



2017 PARK COUNTY PROPERTY ASSESSMENT STUDY



WILDROSE
APPRAISAL, INCORPORATED
Audit Division



September 15, 2017

Mr. Mike Mauer
Director of Research
Colorado Legislative Council
Room 029, State Capitol Building
Denver, Colorado 80203

RE: Final Report for the 2017 Colorado Property Assessment Study

Dear Mr. Mauer:

Wildrose Appraisal Inc.-Audit Division is pleased to submit the Final Reports for the 2017 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 cursive script, reading "Harry J. Fuller".

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 2017 and is pleased to report its findings for Park County in the following report.

Historical Information

Park County had an estimated population of approximately 17,166 people with 7.8 people per square mile, according to the U.S. Census Bureau's 2016 estimated census data. This represents a 5.9 percent change from April 1, 2010 to July 1, 2016.

Park County was named after the large geographic region known as South Park, which was named by early fur traders and trappers in the area. The geographic center of the State of Colorado is located in Park County.

The Town of Fairplay is a statutory town that is the county seat and the most populous town of Park County. The town is the fifth-highest incorporated place in Colorado at an elevation of 9,953 feet. A historic gold mining settlement, the town was founded in 1859 during the early days of the Pike's Peak Gold Rush. Although it was founded during the initial placer mining boom, the mines in the area continued to produce gold and silver ore

for many decades up through the middle of the 20th century.

The town consists of modern retail businesses along the highway, as well as a historic town on the bluff above the river along Front Street. The northern extension of Front Street along the river has been preserved and has become the site of relocated historic structures as an open air museum called South Park City, intended to recreate the early days of the Colorado Gold Rush. The Town of Fairplay, Colorado, is the basis for the Town of South Park, Colorado, in the television series South Park. It also hosts Burro Days, a festival held on the last weekend of July. This event celebrates the town's mining heritage. The main feature of the festival is a 29-mile burro race over rough terrain and elevation gain from downtown Fairplay to the 13,000-ft summit of Mosquito Pass.

(www.Wikipedia.org)

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, 2015 through June 20, 2016. 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. For the largest 11 counties, the residential ratio statistics were broken down by economic area as well.

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
Condominium	Between .95-1.05	Less than 15.99
Single Family	Between .95-1.05	Less than 15.99
Vacant Land	Between .95-1.05	Less than 20.99



The results for Park County are:

Park County Ratio Grid					
Property Class	Number of Qualified Sales	Unweighted Median Ratio	Price Related Differential	Coefficient of Dispersion	Time Trend Analysis
Commercial/Industrial	33	1.012	1.018	15.1	Compliant
Condominium	N/A	N/A	N/A	N/A	N/A
Single Family	2,018	1.011	1.022	11.7	Compliant
Vacant Land	1,140	1.004	1.023	16.1	Compliant

After applying the above described methodologies, it is concluded from the sales ratios that Park 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 Park County has complied with the statutory requirements to analyze the effects of time on value in their county. Park 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

Park 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
Condominium	N/A
Single Family	Compliant
Vacant Land	Compliant

Conclusions

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

Recommendations

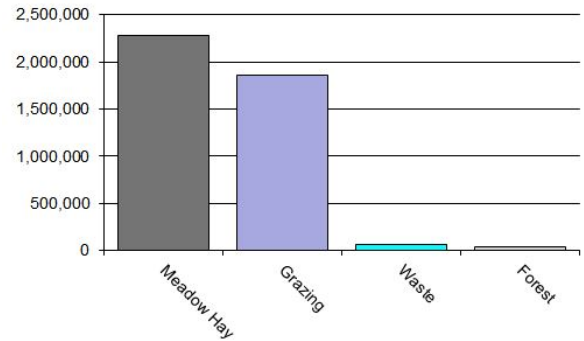
None

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:



Park County Agricultural Land Ratio Grid						
Abstract Code	Land Class	Number Of Acres	County Value Per Acre	County Assessed Total Value	WRA Total Value	Ratio
4137	Meadow Hay	27,733	82.19	2,279,266	2,286,317	1.00
4147	Grazing	263,821	7.05	1,859,052	1,859,052	1.00
4177	Forest	3,440	12.37	42,556	42,575	1.00
4167	Waste	26,473	2.22	58,819	58,819	1.00
Total/Avg		321,467	13.19	4,239,693	4,246,763	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.

Property Taxation for the valuation of agricultural outbuildings.

