An Overview of Madison County's 2016 Annual Trending
June 22, 2016

The following steps were taken to conduct the 2016 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 2016 trending, it was determined that land base rates needed to be adjusted in approximately 40 neighborhoods in order to achieve accurate assessments.

Step 2: Calculation of New Residential Factors & Residential Studies**
Madison County implemented the depreciation adjustment per the Department of Local Government Finance. Further, a preliminary ratio study was then 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. Townships with less than 5 sales were grouped into combined stratum in order to create a sufficient sample size for ratio study calculations. In this case, Stoney Creek and Jackson Townships were combined and also Boone, Duck Creek, Van Buren, and Monroe Townships were combined.

Step 3: Updated Commercial & Industrial Improvement Values**
Madison County implemented the depreciation adjustment from the Department of Local Government Finance

**Please note that the period of time from which sales were used for this ratio study was from 1/1/2015 to 12/3/2015. Every attempt was made to ensure a representative sample for each property class. However, given the very low sales activity for vacant residential, vacant commercial, and all industrial property in Madison County, no additional sales data was yielded even when the time frame was expanded back to 2010. No ratio study was calculated for these property classes.