

Approved: February 25, 1993  
Date

## MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION.

The meeting was called to order by Chairperson Audrey Langworthy at 11:08 a.m. on February 16, 1993 in Room 519-S of the Capitol.

Members present: Senator Langworthy, Senator Tiahrt, Senator Martin, Senator Bond, Senator Corbin, Senator Feleciano Jr., Senator Hardenburger, Senator Lee, Senator Reynolds, Senator Sallee, Senator Wisdom

Committee staff present: Tom Severn, Legislative Research Department  
Chris Courtwright, Legislative Research Department  
Bill Edds, Revisor of Statutes  
Don Hayward, Revisor of Statutes  
Elizabeth Carlson, Committee Secretary

Conferees appearing before the committee: Mayor Neale Peterson, Fairway  
Ed Stevens, Councilman, Prairie Village  
Gary Anderson, Councilman, Mission  
Sue Weltner, Johnson County Board of Commissioners  
Senator Jerry Karr

Others attending: See attached list

Senator Langworthy opened the meeting by calling the committee's attention to the fiscal notes, the supplemental note on **SB 203**, and the handout from the Southwest Kansas Royalty Owners Association.

### **SB 182--Apportionment local retailers' sales tax; Johnson county**

Mayor Neale Peterson, Fairway, appeared as a proponent on **SB 182**. He read from a prepared statement. (Attachment 1) He said there is an inequity in the county sales tax allocation and urged the support of the committee for this bill. He said this bill only revises the formula and does not call for any new taxes.

Ed Stevens, Councilman, Prairie Village, reviewed the formula for the allocation of the county sales tax dollars and discussed the inequities. (Attachment 2) He said nine of the 21 cities in Johnson county are not getting credit because they use only fire districts. This represents about 15 percent of the county population. He also said the cities losing money will continue to grow and will be adding revenue in the future. The nine cities are land-locked and will not grow.

Gary Anderson, Councilman, Mission, said **SB 182** will treat the tax payers equally. He said their concern is if Prairie Village would detach from the fire district and it would take one-third of the revenue. He expressed his approval for this bill for the people of northeast Johnson county. (Attachment 3)

Sue Weltner, Johnson County Board of Commissioners, said she was appearing, not as a Board member, but as a representative of the ten cities who elected her. She read from a prepared statement. (Attachment 4) She said the other 4 commissioners have a neutral position on this bill.

There were questions from the committee and staff was requested to check if Sedgwick county should also be included in this bill.

### **SB 191--Fire benefit districts (Reading); tax levy**

Senator Karr, representing the Reading Benefit Fire Board, spoke on **SB 191**. He gave some of the history about the fire benefit districts. He said under the old benefit district they had a 2 mill levy limit. This involves two counties, Osage and Lyon counties. They are requesting to increase the mill levy to 5 mills. They are not sure they will raise the levy to 5 mills but are asking for that increase possibility. He was asked by the

## CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION, Room 519-S  
Statehouse, at 11:08 a.m. on February 16, 1993.

committee about other fire benefit districts, and Senator Karr said he thought there were only two or three other similar benefit districts and they have not been contacted. Staff was requested to research where the other benefit districts are located and report back to the committee.. Senator Karr passed out testimony which had been prepared by the Reading Benefit Fire Board. (They were unable to be here today.) (Attachment 5)

The meeting adjourned at 11:48 a.m.

The next meeting is scheduled for February 17, 1993.

