

COMMISSIONER'S RECORD M

February 1, 1937.

At a regular meeting of the February session of the Board of County Commissioners, all the Commissioners and the County Clerk were present--namely, Chris Schaeke, Chairman, Earl T. Black and James F. Brass, Commissioners, and U. S. G. Plank, County Clerk.

The regular routine of allowing bills for county supplies, county wages and bills for the relief of the Poor were presented and ordered paid as per Allowance Record under date of February 1.

Mrs. Mildred D. Watson, County Poor Commissioner-Caso Supervisor, appeared before the Board, discussing several phases of her work. She reported to the Board that the KERC had allowed the same amount of money for administration purposes for February as for January, namely \$255.00.

The question of fair rates in coal was discussed and disposed of with the suggestion that a letter be written to all coal dealers, calling attention to the matter of fair rates.

The question of the distribution among the counties interested, of the \$12,500.00 registration fee paid into the office of the Register of Deeds of Douglas County, Kansas for the filing of a mortgage of \$5,000,000.00 was called to the attention of the Board and disposed of as follows:

Lawrence, Kansas,
January 28, 1937.

Dear Sirs:

On December 21, 1936, the Kansas Electric Power Company filed in this county a mortgage for \$5,000,000.00 and paid a mortgage registration fee of \$12,500.00 which is to be spread among the counties affected by the mortgage. The mortgage recites security under two main heads: (1) All its transmission lines, electric plants, sub-stations, etc.; rural and urban electric transmission lines; gas plants and transmission or distribution lines; ice manufacturing plants; motor buses, machinery, etc.; and all structures, buildings, etc. in the following counties: Atchison, Butler, Chase, Coffey, Douglas, Ell, Greenwood, Jefferson, Johnson, Labette, Leavenworth, Lyon, Morris, Osage, Osage, Shawnee, Wilson, Woodson and Wyandotte. And (2) Real estate in the following counties: Coffey, Douglas, Greenwood, Labette, Leavenworth, Lyon, Morris and Wyandotte.

Our interpretation of the mortgage registration law was that the fee should be divided on the ratios of the assessed valuations of real estate and we therefore set up a schedule of apportionment based on the relative assessed valuations from figures furnished by the Kansas Electric Power. (See Schedule I). We submitted the schedule to the State Tax Commission for approval and received in reply a copy of the Commission Order in regard to the division of registration tax fee paid by the Kansas Power and Light Company which cites the law, defines real estate, etc. and sets out this ruling: "It is the opinion of this Commission that this definition of real estate is broad enough for the purposes of the mortgage registration law to embrace all property covered by this mortgage. It follows, therefore, that we must find that the mortgage registration fee so paid to the county treasurer of Shawnee County should be apportioned among the counties in which some part of the mortgaged property is located, in proportion to the assessed valuation of said property in the respective counties". The Commission then tabulated valuations for all counties and we are therefore, setting up a new schedule of apportionment. (See Schedule II).

The County Commissioners of Shawnee County have recently secured an order of the District Court restraining the present county treasurer from distributing the tax as set out in the Commission Order for the Kansas Power and Light Company Fee. Inasmuch, as there is now raised the question of the proper base for apportionment, we do not feel free to make a distribution of the Kansas Electric Power fee paid in this county and now in our hands, unless all counties will agree to the apportionment which has been made in accord with the Commission's ruling - that is, as shown in Schedule II. Therefore, we are enclosing the apportionment schedule in a letter to all counties listed in the mortgage, and unless we have a written agreement from each county signed by its Board of County Commissioners and its County Treasurer, we shall withhold distribution until a decision is reached in the Shawnee County Court Case. It may be that the Douglas County Commissioners, when they meet next week, will not agree to the distribution: I have not yet had an opportunity to submit the schedule to them. However, I am sending this letter today so that other Boards may be able to consider it next week too.

Please rest assured proper and just distribution of this fee will be made in due time.

Very truly yours,

Signed A. M. Gardner,
County Treasurer, Douglas County.

*Distribution
Reg. fee*