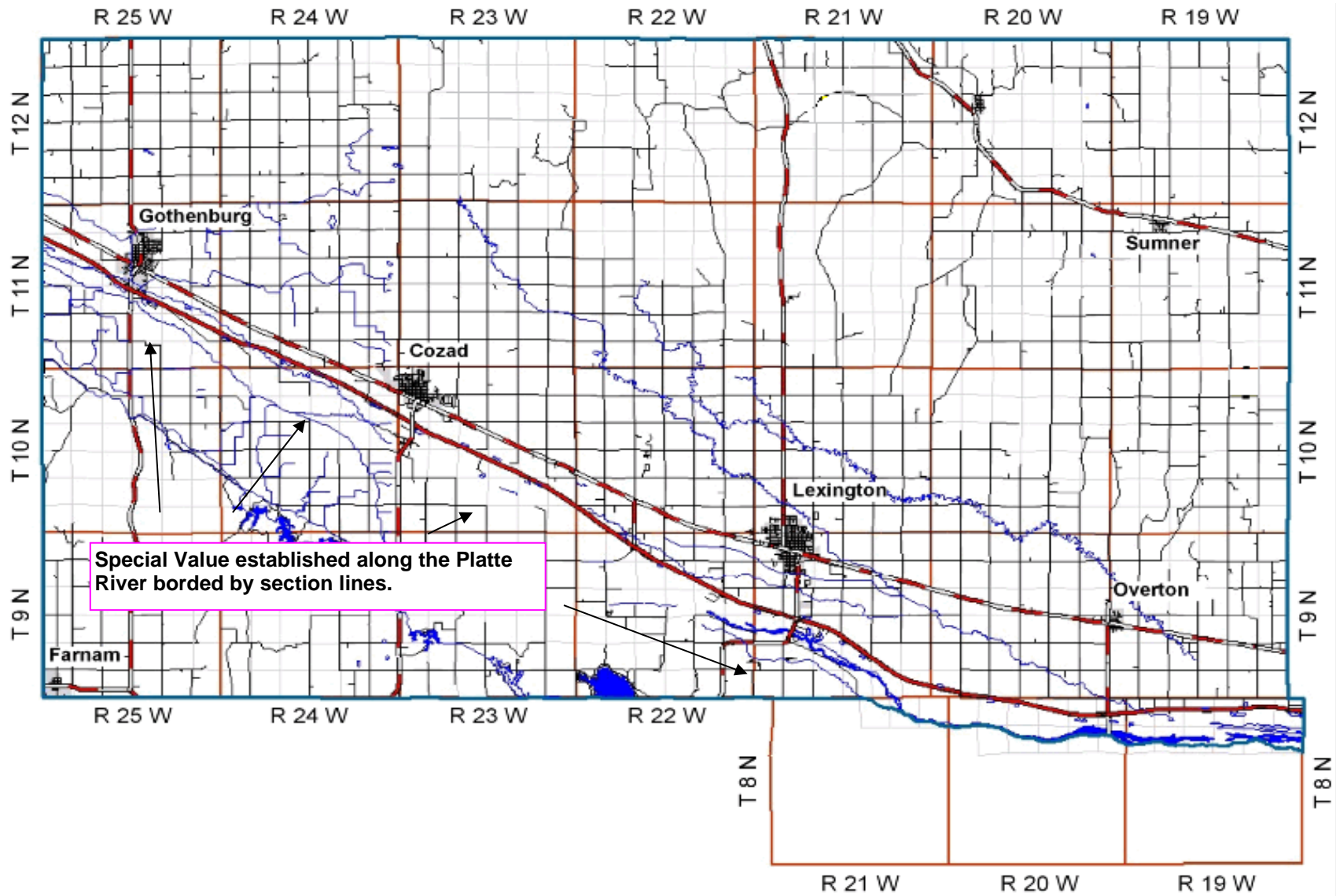
Respectfully submitted,

John Phillip Moore  
Dawson County Assessor

CC: Sarah Scott



# DAWSON COUNTY





**2012 Correlation Section  
for Dawson County**

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**A. Agricultural Land**

Dawson County is divided into two market areas; area one comprises the majority of the county and contains flat, good quality farmland in the Platte River Valley and the hills to the north of the valley. The majority of this area is irrigated crop land, with more pastures in the northern hills. Market area two is south of the Platte River Valley and is rougher topographically. All counties that are adjacent to Dawson County are considered comparable, with the exception of Lincoln County's market area two. This area of Lincoln County primarily consists of Valentine Sand soils which are not found in the majority of Dawson County. In Lincoln County area four and Frontier County only grass and dry land are considered comparable due to irrigation restrictions imposed by the Natural Resource Districts.

