

Approved 3-3-87 Ivan Sand
Date

MINUTES OF THE House COMMITTEE ON Local Government

The meeting was called to order by Representative Ivan Sand at
Chairperson

1:30 ~~XXX~~ p.m. on March 2, 1987 in room 521-S of the Capitol.

All members were present except:
Representative Holmes, Excused

Committee staff present:

Mike Heim, Legislative Research Dept.
Bill Edds, Revisor of Statutes' Office
Sharon Green, Committee Secretary

Conferees appearing before the committee:

Representative Baker
Richard Funk, Kansas Association of School Boards
Frank Seitz, Recreation Commissioner, Derby, Kansas
Mary Ladesic, Kansas County Treasurer's Association
Mike Billinger, Ellis County Treasurer
Don Jolley, Department of Community Services, City of Salina
Joe Thorton, Winfield Recreation Commission
Don Williams, Ottawa Recreation Commission
Jim Kaup, League of Kansas Municipalities
Dennis Schwartz, Kansas Rural Water Association
Wilbur Leonard, Kansas Farm Organizations

Chairman Sand called the meeting to order.

Representative Baker testified in support of HB 2424, and defined the major changes in the bill, dealing with: 1) Recreation Commissions are limited to 5; 2) Commissions have a 4 mill levy limitation; 3) Commissions may levy an additional mill; 4) Requires budget hearing by Commission; 5) the City or school district is not required to levy a tax more than the maximum levy set by current resolution; 6) May hold title to personal property; real property, if it is a gift or donation; and, 7) permissive reorganization provision. (Attachment 1)

Richard Funk testified in support of HB 2424, stating that there is no separate taxing entity in this bill as there was in HB 2005. He cited the provisions of the bill by each Section. (Attachment 2)

Frank Seitz testified in support of HB 2424, stating that this legislation is not a radical change from present statutes, and that it brings consistency and clarity to the Recreation Commission process. (Attachment 3)

Mary Ladesic testified in opposition to HB 2424, stating that she questioned the intent of Sec. C, lines 230 through 234. She also requested a reinstatement of Sec. 14 of HB 2005, as it appeared after the proposed amendments. (Attachment 4)

Mike Billinger testified in opposition to HB 2424, stating that he was concerned with the recreation commission levies as they relate to tax statements, as it would be costly to Ellis county. (Attachment 5)

Don Jolley testified in support of HB 2424, stating that he hoped the technical problems would not interfere with a good bill, and that this legislation clarified situations that have arisen previously.

Joe Thorton testified in support of HB 2424, stating that he just supports the bill.

Don Williams testified in support of HB 2424, stating that he supports the legislation.

A discussion was held by committee members and conferees concerning HB 2424.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Local Government,
room 521-S, Statehouse, at 1:30 XXX a.m./p.m. on March 2, 1987

Motion was made by Representative Patrick and seconded by Representative Francisco to insert Sec. 14 of HB 2005, with lines 502 through 508 stricken, into HB 2424. The motion carried.

Chairman Sand closed the hearing on HB 2424.

Jim Kaup testified in support of HB 2429, stating that this bill would resolve the problem identified by the Court in Mallon by specifically authorizing the city to add to the first year's installment payment the amount of interest due during the upcoming year on bonds issued to pay for the improvement project. (Attachment 6)

Chairman Sand closed the hearing on HB 2429.

Dennis Schwartz testified in support of HB 2430, stating that under current law, it can be difficult to get annual audits completed by March 1, and that this bill would allow the Rural Water Districts an extra month in which to hold their annual meetings. (Attachment 7)

Wilbur Leonard testified in support of HB 2430, stating that the extra month given to rural water districts will provide their officers a better opportunity to assemble the information of the meetings, and that it should minimize the number of rural water districts finding themselves in violation of present statutory deadlines. (Attachment 8)

Chairman Sand closed the hearing on HB 2430.

Motion was made by Representative Schauf and seconded by Representative Kennard to favorably pass HB 2429, and place it on the Consent Calendar. The motion carried.

Motion was made by Representative Acheson and seconded by Representative Empson to favorably pass HB 2430 and place it on the Consent Calendar. The motion carried.

The minutes of February 25 were approved as presented.

Meeting adjourned.

ELIZABETH BAKER
REPRESENTATIVE, EIGHTY-SECOND DISTRICT
SEDGWICK COUNTY
1025 REDWOOD RD.
DERBY, KANSAS 67037



TOPEKA

HOUSE OF
REPRESENTATIVES

COMMITTEE ASSIGNMENTS
VICE CHAIRMAN: ELECTIONS
MEMBER: ECONOMIC DEVELOPMENT
JOINT COMMITTEE ON
ECONOMIC DEVELOPMENT
LOCAL GOVERNMENT

March 2, 1987

TO: House Committee on Local Government
FROM: Representative Elizabeth Baker
RE: Major Changes in HB 2424

Major Changes:

1. Recreation Commissions are limited to 5. All present commissions that are larger are "grandfathered in".
2. Commissions have a 4 mill levy limitation.
3. May levy an additional mill, not subject to School Board or City approval for insurance and/or employee benefits. Insurance must be limited to liability as stated in the Kansas Tort Claims Act. Employee benefits must be limited to social security, workman's compensation, unemployment compensation, health insurance & retirement benefits.
4. Requires Budget hearing by Commission.
 - a. Ten days notice
 - b. Publication in paper of general circulation
 - c. Formal adoption by Commission
5. The City or school district is not required to levy a tax more than the maximum levy set by current resolution.
6. May only hold title to real property if it is a gift or donation.
May hold title to personal property.
7. Contains a permissive reorganization provision.

