

# 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

### 31 Franklin

#### Residential Real Property - Current

Number of Sales	122	Median	99
Total Sales Price	\$3,339,120	Mean	123
Total Adj. Sales Price	\$3,339,120	Wgt. Mean	99
Total Assessed Value	\$3,310,695	Average Assessed Value of the Base	\$22,686
Avg. Adj. Sales Price	\$27,370	Avg. Assessed Value	\$27,137

#### Confidence Interval - Current

95% Median C.I	97.53 to 99.74
95% Mean C.I	105.06 to 140.66
95% Wgt. Mean C.I	94.10 to 104.20

% of Value of the Class of all Real Property Value in the County	9.61
% of Records Sold in the Study Period	7.43
% of Value Sold in the Study Period	8.88

#### Residential Real Property - History

Year	Number of Sales	LOV	Median
2009	121	99	99
2008	144	99	99
2007	133	99	99
2006	121	99	99

## 2010 Commission Summary

### 31 Franklin

---

#### Commercial Real Property - Current

Number of Sales	19	Median	94
Total Sales Price	\$350,851	Mean	104
Total Adj. Sales Price	\$348,351	Wgt. Mean	63
Total Assessed Value	\$218,325	Average Assessed Value of the Base	\$36,475
Avg. Adj. Sales Price	\$18,334	Avg. Assessed Value	\$11,491

---

#### Confidence Interval - Current

95% Median C.I	55.80 to 106.00
95% Mean C.I	66.95 to 140.44
95% Wgt. Mean C.I	35.37 to 89.98

% of Value of the Class of all Real Property Value in the County	3.49
% of Records Sold in the Study Period	5.12
% of Value Sold in the Study Period	1.61

---

#### Commercial Real Property - History

Year	Number of Sales	LOV	Median
2009	13	94	94
2008	19	97	97
2007	30	98	98
2006	27	98	98



## 2010 Opinions of the Property Tax Administrator for Franklin 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 Franklin County is 99% of market value. The quality of assessment for the class of residential real property in Franklin 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 Franklin County is 94% of market value. The quality of assessment for the class of commercial real property in Franklin 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 Franklin County is 73% of market value. The quality of assessment for the class of agricultural land in Franklin 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 Franklin County**

**taken to address the following property classes/subclasses:**

### **Residential**

All pick up work was completed.

Market Analysis was completed for each valuation grouping and values were adjusted to reflect the market if necessary.

Franklin County is a pilot county for MIPS2.

## 2010 Assessment Survey for Franklin County

### Residential Appraisal Information

1.	<b>Valuation data collection done by:</b>
	Assessor, office staff and contract appraiser
2.	<b>List the valuation groupings used by the County:</b>
	1 – Frankllin 2 – Bloomington 3 – Campbell 4 – Hildreth 5 – Naponee 6 – Riverton 7 – Upland 10 – Rural
a.	<b>Describe the specific characteristics of the valuation groupings that make them unique.</b>
	1 - Largest town in county, hospital, school, most market activity in the county 2 - Southern part of county, by the river, located on the highway, has Franklin influence, almost bedroom community 3 - Northern part of the county, on highway, bedroom city to Hastings influence due to new elevator, new jobs 4 - Northern part of the county, not on highway, bedroom city to Minden and Kearneyschool combined with Wilcox 5 - Southern part of county, by the river, located on the highway, very small, reservoir influence 6 - Southern part of county, by the river, located on the highway, small town not much activity, post office and bar/restaurant 7 - Northern part of the county, not on highway, very small, not much activity, post office, satellite bank, co-op 10 - All rural residential not located inside of a village boundary
3.	<b>What approach(es) to value is/are used for this class to estimate the market value of properties? List or describe.</b>
	Sales Comparison and cost
4	<b>When was the last lot value study completed?</b>
	Late 1990s
a.	<b>What methodology was used to determine the residential lot values?</b>
	Square foot
5.	<b>Is the same costing year for the cost approach being used for the entire valuation grouping? If not, identify and explain the differences?</b>
	Yes

6.	<b>Does the County develop the depreciation study(ies) based on local market information or does the County use the tables provided by their CAMA vender?</b>
	The county and the contract appraiser develop their own depreciation tables based on local market information
a.	<b>How often does the County update depreciation tables?</b>
	Annually the depreciation tables are reviewed
7.	<b>Pickup work:</b>
a.	<b>Is pickup work done annually and is it completed by March 19<sup>th</sup>?</b>
	Yes
b.	<b>By Whom?</b>
	Assessor, office staff and contract appraiser
c.	<b>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?</b>
	Yes
8.	<b>What is the County's progress with the 6 year inspection and review requirement? (Statute 77-1311.03)</b>
	They are 50% complete with their drive-by review in Franklin
a.	<b>Does the County maintain a tracking process? If yes describe.</b>
	Yes, they track review on the property record cards and their review schedule
b.	<b>How are the results of the portion of the properties inspected and reviewed applied to the balance of the county?</b>
	Most valuation groupings or like neighborhoods are completely inspected in one year to maintain equalization within the valuation grouping, rural residential review is completed usually within two years and sales are studied for market analysis and results are applied to the whole grouping.

**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:	122	<b>MEDIAN:</b>	<b>99</b>	COV:	81.66	95% Median C.I.:	97.53 to 99.74
TOTAL Sales Price:	3,339,120	WGT. MEAN:	99	STD:	100.32	95% Wgt. Mean C.I.:	94.10 to 104.20
TOTAL Adj.Sales Price:	3,339,120	MEAN:	123	AVG.ABS.DEV:	38.19	95% Mean C.I.:	105.06 to 140.66
TOTAL Assessed Value:	3,310,695						
AVG. Adj. Sales Price:	27,369	COD:	38.69	MAX Sales Ratio:	745.00		
AVG. Assessed Value:	27,136	PRD:	123.91	MIN Sales Ratio:	16.00		

Printed: 03/19/2010 14:10:06

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	15	99.31	106.74	100.08	11.83	106.66	84.33	227.00	96.25 to 101.00	34,066	34,094
10/01/07 TO 12/31/07	10	97.51	96.99	94.57	5.45	102.56	82.33	109.79	90.78 to 103.15	21,550	20,380
01/01/08 TO 03/31/08	13	97.53	102.81	96.14	17.15	106.94	68.10	232.00	87.59 to 99.33	19,415	18,666
04/01/08 TO 06/30/08	22	99.47	133.39	104.34	49.92	127.84	16.00	745.00	95.88 to 103.80	18,314	19,110
07/01/08 TO 09/30/08	20	100.28	124.13	104.52	30.13	118.76	79.56	484.50	97.95 to 112.00	35,800	37,418
10/01/08 TO 12/31/08	8	91.87	132.13	88.43	67.43	149.42	58.10	333.83	58.10 to 333.83	20,012	17,696
01/01/09 TO 03/31/09	22	97.97	149.34	91.55	74.63	163.12	48.89	718.52	76.03 to 160.38	31,315	28,671
04/01/09 TO 06/30/09	12	107.59	110.12	104.96	30.67	104.92	57.65	174.50	71.88 to 140.11	32,687	34,307
<u>Study Years</u>											
07/01/07 TO 06/30/08	60	98.93	114.04	99.75	26.01	114.33	16.00	745.00	96.95 to 99.88	23,030	22,971
07/01/08 TO 06/30/09	62	98.63	131.40	98.73	50.92	133.09	48.89	718.52	96.06 to 106.54	31,569	31,167
<u>Calendar Yrs</u>											
01/01/08 TO 12/31/08	63	98.91	123.98	101.41	38.85	122.26	16.00	745.00	97.30 to 99.97	24,308	24,651
<u>ALL</u>											
	122	98.70	122.86	99.15	38.69	123.91	16.00	745.00	97.53 to 99.74	27,369	27,136

VALUATION GROUP	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
01	42	99.81	124.75	104.53	33.33	119.34	37.75	745.00	98.60 to 100.58	23,307	24,363
02	10	98.15	140.67	105.47	50.63	133.38	68.10	333.83	96.18 to 247.75	15,800	16,664
03	29	97.53	108.42	97.36	31.12	111.36	48.89	381.67	84.33 to 102.24	20,743	20,195
04	20	98.63	125.01	92.36	41.08	135.35	57.65	718.52	93.67 to 99.97	58,477	54,009
05	7	96.85	118.77	106.17	54.90	111.86	16.00	232.00	16.00 to 232.00	13,835	14,690
06	3	87.67	87.66	85.96	2.38	101.98	84.53	90.78	N/A	7,666	6,590
07	7	95.88	147.94	81.14	69.74	182.34	67.78	484.50	67.78 to 484.50	19,964	16,198
10	4	150.37	142.08	127.65	17.14	111.30	92.49	175.08	N/A	42,875	54,731
<u>ALL</u>											
	122	98.70	122.86	99.15	38.69	123.91	16.00	745.00	97.53 to 99.74	27,369	27,136

