

CLEAR CREEK COUNTY



2021

CLEAR CREEK COUNTY PROPERTY ASSESSMENT STUDY



WILDROSE
APPRAISAL INCORPORATED
Audit Division



September 15, 2021

Ms. Natalie Mullis
Director of Research
Colorado Legislative Council
Room 029, State Capitol Building
Denver, Colorado 80203

RE: Final Report for the 2021 Colorado Property Assessment Study

Dear Ms. Mullis:

Wildrose Appraisal Inc.-Audit Division is pleased to submit the Final Reports for the 2021 Colorado Property Assessment Study.

These reports are the result of two analyses: A procedural audit and a statistical audit.

The procedural audit examines all classes of property. It specifically looks at how the assessor develops economic areas, confirms and qualifies sales, develops time adjustments and performs periodic physical property inspections. The audit reviews the procedures for determining subdivision absorption and subdivision discounting. Valuation methodology is examined for residential properties and commercial properties. Procedures are reviewed for producing mines, oil and gas leaseholds and lands producing, producing coal mines, producing earth and stone products, severed mineral interests, and non-producing patented mining claims.

Statistical audits are performed on vacant land, residential properties, commercial/industrial properties and agricultural land. A statistical analysis is performed for personal property compliance on the eleven largest counties: Adams, Arapahoe, Boulder, Denver, Douglas, El Paso, Jefferson, Larimer, Mesa, Pueblo and Weld. The remaining counties receive a personal property procedural study.

Wildrose Appraisal Inc. – Audit Division appreciates the opportunity to be of service to the State of Colorado. Please contact us with any questions or concerns.

A handwritten signature in black ink that reads "Harry J. Fuller". The signature is written in a cursive, flowing style.

Harry J. Fuller
Project Manager
Wildrose Appraisal Inc. – Audit Division

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INTRODUCTION



Colorado

The State Board of Equalization (SBOE) reviews assessments for conformance to the Constitution. The SBOE will order revaluations for counties whose valuations do not reflect the proper valuation period level of value.

The statutory basis for the audit is found in C.R.S. 39-1-104 (16)(a)(b) and (c).

The legislative council sets forth two criteria that are the focus of the audit group:

To determine whether each county assessor is applying correctly the constitutional and statutory provisions, compliance requirements of the State Board of Equalization, and the manuals published by the State Property Tax Administrator to arrive at the actual value of each class of property.

To determine if each assessor is applying correctly the provisions of law to the actual values when arriving at valuations for assessment of all locally valued properties subject to the property tax.

The property assessment audit conducts a two-part analysis: A procedural analysis and a statistical analysis.

The procedural analysis includes all classes of property and specifically looks at how the assessor develops economic areas, confirms and qualifies sales, and develops time adjustments. The audit also examines the procedures for adequately discovering, classifying and valuing agricultural outbuildings, discovering subdivision build-out and subdivision discounting procedures. Valuation methodology for vacant land, improved residential properties and commercial properties is examined. Procedures for producing mines, oil and gas leaseholds and lands producing, producing coal mines, producing earth and stone products, severed mineral interests and non-producing patented mining claims are also reviewed.

Statistical analysis is performed on vacant land, residential properties, commercial industrial properties, agricultural land, and personal property. The statistical study results are compared with State Board of Equalization compliance requirements and the manuals published by the State Property Tax Administrator.

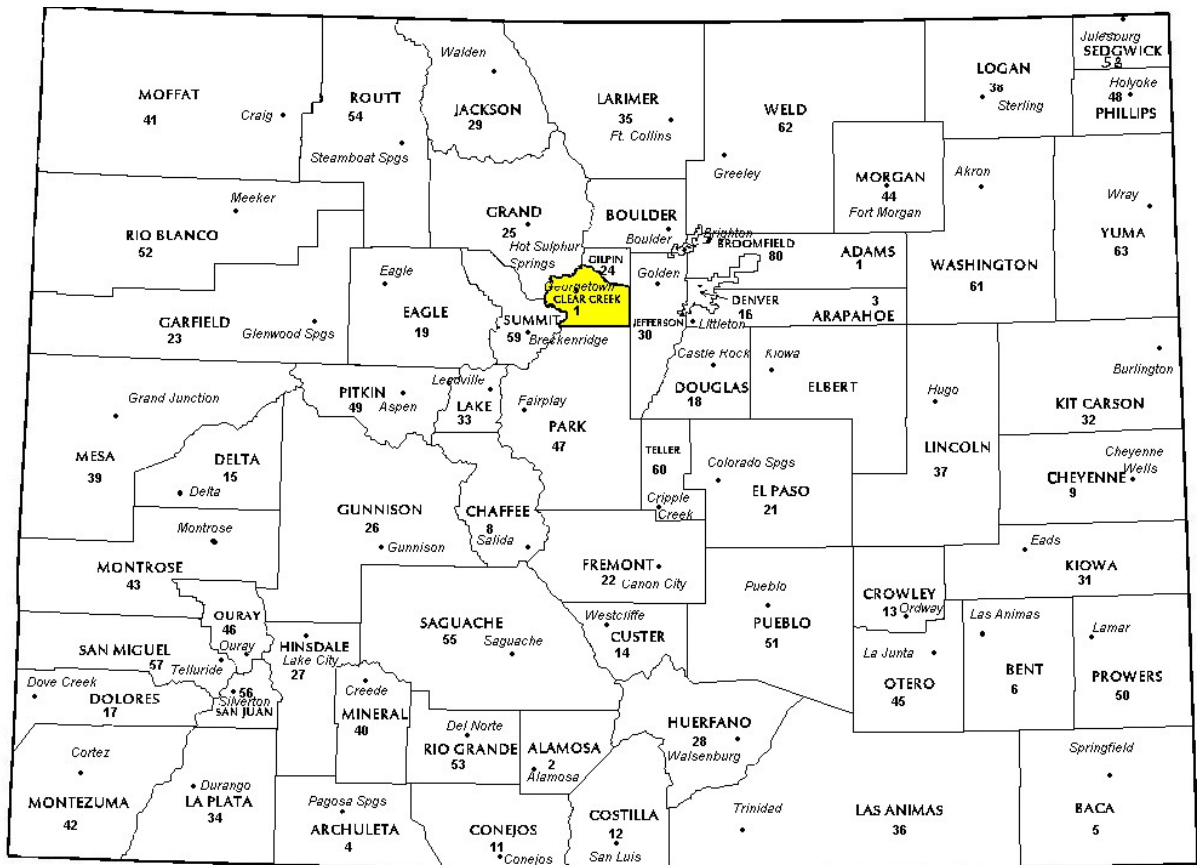
Wildrose Audit has completed the Property Assessment Study for 2021 and is pleased to report its findings for Clear Creek County in the following report.

REGIONAL/HISTORICAL SKETCH OF CLEAR CREEK COUNTY

Regional Information

Clear Creek County is located in the Central Mountains region of Colorado. The Central Mountains Region is in the central portion of Colorado. It extends from the northern Gilpin county boundary approximately 210 miles

southeasterly to the southern boundary of Colorado, including Chaffee, Clear Creek, Custer, Fremont, Gilpin, Huerfano, Lake, Las Animas, Park, and Teller counties.



Historical Information

Clear Creek County has approximately 395.2 square miles and an estimated population of approximately 9,700 people with 23.0 people per square mile, according to the U.S. Census Bureau's 2020 estimated census data. This represents a 6.9 percent change from April 1, 2010 to July 1, 2019.

Clear Creek County was one of the original 17 counties created by the Colorado legislature on 1 November 1861, and is one of only two counties (along with Gilpin) to have persisted with its original boundaries unchanged. It was named after Clear Creek, which runs down from the continental divide through the county. Idaho Springs was originally designated the county seat, but the county government was moved to Georgetown in 1867.

George Jackson discovered gold in a sandbar in the western reaches of Clear Creek (then called Vasquez Creek) just south of present-day Idaho Springs in January, 1859, thus starting the Colorado Gold Rush. Within a year, almost every foot of upper Clear Creek was staked out as a placer claim by miners eager to find their fortune by gold panning. It wasn't long, however, before the creek's easily accessible placer deposits were panned out.

