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2012 Commission Summary for Douglas County

Residential Real Property - Current

Number of Sales	13462	Median	95.75
Total Sales Price	\$2,342,663,394	Mean	98.09
Total Adj. Sales Price	\$2,342,663,394	Wgt. Mean	95.79
Total Assessed Value	\$2,244,149,552	Average Assessed Value of the Base	\$131,553
Avg. Adj. Sales Price	\$174,020	Avg. Assessed Value	\$166,703

Confidence Interval - Current

95% Median C.I	95.63 to 95.86
95% Wgt. Mean C.I	95.57 to 96.02
95% Mean C.I	97.79 to 98.39
% of Value of the Class of all Real Property Value in the	67.85
% of Records Sold in the Study Period	7.50
% of Value Sold in the Study Period	9.51

Residential Real Property - History

Year	Number of Sales	LOV	Median
2011	15,074	96	96
2010	15,175	96	96
2009	18,244	96	96
2008	20,586	96	96

2012 Commission Summary for Douglas County

Commercial Real Property - Current

Number of Sales	581	Median	96.87
Total Sales Price	\$596,736,975	Mean	102.31
Total Adj. Sales Price	\$596,736,975	Wgt. Mean	94.09
Total Assessed Value	\$561,487,004	Average Assessed Value of the Base	\$932,188
Avg. Adj. Sales Price	\$1,027,086	Avg. Assessed Value	\$966,415

Confidence Interval - Current

95% Median C.I	95.97 to 97.55
95% Wgt. Mean C.I	90.96 to 97.23
95% Mean C.I	98.81 to 105.81
% of Value of the Class of all Real Property Value in the County	31.23
% of Records Sold in the Study Period	4.98
% of Value Sold in the Study Period	5.17

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2011	829	96	96
2010	1,015	96	96
2009	1,152	96	96
2008	1,196	95	95

2012 Opinions of the Property Tax Administrator for Douglas County

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

Class	Level of Value	Quality of Assessment	Non-binding recommendation
Residential Real Property	96	Meets generally accepted mass appraisal practices.	No recommendation.
Commercial Real Property	97	Meets generally accepted mass appraisal practices.	No recommendation.
Agricultural Land	*NEI	Meets generally accepted mass appraisal practices.	No recommendation.
Special Valuation of Agricultural Land	75	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

Ruth A. Sorensen
Property Tax Administrator

2012 Residential Assessment Actions for Douglas County

Douglas County reappraised a total of 543 residential neighborhoods consisting of approximately 32,842 parcels. The reappraisal effort was based on sales indication which suggested property values in these neighborhoods were outside the acceptable range. The sales comparison approach was utilized in establishing values for these properties.

Reappraisal was also conducted on new construction areas in Douglas County, amounting to the review of approximately 11,500 properties in 160 neighborhoods. The appraisers in the county worked to inspect new construction and building permits in other areas of the county as well. The county used Pictometry, a multi-dimensional aerial imagery, to aid in the identification of new improvements and to confirm measurements of selected properties.

The staff conducted a total of 26,332 on-site inspections for the year both for re-listing and building permits. The residential staff also prepared 3,624 BOE packets for the month of June, of which 508 of these parcels have been protested to TERC.

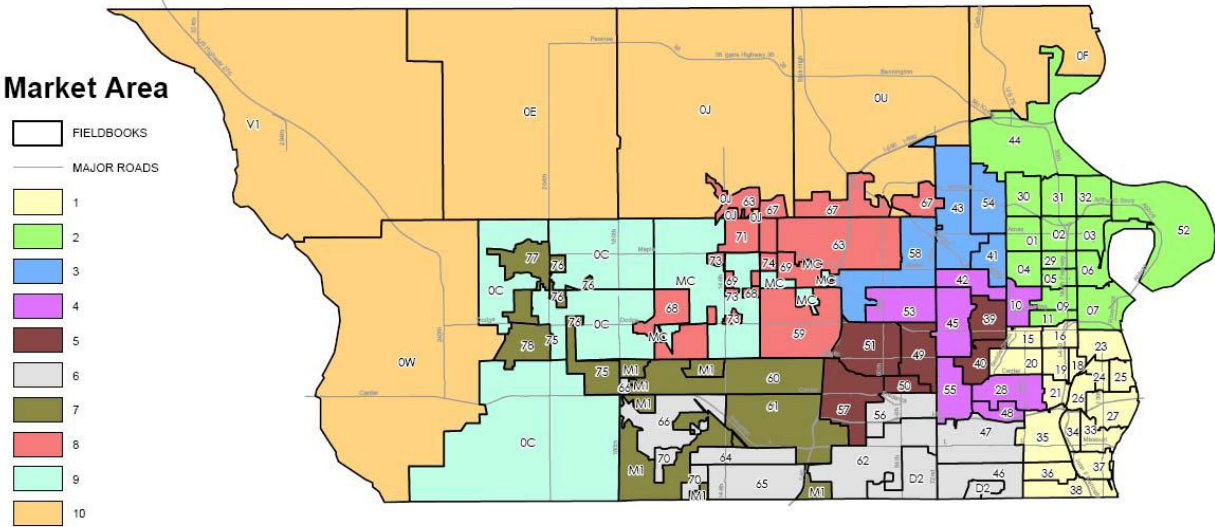
The total number of parcels that received a value change in the residential class of property amounted to approximately 45,673.

2012 Residential Assessment Survey for Douglas County

1.	Valuation data collection done by:	
	Appraisal Staff	
2.	In your opinion, what are the valuation groupings recognized in the County and describe the unique characteristics of each grouping:	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	1	South Omaha area
	2	North Omaha area
	3	Benson area
	4	Midtown area
	5	Upper-end of the Midtown area
	6	Ralston and Millard Areas
	7	Southwest Omaha which is a developing area
	8	Northwest Omaha which is a well-established area
	9	Unincorporated areas west of Omaha
	10	Consists of all parcels in Rural Douglas County
	*a map of the valuation groupings is attached to the end of the residential survey	
3.	List and describe the approach(es) used to estimate the market value of residential properties.	
	The county uses a cost approach for new construction and newer properties, but the market approach is used for existing properties.	
4.	What is the costing year of the cost approach being used for each valuation grouping?	
	2007	
5.	If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?	
	The county uses tables developed in their CAMA and calibrates using local market information, but as noted above, the cost approach is used only on new or newer construction.	
6.	Are individual depreciation tables developed for each valuation grouping?	
	No	
7.	When were the depreciation tables last updated for each valuation grouping?	
	Depreciation tables are updated as determined necessary. Current tables have been in place for 9 years; however neighborhood factors are used annually to calibrate the depreciation to reflect current market.	
8.	When was the last lot value study completed for each valuation grouping?	
	Lot studies are completed annually.	
9.	Describe the methodology used to determine the residential lot values?	
	Primarily vacant lot sales are used to determine residential lot values; however the county does use allocation/residual method for establishing lot values in older neighborhoods where vacant lot sales are limited.	

10.	<p>How do you determine whether a sold parcel is substantially changed?</p> <p>The county compares the parcel characteristics at the time of sale to the parcel characteristics in the current assessment year. Significant physical changes after the sale date cause the assessment for the current year to be an invalid comparison to the sale price, therefore these sales are coded as invalid in the state sales file. These changes are identified based on review of building permits and physical inspections in the ordinary course of parcel review.</p>
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Residential Market Areas



February 2010

28 Douglas
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 : 13,462
 Total Sales Price : 2,342,663,394
 Total Adj. Sales Price : 2,342,663,394
 Total Assessed Value : 2,244,149,552
 Avg. Adj. Sales Price : 174,020
 Avg. Assessed Value : 166,703

MEDIAN : 96
 WGT. MEAN : 96
 MEAN : 98
 COD : 08.94
 PRD : 102.40

COV : 18.02
 STD : 17.68
 Avg. Abs. Dev : 08.56
 MAX Sales Ratio : 435.24
 MIN Sales Ratio : 15.31

95% Median C.I. : 95.63 to 95.86
 95% Wgt. Mean C.I. : 95.57 to 96.02
 95% Mean C.I. : 97.79 to 98.39

