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2013 Commission Summary for Harlan County

Residential Real Property - Current

Number of Sales	104	Median	100.48
Total Sales Price	\$5,672,626	Mean	109.41
Total Adj. Sales Price	\$5,686,626	Wgt. Mean	99.61
Total Assessed Value	\$5,664,570	Average Assessed Value of the Base	\$48,280
Avg. Adj. Sales Price	\$54,679	Avg. Assessed Value	\$54,467

Confidence Interval - Current

95% Median C.I	97.85 to 105.13
95% Wgt. Mean C.I	92.63 to 106.60
95% Mean C.I	101.32 to 117.50
% of Value of the Class of all Real Property Value in the	18.42
% of Records Sold in the Study Period	4.46
% of Value Sold in the Study Period	5.03

Residential Real Property - History

Year	Number of Sales	LOV	Median
2012	106	98	98.11
2011	121	93	93
2010	124	96	96
2009	134	97	97

2013 Commission Summary for Harlan County

Commercial Real Property - Current

Number of Sales	18	Median	98.43
Total Sales Price	\$1,176,859	Mean	98.98
Total Adj. Sales Price	\$1,176,859	Wgt. Mean	99.55
Total Assessed Value	\$1,171,540	Average Assessed Value of the Base	\$86,117
Avg. Adj. Sales Price	\$65,381	Avg. Assessed Value	\$65,086

Confidence Interval - Current

95% Median C.I	92.95 to 102.67
95% Wgt. Mean C.I	88.39 to 110.70
95% Mean C.I	86.05 to 111.91
% of Value of the Class of all Real Property Value in the County	4.16
% of Records Sold in the Study Period	6.10
% of Value Sold in the Study Period	4.61

Commercial Real Property - History

Year	Number of Sales	LOV	Median
2012	18		110.04
2011	17		102
2010	22	100	96
2009	28	98	98

2013 Opinions of the Property Tax Administrator for Harlan County

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

Class	Level of Value	Quality of Assessment	Non-binding recommendation
Residential Real Property	100	Meets generally accepted mass appraisal practices.	No recommendation.
Commercial Real Property	*NEI	Meets generally accepted mass appraisal practices.	No recommendation.
Agricultural Land	72	Meets generally accepted mass appraisal practices.	No recommendation.

***A level of value displayed as NEI (not enough information) represents a class of property with insufficient information to determine a level of value.*

Dated this 5th day of April, 2013.



Ruth A. Sorensen
Property Tax Administrator

2013 Residential Assessment Actions for Harlan County

A physical inspection of residential parcels in Huntley and Ragan was completed; as was an inspection of cabins in Patterson Harbor and North Shore Marina. The physical review work includes an exterior review of the property. New photographs are taken and measurements are checked when necessary. The quality and condition and other listing information is reviewed for accuracy. Door hangers are left when additional information is required.

The cost tables were updated to the June 2012 Marshall & Swift tables. A ratio study was conducted after updating the cost tables. It was determined that adjustments to the depreciation tables were not necessary for 2012; however, the cost factor was decreased in Taylor Manor, Orleans, Oxford, Hanchett's, and for the mobile homes in Republican City. The leasehold value at North Shore Marina was also increased.

The pickup work was completed timely.

2013 Residential Assessment Survey for Harlan County

1.	Valuation data collection done by:	
	The assessor & the deputy assessor	
2.	List the valuation groupings recognized by the County and describe the unique characteristics of each:	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	01	Alma – the largest community in the county. Alma offers more services and amenities than the other towns and is influenced by its proximity to Harlan County Reservoir. The market is stable and active here.
	02	Acreages – all residential parcels not located in the political boundaries of a Village, except those located around the reservoir.
	03	Lake Homes – includes Hunters Hill, N Shore Cabin, Hanchetts, and homes at Taylor Manor – these are houses in areas around the lake. Properties here tend to be permanent homes rather than cabins and are generally better quality homes than are found in area 4.
	04	Lake Trailers – includes Republican City and mobile homes at Taylor Manor – these properties are lake influenced, but the majority of properties in these areas are mobile homes or lower quality structures. These properties are a mixture of permanent homes and cabins, generally properties will not sell as well here as they do in group 3.
	05	Oxford & Orleans – small communities within Harlan County. These communities have some amenities and market activity, but the market will generally be softer than areas 1-4.
	06	Huntley, Ragan & Stamford – very small villages with little activity and no organized market.
3.	List and describe the approach(es) used to estimate the market value of residential properties.	
	Only the cost approach is used.	
4.	What is the costing year of the cost approach being used for each valuation grouping?	
	June 2012	
5.	If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?	
	Depreciation tables are developed using local market information.	
6.	Are individual depreciation tables developed for each valuation grouping?	
	Yes	
7.	When were the depreciation tables last updated for each valuation grouping?	
	The current depreciation tables were established in 2006; sales studies are completed annually and adjustments to the tables are made when warranted.	
8.	When was the last lot value study completed for each valuation grouping?	
	A lot value study was completed in Taylor Manor in 2012. In all other areas lot	

	values were last established in 2002; however, the land values are monitored annually.
9.	Describe the methodology used to determine the residential lot values?
	Price per square foot

**42 Harlan
RESIDENTIAL**

PAD 2013 R&O Statistics (Using 2013 Values)

Qualified

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

Number of Sales : 104
 Total Sales Price : 5,672,626
 Total Adj. Sales Price : 5,686,626
 Total Assessed Value : 5,664,570
 Avg. Adj. Sales Price : 54,679
 Avg. Assessed Value : 54,467

MEDIAN : 100
 WGT. MEAN : 100
 MEAN : 109
 COD : 22.85
 PRD : 109.84

COV : 38.49
 STD : 42.11
 Avg. Abs. Dev : 22.96
 MAX Sales Ratio : 399.50
 MIN Sales Ratio : 43.67

95% Median C.I. : 97.85 to 105.13
 95% Wgt. Mean C.I. : 92.63 to 106.60
 95% Mean C.I. : 101.32 to 117.50

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DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
Qrtrs											
01-OCT-10 To 31-DEC-10	9	100.13	108.00	135.37	24.30	79.78	43.67	181.30	89.63 to 135.21	55,500	75,128
01-JAN-11 To 31-MAR-11	5	103.91	108.87	97.08	19.70	112.14	77.54	153.45	N/A	50,640	49,161
01-APR-11 To 30-JUN-11	13	99.97	104.30	93.63	17.73	111.40	61.16	192.93	86.54 to 107.60	78,046	73,078
01-JUL-11 To 30-SEP-11	19	97.10	117.50	94.05	34.67	124.93	57.80	399.50	85.43 to 120.39	42,911	40,359
01-OCT-11 To 31-DEC-11	15	109.51	121.42	102.32	18.19	118.67	89.58	239.33	99.68 to 120.19	42,347	43,331
01-JAN-12 To 31-MAR-12	11	94.45	103.71	92.00	20.13	112.73	77.93	185.50	78.08 to 130.80	63,809	58,701
01-APR-12 To 30-JUN-12	15	97.85	98.17	94.74	17.31	103.62	66.88	181.67	81.28 to 104.63	66,037	62,563
01-JUL-12 To 30-SEP-12	17	103.93	108.20	101.97	20.22	106.11	50.45	186.33	92.53 to 120.95	45,669	46,567
Study Yrs											
01-OCT-10 To 30-SEP-11	46	100.05	110.97	102.18	26.04	108.60	43.67	399.50	92.95 to 107.60	56,144	57,365
01-OCT-11 To 30-SEP-12	58	100.76	108.17	97.48	20.34	110.97	50.45	239.33	98.09 to 108.81	53,518	52,168
Calendar Yrs											
01-JAN-11 To 31-DEC-11	52	104.31	114.50	96.11	24.24	119.13	57.80	399.50	97.10 to 108.81	52,275	50,243
ALL	104	100.48	109.41	99.61	22.85	109.84	43.67	399.50	97.85 to 105.13	54,679	54,467

VALUATION GROUPING

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	39	99.97	108.83	98.27	17.95	110.75	79.04	192.93	94.87 to 110.19	48,442	47,604
02	11	94.45	102.01	104.61	21.11	97.51	61.16	181.30	77.93 to 133.66	121,227	126,817
03	8	99.22	98.44	96.91	03.62	101.58	91.34	103.93	91.34 to 103.93	115,416	111,848
04	14	98.88	91.56	92.12	13.83	99.39	57.80	108.81	72.27 to 108.10	54,593	50,293
05	20	112.81	129.45	100.03	39.53	129.41	50.45	399.50	88.42 to 135.09	22,405	22,412
06	12	115.95	112.83	111.51	19.22	101.18	43.67	170.00	89.63 to 134.18	27,346	30,493
ALL	104	100.48	109.41	99.61	22.85	109.84	43.67	399.50	97.85 to 105.13	54,679	54,467