Recommendations

None

Conclusions

Park County has substantially complied with the procedures provided by the Division of

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

Park 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.:

- Questionnaires
- Field Inspections
- Phone Interviews
- In-Person Interviews with Owners/Tenants
- Written Correspondence other than Questionnaire

- Personal Knowledge of Occupants at Assessment Date

Park 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.:

- Determined by County Assessor

Park 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 2017 for Park County. This study was conducted by checking selected sales from the master sales list for the current valuation period. Specifically WRA selected 46 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 \$500, 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.

Park County did not qualify for in-depth subclass analysis.

Conclusions

Park County appears to be doing a good 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

Park County has submitted a written narrative describing the economic areas that make up the county's market areas. Park 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 Park 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

VACANT LAND

Subdivision Discounting

Subdivisions were reviewed in 2017 in Park 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

Park 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.

Park County has been reviewed for their procedures and adherence to guidelines when assessing and valuing agricultural and

commercial 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

Park 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

Park 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.

Park 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
- MLS Listing and/or Sold Books
- Chamber of Commerce/Economic Development Contacts
- Local Telephone Directories, Newspapers or Other Local Publications
- Personal Observation, Physical Canvassing or Word of Mouth
- Questionnaires, Letters and/or Phone Calls to Buyer, Seller and/or Realtor
- Internet

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.

Park County submitted their personal property written audit plan and was current for the 2017 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:

- Businesses in a selected area
- Accounts with obvious discrepancies
- New businesses filing for the first time
- Accounts with greater than 10% change
- Incomplete or inconsistent declarations
- Accounts with omitted property



- Same business type or use
- Businesses with no deletions or additions for 2 or more years
- Non-filing Accounts - Best Information Available
- Accounts close to the \$7,400 actual value exemption status
- Lowest or highest quartile of value per square foot
- Accounts protested with substantial disagreement
- Accounts that have not been audited in a few years

Conclusions

Park 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*

APPENDICES

STATISTICAL COMPLIANCE REPORT FOR PARK COUNTY 2017

I. OVERVIEW

Park County is located in central Colorado. The county has a total of 40,767 real property parcels, according to data submitted by the county assessor's office in 2017. 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) accounted for 91.5% of all vacant land parcels.

For residential improved properties, single family properties accounted for 97.5% 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 1.1% of all such properties in this county.

II. DATA FILES

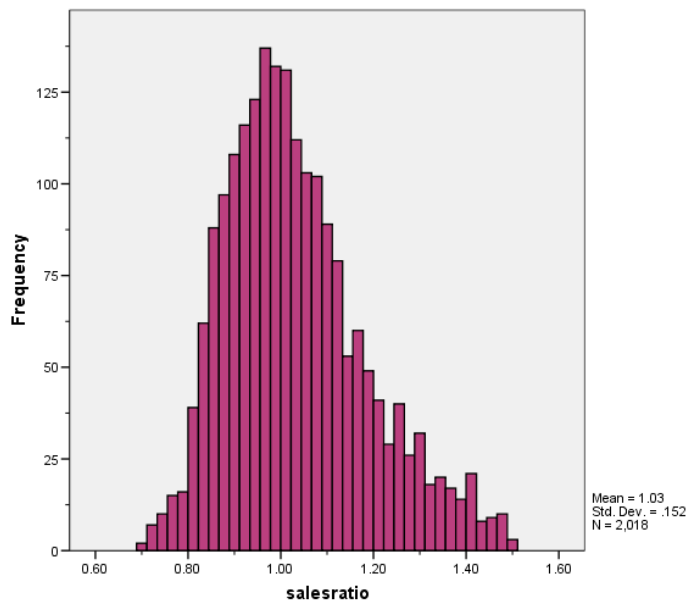
The following sales analyses were based on the requirements of the 2017 Colorado Property Assessment Study. Information was provided by the Park Assessor's Office in April 2017. The data included all 5 property record files as specified by the Auditor, plus a 6th file for commercial sales.

III. RESIDENTIAL SALES RESULTS

There were 2,018 qualified residential sales for the 48 month sale period ending June 30, 2016. The sales ratio analysis was analyzed as follows:

Median	1.011
Price Related Differential	1.022
Coefficient of Dispersion	11.7

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. No sales were trimmed.

