

Table of Contents

2010 Commission Summary

2010 Opinions of the Property Tax Administrator

Residential Reports

- Residential Assessment Actions
- Residential Assessment Survey
- R&O Statistics

Residential Correlation

- Residential Real Property
 - I. Correlation
 - II. Analysis of Sales Verification
 - III. Measure of Central Tendency
 - IV. Analysis of Quality of Assessment

Commercial Reports

- Commercial Assessment Actions
- Commercial Assessment Survey
- R&O Statistics

Commercial Correlation

- Commercial Real Property
 - I. Correlation
 - II. Analysis of Sales Verification
 - III. Measure of Central Tendency
 - IV. Analysis of Quality of Assessment

Agricultural or Special Valuation Reports

- Agricultural Assessment Actions
- Agricultural Assessment Survey
- Agricultural Analysis Statistics
- Special Valuation Methodology

Agricultural or Special Valuation Correlation

- Agricultural or Special Valuation Land
 - I. Correlation
 - II. Analysis of Sales Verification
 - III. Measure of Central Tendency
 - IV. Analysis of Quality of Assessment

County Reports

2010 County Abstract of Assessment for Real Property, Form 45
2010 County Agricultural Land Detail
2010 County Abstract of Assessment for Real Property Compared with the 2009
Certificate of Taxes Levied (CTL)
County Assessor's Three Year Plan of Assessment
Assessment Survey – General Information

Certification**Maps**

Market Areas
Registered Wells > 500 GPM
Geo Codes
Soil Classes

Valuation History Charts

2010 Commission Summary

12 Butler

Residential Real Property - Current

Number of Sales	182	Median	95
Total Sales Price	\$14,019,100	Mean	94
Total Adj. Sales Price	\$14,010,100	Wgt. Mean	92
Total Assessed Value	\$12,874,220	Average Assessed Value of the Base	\$60,558
Avg. Adj. Sales Price	\$76,979	Avg. Assessed Value	\$70,737

Confidence Interval - Current

95% Median C.I	93.64 to 95.89
95% Mean C.I	91.90 to 95.90
95% Wgt. Mean C.I	89.86 to 93.93

% of Value of the Class of all Real Property Value in the County	18.17
% of Records Sold in the Study Period	5.37
% of Value Sold in the Study Period	6.27

Residential Real Property - History

Year	Number of Sales	LOV	Median
2009	208	95	95
2008	219	96	96
2007	185	96	96
2006	189	96	96

2010 Commission Summary

12 Butler

Commercial Real Property - Current

Number of Sales	39	Median	94
Total Sales Price	\$4,279,030	Mean	95
Total Adj. Sales Price	\$4,054,030	Wgt. Mean	91
Total Assessed Value	\$3,692,090	Average Assessed Value of the Base	\$159,590
Avg. Adj. Sales Price	\$103,949	Avg. Assessed Value	\$94,669

Confidence Interval - Current

95% Median C.I	90.98 to 101.08
95% Mean C.I	89.04 to 101.01
95% Wgt. Mean C.I	81.89 to 100.26

% of Value of the Class of all Real Property Value in the County	6.43
% of Records Sold in the Study Period	8.57
% of Value Sold in the Study Period	5.08

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2009	28	95	95
2008	27	94	94
2007	29	95	95
2006	36	98	98

2010 Opinions of the Property Tax Administrator for Butler 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 (R. S. Supp., 2005). 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 this 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.

Residential Real Property

It is my opinion that the level of value of the class of residential real property in Butler County is 95% of market value. The quality of assessment for the class of residential real property in Butler County indicates the assessment practices meet generally accepted mass appraisal practices.

Commercial Real Property

It is my opinion that the level of value of the class of commercial real property in Butler County is 94% of market value. The quality of assessment for the class of commercial real property in Butler County indicates the assessment practices meet generally accepted mass appraisal practices.

Agricultural Land or Special Valuation of Agricultural Land

It is my opinion that the level of value of the class of agricultural land in Butler County is 71% of market value. The quality of assessment for the class of agricultural land in Butler County indicates the assessment practices meet generally accepted mass appraisal practices.

Dated this 7th day of April, 2010.



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

Ruth A. Sorensen
Property Tax Administrator

2010 Assessment Actions for Butler County

taken to address the following property classes/subclasses:

Residential

For 2010 the county conducted a market analysis of the residential class of property. Sale information indicated that the assessed values for the acreage subclass were falling below the acceptable value range. As a result, the county increased the land values for rural residential parcels. First acre values now range between \$12,000 and \$14,000 depending on location within the county.

As part of their cyclical reappraisal cycle, the county physically reviewed parcels in the townships of Oak Creek, Plum Creek, Center and Richardson, as well as in the towns of Bruno, Abie, and Linwood. New pictures were taken for each parcel, and values were updated as necessary.

In addition, the county adjusted effective age on all parcels resulting in a change in physical depreciation.

After completing the assessment actions for 2010 the county reviewed the statistical results and concluded that the class and subclasses were assessed at an appropriate level and were equalized throughout the county.

Other assessed value changes were made to properties in the county based on pick-up of new and omitted construction.

2010 Assessment Survey for Butler County

Residential Appraisal Information

1.	Valuation data collection done by:	
	Assessor	
2.	List the valuation groupings used by the County:	
	Valuation Grouping	Assessor Location(s)/Neighborhood(s) included
	01	Bellwood Lakes, Brandenburg Lake, Jarecki Lake, Gans Lakes
	02	David City, Hildy Estates
	03	Acreage, Cornell's Sub, Loma, Riverside Meadows
	04	Rising City
	05	Adamy, Clear Lake, Jarecki Sub,
	06	Abie, Surprise, Ulysses, Bruno, Linwood, Garrison, Octavia
	07	Dwight
	08	Brainard
	09	Bellwood
a.	Describe the specific characteristics of the valuation groupings that make them unique.	
	Valuation Grouping	Description
	01	Primarily Improvements on Leased Land in neighborhoods near the city of Columbus. All parcels in this area are influenced by Columbus
	02	This includes all parcels within the city limits of David City-the county seat.
	03	All parcels in this group are situated in rural Butler County
	04	This includes all parcels within the town of Rising City which market is influenced by commerce and the existence of a High School
	05	All are subdivisions along HWY 81 with market influence from the town of Columbus
	06	Cluster of small towns with similar economic influences related to the minimal commerce.
	07	Consists of all parcels within the town of Dwight, which is home to a new grade school.
	08	Consists of all parcels within the town of Brainard, which is home to a high school.
	09	Consists of all parcels within the town of Bellwood which is home to a grade school.
3.	What approach(es) to value is/are used for this class to estimate the market value of properties? List or describe.	

	The cost approach is used to estimate value in the residential class with Marshall Swift information used as the cost estimator.
4	When was the last lot value study completed?
	Lot value studies are generally conducted in conjunction with area revaluations.
a.	What methodology was used to determine the residential lot values?
	The county uses an analysis of vacant residential parcels to establish assessments for the land component of the assessed value.
5.	Is the same costing year for the cost approach being used for the entire valuation grouping? If not, identify and explain the differences?
	Yes.
6.	Does the County develop the depreciation study(ies) based on local market information or does the County use the tables provided by their CAMA vendor?
	Depreciation schedules are based on local market information.
a.	How often does the County update depreciation tables?
	The county generally updates depreciation tables for the residential class in conjunction with area revaluations or reviews. However, all depreciation tables were updated in the residential class for 2010.
7.	Pickup work:
a.	Is pickup work done annually and is it completed by March 19th?
	Yes
b.	By Whom?
	The Assessor and Staff complete pick-up work of new construction.
c.	Is the valuation process (cost date and depreciation schedule or market comparison) used for the pickup work the same as the one that was used for the valuation group?
	Yes.
8.	What is the County's progress with the 6 year inspection and review

	requirement? (Statute 77-1311.03)
	The county is scheduled to complete a review and inspection of all residential properties within the 6 year requirement.
a.	Does the County maintain a tracking process? If yes describe.
	The county maintains a tracking process internally and notes date of inspection on the property record card. The County annually reports the assessment actions completed and the three year plan of assessment.
b.	How are the results of the portion of the properties inspected and reviewed applied to the balance of the county?
	The assessor studies the statistics for the subclasses not adjusted and percentage adjustments are applied to ensure all subclasses are valued within the acceptable range.