EB/bs

Attachment 1
3-2-87

Analysis: Recreation Commissions
House Bill No. 2424

Section 1

Definitions - brings definitions into compliance with other statutes. Specifies that "assessed valuation" is what is "larger" regarding tax area under existing statute 12-1908 when a joint recreation commission is formed.

Section 2

Allows all existing recreation systems to continue operating in their present form.

Section 3

Allows for the establishment of a city, school district, or joint recreation commission. Provides for cooperation in the use of property and equipment. Keeps some of the provisions in present statute 12-1901.

Section 4

(a) Petition by voters to establish either a city or school district recreation commission, with a one (1) mill maximum levy, and the election paid for by either the city or school district, whichever was petitioned.

(b) Petition by voters to establish a joint city-school district recreation commission, the vote is held for the voters in the area of the largest assessed valuation, and the cost of the election is to be borne equally by the city and school district

(c) Allows for the city and school district to establish a joint recreation commission by adopting a joint resolution, with a one (1) mill maximum levy. The voters of the area with the largest assessed valuation will vote and the cost of the election is to be borne equally by the city and school district.

(d) Upon approval by the voters, the city, school district, or both acting jointly are allowed to appoint a recreation commission and gives the recreation commission the power to operate the recreation system.

Section 5

(a) All new recreation commissions shall consist of five members. Outlines the method of appointment. Those who are appointed must be residents of the recreation commission taxing area. Terms of office are prescribed. The treasurer of the recreation commission is the treasurer of either the city or the school district. There shall be no compensation paid to the members and treasurer of the recreation commission.

(b) Allows any recreation commission currently operating to reorganize, if there is a majority vote to do so, and the new recreation commission shall be only five members. This section keeps the membership of currently operating recreation commissions intact.

Attachment 2
3-2-87

Section 6

(a) Requires the recreation commission to: (1) prepare a budget, (2) hold a public hearing on the budget, (3) publish notice of the budget hearing, (4) adopt or amend the budget after the public hearing, (5) certify the budget to the city or school-district by August 1.

The city or school district does not have to levy a tax greater than the previous year for the recreation commission's general fund.

The recreation commission can authorize a higher general fund mill levy by adopting a resolution. The city or school district may authorize the general fund mill levy increase by a resolution - or it may not authorize the mill levy increase.

The general fund mill levy increase shall not go up more than 1 mill per year and there is a cap of 4 mills upon the recreation commission's general fund.

(b) All resolutions shall be published as outlined. There is a procedure for voter protest petition and election on the mill levy increase. The cost of the election is to be borne by the recreation commission. The city or school district must certify the tax levy by August 25 to the county clerk.

(c) Gives the city or school district the authority to pass through the tax levy for the recreation commission.

(d) Allows for new recreation commissions to operate for at least 3 years. An election can be called to reduce the general fund mill levy of the recreation commission or to revoke the operating authority of the recreation commission. Upon dissolution of the recreation commission all property and money of the recreation commission becomes the property of the tax levying authority.

(e) Requires the financial records of the recreation commission to be audited and the audit to be paid for by the recreation commission.

Section 7

(A-i) Gives certain powers to the recreation commission. The main provision in this section allows the recreation commission to levy a tax separate from the tax for the general fund to fund the cost of insurance and employee benefits. The combined levy for both funds cannot exceed 1 mill.

(J) Allows the recreation commission to buy personal property but not real property.

Section 8

(a) Is current statute 12-1914(a) except for the election costs to be borne by the city.

(b) Is current statute 12-1914(b) except for the election costs to be borne equally by the city and school district.

Section 9

Is current statute 12-1915

Section 10

Is current statute 12-1916

Section 11

Same as current statute 12-1917

Section 12

Same as current statutes 12-1919 and part of 12-1920 except that the cost of the election is to be borne equally by the city and school district. This section streamlines existing statutory language.

Section 13

Provides that a school district is not a taxing subdivision for the creation of any employee benefit contribution funds. This replaces current statute 12-1920.

Section 14

Repealer

Section 15

Effective July 1, 1987



DERBY RECREATION COMMISSION • P.O. Box 324 • 801 E. Market • Derby, KS 67037 • 316-788-3781

FRANK SEITZ
RECREATION DIRECTOR

TIM WOLKEN
PROGRAM DIRECTOR

TO: Kansas House of Representatives, Committee on Local Government
FROM: Frank Seitz, Director of Recreation, Derby, Kansas
RE: House Bill 2424

Thank you again for time this afternoon. I am Frank Seitz, Director of the Derby Recreation Commission. I am here today to speak in favor of the substitute bill.

The request for the opportunity for testimony today is two-fold. One to convey my belief to the committee on local government that this legislation is not a radical change from present statutes. And secondly to support that this substitute bill brings consistency, clarity, and hopefully less confusion to the Recreation Commission process.

