

## Parke County Equalization

### Overview

Parke County is a small rural farming community. There is little industry and the commercial activity is concentrated in the town of Rockville with several very small communities in other townships. The county is surrounded by other rural communities and the closest urban area is Terra Haute to the south-west. Parke County has a large Amish population with many contract sales and many sales between family members which limits the confidence interval of any analysis. There are no major highways through the county and commercial activity is generally limited to support of the local population through small retail operations with little turnover.

Each ratio study is contained on a worksheet in the enclosed Excel spreadsheet. The tabs are self-explanatory. The tab marked "Summary" lists the results of the study on a township basis. There are separate tabs for each of the 7 property classes to be reviewed – residential vacant, residential improved, commercial vacant, commercial improved, industrial vacant, industrial improved and agricultural. All spreadsheets contain the thirteen entries required by 50 IAC 14-5-3 as well as the Median, COD and PRD.

In order to have enough sales for meaningful analysis, 2005 sales were included in the ratio study. A 2.00% per year (applied by month) time adjustment was applied to the 2005 residential and commercial sales.

### Residential Improved and Vacant Analysis

Since the rural townships have few, if any, residential vacant land sales these townships were combined with other similar townships. Florida, Raccoon, Reserve, and Wabash were combined, Greene, Penn and Washington were combined and Howard, Liberty and Sugar Creek were combined. These groupings are geographically and economically comparable and were assessed accordingly. The ratio study shows that all Townships meet the state requirements for the Median, COD and PRD.

Since similarly the same situation is present with residential improved sales in these rural townships, Florida, Raccoon, and Wabash were combined, and Howard, Liberty, and Sugar Creek were combined. These groupings are geographically and economically comparable and were assessed accordingly. The ratio study shows that all Townships meet the state requirements for the Median, COD and PRD.

### Commercial Improved and Vacant Analysis

There were no valid commercial vacant sales in the county. There were 10 valid improved commercial sales to produce a ratio study. Due to the number of sales in any given township and the fact that the county is fairly consistent, the townships were grouped together for the ratio

study in these categories. The Commercial Improved Median, COD and PRD fall with the State's requirements on a countywide basis.

As indicated by the rule "If assessing officials determine that there are insufficient sales of commercial or industrial property in a township or county to determine an annual adjustment factor, the county shall use one (1) or more of the following too derive annual adjustment factors or modify the values of commercial and industrial property . . ." Since there were no sales, Marshall and Swift cost analysis was used. Using the Comparative Cost Multipliers method, a cost factor of 1.047 was calculated. This factor was the increase from January 1, 2006 to January 1, 2007. The factor was then applied to all of the building type improvements in the county. An additional year of depreciation was applied to these buildings. The total previous building values were then compared to an updated building value based on the Marshall and Swift factor resulting in the annual adjustment factor of 1.02. This factor was applied to all of the industrial improvements.

## Industrial Improved and Vacant Analysis

There were no valid industrial vacant land sales or valid industrial improved sales in the county.

As indicated by the rule "If assessing officials determine that there are insufficient sales of commercial or industrial property in a township or county to determine an annual adjustment factor, the county shall use one (1) or more of the following too derive annual adjustment factors or modify the values of commercial and industrial property . . ." Since there were no sales, Marshall and Swift cost analysis was used. Using the Comparative Cost Multipliers method, a cost factor of 1.047 was calculated. This factor was the increase from January 1, 2006 to January 1, 2007. The factor was then applied to all of the building type improvements in the county. An additional year of depreciation was applied to these buildings. The total previous building values were then compared to an updated building value based on the Marshall and Swift factor resulting in the annual adjustment factor of 1.02. This factor was applied to all of the industrial improvements.

## Agricultural Vacant Ground Analysis

### Assessment to Assessment Study

Fifteen Agricultural parcels were randomly selected from various Townships within the County. These parcels were sorted by land type and soil productivity ID. The productivity factor of each entry was then multiplied by 1,200 (Agriculture ground base rate set by State) and then multiplied by the entry acreage. This amount was then divided by the acreage amount to produce a per acre price.

This assessment to assessment analysis shows that entries with the same land type and soil productivity are priced at the same per acre rate. (See Agriculture Spreadsheet)