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	114	98.70	120.34	99.15	33.87	121.37	48.89	718.52	97.68 to 99.55	29,208	28,959
2	8	94.30	158.79	99.30	112.37	159.90	16.00	745.00	16.00 to 745.00	1,168	1,160
<u>ALL</u>											
	122	98.70	122.86	99.15	38.69	123.91	16.00	745.00	97.53 to 99.74	27,369	27,136

**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:	122	<b>MEDIAN:</b>	<b>99</b>	COV:	81.66	95% Median C.I.:	97.53 to 99.74
TOTAL Sales Price:	3,339,120	WGT. MEAN:	99	STD:	100.32	95% Wgt. Mean C.I.:	94.10 to 104.20
TOTAL Adj.Sales Price:	3,339,120	MEAN:	123	AVG.ABS.DEV:	38.19	95% Mean C.I.:	105.06 to 140.66
TOTAL Assessed Value:	3,310,695						
AVG. Adj. Sales Price:	27,369	COD:	38.69	MAX Sales Ratio:	745.00		
AVG. Assessed Value:	27,136	PRD:	123.91	MIN Sales Ratio:	16.00		

Printed: 03/19/2010 14:10:06

**PROPERTY TYPE \***

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
01	121	98.74	123.29	99.42	38.76	124.01	16.00	745.00	97.68 to 99.74	27,334	27,175
06											
07	1	71.17	71.17	71.17			71.17	71.17	N/A	31,600	22,490
ALL	122	98.70	122.86	99.15	38.69	123.91	16.00	745.00	97.53 to 99.74	27,369	27,136

**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	23	101.00	201.17	183.99	124.14	109.34	16.00	745.00	87.59 to 232.00	2,067	3,803
5000 TO 9999	19	99.33	118.95	115.54	25.38	102.95	73.72	306.90	96.70 to 109.79	6,200	7,163
Total \$											
1 TO 9999	42	100.37	163.97	135.22	79.87	121.26	16.00	745.00	96.70 to 109.79	3,936	5,323
10000 TO 29999	36	98.67	108.04	104.17	18.75	103.72	61.22	264.30	96.25 to 100.41	18,085	18,838
30000 TO 59999	23	97.20	95.87	96.10	17.93	99.77	48.89	160.63	82.20 to 99.97	40,982	39,383
60000 TO 99999	20	98.66	95.04	94.31	10.61	100.77	57.65	140.11	92.49 to 99.32	73,755	69,561
100000 TO 149999	1	106.54	106.54	106.54			106.54	106.54	N/A	105,000	111,865
ALL	122	98.70	122.86	99.15	38.69	123.91	16.00	745.00	97.53 to 99.74	27,369	27,136



**2010 Correlation Section  
for Franklin County**

---

**Residential Real Property**

**I. Correlation**

The level of value for the residential real property in Franklin County, as determined by the PTA is 99%. The mathematically calculated median is 99%.

RESIDENTIAL:In correlating the assessment practices and the calculated statistics for the residential class of property in Franklin County, it is the opinion of the Division that the level of value is within the acceptable range, and it is best measured by the median measure of central tendency. The median measure was calculated using a sufficient number of sales and because the County applies assessment practices to the sold and unsold parcels in a similar manner, the median ratio calculated from the sales file accurately reflects the level of value for the population. All of the valuation groupings that are adequately represented in the sales file are within the acceptable range of 92% to 100%. Both qualitative measures are above the acceptable range, however with over 30% of the sales file comprised of low dollar sales and based on the known assessment practices in Franklin County, it is believed that assessments are uniform in the residential class of property.

Discussions throughout the past year between the Franklin County Assessor and her field liaison have revealed that the Assessor is knowledgeable with all types of property in her county and the valuation trends, problem areas, statistical reviews and economic outlook in her county. Franklin County is currently piloting the new MIPS II CAMA system and is utilizing their comprehensive GIS system. The county would further benefit if they were able to submit their supplemental information electronically and employ a website with parcel search.

There are no areas to suggest a non-binding recommendation should be made by the state as to the residential valuations for Franklin County.

**2010 Correlation Section  
for Franklin 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:Franklin County does not employ the usage of sales verification questionnaires but instead relies on telephone and personal interviews for the sales verification. Additionally, some sales are physically inspected if there is a perceived discrepancy in the sale. A review of the 71 non-qualified sales was conducted. Nine sales were coded as substantially changed since the date of the sale. Additionally, there were eight sales that were disqualified as foreclosure transactions and seventeen sales involving members of the same family. The remainder of the disqualified sales were a mixture of partial interest sales, adjoining land purchases, and estate settlements or other legal actions. Because of the reasons given for the exclusion of sales as well as knowledge of the verification process, it is evident that all arms length transactions were used in the measurement of the residential class of property.



**2010 Correlation Section  
for Franklin 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.

	<b>Median</b>	<b>Wgt. Mean</b>	<b>Mean</b>
<b>R&amp;O Statistics</b>	<b>99</b>	<b>99</b>	<b>123</b>

**2010 Correlation Section  
for Franklin 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 Franklin 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 Franklin County, which are considered as one part of the analysis of the County's assessment practices.

	<b>COD</b>	<b>PRD</b>
<b>R&amp;O Statistics</b>	<b>38.69</b>	<b>123.91</b>

RESIDENTIAL: The calculations accurately reflect that both the COD and PRD are above the acceptable range for qualitative measures indicating that there could be a problem with uniformity and regressive assessments. However, a review of the statistical analysis reveals that approximately one-third of the qualified residential sales file is comprised of sales of \$10,000 or less causing a disproportionate influence on the quality of assessment statistics. Knowing the Franklin county assessment practices it is believed that they have achieved good uniformity within the residential class of property.



## **2010 Assessment Actions for Franklin County**

### **taken to address the following property classes/subclasses:**

#### **Commercial**

All pick up work was completed.

All commercial properties were repriced using the new pricing from MIPS.

Market Analysis was completed for each valuation grouping and values were adjusted to reflect the market if necessary.

Franklin County is a pilot County for MIPS2.

## 2010 Assessment Survey for Franklin County

### Commercial / Industrial Appraisal Information

1.	<b>Valuation data collection done by:</b>
	Assessor, Contract Appraiser and office staff
2.	<b>List the valuation groupings used by the County:</b>
	1 – Franklin 2 – Bloomington 3 – Campbell 4 – Hildreth 5 – Naponee 6 – Riverton 10 - Rural
a.	<b>Describe the specific characteristics of the valuation groupings that make them unique.</b>
	1 - Largest town in county, hospital, school, most market activity in the county 2 - Southern part of county, by the river, located on the highway, has Franklin influence, almost bedroom community 3 - Northern part of the county, on highway, bedroom city to Hastings influence due to new elevator, new jobs 4 - Northern part of the county, not on highway, bedroom city to Minden and Kearney, school combined with Wilcox 5 - Southern part of county, by the river, located on the highway, very small, reservoir influence 6 - Southern part of county, by the river, located on the highway, small town not much activity, post office and bar/restaurant 10 - All rural residential not located inside of a village boundary
3.	<b>What approach(es) to value is/are used for this class to estimate the market value of properties? List or describe.</b>
	Sales comparison and cost, income when information is available
4	<b>When was the last lot value study completed?</b>
	2002
a.	<b>What methodology was used to determine the commercial lot values?</b>
	Square foot
5.	<b>Is the same costing year for the cost approach being used for entire valuation grouping? If not, identify and explain the differences?</b>
	Yes
6.	<b>Does the County develop the depreciation study(ies) based on local market information or does the County use the tables provided by their CAMA vender?</b>
	The county develops depreciation tables based on local markets
a.	<b>How often does the County update the depreciation tables?</b>

	They are reviewed annually and updated if necessary
7.	<b>Pickup work:</b>
a.	<b>Is pickup work done annually and is it completed by March 19<sup>th</sup>?</b>
	Yes
b.	<b>By Whom?</b>
	Jerry Knoche
c.	<b>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?</b>
	Yes
8.	<b>What is the Counties progress with the 6 year inspection and review requirement? (Statute 77-1311.03)</b>
	They are approximately 50% complete.
a.	<b>Does the County maintain a tracking process? If yes describe.</b>
	Yes, they track review on the property record cards and their review schedule
b.	<b>How are the results of the portion of the properties inspected and reviewed applied to the balance of the county?</b>
	Most valuation groupings or like neighborhoods are completely inspected in one year to maintain equalization within the valuation grouping and sales are studied for market analysis and results are applied to the whole grouping.