The heartier miners shifted their focus to hard-rock mining, using the hydro-energy from the creek to help with milling operations. Miners continued to venture west, and in 1864 silver was discovered in Georgetown. With thousands of mines in operation, the population of Clear Creek Watershed swelled, at one point reaching 50,000 residents. The first train ran up Clear Creek Canyon in 1872 to Black Hawk. Mining and milling boomed in the area until the late 1890s. Silver mining continued for only two decades until the United States government removed silver as a standard for our monetary system. Gold mining continued sporadically in the communities along the creek until the early 1940s, when it could no longer be sustained.

People today can experience some of Clear Creek County's history by visiting the Georgetown Loop Railroad, a famous railroad that climbs several hundred feet between Georgetown and Silver Plume in a short distance by looping over itself and by taking in the Phoenix Mine, a working gold mine with tours and gold panning available to the public.
(Wikipedia.org, clearcreekwater.org & peaktopeak.com)

RATIO ANALYSIS

Methodology

All significant classes of property were analyzed. Sales were collected for each property class over the eighteen month period from January 1, 2019 through June 30th, 2020. Property classes with less than thirty sales had the sales period extended in six month increments up to an additional forty-two months. If this extended sales period did not produce the minimum thirty qualified sales, the Audit performed supplemental appraisals to reach the minimum.

Although it was required that we examine the median and coefficient of dispersion for all counties, we also calculated the weighted mean and price-related differential for each class of property. Counties were not passed or failed by these latter measures, but were counseled if there were anomalies noted during our analysis. Qualified sales were based on the qualification code used by each county, which were typically coded as either “Q” or “C.” The ratio analysis included all sales. The data was trimmed for counties with obvious outliers using IAAO standards for data analysis. In

every case, we examined the loss in data from trimming to ensure that only true outliers were excluded. Any county with a significant portion of sales excluded by this trimming method was examined further. No county was allowed to pass the audit if more than 5% of the sales were “lost” because of trimming.

All sixty-four counties were examined for compliance on the economic area level. Where there were sufficient sales data, the neighborhood and subdivision levels were tested for compliance. Although counties are determined to be in or out of compliance at the class level, non-compliant economic areas, neighborhoods and subdivisions (where applicable) were discussed with the Assessor.

Data on the individual economic areas, neighborhoods and subdivisions are found in the STATISTICAL APPENDIX.

Conclusions

For this final analysis report, the minimum acceptable statistical standards allowed by the State Board of Equalization are:

ALLOWABLE STANDARDS RATIO GRID		
Property Class	Unweighted Median Ratio	Coefficient of Dispersion
Commercial/Industrial	Between .95-1.05	Less than 20.99
Residential Condominium	Between .95-1.05	Less than 15.99
Residential	Between .95-1.05	Less than 15.99
Vacant Land	Between .95-1.05	Less than 20.99

The results for Clear Creek County are:

Clear Creek County Ratio Grid					
Property Class	Number of Qualified Sales	Unweighted Median Ratio	Price Related Differential	Coefficient of Dispersion	Time Trend Analysis
Commercial/Industrial	31	1.005	1.025	14	Compliant
Residential	419	0.997	1.018	8.3	Compliant
Vacant Land	112	0.992	0.999	16.7	Compliant

After applying the above described methodologies, it is concluded from the sales ratios that Clear Creek County is in compliance

with SBOE, DPT, and Colorado State Statute valuation guidelines.

Recommendations

None



TIME TRENDING VERIFICATION

Methodology

While we recommend that counties use the inverted ratio regression analysis method to account for market (time) trending, some counties have used other IAAO-approved methods, such as the weighted monthly median approach. We are not auditing the methods used, but rather the results of the methods used. Given this range of methodologies used to account for market trending, we concluded that the best validation method was to examine the sale ratios for each class across the appropriate sale period. To be specific, if a county has considered and adjusted correctly for market trending, then the sale ratios should remain stable (i.e. flat) across the sale period. If a residual market trend is detected, then the county may or may not have addressed market trending adequately, and a further examination

is warranted. This validation method also considers the number of sales and the length of the sale period. Counties with few sales across the sale period were carefully examined to determine if the statistical results were valid.

Conclusions

After verification and analysis, it has been determined that Clear Creek County has complied with the statutory requirements to analyze the effects of time on value in their county. Clear Creek County has also satisfactorily applied the results of their time trending analysis to arrive at the time adjusted sales price (TASP).

Recommendations

None

SOLD / UNSOLD ANALYSIS

Methodology

Clear Creek County was tested for the equal treatment of sold and unsold properties to ensure that “sales chasing” has not occurred. The auditors employed a multi-step process to determine if sold and unsold properties were valued in a consistent manner.

We test the hypothesis that the assessor has valued unsold properties consistent with what is observed with the sold properties based on several units of comparison and tests. The units of comparison include the actual value per square foot and the change in value from the previous base year period to the current base year. The first test compares the actual value per square foot between sold and unsold properties by class. The median and mean value per square foot is compared and tested for any significant difference. This is tested using non-parametric methods, such as the Mann-Whitney test for differences in the distributions or medians between sold and unsold groups. It is also examined graphically and from an appraisal perspective. Data can be stratified based on location and subclass. The second test compares the difference in the median change in value from the previous base year to the current base year between sold and unsold properties by class. The same combination of non-parametric and appraisal testing is used as with the first test. A third test employing a valuation model testing a sold/unsold binary variable while controlling for property attributes such as location, size, age and other attributes. The model determines if the sold/unsold variable is statistically and empirically significant. If all three tests indicate a significant difference between sold and unsold properties for a given class, the Auditor may meet with the county to determine if sale chasing is actually occurring,

or if there are other explanations for the observed difference.

If the unsold properties have a higher median value per square foot than the sold properties, or if the median change in value is greater for the unsold properties than the sold properties, the analysis is stopped and the county is concluded to be in compliance with sold and unsold guidelines. All sold and unsold properties in a given class are first tested, although properties with extreme unit values or percent changes can be trimmed to stabilize the analysis. The median is the primary comparison metric, although the mean can also be used as a comparison metric if the distribution supports that type of measure of central tendency.

The first test (unit value method) is applied to both residential and commercial/industrial sold and unsold properties. The second test is applied to sold and unsold vacant land properties. The second test (change in value method) is also applied to residential or commercial sold and unsold properties if the first test results in a significant difference observed and/or tested between sold and unsold properties. The third test (valuation modeling) is used in instances where the results from the first two tests indicate a significant difference between sold and unsold properties. It can also be used when the number of sold and unsold properties is so large that the non-parametric testing is indicating a false rejection of the hypothesis that there is no difference between the sold and unsold property values.

These tests were supported by both tabular and graphics presentations, along with written documentation explaining the methodology used.

Sold/Unsold Results	
Property Class	Results
Commercial/Industrial	Compliant
Residential	Compliant
Vacant Land	Compliant

Conclusions

After applying the above described methodologies, it is concluded that Clear Creek County is reasonably treating its sold and unsold properties in the same manner.

Recommendations

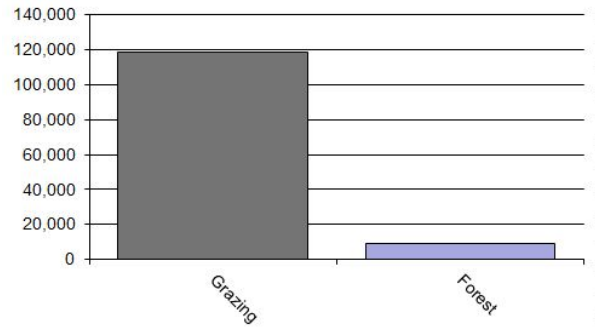
None

AGRICULTURAL LAND STUDY

Acres By Subclass



Value By Subclass



Agricultural Land

County records were reviewed to determine major land categories such as irrigated farm, dry farm, meadow hay, grazing and other lands. In addition, county records were reviewed in order to determine if: Aerial photographs are available and are being used; soil conservation guidelines have been used to classify lands based on productivity; crop rotations have been documented; typical commodities and yields have been determined; orchard lands have been properly classified and valued; expenses reflect a ten year average and are typical landlord expenses; grazing lands have been properly classified and valued; the number of acres in each class and subclass have been determined; the capitalization rate was properly applied. Also, documentation was required for the valuation methods used and any locally developed yields, carrying capacities, and expenses. Records were also checked to ensure that the commodity prices and expenses, furnished by the Property Tax

Administrator (PTA), were applied properly. (See Assessor Reference Library Volume 3 Chapter 5.)