**GUEST LIST**  
**SENATE ASSESSMENT AND TAXATION COMMITTEE**

DATE: February 16, 1993

| NAME (PLEASE PRINT) | ADDRESS                                  | COMPANY/ORGANIZATION                      |
|---------------------|--|---|
| Sue E. Weltner      | 7916 Granada                             | Board of County Commissioners             |
| Ruth Hopkins        | 5310 W 71st Ter<br>Prairie Village 66208 | Prairie Vig City Council                  |
| Ed Stevens          | 3112 W. 71st PV KS                       | PV City Council                           |
| BARBARA VERNON      | 1928 Rosewood PV KS                      | PV City Admin                             |
| GARY ANDERSON       | 6323 Woodsen Mission 66202               | Fire District No. 2 / City of Mission     |
| Neale R. Peterson   | 5252 Belinda                             | City of Fairway                           |
| STEVE NOLL          | 4500 W. 71 TERPCE PV KS<br>66208         | P.V. CITY COUNCIL                         |
| KENNETH GODFREY     | 3600 SARDONIA, TOPEKA, KS                | KEN GODFREY AVIATION INC                  |
| Mike Hicks          | 7659 Canterbury, P.V. KS                 | Fire District No. 2                       |
| Doug Cruce          | 6300 STATE LINE RD, M.H. KS              | CITY OF MISSION HILLS                     |
| Nelsie Sweeney      | Overland Park                            | OP Chamber                                |
| Ron Lehman          | Lawrence                                 | Ks. Gov. Consulting                       |
| Mary Camarillo      | Topeka                                   | Delta Star Franchise                      |
| MARY E TURKINGTON   | Topeka                                   | Ks. Motor Carriers Assn.                  |
| WALT DARLING        | TOPEKA                                   | Ks. Division of Budget                    |
| GERRY RAY           | Overland Park                            | Johnson County &<br>City of Overland Park |
| MARK A. BURSHART    | TOPEKA                                   | REVENUE                                   |
| Steve Stotts,       | "  | "   |
| Jenny Kean          | "  | Senate                                    |
| Harold Pitts        | "  | AARP-CTIC                                 |

Senator Langworthy and members of the Committee, I am Neale Peterson, Mayor of the City of Fairway, Kansas. I am here to present testimony on Senate Bill 182.

This Senate Bill will amend K.S.A. 12-192, the statute which establishes the formula used to allocate revenue from the county sales tax. This amendment will change the allocation method currently used in Johnson County. It will allow cities which are provided fire protection service by a fire district to receive credit in the allocation formula for the amount paid by their taxpayers for fire protection.

I want to assure you that this legislation, when adopted, will not result in increased costs to the state or to the state's taxpayers. This legislation will simply reallocate one percent of the \$24 million of revenue from the Johnson County one-cent sales tax.

There is currently an inequity in the allocation formula for county sales tax revenue in Johnson County. The formula recognizes the taxes paid for fire protection in some - but not all - areas of the County. The tax paid for fire protection, an essential city service, should be accorded the same treatment regardless of the governmental system used to provide that service. In Johnson County the only taxpayers who do not receive credit in the county sales tax allocation formula for the tax they pay for fire protection are those who live in cities served entirely by a Fire District.

Nine cities in Johnson County, those in the northeast part of the county, are served by Fire District #2. Taxpayers in those cities pay an ad valorem property tax for fire protection to their Fire District. Since they do not pay that property tax to their City, they do not receive credit in the allocation formula for the property taxes they pay for fire protection.

In the past, other cities in Johnson County have requested special legislation which was adopted to protect their taxpayers from the inequity of the original formula.

We are here today to ask that you vote for approval of Senate Bill 182. When adopted, this legislation will revise the county sales tax allocation formula in Johnson County to recognize the taxes paid for fire protection by property owners in every city of the county. Approval of Senate Bill 182 will be the final step in eliminating inequity in the county sales tax allocation formula in Johnson County.

Let me emphasize again, this Bill will only revise the formula - a very small portion of that formula - and it will not call for any new taxes!

Senate Assessment & Taxation

February 16, 1993

Attachment 1-1

Senator Langworthy and members of the committee, my name is Ed Stevens. I am an elected city councilman in the city of Prairie Village. I've been a councilman for three years and am chairman of our council committee on finance so I have special interest in the matter being considered today.

You have heard why we are here. Let me, if I could, (1) review the Formula for the allocation of the county sales tax dollars, (2) review changes affecting this allocation that the legislature has made in recent years, (3) describe what we believe to be the inequities that now exist in the county allocation of funds and (4) tell you what we believe could be an alternative for our Prairie Village citizens if the current statute is not changed.

