



Written Testimony in Support of House Bill 7356

To: Honorable Chairman Steve Johnson
Members of the House Taxation Committee

From: Alley Williams, Assistant to the City Administrator

Date: March 16, 2017

Thank you for the opportunity to provide comments in support of House Bill 2376. The Prairie Village Governing Body and City staff work tirelessly to ensure tax dollars are spent efficiently and transparently. The City currently has a AAA bond rating, which highlights the fiscally sound, balanced budget that funds high-quality services for our residents. Current law (KSA 79-2925c) caps the cities' ability to raise property tax revenue up to 1.4% in their 2018 budgets, with few exemptions, without a vote by the public to exceed the statutory limit. It is estimated the tax lid will have a financial impact on the City of Prairie Village of over \$200,000, which will greatly affect our capital infrastructure and ability to provide desired city services.

The current election provisions provide little direction other than stating an election can be held at the August primary, November general election, special election, or by mail-in ballot election to be completed on or before September 15. Under this bill, cities would have to finalize their budget by June 1 to have the proposed increase on the August ballot. While we, along with many other cities, begin the budget process early in the calendar year, no "hard" numbers can be put together until the valuation estimated from the County clerk are submitted on July 1. Conducting a hearing and approving a budget before valuations are received on July 1 is impractical, unfair, and misleading to citizens who will not know how the budget affects their taxes. If an election is required, preliminary estimates show they will cost the City upwards of \$65,000.

In addition to saving the taxpayer's dollars on costly elections, the City of Prairie Village is supportive of House Bill 2376 for other reasons. The protest petition driven election would replace the mandatory election requirement with a structured process that is discretionary with the electors. If required, it would allow Prairie Village the opportunity to explain to our taxpayers the need to increase the budget beyond the tax lid limits. For these reasons, the City of Prairie Village supports House Bill 2376.