



# APPRAISING THE PLAINS

*of Kansas*



A Publication of the Kansas County Appraisers Association

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**2015 Session**

For more information about the Kansas legislators, including their committee assignments, see the House and Senate rosters on the Kansas Legislature website: <http://www.kslegislature.org>.

**Make Plans to Attend the KCAA Legislative Reception**

The KCAA will host a Legislative Reception in Topeka on Wednesday evening, January 28, from 5 p.m. to 8 p.m. The reception will be held at the Ramada Convention Center, 420 SE 6th Street, ph. 785-234-5400. This event is a great opportunity for you to spend some time with your legislators discussing important issues—including but not limited to the huge budget challenges they will have to tackle this session.

All legislators will be invited via email; however, it would be great if you could contact your legislators and extend a personal invitation. There will be other groups hosting receptions at the Ramada, so we are expecting a good turnout of legislators.

This year's issues are so important that if you are unable to attend, we encourage you to make arrangements with another appraiser you know will be there to reach out to your legislators in your absence. We look forward to seeing you in Topeka!

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## CRAIG'S CORNER

Craig Clough, RMA  
Harvey County Appraiser  
KCAA President



First, I would like to wish the best of health and happiness to each of you in this New Year.

This is a good time to look back at 2014 and be thankful for each of you, who make our organization great. I would like to give a special Thank You, once again, to Steve Miles for serving as our President for basically two years. He did an outstanding job. It is a privilege to work with him and the rest of the Executive Board.

Looking forward to 2015, I think it safe to say that the upcoming legislative session will be faced with challenges. One of our local legislators was quoted as saying the top three topics for the upcoming session will Budget, Budget and Budget. These concerns and the resulting budget cuts ultimately hit the local-level entities, including county government, and, in turn, raise questions about current valuation. The time is probably more important now than ever that each of us reaches out to our local legislators and attempt to establish some relationship to talk about what we are doing and the concerns we have. An opportunity to do this is the upcoming legislative reception scheduled for Wednesday, January 28, at the Ramada Inn in Topeka from 5 p.m. to 8 p.m. Invitations will be mailed to all legislators, and I want to encourage you to personally invite your legislators as well.

This summer's conference will be heading back to Manhattan, June 7–10. It will be at the new Bluemont Hotel located right in Aggieville. The conference and hotel registration information will be available soon. In the meantime, you can make your hotel room reservations. (See details on page 3.) It should be a good, fun time—and we will even learn a thing or two while we are there. I hope each of you can make it.

Finally, thank you for giving me this opportunity to serve as your President. Everyone on your Executive Board works very hard trying to make right decisions for what is best for KCAA. Please remember that KCAA is your organization, and I want to encourage you to get involved in some way. Whether it is serving on a committee, helping with a conference or attending meetings, you are an important part of our success.

### SUGGESTION BOX: Topics, Presenters for Annual Conference



The KCAA Annual Conference educational sessions are being developed. These sessions are designed around current topics and, most importantly, what you, the attendee, would like to see. Here is your opportunity for input. Please give us some possible topics, ideas and/or presenters that would benefit you and your office. Send your suggested topics or presenters **no later than January 30** to Rick Stuart, CAE, [rstuart17@cox.net](mailto:rstuart17@cox.net).

## KCAA Recognized at IAAO

IAAO President Kim Lauffer, RES, RMA, presented the KCAA with a Presidential Citation at the annual IAAO Conference. Greg McHenry, AAS, RMA, sent Kim the following thank you :

Kim,

At our KCAA board meeting and KCAA business meeting on November 13, Steve Miles, RMA, spoke about the citation you kindly presented to the KCAA at the IAAO Annual Conference. The board was very, very appreciative as were the members in attendance at the business meeting. Several comments were made to me about how much that meant to them, especially since it was the only citation you made. For all the drama that you've been through the last few years, you should know the KCAA is proud of your accomplishments and proud of you. Thanks for your thoughtful gesture and reminder that we're all family here in Kansas.



## IAAO Member News

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

#### **New members:**

Trecia McDowell, Sedgwick County  
Holley Hackathorn, Jefferson County

#### **5 years:**

Mindy Harting, RMA, Norton County

#### **10 years:**

Lois Schlegel, RMA, Pottawatomie County

#### **15 years:**

Debra Studebaker, RMA, Butler County  
Laurie Walta, Sumner County

## Board Meeting Highlights

### ■ KCAA Board Meeting Tuesday, August 12, 2014, Salina

**Attendees:** Dianna Carter, Philip Dudley, Mike Borchard, Kenton Lyon, Greg McHenry, Steven Miles, Truette McQueen, Craig Clough, Gene Bryan, Lisa Reeder

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

**Financial Report:** CD \$11,579.54. Checking \$225,349.17 (of which \$202,936.05 is Orion Fund). Money Market \$57,275.94

**Treasurer Report:** Lisa gave the Treasurer reports. All accounts balanced with Cindy. Reports were approved as written.

**Education:** Lynn Kent has agreed to teach an Advanced Oil & Gas class. Cindy reported on remaining 2014 KCAA classes. Craig mentioned Della sent him a name of a presenter from Iowa for a potential speaker/educator.

**Legislation:** See attached report from Greg. Additional information regarding the report follows: Split/Combo amendment could open another level of appeals? Move of 16/20M trucks to Movers would be over a five-year cycle. With regard to district court de novo portion and two year plus current year rollover, examples will take a year or so.

Meeting with Brad Smoot regarding lobbying and having a lobbyist came to the result that appraisers need an image overhaul with the legislators. How would the hiring of a lobbyist look to taxpayers money being used for a lobbyist? Cindy mentioned needing to check on the tax ramifications of hiring a lobbyist. Appraisers need to get the legislators educated on what appraisers do, tax policy, etc.

Gene will be bringing this up to KAC: Change EDX claim deadline to Feb. 1 as part of article 210. Dianna brought up commercial/antique aircraft.

She gave information to her legislator two years ago but hasn't heard anything. Dianna will contact Bill at PVD since he helped her write it.

Steven would like the definition of "substantial and compelling" to be changed. If someone is working on property, only if the footprint changes can the value be increased. We may need to wait until we have examples for this as well. No recommendations to KAC for additional items for KAC's Legislative Platform. Next KAC board meeting is August 23rd.

**PVD Contract:** Board discussed education breakdown information Cindy provided. The board moved to adjust the PVD/KCAA contract to a 60/40 split (currently 50/50). PVD will no longer offer USPAP or IAAO courses, and Division employees will pay full price for non-Division sponsored classes. The motion passed unanimously. Steven will draft changes and contact PVD.

**Conferences:** 2014 Symposium—Golf profits to Hagemann Trust in the amount of \$402.60. 2015 Symposium, 6/7-10, is in Manhattan at Bluemont. The Tyler Conference is in Kansas City. Steven provided a proposed agenda. Still no registration price decided. Registration

fee of \$75 motion approved.\*\*

\*\*Note that a price break was done by Steven Miles after the meeting so that those attending only days 1-2 would pay \$60. Attendance for 3 days will be \$75. Also, Paul Welcome, Johnson County, indicated he would like an early and late registration fee structure, early being prior to Sept. 30 and late thereafter. There will be an additional \$10 charge for late registrations.

**Credit Card Payment:** Cindy will check with KAC on what they use for credit card payments and possibly piggy backing with their service. Gene mentioned that the commissioners association does this. Cindy will also work on our webpage to offer this service.

**Committee Reports:** Dianna spoke regarding "Rails to Trails" and what PVD says to do with it. PVD is supposed to issue a directive.

**Other Business:** Kenton said to watch forms with switch from BOTA to COTA. A particular form showed county appraiser to sign an oil and gas form when it should be the producer signing the form. Gene provided information on the recent survey regarding directives that were not sent to county appraisers.

Motion to adjourn passed unanimously.

### Bluemont Hotel Site of 2015 KCAA Annual Conference



Plan to attend the KCAA Annual Conference in Manhattan, Kan., at the new Bluemont Hotel. The conference will be Sunday, June 7 to Wednesday, June 10. Conference registration and information will be completed and available soon, but in the meantime you can reserve your hotel room online at [www.bluemonthotel.com](http://www.bluemonthotel.com)

Use the **RESERVATIONS** button located in the upper right corner. Then select **CLICK HERE FOR GROUP RESERVATIONS** button

Group ID: appr0615 Password: appraisers



## 2014 KAC Conference:

# KAC Service Awards 2014

Congratulations to all those recognized at the annual meeting of the Kansas Association of Counties.

### 8 Years

Daisy Mooney	Cherokee County	Field Appraiser
Holley Hackathorn	Jefferson County	Field Appraiser
DeWayne Dukes	Johnson County	Appraiser
Jim Hendrickson	Johnson County	Appraiser
Mary Dalsing	Johnson County	Appraiser
Ronald Smith	Miami County	Appraiser I
Darrin G. Hobbs	Riley County	Appraiser III, Residential
Karen L. Grater	Riley County	Sales Valid Analyst
Jill E. Evans	Riley County	Appraiser III, Residential
Betty J. Henning	Riley County	Appraiser I, Personal Property
Dean Holmes	Shawnee County	Personal Property Appraiser
Joanna Basgall	Wallace County	Deputy Appraiser
Shirley Blaesi	Wallace County	Asst. to Appraiser, Treasurer & Register of Deeds

### 16 Years

Brenda Vestal	Anderson County	Appraiser Tech II
Karen Rhoades	Johnson County	Appraiser
Mary Korb	Johnson County	Appraiser
William Neal	Johnson County	Appraiser
Lori Muir	Riley County	Real Estate Specialist

### 24 Years

Deborah D. Thompson	Atchison County	Deputy Appraiser
Debbie Trahern	Clark County	Deputy Appraiser
Ossie McCarter, Jr.	Geary County	Appraiser
Jamie Clark	Greenwood County	County Appraiser
Lisa Ree	Ellis County	County Appraiser
Steve Lantz	Shawnee County	Senior Commercial Appraiser

### 32 Years

Faye Belcher	Coffey County	Appraisal Specialist II
Mark Hopkins	Coffey County	Deputy Appraiser
Gayla Godfrey	Rice County	County Appraiser

### 40 Years

Jerry Denney	Gray County	County Appraiser
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## Audit Committee Report: Nov. 10, 2014

By Steven Miles RMA

The Audit Committee, comprised of Mark Hixon, Leon Reimer and Della Rowley, has reviewed all banking transactions from January through September 2014 and found them to be in order with no errors. Report given orally before the KCAA Membership at the annual KAC Conference in Wichita, Kan., by Della Rowley, RMA, Geary County appraiser.