First, the Formula. Johnson County collects about \$24 million from a county sales Tax. By statute, almost all the money is distributed back to the cities and to the county by a Formula — 1/2 based on the percent of total population and 1/2 based on percent of Total Revenue Received from Ad Valorem Property Taxes. In the case of Prairie Village our total allocation constitutes about 10% of our total revenue.

The First one-half, that based on population, we have no problem with. Cities that are growing probably need more money for the expenses that growth brings with it. Obviously, smaller, land-locked, mature cities such as Prairie Village and others in NE Johnson County will progressively get less of this portion as our populations stabilize or go down but we know we have to learn to accept that and govern accordingly. It's fair. The unit of measurement (population) is the same for all cities.

The Second one-half of the Formula, that portion based on the percent of revenue received by municipalities and the county from Ad Valorem Property Taxes, is why we are here. There were inequities in the original statute but, from actions by the legislature in recent years, even more inequities have arisen as to how the cities' costs of fire protection are considered in allocation of the county sales tax revenue.

In the original legislation, if fire protection was not either provided by a City Fire Department or a contracted service and thus included in a city's Ad Valorem Tax, fire protection costs were not recognized in the allocation Formula. Gradually there have been changes.

First, Overland Park, a few years ago, recognized the inequity of not being allowed to include service provided by fire districts in it's mill levy and maneuvered to get it included. The Legislature allowed Overland Park to detach from the fire districts that served their city and turn around and contract with those same districts - thereby getting the cost of these contracts included in their mill levy. It was simply a legal maneuver whereby they gained income (from the County allocation) but did not really change the service. Now Overland Park receives fire protection from these contractors - who are not city employees. The contracting costs are included for allocation purposes.

Then, in 1991, the Legislature made another exception that benefited just four Johnson County cities - Olathe, DeSoto, Gardner and Spring Hill - by allowing them, because they were expanding and annexing land already included in fire districts, to adjust their allocation Formulas to include ALL fire protection services. Some services were from municipal departments, some were from fire districts.

We are asking for one more legislative change. You have recognized a special situation in Overland Park. You have recognized a special situation in cities who are

annexing new areas. Now, we are asking you to recognize the cost-saving actions taken by mature, stable cities who have consolidated their fire services in the form of fire districts. Why, the Legislature in '91 did not correct the inequity for ALL cities we don't know. With this change now ALL cities will be treated equally. Until that change occurs, some cities get credit in the county sales tax allocation Formula for fire district mill levies, others do not. Here are the different ways the cities now handle fire protection.

A few cities have their own municipal fire departments - Leawood, Lenexa and Shawnee are examples. Fire protection costs are included as city services in their taxes and the allocation rightfully reflects these taxes.

One city, at least - Overland Park - uses contractors to provide fire protection. These contracting costs are included in the allocation Formula.

Some cities have a mixture of services - Olathe, DeSoto, Gardner and Spring Hill are examples. Some areas of these cities are served by municipal departments (even though some are manned by volunteers) and some areas by fire districts. But, credit is given for BOTH these fire protection costs in the allocation Formula.

The final group includes those cities that use only fire districts to provide fire protection - Prairie Village, Mission, Fairway and Roeland Park are examples. NONE of the costs of fire protection that these nine cities provide is included in the Formula for allocating the County Sales Tax Revenue.

This is our concern! Nine of the 21 cities in Johnson County are NOT getting credit because they use only fire districts. This represents about 15% of the county population. But, this means that 85% of the citizens get, what we feel, is proper credit for services provided and 15% do not. Current statutes discourage consolidation of fire service by cities if, in the consolidation, the fire district levied its own ad valorem property tax. The Legislature by adopting Senate Bill 182 will be making a minor amendment to K.S.A. 12-192, and will be correcting the inequities.

Even the press recognizes this inequity. When they compare mill levies of Johnson County cities they add in the mill levies charged by the fire districts so the comparisons will be on an equal basis. (Attached is a 1992 clipping from The Sun.)