Analysis of the sample of sales within Dawson County showed that market area one was proportionately distributed among the study period years, and was adequately sized, but the sample was not representative of the majority land uses in the population. Area two only consisted of two sales. Both samples were expanded; for market area one the sample is proportionate, representative, and sufficiently large. For market area two, the sample is still small and did not meet the prescribed thresholds for land use representation; the sample is proportionately distributed. The coefficient of dispersion (COD) for area two is relatively low, suggesting that although the sample is small the statistics may provide a reliable indication of the assessment level.

The county assessor increased all subclasses of agricultural property 6% for 2012, except for grassland in area one which increased about 9%. The adjustment was lower than the general movement of irrigated and dry cropland in this area, and within the typical range for grassland. The resulting values are reasonably comparable to all adjoining counties, and are statistically within the acceptable range. The subclass samples in area two are quite small, however, the county assessor annually makes adjustments to land uses in area two similar to the adjustment made in area one. This practice continued for 2012, and when considered with the comparison of values to Frontier and Lincoln County area four provides sufficient information to determine that the values are acceptable. The analysis supports that agricultural assessments are at uniform levels of market value.

Based on the consideration of all available information, the level of value of agricultural property in Dawson County is determined to be 69%; all subclasses are within the acceptable range.

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

A review of agricultural land value in Dawson County in areas that have other non-agricultural influences indicates that the assessed values used are similar to the values used in the portion of market area one where no non-agricultural influences exist. Therefore, it is the opinion of the Property Tax Administrator that the level of value for Special Valuation of agricultural land in Dawson County is 69%.

**2012 Correlation Section  
for Dawson County**

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**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.

## 2012 Correlation Section for Dawson County

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### C. Measures of Central Tendency

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

**2012 Correlation Section  
for Dawson County**

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**D. Analysis of Quality of Assessment**

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

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

**2012 Correlation Section  
for Dawson County**

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

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

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





<b>Total Real Property</b> Sum Lines 17, 25, & 30	<b>Records : 14,835</b>	<b>Value : 1,758,320,419</b>	<b>Growth 10,523,544</b>	<b>Sum Lines 17, 25, &amp; 41</b>
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Schedule I : Non-Agricultural Records

	Urban		SubUrban		Rural		Total		Growth
	Records	Value	Records	Value	Records	Value	Records	Value	
<b>01. Res UnImp Land</b>	115	572,841	1	0	2	77,150	118	649,991	
<b>02. Res Improve Land</b>	86	684,748	2	23,263	24	1,116,763	112	1,824,774	
<b>03. Res Improvements</b>	6,482	384,188,524	178	17,043,099	1,075	114,592,760	7,735	515,824,383	
<b>04. Res Total</b>	6,597	385,446,113	179	17,066,362	1,077	115,786,673	7,853	518,299,148	2,327,075
<b>% of Res Total</b>	84.01	74.37	2.28	3.29	13.71	22.34	52.94	29.48	22.11
<b>05. Com UnImp Land</b>	137	2,996,249	6	195,915	20	191,437	163	3,383,601	
<b>06. Com Improve Land</b>	810	18,822,295	36	954,293	66	1,982,016	912	21,758,604	
<b>07. Com Improvements</b>	848	110,880,391	37	6,419,826	100	18,094,316	985	135,394,533	
<b>08. Com Total</b>	985	132,698,935	43	7,570,034	120	20,267,769	1,148	160,536,738	1,726,667
<b>% of Com Total</b>	85.80	82.66	3.75	4.72	10.45	12.63	7.74	9.13	16.41
<b>09. Ind UnImp Land</b>	5	20,196	1	0	0	0	6	20,196	
<b>10. Ind Improve Land</b>	9	514,983	3	609,527	0	0	12	1,124,510	
<b>11. Ind Improvements</b>	14	21,054,899	7	25,381,341	2	879,469	23	47,315,709	
<b>12. Ind Total</b>	19	21,590,078	8	25,990,868	2	879,469	29	48,460,415	131,635
<b>% of Ind Total</b>	65.52	44.55	27.59	53.63	6.90	1.81	0.20	2.76	1.25
<b>13. Rec UnImp Land</b>	0	0	0	0	56	1,222,507	56	1,222,507	
<b>14. Rec Improve Land</b>	0	0	0	0	519	19,045,110	519	19,045,110	
<b>15. Rec Improvements</b>	0	0	0	0	527	50,032,608	527	50,032,608	
<b>16. Rec Total</b>	0	0	0	0	583	70,300,225	583	70,300,225	709,968
<b>% of Rec Total</b>	0.00	0.00	0.00	0.00	100.00	100.00	3.93	4.00	6.75
<b>Res &amp; Rec Total</b>	6,597	385,446,113	179	17,066,362	1,660	186,086,898	8,436	588,599,373	3,037,043
<b>% of Res &amp; Rec Total</b>	78.20	65.49	2.12	2.90	19.68	31.62	56.87	33.48	28.86
<b>Com &amp; Ind Total</b>	1,004	154,289,013	51	33,560,902	122	21,147,238	1,177	208,997,153	1,858,302
<b>% of Com &amp; Ind Total</b>	85.30	73.82	4.33	16.06	10.37	10.12	7.93	11.89	17.66
<b>17. Taxable Total</b>	7,601	539,735,126	230	50,627,264	1,782	207,234,136	9,613	797,596,526	4,895,345
<b>% of Taxable Total</b>	79.07	67.67	2.39	6.35	18.54	25.98	64.80	45.36	46.52