PAD 2010 R&O Statistics

Base Stat

State Stat Run

Type: Qualified

Date Range: 07/01/2007 to 06/30/2009 Posted Before: 02/15/2010

(!: AVTot=0)

(!: Derived)

NUMBER of Sales:	182	MEDIAN:	95	COV:	14.69	95% Median C.I.:	93.64 to 95.89
TOTAL Sales Price:	14,019,100	WGT. MEAN:	92	STD:	13.79	95% Wgt. Mean C.I.:	89.86 to 93.93
TOTAL Adj.Sales Price:	14,010,100	MEAN:	94	AVG.ABS.DEV:	8.50	95% Mean C.I.:	91.90 to 95.90
TOTAL Assessed Value:	12,874,220						
AVG. Adj. Sales Price:	76,978	COD:	8.97	MAX Sales Ratio:	188.37		
AVG. Assessed Value:	70,737	PRD:	102.18	MIN Sales Ratio:	41.90		

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DATE OF SALE *	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
<u>Qrtrs</u>											
07/01/07 TO 09/30/07	30	95.06	94.75	92.69	6.86	102.21	64.57	112.73	92.24 to 98.58	67,286	62,370
10/01/07 TO 12/31/07	16	92.83	91.00	89.62	6.00	101.54	74.25	107.26	86.74 to 95.89	94,557	84,741
01/01/08 TO 03/31/08	18	89.68	90.61	90.36	10.41	100.28	55.96	115.67	85.85 to 99.39	67,085	60,615
04/01/08 TO 06/30/08	24	94.69	92.64	91.08	6.77	101.71	74.85	119.50	88.29 to 97.18	87,160	79,383
07/01/08 TO 09/30/08	30	95.53	92.14	90.20	10.28	102.15	41.90	122.14	87.68 to 97.90	91,662	82,679
10/01/08 TO 12/31/08	23	97.08	97.51	96.19	6.99	101.38	60.54	136.25	94.16 to 100.05	66,257	63,732
01/01/09 TO 03/31/09	16	98.85	101.15	97.47	13.34	103.77	65.90	188.37	90.20 to 107.62	63,863	62,250
04/01/09 TO 06/30/09	25	94.53	92.47	90.72	9.68	101.93	54.65	117.29	87.81 to 98.56	75,343	68,348
<u>Study Years</u>											
07/01/07 TO 06/30/08	88	93.87	92.64	91.10	7.59	101.69	55.96	119.50	91.42 to 95.25	77,623	70,718
07/01/08 TO 06/30/09	94	95.90	95.08	92.64	10.02	102.63	41.90	188.37	94.16 to 98.13	76,374	70,754
<u>Calendar Yrs</u>											
01/01/08 TO 12/31/08	95	95.25	93.28	91.67	8.89	101.75	41.90	136.25	92.71 to 96.65	79,717	73,079
<u>ALL</u>											
	182	94.85	93.90	91.89	8.97	102.18	41.90	188.37	93.64 to 95.89	76,978	70,737

VALUATION GROUP	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
01	11	97.18	95.44	95.23	10.75	100.22	60.54	117.29	84.65 to 107.98	64,445	61,368
02	82	95.56	95.61	92.98	8.57	102.83	54.65	188.37	93.20 to 97.03	86,775	80,685
03	26	92.71	89.62	87.59	8.85	102.31	65.06	111.30	84.83 to 95.25	114,361	100,174
04	16	95.71	93.78	95.92	10.48	97.77	41.90	122.14	89.28 to 102.89	38,612	37,037
05	5	94.53	92.70	91.67	3.16	101.13	88.15	96.99	N/A	164,880	151,139
06	20	94.18	93.10	92.65	10.89	100.49	55.96	119.50	86.81 to 101.53	24,130	22,355
07	5	92.24	94.94	92.50	5.16	102.64	87.92	108.11	N/A	54,100	50,044
08	8	91.61	90.21	89.03	9.38	101.32	71.73	102.45	71.73 to 102.45	54,312	48,355
09	9	97.70	94.13	93.75	4.86	100.41	73.75	100.08	88.74 to 99.32	64,709	60,661
<u>ALL</u>											
	182	94.85	93.90	91.89	8.97	102.18	41.90	188.37	93.64 to 95.89	76,978	70,737

STATUS: IMPROVED, UNIMPROVED & IOLL	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
1	166	94.88	93.80	91.78	8.94	102.20	41.90	188.37	93.38 to 95.98	79,751	73,193
2	6	93.94	95.48	95.64	4.97	99.83	88.00	111.30	88.00 to 111.30	33,166	31,720
3	10	96.37	94.64	93.26	11.27	101.47	60.54	117.29	84.65 to 107.98	57,240	53,383
<u>ALL</u>											
	182	94.85	93.90	91.89	8.97	102.18	41.90	188.37	93.64 to 95.89	76,978	70,737

PAD 2010 R&O Statistics

Base Stat

State Stat Run

Type: Qualified

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AVG. Assessed Value:	70,737	PRD:	102.18	MIN Sales Ratio:	41.90		

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PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
01	169	94.63	93.80	91.67	8.90	102.32	41.90	188.37	93.38 to 95.81	78,876	72,303
06	10	98.61	96.37	96.98	10.53	99.37	60.54	117.29	84.65 to 107.98	59,390	57,598
07	3	93.64	91.50	91.87	4.67	99.60	83.87	96.99	N/A	28,666	26,335
<u>ALL</u>											
	182	94.85	93.90	91.89	8.97	102.18	41.90	188.37	93.64 to 95.89	76,978	70,737

SALE PRICE *

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
<u>Low \$</u>											
1 TO 4999	5	97.50	97.12	97.85	6.29	99.25	88.00	107.00	N/A	3,020	2,955
5000 TO 9999	4	80.19	79.86	79.28	6.16	100.73	72.15	86.91	N/A	6,250	4,955
<u>Total \$</u>											
1 TO 9999	9	88.00	89.45	86.27	9.87	103.68	72.15	107.00	77.69 to 102.38	4,455	3,843
10000 TO 29999	38	98.30	97.56	97.85	10.35	99.70	41.90	122.14	95.71 to 102.89	20,496	20,056
30000 TO 59999	35	95.35	96.68	96.89	11.74	99.78	60.54	188.37	90.19 to 100.03	41,573	40,281
60000 TO 99999	53	95.56	94.22	94.21	4.59	100.01	65.06	103.26	94.05 to 97.15	77,437	72,954
100000 TO 149999	20	93.46	90.03	90.20	6.91	99.82	65.90	103.46	87.13 to 95.25	120,144	108,364
150000 TO 249999	24	88.15	88.55	88.03	10.39	100.59	54.65	116.49	84.43 to 94.08	182,313	160,498
250000 TO 499999	3	92.56	91.48	91.60	1.49	99.87	88.87	93.01	N/A	284,500	260,605
<u>ALL</u>											
	182	94.85	93.90	91.89	8.97	102.18	41.90	188.37	93.64 to 95.89	76,978	70,737

**2010 Correlation Section
for Butler County**

Residential Real Property

I. Correlation

The level of value for the residential real property in Butler County, as determined by the PTA is 95%. The mathematically calculated median is 95%.

RESIDENTIAL: The residential class of property in Butler County is valued within the acceptable range as indicated by the median measure of central tendency. The county has recognized nine groupings for valuation in the residential class. Information contained in the statistics indicates that five groupings are sufficiently represented by sales. Valuation groupings without a sufficient number of sales are a part of the same inspection and review cycle as those with sufficient sales. Based on the consistent review and attention to market information, the residential class is assumed to be equitably valued within the acceptable range.

**2010 Correlation Section
for Butler County**

II. Analysis of Sales Verification

Neb. Rev. Stat. 77-1327(2) 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 (2007), 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 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.

RESIDENTIAL: The County verifies all sales by sending a follow-up questionnaire to the buyer listed on the real estate transfer statement. At that time the property record card is marked to ensure the characteristics of the parcel are accurate to compare to the sale price. In situations where no questionnaire is returned to the county, a follow-up phone call may be made.

Based on the analysis of the processes used by the county to qualify sales and a review of the sales used in the sales file indicates that no bias exists in the qualification of sales. Therefore, it is reasonable to assume the sales sample used for measurement contains all available arms length sales.

**2010 Correlation Section
for Butler County**

III. Measure 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 in 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 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.

	Median	Wgt. Mean	Mean
R&O Statistics	95	92	94

**2010 Correlation Section
for Butler County**

IV. 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 International Association of Assessing Officers recommended ratio study performance standards are as follows:

Single-family residences: a COD of 15 percent or less.

For newer and fairly homogeneous areas: a COD of 10 or less.

Income-producing property: a COD of 20 or less, or in larger urban jurisdictions, 15 or less.

Vacant land and other unimproved property, such as agricultural land: a COD of 20 or less.

Rural residential and seasonal properties: a COD of 20 or less.

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

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

The PRD, also known as the index of regression, is a measurement of the relationship between the ratios of high-value and low-value properties to determine if the value of property has any influence on the assessment ratio. It is calculated by dividing the arithmetic mean ratio by the weighted mean ratio. The PRD provides an indicator of the degree to which high-value properties are over-assessed or under-assessed in relation to low-value properties. A PRD of 100 indicates there is no bias in the assessment of high-value properties in comparison to low-value properties. A PRD greater than 100 indicates the assessments are regressive, which means low-value properties tend to have a higher assessment ratio than high-value properties. The result is the owner of a low-value property pays a greater amount of tax in relation to value than the owner of a high-value property. Conversely, a PRD less than 100 indicates that high-value properties are over assessed in relation to low-value properties.

