

THE TENTH ANNIVERSARY PROGRAM

**APPRAISAL OF UTILITIES
AND RAILROAD PROPERTY
FOR
AD VALOREM TAXATION**

August 4, 5, 6, 7, 1980

Wichita State University
Wichita, Kansas

A Program Co-Sponsored by
THE PUBLIC UTILITIES and TRANSPORTATION
TAXATION COMMITTEE
THE NATIONAL TAX ASSOCIATION-
TAX INSTITUTE OF AMERICA
and
THE COLLEGE OF BUSINESS ADMINISTRATION
WICHITA STATE UNIVERSITY

APPRAISAL OF UTILITIES AND RAILROAD PROPERTY FOR AD VALOREM TAXATION

DATES: Monday through Thursday Morning (Three and one-half days) August 4, 5, 6, 7, 1980.

PLACE: WSU Campus, Wichita, Kansas, Life Science Building.

COST: Registration Fee Per Person — \$110.00 (Registration Fee does not include meals or lodging.) The meals (including three luncheons, the reception and buffet dinner) will be \$40.00. Reservations for meals must be made in advance.

PURPOSE: The program is designed to study in detail the appraisal of utilities and railroad property for ad valorem taxation. The various indices of value — market, cost and income — and the application of these indices will be considered. As a rule, these indicators of value are considered for all types of property.

LODGING: For accommodations you will have a choice of the Hilton Inn, or arrangements of your own selection. When we receive your registration blank with your indication of preferred housing, we will return a Wichita Hilton Inn reservation card to you if you desire one. You will then be responsible for making your own reservations. The Wichita Hilton Inn will be responsible for confirmation and billing for their respective accommodations. **Room space will be held at the Hilton Inn until July 20.** If you plan to stay at the Hilton, please make your reservation prior to this date.

DRESS: Suggested attire — casual, warm weather clothing.

SUNDAY, AUGUST 3, 1980

3:00-7:00 Registration . . . Hilton Inn
5:30-6:30 Informal Social Hour . . . Hilton Inn

MONDAY, AUGUST 4, 1980

8:00 Continue Registration at the Life Science Building - WSU campus
9:00 Welcome and Opening Remarks
9:15 Overview - Railroad and Utility Appraisal Methods and Correlation . . .
Dr. A.A. Ring, Consultant - Appraiser, Gainesville, Florida
10:00 Workshop History and Review of Significant Highlights . . .
David E. Wortman, Valuation Economist, Spirit Lake, Iowa
10:30 Coffee Break
10:50 Railroad and Utility Taxation In A Changing World - 1980 Update . . .
Arlo Woolery, Executive Director
Lincoln Institute of Land Policy, Cambridge, Massachusetts
12:00 Lunch - Ballroom, Campus Activities Center
1:30 Concurrent Sessions
1. Deferred Federal Income Taxes and The Investment Tax Credit as it Applies to Public Utility Valuation . . . Panel
"The Florida Gas Company's Purchase Payback" . . .
Raymond E. Vaught, Florida Gas Company, Winter Park, Florida
"Problems As It Affects The South Central Bell System" . . .
Frank C. Izard, South Central Bell Telephone Co., Birmingham, Alabama
"Administrative Problems With Deferred Federal Income Taxes and The Investment Tax Credit" . . .
Tom Tegarden
Tennessee Public Service Commission, Nashville, Tennessee
Moderator . . . **Martin D. Miller**
Appraiser and Property Tax Consultant, Chicago, Illinois
2. Utility and Railroad Basic Appraisal Course . . .
Robert H. McSwain, Consultant - Appraiser, Montgomery, Alabama
Clarence Brasfield, Southern Bell Telephone & Telegraph Co., Atlanta, Georgia
A. Purpose of Course and General Discussion
B. Review of Appraisal Process
C. Sources of Financial Data

D. Cost Approach
(This course will run all afternoon on Monday and Tuesday, and will conclude with the 1:30-2:45 session on Wednesday. This is a basic course devoted to the introductory principles of appraisal - cost, market, and income - for railroad and utility property. Lecture, discussion, case analysis, and homework assignments will be used.)

2:45 Coffee Break
3:00 Continue Concurrent Sessions
1. Deferred Income Taxes - Panel (continued)
2. Utility and Railroad Basic Appraisal Course (continued)
4:45 Adjournment
6:00 Reception - Shocker Club
7:00 Buffet Dinner - Shocker Club

