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Residential Real Property - Current

Number of Sales	252	Median	93.25
Total Sales Price	$24,480,717	Mean	96.70
Total Adj. Sales Price	$24,482,001	Wgt. Mean	91.31
Total Assessed Value	$22,353,635	Average Assessed Value of the Base	$80,926
Avg. Adj. Sales Price	$97,151	Avg. Assessed Value	$88,705

Confidence Interval - Current

95% Median C.I	90.74 to 94.73
95% Wgt. Mean C.I	88.93 to 93.68
95% Mean C.I	92.78 to 100.62
% of Value of the Class of all Real Property Value in the	22.09
% of Records Sold in the Study Period	6.61
% of Value Sold in the Study Period	7.25

Residential Real Property - History

Year	Number of Sales	LOV	Median
2012	232	94	94.38
2011	272	94	94
2010	265	94	94
2009	270	94	94

2013 Commission Summary

for Phelps County

Commercial Real Property - Current

Number of Sales	33	Median	96.60
Total Sales Price	$5,148,450	Mean	95.36
Total Adj. Sales Price	$5,148,450	Wgt. Mean	89.99
Total Assessed Value	$4,633,270	Average Assessed Value of the Base	$151,870
Avg. Adj. Sales Price	$156,014	Avg. Assessed Value	$140,402

Confidence Interval - Current

95% Median C.I	94.00 to 99.62
95% Wgt. Mean C.I	81.41 to 98.58
95% Mean C.I	86.76 to 103.96
% of Value of the Class of all Real Property Value in the County	6.29
% of Records Sold in the Study Period	5.71
% of Value Sold in the Study Period	5.28

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2012	30		98.11
2011	36		98
2010	50	98	98
2009	45	99	99

2013 Opinions of the Property Tax Administrator for Phelps County

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

Class	Level of Value	Quality of Assessment	Non-binding recommendation
Residential Real Property	**93**	Meets generally accepted mass appraisal practices.	No recommendation.
Commercial Real Property	***NEI**	Meets generally accepted mass appraisal practices.	No recommendation.
Agricultural Land	**71**	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
Property Tax Administrator

2013 Residential Assessment Actions for Phelps County

A physical inspection of residential parcels in Holdrege neighborhoods one and two was completed, finishing the review of Holdrege in this cycle. The Villages of Funk and Loomis were also reviewed. During the physical inspection, an attempt is made to visit with each property owner and conduct interior inspections where permitted. Questionnaires are left at each property if no one is home at the time of the inspection.

A sales study was completed. The study indicated some dispersion in sales ratios within Holdrege, prompting the assessor to complete a condition review of all sold and unsold homes in neighborhoods one, two, and three. A depreciation study was also completed within Holdrege to address these issues.

Prior to this year, the assessor had two rural neighborhoods. Rural Holdrege included rural home sites immediately surrounding the City of Holdrege, and Rural consisted of everything else in the county. Recently, sales trends have been suggesting that there is no longer a market difference in these two areas. For 2013, the assessor changed the first acre home site to the same value in both areas, and applied the same economic depreciation to all rural parcels county wide.

In the rest of the class only routine maintenance occurred, the pick-up work was completed timely.

2013 Residential Assessment Survey for Phelps County

1.	**Valuation data collection done by:**
	The assessor and staff
2.	**List the valuation groupings recognized by the County and describe the unique characteristics of each:**

Valuation Grouping	Description of unique characteristics
01	Holdrege – largest community in the county; a strong local economy with jobs and services available. The residential market has been stable to slightly increasing with steady growth in recent years.
02	Bertrand & Loomis – midsized villages; each contains their own school system and limited amenities. The residential market is active, but softer than Holdrege.
03	Funk & Atlanta – small villages with no schools or amenities. The market in these towns is unorganized.
04	Rural - homes outside of the political subdivisions.

3.	**List and describe the approach(es) used to estimate the market value of residential properties.**
	The cost approach with market derived depreciation is used to value all residential properties.
4	**What is the costing year of the cost approach being used for each valuation grouping?**
	December 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?**
	Depreciation tables are developed using local market information.
6.	**Are individual depreciation tables developed for each valuation grouping?**
	One physical depreciation table is used county wide; economic depreciation is developed and applied by location where warranted.
7.	**When were the depreciation tables last updated for each valuation grouping?**
	A new physical depreciation study was completed in 2012; economic depreciation within Holdrege and the rural areas was adjusted for 2013.
8.	**When was the last lot value study completed for each valuation grouping?**
	2010
9.	**Describe the methodology used to determine the residential lot values?**
	Lots are priced by the square foot and by the acre. Lot values are established by neighborhood in Holdrege and each Village has a separate land table.

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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 :	252	MEDIAN :	93	COV : 32.82	95% Median C.I. : 90.74 to 94.73
Total Sales Price :	24,480,717	WGT. MEAN :	91	STD : 31.74	95% Wgt. Mean C.I. : 88.93 to 93.68
Total Adj. Sales Price :	24,482,001	MEAN :	97	Avg. Abs. Dev : 16.84	95% Mean C.I. : 92.78 to 100.62
Total Assessed Value :	22,353,635				
Avg. Adj. Sales Price :	97,151	COD :	18.06	MAX Sales Ratio : 394.33	
Avg. Assessed Value :	88,705	PRD :	105.90	MIN Sales Ratio : 49.46	*Printed:3/21/2013 4:52:36PM*

DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Qrtrs_____											
01-OCT-10 To 31-DEC-10	19	99.54	113.57	97.88	23.62	116.03	79.65	394.33	92.33 to 109.53	103,442	101,249
01-JAN-11 To 31-MAR-11	27	96.48	103.83	95.34	21.60	108.90	61.72	253.36	88.74 to 100.28	95,704	91,246
01-APR-11 To 30-JUN-11	33	93.71	96.26	91.62	17.02	105.06	49.46	168.86	86.13 to 98.61	94,477	86,560
01-JUL-11 To 30-SEP-11	32	88.11	91.57	91.63	13.85	99.93	67.78	127.63	83.11 to 99.83	83,923	76,897
01-OCT-11 To 31-DEC-11	24	99.12	95.60	94.44	15.00	101.23	57.61	142.24	89.41 to 106.10	112,956	106,676
01-JAN-12 To 31-MAR-12	39	91.89	96.05	86.65	21.85	110.85	60.81	197.20	79.03 to 94.52	91,226	79,047
01-APR-12 To 30-JUN-12	40	92.79	95.53	87.95	18.02	108.62	65.31	250.12	85.58 to 95.94	100,824	88,670
01-JUL-12 To 30-SEP-12	38	89.87	90.51	90.38	12.18	100.14	57.39	121.99	85.53 to 95.66	100,726	91,032
_____Study Yrs_____											
01-OCT-10 To 30-SEP-11	111	94.39	99.71	93.74	18.88	106.37	49.46	394.33	90.16 to 98.07	93,268	87,429
01-OCT-11 To 30-SEP-12	141	92.19	94.33	89.52	17.36	105.37	57.39	250.12	89.28 to 94.52	100,208	89,710
_____Calendar Yrs_____											
01-JAN-11 To 31-DEC-11	116	94.10	96.59	93.18	17.18	103.66	49.46	253.36	89.41 to 98.07	95,675	89,147
_____ALL_____	252	93.25	96.70	91.31	18.06	105.90	49.46	394.33	90.74 to 94.73	97,151	88,705

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	183	93.01	92.96	91.55	12.47	101.54	60.81	178.00	90.72 to 95.22	97,134	88,928
02	32	94.23	114.00	91.02	39.61	125.25	57.61	394.33	83.35 to 110.83	62,828	57,185
03	9	99.63	121.02	86.62	53.07	139.71	49.46	250.12	57.39 to 197.08	64,600	55,953
04	28	94.14	93.58	91.05	16.83	102.78	61.27	153.75	81.59 to 99.77	146,952	133,795
_____ALL_____	252	93.25	96.70	91.31	18.06	105.90	49.46	394.33	90.74 to 94.73	97,151	88,705

PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	250	93.25	96.43	91.32	17.80	105.60	49.46	394.33	91.02 to 94.71	97,528	89,062
06											
07	2	130.68	130.68	88.09	36.22	148.35	83.35	178.00	N/A	50,000	44,043
_____ALL_____	252	93.25	96.70	91.31	18.06	105.90	49.46	394.33	90.74 to 94.73	97,151	88,705