There is no range of acceptability stated in the Nebraska statutes for the PRD measure. The Standard of Ratio Studies, adopted by the International Association of Assessing Officers, July,

**2010 Correlation Section
for Butler County**

2007, 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. 247.

The analysis in this section displays the calculated COD and PRD measures for Butler County, which are considered as one part of the analysis of the County's assessment practices.

	COD	PRD
R&O Statistics	8.97	102.18

RESIDENTIAL: Analysis of the quality statistics indicates both the coefficient of dispersion and price related differential are within the acceptable range indicating the residential class of property has been valued uniformly and proportionately.

2010 Assessment Actions for Butler County

taken to address the following property classes/subclasses:

Commercial

For 2010, the county conducted a market study of the commercial class of property. As part of their cyclical appraisal schedule Butler County completed the following assessment actions:

- Commercial property in the townships of Plum Creek, Oak Creek, Center, and Richardson as well as the towns of Bruno, Abie, and Linwood were all reviewed by on-site inspections and new pictures were taken.
- Commercial property in the town of Rising City was reviewed and as a result, the economic depreciation was lowered from 10 percent previously to 5 percent.

After completing the assessment actions for 2010 the county reviewed the statistical results and concluded that the class and subclasses were assessed at an appropriate level and were equalized throughout the county.

Other assessed value changes were made to properties in the county based on pick-up of new and omitted construction.

2010 Assessment Survey for Butler County

Commercial / Industrial Appraisal Information

1.	Valuation data collection done by:	
	Assessor	
2.	List the valuation groupings used by the County:	
	Valuation Grouping	
	01	Includes all commercial parcels in Butler County outside the city limits of David City.
	02	David City
a.	Describe the specific characteristics of the valuation groupings that make them unique.	
	Valuation Grouping	
	01	Parcels in this area are generally clustered in small numbers and exist in either small towns or rural areas. Specific characteristics of each property are diverse.
	02	Parcels in the town of David City are part of a commercial district and serve as the commercial hub for the county.
3.	What approach(es) to value is/are used for this class to estimate the market value of properties? List or describe.	
	The cost approach is the primary method used to estimate value in the commercial class, however, income information and comparable sales are considered when available.	
4	When was the last lot value study completed?	
	Vacant lot values were last determined in each area in conjunction with revaluations	
a.	What methodology was used to determine the commercial lot values?	
	Vacant commercial lots are valued primarily using market information from vacant lot sales.	
5.	Is the same costing year for the cost approach being used for entire valuation grouping? If not, identify and explain the differences?	
	Yes, the same costing year is used for the entire valuation grouping.	
6.	Does the County develop the depreciation study(ies) based on local market information or does the County use the tables provided by their CAMA	

	vendor?
	Depreciation tables are developed using information derived from the market.
a.	How often does the County update the depreciation tables?
	Depreciation tables are updated in conjunction with revaluations of particular areas, which are completed at least once every six years.
7.	Pickup work:
a.	Is pickup work done annually and is it completed by March 19th?
	Yes.
b.	By Whom?
	Assessor completes pick-up work in the county.
c.	Is the valuation process (cost date and depreciation schedule or market comparison) used for the pickup work the same as the one that was used for the valuation group?
	Yes.
8.	What is the Counties progress with the 6 year inspection and review requirement? (Statute 77-1311.03)
	The county is scheduled to complete a review and inspection of all commercial properties within the 6 year requirement.
a.	Does the County maintain a tracking process? If yes describe.
	The county maintains a tracking process internally, but annually reports the assessment actions completed and the three year plan of assessment. The county also documents date of inspection on the property record card.
b.	How are the results of the portion of the properties inspected and reviewed applied to the balance of the county?
	The assessor studies the statistics for the subclasses not adjusted and percentage adjustments are applied to ensure all subclasses are valued within the acceptable range.

PAD 2010 R&O Statistics

Base Stat

State Stat Run

Type: Qualified

Date Range: 07/01/2006 to 06/30/2009 Posted Before: 02/15/2010

(!: AVTot=0)

(!: Derived)

NUMBER of Sales:	39	MEDIAN:	94	COV:	20.07	95% Median C.I.:	90.98 to 101.08
TOTAL Sales Price:	4,279,030	WGT. MEAN:	91	STD:	19.07	95% Wgt. Mean C.I.:	81.89 to 100.26
TOTAL Adj.Sales Price:	4,054,030	MEAN:	95	AVG.ABS.DEV:	13.31	95% Mean C.I.:	89.04 to 101.01
TOTAL Assessed Value:	3,692,090						
AVG. Adj. Sales Price:	103,949	COD:	14.13	MAX Sales Ratio:	135.50		
AVG. Assessed Value:	94,668	PRD:	104.34	MIN Sales Ratio:	50.00		

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DATE OF SALE *	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
<u>Qrtrs</u>											
07/01/06 TO 09/30/06	3	96.06	100.30	98.86	4.69	101.46	95.66	109.19	N/A	31,582	31,221
10/01/06 TO 12/31/06	9	94.53	99.38	102.50	9.55	96.95	83.38	113.89	89.11 to 113.18	124,466	127,577
01/01/07 TO 03/31/07											
04/01/07 TO 06/30/07	6	94.25	100.89	100.54	9.10	100.35	90.98	117.40	90.98 to 117.40	53,516	53,803
07/01/07 TO 09/30/07											
10/01/07 TO 12/31/07	4	94.27	94.38	88.12	7.55	107.10	82.99	106.00	N/A	181,500	159,946
01/01/08 TO 03/31/08	1	93.39	93.39	93.39			93.39	93.39	N/A	20,500	19,145
04/01/08 TO 06/30/08	1	86.84	86.84	86.84			86.84	86.84	N/A	69,000	59,920
07/01/08 TO 09/30/08	7	88.74	89.02	81.50	14.83	109.23	67.29	115.15	67.29 to 115.15	215,818	175,889
10/01/08 TO 12/31/08	4	95.23	93.99	84.17	42.78	111.67	50.00	135.50	N/A	21,438	18,043
01/01/09 TO 03/31/09	2	72.94	72.94	94.77	31.46	76.97	50.00	95.89	N/A	20,500	19,427
04/01/09 TO 06/30/09	2	101.22	101.22	102.01	10.12	99.23	90.98	111.46	N/A	32,500	33,152
<u>Study Years</u>											
07/01/06 TO 06/30/07	18	95.10	100.04	101.86	8.79	98.20	83.38	117.40	92.57 to 112.39	85,335	86,926
07/01/07 TO 06/30/08	6	92.47	92.96	88.15	6.31	105.46	82.99	106.00	82.99 to 106.00	135,916	119,808
07/01/08 TO 06/30/09	15	90.98	89.83	82.74	23.72	108.58	50.00	135.50	67.29 to 111.46	113,498	93,904
<u>Calendar Yrs</u>											
01/01/07 TO 12/31/07	10	94.25	98.29	91.93	8.48	106.91	82.99	117.40	90.98 to 116.74	104,710	96,260
01/01/08 TO 12/31/08	13	88.74	90.72	82.00	22.68	110.64	50.00	135.50	67.29 to 115.15	129,691	106,343
<u>ALL</u>											
	39	94.25	95.02	91.07	14.13	104.34	50.00	135.50	90.98 to 101.08	103,949	94,668

VALUATION GROUP	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
01	19	92.57	90.87	81.17	14.98	111.95	50.00	135.50	86.84 to 97.00	83,740	67,973
02	20	94.40	98.97	97.47	13.46	101.54	56.50	133.96	91.54 to 111.46	123,147	120,029
<u>ALL</u>											
	39	94.25	95.02	91.07	14.13	104.34	50.00	135.50	90.98 to 101.08	103,949	94,668

STATUS: IMPROVED, UNIMPROVED & IOLL	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
1	36	94.26	97.49	91.03	12.64	107.11	56.50	135.50	91.54 to 106.00	111,270	101,285
2	2	50.00	50.00	50.00	0.00	100.00	50.00	50.00	N/A	650	325
3	1	96.06	96.06	96.06			96.06	96.06	N/A	47,000	45,150
<u>ALL</u>											
	39	94.25	95.02	91.07	14.13	104.34	50.00	135.50	90.98 to 101.08	103,949	94,668

PAD 2010 R&O Statistics

Base Stat

State Stat Run

Type: Qualified

Date Range: 07/01/2006 to 06/30/2009 Posted Before: 02/15/2010

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PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
02											
03	38	94.26	95.10	91.05	14.44	104.45	50.00	135.50	90.98 to 101.08	104,356	95,016
04	1	92.04	92.04	92.04			92.04	92.04	N/A	88,500	81,455
ALL	39	94.25	95.02	91.07	14.13	104.34	50.00	135.50	90.98 to 101.08	103,949	94,668

