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2013 Commission Summary for Custer County

Residential Real Property - Current

Number of Sales	197	Median	97.64
Total Sales Price	\$11,539,300	Mean	105.36
Total Adj. Sales Price	\$11,620,800	Wgt. Mean	93.95
Total Assessed Value	\$10,917,388	Average Assessed Value of the Base	\$48,780
Avg. Adj. Sales Price	\$58,989	Avg. Assessed Value	\$55,418

Confidence Interval - Current

95% Median C.I	95.27 to 99.17
95% Wgt. Mean C.I	90.64 to 97.25
95% Mean C.I	99.85 to 110.87
% of Value of the Class of all Real Property Value in the	12.02
% of Records Sold in the Study Period	4.20
% of Value Sold in the Study Period	4.78

Residential Real Property - History

Year	Number of Sales	LOV	Median
2012	242	97	97.23
2011	232	97	97
2010	239	98	98
2009	320	97	97

2013 Commission Summary for Custer County

Commercial Real Property - Current

Number of Sales	47	Median	95.58
Total Sales Price	\$4,444,758	Mean	96.92
Total Adj. Sales Price	\$4,355,758	Wgt. Mean	94.86
Total Assessed Value	\$4,131,849	Average Assessed Value of the Base	\$116,797
Avg. Adj. Sales Price	\$92,676	Avg. Assessed Value	\$87,912

Confidence Interval - Current

95% Median C.I	93.58 to 98.15
95% Wgt. Mean C.I	86.99 to 102.73
95% Mean C.I	86.48 to 107.36
% of Value of the Class of all Real Property Value in the County	4.91
% of Records Sold in the Study Period	5.88
% of Value Sold in the Study Period	4.43

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2012	37		96.25
2011	55		96
2010	63	96	96
2009	69	95	95

2013 Opinions of the Property Tax Administrator for Custer 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	98	Meets generally accepted mass appraisal practices.	No recommendation.
Commercial Real Property	*NEI	Does not meet generally accepted mass appraisal practices.	No recommendation.
Agricultural Land	74	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 5th day of April, 2013.



Ruth A. Sorensen

Ruth A. Sorensen
Property Tax Administrator

2013 Residential Assessment Actions for Custer County

A physical review of all residential parcels in the City of Broken Bow was completed. This work completes a review cycle, which began in 2008. The review process includes a physical inspection and exterior review of all parcels. The lister takes new photographs, notes any physical changes, and checks measurements. The county assessor will review the pictures and data collected by the lister and will update the condition and effective age of the property when warranted. The effective age of all reviewed properties is calculated using a table available in the Marshall and Swift manual that is based on known improvements to the property.

Only routine maintenance was completed within the rest of the class; the pickup work was completed timely.

2013 Residential Assessment Survey for Custer County

1.	Valuation data collection done by:	
	The part-time lister	
2.	List the valuation groupings recognized by the County and describe the unique characteristics of each:	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	01	Broken Bow – the largest community in the county and is a hub for business, jobs, and shopping in the County and surrounding Sandhills communities. Both growth and demand for existing housing has been stable within the community.
	02	Callaway is a unique small town, in that it contains a hospital, nursing home, and assisted living complex as well as its own school system. These services provide jobs and a demand for housing that is not found in similar sized communities.
	03	Ansley, Arnold & Merna – these communities are all located within easy commuting of jobs and services in larger communities. Each town has its own school system, and has local organizations working to keep the towns viable. Growth has been minimal in these areas, and the market is softer than groups one and two but still relatively stable.
	04	Anselmo, Mason City, Oconto & Sargent – these are small communities, not within easy commuting distance for jobs. The towns have some sales activity annually, but the market is less organized. Values have been flat to slightly decreasing in recent years.
	05	Berwyn & Comstock – very small communities with few sales annually. Demand for housing is sporadic here, with no market organization.
	06	Rural – all properties not within the political boundaries of a town or subdivision. Growth and demand for rural housing continues to be strong throughout the county.
3.	List and describe the approach(es) used to estimate the market value of residential properties.	
	Only the cost approach is used.	
4.	What is the costing year of the cost approach being used for each valuation grouping?	
	June 2008	
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?	
	Yes, depreciation tables are developed using local market information.	
6.	Are individual depreciation tables developed for each valuation grouping?	
	One physical depreciation table is used for the entire class; economic depreciation is	

	applied by location when warranted.
7.	When were the depreciation tables last updated for each valuation grouping?
	The physical depreciation table was developed in 2008; economic depreciation is reviewed annually and adjusted when warranted.
8.	When was the last lot value study completed for each valuation grouping?
	A lot value study is completed annually for all valuation groupings.
9.	Describe the methodology used to determine the residential lot values?
	Lot values are established using a price per square foot analysis.

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RESIDENTIAL

PAD 2013 R&O Statistics (Using 2013 Values)

Qualified

Date Range: 10/1/2010 To 9/30/2012 Posted on: 1/23/2013

Number of Sales : 197
 Total Sales Price : 11,539,300
 Total Adj. Sales Price : 11,620,800
 Total Assessed Value : 10,917,388
 Avg. Adj. Sales Price : 58,989
 Avg. Assessed Value : 55,418

MEDIAN : 98
 WGT. MEAN : 94
 MEAN : 105
 COD : 22.06
 PRD : 112.14

COV : 37.48
 STD : 39.49
 Avg. Abs. Dev : 21.54
 MAX Sales Ratio : 452.96
 MIN Sales Ratio : 41.44

95% Median C.I. : 95.27 to 99.17
 95% Wgt. Mean C.I. : 90.64 to 97.25
 95% Mean C.I. : 99.85 to 110.87

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DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Qrtrs</u>											
01-OCT-10 To 31-DEC-10	24	98.60	103.48	92.45	15.30	111.93	66.22	170.03	92.39 to 101.50	65,088	60,175
01-JAN-11 To 31-MAR-11	23	94.65	103.33	96.24	19.39	107.37	65.14	172.19	88.10 to 99.89	74,104	71,315
01-APR-11 To 30-JUN-11	43	96.58	109.54	92.36	28.88	118.60	45.02	452.96	92.62 to 101.02	58,412	53,947
01-JUL-11 To 30-SEP-11	38	99.17	103.08	93.06	18.57	110.77	44.42	195.40	92.18 to 108.34	63,303	58,910
01-OCT-11 To 31-DEC-11	22	101.22	101.49	95.99	13.97	105.73	41.44	152.76	91.08 to 113.06	61,091	58,642
01-JAN-12 To 31-MAR-12	13	98.23	121.94	102.04	34.37	119.50	54.91	215.20	92.53 to 151.89	33,977	34,669
01-APR-12 To 30-JUN-12	15	98.80	97.95	92.91	24.36	105.42	43.06	152.12	79.01 to 117.13	36,900	34,282
01-JUL-12 To 30-SEP-12	19	94.92	104.33	92.87	23.23	112.34	56.33	187.17	84.69 to 108.27	57,784	53,663
<u>Study Yrs</u>											
01-OCT-10 To 30-SEP-11	128	96.98	105.37	93.39	21.74	112.83	44.42	452.96	94.87 to 99.33	63,935	59,709
01-OCT-11 To 30-SEP-12	69	98.23	105.36	95.27	22.77	110.59	41.44	215.20	93.08 to 102.22	49,813	47,459
<u>Calendar Yrs</u>											
01-JAN-11 To 31-DEC-11	126	97.62	105.05	94.01	21.58	111.74	41.44	452.96	94.87 to 99.90	63,219	59,434
<u>ALL</u>	197	97.64	105.36	93.95	22.06	112.14	41.44	452.96	95.27 to 99.17	58,989	55,418

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	82	97.12	100.54	96.30	10.49	104.40	45.02	215.20	95.03 to 99.16	70,923	68,296
02	17	107.99	109.11	100.70	25.45	108.35	43.75	152.12	83.92 to 141.92	55,082	55,470
03	49	97.76	101.61	87.12	25.41	116.63	41.44	212.54	90.79 to 104.81	40,318	35,127
04	26	91.54	119.43	81.66	49.60	146.25	44.42	452.96	81.80 to 144.79	38,169	31,168
05	6	102.75	113.29	102.05	21.08	111.01	86.70	151.89	86.70 to 151.89	19,467	19,866
06	17	98.26	111.38	96.61	22.65	115.29	80.47	211.80	86.52 to 127.31	104,935	101,373
<u>ALL</u>	197	97.64	105.36	93.95	22.06	112.14	41.44	452.96	95.27 to 99.17	58,989	55,418

PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	187	97.54	105.08	93.91	21.96	111.89	41.44	452.96	95.03 to 99.17	60,790	57,086
06											
07	10	101.90	110.67	95.79	23.07	115.53	54.91	195.40	86.70 to 152.76	25,300	24,234
<u>ALL</u>	197	97.64	105.36	93.95	22.06	112.14	41.44	452.96	95.27 to 99.17	58,989	55,418

21 Custer
RESIDENTIAL

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COV : 37.48
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 95% Wgt. Mean C.I. : 90.64 to 97.25
 95% Mean C.I. : 99.85 to 110.87

