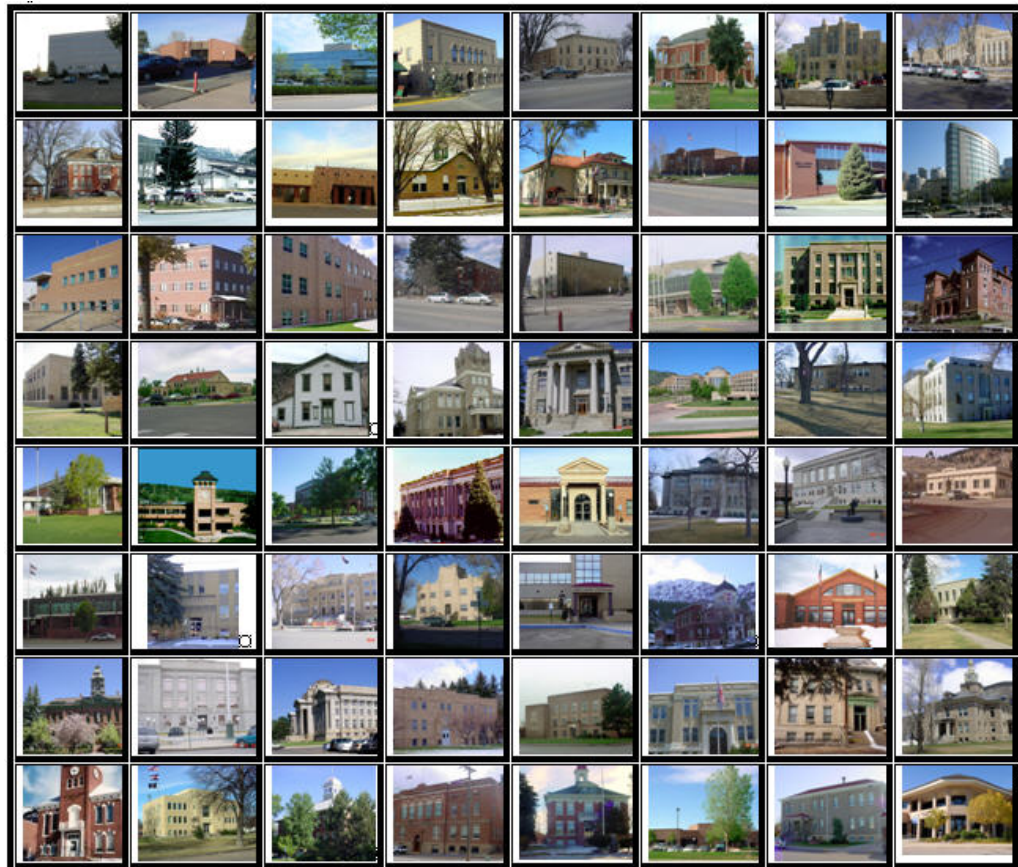




2014  
SAGUACHE COUNTY  
PROPERTY ASSESSMENT  
STUDY

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WILDROSE  
APPRAISAL, INCORPORATED  
Audit Division



September 15, 2014

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

**RE: Final Report for the 2014 Colorado Property Assessment Study**

Dear Mr. Mauer:

Wildrose Appraisal Inc.-Audit Division is pleased to submit the Final Reports for the 2014 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 style.

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

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# INTRODUCTION

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## 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 2014 and is pleased to report its findings for Saguache County in the following report.

# REGIONAL/HISTORICAL SKETCH OF SAGUACHE COUNTY

## Regional Information

Saguache County is located in the San Luis Valley region of Colorado. The San Luis Valley is a large, broad, alpine valley in the Rio Grande Basin of south-central Colorado. The valley is drained to the south by the Rio Grande

River which rises in the San Juan Mountains to the west of the valley. The San Luis Valley includes Alamosa, Conejos, Costilla, Mineral, Rio Grande, and Saguache counties.





## Historical Information

Saguache County has a population of approximately 6,108 people with 1.93 people per square mile, according to the U.S. Census Bureau's 2010 census data. This represents a 3.23 percent change from the 2000 Census.

Saguache is the northern gateway to the San Luis Valley in South Central Colorado. It sits at an elevation of 7800 feet, surrounded by the Sangre de Cristo mountain range on the east and the San Juan range on the west. Many of the peaks are 14000 feet.

Saguache is a Ute Indian name pronounced Sawatch. It means Water at the Blue Earth. It was settled in 1867 by Otto Mears who started his fortune with the first toll road above Poncha Pass. Otto invested in railroads, mining, the

Mack Truck Co. and is credited with the famous Million Dollar Highway.