## A Story and the Rest of the Story

By Greg McHenry, AAS, RMA

**Editor's Note:** Thank you to all who sent these articles to me. Ironically, the first person that sent it was one of my students I was instructing in Texas! This story has gotten attention.

Forbes magazine ([www.forbes.com](http://www.forbes.com)) has written three timely articles on the changes to COTA and property tax consultants in Kansas (see links to each article below). The first article was written when writer Peter J. Riley was on a short deadline to publish and didn't have time to talk with all sides of the debate. After writing it, he contacted me by email and said he thought there could be more to the debate. That's why I sent him the response quoted in the second article.

I am impressed that he spent enough time on the next two articles to put the entire story out there. Trevor Wohlford did a great job of answering the writer's questions and providing some perspective to the debate.

—Kansas Property Tax Consultant War: A Sign Of Things To Come?

<http://onforb.es/11bFp0S>

—Do Property Tax Consultants Need To Be Reined In?

<http://onforb.es/1uwn4BY>

—Interview With Former Judge Central To Kansas Property Tax Consultant Controversy

<http://onforb.es/1vJJr4>



Attendees at the NE Regional Appraiser Meeting

## NE Regional Meeting

By Janet Duever, RMA, Marshall County

The Northeast Kansas County Appraiser’s Association met for their fall meeting in Manhattan on October 23, hosted by Greg McHenry, AAS, RMA, Riley County appraiser. Honored guests included David Harper, RMA; Anna Porter; and Bob Kent of PVD.

Director Harper provided information on proposed legislation. Discussion was held regarding the importance of the agriculture market study and the land study. A special presentation of a purple KSU pen was given to the Director by Steve Miles.

After lunch, the group toured the new expansion and renovation at K-State’s Bill Snyder Family Stadium. The expansion created a dining area for student-athletes, Hall of Honor, and indoor/outdoor suite areas for Wildcat fans to enjoy games.

A special moment for us was witnessing Jayhawk David proudly holding his KSU pen alongside the statue of Coach Bill Snyder. **Every Man A Wildcat!**



Director Harper...a Wildcat??????

## A Tax on Goods, Not on the Internet

reprinted from [www.wsj.com](http://www.wsj.com)  
Dec. 18, 2014 3:32 p.m. ET

**Editor’s Note:** The following letter to the editor was written by Richard T. Moore, Senate President Pro Tempore, of Massachusetts in response to the Wall Street Journal’s editorial opposing efforts to tax Internet sales. As an instructor of IAAO’s Course 402–Tax Policy, it is nice to see a politician who understands this!

The proposed legislation isn’t a tax on the Internet. It is collecting a tax on goods purchased over the Internet.

Your editorial “Wednesday Is Tax-the-Internet Day” (Dec. 9) fails to recognize the significant segment of the American economy that is harmed by the unwillingness of Web merchants to collect taxes legally owed by their customers.

The proposed legislation, consideration of which has been postponed until next year, isn’t a tax on the Internet. It is collecting a tax on goods purchased over the Internet.

Main Street stores collect the sales tax on goods purchased in their stores. They also build or rent buildings, provide jobs to local residents, donate to local causes, etc. They often spend time showing merchandise to customers who subsequently go home and purchase the product online to avoid paying the sales tax that the Supreme Court has opined is legally owed.

Web merchants that fail to collect and remit taxes owed by the purchaser are in essence aiding and abetting tax evasion, and unfairly harming their Main Street competition and the communities where Main Street businesses are located. Web merchants can easily collect and remit the taxes owed using available computer billing programs.

The revenue collected would fund important government services with hundreds of millions of dollars that are already owed but uncollected, and would create a level playing field for all retail businesses regardless of their place of business.

## Appraiser Recounts Trials, Triumphs of 17 Years in Office

### Hixon's last day will be Dec. 12

Posted: Nov. 30, 2014 - 4:10pm

By Aly Van Dyke [aly.vandyke@cjonline.com](mailto:aly.vandyke@cjonline.com). Reprinted with permission

They don't mean anything to most people, and to those who understand them, they don't mean much. But to Hixon, they stand for the change, progress and success he has fought so hard for in his more than 13 years as the Shawnee County appraiser — 17 if you count the first time he held the position.

The numbers on the board show Shawnee County, for five years running, had some of the most accurate, fairest property valuations in the state. Kansas requires the measure of uniformity, or fairness, to be a factor of 20 or fewer. Most of Shawnee County's numbers—one of the columns on Hixon's board—are in the single digits.

People in the real estate business don't put much stock in those figures, Hixon said, because some jurisdictions are allowed to "cherry pick" which numbers go to the state for analysis. Shawnee County doesn't, he said, so these numbers are a true reflection of the county's work. And, he said grinning, "they're awesome."

Hixon, 61, announced his resignation last Monday. His last day will be Dec. 12. He and wife, Mary, will move to Cherokee County in southeast Kansas to be closer to her parents, and he will start March 2 as its county appraiser. Hixon's term, which expires in 2017, will be filled by veteran Shawnee County employee Steve Bauman, who currently is commercial appraisal manager. He fills the position Dec. 13 at \$82,929.60 a year. Hixon only had a few words of wisdom for Bauman, but they encompass his 17 years of turmoil and accomplishment. "Do it your way," he said.

#### Early years

Hixon has served as county appraiser for four counties since 1982, when he started in Allen County. Before that, he sold real estate. Hixon oversaw the reappraisal in Barton County, after the Kansas Legislature in 1985 called for

a reappraisal of all parcels across the state. By that time, some parcels hadn't been appraised since 1967, Hixon said.

"Before reappraisal, we never changed anybody's value unless you tore down your house, added on or built a new house," he recalled. "We were pretty much just custodians of ancient records. We weren't appraisers."

The Legislature wanted to make sure the state didn't have to overhaul property values again, he said, so it made it mandatory for counties to reappraise properties each year. That completely changed the job and the requirements for it, he said—and that is when he knew he wanted to stay in the property appraisal arena. "I just liked it," Hixon said. "I found it interesting and challenging."

So when he applied to serve as Shawnee County's appraiser in 1993, knowing the last two appraisers within the past year had vacated their terms under pressure, he thought he was up for the task. "I was 39 years old," Hixon said. "I was still game for a challenge." But his next four years would be rife with controversy. "As soon as you figured out where shots were coming from, they started coming from another direction," Hixon recalled.

There was the monumental task of appraising West Ridge Mall, which, at that time was valued at just \$26 million. After a "real bloody battle" before the Board of Tax Appeals, the board determined a fair value was \$52 million, Hixon said. The value later was settled down to \$42 million.

And from the start, Hixon was tasked with reappraising the entire county, after four years of stagnate property values and no values on any new construction. Armed with a sizeable budget and a staff of 50, Hixon and his team were able to appraise some 70,000 properties in two years. "We had just done something we all knew was pretty miraculous in a short amount of

time, to reappraise a county of this size and catch up on new construction," he said.

However, the new values "caused quite a lot of controversy," he said. "People didn't realize values had been stagnate for four years," Hixon said. "Then, a new valuation notice comes out, and it showed 25 percent higher than year before. They thought we raised their value 25 percent in one year. Well, we didn't."

So, at the end of his first term and with two new Shawnee County commissioners, Hixon was passed over for reappointment. The commissioners instead appointed Carl Blume, and Hixon went to work as the appraiser for Lyon County. He then worked for R&S Digital Services, a Topeka company that works with Geographical Information Systems.

But by 1997, between the long drive and multiple nights spent as a traveling salesman, Hixon was ready for a change. Shawnee County's appraiser was again up for appointment. Hixon was told to apply. He did, he said, because he missed it, and because he thought he could do a good job if given a clear shot. Commissioners Vic Miller, Ted Ensley and Marice Kane in April 2001 unanimously approved Hixon's four-year appointment. He since has been appointed to three more four-year terms.

#### Second chance

Although Hixon's early years with the county were clouded by challenges, his time in office since May 2001 has been a radically different experience.

The appraiser's online, searchable database went live that year, bringing an unprecedented amount of transparency and service to taxpayers and users. Listings now feature comparable sales, so residents can get a view into how their property values were set.

The office has gone from a staff

of 50 to a high-powered appraisal machine of 22 quality professionals, many of whom have been with Hixon for several years. In fact, Hixon said, assembling and keeping this “team of heavy hitters” is his biggest accomplishment. That staff couldn’t be more proud to have worked for him.

“He always has our backs and looked out for us. Almost like a protector or father figure if you will,” said Tanya Biswell, who works in Hixon’s office and has known him for about 21 years. “When you have known someone as long as we have, it creates this bond: A stable workplace. You always knew what he expected from you and you did not want to disappoint him. You always wanted to go the extra mile for him.”

Another positive change under Hixon: Every year, the county puts forth accurate, dependable values, primarily thanks to an automated process that relies on computer analysis, rather than sending employees out to value 60,000 properties each year. These values are used to set property tax levels to ensure balanced budgets throughout the county.

And there is the other set of numbers Hixon keeps close on hand: His budget trend. Unlike most departments, which expect to see a slight increase each year, Hixon’s has trended down about 1 percent each year in the past 14 years—a fact he also shares with a grin.

Another difference, and cause for another grin, is that this time, Hixon is leaving in good standing, on his own terms. While he leaves behind a number of dedicated employees—some of whom have become dear friends—he takes with him good memories and the knowledge that he has done right by Shawnee County. “I’m so thankful to have had such a wonderful job for so much of my life,” Hixon said. “I’m pretty sure I made a difference here and am leaving this county a little better than I found it.”

**KCAA Editor’s Note:** One clarification to the above story. Mark will start in Cherokee County sometime after March 2, 2015, but will not become the county appraiser until July 1, 2015.

## More County Appraiser Comings and Goings



Kim Lauffer

**Lauffer finishes term as IAAO President.** Are you tired yet Kim? Life can be difficult enough and then you become the President of IAAO. This is a very time-intensive volunteer commitment

to a professional organization. It all starts with three years on the Executive Board, then moving up the ladder from President-Elect, Vice-President, President and then closing out as the Past-President. Not only must the President represent the association throughout the country, but the position also requires some overseas travel. And she still has a jurisdiction to manage!