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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	151.89	190.79	176.28	63.12	108.23	56.33	452.96	N/A	3,460	6,099	
Less Than 15,000	26	150.33	157.82	148.43	27.29	106.33	56.33	452.96	130.90 to 172.19	8,023	11,909	
Less Than 30,000	72	106.81	124.91	113.50	32.60	110.05	43.06	452.96	101.50 to 129.93	17,207	19,529	
<u>Ranges Excl. Low \$</u>												
Greater Than 4,999	192	97.57	103.14	93.82	19.72	109.93	41.44	215.20	95.08 to 99.16	60,435	56,703	
Greater Than 14,999	171	95.64	97.39	92.95	15.57	104.78	41.44	211.80	94.64 to 98.14	66,738	62,034	
Greater Than 29,999	125	95.03	94.10	91.61	13.15	102.72	41.44	150.17	92.68 to 96.85	83,055	76,090	
<u>Incremental Ranges</u>												
0 TO 4,999	5	151.89	190.79	176.28	63.12	108.23	56.33	452.96	N/A	3,460	6,099	
5,000 TO 14,999	21	148.76	149.97	145.91	18.71	102.78	86.74	215.20	130.90 to 172.19	9,110	13,292	
15,000 TO 29,999	46	100.88	106.32	106.42	20.18	99.91	43.06	211.80	94.77 to 107.99	22,398	23,837	
30,000 TO 59,999	51	96.85	97.86	96.47	14.14	101.44	51.64	150.17	93.16 to 98.80	41,404	39,943	
60,000 TO 99,999	41	95.08	92.10	91.23	12.60	100.95	41.44	127.31	91.82 to 99.39	76,371	69,676	
100,000 TO 149,999	19	91.22	93.80	93.30	12.48	100.54	54.50	149.96	83.60 to 100.56	121,674	113,527	
150,000 TO 249,999	13	88.53	86.08	85.86	12.01	100.26	45.89	99.16	80.47 to 99.01	189,023	162,289	
250,000 TO 499,999	1	94.78	94.78	94.78	00.00	100.00	94.78	94.78	N/A	370,000	350,694	
500,000 TO 999,999												
1,000,000 +												
<u>ALL</u>	197	97.64	105.36	93.95	22.06	112.14	41.44	452.96	95.27 to 99.17	58,989	55,418	

2013 Correlation Section for Custer County

A. Residential Real Property

The residential market in Custer County is primarily influenced by the local agricultural economy. Broken Bow is a hub for goods and services in the Central Sandhills region, which creates a strong job market and demand for housing in Broken Bow. The market in the smaller communities is strongly impacted by their distance to employment opportunities. The presence or absence of a school system also affects the real estate market in the small communities. The county assessor recognizes six different valuation groupings that are defined by these influences.

The county assessor has an organized plan for cyclically reviewing residential property. Due to the size of the county it generally takes six years to complete the review work. A review cycle was completed for 2013 with the review of residential parcels within the City of Broken Bow.

The Department conducts two scheduled reviews each year. The first is a cyclical review of assessment practices in which one-third of the counties are reviewed each year. Custer County received this review during 2012. The review indicated that assessment practices were uniformly applied within the residential class. The second review is a verification of sales qualification practices. This involved reviewing the non-qualified sales roster to ensure that reasons for disqualifying sales were adequate and properly documented. The review also included an on-site interview with the assessor and spot check of verification documentation. After the review, the Department is confident that all arm's length sales were made available for measurement of real property within the county.

Review of the statistical profile for the county shows that the qualitative statistics are both somewhat high. Low dollar sales are prevalent in the smaller communities in the county; they often produce ratios significantly outside the acceptable range when there is minimal difference between the assessed value and the selling price. Stratification by sales price, particularly in the ranges excluding low dollar sales section, shows that both the COD and PRD improve significantly as low dollar sales are excluded from the sample. The measures of central tendency in most valuation groupings with a reasonable number of sales are within the acceptable range. Only valuation grouping 02, Callaway, has measures of central tendency above the acceptable range.

Two factors may be contributing to the statistical measures being high in Callaway. First, this area has not been inspected in nearly six years, as it was completed at the beginning of the review cycle; it is scheduled to be reviewed again for 2014. Secondly, this is a small Village, with a population less than 550 people; from September 2011 to September 2012, the Village was facing the closure of its nursing home, which employs 35 people. Through donations from the community the nursing home has remained open and is now under local control. Analyses of sales in the second half of the study period suggest that this may have had an impact on the market; however the sample is too small to determine this conclusively. Another year's worth of sales data and a physical inspection of properties within the community should help the county assessor determine whether properties in Callaway are truly over assessed. If the nursing home's instability created a temporary downturn in the market, an adjustment based on

**2013 Correlation Section
for Custer County**

this sample could result in an offsetting upward adjustment for 2014; for that reason, there will not be a non-binding recommendation for adjustment to valuation group 2.

Based on the review of all available evidence, the level of value of residential property in Custer County is 98%; assessment practices are determined to be in compliance with generally accepted mass appraisal standards.

**2013 Correlation Section
for Custer 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.

2013 Correlation Section for Custer 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.

2013 Correlation Section for Custer 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.

Note that as market activity changes or as the complexity of properties increases, the measures of variability usually increase, even though appraisal procedures may be equally valid. Standard on Ratio Studies—2010, International Association of Assessing Officers, (2010), p. 13.

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

**2013 Correlation Section
for Custer County**

high-value properties are over assessed in relation to low-value properties.

There is no range of acceptability stated in the Nebraska statutes for the PRD measure. The Standard on Ratio Studies, adopted by the International Association of Assessing Officers, January, 2010, recommends that the PRD should lie between 98 and 103. This range is centered slightly above 100 to allow for a slightly upward measurement bias inherent in the PRD.

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

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

2013 Commercial Assessment Actions for Custer County

Only routine maintenance occurred within the commercial class for 2013; the pickup work was completed by the contract appraisal service. The entire class was reviewed and revalued for 2012.

2013 Commercial Assessment Survey for Custer County

1.	Valuation data collection done by:	
	Stanard Appraisal Services	
2.	List the valuation groupings recognized in the County and describe the unique characteristics of each:	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	01	Valuation groupings are not used in the commercial class. Commercial properties are valued more by occupancy code than by location. Locational differences are usually accounted for in the lot values.
3.	List and describe the approach(es) used to estimate the market value of commercial properties.	
	All three approaches are developed by the contract appraisal service.	
3a.	Describe the process used to determine the value of unique commercial properties.	
	Unique commercial properties are valued by the contract appraisal service, using sales data from outside the county when appropriate and available.	
4.	What is the costing year of the cost approach being used for each valuation grouping?	
	June 2011	
5.	If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?	
	Depreciation studies are developed by the contract appraiser using local market information.	
6.	Are individual depreciation tables developed for each valuation grouping?	
	n/a	
7.	When were the depreciation tables last updated for each valuation grouping?	
	New depreciation was established for 2012.	
8.	When was the last lot value study completed for each valuation grouping?	
	2012	
9.	Describe the methodology used to determine the commercial lot values.	
	A sales price per square foot analysis is used to determine commercial lot values.	

21 Custer
COMMERCIAL

PAD 2013 R&O Statistics (Using 2013 Values)

Qualified

Date Range: 10/1/2009 To 9/30/2012 Posted on: 1/23/2013

Number of Sales : 47
Total Sales Price : 4,444,758
Total Adj. Sales Price : 4,355,758
Total Assessed Value : 4,131,849
Avg. Adj. Sales Price : 92,676
Avg. Assessed Value : 87,912

MEDIAN : 96
WGT. MEAN : 95
MEAN : 97
COD : 22.07
PRD : 102.17

COV : 37.69
STD : 36.53
Avg. Abs. Dev : 21.09
MAX Sales Ratio : 227.79
MIN Sales Ratio : 22.06

95% Median C.I. : 93.58 to 98.15
95% Wgt. Mean C.I. : 86.99 to 102.73
95% Mean C.I. : 86.48 to 107.36

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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-OCT-09 To 31-DEC-09	4	97.50	97.21	95.34	01.96	101.96	94.36	99.49	N/A	36,250	34,562
01-JAN-10 To 31-MAR-10	5	98.15	119.77	112.04	31.03	106.90	86.11	227.79	N/A	77,100	86,380
01-APR-10 To 30-JUN-10	2	97.76	97.76	98.65	00.93	99.10	96.85	98.66	N/A	955,000	942,138
01-JUL-10 To 30-SEP-10	1	198.76	198.76	198.76	00.00	100.00	198.76	198.76	N/A	10,000	19,876
01-OCT-10 To 31-DEC-10	4	95.77	87.00	96.85	11.67	89.83	57.72	98.76	N/A	18,725	18,135
01-JAN-11 To 31-MAR-11	5	95.52	96.36	97.12	01.73	99.22	94.14	99.34	N/A	32,117	31,191
01-APR-11 To 30-JUN-11	6	97.74	98.68	96.97	02.56	101.76	95.34	106.93	95.34 to 106.93	71,463	69,299
01-JUL-11 To 30-SEP-11	2	125.65	125.65	141.20	21.77	88.99	98.29	153.01	N/A	63,750	90,018
01-OCT-11 To 31-DEC-11	4	90.53	90.09	92.74	02.54	97.14	86.04	93.26	N/A	97,250	90,190
01-JAN-12 To 31-MAR-12	3	41.20	46.70	47.31	44.32	98.71	22.06	76.83	N/A	45,000	21,289
01-APR-12 To 30-JUN-12	7	68.59	92.87	63.80	61.45	145.56	31.56	166.42	31.56 to 166.42	66,286	42,291
01-JUL-12 To 30-SEP-12	4	82.03	87.36	89.69	28.36	97.40	57.72	127.65	N/A	31,375	28,140
<u>Study Yrs</u>											
01-OCT-09 To 30-SEP-10	12	98.41	115.16	100.97	22.21	114.05	86.11	227.79	94.36 to 99.49	204,208	206,191
01-OCT-10 To 30-SEP-11	17	97.62	98.42	104.11	07.60	94.53	57.72	153.01	94.86 to 98.78	46,574	48,490
01-OCT-11 To 30-SEP-12	18	81.44	83.33	74.83	36.82	111.36	22.06	166.42	56.76 to 93.58	61,861	46,290
<u>Calendar Yrs</u>											
01-JAN-10 To 31-DEC-10	12	97.88	111.76	101.18	25.59	110.46	57.72	227.79	88.07 to 98.76	198,367	200,716
01-JAN-11 To 31-DEC-11	17	95.58	99.15	100.60	06.74	98.56	86.04	153.01	93.26 to 98.78	65,050	65,444
<u>ALL</u>	47	95.58	96.92	94.86	22.07	102.17	22.06	227.79	93.58 to 98.15	92,676	87,912

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	47	95.58	96.92	94.86	22.07	102.17	22.06	227.79	93.58 to 98.15	92,676	87,912
<u>ALL</u>	47	95.58	96.92	94.86	22.07	102.17	22.06	227.79	93.58 to 98.15	92,676	87,912

PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
02	1	98.76	98.76	98.76	00.00	100.00	98.76	98.76	N/A	57,900	57,181
03	46	95.55	96.88	94.81	22.48	102.18	22.06	227.79	93.26 to 98.15	93,432	88,580
04											
<u>ALL</u>	47	95.58	96.92	94.86	22.07	102.17	22.06	227.79	93.58 to 98.15	92,676	87,912

21 Custer
COMMERCIAL

PAD 2013 R&O Statistics (Using 2013 Values)

Qualified

Date Range: 10/1/2009 To 9/30/2012 Posted on: 1/23/2013

Number of Sales : 47
Total Sales Price : 4,444,758
Total Adj. Sales Price : 4,355,758
Total Assessed Value : 4,131,849
Avg. Adj. Sales Price : 92,676
Avg. Assessed Value : 87,912

MEDIAN : 96
WGT. MEAN : 95
MEAN : 97
COD : 22.07
PRD : 102.17

COV : 37.69
STD : 36.53
Avg. Abs. Dev : 21.09
MAX Sales Ratio : 227.79
MIN Sales Ratio : 22.06

95% Median C.I. : 93.58 to 98.15
95% Wgt. Mean C.I. : 86.99 to 102.73
95% Mean C.I. : 86.48 to 107.36

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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	3	57.72	68.33	66.81	18.38	102.28	57.72	89.55	N/A	2,333	1,559	
Less Than 15,000	14	95.86	102.91	111.55	21.52	92.25	57.72	198.76	88.07 to 106.93	8,020	8,946	
Less Than 30,000	22	97.23	103.26	107.03	17.69	96.48	57.72	198.76	91.51 to 99.49	14,357	15,367	
<u>Ranges Excl. Low \$</u>												
Greater Than 4,999	44	96.55	98.87	94.90	21.38	104.18	22.06	227.79	93.92 to 98.66	98,835	93,799	
Greater Than 14,999	33	95.58	94.37	94.42	22.27	99.95	22.06	227.79	91.51 to 98.29	128,590	121,412	
Greater Than 29,999	25	95.34	91.34	93.91	25.54	97.26	22.06	227.79	76.83 to 98.66	161,596	151,751	
<u>Incremental Ranges</u>												
0 TO 4,999	3	57.72	68.33	66.81	18.38	102.28	57.72	89.55	N/A	2,333	1,559	
5,000 TO 14,999	11	97.61	112.34	114.52	18.86	98.10	88.07	198.76	93.92 to 166.42	9,570	10,960	
15,000 TO 29,999	8	98.04	103.86	104.54	11.15	99.35	86.04	135.08	86.04 to 135.08	25,448	26,603	
30,000 TO 59,999	10	96.57	86.04	85.97	20.92	100.08	22.06	136.79	41.20 to 99.34	46,990	40,399	
60,000 TO 99,999	7	95.34	100.27	96.97	36.30	103.40	54.92	227.79	54.92 to 227.79	72,714	70,508	
100,000 TO 149,999	4	81.48	86.88	82.20	45.18	105.69	31.56	153.01	N/A	105,500	86,717	
150,000 TO 249,999	1	95.58	95.58	95.58	00.00	100.00	95.58	95.58	N/A	150,000	143,369	
250,000 TO 499,999	2	89.69	89.69	90.22	03.99	99.41	86.11	93.26	N/A	294,500	265,705	
500,000 TO 999,999												
1,000,000 +	1	98.66	98.66	98.66	00.00	100.00	98.66	98.66	N/A	1,900,000	1,874,591	
<u>ALL</u>	47	95.58	96.92	94.86	22.07	102.17	22.06	227.79	93.58 to 98.15	92,676	87,912	

21 Custer
COMMERCIAL

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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
319	1	98.66	98.66	98.66	00.00	100.00	98.66	98.66	N/A	1,900,000	1,874,591
326	4	96.15	78.28	73.33	20.99	106.75	22.06	98.78	N/A	38,375	28,139
343	1	86.11	86.11	86.11	00.00	100.00	86.11	86.11	N/A	250,000	215,270
344	8	98.32	108.45	106.63	13.78	101.71	93.26	153.01	93.26 to 153.01	74,135	79,048
350	2	93.18	93.18	95.88	05.48	97.18	88.07	98.29	N/A	18,000	17,258
351	1	98.74	98.74	98.74	00.00	100.00	98.74	98.74	N/A	10,000	9,874
352	2	148.76	148.76	113.49	33.61	131.08	98.76	198.76	N/A	33,950	38,529
353	6	95.89	100.49	98.37	06.98	102.16	91.51	127.65	91.51 to 127.65	49,000	48,201
406	8	92.57	101.90	112.94	39.88	90.22	54.92	227.79	54.92 to 227.79	42,750	48,281
442	5	86.04	83.61	79.40	12.53	105.30	68.59	97.61	N/A	47,500	37,713
444	1	106.93	106.93	106.93	00.00	100.00	106.93	106.93	N/A	9,775	10,452
451	1	99.34	99.34	99.34	00.00	100.00	99.34	99.34	N/A	56,000	55,630
470	2	121.63	121.63	94.17	36.83	129.16	76.83	166.42	N/A	31,000	29,192
471	1	41.20	41.20	41.20	00.00	100.00	41.20	41.20	N/A	35,000	14,421
491	1	93.92	93.92	93.92	00.00	100.00	93.92	93.92	N/A	6,500	6,105
528	2	64.71	64.71	54.42	51.23	118.91	31.56	97.85	N/A	108,750	59,179
557	1	56.76	56.76	56.76	00.00	100.00	56.76	56.76	N/A	85,000	48,243
<u>ALL</u>	47	95.58	96.92	94.86	22.07	102.17	22.06	227.79	93.58 to 98.15	92,676	87,912

2013 Correlation Section for Custer County

A. Commercial Real Property

The majority of the commercial value in Custer County is within or around the City of Broken Bow; the town is a hub for goods and services in the county and the central Sandhills region. The market in the smaller communities is less organized, as commercial establishments will be more dependent on small local populations. Although economic differences exist, the county values commercial property by occupancy type and makes locational adjustments in the land values; therefore, there are no valuation groupings within the commercial class.

The county has a structured plan for reviewing property within the county cyclically. Due to the size of the county it generally takes six years to complete the review work. All commercial properties were physically inspected during 2012. Within the commercial class, the review work is completed by the contract appraisal service and will include both an interior and exterior review where ever possible.

During 2012, the Department conducted both an assessment practice review and a review of sales qualification determinations. The review work was prioritized for Custer County after data in the 2012 Reports & Opinions suggested that assessments within the class may not have been applied uniformly. The assessment practice review revealed that approximately one-third of the sold properties changed significantly more than comparable unsold properties; while there are reasons why this could have occurred there was nothing in the county's documentation to explain why these sold properties had a significantly higher change. In the sales verification review, there appeared to be some trimming of outlier sales ratios without explanation as to why the sale was not an arm's length transaction. After discussion with the assessor, several of these sales were brought back into the qualified sales roster for 2013. Both of these practices could have led to the uniformity concerns that were identified by the Department in 2012.

A review of the statistical profile shows that sales in the newest study period year have measures of central tendency well below the acceptable range and a relatively wide COD, while sales in the oldest two years generally have statistics within the acceptable range. Since the current market is relatively flat for commercial property it is expected that ratios in each of the three study period years would be relatively similar. Having this much difference in the calculated statistics confirms the Department's concern that adjustments made to sold properties for 2012 were not proportionately applied to the rest of the class. In this situation, sales occurring after the reappraisal are the best indicators of appraisal performance. Since the sample in the newest year is small and has a wide COD it cannot be relied upon as a point estimate of the level of value of the commercial class.

As a result of the assessment practices review and preliminary analysis of the 2013 statistical profile, the Department asked the county assessor to improve documentation of commercial valuation changes, to improve sales qualification determinations and documentation, and to evaluate sales since the reappraisal date to determine whether an equalization adjustment was necessary. Although it was past the 2013 assessment deadline the county assessor has reported that analysis of sales since the assessment date has begun. The Department will continue to monitor the situation to ensure that future assessment practices are improved.

**2013 Correlation Section
for Custer County**

Based on the findings of the review and analysis of the commercial sample, the calculated statistics cannot be relied upon to determine the level of value of commercial property in Custer County. The assessment practices demonstrated by the county do not meet professionally accepted mass appraisal standards.

**2013 Correlation Section
for Custer 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.

2013 Correlation Section for Custer 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.

2013 Correlation Section for Custer 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.

Note that as market activity changes or as the complexity of properties increases, the measures of variability usually increase, even though appraisal procedures may be equally valid. Standard on Ratio Studies—2010, International Association of Assessing Officers, (2010), p. 13.

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

**2013 Correlation Section
for Custer County**

high-value properties are over assessed in relation to low-value properties.

There is no range of acceptability stated in the Nebraska statutes for the PRD measure. The Standard on Ratio Studies, adopted by the International Association of Assessing Officers, January, 2010, recommends that the PRD should lie between 98 and 103. This range is centered slightly above 100 to allow for a slightly upward measurement bias inherent in the PRD.

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

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

2013 Agricultural Assessment Actions for Custer County

Only routine maintenance occurred for the agricultural improved properties; the pickup work was completed timely.

A ratio study was completed for agricultural land in all five market areas. The study indicated that assessments in areas four and five should remain the same for 2013. These areas were valued using the same schedule in 2012, but due to the small number of sales that exist in area four, the market area boundaries remain in place pending further analysis. After analysis, the following adjustments were made to land values.

- Area 1: Irrigated and grassland increased 10%, dry land increased 30%.
- Area 2: Only irrigated values were increased, all LCG's were raised to \$1000/acre to be uniform with adjoining Sandhills counties.
- Area 3: Irrigation increased 33%, dry land 30%, and grass was not changed.
- Area 4 & 5: Irrigation and dry increased 20%, grassland increased 10%.

