

Ag land locally, and in Dawson County, continues to climb

Written by Elizabeth Barrett
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Moore: High valuations, healthy economy

Sales of agricultural ground continue to climb at unprecedented rates.

Dawson County assessor John Moore said sales are occurring so fast, “I can’t keep up with it.”

As county residents receive their valuation notices around June 1, Moore said the most noticeable changes in the county for 2012 are in the agricultural sector and in Gothenburg.

Moore noted that sales of top irrigated ground will be assessed at \$2,300 an acre—an increase from \$2,170 in 2011.

The update of valuations in Gothenburg follows a practice of reviewing and adjusting values in the county at three-year intervals or sooner if the market dictates, the assessor said.

Changes are also made to properties if there have been alterations such as a new garage or other construction that significantly changes a home.

Moore said information about new construction usually reaches the assessor’s office through the application of building permits. There may be changes discovered upon regular review as well, he noted.

“With the update of Gothenburg, we have completed a cycle involving the main cities in the county only to start again this year in Lexington,” Moore said. “Lexington residents will see appraisers who are working on behalf of the county during the latter part of this year and into

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2013.”

Moore said all property owners can expect to receive a notice whether their valuation changes or not.

Once notice is received, owners have 30 days to file a “value” protest and ask to appear before the county board of equalization when they disagree with the proposal they receive in the mail, he said.

Protest forms are available at the assessor’s office and online at www.revenue.ne.gov/PAD/. Go to property assessment forms and click on form 422 or 422A.

The “A” is for those who are only interested in protesting land values, Moore said.

The protest period gives property owners a chance to examine the record of their property. He said the county clerk sets up the hearing schedule for the board.

Any changes are directed by the board and final as of July 24. Further appeals are possible to a state commission for those who disagree with the board’s decision.

Moore said equalization of higher-end value homes across the county was also completed. The assessor said maintaining a proper level of valuation on dwellings that might be described as “dream homes” has been difficult.

Appraisers examined the market sales and studied the cost of building these homes to determine what level of valuation is most fair, he said.

Very few of these places sell on a regular basis, he said, because they are “dream” custom-built

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homes. Considerable emphasis is given in terms of the cost to build them, Moore said.

Homes are put in this group if they have sizable square feet of living area and are classified as good quality and better than average condition.

Moore said significant professional judgment was used by appraisers in applying the assessment model developed for these properties.

“Some of these obviously are dream homes, especially if they exceed, say 3,000 square-feet and have impressive interior finish with numerous bathrooms and bedrooms and several roof angles,” the assessor said.

Moore said he recently had three building permits for new homes that together estimates show will exceed \$1 million total.

The increased valuation of real property in Dawson County is a strong indicator that the local economy remains in good health, he said.

“This is quite a contrast to national markets and even to a degree to eastern Nebraska,” Moore said.

For purposes of equalization, he said homeowners are encouraged to find other properties similar to theirs in terms of style, size and age.

“Uniformity is the goal and any obvious discrepancy can be corrected through board of equalization action,” Moore said.

In the agricultural sector, when all sales of farm ground are combined—irrigated, dry and

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grass—the average level of assessment is 69%. Moore said this figure doesn't apply to specific parcels, and in fact the average has very little real meaning given the mix of sales. But state statutes require that he report the number regardless of its merit.

Irrigated assessments are higher than the reported figure, he said, noting that there have been few grass or dry land sales in the county for the market period.

Farm ground assessments are calculated at 69% to 75% by statute, or a range proportionate to the 92% to 100% required for all other property.

Moore said the residential figure came in at 97% and commercial at 99% for the county.

Stanard Appraisal, a professional company that works in 41 Nebraska counties, has been under contract with Dawson County for many years to complete the larger projects. The work is reviewed, under the direction of the assessor, before final entries are placed on the records.

Moore said Lexington, Gothenburg and Cozad are always in the rotation for review.

He said he follows the ebb and flow of the markets but statutes also require that every property must be visited within a six-year period in case the market is stagnant for a particular area, such as smaller villages.

"It would be unusual to go more than three or four years in most cases and the farm ground has been getting attention every year thanks to the sales prices there," he said.

Assessors must look at what happened two or three years prior to June 30, 2011 (for 2012 assessments) rather than limiting a study to the last several months, he said. The aim is to prevent a roller-coaster kind of valuation picture.

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“Trying to read a crystal ball is the bane of this business,” Moore said.