Conclusions

An analysis of the agricultural land data indicates an acceptable appraisal of this property type. Directives, commodity prices and expenses provided by the PTA were properly applied. County yields compared favorably to those published by Colorado Agricultural Statistics. Expenses used by the county were allowable expenses and were in an acceptable range. Grazing lands carrying capacities were in an acceptable range. The data analyzed resulted in the following ratios:

Clear Creek County Agricultural Land Ratio Grid						
Abstract Code	Land Class	Number Of Acres	County Value Per Acre	County Assessed Total Value	WRA Total Value	Ratio
4147	Grazing	13,824	8.56	118,357	118,357	1.00
4177	Forest	1,075	8.56	9,204	9,204	1.00
Total/Avg		14,899	8.56	127,561	127,561	1.00

Recommendations

None

Agricultural Outbuildings

Methodology

Data was collected and reviewed to determine if the guidelines found in the Assessor's Reference Library (ARL) Volume 3, pages 5.74 through 5.77 were being followed.

of Property Taxation for the valuation of agricultural outbuildings.

Recommendations

None

Conclusions

Clear Creek County has substantially complied with the procedures provided by the Division

Agricultural Land Under Improvements

Methodology

Data was collected and reviewed to determine if the guidelines found in the Assessor's Reference Library (ARL) Volume 3, pages 5.19 and 5.20 were being followed.

Conclusions

Clear Creek County has used the following methods to discover land under a residential improvement on a farm or ranch that is determined to be not integral under 39-1-102, C.R.S.:

- Field Inspections
- Personal Knowledge of Occupants at Assessment Date

Clear Creek County has used the following methods to discover the land area under a residential improvement that is determined to be not integral under 39-1-102, C.R.S.:

- Property Record Card Analysis
- Field Inspections
- Personal Knowledge of Occupants at Assessment Date

Clear Creek County has substantially complied with the procedures provided by the Division of Property Taxation for the valuation of land under residential improvements that may or may not be integral to an agricultural operation.

Recommendations

None

SALES VERIFICATION

According to Colorado Revised Statutes:

A representative body of sales is required when considering the market approach to appraisal.

(8) In any case in which sales prices of comparable properties within any class or subclass are utilized when considering the market approach to appraisal in the determination of actual value of any taxable property, the following limitations and conditions shall apply:

(a)(I) Use of the market approach shall require a representative body of sales, including sales by a lender or government, sufficient to set a pattern, and appraisals shall reflect due consideration of the degree of comparability of sales, including the extent of similarities and dissimilarities among properties that are compared for assessment purposes. In order to obtain a reasonable sample and to reduce sudden price changes or fluctuations, all sales shall be included in the sample that reasonably reflect a true or typical sales price during the period specified in section 39-1-104 (10.2). Sales of personal property exempt pursuant to the provisions of sections 39-3-102, 39-3-103, and 39-3-119 to 39-3-122 shall not be included in any such sample.

(b) Each such sale included in the sample shall be coded to indicate a typical, negotiated sale, as screened and verified by the assessor. (39-1-103, C.R.S.)

The assessor is required to use sales of real property only in the valuation process.

(8)(f) Such true and typical sales shall include only those sales which have been determined on an individual basis to reflect the selling price of the real property only or which have been adjusted on an individual basis to reflect the selling price of the real property only. (39-1-103, C.R.S.)

Part of the Property Assessment Study is the sales verification analysis. WRA has used the above-cited statutes as a guide in our study of the county's procedures and practices for verifying sales.

WRA reviewed the sales verification procedures in 2021 for Clear Creek County. This study was conducted by checking selected sales from the master sales list for the current valuation period. Specifically WRA selected 34 sales listed as unqualified.

All of the sales in the unqualified sales sample had reasons that were clear and supportable.

For residential, commercial, and vacant land sales with considerations over \$100,000, the contractor has examined and reported the ratio of qualified sales to total sales by class and performed the following analyses of unqualified sales:

The contractor has examined the manner in which sales have been classified as qualified or unqualified, including a listing of each step in the sales verification process, any adjustment procedures, and the county official responsible for making the final decision on qualification.

When less than 50 percent of sales are qualified in any of the three property classes (residential, commercial, and vacant land), the contractor analyzed the reasons for disqualifying sales in any subclass that constitutes at least 20 percent of the class, either by number of properties or by value, from the prior year. The contractor has

reviewed with the assessor any analysis indicating that sales data are inadequate, fail to reflect typical properties, or have been disqualified for insufficient cause. In addition, the contractor has reviewed the disqualified sales by assigned code. If there appears to be any inconsistency in the coding, the contractor has conducted further analysis to determine if the sales included in that code have been assigned appropriately.

If 50 percent or more of the sales are qualified, the contractor has reviewed a statistically significant sample of unqualified sales, excluding sales that were disqualified for obvious reasons.

The following subclasses were analyzed for Clear Creek County:

0100 Residential Lots

Conclusions

Clear Creek County appears to be doing an adequate job of verifying their sales. WRA agreed with the county's reason for disqualifying each of the sales selected in the sample. There are no recommendations or suggestions.

Recommendations

None

ECONOMIC AREA REVIEW AND EVALUATION

Methodology

Clear Creek County has submitted a written narrative describing the economic areas that make up the county's market areas. Clear Creek County has also submitted a map illustrating these areas. Each of these narratives have been read and analyzed for logic and appraisal sensibility. The maps were also compared to the narrative for consistency between the written description and the map.

Conclusions

After review and analysis, it has been determined that Clear Creek County has

adequately identified homogeneous economic areas comprised of smaller neighborhoods. Each economic area defined is equally subject to a set of economic forces that impact the value of the properties within that geographic area and this has been adequately addressed. Each economic area defined adequately delineates an area that will give "similar values for similar properties in similar areas."

Recommendations

None

NATURAL RESOURCES

Earth and Stone Products

Methodology

Under the guidelines of the Assessor's Reference Library (ARL), Volume 3, Natural Resource Valuation Procedures, the income approach was applied to determine value for production of earth and stone products. The number of tons was multiplied by an economic royalty rate determined by the Division of Property Taxation to determine income. The income was multiplied by a recommended Hoskold factor to determine the actual value. The Hoskold factor is determined by the life of the reserves or the lease. Value is based on two variables: life and tonnage. The operator determines these since there is no other means to obtain production data through any state or private agency.

Conclusions

The County has applied the correct formulas and state guidelines to earth and stone production.

Recommendations

None

Producing Mines

Methodology

Colorado Revised Statutes (CRS) Article 39, Section 6, and the Assessor's Reference Library (ARL), Volume 3 are the basis for valuing producing mine property. The gross value of the ore extracted during the preceding year is determined. All costs of treatment, reduction, transportation and sale are deducted to estimate gross proceeds. The costs of extraction are deducted from the gross proceeds to estimate net proceeds.

The current value for assessment is determined by determining if 25% of the gross proceeds or 100% of the net proceeds is greater, then applying that number as the valuation for assessment.

Conclusions

The County valued the producing mine production using acceptable appraisal procedures.

Recommendations

None

VACANT LAND

Subdivision Discounting

Subdivisions were reviewed in 2021 in Clear Creek County. The review showed that subdivisions were discounted pursuant to the Colorado Revised Statutes in Article 39-1-103 (14). Discounting procedures were applied to all subdivisions where less than 80 percent of all sites were sold using the present worth method. The market approach was applied where 80 percent or more of the subdivision sites were sold. An absorption period was estimated for each subdivision that was discounted. An appropriate discount rate was

developed using the summation method. Subdivision land with structures was appraised at full market value.