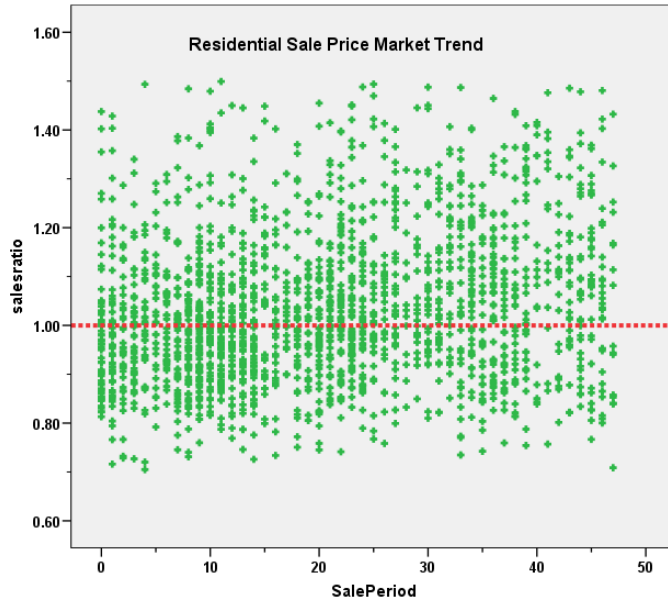
Residential Market Trend Analysis

We next analyzed the residential dataset using the 48-month sale period for any residual market trending, with the following results:

Coefficients^a

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	.986	.006		163.189	.000
	SalePeriod	.002	.000	.204	9.341	.000

a. Dependent Variable: salesratio



Although the sale ratio trend was statistically significant, the magnitude of that trend was 0.2%, which was not significant. The above analysis indicated that the assessor has adequately addressed market trending in the valuation of residential properties.

Sold/Unsold Analysis

In terms of the valuation consistency between sold and unsold residential properties, we compared the median actual value per square foot for 2017 between each group, as follows:

Report

VALSF			
sold	N	Median	Mean
UNSOLD	9,879	\$177	\$182
SOLD	2,018	\$198	\$199

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of VALSF is the same across categories of sold.	Independent-Samples Mann-Whitney U Test	.000	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

Because of the results from the Mann-Whitney non-parametric test, we also examined the change in actual value from taxable years 2016 to 2017 for sold and unsold properties, both as a whole and by economic area, as follows:

Report

DIFF				
	DIFF	N	Median	Mean
UNSOLD	9,879	1.12	1.30	
SOLD	2,018	1.20	1.21	

Report

DIFF				
ECONAREA	DIFF	N	Median	Mean
1.00	UNSOLD	3,143	1.27	1.36
	SOLD	835	1.27	1.32
2.00	UNSOLD	323	1.36	1.38
	SOLD	83	1.39	1.45
3.00	UNSOLD	83	1.40	1.40
	SOLD	34	1.41	1.45
4.00	UNSOLD	1,255	1.08	1.18
	SOLD	266	1.09	1.10
5.00	UNSOLD	813	1.09	1.27
	SOLD	136	1.09	1.11
6.00	UNSOLD	1,139	1.05	1.24
	SOLD	249	1.06	1.08
7.00	UNSOLD	1,635	1.04	1.15
	SOLD	268	1.05	1.06
8.00	UNSOLD	1,216	1.12	1.51
	SOLD	147	1.13	1.15

