

Narrative

General Information

County Name: PIKE

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Sales Window (e.g. 1/1/20 to 12/31/21):

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.

Residential Improved the sales window was expanded to include sales from January 1, 2019 through December 31, 2020 to give a broader look with more sales in the pool. An annualized sales adjustment of 3.6% was applied to the 2019 sales. Verbal opinions of increases with local Realtors resulted in wide range of opinions of increase. The U.S. Federal Housing Authority showed a yearly increase in the 12 percent range for the state of Indiana as a whole, but Pike County lags well behind the state average. CPI was at least reviewed but given little weight since there seems to be little correlation with the CPI (approximately 1 percent, 6/2020 through 7/2020) and home prices. The 3.6% was considered a reasonable increase.

Residential Vacant the sales pool was expanded to include sales from January 1, 2017 through December 31, 2020. Due to the limited number of sales and demand for these properties and limited market data no time adjustment was applied.

Commercial Improved the sales window was expanded to include sales from January 1, 2016 through December 31, 2020. Demand and market data for these sales was insufficient to determine a time adjustment for pre 2020 sales.

In the space below, please provide a list of township and/or major class groupings (if any). Additionally, please provide information detailing how the townships and/or major classes are similar in market.

Residential Improved sales from Patoka Township and Washington Township appear in their own sales study pools. Sales from Clay, Logan, Madison and Monroe Townships are pooled together in another sales study. These townships border Gibson and Warrick counties and are influenced by employment opportunities in those counties. These townships are very similar in their sparse populations and large percentage of coal mined ground. Demand for homes, mix of homes and sales range are similar from township to township.

A second pool consists of residential improved properties in Lockhart, Marion and Jefferson Townships. These townships are contiguous and make up the eastern third of the county

bordering Dubois County. Sale prices of homes in these three townships is heavily influenced by employment in Dubois County.

Residential Vacant sales are pooled countywide. There is little variance in the sale range of these types of properties throughout the county and little difference in demand from township to township. Many of these parcels are purchased for recreational/ hunting / weekend usage.

Commercial Improved sales are also pooled countywide. While there are far more commercial properties located in Washington Township, the primary driver of prices is from State Highway sites throughout the county.

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	Jefferson Township (+15.6% increase)	In 2020 there were 5 parcels in this class. In 2021 the number of vacant commercial has gone from 5 to 7. The increase in assessment is primarily due to the addition of these 2 parcels.
Industrial Improved		
Industrial Vacant	Clay Township (+58.02% increase)	The increase in the assessment value of unimproved industrial parcels in Clay is due to two reasons involving the same types of parcels. Reason 1 is the increase in parcels in this category from 8 to 11 from 2020 to 2021. Along with the increase in parcel count the assessed values of some of these parcels was increased due to change in use from agricultural to industrial. These parcels are all coal mine properties owned by Prosperity Mine.
Residential Improved	Clay Township	Increases in this class can be attributed to two factors. Clay Township was part of the Phase 3

	(+10.96% increase)	review group. Along with changes from field reviews one upper end home was added for new construction which represented almost half the increase in AV. The second factor is the increase in the neighborhood/ trend factor. The factor was at 99 in 2020 and raised to 106 for 2021.
Residential Vacant		

Cyclical Reassessment

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

Phase 3 included review of parcels in Jefferson, Clay and Logan Townships along with a limited number of commercial properties in Washington Township.

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

The Land Order will be prepared during Phase 4.

Comments

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

Pike County has long relied on Coal Mining and Coal Fired Electric Generating plants for the primary sources of employment within the county and the cornerstones to the tax base in the county.

In 2015 Hoosier Energy shut down one of the two units at its power generating station in the county. In 2017 the entire generating station and all coal handling facilities were razed. This resulted in large losses of both real and distributable assessments totaling tens of millions of dollars.

In 2019 Indianapolis Power and Light announced a 12-year phase out of their Petersburg Generating Station. Combined with the utility's distributable property assessment, this facility represents roughly 35 percent of the county's tax base.

In 2014, Vectren shut down their Prosperity Underground Mine. This was one of the largest coal mines in Indiana. In the years since there have been multiple mine closings and mine bankruptcies. The latest mine closing occurred in December of 2020. Combined real and distributable and personal property assessments from these multiple closures has resulted in a drop of over \$100 million in assessed value.

Residential Anomaly. Most of Pike County is typical compared to small rural counties. One exception is Lake Helmerich in Lockhart Township. This is a larger development started in the mid 1970's that straddles the Pike-Dubois line. Prices within this area tend to run higher on average than most of the county. Demand for lake-front lots is quite strong. However, a very larger number of off-lake lots remain vacant. There is no established market price for these lots. Many of these lots end up selling on tax sale or go back to the association for failure to pay annual association dues. Many of these lots are excluded from the ratio study due to the pricing volatility.