SALE PRICE *

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
Low \$											
1 TO 4999	4	78.00	79.80	91.75	38.20	86.97	50.00	113.18	N/A	1,000	917
Total \$											
1 TO 9999	4	78.00	79.80	91.75	38.20	86.97	50.00	113.18	N/A	1,000	917
10000 TO 29999	9	95.66	102.00	98.42	14.98	103.64	67.29	135.50	91.73 to 133.96	20,122	19,803
30000 TO 59999	9	96.06	98.17	97.51	15.50	100.68	56.50	117.40	83.38 to 116.74	44,000	42,904
60000 TO 99999	6	91.51	90.97	91.06	2.17	99.90	86.84	94.26	86.84 to 94.26	71,083	64,725
100000 TO 149999	2	88.75	88.75	89.36	6.19	99.31	83.26	94.24	N/A	112,500	100,532
150000 TO 249999	4	103.59	103.90	103.74	5.88	100.15	94.53	113.89	N/A	195,000	202,296
250000 TO 499999	4	90.14	93.91	93.49	8.93	100.45	82.99	112.39	N/A	310,375	290,176
500000 +	1	70.60	70.60	70.60			70.60	70.60	N/A	799,930	564,740
ALL	39	94.25	95.02	91.07	14.13	104.34	50.00	135.50	90.98 to 101.08	103,949	94,668

PAD 2010 R&O Statistics

Base Stat

State Stat Run

Type: Qualified

Date Range: 07/01/2006 to 06/30/2009 Posted Before: 02/15/2010

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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
(blank)	3	50.00	56.87	70.57	13.73	80.59	50.00	70.60	N/A	267,076	188,463
300	2	112.31	112.31	95.74	20.65	117.31	89.11	135.50	N/A	35,000	33,507
325	3	109.19	103.73	99.64	8.64	104.10	86.84	115.15	N/A	44,666	44,505
340	1	82.99	82.99	82.99			82.99	82.99	N/A	302,500	251,055
343	1	94.53	94.53	94.53			94.53	94.53	N/A	200,000	189,065
344	2	99.74	99.74	104.85	6.37	95.13	93.39	106.09	N/A	105,250	110,355
346	1	67.29	67.29	67.29			67.29	67.29	N/A	29,300	19,715
352	4	113.14	111.03	109.93	3.79	100.99	101.08	116.74	N/A	178,750	196,502
353	4	92.90	102.69	93.51	12.30	109.81	90.98	133.96	N/A	128,863	120,497
384	2	101.60	101.60	103.22	9.71	98.43	91.73	111.46	N/A	30,050	31,017
386	1	94.24	94.24	94.24			94.24	94.24	N/A	125,000	117,805
404	1	97.00	97.00	97.00			97.00	97.00	N/A	18,000	17,460
406	5	83.38	85.01	79.31	14.90	107.18	56.50	106.00	N/A	48,100	38,148
419	1	92.57	92.57	92.57			92.57	92.57	N/A	88,000	81,460
442	2	93.32	93.32	92.40	2.51	100.99	90.98	95.66	N/A	43,873	40,540
470	1	94.25	94.25	94.25			94.25	94.25	N/A	10,000	9,425
471	1	113.18	113.18	113.18			113.18	113.18	N/A	2,200	2,490
528	2	94.05	94.05	93.44	2.14	100.66	92.04	96.06	N/A	67,750	63,302
532	1	117.40	117.40	117.40			117.40	117.40	N/A	50,000	58,700
554	1	88.74	88.74	88.74			88.74	88.74	N/A	259,000	229,825
ALL	39	94.25	95.02	91.07	14.13	104.34	50.00	135.50	90.98 to 101.08	103,949	94,668

**2010 Correlation Section
for Butler County**

Commerical Real Property

I. Correlation

The level of value for the commercial real property in Butler County, as determined by the PTA is 94%. The mathematically calculated median is 94%.

COMMERCIAL: The commercial class of property in Butler County is separated into two valuation groupings by the assessor. One group consists of all commercial properties in the town of David City, while the other consists of the remaining commercial parcels in the County. The processes used by the county to review, inspect and value commercial properties are consistent with professionally accepted mass appraisal standards. Analysis of the quality statistics also points to the conclusion that the Commercial properties are valued uniformly and proportionately in Butler County.

**2010 Correlation Section
for Butler County**

II. Analysis of Sales Verification

Neb. Rev. Stat. 77-1327(2) 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 (2007), 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 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.

COMMERCIAL: The County verifies all sales by sending a follow-up questionnaire to the buyer listed on the real estate transfer statement. At that time the property record card is marked to ensure the characteristics of the parcel are accurate to compare to the sale price. In situations where no questionnaire is returned to the county, a follow-up phone call may be made.

Based on the analysis of the processes used by the county to qualify sales and a review of the sales used in the sales file indicates that no bias exists in the qualification of sales. Therefore, it is reasonable to assume the sales sample used for measurement contains all available arms length sales.

**2010 Correlation Section
for Butler County**

III. Measure 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 in 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 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.

	Median	Wgt. Mean	Mean
R&O Statistics	94	91	95

**2010 Correlation Section
for Butler County**

IV. 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 International Association of Assessing Officers recommended ratio study performance standards are as follows:

Single-family residences: a COD of 15 percent or less.

For newer and fairly homogeneous areas: a COD of 10 or less.

Income-producing property: a COD of 20 or less, or in larger urban jurisdictions, 15 or less.

Vacant land and other unimproved property, such as agricultural land: a COD of 20 or less.

Rural residential and seasonal properties: a COD of 20 or less.

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

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

The PRD, also known as the index of regression, is a measurement of the relationship between the ratios of high-value and low-value properties to determine if the value of property has any influence on the assessment ratio. It is calculated by dividing the arithmetic mean ratio by the weighted mean ratio. The PRD provides an indicator of the degree to which high-value properties are over-assessed or under-assessed in relation to low-value properties. A PRD of 100 indicates there is no bias in the assessment of high-value properties in comparison to low-value properties. A PRD greater than 100 indicates the assessments are regressive, which means low-value properties tend to have a higher assessment ratio than high-value properties. The result is the owner of a low-value property pays a greater amount of tax in relation to value than the owner of a high-value property. Conversely, a PRD less than 100 indicates that high-value properties are over assessed in relation to low-value properties.

There is no range of acceptability stated in the Nebraska statutes for the PRD measure. The Standard of Ratio Studies, adopted by the International Association of Assessing Officers, July,

**2010 Correlation Section
for Butler County**

2007, 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. 247.

The analysis in this section displays the calculated COD and PRD measures for Butler County, which are considered as one part of the analysis of the County's assessment practices.

	COD	PRD
R&O Statistics	14.13	104.34

COMMERCIAL: The coefficient of dispersion is within the acceptable range; however the price related differential is slightly above the acceptable range. Analysis of the commercial sales file displays one sale with a sale price of nearly \$800,000 with a ratio 71 percent. In a sample with inequities based on the vertical assessments, one would typically find significant disparities in the assessment levels for low and high priced properties. Analysis of the sale price strata contained in the statistics indicates that all categories are valued within a reasonable degree of one another with the exception of this single sale making up the highest priced category. Given the disparity and variability in the commercial class the suggestion of inequity among vertical assessments is not valid. Based on the assessment practices consistently demonstrated by the county, the commercial class is considered to be valued uniformly and proportionately.

**Agricultural or Special
Valuation Reports**

2010 Assessment Actions for Butler County

taken to address the following property classes/subclasses:

Agricultural

For 2010, the county conducted a market study of the agricultural class of property. Market information displayed in the preliminary statistics indicated the median ratio for the class was below the statutory range at 63%. No market areas exist in Butler County, so the assessor analyzed the agricultural land based on the market indication for dry crop, irrigated, and grass use.

To address the deficiencies identified in the market analysis, Butler County completed the following assessment actions:

- All irrigated land capability groupings increased in value with the lower classes of irrigated land increasing the largest percentage.
- The dry land capability groupings also increased in assessed value, with the lower classes increasing the largest percentage. This resulted in a smaller range of values for dry land.
- The per acre value for grass land in Butler County increased between 10 and 15 percent from last year.

Other assessed value changes were made to properties in the county based on pick-up of new and construction. The county also made several land use changes to parcels located in the townships of Plum Creek, Center, Oak Creek, and Richardson based on the counties cyclical review.

After completing the assessment actions for 2010 the county reviewed the statistical results and concluded that the class and subclasses were assessed at an appropriate level and were equalized throughout the county.

The county also updated land use in the GIS using aerial imagery and also put on new soil codes resulting in changes for each agricultural parcel. The county created summary sheets for the property record file that will reflect the updated information.