2013 Agricultural Assessment Survey for Custer County

1.	Valuation data collection done by:	
	The part-time lister	
2.	List each market area, and describe the location and the specific characteristics that make each unique.	
	Market Area	Description of unique characteristics
	01	This area contains the best farm ground in the county; the soils are harder than are found in other areas, and irrigation potential is generally best here.
	02	This is the Sandhills area of the county; the majority of the area is Valentine Soil. There is little farming in this area, as the ground is best suited to grazing.
	03	This area is considered a transition area between areas 1 and 2. The ground transitions from sandy to loamier soil, making some farming possible. The grass in this area is also superior, as the loamier soils will have better grass cover.
	04	The soils in this are similar to area one; however, irrigation is not a plentiful and well depths are generally deeper. Note: In 2013 areas 4 and 5 have been valued using the same schedule; therefore, sales that have occurred in market area 4 are displayed under the area 5 substratum in the R&O statistics.
	05	This is the area south of the South Loup River. The terrain here is very rough, and is primarily canyons. The majority of the land will be used for grazing; however, there is some farming on the plateaus.
3.	Describe the process used to determine and monitor market areas.	
	When the market areas were established, factors such as soil type, irrigation potential, land use, and topography were considered. Each year the assessor plots sales on a county map to monitor market differences in the established areas.	
4.	Describe the process used to identify rural residential land and recreational land in the county apart from agricultural land.	
	All parcels under 40 acres that do not have common ownership with adjoining agricultural parcels are reviewed to determine land use.	
5.	Do farm home sites carry the same value as rural residential home sites? If not, what are the market differences?	
	Farm home sites and rural residential homes sites are valued using the same tables; however, there are two home site values used. One value exists for the majority of the county, but a discounted value is used in the more remote areas of the Sandhills.	
6.	Describe the process used to identify and monitor the influence of non-agricultural characteristics.	
	The assessor monitors non-agricultural influences by plotting sales annually and sending sales verification questionnaires. Small acre sales are reviewed carefully for primary land use. The assessor has also identified frequently flooded soils along the rivers and creeks so that she can monitor whether a recreational influence exists along the rivers.	

7.	Have special valuation applications been filed in the county? If a value difference is recognized describe the process used to develop the uninfluenced value.
	No
8.	If applicable, describe the process used to develop assessed values for parcels enrolled in the Wetland Reserve Program.
	Lands enrolled in the Wetlands Reserve Program are valued using agricultural land sales; it is assessed at 100% of market value.

21 Custer
AGRICULTURAL LAND

PAD 2013 R&O Statistics (Using 2013 Values)

Qualified

Date Range: 10/1/2009 To 9/30/2012 Posted on: 1/23/2013

Number of Sales : 151
Total Sales Price : 59,806,559
Total Adj. Sales Price : 59,470,559
Total Assessed Value : 41,336,789
Avg. Adj. Sales Price : 393,845
Avg. Assessed Value : 273,754

MEDIAN : 74
WGT. MEAN : 70
MEAN : 75
COD : 27.44
PRD : 107.98

COV : 38.85
STD : 29.16
Avg. Abs. Dev : 20.27
MAX Sales Ratio : 256.29
MIN Sales Ratio : 10.31

95% Median C.I. : 69.00 to 77.53
95% Wgt. Mean C.I. : 61.74 to 77.27
95% Mean C.I. : 70.41 to 79.71

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DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Qtrts</u>											
01-OCT-09 To 31-DEC-09	11	93.11	97.50	93.04	16.39	104.79	64.46	141.28	81.49 to 135.62	285,639	265,767
01-JAN-10 To 31-MAR-10	13	74.52	73.65	72.30	17.85	101.87	50.49	105.73	57.54 to 91.49	347,642	251,334
01-APR-10 To 30-JUN-10	20	80.57	83.80	84.75	08.92	98.88	70.14	120.22	77.93 to 88.73	248,819	210,871
01-JUL-10 To 30-SEP-10	4	97.52	104.83	104.54	11.80	100.28	91.50	132.77	N/A	341,344	356,844
01-OCT-10 To 31-DEC-10	15	90.42	85.46	81.15	16.84	105.31	60.10	126.14	70.70 to 94.55	382,756	310,597
01-JAN-11 To 31-MAR-11	15	91.33	94.96	87.79	32.29	108.17	48.04	256.29	65.33 to 104.78	191,485	168,105
01-APR-11 To 30-JUN-11	12	68.36	74.16	82.15	24.84	90.27	45.71	140.76	55.07 to 87.52	857,406	704,334
01-JUL-11 To 30-SEP-11	11	67.78	69.30	57.47	21.30	120.58	43.91	119.81	52.09 to 87.92	314,041	180,477
01-OCT-11 To 31-DEC-11	19	59.78	62.99	61.66	18.28	102.16	34.85	104.48	55.65 to 71.56	381,574	235,272
01-JAN-12 To 31-MAR-12	11	45.04	61.91	60.88	57.62	101.69	28.00	172.72	28.87 to 88.74	349,879	212,993
01-APR-12 To 30-JUN-12	18	44.17	46.87	40.65	28.12	115.30	10.31	82.17	38.71 to 54.93	617,385	250,952
01-JUL-12 To 30-SEP-12	2	64.54	64.54	61.53	11.99	104.89	56.80	72.27	N/A	449,500	276,596
<u>Study Yrs</u>											
01-OCT-09 To 30-SEP-10	48	82.44	85.94	84.52	16.52	101.68	50.49	141.28	78.12 to 90.00	291,732	246,574
01-OCT-10 To 30-SEP-11	53	74.34	82.24	78.80	27.78	104.37	43.91	256.29	67.78 to 88.41	421,829	332,411
01-OCT-11 To 30-SEP-12	50	55.51	57.01	51.42	29.85	110.87	10.31	172.72	45.04 to 60.63	462,210	237,668
<u>Calendar Yrs</u>											
01-JAN-10 To 31-DEC-10	52	80.01	83.36	81.74	16.30	101.98	50.49	132.77	76.30 to 90.00	319,278	260,982
01-JAN-11 To 31-DEC-11	57	67.78	74.97	73.03	28.05	102.66	34.85	256.29	61.87 to 72.95	418,693	305,772
<u>ALL</u>	151	73.88	75.06	69.51	27.44	107.98	10.31	256.29	69.00 to 77.53	393,845	273,754

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
1	76	74.79	78.59	72.55	29.40	108.33	28.00	256.29	65.33 to 80.40	359,101	260,518
2	24	73.64	70.19	67.16	22.94	104.51	10.31	108.62	64.46 to 87.52	717,666	482,015
3	21	74.34	72.38	67.26	23.90	107.61	36.94	104.48	59.78 to 87.36	349,778	235,276
5	30	71.75	71.89	66.08	28.07	108.79	29.87	135.62	52.29 to 86.56	253,651	167,609
<u>ALL</u>	151	73.88	75.06	69.51	27.44	107.98	10.31	256.29	69.00 to 77.53	393,845	273,754

21 Custer
AGRICULTURAL LAND

PAD 2013 R&O Statistics (Using 2013 Values)

Qualified

Date Range: 10/1/2009 To 9/30/2012 Posted on: 1/23/2013

Number of Sales : 151
 Total Sales Price : 59,806,559
 Total Adj. Sales Price : 59,470,559
 Total Assessed Value : 41,336,789
 Avg. Adj. Sales Price : 393,845
 Avg. Assessed Value : 273,754

MEDIAN : 74
 WGT. MEAN : 70
 MEAN : 75
 COD : 27.44
 PRD : 107.98

COV : 38.85
 STD : 29.16
 Avg. Abs. Dev : 20.27
 MAX Sales Ratio : 256.29
 MIN Sales Ratio : 10.31

95% Median C.I. : 69.00 to 77.53
 95% Wgt. Mean C.I. : 61.74 to 77.27
 95% Mean C.I. : 70.41 to 79.71

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95%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Irrigated_____											
County	13	77.50	79.83	73.64	17.16	108.41	41.66	113.95	66.42 to 93.11	457,836	337,148
1	6	78.23	83.64	80.94	14.82	103.34	62.81	113.95	62.81 to 113.95	425,299	344,230
3	5	70.70	67.63	64.81	14.51	104.35	41.66	83.06	N/A	608,526	394,366
5	2	98.95	98.95	96.72	05.90	102.31	93.11	104.78	N/A	178,724	172,859
_____Dry_____											
County	4	48.28	56.63	56.22	31.46	100.73	34.85	95.13	N/A	145,603	81,855
1	2	64.99	64.99	73.64	46.38	88.25	34.85	95.13	N/A	91,152	67,122
5	2	48.28	48.28	48.28	00.50	100.00	48.04	48.51	N/A	200,054	96,587
_____Grass_____											
County	71	74.34	74.95	75.71	25.41	99.00	10.31	256.29	69.89 to 78.91	309,875	234,599
1	31	66.83	74.97	66.31	33.17	113.06	28.00	256.29	56.23 to 80.74	178,511	118,364
2	19	74.89	74.25	82.87	19.75	89.60	10.31	108.62	64.85 to 88.73	606,165	502,336
3	8	73.88	65.04	62.94	22.60	103.34	36.94	91.49	36.94 to 91.49	313,498	197,330
5	13	74.92	82.02	76.33	23.08	107.45	43.61	135.62	70.14 to 105.73	187,860	143,403
_____ALL_____	151	73.88	75.06	69.51	27.44	107.98	10.31	256.29	69.00 to 77.53	393,845	273,754

80%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Irrigated_____											
County	29	73.88	74.74	68.00	23.57	109.91	41.66	132.77	59.14 to 78.95	579,054	393,740
1	18	74.68	75.56	68.75	24.37	109.91	45.04	132.77	56.80 to 78.95	663,082	455,870
3	6	68.56	66.37	64.65	15.04	102.66	41.66	83.06	41.66 to 83.06	524,303	338,975
5	5	93.11	81.82	68.89	19.26	118.77	43.91	104.78	N/A	342,252	235,790
_____Dry_____											
County	5	48.51	73.56	71.74	63.29	102.54	34.85	141.28	N/A	142,482	102,217
1	3	95.13	90.42	101.79	37.30	88.83	34.85	141.28	N/A	104,101	105,970
5	2	48.28	48.28	48.28	00.50	100.00	48.04	48.51	N/A	200,054	96,587
_____Grass_____											
County	86	74.17	74.21	75.29	25.90	98.57	10.31	256.29	69.89 to 78.91	305,430	229,963
1	38	71.92	75.51	71.61	28.62	105.45	28.00	256.29	57.54 to 81.49	203,949	146,050
2	21	74.00	71.63	81.12	21.66	88.30	10.31	108.62	64.46 to 88.41	578,090	468,950
3	11	74.34	69.98	64.79	26.96	108.01	36.94	104.48	37.28 to 100.87	286,519	185,639
5	16	74.72	77.42	72.46	25.75	106.85	29.87	135.62	52.29 to 91.33	201,580	146,061
_____ALL_____	151	73.88	75.06	69.51	27.44	107.98	10.31	256.29	69.00 to 77.53	393,845	273,754

