



# APPRAISING THE PLAINS of Kansas



A Publication of the Kansas County Appraisers Association

Volume 18, Issue 2 APRIL 2014

**KCAA EXECUTIVE BOARD**

**Steven Miles, RMA, PRESIDENT**  
Douglas County Appraiser  
1100 Massachusetts, Lawrence, KS 66044  
(785) 832-5188 Fax (785) 841-0021  
smiles@douglas-county.com

**Craig Clough, RMA, PRESIDENT-ELECT**  
Harvey County Appraiser  
PO Box 687, Newton, KS 67114  
(316) 284-6813 Fax (316) 284-6856  
cclough@harveycounty.com

**Mike Borchard, CAE, RMA, VICE PRESIDENT**  
Sedgwick County Appraiser  
4035 E. Harry St.  
Wichita, KS 67218  
(316) 660-5444 Fax (316) 660-9284  
mborchar@sedgwick.gov

**Greg McHenry, RMA, PAST PRESIDENT**  
Riley County Appraiser  
110 Courthouse Plaza, Manhattan, KS 66502-0110  
(785) 537-6310 Fax (785) 537-6312  
gmchenry@rileycountyks.gov

**Kenton Lyon, RMA, NORTHWEST REGION**  
Russell County Appraiser  
401 N Main, Russell, KS 67665  
(785) 483-5551 Fax (785) 483-5725  
rs\_county\_appraiser@wan.kdor.state.ks.us

**Dianna Carter, RMA, SOUTH CENTRAL REGION**  
McPherson County Appraiser  
PO Box 530, McPherson, KS 67460  
(620) 241-5870 Fax (620) 245-0085  
dcarter@mcphersoncountyks.us

**Gene Bryan, CKA, RMA, NORTHEAST REGION**  
Wyandotte County Appraiser  
8200 State Ave., Kansas City, KS 66112  
(913) 287-2641 Fax (913) 334-0418  
gbryan@wycokck.org

**Truette McQueen, NORTH CENTRAL REGION**  
Ottawa County Appraiser  
307 N. Concord, Ste. 110,  
Minneapolis, KS 67467  
(785) 392-3037 Fax (785) 392-3605  
otappraiser@nckcn.com

**Lisa Reeder, RMA, SOUTHWEST REGION  
& TREASURER**  
Lane County Appraiser  
PO Box 250, Dighton, KS 67839  
(620) 397-2804 Fax (620) 397-2781  
le\_county\_appraiser@wan.kdor.state.ks.us

**Philip Dudley, RES, RMA, SOUTHEAST REGION**  
Franklin County Appraiser  
Courthouse, 315 S. Main, Ottawa, KS 66067  
(785) 229-3421 Fax (785) 229-3430  
pdudley@franklincoks.org

## 2014 KCAA Legislative Reception



(l-r) Kansas State Treasurer Ron Estes, Saline County Appraiser Sheryl Sammons, and Rep. Shanti Gandhi at the KCAA legislative reception in Topeka.

The KCAA's Annual Business Conference is right around the corner: June 22–25, in Lawrence. Get ready for three days of education and entertainment, including the annual golf and bowling tournaments. Find more conference details on pages 16–17, including a registration form. See you in Lawrence!

**Also in this Issue. . .**

Worth Mentioning .....	2	KCAA Education Calendar .....	9
A Winning Hand at 2014 NCRAAO Conference .....	2	A Look Back.....	10
Board Meeting Highlights (incl. KCAA Business Meeting @ KAC) .....	3	7 Steps for Dealing With Angry Customers.....	11
IAAO Member News.....	4	2014 KCAA Legislative Reception....	12
Notice of Hearing, PVD .....	4	Real Estate Notes of Interest.....	13
The Director's Update.....	5	Calling All Vendors.....	15
Legislative News.....	6	KCAA Annual Business Conference: Agenda.....	16
Underground Gas Storage Update...7		Bowling .....	16
County Officials Not Cashing Checks Yet In Gas Storage Decision.....	8	Golf Tournament .....	16
		Registration Form .....	17



## Worth Mentioning

Even though the legislative session will soon end, staying in touch with your Representatives and Senators is very important.

Steve Miles, RMA , Douglas County Appraiser  
KCAA President

“Never drop your gun to hug a grizzly!” This might be good advice for those that have been dealing with the Legislature so far this session. Greg McHenry, Paul Welcome, Gene Bryan and, I am sure, some others have been working hard watching out for our interests as appraisers and what we do. We owe them our thanks. The Kansas Association of Counties has worked with us on several of the issues as well.

Greg has prepared a report that appears in this newsletter (see page ??) that outlines the legislative activities and concerns. By the time you read this much of it will have been decided. However, that doesn’t mean that we should be complacent. Even though the legislative session will soon end, staying in touch with your Representatives and Senators is very important. By building the relationships throughout the year, they will be more likely to listen when we have an issue that needs to be heard.

By now we are all probably dealing with the informal meetings as a result of all our hard, diligent work over the past year (since we mailed valuations in 2013). So far we have some interesting calls and emails. One of my favorites was, “I know the real estate market has been down but I don’t think my value should have gone down over \$20,000 in the last 2 years.” Why, they are even filing requests for meetings to get us to RAISE the value! One guy actually argued with one of the staff for 30 minutes trying to raise the value.

To be honest with you, I am not used to those kinds of statements. Oh

sure, there will be plenty of others that will be arguing for lower values and, of course, we will all have to deal with some regulars. But just keep in mind that one should “Always try to be a bit nicer than is called for, but don’t take too much guff.”

Our Annual Conference is not that far away. It’s time I got into high gear to finish up the plans for it. I invite you all to Lawrence in June to share your knowledge and camaraderie. I have put together some evening events for Monday that I think you will find interesting and entertaining. Here’s a hint: It can get western in Lawrence, too.

Quotes used in this column are from *Don’t Squat With Yer Spurs On!* by Texas Bix Bender



“ Never drop your gun to hug a grizzly! ”

**KCAA Appraising the Plains of Kansas** is a quarterly publication of the Kansas County Appraisers Association. KCAA invites readers to submit articles or topics of interest for inclusion in Appraising the Plains. Send them to Cindy Brenner, KCAA, P.O. Box 988, Meade, KS 67864. Ph. (620) 873-7449. Fax (620) 873-2237. Email: kcaa@sbcglobal.net. Visit KCAA online at [www.kscaa.net](http://www.kscaa.net)



The Lodge at Deadwood Hotel

## A Winning Hand at 2014 NCRAAO Conference

By Steve Miles, RMA , Douglas County

June is a busy time for conferences. Mark your calendars for this one. On June 8–12, 2014, appraisers from the North Central Region will gather in Deadwood, South Dakota, for the NCRAAO Conference. It begins on Monday with an 18-hole scramble golf tournament at the Spearfish Canyon Country Club, for those of you who play pasture pool. I hear it is a fantastic and challenging course.

A full lineup of education sessions is on tap that cover a wide range of topics. There should be no lack of choice here. There’s even one on valuing vineyards and wineries, a growing industry even in Kansas. Wonder if that includes wine tasting?

The conference will be held at The Lodge at Deadwood. It is a beautiful facility in a beautiful location. There are many activities planned including an evening trip to see Mount Rushmore all lit up. See all the conference details at <http://www.ncraao.org/2014ConfLocation.htm>.

So, make plans now to make the trip to Deadwood. I can assure you that you won’t need to sit with your back to the wall.



## Board Meeting Highlights

### ■ KCAA Executive Board Meeting 10 a.m. Wednesday, October 30, 2013, Hyatt Regency Hotel, Wichita

**Board Member Attendees:** Gene Bryan, Greg McHenry, Craig Clough, Mike Borchard, Sandra Drake, Barry Porter, Dean Denning

**Additional Attendees:** Jeff Holsapple, Jim Lampe, Paul Welcome, Dee Carter, Larry Reynolds, Mike Montgomery

**Previous Meeting Minutes:** Meeting minutes were approved as written.

**Financial Report:** Total KCAA funds of \$231,990.35 of which \$153,315.85 is Orion Enhancement funds. \$78,674.50 is the difference between the two funds. A/R balance is \$6412.50. These figures are all as of 9/30/13.

