

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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Ratio Study Narrative 2024

General Information	
County Name	BROWN

Person Performing Ratio Study			
Name	Phone Number	Email	Vendor Name (if applicable)
Ken Surface	317-753-5555	ken@nexusltd.co	Nexus LTD

Sales Window	1/1/2022 to 12/31/2023
<p>If more than one year of sales were used, was a time adjustment applied?</p> <p>Sales window of 1/1/2022 thru 12/31/2023 was used.</p> <p>For the study of commercial improved the timeframe was expanded to 1/1/2022 thru 12/31/2023. Washington township used 4 sales from 2022 and only 4 valid sales for 2023.</p> <p>For the study of residential vacant the timeframe was expanded to 1/1/2022 thru 12/31/2023 for Jackson Twp. The 5 sales included were the same 5 sales used in the 2023 study.</p>	<p>If no, please explain why not.</p> <p>Commercial Improved - Sales were not time adjusted due to the minimal amount (4) sales used and no two sold properties were actually comparable.</p> <p>Residential Vacant – Sales were not time adjusted due to the minimal amount (5) sales used. There were no paired sales and no real comparability.</p>
	<p>If yes, please explain the method used to calculate the adjustment.</p>

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Groupings

Please provide a list of townships and/or major class groupings (if any). Additionally, please provide information detailing how the townships and/or major classes are similar in market.

****Please note that groupings made for the sole purpose of combining due to a lack of sales with no similarities will not be accepted by the Department****

There were no groupings.

Statistical studies were not completed in the classes of Industrial Vacant, Industrial Improved, Commercial vacant as there were not enough sales despite looking outside of the timeframe. Additionally, for the two industrial classes for all four townships there are not enough designated parcels to complete a study. Only Washington township has more than 25 designated vacant commercial properties. For the Improved Commercial Class only Jackson and Washington have more than 25 designated parcels.

Vacant Residential (Van Buren Township) did not have a study completed as there were zero valid sales for the 2023 and less than 5 sales from the 2022 timeframe to carry forward.

Cyclical Reassessment

Please explain which townships were reviewed as part of the current phase of the cyclical reassessment.

Reassessment was conducted in Washington Township, taxing district 004.

Miscellaneous parcels were reassessed within the taxing district 005 to round out the required 25% benchmark for improved exempt and vacant exempt and miscellaneous parcels within taxing district 001 to round out the required benchmark for improved residential parcels. See the Brown Workbook file for a complete list.

Land Order

Was the land order completed for the current cyclical reassessment phase? If not, please explain when the land order is planned to be completed.

Annual adjustments to the land order were completed and will be implemented for the 2024 assessment date and will be presented to the PTABOA.

Comments

In this space, please provide any additional information you would like to provide the Department in order to help facilitate the approval of the ratio study. Such items could be standard operating procedures for certain assessment practices (e.g. effective age changes), a timeline of changes made by the assessor's office, or any other information deemed pertinent.

When determined appropriate, the standard operating procedure (SOP) for making effective age changes is based upon the following:

- Additions – compute an effective age based upon utilizing the original year constructed, the original square footage, the additional square footage added and any additional renovations taking place in the year of construction establishing a weighted average of all the components of value.
- Remodels/Renovations – compute an effective age based utilizing the original year constructed, the percentage of the entire house that was renovated, utilizing the DLGF percentage of completion chart to assist in establishing a weighted average of all the components of value).

IAAO Ratio Study standards indicate that “outlier ratios” can result from any of the following:

1. An erroneous sale price
2. A nonmarket sale
3. Unusual market variability
4. A mismatch between the property sold and the property appraised
5. An error in the appraisal of an individual parcel
6. An error in the appraisal of a subgroup of parcels
7. Any of a variety of transcription or data handling errors in preparing any ratio study

Outliers should be:

1. Identified
2. Scrutinized to validate the information and correct errors
3. Trimmed if necessary, to improve sample representativeness

As a result, there were individual parcels that met these guidelines and were trimmed. Reference the file titled Brown County Sales Reconciliation for those sales that were trimmed

OTHER:

You should fine two parcels (07-06-10-300-123.000-002 & 07-03-03-200-118.000-002) where the workbook values do not match the formatted tab values from the ratio study file. This is due to sale price is for a vacant residential sale and the property is now improved. The formatted tab reflects the land value only in the total value column, whereas the workbook total value column reflects both land and improvements.