Custer County 2013 Average Acre Value Comparison

County	Mkt Area	1A1	1A	2A1	2A	3A1	3A	4A1	4A	AVG IRR
Custer	1	N/A	3,199	2,823	2,682	2,521	2,309	2,294	2,290	2,765
Valley	1	N/A	3,200	3,200	2,400	2,100	2,100	1,500	1,500	2,528
Sherman	1	N/A	2,700	2,610	2,610	2,520	2,520	2,460	2,459	2,549
Buffalo	1	3,190	3,180	2,949	2,824	2,500	2,450	2,348	2,347	2,685
Custer	2	N/A	977	896	918	N/A	963	987	988	978
Blaine	1	N/A	1,000	N/A	1,000	1,000	1,000	1,000	1,000	1,000
Thomas	1	N/A	N/A	1,000	1,000	N/A	1,000	1,000	1,000	1,000
Custer	3	N/A	2,294	2,079	1,950	1,806	1,758	1,244	1,128	1,684
Loup	1	N/A	2,520	N/A	2,240	1,770	1,615	1,615	945	1,982
Garfield	1	N/A	2,750	2,390	2,080	2,040	1,955	1,235	1,195	1,844
Custer	4	N/A	2,351	2,154	1,793	1,646	1,550	1,523	1,431	1,922
Custer	5	N/A	2,341	2,151	1,787	1,640	1,530	1,511	1,416	1,980
Logan	1	N/A	1,950	1,790	1,790	1,365	1,365	1,260	1,260	1,558
Dawson	1	N/A	2,975	2,900	2,680	2,425	2,062	2,021	1,945	2,778
Lincoln	2	1,350	1,350	1,335	1,350	1,350	1,330	1,345	1,344	1,344

County	Mkt Area	1D1	1D	2D1	2D	3D1	3D	4D1	4D	AVG DRY
Custer	1	N/A	1,365	1,275	1,265	1,185	925	915	910	1,140
Valley	1	N/A	1,400	1,400	1,400	1,120	1,120	1,120	1,050	1,224
Sherman	1	N/A	1,210	1,150	1,150	1,085	1,085	1,020	1,019	1,076
Buffalo	1	1,350	1,350	1,300	1,250	1,000	950	925	900	1,077
Custer	2	N/A	450	440	400	335	330	325	320	364
Blaine	1	N/A	290	N/A	N/A	290	290	290	290	290
Thomas	1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Custer	3	N/A	610	605	605	605	605	605	605	606
Loup	1	N/A	705	N/A	475	455	395	240	240	395
Garfield	1	N/A	1,070	950	910	820	740	660	580	799
Custer	4	N/A	925	875	865	805	650	630	625	799
Custer	5	N/A	925	877	867	805	664	631	632	800
Logan	1	N/A	770	730	730	670	540	525	525	643
Dawson	1	N/A	1,485	1,390	1,310	1,215	1,124	935	935	1,214
Lincoln	2	480	480	480	480	480	480	480	480	480

County	Mkt Area	1G1	1G	2G1	2G	3G1	3G	4G1	4G	AVG GRASS
Custer	1	N/A	561	555	556	550	550	528	534	536
Valley	1	N/A	751	751	747	750	741	566	548	574
Sherman	1	N/A	631	613	610	583	582	571	570	574
Buffalo	1	849	832	799	788	672	595	549	535	593
Custer	2	N/A	315	315	315	315	318	315	315	315
Blaine	1	N/A	290	N/A	290	290	290	290	290	290
Thomas	1	N/A	N/A	260	260	N/A	260	260	260	260
Custer	3	N/A	462	462	460	461	460	452	410	422
Loup	1	N/A	640	N/A	495	350	350	325	305	311
Garfield	1	N/A	535	535	535	495	470	417	343	370
Custer	4	N/A	500	496	495	491	490	464	440	451
Custer	5	N/A	503	495	498	492	491	484	476	479
Logan	1	N/A	315	315	315	315	315	315	315	315
Dawson	1	N/A	915	775	720	685	625	625	620	641
Lincoln	2	320	320	320	320	320	290	290	290	290

Source: 2013 Abstract of Assessment, Form 45, Schedule IX

2013 Correlation Section for Custer County

A. Agricultural Land

Custer County is divided into five market areas which are primarily drawn around soil and topographical differences. The majority of the county is grassland, although, quality farmland exists in some areas. While the county assessor recognizes characteristic differences between market areas four and five, the disparity in assessed values have decreased over time, prompting the assessor to value them the same since 2012; they have been combined for measurement purposes.

The characteristics of the individual market areas were analyzed and compared to the characteristics in the adjoining counties; all counties are comparable to Custer County except for Lincoln County. The political boundary between the counties clearly divides the Sandhills from the rolling hills and loamier soils found in Custer County. Also, while parts of Dawson County are comparable to Custer, the comparable area is defined using a soil map and not by an absolute extension of the county line. Assessed values will also vary more significantly between Custer and Dawson County due to the limited area that is truly comparable.

Analysis of sales within Custer County showed that areas one and five had samples that were sufficiently large, representative of the mix of land uses found in the county, and proportionate when stratified by sale date. Area one was expanded slightly to resolve a proportionality issue within the irrigated subclass, area five was not expanded. Samples for areas two and three were both unreliably small; they were expanded to maximize the sample size while achieving the thresholds for proportionality and land use representation. The samples are still somewhat small, since these areas are largely made up of fairly homogeneous grasslands, they are considered to be sufficient for measurement purposes.

Adjustments made by the county assessor to all land values for 2013 are within the typical range for the agricultural market in this part of the state, with the exception of irrigation in area one. Irrigation in this area only increased 10%. The surrounding counties generally took higher increases to irrigated land as did the other market areas in Custer County; however, analysis of historic assessment actions indicates that irrigation in this area took a larger than typical increase in 2012. The resulting assessed values are comparable to, but still slightly higher than the adjoining counties. For these reasons the assessor's less than typical market adjustment is warranted.

Analysis of the statistics for the agricultural class shows that all market areas have been assessed at relatively similar portions of market value. Where sufficient sales exist, the land use subclasses are generally in the acceptable range. There is some variance in the grass land statistics for area one; both the statistics and comparison of surrounding county values suggest that grassland in the area has been assessed at the low end of the acceptable range.

All other values are reasonably similar when related to comparable counties. There is more variance in the area five values as compared to adjoining counties; however, land in this area is comparable to both the cropland found in southern Logan County and to land found in northern Dawson County. Custer County's values transition between these two areas, and have been increased annually at market rates.

**2013 Correlation Section
for Custer County**

Based on the consideration of all available evidence, the level of value of agricultural land in Custer County is determined to be 74%; all subclasses have been assessed at uniform portions of market value.

**2013 Correlation Section
for Custer 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.

2013 Correlation Section for Custer 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.

2013 Correlation Section for Custer 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.

Note that as market activity changes or as the complexity of properties increases, the measures of variability usually increase, even though appraisal procedures may be equally valid. Standard on Ratio Studies—2010, International Association of Assessing Officers, (2010), p. 13.

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

**2013 Correlation Section
for Custer County**

high-value properties are over assessed in relation to low-value properties.

There is no range of acceptability stated in the Nebraska statutes for the PRD measure. The Standard on Ratio Studies, adopted by the International Association of Assessing Officers, January, 2010, recommends that the PRD should lie between 98 and 103. This range is centered slightly above 100 to allow for a slightly upward measurement bias inherent in the PRD.

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

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

Total Real Property
Sum Lines 17, 25, & 30

Records : 14,346

Value : 1,901,658,681

Growth 32,777,888

Sum Lines 17, 25, & 41

Schedule I : Non-Agricultural Records

	Urban		SubUrban		Rural		Total		Growth
	Records	Value	Records	Value	Records	Value	Records	Value	
01. Res UnImp Land	604	1,207,863	157	1,301,143	64	691,949	825	3,200,955	
02. Res Improve Land	3,212	12,829,025	308	7,117,220	269	6,517,933	3,789	26,464,178	
03. Res Improvements	3,249	141,367,476	309	28,517,014	303	29,034,642	3,861	198,919,132	
04. Res Total	3,853	155,404,364	466	36,935,377	367	36,244,524	4,686	228,584,265	3,420,351
% of Res Total	82.22	67.99	9.94	16.16	7.83	15.86	32.66	12.02	10.43
05. Com UnImp Land	138	1,015,703	20	192,676	4	63,483	162	1,271,862	
06. Com Improve Land	539	6,473,072	48	988,432	10	306,798	597	7,768,302	
07. Com Improvements	562	43,868,370	52	8,243,582	19	25,505,318	633	77,617,270	
08. Com Total	700	51,357,145	72	9,424,690	23	25,875,599	795	86,657,434	21,029,047
% of Com Total	88.05	59.26	9.06	10.88	2.89	29.86	5.54	4.56	64.16
09. Ind UnImp Land	0	0	0	0	0	0	0	0	
10. Ind Improve Land	2	84,813	2	331,278	0	0	4	416,091	
11. Ind Improvements	2	244,968	2	6,002,198	0	0	4	6,247,166	
12. Ind Total	2	329,781	2	6,333,476	0	0	4	6,663,257	669,806
% of Ind Total	50.00	4.95	50.00	95.05	0.00	0.00	0.03	0.35	2.04
13. Rec UnImp Land	0	0	0	0	0	0	0	0	
14. Rec Improve Land	0	0	0	0	0	0	0	0	
15. Rec Improvements	0	0	0	0	0	0	0	0	
16. Rec Total	0	0	0	0	0	0	0	0	0
% of Rec Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Res & Rec Total	3,853	155,404,364	466	36,935,377	367	36,244,524	4,686	228,584,265	3,420,351
% of Res & Rec Total	82.22	67.99	9.94	16.16	7.83	15.86	32.66	12.02	10.43
Com & Ind Total	702	51,686,926	74	15,758,166	23	25,875,599	799	93,320,691	21,698,853
% of Com & Ind Total	87.86	55.39	9.26	16.89	2.88	27.73	5.57	4.91	66.20
17. Taxable Total	4,555	207,091,290	540	52,693,543	390	62,120,123	5,485	321,904,956	25,119,204
% of Taxable Total	83.04	64.33	9.85	16.37	7.11	19.30	38.23	16.93	76.63