Schedule II : Tax Increment Financing (TIF)

	Urban			SubUrban		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	120	2,972,653	8,618,487	0	0	0
19. Commercial	86	7,021,139	40,692,796	0	0	0
20. Industrial	2	147,988	19,348,276	0	0	0
21. Other	1	0	0	0	0	0
	Rural			Total		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	120	2,972,653	8,618,487
19. Commercial	2	58,263	613,849	88	7,079,402	41,306,645
20. Industrial	0	0	0	2	147,988	19,348,276
21. Other	0	0	0	1	0	0
22. Total Sch II				211	10,200,043	69,273,408

Schedule III : Mineral Interest Records

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

Schedule IV : Exempt Records : Non-Agricultural

	Urban Records	SubUrban Records	Rural Records	Total Records
26. Exempt	1,219	5	32	1,256

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	598	2,882,689	59	617,834	3,435	566,627,133	4,092	570,127,656
28. Ag-Improved Land	5,626	43,553,497	171	1,891,561	2,064	237,187,162	7,861	282,632,220
29. Ag Improvements	0	0	0	0	1,129	107,959,760	1,129	107,959,760
30. Ag Total							5,221	960,719,636

Schedule VI : Agricultural Records :Non-Agricultural Detail

	Urban			SubUrban			Growth
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	746	36.20	3,598,412	64	124.82	581,061	
32. HomeSite Improv Land	5,475	26.29	42,716,469	145	131.25	1,680,163	
33. HomeSite Improvements	0	0.00	0	0	0.00	0	
34. HomeSite Total							
35. FarmSite UnImp Land	3	3.00	119,765	15	30.45	172,528	
36. FarmSite Improv Land	0	0.00	0	6	22.90	75,643	
37. FarmSite Improvements	0	0.00	0	0	0.00	0	
38. FarmSite Total							
39. Road & Ditches	0	0.00	0	6	1.57	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
	Rural			Total			
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	225	668.76	1,656,844	1,035	829.78	5,836,317	
32. HomeSite Improv Land	986	3,799.29	13,597,730	6,606	3,956.83	57,994,362	
33. HomeSite Improvements	709	0.00	62,743,269	709	0.00	62,743,269	667,747
34. HomeSite Total				<b>1,744</b>	<b>4,786.61</b>	<b>126,573,948</b>	
35. FarmSite UnImp Land	142	482.36	1,320,384	160	515.81	1,612,677	
36. FarmSite Improv Land	1,001	3,264.23	12,535,755	1,007	3,287.13	12,611,398	
37. FarmSite Improvements	1,091	0.00	45,216,491	1,091	0.00	45,216,491	4,960,452
38. FarmSite Total				<b>1,251</b>	<b>3,802.94</b>	<b>59,440,566</b>	
39. Road & Ditches	4,018	9,037.84	0	4,024	9,039.41	0	
40. Other- Non Ag Use	11	0.00	658,942	11	0.00	658,942	
41. Total Section VI				<b>2,995</b>	<b>17,628.96</b>	<b>186,673,456</b>	<b>5,628,199</b>