**Treasurer Report:** No Treasurer Report was available.

**2014 Budget:** A 2014 budget was presented. KAC raised dues to \$2,500 from \$2,000, so that change was noted. A motion was made and seconded to approve the budget. The motion carried unanimously.

**Executive Board Members:** A question arose from the Southwest region regarding a non-county appraiser serving on the KCAA Executive Board. The KCAA bylaws indicate that to serve on the board you have to be a "member in good standing." It does not indicate that it must be a "regular" member (county appraiser). The SW region bylaws do state that to serve on the board the member must be a county appraiser. The person in question is co-county appraiser in a county, so Steven will be checking into this and hopefully have some information by the afternoon meeting.

**Secretary Review:** The board went into executive session to discuss the secretary's review. Steven will discuss

suggestions with Cindy.

**Other Business:** Gene Bryan brought up that based on the bylaws, we needed to ratify the members currently serving as President, Vice President and President Elect. This is due to the resignations that occurred in those offices during the last year. This will take place at the afternoon business meeting.

Meeting adjourned.

### ■ KCAA Executive Board Meeting Wednesday, October 30, 2013, fol- lowing Business Meeting (below) Hyatt Regency Hotel, Wichita

**Attendees:** Steve Miles, Gene Bryan, Mike Borchard, Truette McQueen, Dee Carter, Craig Clough, Dean Denning,

Previous Meeting Minutes, Financial Report, Treasurer Report, 2014 Budget & Committees—N/A (see minutes above).

**Orion Enhancement Account:** Do we continue to bill for this? It was decided to invoice for the same amount we have in the past. Include a document with how funds have been spent and what is in the pipeline and it will continue to be reassessed yearly. Steven will write the letter. Motion moved and seconded. Motion passed with no opposed. It was suggested we discuss this earlier in the year for next year so that counties can be sure to include this amount in the budget.

**KAC Dues Increase:** KAC had an increase in our dues. KCAA dues were also discussed and whether the KCAA dues stay the same or increase? The dues have not been increased since 2006. It was agreed to leave the dues as they are.

**Legislative Reception:** It was determined that a Legislative Reception will be hosted by the KCAA. Cindy will

check the legislative social calendar closer to time to the end of the year and let the board know what is scheduled and where. We will then make a determination on when and where to have the reception. A suggestion was to send multiple emails in advance to appraisers and legislators reminding them of the event and also providing them with the topics of interest for appraisers.

**Conference Education:** Steven asked for input on what education to have for conference. Sec. 42 housing was suggested. IAAO is doing a webinar on this. Having a session on the query tool created by Jim Shontz was brought up. Based on the education survey, a public relations course would be good. A mock trial would be a good choice for conference.

**Oil & Gas:** Final payment has been made. David Harper indicated they are considering rewording the section about deviating from the guide.

**2014 Conference is in Lawrence, June 22-25.** We have one night's activities planned and are working on education and night two.

**Other Business:** Retirees and Honorary members were discussed. Board members will bring names to January meeting.

Meeting adjourned

### ■ KAC Conference KCAA Business Meeting Agenda Wednesday, October 30, 2013 Redbud A Room

60 approx. in attendance

**1:00 p.m.**

- Financial Reports—Secretary Cindy provided figures
- Treasurer's Report—Not available

continued on next page

**KAC Conference, continued**

- Audit Report—Not available
- New appraisers and appraisers that have moved introduced themselves.
- Committee Reports—Chris Morlan reported on Orion Committee. Add quick ref is done. Working on mods to record card. Next Thursday a Tyler rep. will be in Wichita. All are invited. Tyler Verify is a remote field device.
- Education Report—Cindy gave report on education.
- Legislative Report—Greg reported on Legislation: “We survived” was the motto this last spring. Greg reiterated the importance of contacting legislators on issues. COTA to BOTA bill will be of issue this year.
- Installation of Officers—Gene Bryan discussed the reorganization of our executive board that occurred over the last year. Nominations were opened, Gene moved current officers will maintain their position. No opposition
- 2014 Committee Appointments—Gene swore in new board members

and current President, VP and President Elect.

**2:00 p.m.–2:30 p.m.** Break

**2:30 p.m.–4:00 p.m.**  
**Other Business**

**Steve:** PVD wants to work with counties per meeting yesterday. PVD is moving forward on wanting to allow interim county appraiser for up to one year. Paul Welcome spoke out against this proposed change. Paul proposed it being a QUALIFIED interim appraiser, not just interim appraiser. Nov. 18th PVD will be having a public hearing regarding education and RMA requirements.

**Steve:** Scope of Work—a template was sent out by PVD. Johnson County developed a personal property template. Paul suggests a 3-part document: 1) Preliminary, 2) Intermediate (Mar.-May) 3) Final.

**Steve:** Associate or Bachelor's degree to be requirement for RMA designations in the future. One proposal is that it be phased in over the next 4 years.

**Paul:** SCIAAO, PVD, KCIAAO, KCAA to contact IAAO as a group for reduced rates on IAAO courses.



## IAAO Member News

Thanks to all of you for your support of the IAAO.

### New Members

Andrew Long and Velma McGinnes, Montgomery County; and Cheryl Sonnenberg, Finney County.

### 25 Year Member:

Pet Davis, Property Valuation Division



*80th Annual International Conference  
on Assessment Administration*

**August 24–27, 2014  
Sacramento, California**

<http://conference.iaao.org>

## State of Kansas Department of Revenue Division of Property Valuation Notice of Hearing

K.S.A. 79-505 requires the director of property valuation to adopt rules and regulations or appraisal directives prescribing appropriate standards for the performance of appraisals in connection with ad valorem taxation in this state.

The director of property valuation will conduct a public hearing at 1 p.m. Thursday, May 8, in the director's conference room, Division of Property Valuation, fourth floor, Docking State Office Building, 915 S.W. Harrison, Topeka, on two appraisal directives.

The first directive, tentatively numbered #14-046, rescinds Appraisal Directives #92-002 and #92-003 and revises scope of work and substantial compliance standards for the performance of appraisals in connection with ad valorem taxation in this state.

The second directive, tentatively numbered #14-047, rescinds Appraisal Directive #92-006 and revises the requirement of county appraisers to perform appraisal functions in conformity with Uniform Standards of Professional Appraisal Practice (USPAP).

Copies of the proposed directives may be obtained by contacting the Division of Property Valuation at 785-296-2365 or via email at bob.kent@kdor.ks.gov.

### ► Hearing Date & Location

1 p.m. Thursday, May 8, 2014  
Div. of Property Valuation  
Docking State Office Bldg., 4th Flr.  
915 SW Harrison, Topeka



# The Director's Update...

By David Harper, RMA, Director, Property Valuation Division

The 2013 preliminary sales ratio study is complete.

The 2013 preliminary sales ratio study is complete and, as required by statute, has been distributed to the Governor, the Speaker of the House and the President of the Senate and their respective tax committees.

The Kansas Real Estate Ratio Study measures overall mass-appraisal performance, specifically how accurately and uniformly counties are appraising property by comparing county appraisals with actual property sales. In a ratio study, property value estimates prepared by the county appraisers are compared to true market value indicators. Sale prices obtained from an open and competitive market often serve as an indicator for fair market value. PVD conducts an independent review of sales to determine if they are a true arm's-length transaction and a valid sale prior to a sales inclusion in the ratio study.

The report includes findings of the overall level of appraisal, measured by the median ratio, the degree of uniformity, measured by the Coefficient

of Dispersion (COD), and the relative inequity between appraisals of high-dollar and low-dollar property, measured by the Price-Related Differential (PRD).

The 2013 study indicates almost 100 percent of the residential (99.71%) and commercial/industrial (99.76%) property value found in Kansas meets the accepted mass appraisal standard for overall level of appraisal. The measure for uniformity indicates that 98.97% of the residential and 91.71% of the commercial/industrial property value statewide meets the standard for uniformity.