If I may I will give brief comments on the revisions.

Membership: Recreation Commissions are created with five member governing boards. Current statutes call for a reorganization process if a Commission levies in excess of two mills. The reorganization process calls for elected officials of the creating body or bodies to serve on Recreation Commissions.

The proposed substitute bill calls for standard five member boards, and an end to the reorganization process, as well as a grandfather clause for all commissions presently operating with more than five members. It does not preclude the appointment of elected officials. They may still be appointed among the five member boards.

There are several good reasons for the change in membership.

- this was the area which many communities have sought special legislation in the past
- generally a five member board is considered an easier number of board members to work with in comparison to seven or nine member boards
- in many cases it was found that elected officials did not wish to serve on Recreation Commissions for various reasons (time restrictions, lack of interest, etc.)

Attachment 3
3-2-87

- it is the posture of both the League and the State Board of Education that they also oppose the reorganizational process, and favor the substitute bill.

Levy Limit: Current statutes give special consideration to a handful of communities for a four mill levy limit. The remainder of the Commissions are currently limited to a three mill levy limit.

The substitute bill is consistent in allowing all Commissions a four mill levy limit. It is important to note that this is not an open door to levy increases. The process for increasing levy limits must still be subject to Recreation Commission Board approval, the levying board's approval and then subject to the right of petition by the public. Few if any levies are subject to the scrutiny that Recreation Commission levies are. In addition, I think you will find that very few commissions are at the three mill levy limit which shows the frugality of our operations over the last forty years.

Budget Process: The current statutes present some problems as far as clarity and therefore the interpretation of what responsibilities the Recreation Commission have and what responsibilities the levying authority has, have been inconsistent.

The proposed substitute bill specifically states the processes which each agency must go through during the budget process. The responsibilities are clearly outlined and should eliminate confusion which currently exists.

Employee Benefit/Liability Insurance: Current statutes allow for the establishment of employee benefit funds with no limitations. There are no current means for the liability insurance costs to be exempt from the general fund.

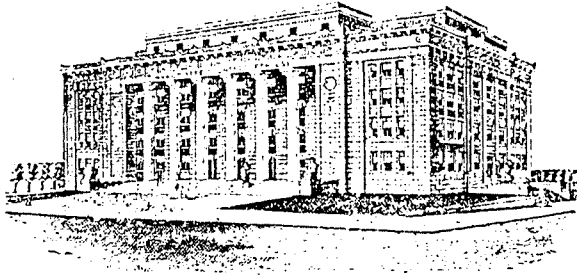
The new powers section of the substitute bill defines the Recreation Commission's authority to establish Employee Benefit Fund and the ability to remove Liability Insurance from the general fund. The new proposal would further define what benefits are applicable to the Employee Benefit Fund, limit the liability coverage to the limits of the tort claim act and cap the total limit of the two at one mill.

The new legislation again is more definitive, it grants definite authority and defined guidelines for that authority. It is consistent with current legislation in that other agencies are also allowed to remove both of these from the general fund, if they choose to do so. As you are all aware, last year school districts were given the authority to remove liability insurance costs outside of their general fund expenditures because of the premium crisis they were experiencing. I assure you, Recreation Commissions share this same financial dilemma and I believe should be dealt with similarly.

Title to Property: Current legislation again is not clear on title to property. The proposed substitute bill gives authority to own personal property (i.e. trucks, cars, etc.) which is already being done, but limits ownership of real property to that which is donated. This will again clarify the ownership of property issue.

I see these as the most significant of the revisions. The remaining are just clarifications of who will bear the cost of the elections.

I feel strongly that this is a good piece of legislation which is not only needed, but also supported by Kansas Recreation and Park Associations, The Kansas League of Municipalities and the Kansas State School Board Association. We hope you will strongly consider these recommendations which have evolved out of many hours of consideration by all of us.



573-2823

OFFICE OF
MARY P. LADESIC
COUNTY TREASURER
WYANDOTTE COUNTY COURT HOUSE
KANSAS CITY, KANSAS 66101



To: HOUSE LOCAL GOVERNMENT COMMITTEE
From: MARY P. LADESIC, LEGISLATIVE CHAIRMAN, Ks. COUNTY TREASURER'S ASSOC.
Re: HOUSE BILL 2424

MR. CHAIRMAN AND HONORABLE MEMBERS OF THE HOUSE LOCAL GOVERNMENT COMMITTEE:

I AM HERE ON BEHALF OF THE TREASURER'S ASSOCIATION TO ADDRESS HOUSE BILL 2424. AS HOUSE BILL 2005 IS BASICALLY THE SAME AS H.B. 2424, A DISCUSSION OF H.B. 2005 IS ALSO NECESSARY.

AT THE HEARING ON FEB. 3 FOR H.B. 2005 NUMEROUS AMENDMENTS WERE PROPOSED ON THE RECOMMENDATIONS BY THE COMBINED EFFORTS OF THE SCHOOL AND RECREATION COMMISSIONS. THESE AMENDMENTS WERE VOTED ON AND ACCEPTED BY THIS COMMITTEE. THE TREASURER'S ASSOCIATION HAD NO OPPOSITION TO THESE AMENDMENTS BUT DID REQUEST A CLARIFICATION TO LINES 202 THROUGH 204 IN H.B. 2005. AT THAT TIME, AN EXPLANATION WAS NOT PROVIDED BUT REP. KERRY PATRICK MOVED TO STRIKE THE QUESTIONABLE LINES FROM THE BILL AND THE COMMITTEE AGREED TO AMEND THE BILL IN THIS MANNER.