**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:	19	<b>MEDIAN:</b>	<b>94</b>	COV:	73.52	95% Median C.I.:	55.80 to 106.00
TOTAL Sales Price:	350,851	WGT. MEAN:	63	STD:	76.24	95% Wgt. Mean C.I.:	35.37 to 89.98
TOTAL Adj.Sales Price:	348,351	MEAN:	104	AVG.ABS.DEV:	43.44	95% Mean C.I.:	66.95 to 140.44
TOTAL Assessed Value:	218,325						
AVG. Adj. Sales Price:	18,334	COD:	46.40	MAX Sales Ratio:	336.00		
AVG. Assessed Value:	11,490	PRD:	165.45	MIN Sales Ratio:	19.57		

Printed: 03/19/2010 14:10:13

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	1	54.08	54.08	54.08			54.08	54.08	N/A	6,000	3,245
10/01/06 TO 12/31/06											
01/01/07 TO 03/31/07	2	44.13	44.13	45.42	26.46	97.14	32.45	55.80	N/A	11,250	5,110
04/01/07 TO 06/30/07											
07/01/07 TO 09/30/07	1	111.90	111.90	111.90			111.90	111.90	N/A	5,000	5,595
10/01/07 TO 12/31/07											
01/01/08 TO 03/31/08	1	97.27	97.27	97.27			97.27	97.27	N/A	15,000	14,590
04/01/08 TO 06/30/08	2	214.82	214.82	102.29	56.41	210.01	93.63	336.00	N/A	7,000	7,160
07/01/08 TO 09/30/08	2	174.55	174.55	106.13	53.58	164.47	81.03	268.06	N/A	11,550	12,257
10/01/08 TO 12/31/08	4	101.59	107.93	99.28	10.31	108.72	97.06	131.50	N/A	12,312	12,223
01/01/09 TO 03/31/09											
04/01/09 TO 06/30/09	6	67.58	68.04	45.41	33.11	149.84	19.57	106.00	19.57 to 106.00	35,583	16,157
<u>Study Years</u>											
07/01/06 TO 06/30/07	3	54.08	47.44	47.25	14.39	100.42	32.45	55.80	N/A	9,500	4,488
07/01/07 TO 06/30/08	4	104.59	159.70	101.49	61.43	157.36	93.63	336.00	N/A	8,500	8,626
07/01/08 TO 06/30/09	12	94.77	99.09	59.60	37.16	166.27	19.57	268.06	62.37 to 106.00	23,820	14,196
<u>Calendar Yrs</u>											
01/01/07 TO 12/31/07	3	55.80	66.72	57.51	47.46	116.01	32.45	111.90	N/A	9,166	5,271
01/01/08 TO 12/31/08	9	97.85	145.30	100.96	53.58	143.93	81.03	336.00	93.63 to 268.06	11,261	11,368
<u>ALL</u>											
	19	93.63	103.69	62.67	46.40	165.45	19.57	336.00	55.80 to 106.00	18,334	11,490

VALUATION GROUP	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
01	6	93.18	105.96	44.86	57.77	236.20	19.57	268.06	19.57 to 268.06	24,100	10,811
02	2	43.27	43.27	40.56	25.00	106.66	32.45	54.08	N/A	8,000	3,245
03	2	104.59	104.59	100.93	6.99	103.63	97.27	111.90	N/A	10,000	10,092
04	4	95.74	150.07	87.63	69.83	171.25	72.78	336.00	N/A	13,812	12,103
05	2	94.77	94.77	95.88	2.42	98.84	92.47	97.06	N/A	16,500	15,820
06	1	62.37	62.37	62.37			62.37	62.37	N/A	30,000	18,710
10	2	93.28	93.28	56.60	40.98	164.81	55.05	131.50	N/A	24,750	14,007
<u>ALL</u>											
	19	93.63	103.69	62.67	46.40	165.45	19.57	336.00	55.80 to 106.00	18,334	11,490



**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:	19	<b>MEDIAN:</b>	<b>94</b>	COV:	73.52	95% Median C.I.:	55.80 to 106.00
TOTAL Sales Price:	350,851	WGT. MEAN:	63	STD:	76.24	95% Wgt. Mean C.I.:	35.37 to 89.98
TOTAL Adj.Sales Price:	348,351	MEAN:	104	AVG.ABS.DEV:	43.44	95% Mean C.I.:	66.95 to 140.44
TOTAL Assessed Value:	218,325						
AVG. Adj. Sales Price:	18,334	COD:	46.40	MAX Sales Ratio:	336.00		
AVG. Assessed Value:	11,490	PRD:	165.45	MIN Sales Ratio:	19.57		

Printed: 03/19/2010 14:10:13

**STATUS: IMPROVED, UNIMPROVED & IOLL**

RANGE	COUNT	MEDIAN	MEAN	WGT. MEAN	COD	PRD	MIN	MAX	95% Median C.I.	Avg. Adj. Sale Price	Avg. Assd Val
1	16	95.35	97.02	80.48	31.31	120.55	32.45	268.06	55.80 to 106.00	13,928	11,209
2	3	62.37	139.31	31.06	169.11	448.53	19.57	336.00	N/A	41,833	12,993
ALL	19	93.63	103.69	62.67	46.40	165.45	19.57	336.00	55.80 to 106.00	18,334	11,490

**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	19	93.63	103.69	62.67	46.40	165.45	19.57	336.00	55.80 to 106.00	18,334	11,490
04											
ALL	19	93.63	103.69	62.67	46.40	165.45	19.57	336.00	55.80 to 106.00	18,334	11,490

**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	3	268.06	245.19	245.76	25.43	99.77	131.50	336.00	N/A	1,533	3,768
5000 TO 9999	5	105.32	93.95	94.00	13.55	99.95	54.08	111.90	N/A	6,700	6,298
Total \$											
1 TO 9999	8	108.95	150.67	112.32	56.17	134.14	54.08	336.00	54.08 to 336.00	4,762	5,349
10000 TO 29999	8	87.33	78.48	81.56	20.58	96.23	32.45	97.85	32.45 to 97.85	17,093	13,941
30000 TO 59999	2	58.71	58.71	57.85	6.23	101.49	55.05	62.37	N/A	39,250	22,705
60000 TO 99999	1	19.57	19.57	19.57			19.57	19.57	N/A	95,000	18,590
ALL	19	93.63	103.69	62.67	46.40	165.45	19.57	336.00	55.80 to 106.00	18,334	11,490

**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:	19	<b>MEDIAN:</b>	<b>94</b>	COV:	73.52	95% Median C.I.:	55.80 to 106.00
TOTAL Sales Price:	350,851	WGT. MEAN:	63	STD:	76.24	95% Wgt. Mean C.I.:	35.37 to 89.98
TOTAL Adj.Sales Price:	348,351	MEAN:	104	AVG.ABS.DEV:	43.44	95% Mean C.I.:	66.95 to 140.44
TOTAL Assessed Value:	218,325						
AVG. Adj. Sales Price:	18,334	COD:	46.40	MAX Sales Ratio:	336.00		
AVG. Assessed Value:	11,490	PRD:	165.45	MIN Sales Ratio:	19.57		

Printed: 03/19/2010 14:10:13

**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	106.00	178.16	106.00	76.58	168.07	92.47	336.00	N/A	5,166	5,476
323	2	43.27	43.27	40.56	25.00	106.66	32.45	54.08	N/A	8,000	3,245
344	1	268.06	268.06	268.06			268.06	268.06	N/A	3,100	8,310
350	1	19.57	19.57	19.57			19.57	19.57	N/A	95,000	18,590
353	3	105.32	97.54	77.09	23.96	126.52	55.80	131.50	N/A	7,000	5,396
384	1	97.85	97.85	97.85			97.85	97.85	N/A	16,250	15,900
389	1	93.63	93.63	93.63			93.63	93.63	N/A	13,500	12,640
406	1	81.03	81.03	81.03			81.03	81.03	N/A	20,000	16,205
442	3	72.78	77.40	76.33	15.89	101.40	62.37	97.06	N/A	26,500	20,228
478	1	97.27	97.27	97.27			97.27	97.27	N/A	15,000	14,590
494	1	55.05	55.05	55.05			55.05	55.05	N/A	48,500	26,700
528	1	111.90	111.90	111.90			111.90	111.90	N/A	5,000	5,595
<u>ALL</u>	<u>19</u>	<u>93.63</u>	<u>103.69</u>	<u>62.67</u>	<u>46.40</u>	<u>165.45</u>	<u>19.57</u>	<u>336.00</u>	<u>55.80 to 106.00</u>	<u>18,334</u>	<u>11,490</u>



**2010 Correlation Section  
for Franklin County**

---

**Commerical Real Property**

**I. Correlation**

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

COMMERCIAL:In correlating the assessment practices and the calculated statistics for the commercial class of property in Franklin County, it is the opinion of the Division that the level of value is within the acceptable range, and it is best measured by the median measure of central tendency. The median measure was calculated using a sufficient number of sales and because the County applies assessment practices to the sold and unsold parcels in a similar manner, the median ratio calculated from the sales file accurately reflects the level of value for the population. The valuation groupings that are adequately represented in the sales file are within the acceptable range of 92% to 100%. Both qualitative measures are far above the acceptable range, however with over 40% of the sales file comprised of low dollar sales and based on the known assessment practices in Franklin County, it is believed that assessments are uniform in the commercial class of property.