Let me reiterate what Mayor Peterson said, this does not mean additional taxes - it's simply a change in the way the pie is divided and it's a relatively minor change. The following list reflects our estimates of the annual gains and losses of the cities and the county with the change we are requesting:

|              |                 |            |              |                |            |
|--------------|-----------------|------------|--------------|----------------|------------|
| <b>GAIN:</b> | Prairie Village | +\$122,000 | <b>LOSS:</b> | Johnson County | -\$164,000 |
|              | Mission         | + 66,000   |              | Lenexa         | - 39,600   |
|              | Mission Hills   | + 54,000   |              | Olathe         | - 37,200   |
|              | Fairway         | + 27,600   |              | Overland Park  | - 36,000   |
|              | Roeland Park    | + 26,400   |              | Shawnee        | - 15,600   |
|              | Westwood        | + 15,600   |              | Leawood        | - 14,400   |
|              | Mission Woods   | + 3,600    |              | Merriam        | - 7,200    |
|              | Westwood Hills  | + 2,700    |              | Spring Hill    | - 1,080    |
|              | Countryside     | + 1,400    |              | Gardner        | - 1,080    |
|              |                 |            |              | Lake Quivira   | - 600      |
|              |                 |            |              | De Soto        | - 600      |
|              |                 |            |              | Edgerton       | - 480      |
|              |                 |            |              | Bonnor Springs | - 180      |

We know that no city wants to lose tax revenue so we are not suggesting that any of the "losing" cities will jump with joy but it is important to note that the largest loser is the county, meaning that a little larger piece of the pie will go back to the cities. And then it should be noted also that, almost without exception, the "losing " cities are the ones which are growing and/or are in growth areas of the county. With only a few years growth, their increasing revenue will have more than recovered any losses resulting now from this change.

What are our options if you elect not to act favorably to put us all on a more level playing field?

First, let me say that we very firmly believe that we are providing the citizens of Prairie Village with the best fire protection at the least cost. We could not build and maintain a fire department of the caliber of Fire District #2 for any where near the reasonable cost the citizens are now paying. And the other eight cities, each being smaller than Prairie Village, would have an even more difficult time. It is just not possible for small cities to act independently and provide the quality of fire protection service which is necessary in an urban area.

An alternative for Prairie Village, if the legislation will not be changed, is for the city to detach from Fire District #2 either by legislative action ( as Overland Park did) or by citizen petition. Then we would turn around and contract with the same fire district for service. Our arrangement for fire protection would "fit" the current legislation and the contracted cost for such service would be recognized in the Formula but we would get no change in quality of service. The city would incur a not insignificant amount of staff and legal time and expense to setup and annually negotiate a contract. But probably worse would be that the Fire District would not know from year to year what communities it would be serving and it could be reduced to a non-efficient size even to serve the remaining cities. Having a strong, high quality Fire District #2 is very important to all citizens in not only the county but in the entire metropolitan area.

In closing let me say that we all know that fire protection is a basic government service to ensure public safety. Fire District Ad Valorem property tax levies can be clearly identified as essential to every resident and business, unlike the tax levies for other districts such as libraries and parks. In this way Fire District tax levies are unique and they should be included as part of the Formula for County Sales Tax Revenue allocation.



# THE PRAIRIE VILLAGE SUN

FRIDAY, NOV. 20,

## Sales taxes keep OP levy the lowest

By John Holloway  
Sun Staff Writer

Overland Park has retained its distinction of having the lowest mill levy of any city in Johnson County, according to figures the city collected from the Johnson County Clerk.

A mill levy is the formula cities and other governmental entities use to figure taxes on property owners.

With Overland Park's mill levy of 12.579, the owner of a \$100,000 home there will pay \$126.95 to the city this year for its services.

Alan Sims, Overland Park assistant city manager, says the city keeps property taxes low because of its sales tax revenue.

"There are several factors, but one is that 40 percent of our revenue comes from sales tax," Sims said. "We have a diversified tax base, and right now we have a fairly even mix of 50 percent residential and 50 percent commercial and retail."

Sims said the city has been low for several years, although just how many he is not certain.