2010 Assessment Survey for Butler County

Agricultural Appraisal Information

1.	Valuation data collection done by:
	Assessor
2.	Does the County maintain more than one market area / valuation grouping in the agricultural property class?
	No
a.	What is the process used to determine and monitor market areas / valuation groupings? (Neb. Rev. Stat. § 77-1363) List or describe. Class or subclass includes, but not limited to, the classifications of agricultural land listed in section 77-1363, parcel use, parcel type, location, geographic characteristics, zoning, city size, parcel size and market characteristics.
	The county reviews sale information and identifies common characteristics of the parcels and Similar parcels are grouped together. At this time all parcels in the county are influenced by the same market, so one market area exists.
b.	Describe the specific characteristics of the market area / valuation groupings that make them unique?
	The soil type differs from East to West in Butler County and the market value appears to parallel the differences in soils. However, the schedule of values recognizes the differences in value because each parcel is valued according to land capability groupings. The Eastern parcels are predominately the lower class soils, while the Western parcels tend to be classified in the higher capability groupings.
3.	Agricultural Land
a.	How is agricultural land defined in this county?
	Agricultural Land in the County is defined by statute 77-1359
b.	When is it agricultural land, when is it residential, when is it recreational?
	The county considers a parcel agricultural if it is primarily used for the production of an ag product, residential if it is not being used for ag and has a primary residence, and it is recreational if seasonal dwellings exist.
c.	Are these definitions in writing?
	Yes
d.	What are the recognized differences?
	Differences in use of parcel and existence of dwelling and type.

e.	How are rural home sites valued?
	The county conducts an analysis of acreage sales to determine values for sites.
f.	Are rural home sites valued the same as rural residential home sites?
	Yes
g.	Are all rural home sites valued the same or are market differences recognized?
	Market differences are recognized in the site value in areas where the market has indicated a difference exists.
h.	What are the recognized differences?
	The site value for rural residential parcels in Sections 1 through 8 and 18 near Columbus are valued higher.
4.	What is the status of the soil conversion from the alpha to numeric notation?
	The alpha to numeric soil conversion was implemented for 2010.
a.	Are land capability groupings (LCG) used to determine assessed value?
	Yes, but some LCGs are grouped together with the same value when the market does not show a difference in value.
b.	What other land characteristics or analysis are/is used to determine assessed values?
	There are no other characteristics used to value ag land.
5.	Is land use updated annually?
	Yes
a.	By what method? (Physical inspection, FSA maps, etc.)
	Physical inspection, FSA maps, GIS, taxpayer notification, etc.
6.	Is there agricultural land in the County that has a non-agricultural influence?
	No
a.	How is the County developing the value for non-agricultural influences?

	N/A
b.	Has the County received applications for special valuation?
	No
c.	Describe special value methodology
7	Pickup work:
a.	Is pickup work done annually and is it completed by March 19th?
	Yes
b.	By Whom?
	Assessor and Staff
c.	Is the valuation process (cost date and depreciation schedule or market comparison) used for the pickup work on the rural improvements the same as what was used for the general population of the valuation group?
	Yes
d.	Is the pickup work schedule the same for the land as for the improvements?
	Yes
8.	What is the counties progress with the 6 year inspection and review requirement as it relates to rural improvements? (Neb. Rev. Stat. § 77-1311.03)
	Cyclical process has been established and is set to be completed within six years.
a.	Does the County maintain a tracking process?
	Yes
b.	How are the results of the portion of the properties inspected and reviewed applied to the balance of the county?
	Subclasses outside the range are trended to reflect the same relative relationship to market.

2010 Analysis of Agricultural Land

Proportionality Among Study Years

The following tables represent the distribution of sales among each year of the study period in the original sales file, the sales that were added to each area, and the resulting proportionality.

Preliminary Results:

Study Year	County	Area 1
07/01/06 - 06/30/07	39	39
07/01/07 - 06/30/08	40	40
07/01/08 - 06/30/09	32	32
Totals	111	111

Added Sales:

Study Year	Total	Mkt 1
7/1/06 - 6/30/07	1	1
7/1/07 - 6/30/08	0	0
7/1/08 - 6/30/09	2	2
	3	3

Final Results:

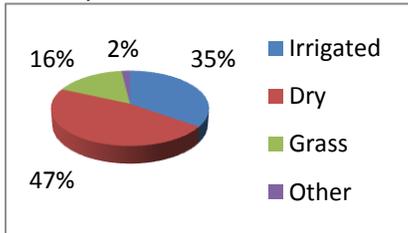
Study Year	County	Area 1
07/01/06 - 06/30/07	40	40
07/01/07 - 06/30/08	40	40
07/01/08 - 06/30/09	34	34
Totals	114	114

Representativeness by Majority Land Use

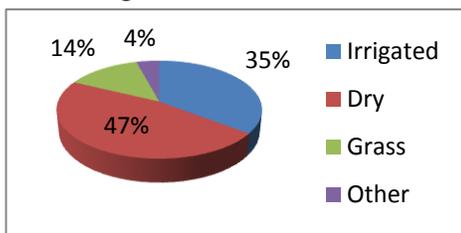
The following tables and charts compare the makeup of land use in the population to the make up of land use in both the sales file and the representative sample.

	Entire County		
	county	sales file	Sample
Irrigated	35%	35%	35%
Dry	47%	47%	46%
Grass	16%	14%	15%
Other	2%	4%	4%

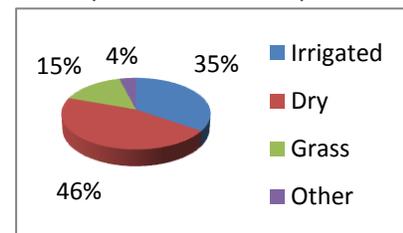
County



Original Sales File



Representative Sample



Adequacy of Sample

	County Total	Mrkt Area 1
Number of Sales - Original Sales File	111	111
Number of Sales - Expanded Sample	114	114
Total Number of Acres Added	241	241

Ratio Study

Final Statistics

County
sales 114

Median	71%	AAD	12.47%
Mean	75%	COD	17.48%
W. Mean	71%	PRD	104.85%

Preliminary Statistics

Median	63%	AAD	11.87%
Mean	65%	COD	18.71%
W. Mean	63%	PRD	103.27%

Majority Land Use

95% MLU	Irrigated		Dry		Grass	
	# Sales	Median	#	Median	# Sales	Median
County	18	73.36%	23	71.35%	5	71.68%

80% MLU	Irrigated		Dry		Grass	
	# Sales	Median	#	Median	# Sales	Median
County	39	71.73%	43	71.89%	8	66.19%

**Agricultural or Special
Valuation Correlation**

2010 Correlation Section

For Butler County

Agricultural Land

I. Correlation

The level of value for the agricultural land in Butler County, as determined by the PTA is 71%. The mathematically calculated median is 71%.

AGRICULTURAL LAND:

The agricultural land class of property in Butler County is valued by the assessor using one schedule of values for all agricultural land. The county values according to land capability groupings (LCG) and makes differentiations based on the current use of the land into irrigated, dry crop, and grass. Tree cover acres are inventoried separately, and carry the same value regardless of LCG. Analysis of the market values in the county supports the assessor's notion that no separate market areas exist. Differences do exist in the dry land selling price per acre between the East and West because of differences in soil productivity, however the county has accounted for these value differences in their schedule of dry land values. For purposes of this analysis the county was analyzed in its entirety, and based on the majority use of the land into each of the three categories: irrigated, dry crop, and grass land.

Analysis of the sales sample recognizes that seven fewer sales exist in the newest year of the study period. In an increasing general market, a significant skew of the sales either toward the front or the back of the study period has potential to create disparities across county lines. Analysis between the first and last year's sales did not support the notion that a significant shift in the sales had affected the county-wide measures of central tendency.

As is the case in any inferential statistical scenario, the sample used to create statistics must be representative of the population of parcels being studied in order for the inferences to be valid. As the land use component is recognized as one of the primary characteristics that contribute to value, the land use make-up of the county was analyzed in comparison to the make-up of the sale sample. In Butler County the two profiles were nearly identical indicating the sample of sales is an accurate representation of the population of parcels.

The dry land in the county is the majority make-up and was sufficiently represented by sales. Irrigated was also sufficiently represented by sales within the county. Grass land sales were few in numbers, as they have been historically. As an attempt to expand the number of grass land sales the assessor looked outside the county lines and two sales were identified in Colfax County and one in Polk. These three sales were added and considered in the analysis of grass values. Based on market indication of the specific sales and based on the general movement of the agricultural land market, the county appropriately increased grass land LCGs between 10 and 15 percent.

2010 Correlation Section

For Butler County

This analysis of the 2010 assessed values indicates the overall level of value to be 71 percent of market value. Analysis of the irrigated, dry crop, and grass land using all available information suggest the values established are within the acceptable range, indicating this class is valued both uniformly and proportionately.

2010 Correlation Section

For Butler County

II. Analysis of Sales Verification

Neb. Rev. Stat. 77-1327(2) 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 (2007), 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 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.