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

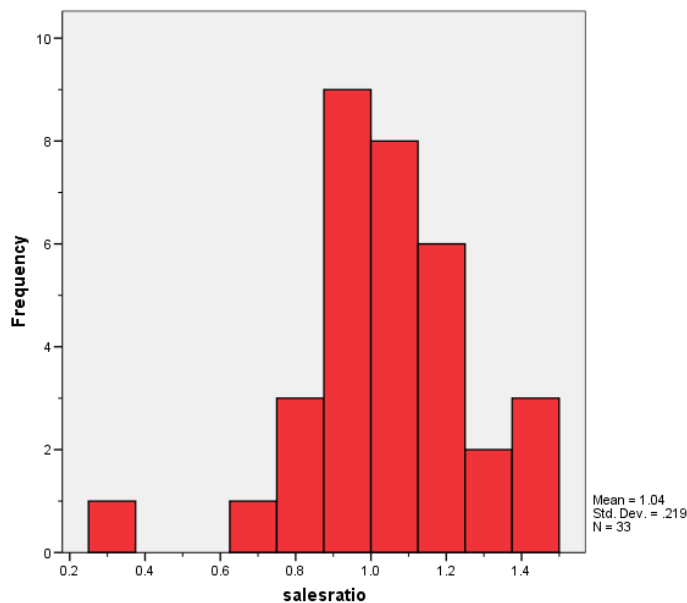
IV. COMMERCIAL/INDUSTRIAL SALE RESULTS

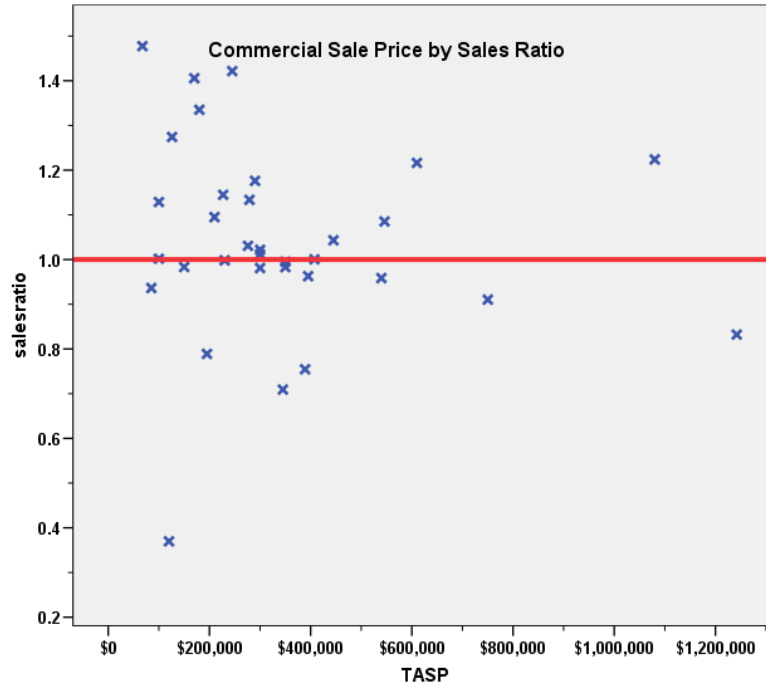
There were 33 qualified commercial/industrial sales for the 60 month sale period ending June 30, 2016.

The sales ratio analysis was analyzed as follows:

Median	1.012
Price Related Differential	1.018
Coefficient of Dispersion	15.1

The above table indicates that the Park County commercial/industrial sale ratios were in compliance with the SBOE standards. The following histogram and scatter plot describe the sales ratio distribution further for all 33 commercial properties:





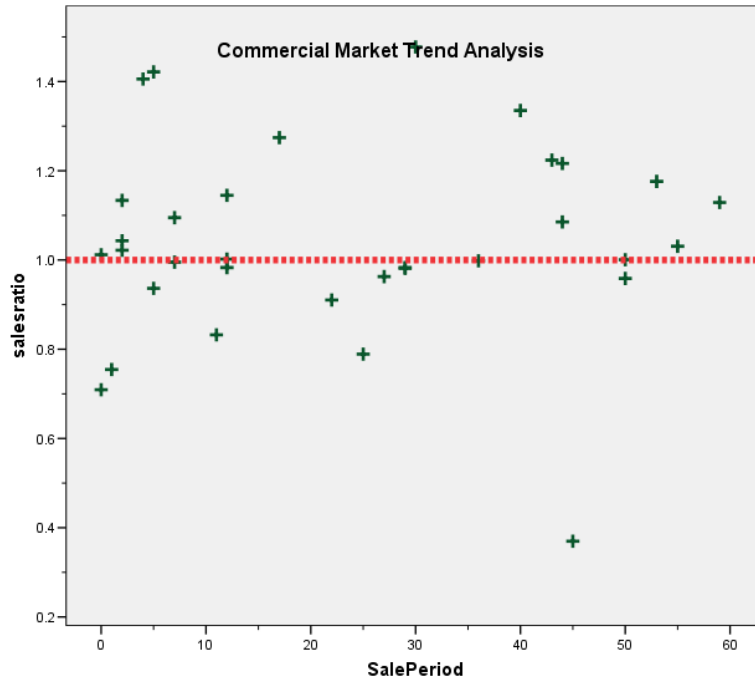
Commercial Market Trend Analysis

The 33 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	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.032	.062		16.735	.000
	SalePeriod	.000	.002	.038	.213	.833

a. Dependent Variable: salesratio



The market trend results indicated no statistically significant trend. We concluded that the Park County assessor has adequately considered market trending for commercial and industrial properties.

Sold/Unsold Analysis

In terms of the valuation comparison between sold and unsold commercial/industrial properties, we compared the median actual value per square foot in 2017 between each group, as follows:

Report

VALSF				
sold	N		Median	Mean
UNSOLD	438		\$79.43	\$90.82
SOLD	32		\$74.24	\$83.46

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of VALSF is the same across categories of sold.	Independent-Samples Mann-Whitney U Test	.600	Retain the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