Shawnee City Manager Gary Montague agrees that sales tax revenue is a major reason why Overland Park maintains a low mill levy, but said the figures for Shawnee are somewhat misleading in one respect.

"It is true that Overland Park generates a tremendous amount  
See TAXES, Page 2

### City Tax Rates In Johnson County 1992-1993 Lowest to Highest

| RANK | CITY            | TOTAL CITY MILL LEVY |
|------|-----------------|----------------------|
| 1    | Overland Park   | 10.579               |
| 2    | Mission Woods   | 11.053               |
| 3    | Mission         | 12.595               |
| 4    | Westwood        | 15.992               |
| 5    | Roeland Park    | 16.242               |
| 6    | Lake Quivira    | 16.347               |
| 7    | DeSoto          | 17.059               |
| 8    | Westwood Hills  | 19.617               |
| 9    | Gardner         | 20.262               |
| 10   | Fairway         | 20.450               |
| 11   | Merriam         | 22.243               |
| 12   | Leawood         | 22.853               |
| 13   | Prairie Village | 23.837               |
| 14   | Countryside     | 23.900               |
| 15   | Shawnee         | 24.509               |
| 16   | Mission Hills   | 26.427               |
| 17   | Lenexa          | 26.988               |
| 18   | Olathe          | 30.640               |

Total city mill levy includes city and fire district levy.  
Source: Johnson County Clerk, 1990 U.S. Census

From Page 1A

of sales tax with its big malls, and we are envious of them in that respect," he said. "But it does not reflect the fact that we don't charge a franchise tax."

Shawnee, usually considered a thrifty city, comes in at 15th lowest on the list of the 20 Johnson County cities.

Shawnee residents who own a \$100,000 home will pay \$294.11 for the city's services. The city has a mill levy of 24.509.

In the mid-1980s, Shawnee voters opted to get rid of their franchise tax on gas and electricity, replacing it with a half-cent sales tax. The City Council this year voted to remove the franchise tax on telephones, which generated little revenue.

A commercial franchise tax still applies in Shawnee.

"If we charged a franchise tax, it (the residential mill levy) would be comparable to Overland Park," Montague said. "If you used the max you could get, you would be at about 8 to 10 mills (lower)."

Meanwhile, Mission Woods, Mission, Westwood and Roeland Park follow Overland Park with the five lowest residential municipal property taxes this year.

On keeping property taxes low, Sims said, "We have a different philosophy in Overland Park. We try to be very conservative in our spending policies."

The highest five, behind Shawnee, include Mission Hills, Lenexa, Spring Hill and Edgerton.

Lenexa City Administrator David Watkins said, "You have to realize that Johnson County cities have some of the lowest mill levies in the state."

His city has had capital improvements demands that many of the smaller, established communities in Johnson County don't have, he added.

"If I could take out capital needs, I would be about 12 mills lower," he said.

Watkins said quality, not quantity, of services is also important. He points out that Lenexa pays for a senior center, parks and recreation and other services that other cities have chosen not to provide.

All figures include fire protection, even cities in the northeast that pay a separate fire protection mill levy.



**TESTIMONY BEFORE THE SENATE TAXATION AND  
ASSESSMENT COMMITTEE ON FEBRUARY 16, 1993**

Madam Chairman and Members of the Committee -

My name is Gary Anderson and I am a councilman from the City of Mission and I am also the immediate past chairman and current treasurer of Consolidated Fire District No. 2, Northeast Johnson County. Our district serves approximately 55,000 residents in Northeast Johnson County in 11 cities. Fire District No. 2 is a perfect example of functional government consolidation, which we as elected officials are all trying to encourage. Fire protection is an essential government service and should be provided in the most cost efficient manner and we believe at Fire District No. 2 that we are providing fire protection in a very cost efficient manner for our 11 cities.

However, the taxpayers of 10 of these cities in Northeast Johnson County are being penalized for providing fire protection in this very efficient manner since the ad valorem tax they pay to Fire District No. 2 is not included in the definition of "total tangible property tax levies" for purposes of the formula used to allocate the countywide retailers' sales tax. The taxpayers in these cities are all paying for fire protection, but are not receiving equitable treatment under the countywide sales tax allocation formula. Senate Bill 182 will correct this inequity and provide that all amounts paid for fire protection are included in the sales tax allocation formula regardless if such amounts are paid to a city or a fire district in Johnson County.