Ranching and farming are the main occupations in the Valley. Both cattle and sheep are raised, cattle being predominant. Farm crops include potatoes, lettuce and barley. Some logging is done on Forest Service land.

Artists and craft people are numerous in the area. Potters, authors, photographers, weavers, basket makers, and painters are but a few who live in the county. Festivals take place in the County in both summer and winter months, with the Crestone Music Festival in August, the Fall festival in September in Saguache and the Winterfest in Crestone through the Thanksgiving weekend.

*(<http://saguache.org>)*

# RATIO ANALYSIS

## Methodology

All significant classes of properties were analyzed. Sales were collected for each property class over the appropriate sale period, which was typically defined as the 18-month period between January 2011 and June 2012. Counties with less than 30 sales typically extended the sale period back up to 5 years prior to June 30, 2012 in 6-month increments. If there were still fewer than 30 sales, supplemental appraisals were performed and treated as proxy sales. Residential sales for all counties using this method totaled at least 30 per county. For commercial sales, the total number analyzed was allowed, in some cases, to fall below 30. There were no sale quantity issues for counties requiring vacant land analysis or condominium analysis. 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 Saguache County are:

<b>Saguache County Ratio Grid</b>					
<b>Property Class</b>	<b>Number of Qualified Sales</b>	<b>Unweighted Median Ratio</b>	<b>Price Related Differential</b>	<b>Coefficient of Dispersion</b>	<b>Time Trend Analysis</b>
*Commercial/Industrial	N/A	N/A	N/A	N/A	N/A
Condominium	N/A	N/A	N/A	N/A	N/A
Single Family	85	0.988	1.027	14.7	Compliant
Vacant Land	63	0.950	1.115	20.2	Compliant

*\*Due to the small number of sales, a procedural audit was performed.*

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

Saguache 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.

All qualified residential and commercial class properties were examined using the unit value method, where the actual value per square foot was compared between sold and unsold properties. A class was considered qualified if it met the criteria for the ratio analysis. The median value per square foot for both groups was compared from an appraisal and statistical perspective. If no significant difference was indicated, then we concluded that no further testing was warranted and that the county was in compliance in terms of sold/unsold consistency.

If either residential or commercial differences were significant using the unit value method, or if data limitations made the comparison invalid, then the next step was to perform a ratio analysis comparing the 2012 and 2014 actual values for each qualified class of property. All qualified vacant land classes were tested using this method. The sale property ratios were arrayed using a range of 0.8 to 1.5, which theoretically excluded changes between years that were due to other unrelated changes in the property. These ratios were also stratified at the appropriate level of analysis. Once the percent change was determined for each appropriate class and sub-class, the next step was to select the unsold sample. This sample

was at least 1% of the total population of unsold properties and excluded any sale properties. The unsold sample was filtered based on the attributes of the sold dataset to closely correlate both groups. The ratio analysis was then performed on the unsold properties and stratified. The median and mean ratio distribution was then compared between the sold and unsold group. A non-parametric test such as the Mann-Whitney test for differences between independent samples was undertaken to determine whether any observed differential was significant. If this test determined that the unsold properties were treated in a manner similar to the sold properties, it was concluded that no further testing was warranted and that the county was in compliance.

If a class or sub-class of property was determined to be significantly different by this method, the final step was to perform a multi-variate mass appraisal model that developed ratio statistics from the sold properties that were then applied to the unsold sample. This test compared the measures of central tendency and confidence intervals for the sold properties with the unsold property sample. If this comparison was also determined to be significantly different, then the conclusion was that the county had treated the unsold properties in a different manner than sold properties.

These tests were supported by both tabular and chart presentations, along with saved sold and unsold sample files.

<b>Sold/Unsold Results</b>	
<b>Property Class</b>	<b>Results</b>
Commercial/Industrial	N/A
Condominium	N/A
Single Family	Compliant
Vacant Land	Compliant

### **Conclusions**

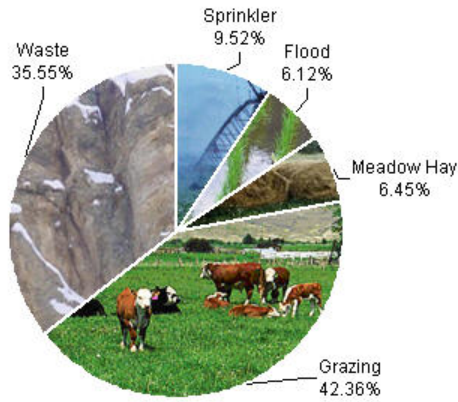
After applying the above described methodologies, it is concluded that Saguache County is reasonably treating its sold and unsold properties in the same manner.