Life will soon slow down some for Kim. Completion of her term will give her some time for relaxation, and she has also announced that she will

leave her jurisdiction as the county appraiser on July 1, 2015. Future plans: Hopefully remain in the assessment business in a jurisdiction closer to the Lawrence, Kansas, area to be closer to her daughter and her family—and to her and husband Kevin’s beloved Jayhawk basketball! (*Reprinted from the TEAM Consulting LLC newsletter.*)

### Additional Changes

Some additional changes in county appraiser positions over the last several months include:

Jeremy McCully – Clark County  
 Mark Low – Comanche County  
 Letisha Esquibel – Kearny County  
 Randy Sangster – Scott County  
 Angie Wright – Montgomery County  
 Brad Wright – Reno County

## Advice for the New Republican Legislative Majorities

By David Brunori, [www.taxanalysts.com](http://www.taxanalysts.com), Dec. 3, 2014  
 Submitted by Greg McHenry, RES, RMA, Riley County

Republicans now control 69 of the 99 legislative chambers in the states. It may be the greatest Republican dominance since Reconstruction. Democrats control both houses in only seven states. Republicans managed to capture 11 chambers in this past election, including several in decidedly blue states.

I have some advice for the tax leadership in the new Republican majorities. The advice is consistent with both their conservative philosophical leanings and sound tax policy. I have offered this advice before. But given the election results, it bears repeating.

First, no matter your views on the size and role of government, citizens want a certain level of public services. No amount of bluster and hyperbole about government being the problem will change that. Citizens will demand and receive services, whether they are roads, schools, or police officers. The new GOP majorities should embrace that fact. But in doing so, they should demand that citizens pay for

**First, no matter your views on the size and role of government, citizens want a certain level of public services.**

those services with real, broad-based taxes. Conservatives have too often proclaimed their opposition to taxes. But they let the government grow by acquiescing to gambling, excise taxes, and other gimmicks. If you are going to have government—and we will—then pay for it. Don’t pledge never to raise taxes and then foist the costs of government onto a small subset of people who are usually poor, addicted, or unaware. Besides, if we as a people were actually paying for government with real taxes, we might want a little less.

Second, conservatives should recognize that good tax policy is consistent with their belief system. Republicans should become the party of virtue, courage, and honesty when it comes to taxes. They should fight crony capital-

**continued on page 19**

Kansas Orion Conference

# New & Upcoming Functionality in Orion

By Kenton Lyon, RMA, Russell County

At the recent Kansas Orion User's Conference in Olathe, Alan Collins, solutions architect with Tyler Technologies, provided an update. Apparently, he and his team have been busy for some time. The 2014.33 version that replaces the current 2014.17 version currently in use, contains more than two dozen improvements. And that version is currently in testing with KDOR County by PVD prior to being released to us in the very near future.

## Version 2014.33 highlights include:

### 1. GIS Enhancements

- A new GIS panel will be moved to the expandable header from its current location on the Summary Tab under "map." Mapping will have its own tab on the header.
- For those folks utilizing dual monitors for working with Appraisal & GIS data (Ag review springs to mind), a property chosen on either monitor will move both screens to the property selected. This eliminates the need to independently move each screen to the desired property.
- When viewing a property on the map, a simple "right click" will populate list manager so that the property could be added to the select properties, eliminating the need to go all the way back to the home screen and into list manager.
- Pictometry Connects will utilize Internet servers to host the stored imagery so we won't be storing large pictometry files locally. This frees up storage space.
- And finally there will be a new, more user-friendly Pictometry control box with tools that are more universal in nature and thus more familiar to the user.

### 2. CAMA Calculations

- Batch calculation job times are dramatically improved. Conservatively, most users should experience at least a one-third reduction in processing time. A full-file batch calc job was run for Saline County in the test environment resulting in a 40-minute job from what has been taking 2.5 hours.

### 3. Comp Sales / Sales History

- The comparable sheet has been modified to be more easily formatted for individual county use. Specifically, it will now be possible to create your own comp sheet from a saved copy of the existing one, without the necessity to start over from scratch for each desired modification.

- User selected comparable sales will be available by viewing the entire sales extract and selecting the desired sales from the sales extract list.

- It will also be possible to update individual fields within Sales History. So, you find an error on an extracted parcel, just make the correction to that property and resume your work.

### 4. CAMA Editor ( Appraisal Tab )

- Finally, the user will be able to either expand or collapse only the portion of the CAMA tree desired.

- A date/time stamp for the last calculation performed on a property is visible just below the orange Calculate Property Value button. This feature is currently in use.

- Also each Item Page will have a date/time stamp for the last generation of the tax year. No user is shown, but the date time will exist.

- A user tool has been created to define custom built fields. Simply hover on the custom field and a tool tip box will pop up displaying the existing tool tip or allowing the user to create their own at the top of the list. It's a step in customizable page design.

- The core logic was completely rewritten for Mass Item Page Imports. This was done to dramatically improve processing time. This has been a time-consuming process. Again in the test environment, an import that involved 104,412 parcels was done in about 12 minutes.

### 5. Core Product Updates (everything else)

- Audit Tracking was completely rewritten. This was done to create a viable tool to accurately track changes made to either the appraisal or assessment variables with an accurate date/time and user ID.

- A print button has been created on the Assessment Tab by the Calculate Values Button that will print the Assessment Tab as we view it.

- User/Roles Report—A report has been created that will print out a listing of all users with their respective roles. Or it will print out the roles with their respective users.

- Code Search Dialogue—It will be possible to search within Orion by one of three means:

(1) Contains \*search\* with "search" being the desired result.

(2) Begins with = \*se to obtain all results including search that begin with se.

(3) Ends with \*rch to obtain all results including search that end with rch.



**New & Upcoming, cont.**

Additionally a couple of items are being developed that will be delivered with the next patch, as they rely on other software upgrades that are not quite ready for release with this patch.

1. Apex 6 is coming out and is currently in Beta Testing. Anticipated delivery is in 2015. Orion will load version 6 seamlessly and with no anticipated problems. Current users of Apex 5 can request an upgrade to Version 6 free of charge.
2. Marshall & Swift MVP will be delivered within the next year to 18 months.

Kansas Orion Conference

**It's All Mapped Out**

At the recent Kansas Orion Conference, Tyler staff demonstrated the current features of the Map Viewer and the new features we received in the latest patch. Throughout the presentation there were several remarks of "That's Cool!", "I Want That!", and "I didn't know it did that."

With the latest patch, the Map Tool in Orion is accessible three ways. The Summary Tab has a Map option in the Images section. The Expandable Header now features a globe that can be used to access the Map from any Tab. A map can also be accessed by selecting the GIS Map option in the Property Section of the Navigation Bar. Each of these options will open your county map in the Map Viewer.

While in a parcel, selecting either of the first two above options will open your county map and zoom to and outline that parcel. If you use the third option, a county-wide map will open.



There are many changes outside the scope of this article, but users can expect that CAMA Batch Calc jobs will run even faster with MVP than with the current Marshall & Swift black box. Tyler is currently testing MVP so that when implemented it too will run smoothly.

None of these enhancements cost Kansas users a dime. All of these were done by Tyler to improve their product not just for us, but for other jurisdictions as well. It's nice to know that we benefit from development of the Orion product not just based on our own specifically funded requests, but also share in the general overall improvement of the product.

By Lisa Ree, RMA, Ellis County

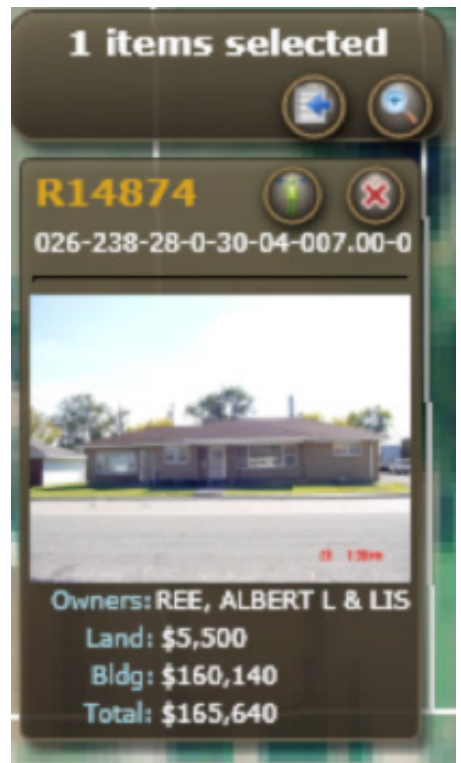
When a parcel is selected on the map, a window with basic parcel information appears. Shown are the Quick Ref ID, Parcel ID, Owner name, and Cost Values. If available, a picture of the property is also displayed. Other options available with this window are features to Zoom to Selections, Export to List Manager and access to Google Street View. By selecting the Quick Ref ID, you are taken to that parcel's Orion record. Exiting that record takes you back to the map. If you select the Parcel ID, another window opens and the Quick Ref ID, Parcel ID, Owner Name, and values are again displayed as well as primary photo and sketch, if available. Legal Description is included here also. A section is available to display any other data that your GIS department includes.

The latest patch included an Undock button on the Map Viewer. This button will "undock" the Map Viewer from Orion and become its own window. While in the undock mode, when selecting any parcel on the map, the parcel data window is updated. When selecting the updated Quick Ref, the Orion screen is also updated.

The Tool Box offers additional features. Besides using a mouse wheel to zoom in and out, the Pan feature allows you to move the map any direction in

**All Mapped Out, cont.**

the viewer. The Select Map Features allows you to select a single parcel or multiple parcels. Multiple parcels can be selected in two ways: using the select tool to include adjoining parcels or using the select tool and the control button to select non-adjoining parcels.



The Selection Tool window also allows you to individually Replace, Append or Remove selections.

The Find A Property (binocular) button works just like the Find A Property option on the Navigation bar, except in the Map Viewer the parcel will be highlighted. The layers button will show what layers your GIS department has included in the map with the ability to set the order of the layers. Also available is a measuring tool which allows you to measure area, distance and radius.

The Bookmarks tools allow you to save a map location; however, any parcels selected is not retained. A Print Map feature is also available.