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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	2,382	94.98	96.12	95.13	06.39	101.04	55.72	302.33	94.79 to 95.27	167,966	159,782
01-OCT-09 To 31-DEC-09	2,121	95.46	97.97	96.13	08.10	101.91	41.15	304.53	95.14 to 95.76	159,947	153,757
01-JAN-10 To 31-MAR-10	1,189	95.20	97.54	94.75	09.62	102.94	34.32	435.24	94.73 to 95.55	174,258	165,117
01-APR-10 To 30-JUN-10	2,512	94.92	96.07	94.65	08.35	101.50	30.00	338.57	94.60 to 95.21	169,489	160,425
01-JUL-10 To 30-SEP-10	1,314	95.90	98.13	95.45	09.10	102.81	49.97	289.08	95.35 to 96.19	190,951	182,267
01-OCT-10 To 31-DEC-10	1,210	97.79	101.74	97.75	11.15	104.08	39.47	336.51	97.06 to 98.28	179,881	175,827
01-JAN-11 To 31-MAR-11	925	97.89	101.59	96.85	11.63	104.89	46.87	278.74	97.18 to 98.42	179,909	174,239
01-APR-11 To 30-JUN-11	1,809	97.16	99.72	96.81	09.97	103.01	15.31	333.21	96.73 to 97.61	185,401	179,491
<u>Study Yrs</u>											
01-JUL-09 To 30-JUN-10	8,204	95.12	96.79	95.17	07.91	101.70	30.00	435.24	94.98 to 95.28	167,271	159,194
01-JUL-10 To 30-JUN-11	5,258	97.03	100.12	96.68	10.37	103.56	15.31	336.51	96.75 to 97.31	184,551	178,418
<u>Calendar Yrs</u>											
01-JAN-10 To 31-DEC-10	6,225	95.61	97.89	95.46	09.38	102.55	30.00	435.24	95.40 to 95.78	176,950	168,925
<u>ALL</u>	13,462	95.75	98.09	95.79	08.94	102.40	15.31	435.24	95.63 to 95.86	174,020	166,703

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	1,204	96.27	102.69	97.11	15.29	105.75	47.05	435.24	95.87 to 96.84	114,472	111,165
02	705	95.90	105.42	97.31	18.49	108.33	15.31	350.84	95.46 to 96.28	85,031	82,746
03	643	96.39	102.07	98.41	12.91	103.72	50.31	336.51	95.76 to 97.49	110,875	109,110
04	936	95.77	99.18	95.82	12.20	103.51	34.32	320.57	95.17 to 96.31	122,752	117,626
05	787	96.22	97.21	94.04	11.49	103.37	52.25	233.30	95.57 to 97.48	236,113	222,040
06	1,440	95.67	97.82	96.20	08.28	101.68	68.36	278.74	95.17 to 96.08	154,162	148,307
07	1,555	95.72	96.89	95.57	07.03	101.38	50.29	271.11	95.34 to 96.08	211,029	201,673
08	1,623	96.09	97.06	96.24	07.10	100.85	56.12	210.99	95.69 to 96.60	173,904	167,368
09	2,832	95.46	96.04	95.66	05.32	100.40	62.58	302.33	95.21 to 95.70	213,443	204,188
10	1,737	95.22	95.85	95.20	06.04	100.68	39.47	206.08	94.96 to 95.51	193,450	184,173
<u>ALL</u>	13,462	95.75	98.09	95.79	08.94	102.40	15.31	435.24	95.63 to 95.86	174,020	166,703

PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	13,462	95.75	98.09	95.79	08.94	102.40	15.31	435.24	95.63 to 95.86	174,020	166,703
06											
07											
<u>ALL</u>	13,462	95.75	98.09	95.79	08.94	102.40	15.31	435.24	95.63 to 95.86	174,020	166,703

28 Douglas
RESIDENTIAL

PAD 2012 R&O Statistics (Using 2012 Values)

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 95% Wgt. Mean C.I. : 95.57 to 96.02
 95% Mean C.I. : 97.79 to 98.39

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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	5	119.98	138.30	138.30	24.05	100.00	94.63	222.08	N/A	4,000	5,532	
Less Than 15,000	79	122.38	156.53	155.17	51.17	100.88	30.00	435.24	101.80 to 151.96	9,825	15,245	
Less Than 30,000	236	126.25	150.03	147.38	41.09	101.80	30.00	435.24	116.17 to 139.69	18,035	26,580	
<u>Ranges Excl. Low \$</u>												
Greater Than 4,999	13,457	95.74	98.07	95.79	08.93	102.38	15.31	435.24	95.63 to 95.85	174,084	166,762	
Greater Than 14,999	13,383	95.72	97.74	95.78	08.58	102.05	15.31	334.42	95.61 to 95.83	174,990	167,597	
Greater Than 29,999	13,226	95.67	97.16	95.70	08.04	101.53	15.31	278.74	95.55 to 95.78	176,804	169,203	
<u>Incremental Ranges</u>												
0 TO 4,999	5	119.98	138.30	138.30	24.05	100.00	94.63	222.08	N/A	4,000	5,532	
5,000 TO 14,999	74	122.52	157.76	155.62	52.95	101.38	30.00	435.24	100.35 to 154.34	10,219	15,902	
15,000 TO 29,999	157	131.50	146.75	145.65	35.25	100.76	69.12	334.42	113.86 to 148.31	22,166	32,283	
30,000 TO 59,999	469	99.51	115.30	113.74	25.58	101.37	15.31	278.74	98.66 to 100.59	44,953	51,131	
60,000 TO 99,999	1,654	96.82	101.17	100.94	11.74	100.23	43.69	224.77	96.29 to 97.30	81,986	82,753	
100,000 TO 149,999	4,986	95.66	96.37	96.23	06.46	100.15	47.05	187.31	95.47 to 95.79	126,082	121,334	
150,000 TO 249,999	3,987	95.48	95.97	96.00	06.48	99.97	55.57	274.16	95.27 to 95.72	189,238	181,677	
250,000 TO 499,999	1,837	94.66	94.53	94.42	07.10	100.12	52.25	138.33	94.18 to 95.05	322,278	304,283	
500,000 TO 999,999	266	94.19	91.64	91.26	08.98	100.42	39.47	143.45	93.24 to 94.85	637,919	582,134	
1,000,000 +	27	95.89	92.24	91.91	09.04	100.36	48.14	119.60	91.53 to 98.42	1,365,674	1,255,129	
<u>ALL</u>	13,462	95.75	98.09	95.79	08.94	102.40	15.31	435.24	95.63 to 95.86	174,020	166,703	

**2012 Correlation Section
for Douglas County**

A. Residential Real Property

The opinion of the Property Tax Administrator is that the level of value is 96% of market value for the residential class of property and is best measured by the median measure of central tendency. The median measure was calculated using all available arms length sales, and because the county applies assessment practices to the sold and unsold parcels in a similar manner, the median ratio calculated from the sales file is expected to accurately reflect the level of value for the population of parcels.

The assessment practices in Douglas County are determined to be in compliance with professionally acceptable mass appraisal practices because of the systematic assessment efforts of the county. The coefficient of dispersion and price related differential confirm this determination.

Douglas County identifies 10 valuation groupings based on the market of each particular location. Market information is monitored more precisely in the context of approximately 2,200 individual neighborhoods, but the valuation groupings serve as an equalization monitor for the general residential areas of the county. A review of the sales ratios of valuation groupings indicates all valuation groupings are valued within the acceptable range indicating uniformity and proportionality exist in the residential class.

**2012 Correlation Section
for Douglas County**

B. Analysis of Sales Verification

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

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

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

2012 Correlation Section for Douglas County

C. Measures of Central Tendency

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

D. Analysis of Quality of Assessment

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

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

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 Douglas County

For the assessment year 2012, Douglas County conducted a relisting of all offices and all apartments located east of 72nd street. The relisting involved on-site inspections. The commercial staff prepared 1400 BOE packets for protested conducted in June of whom 500 of those parcels have protested to the TERC.

Commercial/Industrial property that were reappraised consisted of Bank, Banquet Halls, Daycare Facilities, Discount Stores, Downtown Hotels, Industrial Flex buildings in the Southwest part of the County, Supermarkets and Senior Living Facilities.

The county also completed the pick-up work of new construction and building permits that indicated physical changes had been made. As a result of all of these assessment actions, approximately 1,300 commercial parcels will receive a new valuation.