### **Recommendations**

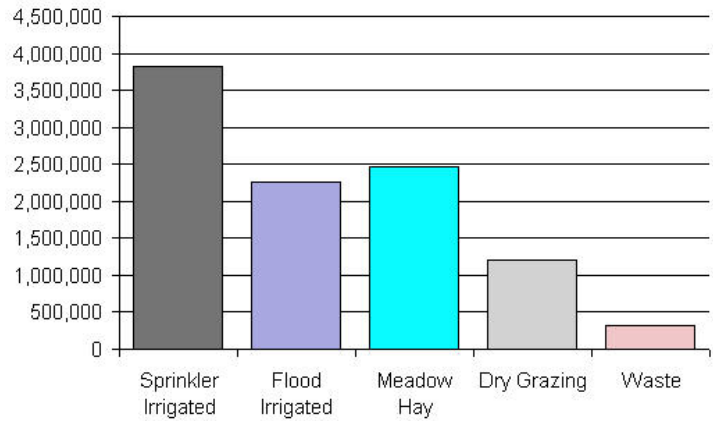
None

# 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:

<b>Saguache County Agricultural Land Ratio Grid</b>						
<b>Abstract Code</b>	<b>Land Class</b>	<b>Number Of Acres</b>	<b>County Value Per Acre</b>	<b>County Assessed Total Value</b>	<b>WRA Total Value</b>	<b>Ratio</b>
4107	Sprinkler	47,827	80.00	3,826,754	3,888,707	0.98
4117	Flood	30,731	73.00	2,252,633	2,285,753	0.99
4137	Meadow Hay	32,436	76.00	2,469,265	2,467,924	1.00
4147	Grazing	212,871	6.00	1,211,920	1,211,920	1.00
4167	Waste	178,660	2.00	311,865	311,865	1.00
<b>Total/Avg</b>		<b>502,525</b>	<b>20.00</b>	<b>10,072,437</b>	<b>10,166,169</b>	<b>0.99</b>

### **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.

### **Conclusions**

Saguache County has substantially complied with the procedures provided by the Division of Property Taxation for the valuation of agricultural outbuildings.

### **Recommendations**

None

## **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.

of Property Taxation for the valuation of land under residential improvements that may or may not be integral to an agricultural operation.

### **Recommendations**

None

### **Conclusions**

Saguache County has substantially complied with the procedures provided by the Division

## 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 2014 for Saguache County. This study was conducted by checking selected sales from the master sales list for the current valuation period. Specifically WRA selected 35 sales listed as unqualified.

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

### **Conclusions**

Saguache County appears to be doing an excellent 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**

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

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Saguache County is exempt from the Natural Resources Study.

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## VACANT LAND

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**Saguache County is exempt from the Vacant Land Subdivision  
Discount Study.**

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# 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.

Saguache County has been reviewed for their procedures and adherence to guidelines when

assessing and valuing agricultural 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

Saguache 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

Saguache 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.

Saguache 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
- Local Realtors

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.

Saguache County submitted their personal property written audit plan and was current for the 2014 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 \$7,000 actual value exemption status
- Lowest or highest quartile of value per square foot
- Accounts protested with substantial disagreement

