

# STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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## Ratio Study Narrative 2022

<b>General Information</b>	
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<b>County Name</b>	Elkhart
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<b>Person Performing Ratio Study</b>			
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Name	Phone Number	Email	Vendor Name (if applicable)
James E. Allen	(574)535-6594	jallen@elkhartcounty.com	

<b>Sales Window</b>	1/1/2021	to	12/31/2021
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<b>If more than one year of sales were used, was a time adjustment applied?</b>	<b>If no, please explain why not.</b>
	<b>If yes, please explain the method used to calculate the adjustment.</b>

## Groupings

Please provide a list of township 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\*\***

### Industrial Vacant

Insufficient valid sales data to analyze

### Industrial Improved

This section was analyzed in three groupings. Groupings were determined based on location, population, and proximity to major shipping lanes

### Commercial Vacant

Insufficient valid sales data to analyze

### Commercial Improved

This section was analyzed as a single group. This was done due to the varying uses, sizes and styles of this type of property. With the industrialized nature of many jobs within the county, people have a tendency to travel within the county quite often. This has led to many similar commercial enterprises operating throughout the different townships

### Residential Vacant

This section was analyzed as a single group. This was done based on the strong seller's market created by limited available inventory. As there are similar neighborhoods located within almost every township of the county, lack of viable purchase options has caused buyers to look in other areas of the county for similar purchase options.

### Residential Improved

There were sufficient sales so that all townships were analyzed on their own

## AV Increases/Decreases

If applicable, please list any townships within the major property classes that either increased or decreased by more than 10% in total AV from the previous year. Additionally, please provide a reason why this occurred.

Property Type	Townships Impacted	Explanation
Commercial Improved	Clinton 19.28%	Cyclical Reassessment
	Concord 10.68%	Cyclical Reassessment
	Harrison 11.2%	Single parcel added new Imp for an increase of \$207,700. Exclusion of that parcel results in an overall increase of 1.22%

	<p>Jackson 14.39%</p> <p>Jefferson 26.29%</p> <p>Locke 17.5%</p> <p>Olive 11.35%</p> <p>Osolo 11.35%</p>	<p>Three parcels added new Imps for an increase of \$897,200. Exclusion of those parcels results in an overall increase of 7.42%</p> <p>Three parcels added new Imps for an increase of \$6,645,400. Exclusion of those parcels results in an overall increase of 6.39%</p> <p>Four parcels added new Imps for an increase of \$3,560,500. Exclusion of those parcels results in an overall increase of 4.91%</p> <p>Two parcels added new Imps for an increase of \$877,700. Exclusion of those parcels results in an overall increase of 6.42%</p> <p>Thirteen parcels added new Imps for an increase of \$22,797,300. Exclusion of those parcels results in an overall increase of 5.8%</p>
<b>Commercial Vacant</b>	<p>Benton 27.21%</p> <p>Clinton 14.21%</p> <p>Harrison N/A</p> <p>Jackson 15.25%</p> <p>Osolo 19.24%</p> <p>Union 47.24%</p> <p>Washington 13.27%</p> <p>York -55.1%</p>	<p>Only one parcel in the prior year and added a second parcel this year based on use change</p> <p>Cyclical Reassessment</p> <p>No parcels in the prior year and added one parcel this year based on use change</p> <p>Single parcel increased \$38,400 based on updated use. Exclusion of that parcel results in an overall increase of 0.75%</p> <p>Four new parcels created by split, block change or annexation resulting in an increase of \$519,700 and eight parcels had updated use for an increase of \$796,800. Exclusion of those changes results in an increase of 2.74%</p> <p>Two parcels were split with a portion having use change for an increase of \$312,500. Exclusion of those changes results in an increase of 1.76%</p> <p>Cyclical Reassessment</p> <p>Four parcels total in the prior year. One of those parcels had an Imp added resulting in only three remaining parcels for the current year</p>
<b>Industrial Improved</b>	<p>Baugo 14.18%</p> <p>Cleveland 21.21%</p>	<p>Fifteen parcels added new Imps for an increase of \$10,528,600. Exclusion of those parcels results in an overall increase of 7.54%</p> <p>Fifteen parcels added new Imps for an increase of \$19,747,100. Exclusion of those parcels results in an overall increase of 7.09%</p>

	Clinton 16.35%	Four parcels added new Imps for an increase of \$2,725,100. Exclusion of those parcels results in an overall increase of 7.47%
	Concord 18.27%	Cyclical Reassessment
	Elkhart 14.32%	Twenty-five parcels added new Imps for an increase of \$33,974,200. Exclusion of those parcels results in an overall increase of 5.78%
	Harrison 13.63%	Five parcels added new Imps for an increase of \$3,804,600. Exclusion of those parcels results in an overall increase of 0.91%
	Jackson 14.77%	Four parcels added new Imps for an increase of \$4,285,800. Exclusion of those parcels results in an overall increase of 7.57%
	Jefferson 35.64%	Six parcels added new Imps for an increase of \$14,393,300. Exclusion of those parcels results in an overall increase of 5.9%
	Locke 18.65%	Ten parcels added new Imps for an increase of \$7,716,300. Exclusion of those parcels results in an overall increase of 6.37%
	Middlebury 13.77%	Eleven parcels added new Imps for an increase of \$15,625,600. Exclusion of those parcels results in an overall increase of 6.61%
	Osolo 15.87%	Twenty-five parcels added new Imps for an increase of \$26,265,800. Exclusion of those parcels results in an overall increase of 9.4%
	Union 11.77%	Ten parcels added new Imps for an increase of \$4,932,700. Exclusion of those parcels results in an overall increase of 4.05%
	Washington 46.45%	Cyclical Reassessment
	York 26.26%	Thirteen parcels added new Imps for an increase of \$25,726,100. Exclusion of those parcels results in an overall increase of 3.97%
<b>Industrial Vacant</b>	Benton 70.11%	Four of the six parcels had updated land use based on the development of a new industrial area
	Union 14.97%	Four new parcels created by split, block change or annexation resulting in an increase of \$139,200. Exclusion of those parcels results in an overall increase of 3.7%
	Washington 15.09%	Cyclical Reassessment