**continued on next page**

**All Mapped Out, cont.**

List Manager option is also available. By selecting one or more parcels on the Map Viewer, you have the option to Export those Quick Ref IDs into List Manager. No query is necessary, and the list is saved automatically in List Manager. Also available is the option to import a list into the Map Viewer.

With the latest patch, the Perform Action Query that is available in List Manager is now available in the Map Viewer with a right-mouse click, whether selecting a single parcel or multiple parcels. The latest patch allows use of Pictometry Connect, with counties able to access any historical Pictometry images available.

The Comp Sales Tab also utilizes the Map feature. When selecting the Map Comps button on the Comp Sales tab, the Map Viewer opens with the subject and comparable highlighted and labeled. A data window for the subject and comparable is also shown. This could be a handy tool for an Appeal Packet.

As for the technical aspects of making the Map Viewer available, my basic knowledge is that the Map Viewer uses ArcGIS; most counties use DASC to host their map, and DASC provides a URL, and ESRI public layers can be imported to a county map.



*"That's Cool!"*

*"I didn't know it did that."*

*"I Want That!"*

Kansas Orion Conference

## Geo Referencing Sketches: A Johnson County Perspective

By Kevin Skridulis, Johnson County

By giving appraisers an accurate square footage and a visual representation of an improvement, the sketch has become an important appraisal tool. However, by going a step further and converting the sketch into a GIS mapping layer, we can not only ascertain the accuracy of our sketches, but further leverage the capabilities of GIS in the appraisal process.

This process of placing a sketch into the mapping layer, or Geo Referencing, involves:

1. Converting the sketch to a GIS format—usually a shape file.
2. Cleaning up dimensions, interior lines, and text to create a “clean” building outline.
3. Utilizing a batch process to move the new building outline to the centroid of its corresponding parcel.
4. Then rotating and placing the outline on the aerial image of the building. (See Figure 1 on next page.)

One of the main reasons we do Geo Referencing in Johnson County is to quality-check our work. It is hard to identify errors by simply looking at a sketch. But once the sketch-derived building outline is placed on the aerial imagery, many errors (for example, incorrect dimensions) become apparent (See Figure 2 on next page).

While someday we would like to do our own in-house Geo Referencing, we currently send our sketches to a vendor to be processed. Besides being better able to handle the volume of sketches that needs to be worked, the vendor also identifies potential problems by assigning a Match, Major, or Minor code for each outline. Database and review software are also provided which allows us to query the above codes and zoom to the parcels with a Major/Minor issue. Appraisers can then review the building outlines that have not been identified as

a Match and determine what changes need to be made to the sketch.

Besides the Major/Minor codes, we have used the Geo Referencing process to identify other specific problems with our sketches. For example, we have worked with our vendor on additional codes to identify some known issues with the second-story and deck/patio components of our sketches.

A further bonus in reviewing sketch errors in the office is that it allows us to cut down on field work. Parcels reviewed using the vendor’s software can be counted toward our digital maintenance/17% review process.

During the correction process, it is important to note that the sketch and GIS Building outline are two separate files. So once a change is made to a sketch, either based on internal reasons or on errors identified by the vendor, the Geo Referencing process must be completed again to see the changes in the GIS layer. Since we rely on a vendor, this means we have to periodically send out another batch of sketches, after new and corrected files have accumulated, to keep our Building GIS layer updated.

Once we have sketched all our buildings and used the Geo Referencing process to validate the accuracy of our sketches, we will then have a countywide GIS layer of building outlines (See Figure 3 on next page.)

The Fig. 3 screen shot looks very much like a GIS building planimetric layer, the key difference being that the planimetric layer is captured from the roof outline of the most current aerial. Since the sketch outline is derived from plans/field measurements, we now have the ability capture new buildings in our GIS layer before receiving a new round of aerial imagery for the planimetric process. Of course, to position a building outline that is not yet present on our current aerials, we will need a good set of field collections tools, such as GPS and tablets, to position the sketch in the proper location

*One of the main reasons we do Geo Referencing in Johnson County is to quality-check our work.*

**Geo Referencing, cont.**

on the parcel.

While the ability to correctly position new buildings is good for our GIS Building layer, we will still need new aerial images to quality-check our sketches. Once we do receive our updated aerials, we can check the accuracy of our new sketches and also review the older sketches. Using a simple “stare and compare” form of change detection, we can verify that our old sketch outlines still match the image of the structure on the new aerial images. This will allow us to identify new additions or demolitions of existing structures. And again, this allows us to fulfill some of our requirements for the digital maintenance /17% review process, thereby reducing our field work.

With this sketch-based building map layer, our county no longer has to be parcel centric when mapping building characteristics. Previously, if we wanted to map building information (such as year built, grade, and cdu) and we had more than one building on a parcel, we could only symbolize that data for one of the buildings at the parcel polygon level. However, since the sketch comes from the building component page in Orion, we can — on creation of our GIS building outline— assign the page ID for that building in the Building GIS layer. We can then link the Orion building component information back to the specific building footprint in the mapping layer. This not only allows us to map the characteristics but also do spatial queries such as locating buildings for the Fire Department that have more than ten stories.

In summation, the ability to Geo Reference our sketches has led to better sketch accuracy, as well as leaving us better positioned to improve our mapping, querying, and maintenance of our building information.

**Figure 1**



**Figure 2**



**Figure 3**



# From Rails to Trails

By Diana Carter, RMA, McPherson County

All across the state, there are trails made from rail-banked railroad rights-of-way to be used for recreational purposes. The issue recently was brought to my attention when an affected taxpayer came to ask of my handling of this issue. I decided to ask for guidance from PVD.

## Some background on this issue.

McPherson County listed all of the rail-banked property in the name of the Central Kansas Conservancy, Inc. (hereinafter named the trail group) in 2000. They appealed to BOTA and in an order in 2002. In Docket Nos. 2002-7998-PR through 2002-5001-PR and 2003-1201-PR (which included a myriad of appeals from affected taxpayers), BOTA ruled that the trail group should not be responsible for the taxes. Therefore, it was decided by the county counselor that the rail-banked property should be taxed to the adjoining landowner. In 2004 this is what was done in McPherson County.

There was and still is strong opposition to the use of these trails in this county, with some landowners having no intention of letting anyone pass through on a leisurely stroll or bike ride. In fact, parts of the trail have steel guards placed across and debris scattered to keep people off. So you can see, the trails are a contentious issue in the county.

I frequently have taxpayers and opposing trail advocates come in to question how I will value or not value the property. Will I follow this COTA/BOTA order or that one? Tax the landowner or the trail group? Or leave things the way they are? I have to admit, when they come in on this issue, I start to sweat a little bit.

I contacted Bill Waters with PVD for guidance. He told me that the Marshall County case was an individual case, but he would discuss with others at PVD and get back to me. I received a letter from PVD dated September 16, 2014, stating, "Rail Banked Railroad Right of Way converted to trail use

is beyond the scope of K.S.A 79-505 authorizing PVD to appraise the property." Therefore it was decided by PVD, using case law and other sources, that "[c]ounty appraisers should not value such property." So, PVD is not going to value the property and it is advised that the county appraiser not value the property either.

In an order referenced by PVD, Docket Nos. 2010-1020-PR and 2010-1025-PR, the court ruled that: (1) the trail operators are not subject to taxation on railroad right-of-way rail-banked and converted to trail use pursuant to federal law; and (2) the servient estate owners (i.e. the adjoining landowners) are not subject to taxation on such trails. This is the order brought to me by a taxpayer to show that the railroad should be paying on the land for the rails to trails, not the trail group or the adjoining landowner.

In McPherson County we removed the rail-banked land from the adjoining landowners in 2014 as advised by PVD and treated it as right of way with no value. For now, the rail-banked property in McPherson County will have no value and no one is responsible for taxation.

You would think this would make my taxpayers happy, as they are no longer burdened with the tax for the rail-banked property. But they read further into the order from Marshall County and determined that someone should be paying on this land. The 2010 COTA

order mentioned above goes on to say:

*that the responsibility of appraising property, as we know, is left to the county appraisers [and PVD]. K.S.A 79-5a01 defines the term "public utility" to include railroads...as used in this act, the terms "public utility" or "public utilities" means every individual, company, corporation, association of persons...that...now or hereafter are in control, manage or operate a business of... [a] railroad or railroad corporation if such railroad or railroad corp. owns or holds...an interest in right of way, track, franchise, roadbed, or trackage in this state.... "Union Pacific (the railroad in this case), therefore qualifies as a public utility under K.S.A 79.5a01.*

Therefore, my taxpayers believe that rail-banked property is still in the ownership as a right of way and should be valued as market railroad property by PVD as a state utility in agreement with this order.

I am not sure where this issue will go in the future, whether the land will remain as non-valued land listed as right of way by the county, if the state will determine that this should be valued as a public utility, or if it will forever remain a mystery. Regardless, for the time being, there will be no tax bill on the rails to trails in McPherson County.



## Always Something to Learn

A deed with “river” or “railroad” in it spells trouble ahead

By Janet Duever, RMA, Marshall County Appraiser and Laura Johnson-McNish, Marshall County Attorney/Counselor

We have learned that if a deed has the words “river” or “railroad” in it, that spells trouble ahead. That was the case when Union Pacific Railroad deeded their rail-banked “easement” in Marshall County to the Nebraska Trails Foundation in 2002 and 2005, and the trail was valued to and taxes paid by the trail group.

Then BOTA ruled in the *KANZA Trail* case, Docket No. 2005-498-PR *et al.*, that the trail group was not responsible for taxes on the easement; but rather, the underlying property owner was responsible for the entire fee simple value. In an effort to comply with *KANZA*, the trail was then included and valued as waste to the underlying landowner.

After the initial payment under protest hearing, the land was classed as vacant with zero value, giving consideration to all the factors in K.S.A. 79-503a. The landowners explained how they had no use of the surface of the land due to government regulation, and the land’s use as a public trail caused a hardship on the underlying landowners due to trash, vandalism and thefts.

Two of the landowners were still unhappy with this outcome and appealed \$0 in taxes to BOTA —Docket Nos. 2010-1020-PR and 2010-1025-PR. The two landowners basically sought to have the Trails organization taxed, and their value substantially increased. Initially, BOTA raised the value but refused to tax the Trails organization (which was not a party to the case). The taxpayers then asked for reconsideration. Over several years of hearings at BOTA/COTA over who is responsible for the taxes and the value of it, the final decision from COTA took the valuation of the land out of the hands of the county, and seemingly considered it state-assessed.