### **Conclusions**

Saguache 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*

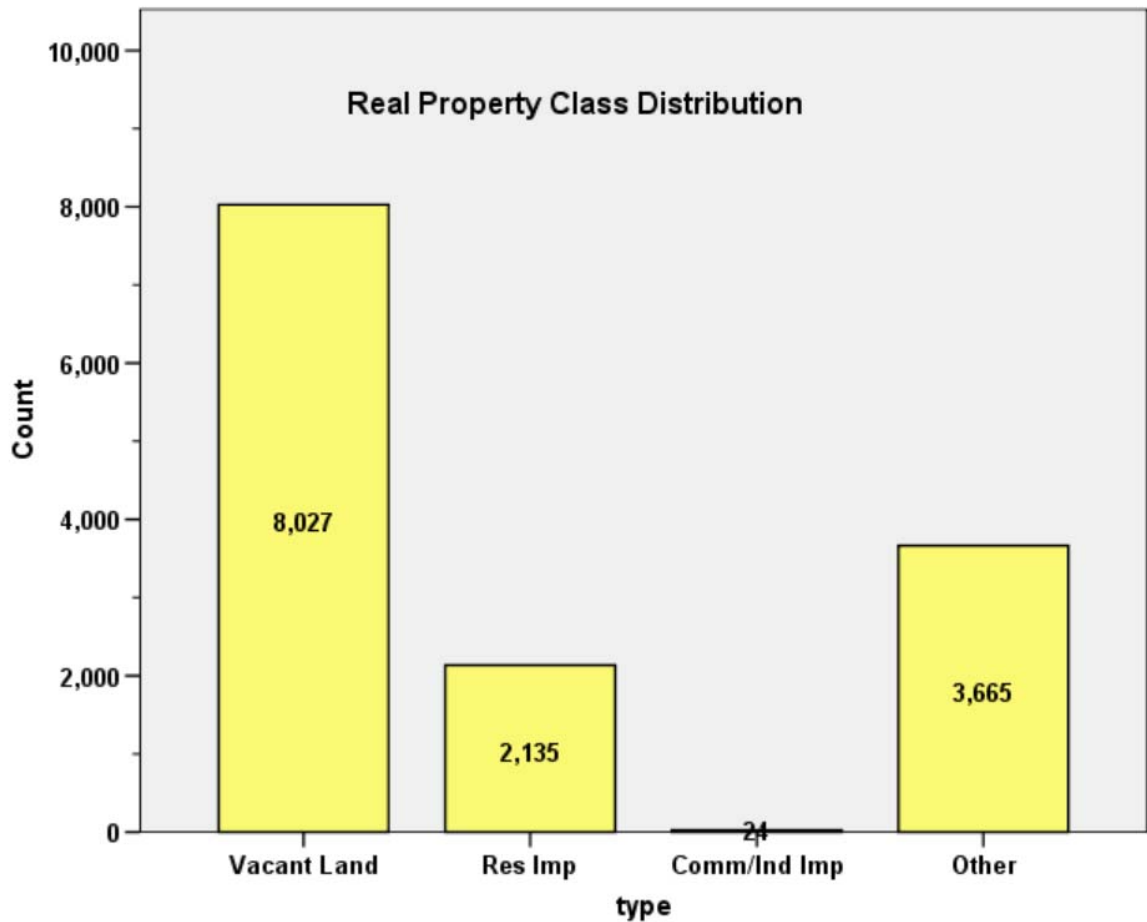
**J. Andrew Rodriguez**, *Field Analyst*

# APPENDICES

**STATISTICAL COMPLIANCE REPORT**  
**FOR SAGUACHE COUNTY**  
 2014

**I. OVERVIEW**

Saguache County is located in southern Colorado. The county has a total of 13,851 real property parcels, according to data submitted by the county assessor’s office in 2014. 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 84.4% of all vacant land parcels.

For residential improved properties, single family properties accounted for 98.9% 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 0.1% of all such properties in this county.

## II. DATA FILES

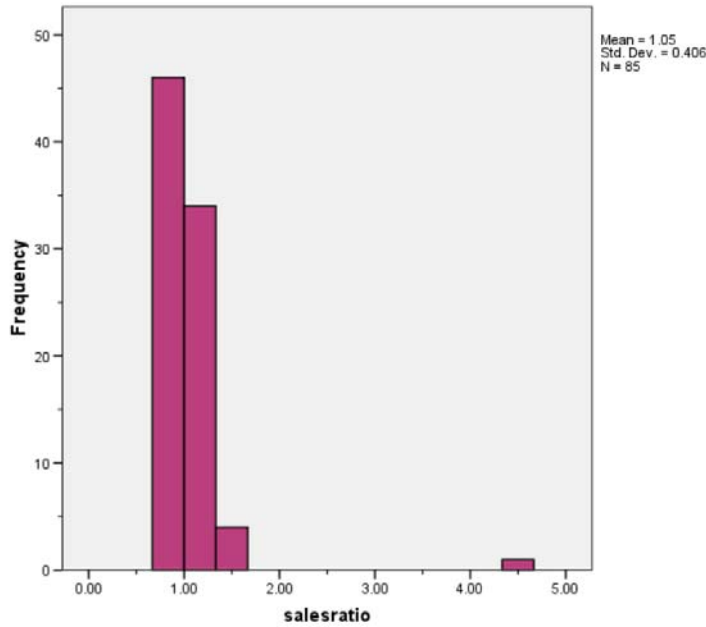
The following sales analyses were based on the requirements of the 2014 Colorado Property Assessment Study. Information was provided by the Saguache Assessor’s Office in June 2014. The data included 4 of the 5 property record files as specified by the Auditor; sales data was provided in separate residential, commercial and vacant land files.