AGRICULTURAL LAND:

The County verifies all sales by sending a follow-up questionnaire to the buyer listed on the real estate transfer statement. At that time the property record card is marked to ensure the characteristics of the parcel are accurate to compare to the sale price. In situations where no questionnaire is returned to the county, the county may contact individuals involved with the sale by telephone.

Based on the analysis of the processes used by the county to qualify sales and a review of the sales used in the sales file indicates that no bias exists in the qualification of sales. Therefore, it is reasonable to assume the sales sample used for measurement contains all available arms length sales.

2010 Correlation Section

For Butler County

III. 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 in 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 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.

Median Wgt.Mean Mean

R&O Statistics	71	71	75
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2010 Correlation Section

For Butler County

IV. 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 International Association of Assessing Officers recommended ratio study performance standards are as follows:

Single-family residences: a COD of 15 percent or less.

For newer and fairly homogeneous areas: a COD of 10 or less.

Income-producing property: a COD of 20 or less, or in larger urban jurisdictions, 15 or less.
Vacant land and other unimproved property, such as agricultural land: a COD of 20 or less.

Rural residential and seasonal properties: a COD of 20 or less.

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

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

The PRD, also known as the index of regression, is a measurement of the relationship between the ratios of high-value and low-value properties to determine if the value of property has any influence on the assessment ratio. It is calculated by dividing the arithmetic mean ratio by the weighted mean ratio. The PRD provides an indicator of the degree to which high-value properties are over-assessed or under-assessed in relation to low-value properties. A PRD of 100 indicates there is no bias in the assessment of high-value properties in comparison to low-value properties. A PRD greater than 100 indicates the assessments are regressive, which means low-value properties tend to have a higher assessment ratio than high-value properties. The result is the owner of a low-value property pays a greater amount of tax in relation to value than the owner of a high-value property. Conversely, a PRD less than 100 indicates that high-value properties are over assessed in relation to low-value properties.

2010 Correlation Section

For Butler County

There is no range of acceptability stated in the Nebraska statutes for the PRD measure. The Standard of Ratio Studies, adopted by the International Association of Assessing Officers, July, 2007, 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. 247.

The analysis in this section displays the calculated COD and PRD measures for Butler County, which are considered as one part of the analysis of the County's assessment practices.

	COD	PRD
R&O Statistics	17.48	104.85

AGRICULTURAL LAND:

The coefficient of dispersion is within the acceptable range, but the price related differential is slightly above the acceptable range. However, based on the assessment practices demonstrated by the county and the systematic assignment of agland values, this class of property is considered to have been valued uniformly and proportionately.

Total Real Property Sum Lines 17, 25, & 30	Records : 7,655	Value : 1,130,121,990	Growth 8,224,145	Sum Lines 17, 25, & 41
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Schedule I : Non-Agricultural Records

	Urban		SubUrban		Rural		Total		Growth
	Records	Value	Records	Value	Records	Value	Records	Value	
01. Res UnImp Land	225	731,400	5	82,965	67	825,995	297	1,640,360	
02. Res Improve Land	2,039	12,298,040	15	298,075	612	12,868,055	2,666	25,464,170	
03. Res Improvements	2,097	106,450,770	15	1,803,810	673	58,516,250	2,785	166,770,830	
04. Res Total	2,322	119,480,210	20	2,184,850	740	72,210,300	3,082	193,875,360	4,029,110
% of Res Total	75.34	61.63	0.65	1.13	24.01	37.25	40.26	17.16	48.99
05. Com UnImp Land	54	366,885	0	0	13	551,550	67	918,435	
06. Com Improve Land	293	2,294,160	2	16,535	58	5,722,565	353	8,033,260	
07. Com Improvements	308	27,413,575	2	77,810	73	17,463,545	383	44,954,930	
08. Com Total	362	30,074,620	2	94,345	86	23,737,660	450	53,906,625	1,821,000
% of Com Total	80.44	55.79	0.44	0.18	19.11	44.03	5.88	4.77	22.14
09. Ind UnImp Land	2	336,935	0	0	0	0	2	336,935	
10. Ind Improve Land	1	270,090	1	18,960	1	780,850	3	1,069,900	
11. Ind Improvements	1	3,273,410	1	62,495	1	13,963,980	3	17,299,885	
12. Ind Total	3	3,880,435	1	81,455	1	14,744,830	5	18,706,720	0
% of Ind Total	60.00	20.74	20.00	0.44	20.00	78.82	0.07	1.66	0.00
13. Rec UnImp Land	0	0	0	0	17	898,490	17	898,490	
14. Rec Improve Land	0	0	0	0	43	1,395,645	43	1,395,645	
15. Rec Improvements	0	0	0	0	292	9,182,335	292	9,182,335	
16. Rec Total	0	0	0	0	309	11,476,470	309	11,476,470	194,790
% of Rec Total	0.00	0.00	0.00	0.00	100.00	100.00	4.04	1.02	2.37
Res & Rec Total	2,322	119,480,210	20	2,184,850	1,049	83,686,770	3,391	205,351,830	4,223,900
% of Res & Rec Total	68.48	58.18	0.59	1.06	30.93	40.75	44.30	18.17	51.36
Com & Ind Total	365	33,955,055	3	175,800	87	38,482,490	455	72,613,345	1,821,000
% of Com & Ind Total	80.22	46.76	0.66	0.24	19.12	53.00	5.94	6.43	22.14
17. Taxable Total	2,687	153,435,265	23	2,360,650	1,136	122,169,260	3,846	277,965,175	6,044,900
% of Taxable Total	69.86	55.20	0.60	0.85	29.54	43.95	50.24	24.60	73.50

Schedule II : Tax Increment Financing (TIF)

	Urban			SubUrban		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	0	0	0
19. Commercial	8	1,117,565	1,587,575	0	0	0
20. Industrial	1	3,543,500	322,020	0	0	0
21. Other	0	0	0	0	0	0
	Rural			Total		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	0	0	0
19. Commercial	0	0	0	8	1,117,565	1,587,575
20. Industrial	0	0	0	1	3,543,500	322,020
21. Other	0	0	0	0	0	0
22. Total Sch II				9	4,661,065	1,909,595

Schedule III : Mineral Interest Records

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

Schedule IV : Exempt Records : Non-Agricultural

	Urban Records	SubUrban Records	Rural Records	Total Records
26. Producing	293	3	402	698

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	82	796,400	1	34,130	2,357	453,734,120	2,440	454,564,650
28. Ag-Improved Land	4	425,845	2	45,940	1,301	324,960,350	1,307	325,432,135
29. Ag Improvements	5	80,200	2	73,415	1,362	72,006,415	1,369	72,160,030
30. Ag Total							3,809	852,156,815

Schedule VI : Agricultural Records :Non-Agricultural Detail

	Urban			SubUrban			Growth
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	1	1.00	12,000	0	0.00	0	
32. HomeSite Improv Land	1	1.00	12,000	0	0.00	0	
33. HomeSite Improvements	1	1.00	33,090	0	0.00	0	
34. HomeSite Total							
35. FarmSite UnImp Land	4	2.36	11,200	0	0.00	0	
36. FarmSite Improv Land	4	5.29	22,695	2	2.46	10,920	
37. FarmSite Improvements	5	0.00	47,110	2	0.00	73,415	
38. FarmSite Total							
39. Road & Ditches	0	6.49	0	0	0.75	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
	Records	Acres	Value	Records	Acres	Value	Growth
31. HomeSite UnImp Land	8	7.83	110,000	9	8.83	122,000	
32. HomeSite Improv Land	841	846.31	10,277,340	842	847.31	10,289,340	
33. HomeSite Improvements	857	825.31	48,088,535	858	826.31	48,121,625	2,179,245
34. HomeSite Total				867	856.14	58,532,965	
35. FarmSite UnImp Land	33	214.00	541,335	37	216.36	552,535	
36. FarmSite Improv Land	1,254	3,243.32	14,493,240	1,260	3,251.07	14,526,855	
37. FarmSite Improvements	1,316	0.00	23,917,880	1,323	0.00	24,038,405	0
38. FarmSite Total				1,360	3,467.43	39,117,795	
39. Road & Ditches	0	7,652.84	0	0	7,660.08	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
41. Total Section VI				2,227	11,983.65	97,650,760	2,179,245

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

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	1	0.00	858,635	0	0.00	0
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
42. Game & Parks	2	316.95	316,560	3	316.95	1,175,195