Schedule II : Tax Increment Financing (TIF)

	Urban			SubUrban		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	0	0	0
19. Commercial	28	1,934,664	15,542,622	0	0	0
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
	Rural			Total		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	0	0	0
19. Commercial	0	0	0	28	1,934,664	15,542,622
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
22. Total Sch II				28	1,934,664	15,542,622

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	489	50	537	1,076

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	46	667,933	17	850,829	6,618	955,911,970	6,681	957,430,732
28. Ag-Improved Land	6	85,323	18	639,232	2,097	481,385,870	2,121	482,110,425
29. Ag Improvements	10	199,016	18	1,468,221	2,152	138,545,331	2,180	140,212,568
30. Ag Total							8,861	1,579,753,725

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	5	5.00	40,370	14	15.00	135,065	
33. HomeSite Improvements	5	5.00	139,897	15	15.00	1,256,360	
34. HomeSite Total							
35. FarmSite UnImp Land	11	14.86	23,334	5	25.86	33,616	
36. FarmSite Improv Land	1	1.00	2,615	17	44.46	118,440	
37. FarmSite Improvements	10	0.00	59,119	16	0.00	211,861	
38. FarmSite Total							
39. Road & Ditches	0	1.30	0	0	9.70	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	16	15.80	118,678	16	15.80	118,678	
32. HomeSite Improv Land	1,353	1,461.23	11,179,171	1,372	1,481.23	11,354,606	
33. HomeSite Improvements	1,348	1,430.23	84,983,874	1,368	1,450.23	86,380,131	7,658,684
34. HomeSite Total				1,384	1,497.03	97,853,415	
35. FarmSite UnImp Land	27	51.89	144,294	43	92.61	201,244	
36. FarmSite Improv Land	1,808	2,933.76	8,759,018	1,826	2,979.22	8,880,073	
37. FarmSite Improvements	2,065	0.00	53,561,457	2,091	0.00	53,832,437	0
38. FarmSite Total				2,134	3,071.83	62,913,754	
39. Road & Ditches	0	15,734.21	0	0	15,745.21	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
41. Total Section VI				3,518	20,314.07	160,767,169	7,658,684

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	14	2,512.94	415,746	14	2,512.94	415,746

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	79,933.88	40.67%	255,693,113	47.05%	3,198.81
47. 2A1	14,500.80	7.38%	40,933,982	7.53%	2,822.88
48. 2A	23,945.66	12.18%	64,220,084	11.82%	2,681.91
49. 3A1	14,919.92	7.59%	37,610,908	6.92%	2,520.85
50. 3A	6,289.09	3.20%	14,519,230	2.67%	2,308.64
51. 4A1	25,894.38	13.18%	59,399,198	10.93%	2,293.90
52. 4A	31,045.87	15.80%	71,082,579	13.08%	2,289.60
53. Total	196,529.60	100.00%	543,459,094	100.00%	2,765.28
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	26,110.86	26.43%	35,650,123	31.65%	1,365.34
56. 2D1	8,494.27	8.60%	10,830,438	9.62%	1,275.03
57. 2D	9,302.01	9.42%	11,767,282	10.45%	1,265.03
58. 3D1	15,718.70	15.91%	18,628,275	16.54%	1,185.10
59. 3D	1,050.76	1.06%	971,988	0.86%	925.03
60. 4D1	20,618.65	20.87%	18,866,497	16.75%	915.02
61. 4D	17,479.68	17.70%	15,907,439	14.12%	910.05
62. Total	98,774.93	100.00%	112,622,042	100.00%	1,140.19
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	18,747.94	3.03%	10,524,521	3.17%	561.37
65. 2G1	16,118.30	2.60%	8,950,309	2.70%	555.29
66. 2G	14,909.32	2.41%	8,297,017	2.50%	556.50
67. 3G1	8,414.28	1.36%	4,631,571	1.39%	550.44
68. 3G	9,856.63	1.59%	5,421,198	1.63%	550.01
69. 4G1	51,573.86	8.32%	27,214,349	8.20%	527.68
70. 4G	499,948.67	80.69%	266,998,113	80.41%	534.05
71. Total	619,569.00	100.00%	332,037,078	100.00%	535.92
Irrigated Total					
	196,529.60	21.45%	543,459,094	54.99%	2,765.28
Dry Total					
	98,774.93	10.78%	112,622,042	11.40%	1,140.19
Grass Total					
	619,569.00	67.61%	332,037,078	33.60%	535.92
72. Waste	1,405.24	0.15%	70,293	0.01%	50.02
73. Other	118.89	0.01%	23,778	0.00%	200.00
74. Exempt	5,244.48	0.57%	0	0.00%	0.00
75. Market Area Total	916,397.66	100.00%	988,212,285	100.00%	1,078.37

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	16.30	0.92%	15,920	0.92%	976.69
47. 2A1	44.50	2.51%	39,875	2.30%	896.07
48. 2A	43.90	2.47%	40,296	2.32%	917.90
49. 3A1	0.00	0.00%	0	0.00%	0.00
50. 3A	356.13	20.07%	342,980	19.76%	963.08
51. 4A1	662.00	37.31%	653,638	37.65%	987.37
52. 4A	651.39	36.71%	643,348	37.06%	987.65
53. Total	1,774.22	100.00%	1,736,057	100.00%	978.49
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	72.60	16.78%	32,670	20.75%	450.00
56. 2D1	43.90	10.15%	19,316	12.27%	440.00
57. 2D	38.10	8.81%	15,240	9.68%	400.00
58. 3D1	1.00	0.23%	335	0.21%	335.00
59. 3D	73.20	16.92%	24,156	15.34%	330.00
60. 4D1	96.35	22.27%	31,315	19.89%	325.01
61. 4D	107.50	24.85%	34,400	21.85%	320.00
62. Total	432.65	100.00%	157,432	100.00%	363.88
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	137.22	0.08%	43,231	0.08%	315.05
65. 2G1	192.74	0.11%	60,715	0.11%	315.01
66. 2G	1,391.41	0.82%	438,318	0.81%	315.02
67. 3G1	337.00	0.20%	106,162	0.20%	315.02
68. 3G	3,437.94	2.01%	1,092,443	2.03%	317.76
69. 4G1	13,863.95	8.12%	4,366,284	8.11%	314.94
70. 4G	151,332.98	88.66%	47,731,461	88.66%	315.41
71. Total	170,693.24	100.00%	53,838,614	100.00%	315.41
Irrigated Total					
	1,774.22	1.03%	1,736,057	3.11%	978.49
Dry Total					
	432.65	0.25%	157,432	0.28%	363.88
Grass Total					
	170,693.24	98.69%	53,838,614	96.60%	315.41
72. Waste	64.44	0.04%	1,769	0.00%	27.45
73. Other	0.00	0.00%	0	0.00%	0.00
74. Exempt	161.89	0.09%	0	0.00%	0.00
75. Market Area Total	172,964.55	100.00%	55,733,872	100.00%	322.23

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 3

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	3,201.80	18.27%	7,346,331	24.89%	2,294.44
47. 2A1	695.45	3.97%	1,445,897	4.90%	2,079.08
48. 2A	4,126.28	23.54%	8,045,193	27.26%	1,949.74
49. 3A1	747.77	4.27%	1,350,592	4.58%	1,806.16
50. 3A	1,631.27	9.31%	2,868,443	9.72%	1,758.41
51. 4A1	3,637.47	20.75%	4,524,868	15.33%	1,243.96
52. 4A	3,486.18	19.89%	3,931,503	13.32%	1,127.74
53. Total	17,526.22	100.00%	29,512,827	100.00%	1,683.92
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	1,741.55	15.40%	1,062,351	15.51%	610.00
56. 2D1	202.80	1.79%	122,702	1.79%	605.04
57. 2D	2,824.64	24.98%	1,708,960	24.94%	605.02
58. 3D1	1,279.22	11.31%	773,947	11.30%	605.01
59. 3D	666.66	5.89%	403,347	5.89%	605.03
60. 4D1	2,603.17	23.02%	1,574,978	22.99%	605.02
61. 4D	1,991.43	17.61%	1,204,892	17.59%	605.04
62. Total	11,309.47	100.00%	6,851,177	100.00%	605.79
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	1,869.59	1.88%	863,028	2.06%	461.61
65. 2G1	933.42	0.94%	430,967	1.03%	461.71
66. 2G	5,442.37	5.47%	2,504,880	5.98%	460.26
67. 3G1	2,260.86	2.27%	1,042,164	2.49%	460.96
68. 3G	2,224.58	2.24%	1,023,306	2.44%	460.00
69. 4G1	12,061.95	12.13%	5,453,409	13.01%	452.12
70. 4G	74,627.53	75.06%	30,599,081	73.00%	410.02
71. Total	99,420.30	100.00%	41,916,835	100.00%	421.61
Irrigated Total					
	17,526.22	13.65%	29,512,827	37.70%	1,683.92
Dry Total					
	11,309.47	8.81%	6,851,177	8.75%	605.79
Grass Total					
	99,420.30	77.44%	41,916,835	53.54%	421.61
72. Waste	132.32	0.10%	5,292	0.01%	39.99
73. Other	0.00	0.00%	0	0.00%	0.00
74. Exempt	314.65	0.25%	0	0.00%	0.00
75. Market Area Total	128,388.31	100.00%	78,286,131	100.00%	609.76