Discussions throughout the past year between the Franklin County Assessor and her field liaison have revealed that the Assessor is knowledgeable with all types of property in her county and the valuation trends, problem areas, statistical reviews and economic outlook in her county. Franklin County is currently piloting the new MIPS II CAMA system and is utilizing their comprehensive GIS system. The county would further benefit if they were able to submit their supplemental information electronically and employ a website with parcel search.

There are no areas to suggest a non-binding recommendation should be made by the state as to the commercial valuations for Franklin County.

**2010 Correlation Section  
for Franklin 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:Franklin County does not employ the usage of sales verification questionnaires but instead relies on telephone and personal interviews for the sales verification. Additionally, some sales are physically inspected if there is a perceived discrepancy in the sale. A review of the 19 non-qualified sales was conducted. Four sales were coded as substantially changed since the date of the sale. The remainder of the disqualified sales were a mixture of partial interest sales, adjoining land purchases, and estate settlements or other legal actions. Because of the reasons given for the exclusion of sales as well as knowledge of the verification process, it is evident that all arms length transactions were used in the measurement of the commercial class of property.

**2010 Correlation Section  
for Franklin 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.

	<b>Median</b>	<b>Wgt. Mean</b>	<b>Mean</b>
<b>R&amp;O Statistics</b>	<b>94</b>	<b>63</b>	<b>104</b>

**2010 Correlation Section  
for Franklin 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 Franklin 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 Franklin County, which are considered as one part of the analysis of the County's assessment practices.

	<b>COD</b>	<b>PRD</b>
<b>R&amp;O Statistics</b>	<b>46.40</b>	<b>165.45</b>

COMMERCIAL: The calculations accurately reflect that both the COD and PRD are above the acceptable range for qualitative measures indicating that there could be a problem with uniformity and regressive assessments. However, a review of the statistical analysis reveals that over 40% of the qualified commercial sales file is comprised of sales of \$10,000 or less causing a disproportionate influence on the quality of assessment statistics. Also, a review of the outliers indicates the diversity and uniqueness of some of the commercial parcels that are in the sales study. Qualified sales include the county's only drive-in restaurant, a former bank, a former blacksmith shop, vacant lots and commercial storage, all in different valuation groups. Knowing the Franklin county assessment practices it is believed that they have achieved good uniformity within the commercial class of property.





## **2010 Assessment Actions for Franklin County**

### **taken to address the following property classes/subclasses:**

#### **Agricultural**

All pick up work was completed.

A spreadsheet analysis of all usable sales within the study period was completed, analyzing existing and potential market areas. Sales within the study period were also plotted on a map for visual analyses.

Land use was reviewed and updates made.

Franklin County is a pilot county for MIPS2.

## 2010 Assessment Survey for Franklin County

### Agricultural Appraisal Information

1.	<b>Valuation data collection done by:</b>
	The Assessor, contract appraiser and office staff
2.	<b>Does the County maintain more than one market area / valuation grouping in the agricultural property class?</b>
	Yes
a.	<b>What is the process used to determine and monitor market areas / valuation groupings? (Neb. Rev. Stat. § 77-1363) List or describe.</b> 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.
	Annually, sales are plotted and reviewed for market support for the two market areas.
b.	<b>Describe the specific characteristics of the market area / valuation groupings that make them unique?</b>
	The market areas are divided by the Bostwick Irrigation Ditch. Water availability, legal restrictions, NRD restrictions and the market support the need for two market areas.
3.	<b>Agricultural Land</b>
a.	<b>How is agricultural land defined in this county?</b>
	By usage
b.	<b>When is it agricultural land, when is it residential, when is it recreational?</b>
	When the land has been reviewed and inspected and a determination as to it's use is decided.
c.	<b>Are these definitions in writing?</b>
	No
d.	<b>What are the recognized differences?</b>
	Differences in use would be for the production of livestock or crops, use as a residence or use for a recreational activity such as hunting. Different uses are reflected in the market.
e.	<b>How are rural home sites valued?</b>
	By sales comparison/according to the market
f.	<b>Are rural home sites valued the same as rural residential home sites?</b>
	The same
g.	<b>Are all rural home sites valued the same or are market differences recognized?</b>
	Yes, the first acre is the same
h.	<b>What are the recognized differences?</b>
	n/a
4.	<b>What is the status of the soil conversion from the alpha to numeric notation?</b>
	The soil conversion was implemented in 2009
a.	<b>Are land capability groupings (LCG) used to determine assessed value?</b>
	Yes as an inventory tool but the usage and market determine the value
b.	<b>What other land characteristics or analysis are/is used to determine assessed</b>

	<b>values?</b>
	Water availability, if the land is broke, NRD restrictions, market analysis
5.	<b>Is land use updated annually?</b>
	Yes
a.	<b>By what method? (Physical inspection, FSA maps, etc.)</b>
	NRD letter, physical inspections, GIS, FSA maps are required by the Assessor
6.	<b>Is there agricultural land in the County that has a non-agricultural influence?</b>
	Yes, possibly along the river
a.	<b>How is the County developing the value for non-agricultural influences?</b>
	One sale so far, will monitor for more sales, review non-ag influences with neighboring counties.
b.	<b>Has the County received applications for special valuation?</b>
	No
c.	<b>Describe special value methodology</b>
	n/a
7	<b>Pickup work:</b>
a.	<b>Is pickup work done annually and is it completed by March 19<sup>th</sup>?</b>
	Yes
b.	<b>By Whom?</b>
	The Assessor
c.	<b>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?</b>
	Yes
d.	<b>Is the pickup work schedule the same for the land as for the improvements?</b>
	Yes
8.	<b>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)</b>
	Franklin County will contract for a complete physical inspection and review in the summer of 2010
a.	<b>Does the County maintain a tracking process?</b>
	Yes, they track review on the property record cards and their review schedule
b.	<b>How are the results of the portion of the properties inspected and reviewed applied to the balance of the county?</b>
	Most valuation groupings or like neighborhoods are completely inspected in one year to maintain equalization within the valuation grouping and sales are studied for market analysis and results are applied to the whole grouping.



## Franklin County 31

### 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	Area 2
07/01/06 - 06/30/07	14	3	11
07/01/07 - 06/30/08	24	4	20
07/01/08 - 06/30/09	15	5	10
Totals	53	12	41

##### Added Sales:

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

##### Final Results:

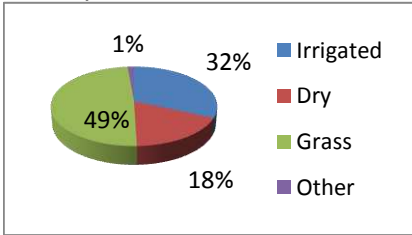
Study Year	County	Area 1	Area 2
07/01/06 - 06/30/07	14	3	11
07/01/07 - 06/30/08	24	4	20
07/01/08 - 06/30/09	15	5	10
Totals	53	12	41

# Representativeness by Majority Land Use

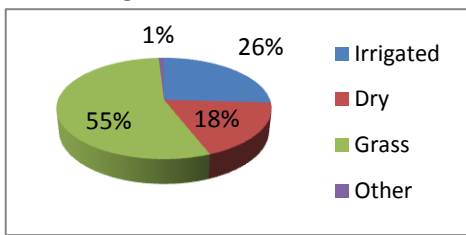
The following tables and charts compare the makeup of land use in the population to the make up of land use in both the sales file and the representative sample.