69 Phelps

RESIDENTIAL

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Qualified

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Avg. Adj. Sales Price :	97,151	COD :	18.06	MAX Sales Ratio :	394.33
Avg. Assessed Value :	88,705	PRD :	105.90	MIN Sales Ratio :	49.46

95% Median C.I. : 90.74 to 94.73

95% Wgt. Mean C.I. : 88.93 to 93.68

95% Mean C.I. : 92.78 to 100.62

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SALE PRICE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Low $ Ranges_____											
Less Than 5,000	2	295.77	295.77	271.13	33.33	109.09	197.20	394.33	N/A	2,000	5,423
Less Than 15,000	5	178.00	195.02	140.62	43.37	138.69	89.64	394.33	N/A	5,200	7,312
Less Than 30,000	23	125.00	145.00	129.70	44.98	111.80	67.78	394.33	90.74 to 170.00	19,043	24,700
__Ranges Excl. Low $__											
Greater Than 4,999	250	93.08	95.11	91.28	16.50	104.20	49.46	253.36	90.74 to 94.70	97,912	89,371
Greater Than 14,999	247	93.01	94.71	91.25	16.22	103.79	49.46	253.36	90.72 to 94.70	99,012	90,353
Greater Than 29,999	229	92.46	91.85	90.61	13.50	101.37	49.46	157.88	90.16 to 94.52	104,996	95,133
__Incremental Ranges__											
0 TO 4,999	2	295.77	295.77	271.13	33.33	109.09	197.20	394.33	N/A	2,000	5,423
5,000 TO 14,999	3	115.92	127.85	116.89	25.41	109.38	89.64	178.00	N/A	7,333	8,572
15,000 TO 29,999	18	112.50	131.10	129.01	42.20	101.62	67.78	253.36	89.41 to 168.86	22,889	29,529
30,000 TO 59,999	53	96.10	96.23	96.00	13.98	100.24	70.62	157.88	90.45 to 99.63	42,596	40,891
60,000 TO 99,999	81	93.01	92.08	92.14	12.00	99.93	57.61	140.95	87.54 to 95.85	79,633	73,372
100,000 TO 149,999	51	91.40	89.82	89.44	14.66	100.42	49.46	142.24	85.53 to 96.91	121,255	108,453
150,000 TO 249,999	34	86.20	87.68	87.99	13.56	99.65	60.81	124.16	81.42 to 95.53	186,960	164,498
250,000 TO 499,999	10	92.74	91.31	91.26	09.11	100.05	61.27	106.20	80.15 to 104.98	279,550	255,117
500,000 TO 999,999											
1,000,000 +											
_____ALL_____	252	93.25	96.70	91.31	18.06	105.90	49.46	394.33	90.74 to 94.73	97,151	88,705

A. Residential Real Property

The majority of the value in the residential class is in or around the City of Holdrege; the town is the county seat and contains the majority of employment and business opportunities within the county. The market in Holdrege in recent years has been stable to slightly increasing with good annual growth. The smaller communities in the county are influenced by their proximity to Holdrege and by the presence or absence of a school system within the community. The market in the smaller communities is less organized, but has generally been stable in the mid-size communities to slightly decreasing in the smallest towns. Valuation groupings have been developed based on these general economic conditions.

The county has a structured plan for cyclical review, and generally completes a review cycle in only three to four years. Within the residential class, all parcels were inspected from 2009 – 2012. A new cycle immediately started over in 2012.

The Department conducts two scheduled reviews each year. The first is a cyclical review of assessment practices in which one-third of the counties in the state are reviewed annually. Phelps County received this review during 2012. Within the residential class, assessment actions were well documented and were found to be uniformly and equitably applied. The second review was a review of sales qualification determinations. This involved a review of the non-qualified sales roster to determine whether qualification decisions were documented and appropriate. Additionally, an on-site review of verification documentation was conducted. The review confirmed that all arm's length sales were made available for the measurement of real property in Phelps County. The verification process employed by the county is thorough and well documented.

Review of the statistical profile for the county shows measures of central tendency that support a level of value within the acceptable range. The qualitative statistics are slightly high overall, but analysis of the individual groupings shows that these measures are being pushed up by ratios in the smaller villages where the market is less organized. Stratifying the sales by sales price also suggests that seven extreme low dollar sales are affecting the qualitative statistics by roughly two percentage points each. Generally, the qualitative measures support assessment uniformity.

All of the valuation groupings except group three have a sufficient number of sales and appear to be within the acceptable range. Group three represents the smallest villages in Phelps County where there is no organization in the market; the qualitative statistics for this small sample highlights the variance in assessment ratios. While there will generally never be a sufficient sample in this valuation group, the Department's assessment practice review shows that it is subject to the same review and appraisal standards as the rest of the class. For that reason, all valuation groupings are believed to be assessed in the acceptable range.

Based on a review of all available evidence, the level of value of residential parcels in Phelps County is 93%; assessment practices are in compliance with generally accepted mass appraisal standards.

B. Analysis of Sales Verification

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

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

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

C. Measures of Central Tendency

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

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

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

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

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

D. Analysis of Quality of Assessment

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

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

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

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

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

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

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 Phelps County

A physical inspection of a portion of the commercial parcels within the City of Holdrege was completed. Only routine maintenance was completed in the rest of the class; the pick-up work was completed timely.

2013 Commercial Assessment Survey for Phelps County

1.	**Valuation data collection done by:**
	The contract appraiser, assessor, and staff
2.	**List the valuation groupings recognized in the County and describe the unique characteristics of each:**

Valuation Grouping	Description of unique characteristics
01	Holdrege – largest community in the county, stable economic growth, active business district
02	Bertrand & Loomis – midsize villages, each have a commercial district with some active businesses; the market is softer than Holdrege and more sporadic.
03	Funk & Atlanta – small villages without an organized commercial market.
04	Rural – typically agricultural or industrial type properties, usually different than those found within the towns.

3.	**List and describe the approach(es) used to estimate the market value of commercial properties.**
	All three approaches are developed where sufficient information is available. Primarily the cost approach is relied upon.
3a.	**Describe the process used to determine the value of unique commercial properties.**
	All commercial properties are priced using the Marshall Swift occupancy codes. Depreciation is established for all properties based on the age and condition of the structure. The commercial appraiser will use sales from other counties where warranted in helping to establish the value of hard to assess properties.
4.	**What is the costing year of the cost approach being used for each valuation grouping?**
	January 2012
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 tables are developed using local market information.
6.	**Are individual depreciation tables developed for each valuation grouping?**
	Yes
7.	**When were the depreciation tables last updated for each valuation grouping?**
	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.**
	Lots are priced by the square foot and by the acre. There is a different land value table for each valuation grouping.

69 Phelps

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 : 33	MEDIAN : 97	COV : 26.43	95% Median C.I. : 94.00 to 99.62
Total Sales Price : 5,148,450	WGT. MEAN : 90	STD : 25.20	95% Wgt. Mean C.I. : 81.41 to 98.58
Total Adj. Sales Price : 5,148,450	MEAN : 95	Avg. Abs. Dev : 15.33	95% Mean C.I. : 86.76 to 103.96
Total Assessed Value : 4,633,270			
Avg. Adj. Sales Price : 156,014	COD : 15.87	MAX Sales Ratio : 160.00	
Avg. Assessed Value : 140,402	PRD : 105.97	MIN Sales Ratio : 31.11	*Printed:3/21/2013 4:52:37PM*

DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Qrtrs_____											
01-OCT-09 To 31-DEC-09	1	160.00	160.00	160.00	00.00	100.00	160.00	160.00	N/A	3,500	5,600
01-JAN-10 To 31-MAR-10	3	100.49	99.16	98.98	01.40	100.18	96.39	100.61	N/A	300,000	296,933
01-APR-10 To 30-JUN-10	1	99.89	99.89	99.89	00.00	100.00	99.89	99.89	N/A	75,000	74,915
01-JUL-10 To 30-SEP-10	3	96.81	96.20	94.85	02.60	101.42	92.11	99.67	N/A	162,117	153,767
01-OCT-10 To 31-DEC-10	3	95.00	95.59	95.27	02.08	100.34	92.92	98.85	N/A	39,500	37,633
01-JAN-11 To 31-MAR-11											
01-APR-11 To 30-JUN-11	4	96.05	96.27	95.51	01.35	100.80	94.44	98.54	N/A	37,875	36,176
01-JUL-11 To 30-SEP-11	1	96.67	96.67	96.67	00.00	100.00	96.67	96.67	N/A	30,000	29,000
01-OCT-11 To 31-DEC-11	4	97.81	98.32	99.60	03.39	98.71	94.00	103.64	N/A	212,750	211,893
01-JAN-12 To 31-MAR-12	4	104.88	106.78	87.30	19.09	122.31	74.85	142.50	N/A	375,750	328,025
01-APR-12 To 30-JUN-12	7	67.61	73.21	67.55	37.63	108.38	31.11	143.16	31.11 to 143.16	106,714	72,086
01-JUL-12 To 30-SEP-12	2	99.85	99.85	88.39	28.12	112.97	71.77	127.93	N/A	141,300	124,890
_____Study Yrs_____											
01-OCT-09 To 30-SEP-10	8	99.78	105.75	97.80	09.52	108.13	92.11	160.00	92.11 to 160.00	183,106	179,077
01-OCT-10 To 30-SEP-11	8	96.05	96.07	95.54	01.67	100.55	92.92	98.85	92.92 to 98.85	37,500	35,826
01-OCT-11 To 30-SEP-12	17	94.00	90.15	86.12	25.45	104.68	31.11	143.16	67.61 to 111.09	199,035	171,415
_____Calendar Yrs_____											
01-JAN-10 To 31-DEC-10	10	97.83	97.27	97.47	02.69	99.79	92.11	100.61	92.92 to 100.49	157,985	153,992
01-JAN-11 To 31-DEC-11	9	96.60	97.22	98.91	02.13	98.29	94.00	103.64	94.44 to 99.62	114,722	113,475
_____ALL_____	33	96.60	95.36	89.99	15.87	105.97	31.11	160.00	94.00 to 99.62	156,014	140,402

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	22	96.64	93.69	92.09	15.36	101.74	31.11	160.00	85.89 to 99.89	120,770	111,223
02	5	96.00	95.88	64.69	20.83	148.21	46.22	143.16	N/A	39,700	25,681
03	3	95.00	110.50	125.81	17.02	87.83	94.00	142.50	N/A	14,333	18,033
04	3	99.62	91.65	89.06	08.58	102.91	74.85	100.49	N/A	750,000	667,957
_____ALL_____	33	96.60	95.36	89.99	15.87	105.97	31.11	160.00	94.00 to 99.62	156,014	140,402

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	82.40	82.40	82.40	00.00	100.00	82.40	82.40	N/A	125,000	103,000
03	32	96.64	95.77	90.18	15.89	106.20	31.11	160.00	94.00 to 99.67	156,983	141,571
04											
_____ALL_____	33	96.60	95.36	89.99	15.87	105.97	31.11	160.00	94.00 to 99.62	156,014	140,402

69 Phelps

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 :	33	MEDIAN :	97	COV :	26.43
Total Sales Price :	5,148,450	WGT. MEAN :	90	STD :	25.20
Total Adj. Sales Price :	5,148,450	MEAN :	95	Avg. Abs. Dev :	15.33
Total Assessed Value :	4,633,270				
Avg. Adj. Sales Price :	156,014	COD :	15.87	MAX Sales Ratio :	160.00
Avg. Assessed Value :	140,402	PRD :	105.97	MIN Sales Ratio :	31.11

95% Median C.I. : 94.00 to 99.62

95% Wgt. Mean C.I. : 81.41 to 98.58

95% Mean C.I. : 86.76 to 103.96

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SALE PRICE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Low $ Ranges_____											
Less Than 5,000	1	160.00	160.00	160.00	00.00	100.00	160.00	160.00	N/A	3,500	5,600
Less Than 15,000	6	97.27	107.86	102.62	13.22	105.11	94.00	160.00	94.00 to 160.00	7,667	7,868
Less Than 30,000	10	97.27	105.95	106.11	24.28	99.85	31.11	160.00	94.00 to 143.16	13,100	13,901
__Ranges Excl. Low $__											
Greater Than 4,999	32	96.50	93.34	89.95	14.33	103.77	31.11	143.16	92.92 to 99.62	160,780	144,615
Greater Than 14,999	27	96.60	92.59	89.88	16.44	103.02	31.11	143.16	85.89 to 99.67	188,980	169,854
Greater Than 29,999	23	96.60	90.76	89.57	12.13	101.33	46.22	127.93	85.89 to 99.62	218,150	195,403
__Incremental Ranges__											
0 TO 4,999	1	160.00	160.00	160.00	00.00	100.00	160.00	160.00	N/A	3,500	5,600
5,000 TO 14,999	5	96.00	97.44	97.89	02.75	99.54	94.00	103.64	N/A	8,500	8,321
15,000 TO 29,999	4	119.00	103.07	108.00	33.41	95.44	31.11	143.16	N/A	21,250	22,950
30,000 TO 59,999	4	96.74	97.23	97.25	00.62	99.98	96.60	98.85	N/A	42,213	41,050
60,000 TO 99,999	5	94.44	100.21	100.32	10.38	99.89	85.89	127.93	N/A	78,120	78,373
100,000 TO 149,999	5	82.40	76.79	75.04	23.54	102.33	46.22	100.61	N/A	121,000	90,800
150,000 TO 249,999	3	71.77	79.68	77.35	14.89	103.01	67.61	99.67	N/A	193,000	149,277
250,000 TO 499,999	4	98.44	100.02	100.73	05.86	99.30	92.11	111.09	N/A	368,500	371,175
500,000 TO 999,999	2	87.24	87.24	86.20	14.20	101.21	74.85	99.62	N/A	900,000	775,835
1,000,000 +											
_____ALL_____	33	96.60	95.36	89.99	15.87	105.97	31.11	160.00	94.00 to 99.62	156,014	140,402

69 Phelps

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 :	33	MEDIAN :	97	COV :	26.43
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Total Assessed Value :	4,633,270				
Avg. Adj. Sales Price :	156,014	COD :	15.87	MAX Sales Ratio :	160.00
Avg. Assessed Value :	140,402	PRD :	105.97	MIN Sales Ratio :	31.11

95% Median C.I. : 94.00 to 99.62

95% Wgt. Mean C.I. : 81.41 to 98.58

95% Mean C.I. : 86.76 to 103.96

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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
306	1	127.93	127.93	127.93	00.00	100.00	127.93	127.93	N/A	83,600	106,950
326	1	46.22	46.22	46.22	00.00	100.00	46.22	46.22	N/A	143,000	66,100
344	6	98.01	96.80	95.31	17.70	101.56	56.07	143.16	56.07 to 143.16	256,833	244,778
349	1	67.61	67.61	67.61	00.00	100.00	67.61	67.61	N/A	230,000	155,500
350	1	96.00	96.00	96.00	00.00	100.00	96.00	96.00	N/A	10,000	9,600
352	2	91.51	91.51	91.13	09.96	100.42	82.40	100.61	N/A	120,000	109,350
353	6	94.22	94.26	93.16	01.33	101.18	92.11	96.60	92.11 to 96.60	84,833	79,033
356	1	96.67	96.67	96.67	00.00	100.00	96.67	96.67	N/A	30,000	29,000
406	6	97.45	93.57	78.94	28.33	118.53	31.11	160.00	31.11 to 160.00	52,750	41,641
421	1	74.85	74.85	74.85	00.00	100.00	74.85	74.85	N/A	975,000	729,800
446	1	111.09	111.09	111.09	00.00	100.00	111.09	111.09	N/A	395,000	438,800
470	1	142.50	142.50	142.50	00.00	100.00	142.50	142.50	N/A	28,000	39,900
528	4	98.76	98.71	99.84	00.98	98.87	96.81	100.49	N/A	160,213	159,950
851	1	98.54	98.54	98.54	00.00	100.00	98.54	98.54	N/A	6,500	6,405
_____ALL_____	33	96.60	95.36	89.99	15.87	105.97	31.11	160.00	94.00 to 99.62	156,014	140,402

A. Commercial Real Property

In Phelps County, the majority of the commercial value is in and around Holdrege; the town provides the majority of employment and business opportunities in the region. The more rural communities within the county do not have an organized commercial market. Within the villages, different economic conditions exist based on proximity to Holdrege and the size of the population. Three valuation groupings have been established to reflect these economic conditions.

