

Narrative

General Information

County Name: HARRISON

Person Performing Ratio Study: KEN SURFACE

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Vendor Name (If Applicable): NEXUS GROUP

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Sales Window (e.g. 1/1/18 to 12/31/18):

Sales from the period of 1/1/18 through 12/31/2018 was the period used for all groupings. The following analysis were expanded:

Commercial Vacant – county wide – due to only 2 sales in 2018, the timeframe was expanded to include 1 sale from 2017

Commercial Improved – county wide – due to only 4 sales in 2018, the timeframe was expanded to include 8 sales from 2017

Residential Vacant – Sales were expanded to include sales from 2017 in the townships of Heth, Webster, Blue River, Jackson, Morgan, Spencer & Posey.

Residential Improved – Sales were expanded to include sales from 2017 in the townships of Heth and Washington as well as Taylor, all of which had limited number of sales in 2017 and 2018

A total of 52 2017 sales were used throughout the entire study

There was no time adjustment of any sales outside of the mandated time period as there isn't enough supporting evidence to accurately adjust with any confidence. Within the commercial vacant study, one cannot calculate a reliable time adjustment based upon only 1 sale. Within the Commercial improved study, there is no comparability between the sold commercial properties. Within the Residential Vacant study, with the minimal number sales occurring in both 2017 and 2018 and the lack of uniformity in one vacant property to the other with regards, to topography, size, and usability, no time adjustments of any certainty could be calculated. Within the Residential Improved study, a minimal number of sales occurred in both 2017 and 2018. No definitive time period adjustment could be made as there isn't a large enough sample size.

Groupings

The groupings for statistical purposes took place are:

Commercial Vacant – Harrison Township – only 2 sales took place – utilized one sale from 2017. As a result of only 3 sales, the PRD is out of standard. Due to the limited number of sales this measurement is not reliable. There were zero sales from 2014, 2015 or 2016 to include. Last year the Median was 0.00% and the PRD was 1.000 as there was only 1 sale

Industrial Vacant classification – no sales occurred and no township has greater than 25 parcels

Industrial Improved – With only 1 sale occurring – this sale was grouped with the Commercial Improved study as the sale came from the Harrison township

Residential Vacant – due to the limited number of sales, the following townships were grouped together (Boone), Heth, Taylor, Washington, & Webster) – these townships all share the same school corporation and were combined together last year. The townships of Blue River, Jackson, Morgan & Spencer were combined together as they all share the same school corporation. Many of these townships were grouped together last year as well.

Residential Improved – due to zero sales in Washington for 2018, this township was combined with Heth, which is what also occurred in 2017

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		
Commercial Vacant	Heth	-40% (result of 1 parcel being reclassified as AG land – accounts for 100% of the decrease)
Industrial Improved	Harrison	+12% (result of 1 parcel (new construction) accounting for 68% of the increase- added value for this parcel was \$2,617,500) smaller new construction projects took place on other parcels
Industrial Vacant	Jackson	+25% (result of 1 parcel being classified, which was improved last year – added value to group was only \$5700. This 1 parcel accounts for the entire total
Residential Improved		

Residential Vacant	BlueRiver	-24% (result of 1 parcel classified wrong last year – was an improved parcel receiving a vacant class code – corrected for this year – Accounts for almost 100% of the variance)
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Cyclical Reassessment

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

Harrison Township (taxing district 007)
Taylor Township

See workbook values for designated parcels conducted during the year throughout the county

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

No – Year 2 of the Cycle

Comments

The DLGF provided a sales reconciliation file identifying a total of 676 sales that occurred during the 2018 timeframe as needing an explanation as to why they were not used if they are not contained within the ratio study. The 676 sales identified by the DLGF was done without review and therefore identifies several that are “invalid sales”.

From this list of 676 parcels it was determined that 175 of the sales were sales of various “invalid sales” nature.

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.

After complete scrutiny from the county, Harrison County utilized more than 80% of the all-inclusive list of parcels were identified in the DLGF reconciliation sales file. This percentage increased to more than 85%, once the file was adjusted, eliminating truly non-valid sales.

A response was not provided for the 2017 sales as the only 2017 sales that were used were used in last year's study, where deemed necessary

A total of 591 sales were used in the study, which is an increase over last year.