

## Ratio Study Narrative 2022

General Information	
<b>County Name</b>	DUBOIS COUNTY

Person Performing Ratio Study			
Name	Phone Number	Email	Vendor Name (if applicable)
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Sales Window	1/1/2021 to 12/31/2021
<b>If more than one year of sales were used, was a time adjustment applied?</b>	<b>If no, please explain.</b>
	<b>If yes, please explain the method used to calculate the adjustment.</b>

Groupings
<p><b>Please provide a list of townships and/or major class groupings (if any). Additionally, please provide information detailing how the townships and/or major classes are similar in the market.</b></p> <p><b>**Please note that groupings made for the sole purpose of combining due to a lack of sales with no similarities will not be accepted by the Department**</b></p>
<p>Residential Improved: 7 groups</p> <ol style="list-style-type: none"> <li>Boone and Madison Townships were grouped together because they share common political, economic, and environmental factors. Both townships are part of the Greater Jasper Consolidated Schools district. They are adjacent to one another, and are primarily rural in composition, with some platted neighborhoods. The quality of houses built in these townships are also comparable. Both of these townships are located at the northwestern part of the county. They both lack a major commercial town or city, with Jasper city serving as their main commercial hub.</li> <li>Columbia, Hall, Harbison, and Marion Townships were grouped together because they share comparable economic factors, are mostly rural, unplatted land, and have similar size and quality of houses. These townships make up the northern portion of the county, and three of the four are adjacent to one another. Another commonality shared by these</li> </ol>

four townships is their general lack of a major commercial town or city. Over 33% of the parcels within these areas are agricultural, and they make up more than 32% of the agricultural parcels in the county.

3. Jackson and Jefferson Townships were grouped together because they are both rural farming communities that share a common school district, and have very similar improved parcels in terms of quantity and quality. These townships are adjacent, and both lack a major commercial hub, with the nearest major cities being Ferdinand town or Huntingburg city.
4. Bainbridge Township stands alone.
5. Cass Township stand alone.
6. Ferdinand Township stands alone
7. Patoka Township stands alone.

Residential Vacant: 3 groups

1. Bainbridge, Boone, and Madison Townships were grouped together because their vacant land is similar in terms of terrain, location, and value. The unplatted land in rural Bainbridge Township is mostly flat, and does have a large amount of agricultural land. Since Jasper city is within Bainbridge Township, its land is very valuable. This is similar to both Boone and Madison Townships, which are adjacent to Bainbridge, in that they contain flat land with many parcels being farmed in row crop. The location and terrain of both Boone and Madison Townships have made its land comparable in value to Bainbridge, being that its land is ideal for those who wish to build their house outside of Jasper, while still being within a reasonable distance to travel there for work. Finally, these townships are all part of the Greater Jasper Consolidated Schools district.
2. Cass and Patoka and Patoka Townships were grouped together for similar reasons to the first group. Cass and Patoka are adjacent townships, they share a common school district of Southwest Dubois County School Corporation, and their land is comparable in terms of location, terrain, and value. Both townships' land are gently rolling, but do have areas which are flat. They additionally contain a similar amount of agricultural parcels, which make these townships primarily rural in nature. In terms of land value, Cass and Patoka townships are comparable. They both share a major commercial hub of Huntingburg city, with one smaller town, Holland, being located in Cass.
3. Columbia, Ferdinand, Hall, Harbison, Jackson, Jefferson, and Marion Townships were grouped together because they are all similar in terms of land value and location. They collectively form the eastern portion of the county's townships, and are similar in terms of value and terrain. These townships are all primarily agrarian, and their terrain is ideal for both farming and outdoor recreational land. Compared to the western townships of the above 2 groups, these townships are not experiencing the level of development found elsewhere in the county, which has made their land not as valuable to the extent of the

western townships. This is due primarily to a lack of major industry within these townships, although several small villages are found throughout this portion of the county.

**Commercial & Industrial Improved & Vacant: 2 groups**

1. Bainbridge, which contains Jasper, the county seat and largest city in the county, is the major commercial and industrial situs for Dubois County. This status translates to higher values in terms of commercial and industrial land value, which necessitates that it be viewed as a distinct grouping from the rest of the county. In terms of improved sales, commercial and industrial properties tend to be of higher quality and contain a larger area than the rest of the county.
  
2. Boone, Cass, Columbia, Ferdinand, Hall, Harbison, Jackson, Jefferson, Madison, Marion, and Patoka Townships were grouped together from the commercial and industrial properties when developing trend factors, since the construction types and sizes of these properties are very similar

Overall, there are very few commercial and industrial vacant land sales due to the fact that most of the land for sale in Dubois County is in row crop. For this reason, we grouped the commercial and industrial improved and vacant sales together.