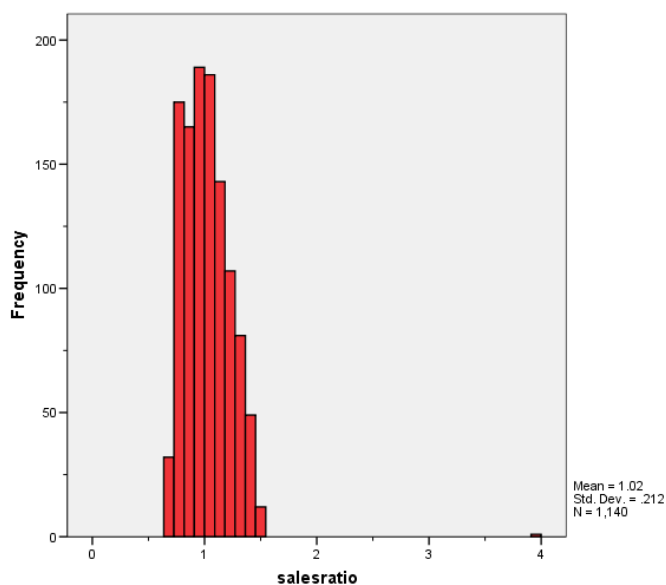
The above results indicate that sold and unsold commercial properties were valued in a similar manner.

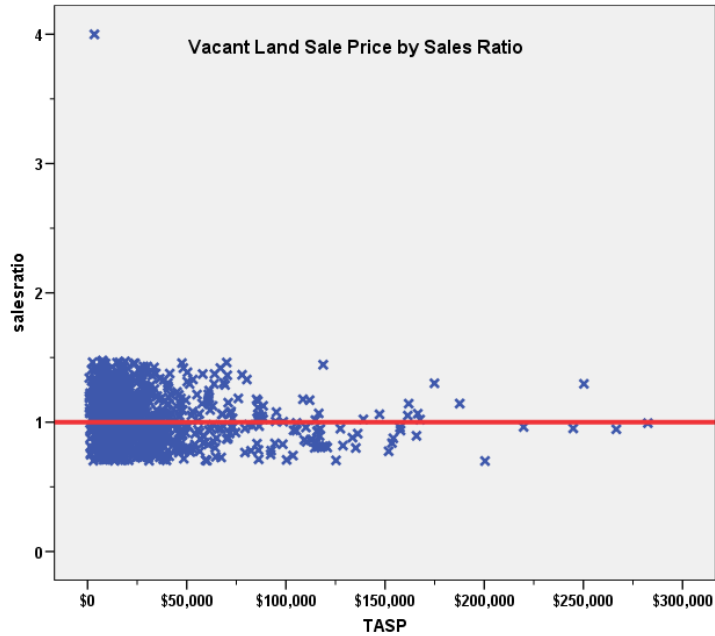
V. VACANT LAND SALE RESULTS

There were 1,140 qualified vacant land sales for the 48 month sale period ending June 30, 2016. The sales ratio analysis was analyzed as follows:

Median	1.004
Price Related Differential	1.023
Coefficient of Dispersion	16.1

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





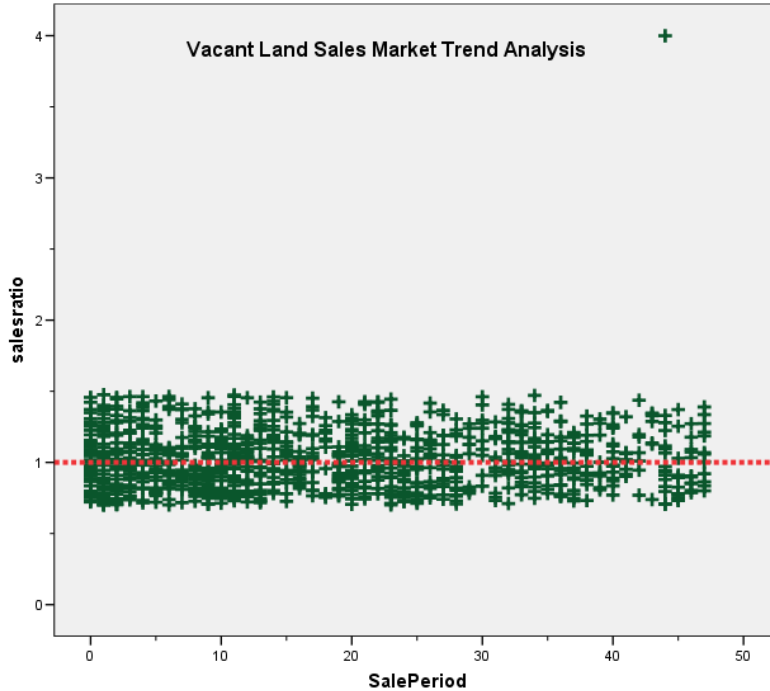
Vacant Land Market Trend Analysis

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 1,140 vacant land sales were analyzed, examining the sales ratios across the 48 month sale period with the following results:

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.009	.011		95.903	.000
	SalePeriod	.001	.000	.049	1.652	.099

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 taxable years 2016 and 2017 for vacant land properties to determine if sold and unsold properties were valued consistently, as follows:

Report

DIFF			
	N	Median	Mean
UNSOLD	21,917	1.07	1.32
SOLD	1,140	1.07	1.09

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	.002	Retain the null hypothesis.

