



# Saline County Board of Commissioners

## Meeting Agenda

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### AGENDA

#### SALINE COUNTY BOARD OF EQUALIZATION

#### SALINE COUNTY COURTHOUSE

#### Wilber, NE

#### 9:15 AM

**DATE: June 25, 2019**

This agenda is kept on a daily basis and may change from day to day as requests come in to the County Clerk's office. Requests to be on the agenda must be in the County Clerk's office 24 hours prior to the start of the meeting as stated above. This agenda is considered current on the day of the meeting and cannot be changed or altered except for an emergency.

**The Board reserves the right to go into executive session if such session is clearly necessary for the protection of the public interest or for the prevention of needless injury to the reputation of an individual.**

**PLEDGE OF ALLEGIANCE**

**OPEN MEETINGS LAW**

**ROLL CALL**

**APPROVAL OF AGENDA**

**APPROVAL OF MINUTES OF THE PREVIOUS MEETING**

**CORRESPONDENCE**

**BUSINESS FOR ACTION**

Consider/Approve County Assessor's 3-year plan

**9:25 - Public Hearing for Vehicle Exemption Applications (if needed)**

Discuss/Approve Vehicle Exemption Application (if needed)

**ADJOURNMENT**

# **Saline County Assessor 3 Year Plan of Assessment June 14, 2019**

Pursuant to Nebraska 77-1311.02, the county assessor shall, on or before June 15 each year, prepare a plan of assessment which shall describe the assessment actions the county assessor plans to make for the next assessment year and two years thereafter. The plan shall indicate the classes or subclasses of real property that the county assessor plans to examine during the years contained in the plan of assessment. The plan shall describe all the assessment actions necessary to achieve the levels of value and quality of assessment practices required by law and the resources necessary to complete those actions. The plan shall be presented to the county board of equalization on or before July 31 each year. The county assessor may amend the plan, if necessary, after the budget is approved by the county board. A copy of the plan and any amendments thereto shall be mailed to the Department of Revenue 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 land and horticultural land; and
3. 75% of special value for agricultural land and horticultural land which meets the qualifications for special value under 77-1344.

## **Record Count**

According to Saline County’s Abstract of Assessment, there are 5,276 residential records; 673 commercial records; 13 industrial records; 92 recreational properties and 3,872 agricultural records of which 2,711 are unimproved. According to our CAMA system, we have 10,962 records total. Therefore, we have approximately 1,036 exempt records on file.

## **2019 Level of Value**

According to the Reports and Opinions of the Property Tax Administrator and Findings and Orders by Tax Equalization and Review Commission (TERC), Saline County's Level of Value are as follows:

<u>Property Class</u>	<u>Level of Value</u>
Residential	93%
Commercial	100%
Agricultural	73%

## **Office Staff**

Saline County Assessor's office staff consist of the assessor, deputy assessor and 3 full-time clerical/listers.

The Assessor and Deputy Assessor presently hold their State of Nebraska Assessor's certificate and both have attended the mandatory educational classes to maintain their certificate. All certificate holders must complete IAAO Course 101 – Fundamentals of Real Property Appraisal and IAAO Course 300 – Fundamentals of Mass Appraisal within the first four years of assuming the office. All certificate holders must obtain 60 hours of approved continuing education within each four year period.

## **Software/Mapping**

Saline County Assessor's office utilizes the CAMA system provided by ThomsonReuters. The Marshall & Swift costing manuals are used to estimate the replacement costs of the residential, commercial and agricultural improvements during the reappraisal process.

The office maintains a cadastral mapping system for name changes, property splits and new subdivisions. The cadastral maps are dated 1984. Saline County has also implemented a GIS mapping program in 2003.

A new feature added in 2019 for Saline County to utilize is a program called Connect Explorer by EagleView. With this, the county has updated 2019 imagery flown by EagleView (Pictometry). This tool will be used to help identify changes on properties from the previous years. It will provide a clearer image of both urban and suburban properties.