If any other cities would desire to provide fire protection by merging with an existing fire district or creating a new fire district, they would probably not proceed since current law discourages consolidation because of the allocation formula. Current law discourages this by reducing the amount of sales taxes allocated to cities served by fire districts. We need to encourage consolidation and Senate Bill 182 will treat the taxpayers of fire districts of Johnson County equitably for purposes of allocating the countywide sales tax by giving the taxpayers in the cities protected by fire districts in Johnson County a credit for the taxes that they pay for fire protection. I think that it is important to emphasize that the taxpayers in these cities are already paying this tax to the fire districts, but that they are not receiving credit for these taxes when it comes time to allocating county sales tax dollars. It is time to remedy this problem.

*Senate Assessment + Taxation  
February 16, 1993  
attachment 3-1*

Several cities have advised the Fire District that if this legislation is not passed, they will consider "detaching" from the fire district. This will allow those cities to increase their city mill levy to provide for fire protection by contracting with Fire District No. 2 and since the cost of fire protection will be included in the city mill levy, they will be able to count the cost of fire protection in the definition of "total tangible property tax levies" and thus receive additional sales tax dollars under the countywide sales tax allocation formula.

If these cities detach from the Fire District, this will place Fire District No. 2 in a poor position since the Fire District will have to contract to provide fire service in these cities. This will require the Fire District and the cities that detach to incur additional legal and administrative expenses related to negotiating, monitoring and performing annual contracts for fire protection. This would be an unnecessary expense. This also impacts upon the First District's ability to plan for the future, since we will be subject to one year contracts with the cities that detach. This will impact our ability to plan for the long-term needs of the District and bond financing for the district.

Approval of Senate Bill 182 will give the taxpayers of these cities the equitable treatment that they should have been receiving for the taxes that they already pay for fire protection and I urge your approval of Senate Bill 182. Thank you.

Gary Anderson  
6323 Woodson Drive  
Mission, KS 66202-4253  
(913) 722-3924

Senator Langworthy and members of the Committee. I am Sue Weltner, Chairman of the Board of County Commissioners in Johnson County.

The county sales tax allocation formula , as it is currently interpreted and calculated, results in an unfair distribution of revenue from the Johnson County one-cent sales tax.

Fire protection services in Johnson County are unique. They are provided by a variety of governmental units but not in every case financed through a city property tax. Fire protection services in our county are also unique because of the mutual aid agreements between the various fire departments in Johnson County . These agreements enable them to combine and share resources in emergencies to provide the quality of service we need in our urban area. Since all taxpayers in Johnson County pay taxes which make it possible for this pool of fire fighting resources to be available when needed, I believe all taxpayers in Johnson County should receive the same credit for tax paid for fire protection.

The County will lose more revenue from a change in the county sales tax allocation formula than any other unit of government. In spite of that, I am here to support Senate Bill 182 because it makes a change which is needed and which will finally make the formula fair for all taxpayers in Johnson County. The original formula has been changed at least twice to recognize its inequity to specific cities in our County. When it was brought to my attention that some taxpayers in the county were still not receiving credit in the allocation formula for the taxes they pay , I recognized it was logical to support legislation which would resolve that inequity once and for all. Senate Bill 182 is our opportunity to take the step needed to at last resolve the inequities in the formula and equalize distribution of revenue from the County sales tax to all taxpayers in Johnson County.

I urge you to vote for adoption of Senate Bill 182. It will ensure that cities in Johnson County are not penalized for working together to provide essential services which become more expensive and complex every year. Its adoption will effectively recognize the unique problems in Johnson County by establishing a formula which is fair to all of our taxpayers in the County.

