

An Overview of Harrison Jefferson County's 2008 Annual Trending October, 2008

The following steps were taken to conduct the 2008 annual trending in Harrison County:

Step 1: Calculation of New Land Values

New land values were calculated county wide using a combination of last year's values and 2006 and 2007 sales. Residential land values saw a small adjustment, but the overall assessment value of residential properties was updated due to the market adjustment factor. Commercial and industrial land values saw an increase from last year's rates. Various market areas or use types warranted influence factors; these properties were reviewed and had factors applied to them accordingly.

For statistical analysis of the unimproved residential classes, the following townships were combined together due to lack of sales information. All of these townships are rural in nature thus they were grouped together. The 7 townships that were grouped together were Blue River (3 sales), Boone (6 sales), Heth (1 sale), Spencer (3 sales), Taylor (1 sale), Washington (0 sales), and Webster (3 sales).

For statistical analysis of the unimproved commercial class, all townships were grouped together due to only 2 sales county wide. The unimproved industrial class had zero sales county wide therefore the statistical analysis from unimproved commercial class was reported for this grouping. Only the township of Harrison has greater than 25 unimproved commercial parcels. Every township within Harrison county has less than 25 unimproved industrial parcels.

Step 2: Calculation of New Residential Factors & Residential Studies

Per 50 IAC 14, a preliminary ratio study was conducted for vacant and improved residential properties at the township level. The study indicated property classes that needed further analysis, which included reassigning parcels to new class codes or stratifying neighborhoods. After final analysis was completed on parcels new neighborhood factors were assigned.

Taylor Township was combined with Washington Township for statistical analysis, due to only having 3 improved residential sales in the township.

Step 3: Updated Commercial & Industrial Improvement Values

New commercial and industrial cost table updates were the starting point for updating commercial and industrial improvement values. The county also changed the year of depreciation from 2006 to 2007. The Nexus Group Construction Cost Index (NCCIsm) was used to update these cost tables. These detailed construction cost models have been constructed by Nexus Group and applied uniformly by property class based on specific usage, wall type and other characteristics. Work was also done involving the rolling reassessment in Harrison Township's C & I properties. Effective year and use of these properties were adjusted to bring properties back to market value.

Due to the lack of sales information and the limited number of parcels within the townships, all townships with the exception of Harrison were grouped together for statistical analysis. Outside of Harrison, only four (4) other townships have a improved parcel count greater than 25. There were zero improved industrial sales, thus the findings from the improved commercial analysis was reported for this classification. Only the township of Harrison has greater than 25 improved industrial parcels. The remaining eleven (11) parcels have three (3) or less improved parcels within this classification.

Step 4: Property Class Code Correction

The parcels for the entire county were reviewed based on class code assignment. Upon review, it was seen that several parcels were being assigned to the wrong class code. This was especially evident for parcels that were assigned to a 500 class but contained AG land. These parcels were corrected so that they received a 100 class code. In addition, parcels not associated with AG land were re-assigned to a 500 class code. Other areas that were corrected were residential properties to commercial and vice versa.