

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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TO: County Assessors and Assessing Officials
FROM: Barry Wood, Assessment Division Director *JBW*
RE: General Reassessment "To Do" List
DATE: February 18, 2011

The purpose of this memorandum is to provide general information about tasks that need to be completed for the March 1, 2012 General Reassessment as well as a list of benchmarks and tasks that should be incorporated in the work plan for the timely completion of the same.

Task List

The following list presents tasks that the Department determines necessary to complete the reassessment. Individual counties may have additional tasks that need to be completed, depending on that county's circumstances.

- Physical verification of the underlying parcel characteristics for each parcel. This includes the process of taking an inventory of the parcels in the jurisdiction; developing a "routing" or scheduling system; and the data collection/verification process.
- Data entry into the CAMA system for each parcel, including updating any changes to the parcel characteristics (e.g. adding a detached garage).
- Neighborhood delineation.
- A review of the land valuation, including a review of the neighborhoods and lot sizing, and submittal of the land values to the Property Tax Assessment Board of Appeals (PTABOA) by July 1, 2011 (see [http://www.in.gov/dlgf/files/100917 - 2012 Reassessment - Land Valuation Frequently Asked Questions.pdf](http://www.in.gov/dlgf/files/100917_-_2012_Reassessment_-_Land_Valuation_Frequently_Asked_Questions.pdf)).
- Comparison of the estimated replacement cost new less depreciation and the new land values. The neighborhoods should be reviewed and changed if necessary. From this comparison, an adjustment factor may be needed.
- A review of the Gross Rent Multipliers for rental properties.
- Pick up new construction for both the March 1, 2011 assessment date and the March 1, 2012 assessment date.
- For the valuation of golf courses, the review of income and expense statements.
- A ratio study must be conducted to ensure the values meet the various statistical requirements, such as the Price Related Differential (PRD) and the Coefficient of Dispersion (COD).

Benchmarks and Task Lists for the Work Plan

The overarching goal for on-time billing is to have the reassessment completed by March 1, 2012 and a ratio study delivered to the Department by May 1, 2012. To accomplish this, there are certain benchmarks or dates that should be incorporated into a work plan. Some of these dates have obviously occurred/passed; however, the Assessor should ensure that the work has been completed. Certain dates are statutorily required:

- April 15, 2010: The last day to enter into a contract for reassessment services with a professional appraiser (if applicable). I.C. 6-1.1-4-20.
- July 1, 2010: The General Reassessment commenced. Counties had the legal authority to begin preliminary general reassessment work before July 1, 2010 in accordance with I.C. 6-1.1-9. However, if the Assessor began the physical inspection process prior to July 1, 2010, he is required to confirm the property data between July 1, 2010 and March 1, 2012 with:
- A follow-up property visit;
 - Review of building permit records with a follow-up property visit if necessary; or
 - Use of aerial photography (e.g. Pictometry).
- December 1, 2010: **The appraisal of one-fourth (1/4) of all parcels for the reassessment shall be completed. IC 6-1.1-4-21 (a)(1).**
- February 1, 2011: The Department issued the first monthly status report, which will provide a report of the county's progress of both physical inspection of the parcels and the corresponding data in the CAMA system (see http://www.in.gov/dlgf/files/110201_Wood_Memo_-_2012_Reassessment_Monthly_Status_Report.pdf). I.C. 6-1.1-4-31 (a)(1).
- April 30, 2011: **The appraisal of one-half (1/2) of all parcels for the reassessment shall be completed. I.C. 6-1.1-4-21 (a)(2).**
- May 1, 2011: Date for submission of the 2011 Pay 2012 ratio study.
- July 1, 2011: **The County Assessor is required to determine and submit the land values for the 2012 General Reassessment to the PTABOA. IC 6-1.1-14-13.6 (Version B).**
- September 30, 2011: **The appraisal of three-fourths (3/4) of all parcels for the reassessment shall be completed. I.C. 6-1.1-4-21 (a)(3).**
- March 1, 2012: **The appraisal of all parcels for the reassessment shall be completed. I.C. 6-1.1-4-21 (a)(4).**
- May 1, 2012: Recommended date for submission of the 2012 Pay 2013 ratio study.

Developing a Work Plan

The Department has published a Model Contract for Reassessment for counties that have contracted out some or all of the reassessment duties with a vendor. Item #7 on page 7 (<http://www.in.gov/dlgf/files/Memo-ModelContract-for-2011Reassessment.pdf>) specifically requires the vendor to develop a work plan for the completion of the work. **Therefore, if you have a contract for reassessment, a work plan should have already been provided to you by your vendor.** Such counties should use the information in this memorandum to review and evaluate the work plan provided by the vendor.

A thorough work plan will serve as the roadmap to an on-time 2012 Reassessment and on-time billing for 2012 Pay 2013. The following are guidelines for creating a work plan.

- A work plan establishes key dates or benchmarks for work to be completed, ensuring timely completion of the reassessment. It is suggested to start with the end first, and work backwards. **The dates (benchmarks) should be realistic and obtainable.**
- Great deference is given to local control; hence, “one size does not fit all.” The county’s work plan should reflect the situation and circumstances specific to that county.
- The work plan should address each of the tasks that will need to be completed. See previous section for a comprehensive task list.
- The work plan should allocate both staff and budget resources to each of the tasks to be completed.
- The work plan should be devised to acknowledge other work outside of the reassessment that will need to be completed by the same staff or using the same resources. Most notably, **the 2011 Pay 2012 trending and ratio study will need to be conducted concurrently with the ongoing reassessment.** (For more details about other deadlines and tasks, see http://www.in.gov/dlgf/files/101230 - Wood_Memo - 2011_Assessment_Calendar.pdf)
- For each task, there should be a corresponding detailed set of duties required to accomplish it, and a realistic timeframe. For example, if your county decided to utilize a vendor for the reassessment, the work plan would have included the various steps in the contract process:
 - ➔ Define scope of services needed
 - ➔ Work with the County Commissioners and County Council on funding issues
 - ➔ Put out a Request for Proposal (Bids)
 - ➔ Select a vendor
 - ➔ Work with the County Attorney (and utilize the DLGF’s Model Reassessment Contract) on entering into a contractual agreement with the vendor
 - ➔ Sign the contractual agreement

Additional information and attributes of a successful reassessment are available through certain International Association of Assessing Officers (IAAO) courses, such as IAAO Course #300 (Fundamentals of Mass Appraisal) and IAAO Course #400 (Assessment Administration).

Please contact Barry Wood, the Assessment Division Director, at 317.232.3762 or Bwood@dlgf.in.gov if you have any further questions.