PROPERTY TYPE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
01	104	100.48	109.41	99.61	22.85	109.84	43.67	399.50	97.85 to 105.13	54,679	54,467
06											
07											
ALL	104	100.48	109.41	99.61	22.85	109.84	43.67	399.50	97.85 to 105.13	54,679	54,467

**42 Harlan
RESIDENTIAL**

PAD 2013 R&O Statistics (Using 2013 Values)

Qualified

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

Number of Sales : 104	MEDIAN : 100	COV : 38.49	95% Median C.I. : 97.85 to 105.13
Total Sales Price : 5,672,626	WGT. MEAN : 100	STD : 42.11	95% Wgt. Mean C.I. : 92.63 to 106.60
Total Adj. Sales Price : 5,686,626	MEAN : 109	Avg. Abs. Dev : 22.96	95% Mean C.I. : 101.32 to 117.50
Total Assessed Value : 5,664,570			
Avg. Adj. Sales Price : 54,679	COD : 22.85	MAX Sales Ratio : 399.50	
Avg. Assessed Value : 54,467	PRD : 109.84	MIN Sales Ratio : 43.67	

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SALE PRICE *											Avg. Adj.	Avg.
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Sale Price	Assd. Val	
<u>Low \$ Ranges</u>												
Less Than 5,000	6	157.93	186.42	152.54	55.14	122.21	43.67	399.50	43.67 to 399.50	2,325	3,547	
Less Than 15,000	20	135.15	149.62	132.38	33.64	113.02	43.67	399.50	120.19 to 170.00	7,433	9,839	
Less Than 30,000	43	113.20	125.83	110.15	31.67	114.24	43.67	399.50	100.13 to 130.80	14,929	16,445	
<u>Ranges Excl. Low \$</u>												
Greater Than 4,999	98	100.14	104.70	99.48	17.90	105.25	50.45	192.93	97.10 to 104.70	57,884	57,585	
Greater Than 14,999	84	99.50	99.84	98.73	13.88	101.12	57.80	186.33	94.87 to 100.85	65,928	65,093	
Greater Than 29,999	61	99.31	97.84	98.27	12.30	99.56	57.80	181.30	92.95 to 100.70	82,700	81,269	
<u>Incremental Ranges</u>												
0 TO 4,999	6	157.93	186.42	152.54	55.14	122.21	43.67	399.50	43.67 to 399.50	2,325	3,547	
5,000 TO 14,999	14	135.15	133.85	130.29	20.44	102.73	50.45	192.93	105.13 to 170.00	9,621	12,536	
15,000 TO 29,999	23	100.13	105.14	103.46	17.97	101.62	66.88	186.33	89.63 to 111.71	21,448	22,190	
30,000 TO 59,999	27	104.70	100.71	100.00	11.71	100.71	57.80	133.66	92.53 to 108.81	41,871	41,872	
60,000 TO 99,999	15	93.35	92.81	93.34	10.62	99.43	69.80	114.74	83.70 to 100.30	74,100	69,167	
100,000 TO 149,999	9	98.09	94.58	94.17	07.57	100.44	61.16	109.57	91.90 to 100.66	126,950	119,546	
150,000 TO 249,999	10	92.99	100.55	103.21	15.29	97.42	77.93	181.30	81.28 to 99.97	166,010	171,347	
250,000 TO 499,999												
500,000 TO 999,999												
1,000,000 +												
<u>ALL</u>	104	100.48	109.41	99.61	22.85	109.84	43.67	399.50	97.85 to 105.13	54,679	54,467	

2013 Correlation Section for Harlan County

A. Residential Real Property

The residential market in Harlan County is influenced by the local agricultural economy. In Republican City and the neighborhoods around the Harlan County Reservoir a recreational influence exists and the market can be less impacted by the local economy. The smaller communities can also be influenced by their proximity to job opportunities and the amount of amenities available. Valuation groupings have been identified based on these influences.

The county is complying with the statutory six year inspection requirement. The small villages of Huntley and Ragan were reviewed during 2013 completing an inspection cycle within the residential class.

The Department conducts two scheduled reviews each year. The first is a cyclical review of assessment practices in which one-third of the counties within the state are reviewed each year. Harlan County received this review during 2011. The review indicated that assessment practices were consistently and equitably applied within the residential class. The second review is a review of sales verification determinations. This involves examining the non-qualified sales rosters to ensure that reasons for disqualifying sales are adequate and properly documented. An onsite interview with the assessor and spot check of verification documentation is also conducted. In Harlan County the review process was found to be thorough and well documented; all available arm's length transactions have been made available for the measurement of real property within the county.

A review of the statistical profile for the residential class shows close correlation of the median and weighted mean. The qualitative statistics are above the ranges recommended by IAAO; however, stratification and review of the sales by sale price shows that the qualitative statistics improve substantially as low dollar sales are removed from the sample. Low dollar sales can produce extreme assessment to sale ratios even when the selling price and assessed value vary by minimal dollar amounts.

Review of the statistical calculations for the individual valuation groupings shows that all valuation groupings are in the acceptable range except groups five and six. These groups represent some of the smallest communities in the county where the market is not organized. The sales from these two groups contain 18 of the 20 low dollar sales found in the total sample. Since these samples are small and so heavily made up of low dollar sales, their reliability for measurement purposes is questionable. In the absence of reliable statistical data, determinations of acceptability must be based on assessment practices. All of the residential parcels in these valuation groupings have been reviewed in this review cycle, most within the past two assessment years. Assessment actions have been found to be uniformly applied within the residential class; therefore, it is believed that these groups have also been assessed within the acceptable range.

Based on a review of all available evidence, the level of value of residential property in Harlan County is 100%; assessment practices are determined to be in compliance with generally accepted mass appraisal standards.

**2013 Correlation Section
for Harlan County**

B. Analysis of Sales Verification

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

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

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

**2013 Correlation Section
for Harlan County**

C. Measures of Central Tendency

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

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

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

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

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

**2013 Correlation Section
for Harlan County**

D. Analysis of Quality of Assessment

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

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

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

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

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

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

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

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

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

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

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

**2013 Correlation Section
for Harlan County**

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

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

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

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

2013 Commercial Assessment Actions for Harlan County

A complete reappraisal of the commercial class was completed for 2013. The reappraisal included an exterior review of all parcels; when permitted an interior inspection was also completed. Measurements were checked where necessary and new photographs were taken. The quality and condition of the improvement was reviewed. All corrections were entered into the CAMA system.

The costing tables were updated to June 2012. The contract appraiser developed all three approaches to value where appropriate and applicable. A market model was established using market data stratified by occupancy code and other key market characteristics to arrive at depreciation. Due to the limited sales information available within the county, sales were used from economically similar areas outside the county when appropriate.

The pickup work was also completed by the contract appraisal service.

2013 Commercial Assessment Survey for Harlan County

1.	Valuation data collection done by:	
	Stanard Appraisal	
2.	List the valuation groupings recognized in the County and describe the unique characteristics of each:	
	<u>Valuation Grouping</u>	<u>Description of unique characteristics</u>
	01	There are no valuation groupings within the commercial class; values are based more on occupancy than by location. Any locational differences are accounted for in the land values.
3.	List and describe the approach(es) used to estimate the market value of commercial properties.	
	All three approaches to value are developed.	
3a.	Describe the process used to determine the value of unique commercial properties.	
	The contract appraisal service values all unique commercial parcels using a database of sales information that they have developed from across the state.	
4.	What is the costing year of the cost approach being used for each valuation grouping?	
	June 2012	
5.	If the cost approach is used, does the County develop the depreciation study(ies) based on local market information or does the county use the tables provided by the CAMA vendor?	
	Depreciation tables are developed using local market information.	
6.	Are individual depreciation tables developed for each valuation grouping?	
	n/a	
7.	When were the depreciation tables last updated for each valuation grouping?	
	New models were established for 2013.	
8.	When was the last lot value study completed for each valuation grouping?	
	2002	
9.	Describe the methodology used to determine the commercial lot values.	
	Lots are valued on a per square foot basis.	