## **2018 Assessment Actions for 2019 Tax Year**

### **Residential:**

For 2019, we completed all pickup work of new construction and any remodeling of properties. This includes, but is not limited to new construction, additions, alterations, updating or tearing down structures.

In order to be in compliance with the State of Nebraska's six (6) year inspection and review cycle, we conducted a physical on-site inspection and review of the residential properties in Crete City. This included an on-site inspection of the property using the current property record card to verify measurements, classifications and conditions of the existing improvements. If there was a discrepancy, a new measurement was taken and noted. We also listed new improvements and removed any houses or buildings. New photos were taken. There were new costs using Marshall Swift cost manual, new depreciation and the lot values were adjusted or affirmed. Property record cards and sketches were updated for any changes. Due to time constraints these records did not get applied for the 2019 assessment year, but will be effective for 2020.

We conducted a thorough sales verification and analysis process of all eight communities within the county, along with rural residential properties. This analysis is completed by compiling residential sales that have occurred during the two year study period (10/1/2016 - 9/30/2018) as established by the Nebraska Dept. of Revenue. Each qualified sale is placed into its respective community. (ie. Crete City, DeWitt Village, etc.) Through the analysis, it was determined that value adjustments were needed in multiple communities to comply with the statutory measures of value. Therefore, Crete City improvements again were increased by +5%. Dorchester Village improvements were increased by +12%; Friend City improvements were increased by +8%; Swanton Village improvements were increased by +16%; Tobias Village improvements were increased by +3% and Western Village improvements were increased by +9%. The land values in all communities were affirmed and unchanged.

Permits are inspected by office staff/listers. Entered and review by office staff/listers and reviewed by previous Staff appraiser.

Sales reviews were completed by the Assessor.

**Commercial:**

We conducted a thorough sale verification and analysis process of all eight communities within the county. This analysis is completed by compiling commercial sales that have occurred during the three year study period (10/1/2015 – 9/30/2018) as established by the Nebraska Dept. of Revenue. Each qualified sale is placed into its respective community. Through the analysis, it was determined that value adjustments were needed in Crete City and Wilber City. Therefore, Crete City improvements were increased by +2% and Wilber City improvements were increased by +6%. The land values were affirmed and unchanged.

We completed all pick up work of new improvements on commercial properties. Permits are completed by the office staff/listers. Information was entered and reviewed by previous Staff Appraiser.

Sales reviews were completed by the Assessor.

**Agricultural:**

For 2019, we completed all pickup work of new construction and any remodeling of properties. This includes, but is not limited to new construction, additions, alterations, updating or tearing down structures.

Land classification adjustments were made when reported by land owner, local Natural Resource Districts (NRD) or observed by office staff. Farm Service Agency (FSA) maps were requested of the land owner when adjustments were recognized for accurate classifications.

The Assessor and Staff Appraiser conducted a thorough analysis of agricultural sales by land classification groups and market areas. This analysis is completed by compiling agland sales that have occurred during the three year study period (10/1/2015 – 9/30/18) as established by the Nebraska Dept. of Revenue. Each qualified sale is placed into the respective market area based on location of the property. The sales are then broken down into acres within the respective land classifications. Each market area is tested by itself to determine if it falls between the statutory guidelines. The three market areas are then compiled into one final spreadsheet to determine if “county-wide” we still fall within the statutory guidelines and if there is a need for change. For 2019, this analysis showed that various dryland classifications in Market Area 1 should be decreased. It also appeared that various classes in dryland and irrigated classes should be decreased in Market Area 2 and that various dryland and irrigated classes should be decreased in Market Area 3.

