|  |  |
| --- | --- |
|  | **District 1 Citizens Advisory Board Meeting**  **Minutes**  Monday, April 17, 2023 | 5:30 p.m.  Bel Aire City Hall  7651 E. Central Park Ave, Bel Aire, KS 67226 |

**Board Members in Attendance:** Daniel Bateman, Judah Craig, Amy Cox, Joseph Dozier, Diane Gjerstad, Kendall Hershberger, Jacqueline Kelly, Dr. Stephanie Kuhlmann, Natalie Phan, Jim Reid

**County Representatives:** Commissioner Pete Meitzner, County Appraiser Mark Clark, Deputy Appraiser Ronnie Tidwell

1. **Call to Order**
   1. Chair Judah Craig called the meeting to order at 5:41 p.m.
2. **Approval of Meeting Minutes**
   1. A motion was made by Daniel Bateman to approve the minutes. Diane Gjerstad seconded this motion. **The CAB approved the motion with a vote of 4-0.**
3. **Public Agenda**
   1. No Public Comments
4. **New Business**
   1. Annual Appraiser Evaluation – Mark Clark County Appraiser
      1. Inspect each property every six years, discover list and value all property that had significant changes, update appraisals each year to assure that all properties are valued at fair market value.
      2. Important Dates
         1. January 1 – Appraisal Date
         2. March 1 – Real Property Value Notices Mailed
         3. March 15 – Personal Property Renditions due to Appraiser’s Office
         4. March 16 – Real Property Informal Meetings or Appeal Meetings
         5. May 1 – Personal Property Value Notices Mailed
      3. Diane Gjerstad asked, who is the Appeals Board? Is it the Board of County Commissioners?
         1. Ronnie Tidwell responded that any appeals are conducted through their Appraisers Office and you will speak with someone who is their staff.
      4. Upcoming Valuation Considerations
         1. Inflation – 9.1% in June 2022, by Dec. it had moderated to 6.5%
         2. Labor Shortages
         3. Tight Supply of Housing – There is a need for at least 50,000 more homes but who will build them and once they are built can people actually afford them.
         4. Supply Chain Issues
      5. Daniel Bateman asked, is the population growing at that rate?
         1. Mark Clark responded, no.
      6. Daniel Bateman asked, then why are there so many new homes needed?
         1. Mark Clark responded, they say that in order to impact the imbalance that is the only way you can get enough supply to curb the demand.
         2. Ronnie Tidwell also responded, the driving factors behind this is the Millennials are moving out and wanting to get into the real estate market and the generations coming up behind them and they are saying that Generation Z is going to overtake the Boomers in population.
      7. Daniel Bateman asked, so the housing market is not counting rental properties like an apartment?
         1. Ronnie Tidwell responded, there are people trying to move out of the apartments and into housing.
      8. Daniel Bateman asked, so the housing shortage is of homes you can buy or a condo you can buy, that is actual property, not a rental?
         1. Ronnie Tidwell responded, Right, yes. The thing is everyone is building apartments, which is great because it gives people places to live but its shifting and everyone wants their own individual real estate. I just moved from an apartment to a house two weeks ago and there was 16 other people trying to get it.
      9. Joseph Dozier asked, the owner of the building that you were in, they have real property, they are getting assessed on the same schedule, correct?
         1. Mark Clark responded, yes.
      10. Joseph Dozier asked, is that gap taking into account the projected growth looked at during the redistricting process, where that projected growth is?
          1. Ronnie Tidwell responded, currently Maize has been declared the fastest growing city in the state of Kansas again. You look at the heat maps in the full presentation given to the BoCC, a lot of the growth in parcels is Maize, Northwest Wichita and Derby. Those are the three big areas. Maize had over 2,000 homes being constructed at the beginning of the year.
      11. Joseph Dozier asked, so that 25,000 number is taking that into account?
          1. Ronnie Tidwell responded, yes. Because that number was refined and republished by Wichita State Center for Real Estate and Business Research.
      12. Property Tax Formulas
          1. The Appraiser’s Office only establishes the Appraised Value of Property.