## III. RESIDENTIAL SALES RESULTS

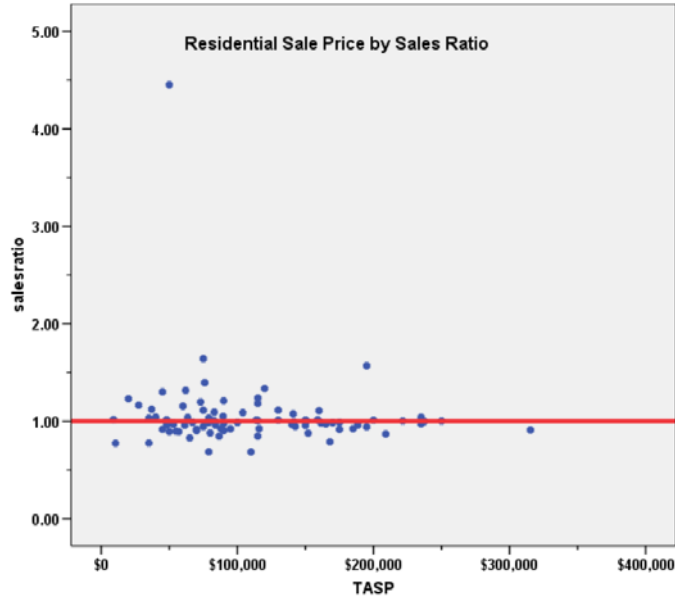
There were 85 qualified residential sales in the 24 month sale period ending June 30, 2012. The sales ratio analysis was analyzed as follows:

Median	<b>0.988</b>
Price Related Differential	<b>1.027</b>
Coefficient of Dispersion	<b>.147</b>

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.

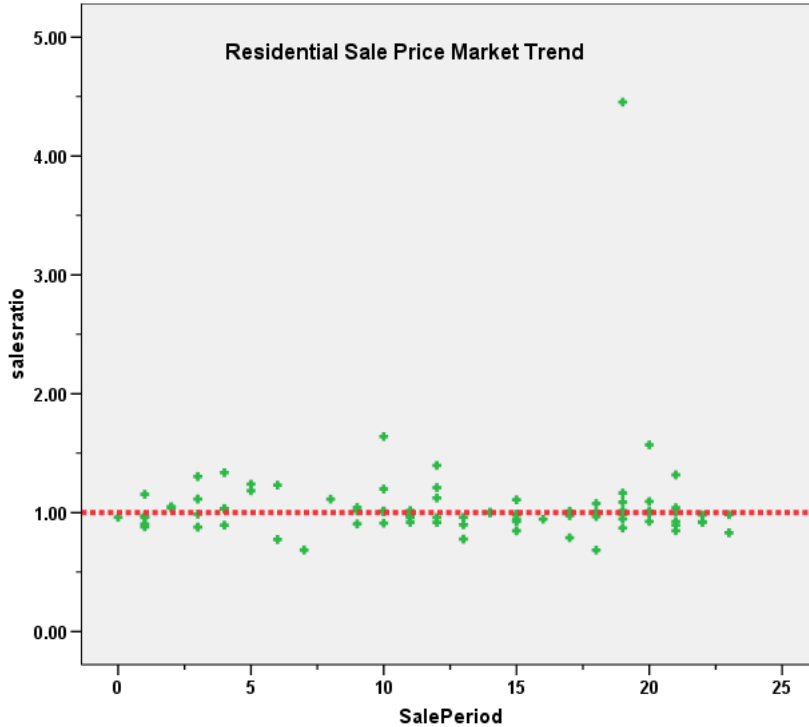
### Residential Market Trend Analysis

We next analyzed the residential dataset using a 24-month sale period (July 2010 to June 2012) for any residential market trending, with the following results:

**Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.015	.095		10.713	.000
SalePeriod	.003	.007	.051	.466	.643

a. Dependent Variable: salesratio



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 and mean change in value from 2012 to 2014 for sold and unsold residential properties in Saguache County, with the following results:

Group	No.	Median Chg Val	Mean Chg Val
Unsold	2,035	1.000	1.1850
Sold	85	1.000	1.1730

Based on the overall consistency in the above comparison analysis, we concluded that the assessor has valued sold and unsold residential properties consistently.