An inspection cycle in Phelps County is normally completed every four to five years. In the commercial class, all properties were inspected in 2009, and then a new inspection cycle began in 2010. This cycle is expected to be completed for 2014 when the review process is completed within the City of Holdrege. The county is in compliance with the statutory six-year inspection requirement.

During 2012, the Department conducted a sales verification review. For Phelps County, this involved a review of the non-qualified sales roster to determine whether qualification decisions were documented and appropriate. Additionally, an on-site review of verification documentation was conducted. The review confirmed that all arm's length sales were made available for the measurement of real property in Phelps County. The verification process was thorough and well documented.

The Department also conducted its cyclical assessment practices review in Phelps County during 2012; this review was prioritized for Phelps County after data in the 2012 Reports & Opinions suggested that assessments within the class may not have been applied uniformly. Data collected in the review showed that sold commercial properties were generally adjusted more heavily than unsold properties of the same occupancy; however, conversation with the contract appraiser and assessor revealed that location and other market characteristics may have affected their valuation determinations. These market characteristics were not always documented in the commercial records so it could not be determined whether they uniformly affected assessments.

After the review, the county assessor worked with the Department to determine the best way to improve assessment practices and transparency in the valuation process. The goals discussed were to improve documentation of commercial valuation changes and characteristics affecting value, and to conduct analysis of similar properties to determine whether equalization adjustments were necessary. Due to unforeseen circumstances, the county was unable to make significant progress towards these goals for 2013.

Since the commercial market has been relatively stable in the past year, it is expected that statistics calculated from each of the three study period years would be relatively similar. A review of the statistical profile shows a much wider COD in the most current year. Analysis of sales of property within Holdrege alone not only shows an increased COD, but also shows measures of central tendency well below the acceptable range. These statistics confirm the Department's concern that adjustments to sold parcels were not uniformly applied to the rest of the class.

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 Phelps County. The current assessed values were not arrived at using professionally accepted mass appraisal methods. The assessor is working towards improving these practices and actions taken for 2013 were in compliance with professionally accepted standards; the Department is confident that if these practices continue the quality of assessment within the county will be improved.

B. Analysis of Sales Verification

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

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

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

C. Measures of Central Tendency

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

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

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

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

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

D. Analysis of Quality of Assessment

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

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

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

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

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

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

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

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

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

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

Agricultural and/or Special Valuation Reports

2013 Agricultural Assessment Actions for Phelps County

A physical inspection of agricultural improvements in the northern part of the county was completed. This includes the Cottonwood, Westside, and Williamsburg townships. Only routine maintenance occurred for the remaining improved agricultural parcels; this pickup work was completed timely.

A land use study using new GIS imagery began during 2012; approximately 50% of the imagery has been reviewed to date. In addition to the review by GIS imagery, the county assessor also completes a physical inspection of all unimproved agricultural parcels cyclically. This year a review of unimproved land in the Westmark, Westside, and Williamsburg townships was completed.

A sales study of agricultural land sales was completed. Adjustments were made to all land values. Irrigated land in market areas one and two increased 38% and 45% respectively. Dry and grass lands were adjusted to the same value in both market areas resulting in an overall increase of approximately 19% for dry land and 21% for grass.

2013 Agricultural Assessment Survey for Phelps County

1.	**Valuation data collection done by:**
	The assessor and staff
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 is flat, rich farmland which is nearly all irrigated.
02	This area is topographically rough, and is mostly hills and canyons. The majority of the area is pasture land, although some farming is done where feasible. Well depths are deeper, and there is less irrigation.

3.	**Describe the process used to determine and monitor market areas.**
	The market areas were mapped according to soils and topography. Annually, sales are plotted and reviewed and a ratio study is conducted to determine whether the market continues to support the defined areas.
4.	**Describe the process used to identify rural residential land and recreational land in the county apart from agricultural land.**
	Rural residential and recreational lands are identified through the office land use procedures and also through sales verification.
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 schedule; differences in the market exist depending on the proximity of the parcel to the town of Holdrege.
6.	**Describe the process used to identify and monitor the influence of non-agricultural characteristics.**
	Physical inspections are completed cyclically to monitor land use. The county also plots sales and conducts a ratio study annually to monitor for non-agricultural influences.
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.

69 Phelps

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 :	81	MEDIAN :	71	COV :	43.99
Total Sales Price :	49,485,921	WGT. MEAN :	62	STD :	33.83
Total Adj. Sales Price :	49,275,196	MEAN :	77	Avg. Abs. Dev :	25.11
Total Assessed Value :	30,783,190				
Avg. Adj. Sales Price :	608,336	COD :	35.30	MAX Sales Ratio :	229.41
Avg. Assessed Value :	380,039	PRD :	123.12	MIN Sales Ratio :	10.15

95% Median C.I. : 62.55 to 80.83

95% Wgt. Mean C.I. :

95% Mean C.I. : 69.54 to 84.28

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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
_____Qrtrs_____											
01-OCT-09 To 31-DEC-09	6	101.24	98.78	98.09	10.05	100.70	77.40	117.00	77.40 to 117.00	392,533	385,045
01-JAN-10 To 31-MAR-10	8	94.51	92.99	80.34	19.43	115.75	46.62	129.36	46.62 to 129.36	528,291	424,405
01-APR-10 To 30-JUN-10	3	114.18	111.57	112.29	08.43	99.36	95.82	124.72	N/A	153,917	172,835
01-JUL-10 To 30-SEP-10	6	77.65	87.81	90.95	25.65	96.55	60.05	133.35	60.05 to 133.35	338,202	307,586
01-OCT-10 To 31-DEC-10	11	73.69	77.66	75.83	17.34	102.41	52.78	110.65	63.39 to 99.53	396,383	300,584
01-JAN-11 To 31-MAR-11	10	69.48	84.12	70.35	42.47	119.57	43.82	229.41	53.26 to 100.87	581,815	409,321
01-APR-11 To 30-JUN-11	4	68.25	76.00	70.38	19.14	107.99	60.54	106.97	N/A	380,500	267,809
01-JUL-11 To 30-SEP-11	4	51.90	58.05	57.87	33.62	100.31	30.79	97.63	N/A	557,933	322,869
01-OCT-11 To 31-DEC-11	11	54.42	59.46	55.10	21.89	107.91	36.86	96.98	43.81 to 77.17	1,084,431	597,544
01-JAN-12 To 31-MAR-12	6	48.21	58.84	41.32	54.62	142.40	27.41	137.78	27.41 to 137.78	972,560	401,833
01-APR-12 To 30-JUN-12	8	59.35	79.59	50.97	57.91	156.15	42.43	152.96	42.43 to 152.96	658,651	335,736
01-JUL-12 To 30-SEP-12	4	41.54	38.94	39.58	38.32	98.38	10.15	62.55	N/A	809,326	320,365
_____Study Yrs_____											
01-OCT-09 To 30-SEP-10	23	98.13	95.58	88.95	17.85	107.45	46.62	133.35	82.76 to 107.09	394,456	350,849
01-OCT-10 To 30-SEP-11	29	71.14	76.95	70.07	28.89	109.82	30.79	229.41	60.54 to 82.08	480,417	336,633
01-OCT-11 To 30-SEP-12	29	52.77	62.05	49.30	41.84	125.86	10.15	152.96	43.88 to 62.55	905,883	446,597
_____Calendar Yrs_____											
01-JAN-10 To 31-DEC-10	28	86.04	87.85	81.84	21.92	107.34	46.62	133.35	72.53 to 100.56	395,625	323,774
01-JAN-11 To 31-DEC-11	29	60.54	70.05	60.60	33.66	115.59	30.79	229.41	53.26 to 74.96	741,401	449,272
_____ALL_____	81	71.14	76.91	62.47	35.30	123.12	10.15	229.41	62.55 to 80.83	608,336	380,039

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
1	60	70.69	74.65	64.44	32.18	115.84	10.15	137.78	57.54 to 85.12	690,959	445,223
2	21	71.27	83.35	52.06	44.70	160.10	27.41	229.41	60.05 to 99.53	372,270	193,801
_____ALL_____	81	71.14	76.91	62.47	35.30	123.12	10.15	229.41	62.55 to 80.83	608,336	380,039