	Entire County		
	county	sales file	Sample
Irrigated	32%	26%	26%
Dry	18%	18%	18%
Grass	49%	55%	55%
Other	1%	1%	1%

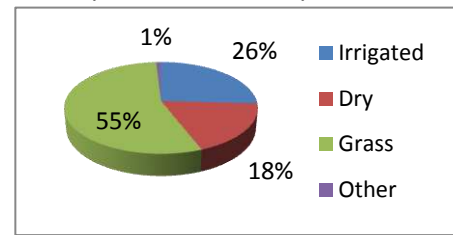
County



Original Sales File

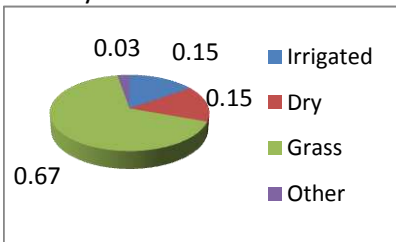


Representative Sample

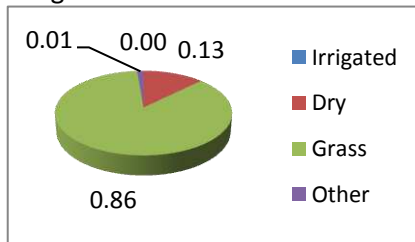


	Mkt Area 1		
	county	sales file	sample
Irrigated	15%	0%	0%
Dry	15%	13%	13%
Grass	67%	86%	86%
Other	3%	1%	1%

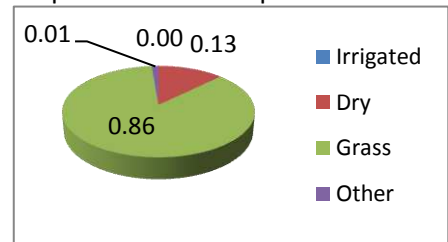
County



Original Sales File

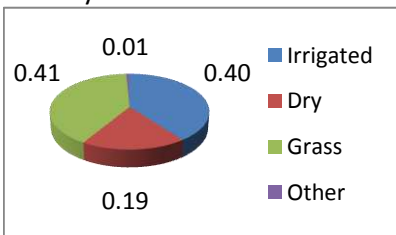


Representative Sample

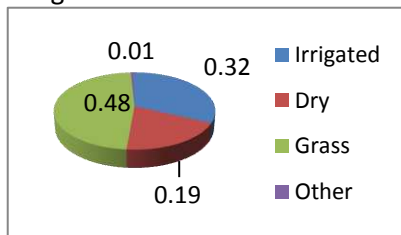


	Mkt Area 2		
	county	sales file	sample
Irrigated	40%	32%	32%
Dry	19%	19%	19%
Grass	41%	48%	48%
Other	1%	1%	1%

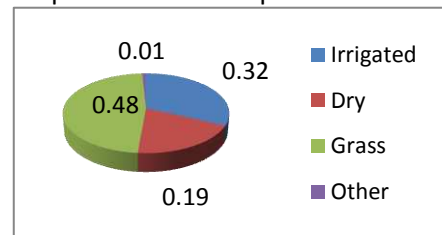
County



Original Sales File



Representative Sample



## Adequacy of Sample

	County Total	Mrkt Area 1	Mrkt Area 2
Number of Sales - Original Sales File	53	12	41
Number of Sales - Expanded Sample	53	12	41
Total Number of Acres Added	0	0	0

## Ratio Study

### Final Statistics

County # sales	53	Median	73%	AAD	14.05%
		Mean	73%	COD	19.36%
		W. Mean	68%	PRD	107.12%

Market Area 1 # sales	12	Median	70%	AAD	20.40%
		Mean	74% <td>COD</td> <td>29.31%</td>	COD	29.31%
		W. Mean	68% <td>PRD</td> <td>108.83%</td>	PRD	108.83%

Market Area 2 # sales	41	Median	73%	AAD	12.19%
		Mean	73% <td>COD</td> <td>16.80%</td>	COD	16.80%
		W. Mean	68% <td>PRD</td> <td>106.73%</td>	PRD	106.73%

### Preliminary Statistics

County # sales	53	Median	69%	AAD	13.15%
		Mean	68%	COD	19.12%
		W. Mean	15%	PRD	468.09%

Market Area 1 # sales	12	Median	64%	AAD	18.86%
		Mean	69%	COD	29.46%
		W. Mean	63%	PRD	109.06%

Market Area 2 # sales	41	Median	69%	AAD	11.48%
		Mean	68%	COD	16.69%
		W. Mean	63%	PRD	107.28%

## Majority Land Use

95% MLU	Irrigated		Dry		Grass	
	# Sales	Median	#	Median	# Sales	Median
County	2	75.15%	6	69.11%	15	75.12%
Mkt Area 1	0	N/A	0	N/A	7	75.12%
Mkt Area 2	2	75.15%	6	69.11%	8	74.01%

80% MLU	Irrigated		Dry		Grass	
	# Sales	Median	#	Median	# Sales	Median
County	11	69.38%	6	69.11%	17	72.36%
Mkt Area 1	0	N/A	0	N/A	7	75.12%
Mkt Area 2	11	69.38%	6	69.11%	10	72.03%

**Agricultural or Special  
Valuation Correlation**



## 2010 Correlation Section

### For Franklin County

---

#### Agricultural Land

##### I. Correlation

The level of value for the agricultural land in Franklin County, as determined by the PTA is 73%. The mathematically calculated median is 73%.

##### AGRICULTURAL LAND:

Franklin County has two market areas. Market area one is located in the southern portion of the county. Market area two is the northern part of the county and it consists of the majority of the county. The market areas are divided by the Bostwick Irrigation Ditch. The market areas are supported by the NRD restrictions and other legal limitations, water availability and allocation, topography, and historical sales.

A review of the agricultural sales in Franklin County from 7/1/06 to 6/30/09 revealed a total of 53 sales further broken down by 12 sales in market area 1 and 41 sales in market area 2. In market area 1 there were 3 sales in the oldest year and 5 sales in the newest year. Franklin County has seen the value of farm ground increasing over the past several years. It is possible that how these sales are distributed across the sales file study years; they could misrepresent the market in Franklin County, but not substantially. Measurement of the level of value might show a time bias with a majority of the sales in the last year of the sales study. Market area two contained 41 sales with the first and the third year fairly evenly distributed and the majority of the sales fell in the middle year of the sales study. Testing was done on market area two to randomly remove sales from the second year, as it contained a much larger number of sales than year one and three, to determine if a skew did exist. The statistics calculated from the test samples indicated that there was no time bias in market area two.

A review of the breakdown of the sales revealed that market area 1 was under-represented in irrigated sales while over-represented in grass sales. Market area 2 appeared to have fairly good representation in all types of agricultural land. Additionally, there appears to be an adequate number of sales in each market area for valuation and measurement purposes.

Information on comparable sales from the surrounding counties was gathered in an excel spreadsheet and provided to the county assessor. After discussions with the Franklin County Assessor the sales that were recognized to be the most comparable (soils, topography, proximity, market, usage, similar legal restrictions) were found to be located in Harlan County and portions of Webster County. Sales were then sorted according to sale date and usage and reviewed for possible inclusion in the sales file. There were no irrigated sales in the comparable counties available for inclusion. Sales from Kansas on the southern border of Franklin County were also not available for inclusion.

An agricultural analysis resulted in values in both market areas increasing in a range from 6% to just over 15%.

## **2010 Correlation Section**

### **For Franklin County**

---

Franklin County has achieved equalization of agricultural land and has a level of value of 73% of market as well as a calculated median of 73%. Both market areas reflect an acceptable level of value. There are no non-binding recommendations made for the agricultural class of property.

## 2010 Correlation Section

### For Franklin 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:

Franklin County does not employ the usage of sales verification questionnaires but instead relies on telephone and personal interviews for the sales verification. Additionally, some sales are physically inspected if there is a perceived discrepancy in the sale. A review of the 48 non-qualified sales was conducted. Ten sales were coded as substantially changed since the date of the sale. Additionally, there were 12 sales that were disqualified as family transactions. The remainder of the disqualified sales were a mixture of partial interest sales, adjoining land purchases, and estate settlements or other legal actions. Because of the reasons given for the exclusion of sales as well as knowledge of the verification process, it is evident that all arms length transactions were used in the measurement of the agricultural class of property.

## 2010 Correlation Section

### For Franklin 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**

<b>R&amp;O Statistics</b>	<b>73</b>	<b>68</b>	<b>73</b>
---------------------------	-----------	-----------	-----------

## 2010 Correlation Section

### For Franklin 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 Franklin 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 Franklin County, which are considered as one part of the analysis of the County's assessment practices.

