

THREE-YEAR PLAN OF ASSESSMENT UPDATE FOR LINCOLN COUNTY 2011

SS 77-1311.02 requires the county assessor shall prepare a plan of assessment that describes the assessment actions planned for the next assessment year and two years thereafter. The plan shall describe the actions necessary to achieve the levels required by state law and the resources needed to complete those actions. This plan should be completed by June 1; presented to the county board by July 31 and a copy and any amendments mailed to the Department of Revenue by October 31 of each year. SS 77-1311.03 states that all parcels of real property in the county will be inspected and reviewed no less that every six years.

For purposes of this report, Lincoln County uses the following definitions of assessments from "Property Appraisal and Assessment Administration"

- Assessment review: the reexamination of assessments by a governmental agency that has the authority to alter individual assessments on its own motion.
- Reappraisal: the mass appraisal of all property within an assessment jurisdiction accomplished within or at the beginning of a reappraisal cycle (revaluation of reassessment).
- Updates: annual adjustments applied to properties between reappraisals.

RESIDENTIAL

North Platte and the surrounding villages are experiencing a decrease in sales although the sales prices are steady. This area has not experienced the major decline in the housing market but there has been some effect with more foreclosures occurring and longer marketing times. Demand for vacant and improved parcels has slowed but remains steady. Land sales and values are and will be monitored and adjusted to reflect market conditions in various neighborhoods of North Platte and throughout the county for 2012.

The north side of North Platte was completely reviewed for 2011 and the south side of North Platte will be conducted for 2012. The Villages of Brady, Hershey, Maxwell, Sutherland, Wellfleet and Wallace are planned to be re-appraised for 2013. If time permits in 2013, the review of the rural residential and improved agricultural parcels will be started. For 2014 and maybe into 2015, the remaining rural residential and improved agricultural parcels will be reviewed.

The Marshall and Swift Residential Cost Handbook are updated to the 2nd Quarter 2010 or June 2010 for the new re-appraisal period. Sales are reviewed as they occur and any areas that need adjustments warranted will be performed to maintain the proper levels for 2012.

New property record files will be created for this class and will be utilized in a timely manner for all new construction.

COMMERCIAL

The reappraisal of the commercial class of property located in Lincoln County was completed for 2010. Sales are reviewed and adjustments to commercial properties will be made as needed for 2012, 2013 and 2014.

The appraisal staff will continue to receive formal education to be up-to-speed with the latest in appraisal practices and accumulate the required hours of continuing education to keep licenses.

The Marshall and Swift Commercial Manual as of February 2007 will be utilized to develop the cost approach. Income and expense statements will be requested from all appropriate commercial property owners to assist in developing the income approach where applicable.

The sales comparison approach will be utilized in an informal manner to provide a check on the cost and income approaches.

New property record files will be created for this class and will be utilized in a timely manner for all new construction.

Sales for vacant and improved parcels are and will continue to be monitored to reflect the market conditions for 2012, 2013 and 2014.

RURAL RESIDENTIAL

All residential properties located in the rural areas are planned to be re-appraised beginning in 2013 & 2014. Additional time may be needed in 2015.

All rural residential parcels will continue to be monitored to maintain the level of value and quality of assessment practices for 2012. This sub-class will receive updates and/or reappraisals for 2012 to coincide with the urban and suburban properties. Adjustments will be made to reflect market conditions.

New property record files will be created for this class and will be utilized in a timely manner for all new construction.

UNIMPROVED AGRICULTURAL LAND

Legislation that became effective January 1, 2007 set the percent to market ratio for agricultural land at 75%. The range of value is 69% to 75%.

Sales for the appropriate previous 36 months are studied annually in each of the established market areas. Four market areas were established along natural geographical and topographical boundaries. Area one along the North Platte, South Platte and Platte Rivers has excellent farm ground and sub-irrigated hay meadows. Area Two is mostly sand hills pasture except for some irrigated farm ground along the Logan County line in the northeast corner and extends south along the east border with Custer County. Area Three is also sand hills but much of it has been converted to pivot irrigation. Area Four is cedar tree and brush covered canyons. More level tillable farm ground is found along our border with Dawson County to the southeast.

For tax year 2007, due to legal issues arising from water use that was affecting sales, a fifth market area was established. This new area divided Area Three along the boundary line between Twin Platte and Middle Republican Natural Resource Districts. It is approximately 7 miles south of Lake Maloney Reservoir then south to the county line and from the west county line east to the Area Four boundary. This area is designated Market Area Five. At that time, this area was restricted with a moratorium on drilling new irrigation wells in their jurisdiction since July 2004 and each existing well was limited to 39 inches of water per acre for 2005, 2006 and 2007. Legislation passed during the 2007 session initiated policies concerning water issues in the Middle Republican NRD but this legislation only exasperated property owners and public officials further and no real solution is in sight.