69 Phelps

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 :	81	MEDIAN :	71	COV : 43.99	95% Median C.I. : 62.55 to 80.83
Total Sales Price :	49,485,921	WGT. MEAN :	62	STD : 33.83	95% Wgt. Mean C.I. :
Total Adj. Sales Price :	49,275,196	MEAN :	77	Avg. Abs. Dev : 25.11	95% Mean C.I. : 69.54 to 84.28
Total Assessed Value :	30,783,190				
Avg. Adj. Sales Price :	608,336	COD :	35.30	MAX Sales Ratio : 229.41	
Avg. Assessed Value :	380,039	PRD :	123.12	MIN Sales Ratio : 10.15	*Printed:3/21/2013 4:52:38PM*

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	40	79.83	79.92	67.00	28.26	119.28	42.43	152.96	61.03 to 90.32	640,890	429,389
1	38	77.05	76.31	66.65	25.98	114.49	42.43	114.18	57.54 to 88.74	671,746	447,725
2	2	148.41	148.41	148.31	03.07	100.07	143.86	152.96	N/A	54,615	80,998
_____Dry_____											
County	2	50.94	50.94	42.56	39.56	119.69	30.79	71.09	N/A	487,900	207,650
2	2	50.94	50.94	42.56	39.56	119.69	30.79	71.09	N/A	487,900	207,650
_____Grass_____											
County	3	71.27	61.92	55.45	44.06	111.67	10.15	104.35	N/A	180,381	100,028
1	1	10.15	10.15	10.15	00.00	100.00	10.15	10.15	N/A	150,000	15,228
2	2	87.81	87.81	72.83	18.84	120.57	71.27	104.35	N/A	195,571	142,428
_____ALL_____	81	71.14	76.91	62.47	35.30	123.12	10.15	229.41	62.55 to 80.83	608,336	380,039

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	60	75.74	79.33	63.71	34.54	124.52	27.41	229.41	60.54 to 87.72	714,223	455,056
1	55	74.96	75.92	65.16	28.52	116.51	35.89	133.35	60.54 to 86.96	721,758	470,268
2	5	143.86	116.81	45.57	45.12	256.33	27.41	229.41	N/A	631,346	287,715
_____Dry_____											
County	3	71.09	58.14	48.65	19.57	119.51	30.79	72.53	N/A	408,267	198,637
2	3	71.09	58.14	48.65	19.57	119.51	30.79	72.53	N/A	408,267	198,637
_____Grass_____											
County	5	71.27	64.74	58.40	29.09	110.86	10.15	104.35	N/A	145,228	84,821
1	1	10.15	10.15	10.15	00.00	100.00	10.15	10.15	N/A	150,000	15,228
2	4	72.48	78.38	70.97	14.68	110.44	64.22	104.35	N/A	144,036	102,219
_____ALL_____	81	71.14	76.91	62.47	35.30	123.12	10.15	229.41	62.55 to 80.83	608,336	380,039

Phelps County 2013 Average Acre Value Comparison

County	Mkt Area	1A1	1A	2A1	2A	3A1	3A	4A1	4A	AVG IRR
Phelps	1	2,806	3,800	3,000	2,798	2,500	2,400	2,300	2,100	3,526
Gosper	1	N/A	2,899	2,460	2,050	1,910	1,800	1,775	1,643	2,785
Dawson	1	N/A	2,975	2,900	2,680	2,425	2,062	2,021	1,945	2,778
Kearney	1	N/A	3,585	2,930	2,675	1,780	1,210	1,210	910	2,932
Buffalo	3	3,050	3,050	2,400	2,400	2,000	2,000	1,900	1,900	2,585
Buffalo	2	4,018	4,017	3,518	3,589	3,200	3,527	3,100	3,191	3,807
Harlan	1	N/A	3,206	2,580	2,235	N/A	N/A	1,485	1,485	2,925
Franklin	2	3,040	3,049	2,898	2,883	2,362	2,133	2,337	2,293	2,866
Phelps	2	N/A	2,300	2,000	1,800	1,600	1,500	1,400	1,300	1,975
Gosper	4	N/A	2,900	2,460	2,050	1,915	N/A	1,775	1,645	2,446
Furnas	1	3,050	2,750	2,290	2,175	1,655	1,540	1,410	1,410	2,459
Harlan	2	2,995	2,820	2,335	2,030	1,687	1,544	1,485	1,485	2,424

County	Mkt Area	1D1	1D	2D1	2D	3D1	3D	4D1	4D	AVG DRY
Phelps	1	1,400	1,400	1,200	1,100	1,050	1,000	900	800	1,277
Gosper	1	N/A	1,080	1,010	945	865	745	715	715	1,010
Dawson	1	N/A	1,485	1,390	1,310	1,215	1,124	935	935	1,214
Kearney	1	N/A	1,600	1,500	1,400	850	650	650	500	1,348
Buffalo	3	1,400	1,400	1,200	1,275	1,100	1,000	950	925	1,142
Buffalo	2	1,874	1,685	1,498	1,450	1,250	1,503	1,022	1,280	1,469
Harlan	1	N/A	1,554	1,380	1,370	N/A	N/A	935	935	1,448
Franklin	2	1,485	1,485	1,255	1,255	1,130	1,020	975	975	1,343
Phelps	2	N/A	1,400	1,200	1,100	1,050	1,000	900	800	1,158
Gosper	4	N/A	1,080	1,009	945	865	N/A	715	715	999
Furnas	1	1,450	1,450	1,100	1,100	950	950	850	850	1,260
Harlan	2	1,180	1,165	980	955	825	808	815	815	1,083

County	Mkt Area	1G1	1G	2G1	2G	3G1	3G	4G1	4G	AVG GRASS
Phelps	1	750	925	1,127	813	728	726	639	530	708
Gosper	1	N/A	696	613	551	506	567	484	481	502
Dawson	1	N/A	915	775	720	685	625	625	620	641
Kearney	1	N/A	600	600	600	600	600	600	550	592
Buffalo	3	922	912	831	831	756	791	724	679	728
Buffalo	2	1,232	1,171	943	923	988	902	905	830	933
Harlan	1	N/A	600	600	600	N/A	N/A	600	600	600
Franklin	2	815	805	725	710	700	700	650	650	670
Phelps	2	N/A	600	550	500	506	475	463	450	465
Gosper	4	N/A	690	610	550	500	N/A	480	480	498
Furnas	1	650	650	620	620	500	485	450	425	454
Harlan	2	N/A	600	600	600	600	600	600	600	600

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

Agricultural and/or Special Valuation Correlation

A. Agricultural Land

Agricultural land in Phelps County is divided into two market areas. Area one is the majority of the county and is somewhat homogeneous with 79% of the acres consisting of class one irrigated land. Dry and grassland in this area will typically exist only in pivot corners and other small areas unsuitable for farming. For this reason, in 2013 the county assessor valued all dry and grassland using the same schedule of values. All counties adjoining area one are considered comparable except for irrigated land in Harlan and Franklin Counties which are impacted by water restrictions, and Buffalo County area two which contains non-agricultural influence.

Area two is in the southwestern corner of the county and is topographically rough. Dry and grassland in area two is most comparable to Gosper County. Irrigation in area two is somewhat unique; irrigated land in this area is typically done in smaller parcels or on steeper slopes than irrigation in the adjoining areas, making it less desirable. Gosper County is topographically similar where it adjoins Phelps; however, the majority of irrigated parcels in Gosper County are found in parts of the county where the topography is less severe.

Analysis of the sales within Phelps County indicated that the area one sample was not proportionately distributed when stratified by sale date, and that the area two sample was unreliably small. The samples were expanded with sales from the defined comparable areas in an effort to produce a reliable measurement of all land uses. After expansion, the area one sample meets the prescribed thresholds. The area two sample is over represented with dry land and underrepresented with grass; it is also slightly smaller than is typically desired and has a somewhat wider than typical coefficient of dispersion. Given these facts statistical inferences based on the market area two sample should be made with caution.

Assessment actions for 2013 include adjustments to most land uses at the upper end of the typical range for the market. The 95% and 80% irrigated statistics show slightly varying results, but support that irrigation has been aggressively valued at the upper end of the acceptable range. Comparison of irrigated values to adjoining counties shows that Phelps County's area one values are higher than all adjoining comparable areas. Phelps County has historically had a strong market for agricultural land, and values have historically compared most closely to Kearney County. Since nearly 80% of Phelps County's irrigated acres are in class one soils, comparison of Phelps and Kearney County's 1A values gives the best indicator of comparability; Phelps value is only 6% higher than Kearney County's, effectively the difference between the low and upper end of the acceptable range.

