



## Spring Newsletter 2015

NEXT GENERAL MEETING: April 11, 2015 at 9:00 A.M.  
Community Christian Church - McCardle and Main Street

Email: [cglakeassoc@gmail.com](mailto:cglakeassoc@gmail.com)

President: Andy Hutter

Vice President: Dave Fritchen

Website: [www.cglakeassoc.org](http://www.cglakeassoc.org)

Secretary: Ed Hooper

Treasurer: Gary Catlin

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### PRESIDENT'S COMMENTS

The winter has been a very busy season for our Board of Directors. The lot property tax appeal was time consuming with research and coordinating with our tax attorney and the city government. The first part of the appeal process culminated with trips to Topeka for hearings and to testify. Board member Dave Fritchen testified and was a real asset to our appeal. I'm sure you all know by now, the Court of Tax Appeals found for the Tax payer and set the lot valuations at approximately a 90% reduction. The time line for the process continues as the county requested a detailed report of the summary judgment. The court has 90 days to prepare that detailed report, and then the county has 30 days in which to determine their action.

Please take time to thank the individual board members. They have expended a lot of time and personal expense on your behalf.

This has been a difficult time for all involved. It is an issue that could have been resolved a number of years ago if the law had been properly applied to appraisal of property at the City Lake. However, the onus of this problem rests solely in the lap of the governing body of Morris County.

One of the main goals of our 2006 Master Plan was surveying and platting the lots at the lake. That goal is moving closer to reality. The city has finally pursued this project in a professional manner and soon will be requesting qualifications from prospective bidders. There will be a public meeting concerning the process at a later date. All of us involved have much to gain from a platted, recorded survey. Once completed the historical boundary conflicts will be a thing of the past. The boundaries will be set and recorded at the court house and the city will no longer have a need to flag the boundaries for lease transfers. Hopefully, the platting will allow the individual lots to be assessed making the tax process more equitable. Additionally, if the day ever comes when we are able to purchase the lots, they will already be platted. Mayor Shepard has made the surveying and plating a priority. When the survey is completed it will save money, time, and eliminate the ever present boundary line confusion, making the lake a better place to live and play.

If you haven't sent in your membership dues for the 2015 season, please take time to do so. We have been able to maintain above 90% membership for several years. Unity has never been more important than at the

present time. After years of property tax injustice we are on the verge of making a permanent break through for fair and equal treatment.

See you at the April 11<sup>th</sup> meeting. Looking forward to a good summer and HEAVY spring rains.

## **PROPERTY TAX APPEAL**

The following information was also placed in the Council Grove Republican to keep the local community informed.

### **Property Taxes for Council Grove City Lake**

The Council Grove City Lake Association (CGCLA) would like to express our appreciation to the City for their cooperation in the pursuit of justice of the inappropriate valuation of lake property by the County. The following facts and legal findings are provided to better inform the public of our rationale for pursuing the tax appeal.

- Prior to 2008 Improvements on leased lots were subject to property tax paid by the lease holder and leased lots were taxed to the city on an income /expense basis. Approximately \$7,000 total taxes were paid by the City on the land at the City Lake.
- Several years ago the property taxes on improvements located on city lake lots began to escalate out of proportion to other Morris County properties, and similar lake properties in Kansas. This caused many individuals to appeal the valuations.
- In every known case, the Court of Tax Appeals (COTA) of the State of Kansas ruled in favor of the tax payer. Some of these COTA rulings were appealed by the County to the Kansas Court of Appeals and in every case the COTA ruling was upheld.
- In addition, the Court ordered the Board of County Commissioners of Morris County to designate a person or persons subject to prior approval of the court, to reappraise all taxable City Lake real property and improvements used for residential purposes in compliance with K.S.A. 79-412.
- Morris County commissioned Voss & Company and, then later, Marion Johnson, to reappraise lake lots and improvements. The county's valuation of the 228.3 acres of unplatted improved land surrounding the lake totaled over \$28.0 million (\$123,468 per acre).
- Morris County collected taxes in 2012 and 2013 based on these appraisals, which were considered inappropriate and unfair by the taxpayers. These taxes were paid under protest as a result of the valuation inequities.
- In December 2012, the City agreed with the Council Grove City Lake Association (CGCLA) and therefore allowed the CGCLA to pursue a tax appeal on behalf of the City and lake leaseholders in accordance with the provisions contained in the lease agreement.
- In February 2015 the Kansas Board of Tax Appeals (BOTA) determined that Morris County's valuation methodology contained numerous significant violations of the USPAP (Uniform Standards of Professional Appraisal Practice). Moreover, the valuation was not in compliance with Kansas statutes.