Overall, the number of counties out of statistical compliance (18) is as low as it has been since 2002. The Ratio Study for residential and commercial property further indicates:

- 95% of the Kansas counties have achieved compliance with the required level of fair market value statewide.
- The Coefficient of Dispersion con-

fidence intervals suggest that three counties failed to meet the uniformity standard in the residential subclass. Ten counties have not met the COD uniformity standard in the commercial/industrial subclass.

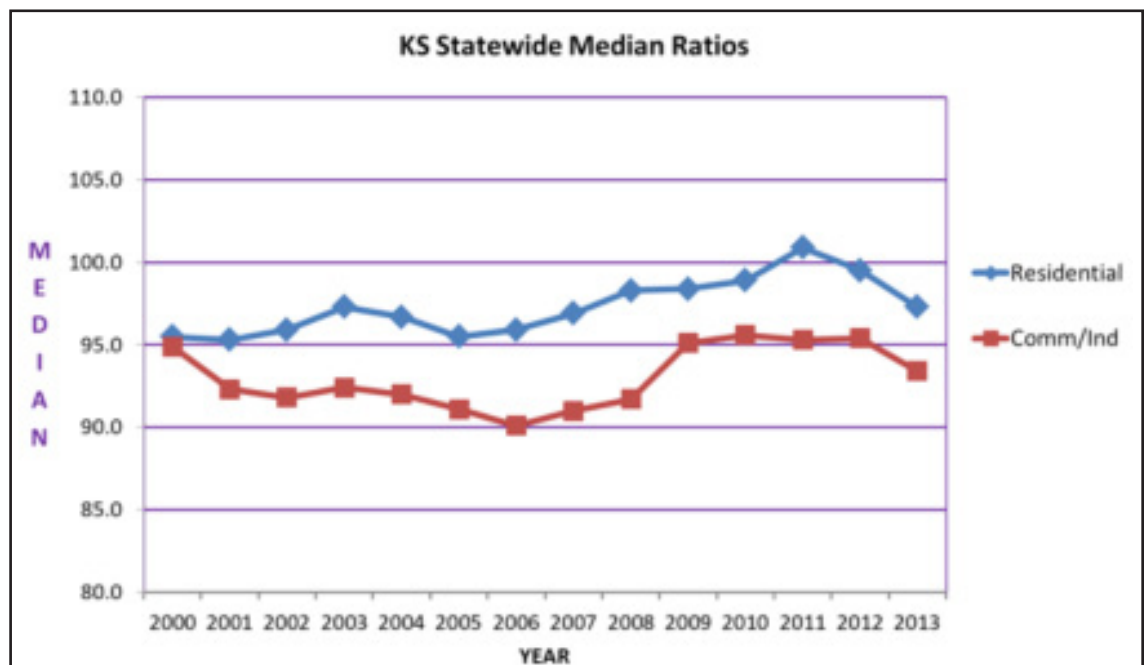
- The Price-Related Differential measures indicate that 93 out of the 105 counties met the standard in the residential subclass.

After time trending adjustments have been applied and informal hearings on sales are held, these performance measures are expected to improve even more.

The historical data indicates counties have continually arrived at overall value estimates typically falling within 5% of market value for residential property and within 10% of commercial since the year 2000. The current and prior year sales ratio studies with county specific data are available on the PVD website.



See the preliminary 2013 Sales Ratio Study at [www.ksrevenue.org/pdf/PrelimRatioStudy.pdf](http://www.ksrevenue.org/pdf/PrelimRatioStudy.pdf)





# Legislative News

By Greg McHenry, AAS, RMA,  
Riley County  
March 7, 2014

This year's Legislature is pretty much a cesspool where appraisers and anyone else in local government are despised. We are no longer given equal time or even the opportunity to dispute the lies and misinformation spread throughout committee hearings.

Several property valuation/tax bills were introduced into the Legislature this year. Most of these originated in the House Taxation Committee. Many of these bills would have negative impacts to counties and appraisers. The bills we've tracked and worked on, and their status as of March 7th, are listed below.

**SB 383.** This bill would mandate state assessment of complex industrial properties. The bill was sponsored by Senator Jeff King and introduced earlier in the session into the Senate Assessment & Taxation Committee. The bill has gone nowhere so far and it's doubtful it will in the future.

**HB 2057.** This bill would allow counties to appoint interim appraisers for up to six months pending appointment of an eligible county appraiser. PVD

sponsored this bill. The House passed it and it was passed by the Senate Assessment & Taxation Committee. It awaits approval by the Senate.

**HB 2422.** This bill clarifies last year's watercraft bill. It was passed by the House and the Senate Assessment & Taxation Committee. It awaits quick approval by the Senate before being signed by the governor.

**HB 2456.** This is the Ashgrove Cement plant fixtures bill. It was approved by the House and is in Senate Assessment & Taxation. This bill will likely be passed by the Senate soon, since a separate and popular bill that expands the military exemption for autos was combined with this bill.

**HB 2614.** This is the COTA to BOTA bill. These are the main portions of the bill:

- Fee appraisals submitted to BOTA, with an effective date of January 1st of the year under appeal, must be admitted into evidence
- Fee appraisals submitted to BOTA,

with an effective date of January 1st of the year under appeal, are presumed to be correct, unless the county provides a single property fee appraisal with same effective date. Even then the burden of proof remains with the county.

- A loose, extremely broad definition of substantial and compelling. This could be unconstitutional.
- BOTA must provide summary judgments within 14 days of the hearing, no matter how complicated the case. Within 90 days of the hearing a final decision must be issued. If they do not meet the deadline, filing fees are refunded to the property owner.
- Following BOTA decisions, appeals can be taken to District Court trial de novo, meaning it's no longer a review of BOTA's decision but an entirely new trial. Could possibly include a jury.
- BOTA will now include: 1 attorney, 1 CPA, and 1 real estate agent.
- Small Claims hearing officers will not be employed by BOTA.
- The interest rate for unpaid property taxes is reduced from 5% to 3%.
- The Small Claims threshold increases to \$3m and the county always has the burden of proof if it appeals from a small claims decision.
- Any unsigned appeal must be docketed, period.
- Last year's amendment stating I&E data must be provided to the county within 30 days of the informal hearing, for leased properties, was reinstated. However, there is no consequence if that is not done.
- In all cases, the county has the burden of proof, period.
- When a value is reduced as a result of a hearing (at any level) the value must be rolled for the next two years. Essentially this would mean a value would stay the same for three years. The theory behind this was it would

reduce the caseload and perceived backlog at COTA. Representatives couldn't grasp how the opposite would likely happen. This amendment is likely unconstitutional.


- A clause was added that essentially says revenues, finances, etc., of local units of government can never be used to influence decisions regarding BOTA.
- BOTA members who do not complete the current educational requirements (IAAO classes, USPAP, Tax Law, etc.) within 24 months would lose their job.

The bill was passed by House Taxation and will likely be voted for approval by the House during the week of March 10–14.

**HB 2628.** This bill essentially mirrors PVD ag instructions/memo we were given at November Director's Update. The bill was heard by the House Committee on Agriculture & Natural Resources. No further action has been taken.

**HB 2643.** This fixtures bill was supported by the Kansas Chamber of Commerce. Proponents said it was intended to simply codify and clarify existing definitions of what is real estate vs. personal property. The problem with this bill is it makes the three-pronged

**Legislative Hotline**  
**1-800-432-3924**  
**8 am–5 pm, M-F**



Have a question about legislation or other state government issues? Call the toll-free legislative hotline. Your call will be answered by experienced research librarians with the State Library of Kansas, which is located in the Kansas capitol. The librarians are also available to answer questions by instant message chat at [www.kslib.info/ask-a-librarian](http://www.kslib.info/ask-a-librarian). Or text your questions to 785-256-0733 (standard text message rates may apply).

test a secondary method, with the real determination being based on use. The bill was approved by House Taxation and awaits approval by the House.

