



Memorandum

To: Livingston County Board of Commissioners
From: Sue Bostwick, Director
Date: April 1, 2024
Re: 2024 Equalization Report

Equalization is an annual process of analyzing sales of different types of property and determining if a specific type of property should see an increase or decrease in value, and that each class of property is assessed uniformly and equitably. This is an annual cycle, we started in April 2023 and ending with Equalization 2024. This is done by two different types of studies, sales ratio study or an appraisal study. Typically, the sales study is done for the residential class of property. The sales are analyzed to determine if they met the definition of arm's length under the General Property Tax Act which govern the process. When it is determined that the sale is arm's length then it is divided into the assessed value to determine a ratio. All the sales for the class are used to determine a ratio for the class. An appraisal study is used to determine a ratio for classes of property that have limited sales. Typically, this is the agricultural, commercial and industrial classes. Again, the sales are verified as arm's length, then an appraisal is done using the current sales to determine value. This is then divided into the assessed value to determine the overall ratio for each specific class. Within equalization we do approximately 800 appraisals annually. The ratio given to each unit depends on the makeup of each class within that unit. The assessor then determines where to apply the increase or decrease for all the property within their unit. Their overall ending ratio for each class of property must fall between 49% to 50% or you will be asked to increase or decrease the assessed value of the class to meet the 50%. For this year all units did fall between the 49% and 50%.

The equalization process is a collaborative effort between the local unit assessors and equalization. We could not be to this point without a good working relationship. Their professionalism and great work ethic is to be commended. So, when working with the local units please extend my gratitude.

For the 2024 and going forward we have been directed by the State Tax Commission to incorporate the value from the Veterans Exemptions in the equalized and taxable values. Their opinion is this is a personal exemption not a property exemption. The veteran will still receive the exemption and not be billed for property taxes, but it shows up in our figures. The amount difference is \$113,831,656 in assessed value and \$85,351,519 in taxable value.

Attached you will find the 2024 Livingston County Equalization Report. This report consists of nine pages listing each local unit of government in Livingston County and its corresponding assessed and county equalized values.

The pages consist of the following:

Page 1 – Total assessed and equalized values for each unit of government.

Page 2 – Total real property assessed values.

Page 3 – Total real property equalized values.

Page 4 – Total personal property assessed values.

Page 5 – Total personal property equalized values.

Page 6 – Report of adjustment. This page will state any dollar amount needed to bring the class to 50% of True Cash Value.

Page 7 – Report of multipliers. This page states the multiplier needed to bring the class to 50% of True Cash Value.

Page 8 – Report of parcel count by class.

Page 9 – Tentative taxable values

This report indicates that all classes of property in each unit of government will be equalized as assessed.

The following is the breakdown by class:

	2023 S.E.V.	2024 S.E.V.	CHANGE	% CHANGE
AGRICULTURAL	314,357,779	344,420,208	30,062,429	9.56%
COMMERCIAL	1,503,788,876	1,724,390,073	220,601,197	14.67%
INDUSTRIAL	450,385,115	494,911,364	44,526,249	9.89%
RESIDENTIAL	12,550,785,048	14,077,886,308	1,527,101,260	12.17%
DEVELOPMENTAL	9,828,400	4,069,300	-5,759,100	-58.60%
PERSONAL	<u>607,388,932</u>	<u>672,874,870</u>	<u>65,485,938</u>	10.78%
TOTAL	15,436,534,150	17,318,552,123	1,882,017,973	12.19%

The total county equalized value increased \$1,882,017,973 or 12.19 from 2023.

Also included for your information on page 9 are the tentative taxable values by class in each unit of government. These preliminary taxable values indicate an increase of \$ 992,423,396 or 8.49% over 2023. However, these values will not be final until after final State Equalization which will take place on May.

If you have any questions or need additional information please feel free to contact the Equalization Department.