



CITY OF LINDSBORG 2013 LEGISLATIVE PRIORITIES

1. Oppose the reclassification of trade fixtures as personal property.

The reclassification of trade fixtures as personal property would create a loss of property tax base for cities, counties and school districts, with a statewide estimated loss in tax base at approximately \$3 billion. In McPherson County, the estimated value lost is \$35,541,413. This equals a loss in revenue for all levels of government in McPherson County of \$4,266,676. This is a tax shift from commercial property-owners to residential property-owners. For every person in McPherson County 18 years of age or older, this equates to an increase of \$218.89 tax liability.

2. Support tourism as an economic development tool and encourage the State of Kansas to commit more resources to the promotion of tourism.

In the 1960's, Lindsborg recognized the value of tourism as an economic development tool. Today, tourism has helped to maintain and grow Lindsborg as a strong community. This has resulted in 40.7% of general fund revenue coming from local sales tax. The State of Kansas commitment to promoting tourism has not been matched by the commitment of budget dollars for tourism promotion efforts. A strong correlation exists between promotional resources and return through sales tax. Therefore a stronger commitment will not only benefit the communities of Kansas, but also the State of Kansas through increased sales tax revenue.

3. Support the retention of Kansas Department of Transportation (KDOT) signage for Lindsborg on Interstate 135 for Exit 72.

In 2012, the lane miles known as Highway Business Loop 81, transferred to McPherson County. Highway Business Loop 81 runs from Exit 72 on Interstate 135 approximately 3.5 miles and interconnects with Kansas Highway 4 at McPherson Street in Lindsborg. Under KDOT signage regulations, cities located greater than 3 miles from a state highway will not be listed on the exit signage. This loss of identification of KDOT signage will negatively impact visitors to the community.

4. Support the 2012 Kansas Public Employees Retirement System (KERS) framework and support the separation of local government KERS from school district and State of Kansas KERS.

Support the framework adopted by the 2012 Kansas Legislature to address the unfunded liability that exists within the Kansas Public Employees Retirement System. Also support the separation of local government KERS from school districts and State of Kansas KERS. Local governments have, without fail, met their statutorily required employer KERS contributions. The State of Kansas, during more prosperous economic times did not make any employer contributions into KERS. Additionally, when the State of Kansas absorbed school districts into the KERS system, they also took on the unfunded liability that existed within school districts at that time. Therefore, since local governments have continually met their annual employer KERS liability and the State of Kansas and local school districts have not, local governments should be held harmless by maintaining a separation of local government KERS from State of Kansas and school district KERS.

5. Support the continuance of tax exempt municipal bond financing.

Local Governments and municipally-owned and operated utilities rely on tax exempt bonds to finance infrastructure improvements. Local governments and municipal utilities cannot raise capital through stock issuance and are not eligible for tax incentives available to private entities. Removing the tax-exempt status of interest earned on municipal bonds will make it difficult to build the infrastructure for economic growth, such as roads, bridges, power plants, water treatment plants, housing, etc.

6. Support local government budget setting and oppose the imposition of a tax lid by the State of Kansas.

Since 1992, cities and counties have lost \$1.45 billion in revenues diverted by the State of Kansas; including the Machinery & Equipment Exemption. The annual fiscal impact of the lost revenue for Lindsborg amounts to \$250,000 per year. This loss in revenue has forced a greater reliance on property taxes to fund local government. Furthermore, the budgeting process already includes various statutory steps, numerous public input opportunities and several different votes by locally elected city representatives.

7. Support home rule authority and local control.

The day-to-day services received by 82% of Kansas are delivered by their local city government. Self-governance by locally elected officials must be preserved in order to ensure that local issues and problems are handled at the level of government closest to the citizens they represent. Because of this, the City of Lindsborg supports the constitutional home rule authority of all Kansas cities.

8. Support the retention of city elections in the spring.

City elections are non-partisan and running these elections in the fall to coincide with partisan primaries and general elections creates confusion. Further, the coverage and importance of local elections would be lost in the crowd of state and federal elections. The voter participation numbers may be higher, but would also diminish the available information concerning local elections and candidates. The estimated statewide savings for moving local elections to the fall is under \$35,000.

9. Support the authority of local governments to determine whether concealed carry shall be allowed in public buildings.

This is an issue of home rule authority and locally elected officials are best suited to represent the desire of the local community on whether concealed carry should be allowed in public buildings.

10. Support the funding of the Kansas Arts Commission as a state agency.

The visual and performing arts are long-held values which were brought to Lindsborg by the early Swedish immigrants. Values which are still held in high regard today. The Kansas Arts Commission was a strong partner for the arts in rural Kansas. The loss of the Kansas Arts Commission has caused a loss of federal support and the Mid-America Arts Alliance support. The impact on the Lindsborg Arts Council has been a loss of revenue of \$14,000 per year.



11. Support the Marketplace Fairness Act (formerly the Streamlined Sales Tax Act) that recognizes, collects and appropriately distributes local sales tax revenue to the local government level.

Support and urge Congress to take action to pave the way for mandatory collection of sales and use taxes on remote sales. Any federal legislation should not preempt state and local sales and use tax authority.

12. Support flexibility in budget adoption timing.

Support the change in timing of annual budget adoption to allow for greater public input and review. The timing from when property valuation assessments are received to when the budget must be statutorily adopted and filed limits the opportunities for public input. Delaying the budget adoption and filing requirements by 30-45 days will allow for a more robust public budget cycle.

13. Support the funding of the Local Ad Valorem Tax Reduction (LAVTR) and the City/County Revenue Sharing (CCRS).

The State of Kansas has failed to meet its statutory obligation for Local Ad Valorem Tax Reduction funding and City/County Revenue Sharing to cities and counties since 1992. In 2004, this statutorily required funding was eliminated by the State of Kansas to cities and counties and redirected to the State General Fund. This has created a greater reliance on property tax revenue at the local level. We support the statutory requirement that a portion of the monies received from the state-sponsored gaming in Kansas be used for local property tax reduction.

14. Support intergovernmental dialogue between all levels of government, recognizing that at the local government level is where the day-to-day services are delivered. Therefore local governments should have a voice and that they not be silenced by restrictions on the ability to lobby on behalf of its citizens.

Representatives from cities provide facts and information that are crucial to intergovernmental relations, and as such, should have the same rights and responsibilities as private interest lobbyists. We oppose restriction on the use of state and local public monies to provide information and lobby on behalf of our cities and citizens.