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	51,536.25	41.40%	161,002,985	47.50%	3,124.07
46. 1A	17,366.86	13.95%	50,798,205	14.99%	2,925.01
47. 2A1	12,528.94	10.06%	33,485,020	9.88%	2,672.61
48. 2A	12,181.93	9.78%	30,611,350	9.03%	2,512.85
49. 3A1	13,075.15	10.50%	30,712,900	9.06%	2,348.95
50. 3A	5,612.77	4.51%	11,174,445	3.30%	1,990.90
51. 4A1	9,406.89	7.56%	16,891,335	4.98%	1,795.63
52. 4A	2,788.65	2.24%	4,300,455	1.27%	1,542.13
53. Total	124,497.44	100.00%	338,976,695	100.00%	2,722.76
Dry					
54. 1D1	36,762.90	22.28%	106,060,870	29.97%	2,885.00
55. 1D	22,295.31	13.51%	59,083,010	16.70%	2,650.02
56. 2D1	20,354.74	12.34%	49,869,590	14.09%	2,450.02
57. 2D	4,842.09	2.94%	10,652,630	3.01%	2,200.01
58. 3D1	16,038.98	9.72%	32,077,970	9.07%	2,000.00
59. 3D	17,315.36	10.50%	28,570,700	8.07%	1,650.02
60. 4D1	39,605.63	24.01%	57,428,635	16.23%	1,450.01
61. 4D	7,760.05	4.70%	10,087,990	2.85%	1,299.99
62. Total	164,975.06	100.00%	353,831,395	100.00%	2,144.76
Grass					
63. 1G1	1,209.53	0.00%	1,330,515	2.90%	1,100.03
64. 1G	2,534.58	5.60%	2,787,745	6.08%	1,099.88
65. 2G1	3,371.33	7.45%	3,516,475	7.68%	1,043.05
66. 2G	1,056.44	2.33%	1,109,295	2.42%	1,050.03
67. 3G1	2,702.13	5.97%	2,702,135	5.90%	1,000.00
68. 3G	6,904.99	15.26%	6,903,250	15.07%	999.75
69. 4G1	12,652.21	27.96%	12,652,210	27.62%	1,000.00
70. 4G	14,817.97	32.75%	14,814,530	32.33%	999.77
71. Total	45,249.18	100.00%	45,816,155	100.00%	1,012.53
Irrigated Total					
Irrigated Total	124,497.44	35.13%	338,976,695	44.93%	2,722.76
Dry Total					
Dry Total	164,975.06	46.56%	353,831,395	46.90%	2,144.76
Grass Total					
Grass Total	45,249.18	12.77%	45,816,155	6.07%	1,012.53
Waste					
Waste	977.72	0.28%	203,670	0.03%	208.31
Other					
Other	18,660.45	5.27%	15,678,140	2.08%	840.18
Exempt					
Exempt	3,408.07	0.96%	0	0.00%	0.00
Market Area Total					
Market Area Total	354,359.85	100.00%	754,506,055	100.00%	2,129.21

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	30.82	88,175	0.00	0	124,466.62	338,888,520	124,497.44	338,976,695
77. Dry Land	417.06	1,000,455	21.81	62,210	164,536.19	352,768,730	164,975.06	353,831,395
78. Grass	49.41	50,840	6.31	6,940	45,193.46	45,758,375	45,249.18	45,816,155
79. Waste	1.41	280	0.00	0	976.31	203,390	977.72	203,670
80. Other	27.33	24,600	0.00	0	18,633.12	15,653,540	18,660.45	15,678,140
81. Exempt	258.51	0	58.91	0	3,090.65	0	3,408.07	0
82. Total	526.03	1,164,350	28.12	69,150	353,805.70	753,272,555	354,359.85	754,506,055

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	124,497.44	35.13%	338,976,695	44.93%	2,722.76
Dry Land	164,975.06	46.56%	353,831,395	46.90%	2,144.76
Grass	45,249.18	12.77%	45,816,155	6.07%	1,012.53
Waste	977.72	0.28%	203,670	0.03%	208.31
Other	18,660.45	5.27%	15,678,140	2.08%	840.18
Exempt	3,408.07	0.96%	0	0.00%	0.00
Total	354,359.85	100.00%	754,506,055	100.00%	2,129.21

2010 County Abstract of Assessment for Real Property, Form 45 Compared with the 2009 Certificate of Taxes Levied (CTL)

12 Butler

	2009 CTL County Total	2010 Form 45 County Total	Value Difference (2010 form 45 - 2009 CTL)	Percent Change	2010 Growth (New Construction Value)	Percent Change excl. Growth
01. Residential	190,366,635	193,875,360	3,508,725	1.84%	4,029,110	-0.27%
02. Recreational	10,762,320	11,476,470	714,150	6.64%	194,790	4.83%
03. Ag-Homesite Land, Ag-Res Dwelling	58,753,925	58,532,965	-220,960	-0.38%	2,179,245	-4.09%
04. Total Residential (sum lines 1-3)	259,882,880	263,884,795	4,001,915	1.54%	6,403,145	-0.92%
05. Commercial	52,265,330	53,906,625	1,641,295	3.14%	1,821,000	-0.34%
06. Industrial	18,615,830	18,706,720	90,890	0.49%	0	0.49%
07. Ag-Farmsite Land, Outbuildings	34,595,145	39,117,795	4,522,650	13.07%	0	13.07%
08. Minerals	0	0	0		0	
09. Total Commercial (sum lines 5-8)	105,476,305	111,731,140	6,254,835	5.93%	1,821,000	4.20%
10. Total Non-Agland Real Property	365,359,185	375,615,935	10,256,750	2.81%	8,224,145	0.56%
11. Irrigated	303,924,450	338,976,695	35,052,245	11.53%		
12. Dryland	330,880,925	353,831,395	22,950,470	6.94%		
13. Grassland	51,244,435	45,816,155	-5,428,280	-10.59%		
14. Wasteland	691,885	203,670	-488,215	-70.56%		
15. Other Agland	0	15,678,140	15,678,140			
16. Total Agricultural Land	686,741,695	754,506,055	67,764,360	9.87%		
17. Total Value of all Real Property (Locally Assessed)	1,052,100,880	1,130,121,990	78,021,110	7.42%	8,224,145	6.63%

**BUTLER COUNTY
3-YEAR PLAN OF ASSESSMENT
2009**

Plan of Assessment Requirements:

Pursuant to Neb.Laws 2005, LB 263, Section 9, on or before June 15 each year, the assessor shall prepare a plan of assessment, which describes the assessment actions planned for the next assessment year and two years thereafter. The plan shall indicate classes, or subclasses of real property that the county assessor plans to examine during the years contained in the plan of assessment. The plan shall describe all the assessment actions necessary to achieve the level 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 purposed is actual value, which is defined by law as “the market value of real property in the ordinary course of trade.” Neb. Rev. Stat. 77-112 (Reissue 2003).

The acceptable ratio range for the median of the “Assessment-Sales Ratio” is from 69% to 75% of actual or fair market value for the class or subclasses of agricultural land and horticultural land not receiving special valuation and 69% to 75% of recapture valuation for the class and subclasses of agricultural land and horticultural land receiving special valuation pursuant to Neb. Rev. Stat. 77-1344; and 92% to 100% of actual or fair market value for all other classes and subclasses of real property. Neb. Rev. Stat. 77-5023(2) (Cum. Supp. 2006).

GENERAL DESCRIPTION OF REAL PROPERTY IN BUTLER COUNTY

Per the 2009 County Abstract, Butler County consists of the following real property types:

	Parcels	% of Total Parcels	% of Taxable Value
Residential	3058	36.81	18.02
Commercial	448	5.40	5.00
Industrial	3	.01	1.79
Agricultural	3802	45.77	74.16
Recreational	304	3.66	1.02
Special Value	0	----	----
Tax Increment Financing	2	.01	.01
Exempt	692	8.34	----
Total	8309	100.00	100.00

Agricultural land –	Taxable Acres	Total Value
Irrigated Acres	123,234.01	303,409,725
Dry Acres	166,000.77	331,452,740
Grass Acres	57,905.53	51,253,540
Waste Acres	6,905.99	690,585
Exempt Acres	3,389.99	-----
Total Acres	357,436.29	686,806,590

For more information see 2009 Reports & Opinions, Abstract and Assessor Survey.

ASSESSMENT PLAN/PROCEDURES MANUAL

The Department of Property Assessment and Taxation Regulations and Directives are followed in the assessor's office. An informal manual of office and assessment procedures is also on file. A formal annual assessment plan includes a 4 to 5 year cycle of reappraisal and inspection, which has been a part of the county's plan of the assessment. Properties are typically reviewed in four townships and four towns annually.

Procedures have been established in the office and are updated as needed.

RECORD MAINTENCE/RESPONSIBILITES

A property record card is on file for every parcel of real property including improvements on leased land. The record cards contain current ownership, address, legal description, situs address, book and page numbers of the last deed recorded and any changes of record of ownership. A unique number is assigned to each property record card along with tax district codes and other codes created relevant to the specific parcel.

The assessment records are kept and updated in the computerized administration system. Terra Scan and a hard copy format with updates made in the form of inserts. The owner/valuations history is kept on the face of the hard copy updated to reflect all changes made.