COUNTY	2014 ASSESSED VALUE	2013 ASSESSED VALUE	2012 ASSESSED VALUE	2011 ASSESSED VALUE	2010 ASSESSED VALUE	2009 ASSESSED VALUE
ALLEN	150,886	241,165	226,766	316,284	162,524	138,017
ANDERSON	3,495,677	6,074,881	5,644,117	7,349,858	10,559,982	7,584,976
CHAUTAUQUA	57,807	77,843	73,282	49,927	65,835	42,130
ELK	1,170,825	1,581,302	1,473,946	1,016,788	1,415,487	1,919,083
JEFFERSON	243,963	464,008	435,552	711,887	796,177	611,611
KINGMAN	3,878,139	5,762,192	6,123,055	5,539,520	8,499,530	8,026,883
LEAVENWORTH	218,492	419,745	394,075	647,542	732,382	660,598
MEADE	11,424,937	15,324,829	14,675,803	18,272,362	22,853,659	16,448,819
MONTGOMERY	3,232,261	4,365,372	4,070,604	2,801,971	3,606,487	2,302,609
MORTON	2,757,747	3,899,296	3,349,196	3,081,468	5,385,421	4,734,858
PRATT	8,223,286	12,218,274	12,983,192	11,746,180	18,022,564	17,026,380
RICE	5,493,441	8,250,385	8,126,587	8,173,774	12,365,698	10,031,473
WILSON	None	285,262	None	None	None	None
WOODSON	51,928	70,207	96,689	98,345	131,688	87,957
<b>TOTAL</b>	<b>48,309,388</b>	<b>58,234,760</b>	<b>57,632,872</b>	<b>59,804,858</b>	<b>84,599,324</b>	<b>69,593,604</b>

The table above provides a history of assessed value for stored gas in Kansas by county.

## Stored Gas Round 2

By William Waters and Kevin Suelter – Property Valuation Division

In 2009, the Kansas Legislature amended K.S.A. 79-5a01 to redefine public utilities to include companies owning natural gas inventories stored for resale in underground formations in Kansas. The bill was approved by the Governor on April 17, 2009, and applied to all taxable years commencing after December 31, 2008. L. 2009, ch. 98, § 5.

After such companies were assessed by the director of property valuation, most filed applications for exemption from property taxation with the Court of Tax Appeals, claiming such stored natural gas was exempt inventory. Public utility inventory is taxable in Kansas; thus, for the state to prevail it was necessary to establish that such companies were public utilities. On January 11, 2011, the Court of Tax Appeals held that such companies were public utilities and denied their claims for exemption from property taxation. The Court of Tax Appeals denied the companies’ petition for reconsideration on February 17, 2011.

The companies appealed the Court of Appeals’ decision to the Kansas Court of Appeals, and the parties requested the case be transferred to the Kansas Supreme Court. On December 6, 2013, the Kansas Supreme Court held that non-resident local distribution companies were public utilities and therefore taxable on their natural

gas inventories stored in underground formations in Kansas. However, the Kansas Supreme Court held that non-resident municipalities, brokers and marketers storing natural gas in Kansas were not public utilities and therefore exempt from property taxation.

Finally, the companies petitioned the United States Supreme Court to review and reverse the decision of the Kansas Supreme Court. On October 6, 2014, the United States Supreme Court denied the request and declined to review the decision of the Kansas Supreme Court, thus ending litigation on the issue of exemption. It should be noted that valuation cases are pending at the Board of Tax Appeals for tax years 2010 to 2014, inclusive.

The following are some points of interest concerning stored gas in Kansas:

- There are 19 storage fields in Kansas; however, not all are currently being used for storage.
- The active storage fields are located in 13 counties.
- In 2013 there were 122 stored gas companies, and after the Kansas Supreme Court decision, there were only 29 stored gas companies in 2014.

## The Truth About Personal Internet Use in the Workplace and 5 Simple Ways to Protect Your Company

Internet access is one of the most valuable tools that we have in the workplace. It allows companies and employees to remain connected, to research quickly, to find and transmit information seamlessly, and to stay on the cutting edge of our industries. But you need only to walk past a row of cubicles on a given day to see that Internet use is easy to abuse.

It's not uncommon to find employees checking personal email, looking at sports websites, downloading photos, watching live-streaming videos, or even cruising dating sites. While some of this might seem harmless, it's important to be aware of the potential implications of personal internet use in the workplace. It doesn't take much for one employee's breach to affect your entire company.

Here are a few risks associated with personal internet use that you might not be aware of:

**Bandwidth Costs:** Heavy graphics, video clips, and audio files are particularly notorious for clogging digital pipelines. If your staff is emailing photos of their family vacation to their friends, paying bills online, or downloading music, they are using up a huge amount of expensive bandwidth and slowing down your organization as a result.

**Legal Liability:** 70% of all Internet porn traffic occurs during the 9-to-5 workday (SexTracker), and 27% of Fortune 500 companies have been accused of sexual harassment stemming from inappropriate e-mail and Internet usage. The U.S. Supreme Court has ruled that companies can be held accountable for their employees forwarding offensive messages and viewing pornography.

**Loss of Productivity:** E-mail and the Internet offer a temptation that is hard to resist; that's why 73% of employees who use the Internet are fully aware that they are consuming valuable bandwidth and hampering critical business activities with inappropriate Internet usage



—but do it anyway.

**Viruses and Spyware:** Employees can accidentally (or intentionally!) download harmful viruses and spyware through music files, screen savers, and other online files.

### So what can you do to protect your organization?

The line between protecting your company and micromanaging your employees can seem razor thin when it comes to personal internet use. Internet access, after all, is necessary for research, staying informed on latest trends, and good communication. You can hardly revoke access entirely, nor do you want to.

So what are some manageable methods for protecting yourselves and your employees? Here are five simple things that you can do to mitigate internet abuses in your office:

#### 1. Communicate your expectations to your employees:

Decide ahead of time what you're comfortable with as far as personal internet use, and communicate those boundaries clearly to your employees. Write up an Internet Use Policy that spells out your expectations and explains, in detail, how you'll handle violations. If you don't already have a policy in place, consider involving your employees in the process. By alerting them to the risks posed by personal internet use and empowering them to solve the problem, you'll create an atmosphere of trust and collaboration rather than cultivating resentment and fear.

**2. Allow personal Internet use occasionally within a set of reasonable boundaries:** Employees tend to do best in atmospheres where they feel trusted rather than micromanaged. So, if possible, benchmark certain times of the day for personal internet use. Give employees freedom to check their email or networking sites during lunch or breaks. Remind them which sites are never okay to access at work and trust them to make smart decisions.

#### 3. Deal with violators quickly and personally:

Once you've established a good, solid Internet Use Policy and communicated it to your employees, you have to make sure to follow through on the consequences. If you notice that an employee is using the Internet inappropriately, make sure to speak with him or her personally and as quickly as possible. Reiterate your expectations and do what you can to help the violator adopt healthy practices.

#### 4. Set productivity goals and reward those who meet them:

Legalities aside, one of the top reasons to limit personal Internet time is its adverse effect on productivity. Productivity is also a great barometer of whether or not your employees are abusing their privileges. Set reasonable but challenging productivity goals and give your employees a reason to stay busy. They're much more likely to waste time online if they're bored and unchallenged in their work.

When your employees make great strides on a project or your bottom line is up, make sure to reward their hard work. Everyone wants to feel like they're part of the team, so make sure you recognize how significant each person is to the success of the company.

#### 5. Invest in Internet content filtering software:

For some companies, the best option is to install Internet content filtering software. This will block sites that are unquestionably harmful

**Personal Internet Use, cont.**

to your business. But it also generates reports and statistics about where your employees are spending their time. If you're consistently seeing Internet abuse in the workplace, having this information at hand will help you make solid decisions about which sites need to be banned and which are being used responsibly.

If you choose to go this route, make sure you inform your employees in advance so that they can take responsibility for their own actions. Be clear that this is not a way for you to "spy" on your employees but a way to protect everyone. Invite them to come to you with any questions they may have, as open communication is an essential component of a good work environment.

Don't let your company become a victim of inappropriate personal internet use. Set good, sustainable boundaries and practice clear communication.

Cultivate an attitude of respect toward the Internet and it will be your most valuable tool; fail to set those boundaries, and it could become your biggest liability.

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## KCAA Education

Below is the current list of education offerings provided by the KCAA. Register online and pay online (a new option!) at [www.kscAA.net](http://www.kscAA.net). The PVD course calendar is also available via a link from the education section of the KCAA website.

Course	Date	Location*	Instructor	Cost
<b>USPAP Update</b> tion)	March 24	Wichita	Barry Couch	\$125(Bring Publica- \$200(NeedPublication)
<b>USPAP</b>	June 1-3	Wichita	Barry Couch	\$230(BringPublication) \$305(NeedPublication)
<b>RMA Residential Review</b>	July 14-16	Topeka	Marion Johnson	\$300
<b>RMA Commercial Review</b>	Oct. 6-8	Topeka	Marion Johnson	\$300
<b>IAAO 101 Fund. of Real Property Appraisal</b>	April 20-24	Topeka	Rick Stuart	\$425
<b>IAAO 300 Fund. of Mass Appraisal</b>	June 22-26	Topeka	Marion Johnson	\$425
<b>IAAO 102 Income Approach to Valuation</b>	July 6-10	Topeka	Marion Johnson	\$425
<b>IAAO 402 Property Tax Policy</b>	Aug. 17-21	Manhattan	Rick Stuart	\$425
<b>IAAO 400 Assessment Admin.</b>	Aug. 31-Sept. 4	Topeka	Rick Stuart	\$425

**\*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

**Register Online**

**Printable Registration**

### Website Update: Now You Can Register & Pay Online!

The KCAA website ([www.kscAA.net](http://www.kscAA.net)) now offers the option to pay online when you register for education classes. If you wish to pay online when you register, choose the Register & Pay Online option shown on the menu. The option is also available when you access the Education tab. You can pay by credit card or PayPal.