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 4

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	11,826.30	37.31%	27,802,321	45.64%	2,350.89
47. 2A1	2,421.57	7.64%	5,216,543	8.56%	2,154.20
48. 2A	3,381.04	10.67%	6,062,565	9.95%	1,793.11
49. 3A1	4,858.31	15.33%	7,994,680	13.12%	1,645.57
50. 3A	412.89	1.30%	639,982	1.05%	1,550.01
51. 4A1	6,679.22	21.07%	10,172,438	16.70%	1,523.00
52. 4A	2,115.54	6.67%	3,026,877	4.97%	1,430.78
53. Total	31,694.87	100.00%	60,915,406	100.00%	1,921.93
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	8,300.97	29.45%	7,678,516	34.08%	925.01
56. 2D1	1,924.82	6.83%	1,684,259	7.47%	875.02
57. 2D	2,555.51	9.07%	2,210,571	9.81%	865.02
58. 3D1	7,183.15	25.48%	5,782,511	25.66%	805.01
59. 3D	133.18	0.47%	86,572	0.38%	650.04
60. 4D1	6,549.84	23.23%	4,126,406	18.31%	630.00
61. 4D	1,542.51	5.47%	964,183	4.28%	625.07
62. Total	28,189.98	100.00%	22,533,018	100.00%	799.33
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	5,513.45	5.42%	2,756,725	6.01%	500.00
65. 2G1	2,602.84	2.56%	1,292,272	2.82%	496.49
66. 2G	3,761.56	3.70%	1,862,064	4.06%	495.02
67. 3G1	3,227.37	3.17%	1,585,855	3.46%	491.38
68. 3G	701.18	0.69%	343,580	0.75%	490.00
69. 4G1	11,006.74	10.83%	5,102,008	11.13%	463.53
70. 4G	74,841.33	73.62%	32,906,260	71.77%	439.68
71. Total	101,654.47	100.00%	45,848,764	100.00%	451.03
Irrigated Total					
	31,694.87	19.60%	60,915,406	47.11%	1,921.93
Dry Total					
	28,189.98	17.43%	22,533,018	17.42%	799.33
Grass Total					
	101,654.47	62.86%	45,848,764	35.46%	451.03
72. Waste	109.70	0.07%	5,485	0.00%	50.00
73. Other	58.50	0.04%	11,700	0.01%	200.00
74. Exempt	647.05	0.40%	0	0.00%	0.00
75. Market Area Total	161,707.52	100.00%	129,314,373	100.00%	799.68

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 5

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	14,397.20	42.66%	33,710,188	50.46%	2,341.44
47. 2A1	3,880.45	11.50%	8,348,144	12.50%	2,151.33
48. 2A	4,774.10	14.14%	8,530,253	12.77%	1,786.78
49. 3A1	2,370.24	7.02%	3,886,654	5.82%	1,639.77
50. 3A	1,371.81	4.06%	2,098,566	3.14%	1,529.78
51. 4A1	4,035.63	11.96%	6,099,660	9.13%	1,511.45
52. 4A	2,922.02	8.66%	4,137,713	6.19%	1,416.05
53. Total	33,751.45	100.00%	66,811,178	100.00%	1,979.51
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	5,731.18	31.13%	5,304,024	36.01%	925.47
56. 2D1	2,017.04	10.96%	1,768,704	12.01%	876.88
57. 2D	1,858.50	10.09%	1,611,321	10.94%	867.00
58. 3D1	2,730.70	14.83%	2,198,241	14.92%	805.01
59. 3D	433.13	2.35%	287,497	1.95%	663.77
60. 4D1	3,160.53	17.17%	1,994,005	13.54%	630.91
61. 4D	2,479.78	13.47%	1,567,282	10.64%	632.02
62. Total	18,410.86	100.00%	14,731,074	100.00%	800.13
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	5,569.90	3.11%	2,802,485	3.26%	503.15
65. 2G1	5,538.46	3.09%	2,741,640	3.19%	495.02
66. 2G	3,818.06	2.13%	1,902,581	2.22%	498.31
67. 3G1	2,877.79	1.61%	1,415,994	1.65%	492.04
68. 3G	1,619.54	0.90%	795,469	0.93%	491.17
69. 4G1	12,121.52	6.76%	5,864,894	6.83%	483.84
70. 4G	147,647.86	82.40%	70,342,975	81.92%	476.42
71. Total	179,193.13	100.00%	85,866,038	100.00%	479.18
Irrigated Total					
	33,751.45	14.55%	66,811,178	39.90%	1,979.51
Dry Total					
	18,410.86	7.94%	14,731,074	8.80%	800.13
Grass Total					
	179,193.13	77.26%	85,866,038	51.28%	479.18
72. Waste	568.77	0.25%	28,445	0.02%	50.01
73. Other	15.80	0.01%	3,160	0.00%	200.00
74. Exempt	668.49	0.29%	0	0.00%	0.00
75. Market Area Total	231,940.01	100.00%	167,439,895	100.00%	721.91

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	213.85	589,887	276.01	786,637	280,786.50	701,058,038	281,276.36	702,434,562
77. Dry Land	26.54	33,514	190.35	229,768	156,901.00	156,631,461	157,117.89	156,894,743
78. Grass	119.20	63,536	349.41	185,812	1,170,061.53	559,257,981	1,170,530.14	559,507,329
79. Waste	0.00	0	14.46	723	2,266.01	110,561	2,280.47	111,284
80. Other	0.00	0	0.00	0	193.19	38,638	193.19	38,638
81. Exempt	64.33	0	254.43	0	6,717.80	0	7,036.56	0
82. Total	359.59	686,937	830.23	1,202,940	1,610,208.23	1,417,096,679	1,611,398.05	1,418,986,556

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	281,276.36	17.46%	702,434,562	49.50%	2,497.31
Dry Land	157,117.89	9.75%	156,894,743	11.06%	998.58
Grass	1,170,530.14	72.64%	559,507,329	39.43%	477.99
Waste	2,280.47	0.14%	111,284	0.01%	48.80
Other	193.19	0.01%	38,638	0.00%	200.00
Exempt	7,036.56	0.44%	0	0.00%	0.00
Total	1,611,398.05	100.00%	1,418,986,556	100.00%	880.59

2013 County Abstract of Assessment for Real Property, Form 45 Compared with the 2012 Certificate of Taxes Levied (CTL)

21 Custer

	2012 CTL County Total	2013 Form 45 County Total	Value Difference (2013 form 45 - 2012 CTL)	Percent Change	2013 Growth (New Construction Value)	Percent Change excl. Growth
01. Residential	220,037,146	228,584,265	8,547,119	3.88%	3,420,351	2.33%
02. Recreational	0	0	0		0	
03. Ag-Homesite Land, Ag-Res Dwelling	96,093,917	97,853,415	1,759,498	1.83%	7,658,684	-6.14%
04. Total Residential (sum lines 1-3)	316,131,063	326,437,680	10,306,617	3.26%	11,079,035	-0.24%
05. Commercial	65,462,139	86,657,434	21,195,295	32.38%	21,029,047	0.25%
06. Industrial	5,993,451	6,663,257	669,806	11.18%	669,806	0.00%
07. Ag-Farmsite Land, Outbuildings	56,735,986	62,913,754	6,177,768	10.89%	0	10.89%
08. Minerals	0	0	0		0	
09. Total Commercial (sum lines 5-8)	128,191,576	156,234,445	28,042,869	21.88%	21,698,853	4.95%
10. Total Non-Agland Real Property	444,322,639	482,672,125	38,349,486	8.63%	32,777,888	1.25%
11. Irrigated	621,591,602	702,434,562	80,842,960	13.01%		
12. Dryland	123,727,480	156,894,743	33,167,263	26.81%		
13. Grassland	516,251,196	559,507,329	43,256,133	8.38%		
14. Wasteland	97,360	111,284	13,924	14.30%		
15. Other Agland	44,680	38,638	-6,042	-13.52%		
16. Total Agricultural Land	1,261,712,318	1,418,986,556	157,274,238	12.47%		
17. Total Value of all Real Property (Locally Assessed)	1,706,034,957	1,901,658,681	195,623,724	11.47%	32,777,888	9.55%

CUSTER COUNTY PLAN OF ASSESSMENT ASSESSMENT YEARS 2013, 2014, AND 2015

Introduction

Pursuant to LB 263, Section 9 the assessor shall submit a plan of assessment, which describes the assessment actions planned for the next assessment year and two years thereafter to the county board of equalization on or before July 31, 2011. 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. After the budget is approved by the county board a copy of the plan and any amendments thereto shall be mailed to the Property Assessment Division of the Department of Revenue on or before October 31 each year.

Real Property Assessment Requirements

All property in the State of Nebraska is subject to property tax unless expressly exempt by Nebraska Constitution, Article VII, or is permitted by the constitution and enabling legislation adopted by the legislature. The uniform standard for the assessed value of real property for tax purposes is actual value, which is defined by law as "the market value of real property in the ordinary course of trade" NE Rev. Stat. 77-112. (Reissue 2003).

Assessment levels required for real property are as follows:

- 1) 100% of actual value for all classes of real property excluding agricultural and horticultural land;
- 2) 75% of actual value for agricultural and horticultural land; and
- 3) 75% of special value for agricultural and horticultural land that meets the qualifications for special valuation under 77-1344 and 75% of its recapture value as defined in 77-1343 when the land is disqualified for special valuation under 77-1347.

General Description of Real Property in Custer County

Per the 2012 county Abstract, Custer County consists of the following real property types;

	<u>Parcels</u>	<u>% of Total Parcels</u>	<u>% of Taxable Value</u>
Residential	4679	32.74%	12.90%
Commercial	775	5.42%	3.87%
Industrial	4	.03%	.35%
Recreational	0	.00%	.00%
Agricultural	8833	61.81%	82.88%
Special Value	0	.00%	.00%

Agricultural land-taxable acres were 1,609,948.82 Acres.

Other pertinent facts: Custer County is predominately agricultural and 72% is grassland.

For more information see 2011 Reports and Opinions, Abstract, and Assessor Survey.