Irrigated land in area two was adjusted slightly higher than was typical for the area at about 45% on average; this was done to recognize the movement in the market and close the gap with adjoining county values. While the values are still somewhat lower in Phelps County than they are in the adjoining areas they are not concerning considering the differences in the land as described above.

There is not a sufficient statistical measurement of dry and grassland in Phelps County. The adjustment made by the assessor for both land uses was in the typical range for the market in

this part of the state. The dry land values compare well to all adjoining counties. The grassland values that appear in the Average Acre Comparison Chart for area one are inflated by the values on land classified as irrigated grass or WRP. The area two values better reflect the actual values placed on grassland in both market areas. Grassland in Phelps County is primarily in area two and would be most comparable to Gosper County. The grass values are slightly lower than all the adjoining counties. Analysis of current and past assessment actions indicates that Phelps County has increased grass at similar rate to all adjoining counties since 2008; therefore, grassland is believed to be at the lower end of the acceptable range.

Based on the review of all available information, the level of value of agricultural land in Phelps County is determined to be 71%; all subclasses are within the acceptable range.

B. Analysis of Sales Verification

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

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

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

C. Measures of Central Tendency

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

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

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

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

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

D. Analysis of Quality of Assessment

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

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

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

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

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

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

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 :** 6,975 **Value :** 1,396,237,838 **Growth** 13,186,452 (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	347	3,370,518	0	0	17	3,298,780	364	6,669,298	
02. Res Improve Land	2,824	27,267,935	0	0	489	16,532,399	3,313	43,800,334	
03. Res Improvements	2,946	198,820,341	0	0	501	59,197,248	3,447	258,017,589	
04. Res Total	3,293	229,458,794	0	0	518	79,028,427	3,811	308,487,221	3,445,907
% of Res Total	86.41	74.38	0.00	0.00	13.59	25.62	54.64	22.09	26.13
05. Com UnImp Land	90	988,525	0	0	20	256,599	110	1,245,124	
06. Com Improve Land	397	5,854,105	0	0	65	1,290,979	462	7,145,084	
07. Com Improvements	397	51,150,020	0	0	61	12,914,942	458	64,064,962	
08. Com Total	487	57,992,650	0	0	81	14,462,520	568	72,455,170	4,316,480
% of Com Total	85.74	80.04	0.00	0.00	14.26	19.96	8.14	5.19	32.73
09. Ind UnImp Land	2	52,530	0	0	0	0	2	52,530	
10. Ind Improve Land	4	93,700	0	0	4	464,005	8	557,705	
11. Ind Improvements	4	1,287,500	0	0	4	13,428,160	8	14,715,660	
12. Ind Total	6	1,433,730	0	0	4	13,892,165	10	15,325,895	1,948,165
% of Ind Total	60.00	9.35	0.00	0.00	40.00	90.65	0.14	1.10	14.77
13. Rec UnImp Land	0	0	0	0	1	2,550	1	2,550	
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	1	2,550	1	2,550	0
% of Rec Total	0.00	0.00	0.00	0.00	100.00	100.00	0.01	0.00	0.00
Res & Rec Total	3,293	229,458,794	0	0	519	79,030,977	3,812	308,489,771	3,445,907
% of Res & Rec Total	86.39	74.38	0.00	0.00	13.61	25.62	54.65	22.09	26.13
Com & Ind Total	493	59,426,380	0	0	85	28,354,685	578	87,781,065	6,264,645
% of Com & Ind Total	85.29	67.70	0.00	0.00	14.71	32.30	8.29	6.29	47.51
17. Taxable Total	3,786	288,885,174	0	0	604	107,385,662	4,390	396,270,836	9,710,552
% of Taxable Total	86.24	72.90	0.00	0.00	13.76	27.10	62.94	28.38	73.64

Schedule II : Tax Increment Financing (TIF)

	Urban			SubUrban		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	24	271,178	1,598,767	0	0	0
19. Commercial	13	461,425	3,633,310	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	24	271,178	1,598,767
19. Commercial	0	0	0	13	461,425	3,633,310
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
22. Total Sch II				**37**	**732,603**	**5,232,077**

Schedule III : Mineral Interest Records

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

Schedule IV : Exempt Records : Non-Agricultural

	Urban	SubUrban	Rural	Total
	Records	Records	Records	Records
26. Exempt	410	0	423	833

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	0	0	0	0	1,867	678,268,820	1,867	678,268,820
28. Ag-Improved Land	0	0	0	0	718	268,078,114	718	268,078,114
29. Ag Improvements	0	0	0	0	718	53,620,068	718	53,620,068
30. Ag Total							**2,585**	**999,967,002**

Schedule VI : Agricultural Records :Non-Agricultural Detail

	Urban			SubUrban			
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	0	0.00	0	0	0.00	0	
32. HomeSite Improv Land	0	0.00	0	0	0.00	0	
33. HomeSite Improvements	0	0.00	0	0	0.00	0	
34. HomeSite Total							
35. FarmSite UnImp Land	0	0.00	0	0	0.00	0	
36. FarmSite Improv Land	0	0.00	0	0	0.00	0	
37. FarmSite Improvements	0	0.00	0	0	0.00	0	
38. FarmSite Total							
39. Road & Ditches	0	0.00	0	0	0.00	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
	Rural			**Total**			**Growth**
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	10	11.01	240,250	10	11.01	240,250	
32. HomeSite Improv Land	361	379.64	9,175,650	361	379.64	9,175,650	
33. HomeSite Improvements	369	0.00	34,323,266	369	0.00	34,323,266	769,250
34. HomeSite Total				**379**	**390.65**	**43,739,166**	
35. FarmSite UnImp Land	74	280.41	475,009	74	280.41	475,009	
36. FarmSite Improv Land	612	3,224.56	6,398,698	612	3,224.56	6,398,698	
37. FarmSite Improvements	690	0.00	19,296,802	690	0.00	19,296,802	2,706,650
38. FarmSite Total				**764**	**3,504.97**	**26,170,509**	
39. Road & Ditches	2,274	7,020.74	0	2,274	7,020.74	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
41. Total Section VI				**1,143**	**10,916.36**	**69,909,675**	**3,475,900**

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

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

Schedule VIII : Agricultural Records : Special Value

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
43. Special Value	0	0.00	0	0	0.00	0
44. Recapture Value N/A	0	0.00	0	0	0.00	0
	Rural			**Total**		
	Records	Acres	Value	Records	Acres	Value
43. Special Value	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	253.17	0.10%	710,495	0.08%	2,806.39
46. 1A	191,296.40	78.51%	726,862,472	84.60%	3,799.67
47. 2A1	4,411.84	1.81%	13,235,520	1.54%	3,000.00
48. 2A	15,219.10	6.25%	42,589,810	4.96%	2,798.44
49. 3A1	8,236.56	3.38%	20,591,400	2.40%	2,500.00
50. 3A	2,900.70	1.19%	6,961,680	0.81%	2,400.00
51. 4A1	17,111.55	7.02%	39,356,565	4.58%	2,300.00
52. 4A	4,233.07	1.74%	8,889,447	1.03%	2,100.00
53. Total	243,662.39	100.00%	859,197,389	100.00%	3,526.18
Dry					
54. 1D1	52.91	0.39%	74,074	0.43%	1,400.00
55. 1D	9,190.77	67.71%	12,867,078	74.24%	1,400.00
56. 2D1	427.01	3.15%	512,412	2.96%	1,200.00
57. 2D	1,535.42	11.31%	1,688,962	9.75%	1,100.00
58. 3D1	452.16	3.33%	474,817	2.74%	1,050.11
59. 3D	231.02	1.70%	231,020	1.33%	1,000.00
60. 4D1	1,346.53	9.92%	1,211,877	6.99%	900.00
61. 4D	338.01	2.49%	270,408	1.56%	800.00
62. Total	13,573.83	100.00%	17,330,648	100.00%	1,276.77
Grass					
63. 1G1	146.27	0.92%	109,707	0.98%	750.03
64. 1G	3,409.32	21.47%	3,154,765	28.08%	925.34
65. 2G1	435.09	2.74%	490,477	4.36%	1,127.30
66. 2G	1,268.86	7.99%	1,031,608	9.18%	813.02
67. 3G1	328.62	2.07%	239,322	2.13%	728.26
68. 3G	551.43	3.47%	400,342	3.56%	726.01
69. 4G1	5,913.16	37.23%	3,781,298	33.65%	639.47
70. 4G	3,828.73	24.11%	2,029,396	18.06%	530.04
71. Total	15,881.48	100.00%	11,236,915	100.00%	707.55