*Senate Assessment & Taxation*

*February 16, 1993*

*attachment 4-1*

February 15, 1993

Written Testimony Supporting Senate Bill #199(191)  
Delivered by the Reading Benefit Fire Board  
Reading Benefit Fire District No. 1

### History

In the late 1950's Reading, Kansas operated a city fire department. The community leaders observed that a need for a rural fire department existed. On the 13th day of June in the year 1961, they created the Reading Joint Rural Benefit Fire District No.1. They added a second rural fire truck and jointly with the help of the city, built a combined fire station. Created as a Benefit district the school board members from Reading became the Fire Board Members.

This fire district was created to protect the area around Reading, Kansas which was in their school district. This area comprised land in Lyon and Osage County, and included the City of Reading, and what is now the upper 1/3 of the Melvern Reservoir. This fire district comprises over 80,000 acres, and at its longest is 18 miles, and 13 miles wide. The fire district protects over 1200 residents.

The Unification Act of 1965 changed the governing body of the Reading Fire Board to 2 members, still school board members, but now also part of the unified school district.

During the 1980's it became apparrent that the funding cap of 2 mills to operate a fire district was inadequate. Then in 1988 the tax lid went into effect, capping us at 1.8 mills, further impacting our ability to adequately fund our fire program.

In the year 1992, there was a new awareness in the Reading Community. The community saw a need for change in the structure of the Fire Department, and makeup of the board. With legislative support, there now is a 5 member board that is elected by the community they serve, and are responsive to the needs of the Fire Department and the community.

As the Fire Department improved, community support gained. A Fire Fighter's Equipment fund was established, whereby donations from the community could be used for firefighters protection. The local Womens' Club purchased hose, nozzles and a siren for the Fire Department. A Weekend in June is dedicated to having Reading Days, a fun event to raise monies for the Firefighters' First Responder Program. The Mayor and the City Council have been unanimous in their support of the Fire Program, and they too have donated money to our projects. Many individuals in the community have donated time and money to improve the department.

*Senate Cissement + Location*

*February 16, 1993*

*attachment 5-1*

This year the Reading Fire fighters voluntarily decided to forgo their 1993 pay, so that these monies could be matched with a Federal matching funds grant to buy protective clothing, as they have only 2 fire coats. If granted, this will allow the firefighters to take training and be better protected at fire incidents. {It is required to have protective clothing to attend fire training.} There has never been enough money to buy fire protective clothing for our firefighters.

#### Budget

If you look at the attached documents, you will see our 1993 budget. As you can see, just to pay our insurance and phone bill takes over 1/3 of our budget. As we are now; it is just a case of keeping the doors open. We cannot buy new hose and nozzles needed. We cannot protect the firefighters with the required NFPA approved clothing. We cannot even afford to give each firefighter the OSHA required Hepatitis Shots. Our cost on these alone are over \$120.00 for each firefighter.

Our accountating firm of Gaddert and Agler from Emporia feel that we need to play "catch up", and there are not enough funds available to accomplish this transition phase of growth in our department, without an increase in our normal operating budget. They support a mill levy increase.

Our two main pumpers, each truck has a 500 gallon per minute pump, are old. One truck is a 1959 Ford, and the other is a 1965 Ford. The NFPA [National Fire Protection Association] requires that in the year 1996, that all Fire Departments have at least one piece of fire apparatus with an approved 750 gallon per minute pump. This means that we should now be thinking of replacing at least one of our trucks not much later than 1996. To replace our existing truck with a new one, would cost in excess of \$90,000.00.

Even with these hardships we are expanding. We have a Weather Watch Program, with 6 trained weather spotters. This program will expand in 1993. In 1992 we added the Life Star program, and have 6 Certified Life Star Landing Zone Coordinators. Through Lyon County EMS, we will on the 18th of this month begin operating our First Response program, providing first responder care to our community. We have 11 First Responders, 2 State Certified EMT's and 2 EMT's in training.

Our goals as a Department for 1993 include:

1. Increase funding to support all programs.
2. Expand Weather Watch program.
3. Initiate First Response medical assistance program.
4. Provide Protective clothing for our firefighters.
5. Continuing with our Life Star Program.
6. Support the implementation of the 911 Program for Lyon and Osage Counties, to be phased in late 1993 or early 1994.

