Ratio Study Narrative 2025

General Information	
County Name	POSEY COUNTY

Person Performing Ratio Study			
Name	**Phone Number**	**Email**	**Vendor Name (if applicable)**
Jon Lawson	(812) 890-8323	jon.lawson@tylertech.com	Tyler Technologies

Sales Window	1/1/2024	to	12/31/2024

If more than one year of sales were **used, was a time adjustment applied?**	
☐ No	Explain, why not:
☐ Yes	Explain the method used to calculate the adjustment:

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****

Residential Improved

Bethel, Point, and Smith Townships were combined for analysis. These townships were grouped together because they share similar economic factors within these areas. They are primarily rural non-densely populated areas that are mostly un-platted residential / agricultural land and there is marginal development going on throughout these townships. Geographically, these townships are in the west part of the County. Black, Center, Harmony, Lynn, Marrs, Robinson, and Robb Township were not grouped with any other townships.

Residential Vacant

We grouped all townships together for the Vacant Residential analysis. The townships are all similar within the county in this class because they share similar economic factors. This is a

rural, non-densely populated area with very minimal vacant land sales and within each township vacant land makes up about 15% of the residential parcels.

Commercial Improved & Vacant

Commercial and Industrial properties within each township were grouped together when developing trend factors, since the construction types and sizes of these properties are very similar. We have adjusted building factors within neighborhoods that bring us closer to a market value. There are very few Commercial and Industrial vacant land sales due to the fact that most of the land for sale in Posey County is in row crop. There was (1) commercial valid vacant land sales over the past year. With such a minimal number of land sales, there was a lack of market information to have a separate commercial and/or industrial vacant study of its own. For this reason, we did group the Commercial/Industrial Improved and vacant sales into one study group.

Cyclical Reassessment

Please explain which townships were reviewed as part of the current phase of the cyclical reassessment. Also, list any townships where the number of parcels reviewed were more than the formally approved reassessment plan. Note: All parcels reviewed should meet the 25% requirement with the 2% tolerance threshold (23-27%)

We reviewed within Black Township, Point Township, and Smith Township. More specifically the taxing districts of Mount Vernon City, Point Township, and Smith Township, which you will see reflected in the workbook.

Land Order

The land order used for the January 1, 2025, assessment along with the Narrative (optional) will be published on DLGF's website. Please provide the following information:

Date the land order was submitted to PTABOA.	Taxing Districts 005, 006, 007, 011, 012, 016, and 019 (Review Year 1 & 2): 5/22/2023 Taxing Districts 008, 010, 014, 015, 017, 018, 020, and 021 (Review Year 3 & 4): 12/13/2021	
Action taken by the PTABOA.	☒ Approved	☐ Denied
Effective date of the land order.	Year 1 & 2 review area: 1/1/2024 Year 3 & 4 review area: 1/1/2022	
Was the land order updated as part of the 2024 cyclical reassessment?	☐ Yes	☒ No
Any other changes or issues?	We do trend land values annually as needed.	

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.
Overall, we noticed a slowdown in market activity for the County. While there was approximately 10% less transactions this year than last year, the market has held strong and continues to climb. This was verified by our annual appreciation analysis which indicated a 6% linear appreciation rate for the year, which we feel is reflective of the market for this area. We do recognize that there is a number of parcels increasing 10% or more in the review area. This is primarily most noticeable in vacant industrial and commercial land. The 2025 Cost table updates were applied. This did result in fluctuation of values for commercial, industrial, and residential properties. Residential was most noticeable on dwellings with basements. The base year for depreciation was updated to 1/1/2025. The updated 2025 Agricultural land rate of $2,390 was applied. The updated 2025 Classified land rate of $17.24 was applied. The updated 2025 Solar land rate of $7,701 for the South District was applied (this is ~45% lower than the rate utilized by the rest of the state). The updated golf course cap rate of 12.04% was used to value the golf course. For all properties, both outside and within our review areas, we applied factor adjustments and land rate adjustments where necessary to meet IAAO standards. Any areas that did not have a fair representation of sales were combined with an adjoining area of similar economic factors so that we could draw a more definitive representation of the market.