**42 Harlan
COMMERCIAL**

PAD 2013 R&O Statistics (Using 2013 Values)

Qualified

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

Number of Sales : 18
 Total Sales Price : 1,176,859
 Total Adj. Sales Price : 1,176,859
 Total Assessed Value : 1,171,540
 Avg. Adj. Sales Price : 65,381
 Avg. Assessed Value : 65,086

MEDIAN : 98
 WGT. MEAN : 100
 MEAN : 99
 COD : 15.48
 PRD : 99.43

COV : 26.26
 STD : 25.99
 Avg. Abs. Dev : 15.24
 MAX Sales Ratio : 163.62
 MIN Sales Ratio : 39.68

95% Median C.I. : 92.95 to 102.67
 95% Wgt. Mean C.I. : 88.39 to 110.70
 95% Mean C.I. : 86.05 to 111.91

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DATE OF SALE *										Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.		
<u>Qtrts</u>											
01-OCT-09 To 31-DEC-09											
01-JAN-10 To 31-MAR-10											
01-APR-10 To 30-JUN-10	3	92.95	78.43	56.86	22.59	137.94	39.68	102.67	N/A	12,167	6,918
01-JUL-10 To 30-SEP-10											
01-OCT-10 To 31-DEC-10	1	93.57	93.57	93.57	00.00	100.00	93.57	93.57	N/A	57,500	53,805
01-JAN-11 To 31-MAR-11	3	95.89	91.37	84.57	07.57	108.04	78.23	100.00	N/A	67,333	56,943
01-APR-11 To 30-JUN-11	1	103.52	103.52	103.52	00.00	100.00	103.52	103.52	N/A	387,500	401,130
01-JUL-11 To 30-SEP-11	1	98.60	98.60	98.60	00.00	100.00	98.60	98.60	N/A	42,000	41,410
01-OCT-11 To 31-DEC-11	2	98.33	98.33	99.13	01.22	99.19	97.13	99.53	N/A	36,000	35,685
01-JAN-12 To 31-MAR-12	3	100.65	120.84	117.21	21.65	103.10	98.25	163.62	N/A	61,780	72,412
01-APR-12 To 30-JUN-12	4	104.96	104.34	100.51	24.15	103.81	66.62	140.81	N/A	48,505	48,751
01-JUL-12 To 30-SEP-12											
<u>Study Yrs</u>											
01-OCT-09 To 30-SEP-10	3	92.95	78.43	56.86	22.59	137.94	39.68	102.67	N/A	12,167	6,918
01-OCT-10 To 30-SEP-11	6	97.25	94.97	96.83	05.90	98.08	78.23	103.52	78.23 to 103.52	114,833	111,196
01-OCT-11 To 30-SEP-12	9	99.53	108.50	107.15	19.01	101.26	66.62	163.62	91.36 to 140.81	50,151	53,734
<u>Calendar Yrs</u>											
01-JAN-10 To 31-DEC-10	4	93.26	82.22	79.32	17.05	103.66	39.68	102.67	N/A	23,500	18,640
01-JAN-11 To 31-DEC-11	7	98.60	96.13	97.33	04.60	98.77	78.23	103.52	78.23 to 103.52	100,500	97,820
<u>ALL</u>	18	98.43	98.98	99.55	15.48	99.43	39.68	163.62	92.95 to 102.67	65,381	65,086

VALUATION GROUPING										Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.		
01	18	98.43	98.98	99.55	15.48	99.43	39.68	163.62	92.95 to 102.67	65,381	65,086
<u>ALL</u>	18	98.43	98.98	99.55	15.48	99.43	39.68	163.62	92.95 to 102.67	65,381	65,086

PROPERTY TYPE *										Avg. Adj. Sale Price	Avg. Assd. Val
RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.		
02											
03	18	98.43	98.98	99.55	15.48	99.43	39.68	163.62	92.95 to 102.67	65,381	65,086
04											
<u>ALL</u>	18	98.43	98.98	99.55	15.48	99.43	39.68	163.62	92.95 to 102.67	65,381	65,086

42 Harlan
COMMERCIAL

PAD 2013 R&O Statistics (Using 2013 Values)

Qualified

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

Number of Sales : 18
Total Sales Price : 1,176,859
Total Adj. Sales Price : 1,176,859
Total Assessed Value : 1,171,540
Avg. Adj. Sales Price : 65,381
Avg. Assessed Value : 65,086

MEDIAN : 98
WGT. MEAN : 100
MEAN : 99
COD : 15.48
PRD : 99.43

COV : 26.26
STD : 25.99
Avg. Abs. Dev : 15.24
MAX Sales Ratio : 163.62
MIN Sales Ratio : 39.68

95% Median C.I. : 92.95 to 102.67
95% Wgt. Mean C.I. : 88.39 to 110.70
95% Mean C.I. : 86.05 to 111.91

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SALE PRICE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
Low \$ Ranges											
Less Than 5,000	3	100.00	98.01	95.77	03.77	102.34	91.36	102.67	N/A	2,590	2,480
Less Than 15,000	5	97.13	96.82	95.37	03.78	101.52	91.36	102.67	N/A	5,954	5,678
Less Than 30,000	7	97.13	88.86	76.35	11.31	116.39	39.68	102.67	39.68 to 102.67	10,110	7,719
Ranges Excl. Low \$											
Greater Than 4,999	15	98.25	99.17	99.57	17.72	99.60	39.68	163.62	92.95 to 103.52	77,939	77,607
Greater Than 14,999	13	98.60	99.81	99.66	19.85	100.15	39.68	163.62	78.23 to 118.56	88,238	87,935
Greater Than 29,999	11	99.53	105.42	101.03	17.74	104.35	66.62	163.62	78.23 to 140.81	100,554	101,592
Incremental Ranges											
0 TO 4,999	3	100.00	98.01	95.77	03.77	102.34	91.36	102.67	N/A	2,590	2,480
5,000 TO 14,999	2	95.04	95.04	95.23	02.20	99.80	92.95	97.13	N/A	11,000	10,475
15,000 TO 29,999	2	68.97	68.97	62.54	42.47	110.28	39.68	98.25	N/A	20,500	12,820
30,000 TO 59,999	5	118.56	123.03	123.08	18.94	99.96	93.57	163.62	N/A	50,118	61,685
60,000 TO 99,999	3	95.89	87.35	85.08	11.44	102.67	66.62	99.53	N/A	72,667	61,822
100,000 TO 149,999	2	89.44	89.44	89.00	12.53	100.49	78.23	100.65	N/A	125,000	111,245
150,000 TO 249,999											
250,000 TO 499,999	1	103.52	103.52	103.52	00.00	100.00	103.52	103.52	N/A	387,500	401,130
500,000 TO 999,999											
1,000,000 +											
ALL	18	98.43	98.98	99.55	15.48	99.43	39.68	163.62	92.95 to 102.67	65,381	65,086

OCCUPANCY CODE

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
303	1	100.65	100.65	100.65	00.00	100.00	100.65	100.65	N/A	120,000	120,785
344	3	102.67	105.71	105.14	07.36	100.54	95.89	118.56	N/A	40,000	42,055
350	2	133.57	133.57	110.31	22.50	121.09	103.52	163.62	N/A	218,420	240,930
353	7	98.25	102.73	113.93	08.43	90.17	91.36	140.81	91.36 to 140.81	19,931	22,709
406	2	66.63	66.63	77.24	40.45	86.26	39.68	93.57	N/A	41,250	31,863
467	1	99.53	99.53	99.53	00.00	100.00	99.53	99.53	N/A	60,000	59,715
477	1	78.23	78.23	78.23	00.00	100.00	78.23	78.23	N/A	130,000	101,705
528	1	66.62	66.62	66.62	00.00	100.00	66.62	66.62	N/A	88,000	58,625
ALL	18	98.43	98.98	99.55	15.48	99.43	39.68	163.62	92.95 to 102.67	65,381	65,086

2013 Correlation Section for Harlan County

A. Commercial Real Property

Harlan County is made up of seven small communities and contains the Harlan County Reservoir. Only the town of Alma has an active commercial district, but even there sales are sporadic and the market is not organized. Alma, Republican City, and the marinas at the lake receive some seasonal influence based on their proximity to the lake; there are few commercial parcels in the rest of the county. Although there are some economic differences, the county values commercial property more by occupancy code with locational differences accounted for in the land values; therefore, there are no valuation groupings within the class.

The county is in compliance with the six year review requirement. All commercial parcels countywide were inspected for assessment year 2013 by the contracted appraisal services. The review included both an interior and exterior inspection where permitted.

The Department completes two scheduled reviews annually. The first is a cyclical review of assessment practices in which one-third of the counties are reviewed each year. Harlan County received this review during 2011. The review indicated that assessment actions had been uniformly applied to sold and unsold parcels, but that it had been some time since commercial property had been reviewed and re-priced within the county. This issue was resolved in 2013 with a complete reappraisal of the class. The second review was conducted in all counties during 2012 and involves a review of sales qualification determinations. In Harlan County, non-qualified sales rosters were reviewed to determine whether qualification determinations were unbiased and documented. An on-site interview with the county assessor and spot check of verification documentation was also conducted. Verification documentation was found to be thorough and well documented; the review revealed that all arm's length transactions were made available for the measurement of real property within the county.

