HAYSVILLE 1% SALES TAX ELECTION

COMMUNITY INFORMATION SESSION PRESENTATION

Monday, April 22, 2024

WHAT'S HAPPENING

On May 7, Haysville voters will consider the renewal of a 1% City Sales Tax

Current Tax Rate is 8.5%
6.5% State
1.0% Sedgwick County
1.0% City of Haysville

In addition to reducing property taxes, the 1% City Sales Tax is designed to directly improve three areas: Streets, Parks and Recreation

WHY RENEW THE 1% CITY SALES TAX?

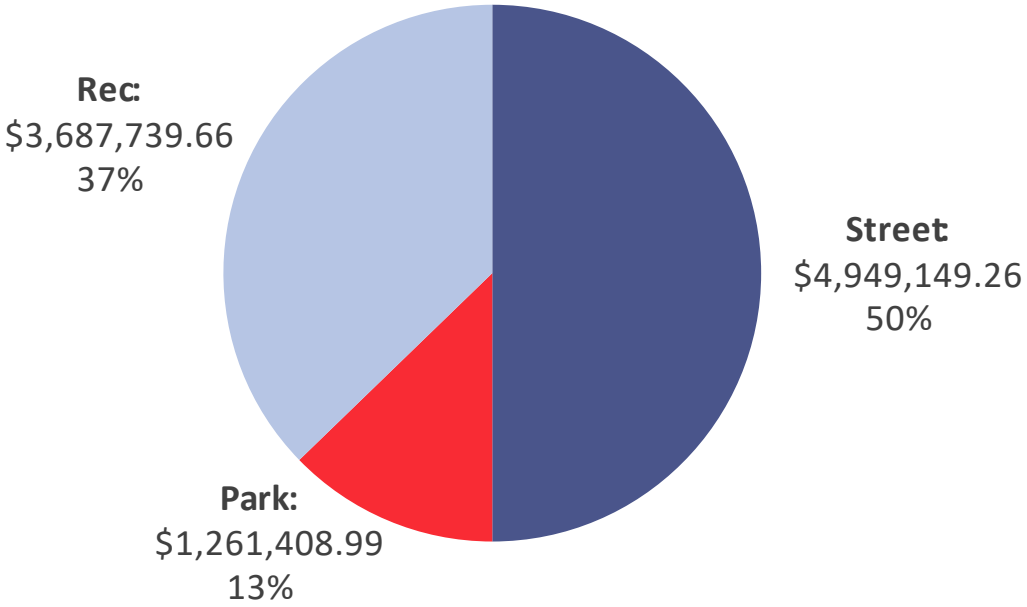
Continuing the 1% City Sales Tax would generate approximately $1,380,000 per year, which would allow the city to:

- Continue proactive preservation & improvement of roads
- Continue enhancements to parks, recreation, and other public spaces
- Reduce property taxes for all Haysville property owners

HOW HAS THE 1% SALES TAX BEEN SPENT?

Since July 2014 approximately $9.9 million has been collected through the 1% sales tax

- 50% for streets
- 37% for recreational facilities
- 13% for park enhancements



SUMMARY OF SALES TAX FUNDS

- Each component has its own fund
- When the monthly distribution is received from the state, monies are put in the funds as indicated by the approved budget

	Street	Park	Recreation	Total
City Sales Tax	$ 4,949,149.26	$ 1,261,408.99	$ 3,687,739.66	$ 9,898,297.91
Interest Income	$ 55,635.24	$ 15,595.81	$ 48,349.15	$ 119,580.20
Expenditures	$ 4,364,983.04	$ 1,096,344.45	$ 2,956,198.75	$ 8,417,526.24
Fund Balance	$ 639,801.46	$ 180,660.35	$ 779,890.06	$ 1,600,351.87

CURRENT SALES TAX PROJECTS

The question that was asked in 2014: Shall a retailers' sales tax in the amount of one percent (1.00%) be levied in the City of Haysville, Kansas, to take effect July 1, 2014, or as soon thereafter as such tax may be levied by the Kansas Department of Revenue, with revenue from such tax used **to fund a Local Street, Park & Recreation Improvement Program**; and provided that such retailers' sales tax shall expire on the date ten years after it is first levied, all pursuant to K.S.A. 12-187, et seq., as amended?

