

# Narrative

## General Information

County Name: Decatur County

Person Performing Ratio Study: Jay Morris – Ad Valorem Solutions, LLC  
Dorene Greiwe – Assessor  
Jaime Morris – Ad Valorem Solutions, LLC

Sales Window (e.g. 1/1/20 to 12/31/20): Due to the size of the County, we used sales as follows:  
ResImp – Clinton, Jackson, Marion, and Salt Creek townships used 01/01/2018 – 12/31/2020.

All other townships used sales from 01/01/2019 – 12/31/2020.

ResVac – 01/01/2019 – 12/31/2020 for all townships

ComImp – 01/01/2018 – 12/31/2020

ComVac – 01/01/2018 – 12/31/2020

If more than one year of sales were used, was a time adjustment applied? If no, please explain why not. If yes, please explain the method used to calculate the adjustment.

No. We did not have enough paired sales to establish a reliable time adjustment.

## Groupings

In the space below, 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.

The Residential Vacant land was grouped (L1). Decatur County is mainly a rural-agricultural county. Therefore, the homesites throughout the county are of similar rural tracts and should be grouped for trending and sales ratio purposes. Washington Township had more than 5 sales and could stand alone. Fugit Township also has more than 5 sales but that is because of Lake Santee located in that Township. However, in Lake Santee you have three different types of lots. On the water lots sell from \$80,000 to \$200,000 depending on the location on the lake. View of water sell from \$4,000 to \$15,000 a lot depending on who is buying. And off water lots sell from \$200 to \$5,000 depending on who is buying. In order to enjoy the lake, you must own property at Lake Santee. Therefore, there are people that buy the lots to build on, thus the higher end of the range for View and Off, and then those that buy just for access to the lake. Therefore, trying to complete a ratio study for Fugit Township as a whole puts high valued lots against extremely low and irregular lots and therefore causes PRD's and COD's to suffer. We are trying to include as many sales as possible in our study, But as the land is grouped under L1 it fits IAAO standards.

Due to the limited number of sales, all commercial and industrial land was trended together (L2). There were only two commercial and industrial valid sales. The ratio for these two sales is within the IAAO standards, but with only two sales the sales are just included because they are valid. No trending was done with these sales.

We have two groupings of residential improved. Clay and Clinton are both rural townships with no major towns and are of the same school districts. As most of their parcels are homesites and are in the northern part of Decatur county we have grouped them (R1). Jackson and Marion townships are both rural townships with no major towns and are of the same school districts. As most of their parcels are homesites and are in the southern part of Decatur county we have grouped them (R2).

With this being a small rural community and due to the number of sales in individual neighborhoods, the commercial and industrial parcels were grouped together in the ratio study (C1).

**\*\*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\*\***

**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.

<b>Property Type</b>	<b>Townships Impacted</b>	<b>Explanation</b>
Commercial Improved	Sandcreek Twp. >10%	New construction and reassessment changes
Commercial Vacant	Saltcreek Twp. >10%	Changed land type from 13 to 12.
	Washington Twp. >10%	Two new parcels and raised land values with land order
Industrial Improved	Marion Twp. > 10%	Removed obsol. from buildings now being used.
	Saltcreek Twp. > 10%	Several changes made to quarry and land values were updated.
	Sandcreek Twp. >10%	Two parcels had significant changes during reassessment
	Washington Twp. >10%	
Industrial Vacant	Saltcreek Twp. >10%	One parcel changed from Res to Ind.
	Washington Twp. >10%	Land order change raised some values
Residential Improved	Adams Twp. > 10%	Several new houses, See further explanation below.
	Sandcreek Twp. >10%	Several new houses, reassessment changes and new land order.
Residential Vacant	Saltcreek Twp. >10%	A couple of new parcels and land values raised with new land order.
	Sandcreek Twp. >10%	Several parcels changed from Imp to vac. Also land order changed.
	Washington Twp. >10%	A lot of parcels changed out of developer discount. Also had several new parcels.

## Cyclical Reassessment

Please explain in the space below which townships were reviewed as part of the current phase of the cyclical reassessment. For phase 3 of the reassessment the parcels were reviewed in Sandcreek, Marion, and Saltcreek townships.

Was the land order completed for the current cyclical reassessment phase? If not, please explain when the land order is planned to be completed. We are completing the land order as part of our reassessment. For 2020 review we updated the land order for Sandcreek, Marion and Saltcreek Townships as well as the C/I for Washington Township.

### Comments

In this space, please provide any additional information you would like to provide the Department 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.

Decatur County has a permit system in place that assists the Assessor with updating their parcel records. Along with that, the county uses the % complete chart to standardize changing effective years on parcels that add additions as well as do extensive remodeling. During the sales validation process, the county also utilizes this same method of establishing effective age. During the site visit, if an internal visit is not possible, a call to the owner or seller provides additional information with the remodeling that may have occurred to the property. The Assessor also uses various websites to help establish the extent of internal remodeling not available from just outside appearance. On less extensive remodeling, change of condition may result.

### NOTES FROM AV TABLE

The sales we had over the last four years in Adams Township Homesite NBHD indicated an overall median of 72%. We had to increase the trending factor substantially to get the median above 90%. We are not sure why such the increase, if it has to do with Honda or proximity to Indianapolis, but the sales have gone up exponentially. We have raised the values for the ratio study by will be consulting with our appraisers to see if we are missing something and need to make further adjustments.

With the change in the market, we are finding many neighborhoods that are requiring big changes. We are reluctant to make these large changes when looking at the way the IBTR completely ignores the process of trending during the appeals process. We are also afraid of the "bubble" that may be coming such as in 2009. If that occurs and values plummet, it may be two years before the trending catches up. And the appeals in those years again will not be easy and will be expensive to defend.