

Narrative

General Information

County Name: Vanderburgh

Person Performing Ratio Study: Cindy Vaught

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

Groupings

- Industrial Vacant: There were 0 valid Industrial Vacant land sales and therefore insufficient data to perform a ratio study analysis for this property class.
- Industrial Improved: Knight and Scott Township Grouping (GroupIndImp_05_07): The industrial areas in these townships share similar growth and economic factors. There were only 4 valid sales in this grouping and therefore insufficient data to perform ratio study analysis. Pigeon Township was not included in the grouping as the industrial areas in Pigeon Township involve different market conditions and growth. This may change as we have seen more growth and improvement in Pigeon Township properties as Downtown Evansville is beginning experiencing a revitalization phase. There were only 3 valid sales in this grouping and therefore insufficient data to perform a ratio study analysis.
- Commercial Vacant: Knight and Pigeon Township Grouping (GroupComVac_05_06): The commercial land in these townships are experiencing a similar market and share like economic factors, access to amenities and infrastructure. With only 2 valid sales in this grouping, there is not sufficient market data for a ratio study.
- Commercial Improved: Center, Perry and Scott Township Grouping (GroupComImp_02_04_07): The commercial areas in these townships share similar economic factors, access to amenities and infrastructure.
- Residential Improved: Armstrong, German and Union Township Grouping (GroupedResImp_01_03_08): The residential parcels in these townships share similar economic factors and amenities. The townships contain a large number of agricultural parcels dispersed throughout.
- Residential Vacant (GroupResVac_02_03_07): Center, German and Scott Township Grouping: The residential vacant parcels in these townships share similar economic factors, and similar rural tracts. Knight, Perry and Pigeon Township Grouping (GroupResVac_04_05_06): The residential vacant parcels in these townships share similar economic factors, and similar urban tracts.

AV Increases/Decreases

Property Type	Townships Impacted	Explanation
Commercial Improved		
Commercial Vacant	Perry, Pigeon	Perry: plat track & land type changes resulted in increase of \$603,200 Pigeon: land type changes resulted in decrease of \$716,500
Industrial Improved		
Industrial Vacant	Knight, Pigeon	Knight: parcel count decreased due to splits/cuts. Demos resulting change from improved to vacant result in decrease of \$996,900 Pigeon: plat tracks, splits/cuts and land type changes resulted in decrease of \$533,600 on one parcel
Residential Improved		
Residential Vacant		

Cyclical Reassessment

In order to meet the cyclical requirement by property class type, parcels in the following townships were reviewed: Armstrong, Center, German, Knight, Perry, Pigeon, Scott and Union

Where possible cyclical parcels were chosen by neighborhood. However, in some cases, partial neighborhoods were included in order to meet the requirements.

We plan to complete the land order in Phase 4 of this cyclical reassessment. Land rates and neighborhood delineation are reviewed annually during analysis of vacant land sales and cyclical reassessment.

Comments

Groupings Comments:

- We had no valid Industrial Vacant land sales and therefore no study included for the property class type.
- We had only four Industrial Improved sales in the Industrial Improved Grouping for Knight and Scott Township (GroupIndImp_05_07). There were only three valid Industrial Improved sales in Pigeon Township. We do not feel it is appropriate to group Pigeon Industrial Improved with other townships due to the differences in social and economic factors influencing the industrial areas of Pigeon township. The industrial areas are mainly on the outskirts of the township in depressed areas. The sales are included on the Industrial Improved tab of the ratio study but there is not sufficient data for analysis.
- We had only two valid Commercial Vacant land sales in the County. Those sales are included on the Commercial Vacant tab of the ratio study but there is not sufficient data for analysis.

- **Standard Operating Procedure for Identifying and Trimming Outliers (Refer to IAAO Standard on Ratio Studies – Appendix B):**

Explanations were added to the Sales Reconciliation and the following guidelines are used for Invalid sales marked Not Rep Nhbd which represent sales in which the sale price is outside the market range for the neighborhood.

1. Identify outliers – ratios that fall outside of the defined upper and lower boundaries of a neighborhood or market area.
 - a. Standard deviation method (standard deviations from the mean is used to determine boundaries) or
 - b. Interquartile range method
2. Analyze outlier ratios to determine whether there is an assessment error in fact that can be corrected or if the sale is a non-market transaction.
 - a. An erroneous sale price
 - b. A non-market sale
 - c. Unusual market variability
 - d. A mismatch between the property sold and the property assessed
 - e. An error in the assessment of an individual parcel
 - f. Data entry errors
3. Correct any errors
4. Trim remaining outliers to improve the representativeness of the neighborhood sample

- **Vanderburgh County New Construction Discovery process:**

The Vanderburgh County Assessor's Office has a working relationship with the Building Commission which allows us to access their permit database. We view this on a daily basis to initiate field visits for all permits. The process is as follows.

1. The permit gets entered into our Incama software to the appropriate parcel/address.
2. A folder is created with a copy of the PRC, a control sheet and permits associated to the visit. These are filed in a "To be collected drawer" by township and parcel id.
3. Data collectors will then pull the permitted folders and route them for the area they will be in that day to data collect.
4. The control sheet is what we use to correspond between the data collectors and the data enterers. They fill out the appropriate field's, date data collected, data collectors initials, number of bathrooms, bedrooms, construction type, percent complete, exterior features etc. note the number of pictures taken for in house review and data entry quality control. They also note if this is 100% data collected or if it needs another site visit.
5. If construction is 100% complete it is entered into our Incama software to be assessed according to the Indiana Assessing Guidelines.
6. If it's partially complete it is entered the same as above, but at the appropriate percent complete and flagged to review for the following year.
7. Non permitted work is often identified by utilizing ChangeFinder and SketchCheck applications by Eagleview during the yearly cyclical reassessment.

- **Standard Operating Procedure for Applying Effective Age:**

- We only utilize the effective age process for parcels when sufficient evidence supports a new effective year. That evidence is gathered during the review of a sale, while reviewing permits, during site visits, or cyclical review. We only look at parcels for effective age that have added an addition. For extensive remodeling, we consider a possible condition change by looking at the age of the home in relation to the amount of work that has been put into it.
- When reviewing parcels, anything less than average condition and any home with multiple permits goes through a process of trying to call the taxpayer to schedule an appointment, sending a letter, or following up with the Building Commissioners Office to see what inspections have been done, or where the taxpayer is at in the process.
- We do not apply an effective age for basement, attic, or garage additions.