**AV Increases/Decreases**

**If applicable, please list any townships within the major property classes that either increased or decreased by more than 10% in total AV from the previous year. Additionally, please provide a reason why this occurred.**

Property Type	Townships Impacted	Explanation
Commercial Improved	<ol style="list-style-type: none"> <li>1. Columbia</li> <li>2. Hall</li> <li>3. Harbison</li> </ol>	<ol style="list-style-type: none"> <li>1. Increased 34%, or by \$92,600. County typical increase was 17%. Additional increase is explained by 6 parcels having either a change in use, or a change in property class. Adjusting for these, the total increase was only \$71,400 for the entire study section.</li> <li>2. Increased 57%, or \$1,079,800. \$998,000 is explained through a new Dollar General</li> </ol>

		<p>and auto garage constructed.</p> <p>3. Decreased 74%, or by \$6,483,500. This was due to 1 parcel switching to industrial improved (value was simply transferred to different study section).</p>
<p><b>Commercial Vacant</b></p>	<ol style="list-style-type: none"> <li>1. Cass</li> <li>2. Columbia</li> <li>3. Hall</li> <li>4. Harbison</li> <li>5. Jackson</li> <li>6. Jefferson</li> <li>7. Marion</li> </ol>	<ol style="list-style-type: none"> <li>1. Increased 32%, or \$40,700. New land rates were applied from the land order. Due to the lack of commercial land in Cass Township, the 32% is misleading when that increase only resulted in \$40,700 being added to the study section.</li> <li>2. Decreased 28%, or \$6,000. 1 parcel changed property class. Adjusting for this parcel, the increase was less than 10%.</li> <li>3. Increased 35%, or \$37,300. 1 parcel changed property class, resulting in the land increasing by a total of \$29,400 for the study section. There are few commercial vacant properties here, which makes the percentage appear misleading when compared to the total increase in value.</li> <li>4. Increased 96%, or \$31,100. 3 properties</li> </ol>

		<p>entered the study section, which results in a total value fluctuation of only \$17,900 to this study section when adjusting for the new parcels.</p> <ol style="list-style-type: none"> <li>5. Increased 23%, or by \$38,900. As a percentage, the total increase appears misleading, as on average a parcel's value increased less than \$900.</li> <li>6. Increased 43%, or \$19,000. New land rates were applied from the land order. Overall, this is a total of only \$19,000 added to the entire study section, or just over \$2,100/parcel increase on average.</li> <li>7. Increase of 75%, or \$38,400. 1 parcel entered the study section, and after adjusting for that value added, this grouping falls below the 17% typical change for the county.</li> </ol>
<p><b>Industrial Improved</b></p>	<ol style="list-style-type: none"> <li>1. Hall</li> <li>2. Harbison</li> <li>3. Jackson</li> </ol>	<ol style="list-style-type: none"> <li>1. Increase of 96%, or \$1,089,600. 1 parcel had a new construction increase of \$1,095,500; a second parcel decreased \$5,900, which explains all of this value change.</li> <li>2. Increase of 345%, or \$6,863,100. 1 parcel</li> </ol>

		<p>changed property class, accounting for \$6,716,500. Adjusting for this, the remaining increase is below 10%.</p> <p>3. Increase of 28%, or \$1,725,000. 2 new construction parcels account for \$1,130,500; the remaining increase is below the 10% threshold.</p>
<p><b>Industrial Vacant</b></p>	<ol style="list-style-type: none"> <li>1. Cass</li> <li>2. Hall</li> <li>3. Harbison</li> <li>4. Marion</li> </ol>	<ol style="list-style-type: none"> <li>1. Decrease of 21%, or \$21,800. 1 parcel changed property class, resulting in a net decrease of only \$17,900, or less than a \$1,000 decrease on average to each parcel.</li> <li>2. Increase of 34%, or \$19,600. As a percentage, the net increase appears misleading when the total increase is less than \$20,000.</li> <li>3. Increase of 99%, or \$49,600. As a percentage, the net increase appears misleading, as less than \$50,000 was added, which on average is less than a \$2,300 increase per parcel.</li> <li>4. Increase of 28%, or \$38,400. 1 parcel changed property class and entered the study section, and after adjusting for this increase, the total increase is just below</li> </ol>

		the 17% typical increase for the county.
<b>Residential Improved</b>	<ol style="list-style-type: none"> <li>1. Ferdinand</li> <li>2. Hall</li> <li>3. Harbison</li> <li>4. Jackson</li> <li>5. Jefferson</li> <li>6. Marion</li> </ol>	<ol style="list-style-type: none"> <li>1. Increase of 18%, or \$35,357,200. New construction, property class changes, and new parcels account for \$4,254,400; after adjusting for this, the resulting increase is just below the typical county increase of 17%.</li> <li>2. Increase of 22%, or \$14,766,700. New construction, property class changes, and new parcels account for \$3,941,800; after adjusting for this increase, the total increase is just below the 17% typical increase for the county.</li> <li>3. Increase of 20%, or \$14,092,500. New construction, property class changes, and new parcels account for \$4,441,900; after adjusting for this increase, the total increase is slightly below the 17% typical increase for the county.</li> <li>4. Increase of 17%, or \$25,065,700. New construction, property class changes, and new parcels account for \$2,527,400; after adjusting for this increase, the total</li> </ol>