TUESDAY, AUGUST 5, 1980

9:00 Comments by NTA-TIA Executive Director . . .
Stanley J. Bowers, Executive Director, NTA-TIA, Columbus, Ohio
9:15 Significant Court Cases Including the 4-R Act . . .
William F. Lahner, Jr., Director of Property Taxes
Consolidated Rail Corporation, Philadelphia, Pennsylvania
10:30 Coffee Break
10:50 TO BE ANNOUNCED
12:00 Lunch - Ballroom, Campus Activities Center
1:30 Concurrent Sessions
1. Reproduction Costs - Depreciation for All Causes . . .
Martin D. Miller
Moderator . . . **Fred A. Harrington**, State Tax Commissioner
Nebraska Department of Revenue, Lincoln, Nebraska
2. Utility and Railroad Basic Appraisal Course (continued)
A. Review
B. Income Approach
1. Theory of Income Approach
2. Determination of Income Stream
3. Capitalization rate
2:45 Coffee Break
3:00 Continue Concurrent Sessions
1. Construction Work in Progress . . .
Mike Goodman, Property Tax Division
Kansas Department of Revenue, Topeka, Kansas
Moderator . . . **David E. Wortman**
2. Capital Formation - Including the Capital Recovery Act . . .
Frank O'Grady, Director of Taxes
Bessemer & Lake Erie Railroad, Pittsburgh, Pennsylvania
3. Utility and Railroad Basic Appraisal Course (continued)
A. Review
B. Stock & Debt - Market Approach
C. Correlation and Allocation and Distribution
4:45 Adjournment

WEDNESDAY, AUGUST 6, 1980

9:00 What The Market Can Tell The Appraiser . . .
Joel Stern, President, Chase Manhattan Policy
Chase Manhattan Bank, New York
How Much Of The Market Can The Appraiser Believe? . . .
Dr. George Christy, North Texas State University, Denton, Texas
Moderator . . . **Arlo Woolery**
10:30 Coffee Break

10:50 Continuation of 9:00 Session - Questions/Answers
12:00 Lunch - Ballroom, Campus Activities Center
1:30 Concurrent Sessions
1. Problems Of The Income Approach To Valuation -
The Level Of The Income Stream To Be Used
and Determination Of Capitalization Rate . . .
Coleman Coffey, Farmer and Humble
Frankfort, Kentucky
Moderator . . . **Tom Fleming**
2. How Are Standard and Poor's Bond Ratings
Determined . . . (To be announced)
3. Utility and Railroad Basic Appraisal Course
(concluded)

2:45 Coffee Break
3:00 Debate On Significant Issues - General Session
Allocation Of The Unit Value To The States And/Or
Taxing Districts . . .
Tom Fleming
Tennessee Public Service Commission
Nashville, Tennessee
David W. Shank, Northwest Pipeline Corporation
Salt Lake City, Utah
How Should Leased Property Be Valued In The
Valuation Process? . . .
Roger C. Maude, Supervisor of Utility Assessments
Oregon Department of Revenue, Salem, Oregon
William K. Turnock, Property Tax Manager
Pacific Power and Light, Portland, Oregon
The Use Of Reproduction Costs As Evidence Of
Value For Utility Valuation . . .
Mike Fortier, State and Local Tax Supervisor
American Telephone and Telegraph
New York, New York
John J. Patenaude, Utility and Industrial Bureau
New York State Acquisition and Assessment
Executive Department, Albany, New York
Should A Railroad Or Utility Be Valued By
Reference To Its Conglomerate? . . .
Frank O'Grady, **Fred A. Harrington**
Moderator . . . **Clarence Brasfield**
(On each issue, the two speakers will present ten
minute arguments, followed by five-minute rebuttal
periods. Written questions will be solicited for
consideration on Thursday morning.)
5:00 Adjournment
6:00 Informal Discussion and Socializing . . .
Coleman Coffey, **David E. Wortman**

THURSDAY, AUGUST 7, 1980

9:00 Debate on Significant Issues - Continued
10:30 Conference Adjourned

WICHITA HILTON INN

The Wichita Hilton Inn is located at 549 S. Rock Road — Phone Number (316) 686-7131. There are no meals included in the prices quoted below. There will be bus service provided to and from the WSU campus.

COST: (These are all quoted on a per night basis)

One Person\$34.00
Two Persons\$46.00

We will send you a reservation card if you choose to stay at the Hilton.

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CENTER FOR MANAGEMENT DEVELOPMENT

College of Business Administration

Wichita State University

Wichita, Kansas 67208

PLANNING COMMITTEE FOR 1980 PROGRAM

Ken Boyer	Gerald McDougall
Mainard Bulloch	Robert H. McSwain
George Christy	Frank O'Grady
Coleman Coffey	Douglas Sharp
Charles C. Cook	Arlo Woolery
Seth Franzman	Dave Wortman
Frank Izard	

REGISTRATION FORM

APPRAISAL OF UTILITIES AND RAILROAD PROPERTY FOR AD VALOREM TAXATION — AUGUST 4, 5, 6 AND 7, 1980

- ☐ Registration Fee Per Person\$110.00
☐ Meal Package (Three Luncheons, Reception and Buffet Dinner)\$ 40.00
☐ 1980 Proceedings\$ 15.00
☐ "The Art of Valuation" by Arlo Woolery, (proceeds to establish a publication fund for the Wichita Workshop)\$ 13.50

PLEASE CHECK YOUR CHOICES AND PUT TOTAL AMOUNT HERE

Check One — () Wichita Hilton Inn () Own Arrangements

Reservations for lunches and dinner must be made in advance to help facilitate planning.

Name _____ Company Name _____

Address _____ City/State _____ Zip _____

() Bill Me () Bill My Company () Payment Enclosed

Please make checks payable to the Center for Management Development and mail to the Center for Management Development, Campus Box 86, Wichita State University, Wichita, Kansas 67208, (316) 689-3118.

For additional enrollments, please furnish above information.