Much thanks and appreciation to KCAA members who are contacting legislators this spring! Please keep it up. KAC's lobbyists (Randall Allen, Melissa Wangemann, Nathan Eberline) are also working diligently to support counties and appraisers this year.



“Several property valuation/tax bills were introduced into the Legislature this year...Many of these bills would have negative impacts to counties and appraisers.”

## Underground Gas Storage Update

By Leon Reimer, RMA,  
Meade & Comanche Counties

Taxation of stored natural gas has long been an issue in the state, but particularly in Meade County, where there is a significant amount of natural gas stored in an underground facility. The issue began when merchants' and manufacturers' inventory was exempted from taxation as personal property. It was then that owners of the gas stored underground declared that this gas was inventory and should be exempt. And that is when the issue began.

Many BOTA (COTA) hearings, Supreme Court case hearings, changes in the state constitution, changes in statute have transpired over the years. For tax year 2009, the latest change in statute went into effect to clarify that underground stored gas was not merchant's inventory and was taxable. Of course, this would involve the appeals process, and passed through COTA, with COTA ruling in favor of PVD and the current statute.

The case then was heard by the Kansas Supreme Court. On Dec. 6, 2013, we received the ruling. The Supreme Court's ruling in summary is this: There are three types of entities that store gas in the underground facility, which are (1) Marketers and Brokers of natural gas, (2) Local Distribution Companies certified as Public Utilities in other states, and (3) Out-of-State municipal utilities.

The Court determined that types 1, (the marketers) and type 3 (out-of-state) do not qualify as “public utilities.” Public utilities were deemed to be taxable. However, the determination of which entities were to be classified into each category, thus determining whether they are taxable or not, was not ruled on by the Court. The Court remanded this matter back to COTA for their determination on the classification of each entity into the appropriate category. So, stored gas stored by public utilities in Kansas is taxable. For now we again wait for determination of who is a public utility holding this gas.

# County Officials Not Cashing Checks Yet In Gas Storage Decision

By Tom Kuhns, Meade County News. Reprinted with permission

In spite of a favorable ruling by the Kansas State Supreme Court over the taxable valuation of natural gas stored in Meade County, local officials understand that the matter is not completely over just yet.

"It's a big deal," Meade County Appraiser Leon Reimer said of the Supreme Court's December 6 decision, "but it's not over until we have the money here and in the bank." The decision could ultimately result in as much as \$7.5 million of additional tax revenue to Meade County.

Reimer explained that what the State Supreme Court ruled on last month was a lawsuit involving a 2009 state law that put stored natural gas back on the property tax rolls of local governmental entities. He said that in that ruling the Court determined that there are three different classifications of the entities that store natural gas within Meade County:

- 1 – Marketers and Brokers of Natural Gas
- 2 – Local Distribution Companies certified as Public Utilities
- 3 – Out-of-State municipal utilities that do not qualify as "public utilities."

(Reimer added that there are a total of ten companies/entities that store their gas in the huge underground gas storage facility located in natural caverns south of Meade.) Reimer said the Supreme Court ruled that classes 1 and 3, "Marketers and Brokers" and "Out-of-State municipal utilities" were exempt from taxation. In that same decision the court also ruled that "public utilities" would in fact have to pay property taxes on the natural gas stored in Meade County.

However, as Reimer explained, at the time of the ruling there was some confusion as to which company is to be classified as what. "The Supreme



Court said 'we don't have the information to determine this company and what category they fall into,' he said. "So the case was remanded back to the Court of Tax Appeals (COTA)." "It's COTA's job to say, 'this company fits in this category,'" Reimer added. "The companies they rule as public utilities, they are taxable." Just how long that decision may take, is anyone's guess. "It's in their hands now," Reimer said of COTA. "They're under no statutory requirements as far as time."

Because of the pending COTA determination in the matter, Reimer said the value of natural gas stored in Meade County has not yet been added to this year's county valuations—in spite of the Supreme Court's ruling. However, when the COTA decision is made, Public Utilities storing their natural gas in Meade County will receive a hefty tax statement. "Once the rulings are all done, then we're going to bill them back to 2009," Reimer said. "I don't know if those companies have the right to appeal that or not." The total amount of property taxes on stored natural gas in Meade County since 2009 is just over \$7,643,000, Reimer said.

However, as the Meade County Appraiser explained, not all of that money will be collected. Of the ten companies that are currently using the natural gas storage facility south of Meade, some will be declared exempt. "That seven and a half million dollars includes all of those," Reimer said of the ten firms, "There will be a few of them deemed to be exempt." But, a good portion of that money will end up in the coffers of local taxing entities.

"The bottom line is, we're not counting on anything until we actually see the money."

—Leon Reimer,  
Meade Co. Appraiser

"That would go to all the different taxing districts, that would be the State, County, Meade Center Township, Meade school district, Graceland, Meade hospital," Reimer said. "The school district and the county would probably be getting the biggest share because they have the biggest levies."

Although he did not have exact figures for the past six years of missed tax revenue, Reimer did say that for 2009 alone, the Meade school district would receive about \$737,000 while Meade County would receive about \$620,000. "They would get all this money, but they have their budgets and they can't overspend their budgets," he noted, "so their cash balances will go up," The result would be huge cash carryovers for those entities, which could mean lowered tax levies for in the affected taxing district. "I'm not really sure exactly what will happen because we've never really been in a place where you basically get a windfall," Reimer added. "And we also don't have the money in hand yet."

Reimer said he has spoken with the Meade County Commissioners several times on the matter since the ruling was announced. "The bottom line is, we're not counting on anything until we actually see the money," he added. Reimer also said that he was not ready to call the legal battle over gas storage in Meade completely over. He noted that gas companies with an interest in the matter have kept the case in court since the early 1990s. "Statutes can be changed," he said. "Obviously when there's that much money at stake, they're going to fight 'til the end."



## 2014 KCAA Education Calendar

Course	Date	Location*	Instructor	Cost
RMA Residential Review	July 15-17	Topeka, KS	Marion Johnson	\$300
RMA Commercial Review	Oct. 7-9	Topeka, KS	Marion Johnson	\$300
IAAO 101 Fund. of Real Property Appraisal	July 21-25	Wichita, KS	Rick Stuart	\$425
IAAO 102 Income Approach to Valuation	Aug. 18-22	Wichita, KS	Marion Johnson	\$425
IAAO 400 Assessment Administration	Sept. 15-19	Wichita, KS	Rick Stuart	\$425

**KCAA Class Locations:**

\*Topeka  
Shawnee County Annex Bldg.  
1515 NW Saline  
Topeka, KS 66618

\*Wichita  
Office This  
4031 E. Harry St.  
Wichita, KS 67218

\*Manhattan  
Public Works Bldg.  
6215 Tuttle Creek Blvd.  
Manhattan, KS

**Complete & return registraion form below. Or register online** at <http://www.kscaa.net/education/online-education-registration/>

### KCAA Class Registration

Name: \_\_\_\_\_ SS#: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

County \_\_\_\_\_  County  State  Private  Contractor  Other

Job Title \_\_\_\_\_

Office Address: \_\_\_\_\_

City-State-ZIP: \_\_\_\_\_

Office Phone#: \_\_\_\_\_ Fax: \_\_\_\_\_

Course: \_\_\_\_\_

Date: \_\_\_\_\_

Location: \_\_\_\_\_

**Payment Enclosed:**  Yes  No Amount: \$ \_\_\_\_\_ (Make payable to KCAA Education Fund)

**Mail or Fax to:**  
KCAA, P.O. Box 988, Meade, KS 67864-0988. Fax (620) 873-2237  
Phone (620) 873-7449 • [kcaa@sbcglobal.net](mailto:kcaa@sbcglobal.net)

# A Look Back

By Terry Ferguson, Retired Kansas County Appraiser

Not long ago I bumped into an old associate at a gathering of Kansas county officials. Both he and I were Kansas county appraisers for a lot of years, and our conversation kept drifting back to our experiences during one of the most tumultuous times in Kansas (appraisal) history—the statewide 1986-1989 reappraisal. He reminded me that I was, during some of that clamorous time, the editor of the Kansas County Appraiser's Newsletter.