Conclusions

Clear Creek County has implemented proper procedures to adequately estimate absorption periods, discount rates, and lot values for qualifying subdivisions.

Recommendations

None

POSSESSORY INTEREST PROPERTIES

Possessory Interest

Possessory interest property discovery and valuation is described in the Assessor's Reference Library (ARL) Volume 3 section 7 in accordance with the requirements of Chapter 39-1-103 (17)(a) (II) C.R.S. Possessory Interest is defined by the Property Tax Administrator's Publication ARL Volume 3, Chapter 7: A private property interest in government-owned property or the right to the occupancy and use of any benefit in government-owned property that has been granted under lease, permit, license, concession, contract, or other agreement.

Clear Creek County has been reviewed for their procedures and adherence to guidelines

when assessing and valuing commercial and ski area possessory interest properties. The county has also been queried as to their confidence that the possessory interest properties have been discovered and placed on the tax rolls.

Conclusions

Clear Creek County has implemented a discovery process to place possessory interest properties on the roll. They have also correctly and consistently applied the correct procedures and valuation methods in the valuation of possessory interest properties.

Recommendations

None

PERSONAL PROPERTY AUDIT

Clear Creek County was studied for its procedural compliance with the personal property assessment outlined in the Assessor's Reference Library (ARL) Volume 5, and in the State Board of Equalization (SBOE) requirements for the assessment of personal property. The SBOE requires that counties use ARL Volume 5, including current discovery, classification, documentation procedures, current economic lives table, cost factor tables, depreciation table, and level of value adjustment factor table.

The personal property audit standards narrative must be in place and current. A listing of businesses that have been audited by the assessor within the twelve-month period reflected in the plan is given to the auditor. The audited businesses must be in conformity with those described in the plan.

Aggregate ratio will be determined solely from the personal property accounts that have been physically inspected. The minimum assessment sample is one percent or ten schedules, whichever is greater, and the maximum assessment audit sample is 100 schedules.

For the counties having over 100,000 population, WRA selected a sample of all personal property schedules to determine whether the assessor is correctly applying the provisions of law and manuals of the Property Tax Administrator in arriving at the assessment levels of such property. This sample was selected from the personal property schedules audited by the assessor. In no event was the sample selected by the contractor less than 30 schedules. The counties to be included in this study are Adams, Arapahoe, Boulder, Denver, Douglas, El Paso, Jefferson, Larimer, Mesa, Pueblo, and Weld. All other counties received a procedural study.

Clear Creek County is compliant with the guidelines set forth in ARL Volume 5 regarding discovery procedures, using the following methods to discover personal property accounts in the county:

- Public Record Documents
- Local Telephone Directories, Newspapers or Other Local Publications
- Personal Observation, Physical Canvassing or Word of Mouth

The county uses the Division of Property Taxation (DPT) recommended classification and documentation procedures. The DPT's recommended cost factor tables, depreciation tables and level of value adjustment factor tables are also used.

Clear Creek County submitted their personal property written audit plan and was current for the 2021 valuation period. The number and listing of businesses audited was also submitted and was in conformance with the written audit plan. The following audit triggers were used by the county to select accounts to be audited:

- Accounts with obvious discrepancies
- Incomplete or inconsistent declarations
- Businesses with no deletions or additions for 2 or more years
- Non-filing Accounts - Best Information Available
- Accounts close to the \$7,900 actual value exemption status
- Accounts protested with substantial disagreement



Conclusions

Clear Creek County has employed adequate discovery, classification, documentation, valuation, and auditing procedures for their

personal property assessment and is in statistical compliance with SBOE requirements.

Recommendations

None

WILDROSE AUDITOR STAFF

Harry J. Fuller, *Audit Project Manager*

Suzanne Howard, *Audit Administrative Manager*

Steve Kane, *Audit Statistician*

Carl W. Ross, *Agricultural/Natural Resource Analyst*

J. Andrew Rodriguez, *Field Analyst*

STATISTICAL APPENDIX

**STATISTICAL COMPLIANCE REPORT
FOR CLEAR CREEK COUNTY
2021**

I. OVERVIEW

Clear Creek County is located in central Colorado. The county has a total of 15,792 real property parcels, according to data submitted by the county assessor’s office in 2021. The following provides a breakdown of property classes for this county:



The vacant land class of properties was dominated by residential land. Residential lots (coded 100 and 1112) accounted for 62.5% of all vacant land parcels.

For residential improved properties, single family properties accounted for 93.7% of all residential properties.

Commercial and industrial properties represented a much smaller proportion of property classes in comparison. Commercial/industrial sales accounted for less than 1.5% of all such properties in this county.

II. DATA FILES

The following sales analyses were based on the requirements of the 2021 Colorado Property Assessment Study. Information was provided by the Clear Creek Assessor’s Office in May 2021. The data included all 5 property record files as specified by the Auditor.

III. RESIDENTIAL SALES RESULTS

There were 419 qualified residential sales for the 24-month sale period ending June 30, 2020. The sales ratio analysis was analyzed as follows:

Median	0.997
Price Related Differential	1.018
Coefficient of Dispersion	8.3

We next stratified the sale ratio analysis by subdivisions with at least 15 sales. The following are the results of this stratification analysis:

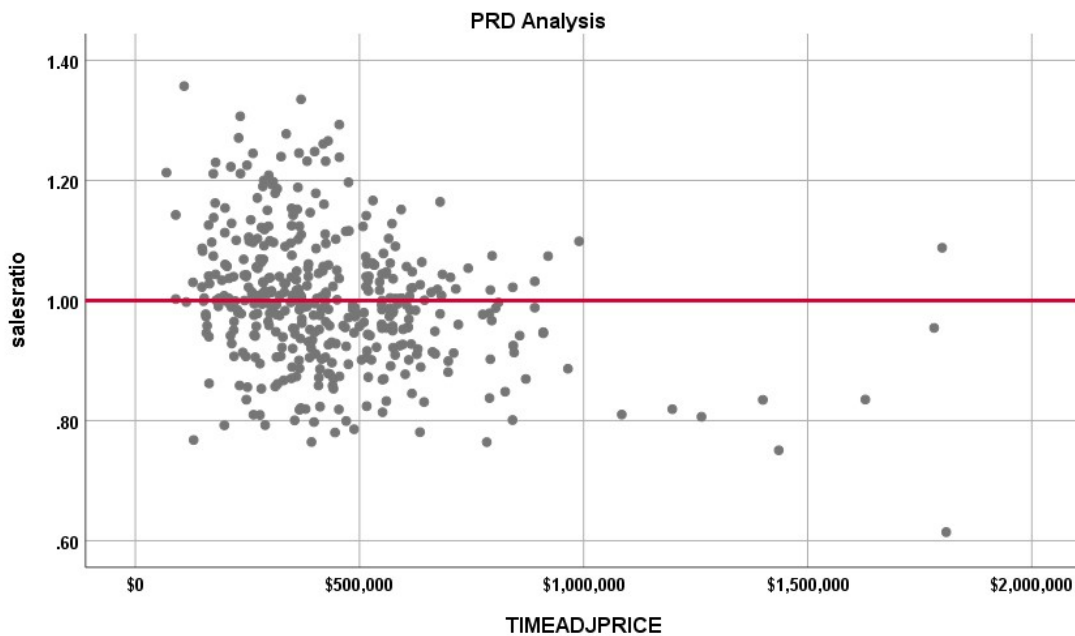
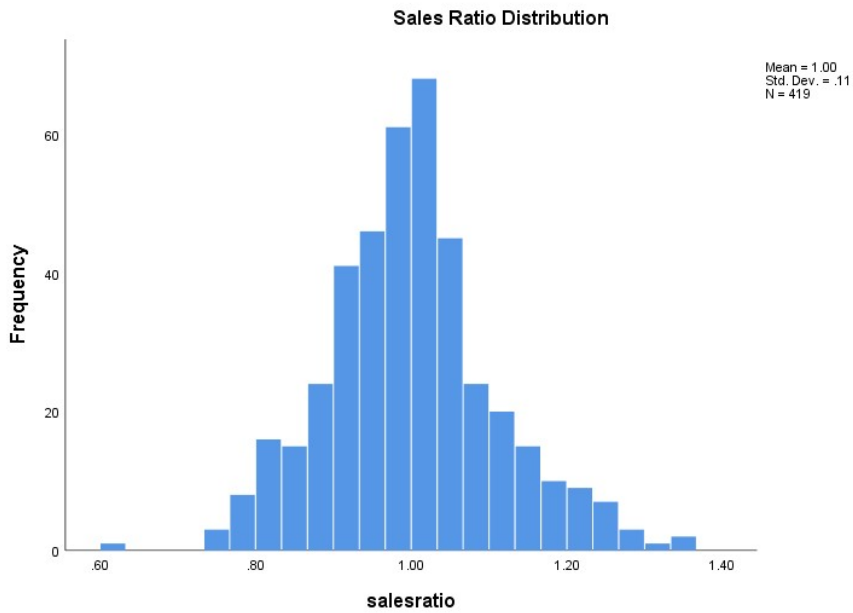
Case Processing Summary