Area 1: Irrigated land class 1A1 and 1A remained at 4700/acre. 2A1 and 2A remained at 3850/acre. 3A1 and 3A remained at 3800/acre. 4A1 and 4A remained at 3650/acre. 1D1 decreased from 4000/acre to 3625/acre. 1D decreased from 4000/acre to 3550/acre. 2D1 decreased from 3725/acre to 3450/acre. 2D decreased from 3725/acre to 3400/acre. 3D1 decreased from 3525/acre to 3375/acre. 3D remained at 3325/acre. 4D1 remained at 3225/acre. 4D remained at 3125/acre. 1G1 and 1G remained at 2000/acre. 2G1 and 2G remained at 1975/acre. 3G1 remained at 1925/acre. 3G remained at 1725/acre. 4G1 remained at 1700/acre and 4G remained at 1600/acre.

Area 2: Irrigated land class 1A1 and 1A decreased from 5800/acre to 5700/acre. 2A1 remained at 5600/acre. 2A remained at 5500/acre. 3A1 decreased from 5200/acre to 5100/acre. 3A remained at 4900/acre. 4A1 remained at 4500/acre. 4A remained at 4300/acre. 1D1 remained at 3700/acre. 1D decreased from 3650/acre to 3600/acre. 2D1 remained at 3550/acre. 2D remained at 3450/acre. 3D1 decreased from 3400/acre to 3300/acre. 3D remained the same at 3200/acre. 4D1 remained the same at 3200/acre. 4D remained the same at 3150/acre. 1G1 and 1G remained the same at 2000/acre. 2G1 and 2G remained the same at 1975/acre. 3G1 remained the same at 1925/acre. 3G remained the same at 1725/acre. 4G1 remained the same at 1700/acre. 4G remained the same at 1600/acre.

Area 3: Irrigated land classes 1A1 decreased from 7200/acre to 6800/acre. 1A decreased from 7100/acre to 6675/acre. 2A1 decreased from 7100/acre to 6675/acre. 2A decreased from 6975/acre to 6600/acre. 3A1 decreased from 6400/acre to 6300/acre. 3A and 4A1 remained the same at 5500/acre. 4A remained the same at 5250/acre. Dry land classes 1D1 and 1D remained the same at 4300/acre. 2D1 remained the same at 3950/acre. 2D remained the same at 3900/acre. 3D1 remained the same at 3825/acre. 3D and 4D1 remained the same at 3400/acre. 4D remained the same at 3250/acre. 1G1 and 1G remained the same at 2000/acre. 2G1 and 2G remained the same at 1975/acre. 3G1 remained the same at 1925/acre. 3G remained the same at 1725/acre. 4G1 remained the same at 1700/acre. 4G remained the same at 1600/acre.

## **Assessment Plan for Residential Properties**

The Saline County Assessor's office will continue to work with the local communities in regards to obtaining building permits on new construction/remodel or destruction of improvements. The Assessor's office also obtains building permits from Saline County Planning/Zoning office. With the additional tool of ConnectExplorer, the office plans to utilize this program to determine areas of new construction between 2018 and Spring, 2019.

The office will continue to review and analyze the real estate transactions.

### **2019 work for 2020 Assessment year**

We will finish the on-site inspections/reviews of the properties in Crete and a lot study will be completed. Updated Marshall & Swift costing (2018) will be implemented on improvements. A sales study will be done and adjustments in the economic depreciation will be applied, if found it is needed to maintain an acceptable level of value.

As a result of the recent flooding events that have occurred within Saline County (spring 2019), we plan to accelerate the timing on the on-site inspection and review of the properties located in Blue River Lodge.

### **2019/2020 work for 2021 Assessment year**

We will begin on-site inspections/reviews of the properties in Dorchester, Swanton and Western. Lot studies will be completed. Updated Marshall & Swift costing will be implemented on the improvements. A sales study will be completed and adjustments in the economic depreciation will be applied, if found it is needed to maintain an acceptable level of value.

### **2021 work for 2022 Assessment year**

We will begin on-site inspections/reviews of the properties of Friend. A lot study will be completed for Friend. Updated Marshall & Swift costing will be implemented on the improvements. A sales study will be completed and adjustments in the economic depreciation will be applied, if found it is needed to maintain an acceptable level of value.