IN H.B. 2424, SEC. C, LINES 230 THROUGH 234 CONTAIN THAT PORTION OF H.B. 2005 THAT WAS PREVIOUSLY STRICKEN BY THIS COMMITTEE BUT IN A REVISED LANGUAGE. WE WOULD AGAIN ASK THE COMMITTEE AT THIS TIME THE INTENT OF SEC. C, LINES 230 THROUGH 234.

Attachment 4
3-2-87

DURING AN INTERIM STUDY, SEC. 14, LINES 502 THROUGH 508 WERE STRICKEN. WHEN THE REQUEST FOR H.B. 2005 WHICH PERTAINS TO K.S.A. 79-2001 CAME FROM THE SCHOOL AND RECREATION COMMISSIONS, SEC. 14 WAS STILL IN TACT AND VOTED ON BY THIS COMMITTEE WITH SEC. 14 INCLUDED. IN H.B. 2424, SEC. 14 HAS BEEN COMPLETELY REPEALED.

THE REASON WE PREVIOUSLY OPPOSED H.B. 2005 AND CURRENTLY OPPOSE H.B. 2424 IS DUE TO THAT PORTION OF SEC. 14 CONTAINED IN K.S.A. 79-2001 THAT READS AS FOLLOWS: "WHEN THE TAXING UNIT IS A SCHOOL DISTRICT WHICH IS INVOLVED IN THE OPERATION OF A SYSTEM OF PUBLIC RECREATION AND PLAYGROUNDS AND WHICH IS LEVYING A TAX TO FUND THE OPERATION OF THE RECREATION SYSTEM, THE SCHOOL DISTRICT MAY DIRECT THE COUNTY TREASURER TO INDICATE ON OR EXCLUDE FROM THE TAX STATEMENT THE EXACT AMOUNT AND PORTION OF THE BILL LEVY AND TAX DUE WHICH IS ATTRIBUTABLE TO THE OPERATION OF THE RECREATION SYSTEM."

AT THIS TIME WE WOULD REQUEST OF THIS COMMITTEE TO REINSTATE SEC. 14 IN H.B. 2424 AS IT APPEARED AFTER THE PROPOSED AMENDMENTS WERE OFFERED AND VOTED ON BY THIS COMMITTEE ON H.B. 2005.

THANK YOU FOR YOUR TIME AND ATTENTION IN THIS MATTER. I WILL BE HAPPY TO STAND FOR QUESTIONS.

MIKE BILLINGER
TREASURER

JERRY SCHMIDTBERGER
DEPUTY TREASURER

OFFICE OF
ELLIS COUNTY TREASURER
DRAWER 520
HAYS, KANSAS 67601

TAX OFFICE 913 628-8249
MOTOR VEHICLE REGISTRATION OFFICE 913 628-2034

March 2, 1987

To: Members of the House Local Government Committee

From: Mike Billinger

RE: House Bill 2424

Mr. Chairman and Members of the Committee:

Good afternoon, I am Mike Billinger, Treasurer of Ellis County, appearing on behalf of the Kansas County Treasurers Association.

I would like to extend my appreciation to this committee for allotting me time to make this presentation.

The Kansas County Treasurer's Association requests of this Committee the insertion to House Bill 2424, appropriate language relieving County Treassurers of the responsibilities involved in printing seperate levies for recreation commissions on tax statements.

Presently K.S.A. 79-2001 requires that County Treasurers, upon request shall print recreation commission levies on tax statements. The problems associated have an adverse affect on tax collection systems. Please note the attachments, these are a sampling of personal property statements mailed to businesses having a tax liability in Ellis County. Over the past years Ellis County has tried to combine as many tax items as possible per statement, not to mention condensing this statement and using all the available space thereon. This has been done in order to eliminate approximately 40% of the personal property tax statements mailed and to continue the usage of the most inexpensive envelope as possible. This envelope allows us to mail statements at the same cost as that of a first class letter.

If this requested language is not included in House Bill 2424, Ellis County might experience additional expenses in several areas. First there would be the cost of reprogramming the computer system to print the necessary levy information on every tax statement. This could be construed as a double cost since Ellis County presently prints a levy sheet containing this information and inserts it with all tax statements mailed. As a result it may be necessary to print one tax statement per taxing district per tax payer because of space limitations. Once again increasing the number of statements printed, processed and mailed. Then there would be the cost of redesigning the tax statement and envelopes in order to have the space needed for this information. With the enlargement of the envelope the cost per statement mailed would increase because of its unusual size. I realize many of these problems are somewhat unique to Ellis County. However now that many counties are becoming computerized; the trend should be to streamline tax statements, not to make them more confusing.

