

CITY of LIBERAL

P.O. Box 2199 • Liberal, Kansas 67905-2199

Date: March 12, 2020
 To: Chairwoman Caryn Tyson and Senate Assessment and Taxation Committee Members
 From: Mayor Connie L. Seigrist
 City of Liberal
 Re: Written Only - Testimony in Opposition to SB 396

Chairwoman Tyson and Committee Members, thank you for the opportunity to testify in opposition to SB 396 on behalf of City of Liberal.

Describe how you use the proceeds of the countywide sales tax.

The City of Liberal has historically used proceeds of the countywide sales tax to fund our General Fund Expenses and decrease the amount of property taxes needed.

Financial impact of SB 396 on your city.

For 2019, the City of Liberal's portion of the countywide sales tax collections equaled 23% of our total General Fund revenues.

How much of the sales tax is generated in your city?

For 2019, the City of Liberal received \$2,768,644 of countywide sales tax revenue.

Any debt service paid for with the sales tax?

For 2021 budget, staff intends to request approval to fund \$110,230 of debt service for a 2020 GO Bond refinance from the countywide sales tax revenue.

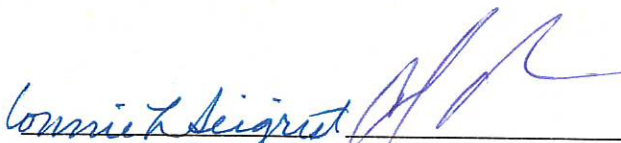
How would reduction in dollars impact your city?

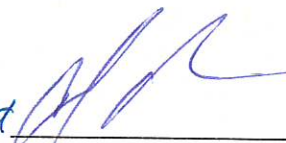
Our total 2019 valuation for 2020 budget is \$120,679,749, which equals \$120,679.75 per mill. To replace the estimated countywide sales tax, we would have to increase our budget by 22.58 mills, to a total of 74.66 mills, or a 43% increase in City property taxes.


Any other important considerations?


Due to the public concern that property taxes are already too high, it is very unlikely that any property tax increase would ever be considered. Therefore, our only other alternative would be to drastically reduce the services that we provide, which our constituents expect and deserve.

Based on this testimony, the City of Liberal requests you not to pass SB 396.


 Connie L. Seigrist,
 Mayor


 Calvin H. Burke,
 City Manager


 Christopher L. Ford,
 Director of Finance


 Alicia Hidalgo,
 City Clerk