The newsletter, as I recall, was always late. The articles weren't particularly well written, timely, or relevant. The contributors were few and far between, and it tended to be inherently offensive to most anyone in authority. The only redeeming quality of the newsletter was the spirit in which it was written—it was rife with humor. And humor was sorely needed during that period of time.

My associate and I both laughed about the collective sigh of relief heard from across the state when I (gladly) handed off that editorial job to other more qualified and less abrasive editors. But it was fun while it lasted. And I should add my congratulations to the association for the outstanding document now being produced.

I can't remember the time frame exactly, but it was shortly after the Kansas voters elected to embrace the "classification amendment" to the Kansas constitution rather than continue with the "uniform and equal" assessment rate of 30% across the board. It was, as I recall, a fairly complicated matter for the taxpaying public to consider voting for or against classification. When asked, I would try to simplify the issue by comparing it to the taking of a slow-acting poison or a fast-acting poison. Neither option did much to satisfy the public need for clarity...but we all know now that the slow poison was the option of choice.

With the advent of classification and its unknown consequence in terms of tax shifts with the assignments of new market values on all (but ag land)

**"The Kansas appraisal system today is probably one of the best in the country. But ... getting there was a long, arduous journey fraught with untold levels of distress and aggravation."**

properties, the Kansas Ad Valorem Tax System was up to its knees in unfamiliar territory. And to make matters worse, "the state" was forcing the counties to use computers and implement KS CAMA!

Back then, a lot of Kansas officialdom considered computers to be foreign, duplicitous agents of deception and unemployment; the wholesale use of which would replace workers and undermine the political sagacity of local boards of equalization. As public concerns became more and more pronounced with some, politicians were doing pirouettes between their constituent districts and their elected seats in Topeka.

I remember one Kansas Senator in particular who rode the horse of hypocrisy so vigorously as to publicly pronounce that Kansas county appraisers were a "sinister group"... of miscreants who... "cooked numbers"... to justify their value assignments. The peculiar irony of that statement wasn't necessarily that it was uttered from a Senatorial seat, but from the mouth of one who formerly occupied the position of the Director of Property Valuation!

I suspect the majority of those reading this article have very little knowledge of what it was like to be a county appraiser/assessor prior to the mid 1980s. Suffice it to say that it was markedly different than it is now.



**"In some cases, old politically appointed county assessors were thrust into positions that were clearly beyond their skill sets. It was difficult for them to move away from their woodburning typewriters and Lockwood forms to embrace a computer system capable of generating property values."**

At the outset of statewide reappraisal there was considerable distress in many county offices because it was evident that we were being coerced into finding defensible market values instead of mollifying the taxpayer by making "good old boy or girl" adjustments for the sake of expediency. In some cases, old politically appointed county assessors were thrust into positions that were clearly beyond their skill sets. It was difficult for them to move away from their woodburning typewriters and Lockwood forms to embrace a computer system capable of generating property values.

Reappraisal was something of a circus at the outset. Coding mysteries, neighborhood anomalies, market modeling, cadastral mapping, data collection, data entry, compliance issues, and a host of other subjects that were new to county environments.

The Marion County Appraiser once told me that the value assignment on a two-story downtown row-type commercial building was about five times as high as its neighboring buildings owing to a data entry error on the elevator. Apparently, the value determinants were numerical weights for the speed of elevator and its capacity. The owner easily convinced the local board of equalization that his two-story elevator was incapable of moving a vertical load of 40,000 lbs up

## A Look Back, continued



“I remember one Kansas Senator in particular who rode the horse of hypocrisy so vigorously as to publicly pronounce that Kansas county appraisers were a ‘sinister group’... of miscreants who... ‘cooked numbers’... to justify their value assignments.”

one floor at the speed of sound.

In Atchison County in the early stages of the program, a data collector came back to the office at the end of the day claiming she has only listed one parcel. But it had 157 RT1’s, 235 RT2’s, raised cement slabs, etc. A cursory glance at the PRC showed she had been measuring the headstones “improvements” on the Lancaster Cemetery parcel.

In Cloud County, a well-known farmer was so distraught over his valuation he slammed his fist on my desk and said, “Do you know who I am?” I looked up and called out to the front office, “Judy! Call the county health nurse—I’ve got a guy in here who doesn’t know who he is.” I know it was an entirely inappropriate response to his question, but to my knowledge he never asked for another hearing.

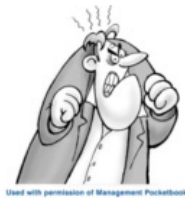
As many of you “old timers” already know, the anecdotes could go on and on. The important thing is the results. The Kansas appraisal system today is probably one of the best in the country. But I can tell you, getting there was a long, arduous journey fraught with untold levels of distress and aggravation.

In retrospect, my role in the process was insignificant compared to most. But once I embraced the governmental logic about some basic issues – like the Republican River being a navigable stream when in fact it could not float a bar of soap for any appreciable distance—it got easier.

## 7 Steps for Dealing With Angry Customers

*(modified for appraisers during informal appeals)*

Submitted by Dianna Carter, RMA , McPherson County Appraiser



Used with permission of Management PocketBooks

Customers get rude or angry for a variety of reasons—some justified, some not. But since you’re in business to serve your customers, you’ll likely encounter rude or angry individuals at one time or another. How you respond can make the difference between a customer who feels satisfied with the resolution and one who vows never to patronize your business again (*we could only hope!*).

Here are tips for coping with a tense situation and hopefully resolving it to everyone’s satisfaction:

1. Remain calm. When a customer starts yelling or being otherwise rude, there is nothing to be gained by responding in a similar manner. In fact, that will probably escalate hostilities. Maintain control of yourself, even if the customer’s tirade makes you feeling like yelling yourself.
2. Don’t take it personally. Remember, the customer is not angry with you they are displeased with the performance of your product or the quality of the service you provide (*or their value!*). Your personal feelings are beside the point.
3. Use your best listening skills. The first thing an angry customer wants is to vent. To do so, they need someone to listen—and, for better or worse, you are that person. Listening patiently can defuse a situation, as long as the customer feels acknowledged in his or her complaint. Hear them out. When they are done talking, summarize what you’ve heard and ask any questions to further clarify their complaint. Body language can be critically important here. Keep eye contact. Stand or sit up straight. Keep your arms uncrossed. Show how closely you’re paying attention to their problem.

4. Actively sympathize. After the customer vents, he wants to know you understand where he’s coming from and how he or she feels. Express sympathy for their unpleasant customer experience. Respect and understanding go a long way toward smoothing things over (*even though you’re not lowering their value!*)

5. Apologize gracefully. Whether the customer’s complaint is legitimate or not is really irrelevant. If you want her to stay a customer, (*NO!*) you need to express an apology for the problem they are having or perceive to be having (*you’ve got that right!*). A simple, straightforward statement is often all that’s needed: “I’m sorry you’re not happy with our product. Let’s see what we can do to make things right.”

6. Find a solution. Once you understand why the customer is unhappy, it is time to offer a solution. Ask him what he feels should be done or put forward your own fair and realistic answer to the problem. In most cases, that’s all the customer is looking for—and may result in providing some degree of satisfaction.

7. Take a few minutes on your own. After the situation has been resolved and the customer is on her way, it’s helpful for you to take your own “time-out.” Even if you’ve handled the situation in the most professional way possible, it’s still a stressful experience. Rather than let that stress linger inside you, take a short walk, treat yourself to a snack (*a drink maybe!*) or find someone to talk to who makes you laugh. Then you’ll be ready to once again engage with your customers.

Source: <http://www.forbes.com/sites/thesba/2013/08/02/7-steps-for-dealing-with-angry-customers/>

## 2014 KCAA Legislation Reception

The Kansas County Appraisers Association hosted its annual Legislative Reception on January 22, 2014, at the Topeka Ramada Inn. The turnout of both legislators and appraisers was the highest it has been in a number of years. It was nice to see such a large group together reconnecting and discussing the issues at hand. Thank you to all who attended!