A review of the statistical profile of the commercial sample reveals a sample of 18 sales. The measures of central tendency and the qualitative statistics are all within the acceptable range. These results are expected since a reappraisal was just conducted using these sales to create a valuation model; however, the sample is still too small to be relied upon for estimating the level of value with precision. Review of the sold parcels compared to the abstract reveals similar movement of sold and unsold properties, therefore, it is believed that adjustments were uniformly applied within the class.

Based on a review of all available evidence, the level of value of commercial property in Harlan County is believed to be within the acceptable range; however, there is insufficient information with which to provide a specific point estimate for the level of value. Assessment practices are believed to be in compliance with generally accepted mass appraisal standards.

**2013 Correlation Section
for Harlan County**

B. Analysis of Sales Verification

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

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

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

**2013 Correlation Section
for Harlan County**

C. Measures of Central Tendency

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

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

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

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

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

**2013 Correlation Section
for Harlan County**

D. Analysis of Quality of Assessment

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

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

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

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

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

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

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

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

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

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

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

**2013 Correlation Section
for Harlan County**

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

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

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

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

2013 Agricultural Assessment Actions for Harlan County

The cost tables were updated for the agricultural improvements to the Marshall & Swift June 2012 tables. No other adjustments were made to the appraisal tables; the pickup work was completed timely.

A sale study of agricultural land was completed. Adjustments were made to all land values. Irrigated and dry land increased 28% in all market areas, grass increased 20% in all market areas.

2013 Agricultural Assessment Survey for Harlan County

1.	Valuation data collection done by:	
	The assessor and the deputy assessor	
2.	List each market area, and describe the location and the specific characteristics that make each unique.	
	Market Area	Description of unique characteristics
	01	Area 1 is in the northeast part of the county; it contains the best farmland with shallow well depths making irrigation more viable in this area than the rest of the county.
	02	Area 2 is rolling hills with poorer soil types. There are areas of good level farm ground where the majority of the irrigated parcels lie, however well depths will vary in this area; generally this area is less desirable than area 1.
	03	Area 3 is south of the Republican River. The terrain in this market area is rough and the soil quality is generally poor. Irrigation is not feasible except near streams beds. The majority of this area is pasture land with small dry land tracts where farming is feasible.
3.	Describe the process used to determine and monitor market areas.	
	The market areas were developed based on soil types and topographic characteristics. Annually, a sales study is completed to monitor the market areas.	
4.	Describe the process used to identify rural residential land and recreational land in the county apart from agricultural land.	
	Land is classified based on the findings of the periodic land use studies. Generally, parcels of less than 20 acres will be examined more carefully for alternative uses. Sales verification questionnaires and normal discovery also help to identify non-agricultural uses.	
5.	Do farm home sites carry the same value as rural residential home sites? If not, what are the market differences?	
	Yes, farm home sites and rural residential home sites are valued the same.	
6.	Describe the process used to identify and monitor the influence of non-agricultural characteristics.	
	The sales verification process and annual ratio study helps to monitor non-agricultural influences.	
7.	Have special valuation applications been filed in the county? If a value difference is recognized describe the process used to develop the uninfluenced value.	
	No	
8.	If applicable, describe the process used to develop assessed values for parcels enrolled in the Wetland Reserve Program.	
	n/a	

42 Harlan
AGRICULTURAL LAND

PAD 2013 R&O Statistics (Using 2013 Values)

Qualified

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

Number of Sales : 73
Total Sales Price : 24,186,412
Total Adj. Sales Price : 24,096,112
Total Assessed Value : 15,828,848
Avg. Adj. Sales Price : 330,084
Avg. Assessed Value : 216,834

MEDIAN : 72
WGT. MEAN : 66
MEAN : 77
COD : 32.81
PRD : 117.51

COV : 41.13
STD : 31.75
Avg. Abs. Dev : 23.49
MAX Sales Ratio : 176.76
MIN Sales Ratio : 16.97

95% Median C.I. : 67.15 to 81.93
95% Wgt. Mean C.I. : 56.38 to 75.00
95% Mean C.I. : 69.91 to 84.47

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DATE OF SALE *

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
<u>Qtrts</u>											
01-OCT-09 To 31-DEC-09	7	70.98	91.76	75.37	35.18	121.75	62.12	146.26	62.12 to 146.26	185,200	139,582
01-JAN-10 To 31-MAR-10	5	88.77	87.30	77.69	12.49	112.37	67.15	109.29	N/A	314,860	244,616
01-APR-10 To 30-JUN-10	3	95.38	99.61	98.03	06.45	101.61	92.50	110.94	N/A	180,333	176,777
01-JUL-10 To 30-SEP-10	9	81.03	91.77	95.17	27.06	96.43	56.71	161.42	65.99 to 113.76	248,787	236,769
01-OCT-10 To 31-DEC-10	14	88.11	92.05	93.24	24.30	98.72	38.31	176.76	70.03 to 106.80	261,546	243,877
01-JAN-11 To 31-MAR-11	4	70.54	69.38	69.66	03.66	99.60	64.13	72.31	N/A	279,583	194,749
01-APR-11 To 30-JUN-11	3	65.42	68.98	79.63	20.91	86.63	50.25	91.28	N/A	213,333	169,871
01-JUL-11 To 30-SEP-11	5	55.25	52.18	46.57	12.25	112.05	34.12	59.91	N/A	321,160	149,562
01-OCT-11 To 31-DEC-11	4	70.09	78.32	62.73	31.50	124.85	43.87	129.24	N/A	310,735	194,920
01-JAN-12 To 31-MAR-12	7	44.27	53.54	47.45	34.83	112.83	36.88	81.93	36.88 to 81.93	699,141	331,774
01-APR-12 To 30-JUN-12	8	39.55	54.25	42.19	69.51	128.58	16.97	125.80	16.97 to 125.80	529,398	223,373
01-JUL-12 To 30-SEP-12	4	67.80	68.82	59.92	17.55	114.85	48.38	91.30	N/A	261,860	156,917
<u>Study Yrs</u>											
01-OCT-09 To 30-SEP-10	24	88.32	91.82	86.03	23.00	106.73	56.71	161.42	70.98 to 108.10	235,449	202,559
01-OCT-10 To 30-SEP-11	26	71.96	78.24	77.58	28.06	100.85	34.12	176.76	64.13 to 88.27	270,222	209,642
01-OCT-11 To 30-SEP-12	23	49.32	60.76	48.31	48.64	125.77	16.97	129.24	37.40 to 71.55	496,502	239,859
<u>Calendar Yrs</u>											
01-JAN-10 To 31-DEC-10	31	88.27	91.94	91.05	21.75	100.98	38.31	176.76	78.37 to 92.50	258,581	235,439
01-JAN-11 To 31-DEC-11	16	64.78	66.16	61.13	21.26	108.23	34.12	129.24	51.76 to 71.60	287,942	176,006
<u>ALL</u>	73	71.60	77.19	65.69	32.81	117.51	16.97	176.76	67.15 to 81.93	330,084	216,834

AREA (MARKET)

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
1	10	75.34	76.62	66.88	29.49	114.56	34.12	149.39	36.88 to 93.10	321,093	214,751
2	35	71.55	78.57	64.82	31.53	121.21	19.86	176.76	65.99 to 88.77	429,140	278,161
3	28	71.78	75.68	67.27	34.90	112.50	16.97	133.70	55.25 to 88.27	209,474	140,918
<u>ALL</u>	73	71.60	77.19	65.69	32.81	117.51	16.97	176.76	67.15 to 81.93	330,084	216,834

42 Harlan
AGRICULTURAL LAND

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Qualified

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 95% Wgt. Mean C.I. : 56.38 to 75.00
 95% Mean C.I. : 69.91 to 84.47

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95%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Irrigated_____											
County	5	70.98	85.07	65.20	32.60	130.48	49.32	146.26	N/A	437,000	284,907
2	5	70.98	85.07	65.20	32.60	130.48	49.32	146.26	N/A	437,000	284,907
_____Dry_____											
County	7	64.13	62.69	56.93	25.14	110.12	34.12	93.10	34.12 to 93.10	312,948	178,147
1	6	68.22	63.15	56.75	26.55	111.28	34.12	93.10	34.12 to 93.10	344,689	195,606
3	1	59.91	59.91	59.91	00.00	100.00	59.91	59.91	N/A	122,500	73,395
_____Grass_____											
County	12	73.27	80.22	72.94	29.51	109.98	37.02	133.70	59.05 to 109.29	113,151	82,531
1	1	92.31	92.31	92.31	00.00	100.00	92.31	92.31	N/A	104,299	96,276
2	4	68.51	76.34	72.27	20.60	105.63	59.05	109.29	N/A	128,000	92,506
3	7	74.94	80.71	70.68	34.12	114.19	37.02	133.70	37.02 to 133.70	105,930	74,868
_____ALL_____	73	71.60	77.19	65.69	32.81	117.51	16.97	176.76	67.15 to 81.93	330,084	216,834