	COD	PRD
<b>R&amp;O Statistics</b>	<b>19.36</b>	<b>107.12</b>

#### AGRICULTURAL LAND:

The coefficient of dispersion calculates to 19.36% which is within the acceptable range. The price-related differential is high at 107.12%. The removal of a few extreme outliers brings the measure much closer to the acceptable range. The COD indicates that the assessed to adjusted sale price ratios (on average) fall within a reasonable distance of the median measure of central tendency. Knowing the Franklin County assessment practices it is believed that they have achieved good uniformity within the agricultural class of property.



<b>Total Real Property</b> Sum Lines 17, 25, & 30	<b>Records : 4,748</b>	<b>Value : 387,692,740</b>	<b>Growth 1,832,360</b>	<b>Sum Lines 17, 25, &amp; 41</b>
--	------------------------	----------------------------	-------------------------	-----------------------------------

Schedule I : Non-Agricultural Records

	Urban		SubUrban		Rural		Total		Growth
	Records	Value	Records	Value	Records	Value	Records	Value	
<b>01. Res UnImp Land</b>	344	374,220	0	0	0	0	344	374,220	
<b>02. Res Improve Land</b>	1,285	2,574,230	0	0	0	0	1,285	2,574,230	
<b>03. Res Improvements</b>	1,289	33,916,390	0	0	9	238,535	1,298	34,154,925	
<b>04. Res Total</b>	1,633	36,864,840	0	0	9	238,535	1,642	37,103,375	519,645
<b>% of Res Total</b>	99.45	99.36	0.00	0.00	0.55	0.64	34.58	9.57	28.36
<b>05. Com UnImp Land</b>	92	157,550	0	0	17	33,295	109	190,845	
<b>06. Com Improve Land</b>	218	507,650	0	0	17	77,040	235	584,690	
<b>07. Com Improvements</b>	236	10,342,885	0	0	18	2,301,345	254	12,644,230	
<b>08. Com Total</b>	328	11,008,085	0	0	35	2,411,680	363	13,419,765	140,275
<b>% of Com Total</b>	90.36	82.03	0.00	0.00	9.64	17.97	7.65	3.46	7.66
<b>09. Ind UnImp Land</b>	3	10,630	0	0	0	0	3	10,630	
<b>10. Ind Improve Land</b>	5	23,405	0	0	0	0	5	23,405	
<b>11. Ind Improvements</b>	5	78,245	0	0	0	0	5	78,245	
<b>12. Ind Total</b>	8	112,280	0	0	0	0	8	112,280	0
<b>% of Ind Total</b>	100.00	100.00	0.00	0.00	0.00	0.00	0.17	0.03	0.00
<b>13. Rec UnImp Land</b>	0	0	0	0	0	0	0	0	
<b>14. Rec Improve Land</b>	0	0	0	0	1	140,910	1	140,910	
<b>15. Rec Improvements</b>	0	0	0	0	1	29,095	1	29,095	
<b>16. Rec Total</b>	0	0	0	0	1	170,005	1	170,005	0
<b>% of Rec Total</b>	0.00	0.00	0.00	0.00	100.00	100.00	0.02	0.04	0.00
<b>Res &amp; Rec Total</b>	1,633	36,864,840	0	0	10	408,540	1,643	37,273,380	519,645
<b>% of Res &amp; Rec Total</b>	99.39	98.90	0.00	0.00	0.61	1.10	34.60	9.61	28.36
<b>Com &amp; Ind Total</b>	336	11,120,365	0	0	35	2,411,680	371	13,532,045	140,275
<b>% of Com &amp; Ind Total</b>	90.57	82.18	0.00	0.00	9.43	17.82	7.81	3.49	7.66
<b>17. Taxable Total</b>	1,969	47,985,205	0	0	45	2,820,220	2,014	50,805,425	659,920
<b>% of Taxable Total</b>	97.77	94.45	0.00	0.00	2.23	5.55	42.42	13.10	36.01



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	0	0	0	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	0	0	0
20. Industrial	0	0	0	0	0	0
21. Other	0	0	0	0	0	0
22. Total Sch II				0	0	0

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	254	0	303	557

Schedule V : Agricultural Records

	Urban		SubUrban		Rural		Total	
	Records	Value	Records	Value	Records	Value	Records	Value
27. Ag-Vacant Land	73	341,945	0	0	1,849	203,013,515	1,922	203,355,460
28. Ag-Improved Land	13	76,170	0	0	778	93,550,210	791	93,626,380
29. Ag Improvements	12	314,035	0	0	800	39,591,440	812	39,905,475
30. Ag Total							2,734	336,887,315

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	11	2.30	15,575	0	0.00	0	
33. HomeSite Improvements	10	0.00	260,400	0	0.00	0	
34. HomeSite Total							
35. FarmSite UnImp Land	0	0.00	0	0	0.00	0	
36. FarmSite Improv Land	2	2.34	1,175	0	0.00	0	
37. FarmSite Improvements	10	0.00	53,635	0	0.00	0	
38. FarmSite Total							
39. Road & Ditches	0	9.62	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	3	3.01	15,100	3	3.01	15,100	
32. HomeSite Improv Land	645	649.88	5,454,660	656	652.18	5,470,235	
33. HomeSite Improvements	491	0.00	27,123,525	501	0.00	27,383,925	0
34. HomeSite Total				<b>504</b>	<b>655.19</b>	<b>32,869,260</b>	
35. FarmSite UnImp Land	12	19.74	11,860	12	19.74	11,860	
36. FarmSite Improv Land	614	2,420.21	1,466,340	616	2,422.55	1,467,515	
37. FarmSite Improvements	751	0.00	12,467,915	761	0.00	12,521,550	1,172,440
38. FarmSite Total				<b>773</b>	<b>2,442.29</b>	<b>14,000,925</b>	
39. Road & Ditches	0	7,337.60	0	0	7,347.22	0	
40. Other- Non Ag Use	0	0.00	0	0	0.00	0	
41. Total Section VI				<b>1,277</b>	<b>10,444.70</b>	<b>46,870,185</b>	<b>1,172,440</b>

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	2,932.22	16.94%	4,193,085	20.36%	1,430.00
46. 1A	4,640.39	26.80%	5,800,685	28.16%	1,250.04
47. 2A1	3,855.51	22.27%	4,703,735	22.84%	1,220.00
48. 2A	2,836.63	16.39%	3,347,205	16.25%	1,179.99
49. 3A1	29.13	0.17%	25,340	0.12%	869.89
50. 3A	1,775.34	10.26%	1,526,805	7.41%	860.01
51. 4A1	548.01	3.17%	471,290	2.29%	860.00
52. 4A	694.46	4.01%	527,785	2.56%	759.99
<b>53. Total</b>	<b>17,311.69</b>	<b>100.00%</b>	<b>20,595,930</b>	<b>100.00%</b>	<b>1,189.71</b>
<b>Dry</b>					
54. 1D1	673.46	3.84%	535,400	5.17%	795.00
55. 1D	6,918.77	39.48%	5,465,855	52.79%	790.00
56. 2D1	1,103.13	6.29%	832,880	8.04%	755.02
57. 2D	998.07	5.70%	578,875	5.59%	579.99
58. 3D1	0.89	0.01%	470	0.00%	528.09
59. 3D	709.02	4.05%	280,080	2.71%	395.02
60. 4D1	4,196.62	23.95%	1,636,685	15.81%	390.00
61. 4D	2,925.00	16.69%	1,023,825	9.89%	350.03
<b>62. Total</b>	<b>17,524.96</b>	<b>100.00%</b>	<b>10,354,070</b>	<b>100.00%</b>	<b>590.82</b>
<b>Grass</b>					
63. 1G1	308.32	0.00%	195,690	0.53%	634.70
64. 1G	4,917.63	6.45%	2,927,455	7.93%	595.30
65. 2G1	1,001.69	1.31%	556,345	1.51%	555.41
66. 2G	2,778.37	3.64%	1,462,165	3.96%	526.27
67. 3G1	3.97	0.01%	2,045	0.01%	515.11
68. 3G	4,468.93	5.86%	2,182,610	5.91%	488.40
69. 4G1	18,118.84	23.75%	8,787,680	23.81%	485.00
70. 4G	44,700.59	58.59%	20,788,370	56.33%	465.06
<b>71. Total</b>	<b>76,298.34</b>	<b>100.00%</b>	<b>36,902,360</b>	<b>100.00%</b>	<b>483.66</b>
<b>Irrigated Total</b>	<b>17,311.69</b>	<b>15.15%</b>	<b>20,595,930</b>	<b>30.28%</b>	<b>1,189.71</b>
<b>Dry Total</b>	<b>17,524.96</b>	<b>15.34%</b>	<b>10,354,070</b>	<b>15.22%</b>	<b>590.82</b>
<b>Grass Total</b>	<b>76,298.34</b>	<b>66.78%</b>	<b>36,902,360</b>	<b>54.26%</b>	<b>483.66</b>
<b>Waste</b>	<b>3,117.47</b>	<b>2.73%</b>	<b>155,950</b>	<b>0.23%</b>	<b>50.02</b>
<b>Other</b>	<b>0.00</b>	<b>0.00%</b>	<b>0</b>	<b>0.00%</b>	<b>0.00</b>
<b>Exempt</b>	<b>2,389.09</b>	<b>2.09%</b>	<b>0</b>	<b>0.00%</b>	<b>0.00</b>
<b>Market Area Total</b>	<b>114,252.46</b>	<b>100.00%</b>	<b>68,008,310</b>	<b>100.00%</b>	<b>595.25</b>