2012 Commercial Assessment Survey for Douglas County

1.	Valuation data collection done by:
	Staff
2.	In your opinion, what are the valuation groupings recognized in the County and describe the unique characteristics of each grouping:
	Valuation groupings are defined by property type and reviewed based on the 'built-as' classification.
3.	List and describe the approach(es) used to estimate the market value of commercial properties.
	County primarily uses the income approach, as the cost approach is for new construction only.
3a.	Describe the process used to value unique commercial properties.
	The County uses the income and or the cost approach.
4.	What is the costing year of the cost approach being used for each valuation grouping?
	2007
5.	If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?
	The county develops depreciation tables using local market information.
6.	Are individual depreciation tables developed for each valuation grouping?
	County primarily uses the income approach, as the cost approach is for new construction only. The depreciation tables are calibrated using local market information but the actual depreciation tables are the same for all valuation groupings.
7.	When were the depreciation tables last updated for each valuation grouping?
	It has been several years since depreciation tables were updated.
8.	When was the last lot value study completed for each valuation grouping?
	Lot values are established in conjunction with area or subclass revaluations, so the process is ongoing.
9.	Describe the methodology used to determine the commercial lot values.
	Sales of similar properties are used to determine commercial lot values.
10.	How do you determine whether a sold parcel is substantially changed?
	The county compares the parcel characteristics at the time of sale to the parcel characteristics in the current assessment year. Significant physical changes after the sale date cause the assessment for the current year to be an invalid comparison to the sale price, therefore these sales are coded as invalid in the state sales file. These changes are identified based on review of building permits and physical inspections in the ordinary course of parcel review.

28 Douglas
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 : 581
Total Sales Price : 596,736,975
Total Adj. Sales Price : 596,736,975
Total Assessed Value : 561,487,004
Avg. Adj. Sales Price : 1,027,086
Avg. Assessed Value : 966,415

MEDIAN : 97
WGT. MEAN : 94
MEAN : 102
COD : 21.76
PRD : 108.74

COV : 42.10
STD : 43.07
Avg. Abs. Dev : 21.08
MAX Sales Ratio : 582.86
MIN Sales Ratio : 26.50

95% Median C.I. : 95.97 to 97.55
95% Wgt. Mean C.I. : 90.96 to 97.23
95% Mean C.I. : 98.81 to 105.81

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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	61	96.15	100.72	90.52	17.30	111.27	40.83	241.53	94.47 to 98.29	1,868,725	1,691,542
01-OCT-08 To 31-DEC-08	53	96.69	103.69	106.40	15.58	97.45	46.51	211.00	94.12 to 99.99	1,142,327	1,215,443
01-JAN-09 To 31-MAR-09	42	94.48	90.31	91.97	13.43	98.20	55.31	128.60	91.20 to 96.87	1,052,414	967,856
01-APR-09 To 30-JUN-09	46	97.53	99.46	97.12	13.34	102.41	44.71	169.16	95.29 to 100.00	821,982	798,325
01-JUL-09 To 30-SEP-09	32	98.57	107.17	100.25	24.78	106.90	48.32	269.50	95.01 to 103.18	473,836	475,012
01-OCT-09 To 31-DEC-09	47	98.00	106.22	98.02	19.59	108.37	41.65	209.49	95.56 to 100.00	715,233	701,060
01-JAN-10 To 31-MAR-10	48	94.81	97.67	86.64	17.21	112.73	48.68	222.60	91.17 to 98.90	1,017,337	881,465
01-APR-10 To 30-JUN-10	50	97.32	104.91	96.92	25.69	108.24	27.15	582.86	94.47 to 100.00	670,422	649,752
01-JUL-10 To 30-SEP-10	52	97.21	107.27	92.97	33.18	115.38	26.50	395.36	93.78 to 100.00	564,785	525,089
01-OCT-10 To 31-DEC-10	55	97.55	100.34	91.47	19.76	109.70	42.91	216.52	92.14 to 100.00	1,747,868	1,598,730
01-JAN-11 To 31-MAR-11	42	100.00	108.76	102.62	30.71	105.98	37.79	380.07	93.80 to 102.00	1,026,113	1,053,005
01-APR-11 To 30-JUN-11	53	96.49	102.15	84.29	29.10	121.19	29.50	367.14	86.05 to 100.00	763,370	643,441
<u>Study Yrs</u>											
01-JUL-08 To 30-JUN-09	202	96.21	99.05	95.49	15.25	103.73	40.83	241.53	95.29 to 97.22	1,270,040	1,212,750
01-JUL-09 To 30-JUN-10	177	97.26	103.70	93.76	21.73	110.60	27.15	582.86	95.44 to 99.00	740,858	694,622
01-JUL-10 To 30-JUN-11	202	97.40	104.35	92.59	28.13	112.70	26.50	395.36	95.02 to 100.00	1,034,935	958,235
<u>Calendar Yrs</u>											
01-JAN-09 To 31-DEC-09	167	97.10	100.54	95.97	17.54	104.76	41.65	269.50	95.59 to 98.44	783,181	751,635
01-JAN-10 To 31-DEC-10	205	96.69	102.59	91.43	24.15	112.21	26.50	582.86	94.72 to 98.43	1,013,926	926,989
<u>ALL</u>	581	96.87	102.31	94.09	21.76	108.74	26.50	582.86	95.97 to 97.55	1,027,086	966,415

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
Blank	581	96.87	102.31	94.09	21.76	108.74	26.50	582.86	95.97 to 97.55	1,027,086	966,415
<u>ALL</u>	581	96.87	102.31	94.09	21.76	108.74	26.50	582.86	95.97 to 97.55	1,027,086	966,415

PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
02	127	97.38	99.79	91.33	18.90	109.26	46.99	222.90	94.78 to 100.00	1,268,542	1,158,519
03	357	96.55	104.33	95.21	25.88	109.58	26.50	582.86	95.56 to 98.53	972,516	925,922
04	97	96.88	98.16	94.75	10.50	103.60	48.32	380.07	95.21 to 97.42	911,793	863,929
<u>ALL</u>	581	96.87	102.31	94.09	21.76	108.74	26.50	582.86	95.97 to 97.55	1,027,086	966,415

28 Douglas
COMMERCIAL

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Qualified

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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	582.86	582.86	582.86	00.00	100.00	582.86	582.86	N/A	3,500	20,400	
Less Than 15,000	4	291.83	317.36	239.18	54.02	132.69	102.92	582.86	N/A	9,486	22,689	
Less Than 30,000	14	106.50	180.17	138.91	78.16	129.70	83.25	582.86	94.86 to 300.72	19,068	26,487	
<u>Ranges Excl. Low \$</u>												
Greater Than 4,999	580	96.85	101.48	94.09	20.94	107.85	26.50	395.36	95.83 to 97.55	1,028,851	968,046	
Greater Than 14,999	577	96.79	100.82	94.08	20.35	107.16	26.50	395.36	95.81 to 97.45	1,034,140	972,957	
Greater Than 29,999	567	96.69	100.39	94.07	20.14	106.72	26.50	395.36	95.74 to 97.38	1,051,975	989,623	
<u>Incremental Ranges</u>												
0 TO 4,999	1	582.86	582.86	582.86	00.00	100.00	582.86	582.86	N/A	3,500	20,400	
5,000 TO 14,999	3	216.52	228.86	204.26	40.68	112.04	102.92	367.14	N/A	11,482	23,452	
15,000 TO 29,999	10	102.32	125.29	122.30	30.40	102.44	83.25	300.72	92.80 to 135.64	22,900	28,006	
30,000 TO 59,999	39	110.69	133.91	132.60	41.27	100.99	37.79	395.36	99.26 to 151.82	45,769	60,688	
60,000 TO 99,999	39	98.92	113.84	113.73	31.45	100.10	27.15	241.53	94.71 to 121.41	79,485	90,395	
100,000 TO 149,999	73	99.50	102.76	102.36	22.02	100.39	51.04	208.09	94.57 to 101.13	120,885	123,742	
150,000 TO 249,999	104	94.96	94.09	94.57	21.14	99.49	35.00	380.07	92.35 to 96.50	187,925	177,729	
250,000 TO 499,999	105	96.19	98.27	97.64	14.54	100.65	40.83	269.50	94.89 to 98.72	351,801	343,506	
500,000 TO 999,999	97	96.87	94.94	94.39	14.03	100.58	26.50	213.67	94.98 to 98.77	708,946	669,143	
1,000,000 +	110	96.21	94.94	93.27	13.80	101.79	29.50	211.00	94.12 to 97.30	4,159,176	3,879,381	
<u>ALL</u>	581	96.87	102.31	94.09	21.76	108.74	26.50	582.86	95.97 to 97.55	1,027,086	966,415	