a. Appraised Value x Assessment Rate = Assessed Value

b. Budget Needed / Assessed Value = Mill Levy

c. Assessed Value x Mill Levy = Taxes

* + 1. Parcel growth in Sedgwick County
       1. Growth was 227,141 in 2022 to 229,191 in 2023
       2. Sales activity, all classes, the pandemic did not have as much effect as you might think.
       3. New construction, all classes increased by 13.5%
    2. Jim Reid asked, does this 13.5% increase represent what is going on in Maize and the growth in that area?
       1. Ronnie Tidwell responded, yes.
    3. Jim Reid asked, are there any other hotspots in town that would be equivalent?
       1. Mark Clark and Ronnie Tidwell responded, Northwest Wichita, Goddard and Derby.
    4. Diane Gjerstand asked, and near Southeast High School too?
       1. Ronnie Tidwell responded, not as much as the four high points.
    5. Residential
       1. 60% of assessed value in the county and 66% of total Real Property assessed valuation.
       2. Residential property sales decreased by 13.7% due to inflation and interest rates.
       3. New dwelling construction permits went up 25.2%, just issued permits from MABCD and municipalities.
    6. Daine Gjerstad asked, this is would be commercial?
       - 1. Ronnie Tidwell responded, just residential, just new single or multifamily dwellings.