## Schedule IX : Agricultural Records : Ag Land Market Area Detail

Market Area 2

Irrigated	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
45. 1A1	817.22	0.87%	1,344,345	0.97%	1,645.02
46. 1A	65,384.33	69.74%	107,557,250	77.60%	1,645.00
47. 2A1	2,363.26	2.52%	3,379,450	2.44%	1,430.00
48. 2A	4,461.77	4.76%	6,201,865	4.47%	1,390.00
49. 3A1	1,080.34	1.15%	1,128,965	0.81%	1,045.01
50. 3A	395.13	0.42%	408,970	0.30%	1,035.03
51. 4A1	7,126.71	7.60%	7,376,175	5.32%	1,035.00
52. 4A	12,122.69	12.93%	11,213,600	8.09%	925.01
53. Total	93,751.45	100.00%	138,610,620	100.00%	1,478.49
<b>Dry</b>					
54. 1D1	147.54	0.33%	135,005	0.39%	915.04
55. 1D	30,014.29	66.23%	27,463,095	78.98%	915.00
56. 2D1	1,206.72	2.66%	911,105	2.62%	755.03
57. 2D	2,987.19	6.59%	1,732,595	4.98%	580.01
58. 3D1	522.32	1.15%	276,830	0.80%	530.00
59. 3D	180.02	0.40%	77,400	0.22%	429.95
60. 4D1	4,999.33	11.03%	2,149,775	6.18%	430.01
61. 4D	5,259.34	11.61%	2,024,900	5.82%	385.01
62. Total	45,316.75	100.00%	34,770,705	100.00%	767.28
<b>Grass</b>					
63. 1G1	18.77	0.00%	12,020	0.02%	640.38
64. 1G	8,783.95	9.18%	5,476,680	11.28%	623.49
65. 2G1	1,600.86	1.67%	925,320	1.91%	578.01
66. 2G	2,287.11	2.39%	1,261,410	2.60%	551.53
67. 3G1	755.16	0.79%	405,680	0.84%	537.21
68. 3G	5,388.20	5.63%	2,738,915	5.64%	508.32
69. 4G1	15,105.99	15.79%	7,653,115	15.77%	506.63
70. 4G	61,713.92	64.52%	30,065,395	61.94%	487.17
71. Total	95,653.96	100.00%	48,538,535	100.00%	507.44
<b>Irrigated Total</b>					
Irrigated Total	93,751.45	39.64%	138,610,620	62.43%	1,478.49
<b>Dry Total</b>					
Dry Total	45,316.75	19.16%	34,770,705	15.66%	767.28
<b>Grass Total</b>					
Grass Total	95,653.96	40.45%	48,538,535	21.86%	507.44
<b>Waste</b>					
Waste	1,778.10	0.75%	88,960	0.04%	50.03
<b>Other</b>					
Other	0.00	0.00%	0	0.00%	0.00
<b>Exempt</b>					
Exempt	1,897.99	0.80%	0	0.00%	0.00
<b>Market Area Total</b>					
Market Area Total	236,500.26	100.00%	222,008,820	100.00%	938.73

Schedule X : Agricultural Records :Ag Land Total

	Urban		SubUrban		Rural		Total	
	Acres	Value	Acres	Value	Acres	Value	Acres	Value
<b>76. Irrigated</b>	148.69	219,465	0.00	0	110,914.45	158,987,085	111,063.14	159,206,550
<b>77. Dry Land</b>	174.48	117,195	0.00	0	62,667.23	45,007,580	62,841.71	45,124,775
<b>78. Grass</b>	122.26	64,195	0.00	0	171,830.04	85,376,700	171,952.30	85,440,895
<b>79. Waste</b>	10.15	510	0.00	0	4,885.42	244,400	4,895.57	244,910
<b>80. Other</b>	0.00	0	0.00	0	0.00	0	0.00	0
<b>81. Exempt</b>	29.58	0	0.00	0	4,257.50	0	4,287.08	0
<b>82. Total</b>	<b>455.58</b>	<b>401,365</b>	<b>0.00</b>	<b>0</b>	<b>350,297.14</b>	<b>289,615,765</b>	<b>350,752.72</b>	<b>290,017,130</b>

	Acres	% of Acres*	Value	% of Value*	Average Assessed Value*
<b>Irrigated</b>	111,063.14	31.66%	159,206,550	54.90%	1,433.48
<b>Dry Land</b>	62,841.71	17.92%	45,124,775	15.56%	718.07
<b>Grass</b>	171,952.30	49.02%	85,440,895	29.46%	496.89
<b>Waste</b>	4,895.57	1.40%	244,910	0.08%	50.03
<b>Other</b>	0.00	0.00%	0	0.00%	0.00
<b>Exempt</b>	4,287.08	1.22%	0	0.00%	0.00
<b>Total</b>	<b>350,752.72</b>	<b>100.00%</b>	<b>290,017,130</b>	<b>100.00%</b>	<b>826.84</b>

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

31 Franklin

	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	36,850,300	37,103,375	253,075	0.69%	519,645	-0.72%
02. Recreational	170,010	170,005	-5	0.00%	0	0.00%
03. Ag-Homesite Land, Ag-Res Dwelling	32,384,115	32,869,260	485,145	1.50%	0	1.50%
<b>04. Total Residential (sum lines 1-3)</b>	<b>69,404,425</b>	<b>70,142,640</b>	<b>738,215</b>	<b>1.06%</b>	<b>519,645</b>	<b>0.31%</b>
05. Commercial	13,185,400	13,419,765	234,365	1.78%	140,275	0.71%
06. Industrial	129,275	112,280	-16,995	-13.15%	0	-13.15%
07. Ag-Farmsite Land, Outbuildings	12,823,375	14,000,925	1,177,550	9.18%	1,172,440	0.04%
08. Minerals	0	0	0		0	
<b>09. Total Commercial (sum lines 5-8)</b>	<b>26,138,050</b>	<b>27,532,970</b>	<b>1,394,920</b>	<b>5.34%</b>	<b>1,312,715</b>	<b>0.31%</b>
<b>10. Total Non-Agland Real Property</b>	<b>95,542,475</b>	<b>97,675,610</b>	<b>2,133,135</b>	<b>2.23%</b>	<b>1,832,360</b>	<b>0.31%</b>
11. Irrigated	150,258,515	159,206,550	8,948,035	5.96%		
12. Dryland	45,142,680	45,124,775	-17,905	-0.04%		
13. Grassland	76,342,955	85,440,895	9,097,940	11.92%		
14. Wasteland	244,905	244,910	5	0.00%		
15. Other Agland	0	0	0			
<b>16. Total Agricultural Land</b>	<b>271,989,055</b>	<b>290,017,130</b>	<b>18,028,075</b>	<b>6.63%</b>		
<b>17. Total Value of all Real Property</b> (Locally Assessed)	<b>367,531,530</b>	<b>387,692,740</b>	<b>20,161,210</b>	<b>5.49%</b>	<b>1,832,360</b>	<b>4.99%</b>

**2009 Plan of Assessment for Franklin County  
Assessment Years 2010, 2011, and 2012  
Date: June 15, 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, (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 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 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 (Reissue 2003).

Assessment levels required for real property are as follows:

- 1) 100% of actual value for all classes of real property excluding agricultural and horticultural land;
- 2) 75% of actual value for agricultural and horticultural land and
- 3) 75% of special value for agricultural and horticultural land which meets the qualifications for special valuation under 77-1344 and 78% of its recapture value as defined in 77-1343 when the land is disqualified for special valuations under 77-1347.