		<p>increase is slightly below the 17% typical increase for the county.</p> <p>5. Increase of 18%, or \$9,611,700. New construction, property class changes, and new parcels account for \$1,413,700; after adjusting for this increase, the total increase is slightly below the 17% typical increase for the county.</p> <p>6. Increase of 21%, or \$17,073,400. New construction, property class changes, and new parcels account for \$4,975,000; after adjusting for this increase, the total increase is slightly below the 17% typical increase for the county.</p>
<p><b>Residential Vacant</b></p>	<ol style="list-style-type: none"> <li>1. Columbia</li> <li>2. Ferdinand</li> <li>3. Jefferson</li> </ol>	<ol style="list-style-type: none"> <li>1. Decrease of 45%, or \$1,341,900. New construction and property class changes resulted in 38 parcels leaving the study section, which accounts for \$1,363,500 of the decrease. The resulting decrease to this section is minimal, less than 1%.</li> <li>2. Increase of 18%, or \$643,400. 41 new parcels entered the study section through</li> </ol>



		<p>property class changes or new parcels, which accounts for \$164,600 of the increase; the remaining increase is below the 17% typical increase for the county.</p> <p>3. Increase of 22%, or \$445,800. Property class changes of 15 parcels resulted in \$250,800 entering the study section; the remaining increase is below the 10% threshold.</p>
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<b>Cyclical Reassessment</b>
<b>Please explain which townships were reviewed as part of the current phase of the cyclical reassessment.</b>
Columbia, Hall, Harbison, Jefferson, and Marion.

<b>Was the land order completed for the current cyclical reassessment phase?</b>
Yes.

<b>Comments</b>
<b>In this space, please provide any additional information you would like to provide the Department in order to help facilitate the approval of the ratio study. Such items could be standard operating procedures for certain assessment practices (e.g., effective age changes), a timeline of changes made by the assessor’s office, or any other information deemed pertinent.</b>
<p>Please note that our threshold for large changes is only addressing those townships which experienced an increase above 17%, not 10%. This is because the typical increase across the county was 17%, and thus almost every township study section would have required an explanation. A detailed explanation, including parcel numbers and total value fluctuations by grouping, is attached for reference.</p> <p>Dubois County, like everywhere else in Indiana, experienced a drastic increase in market value of its properties. This was due to a multitude of different reasons, but ultimately this increased</p>

value is reflected in our trended assessments this year, across all property types. Re-sale analysis (analyzing the direct increase of property X selling in 2020 and in 2021) resulted in a somewhat shocking result: market values increased no less than 10% across the board. It is our position that this is a conservative determination of the 2020 to 2021 market change. Although the sample size for this data was limited, we believe that it was adequate to draw a meaningful conclusion upon given all of the market activity from 2021. Compounded with a concerted effort to make as conservative adjustments as possible in 2020 to acknowledge the effects of the pandemic, the 2021 adjustments needed to achieve our statistical obligations were higher than in years past.

In 2020, Dubois County preemptively recognized the impact of the COVID pandemic on a narrowly-tailored group of commercial properties by applying economic obsolescence. We implemented a 3 year plan to gradually reduce this amount so that these properties' recovering market value is recognized in their assessment. Thus this group of properties entered year 2 of the plan, which resulted in a certain amount of the economic obsolescence being removed from those properties. This naturally resulted in the assessment of these properties increasing slightly, which was the intention.

Overall, the total number of transactions in 2021 remained comparable to the amount seen in 2020. However, market value of real estate rose drastically throughout the past year. This is compounded by a relatively steady amount of new construction within the county, with many new houses built this year, and more subdivision being planned in 2022. In our year 4 cyclical review, particular attention was given to property class and use, which resulted in several groupings "swapping" assessed value, which appears in our large AV increases and decreases section. For all properties both outside and within our review areas, we applied factor adjustments and land rate adjustments where necessary to meet IAAO standards. Areas without fair representation of sales were combined with an adjoining area of similar economic factors, so that we could draw better conclusions from a larger representation of market.