4. Residential inventory month’s supply for Sedgwick County

* + - * 1. A normal market has a 4-6 month supply of inventory. We are well below the 4-month mark.
        2. 6 days on the market – 4-6 months is a normal market, and Sedgwick County is well below that.
        3. The median sale price increased by 10.8%. The median price for a new home was $350,000.
    1. Commercial
       1. 29% of assessed value and 31% of total Rural Property assessed value
       2. Sales decreased by 2.9% but sale prices remained high.
       3. Permit Activity remained steady in 2022
    2. Diane Gjerstad asked, how would these charts look if we went back to 2010 and had a longer period of time? Would they be flat?
       1. Ronnie Tidwell responded, Commercial would be flat but if you got back to Residential you would’ve peaked in 2008, to 3,000 homes a year and then it crashed. We haven’t recovered still.
       2. Mark Clark responded, but how do we do that? The cost is so high and banks don’t want to give any lee way so when it comes to recovering it will be hard to do.
    3. Daniel Bateman asked, what if the median sales price of new construction wasn’t at a quarter of a million dollars, if they built homes lower than that?
       1. Ronnie Tidwell responded, they can’t. Materials have skyrocketed.
    4. 2022 Preliminary Mid-Year Sales Ratio Study
       1. The Appraiser's office is the only office in the state that gets a grade.
       2. Internal ratio study is important.
       3. If you can stay within the median ratio, you will be in compliance.
       4. Every county in Kansas uses the same Canvas System.
       5. We have a parcel problem, they are working on it.
    5. Joseph Dozier asked, the process to reform that will it have to be a constitutional statute?
       1. Ronnie Tidwell responded, it would have to be changes here in Sedgwick County to start that internal thinking.
       2. Mark Clark responded, then he would like it codified to define what a parcel actually is, if there are state documents defining it. If you impact property like that, it is wrong, in my opinion.
    6. Jim Reid asked, is this a problem that is still going on today?
       1. Mark Clark responded, yes.
       2. Ronnie Tidwell responded, there are some cases where people have two parcels, one that is annexed and one that isn’t. Sometimes people will use that to their advantage and essentially hold that parcel or this person’s lakefront or backyard hostage.
    7. Daniel Bateman asked, is this because no one will pay the taxes on it? Where does the bill go?
       1. Ronnie Tidwell responded, there is no one who knows about it. You close and sign the two deeds.
       2. Mark Clark responded, the bill is going to go to whose name is on it. But many times they don’t even know they have the other parcel.
    8. Daniel Bateman asked, is this the real estate agent who are not letting them know about it?
       1. Mark Clark responded, yes, there are a lot of things that should be explained at a closing but aren’t.
       2. Ronnie Tidwell responded, he had a house signing that took 7 minutes where they told him he could read it after he signed it.
    9. Jim Reid asked, we had a zoning case where the guy had a lot of things he was putting on a large lot of land. But is that all just one big lot of land, so when they go in and zone it and platt it, is that when the parcels get determined?
       1. Ronnie Tidwell responded, yes.
       2. Mark Clark responded, we never get to see the platt plan. I have broached the topic with the MABCD and Sedgwick County Planner.
       3. Ronnie Tidwell responded, a pin is a parcel ID number that is needed to identify the value. We need that by March 1.
    10. Jim Reid asked, with the formula from earlier, don’t you have to take your budget and divide it?
        1. Ronnie Tidwell responded, that is outside of us. Mark is saying that there would be a 13% increase and we cap it at 10% at a median increase. We don’t have anything to do with budgets.
    11. Joseph Dozier asked, are you able to cap it 10% and take that into account with the budget?
        1. Ronnie Tidwell responded, no. We don’t have anything to do with budget.
        2. Mark Clark responded, we are understaffed, we have 68 employees but we are 30 short.
    12. Jim Reid asked, does the County or the State pay for that?
        1. Mark Clark responded, County. But he reports to the State.
    13. Diane Gjerstad asked, but you hire and fire your own staff?
        1. Mark Clark responded, yes.
    14. Judah Craig asked, what is the general outcome of all of the appeals?
        1. Mark Clark replied, 50/50.
        2. Ronnie Tidwell responded, that has been a historical average.
    15. Judah Craig asked, what pushes it one way or the other?
        1. Ronnie Tidwell responded, the biggest things are people are buying these houses that are remodeled by non-licensed contractors without permits. There are things that we are not made aware of until later. We have a lot of people, 662 people asked for their value to increase because they want to sell their houses. We cannot do that. We have property record cards on our website. Everything is on our website.
    16. Daniel Bateman asked, so if you finish the 2nd half of your basement would that change the value? What if you unfinish it?
        1. Ronnie Tidwell responded, yes and yes. Encourage your friends to go out and look at their property records and email or send it to us, we will correct it if it’s wrong.
    17. Joseph Dozier asked, all of these POCS are online and searchable by address, residential and commercial?
        1. Ronnie Tidwell responded, yes.
        2. Mark Clark responded, they can do field checks and set a time and date to come to your home. You have to sign a specific document and they will go look at what is being requested to look at. They will have a specific uniform, a badge, the document and an embroidered shirt. If they don’t have any of these do not open the door and let them in.
        3. Ronnie Tidwell responded, if you are not home, our appraisers will leave a yellow door hanger on your door with specific information. A lot of work is now done digitally.
    18. Agricultural
        1. 67.5% of the land in Sedgwick County is devoted to agricultural use but only represents less than 1% of the total assessed value.
    19. 2023 Valuation Summary
        1. Residential – 19% no change in value, 80% increase with 10%, 1% decrease in value with 17% reduction