(l-r) Rep. Dan Hawkins and Sedgwick County Appraiser Mike Borchard

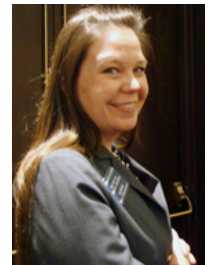


McPherson County Appraiser Dianna Carter (right) talks with legislators.



(l-r) Barton County Appraiser Barb Konrade, Rep. Marshall Christmann, and Pratt & Kiowa County Appraiser D.J. McMurry

Rep. Stephanie Clayton



(l-r) Rep. Ron Ryckman, Sr. and Meade County Appraiser Leon Reimer



(l-r) Rep. James Kelley, Rep. Ward Cassidy, and Rep. Jack Thimesch

**2014 Legislative Agenda:** *A handout with these talking points was distributed to legislators during the reception.*

- **HB 2422.** Boat clarification bill and we support the bill as written
- **HB 2456.** Machinery and Equipment bill: We cannot support the bill as written but would continue to support the three-prong test as the guide for personal property.
- **HCR 5024.** Taxation bill with a limit on the taxes paid for those over 65. KCAA will not take a position on this bill

• **COTA issues:**

Bifurcate the residential (single family, duplex, triplex and fourplex properties to a one-member board member for the regular division.

–All other properties and other activities would be retained by the Regular Division Other COTA Board members (3 members)

–Allow the county appraiser to issue exemptions for the governmental properties with application approved by the county appraiser. KSA 79-201

and KSA 79-201a

–Hearing officers cannot be done by the legal staff of COTA

–Define the documents that may be filed by representatives and by attorneys Tax grievance process allows for clerical errors at local to be done within current year plus two years and COTA allowed for next two years. Limit it to only the local jurisdiction for the current plus two years.

–Tax representatives licensing legislation should be considered



## Real Estate Notes of Interest

By Rick Stuart, CAE

■ *www.htrends.com*, Jan. 16, 2014. “The total active U.S. hotel development pipeline comprises 2,877 projects totaling 349,317 rooms, according to the December 2013 STR Pipeline Report. This represents a 14.9 percent increase in the number of rooms in the total active pipeline compared with December 2012 and a 34.5-percent increase in rooms under construction.” <http://bit.ly/1eMj4ay>

■ *www.remodeling.hw.net*, Jan. 20, 2014. “For the second consecutive year, Cost vs. Value data show that the value of remodeling is up for all 35 projects included in the survey. This trend signals an end to the long slide in the cost-value ratio, which began to fall in 2006 and didn’t begin to rebound until last year (see, “Cost vs. Value 11-Year Trend”). For 2014, the cost-value ratio stands at 66.1%, a jump of 5.5 points over last year and the largest increase since 2005, when the ratio jumped 6.1 points to reach its high of 86.7%.” <http://bit.ly/LJgxWv>

■ Kenneth Harney, *www.latimes.com*, Jan. 19, 2014. “A new federal rule could give millions of home buyers insights they’ve never had before about a crucial element of their mortgage application: the appraisal, including the electronic cross-checks and reviews now used by lenders to determine the amount of the loan they’ll approve.” <http://lat.ms/1ih5XUe>

■ William Sipple, *www.hvs.com*, Jan.

16, 2014. **Editor’s Note:** If you value hotels, this is an interesting article.

“Even with great availability of low cost senior debt today, we still see a lot of projects suffering from a gap in their capital stack. Most of these deals are new construction projects, but there are plenty of acquisitions that have the same issue. Many of the owners are seeking some type of “passive” equity to get their projects off the ground.” <http://bit.ly/1mnX3Sh>

■ Randyl Drummer, *www.costar.com*, Jan. 29, 2014. “According to CoStar’s analysis, net absorption in the U.S. office market rose a solid 22% in 2013 over the previous year to 59 million square feet, with the increased demand helping push the vacancy rate down 50 basis points from 12.4% to 11.9%. The growing demand for office space, combined with an extended period which has seen little to no new office construction, resulted in the average U.S. office rent to grow 3.1% last year—the first time rents have cracked the 3% annual growth mark since 2007, the peak of the market cycle.”

■ *www.realtor.com*, Jan. 30, 2014. “The Pending Home Sales Index,\* a forward-looking indicator based on contract signings, fell 8.7 percent to 92.4 in December from a downwardly revised 101.2 in November, and is 8.8 percent below December 2012 when it was 101.3. The data reflect contracts but not closings, and are at the lowest level since October 2011, when the index was 92.2.”

■ Jones Lang LaSalle, *www.hrtrends.com*, Jan. 27, 2014. “Investors and lenders in the hotel industry have begun the New Year with a healthy dose of confidence following a 35

percent increase in U.S. deal volumes in 2013, and strong forward momentum globally and domestically. Jones Lang LaSalle’s latest Hotel Investment Outlook projects that global hotel transaction volumes will rise by 5 to ten percent to roughly \$50 billion in 2014. The Americas should drive the increase with a 15 percent rise in 2014 with volumes totaling \$28 billion, which would mark the third-largest volume on record.” <http://bit.ly/1fo9HxU>

■ Austin Perez, *www.realtor.org*, Jan. 30, 2014. “On Jan. 30, 2014, the United States Senate voted 67-32 to approve the Homeowner Flood Insurance Affordability Act (S. 1926), sponsored by Senators Menendez (D-NJ) and Isakson (R-GA). This bipartisan legislation, an NAR member priority, calls for a 4-year timeout on rate increases triggered either by a property’s sale or a flood map update for a property with previously grandfathered rates. NAR provided Congress with expert testimony suggesting that many of these increases are excessive and inaccurate. The bill also creates a flood insurance advocate within the Federal Emergency Management Act (FEMA) to investigate home owner complaints of multiple different or excessive rate quotes.” <http://bit.ly/1nvAxtV>

■ *www.rcanalytics.com*, Jan. 14, 2014. “Bloomberg Businessweek reports: The increased number of baby boomers reaching retirement coupled with Obamacare helped drive \$6.67 billion in sales of medical offices in 2013. Data from global commercial real estate data and analytics firm Real Capital Analytics showed that buyers paid an average of \$270 per square foot, up from \$262 in 2012. Investor interest in medical office buildings drove cap rates to a six-year low of 7.3% nationally in 2013, RCA data shows. The average cap rate was 6.4% for offices and 5.7% for apartments in 2013.”

■ *www.rcanalytics.com*, Jan. 10, 2014. “Investors Business Daily reports: Commercial property sales in the United States accelerated greatly



*Rick Stuart, RMA, is a senior consultant with TEAM Consulting LLC and lives in Topeka, Kan. Email: [rstuart17@cox.net](mailto:rstuart17@cox.net).*

in 2013, with the first 11 months of 2013 seeing over \$305 billion in sales for office, retail, apartment, industrial, hotel and development site properties. According to Real Capital Analytics, a global commercial real estate data and analytics firm, the dollar volume in the first 11 months of 2013 transcended the previous year by about \$5 billion.” <http://bit.ly/1bZeT9a>

■ [www.hallmarkabstractllc.com](http://www.hallmarkabstractllc.com), Feb. 5, 2014. “So many real estate websites and so little time! How does the consumer along with the companies involved with the buying, selling and marketing of real estate on a daily basis know the key websites that they should likely be visiting or potentially advertising on? In the world of the internet the key metric for any website will be the number of ‘eyes’ or visits that it receives. For business sites the world wide web is no different than it is for social sites in that the public can be both demanding and fickle at the same time (i.e My Space vs. Facebook”). <http://bit.ly/LPIMUx>

■ Randy Drummer, [www.costar.com](http://www.costar.com), Feb. 4, 2014. “Robust demand, improving room rental performance and a massive supply of capital from REITs and private equity sources are expected to provide the basis for another year of strong investment in hotel properties in 2014. An abundance of equity and debt capital should drive a 5% to 10% increase in global hotel transaction volumes in 2014, according to Jones Lang LaSalle’s newly released Hotel Investment Outlook. Not that 2013 was a slouch by any means. U.S. hotel sales rose to \$28 billion last year—a whopping 42% increase from 2012 and the strongest hospitality investment sales volume since 2007’s \$42.9 billion, according to preliminary CoStar year-end sales data.”