	Count	Percent
SUBDIVNO 190	24	13.3%
320	26	14.4%
360	20	11.1%
450	36	20.0%
470	30	16.7%
650	16	8.9%
670	28	15.6%
Overall	180	100.0%
Excluded	78	
Total	258	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion
190	1.001	1.003	.072
320	1.005	1.018	.088
360	1.011	1.013	.066
450	.989	1.006	.079
470	1.005	1.014	.089
650	.991	1.009	.071
670	.980	1.007	.088
Overall	.999	1.011	.081

The above ratio statistics were in compliance with the standards set forth by the Colorado State Board of Equalization (SBOE) for the overall residential sales. The following graphs describe further the sales ratio distribution for these properties:

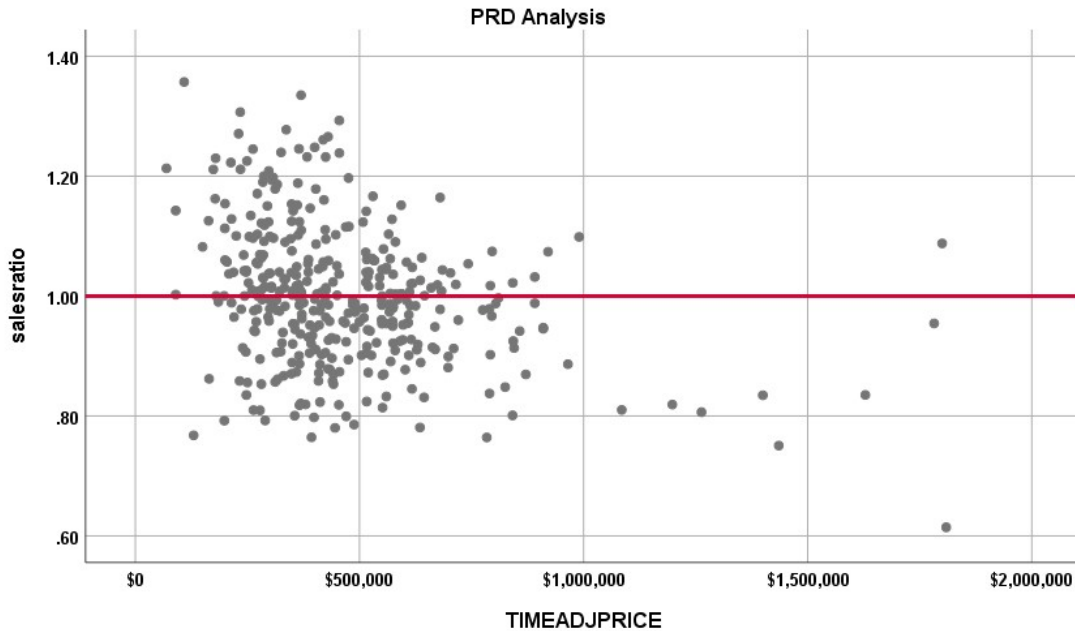


The above graphs indicate that the distribution of the sale ratios was within state mandated limits.

Subclass 1212 PRD Analysis

We next analyzed residential properties identified as 1212 using the state abstract code system. These include single family residences, town homes and purged manufactured homes. The following indicates the distribution of sales ratios across the sale price spectrum:

1212 SALES



The Price-Related Differential (PRD) for 1212 sales is 1.019, which is within IAAO standards for the PRD. We also performed a regression analysis between the sales ratio and the assessor's current value to further test for regressivity or progressivity in the residential sales valuation, as follows:

Coefficients^a

Model	Unstandardized Coefficients			Standardized	t	Sig.
	B	Std. Error	Beta	Coefficients		
1	(Constant)	1.023	.014		73.985	.000
	CURRTOT	-.000000053	.000	-.098	-1.921	.055

a. Dependent Variable: salesratio

The slope of the line at 0.000000053 indicates that there is virtually no slope in the regression line, which indicates that sales ratios are similar across the entire sale price array. This indicates no regressivity or progressivity in the residential values assigned by the assessor.

We also stratified the sales ratio analysis by the sale price range, as follows:

Case Processing Summary

		Count	Percent
SPRec	LT \$200K	18	4.7%
	\$200K to \$300K	67	17.6%
	\$300K to \$400K	92	24.1%
	\$400K to \$500K	67	17.6%
	\$500K to \$600K	65	17.1%
	\$600K to \$700K	34	8.9%
	\$700K to \$800K	13	3.4%

\$800K to \$900K	11	2.9%
\$900K to \$1,000K	5	1.3%
Over \$1,000K	9	2.4%
Overall	381	100.0%
Excluded	0	
Total	381	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion
LT \$200K	1.097	1.008	.109
\$200K to \$300K	1.037	1.001	.085
\$300K to \$400K	1.006	1.001	.087
\$400K to \$500K	.977	1.001	.093
\$500K to \$600K	.993	1.000	.064
\$600K to \$700K	.973	1.000	.064
\$700K to \$800K	.977	1.001	.066
\$800K to \$900K	.942	1.000	.065
\$900K to \$1,000K	.947	.999	.072
Over \$1,000K	.819	.994	.099
Overall	.995	1.019	.087

The above table indicates minor regressivity in the sales ratios across sale price categories based on the above table, although the PRD and regression analysis does not indicate any significant issue.

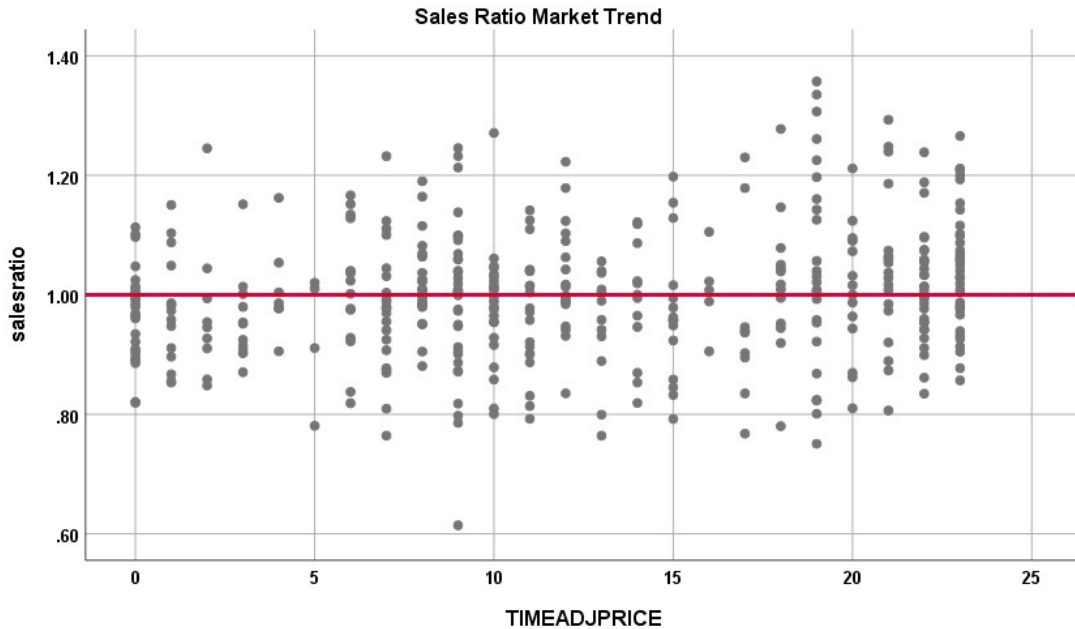
Residential Market Trend Analysis

We next analyzed the residential dataset using the 24-month sale period for any residual market trending, with the following results:

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.966	.010		92.492	.000
	SalePeriod	.003	.001	.176	3.645	.000

a. Dependent Variable: salesratio



The above analysis indicated that there was a statistically significant market trend present in the sales ratio with the 24-month sale period, but the magnitude of the trend was marginal as best. We conclude that the assessor has adequately addressed market trend for residential sales in Clear Creek County.

Sold/Unsold Analysis

In terms of the valuation consistency between sold and unsold residential properties, we compared the median and mean change in actual value from valuation year 2018 and valuation year 2020 between sold and unsold residential properties, as follows:

Report				
DIFF				
	DIFF	N	Median	Mean
UNSOLD	4438	1.1551	1.2443	
SOLD	419	1.1996	1.2489	

We next stratified this analysis for subdivisions with at least 10 sales, as follows:

Report				
DIFF				
SUBDIVNO	DIFF	N	Median	Mean
190	UNSOLD	168	1.2025	1.2432
	SOLD	24	1.2835	1.4670
320	UNSOLD	227	1.1461	1.1667
	SOLD	26	1.1618	1.1861
360	UNSOLD	292	1.2154	1.2141
	SOLD	20	1.2586	1.2435
450	UNSOLD	207	1.1756	1.1813
	SOLD	36	1.1975	1.2230
470	UNSOLD	368	1.1939	1.1923

	SOLD	30	1.2071	1.3660
650	UNSOLD	113	1.1459	1.1530
	SOLD	16	1.1931	1.1929
670	UNSOLD	140	1.1805	2.0797
	SOLD	28	1.1966	1.2206

The above results indicate that sold and unsold residential properties were valued in a consistent manner.

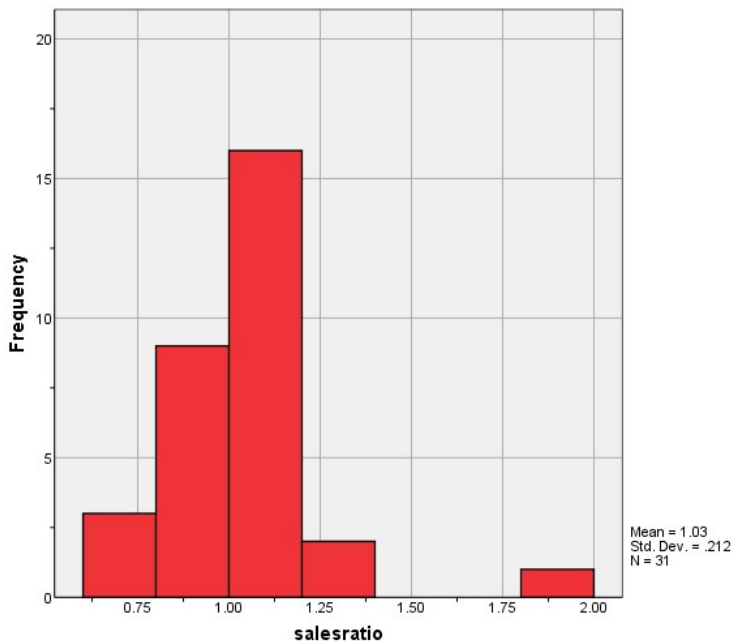
IV. COMMERCIAL/INDUSTRIAL SALE RESULTS

There were 31 qualified commercial and industrial sales for the 60 month sale period ending June 30, 2020.

The sales ratio analysis results were as follows:

Median	1.005
Price Related Differential	1.025
Coefficient of Dispersion	14.0

The above table indicates that the Clear Creek County commercial/industrial sale ratios were in compliance with the SBOE standards. The following histogram and scatter plot describe the sales ratio distribution further:





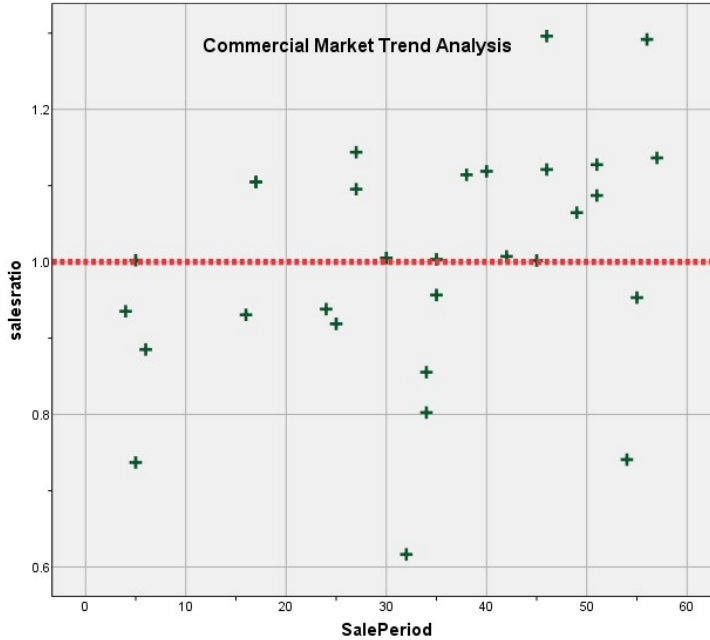
Commercial Market Trend Analysis

The commercial/industrial sales were analyzed, examining the sale ratios across a 60-month sale period with the following results:

Coefficients^a

Model		Unstandardized Coefficients	Standardized Coefficients		
		B	Std. Error	Beta	t
1	(Constant)	.895	.062		14.360
	SalePeriod	.003	.002	.343	1.930

a. Dependent Variable: salesratio



The market trend results indicated no statistically significant trend. We concluded that the assessor has adequately considered market trending in their commercial/industrial valuations.

Sold/Unsold Analysis

We compared the median change in the actual value between valuation year 2018 and valuation year 2020 between sold and unsold commercial properties to determine if the assessor was valuing each group consistently, as follows

Report

DIFF			
diff	N	Median	Mean
UNSOLD	209	1.1250	1.3784
SOLD	31	1.0855	1.1236

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of DIFF is the same across categories of sold.	Independent-Samples Mann-Whitney U Test	.745	Retain the null hypothesis.

Asymptotic significances are displayed. The significance level is .00.

