

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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Ratio Study Narrative 2024

General Information	
County Name	Clark

Person Performing Ratio Study			
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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>A sales window from 1/1/2023 to 12/31/2023 was predominantly used.</p> <p>The window was expanded to include sales from 1/1/2022 to 12/31/2022 for the following townships due to a lack of sales:</p> <p><u>Residential Vacant</u>: Monroe. Due to only 2 sales in 2023, three sales from 2022 were included.</p> <p>All 2022 sales used were from the previous years' study with the exception of those with significant changes.</p>	<p>If no, please explain why not.</p> <p>There was no time adjustment as all the sales used were from the vacant residential class. With no paired sales and the lack of uniformity in vacant parcels, an adjustment percentage could not be calculated with any accuracy.</p>
	<p>If yes, please explain the method used to calculate the adjustment.</p>

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 the 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****

Commercial Improved (ChasJeffCI): The townships of Charlestown and Jeffersonville were combined. These two townships border each other and share annexed areas as commercial areas transition from one township into the other. These same two townships required grouping in the 2021, 2022, and 2023 studies.

Residential Improved (OwenWashRI): The townships of Owen and Washington are two adjacent rural townships in the NE corner of the county that both share the same school corporation.

Statistical studies were not completed in the classes of Industrial Vacant and Industrial Improved due to lack of parcels and sales in these classes for any of the townships. This was the same scenario as it was for the 2021, 2022, 2023 study.

Commercial Vacant – A statistical study was not completed due to lack of sales throughout the county. This was the same scenario as it was for the 2023 study.

Commercial Improved – All townships excluding (Charlestown, Jeffersonville & Silver Creek) had inadequate numbers to complete a study despite expanding the sales period and these townships are not commercial comparable to the other populated townships. As stated above, Charlestown and Jeffersonville were combined together.

Residential Vacant studies were not conducted for the townships of Bethlehem, Oregon, Owen, Silver Creek, Union, Utica, Washington, and Wood due to a lack of sales in each.

Residential Improved study was not conducted for the township of Bethlehem due to a lack of sales.

Cyclical Reassessment

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

The townships of Bethlehem and the majority of Jeffersonville were the predominant areas of focus for reassessment. Additional individual parcels were also reassessed to complete the required percentages for their classifications. See the Clark Workbook file for a complete list of reassessed parcels.

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 presented to the PTABOA for the 2024 assessment date.

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 Clark County Sales Reconciliation File for those sales that were trimmed.

Other: There are 2 sales that were used in the vacant residential portion of the study that are now improved parcels. The formatted tab will reflect only the land value in the Current Total AV, whereas in the workbook file, the Current Total AV will reflect its total value (land and improvements.)