80%MLU By Market Area

RANGE	COUNT	MEDIAN	MEAN	WGT.MEAN	COD	PRD	MIN	MAX	95%_Median_C.I.	Avg. Adj. Sale Price	Avg. Assd. Val
_____Irrigated_____											
County	16	68.70	72.00	58.98	24.00	122.08	35.81	146.26	59.84 to 88.77	600,781	354,324
1	1	64.54	64.54	64.54	00.00	100.00	64.54	64.54	N/A	593,500	383,036
2	13	70.03	73.88	57.77	27.06	127.89	35.81	146.26	49.32 to 89.20	613,385	354,335
3	2	63.50	63.50	65.05	05.76	97.62	59.84	67.15	N/A	522,500	339,896
_____Dry_____											
County	12	68.22	69.59	65.85	30.28	105.68	34.12	108.56	43.28 to 93.10	263,650	173,608
1	7	72.31	65.71	59.36	23.19	110.70	34.12	93.10	34.12 to 93.10	331,019	196,486
3	5	59.91	75.02	83.61	39.44	89.73	43.28	108.56	N/A	169,333	141,579
_____Grass_____											
County	15	74.94	80.02	73.46	25.81	108.93	37.02	133.70	65.42 to 92.31	107,893	79,254
1	1	92.31	92.31	92.31	00.00	100.00	92.31	92.31	N/A	104,299	96,276
2	5	65.99	74.27	71.02	17.09	104.58	59.05	109.29	N/A	127,900	90,832
3	9	75.00	81.84	72.99	29.73	112.12	37.02	133.70	50.25 to 125.80	97,178	70,931
_____ALL_____	73	71.60	77.19	65.69	32.81	117.51	16.97	176.76	67.15 to 81.93	330,084	216,834

Harlan County 2013 Average Acre Value Comparison

County	Mkt Area	1A1	1A	2A1	2A	3A1	3A	4A1	4A	AVG IRR
Harlan	1	N/A	3,206	2,580	2,235	N/A	N/A	1,485	1,485	2,925
Franklin	2	3,040	3,049	2,898	2,883	2,362	2,133	2,337	2,293	2,866
Phelps	1	2,806	3,800	3,000	2,798	2,500	2,400	2,300	2,100	3,526
Kearney	1	N/A	3,585	2,930	2,675	1,780	1,210	1,210	910	2,932
Harlan	2	2,995	2,820	2,335	2,030	1,687	1,544	1,485	1,485	2,424
Furnas	1	3,050	2,750	2,290	2,175	1,655	1,540	1,410	1,410	2,459
Gosper	4	N/A	2,900	2,460	2,050	1,915	N/A	1,775	1,645	2,446
Phelps	2	N/A	2,300	2,000	1,800	1,600	1,500	1,400	1,300	1,975
Harlan	3	N/A	2,157	1,760	1,515	1,380	N/A	1,380	1,380	1,903
Franklin	1	2,593	2,599	2,335	2,328	1,710	1,671	1,710	1,698	2,331

County	Mkt Area	1D1	1D	2D1	2D	3D1	3D	4D1	4D	AVG DRY
Harlan	1	N/A	1,554	1,380	1,370	N/A	N/A	935	935	1,448
Franklin	2	1,485	1,485	1,255	1,255	1,130	1,020	975	975	1,343
Phelps	1	1,400	1,400	1,200	1,100	1,050	1,000	900	800	1,277
Kearney	1	N/A	1,600	1,500	1,400	850	650	650	500	1,348
Harlan	2	1,180	1,165	980	955	825	808	815	815	1,083
Furnas	1	1,450	1,450	1,100	1,100	950	950	850	850	1,260
Gosper	4	N/A	1,080	1,009	945	865	N/A	715	715	999
Phelps	2	N/A	1,400	1,200	1,100	1,050	1,000	900	800	1,158
Harlan	3	0	1,172	985	955	N/A	N/A	815	815	1,081
Franklin	1	1,125	1,125	1,055	900	830	795	750	750	941

County	Mkt Area	1G1	1G	2G1	2G	3G1	3G	4G1	4G	AVG GRASS
Harlan	1	N/A	600	600	600	N/A	N/A	600	600	600
Franklin	2	815	805	725	710	700	700	650	650	670
Phelps	1	750	925	1,127	813	728	726	639	530	708
Kearney	1	N/A	600	600	600	600	600	600	550	592
Harlan	2	N/A	600	600	600	600	600	600	600	600
Furnas	1	650	650	620	620	500	485	450	425	454
Gosper	4	N/A	690	610	550	500	N/A	480	480	498
Phelps	2	N/A	600	550	500	506	475	463	450	465
Harlan	3	N/A	601	614	600	N/A	N/A	601	600	601
Franklin	1	710	675	675	675	675	675	675	675	675

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

2013 Correlation Section for Harlan County

A. Agricultural Land

Harlan County is in the center of the Republican River Basin. The county is split into three different market areas; however, grassland is valued the same throughout the county and dry land is valued the same in areas two and three. Area one contains superior soils and flatter topography and carries a separate value for both irrigated and dry land. The county is primarily rolling plains. Harlan County is comparable to Furnas and Franklin Counties. All three of these counties are in the same natural resource district (NRD) and are affected by similar irrigation restrictions. The southwest corner of Gosper County, is in a different NRD, but has natural groundwater limitations which make it comparable to Harlan. Phelps County and Kearney County are not considered comparable due to topographical and soil differences and are also not impacted by water restrictions found in the Republican Basin.

Analysis of sales within the county showed that areas one and three had samples that were unreliably small and area two was not proportionately distributed when stratified by sale date. The samples were expanded with sales from the identified comparable areas in an attempt to correct these issues. After bringing in all possible sales, the sample for area one remains unreliably small, is not proportionately distributed, and is also over represented with dry land. This sample is not considered reliable for measurement purposes; areas two and three both meet the Department's prescribed thresholds.

Adjustments made by the county assessor for 2013 include uniform adjustments to all irrigated and dry cropland, with a somewhat lesser adjustment to grass. These adjustments are typical for the agricultural land market in this part of the state. Comparison of cropland values between Furnas, Harlan, and Franklin counties is never obvious, because each county has a different methodology for establishing values, some by the creation of market areas, others within the LCG structure. However, these counties usually achieve reasonably similar assessed values through their varying approaches; and for 2013, Harlan County's values do reasonably compare to the comparable adjoining counties. Analysis of the calculated statistics also suggests that Harlan County has achieved agricultural land values within the acceptable range; the majority land use subclasses are too small to be relied upon.

Based on the review of all available information, the level of value of agricultural land in Harlan County is 72%; because the county assessor made adjustments in all land use subclasses that were appropriate for the market all subclasses are determined to be in the acceptable range.

**2013 Correlation Section
for Harlan County**

B. Analysis of Sales Verification

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

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

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

**2013 Correlation Section
for Harlan County**

C. Measures of Central Tendency

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

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

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

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

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

**2013 Correlation Section
for Harlan County**

D. Analysis of Quality of Assessment

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

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

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

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

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

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

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

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

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

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

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

**2013 Correlation Section
for Harlan County**

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

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

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

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

Total Real Property Sum Lines 17, 25, & 30	Records : 4,888	Value : 611,390,620	Growth 5,453,202	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	238	587,630	41	383,305	19	85,170	298	1,056,105	
02. Res Improve Land	1,269	5,601,755	172	4,560,830	220	4,591,785	1,661	14,754,370	
03. Res Improvements	1,269	52,365,045	172	15,117,565	220	18,463,240	1,661	85,945,850	
04. Res Total	1,507	58,554,430	213	20,061,700	239	23,140,195	1,959	101,756,325	1,264,203
% of Res Total	76.93	57.54	10.87	19.72	12.20	22.74	40.08	16.64	23.18
05. Com UnImp Land	46	160,055	1	1,500	2	11,160	49	172,715	
06. Com Improve Land	230	1,254,160	5	18,900	11	82,680	246	1,355,740	
07. Com Improvements	230	17,658,820	5	1,929,885	11	4,287,295	246	23,876,000	
08. Com Total	276	19,073,035	6	1,950,285	13	4,381,135	295	25,404,455	970,544
% of Com Total	93.56	75.08	2.03	7.68	4.41	17.25	6.04	4.16	17.80
09. Ind UnImp Land	0	0	0	0	0	0	0	0	
10. Ind Improve Land	0	0	0	0	0	0	0	0	
11. Ind Improvements	0	0	0	0	0	0	0	0	
12. Ind Total	0	0	0	0	0	0	0	0	0
% of Ind Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13. Rec UnImp Land	0	0	1	5,400	0	0	1	5,400	
14. Rec Improve Land	13	0	358	2,697,795	1	12,180	372	2,709,975	
15. Rec Improvements	13	105,960	358	8,009,470	1	750	372	8,116,180	
16. Rec Total	13	105,960	359	10,712,665	1	12,930	373	10,831,555	360,479
% of Rec Total	3.49	0.98	96.25	98.90	0.27	0.12	7.63	1.77	6.61
Res & Rec Total	1,520	58,660,390	572	30,774,365	240	23,153,125	2,332	112,587,880	1,624,682
% of Res & Rec Total	65.18	52.10	24.53	27.33	10.29	20.56	47.71	18.42	29.79
Com & Ind Total	276	19,073,035	6	1,950,285	13	4,381,135	295	25,404,455	970,544
% of Com & Ind Total	93.56	75.08	2.03	7.68	4.41	17.25	6.04	4.16	17.80
17. Taxable Total	1,796	77,733,425	578	32,724,650	253	27,534,260	2,627	137,992,335	2,595,226
% of Taxable Total	68.37	56.33	22.00	23.71	9.63	19.95	53.74	22.57	47.59