■ [www.builderonline.com](http://www.builderonline.com), Feb. 10, 2014. “Countertops that charge smartphones, lighted toilet seats and beverage chillers that can be illuminated with favorite school or team colors were among some of the new and possibly useful things under

the Las Vegas sun this week at the combined International Builders and Kitchen & Bath Industry shows.” <http://bit.ly/1gphDzM>

■ [www.mnn.com](http://www.mnn.com), Feb. 8, 2014. “Last week at the International Builders’ Show in Las Vegas, the National Association of Home Builders (NAHB) shared the results of a country-wide survey commissioned in order to more accurately gauge the satisfaction levels of green homeowners. And not at all surprisingly, a majority of the 187 respondents that participated in the survey are happy as clams with 94 percent of them stating that they’d enthusiastically recommend purchasing a green home to friends and family.” <http://bit.ly/1eN7MXs>

■ [www.builderonline.com](http://www.builderonline.com), Feb. 12, 2014. Press print for a 2,500 square foot home in 20 hours. Whenever you can find about 15 minutes, this would be a video to watch. <http://onforb.es/1m7yLuF>

■ Brena Swanson, [www.housingwire.com](http://www.housingwire.com), Feb. 13, 2014. “The mortgage delinquency rate hit the lowest level in 5 years and dropped below 4% for the first time since 2008. According to TransUnion’s latest mortgage delinquency report, the rate of borrowers 60 days of more delinquent on their mortgages ended the fourth quarter of 2013 at 3.85%.” <http://bit.ly/1g7Jl0c>

■ Peter Rudegear & Michelle Conlin, [www.reuters.com](http://www.reuters.com), Feb. 14, 2014. “The caption on the internet said it all: ‘Déjà vu? A return to subprime.’ Wells Fargo & Co, the largest U.S. mortgage lender, is tiptoeing back into subprime home loans again. The bank is looking for opportunities to stem its revenue decline as overall mortgage lending volume plunges. It believes it has worked through enough of its crisis-era mortgage problems, particularly with U.S. home loan agencies, to be comfortable extending credit to some borrowers with higher credit risks.” <http://reut.rs/1hj3kg>

NATIONAL CLANDESTINE LABORATORY REGISTER

Click on the map to view the list of clandestine labs in each state



Alabama Alaska Michigan North Carolina Utah  
 Arizona Alaska Minnesota North Dakota Vermont  
 Arkansas Alaska Missouri Oklahoma West Virginia  
 California Alaska Montana Oregon Washington  
 Colorado Alaska Nebraska Rhode Island Wyoming  
 Connecticut Alaska Nevada South Carolina Washington, DC  
 Delaware Alaska New Hampshire South Dakota  
 Florida Alaska New Jersey Tennessee  
 Georgia Alaska New Mexico Texas  
 Hawaii Alaska New York  
 Idaho Alaska North Dakota  
 Illinois Alaska Oklahoma  
 Indiana Alaska Pennsylvania  
 Iowa Alaska Rhode Island  
 Kansas Alaska South Carolina  
 Kentucky Alaska South Dakota  
 Louisiana Alaska Tennessee  
 Maine Alaska Texas  
 Maryland Alaska Utah  
 Massachusetts Alaska Vermont  
 Michigan Alaska Virginia  
 Minnesota Alaska Washington  
 Missouri Alaska West Virginia  
 Montana Alaska Wyoming  
 Nebraska Alaska  
 Nevada Alaska  
 New Hampshire Alaska  
 New Jersey Alaska  
 New Mexico Alaska  
 New York Alaska  
 North Carolina Alaska  
 North Dakota Alaska  
 Oklahoma Alaska  
 Oregon Alaska  
 Pennsylvania Alaska  
 Rhode Island Alaska  
 South Carolina Alaska  
 South Dakota Alaska  
 Tennessee Alaska  
 Texas Alaska  
 Utah Alaska  
 Vermont Alaska  
 Virginia Alaska  
 Washington Alaska  
 West Virginia Alaska  
 Wyoming Alaska

Think you may have had some houses used as meth labs in your county? To check, view National Clandestine Laboratory Register on the Drug Enforcement Administration’s website at <http://1.usa.gov/1hdBPcE>.

■ [www.hotelmanagement.net](http://www.hotelmanagement.net), Feb. 13, 2014. “The number of hotel rooms under construction in the U.S. increased 31 percent in January, compared to a year ago, according to STR’s January pipeline report.” <http://bit.ly/1ezwV1K>

■ Kris Hudson, *The Wall Street Journal*, Feb. 4, 2014. “Homeowners spent \$130 billion on remodeling projects last year, according to data released by the U.S. Census Bureau. That was up 2.1% from 2012 and was the largest amount of home-remodeling spending since 2007, the year that the housing downturn began.”

■ Doug Carroll, [www.usatoday.com](http://www.usatoday.com), Feb. 26, 2014. “New home sales rose sharply in January, defying expectations for a drop-off due to harsh winter weather in much of the country. Sales jumped to their highest level in more than five years, and were up 9.6% from December, to hit a seasonally adjusted annual rate of 468,000 last month, the Commerce Department said Wednesday.”

■ Kyle Stock, [www.businessweek.com](http://www.businessweek.com)

continued on next page

**REAL ESTATE NOTES, continued**

com, Feb. 26, 2014. “Forget package-toting drones—the future of retail may lie in satellites. That’s how Lowe’s (LOW) is catching up to Home Depot (HD) in the hunt for professional tradesmen and do-it-yourself consumers. Lowe’s said on Wednesday that it has been gauging traffic at its almost 1,900 stores from space, scanning satellite images of its parking lots to find out how many shoppers it can expect at every hour of every day. It has also starting syncing its parking lot observations with actual transaction counts to see how many people drove away without making a purchase.”

**Editor’s Note:** And to think that the public complains about the assessment office having street-view photos and aerial photography! <http://buswk.co/1ezh2ZL>

■ Kris Hudson, *The Wall Street Journal*, Feb. 27, 2014. “Bank lending for land development and construction is turning up after hitting a 14-year low early last year, a sign that the supply crunch of new homes could ease in coming months.”

■ Prashant Gopal and John Gittelsohn, *www.bloomberg.com*, March 5, 2013. “First-time homebuyers hurt by rising prices and tougher credit

standards are disappearing from the market, slowing the pace of the three-year recovery. The decline of these buyers, many of whom are young and non-white, also threatens to widen the wealth gap between owners, who benefit from appreciation, and renters, said Thomas Lawler, a former Fannie Mae economist.”

“Potential first-time buyers weren’t able to take advantage of the high point in affordability and the low point in prices,” said Lawler, president of Lawler Economic & Housing Consulting LLC in Leesburg, Virginia. “So the wealth effect of the recovery hasn’t gone to what could have been new buyers.” <http://bloom.bg/1cBwk08>

■ Daren Blomquist, *www.realtytrac.com*, March 4, 2014. “In 2011 institutional investors—purchasing at least 10 residential properties in a calendar year—purchased 219,000 residential properties nationwide, representing 5.12 percent of all residential sales. That increased to 259,000, representing 5.82 percent of all residential sales in 2012, and 354,000, representing 7.40 percent of all sales in 2013. That’s a 44 percent increase in the institutional investor share of the residential sales market from 2011 to 2013.”

“Over the last three years these institutional investors have purchased

more than 850,000 residential properties, representing 6.14 percent of all sales. But the national numbers don’t tell the whole story. In a select set of markets, purchases made by institutional investors represent more than 20 percent of all residential sales over the past three years.”