Therefore the BOTA issued a Summary Decision that upheld the tax appeal by the city and the CGCLA for 2012 and 2013.

- In their Summary Decision, the BOTA ordered that the appraised value of the lake property for 2012 is \$2,366,442 and for 2013 is \$2,386,800 (not \$28,187,810 and \$29,871,240 as appraised by the county). It was further ordered that the appropriate officials shall correct the county's records to comply with their order, re-compute the taxes owed by the taxpayer, and issue a refund for any overpayment.

It is unfortunate that Morris County has already spent or committed tax monies which were collected based on inappropriate valuations and, at this time, any plan for the county to refund the overpayment is unknown to the City or the CGCLA. We just hope that the county does not waste any more time and taxpayer money pursuing an appeal that history has already shown is not likely to be ruled on favorably by the Court. It is time to move forward together with fair and equitable treatment for all.

### **INCOME/EXPENSE - REPORT TO THE COUNCIL GROVE CITY LAKE ASSOCIATION (CGCLA)**

Pursuant to the stipulations in the lease regarding rent adjustments, Ed Hooper & Jerry Roths, as representatives of CGCLA, have met with officials of the City of Council Grove to review the Income/Expense Reports for calendar years 2012, 2013 and 2014. This report presents summary findings by those representatives.

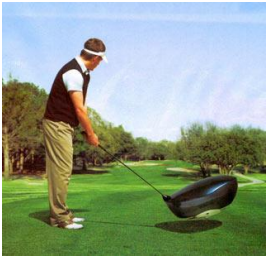
#### **SUMMARY FINDINGS:**

1. The city has provided CGCLA with accurate annual itemizations of both Expenses and Rental Revenue generated by the Residential Lots for 2012, 2013 and 2014.
2. The city has set aside 10% of the Revenue from 2013 and 2014 in a special fund designated for use only as capital improvements at the Council Grove City Lake Park. Exception – CGCLA agreed to waive 2012. In 2014, this fund paid \$28,837 to improve the north boat ramp. Current balance in the C.I.P. fund is \$47,515.
3. For calendar year 2012, the total expense was \$362,212.12 and City lost \$13,932.12 due to a \$200,442.05 withdrawal from this account in order to pay county property taxes for which the city had not prepared.
4. For the calendar year 2013, the total expense was \$232,499.53 and the city profited \$156,950.47.
5. For the calendar year 2014, the total expense was 241,568.35 and the city profited \$183,081.65.

#### **CONCLUSIONS :**

- No significant increase in lake-related expense has occurred during the period from 2012 through 2014.
- No increase in rent rate can be justified.
- The rent for 2015, 2016 and 2017 should therefore remain at \$1200 per year.

## GOLF TOURNAMENT



CGCLASSOC 6th Annual Charity Golf Tournament

**Saturday, May 9, 2015**

To be a sponsor or to register your team, contact John Nicodemus by phone 316-619-0016 or email at [kem.nicodemus@gmail.com](mailto:kem.nicodemus@gmail.com)

## MASTER PLAN UPDATE

The Master Plan is like a road map for an organization. It shows the direction we want to go, gives options and establishes goals. It is a living document; always changing and being reformatted. As goals are met, plans are altered. As obstacles are encountered, options are reviewed.

The original Master Plan for the Council Grove City Lake Association was an effort of many from the lake community and the city of Council Grove. The information received was compiled and the master plan was written in 2006 by Dr. Curtis Brungardt. Since that time much has changed and many of the goals have been met. And, although we have changed course on other goals, no formal printed plan has been published since 2007, when a review was published.

As new owners purchase lake property they are sent a packet of information regarding lake living. One of the items in the packet is a copy of the 2006 Master Plan. However, those folks have not had an opportunity to give input for our direction.

Recently, you have received the second survey regarding your preferences for where you think our time and energies need to be spent. We will be using this information to compile the update for the Master Plan.

**AT THE GENERAL MEMBERSHIP MEETING ON JUNE 13TH**, Dr. Brungardt will conduct the discussion and facilitate the compiling of information from your input for the update of the Master Plan. This is your opportunity to be a part of the decision making process. We hope you will plan to attend this meeting and add your thoughts and desires to make lake living more relaxing and fun. We would like to hear from each of you.