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	4	197,065	2,327,080	0	0	0
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
	Rural			Total		
	Records	Value Base	Value Excess	Records	Value Base	Value Excess
18. Residential	0	0	0	0	0	0
19. Commercial	0	0	0	4	197,065	2,327,080
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
22. Total Sch II				4	197,065	2,327,080

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	5	1,596,950	5	1,596,950	0
24. Non-Producing	0	0	0	0	0	0	0	0	0
25. Total	0	0	0	0	0	0	5	1,596,950	0

Schedule IV : Exempt Records : Non-Agricultural

	Urban Records	SubUrban Records	Rural Records	Total Records
26. Exempt	113	0	10	123

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	5	122,965	10	101,205	1,786	338,157,085	1,801	338,381,255
28. Ag-Improved Land	1	205,965	1	15,500	431	105,590,615	433	105,812,080
29. Ag Improvements	1	496,450	1	13,750	453	27,097,800	455	27,608,000
30. Ag Total							2,256	471,801,335

Schedule VI : Agricultural Records :Non-Agricultural Detail

	Urban			SubUrban			Growth
	Records	Acres	Value	Records	Acres	Value	
31. HomeSite UnImp Land	0	0.00	0	0	0.00	0	
32. HomeSite Improv Land	0	0.00	0	0	0.00	0	
33. HomeSite Improvements	0	0.00	0	0	0.00	0	
34. HomeSite Total							
35. FarmSite UnImp Land	1	4.00	4,000	8	15.00	7,500	
36. FarmSite Improv Land	1	204.00	39,565	1	2.00	15,500	
37. FarmSite Improvements	1	0.00	496,450	1	0.00	13,750	
38. FarmSite Total							
39. Road & Ditches	0	8.00	0	0	0.00	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
	Records	Acres	Value	Records	Acres	Value	Growth
31. HomeSite UnImp Land	23	23.00	115,000	23	23.00	115,000	
32. HomeSite Improv Land	287	298.00	4,205,500	287	298.00	4,205,500	
33. HomeSite Improvements	287	0.00	16,838,910	287	0.00	16,838,910	1,844,576
34. HomeSite Total				310	321.00	21,159,410	
35. FarmSite UnImp Land	72	146.60	92,300	81	165.60	103,800	
36. FarmSite Improv Land	418	1,091.03	632,880	420	1,297.03	687,945	
37. FarmSite Improvements	440	0.00	10,258,890	442	0.00	10,769,090	1,013,400
38. FarmSite Total				523	1,462.63	11,560,835	
39. Road & Ditches	0	6,407.52	0	0	6,415.52	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
41. Total Section VI				833	8,199.15	32,720,245	2,857,976

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

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

Schedule VIII : Agricultural Records : Special Value

	Urban			SubUrban		
	Records	Acres	Value	Records	Acres	Value
43. Special Value	0	0.00	0	0	0.00	0
44. Recapture Value N/A	0	0.00	0	0	0.00	0
	Rural			Total		
	Records	Acres	Value	Records	Acres	Value
43. Special Value	0	0.00	0	0	0.00	0
44. Market Value	0	0	0	0	0	0

* LB 968 (2006) for tax year 2009 and forward there will be no Recapture value.

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 1

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	19,139.00	81.45%	61,360,310	89.28%	3,206.04
47. 2A1	758.00	3.23%	1,955,640	2.85%	2,580.00
48. 2A	84.00	0.36%	187,740	0.27%	2,235.00
49. 3A1	0.00	0.00%	0	0.00%	0.00
50. 3A	0.00	0.00%	0	0.00%	0.00
51. 4A1	1,205.00	5.13%	1,789,425	2.60%	1,485.00
52. 4A	2,311.00	9.84%	3,431,835	4.99%	1,485.00
53. Total	23,497.00	100.00%	68,724,950	100.00%	2,924.84
Dry					
54. 1D1	0.00	0.00%	0	0.00%	0.00
55. 1D	7,743.00	79.64%	12,029,935	85.44%	1,553.65
56. 2D1	419.00	4.31%	578,220	4.11%	1,380.00
57. 2D	29.00	0.30%	39,730	0.28%	1,370.00
58. 3D1	0.00	0.00%	0	0.00%	0.00
59. 3D	0.00	0.00%	0	0.00%	0.00
60. 4D1	626.00	6.44%	585,310	4.16%	935.00
61. 4D	905.00	9.31%	846,175	6.01%	935.00
62. Total	9,722.00	100.00%	14,079,370	100.00%	1,448.20
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	919.00	16.37%	551,400	16.37%	600.00
65. 2G1	220.00	3.92%	132,000	3.92%	600.00
66. 2G	70.00	1.25%	42,000	1.25%	600.00
67. 3G1	0.00	0.00%	0	0.00%	0.00
68. 3G	0.00	0.00%	0	0.00%	0.00
69. 4G1	413.00	7.36%	247,800	7.36%	600.00
70. 4G	3,992.00	71.11%	2,395,200	71.11%	600.00
71. Total	5,614.00	100.00%	3,368,400	100.00%	600.00
Irrigated Total					
	23,497.00	60.27%	68,724,950	79.74%	2,924.84
Dry Total					
	9,722.00	24.94%	14,079,370	16.34%	1,448.20
Grass Total					
	5,614.00	14.40%	3,368,400	3.91%	600.00
72. Waste	155.00	0.40%	15,500	0.02%	100.00
73. Other	0.00	0.00%	0	0.00%	0.00
74. Exempt	44.04	0.11%	0	0.00%	0.00
75. Market Area Total	38,988.00	100.00%	86,188,220	100.00%	2,210.63

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 2

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	78.70	0.10%	235,705	0.13%	2,994.98
46. 1A	49,634.03	64.86%	139,975,390	75.45%	2,820.15
47. 2A1	5,741.00	7.50%	13,408,090	7.23%	2,335.50
48. 2A	772.00	1.01%	1,567,160	0.84%	2,030.00
49. 3A1	606.00	0.79%	1,022,040	0.55%	1,686.53
50. 3A	1,083.00	1.42%	1,671,810	0.90%	1,543.68
51. 4A1	4,062.70	5.31%	6,033,110	3.25%	1,485.00
52. 4A	14,549.00	19.01%	21,605,265	11.65%	1,485.00
53. Total	76,526.43	100.00%	185,518,570	100.00%	2,424.24
Dry					
54. 1D1	5.00	0.01%	5,900	0.01%	1,180.00
55. 1D	43,428.75	75.31%	50,593,465	81.01%	1,164.98
56. 2D1	1,319.00	2.29%	1,292,000	2.07%	979.53
57. 2D	248.00	0.43%	236,840	0.38%	955.00
58. 3D1	162.00	0.28%	133,650	0.21%	825.00
59. 3D	139.00	0.24%	112,365	0.18%	808.38
60. 4D1	4,363.00	7.57%	3,555,845	5.69%	815.00
61. 4D	8,003.36	13.88%	6,522,740	10.44%	815.00
62. Total	57,668.11	100.00%	62,452,805	100.00%	1,082.97
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	8,113.00	11.17%	4,867,200	11.17%	599.93
65. 2G1	901.00	1.24%	540,600	1.24%	600.00
66. 2G	483.00	0.66%	289,800	0.66%	600.00
67. 3G1	62.00	0.09%	37,200	0.09%	600.00
68. 3G	103.00	0.14%	61,800	0.14%	600.00
69. 4G1	4,420.00	6.08%	2,652,000	6.08%	600.00
70. 4G	58,561.83	80.62%	35,137,095	80.62%	600.00
71. Total	72,643.83	100.00%	43,585,695	100.00%	599.99
Irrigated Total					
	76,526.43	36.29%	185,518,570	63.54%	2,424.24
Dry Total					
	57,668.11	27.35%	62,452,805	21.39%	1,082.97
Grass Total					
	72,643.83	34.45%	43,585,695	14.93%	599.99
72. Waste	4,040.00	1.92%	404,000	0.14%	100.00
73. Other	0.00	0.00%	0	0.00%	0.00
74. Exempt	14,350.76	6.81%	0	0.00%	0.00
75. Market Area Total	210,878.37	100.00%	291,961,070	100.00%	1,384.50

Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 3

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	0.00	0.00%	0	0.00%	0.00
46. 1A	2,478.20	64.42%	5,346,485	73.02%	2,157.41
47. 2A1	225.00	5.85%	396,000	5.41%	1,760.00
48. 2A	7.00	0.18%	10,605	0.14%	1,515.00
49. 3A1	3.00	0.08%	4,140	0.06%	1,380.00
50. 3A	0.00	0.00%	0	0.00%	0.00
51. 4A1	166.00	4.31%	229,080	3.13%	1,380.00
52. 4A	968.00	25.16%	1,335,840	18.24%	1,380.00
53. Total	3,847.20	100.00%	7,322,150	100.00%	1,903.24
Dry					
54. 1D1	2.00	0.01%	0	0.00%	0.00
55. 1D	21,273.00	74.20%	24,933,800	80.42%	1,172.09
56. 2D1	228.00	0.80%	224,580	0.72%	985.00
57. 2D	38.00	0.13%	36,290	0.12%	955.00
58. 3D1	0.00	0.00%	0	0.00%	0.00
59. 3D	0.00	0.00%	0	0.00%	0.00
60. 4D1	1,662.00	5.80%	1,354,530	4.37%	815.00
61. 4D	5,466.00	19.07%	4,455,230	14.37%	815.08
62. Total	28,669.00	100.00%	31,004,430	100.00%	1,081.46
Grass					
63. 1G1	0.00	0.00%	0	0.00%	0.00
64. 1G	3,852.00	10.26%	2,316,385	10.27%	601.35
65. 2G1	49.00	0.13%	30,080	0.13%	613.88
66. 2G	88.00	0.23%	52,800	0.23%	600.00
67. 3G1	0.00	0.00%	0	0.00%	0.00
68. 3G	0.00	0.00%	0	0.00%	0.00
69. 4G1	1,840.00	4.90%	1,105,785	4.90%	600.97
70. 4G	31,706.60	84.47%	19,039,770	84.45%	600.50
71. Total	37,535.60	100.00%	22,544,820	100.00%	600.63
Irrigated Total					
	3,847.20	5.44%	7,322,150	12.02%	1,903.24
Dry Total					
	28,669.00	40.58%	31,004,430	50.88%	1,081.46
Grass Total					
	37,535.60	53.12%	22,544,820	37.00%	600.63
72. Waste	604.00	0.85%	60,400	0.10%	100.00
73. Other	0.00	0.00%	0	0.00%	0.00
74. Exempt	0.00	0.00%	0	0.00%	0.00
75. Market Area Total	70,655.80	100.00%	60,931,800	100.00%	862.38

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
76. Irrigated	104.79	256,060	0.00	0	103,765.84	261,309,610	103,870.63	261,565,670
77. Dry Land	24.00	26,905	90.00	93,705	95,945.11	107,415,995	96,059.11	107,536,605
78. Grass	4.00	2,400	0.00	0	115,789.43	69,496,515	115,793.43	69,498,915
79. Waste	0.00	0	0.00	0	4,799.00	479,900	4,799.00	479,900
80. Other	0.00	0	0.00	0	0.00	0	0.00	0
81. Exempt	0.00	0	0.00	0	14,394.80	0	14,394.80	0
82. Total	132.79	285,365	90.00	93,705	320,299.38	438,702,020	320,522.17	439,081,090

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
Irrigated	103,870.63	32.41%	261,565,670	59.57%	2,518.19
Dry Land	96,059.11	29.97%	107,536,605	24.49%	1,119.48
Grass	115,793.43	36.13%	69,498,915	15.83%	600.20
Waste	4,799.00	1.50%	479,900	0.11%	100.00
Other	0.00	0.00%	0	0.00%	0.00
Exempt	14,394.80	4.49%	0	0.00%	0.00
Total	320,522.17	100.00%	439,081,090	100.00%	1,369.89

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

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	2012 CTL County Total	2013 Form 45 County Total	Value Difference (2013 form 45 - 2012 CTL)	Percent Change	2013 Growth (New Construction Value)	Percent Change excl. Growth
01. Residential	94,275,550	101,756,325	7,480,775	7.94%	1,264,203	6.59%
02. Recreational	9,225,670	10,831,555	1,605,885	17.41%	360,479	13.50%
03. Ag-Homesite Land, Ag-Res Dwelling	18,941,605	21,159,410	2,217,805	11.71%	1,844,576	1.97%
04. Total Residential (sum lines 1-3)	122,442,825	133,747,290	11,304,465	9.23%	3,469,258	6.40%
05. Commercial	22,552,465	25,404,455	2,851,990	12.65%	970,544	8.34%
06. Industrial	0	0	0		0	
07. Ag-Farmsite Land, Outbuildings	9,377,945	11,560,835	2,182,890	23.28%	1,013,400	12.47%
08. Minerals	1,719,150	1,596,950	-122,200	-7.11	0	-7.11
09. Total Commercial (sum lines 5-8)	33,649,560	38,562,240	4,912,680	14.60%	1,983,944	8.70%
10. Total Non-Agland Real Property	156,092,385	172,309,530	16,217,145	10.39%	5,453,202	6.90%
11. Irrigated	204,155,445	261,565,670	57,410,225	28.12%		
12. Dryland	83,895,035	107,536,605	23,641,570	28.18%		
13. Grassland	58,158,215	69,498,915	11,340,700	19.50%		
14. Wasteland	239,900	479,900	240,000	100.04%		
15. Other Agland	0	0	0			
16. Total Agricultural Land	346,448,595	439,081,090	92,632,495	26.74%		
17. Total Value of all Real Property (Locally Assessed)	502,540,980	611,390,620	108,849,640	21.66%	5,453,202	20.57%

**2012 PLAN OF ASSESSMENT
FOR
HARLAN COUNTY
By Pam Meisenbach**

Plan of Assessment Requirements:

Pursuant to Neb. Rev. Stat. §77-1311.02 (2007), on or before June 15 each year, the assessor shall prepare a plan of assessment, (herein after referred to as the “plan”), which describes the assessment actions planned for the next assessment year and two years thereafter. The plan shall indicate the classes or subclasses of real property that the county assessor plans to examine during the years contained in the plan of assessment. The plan shall describe all the assessment actions necessary to achieve the levels of value and quality of assessment practices required by law, and the resources necessary to complete those actions. 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 Revenue, Property Assessment Division 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 permitted by the constitution and enabling legislation adopted by the legislature. The uniform standard for the assessed value of real property for tax purposes is actual value, which is defined by law as “the market value of real property in the ordinary course of trade.” Neb. Rev. Stat. §77-112 (2003).

Assessment levels required for real property are as follows:

- 1) 100% of actual value for all classes of real property excluding agricultural and horticultural land;
- 2) 75% of actual value for agricultural land and horticultural land; and
- 3) 75% of special value for agricultural and horticultural land which meets the qualifications for special valuation under §77-1344.

See Neb. Rev. Stat. §77-201 (2009).

General Description of Real Property in Harlan County:

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

	Parcels	% of Total Parcels	% of Taxable Value Base
Residential	1961	40%	19%
Commercial	291	6%	4%
Recreational	372	8%	2%
Agricultural	2247	46%	75%
Mineral	5	0	0
Exempt	189	0	0

Agricultural land - taxable acres 320,274.17

Other pertinent facts: For agland 36% of county is grass, 32% is irrigated, 30% is dry, and 2% is other.

For more information see 2012 Reports & Opinion, Abstract and Assessor Survey.

Current Resources:

A. Staff/Budget/Training

1 Assessor

1 Deputy Assessor

Harlan County budget \$163,554 for 2012-2013.

The assessor & Deputy are required to obtain 60 hours of continuing education every 4 years. The assessor has met all the educational hours required. The assessor also attends other workshops and meetings to further her knowledge of the assessment field.

B. Cadastral Maps

The Harlan County cadastral maps were purchased in 1982. The assessment staff maintains the maps. All new subdivisions and parcel splits are kept up to date, as well as ownership transfers. At the present time, the cadastral maps are in dire need of updating and repair work as the 30 years of use have taken its toll. We are anxiously awaiting the new GIS program, we have received a \$23,742 grant through the NE Records Board and hope to implement GIS in August 2012 so that we might be in line with the neighboring counties that already have a GIS program.

