
STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE
PHONE (317) 232-3777
FAX (317) 232-8779



INDIANA GOVERNMENT CENTER NORTH
100 NORTH SENATE AVENUE N1058(B)
INDIANAPOLIS, IN 46204

To: Governor Mitchell E. Daniels, Jr.
From: Cheryl A.W. Musgrave, Commissioner *lwm*
Date: 7/25/2007
Re: Findings on the March 1, 2006 Assessment of Posey County, Indiana

Findings on the Status of Annual Adjustments in Posey County

A county-wide analysis of gross assessed values on all classes of commercial parcels revealed that ninety-seven percent (97%) of these parcels had no change in assessed values from the 2005 assessment year to the 2006 assessment year.

A county-wide analysis of gross assessed values on all classes of industrial parcels revealed that ninety-seven (97%) of these parcels had no change in assessed values from the 2005 assessment year to the 2006 assessment year.

A county-wide analysis of gross assessed values on all classes of residential parcels revealed that twenty-eight (28%) of these parcels had no change in assessed values from the 2005 assessment year to the 2006 assessment year. In addition, another thirty-nine percent (39%) of residential parcels increased less than 10% from the 2005 assessment year to the 2006 assessment year.

This lack of changes to assessed values is particularly suspicious in light of the fact that the local assessors were required to adjust assessments from January 1, 1999 value levels to January 1, 2005 value levels.

The assessment-to-sales ratio study submitted by the Posey County Assessor indicated that assessments on certain classes of property in certain townships may be inaccurate or inequitable. Specifically:

Residential Properties

- The equity of assessments on improved residential property assessments in Center and Robinson townships were outside the acceptable range required by 50 IAC 21.

Commercial Properties

- There was one (1) sale reported for unimproved commercial property county-wide. It is unknown if other information, as specified in 50 IAC 21-5-2(b), was utilized in the annual adjustment process.
- Administrative law requires townships with fewer than twenty-five (25) parcels in a particular class to be considered with a grouping of similar properties in other townships

Industrial Properties

- There were five (5) reported sales for improved industrial property county-wide and the accuracy of these assessments was outside of the acceptable range required by 50 IAC 21.
- There was one (1) sale reported for unimproved industrial property county-wide and the accuracy of this assessment was outside of the acceptable range required by 50 IAC 21. It is unknown if other information, as specified in 50 IAC 21-5-2(b), was utilized in the annual adjustment process.
- Administrative law requires townships with fewer than twenty-five (25) parcels in a particular class to be considered with a grouping of similar properties in other townships

Recommendation

In light of the findings detailed above, I recommend that the Department take immediate action to initiate the reassessment of real property in Posey County, Indiana.