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### ORION ENHANCEMENT

Chris Morlan - Chair, Sedgwick  
Kenton Lyon, Russell  
Barry Porter, Republic  
Greg McHenry, Riley  
Janet Duever, Marshall  
Jim Lampe, Atchison  
Clint Anderson, Reno  
Greg Wellbrock, Landmark Appraisal  
Phillip Dudley, Franklin  
Allen Todd, Riley

### PROFESSIONAL DESIGNATIONS

Mike Borchard, Chair, Sedgwick  
Kim Lauffer, Cherokee  
Debra Studebaker, Butler  
Chuck Latham, Osborne  
Melinda Latham, Mitchell

### PUBLIC RELATIONS

Gary Stapp - Chair, Lyon  
Dianna Carter, McPherson  
Tom Scott, Greeley  
Chris Gibson, Dickinson  
Greg Wellbrock, Grant

### RATIO

Jerry Denney - Chair, Gray  
Truette McQueen, Ottawa  
Judy Wallis, Bourbon  
Barry Porter, Republic

### STRUCTURES/ETHICS

Lois Schlegel - Chair, Pottawatomie  
Maria Castillo, Finney  
Kathy Hansen, Smith  
Barb Konrade-Steirlen, Barton  
Janet Duever, Marshall

### SUBSIDIZED HOUSING

Brad Eldridge-Chair, Douglas  
Kenton Lyon, Russell  
Sheila Schauff, Riley  
Stephanie O'Dell, Miami  
Mike Dallman, PVD  
Bob Kent, PVD  
Allan Black, Sedgwick  
Kevin Bradshaw, Wyandotte

### PERSONAL PROPERTY

Barb Esfeld, Chair, Barton  
Patti Isreal, Ford  
Debby Butler, Butler  
Georgianna Rail, Montgomery  
Dianna Carter, McPherson  
Lisa Reeder, Lane  
Cathy Willard, Riley  
Kathy Briney-Wagner, Barton  
Kelly Deslauriers, Rush





## Real Estate Notes of Interest

By Rick Stuart, CAE

■ *www.realtytimes.com*, Sept. 11, 2014. “The National Association of Home Builders’ Remodeling Marketing Index (RMI) for Q2 2014 has a composite score of 56, up three points from Q1. A reading over 50 indicates that more homeowners and remodeling firms are reporting renovation activity versus inactivity. Large jobs costing over \$25,000 scored a 54. The RMI has now been above the 50-point mark since April of 2013.”

Three remodeling projects have the highest ROI (Return on Investment). They are: Windows 72% of cost, kitchen and bathroom at 72% – 77%, and entry door at almost 100%.

■ *www.rcnanalytics.com*, Aug. 6, 2014. “Cap rates fell to 4.4% in H2’14, a percentage that equaled the historic low established in H2’06, RCA reported in US Capital Trends—Apartment 2014 Mid-Year Review. Yields for mid/high-rise properties reached 3.9%, surpassing 2013 lows. Overall, cap rates for garden and mid/high-rise properties were below 6.5% and 5%, respectively.” **Editor’s Note:** For any of you that value apartments, you should read this short article. This is a repeat of the cap rates in about 2003 – 2004, before the economy crashed. <http://bit.ly/1wGYW61>

■ Adam DeSanctis, *www.realtor.org*, Sept. 22, 2014. Total existing-home sales, which are completed transactions that include single-family homes, townhomes, condominiums

and co-ops, decreased 1.8 percent to a seasonally adjusted annual rate of 5.05 million in August from a slight downwardly revised 5.14 million in July. Sales are at the second-highest pace of 2014, but remain 5.3 percent below the 5.33 million-unit level from last August, which was also the second-highest sales level of 2013. <http://bit.ly/1shEc3N>

■ *www.realtormag.com*, *realtor.org*, Sept. 25, 2014. Sales of new single-family homes soared 18 percent in August, as greater confidence in the recovery swept across the housing industry, despite news that homebuilding tumbled 14 percent and existing-home sales fell 1.8 percent in the same month. <http://bit.ly/YhUvQf>

■ *www.hotelnews.com*, Oct. 2, 2014. “The U.S. hotel industry recorded positive results in the three key performance measurements during the week of 21-27 September 2014, according to data from STR. In year-over-year measurements, the industry’s occupancy rose 1.2 percent to 68.6 percent. Average daily rate increased 1.5 percent to finish the week at US\$117.15. Revenue per available room for the week was up 2.7 percent to finish at US\$80.37.” <http://bit.ly/1sQXdKT>

■ Robbie Whelan, *The Wall Street Journal*, Oct. 3, 2014. “Rental rates at malls and strip centers ticked up slightly in the third quarter, but vacancy rates remained flat as the slow recovery in retail real estate continued to plod along.”

■ *Wsj.com*, Oct. 2, 2014. “It’s a strange time for houses to get bigger. The housing bust was followed by sharp criticisms of excesses such as

McMansions and started a movement toward tiny houses. Combined with America’s aging, “empty nester” population, increasing environmental concerns and smaller household sizes, you might think the U.S. would want to build smaller houses. We haven’t.” <http://on.wsj.com/1yAnek2>

■ Susan Johnston, *www.moneyusa.com*, Sept. 30, 2014. **Editor’s Note:** This is an article that I have never seen information on and may affect a large number of us. Aside from adding a handicap-accessible ramp for grandma’s walker or soundproofing the basement for a teen’s late-night jam sessions, multigenerational households need to consider the insurance implications of this living arrangement.

“The first call you should make when grandma moves in with you would be to your insurance professional,” says Loretta Worters, spokeswoman of the Insurance Information Institute, an industry organization that provides insurance information to the public. “Any life change should be discussed with your insurer to make sure you are financially protected.” <http://bit.ly/1xeZmhp>

■ Robbie Whelan, *www.wsj.com*, Oct. 2, 2014. “Rental rates increased 2% during the third quarter to an average of \$1,111 a month nationwide, according to Reis Inc. Rent is accelerating despite an uptick in construction of new dwellings.”

■ *www.corelogic.com*, Oct. 7, 2014. Today, CoreLogic reported that August 2014 national home prices increased by 6.4 percent year over year, and by 0.3 percent month over month. This marks the 30th consecutive month of year-over-year increases in the CoreLogic Home Price Index (HPI). The states that reached new highs in home prices in August 2014 were Alaska, Colorado, District of Columbia, Iowa, Louisiana, Nebraska, North Dakota, Oklahoma, Texas, and Wyoming. <http://bit.ly/10QRKac>



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**REAL ESTATE NOTES, continued**

■ Meghan Keneally, [www.gma.yahoo.com](http://www.gma.yahoo.com), Oct. 9, 2014. “One homeowner is resorting to bartering for the latest iPhone as a tactic to sell a beleaguered property in Detroit. The owner has dropped the asking price on a three-bedroom home in east Detroit from \$5,000 to a new iPhone 6 as the owner is desperate to sell ahead of the area’s tax auction season where “thousands” of homes near foreclosure will flood the market, real estate broker Larry Else told ABC News.” **Editor’s Note:** You really should read this entire article. <http://abcn.ws/1CY30iV>

■ Charlene Jones, [www.usatoday.com](http://www.usatoday.com), Oct. 13, 2014. “Extended-stay hotels, which offer a kitchen in each room and where guests usually stay for at least five nights, had an average occupancy rate of 76.9% from January to August with traditional hotels at 66% occupancy. Extended-stay new construction is up 42.3% over the previous year.”

■ [www.myappraisalinstitute.com](http://www.myappraisalinstitute.com), Oct. 15, 2014. “Home prices, including distressed sales, increased 6.4 percent in August compared to the same point last year and were up 0.3 percent from July, analytics firm CoreLogic reported Oct. 7 in its Home Price Index. August was the 30th consecutive month showing year-over-year home price gains. When distressed sales are excluded, prices rose 5.9 percent compared to the same point last year. Overall, prices remain 12.1 percent below their April 2006 peak.

When distressed sales are excluded, prices are 8.6 percent below the peak. CoreLogic reported that sales are up in every state. Michigan’s prices raised the most, jumping 11.1 percent since August 2013. California took second place with a 9.2 percent increase. If distressed sales are excluded every state, save Mississippi, still saw year-over-year increases, with Massachusetts and Maine showing the largest increases, at 9.4 percent and 9.3 percent, respectively.” <http://bit.ly/1rvtwaZ>

■ Randyl Drummer, [www.costar.com](http://www.costar.com), Oct. 8, 2014. U.S. office construction has reached its highest level since 2008 as developers break ground on new projects in a growing number of markets where job growth, rising rents and falling vacancies are finally justifying new development. <http://bit.ly/1xYfLao>

■ Joe Light, *The Wall Street Journal*, Oct. 15, 2014. In Nevada, like 20 other states, the Homeowners Association (HOAs) is allowed to place a lien on a property when the HOA fees become delinquent. A judge in Nevada has taken this to a new level. “The result, according to a recent state court decision, is that homes can be put up for auction by HOAs—without the blessing of the mortgage lender—and sold, extinguishing the first mortgage and allowing the investor to get title to the home. Such sales often are for an amount equal to or slightly above the HOA dues in arrears.” **Editor’s Note:** Anyone want to bet about this being overturned?

■ Bill Grice, *Mortgage Observer*, Oct. 7, 2014. “Select-service hotels—once mainly the focus of small, regional owners and operators—have become

a target for some of the largest REITs and private equity firms and a growing sweet spot for lenders, according to a report from JLL provided exclusively to Mortgage Observer. These are hotel brands such as Hilton Garden Inn, Courtyard by Marriott and Hyatt Place.” <http://bit.ly/1t3ojhl>

■ *USA Today*, Oct. 22, 2014. According to the U.S. Census Bureau, the size of new homes is at an all-time high.  
— 2007: 2,521 SF  
— 2010: 2,392 SF  
— 2013: 2,598 SF

■ Doug Carroll, *USA Today*, Oct. 22, 2014. “Existing home sales last month were the strongest this year, but remained below year-earlier levels for the 11th straight month, according to the National Association of Realtors.”

**Editor’s Note:** Although there’s considerable time between the following two articles, they really go together and should make us all anxious.