Since each of these areas have such diverse soils, terrain, elevation, irrigation, length of growing season and legal issues, it is necessary to study the sales in each market area on its own merit.

New legislation was passed that required Assessor's to implement a new soil survey done by the Natural Resources Conservation Service for use in the 2009 tax year. Equipment and time

was not available to convert Lincoln County in a timely fashion. The County has a GIS system now in place, was granted an extension of 1 year and the new soil survey was implemented for 2010. As in the past, the assessor and deputy, working closely with our Field Liaison from the Property Assessment Division, will review the sales of unimproved agricultural land, for the appropriate 36 months by market area to derive per acre values for each land use category for 2012, 2013 and 2014.

Ag land sales with improvements of 5% of the sale price were also reviewed at the Division's request as well as borrowing sales from bordering counties where sale numbers are insufficient to determine a fair value.

Special Valuation was implemented in 2010 due to a large increase in demand for accretion land sales that are influenced by recreational uses. When an application is filed on a specific property, a physical inspection is required by an appraiser prior to making a determination on the property. For Special Valuation to be approved, the primary use must be agricultural. Sales of the accretion land is monitored throughout the year and is adjusted as necessary.

MEASURES OF CENTRAL TENDENCY BY PROPERTY CLASS

<u>Property Class</u>	<u>Median</u>	<u>COD</u>	<u>PRD</u>
Residential	96.00	6.10	100.88
Commercial/Industrial	96.00	11.40	107.69
Unimproved Ag	71.00	19.17	105.81
Special Valuation	71.00	18.55	106.68

NEW CAMA SYSTEM

Since approval with the Lincoln County Board of Commissioners, a contract is being negotiated with the Department of Revenue and Tyler Technologies to implement a New CAMA system for our office. The conversion testing process will begin on February 1st, 2012 and ending no later than March 31st, 2012. Training for the employees of the Lincoln County Assessor's Office will begin no later than May 1st, 2012 and end no later than December 31st, 2012. The Lincoln County Assessor's Office will be completely converted no later than May 31st, 2012. An overlap of the old and new programs will be conducted for approximately 1-2 months to make sure that the data has converted correctly and any other necessary checks that may arise.

This new CAMA system will replace the three programs that are currently being used. Those three programs are not integrated and therefore; operations are performed more than once in multiple systems. Efficiency will be increased with this new program as it is completely integrated with the addition of the ability to develop all three approaches to value.

TRAINING

Julie Stenger took office on January 1st, 2011. Her Assessor's Certificate is valid through December 31, 2014. Our new deputy, Pat Collins, received her Assessor's Certificate in the fall of 2010 and is valid through December 31st, 2014. Another staff member successfully completed the assessor's exam in 2004 and attends the workshops and classes to begin the collection of required hours. All three of the staff appraisers have Assessor's Certificates also and two are Registered Appraisers. The appraisers attend Nebraska Real Estate Appraiser Board approved classes as well as Division classes when available to collect the required continuing education

hours. IAAO classes are nearly cost prohibitive for multiple students when living expenses are also paid by the county, thus assessor certified staff rely on division classes offered locally, at workshops and elsewhere to meet the requirements.

BUDGET

Purposed budget for 2011-2012	\$486,705
Salaries	405,805
Education	8,000
Data processing equipment and software	52,800
(Monthly fees for programs paid by IT budget)	
Reappraisal (for one oil well)	150

STAFF

1 Assessor	1 Deputy	3 Clerks
2 CAMA clerks	1 Computer Analyst	3 Staff Appraisers
1 GIS Operator		

CONCLUSION

With the volume of work from all its required duties, the staff of the Lincoln County Assessor's office has continued to work diligently to assess all property in the county in an equal and proportionate manner. Courteous information and assistance is given to taxpayers filing personal property returns with depreciation schedules to review, property valuation protest forms with added requests for comparables and homestead exemption applications with the accompanying income statement.

The addition of three staff appraisers has made the process of reappraising all classes of property to be done in a more efficient and timely manner. Now that two staff appraisers are registered and another taking classes, this increase in knowledge at the local level gives property owners confidence in our abilities, has decreased the number of protests and eliminated the need for costly contract reappraisals which is a cost-savings to the taxpayers.

Julie Stenger
Lincoln County Assessor
June 15, 2011

