

# Randolph County Assessor

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May 20, 2011

Barry Wood  
Director, Assessment Division  
Department of Local Government Finance

Dear Mr. Wood

Attached is the Randolph County Equalization Study of the updated 2011 assessments. This study is in Excel format and includes DLGF required data and statistical calculations by class and Township along with a summary.

In addition to the DLGF required data and calculations, we have included assessment data at the time of sale and statistical calculations for that data. AV Land, AV Improvements and Total AV represent assessments of the property at time of sale, while Trended Land, Trended Improvements and Trended AV represent trended valuations once the update factors are applied. Where necessary, property data has been corrected and these corrections are reflected in both the previous year as well as the trended assessments. The number of parcels included in the sale is noted to allow for identification of multiple parcel sales.

As requested by the Department we have included listings of sales initially coded as valid by the County that were not used in the study, and sales initially coded as invalid that have been included in the study and appropriate comments. Those listings are noted by tab in the equalization study. We have included, as requested, a Countywide consolidated residential neighborhood report. Also included is the 2011 workbook in prescribed format.

Property transfers, both valid and invalid, have declined significantly from the 2009/2010 time frame to the 2010/2011 time frame. With the decline in number of sales, it is apparent that the market is soft particularly for vacant land and commercial properties. Because of the soft market, rather than including data(sales) outside of the prescribed frame where an inflationary time adjustment would artificially increase sale prices for older transfers(sales), we are limiting the data included in this study to transfers(sales) of properties (excepting industrial improved properties) within the prescribed time frame of January 1, 2010 through March 1, 2011.

As property transfers have declined, the sample size of data used in many cases is less than 25 sales. This combined with a rather wide range of values may result in a

skewing of the price related differential (PRD). We are aware that in some cases, the PRD is outside of specifications, however, we are confident that the study will pass the Spearman Ranking test, which is most appropriate when sample sizes are small.

Equalization studies are included for improved residential classed properties for each Township. There were only two valid residential vacant land sales and those have been used for the residential vacant land. The equalization study for commercial improved properties has been consolidated for the entire County as has the limited equalization study of vacant commercial land. There were no improved or unimproved industrial sales within the prescribed time

Trend factors for commercial and industrial classed properties were developed using the assessment to sales comparison approach and income approach to values. Calculated Comparative cost factors from the Marshall Valuation Service were considered for both the Chicago and Fort Wayne Markets. Trend factors were developed for improvements and applied based upon property class and location. As a general statement, with minimal recent vacant commercial and industrial sales data available, industrial and commercial land assessments were not changed.

Another comment that should be noted is that Randolph County has begun the process of updating property records to accurately reflect the physical characteristics of property(s) as verified during the 2012 Reassessment field data collection process. As records are updated the assessed values of property(s) will change whether sales data exists for the neighborhood or not. The updated data and resulting assessment reflect the status of property as of the 2011 valuation date. Changes to property subsequent to the 2011 valuation date will be reflected in the 2012 assessment(s).

Should you or your staff require additional information please contact our office.

Sincerely



Beverly Fields  
Randolph County Assessor