28 Douglas
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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
106	9	97.49	105.36	95.24	27.13	110.63	59.81	222.90	71.98 to 111.45	106,444	101,378
116	57	97.84	102.42	96.97	22.31	105.62	46.99	208.09	92.59 to 101.13	164,869	159,868
118	52	96.31	96.14	89.96	15.69	106.87	56.71	165.69	92.11 to 100.00	2,367,381	2,129,788
125	1	99.26	99.26	99.26	00.00	100.00	99.26	99.26	N/A	32,500	32,260
210	17	98.36	98.08	94.59	07.23	103.69	67.78	131.68	91.80 to 102.43	713,028	674,432
212	2	90.88	90.88	84.68	10.04	107.32	81.76	100.00	N/A	1,092,350	925,000
216	1	96.03	96.03	96.03	00.00	100.00	96.03	96.03	N/A	1,169,500	1,123,046
227	5	96.69	101.52	99.88	06.85	101.64	93.90	117.28	N/A	3,094,400	3,090,764
228	1	92.51	92.51	92.51	00.00	100.00	92.51	92.51	N/A	95,000	87,886
304	4	95.39	92.52	93.86	06.16	98.57	79.80	99.49	N/A	1,116,171	1,047,678
306	1	100.00	100.00	100.00	00.00	100.00	100.00	100.00	N/A	6,500,000	6,499,965
309	3	94.57	111.28	98.62	28.78	112.84	78.81	160.46	N/A	88,333	87,116
312	2	91.74	91.74	90.18	15.79	101.73	77.25	106.23	N/A	3,535,757	3,188,467
319	3	94.85	95.72	95.58	02.27	100.15	92.93	99.37	N/A	5,297,867	5,063,696
325	27	96.79	103.40	86.99	23.01	118.86	48.68	219.80	85.77 to 105.23	321,696	279,856
332	1	84.66	84.66	84.66	00.00	100.00	84.66	84.66	N/A	4,613,860	3,905,916
333	3	100.77	98.30	92.43	13.13	106.35	77.23	116.91	N/A	3,327,633	3,075,795
334	13	95.21	94.28	95.31	04.12	98.92	76.69	100.93	91.20 to 99.98	1,080,473	1,029,763
336	2	95.03	95.03	95.30	00.59	99.72	94.47	95.59	N/A	108,250	103,165
340	2	94.78	94.78	94.88	00.33	99.89	94.47	95.08	N/A	222,500	211,111
341	7	98.17	96.74	96.33	02.27	100.43	91.11	100.00	91.11 to 100.00	1,193,844	1,150,085
343	2	95.70	95.70	95.32	00.73	100.40	95.00	96.39	N/A	650,000	619,588
344	94	99.12	102.04	99.32	22.95	102.74	42.91	395.36	94.12 to 100.00	1,338,130	1,328,971
345	1	144.93	144.93	144.93	00.00	100.00	144.93	144.93	N/A	2,043,700	2,962,000
349	10	97.57	116.52	98.37	23.57	118.45	87.38	241.53	93.37 to 125.00	558,346	549,230
350	16	99.15	97.54	100.92	20.63	96.65	42.64	138.67	75.98 to 116.17	782,334	789,528
351	1	97.04	97.04	97.04	00.00	100.00	97.04	97.04	N/A	20,010,024	19,416,765
353	58	96.74	113.28	86.37	45.74	131.16	27.15	582.86	83.25 to 100.00	496,571	428,895
384	2	76.26	76.26	84.30	23.77	90.46	58.13	94.38	N/A	103,900	87,584
386	2	95.51	95.51	96.43	06.80	99.05	89.02	102.00	N/A	1,019,555	983,196
387	2	79.86	79.86	84.02	17.97	95.05	65.51	94.20	N/A	1,937,500	1,627,834
406	63	97.22	100.67	99.95	12.58	100.72	48.32	380.07	94.90 to 98.47	435,614	435,414
407	6	95.77	95.90	94.44	02.78	101.55	92.05	100.19	92.05 to 100.19	4,235,983	4,000,511
408	1	37.79	37.79	37.79	00.00	100.00	37.79	37.79	N/A	55,000	20,782
410	4	96.56	106.08	98.46	14.60	107.74	88.15	143.04	N/A	457,500	450,471
411	1	196.10	196.10	196.10	00.00	100.00	196.10	196.10	N/A	100,000	196,100
412	23	100.00	102.15	96.49	09.60	105.87	83.01	189.23	93.80 to 100.00	1,873,976	1,808,177
416	1	100.00	100.00	100.00	00.00	100.00	100.00	100.00	N/A	2,500,000	2,500,000

28 Douglas
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419	27	95.63	107.05	79.32	49.41	134.96	26.50	222.60	62.25 to 142.15	557,267	442,006
423	2	93.44	93.44	93.93	01.37	99.48	92.16	94.72	N/A	616,500	579,105
426	3	94.70	93.58	92.61	03.60	101.05	87.91	98.13	N/A	133,218	123,369
434	4	96.54	97.95	97.19	04.04	100.78	93.24	105.47	N/A	251,250	244,184
435	1	95.43	95.43	95.43	00.00	100.00	95.43	95.43	N/A	183,230	174,858
436	2	66.84	66.84	66.84	00.00	100.00	66.84	66.84	N/A	644,000	430,437
442	12	98.39	101.46	96.19	11.99	105.48	67.65	164.67	95.56 to 104.64	110,426	106,223
459	10	84.36	124.56	91.01	63.44	136.86	56.81	367.14	61.22 to 186.93	115,445	105,069
532	2	95.60	95.60	95.33	00.53	100.28	95.09	96.11	N/A	413,002	393,735
577	6	96.29	100.37	91.81	09.83	109.32	81.02	124.75	81.02 to 124.75	210,393	193,171
588	1	140.91	140.91	140.91	00.00	100.00	140.91	140.91	N/A	1,100,000	1,550,000
595	3	85.39	84.19	78.45	12.81	107.32	67.17	100.00	N/A	7,015,000	5,503,167
718	4	98.41	98.31	98.21	00.84	100.10	96.69	99.75	N/A	677,300	665,204
81	2	108.10	108.10	101.75	12.32	106.24	94.78	121.41	N/A	135,500	137,876
88	2	98.06	98.06	98.93	02.98	99.12	95.14	100.98	N/A	102,250	101,152
<u>ALL</u>	<u>581</u>	96.87	102.31	94.09	21.76	108.74	26.50	582.86	95.97 to 97.55	1,027,086	966,415

**2012 Correlation Section
for Douglas County**

A. Commercial Real Property

A general overview of the statistics indicates the level of value for the commercial and industrial class of property is within the acceptable range. Douglas County analyzes the commercial property in the context of occupancy code comparability groupings rather than by specific geographical locations. General groups include industrial, retail shopping, office buildings, and apartments. The county analyzes these occupancy code groups annually and reappraisals are completed based on market indication and by cyclical schedules to revalue.

The county reappraised several properties within the commercial and industrial class for 2012 resulting in an overall value increase of 2.47 percent to the tax base of existing property. The ratio study statistics indicate that all property type categories and occupancy code categories sufficiently represented by sales are valued within the acceptable range indicating uniformity and proportionality exist in the commercial class of property.

Occupancy code 459 which consists of mixed retail with residential units contains 10 sales and a median of 84.36. The measures of central tendency are not considered reliable however because the coefficient of dispersion is 63.44 and the width of the median confidence interval is excessively wide. This subclass is considered to be acceptable based on the statistics for the broader subclass of apartments and multifamily property types.

The level of value for the commercial class of property is determined to be 97% of market value and the quality of assessment is considered to meet professionally accepted mass appraisal standards.

**2012 Correlation Section
for Douglas County**

B. Analysis of Sales Verification

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

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

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

2012 Correlation Section for Douglas County

C. Measures of Central Tendency

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

D. Analysis of Quality of Assessment

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

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

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 Douglas County

The county conducted a market analysis for the agricultural land class of property. Uninfluenced agricultural land sales in the counties of Burt, Otoe, Nemaha, Richardson, and Johnson were analyzed to determine special values for irrigated, dryland, and grass land. Agricultural land sales within the county are influenced by non-agricultural factors; therefore, are not used to establish special values.

The resulting special values were \$3,000 dollars per acre for irrigated land, \$2,900 for dry land, and \$1,400 per acre for grass land. These represent values at 75% of the uninfluenced agricultural land market value.