	York 11.35%	One new parcel created by split, block change or annexation resulting in an increase of \$111,100. Exclusion of that parcel results in an overall decrease of 0.41%
<b>Residential Improved</b>	Baugo 16.38%	Forty-three vacant parcels had improvements added in the amount of \$11,569,800
	Cleveland 12.47%	Twenty-seven vacant parcels had improvements added in the amount of \$8,167,600
	Clinton 12.38%	Cyclical Reassessment
	Concord 10.37%	Cyclical Reassessment
	Elkhart 11.97%	Thirty-three vacant parcels had improvements added in the amount of \$7,243,000
	Harrison 14.6%	Seven vacant parcels had improvements added in the amount of \$2,583,200
	Jackson 16.87%	Forty-six vacant parcels had improvements added in the amount of \$5,077,100
	Jefferson 12.67%	Seventeen vacant parcels had improvements added in the amount of \$5,330,100
	Middlebury 16.67%	One hundred vacant parcels had improvements added in the amount of \$7,923,000
	Olive 17.72%	Eight vacant parcels had improvements added in the amount of \$2,766,900
	Osolo 13.62%	Forty-six vacant parcels had improvements added in the amount of \$11,283,400
	Union 18.2%	Fourteen vacant parcels had improvements added in the amount of \$4,861,700
	Washington 14.67%	Cyclical Reassessment
	York 14.59%	Cyclical Reassessment
<b>Residential Vacant</b>	Concord 14.37%	Cyclical Reassessment
	Union 12.02%	Three new parcels created by split, block change or annexation resulting in an increase of \$84,000. Exclusion of those parcels results in an overall increase of 7.27%

**Cyclical Reassessment**

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

Residential & Agricultural

Clinton, Concord, Washington, York

Commercial/Exempt

Baugo, Cleveland, Clinton, Concord, Washington

Industrial/Utility

Concord, Washington

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

A new land order was not created during the current phase. We utilized our time during this phase to verify parcel dimensions, standard lot sizing and influence factors. With limited vacant sales in most neighborhoods, the use of an extraction method in the current seller's market can result in over-inflated land values being applied. This information will be looked at each year to determine if there is sufficient data available to complete an analysis.

**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.**

While the explanations within the AV Increases/Decreases sections do not fully explain the changes from year to year, they help show some of the factors resulting in the increases. The other major factors leading to a change in the assessments from year to year are new construction, cost table changes and annual adjustments (trending).

Any parcel marked as having a condition change has been compared to other parcels within that neighborhood. We also review unsold properties to verify if condition changes are warranted. Many items are added per MLS review at the time of sale. We typically do not gain entry into dwellings so interior information is updated through the use of questionnaires, discussions with owners and MLS. We also use online services to conduct reviews of parcels based on active listings.

Our work permit process involves four offices. The cities of Elkhart, Goshen, and Nappanee handle their own work permits. The County office handles all other areas. We receive copies of permits for all trades (electrical, plumbing, mechanical, etc.). Once a permit is received by our office, the information is entered into our database so that we can track the progress of the work on the permit. We do verify with the four offices to guarantee that we are getting all of the permits that are issued. We receive both construction permits and demolition permits. We have specific employees that are responsible for verifying permit work within their assigned townships. It is broken down this way so that the employees can become familiar with the properties in their assigned townships and can more easily identify if something is changed on a property without a permit. The employee will conduct a site visit to verify the progress of the work specified by the permit and will sometimes visit the same property multiple times until the work is either completed or the permit is retired. If the permit is for changes to the inside of a structure, the employee will speak with the owner (sometimes calling before the visit to set up an appointment) to determine the progress of the work as well as the type of construction when necessary. They do not enter structures unless they are invited in by the owner to inspect the progress. If the employee conducting the site visit is not able to speak with the owner about

interior permit information, they will leave a business card with a request for the owner to contact the office. If a response is not received by the office, the employee will continue to make site visits to the property in an attempt to speak with the owner. In the event that an employee has been to the same property multiple times with no response from the owner, we have also contacted the inspector or contractor listed for the work permit to get descriptions and information from them. I think it is also important to point out that when an employee goes out to verify information on a work permit, they are also attempting to verify all information for that properties assessment and not just the item listed on the permit. We utilize a standard effective age calculation for properties that have been remodeled and we are able to determine the year in which the work was completed. All employees use the same calculations in an Excel spreadsheet to calculate effective age. This is done for all of our processes from permit work, sales review, listing review, appeals, etc.