Reference, Neb. Rev. Stat. 77-201 (R.S. Supp 2007)



**General Description of Real Property in Franklin County:**

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

	<u>Parcels</u>	<u>% of Total Parcels</u>	<u>% of Taxable Value Base</u>
Residential	1,642	35%	10%
Commercial	359	8%	3%
Industrial	9		0.5%
Recreational	1		0.5%
Agricultural	2,730	57%	86%
Special Value			

Agricultural land – taxable acres 350,858

Other pertinent facts: 86% of Franklin County is agricultural and of that 31% Irrigated, 18% Dry, 49% Pasture, 1% Waste, 12% Residential, 3% Commercial, Industrial, and Recreational, 1% Exempt.

New Property: For assessment year 2009, an estimated **95** building permits and /or information statements were filed for new property construction/additions in the county.

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

**Current Resources:**

- A. Staffing consists of a Deputy and a Clerk. The Assessor and Deputy take the training that is necessary to keep their certificates current. The budget for 2008-2009 was \$89,850.
- B. A new set of cadastral maps were printed in 2008. Ownership and splits are kept current. In 2000 we purchased a GIS program for the all property in the county. In 2007, a CD was purchased from the FSA office to check the land usage on the GIS program,
- C. The property record cards are color coded for Agricultural, Residential, Commercial, Improvements on Leased Land and Exempt. The cards that have Residential, Commercial, Industrial, or Agricultural improvements have a CAMA pricing sheet, current photo, and a sketch of the house or business. All rural cards have a print-out showing the number of acres, land use and current value per acre, improvement values and the prior year value; they also have an outbuilding printout that shows the building dimensions, depreciation and value.
- D. The software for pricing the improvements is MIPS. The Assessment Administration programming is from MIPS. GIS Workshop provides the programming and support for our GIS system.
- E. We have a Web site for property record information access. The address is [nebraskataxesonline.us](http://nebraskataxesonline.us).

**Current Assessment Procedures for Real Property**

- A. The real estate transfers are photo copied as they are brought in from the Clerk’s office to make a sales book that is available to the public. From the information on the real estate transfer statements the name on the real estate card, the counter book, and the rolodex file are all changed and a sheet for the sales book is made. Building permits are received from the zoning manager and from the towns that have building permit ordinances. All sales are reviewed.
- B. Drive by reviews of the residential properties in town will be done on an annual basis. New photos will be taken every two years, or as the property is altered.
- C. Assessment sales ratio studies are done annually with new sales added, and old sales deleted.
- D. The market approach and the cost approach are used mainly for our residential properties; all three approaches are used on the commercial. Our information to determine value is arrayed by age, quality, size, location, condition and the amenities to the property. Land valuation studies are done by land usage. Sales are plotted by township and usage to determine market areas
- E. Reconciliation of final value and documentation is done by doing a ratio study using the sales in the sales file.
- F. Continual market analysis will be conducted in all categories of properties to ensure that the level of value and quality of assessment in Franklin County is in compliance to state statutes.
- G. Notices of valuation are mailed to every real estate owner each year. One page notices showing land use, number of acres and current value per acre are mailed to each rural land owner.

**Level of Value, Quality, and Uniformity for assessment year 2006:**

<u>Property Class</u>	<u>Median</u>	<u>COD*</u>	<u>PRD*</u>
Residential	99.00%	32.05%	121.81%
Commercial	94.00%	64.87%	115.34%
Agricultural Land	73.00%	19.53%	108.30 %
Special Value Agland			

\*COD means coefficient of dispersion and PRD means price related differential. For more information regarding statistical measures see 2009 Reports & Opinions.

**Assessment Actions Planned for the Assessment Year 2010:**

- 1. Residential properties will be reviewed and any new information discovered will be added or deleted from the property.
- 2. Commercial properties will be reviewed and updated as necessary.
- 3. Ag Land use will be checked using the information available from the FSA and NRD offices.

4. An inventory of Ag improvements will be started in the fall of 2009 with photos being taken as the sites are inventoried.
5. Ag Improvements will be repriced for 2010 using the new outbuilding pricing.

**Assessment Action Planned for the Assessment Year 2011:**

Residential properties will be reviewed and any new information discovered will be added to or deleted from the property. New pictures of the residential properties will be taken.

Commercial properties will be reviewed and updated as necessary. New pictures will be taken.

Ag Land use will be checked using the information available from the FSA and NRD offices.

There will be an ongoing inventory of the Ag buildings. New pictures will be taken as the farm sites are inventoried.

**Assessment Action Planned for the Assessment Year 2012:**

Residential properties will be reviewed and any new information discovered will be added to or deleted from the property.

Commercial properties will be reviewed and updated as necessary.

Ag Land use will be checked using the information available from the FSA and NRD offices.

The inventory of all Ag buildings and residences will be completed.

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

1. Record Maintenance, Mapping updates, and Ownership changes
2. Annually prepare and file Assessor Administrative Reports required by law/regulation:
  - a. Abstracts (Real and Personal Property)
  - b. Assessor Survey
  - c. Sales information to PA&T rosters and 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 Land & 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 814 schedules; prepare subsequent notices of incomplete filings or failure to file and penalties applied as required. **Postcard notices are mailed to all persons or businesses filing schedules in the previous year**
4. Permissive Exemptions: administer annual filings of applications for new or continued exempt use, review and make recommendations to county board. **Applications are mailed to those that have an application on file.**
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 250 annual filings of applications, approval/denial process, taxpayer notifications and taxpayer assistance. **Pre printed forms are mailed to the previous years applicants.**
7. Centrally Assessed – review of valuations as certified by PA&T for railroads and public service entities, establish assessment records and tax billing for tax list.
8. Tax 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.
9. Tax lists; prepare and certify tax lists to county treasurer for real property, personal property, and centrally assessed
10. Tax List Corrections – prepare tax list correction documents for county board approval.
11. County Board of Equalization – attends county board of equalization meetings for valuation protests – assemble and provide information.
12. TERC Appeals – prepare information and attend taxpayer appeal hearings before TERC, defend valuation
13. TERC Statewide Equalization – attend hearings if applicable to county, defend values, and/or implement orders of the TERC.
14. Education: Assessor and /or Appraisal Education – attend meetings, workshops, and educational classes to obtain required hours of continuing education to maintain assessor certification.

**Conclusion:**

A request for \$93,225. for the Assessor’s office and \$59,400. For the Appraisal Fund was submitted to the Franklin County Board Supervisors for approval for the 2009-2010 budget year.

The Franklin County Assessor’s office will work to maintain an efficient and professional office.

Respectfully submitted:

Assessor Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## 2010 Assessment Survey for Franklin County

### I. General Information

#### A. Staffing and Funding Information

1.	<b>Deputy(ies) on staff</b>
	1
2.	<b>Appraiser(s) on staff</b>
	0
3.	<b>Other full-time employees</b>
	1
4.	<b>Other part-time employees</b>
	0
5.	<b>Number of shared employees</b>
	0
6.	<b>Assessor's requested budget for current fiscal year</b>
	\$93,225
7.	<b>Adopted budget, or granted budget if different from above</b>
	\$93,225
8.	<b>Amount of the total budget set aside for appraisal work</b>
	0
9.	<b>Appraisal/Reappraisal budget, if not part of the total budget</b>
	\$\$24,367
10.	<b>Part of the budget that is dedicated to the computer system</b>
	General Fund
11.	<b>Amount of the total budget set aside for education/workshops</b>
	\$1,500
12.	<b>Other miscellaneous funds</b>
13.	<b>Was any of last year's budget not used:</b>
	Yes, \$2,500

#### B. Computer, Automation Information and GIS

1.	<b>Administrative software</b>
	MIPS
2.	<b>CAMA software</b>
	MIPSII
3.	<b>Cadastral maps: Are they currently being used?</b>
	Yes
4.	<b>Who maintains the Cadastral Maps?</b>
	The Assessor

5.	<b>Does the county have GIS software?</b>
	Yes
6.	<b>Who maintains the GIS software and maps?</b>
	GIS Workshop
7.	<b>Personal Property software:</b>
	MIPS

### **C. Zoning Information**

1.	<b>Does the county have zoning?</b>
	Yes
2.	<b>If so, is the zoning countywide?</b>
	Yes
3.	<b>What municipalities in the county are zoned?</b>
	Franklin, Hildreth is in the process of being updated
4.	<b>When was zoning implemented?</b>
	2001

### **D. Contracted Services**

1.	<b>Appraisal Services</b>
	Jerry Knoche Appraisal
2.	<b>Other services</b>
	GIS



# 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 Franklin 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