2012 Agricultural Assessment Survey for Douglas County

1.	Valuation data collection done by:
	Appraisal Staff
2.	List each market area, and describe the location and the specific characteristics that make each unique.
	One market exists for the agricultural special value class of properties. There a total of 1,600 parcels that receive unaffected agricultural value in Douglas county.
3.	Describe the process that is used to determine and monitor market areas.
	Because all ag parcels in Douglas County are influenced by non ag factors, the county has one schedule of agricultural land values for the entire county.
4.	Describe the process used to identify rural residential land and recreational land in the county apart from agricultural land.
	The county physically reviews the parcel to determine primary use, and then comparable properties are used to establish market value.
5.	Do farm home sites carry the same value as rural residential home sites or are market differences recognized? If differences, what are the recognized market differences?
	In cases where the characteristics are similar, the farm home sites and rural residential home sites are valued similarly. Platted Subdivisions may have different values because they have different amenities than farm home sites.
6.	What process is used to annually update land use? (Physical inspection, FSA maps, etc.)
	Land use is updated based on physical inspections and questionnaire information from owners.
7.	Describe the process used to identify and monitor the influence of non-agricultural characteristics.
	The county uses sale information from within the county to determine market values, and uninfluenced sales from outside the county to determine uninfluenced values. The difference is monitored and quantified as the portion attributable to non-ag influences.
8.	Have special valuation applications been filed in the county? If yes, is there a value difference for the special valuation parcels.
	Applications have been received and the county recognizes a difference in assessed value.
9.	How do you determine whether a sold parcel is substantially changed?
	The county compares the parcel characteristics at the time of sale to the parcel characteristics in the current assessment year. Significant physical changes after the sale date cause the assessment for the current year to be an invalid comparison to the sale price, therefore these sales are coded as invalid in the state sales file. These changes are identified based on review of building permits and physical inspections in the ordinary course of parcel review.

Douglas County 2012 Average LCG Value Comparison

	County	Mkt Area	1A1	1A	2A1	2A	3A1	3A	4A1	4A	AVG IRR
28.10	Douglas	1	3,000	3,000	2,996	3,000	3,000	3,000	3,000	3,000	3,000
77.10	Sarpy	1	3,652	3,525	3,166	2,955	2,622	2,448	1,943	1,667	3,001
89.10	Washington	1	3,950	3,850	3,560	3,240	3,145	2,850	2,210	1,840	3,386
27.10	Dodge	1	4,210	3,915	3,640	3,385	2,966	2,925	2,720	2,535	3,520
78.20	Saunders	2	4,213	3,865	3,815	3,614	3,415	2,805	2,440	2,514	3,916
78.30	Saunders	3	3,815	3,568	3,476	2,975	2,526	2,186	1,819	1,800	2,829
66.80	Otoe	8000	3,630	3,630	3,360	2,750	2,750	2,750	2,090	1,210	2,895
64.83	Nemaha	8300	2,951	3,122	2,458	2,806	2,022	2,541	1,412	1,248	2,413
74.50	Richardson	50	3,500	3,435	2,997	3,100	2,718	2,300	1,800	1,750	2,910

	County	Mkt Area	1D1	1D	2D1	2D	3D1	3D	4D1	4D	AVG DRY
	Douglas	1	2,899	2,899	2,898	2,897	2,900	2,898	2,899	2,898	2,899
	Sarpy	1	3,628	3,502	3,142	2,928	2,598	2,409	1,679	1,429	2,830
	Washington	1	3,790	3,720	3,500	3,030	2,845	2,790	2,150	1,620	3,118
	Dodge	1	3,895	3,625	3,370	3,135	2,629	2,535	2,300	1,890	3,200
	Saunders	2	3,974	3,750	3,602	3,436	3,238	2,789	2,350	2,407	3,589
	Saunders	3	3,499	3,256	3,184	2,715	2,272	1,941	1,629	1,634	2,307
	Otoe	8000	3,300	3,300	3,050	2,500	2,500	2,500	1,900	1,100	2,581
	Nemaha	8300	2,933	2,991	2,652	2,038	1,718	2,267	1,471	1,018	2,160
	Richardson	50	3,074	2,874	2,523	2,592	2,473	2,446	2,095	1,649	2,535

	County	Mkt Area	1G1	1G	2G1	2G	3G1	3G	4G1	4G	AVG GRASS
	Douglas	1	1,400	1,390	1,400	1,400	1,400	1,400	1,399	1,391	1,396
	Sarpy	1	1,730	1,600	1,519	1,388	1,338	1,210	1,078	989	1,295
	Washington	1	1,535	1,370	1,255	1,120	1,100	985	940	850	1,108
	Dodge	1	1,303	1,444	1,125	1,250	1,411	1,130	1,090	930	1,198
	Saunders	2	1,581	1,378	1,017	1,674	1,076	962	892	608	1,155
	Saunders	3	1,325	1,188	1,435	1,118	1,284	1,168	700	613	983
	Otoe	8000	1,217	1,232	1,174	1,282	1,140	1,111	1,037	729	1,084
	Nemaha	8300	1,763	2,031	1,906	1,162	1,200	1,158	977	830	1,170
	Richardson	50	1,032	1,140	871	973	928	879	829	700	864

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

2012 DOUGLAS COUNTY SPECIAL VALUATION METHODOLOGY

Douglas County focused on using generally accepted appraisal practices in establishing its special valuations on agricultural land. The county relied on information supplied by DPAT from the state sales file. 542 sales were analyzed from Burt, Cass, Johnson, Otoe, Nemaha, Pawnee, and Richardson Counties.

These counties were selected for this analysis due to similarity of location and topography to Douglas County. There were 243 sales that had at least 95% predominant use and 321 with at least 80% predominant use that were utilized.

This analysis revealed an increase to the value that was selected last year; the sales indicated that there was between a 20 to 25% change in the market from last year's sales base. The analysis also revealed that the soil productivity rating for each sale did not tend to correlate with the sale price. To test this analysis Multiple Regression was utilized to arrive at coefficients for each soil type. The primary value determinant for the agricultural sales was use and location. Thus an overall rate was selected and used for each of the agricultural use.

COUNTY REPORT OF THE 2012 SPECIAL VALUATION PROCESS

Douglas

2011 ABSTRACT DATA		2012 ABSTRACT DATA		Rates Used	
MAJOR AGLAND USE	2011 % of ALL CLASSIFIED AGLAND	2011 ABSTRACT ACRES	2012 % of ALL CLASSIFIED AGLAND	2012 ABSTRACT ACRES	ESTIMATED CORRELATED RATE (for each major land use)
Irrigated	13.14%	9,908	13.20%	9,946	IRRIGATED RATE 6.40%
Dryland	64.11%	48,337	63.83%	48,083	DRYLAND RATE 4.55%
Grassland	11.85%	8,937	12.08%	9,097	GRASS RATE 3.50%
* Waste	3.98%	3,002	4.03%	3,038	
* Other	6.91%	5,212	6.86%	5,167	
All Agland	100.00%	75,397	100.00%	75,331	
Non-Agland		1,142			

PRELIMINARY LEVEL OF VALUE BASED ON THE 2011 ABSTRACT

Estimated Rent	2011 ADJ Assessed Value	USE	Estimated Value	Average Rent per Acre	Preliminary Indicated Level of Value
2,549,999	24,770,700	IRRIGATED	39,843,733	257.36	62.17%
8,360,174	115,969,288	DRYLAND	183,740,087	172.96	63.12%
487,193	9,359,110	GRASSLAND	13,919,803	54.51	67.24%
11,397,366	150,099,097	All IRR-DRY-GRASS	237,503,623	169.65	63.20%

ESTIMATED LEVEL OF VALUE BASED ON THE 2012 ABSTRACT

Estimated Rent	2012 ADJ Assessed Value	USE	Estimated Value	Average Rent per Acre	2012 Indicated Level of Value
2,559,593	29,835,036	IRRIGATED	39,993,645	257.36	74.60%
8,613,300	139,373,085	DRYLAND	189,303,301	172.96	73.62%
495,903	12,702,488	GRASSLAND	14,168,654	54.51	89.65%
11,668,796	181,910,609	All IRR-DRY-GRASS	243,465,600	169.65	74.72%

CHANGES BY AVERAGE VALUE PER ACRE FOR EACH MAJOR USE

Average Value Per Acre of IRRIGATED Agricultural Land - Special Valuation		
2011	@ \$	2,500.00
2012	@ \$	2,999.83
PERCENT CHANGE	=	19.99%

Average Value Per Acre of DRY Agricultural Land - Special Valuation		
2011	@ \$	2,399.18
2012	@ \$	2,898.58
PERCENT CHANGE	=	20.82%

Average Value Per Acre of GRASS Agricultural Land - Special Valuation		
2011	@ \$	1,047.24
2012	@ \$	1,396.38
PERCENT CHANGE	=	33.34%

NOTES:

* Waste and other classes are excluded from the measurement process.

**2012 Correlation Section
for Douglas County**

A. Agricultural Land

Agricultural Land in this county is determined to be completely influenced by non-agricultural factors and valued primarily using special valuation. Therefore, measurement is not conducted on the influenced valuation for agricultural land.