        2. Commercial – 42% no change in value, 52% increase in value with typical change is 7% and decrease
        3. Agriculture – 19% no change in value, 22% increase in value with typical change at 9.5%, 59% decrease in value with a typical change at 10%
    20. Diane Gjerstad asked, is the cost of input in there for agriculture? Like fertilizer is sky high, is that part of the formula?
        1. Ronnie Tidwell responded, it’s the land lord net income and commodity prices. So yes.
    21. Value Notices – Mailing and Accessing
        1. The Appraiser’s Office will only mail value notices to property owners that experience a change in the appraised value or classification from 2022.
        2. Property owners who did not receive a notice in the mail may view the appraisal information beginning March 1 online.
        3. They had 181,800 real property value notices mailed in 2023, which is 79% of all properties in Sedgwick County
    22. Appeals Process
        1. If you don’t think that your values reflect market values, you can appeal and fill out a value notice and return it to the Appraisers Office within 30 days of the notice.
        2. Appeal meetings begin March 16.
    23. Uniform and Equal
        1. They are required by law to value a property in a uniform and equal manner.
        2. Increase or decreases in property values do not change the amount of tax dollars needed for local services.
    24. Daniel Bateman asked, so if we email or go to the office is there a way to find out the platt of our property?
        1. Ronnie Tidwell responded, yes, all platt maps are listed online at our website.
    25. Extra Information
        1. If you are on a website and they try to charge you for any appraisal information, do not do it. Our information is free, you are on the wrong website.
    26. Joseph Dozier asked, compared to other Midwest states and other jurisdictions how are unique are we with the multi parcel issues. Is Kansas an outlier on this?
        1. Ronnie Tidwell responded, the multi-parcel issues effects a lot of counties in Kansas. Not to the extent of Sedgwick. We average about 13%. We are the outlier in it.
    27. Judah Craig asked, what about out of state?
    28. Joseph Dozier asked, what are the improvements for long term?
        1. Ronnie Tidwell responded, the state of Kansas has a set of standards that clearly outline what a parcel is and if two parcels are put on a deed etc. They forget to codify a statue for a national mapping standards.
    29. Joseph Dozier asked, so this is unique to Kansas or an oversite?
        1. Ronnie Tidwell responded, it was an oversite on the State of Kansas legislators back in the late 80’s, early 90’s. We are not the only state with multi-parcel issues.
    30. Joseph Dozier asked, what are we ranked?
        1. Ronnie Tidwell responded, we have an A-. We are not the best but we are not the worst. We have a 30 day appeal whereas other states have 60 days. The property appeal process in Kansas works.
    31. Joseph Dozier asked, are the appeals committees looking at it from the lower reviews or do they look at it with fresh eyes?
        1. Ronnie Tidwell responded, we look at it fresh but most others look at it demoto. District court is a new case every time.
    32. Joseph Dozier asked, on the PRC Residential Structure Characteristics, what is the rating system, what goes into those classifications?
        1. Ronnie Tidwell responded, there is a data collection guide. There are 6 ratings than 3 per rating. You have a standard, plus and minus.
    33. Daniel Bateman asked, how much job training does the job description state you need? Or is that something provided or do you need to do on top?
        1. Ronnie Tidwell responded, we provide it and pay for it.
    34. Daniel Bateman asked, how do you do it?
        1. Ronnie Tidwell responded, we normally have 95-96% passing rate but our last class had a 38% passing rate. There are many standards and ethics rules.
    35. Joseph Dozier asked, you said your ideal department would be 90 people. How many of the 90 would appraisers, would they be part time?
        1. Ronnie Tidwell responded, we have no part time staff. There are 42 appraisers out of a staff of 68. We section each out into different areas.
    36. Joseph Dozier asked, so it is more a question if the county can provide an additional budget for more appraisers?
        1. Ronnie Tidwell responded, we will keep asking.
        2. Daniel Batman responded, it’s also the fact of trying to get someone to apply who is qualified and actually wants to do this job.
        3. Ronnie Tidwell responded, we have tried to get other people from other counties to come work for us. There are always to complaints, one they won’t take a pay cut and two they don’t want to drive their own vehicle.
    37. Jim Reid asked, what is the hourly salary of appraisers?
        1. Ronnie Tidwell responded, our brand new appraisers that don’t have much experience is starting out at $36,000 a year.
    38. Joseph Dozier asked, are any counties facing similar challenges like this? Where they contract out of office?
        1. Ronnie Tidwell responded, it is high risk.
        2. Mark Clark responded, there has to be a contract for someone (an appraiser) to come in. You have to have that RMA to be an appraiser.
    39. Daniel Bateman asked, is their cost of living significantly different?
        1. Mark Clark responded, in Johnson County yes.
    40. Discussion of future meeting dates & agenda items – Chair Judah Craig
        1. We will stick to monthly meetings
    41. Joseph Dozier asked, if a situation arose, could we meet on Zoom?
        1. Nicole Gibbs responded, we had a CAB that did that and we had push back from County Counselor because we need to have a place in public for the public to come to. This is because of the open meeting piece of it. We have the option of zoom because of your capacity but we don’t offer Zoom, we offer the place to the public.
    42. Confirmed future meeting dates for June, July, August and Sept.
    43. No meeting in December unless we need to
    44. May or June for tour of the Regional Forensic Science Center
    45. Seeing County services would be a priority like the Zoo and Exploration Place
    46. Treasurer in Sept., Mental Health in Youth COMCARE before or in August

1. **Adjournment**
   1. The District 1 Citizen’s Advisory Board adjourned at 7:30 p.m.

*The next Citizens Advisory Board Meeting will be* ***Monday, May 15, 2023, 5:30 p.m.***  *at Bel Aire City Hall, 7651 E. Central Park Ave., Bel Aire, KS*