■ Andrew Acherman and Alan Zibel, *The Wall Street Journal*, Oct. 23, 2014. “The Federal Reserve, Securities and Exchange Commission and



■ Jennifer Goodman, [www.builderonline.com](http://www.builderonline.com), Oct. 23, 2014. A new game-changing system, recently recognized for its energy-efficient composite approach to basement construction, soon could change how American builders construct foundations. Epitome composite foundation walls from Composite Panel Systems (CPS) provide a highly insulated, fire-resistant alternative to poured-concrete foundation walls. <http://bit.ly/1ypU03x>

Department of Housing and Urban Development approved new rules for mortgage backed securities. The rules are intended to improve the quality of loans by giving banks a financial incentive to ensure mortgages can be repaid.

The initial rules required that banks hold 5% of the risk of mortgages packaged and sold to investors or require a 20% borrower down payment. But regulators, concerned that overly stringent rules would harm the housing market's recovery, backtracked on the 20% down payment, with the requirement that a borrower's debt payments not exceed 43% of income." **Editor's Note:** No down payment and not to exceed 43% of income! Here we go again.

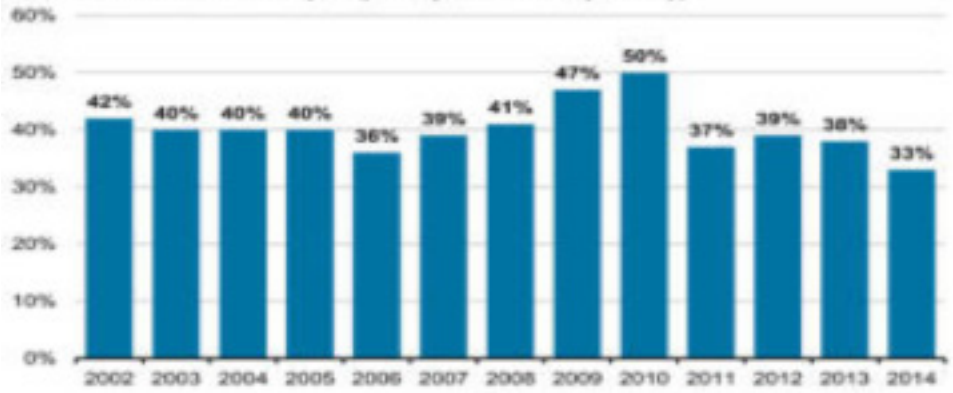
■ Annamaria Andriotis, *www.wsj.com*, Dec. 1, 2014. "Home appraisers are inflating the values of some properties they assess, often at the behest of loan officers and real-estate agents, in what industry executives say is a return to practices seen before the financial crisis. An estimated one in seven appraisals conducted from 2011 through early 2014 inflated home values by 20% or more, according to data provided to The Wall Street Journal by Digital Risk Analytics, a subsidiary of Digital Risk LLC. The mortgage-analysis and consulting firm based in Maitland, Fla., was hired by some of the 20 largest lenders to review their loan files." <http://on.wsj.com/1ybmYXT>

■ Nick Timiraos, *www.builderonline.com*, Nov. 4, 2014. Word from the National Association of Realtors that just 33% of primary residences sold this year were purchased by first-time buyers, down from 38% last year to the lowest level since 1987, the reported Monday. *See chart above.*

■ Kathleen Madigan, *The Wall Street Journal*, Dec. 31, 2014. "Yearly growth in home prices across the U.S. continued to moderate early in the fourth quarter, suggesting the housing market may be settling into a more sustainable recovery. Prices nationwide increased 4.6% in the year ended in October, according to the Standard & Poor's/

### Entry-Level Weakness

Share of first-time home buyers (primary residence buyers only)



Source: National Association of Realtors | WSJ.com

Case-Shiller home-price report."

■ *www.rcanalytics*, Oct. 14, 2014. ICSC Shopping Centers Today reports: The issue of quality versus quantity has been consuming industry experts as the retail sector continues to see a lack of quality properties coupled with an abundance of liquidity. According to leading commercial real estate data and analytics firm Real Capital Analytics (RCA), cap rates for malls dropped to nearly 6% in Q2'14, down from 8% in 2010, and strip centers to 7%, down from 8.5%. <http://bit.ly/1qp4mMc>

■ *www.myappraisalinstitute.org*, Nov. 5, 2014. "Instances of mortgage and valuation fraud are on the rise, CoreLogic reported Oct. 28 in its 2014 Mortgage Fraud Report. During the second quarter, an estimated 11,100 mortgage applications, or 0.69 percent of all mortgage applications, contained fraud, as compared with 19,700, or 0.67 percent, in the second quarter of 2013, when the total application volume was substantially higher. The CoreLogic Mortgage Application Fraud Risk Index increased 3.2 percent nationally between the second quarter 2013 and second quarter 2014. CoreLogic estimated that fraudulent mortgage applications totaled \$19.8 billion in the 12 months ending June 30." <http://bit.ly/1tBu5nT>

■ *www.trends.com*, Nov. 11, 2014. According to Smith Travel Research, "[t]here are 3,358 hotels totaling 403,715 rooms Under Contract in the

United States, according to the October 2014 STR Pipeline Report. This represents a 15.0-percent increase in the number of rooms Under Contract compared with October 2013 and a 31.0-percent increase in rooms under construction. The Under Contract data includes projects in the In Construction, Final Planning and Planning stages but does not include projects in the Unconfirmed stage." <http://bit.ly/1zISkbP>

■ Paul Emrath, National Association of Home Builders, Nov. 26, 2014. "While interest rates remained stable on average in October, the average price and loan size on conventional mortgages used to purchase newly built homes both increased for the second month in a row. The average price increased by nearly \$10,000, from \$422,300 to \$432,200, which is the third highest number on record (having topped \$434,000 in January and April of this year)." <http://bit.ly/11vkzct>

■ Kathleen Madigan, *wsj.com*, Nov. 26, 2014. "U.S. home prices are up just 4.8% in the year ended in September, according to today's S&P/Case-Shiller report. That's down from 5.1% in August." <http://on.wsj.com/1Ci6EHZ>

■ *www.builderonline.com*, Nov. 26, 2014. "More than 32 percent of all single family homes and condos purchased so far in 2014 are non-owner occupied compared to 68 percent that are owner-occupied," [RealtyTrac vp Daren] Blomquist added. "That is the highest share of investor purchases

**REAL ESTATE NOTES, continued**

since we began tracking in 2001.” <http://bit.ly/1FsSOHt>

■ Joe Light, *The Wall Street Journal*, Nov. 26, 2014. “Mortgage finance giants Fannie Mae and Freddie Mac will allow homeowners who have been foreclosed upon to repurchase their homes at market value even if they owe more, reversing a policy that prohibited such transactions. However, the impact of the changed could be limited. It will apply only to the 122,000 homes that have already been foreclosed on.”

■ Liz Moyer, *The Wall Street Journal*, Nov. 10, 2014. “When Tyler Allen agreed to fork over \$3 million in cash for a luxury condominium near Concordia, Kan., he wasn’t attracted by the indoor swimming pool, 17-seat movie theater, or hydroponic vegetable garden. The real selling point of the 1,820-square-foot apartment: It will be buried 174 feet underground in a decommissioned missile silo sturdy enough to withstand a nuclear attack.” <http://on.wsj.com/1zZ0yXw>

■ *Money Magazine*, November 2014. “Thanks to better manufacturing methods, the cost of residential solar panels has fallen about 7% per year since 2000, says the Department of Energy. And that’s not the only thing making solar look like a brighter choice. Those items are better financing options and improved resale value.”

■ [www.hotelnewsnow.com](http://www.hotelnewsnow.com), Nov. 26, 2014. “In year-over-year measurements, the industry’s occupancy rose 5.5 percent to 60.7 percent. Average daily rate increased 4.1 percent to finish the week at US\$112.52. Revenue per available room for the week was up 9.8 percent to finish at US\$68.34.” <http://bit.ly/1Fu8flh>

■ Ed Watkins, [www.hotelnewsnow.com](http://www.hotelnewsnow.com), Nov. 26, 2014. “There is a lot of money in the market, which is driving pricing up, dropping (capitalization) rates and making transactions a little more difficult to do,” said Fern Kanter,

executive VP of Capital Hotel Management, during a panel titled “Equity.” <http://bit.ly/123SWau>

■ *Daily Real Estate News*, Nov. 26, 2014. “Renters need to brace themselves: Apartment rent is expected to continue to outpace inflation next year. It’s a landlord’s market, which means strong demand continues to give landlords justification to hike rents. Rent growth will likely reach 3.9 percent in 2015, only a slight dip from 4 percent this year, according to a recent forecast released by the National Association of REALTORS®. For at least two more years, vacancy rates for rental apartments are expected to remain low.” <http://bit.ly/1z1cWpn>

■ Kris Hudson, [www.wsj.com](http://www.wsj.com), Dec. 2, 2014. “Many companies have been trying to make it easier and cheaper for homeowners to generate electricity from the sun, chipping away at the utilities’ monopolies. The number of residential solar installations has climbed, aided by their declining cost and government incentives. Now home builders have jumped in. Such systems are less expensive to install during a house’s construction than afterward, while some builders offer the cheaper option to lease a system rather than buy one. Lennar allows buyers to decide whether to purchase the system and generate their own electricity, or lease the system from a Lennar subsidiary, which retains ownership of the equipment and sells the power to the homeowner at prices Lennar promises will be 20% cheaper than the local utility’s.” <http://on.wsj.com/1HUrLQx>

■ Trey Garrison, [www.housingwire.com](http://www.housingwire.com), Dec. 9, 2014. The percentage of all-cash purchases has fallen since reaching a high of more than 46%. The current 35% level remains high by historical standards. Before the Great Recession the market’s share of all-cash purchases was closer to a quarter than a third. Kansas is shown at 41% cash sales. <http://bit.ly/1GigFD2>

■ Pat Mertz Esswein, *Kiplinger’s Personal Finance*, January 2015. “Over

the past year, home prices rose in 246 of the 277 cities tracked by Clear Capital, a provider of real estate data and analysis. But in two-thirds of the cities with price increases, the gains were lower than they were the year before. The slowdown reflects a softer market as investors throttled back and first-time buyers encountered credit headwinds.” <http://bit.ly/1uqllsH>

■ Richard Barrington, [www.forbes.com](http://www.forbes.com), Dec. 12, 2014. “Five reasons housing may be headed for trouble.