Irrigated Total	243,662.39	88.05%	859,197,389	96.41%	3,526.18
Dry Total	13,573.83	4.90%	17,330,648	1.94%	1,276.77
Grass Total	15,881.48	5.74%	11,236,915	1.26%	707.55
72. Waste	222.92	0.08%	7,803	0.00%	35.00
73. Other	3,404.60	1.23%	3,386,122	0.38%	994.57
74. Exempt	14,471.95	5.23%	2,534	0.00%	0.18
75. Market Area Total	276,745.22	100.00%	891,158,877	100.00%	3,220.14

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	6,799.21	62.20%	15,638,183	72.44%	2,300.00
47. 2A1	54.71	0.50%	109,420	0.51%	2,000.00
48. 2A	39.70	0.36%	71,460	0.33%	1,800.00
49. 3A1	1,448.88	13.26%	2,318,208	10.74%	1,600.00
50. 3A	62.85	0.58%	94,275	0.44%	1,500.00
51. 4A1	724.24	6.63%	1,013,936	4.70%	1,400.00
52. 4A	1,800.77	16.47%	2,341,001	10.84%	1,300.00
53. Total	10,930.36	100.00%	21,586,483	100.00%	1,974.91
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	2,417.30	42.81%	3,384,220	51.75%	1,400.00
56. 2D1	19.94	0.35%	23,928	0.37%	1,200.00
57. 2D	14.81	0.26%	16,291	0.25%	1,100.00
58. 3D1	1,795.32	31.79%	1,885,106	28.83%	1,050.01
59. 3D	241.13	4.27%	241,130	3.69%	1,000.00
60. 4D1	619.53	10.97%	557,577	8.53%	900.00
61. 4D	538.71	9.54%	430,968	6.59%	800.00
62. Total	5,646.74	100.00%	6,539,220	100.00%	1,158.05
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	1,580.83	6.82%	948,498	8.81%	600.00
65. 2G1	249.94	1.08%	137,472	1.28%	550.02
66. 2G	288.02	1.24%	144,010	1.34%	500.00
67. 3G1	590.80	2.55%	298,830	2.77%	505.81
68. 3G	143.73	0.62%	68,281	0.63%	475.06
69. 4G1	1,427.31	6.16%	660,148	6.13%	462.51
70. 4G	18,901.82	81.54%	8,514,903	79.05%	450.48
71. Total	23,182.45	100.00%	10,772,142	100.00%	464.67

Irrigated Total	10,930.36	27.48%	21,586,483	55.49%	1,974.91
Dry Total	5,646.74	14.20%	6,539,220	16.81%	1,158.05
Grass Total	23,182.45	58.28%	10,772,142	27.69%	464.67
72. Waste	17.30	0.04%	605	0.00%	34.97
73. Other	0.00	0.00%	0	0.00%	0.00
74. Exempt	1,044.82	2.63%	0	0.00%	0.00
75. Market Area Total	39,776.85	100.00%	38,898,450	100.00%	977.92

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	0.00	0	0.00	0	254,592.75	880,783,872	254,592.75	880,783,872
77. Dry Land	0.00	0	0.00	0	19,220.57	23,869,868	19,220.57	23,869,868
78. Grass	0.00	0	0.00	0	39,063.93	22,009,057	39,063.93	22,009,057
79. Waste	0.00	0	0.00	0	240.22	8,408	240.22	8,408
80. Other	0.00	0	0.00	0	3,404.60	3,386,122	3,404.60	3,386,122
81. Exempt	3,398.01	0	0.00	0	12,118.76	2,534	15,516.77	2,534
82. Total	**0.00**	**0**	**0.00**	**0**	**316,522.07**	**930,057,327**	**316,522.07**	**930,057,327**

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	254,592.75	80.43%	880,783,872	94.70%	3,459.58
Dry Land	19,220.57	6.07%	23,869,868	2.57%	1,241.89
Grass	39,063.93	12.34%	22,009,057	2.37%	563.41
Waste	240.22	0.08%	8,408	0.00%	35.00
Other	3,404.60	1.08%	3,386,122	0.36%	994.57
Exempt	15,516.77	4.90%	2,534	0.00%	0.16
Total	**316,522.07**	100.00%	**930,057,327**	100.00%	2,938.36

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

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	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	294,543,155	308,487,221	13,944,066	4.73%	3,445,907	3.56%
02. Recreational	2,423	2,550	127	5.24%	0	5.24%
03. Ag-Homesite Land, Ag-Res Dwelling	43,048,985	43,739,166	690,181	1.60%	769,250	-0.18%
04. Total Residential (sum lines 1-3)	**337,594,563**	**352,228,937**	**14,634,374**	**4.33%**	**4,215,157**	**3.09%**
05. Commercial	63,562,483	72,455,170	8,892,687	13.99%	4,316,480	7.20%
06. Industrial	12,842,675	15,325,895	2,483,220	19.34%	1,948,165	4.17%
07. Ag-Farmsite Land, Outbuildings	24,539,530	26,170,509	1,630,979	6.65%	2,706,650	-4.38%
08. Minerals	0	0	0		0	
09. Total Commercial (sum lines 5-8)	**100,944,688**	**113,951,574**	**13,006,886**	**12.89%**	**8,971,295**	**4.00%**
10. Total Non-Agland Real Property	**438,539,251**	**466,180,511**	**27,641,260**	**6.30%**	**13,186,452**	**3.30%**
11. Irrigated	636,201,958	880,783,872	244,581,914	38.44%		
12. Dryland	19,995,168	23,869,868	3,874,700	19.38%		
13. Grassland	18,189,259	22,009,057	3,819,798	21.00%		
14. Wasteland	8,159	8,408	249	3.05%		
15. Other Agland	3,197,930	3,386,122	188,192	5.88%		
16. Total Agricultural Land	**677,592,474**	**930,057,327**	**252,464,853**	**37.26%**		
17. Total Value of all Real Property	**1,116,131,725**	**1,396,237,838**	**280,106,113**	**25.10%**	**13,186,452**	**23.91%**
(Locally Assessed)						

2012 PLAN OF ASSESSMENT FOR PHELPS COUNTY
ASSESSMENT YEARS 2013-2014-2015
DATE: 07-31-2012

Plan of Assessment Requirements:

Pursuant to Nebr. Laws 2005, LB 263, Section 9, on or before June 15th of each year, the assessor shall prepare a plan of assessment, (herein after referred to as the "plan"), which describes the assessment actions planned for the next assessment year and two years thereafter. The plan shall indicate the classes and subclasses of real property that the county assessor plans to examine during the years contained in the plan of assessment. The plan shall describe all the assessment actions necessary to achieve the levels of value and quality of assessment practices required by law, and the resources necessary to complete those actions. On or before July 31 each year, the assessor shall present the plan to the county board of equalization and the assessor may amend the plan, if necessary, after the budget is approved by the county board. A copy of the plan and any amendments thereto shall be mailed to the Department of Property Assessment and Taxation on or before October 31 each year.

Real Property Assessment Requirements:

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

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 land and horticulture land.

GENERAL DESCRIPTION OF REAL PROPERTY IN PHELPS COUNTY

Per the 2012 County Abstract, Phelps County consists of the following real property types:

	Parcels	% of Total Parcels
Residential	3794	54%
Commercial	557	8%
Industrial	10	1%
Recreational	1	
Agricultural	2570	37%

Agricultural land for taxable acres for 2012 assessment was 332,155

Agricultural land is approx 67% of the real property valuation base in Phelps County and of that approx 77% is taxed as irrigated.

For more information see the 2012 Reports and Opinions, Abstract and Assessor Survey.

CURRENT RESOURCES

There are currently four full time employees on staff including the Assessor. The Assessor is certified by the Property Tax Administrator. The Assessor will continue to keep her certification current by attending continuing education and obtaining the number of hours as required by the Property Tax Division. The assessor or staff member will attend all the district meetings and workshops provided. Current statues and regulations will continue to be followed to the best of our ability and the office will keep current on any changes that may be made in them.