**Editor’s Note:** There is a neat map shown with this article at <http://bit.ly/1e0WjPb>

■ Tim Regan, *www.remodeling.hw.net*, March 5, 2014. “The House passed its most recent flood insurance legislation Tuesday evening by an overwhelming vote of 306-91, exceeding the needed 2/3 majority. The bill now travels to the Senate, which can either pass the bill onto President Obama for signage into law, or further modify the legislation.”

“Like the Senate’s Homeowner Flood Insurance Affordability Act that passed in January, the House bill aims to reduce climbing flood insurance premiums associated with the 2012 Biggert Waters Act. The bill includes language to limit yearly premium increases to 15%, and tasks the Federal Emergency Management Agency with striving to cap annual premiums for policyholders at 1% of their total coverage. A \$150,000 policy, for example, would have a premium of \$1,500.” <http://bit.ly/1jVdfvh>



## CALLING ALL VENDORS!

Information regarding opportunities for vendors at the KCAA conference in Lawrence was emailed out in February. If you are interested in participating in the Vendor Fair or sponsoring a break, event or the hospitality room and didn’t receive the email, contact Cindy at **620-873-7449** or [kcaa@sbcglobal.net](mailto:kcaa@sbcglobal.net). Thanks and see you in Lawrence!!

# KANSAS COUNTY APPRAISERS ASSOCIATION

Annual Business Conference ❖ June 22–25, 2014 ❖ Holiday Inn ❖ Lawrence

Make plans now to attend the KCAA Annual Business Conference on June 22–25 at the Lawrence Holiday Inn. Reserve your hotel room online via this link to the KCAA website: <http://www.kscaa.net/conferences/2014-kcaa-conference-registration/>



## Join the Fun!!

The KCAA bowling tournament will be held at Royal Crest Lanes, 933 Iowa St., Lawrence, on Sunday night, June 22. There will be three games of bowling along with food and prizes. Make plans to attend, and start off the conference with some great fun!



## Golf Tournament

All proceeds from the 2014 KCAA Timothy Hagemann Golf Tournament being held Monday, June 23, will be donated to the Timothy N. Hagemann Memorial Membership Trust. Funding from this trust is “awarded to help assessing officers from smaller rural jurisdictions become members of IAAO or maintain membership in IAAO. Priority is given to assessors who work full-time in jurisdictions with fewer than 7,500 parcels of real estate and consideration is given to the jurisdiction’s budgetary constraints.”

In 1993 the Kansas County Appraisers Association established, with approval of the IAAO Executive Board, this trust in memory of Timothy N. Hagemann, who passed away suddenly. Tim was a strong proponent of professionalism at both the state level and the international level.

Whether you golf or not, please consider making a contribution (see conference registration form) to this worthy cause. If you would like more information on the Timothy Hagemann Trust, go to [www.iaao.org](http://www.iaao.org).

## Annual Business Conference Agenda

### Sunday, June 22

1:00 pm – 5:00 pm	Registration-Foyer
3:00 pm – 5:00 pm	Executive Board Meeting
5:00 pm – 12:00 am	Hospitality
6:00 pm – 9:00 pm	Bowling—Royal Crest Lanes

### Monday, June 23

8:00 am	Golf Tournament—Eagle Bend (lunch to follow)
8:00 am – 2:30 pm	Registration—Foyer
1:00 pm – 5:30 pm	Vendor Fair
2:30 pm – 3:30 pm	Opening Speaker
3:30 pm – 4:00 pm	KCAA Business Meeting <b>including election</b>
6:00 pm – 12:00 am	Dinner & entertainment at Abe & Jake’s Landing

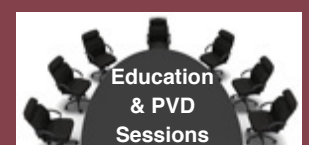
### Tuesday, June 24

8:00 am – 5:00 pm	Vendor Fair
8:00 am – 11:45 am	Registration-Foyer
8:30 am – 10:00 am	Education
10:00 am – 10:30 am	Break
10:30 am – 12:00 pm	Education
12:00 pm – 1:00 pm	Lunch (Golf & Bowling Awards, Recognize Retirees, Election Results)
1:00 pm – 2:30 pm	Education
2:30 pm – 3:00 pm	Break
3:00 pm – 4:30 pm	Education
6:00 pm	Dinner & entertainment onsite

### Wednesday, June 25

8:00 am – 12:00 pm	Vendor Fair
8:00 am – 9:00 am	PVD Opening Remarks and RMA presentations
9:00 am – 9:30 am	PVD session*
9:30 am – 10:00 am	PVD session*
10:00 am – 10:30 am	Break
10:30 am – 11:00 am	PVD session*
11:00 am – 11:30 am	PVD session*
11:30 am – 12:00 pm	PVD session*

\*Round table sessions with ½ hour education credit given for each session attended



**Attn Vendors: There’s still time to sign up for the 2014 Vendor Fair. See page 15.**



# KANSAS COUNTY APPRAISERS ASSOCIATION

Annual Business Conference ❖ June 22–25, 2014 ❖ Holiday Inn ❖ Lawrence

**Timothy Hagemann Memorial Golf Tournament:** Monday, June 23, at Eagle Bend, 1250 E. 902 Rd. Tee times start at 8 a.m. Cost is \$65 per player, which includes green fee, cart, continental breakfast, beverages, lunch, and prizes. Format is a 4-person scramble. Tournament proceeds will go to the Timothy Hagemann Trust Fund. See below to make a contribution to the trust fund. Pairings will be set by Sean Robertson and Chuck Latham or if you have a team, please list names below:

**Bowling Tournament:** 6 p.m. Sunday, June 22, at the Royal Crest Lanes. Three games of bowling (shoe rental included), snacks, drinks and prizes. Tournament is co-ed and for all levels of bowlers. Trudy Kamphaus is the Bowling Tournament Coordinator.

## REGISTRATION & FEES

### REGISTRATION FEES

	BY MAY 31	AFTER MAY 31
<input type="checkbox"/> Full Registration	_____ \$250	_____ \$260
<input type="checkbox"/> Education Only	_____ \$150	_____ \$160
<input type="checkbox"/> Golf Tournament	_____ \$ 65	<b>No registrations after May 31.</b>
<input type="checkbox"/> Bowling Tournament	_____ \$ 17 (Includes 3 games, shoes, prizes)	<b>No registrations after May 31.</b>
<input type="checkbox"/> Monday Night Dinner/Entertainment	_____ \$ 35	_____ \$ 38
<input type="checkbox"/> Tuesday Night Dinner/Entertainment	_____ \$ 35	_____ \$ 38
<input type="checkbox"/> Tuesday Awards Luncheon	_____ \$ 25	_____ \$ 28
<b>Total Enclosed</b>	\$ _____	\$ _____

**Contribution to the Timothy Hagemann Trust Fund:** \$ \_\_\_\_\_

Name \_\_\_\_\_ County or Company \_\_\_\_\_

Address \_\_\_\_\_ City/State/ZIP \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_ email \_\_\_\_\_

## SPOUSE/GUEST REGISTRATION

### REGISTRATION FEES

	BY MAY 31	AFTER MAY 31
<input type="checkbox"/> Golf Tournament	_____ \$65	<b>No registrations after May 31.</b>
<input type="checkbox"/> Bowling Tournament	_____ \$17 (Includes 3 games, shoes, prizes)	<b>No registrations after May 31.</b>
<input type="checkbox"/> Monday Night Dinner/Entertainment	_____ \$35	_____ \$38
<input type="checkbox"/> Tuesday Night Dinner/Entertainment	_____ \$35	_____ \$38
<input type="checkbox"/> Tuesday Awards Luncheon	_____ \$25	_____ \$28
<b>Total Enclosed</b>	\$ _____	\$ _____

Spouse/Guest Name \_\_\_\_\_

### HOTEL INFORMATION:



Lawrence Holiday Inn  
 200 McDonald Drive, Lawrence, KS 66044  
 Ph. 785-841-7077 • Room Rate: \$81 + tax

#### Send Forms to:

KCAA  
 P.O. Box 988  
 Meade, KS 67864  
 620-873-2237 (fax)  
 kcaa@sbcglobal.net