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

The above results indicated that sold and unsold vacant land properties were valued consistently overall.

VI. AGRICULTURAL IMPROVEMENTS ANALYSIS

The final statistical verification concerned the assigned actual values for agricultural residential improvements. We compared the actual value per square foot rate for this group and compared it to rates assigned to residential single family improvements in Park County.

The following indicates that agricultural residential improvements were valued in a manner similar to the single family residential improvements in this county:

Report

IMPVALSF

ABSTRIMP	N	Median	Mean
1212.00	11593	\$150.30	\$153.87
4277.00	26	\$150.63	\$157.91

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of IMPVALSF is the same across categories of ABSTRIMP.	Independent-Samples Mann-Whitney U Test	.835	Retain the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

VII. CONCLUSIONS

Based on this statistical analysis, there were no significant compliance issues concluded for Park 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			Actual Coverage	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				Lower Bound	Upper Bound			
1.033	1.026	1.039	1.011	1.003	1.018		95.2%	1.010	1.004	1.017	1.022	.117	14.7%

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			Actual Coverage	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				Lower Bound	Upper Bound			
1.042	.965	1.120	1.012	.983	1.129		96.5%	1.023	.946	1.101	1.018	.151	21.0%

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.

Vacant Land

Ratio Statistics for CURRLND / TASP

Mean	95% Confidence Interval for Mean		Median	95% Confidence Interval for Median			Actual Coverage	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				Lower Bound	Upper Bound			
1.023	1.011	1.035	1.004	.985	1.018		95.3%	1.000	.985	1.016	1.023	.161	20.7%

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

Sale Price

Case Processing Summary

		Count	Percent
SPRec	\$25K to \$50K	6	0.3%
	\$50K to \$100K	55	2.7%
	\$100K to \$150K	221	11.0%
	\$150K to \$200K	322	16.0%
	\$200K to \$300K	710	35.2%
	\$300K to \$500K	590	29.2%
	\$500K to \$750K	100	5.0%
	\$750K to \$1,000K	11	0.5%
	Over \$1,000K	3	0.1%
Overall		2018	100.0%
Excluded		0	
Total		2018	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
\$25K to \$50K	1.254	1.000	.107	13.6%
\$50K to \$100K	1.296	.996	.110	14.7%
\$100K to \$150K	1.106	1.003	.131	16.1%
\$150K to \$200K	1.049	1.000	.127	15.7%
\$200K to \$300K	1.012	1.002	.103	13.4%
\$300K to \$500K	.963	1.002	.092	12.0%
\$500K to \$750K	.953	1.000	.094	11.8%
\$750K to \$1,000K	1.045	1.001	.098	13.2%
Over \$1,000K	.985	.977	.137	20.6%
Overall	1.011	1.022	.117	15.1%

Subclass

Case Processing Summary

		Count	Percent
ABSTRIMP	1212.00	2004	99.3%
	1215.00	8	0.4%
	1235.00	1	0.0%
	1277.00	2	0.1%
	1548.00	1	0.0%
	1721.00	1	0.0%
	2213.50	1	0.0%
Overall		2018	100.0%
Excluded		0	
Total		2018	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
1212.00	1.010	1.022	.117	15.1%
1215.00	1.252	1.004	.089	11.7%
1235.00	1.404	1.000	.000	.
1277.00	1.109	1.005	.015	2.1%
1548.00	1.134	1.000	.000	.
1721.00	.963	1.000	.000	.
2213.50	.845	1.000	.000	.
Overall	1.011	1.022	.117	15.1%

Age

Case Processing Summary

		Count	Percent
AgeRec	Over 100	4	0.2%
	75 to 100	32	1.6%
	50 to 75	85	4.2%
	25 to 50	662	32.8%
	5 to 25	1188	58.9%
	5 or Newer	47	2.3%
Overall		2018	100.0%
Excluded		0	
Total		2018	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
Over 100	1.129	1.037	.118	14.2%
75 to 100	.981	1.009	.154	19.6%
50 to 75	1.021	1.035	.145	18.8%
25 to 50	1.015	1.023	.121	15.6%
5 to 25	1.009	1.021	.113	14.6%
5 or Newer	1.023	1.009	.081	10.1%
Overall	1.011	1.022	.117	15.1%