C. Property Record Cards

We utilize the property record cards available from the old Terra Scan system & the new Orion System. We also have aerial photos of rural parcels from a 1984 flight. The information from our re-appraisal of 1995-6 is on the computer as reference. We add new information as we gather it in review and pick-up work to further enhance our records. These records are in good condition. We implemented our new Orion CAMA system on 7-18-2011 and have been working through all the transfer challenges.

D. Software for CAMA, Assessment Administration, GIS

Harlan County became a State assumed county in July 1998 and then went back to the County after 14 years on July 1, 2012. Alma, Oxford and Taylor Manor residential were all reviewed in 2008-2009. In 2010-2011 we finished the rural res review, we reviewed all residential in the North Shore Cabin Area, Orleans & Republican City. On July 18, 2011 we changed to the new CAMA system with Orion by Tyler Technologies. At this time we are redoing all of our sketches that did not transfer over onto our new APEX sketching program in Orion.

E. Web based – property record information access provided by Tyler Technologies
web site: <http://harlanrealproperty.nebraska.gov>

Current Assessment Procedures for Real Property:

- A. Discover, List & Inventory all property.
- B. Data Collection.
- C. Review assessment sales ratio studies before assessment actions.
- D. Approaches to Value;
 - 1) Market Approach; sales comparisons,
 - 2) Cost Approach; cost manual used & date of manual and latest depreciation study,
 - 3) Income Approach; income and expense data collection/analysis from the market,
 - 4) Land valuation studies, establish market areas, special value for agricultural land
- E. Reconciliation of Final Value and documentation
- F. Review assessment sales ratio studies after assessment actions.
- G. Notices and Public Relations

Level of Value, Quality, and Uniformity for assessment year 2012:

<u>Property Class</u>	<u>Median</u>	<u>COD*</u>	<u>PRD*</u>
Residential	.98	19.58	105.53
Commercial	N/A	48.86	N/A
Agricultural Land	.73	21.92	101.83
Special Value Agland	N/A	N/A	N/A

*COD means coefficient of dispersion and PRD means price related differential.
For more information regarding statistical measures see 2012 Reports & Opinions.

Assessment Actions Planned for Assessment Year 2013:

Continue with the new CAMA system with Tyler Technologies that was implemented in July 2011 and GIS implemented in August 2012. We will review statistics from previous year to find any hot spots to be corrected. Continue to track acres enrolled in CREP, EQIP & AWEP. Update ag land acre values with new sales data. Do normal pick-up work and sales reviews. With the new update of Marshall & Swift tables to 03/11 that came with our new CAMA system we plan to do a complete review of commercials. Finish reviewing the trailer parks at Patterson Harbor, North Shore Marina, and B & R and residential in Stamford, Huntley & Ragan. Start rural ag improvement reviews.

Assessment Actions Planned for Assessment Year 2014:

Continue to do county ag improvement review. Review residential at Alma, Oxford, Haskins & Hunters Hill. Review statistics to determine if any major or minor adjustments need to be made. Review market areas and any new TIF projects that develop. Do regular pick-up work and sale reviews. Verify accuracy of depreciation tables and site improvements tables with information from the market data.

Assessment Actions Planned for Assessment Year 2015:

We will review another part of the townships. Review statistics to see if any new data has appeared that would change any of our tables that are developed from the market. Do regular pick-up work based on building permits and information from the zoning director. Continue use of GIS.

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

1. Record Maintenance, Mapping updates, & Ownership changes
2. Annually prepare and file Assessor Administrative Reports required by law/regulation:
 - a. Abstracts (Real Property)
 - b. Assessor Survey
 - c. Sales information to PAD rosters & annual Assessed Value Update w/Abstract
 - d. Certification of Value to Political Subdivisions
 - e. School District Taxable Value Report
 - f. Homestead Exemption Tax Loss Report (in conjunction with Treasurer)
 - g. Certificate of Taxes Levied Report
 - h. Report of current values for properties owned by Board of Education Lands & Funds
 - i. Report of all Exempt Property and Taxable Government Owned Property
 - j. Annual Plan of Assessment Report
3. Personal Property; administer annual filing of 561 schedules; prepare subsequent notices for incomplete filings or failure to file and penalties applied, as required.
4. Permissive Exemptions: administer annual filings of applications for new or continued exempt use, review and make recommendations to county board.
5. Taxable Government Owned Property – annual review of government owned property not used for public purpose, send notices of intent to tax, etc.
6. Homestead Exemptions; administer 162 annual filings of applications, approval/denial process, taxpayer notifications, and taxpayer assistance.
7. Centrally Assessed – review of valuations as certified by PAD for railroads and public service entities, establish assessment records and tax billing for tax list.
8. Tax Increment Financing – management of record/valuation information for properties in community redevelopment projects for proper reporting on administrative reports and allocation of ad valorem tax.
9. Tax Districts and Tax Rates – management of school district and other tax entity boundary changes necessary for correct assessment and tax information; input/review of tax rates used for tax billing process.

10. Tax Lists; prepare and certify tax lists to county treasurer for real property, personal property, and centrally assessed.
11. Tax List Corrections – prepare tax list correction documents for county board approval.
12. County Board of Equalization - attend county board of equalization meetings for valuation protests – assemble and provide information
13. TERC Appeals - prepare information and attend taxpayer appeal hearings before TERC, defend valuation.
14. TERC Statewide Equalization – attend hearings if applicable to county, defend values, and/or implement orders of the TERC.
15. Education: Assessor Education – attend meetings, workshops, and educational classes to obtain required hours of continuing education to maintain assessor certification.

Conclusion:

With all the entities of county government that utilize the assessor records in their operation, it is paramount for this office to constantly work toward perfection in record keeping.

With the continual review of all properties, records will become more accurate, and values will be assessed more equally and fairly across the county. With a well-developed plan in place, this process can flow more smoothly. Sales review will continue to be important in order to adjust for market areas in the county.

Respectfully submitted:

Date: 7-27-2012

Assessor: Pam Meisenbach

2013 Assessment Survey for Harlan County

A. Staffing and Funding Information

1.	Deputy(ies) on staff:
	1
2.	Appraiser(s) on staff:
	0
3.	Other full-time employees:
	0
4.	Other part-time employees:
	0
5.	Number of shared employees:
	0
6.	Assessor's requested budget for current fiscal year:
	\$128,000
7.	Adopted budget, or granted budget if different from above:
	\$163,554.25
8.	Amount of the total assessor's budget set aside for appraisal work:
	\$0
9.	If appraisal/reappraisal budget is a separate levied fund, what is that amount:
	\$59,800
10.	Part of the assessor's budget that is dedicated to the computer system:
	\$9,853
11.	Amount of the assessor's budget set aside for education/workshops:
	\$1000
12.	Other miscellaneous funds:
	n/a
13.	Amount of last year's assessor's budget not used:
	n/a

B. Computer, Automation Information and GIS

1.	Administrative software:
	Orion
2.	CAMA software:
	Orion
3.	Are cadastral maps currently being used?
	Yes
4.	If so, who maintains the Cadastral Maps?
	The assessor and deputy assessor
5.	Does the county have GIS software?
	Yes, but it is still being implemented.

6.	Is GIS available to the public? If so, what is the web address?
	Yes, harlan.gisworkshop.com; however, the data online is not complete at this time.
7.	Who maintains the GIS software and maps?
	The software is still being implemented.
8.	Personal Property software:
	Orion

C. Zoning Information

1.	Does the county have zoning?
	Yes
2.	If so, is the zoning countywide?
	Yes
3.	What municipalities in the county are zoned?
	Alma
4.	When was zoning implemented?
	2002

D. Contracted Services

1.	Appraisal Services:
	Pritchard & Abbott and Stanard Appraisal
2.	GIS Services:
	GIS Workshop, Inc.
3.	Other services:
	n/a

E. Appraisal /Listing Services

1.	Does the county employ outside help for appraisal or listing services?
	Yes, for both the oil and gas minerals and for commercial property
2.	If so, is the appraisal or listing service performed under contract?
	Yes
3.	What appraisal certifications or qualifications does the County require?
	The contract does not specify requirements; however, both appraisal firms employ qualified professionals.
4.	Have the existing contracts been approved by the PTA?
	Yes
5.	Does the appraisal or listing service providers establish assessed values for the county?
	The commercial appraiser will recommend values, but the assessor has the final determination. For the oil and gas minerals, the values are established by Pritchard & Abbott.

2013 Certification for Harlan County

This is to certify that the 2013 Reports and Opinions of the Property Tax Administrator have been sent to the following:

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

One copy by electronic transmission to the Harlan County Assessor.

Dated this 5th day of April, 2013.



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

Ruth A. Sorensen
Property Tax Administrator