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

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	2	212.43	136,691	0	0.00	0
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	0	0.00	0	2	212.43	136,691

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	189,109.10	68.75%	433,839,689	73.58%	2,294.12
47. 2A1	17,490.99	6.36%	38,863,118	6.59%	2,221.89
48. 2A	17,755.43	6.46%	36,633,284	6.21%	2,063.22
49. 3A1	2,817.96	1.02%	5,255,500	0.89%	1,865.00
50. 3A	7,034.90	2.56%	11,109,085	1.88%	1,579.14
51. 4A1	29,937.30	10.88%	47,587,691	8.07%	1,589.58
52. 4A	10,917.56	3.97%	16,320,778	2.77%	1,494.91
53. Total	275,063.24	100.00%	589,609,145	100.00%	2,143.54
<b>Dry</b>					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	8,272.32	34.06%	9,595,890	41.68%	1,160.00
56. 2D1	2,325.31	9.57%	2,534,595	11.01%	1,090.00
57. 2D	1,725.34	7.10%	1,768,661	7.68%	1,025.11
58. 3D1	595.60	2.45%	565,828	2.46%	950.01
59. 3D	1,703.39	7.01%	1,498,330	6.51%	879.62
60. 4D1	5,291.14	21.78%	3,862,537	16.78%	730.00
61. 4D	4,377.42	18.02%	3,195,514	13.88%	730.00
62. Total	24,290.52	100.00%	23,021,355	100.00%	947.75
<b>Grass</b>					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	10,862.05	4.50%	7,494,847	6.44%	690.00
65. 2G1	7,388.67	3.06%	4,322,378	3.72%	585.00
66. 2G	3,978.84	1.65%	2,148,572	1.85%	540.00
67. 3G1	1,606.67	0.67%	827,438	0.71%	515.00
68. 3G	7,386.78	3.06%	3,508,744	3.02%	475.00
69. 4G1	28,693.90	11.88%	13,500,608	11.61%	470.50
70. 4G	181,654.30	75.20%	84,512,226	72.66%	465.24
71. Total	241,571.21	100.00%	116,314,813	100.00%	481.49
<b>Irrigated Total</b>					
	275,063.24	48.89%	589,609,145	79.88%	2,143.54
<b>Dry Total</b>					
	24,290.52	4.32%	23,021,355	3.12%	947.75
<b>Grass Total</b>					
	241,571.21	42.94%	116,314,813	15.76%	481.49
72. Waste	2,395.21	0.43%	83,842	0.01%	35.00
73. Other	19,315.45	3.43%	9,113,925	1.23%	471.85
74. Exempt	0.00	0.00%	0	0.00%	0.00
75. Market Area Total	562,635.63	100.00%	738,143,080	100.00%	1,311.94

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

Market Area 2

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	11,254.52	80.68%	18,176,062	88.02%	1,615.00
47. 2A1	262.07	1.88%	410,140	1.99%	1,565.00
48. 2A	32.76	0.23%	44,062	0.21%	1,344.99
49. 3A1	1,494.24	10.71%	1,385,120	6.71%	926.97
50. 3A	0.00	0.00%	0	0.00%	0.00
51. 4A1	470.10	3.37%	329,070	1.59%	700.00
52. 4A	436.73	3.13%	305,711	1.48%	700.00
53. Total	13,950.42	100.00%	20,650,165	100.00%	1,480.25
<b>Dry</b>					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	3,267.13	37.04%	2,515,698	48.07%	770.00
56. 2D1	477.70	5.42%	343,944	6.57%	720.00
57. 2D	32.73	0.37%	19,638	0.38%	600.00
58. 3D1	1,630.79	18.49%	896,945	17.14%	550.01
59. 3D	0.00	0.00%	0	0.00%	0.00
60. 4D1	1,363.20	15.46%	606,626	11.59%	445.00
61. 4D	2,048.56	23.23%	850,158	16.25%	415.00
62. Total	8,820.11	100.00%	5,233,009	100.00%	593.30
<b>Grass</b>					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	1,742.10	6.95%	1,114,945	11.13%	640.00
65. 2G1	760.48	3.03%	425,868	4.25%	560.00
66. 2G	419.60	1.67%	199,313	1.99%	475.01
67. 3G1	1,763.49	7.04%	837,664	8.36%	475.00
68. 3G	0.00	0.00%	0	0.00%	0.00
69. 4G1	3,011.67	12.02%	1,099,260	10.98%	365.00
70. 4G	17,361.27	69.28%	6,337,689	63.28%	365.05
71. Total	25,058.61	100.00%	10,014,739	100.00%	399.65
<b>Irrigated Total</b>					
	13,950.42	29.08%	20,650,165	57.52%	1,480.25
<b>Dry Total</b>					
	8,820.11	18.38%	5,233,009	14.58%	593.30
<b>Grass Total</b>					
	25,058.61	52.23%	10,014,739	27.89%	399.65
72. Waste	148.20	0.31%	5,187	0.01%	35.00
73. Other	0.00	0.00%	0	0.00%	0.00
74. Exempt	0.00	0.00%	0	0.00%	0.00
75. Market Area Total	47,977.34	100.00%	35,903,100	100.00%	748.33