## **Assessment Plan for Commercial Properties**

The Saline County Assessor's office will continue to work with the local communities in regards to obtaining building permits on new construction/remodel or destruction of improvements. The Assessor's office also obtains building permits from Saline County Planning/Zoning office.

The office will continue to review and analyze the real estate transactions.

### **2019 work for 2020 Assessment year**

We will complete on-site inspections/reviews of the properties in Crete and a lot study will be completed. Updated Marshall & Swift costing will be implemented on improvements. A sales study will be done and adjustments in the economic depreciation will be applied, if found it is needed to maintain an acceptable level of value.

The Saline County Assessor's office has contracted with Stanard Appraisal, Inc. to complete the on-site inspections/analysis of the Crete commercial properties. Monies for this service has been placed in the updated budget request.

The Saline County Assessor's office will use Wayne Kubert of Kubert Appraisal Group to complete the review of the industrial properties located within Saline County. Monies for this service has been placed in the updated budget request.

### **2021 work for the 2022 Assessment year**

With the continued need for commercial appraisal experience, the Saline County Assessor's office will hire a licensed appraisal service to complete the on-site inspections/analysis of the DeWitt, Swanton, Tobias and Western commercial properties.

Depending on the contract, staff in the Assessor's office may complete the data entry portion of the properties in DeWitt, Swanton, Tobias and Western. Lot studies will be completed. Updated Marshall & Swift costing will be implemented on the improvements. A sales study will be done and adjustments in the economic depreciation will be applied, if found it is needed to maintain an acceptable level of value.

### **2022 work for the 2023 Assessment year**

We will complete an on-site inspections/reviews of the properties in Dorchester, Friend and Wilber. Lot studies will be completed. Updated Marshall & Swift costing will be implemented on the improvements. A sales study will be done and adjustments in the economic depreciation will be applied, if found it is needed to maintain an acceptable level of value

## **Assessment Plan for Agricultural Properties**

The Saline County Assessor's office annually reviews all agricultural land sales to establish market values for agricultural land. In the review of the sale, the Assessor makes the final determination of which sales are considered arms-length transactions. This information is gathered by the agricultural questionnaire or

phone call to the seller, agent or buyer. Analysis is completed in each market area on land value groups (LVG's) to determine if there are any needs for adjustments in the LVG's. Adjustments are made to values when our analysis shows the median outside of the acceptable range.

Analysis is also completed within each market area to determine if the boundary lines are still reliable.

Saline County currently has three market agricultural market areas. Market Area 1 is predominantly dryland, as irrigation is not feasible in the area. The topography is rolling. Market Area 2 has similar topography to area 1, but ground water is available for irrigation. Market Area 3 is the flattest area of the county and irrigation is accessible.

## **Responsibilities**

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

#### **Prepare annually and file the following Administrative Reports**

- Approve/deny applicants of the Beginning Farmer Exemption (Feb 1)
- Aircraft Information Report (Feb 1)
- County Abstract of Assessment for Real Property (March 19)
- Annual Assessed Value Update (March 19)
- Assessor Survey (March 19)
- Amended Homestead Exemption Summary Certificate (May 30)
- Amended Personal Property Tax Loss Summary Certificate (May 30)
- Certify completion of real property assessment roll (June 1) & publish in newspaper (June 6)
- Send notice of valuation change to owner of record (as of May 20) of any property whose value increased or decreased (May 31)
- Amend/re-certify Abstract of Assessment, if changes were ordered by TERC (June 5)
- Prepare 3 year plan of assessment (June - July)
- File 3- year plan of assessment with the County Board of Equalization (July 31)
- Certify Personal Property Abstract Report (July 20)
- Certification of Values to Political Subdivisions (August 20)
- School District Taxable Value Report (August 20)
- Homestead Exemption Certification of Average Assessed Value of Single-Family Residential property (September 1)
- Complete/certify the tax list (real and personal) and deliver to the county treasurer (November 22)

- Homestead Exemption Tax Loss (November 30)
- Personal Property Tax Loss (November 30)
- Certificate of Taxes Levied Report (December 1)

**Homestead Exemptions** – Homestead Exemption applications are accepted in the office from February 2<sup>nd</sup> through June 30<sup>th</sup>.