Attachment 5
3-2-87

MIKE BILLINGER
TREASURER

JERRY SCHMIDTBERGER
DEPUTY TREASURER

OFFICE OF
ELLIS COUNTY TREASURER
DRAWER 520
HAYS, KANSAS 67601

TAX OFFICE 913 628-8249
MOTOR VEHICLE REGISTRATION OFFICE 913 628-2034

In summation, it appears Ellis County could be faced with a variety of unnecessary expenses when this information is currently available either by referring to the levy sheet or contacting the Clerk's or Treasurer's offices. Therefore I request that you amend House Bill 2424, eliminating our concern with recreation commission levies as they relate to tax statements.

Thank you.

Mike Billinger
Ellis County Treasurer

1986 PERSONAL PROPERTY TAX STATEMENT

ELLIS COUNTY
HAYS, KS 67601

TAXPAYERS KEEP THIS PART FOR YOUR RECORDS
NO STATEMENT IS MAILED FOR SECOND HALF TAX.

1986

PTAX

TAXPAYERS MAIL THIS PART WITH PAYMENT

STATEMENT NO.	TAXPAYER I.D.	ADVANCE	FIRST HALF	SECOND HALF	TOTAL DUE
0005130	0300114	\$0.00	\$7479.38	\$7479.38	\$14958.76
PROPERTY ITEM	TAX UNIT	TAXABLE VALUE	LEVY	TAX	
Farm Personal Prop 83FORT	CAT270CKEF	\$306.	78.228	\$23.94	
21-11-18SW (WASINGA) W	CAT270CKEF	\$2067.	78.228	\$161.70	
11-12-18NW (STAAB A) W	BUT270CKEF	\$19813.	78.228	\$1549.93	
02-11-16NW (KRUEGUN) W	BUT489CKEF	\$7387.	104.710	\$773.49	
22-13-17NW (DREILIA) W	HET399CKEF	\$149611.	72.930	\$10911.13	
22-13-17SW (ROME B) W	HET432CKEF	\$14287.	70.240	\$1003.52	
19-11-20N (VANCE B) W	HET432CKEF	\$3664.	70.240	\$257.36	
	ELT388CKEF	\$3127.	88.803	\$277.69	

STATEMENT NO.	TOTAL DUE
0005130	\$14958.76
FIRST HALF	SECOND HALF
\$7479.38	\$7479.38

IMPORTANT

TAXES DUE
NOV. 1, 1986
FIRST HALF DELINQUENT
DEC. 21, 1986
SECOND HALF DELINQUENT
JUNE 21, 1987

IF FIRST HALF BECOMES DELINQUENT, THE FULL TAX IS DUE.

TREASURER NOT RESPONSIBLE FOR OMISSION OF PROPERTY PLEASE CONTACT APPRAISER ON QUESTIONS ABOUT TAXABLE VALUE.

MAKE CHECKS PAYABLE TO ELLIS COUNTY TREASURER
MAIL TO ELLIS COUNTY TREASURER
P.O BOX 520
HAYS KS 67601

MIKE BILLINGER
COUNTY TREASURER

IF TOTAL DUE IS \$10,000 OR
LESS IT MUST BE PAID IN FULL

DETACH ALONG THIS LINE

SEE ENCLOSURE FOR
HOMESTEAD OR RENTAL
CLAIM AND FOR FOOD
SALES TAX CLAIM INFORMATION

CITIES SERVICE CO *
ATTN: PROP TAX DEPT
P O BOX 868
HOUSTON TEXAS

77001

OWNER'S NAME IF TAXPAYER DESIGNATED

1986 PERSONAL PROPERTY TAX STATEMENT

ELLIS COUNTY
HAYS, KS 67601

TAXPAYERS KEEP THIS PART FOR YOUR RECORDS
NO STATEMENT IS MAILED FOR SECOND HALF TAX.

1986

PTAX

TAXPAYERS MAIL THIS PART WITH PAYMENT

STATEMENT NO.	TAXPAYER I.D.	ADVANCE	FIRST HALF	SECOND HALF	TOTAL DUE
0005348	0300437	\$0.00	\$21948.13	\$21948.13	\$43896.26
PROPERTY ITEM	TAX UNIT	TAXABLE VALUE	LEVY	TAX	
Business Other	HAC489	\$34263.	139.488	\$4779.28	
Business Other	VIC432CK	\$962.	114.326	\$109.98	
Business Other	BCT489CKEF	\$9061.	104.778	\$949.39	
Business Other	ELC398	\$2254.	149.275	\$336.47	
Business Other	SCC489CK	\$323.	119.656	\$38.65	
Business Other	HET432CKGF	\$66.	70.191	\$4.63	
Business Other	BCT489CKEFID	\$306596.	104.778	\$32124.52	
24TRKTS	BCT489CKEFID	\$53001.	104.778	\$5553.34	

STATEMENT NO.	TOTAL DUE
0005348	\$43896.26
FIRST HALF	SECOND HALF
\$21948.13	\$21948.13

IMPORTANT

TAXES DUE
NOV. 1, 1986
FIRST HALF DELINQUENT
DEC. 21, 1986
SECOND HALF DELINQUENT
JUNE 21, 1987

IF FIRST HALF BECOMES DELINQUENT, THE FULL TAX IS DUE.

TREASURER NOT RESPONSIBLE FOR OMISSION OF PROPERTY PLEASE CONTACT APPRAISER ON QUESTIONS ABOUT TAXABLE VALUE.