Attached document, 1994 Proposed Budget Estimate, addresses funding the various fire department programs now in operation and planned. As you can see, even with this conservative plan, the amount of revenue necessary to fund a basic no-nonsense operating budget. With the increase in normal budget operations, we can dramatically improve the overall condition of the Reading Benefit Fire Department, without putting a strain on the financial resources of our community. In fact, our community is solidly behind us.

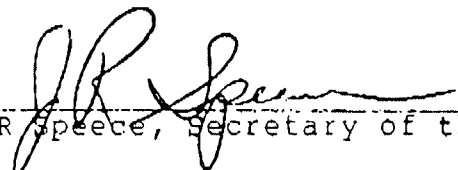
Senate Bill #199 will give us parity with the other county funded fire departments in the matching us to them, dollar for dollar. Senate Bill #199 would allow the Benefit Fire District to have the same tax authority as fire districts which are organized under K.S.A. 19-360 et seq.. Also because of the current "tax lid", the benefit district would have to charter out from under the tax lid, as provided by K.S.A. 79-5036 to take advantage of this new levy authority.

This bill allows us to recieve local funds and to spend these funds locally in the improvement of the safety of the community. We have the support of the Community.

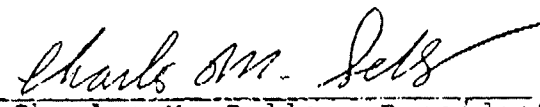
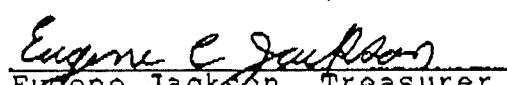
We the Reading Benefit Fire District urge your support in approving Senate Bill # 199.

Thank you for your time and attention to this matter. We truely appreciate your help.

Respectfully submitted;

  
JR Speece, Secretary of the Board

Reading Benefit Fire District  
Box 206  
Reading, Kansas 66868

  
Charles M. Sells, President  
  
Eugene Jackson, Treasurer



### Calculation of Motor Vehicle Tax Decrease

5-4

## PROPOSED 1994 BUDGET (ESTIMATE)

## READING BENEFIT FIRE DISTRICT No. 1

Based on passage of proposed legislation to raise the mill cap from 2 to 5 or 6, for normal operation, and on 1993 assessed valuation of \$5,575,628.00 for the fire district.

|                                   |         |
|-----------------------------------|---------|
| Personal Services {labor}         | 3000.00 |
| Utilities                         | 3000.00 |
| Telephone                         | 2400.00 |
| Maintenance & Repairs {trucks}    | 2000.00 |
| Truck 59 Ford {restoration}       | 1000.00 |
| Publication fees                  | 140.00  |
| General                           | 600.00  |
| Accounting and Legal              | 900.00  |
| Insurance                         | 3250.00 |
| Workman's Comp. Ins.              | 750.00  |
| Commodities                       | 250.00  |
| Fuel                              | 900.00  |
| Fire Hose & Nozzles               | 2000.00 |
| First Responder Program           | 2000.00 |
| Personal Equipment SCBA'          | 3000.00 |
| 911 Radio System w/ pagers        | 5000.00 |
| Capital Outlay- Truck replacement | 5000.00 |

TOTAL

\$

## PROJECTION OF REVENUE by Mills

1 mill = \$5,576.80  
 5 mills = \$27,884.00  
 6 mills = \$33,460.77

Projecting 1994 No Fund Warrant at .5 mill Final payment \$2500.  
 Projecting 1994 Bond and Interest at 1.3mill. 3rd of 5 bond paymen

Total cost of Operation expected to be less than 8 mills, while funding all expected programs for 1994.

## POSSIBLE SCENERIO;

|                              |             |
|------------------------------|-------------|
| 1994 Capital outlay          | \$5,000.00  |
| 1995 Capital outlay          | \$10,000.00 |
| 1996 [from operating budget] | \$10,000.00 |

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 \$25,000.00

Resources Available for 1996:  
 { for possible fire engine replacement}