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
<b>76. Irrigated</b>	0.00	0	0.00	0	289,013.66	610,259,310	289,013.66	610,259,310
<b>77. Dry Land</b>	2.00	1,540	0.00	0	33,108.63	28,252,824	33,110.63	28,254,364
<b>78. Grass</b>	0.00	0	0.00	0	266,629.82	126,329,552	266,629.82	126,329,552
<b>79. Waste</b>	0.00	0	0.00	0	2,543.41	89,029	2,543.41	89,029
<b>80. Other</b>	0.00	0	0.00	0	19,315.45	9,113,925	19,315.45	9,113,925
<b>81. Exempt</b>	0.00	0	0.00	0	0.00	0	0.00	0
<b>82. Total</b>	<b>2.00</b>	<b>1,540</b>	<b>0.00</b>	<b>0</b>	<b>610,610.97</b>	<b>774,044,640</b>	<b>610,612.97</b>	<b>774,046,180</b>

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
<b>Irrigated</b>	289,013.66	47.33%	610,259,310	78.84%	2,111.52
<b>Dry Land</b>	33,110.63	5.42%	28,254,364	3.65%	853.33
<b>Grass</b>	266,629.82	43.67%	126,329,552	16.32%	473.80
<b>Waste</b>	2,543.41	0.42%	89,029	0.01%	35.00
<b>Other</b>	19,315.45	3.16%	9,113,925	1.18%	471.85
<b>Exempt</b>	0.00	0.00%	0	0.00%	0.00
<b>Total</b>	<b>610,612.97</b>	<b>100.00%</b>	<b>774,046,180</b>	<b>100.00%</b>	<b>1,267.65</b>

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

### 24 Dawson

	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	507,292,127	518,299,148	11,007,021	2.17%	2,327,075	1.71%
02. Recreational	69,811,118	70,300,225	489,107	0.70%	709,968	-0.32%
03. Ag-Homesite Land, Ag-Res Dwelling	126,030,459	126,573,948	543,489	0.43%	667,747	-0.10%
<b>04. Total Residential (sum lines 1-3)</b>	<b>703,133,704</b>	<b>715,173,321</b>	<b>12,039,617</b>	<b>1.71%</b>	<b>3,704,790</b>	<b>1.19%</b>
05. Commercial	156,993,166	160,536,738	3,543,572	2.26%	1,726,667	1.16%
06. Industrial	39,772,074	48,460,415	8,688,341	21.85%	131,635	21.51%
07. Ag-Farmsite Land, Outbuildings	53,266,570	59,440,566	6,173,996	11.59%	4,960,452	2.28%
08. Minerals	4,257	4,257	0	0.00	0	0.00
<b>09. Total Commercial (sum lines 5-8)</b>	<b>250,036,067</b>	<b>268,441,976</b>	<b>18,405,909</b>	<b>7.36%</b>	<b>6,818,754</b>	<b>4.63%</b>
<b>10. Total Non-Agland Real Property</b>	<b>953,169,771</b>	<b>984,274,239</b>	<b>31,104,468</b>	<b>3.26%</b>	<b>10,523,544</b>	<b>2.16%</b>
11. Irrigated	575,250,736	610,259,310	35,008,574	6.09%		
12. Dryland	26,611,275	28,254,364	1,643,089	6.17%		
13. Grassland	116,140,832	126,329,552	10,188,720	8.77%		
14. Wasteland	89,961	89,029	-932	-1.04%		
15. Other Agland	6,973,186	9,113,925	2,140,739	30.70%		
<b>16. Total Agricultural Land</b>	<b>725,065,990</b>	<b>774,046,180</b>	<b>48,980,190</b>	<b>6.76%</b>		
<b>17. Total Value of all Real Property</b> (Locally Assessed)	<b>1,678,235,761</b>	<b>1,758,320,419</b>	<b>80,084,658</b>	<b>4.77%</b>	<b>10,523,544</b>	<b>4.14%</b>