MAKE CHECKS PAYABLE TO ELLIS COUNTY TREASURER
MAIL TO ELLIS COUNTY TREASURER
P.O BOX 520
HAYS KS 67601

MIKE BILLINGER
COUNTY TREASURER

IF TOTAL DUE IS \$10,000 OR
LESS IT MUST BE PAID IN FULL

DETACH ALONG THIS LINE

SEE ENCLOSURE FOR
HOMESTEAD OR RENTAL
CLAIM AND FOR FOOD
SALES TAX CLAIM INFORMATION

PEPSI-COLA BOTTLING CO *
2000 FRONT STREET
BOX 460
HAYS KANSAS

67601

OWNER'S NAME IF TAXPAYER DESIGNATED

1986 TAX LEVIES, ELLIS COUNTY, KANSAS
RATE EXPRESSED IN DOLLARS PER 1000 TANGIBLE VALUATION

<u>STATE</u>		<u>ELLIS CITY</u>	
Educational Building -----	1.000	General -----	22.398
State Institutions Building -----	.250	Employee Benefit -----	11.307
Correctional Institutions Building--	.250	Library -----	4.000
Total -----	1.500	Industrial -----	1.000
		Bond & Interest -----	23.247
		No Fund Warrants -----	.575
		Total -----	62.527
<u>COUNTY</u>		<u>HAYS CITY</u>	
Road and Bridge -----	11.264	General -----	4.466
Special Bridge -----	1.291	Airport -----	.500
Building -----	.330	Bond & Interest -----	19.285
Health -----	.253	Employee Benefit -----	5.248
Conservation District -----	.063	Special Fire Equipment -----	.500
Historical Society -----	.200	Special Liability -----	.500
Fair -----	.462	Library -----	6.000
Cemetery -----	.010	Library Employee Benefit -----	.334
Appraisal -----	.996	Total -----	36.833
Noxious Weed -----	.757		
Mental Retardation -----	1.000	<u>SCHOENCHEN CITY</u>	
Ambulance -----	2.071	General -----	9.509
Employee Benefit -----	2.042	Bond & Interest -----	6.486
Junior College -----	.467	Total -----	15.995
Extension Council -----	.714		
Election -----	.310	<u>VICTORIA CITY</u>	
Mental Health -----	1.000	General -----	12.844
Economic Development -----	.471	Employee Benefit -----	3.851
Reappraisal -----	2.312	Bond & Interest -----	28.472
Senior Citizens -----	.330	Total -----	45.167
Total -----	26.343		

<u>TOWNSHIPS</u>			
BIG CREEK	General -----	.068	
FREEDOM	General -----	.316	
HERZOG	General -----	.032	
VICTORIA	General -----	.083	

<u>DISTRICTS</u>			
ELLIS COUNTY RURAL			CENTRAL KANSAS LIBRARY General - .922
FIRE DISTRICT	General -	1.049	Employee Benefit - .084
PRAIRIE ACRES IMPROVEMENT	General -	4.414	
GORHAM FIRE DISTRICT	General -	1.000	Total ----- 1.006

<u>UNIFIED SCHOOL DISTRICTS</u>						
<u>DISTRICT NUMBER</u>	<u>GENERAL</u>	<u>CAP. OUTLAY</u>	<u>SPEC. ASSM'T</u>	<u>RECREATION</u>	<u>BOND & INTEREST</u>	<u>TOTAL</u>
U 269	47.330	2.500	-	-	-	49.830
U 270	44.760	2.570	-	1.000	-	48.330
U 388	48.804	2.000	-	1.000	7.101	58.905
U 395	46.845	-	-	-	-	46.845
U 399	40.970	2.030	-	-	-	43.000
U 403	49.224	-	-	-	-	49.224
U 407	64.260	3.990	-	-	-	68.250
U 432	39.810	-	-	.500	-	40.310
U 489	65.043	4.000	.190	1.500	4.079	74.812
U 489 (No Bond)	65.043	4.000	.190	1.500	-	70.733

STATE OF KANSAS
COUNTY OF ELLIS, SS:

I, Peggy J. McCullick, County Clerk of Ellis County, Kansas, do hereby certify that the above is a complete list of tax levies on all tangible property in Ellis County for the year 1986.

SEAL:

PEGGY J. MCCULLICK
ELLIS COUNTY CLERK

1986 LEVIES BY TAX UNIT
(PER \$1000. TANGIBLE VALUATION)

HAC489	<u>HAYS CITY</u>	
STATE -----	1.500	
COUNTY -----	26.343	
CITY -----	36.833	
SCHOOL (489) -----	74.812	
TOTAL -----	<u>139.488</u>	

ELC388	<u>ELLIS CITY</u>	
STATE -----	1.500	
COUNTY -----	26.343	
CITY -----	62.527	
SCHOOL (388) -----	58.905	
TOTAL -----	<u>149.275</u>	

SCC489CK	<u>SCHOENCHEN CITY</u>	
STATE -----	1.500	
COUNTY -----	26.343	
CITY -----	15.995	
SCHOOL (489) -----	74.812	
CEN. KANS. LIB. -----	1.006	
TOTAL -----	<u>119.656</u>	