Improved Area

Case Processing Summary

		Count	Percent
ImpSFRec	LE 500 sf	19	0.9%
	500 to 1,000 sf	437	21.7%
	1,000 to 1,500 sf	795	39.4%
	1,500 to 2,000 sf	417	20.7%
	2,000 to 3,000 sf	236	11.7%
	3,000 sf or Higher	114	5.6%
Overall		2018	100.0%
Excluded		0	
Total		2018	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
LE 500 sf	1.099	.999	.173	19.6%
500 to 1,000 sf	1.019	1.028	.124	16.1%
1,000 to 1,500 sf	1.005	1.023	.114	14.7%
1,500 to 2,000 sf	1.008	1.018	.114	14.7%
2,000 to 3,000 sf	1.014	1.024	.123	15.7%
3,000 sf or Higher	1.030	1.010	.101	13.1%
Overall	1.011	1.022	.117	15.1%

Improvement Quality

Case Processing Summary

		Count	Percent
QUALITY	Avera	1436	71.2%
	Excel	5	0.2%
	Fair	371	18.4%
	Good	150	7.4%
	Low	9	0.4%
	Low P	19	0.9%
	Very	28	1.4%
Overall		2018	100.0%
Excluded		0	
Total		2018	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
Avera	1.009	1.021	.113	14.6%
Excel	1.194	1.003	.034	4.8%
Fair	1.024	1.024	.136	17.1%
Good	1.006	1.012	.094	12.0%
Low	1.287	1.029	.109	17.4%
Low P	.989	1.031	.214	26.4%
Very	.961	1.009	.107	13.2%
Overall	1.011	1.022	.117	15.1%

Improvement Condition

Case Processing Summary

		Count	Percent
CONDITION	Avera	1260	62.4%
	Badly	11	0.5%
	Excel	3	0.1%
	Fair	133	6.6%
	Good	595	29.5%
	Very	14	0.7%
	Worn	2	0.1%
Overall		2018	100.0%
Excluded		0	
Total		2018	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
Avera	1.008	1.022	.120	15.5%
Badly	1.295	1.024	.063	8.2%
Excel	1.221	1.010	.029	4.4%
Fair	1.046	1.027	.161	19.0%
Good	1.011	1.019	.098	12.7%
Very	1.041	1.006	.092	12.7%
Worn	1.126	1.097	.246	34.8%
Overall	1.011	1.022	.117	15.1%

Commercial Median Ratio Stratification

Sale Price

Case Processing Summary

		Count	Percent
SPRec	\$50K to \$100K	4	12.1%
	\$100K to \$150K	3	9.1%
	\$150K to \$200K	3	9.1%
	\$200K to \$300K	10	30.3%
	\$300K to \$500K	7	21.2%
	\$500K to \$750K	4	12.1%
	Over \$1,000K	2	6.1%
Overall		33	100.0%
Excluded		0	
Total		33	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
\$50K to \$100K	1.065	1.021	.157	23.9%
\$100K to \$150K	.983	.984	.307	48.8%
\$150K to \$200K	1.335	1.013	.154	29.2%
\$200K to \$300K	1.063	1.004	.087	12.9%
\$300K to \$500K	.983	.995	.089	15.1%
\$500K to \$750K	1.022	1.006	.106	13.6%
Over \$1,000K	1.028	1.013	.190	26.9%
Overall	1.012	1.018	.151	21.8%

Subclass

Case Processing Summary

		Count	Percent
ABSTRIMP	.00	1	3.0%
	1545.33	1	3.0%
	1548.00	1	3.0%
	1712.00	4	12.1%
	1721.00	1	3.0%
	1878.67	1	3.0%
	2212.00	13	39.4%
	2215.00	1	3.0%
	2216.00	5	15.2%
	2220.00	2	6.1%
	2225.00	1	3.0%
	2226.71	1	3.0%
	2235.00	1	3.0%
Overall		33	100.0%
Excluded		0	
Total		33	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
.00	.370	1.000	.000	.
1545.33	.995	1.000	.000	.
1548.00	1.134	1.000	.000	.
1712.00	1.080	.964	.099	11.6%
1721.00	.963	1.000	.000	.
1878.67	1.095	1.000	.000	.
2212.00	1.031	1.082	.165	22.5%
2215.00	.910	1.000	.000	.
2216.00	1.145	1.048	.115	15.2%
2220.00	1.000	1.001	.002	0.3%
2225.00	.709	1.000	.000	.
2226.71	1.224	1.000	.000	.
2235.00	.983	1.000	.000	.
Overall	1.012	1.018	.151	21.8%

