

## **An Overview of Madison County's 2014 Annual Trending July 7, 2014**

The following steps were taken to conduct the 2013 annual trending in Madison County:

### **Step 1: Calculation of New Land Values\*\***

As required in the General Reassessment, new land values were established in July, 2011 and have been implemented since that time. For 2014 trending, it was determined that land base rates needed to be adjusted in approximately 30 neighborhoods in order to achieve accurate assessments.

### **Step 2: Calculation of New Residential Factors & Residential Studies\*\***

A preliminary ratio study was conducted for improved residential properties at the township level. This study dictated which property classes required further analysis, stratification, reassessment or calculation of a new neighborhood factor. In some instances, especially in rural areas of Madison County, the preliminary ratio study indicated that assessments were both accurate and uniform. In other neighborhoods, further review was required. As such, it was determined that approximately 30 neighborhood trending factors needed to be adjusted in order to meet IAAO ratio study standards. Townships which did not have an adequate number of sales to compute statistical measures were grouped according to geographic location, similar parcel compositions and school districts. These groupings include 1) Richland and Lafayette Townships, 2) Monroe, Duck Creek, Van Buren, and Boone Townships, and 3) Stoney Creek and Jackson Townships.

### **Step 3: Updated Commercial & Industrial Improvement Values\*\***

Madison County's location cost multiplier did not change from previous levels, and no other changes were made to commercial and industrial properties.

**\*\*Please note that the period of time from which sales were used for this ratio study was from 1/1/2013 to 2/28/2014. Every attempt was made to ensure a representative sample for each property class. However, given the very low sales activity for vacant commercial property and vacant industrial property in Madison County, no additional sales data was yielded even when the time frame was expanded back to 2009. Also, there were only 4 valid sales for vacant residential property and these sales are from 2011. No ratio study was calculated for these property classes.**