We also stratified this analysis by subclass, with the following results:

Report

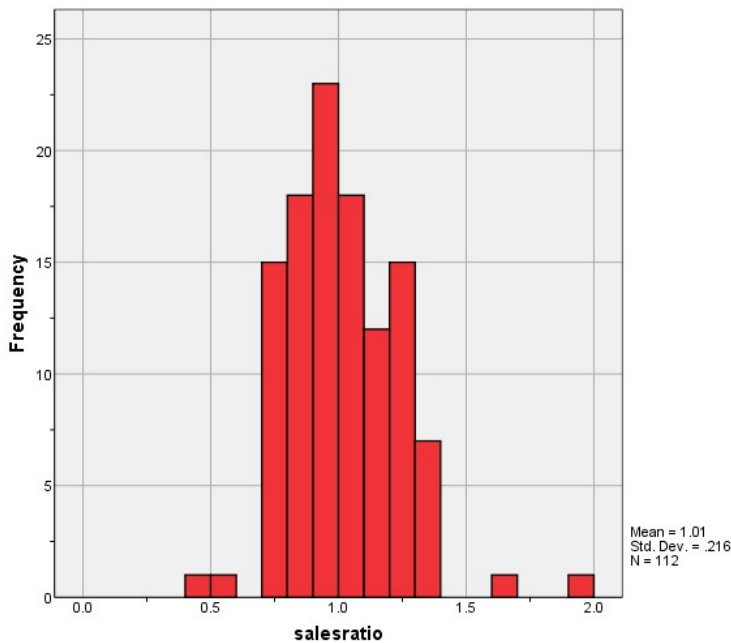
DIFF	ABSTRIMP	sold	N	Median	Mean
2212.00	UNSOLD		55	1.1992	1.2107
	SOLD		13	1.0871	1.2112
2215.00	UNSOLD		14	1.0582	3.7533
	SOLD		4	1.1642	1.1574
2220.00	UNSOLD		7	1.0979	1.1248
	SOLD		2	1.0352	1.0352
2230.00	UNSOLD		83	1.0900	1.2653
	SOLD		6	1.0493	1.0476
2245.00	UNSOLD		14	1.1529	1.1457
	SOLD		5	1.0855	1.1091

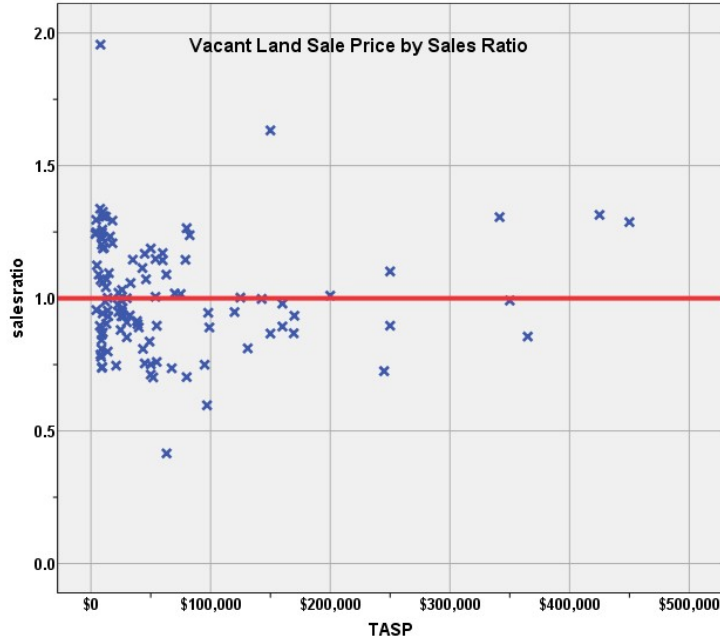
The above results indicate that the assessor has valued sold and unsold commercial properties consistently.

V. VACANT LAND SALE RESULTS

There were 112 qualified vacant land sales for the 24-month sale period ending June 30, 2020. The sales ratio analysis results were as follows:

Median	0.992
Price Related Differential	0.999
Coefficient of Dispersion	16.7





The above tables indicate that the Clear Creek County vacant land sale ratios were in compliance with the SBOE standards. The following histogram and scatter plot describe the sales ratio distribution further:

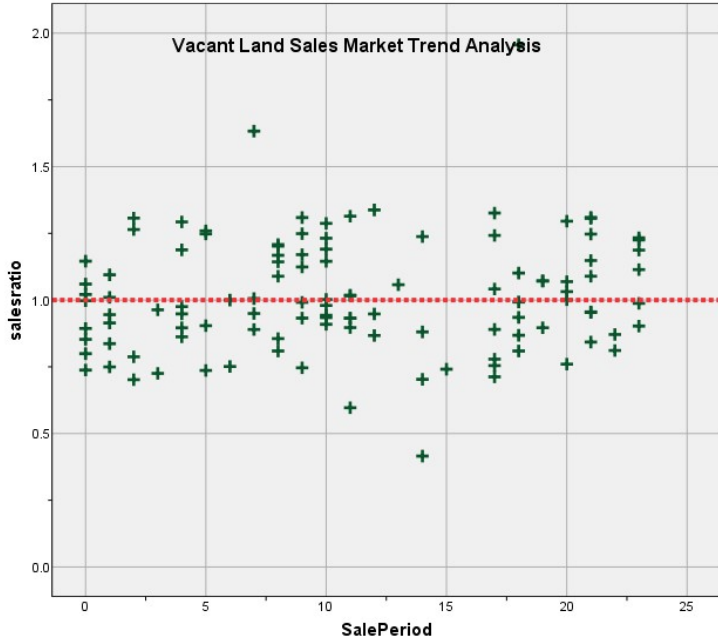
Vacant Land Market Trend Analysis

We analyzed the sales ratios for vacant land sales, based on the time adjusted sale price (TASP) and the actual land value to determine if there was any residual time trending in the vacant land valuations. The vacant land sales were analyzed, examining the sales ratios across the 24 month sale period with the following results:

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.975	.037		26.009	.000
	SalePeriod	.004	.003	.119	1.252	.213

a. Dependent Variable: salesratio



The market trend analysis indicated no statistically significant trend. Based on these results, we concluded that the assessor has adequately considered market trending in their vacant land valuations.

Sold Unsold Analysis

We compared the median change in actual value between valuation year 2018 and valuation year 2020 for vacant land properties to determine if sold and unsold properties were valued consistently, as follows:

Report

DIFF				
	sold	N	Median	Mean
UNSOLD		3262	1.0000	1.4042
SOLD		111	1.2469	1.5033

We stratified this analysis by subdivisions with at least 5 sales, as follows:

Report

DIFF				
SUBDIVNO	sold	N	Median	Mean
650	UNSOLD	21	1.0000	.9524
	SOLD	7	1.0000	1.1086
670	UNSOLD	659	1.2889	1.2921
	SOLD	34	1.2966	1.4854
790	UNSOLD	246	1.1778	1.2252
	SOLD	8	1.7224	1.8105

The above results stratified by subdivisions indicated that sold properties were not valued consistently more than unsold properties.

V. CONCLUSION

Based on this statistical analysis, there were no significant compliance issues concluded for Clear Creek County as of the date of this report.

STATISTICAL ABSTRACT

Residential

Ratio Statistics for CURRTOT / TASP

Mean	95% Confidence Interval for Mean		Median	95% Confidence Interval for Median			Weighted Mean	95% Confidence Interval for Weighted Mean		Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Mean Centered
	Lower Bound	Upper Bound		Lower Bound	Upper Bound	Actual Coverage		Lower Bound	Upper Bound			
.999	.989	1.010	.997	.987	1.004	96.0%	.981	.968	.995	1.018	.083	11.0%

The confidence interval for the median is constructed without any distribution assumptions. The actual coverage level may be greater than the specified level. Other confidence intervals are constructed by assuming a Normal distribution for the ratios.

Commercial/Industrial

Ratio Statistics for CURRTOT / TASP

Mean	95% Confidence Interval for Mean		Median	95% Confidence Interval for Median			Weighted Mean	95% Confidence Interval for Weighted Mean		Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Mean Centered
	Lower Bound	Upper Bound		Lower Bound	Upper Bound	Actual Coverage		Lower Bound	Upper Bound			
1.030	.952	1.108	1.005	.938	1.105	97.1%	1.005	.929	1.081	1.025	.140	20.6%

The confidence interval for the median is constructed without any distribution assumptions. The actual coverage level may be greater than the specified level. Other confidence intervals are constructed by assuming a Normal distribution for the ratios.

Vacant Land

Ratio Statistics for CURRLND / TASP

Mean	95% Confidence Interval for Mean		Median	95% Confidence Interval for Median			Weighted Mean	95% Confidence Interval for Weighted Mean		Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Mean Centered
	Lower Bound	Upper Bound		Lower Bound	Upper Bound	Actual Coverage		Lower Bound	Upper Bound			
1.015	.974	1.055	.992	.945	1.032	95.3%	1.016	.943	1.088	.999	.167	21.3%

The confidence interval for the median is constructed without any distribution assumptions. The actual coverage level may be greater than the specified level. Other confidence intervals are constructed by assuming a Normal distribution for the ratios.