A1. Correlation for Special Valuation of Agricultural Land

The special valuation in Douglas County was analyzed using assessment-to-sales ratios developed using sale data from uninfluenced counties considered comparable to Douglas County. Income rental rates, production factors, topography, typical farming practices, proximity, and other factors were considered to determine general areas of comparability. The 2012 assessed values established by Douglas County were used to estimate value for the uninfluenced sales and the results were analyzed against the sale prices.

Analysis is also conducted of the rental rates in the comparable counties and used to estimate the total rents per land capability grouping for the county being measured. Gross rent multipliers are determined based on an analysis of rental information from the comparable counties and market values indicated from sale prices. An assessment level is estimated by the ratio of special valuation assessment divided by the estimated agricultural land market value determination.

In comparing the average assessed values by LCG of Douglas County to adjacent counties the comparison demonstrates the values are generally equalized. Based on this analysis it is the opinion of the PTA that the level of value of Agricultural Special Value in Douglas County is 75%.

**2012 Correlation Section
for Douglas County**

B. Analysis of Sales Verification

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

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

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

2012 Correlation Section for Douglas County

C. Measures of Central Tendency

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

D. Analysis of Quality of Assessment

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

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

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

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

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

Total Real Property Sum Lines 17, 25, & 30	Records : 193,027	Value : 34,786,163,020	Growth 332,280,090	Sum Lines 17, 25, & 41
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Schedule I : Non-Agricultural Records

	Urban		SubUrban		Rural		Total		Growth
	Records	Value	Records	Value	Records	Value	Records	Value	
01. Res UnImp Land	7,848	49,276,700	7,454	143,681,500	1,777	47,088,900	17,079	240,047,100	
02. Res Improve Land	126,864	1,927,622,700	28,686	814,105,900	3,355	177,245,100	158,905	2,918,973,700	
03. Res Improvements	128,533	14,637,906,400	29,332	5,205,761,100	3,623	594,412,000	161,488	20,438,079,500	
04. Res Total	136,381	16,614,805,800	36,786	6,163,548,500	5,400	818,746,000	178,567	23,597,100,300	207,552,140
% of Res Total	76.38	70.41	20.60	26.12	3.02	3.47	92.51	67.83	62.46
05. Com UnImp Land	1,557	229,310,800	430	111,897,400	74	9,837,300	2,061	351,045,500	
06. Com Improve Land	6,760	1,771,760,600	249	158,322,300	87	15,135,900	7,096	1,945,218,800	
07. Com Improvements	6,871	6,220,273,900	254	540,530,700	129	81,682,100	7,254	6,842,486,700	
08. Com Total	8,428	8,221,345,300	684	810,750,400	203	106,655,300	9,315	9,138,751,000	118,724,500
% of Com Total	90.48	89.96	7.34	8.87	2.18	1.17	4.83	26.27	35.73
09. Ind UnImp Land	438	28,561,100	9	2,098,500	23	7,084,000	470	37,743,600	
10. Ind Improve Land	1,766	292,959,800	51	18,051,700	54	10,815,900	1,871	321,827,400	
11. Ind Improvements	1,758	1,272,538,900	51	53,818,200	61	39,974,800	1,870	1,366,331,900	
12. Ind Total	2,196	1,594,059,800	60	73,968,400	84	57,874,700	2,340	1,725,902,900	5,366,780
% of Ind Total	93.85	92.36	2.56	4.29	3.59	3.35	1.21	4.96	1.62
13. Rec UnImp Land	132	387,000	425	1,274,200	78	418,800	635	2,080,000	
14. Rec Improve Land	12	177,600	6	41,500	19	38,700	37	257,800	
15. Rec Improvements	9	47,900	1	2,300	197	2,324,100	207	2,374,300	
16. Rec Total	141	612,500	426	1,318,000	275	2,781,600	842	4,712,100	0
% of Rec Total	16.75	13.00	50.59	27.97	32.66	59.03	0.44	0.01	0.00
Res & Rec Total	136,522	16,615,418,300	37,212	6,164,866,500	5,675	821,527,600	179,409	23,601,812,400	207,552,140
% of Res & Rec Total	76.10	70.40	20.74	26.12	3.16	3.48	92.95	67.85	62.46
Com & Ind Total	10,624	9,815,405,100	744	884,718,800	287	164,530,000	11,655	10,864,653,900	124,091,280
% of Com & Ind Total	91.15	90.34	6.38	8.14	2.46	1.51	6.04	31.23	37.35
17. Taxable Total	147,146	26,430,823,400	37,956	7,049,585,300	5,962	986,057,600	191,064	34,466,466,300	331,643,420
% of Taxable Total	77.01	76.69	19.87	20.45	3.12	2.86	98.98	99.08	99.81

Schedule II : Tax Increment Financing (TIF)

	Urban			SubUrban		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	1,923	20,801,200	324,466,400	0	0	0
19. Commercial	288	97,024,600	986,622,100	0	0	0
20. Industrial	39	20,535,700	90,934,500	0	0	0
21. Other	0	0	0	0	0	0
	Rural			Total		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	1,923	20,801,200	324,466,400
19. Commercial	0	0	0	288	97,024,600	986,622,100
20. Industrial	0	0	0	39	20,535,700	90,934,500
21. Other	0	0	0	0	0	0
22. Total Sch II				2,250	138,361,500	1,402,023,000

Schedule III : Mineral Interest Records

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

Schedule IV : Exempt Records : Non-Agricultural

	Urban Records	SubUrban Records	Rural Records	Total Records
26. Exempt	5,076	461	914	6,451

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	0	0	0	0	1,306	124,587,350	1,306	124,587,350
28. Ag-Improved Land	0	0	0	0	1,855	83,783,770	1,855	83,783,770
29. Ag Improvements	23	692,400	5	571,800	629	110,061,400	657	111,325,600
30. Ag Total							1,963	319,696,720

Schedule VI : Agricultural Records :Non-Agricultural Detail

	Urban			SubUrban			Growth
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	0	0.00	0	0	0.00	0	
32. HomeSite Improv Land	0	0.00	0	0	0.00	0	
33. HomeSite Improvements	2	0.00	439,000	3	0.00	565,600	
34. HomeSite Total							
35. FarmSite UnImp Land	0	0.00	0	0	0.00	0	
36. FarmSite Improv Land	0	0.00	0	0	0.00	0	
37. FarmSite Improvements	21	0.00	253,400	2	0.00	6,200	
38. FarmSite Total							
39. Road & Ditches	0	0.00	0	0	0.00	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
	Records	Acres	Value	Records	Acres	Value	Growth
31. HomeSite UnImp Land	0	0.00	0	0	0.00	0	
32. HomeSite Improv Land	561	613.88	16,043,600	561	613.88	16,043,600	
33. HomeSite Improvements	484	0.00	105,791,800	489	0.00	106,796,400	636,670
34. HomeSite Total				489	613.88	122,840,000	
35. FarmSite UnImp Land	0	0.00	0	0	0.00	0	
36. FarmSite Improv Land	606	1,140.18	5,698,440	606	1,140.18	5,698,440	
37. FarmSite Improvements	145	0.00	4,269,600	168	0.00	4,529,200	0
38. FarmSite Total				168	1,140.18	10,227,640	
39. Road & Ditches	0	0.00	0	0	0.00	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
41. Total Section VI				657	1,754.06	133,067,640	636,670

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

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	0	0.00	0	0	0.00	0
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	0	0.00	0	0	0.00	0