1. The Fed is no longer keeping mortgage rates down
2. Prices have been rising for more than two years now
3. Some loan limitations are being softened
4. A key banking safeguard has been eroded
5. Default rates are creeping back up.” <http://bit.ly/1DBkw03>

■ Katherine Wood, [www.talenttribune.com](http://www.talenttribune.com), Dec. 15, 2014. **Editor’s note:** Hays is ranked number six in the nation in this ranking of best places for small business. “After six long years, the economy is recovering. In November, the National Federation of Independent Businesses reported that its Small Business Optimism Index increased 2.0 points to 98.1, the highest since before the recession in February 2007.

As things are looking up, we thought it would be a good time to look at the places where small business is thriving. Using U.S. Census data, we ranked the 10 best places (towns and cities) in America for small businesses. These are the places with positive small business hiring trends, positive small establishment numbers growth, and with high concentrations of fellow small businesses. If you’re thinking of starting a small business in the New Year, these are the best places to look for success. Read on; our top 10 might surprise you.” <http://bit.ly/1AhB7QX>

■ [www.rcanalytics.com](http://www.rcanalytics.com), Oct. 14, 2014. “ICSC Shopping Centers Today reports: The issue of quality versus

quantity has been consuming industry experts as the retail sector continues to see a lack of quality properties coupled with an abundance of liquidity. According to leading commercial real estate data and analytics firm Real Capital Analytics (RCA), cap rates for malls dropped to nearly 6% in Q2'14, down from 8% in 2010, and strip centers to 7%, down from 8.5%." <http://bit.ly/1qp4mMc>

■ [www.realtyrates.com](http://www.realtyrates.com), December 2014. "Marcus & Millichap, a leading commercial real estate investment services firm with offices throughout the United States and Canada, reports that commercial investor sentiment remains near an all-time high. The firm's quarterly commercial Investor Sentiment Survey Index rose three points to 179 in the third quarter, up slightly from first quarter 2014." <http://bit.ly/1wgvXFJ>

■ Jonathan House and Kris Hudson,

*The Wall Street Journal*, Dec. 17, 2014. "Housing starts—including apartments and other multifamily dwellings—fell 1.6% in November but have held above the 1 million mark for three consecutive months, the Commerce Department said."

■ Patrick Clark, [www.businessweek.com](http://www.businessweek.com), Dec. 16, 2014. "Seventy-four percent of fraud cases reported to LexisNexis Risk Solutions last year included a falsified application, according to an annual report (PDF) on mortgage fraud, up from 61 percent in 2011. (The rate was 70 percent in 2008.) Falsified applications can include borrowers lying about their income, employment history, or whether they're buying a first or second home—all factors that might make it easier to get a loan or affect the interest rates they are offered." <http://bit.ly/1GQ14ce>

■ Erica Orden and Lynn Cook, *The*

*Wall Street Journal*, Dec. 18, 2014. "Gov. Andrew Cuomo's administration said Wednesday it would prohibit hydraulic fracturing statewide, citing health concerns and calling the economic benefits to drilling in New York state limited. The long-awaited decision seals off about 12 million acres of the Marcellus Shale, an underground rock formation with natural-gas reserves that have helped fuel an energy production boom in Pennsylvania, West Virginia and Ohio."

■ Randy Drummer, [www.costar.com](http://www.costar.com), Dec. 17, 2014. "All U.S. hotel segments are expected to enjoy strong performance over the foreseeable future with revenue growth and high room occupancy giving innkeepers the pricing power to boost rates as travel demand increases, according to a pair of recent reports on the lodging industry's prospects for 2015." <http://bit.ly/1J8mSnn>

### Advice for New Republican Majorities, cont. from page 7

ism, as there is nothing more abhorrent to the free market than the government picking winners and losers. Yet state governments do just that all the time. The proliferation of tax incentives represents horrible tax policy. That politicians can decide economic policy through tax incentives is more akin to a Soviet five-year plan than to Adam Smith's invisible hand.

True conservatives should fight attempts to use tax policy to further economic objectives. Broad-based taxes and low rates will always serve the conservative cause better than the existing nonsensical tax laws. Standing on principle to ensure a broad tax base is hard—and neither party has been able to do it. But it is a stand worth taking.

Third, Republicans should take an aggressive role in reforming state tax systems. For example, everybody agrees that business inputs should generally be exempt from sales tax. Liberals will never fight for repeal or reform because of their misguided belief that "business" should be paying

taxes. This is the perfect issue to use in order to advance a conservative objective. Taxing business inputs results in hidden taxes on consumers. Transparency is and should be a conservative virtue. Similarly, Republicans should take advantage of their new power and lead the repeal of state corporate income taxes. The corporate income tax is a terrible way to raise revenue. Its true beneficiaries are the lawyers and accountants who assist corporate America in avoiding the tax. This tax can't be fixed, and Republicans can prove that we are merely pretending the tax matters when it doesn't.

And conservatives should lead the fight against special excise taxes on fatty foods, sugary drinks, violent video games, e-cigarettes, guns, and other such nonsense. Attempts to tax those products, which have no discernible unique externalities, are wrong. They are grounded in the beliefs that (1) it is OK to persecute minorities, and (2) it is OK to use the power of government to impose your views on people. If Republicans really want to be the party of

freedom and limited government, they should start here.

Finally, conservatives should give some serious thought to greater reliance on the property tax. Yes, I know people hate the tax. I also know that politicians find it advantageous to attack it. But the property tax revolts of the late 1970s and 1980s have done much damage to the fiscal structure of state and local governments. There was a time when schools and most public safety services were funded locally through the property tax. The property tax revolts and the ensuing limitations shifted that funding to the states. But state government responsibilities for healthcare and transportation were growing. Now the states have a greater role in financing education but cannot afford to do so. A stronger property tax would alleviate pressure on state finances—and more importantly, return greater autonomy to local governments. That is a conservative value.

A version of this post first ran in *State Tax Notes* magazine. <http://bit.ly/1ziGHC4>

## 2015 KCAA Budget

ACCT #	ACCOUNT DESCRIPTION	2015 Budget	ACCT #	ACCOUNT DESCRIPTION	2015 Budget
<b>01</b>	<b>■ APPRAISER REVENUE</b>			<i>APPRAISER EXPENSES (cont)</i>	
01-01	APPRAISER OTHER	2,100	01-03	CONF & MEETINGS	
01-02	APPRAISER KCAA REVENUE	66,500	01-03-01	SYMPOSIUM	30,000
	TOTAL APPRAISER	68,600	01-03-02	KAC	250
01-03	APPRAISER DUES		01-03-03	ORION Conf	2,000
01-03-01	COUNTY DUES	15,000	01-03-04	IAAO	3,000
01-03-02	NON-COUNTY DUES	300	01-03-05	NCRAAO	5,000
01-03-03	CKA DUES	150		TOTAL CONF & MEETINGS	40,250
	TOTAL APPRAISER DUES	15,450	01-04	TAXES	
01-04	CONF & MEETINGS		01-04-01	PERSONAL PROPERTY	-
01-04-01	SYMPOSIUM	37,000	01-04-02	OTHER	100
	TECHNOLOGY SEMINAR	-		TOTAL TAXES	100
	TOTAL CONF & MEETINGS	37,000	01-06	CONTRIBUTIONS	
01-05	INTEREST		1/6/01	HAGEMAN TRUST	-
01-05-01	BANK INTEREST	300	01-06-02	IAAO	
	TOTAL APPRAISER REVENUE	121,350	01-06-04	OTHER CONTRIBUTIONS	-
02	EDUCATION REVENUE		01-06-05	SCHOLARSHIPS	500
02-01	EDUCATION OTHER	-		TOTAL CONTRIBUTIONS	500
02-02-03	EDUCATION CLASSES	62,500	01-07	PROFESSIONAL	
	TOTAL EDUCATION REVENUE	62,500	01-07-01	ACCOUNTING	250
	<b>TOTAL REVENUES</b>	<b>183,850</b>	01-07-02	LEGAL	300
01	■ APPRAISER EXPENSES		01-07-03	NEWSLETTER	6,500
01-01	OFFICE & SUPPLIES			TOTAL PROFESSIONAL	7,050
01-01-01	TELEPHONE	1,100	01-08	CONTRACTS	
01-01-03	POSTAGE	500	01-08-01	EXECUTIVE SECRETARY	36,000
01-01-04	SUPPLIES	600	01-08-02	EXECUTIVE SECR. TRAVEL	2,000
01-01-05	MISCELLANEOUS OTHER EXP.	1,000		TOTAL CONTRACTS	38,000
	TOTAL OFFICE & SUPPLIES	3,200	01-09	DUES	
01-02	LEGISLATIVE		01-09-01	KAC DUES	2,500
01-02-01	LEGISLATIVE EXPENSES	2,000	01-09-02	IAAO AFFILIATE DUES	200
	TOTAL LEGISLATIVE EXPENSES	2,000		TOTAL DUES	2,700
			01-10	FEES & REGISTRATIONS	
			01-10-01	FEES & REGISTRATIONS	50

Budget continued on next page

2015 Budget, continued

ACCT #	ACCOUNT DESCRIPTION	2015 Budget
01-11	<b>BANK SERVICE CHG.</b>	
01-11-01	BANK SERV. CHG.	50
01-12	<b>SPECIAL PROJECTS</b>	
01-12-01	SHIRTS	-
01-12-05	COMPUTER PURCHASES & MAINTENANCE	1,000
01-12-07	HANDBOOK	-
01-12-08	IAAO TRIP	-
01-12-09	NCRAAO TRIP	-
01-12-11	TECH SEMINAR	-
01-12-12	RETIREMENT GIFTS	500
	TOTAL SPECIAL PROJECTS	1,500
	<b>APPRAISER OTHER</b>	
01-13-01	KREAB	200
01-13-02	APPRAISER OTHER: RMA AND NON-PVD	55,000
01-13-03	PVD SPLIT	27,500
	TOTAL APPRAISER OTHER	82,700
	<b>TOTAL APPRAISER EXPENSES</b>	<b>178,100</b>
02	<b>EDUCATION</b>	
02-02	INSTRUCTOR FEES	-
02-04	MEETING ROOMS	-
02-05	CLASSES OTHER	-
	TOTAL EDUCATION EXPENSES	-
	<b>TOTAL EXPENSES</b>	<b>178,100</b>
	<b>TOTAL REVENUES</b>	<b>183,850</b>
	<b>OPERATING BALANCE</b>	<b>5,750</b>