# ϕDawson County Assessor's Office

John Phillip Moore, Assessor

Joyce Reil, Deputy

January 4, 2011

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

Dear County Board of Commissioners:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

#### **Other Information**

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

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

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

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

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

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

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

#### **Definitions**

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

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

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

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

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

### **Residential Information**

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

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

## **Commercial/Industrial Properties**

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

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

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

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

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

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

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

## **Agricultural Ground**

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

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

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

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

### **Background**

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

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

### **Office Procedures, Materials**

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

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

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

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

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

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

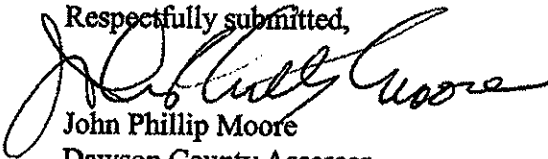
Time and expense are major factors in the percentage of the number of sales that can be reviewed, particularly in the residential sales. Due to many home owners working outside the home, and the cultural diversity of Dawson County, personal interviews are sometimes difficult to obtain. There have also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

### Conclusion

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

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

Respectfully submitted,



John Phillip Moore  
Dawson County Assessor



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

## 2012 Assessment Survey for Dawson County

### A. Staffing and Funding Information

1.	<b>Deputy(ies) on staff:</b>
	1
2.	<b>Appraiser(s) on staff:</b>
	1 part-time
3.	<b>Other full-time employees:</b>
	2
4.	<b>Other part-time employees:</b>
	1
5.	<b>Number of shared employees:</b>
	0
6.	<b>Assessor's requested budget for current fiscal year:</b>
	\$403,000
7.	<b>Adopted budget, or granted budget if different from above:</b>
	\$383,608
8.	<b>Amount of the total assessor's budget set aside for appraisal work:</b>
	\$179,460
9.	<b>If appraisal/reappraisal budget is a separate levied fund, what is that amount:</b>
	n/a
10.	<b>Part of the assessor's budget that is dedicated to the computer system:</b>
	\$25,000
11.	<b>Amount of the assessor's budget set aside for education/workshops:</b>
	\$4,800
12.	<b>Other miscellaneous funds:</b>
	n/a
13.	<b>Amount of last year's assessor's budget not used:</b>
	None

### B. Computer, Automation Information and GIS

1.	<b>Administrative software:</b>
	MIPS PCsystem V2
2.	<b>CAMA software:</b>
	MIPS PCsystem V2
3.	<b>Are cadastral maps currently being used?</b>
	Yes
4.	<b>If so, who maintains the Cadastral Maps?</b>
	The maps are maintained in house with the assistance of the county surveyor.
5.	<b>Does the county have GIS software?</b>
	Yes

6.	<b>Is GIS available on a website? If so, what is the name of the website?</b>
	The GIS data is not available on a public website yet, however, the CAMA data is available at <a href="http://www.nebraskataxesonline.us">www.nebraskataxesonline.us</a>
7.	<b>Who maintains the GIS software and maps?</b>
	The county surveyor
8.	<b>Personal Property software:</b>
	MIPS PCsystem V2

### C. Zoning Information

1.	<b>Does the county have zoning?</b>
	Yes
2.	<b>If so, is the zoning countywide?</b>
	Yes
3.	<b>What municipalities in the county are zoned?</b>
	Lexington, Cozad and Gothenburg
4.	<b>When was zoning implemented?</b>
	1991

### D. Contracted Services

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



## 2012 Certification for Dawson County

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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 Dawson County Assessor.

Dated this 9th day of April, 2012.



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

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Ruth A. Sorensen  
Property Tax Administrator