Current Resources

A. Staff/Budget/Training:

Assessor/\$45,568/I hold the assessor's certificate when I passed the test in the early 1980's. I have attended many of the IAAO courses and classes of the PA&T. I have all the hours needed at this time to keep the certificate current.

Deputy Assessor/\$34176/She also holds the assessor's certificate, passing the test in 2004. She has completed all her hours needed at this time to keep the certificate current.

3 full time clerks-One clerk has 10 years experience in the assessor's office and one has 5 years experience and the third was hired in 2011.

1 part-time listers. The lister was hired in August 2007.

- B.** The Cadastral Maps were flown in the 1970's but are in good condition. They are kept current with monthly land sales. The county board agreed to hire GIS Workshop to measure acres within soil types and land use, and we are still using agridatainc.com.
- C.** The Property Record cards list all information required by statute with current photos and sketches.
- D.** The county uses the TERASCAN software package. There are 5 terminals and 1 public-use terminal.
- E.** The county has a Web-site with all parcels listed.

Current Assessment Procedures for Real Property

- A. Discovery:** The County now has zoning and has a zoning administrator. Before any construction is allowed, the property owner must file a permit with the zoning administrator and in turn the assessor is notified. At the beginning of the year each property is reviewed for % of completion and valued accordingly. In Real Estate Transfers the name is changed within the month the deed is filed, cadastral maps updated, and a sales review is mailed to the new owner.
- B. Data Collection:** The part-time lister travels throughout the different areas each year, measuring each home, and

outbuilding, taking new pictures, and interviewing each property owner as to the interior work. In new construction & remodeling the property is inspected inside and out. As sales occur, the sale is used for 3 years to set property values.

C. Review assessment sales ratio studies before assessment actions: The area Field Liaison works very hard with the assessor and staff and with the help of an excel program we enter sales data to be able to adjust the problem areas.

D. Approaches to Value:

1. Market Approach; sales comparison: Using the sales of the various styles, conditions, and ages, I use the information to adjust the depreciation.
2. Cost Approach: The RCN (replacement cost new) is figured with the July 2007 Marshall and Swift values from the TerraScan software system.
3. Income Approach: income and expense data collection/analysis from the market is done by the Commercial Appraiser that is hired to value commercial and industrial properties.
4. Sales of agricultural land are mapped out and when a trend in sales indicate a market area change is required will be the only time areas will change. One market area is set with soil type boundaries and one with natural boundaries such as rivers.

After assessment action, a review of the sales ratio is a top priority.

Notices of valuation changes are mailed to all property owners that have a change of value and notices are also published in the local newspaper.

Level of Value, Quality and Uniformity of Assessment Year 2012

<u>Property Class</u>	<u>Median</u>
Residential	97%
Commercial	0%
Agricultural Land	73%
Special Value Ag-land	00%

For more information regarding statistical measures see 2012 Reports and Opinions.

2009 ACTION TAKEN:

The villages of Arnold, and Anselmo were physically viewed and revalued. Also the improvements in the townships of Grant, Wayne, Elim, Arnold, Hayes, Triumph, Ryno, Kilfoil and Cliff were physically viewed and revalued.

2010 ACTION TAKEN:

The village of Merna and the improvements in the townships of Loup, Lillian, Victoria, Milburn, West Union, Sargent, Corner, Comstock, Spring Creek, Myrtle, and Garfield was physically viewed and revalued. Land values were adjusted because of sales ratios in the villages of Oconto, Ansley, & Anselmo, the

Suburban areas, the Commercial land in the Suburban areas and all homesites and farmsites in the rural.

2011 ACTION TAKEN:

The villages of Sargent, Comstock, and Ansley and the improvements in the townships of Algernon, Ansley, Westerville, and Douglas Grove were viewed and revalued.

2012 ACTION TAKEN

The village of Berwyn, Mason City, and ½ Broken Bow City and the townships of Elk Creek, Berwyn, East Custer and Broken Bow will be physically viewed and revalued. Reappraisal and revalue all the Commercial properties in compliance with the 6 year review statute.

RESIDENTIAL PLAN:

2013 Finish the reappraisal of the city of Broken Bow and maintain the median level of value on the other villages and townships.

2014 Maintain the level of assessment as required by statute and change the area as necessary.

2015 Begin the 6 year review of the townships and villages that were addressed in 2009.

COMMERCIAL:

2013 Only new construction and change of use on commercial properties will need to be revalued by Standard Appraisal Service unless sales indicate a need for further action.

2014 Only new construction and change of use on commercial properties will need to be revalued by Standard Appraisal Service unless sales indicate a need for further action.

2015 Only new construction and change of use on commercial properties will need to be revalued by Standard Appraisal Service unless sales indicate a need for further action.

AGRICULTURAL LAND:

2013 The land values will be figured at 75% of sales in a 3-year history and these values will be applied to each parcel in each market area.

2014 The land values will be figured at 75% of sales in a 3-year history and these values will be applied to each parcel in each market area.

2015 The land values will be figured at 75% of sales in a 3-year history and these values will be applied to each parcel in each market area.

Other functions preformed by the assessor's office, but not limited to:

I will continue to maintain the parcel records on each property owner making changes monthly of ownership and maintain accurate cadastral maps with ownership changes.

I will continually perform the duties required of me by law to serve the property owners of Custer County and to maintain equality in assessment for all. I will file all the administrative reports required by law/regulations such as abstracts, both real and personal property, the assessor's survey, the sales information to PA&T rosters & annual assessed value updates, school district taxable value report, homestead exemption tax loss report, and certificate of taxes levied report. I will certify the value to political subdivisions, and report the current values to the Board of Education Lands & Funds of properties they own and report the exempt property and taxable property owned by governmental subdivisions. I will also report to the county board the annual plan of assessment.

I will continually administer the annual filing of all personal property schedules and notify the taxpayer of incomplete filings, failure to file and penalties applied.

I will send the applications for annual filings for permissive exemptions, review and make recommendations to the county board.

I will administer approximately 650 annual filings of applications for homestead exemptions and assist where necessary and continue to monitor approval/denial process and send out denial notification.

I will continue to review the centrally assessed valuation certified by PA&T for railroads and public service entities, and establish assessment records and tax billing for tax list.

I will continue to manage the record/valuation information for properties in community redevelopment project (TIFF) and administer the reports and allocate the ad valorem tax.

I will continue to manage the tax entity boundaries making changes only when legal changes dictate and review the tax rates used for the tax billing process.

I will continue to prepare tax lists and certify these to the county treasurer for real estate, personal, and centrally assessed.

I will continue to attend the county board of equalization meetings for valuation protests and assemble and provide necessary information.

I will prepare information and attend taxpayer appeal hearings before TERC (tax equalization and review commission) to defend county valuations.

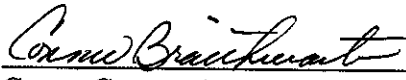
I will continue to attend hearing if applicable to the county, defend values and/or implement orders of the TERC.

I will continue to attend meetings, workshops, and educational classes to obtain required hours of continuing education for maintaining my assessor's certificate.

CONCLUSION:

The assessor maintains two budgets; the assessor's functions budget and the reappraisal budget. The assessor's office budget will be over \$156,041.86. The reappraisal budget will be over \$67,700.00.

Respectfully submitted:



Custer County Assessor

2013 Assessment Survey for Custer County

A. Staffing and Funding Information

1.	Deputy(ies) on staff:
	1
2.	Appraiser(s) on staff:
	0
3.	Other full-time employees:
	3
4.	Other part-time employees:
	1 part-time lister
5.	Number of shared employees:
	1
6.	Assessor's requested budget for current fiscal year:
	\$163,700
7.	Adopted budget, or granted budget if different from above:
	same
8.	Amount of the total assessor's budget set aside for appraisal work:
	n/a
9.	If appraisal/reappraisal budget is a separate levied fund, what is that amount:
	\$67,700
10.	Part of the assessor's budget that is dedicated to the computer system:
	The county clerk controls a budget for the computer system for the entire courthouse.
11.	Amount of the assessor's budget set aside for education/workshops:
	\$500
12.	Other miscellaneous funds:
	n/a
13.	Amount of last year's assessor's budget not used:
	\$1,426 from the administrative budget; the entire appraisal budget was used.

B. Computer, Automation Information and GIS

1.	Administrative software:
	TerraScan
2.	CAMA software:
	TerraScan
3.	Are cadastral maps currently being used?
	Yes
4.	If so, who maintains the Cadastral Maps?
	The maintenance of the cadastral maps is shared between the Assessor's office and the Register of Deeds office. The maps that are currently in use are not digitized and

	were flown in the 1970's.
5.	Does the county have GIS software?
	Yes
6.	Is GIS available to the public? If so, what is the web address?
	The GIS data is not available on the internet at this time, but will be when the system is fully implemented.
7.	Who maintains the GIS software and maps?
	The office staff has all been trained to maintain the GIS system, the county's vendor also helps with maintenance.
8.	Personal Property software:
	TerraScan

C. Zoning Information

1.	Does the county have zoning?
	Yes
2.	If so, is the zoning countywide?
	Yes
3.	What municipalities in the county are zoned?
	Ansley, Arnold, and Broken Bow
4.	When was zoning implemented?
	2005

D. Contracted Services

1.	Appraisal Services:
	The assessor contracts with Stanard Appraisal Service for the commercial class of property only.
2.	GIS Services:
	GIS Workshop, Inc.
3.	Other services:
	n/a

E. Appraisal /Listing Services

1.	Does the county employ outside help for appraisal or listing services?
	Yes, only for the commercial class
2.	If so, is the appraisal or listing service performed under contract?
	Yes
3.	What appraisal certifications or qualifications does the County require?
	The contract does not specify certifications or qualifications; however, the appraisal service does employ both a Certified General and a Licensed appraiser.
4.	Have the existing contracts been approved by the PTA?

	Yes
5.	Does the appraisal or listing service providers establish assessed values for the county?
	The appraisal service will establish valuation models; however, final values are determined by the assessor.

2013 Certification for Custer County

This is to certify that the 2013 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 Custer County Assessor.

Dated this 5th day of April, 2013.



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

Ruth A. Sorensen
Property Tax Administrator