Proposed Office Budget for July 1, 2012 – June 30, 2013 will be $91,080. The proposed appraisal budget for July 1, 2012 – June 30, 2013 will be $111,780.

<u>Assessment Actions Planned for Assessment Year 2013:</u>

<u>Residential;</u>

Continue with physical dwelling reviews of Holdrege properties. Start on physical dwelling reviews on the Villages. Do market study to insure residential properties are in compliance with state statutes. All residential pick-up work and building permits will be reviewed and completed by March 1, 2013.

Commercial:

Continue with physical reviews of Holdrege. Market analysis will be conducted to ensure that the level of value and quality of assessment is in compliance with state statutes. Pick-up work and building permits will be reviewed and completed by March 1, 2013.

Agricultural land:

Continue to review 20% of land use and acres with new aerial. Continue to physical reviews of Rural out buildings. Land use and water transfers will be updated in GIS as reported. Land use and market areas will be reviewed and updated as information becomes available. Market analysis will be conducted to ensure that the level of value and quality of assessment is in compliance with state statutes. Pick up work and permits will be done by March 1, 2013.

Assessment Actions Planned for Assessment Year 2014:

Residential:

Continue with physical dwelling review of the Village's properties. Start with physical review of Rural properties. Do market study to insure residential properties are in compliance with state statutes. All residential pick-up work and building permits will be reviewed and completed by March 1, 2014.

Commercial:

Continue with Holdrege of Commercial physical reviews. Start on physical reviews of Village's properties. Market analysis will be conducted to ensure that the level of value and quality of assessment is in compliance with state statutes. Pick-up work and building permits will be reviewed and completed by March 1, 2014.

Agricultural:

Market analysis will be conducted to ensure that the level of value and quality of assessment is in compliance with state statutes. Continue to review 20% of land use and acres with new aerial. Land use and market areas will be reviewed and updated as information becomes available. Continue of physical reviews of Rural out buildings. Pick up work and permits will be done by March 1, 2014.

Assessment Actions Planned for Assessment Year 2015:

Residential:

Continue with physical dwelling reviews of Rural properties. Do a market analysis to insure that the level of value and quality of assessment is in compliance with state statutes. Complete pick-up work and building permits by March 1, 2015.

Commercial:

Continue with Villages' physical reviews of commercial. Start on physical review of Rural properties. Market analysis will be conducted to ensure that the level of value and quality of assessment is in compliance with state statutes. Pick-up and building permits will be reviewed and completed by March 1, 2015.

Agricultural:

Continue to review 20% of land use and acres with new aerial. Continue to physical reviews of Rural out buildings. Market analysis will be conducted to ensure that the level of value and quality of assessment is in compliance to state statutes. Land use and market areas will be reviewed and updated as information becomes available. Pick up work and permits will be done by March 1, 2015.

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

1. Appraisal cards are updated yearly. Ownership changes are made as the transfers are given to the assessor's office from the register of deeds and the green sheets are worked and forward to the Property Assessment Division. Splits and subdivision changes are made as they become available to the assessor's office from the surveyor or county clerk. These are updated in the GIS system at the same time they are changed on the appraisal cards and in the computer administrative package.
2. Annually prepare and file Assessor Administrative Reports required by law/regulation:

    a. Real Estate Abstract
    b. Assessor Survey
    c. Sales information to PA&T rosters & annual Assessed Value update w/abstract
    d. Certification of Value to Political Subdivisions
    e. School District Taxable Report
    f. Homestead Exemption Tax Loss Report
    g. Certificate of Taxes Levied Report
    h. Report of all exempt property and taxable government owned property
    i. Annual Plan of Assessment Report

3. Personal Property - administer annual filing of approximately 1500 schedules,

prepare subsequent notices for incomplete filings or failure to file and penalties applied, as required.

4. Permissive Exemptions - administer annual filings of applications for new or continued exempt use, review and make recommendations to county board.

5. Taxable Government Owned Property - annual review of government owned property not used for public purpose, send notices of intent to tax, etc.

6. Homestead Exemptions - administer approximately 350 annual filings of applications, approval/denial process, taxpayer notifications and assistance.

7. Centrally Assessed - review of valuations as certified by PA&T for railroads and Public service entities, establish assessment records and tax billing for tax list.

8. Tax Increment Financing - management of record/valuation information for Properties in community redevelopment projects for proper reporting on Administrative reports and allocation of ad valorem tax.

9. Tax Districts and Tax Rates - management of school district and other tax entity boundary changes necessary for correct assessment and tax information; input/review of tax rates used for tax billing process

10. Tax Lists - prepare and certify tax lists to county treasurer for real property,
11. personal property, and centrally assessed.

11. Tax List Corrections – prepare tax list correction documents for county board to approve.

12. County Board of Equalization - attend county board of equalization meetings for valuation protests- assemble and provide information.

13. TERC Appeals - prepare information and attend taxpayer appeal hearings before TERC, defend valuation.

14. TERC Statewide Equalization - attend hearings if applicable to county, defend values, and/or implement orders of the TERC.

15. Education - Assessor and/or Appraisal Education - attend meetings, workshops, and educational classes to obtain required hours of continuing education to maintain assessor certification.

Conclusion:

For 2012-2013 a budget request of an increase of approximately 3% will be submitted to the County Board for approval.

The Phelps County Assessor's Office will strive to maintain an efficient and professional office.

Respectfully submitted:

_____, Dated this 31th day of July, 2012.
Melodie Marvin
Phelps County Assessor

2013 Assessment Survey for Phelps County

A. Staffing and Funding Information

1.	**Deputy(ies) on staff:**
	0
2.	**Appraiser(s) on staff:**
	0
3.	**Other full-time employees:**
	3
4.	**Other part-time employees:**
	0
5.	**Number of shared employees:**
	0
6.	**Assessor's requested budget for current fiscal year:**
	$91,080
7.	**Adopted budget, or granted budget *if different from above*:**
	Same
8.	**Amount of the total assessor's budget set aside for appraisal work:**
	$13,000
9.	**If appraisal/reappraisal budget is a separate levied fund, what is that amount:**
	$111,780
10.	**Part of the assessor's budget that is dedicated to the computer system:**
	$2,000 from the administrative budget, and $2,000 for the appraisal budget
11.	**Amount of the assessor's budget set aside for education/workshops:**
	$2,500
12.	**Other miscellaneous funds:**
	None
13.	**Amount of last year's assessor's budget not used:**
	$17,000 from the administrative budget and $28,000 from the appraisal budget.

B. Computer, Automation Information and GIS

1.	**Administrative software:**
	County Solutions
2.	**CAMA software:**
	MIPS CAMA 2000
3.	**Are cadastral maps currently being used?**
	Yes
4.	**If so, who maintains the Cadastral Maps?**
	The assessor & the staff
5.	**Does the county have GIS software?**
	Yes

6.	**Is GIS available to the public? If so, what is the web address?**
	Yes, phelps.gisworkshop.com
7.	**Who maintains the GIS software and maps?**
	The assessor & the staff
8.	**Personal Property software:**
	County Solutions

C. Zoning Information

1.	**Does the county have zoning?**
	Yes
2.	**If so, is the zoning countywide?**
	Yes
3.	**What municipalities in the county are zoned?**
	All municipalities are zoned.
4.	**When was zoning implemented?**
	2000

D. Contracted Services

1.	**Appraisal Services:**
	Knoche Appraisal Service
2.	**GIS Services:**
	GIS Workshop, Inc.
3.	**Other services:**
	None

E. Appraisal /Listing Services

1.	**Does the county employ outside help for appraisal or listing services?**
	Yes, for the commercial class of property only
2.	**If so, is the appraisal or listing service performed under contract?**
	Yes
3.	**What appraisal certifications or qualifications does the County require?**
	There are no qualifications specified by the county; the current contractor holds a Nebraska Assessor's Certificate.
4.	**Have the existing contracts been approved by the PTA?**
	No
5.	**Does the appraisal or listing service providers establish assessed values for the county?**
	Yes, the appraisal service will generally establish the commercial values.

2013 Certification for Phelps 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 Phelps County Assessor.

Dated this 5th day of April, 2013.

Ruth A. Sorensen
Property Tax Administrator

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