VIC432CK	<u>VICTORIA CITY</u>	
STATE -----	1.500	
COUNTY -----	26.343	
CITY -----	45.167	
SCHOOL (432) -----	40.310	
CEN. KANS. LIB. -----	1.006	
TOTAL -----	<u>114.326</u>	

TOWNSHIPS

	STATE	COUNTY	TWPS.	SCHOOL	LIBRARY	FIRE	CEM.	IMP DIST	TOTAL
<u>BIG CREEK</u>									
BCT432CKEF -----	1.500	26.343	.068	40.310	1.006	1.049	-	-	70.276
BCT489CKEF -----	1.500	26.343	.068	74.812	1.006	1.049	-	-	104.778
BCT489CKEFID ---	1.500	26.343	.068	74.812	1.006	1.049	-	-	104.778
BCT489CKEFPI ---	1.500	26.343	.068	74.812	1.006	1.049	-	4.414	109.192

<u>BUCKEYE</u>									
BUT269CKEF -----	1.500	26.343	-	49.830	1.006	1.049	-	-	79.728
BUT270CKEF -----	1.500	26.343	-	48.330	1.006	1.049	-	-	78.228
BUT388CKEF -----	1.500	26.343	-	58.905	1.006	1.049	-	-	88.803
BUT489CKEF -----	1.500	26.343	-	74.812	1.006	1.049	-	-	104.710

<u>CATHERINE</u>									
CAT270CKEF -----	1.500	26.343	-	48.330	1.006	1.049	-	-	78.228
CAT270CKEFFC ---	1.500	26.343	-	48.330	1.006	1.049	-	-	78.228
CAT432CKEF -----	1.500	26.343	-	40.310	1.006	1.049	-	-	70.208
CAT489CKEF -----	1.500	26.343	-	74.812	1.006	1.049	-	-	104.710
CAT489CKEFCL ---	1.500	26.343	-	74.812	1.006	1.049	-	-	104.710

<u>ELLIS</u>									
ELT269CKEF -----	1.500	26.343	-	49.830	1.006	1.049	-	-	79.728
ELT388CKEF -----	1.500	26.343	-	58.905	1.006	1.049	-	-	88.803
ELT489CKEF -----	1.500	26.343	-	74.812	1.006	1.049	-	-	104.710

<u>FREEDOM</u>									
FRT403CKEF -----	1.500	26.343	.316	49.224	1.006	1.049	-	-	79.438
FRT407CKEF -----	1.500	26.343	.316	68.250	1.006	1.049	-	-	98.464
FRT432CKEF -----	1.500	26.343	.316	40.310	1.006	1.049	-	-	70.524
FRT489CKEF -----	1.500	26.343	.316	74.812	1.006	1.049	-	-	105.026

<u>HERZOG</u>									
HET399CKEF -----	1.500	26.343	.032	43.000	1.006	1.049	-	-	72.930
HET399CKEFFC ---	1.500	26.343	.032	43.000	1.006	1.049	-	-	72.930
HET407CKEF -----	1.500	26.343	.032	68.250	1.006	1.049	-	-	98.180
HET407CKGF -----	1.500	26.343	.032	68.250	1.006	1.000	-	-	98.131
HET432CKEF -----	1.500	26.343	.032	40.310	1.006	1.049	-	-	70.240
HET432CKGF -----	1.500	26.343	.032	40.310	1.006	1.000	-	-	70.191
HET489CKEF -----	1.500	26.343	.032	70.733	1.006	1.049	-	-	100.663
(no bond)									

<u>LOOKOUT</u>									
LOT388CKEF -----	1.500	26.343	-	58.905	1.006	1.049	-	-	88.803
LOT395CKEF -----	1.500	26.343	-	46.845	1.006	1.049	-	-	76.743
LOT489CKEF -----	1.500	26.343	-	74.812	1.006	1.049	-	-	104.710

<u>VICTORIA</u>									
VIT407CKGF -----	1.500	26.343	.083	68.250	1.006	1.000	-	-	98.182
VIT432CKEF -----	1.500	26.343	.083	40.310	1.006	1.049	-	-	70.291
VIT432CKGF -----	1.500	26.343	.083	40.310	1.006	1.000	-	-	70.242
VIT489CKEF -----	1.500	26.343	.083	74.812	1.006	1.049	-	-	104.793

<u>WHEATLAND</u>									
WHT395CKEF -----	1.500	26.343	-	46.845	1.006	1.049	-	-	76.743
WHT432CKEF -----	1.500	26.343	-	40.310	1.006	1.049	-	-	70.208
WHT489CKEF -----	1.500	26.343	-	74.812	1.006	1.049	-	-	104.710



League of Kansas Municipalities

PUBLISHERS OF KANSAS GOVERNMENT JOURNAL/112 WEST SEVENTH ST., TOPEKA, KANSAS 66603/AREA 913-354-9565

TO: Chairman Ivan Sand and Members of the House Local Government Committee
FROM: Jim Kaup, League Attorney
RE: HB 2429; Assessment of Interest Under the General Improvement and
Assessment Law
DATE: March 2, 1987

HB 2429 is a bill the League asked this Committee to introduce last month. It addresses a problem which has recently risen concerning the General Improvement and Assessment Law (K.S.A. 12-6a01 *et seq.*). Specifically, HB 2429 amends K.S.A. 12-6a10, the statute relating to the payment of interest on bonds in the first year's installment payment for special assessment projects.