Please give a thank you to members of the board Robert Herbig and Larry Berner on the survey team, working in concert with Joyce Hutter, Tom Nurnberg and Larry Heyka, on the Master Plan committee. When this work is completed, each leaseholder and stakeholder will receive a printed copy of the updated Master Plan.

## LAKE ASSOCIATION EMAIL NEWS

Our email news list has approximately 350 subscribers. There are still some leaseholders who do not receive lake email news. The Lake Association distributes information to many members of the community through the "Lake Association Email News List." This email news was originally intended to keep the lake community informed about issues and events of interest to the lake community. The popularity of the email news soon grew to include news that is of interest to many folks in the community. Some of the regular features of the news list include the Lake Association Newsletters, news about Lake Association events, news about city and

county government, City Council meeting agendas and minutes, Morris County Commission minutes, community events and promotions. Your email address is not seen by other subscribers. We keep it private. Also, we strive to limit the emails to pertinent information, and probably average one email per week. This is an easy way for you to keep informed on all aspects of lake issues and activities in the surrounding communities. If you are not receiving these emails, we invite you to subscribe to the email news by emailing us at [cgclakeassoc@gmail.com](mailto:cgclakeassoc@gmail.com) , or click the contact us on the CGCLA website.

**LAKE ASSOCIATION WEBSITE**

Have a question about something associated with the lake? Find the answer. Past newsletters, city ordinances, Lake Association Business Directory and more are all available on our website at [www.cgclakeassoc.org](http://www.cgclakeassoc.org). Check out the website! Ordinances affecting the city lake are posted there

**WAYNE CRISER VOLUNTEER OF THE YEAR AWARD**

Every year we give an award to an outstanding volunteer in honor of Wayne Criser, one of the first who was instrumental in organizing the lake community. We are now accepting your nominations for that award. If you wish to make a nomination, please send your entry, giving the reasons why you think your nominee should receive the award to the Lake Association email address no later than May 15, 2015. That address is: [cgclakeassoc@gmail.com](mailto:cgclakeassoc@gmail.com). Or, you may send your nomination to: CGC Lake Association P.O. Box 13, Council Grove, KS. 66846. The award will be presented at the June meeting.

**SPRING IS COMING!**

"Cabin fever was first recorded in 1918 as a claustrophobic reaction that takes place when a person or group is isolated and/or shut in a small space, with nothing to do for an extended period. Cabin fever describes the extreme irritability and restlessness a person may feel in these situations.



**Cabin Fever**



**Spring Fever coming to the Lake soon!**

**CONDOLENCES AND WELL WISHES**

From time to time a member of our community passes or experiences an illness. Often we do not know of these incidences until considerable time after the fact. If you know of such an event, the Association will send an appropriate card if you will send an email to: [cgclakeassoc@gmail.com](mailto:cgclakeassoc@gmail.com) with all the pertinent information.

**LAKE ASSOCIATION MEMBERSHIP**

Because of your involvement, approximately 90% of lake homeowners became paid members of the Council Grove City Lake Association in 2014. Considering some folks own two leases and some owned by absentee trusts go unused, our true membership level is usually above 90%. This level of membership is an open testament of your support. The Association could not begin to accomplish our mission without you. It is only with your continued support that we can promote your interests as a lake homeowner and keep you informed of developments that may affect you. It is because of this continued level of support that we were able to be recognized by the city government as the spokes "person" for lake residents. Representing you as a "joint voice" increases your "power of one" and gives you considerable leverage when decisions are being made.

**We thank each and every one of you who has already paid your 2015 dues to support the Lake Association.** However, if you have not, we encourage you to do your share, and get your dues in the mail. You may use the form below or the card sent to you by mail.

**Dues Card – 2015**

**COUNCIL GROVE CITY LAKE ASSOCIATION**

**PO Box 13, Council Grove, KS 66846**

NAME(S) \_\_\_\_\_

LOT NUMBER \_\_\_\_\_

Lake Street Address \_\_\_\_\_

Mailing Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Email \_\_\_\_\_

Home Phone \_\_\_\_\_ Cell: \_\_\_\_\_

Lake or 2<sup>nd</sup> Cell \_\_\_\_\_

Annual Dues: \$ 35.00

Legal Fund Contribution: \$ \_\_\_\_\_

General Fund Contribution: \$ \_\_\_\_\_

CHECK TOTAL: \$ \_\_\_\_\_

I can help with: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_