**IV. COMMERCIAL/INDUSTRIAL SALE RESULTS**

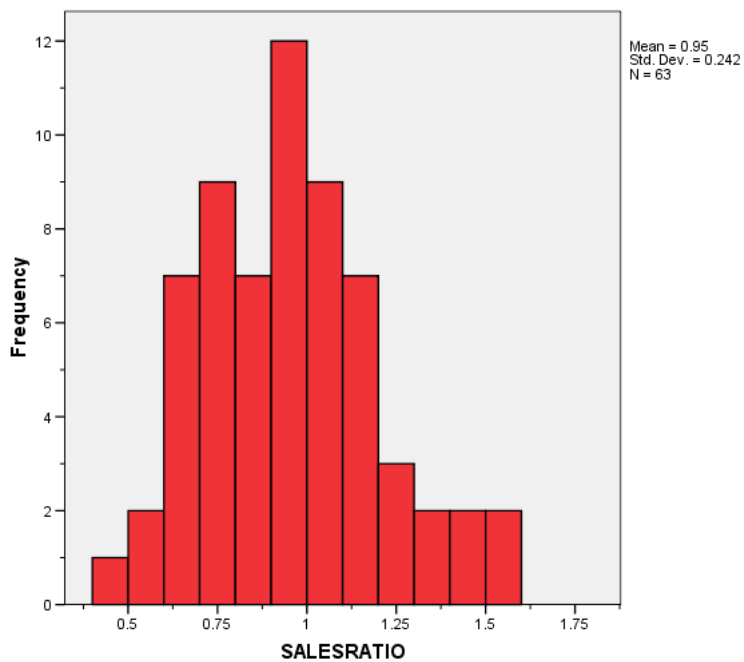
Due to the fact that there were less than 10 commercial/industrial sales in this County between July 2007 and June 2012, this class of properties was not analyzed for sales ratio compliance.

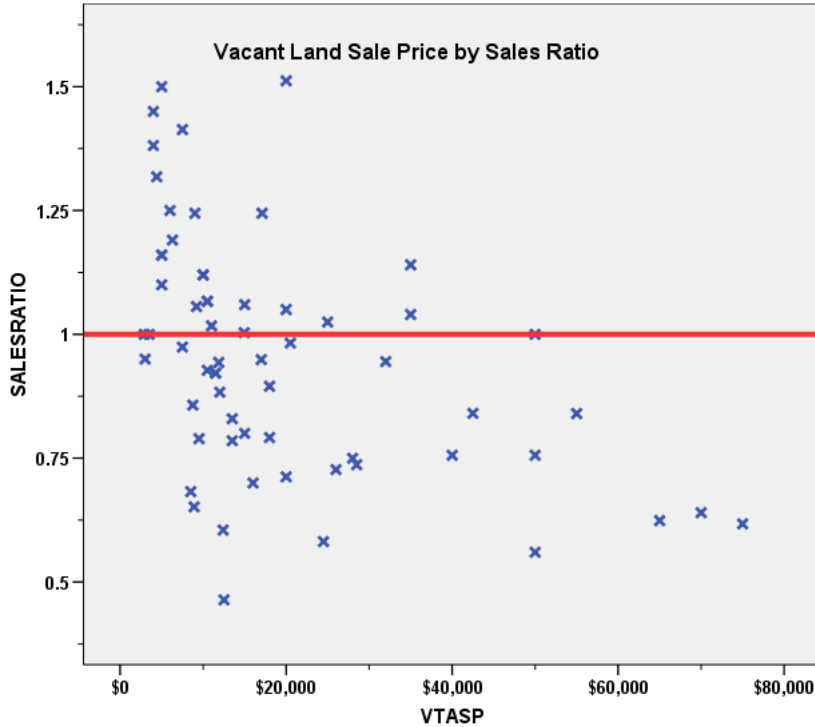
## V. VACANT LAND SALE RESULTS

There were 63 qualified vacant land sales in the 24 month sale period ending June 30, 2012. The sales ratio analysis was analyzed as follows:

Median	<b>.949</b>
Price Related Differential	<b>1.115</b>
Coefficient of Dispersion	<b>.202</b>