K.S.A. 12-6a10 presently states that the first annual installment payment by the owner of property in a special benefit district is payable at the time of the first payment of general property taxes following the adoption of the assessment ordinance. K.S.A. 12-6a10 goes on to provide that the first installment payment will have added to it interest on the assessment "between the effective date of the ordinance levying the assessment and the date the first installment is payable."

Despite the clear language of this statute, many cities have apparently bowed to the practical realities of special assessment-financed public improvement projects and have charged interest on the first installment sufficient to service the outstanding bonds for a full year. For example, assume the first installment on a project was \$50,000 and that the levying ordinance took effect June 20 and the interest cost to service the bonds issued was 10%. If all the property owners pay their special assessments on an installment basis at the time of paying property taxes, the property owners would pay \$2,500 for the six months interest period between June 20 and December 20. However, the city which issued the bonds to finance the project probably will have semi-annual payment of principal and interest on the bonds, such as on January 30 and June 30 of the following year. The interest owed depends on when the bonds were issued. If the two match--if the interest assessed between the publication date of the ordinance and the date the first installment is paid is the same as the city actually needs to pay for the interest owed--this is strictly coincidental.

Cities have, in the past, not only interpreted K.S.A. 12-6a01 as permitting a city to charge a full year's interest, but have also believed such to be required because of K.S.A. 10-114, of the general bond law, which requires a city to meet its bond obligations incurred as a result of a public improvement project.

The League comes to you today because we are faced with a court decision which says that these efforts by cities to make K.S.A. 12-6a10 work in a manner compatible with the realities of public financing is in fact in violation of a literal reading of the statute. In June 1986 the Kansas Court of Appeals, in Mallon v. City of Emporia, (11 Kan. App.2d 494) said that K.S.A. 12-6a10 provides that interest on the first installment commences running on the date of publication of the assessment ordinance (i.e. the ordinance's effective date). The Court held "a full year's interest for the first installment will be appropriate under 12-6a0 only if the effective date of the ordinance corresponded with the beginning of the year for general tax purposes. In this case it did not. The ordinance was published on July 16, 1983. This is the effective date from which interest should have been computed."

Attachment 6
3-2-87

HB 2429 would resolve the problem identified by the Court in Mallon by specifically authorizing the city to add to the first year's installment payment the amount of interest due during the upcoming year on bonds issued to pay for the improvement project.

In closing, we hope this Committee would recognize that the 12-6a law will continue to be used extensively by cities in Kansas, and that it is unrealistic to expect cities to coordinate the issuance of bonds and the effective date of the ordinance levying the assessment for each 12-6a financed project. If K.S.A. 12-6a10 is not amended bonds will still continue to be outstanding, and someone will still have to pay the interest on those bonds. If the first year's full amount of interest is not to be paid by the benefiting property owner, it will have to be paid by other taxpayers, an obviously unfair situation.

KRWA

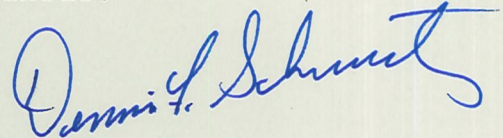
TO: HOUSE COMMITTEE ON LOCAL GOVERNMENT

STATEMENT OF SUPPORT FOR HOUSE BILL 2430

On behalf of the membership of the Kansas Rural Water Association, I wish to express to you our support of House Bill 2430.

Almost all Rural Water Districts in Kansas operate on a January, to December 31, fiscal year. Under current law, all Rural Water Districts are required to hold their annual meeting by March 1. It can be difficult for many Districts to get their annual audits completed by March 1, and the audit report is an important ingredient to the complete financial report which should be presented to the participating members at the annual meeting. House bill 2430 would allow these Districts an extra month in which to hold their annual meetings.

Your favorable action on this Bill will be appreciated by all Water Districts in the State of Kansas.



Dennis F. Schwartz
Vice-President, KRWA
3/2/87

Kansas Rural Water Association
P.O. Box 226
Seneca, Kansas 66538
(913) 336-3760

Attachment 7 (3-2-87)

Committee of . . .

Kansas Farm Organizations

Wilbur G. Leonard
Legislative Agent
109 West 9th Street
Suite 304
Topeka, Kansas 66612
(913) 234-9016

TESTIMONY IN SUPPORT OF HB 2430

Before the House committee on Local Government

March 2, 1987

Mr. Chairman and Members of the Committee:

I am Wilbur Leonard, legislative agent for the Committee of Kansas Farm Organizations, appearing in support of House Bill No. 2430. We appreciate the opportunity to make known the views of our 23 farm organization members with respect to this measure.

Two months is a very short time for any organization to conduct an audit and prepare an adequate report for its membership, particularly at the beginning of a calendar year. To give rural water districts another month within which to hold their annual meetings will provide their officers a better opportunity to assemble the information for the meetings, to the end that the material presented will be more complete. Also, it should minimize the number of rural water districts which, through no fault of their officers, find themselves in violation of the present statutory deadline.

We urge the Committee to report HB 2430 favorably for passage.

*Attachment 8
3-2-87*