



March 7, 2022

Daniel (Dan) J. Brungardt, Superintendent
2200 S 138th Street
Bonner Springs, KS 66012
(913) 209-0100

Written Testimony on House Bill 2724
Taxation Committee Hearing (3/8/2022)

To Whom It May Concern,

Property taxes either by design or happenstance are difficult to understand. If you are a homeowner your property taxes are not based upon the total valuation of your house but a percent of the total. Additionally, businesses, farmland, and mineral rights have different formulas some are based upon production while others are placed upon resale value.

Then there is the fact that depending upon where you live you may have several different taxing entities. There is city, county, K-12 public schools, libraries, townships, recreation commissions, cemetery boards, etc. To an ordinary citizen reviewing your tax bill it is difficult if not impossible at best. If an individual can navigate their tax bill and they would like to voice their opinion on increases that might occur next year they will also have to learn how each budget works.

The most difficult part of budgets is understanding how taxes are raised. When a community entity publishes their budget, it is based on a dollar amount. The dollar amount is then transposed into a mill which is based upon the percentage of total valuation of the taxing district. It is possible for a taxing entity to maintain a stable mill levy and at the same time increase the total dollar amount of taxes levied.

I believe the taxing bill that was passed last year was an attempt by the legislature to provide local taxpayers with specific information about their local property taxes and provide them a pathway to object to any increases. Within the structure of this bill it also includes each school district reporting their General Fund Mill Levy. The General Fund mill levy is set by the State of Kansas and the amount of taxes levied will increase in every school district that has a growing property valuation.

This year at USD 204 the total mill levy and amount of taxes that were collected in all funds decreased. Even though the total amount of taxes collected were decreased the amount of taxes levied in the General Fund and Capital Outlay fund did increase. At the local level I believe it is easy for the Board of Education to explain why the amount of taxes being leveled are increasing whether that is due to increased fixed cost and/or program cost.

The general fund is set at 20 mills across the state of Kansas. These funds go directly to the State of Kansas and the local BOE has no control. If the intent of last year's legislation was providing local taxpayer's specific information about local entities increasing the total dollars of taxes being collected I would request that the General Fund be left off. Since the General Fund is not controlled locally I believe it will make a simple process more confusing.

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Exceeding the Revenue Neutral Tax Rate for the 2021-2022 School Year

The governing body of Unified School District 204 will meet on the 7th day of September 2021 at 7 PM at USD 204 Central Office, 2200 S 138th Street, Bonner Springs, KS 66012 for the purpose of hearing and answering objections of taxpayers relating to the proposed use of all funds and the amount of tax to be levied. Detailed budget information, including budget profile, is available at www.usd204.net & USD 204 Central Office, 2200 South 138th Street, Bonner Springs, KS and will be available at this hearing.

Revenue Neutral Tax Rate

	2020-2021			2021-2022	
	Actual Tax Levied	Actual Tax Rate	Neutral Tax Rate	Estimated Tax Levied	Est. Tax Rate
General	\$ 4,073,416.00	20	19.768	\$ 4,204,400.00	20
Capital Outlay	\$ 1,636,478.00	7.61	7.39	\$ 1,773,363.00	8
ALL OTHER FUNDS					
Supplemental General (LOB)	\$ 3,295,184.00	15.323		\$ 3,034,688.00	13.759
Adult Education	0.00	0		0	0
Cost of Living	0.00	0		0	0
Special Liability Expense Fund	0.00	0		0	0
Extraordinary Growth Facilities	0.00	0		0	0
Bond and Interest #1	\$ 3,866,136.00	17.978		\$ 3,438,631.00	15.59
Bond and Interest #2	0.00	0		0	0
No-Fund Warrant	0.00	0		0	0
Special Assessment	0.00	0		0	0
Temporary Note	0.00	0		0	0
Historical Museum	0.00	0		0	0
Public Library Board	0.00	0		0	0
Public Library Board Employee Ben	0.00	0		0	0
Sub Total - All Other Funds	\$ 7,161,320.00	33.301	59.508	\$ 6,473,124.00	29.349

USD 204 Board President

USD 204 Clerk of the Board