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





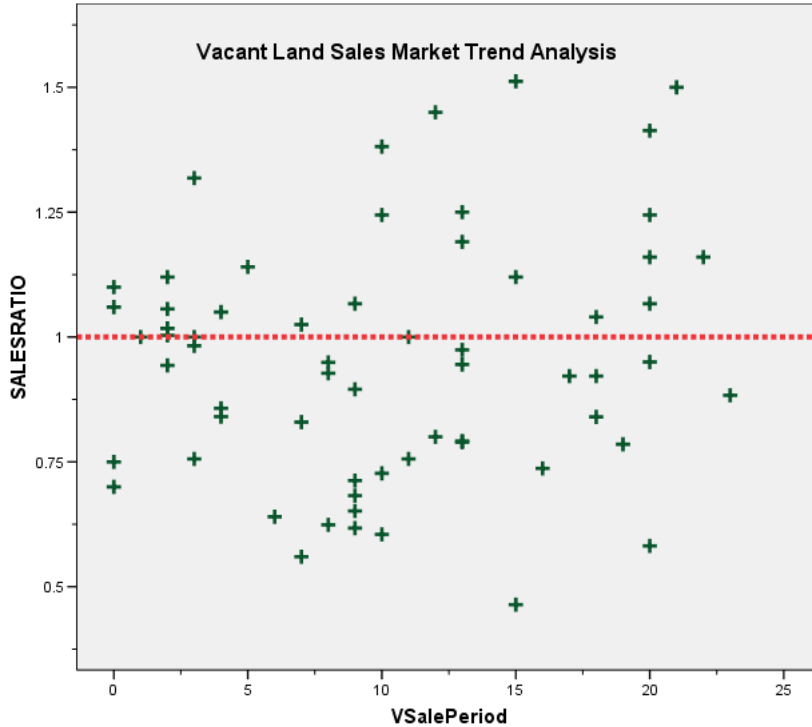
### Vacant Land Market Trend Analysis

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 63 vacant land sales were analyzed, examining the sales ratios across the 24 month sale period with the following results:

**Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.899	.056		15.961	.000
VSalePeriod	.005	.005	.146	1.153	.254

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 2012 and 2014 for vacant land properties to determine if sold and unsold properties were valued consistently. The analysis was stratified by subdivision, with the following results:

Group	No.	Median Chg Val	Mean Chg Val
Unsold	7,960	1.0000	1.0157
Sold	63	.9739	1.5852

The above results indicated that sold vacant land properties were valued consistently with unsold vacant land properties for Saguache County .

**V. AGRICULTURAL IMPROVEMENTS ANALYSIS**

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

The following indicates that both groups were valued in essentially the same manner:

**Descriptives**

<u>ABSTRIMP</u>			Statistic	Std. Error
<u>ImpValSF</u>	1212	Mean	\$52.88	\$.796
		95% Confidence Interval for Lower Bound	\$51.31	
		Mean Upper Bound	\$54.44	
		5% Trimmed Mean	\$49.53	
		Median	\$42.92	
		Variance	1336.893	
		Std. Deviation	\$36.564	
		Minimum	\$0	
		Maximum	\$345	
		Range	\$345	
		Interquartile Range	\$40	
		<u>Skewness</u>	1.893	.053
		Kurtosis	6.219	.107
	4277	Mean	\$52.29	\$2.313
		95% Confidence Interval for Lower Bound	\$47.74	
		Mean Upper Bound	\$56.84	
		5% Trimmed Mean	\$47.08	
		Median	\$41.28	
		Variance	1909.428	
		Std. Deviation	\$43.697	
		Minimum	\$1	
		Maximum	\$411	
		Range	\$410	
		Interquartile Range	\$34	
		<u>Skewness</u>	3.800	.129
		Kurtosis	22.385	.257

**VI. CONCLUSIONS**

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

## STATISTICAL ABSTRACT

### Residential

**Ratio Statistics for Current Total / 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			
1.054	.967	1.142	.988	.968	1.012	97.1%	1.027	.975	1.078	1.027	.147	38.5%

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 Current Land / VTASP**

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			
.954	.893	1.015	.949	.857	1.017	95.7%	.855	.787	.924	1.115	.202	25.4%

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	LT \$25K	3	3.5%
	\$25K to \$50K	11	12.9%
	\$50K to \$100K	32	37.6%
	\$100K to \$150K	17	20.0%
	\$150K to \$200K	15	17.6%
	\$200K to \$300K	6	7.1%
	\$300K to \$500K	1	1.2%
Overall		85	100.0%
Excluded		0	
Total		85	

**Ratio Statistics for Current Total / TASP**

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation
				Median Centered
LT \$25K	1.018	.950	.150	22.5%
\$25K to \$50K	1.032	.959	.398	105.7%
\$50K to \$100K	.980	1.001	.120	19.0%
\$100K to \$150K	1.012	1.001	.101	14.8%
\$150K to \$200K	.983	.995	.088	17.6%
\$200K to \$300K	1.000	.998	.034	6.2%
\$300K to \$500K	.912	1.000	.000	.%
Overall	.988	1.027	.147	41.6%