**Personal Property** – All depreciable tangible personal property which is used in a trade or business for the production of income, and has a determined life of longer than 1 year, is subject to personal property tax.

Nebraska Personal Property returns are accepted in the office mid-January through May 1<sup>st</sup>, without penalty. Returns filed between May 2<sup>nd</sup> and June 30<sup>th</sup> receive a 10% penalty. Returns filed after June 30<sup>th</sup> receive a 25% penalty.

**Permissive Exemptions** – Permissive Exemption applications are filed in our office November 15 through December 31<sup>st</sup>.

**Taxable Governmental Owned Property** – Annual review of government owned property not used for public purpose, sent notices of intent to tax, etc.

**Centrally Assessed Properties** – Review the valuations as certified by the Department of Revenue, Property Assessment Division. Establish and maintain assessment records and tax billing for the tax lists.

**Tax Districts and Tax Rates** – Maintain school district and other tax entity boundary changes necessary for correct assessment and tax information including the input of tax rates used for tax billing.

**Tax Lists** – Prepare and certify the tax lists to the county treasurer for real property, personal property and centrally assessed properties.

**Tax List Corrections** – Prepare tax list correction documents for the County Board of Equalization’s approval.

**County Board of Equalization (CBOE)** – Attend CBOE meetings including meetings for valuation appeals. Prepare documentation for meetings, post meeting notifications in county newspapers, mail final CBOE decisions. When possible, physically review properties that have filed valuation appeals.

**Tax Equalization and Review Commission (TERC) Appeals** – Prepare the information and attend the taxpayer appeals before TERC. Testify in defense of the county’s valuation. When possible, physically review properties that have filed valuation appeals.

**Tax Equalization and Review Commission (TERC) Statewide Equalization** – Attend hearings if applicable to the county, testify in defense of the county’s valuations, and to implement TERC’s orders.

**Tax Increment Financing (TIF)** – Establish and maintain TIF district boundaries for tax billing.

**Rent-Restricted Housing Projects** – Annual review of rent-restricted housing projects filed with the Department of Revenue. Review and analyze the income and expense statements forwarded by the projects. Set valuation of projects using the capitalization rate established by the Rent-Restricted Housing Project Valuation Committee along with the information provided by the housing projects.

I respectfully submit this plan of assessment and request the resources needed to continue with maintaining up-to-date, fair and equitable assessments in achieving the statutory required statistics.

Brandi Kelly  
Brandi Kelly, Saline County Assessor

June 14, 2019

3 Year Plan - Submitted July 2019

TOWN	2018	2019	2020	2021	2022
Crete	2013	Crete Res 2020			
Crete	2014	Crete Comm 2020			
DeWitt	2018			DeWitt Comm 2022	
DeWitt	2016		Dorchester Res 2021		Dorchester Com 2023
Dorchester	2015			Friend Res 2022	
Dorchester	2017				Friend Comm 2023
Friend	2016				
Friend	2017				
Swanton	2015		Swanton Res 2021	Swanton Comm 2022	
Swanton	2016				
Tobias	2018				
Tobias	2016			Tobias Comm 2022	
Western	2015		Western Res 2021		
Western	2016			Western Comm 2022	
Wilber	2018				
Wilber	2017				Wilber Comm 2023
BRL	2016	BRL 2020			
2017-					
2018					
Cabins					
Rural Residential	2017-				
2018					
Ag Improvements	2017-				
2018					
Industrials	2013	Industrials 2020			

COMMERCIAL  
RESIDENTIAL  
INDUSTRIAL