Residential Median Ratio Stratification

Subclass

Case Processing Summary

		Count	Percent
ABSTRIMP	1212.00	381	90.9%
	1230.00	38	9.1%
Overall		419	100.0%
Excluded		0	
Total		419	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
1212.00	.995	1.019	.087	11.5%
1230.00	.999	1.003	.038	5.3%
Overall	.997	1.018	.083	11.0%

Age

Case Processing Summary

		Count	Percent
AgeRec	Over 100	52	12.4%
	75 to 100	9	2.1%
	50 to 75	62	14.8%
	25 to 50	190	45.3%
	5 to 25	90	21.5%
	5 or Newer	16	3.8%
Overall		419	100.0%
Excluded		0	
Total		419	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
Over 100	1.009	1.008	.091	11.6%
75 to 100	.999	1.037	.117	16.7%
50 to 75	.996	1.014	.101	12.7%
25 to 50	1.001	1.011	.074	10.0%
5 to 25	.986	1.028	.087	11.6%
5 or Newer	1.006	1.010	.042	6.6%
Overall	.997	1.018	.083	11.0%

Improved Area

Case Processing Summary

		Count	Percent
ImpSFRec	LE 500 sf	5	1.2%
	500 to 1,000 sf	101	24.1%
	1,000 to 1,500 sf	145	34.6%
	1,500 to 2,000 sf	88	21.0%
	2,000 to 3,000 sf	68	16.2%
	3,000 sf or Higher	12	2.9%
Overall		419	100.0%
Excluded		0	
Total		419	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
LE 500 sf	1.000	1.011	.137	19.5%
500 to 1,000 sf	1.000	1.010	.087	11.6%
1,000 to 1,500 sf	1.004	1.009	.073	9.9%
1,500 to 2,000 sf	.986	1.008	.089	11.6%
2,000 to 3,000 sf	.986	1.015	.077	9.9%
3,000 sf or Higher	.951	1.028	.125	16.1%
Overall	.997	1.018	.083	11.0%

Improvement Quality

Case Processing Summary

		Count	Percent
QUALITY	2 - FAIR QUALITY	20	4.8%
	3 - AVERAGE QUALITY	182	43.4%
	4 - GOOD QUALITY	11	2.6%
	5 - VERY GOOD QUALITY	6	1.4%
	AVERAGE QUALITY	165	39.4%
	FAIR QUALITY	26	6.2%
	GOOD QUALITY	9	2.1%
Overall		419	100.0%
Excluded		0	
Total		419	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
2 - FAIR QUALITY	.942	1.012	.084	10.4%
3 - AVERAGE QUALITY	.995	1.010	.081	10.7%
4 - GOOD QUALITY	.967	1.009	.081	10.1%
5 - VERY GOOD QUALITY	.821	.994	.143	20.2%
AVERAGE QUALITY	.999	1.008	.075	10.3%
FAIR QUALITY	1.024	1.019	.114	14.1%
GOOD QUALITY	1.000	1.015	.078	11.3%
Overall	.997	1.018	.083	11.0%

Improvement Condition

Case Processing Summary

	Count	Percent
CONDITION	361	86.2%
2 - FAIR CONDITION	7	1.7%
3 - AVERAGE CONDITION	32	7.6%
4 - GOOD CONDITION	19	4.5%
Overall	419	100.0%
Excluded	0	
Total	419	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
	.996	1.019	.081	10.9%
2 - FAIR CONDITION	.947	1.015	.115	18.9%
3 - AVERAGE CONDITION	1.046	1.015	.091	11.7%
4 - GOOD CONDITION	.954	1.003	.068	8.4%
Overall	.997	1.018	.083	11.0%

Commercial Median Ratio Stratification

Sale Price

Case Processing Summary

	Count	Percent
SPRec		
\$150K to \$200K	2	6.5%
\$200K to \$300K	6	19.4%
\$300K to \$500K	12	38.7%
\$500K to \$750K	5	16.1%
Over \$1,000K	6	19.4%
Overall	31	100.0%
Excluded	0	
Total	31	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
\$150K to \$200K	1.076	1.000	.010	1.5%
\$200K to \$300K	1.105	.997	.048	8.7%
\$300K to \$500K	.977	1.010	.199	31.3%
\$500K to \$750K	.935	1.004	.092	19.5%
Over \$1,000K	1.004	1.003	.090	14.0%
Overall	1.005	1.025	.140	21.2%

Subclass

Case Processing Summary

		Count	Percent
ABSTRIMP	1225.00	1	3.2%
	2212.00	13	41.9%
	2215.00	4	12.9%
	2220.00	2	6.5%
	2230.00	6	19.4%
	2245.00	5	16.1%
Overall		31	100.0%
Excluded		0	
Total		31	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
1225.00	.741	1.000	.000	.
2212.00	1.003	1.067	.117	16.0%
2215.00	1.118	1.130	.196	37.5%
2220.00	.736	1.019	.162	23.0%
2230.00	1.036	1.021	.060	7.4%
2245.00	1.095	1.005	.087	15.4%
Overall	1.005	1.025	.140	21.2%

Age

Case Processing Summary

		Count	Percent
AgeRec	Over 100	12	38.7%
	75 to 100	2	6.5%
	50 to 75	6	19.4%
	25 to 50	3	9.7%
	5 to 25	8	25.8%
Overall		31	100.0%
Excluded		0	
Total		31	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
Over 100	1.036	1.023	.091	11.3%
75 to 100	.947	.996	.010	1.4%
50 to 75	.929	1.003	.312	47.8%
25 to 50	1.136	1.029	.053	10.0%
5 to 25	1.004	1.052	.104	14.4%
Overall	1.005	1.025	.140	21.2%

Improvement Condition

Case Processing Summary

	Count	Percent
CONDITION	1	3.2%
AVERAGE	15	48.4%
FAIR	7	22.6%
GOOD	7	22.6%
VERY GOOD	1	3.2%
Overall	31	100.0%
Excluded	0	
Total	31	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
	1.826	1.000	.000	.
AVERAGE	1.002	1.016	.099	13.8%
FAIR	.953	.937	.158	21.0%
GOOD	1.007	1.104	.124	17.7%
VERY GOOD	1.065	1.000	.000	.
Overall	1.005	1.025	.140	21.2%

Vacant Land Median Ratio Stratification

Sale Price

Case Processing Summary

	Count	Percent
SPRec		
LT \$25K	50	44.6%
\$25K to \$50K	23	20.5%
\$50K to \$100K	20	17.9%
\$100K to \$150K	6	5.4%
\$150K to \$200K	5	4.5%
\$200K to \$300K	3	2.7%
\$300K to \$500K	5	4.5%
Overall	112	100.0%
Excluded	0	
Total	112	

Ratio Statistics for CURRLND / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
LT \$25K	1.065	1.021	.166	21.1%
\$25K to \$50K	.932	1.005	.110	14.4%
\$50K to \$100K	.975	1.005	.197	24.3%
\$100K to \$150K	.973	.990	.172	31.7%
\$150K to \$200K	.934	.997	.049	6.3%
\$200K to \$300K	.897	.999	.140	21.0%
\$300K to \$500K	1.287	.991	.120	20.4%
Overall	.992	.999	.167	21.9%

Subclass

Case Processing Summary

	Count	Percent
ABSTRRLND	100	76
	200	4
	520	20
	530	3
	540	5
	550	2
	1112	2
Overall	112	100.0%
Excluded	0	
Total	112	

Ratio Statistics for CURRLND / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
100	.999	1.059	.160	21.1%
200	1.016	.911	.443	54.2%
520	.971	1.015	.137	17.4%
530	.992	1.090	.105	21.5%
540	.897	.992	.185	30.2%
550	1.111	.933	.159	22.5%
1112	.911	1.115	.176	24.9%
Overall	.992	.999	.167	21.9%