Age

**Case Processing Summary**

	Count	Percent
AgeRec .00	9	10.6%
Over 100	9	10.6%
75 to 100	4	4.7%
50 to 75	10	11.8%
25 to 50	16	18.8%
5 to 25	35	41.2%
5 or Newer	2	2.4%
Overall	85	100.0%
Excluded	0	
Total	85	

**Ratio Statistics for Current Total / TASP**

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation
				Median Centered
.00	.983	.915	.185	27.9%
Over 100	.980	.986	.097	12.1%
75 to 100	1.076	1.072	.113	13.5%
50 to 75	1.024	1.037	.083	11.9%
25 to 50	.961	.986	.051	6.9%
5 to 25	.998	1.080	.192	61.1%
5 or Newer	1.283	1.134	.279	39.5%
Overall	.988	1.027	.147	41.6%

## Improved Area

### Case Processing Summary

	Count	Percent
ImpSFRec .00	9	10.6%
LE 500 sf	1	1.2%
500 to 1,000 sf	16	18.8%
1,000 to 1,500 sf	28	32.9%
1,500 to 2,000 sf	20	23.5%
2,000 to 3,000 sf	10	11.8%
3,000 sf or Higher	1	1.2%
Overall	85	100.0%
Excluded	0	
Total	85	

### Ratio Statistics for Current Total / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation
				Median Centered
.00	.983	.915	.185	27.9%
LE 500 sf	.958	1.000	.000	.%
500 to 1,000 sf	.960	1.006	.096	13.5%
1,000 to 1,500 sf	.987	1.012	.104	15.5%
1,500 to 2,000 sf	1.010	1.019	.071	9.8%
2,000 to 3,000 sf	.993	1.045	.121	23.0%
3,000 sf or Higher	4.453	1.000	.000	.%
Overall	.988	1.027	.147	41.6%

## Improvement Quality

### Case Processing Summary

	Count	Percent
QUALITY 1	20	26.3%
2	20	26.3%
3	25	32.9%
4	11	14.5%
Overall	76	100.0%
Excluded	9	
Total	85	

### Ratio Statistics for Current Total / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation
				Median Centered
1	1.019	1.018	.130	16.5%
2	1.017	1.052	.281	79.5%
3	.959	1.000	.060	9.2%
4	1.002	1.008	.045	10.8%
Overall	.988	1.038	.142	43.1%

## Improvement Condition

### Case Processing Summary

		Count	Percent
CONDITION	1	20	26.3%
	2	20	26.3%
	3	25	32.9%
	4	11	14.5%
Overall		76	100.0%
Excluded		9	
Total		85	

### Ratio Statistics for Current Total / TASP

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation
				Median Centered
1	1.019	1.018	.130	16.5%
2	1.017	1.052	.281	79.5%
3	.959	1.000	.060	9.2%
4	1.002	1.008	.045	10.8%
Overall	.988	1.038	.142	43.1%

**Vacant Land Median Ratio Stratification**

**Sale Price**

**Case Processing Summary**

		Count	Percent
SPRec	LT \$25K	48	76.2%
	\$25K to \$50K	11	17.5%
	\$50K to \$100K	4	6.3%
Overall		63	100.0%
Excluded		0	
Total		63	

**Ratio Statistics for Current Land /VTASP**

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation
				Median Centered
LT \$25K	1.000	1.046	.186	24.2%
\$25K to \$50K	.756	1.004	.173	25.5%
\$50K to \$100K	.632	1.014	.094	19.1%
Overall	.949	1.115	.202	25.5%

**Subclass**

**Case Processing Summary**

	Count	Percent
ABSTR/LND 100	52	82.5%
530	2	3.2%
540	1	1.6%
550	4	6.3%
560	1	1.6%
1112	3	4.8%
Overall	63	100.0%
Excluded	0	
Total	63	

**Ratio Statistics for Current Land /VTASP**

Group	Median	Price Related Differential	Coefficient of Dispersion	Coefficient of Variation
				Median Centered
100	.925	1.127	.226	28.1%
530	1.050	.988	.048	6.7%
540	.950	1.000	.000	.%
550	.976	1.016	.065	9.2%
560	1.000	1.000	.000	.%
1112	1.050	1.193	.161	33.0%
Overall	.949	1.115	.202	25.5%