The office maintains a cadastral map system. The Mylar cadastral maps were done in 1964. They have been revised with name change, legal description and new subdivisions. March 2001 we began implementing a GIS program for updating our current cadastral maps as well as other reports required by our office. January 2004 cadastral maps and updates to them are on GIS only.

HOMESTEAD EXEMPTIONS

Homestead Exemptions applications are accepted in the office from February 1 to June 30. Notice to file is published in the local newspaper March, April, May and June. Pre-printed forms are mailed to the applicants that filed for the Homestead Exemption the prior year. The applicant is verified for owner/occupant. Signed applications, income statements and doctor's certification of disability (where appropriate) are forwarded to the Nebraska Department of Revenue on or before August 1. The Nebraska Department

of Revenue returns a roster in October of approved (with a percentage) and disapproved for final processing.

PERMISSIVE EXEMPTIONS

The assessor and staff administer annual filings of applications for new or continued exempt use properties. The properties are reviewed and recommendations are made to the County Board.

REPORT GENERATION

The major reports required by the Assessor and the dates due are:

County Abstract of assessment for Real Property – March 19
Certify completion of real property assessment roll & publish in newspaper-June 1
Send notice of valuation change to the owner of record (as of May 20) of any property whose value has increased or decreased-June, 1
County Abstract of Assessment for Personal Property – June 15
Prepare the plan of assessment for the next 3 assessment years-June 15
File 3-year plan of Assessment with the County Board of Equalization – July 31
Review the ownership and use of all cemetery real property and report such review to the County Board-August 1
Certification of Values to Political Subdivisions – August 20
School District Taxable Value Report – August 25
Deliver Tax Rolls to Treasurer – November 22
Certificate of Taxes Levied – December 1

PERSONAL PROPERTY

All depreciable tangible personal property which is used in a trade or business for the production of income, and which has a determinable life of longer than one year must be filed on or before May 1. Late filings after May 1, but before August 1, a 10 percent penalty is applied. After August 1, a 25 percent penalty is applied to the taxes due. Notice to file is published in the local newspaper February, March and April. In February a notice to file letter is mailed to each individual who previously filed.

SALES REVIEW/VERIFICATION

The assessor and office staff attempts to obtain 100% coverage of each sale, which contains a doc. stamp, beginning with the buyer, seller and then the broker. Questionnaires are mailed on each of these sales. Questionnaires consist of information about the sale and also about the property. Coding and the computerized sale file track the mailings. A drive by is done on 75-80% of the parcels sold and an on site inspection 25% of the time.

EDUCATION

No person shall be eligible to file, assume, or be appointed to, or hold the office of county assessor, serve as a deputy assessor, or hold the position of state assessment manager

unless he or she holds a County Assessor Certificate issued by the Property Tax Administrator or State Tax Commissioner. In order to obtain a County Assessor Certificate, each person must successfully complete an examination given by the Property Tax Administrator. In order to retain certification, all certificate holders must obtain 60 hours of approved continuing education to be eligible to receive approval by the Property Tax Administrator for re-certification. Credit hours are obtained by the completion of approved courses that are recommended by the Nebraska Assessment Education and Certification Advisory Board and approved by the Property Tax Administrator. Courses are available throughout the year and are attended by the Assessor and Deputy Assessor to gain greater professionalism in their duties by offering a means of state certification.

REAL PROPERTY

An on site review of all properties are on a rotation plan. The assessor and or office staff reviews approximately four towns and four townships annually with a continuing of a rotation throughout the county. A conducted market study of all properties is done annually throughout the county to maintain ratios and statistics mandated by the Tax Equalization and Review Commission.

The Rotation review for 2010:

Residential – David City, Bruno, Abie & Linwood

Commercial – David City, Bruno, Abie, Linwood and any commercial within the townships for the 2010 rotational review.

Agricultural Land and Improvements – Center, Plum Creek, Richardson and Oak Creek Townships

*All reviews will include new digital photos for the property record cards.

The Rotation review for 2011:

Residential – Octavia, Bellwood, Garrison & Surprise

Commercial – Bellwood, Garrison, Surprise and any commercial within the townships for 2011 rotational review.

Agricultural Land and Improvements – Summit, Olive, Franklin & skull Creek Townships

*All reviews will include new digital photos for the property record cards.

The Rotation review for 2012:

Residential – Rising City, Ulysses, Brainard & Dwight

Commercial – Rising City, Ulysses, Brainard, Dwight and any commercial within the townships for 2012 rotational review.

Agricultural Land and Improvements – Bone Creek, Linwood, Platte Townships

**All reviews will include new digital photos for the property record cards.

In office projects include continuing the process of digitizing & reviewing land use. The assessor and office staff maintains the computer GIS cadastral maps and completes the appraisal.

A paper copy of the cadastral maps will be generated for rural townships in Butler County. This consists of setting up the GIS information and printing each section on a 12x12 cardstock paper and filed in a hardbound book. This process will be done, as time is available, until completed.

New property record cards are being prepared starting in the year 2009. This involves transferring all the information on the existing card to the new card. Transferring photos and any pertinent information.

Neb. Rev. Stat. Section 77-1363 requires implementation of the new soils mapping in the assessment year following the availability of the mapping. This means the new soils mapping must be implemented for the 2009 assessment year. An extension was given by the Property Tax Administrator to be completed by 2010. The implementation of the Natural Resource Conservation Service soil maps and the mapping symbols changes will be completed by 2010. The new numeric identifiers combine several different mapping symbols for similar soils, reducing the total number of soils previously identified.

Pickup work, the collection of data relating to new construction, remodeling, additions, alterations and removal of existing buildings and structures is done on a continuous year round basis.

The office utilizes the Terra Scan administrative and CAMA system using the Marshall Swift cost. All data collected in all classifications of property have been entered in CAMA. A sketch of each house is entered into CAMA and was completed in 2001. Digital photos for each property have been entered into the system. 1992 and 1998 aerial photos are also a part of the property record card. 2003 colored aerials have been copied into the GIS and are being used to determine land use. 2005 digital oblique have been added to GIS and copied to the Terra Scan property record information.

A Butler County Assessor web site has been on line since June 2004. Website includes property record card information, digital photo, sketch, GIS map; June 2005 Digital obliques were also added to the website. Website address is butler.gisworkshop.com.

The cost approach is used in setting the values. An income approach is only used occasionally for commercial to substantiate the cost approach. A discount cash flow valuation method is used to value undeveloped subdivisions.

The real estate transfer statements, form 521, are processed on a continual basis.

The Department of Property Assessment and Taxation has prepared the progress report for Butler County and is on file in the assessor's office and serves as additional information for this report. The 2009 Butler County statistical measures are on file in the annual report and kept on file in the Assessor's Office.

Respectfully submitted:

Signature: _____

Vickie Donoghue
Butler County Assessor
June 12, 2009

2010 Assessment Survey for Butler County

I. General Information

A. Staffing and Funding Information

1.	Deputy(ies) on staff
	1
2.	Appraiser(s) on staff
	0
3.	Other full-time employees
	3
4.	Other part-time employees
	-
5.	Number of shared employees
	0
6.	Assessor's requested budget for current fiscal year
	\$207,710
7.	Adopted budget, or granted budget if different from above
	\$207,710
8.	Amount of the total budget set aside for appraisal work
	-
9.	Appraisal/Reappraisal budget, if not part of the total budget
	\$17,000
10.	Part of the budget that is dedicated to the computer system
	\$12,000
11.	Amount of the total budget set aside for education/workshops
	\$1,900
12.	Other miscellaneous funds
	-
13.	Was any of last year's budget not used:
	Yes, a minimal amount

B. Computer, Automation Information and GIS

1.	Administrative software
	TerraScan
2.	CAMA software
	TerraScan
3.	Cadastral maps: Are they currently being used?
	Yes
4.	Who maintains the Cadastral Maps?
	Assessor and Staff

5.	Does the county have GIS software?
	Yes
6.	Who maintains the GIS software and maps?
	Assessor and Staff
7.	Personal Property software:
	TerraScan

C. Zoning Information

1.	Does the county have zoning?
	Yes
2.	If so, is the zoning countywide?
	No
3.	What municipalities in the county are zoned?
	Bellwood, Brainard, David City, Octavia, Ulysses
4.	When was zoning implemented?
	Zoning was implemented in 1985 for David City and Rising City, Octavia was added in 2005, and the other two sometime after.

D. Contracted Services

1.	Appraisal Services
	Large Commercial properties are occasionally contracted out.
2.	Other services
	The administrative, appraisal, programming, and support functions are contracted through TerraScan. GIS programming, programming support and instruction are provided through GIS workshop.

Certification

This is to certify that the 2010 Reports and Opinions of the Property Tax Administrator have been sent to the following:

One copy by electronic transmission and one printed copy by hand delivery to the Tax Equalization and Review Commission.

One copy by electronic transmission to the Butler County Assessor.

Dated this 7th day of April, 2010.



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

Ruth A. Sorensen
Property Tax Administrator

Valuation History Charts