

To:

Chairman Steven Johnson and the House Taxation Committee Members

From:

Clair Donnelly, Mayor

Richard LaMunyon, City Administrator

City of Maize

Date:

May 9, 2017

Subject:

Written Testimony in Support of HB 2424

The current tax lid law is both impractical and operationally feeble; the City of Maize is in support of changing the tax lid to include employee benefits to help reduce the strain of increases on already strapped budgets.

The addition of: "(G) increases in employer contributions for social security, workers compensation, unemployment insurance, health-care costs, employee benefit plans and employee retirement and pension programs" helps relieve the pressure on the lid from sources that are outside of our control (such as KPERS).

The reasoning for this support is practical: Employee benefits cost the City of Maize \$590,000 in 2016. Benefits are budgeted to increase to \$600,000 in 2017. Over the past 5 years Maize has seen employee benefits increase 22%.

While the City of Maize continues to be in opposition to the current law, we will support changing the legislation to allow the addition of employee benefit increases. It would be more efficient and provides some structure to the current ambiguous law.