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	1,994	75,330.74	186,936,580	1,994	75,330.74	186,936,580
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	1,914.61	19.25%	5,743,830	19.25%	3,000.00
46. 1A	357.67	3.60%	1,073,010	3.60%	3,000.00
47. 2A1	457.02	4.60%	1,369,410	4.59%	2,996.39
48. 2A	4,320.18	43.44%	12,960,546	43.44%	3,000.00
49. 3A1	1,270.89	12.78%	3,812,670	12.78%	3,000.00
50. 3A	1,154.39	11.61%	3,463,170	11.61%	3,000.00
51. 4A1	251.00	2.52%	753,000	2.52%	3,000.00
52. 4A	219.80	2.21%	659,400	2.21%	3,000.00
53. Total	9,945.56	100.00%	29,835,036	100.00%	2,999.83
Dry					
54. 1D1	6,522.72	13.57%	18,907,294	13.57%	2,898.68
55. 1D	10,110.08	21.03%	29,307,382	21.03%	2,898.83
56. 2D1	1,070.98	2.23%	3,103,767	2.23%	2,898.06
57. 2D	8,954.29	18.62%	25,944,916	18.62%	2,897.48
58. 3D1	5,012.72	10.43%	14,534,988	10.43%	2,899.62
59. 3D	5,279.79	10.98%	15,298,932	10.98%	2,897.64
60. 4D1	10,502.43	21.84%	30,449,338	21.85%	2,899.27
61. 4D	630.30	1.31%	1,826,470	1.31%	2,897.78
62. Total	48,083.31	100.00%	139,373,087	100.00%	2,898.58
Grass					
63. 1G1	729.40	8.02%	1,021,160	8.04%	1,400.00
64. 1G	1,630.64	17.93%	2,267,217	17.85%	1,390.39
65. 2G1	71.72	0.79%	100,408	0.79%	1,400.00
66. 2G	829.85	9.12%	1,161,790	9.15%	1,400.00
67. 3G1	537.94	5.91%	753,116	5.93%	1,400.00
68. 3G	1,439.92	15.83%	2,015,888	15.87%	1,400.00
69. 4G1	2,255.71	24.80%	3,155,859	24.84%	1,399.05
70. 4G	1,601.55	17.61%	2,227,050	17.53%	1,390.56
71. Total	9,096.73	100.00%	12,702,488	100.00%	1,396.38
Irrigated Total					
	9,945.56	13.20%	29,835,036	15.99%	2,999.83
Dry Total					
	48,083.31	63.83%	139,373,087	74.68%	2,898.58
Grass Total					
	9,096.73	12.08%	12,702,488	6.81%	1,396.38
72. Waste	3,038.18	4.03%	151,909	0.08%	50.00
73. Other	5,166.97	6.86%	4,566,560	2.45%	883.80
74. Exempt	1,142.17	1.52%	0	0.00%	0.00
75. Market Area Total	75,330.75	100.00%	186,629,081	100.00%	2,477.46

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	0.00	0	0.00	0	9,945.56	29,835,036	9,945.56	29,835,036
77. Dry Land	0.00	0	0.00	0	48,083.31	139,373,087	48,083.31	139,373,087
78. Grass	0.00	0	0.00	0	9,096.73	12,702,488	9,096.73	12,702,488
79. Waste	0.00	0	0.00	0	3,038.18	151,909	3,038.18	151,909
80. Other	0.00	0	0.00	0	5,166.97	4,566,560	5,166.97	4,566,560
81. Exempt	0.00	0	0.00	0	1,142.17	0	1,142.17	0
82. Total	0.00	0	0.00	0	75,330.75	186,629,081	75,330.75	186,629,081

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	9,945.56	13.20%	29,835,036	15.99%	2,999.83
Dry Land	48,083.31	63.83%	139,373,087	74.68%	2,898.58
Grass	9,096.73	12.08%	12,702,488	6.81%	1,396.38
Waste	3,038.18	4.03%	151,909	0.08%	50.00
Other	5,166.97	6.86%	4,566,560	2.45%	883.80
Exempt	1,142.17	1.52%	0	0.00%	0.00
Total	75,330.75	100.00%	186,629,081	100.00%	2,477.46

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

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	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	23,549,082,965	23,597,100,300	48,017,335	0.20%	207,552,140	-0.68%
02. Recreational	12,441,700	4,712,100	-7,729,600	-62.13%	0	-62.13%
03. Ag-Homesite Land, Ag-Res Dwelling	141,732,620	122,840,000	-18,892,620	-13.33%	636,670	-13.78%
04. Total Residential (sum lines 1-3)	23,703,257,285	23,724,652,400	21,395,115	0.09%	208,188,810	-0.79%
05. Commercial	8,845,200,730	9,138,751,000	293,550,270	3.32%	118,724,500	1.98%
06. Industrial	1,634,960,490	1,725,902,900	90,942,410	5.56%	5,366,780	5.23%
07. Ag-Farmsite Land, Outbuildings	11,762,900	10,227,640	-1,535,260	-13.05%	0	-13.05%
08. Minerals	0	0	0		0	
09. Total Commercial (sum lines 5-8)	10,491,924,120	10,874,881,540	382,957,420	3.65%	124,091,280	2.47%
10. Total Non-Agland Real Property	34,195,181,405	34,599,533,940	404,352,535	1.18%	332,280,090	0.21%
11. Irrigated	24,651,345	29,835,036	5,183,691	21.03%		
12. Dryland	115,159,965	139,373,087	24,213,122	21.03%		
13. Grassland	12,450,825	12,702,488	251,663	2.02%		
14. Wasteland	148,690	151,909	3,219	2.16%		
15. Other Agland	2,916,115	4,566,560	1,650,445	56.60%		
16. Total Agricultural Land	155,326,940	186,629,081	31,302,141	20.15%		
17. Total Value of all Real Property (Locally Assessed)	34,350,508,345	34,786,163,020	435,654,675	1.27%	332,280,090	0.30%

Douglas County Assessor 2012 - 2014 Three Year Plan of Assessment

Introduction

Pursuant to Neb. Rev. Stat. §77-1311.02 (2007), The county assessor shall, on or before June 15 each year, prepare a plan of assessment which shall describe the assessment actions the county assessor plans to make for the next assessment year and two years thereafter. The plan shall indicate the classes or subclasses of real property that the county assessor plans to examine during the years contained in the plan of assessment. The plan shall describe all the assessment actions necessary to achieve the levels of value and quality of assessment practices required by law and the resources necessary to complete those actions. The plan shall be presented to the county board of equalization on or before July 31 each year. The county assessor may amend the plan, if necessary, after the budget is approved by the county board. A copy of the plan and any amendments thereto shall be mailed to the Department of Revenue on or before October 31 each year.

Source: Laws 2005, LB 263, § 9; Laws 2007, LB334, § 64. Operative date July 1, 2007.

Real Property

Douglas County consists of the following breakdown of real property parcels in 2011:

Type	# of parcels	Value
Residential	178,149	\$23,612,620,000
Commercial/Industrial	11,845	\$10,832,674,080
Agricultural	2,106	\$ 288,396,345
Exempt	17,241	
State Assessed	990	
Total	210,331	\$34,733,690,425

Assessment Calendar

Date	Activity
January 1	Assessment Date
Jan - Feb.	Building Permits, Set Values, Values Review
March 1	Transfer Values to Clerk & Error Reports
March 19	Reports and Opinions to State – Abstract & Sales File
Mar – May	Data Collection
May	Commercial Preliminary Hearings
Jun – Jul	BOE
Aug – Oct	Data Collection
Nov – Dec	Building Permits & Set Values

The office's appraisal staff currently consists of 25 individuals including the Chief Field Deputy. There is also 4 clerical support staff assigned to the department. In preparing the three year plan, there are two major hurdles that hamper the completion of the mandate of inspecting all properties every six years. The first constraint is the lack of adequate funding of appraisal functions which results in an overly high work load of the appraisers. The residential appraisers have an average of over 16,000 parcels assigned to each appraiser, while the commercial appraisers have an average of around 3700 parcels each. The second major drain on the appraisal staff has been the high number of protests to both the Board of Equalization and the Tax Equalization Review Commission. The protest process has taken a high amount of staff time. Our staff prepares a BOE packet for the Board for each protest, which will also serve as evidence for TERC if the property is appealed. When an individual files a TERC protest, our office performs an interior inspection, prepares the required TERC documentation as well as having the appraiser or supervisor attend the hearing along with the County Attorney's designee. This is different than some of the other counties who have the BOE staff defend their values. We still have 701 pending TERC cases for the tax years 2007 thru 2010. The breakdown for value changes and protest for the last three years are as follows:

Year	Value Changes	BOE Protests	% of changes	TERC Protests	% of BOE
2007	83,940	10,551	12.57	1,171	11.10
2008	54,964	5,905	10.74	811	13.73
2009	32,198	4,800	14.91	958	19.96
2010	61,000	5,455	8.94	1,032	18.92

Despite these constraints the office values all properties every year. This is accomplished through the use of the Office's Computer Assisted Mass Appraisal system and extensive use of statistical analysis. The Cost Approach to value is utilized primarily for new construction and unique properties; the Sales Comparison Approach is used in valuing residential properties, while the Income Approach is utilized in valuing commercial, industrial and Multiple Commercial properties. The results of the 2011 reappraisal of the County's properties are illustrated below.

