



**703 Fifth Street
PO Box 210
Oswego, KS 67356
Phone (620) 795-4433**

Fax: 620-795-4873 ~ Email: cityinfo@oswegoks.com ~ Website: www.oswegokansas.com

Date: 3/3/16

To: Chairman Marvin KleeB, House Taxation Committee

From: Mayor F.W. Cunningham, Jr.

Subject: Written Testimony Supporting HB 2609

Dear Chairman KleeB,

Oswego is a small city of approximately 2,000 residents. Small cities are what this state is made of and yet, the tax lid passed last year, without a hearing, and now SB 316 are threatening their existence. We feel that our only hope is HB 2609. Most of the cities in the state do not have a huge money-making utility that could compensate for the lack of ability to collect the sufficient amount of property taxes. Giving the voters the right to determine whether there is a need for a tax increase would be fine if all of your voters were educated, business people who had faith in government and an appreciation of the cost of doing business. We all know that is not the case. Government is no longer trusted at any level so the facts and figures supporting the need will not make any difference in an election as voters are not going to believe you. That did not start at the local level but it has definitely trickled down to us. People who know nothing of the struggles the city has in order to take care of the community would be making decisions based upon ignorance of the issues – and we know what that decision would be. We have seen it happen just recently in a request for a sales tax increase a couple of years ago – and that was sales tax, not property tax!

As hard as our local officials and staff try to keep costs down, cities have no control over the cost of equipment, materials to fix streets, retirement, insurance, and countless other materials vital to maintaining city services. These are not costs normally figured into the CPI, so how on earth can cities be kept to that measurement? What an unreasonable decision that was. If there must be a tax lid, at the very least have the measurement be made up of what costs cities have.

If we were kept to the CPI for the 2016 budget, our expenses from 2015 to 2016 could have increased only \$7,340. \$7,340 to cover the increases we receive for our: Health insurance, life insurance, property/liability insurance, natural gas, electricity, vehicle and equipment maintenance, building maintenance, office supplies, postage, police & fire expenses, fuel, street lights, park upkeep and repairs, swimming pool chemicals, maintenance and management, senior citizen building utilities & repairs and municipal court judge. These are not all of the items we see cost increases in, but they are most of the ones that we have no control over. All of these items for Administration, Police, Fire, Public Works, Parks, Swimming Pool, Senior Citizens and Municipal Court. Do you really think that \$7,340 is going to cover these?

We have no cushion in the budget, no big money making utility that we can pull revenue from. There are other cities that have these things, however, most do not. Therefore, where will it come from?

Staff will be cut causing services to be cut. Service is what small towns live on. There are no other draws. No big shopping malls, movie theatres, colleges, big box stores or fancy restaurants. Good Police protection, fire protection, schools and small town services is what we have to offer. Once we no longer can afford to provide these, how long do you think it will take for our small town, our home, to disappear?

On behalf of the Governing Body of the City of Oswego, I pray that the Committee considers the problems the tax lid bill has created, just how unjust the CPI measure really is and make adjustments to it through passing HB 2609. Thank you very much for your time and your service.

Respectfully,

A handwritten signature in black ink, appearing to read "F. W. Cunningham, Jr.", written in a cursive style.

F. W. Cunningham, Jr.
Mayor