Age

Case Processing Summary

		Count	Percent
AgeRec	0	1	3.0%
	75 to 100	1	3.0%
	50 to 75	9	27.3%
	25 to 50	13	39.4%
	5 to 25	8	24.2%
	5 or Newer	1	3.0%
Overall		33	100.0%
Excluded		0	
Total		33	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
0	.370	1.000	.000	.
75 to 100	.910	1.000	.000	.
50 to 75	1.031	1.049	.159	23.4%
25 to 50	1.043	.989	.126	16.4%
5 to 25	1.017	1.004	.110	17.7%
5 or Newer	.832	1.000	.000	.
Overall	1.012	1.018	.151	21.8%

Improved Area

Case Processing Summary

		Count	Percent
ImpSFRec	0	1	3.0%
	500 to 1,000 sf	4	12.1%
	1,000 to 1,500 sf	1	3.0%
	1,500 to 2,000 sf	2	6.1%
	2,000 to 3,000 sf	3	9.1%
	3,000 sf or Higher	22	66.7%
Overall		33	100.0%
Excluded		0	
Total		33	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
0	.370	1.000	.000	.
500 to 1,000 sf	1.065	1.021	.157	23.9%
1,000 to 1,500 sf	.789	1.000	.000	.
1,500 to 2,000 sf	1.183	1.028	.129	18.2%
2,000 to 3,000 sf	.998	1.004	.096	17.6%
3,000 sf or Higher	1.017	1.030	.128	17.7%
Overall	1.012	1.018	.151	21.8%

Improvement Quality

Case Processing Summary

		Count	Percent
QUALITY		1	3.0%
	Avera	28	84.8%
	Fair	1	3.0%
	Good	3	9.1%
Overall		33	100.0%
Excluded		0	
Total		33	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
	.370	1.000	.000	.
Avera	1.007	1.028	.124	18.2%
Fair	1.129	1.000	.000	.
Good	1.224	1.101	.160	25.3%
Overall	1.012	1.018	.151	21.8%

Improvement Condition

Case Processing Summary

	Count	Percent
CONDITION	1	3.0%
Avera	23	69.7%
Fair	3	9.1%
Good	6	18.2%
Overall	33	100.0%
Excluded	0	
Total	33	

Ratio Statistics for CURRTOT / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
	.370	1.000	.000	.
Avera	1.012	1.031	.133	19.4%
Fair	1.129	1.018	.041	8.4%
Good	1.079	1.053	.162	20.0%
Overall	1.012	1.018	.151	21.8%

Vacant Land Median Ratio Stratification

Sale Price

Case Processing Summary

	Count	Percent
SPRec LT \$25K	746	65.4%
\$25K to \$50K	245	21.5%
\$50K to \$100K	98	8.6%
\$100K to \$150K	33	2.9%
\$150K to \$200K	12	1.1%
\$200K to \$300K	6	0.5%
Overall	1140	100.0%
Excluded	0	
Total	1140	

Ratio Statistics for CURRLND / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
LT \$25K	1.021	1.001	.160	21.7%
\$25K to \$50K	.967	1.002	.165	20.2%
\$50K to \$100K	.981	1.002	.161	20.0%
\$100K to \$150K	.893	.999	.118	16.9%
\$150K to \$200K	.990	.994	.122	15.2%
\$200K to \$300K	.958	.990	.114	20.0%
Overall	1.004	1.023	.161	21.2%

Subclass

Case Processing Summary

	Count	Percent
ABSTRLND	100.00	998
	102.50	40
	105.00	30
	200.00	1
	245.00	1
	315.00	1
	322.50	1
	327.50	1
	520.00	1
	530.00	4
	540.00	20
	550.00	30
	560.00	2
	1112.00	8
	9169.00	1
	9179.00	1
Overall	1140	100.0%
Excluded	0	
Total	1140	

Ratio Statistics for CURRLND / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation Median Centered
100.00	1.003	1.024	.162	21.4%
102.50	.948	1.030	.160	21.0%
105.00	1.071	1.062	.166	20.2%
200.00	1.211	1.000	.000	.
245.00	1.142	1.000	.000	.
315.00	.985	1.000	.000	.
322.50	.848	1.000	.000	.
327.50	.804	1.000	.000	.
520.00	1.037	1.000	.000	.
530.00	.998	1.080	.217	27.8%
540.00	.962	1.003	.126	16.8%
550.00	1.067	1.004	.139	17.8%
560.00	1.014	1.009	.063	8.9%
1112.00	.997	.993	.151	20.6%
9169.00	1.002	1.000	.000	.
9179.00	.833	1.000	.000	.
Overall	1.004	1.023	.161	21.2%