The 2011 Opinion of the Property Tax Administrator Statistics were as follows:

	# of Sales	Ratio	COD	PRD
Residential	15,074	96	9.48	102.66
Commercial	829	96	19.32	105.50
Agricultural		74		

Real Property Inspection Cycle

Pursuant to Neb. Rev. Stat. §77-1311.03 (2007), On or before March 19 of each year, each county assessor shall conduct a systematic inspection and review by class or subclass of a portion of the taxable real property parcels in the county for the purpose of achieving uniform and proportionate valuations and assuring that the real property record data accurately reflects the property. The county assessor shall adjust the value of all other taxable real property parcels by class or subclass in the county so that the value of all real property is uniform and proportionate. The county assessor shall determine the portion to be inspected and reviewed each year to assure that all parcels of real property in the county have been inspected and reviewed no less frequently than every six years.

The inspection cycle consist of having an appraiser physically inspect each improved parcel in the County every 6 years. Due to shortage of vehicles available to the appraisal staff this may entail the staff working in a team of two at times. The extent of the physical inspection is based upon the completeness of our data. Some areas may need to have the current information reviewed with the staff taking a front and rear photo of each property, while other areas may need to have the data completely re-listed to include re-measuring the improvements. Some commercial properties need to have interior inspections completed to determine usage and finished versus unfinished areas. While Pictometry was purchased a year ago and is helpful in verifying some measurements and identifying missing characteristics such as decks and swimming pools, it can't be substituted for an on-site inspection. An on-site inspection is important to verify quality of construction and to determine the condition of the property. This is especially important for areas of the County that has older properties since conditions of these properties can change quickly.

There are currently 9078 improved commercial/Industrial/Multiple Commercial parcels. In the last three years the commercial staff has inspected 4761 parcels, in the next three years they will be able to inspect the remaining parcels.

There are currently 162,082 improved residential properties in the County. In the past three years the residential staff has inspected a total of 62,026 parcels leaving 100,056 parcels to be inspected the next three years to complete the requirement of inspecting all properties every six years. This means 33,352 parcels need to be inspected each of the next three years. The residential staff consists of 10 appraisers and 6 listers. The appraisers have averaged 1300 inspections and the listers average 1900 inspections. Theses averages are lower than expected due to the amount of appraisal time spent on tax appeals. The current staff spends an average of two months a year working on TERC appeals.

In order to be able to complete the remaining inspections the office needs additional staff. The staff required would be 4 more listers and 1 appraiser to be able to inspect an additional 8700 parcels a year. A better solution would be to add an appeals department consisting of a supervisor and two appraisers. This would free up the residential staff to be able to conduct more inspections. This would also allow us to prepare for implementing the requirements outlined in LB 384.

Tax year 2013

In tax year 2013 the office will have to prepare to implement informal hearings conducted in January and Febuary as outline in LB 384. This will mean our appraisal activities will have to be completed by the first of January in order to notify the public of their preliminary values. The calendar will be changed as follows:

New Assessment Calendar

Date	Activity
January 1	Assessment Date
January 15	Preliminary Values Set
Jan 15-30	Schedule Hearings
Feb	Conduct Informal hearings with taxpayers
March 1-15	Finalize Values
March 15-25	Transfer Values to Clerk & Error Reports
March 25	Reports and Opinions to State – Abstract & Sales File
Mar – May	Data Collection
Jun – Jul	BOE
Aug – Oct	Data Collection & Set Values
Nov – Dec	Building Permits & Set Values & Value Review

In order to accomplish the preliminary hearings with taxpayers, all of the building permits and new construction will have to be picked up and worked by the first of the year. Also all values will have to be set and reviewed by the first. In essence the office will lose two months time to conduct these activities. The adding of a hearing department will have helped us to organize the hearings from the previous year. Additional staff of a modeler, land appraiser and four listers will also be needed to accomplish the required work in time to get values set by January the 15th.

Proposed Budget for new State Requirements

# of Positions	New Positions	Title	Salary	TOTAL:	Comments
1	Terc Supervisor	RE Supervisor	\$27.67 - \$ 41.46	\$71,884.80	1@Mid \$34.56
1	Modeler	RE Specialist	\$22.81	\$47,444.80	1@\$22.81
1	Land Appraiser	RE Tech I	\$18.33	\$38,126.40	1@\$18.33
1	Ag/Rural/ Farm Appraiser	RE Tech I	\$18.33	\$38,126.40	1@\$18.33
1	Exempt Appraiser	RE Tech I	\$18.33	\$38,126.40	1@\$18.33
4	Lister	Lister	\$17.91	\$149,011.20	4@\$17.91hr / 4@\$37,252.80 YR
TOTAL				\$382,720.00	
# of	Equipment		Cost		
9	Computers		\$2,000.00	\$18,000.00	9@\$2,000.00
8	Handhelds		\$3,500.00	\$28,000.00	8@\$3,500.00
21	Disto's(Measuring)		\$800.00	\$16,800.00	21@\$800.00
10	Camera's		\$100.00	\$1,000.00	10@\$100.00
5	12C Calculator's		\$70.00	\$350.00	5@\$70.00
10	Tape Measures		\$30.00	\$300.00	10@\$30.00
3	Printers		\$200.00	\$600.00	3@\$200.00
9	Telephones		\$120.00	\$1,080.00	9@\$120.00
TOTAL:				\$66,130.00	
# of	Computer Support(License)		Cost		
9	Nexus (Handheld)		\$350.00	\$3,150.00	9@\$350.00
9	Medina (Work station)		\$350.00	\$3,150.00	9@\$350.00
9	IMS		\$125.00	\$1,125.00	9@\$125.00
9	Microsoft Office 2007		\$309.00	\$2,781.00	9@\$309.00
2	SPSS		\$2,500.00	\$5,000.00	2@\$2500.00
2	SPSS Yearly Maintenance		\$400.00	\$800.00	2@\$400.00
TOTAL				\$16,006.00	
# of	Education/Licenses		Cost		
9	Appraisal License		\$300.00	\$2,700.00	9@\$300.00
9	Appraiser Courses (IAAO)		\$250.00	\$2,250.00	9@\$250.00
TOTAL:				\$4,950.00	
# of	Furniture		Cost		
2	Office Equipment _ Chairs, File Cabinets		\$1,500.00	\$3,000.00	2@\$1500.00
7	Cubicles		\$2,500.00	\$17,500.00	7@\$2500.00
TOTAL:				\$20,500.00	
# of	Transportation		Cost		
9	Cars (Ford Focus)		\$14,000.00	\$126,000.00	10@\$14,000
1	Ford Escape (Ag Appraiser)		\$20,500.00	\$20,500.00	1@\$20,500
TOTAL:				\$146,500.00	
GRAND TOTAL:				\$636,806.00	

2012 Assessment Survey for Douglas County

A. Staffing and Funding Information

1.	Deputy(ies) on staff:
	2
2.	Appraiser(s) on staff:
	13 appraisers, 4 supervisors, 7 listers, and 3 clerical
3.	Other full-time employees:
	18
4.	Other part-time employees:
	0
5.	Number of shared employees:
	0
6.	Assessor's requested budget for current fiscal year:
	\$3,500,000
7.	Adopted budget, or granted budget if different from above:
	\$2,785,484
8.	Amount of the total assessor's budget set aside for appraisal work:
	\$1,508,932 (salaries)
9.	If appraisal/reappraisal budget is a separate levied fund, what is that amount:
10.	Part of the assessor's budget that is dedicated to the computer system:
	\$213,000
11.	Amount of the assessor's budget set aside for education/workshops:
	\$13,500
12.	Other miscellaneous funds:
	0
13.	Amount of last year's assessor's budget not used:
	0

B. Computer, Automation Information and GIS

1.	Administrative software:
	County Clerk's Office—IMS Mainframe System
2.	CAMA software:
	Colorado Customware
3.	Are cadastral maps currently being used?
	Yes
4.	If so, who maintains the Cadastral Maps?
	GIS Department within the Assessor's Office
5.	Does the county have GIS software?
	Yes

6.	Is GIS available on a website? If so, what is the name of the website?
	dcassessor.org
7.	Who maintains the GIS software and maps?
	Assessor's Office
8.	Personal Property software:
	Colorado Customware

C. Zoning Information

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

D. Contracted Services

1.	Appraisal Services:
	None
2.	Other services:
	None

2012 Certification for Douglas County

This is to certify that the 2012 Reports and Opinions of the Property Tax Administrator have been sent to the following:

One copy by electronic transmission to the Tax Equalization and Review Commission.

One copy by electronic transmission to the Douglas County Assessor.

Dated this 9th day of April, 2012.



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

Ruth A. Sorensen
Property Tax Administrator