2015-19 – CARDIO & WEIGHT EQUIPMENT

2014-19 – POOL IMPROVEMENTS

2014-15 – PEAR TREE PARK

2015 – ORCHARD ACRES PARK

2015 – RIGGS PARK DOCK & RIP-RAP

2015 – KIRBY PARK

2016 – RIGGS PARK SWINGS

2017 – WEST GRAND TURN LANE

2017 – NORTH LAMAR APRON

2017 – HAYSVILLE ACTIVITY CENTER

2017 – WHISLER PARK

2017 – RIGGS PARK NORTH

2018 – BALLARD DRIVE

2018 – MIMOSA DRIVE

2018 – SLADE AVENUE

2018 – SOCCER FIELDS

2019 – ANITA AVENUE

2019 – WIRE STREET

2019 – COHLMIA PARK

2019 – CONCESSION STAND & RESTROOMS

2019 – DOG PARK

2019 – DORNER PARK LAKE

2020 – N. DELOS & RANGER AVENUE

2020 – SHADE STRUCTURES

2020 – TRAIL AMENITIES

2021-22 – SUNSET FIELDS

2021 – TROUT SHELTER

2022 – GERMAN AVE & WAYNE AVE

2022 – NORTH JANE STREET

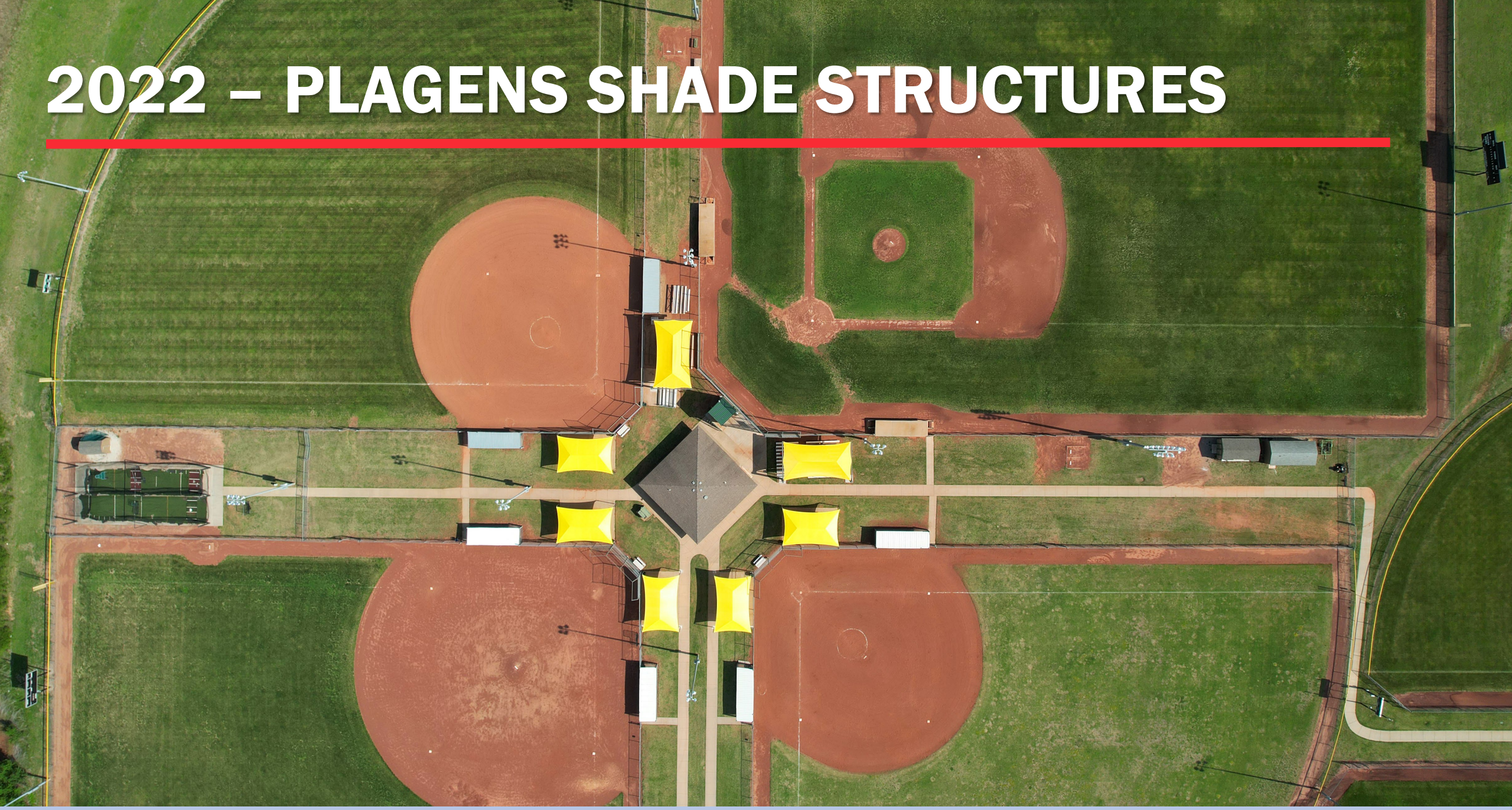
2022 – PICKLEBALL

2022 – DORNER PARK VOLLEYBALL

2022 – DORNER PARK RESTROOMS

2022 – PLAGENS SHADE STRUCTURES

2022 – PLAGENS SHADE STRUCTURES



2022 – COUNTRY LAKES PARK

2023 – 2ND STREET

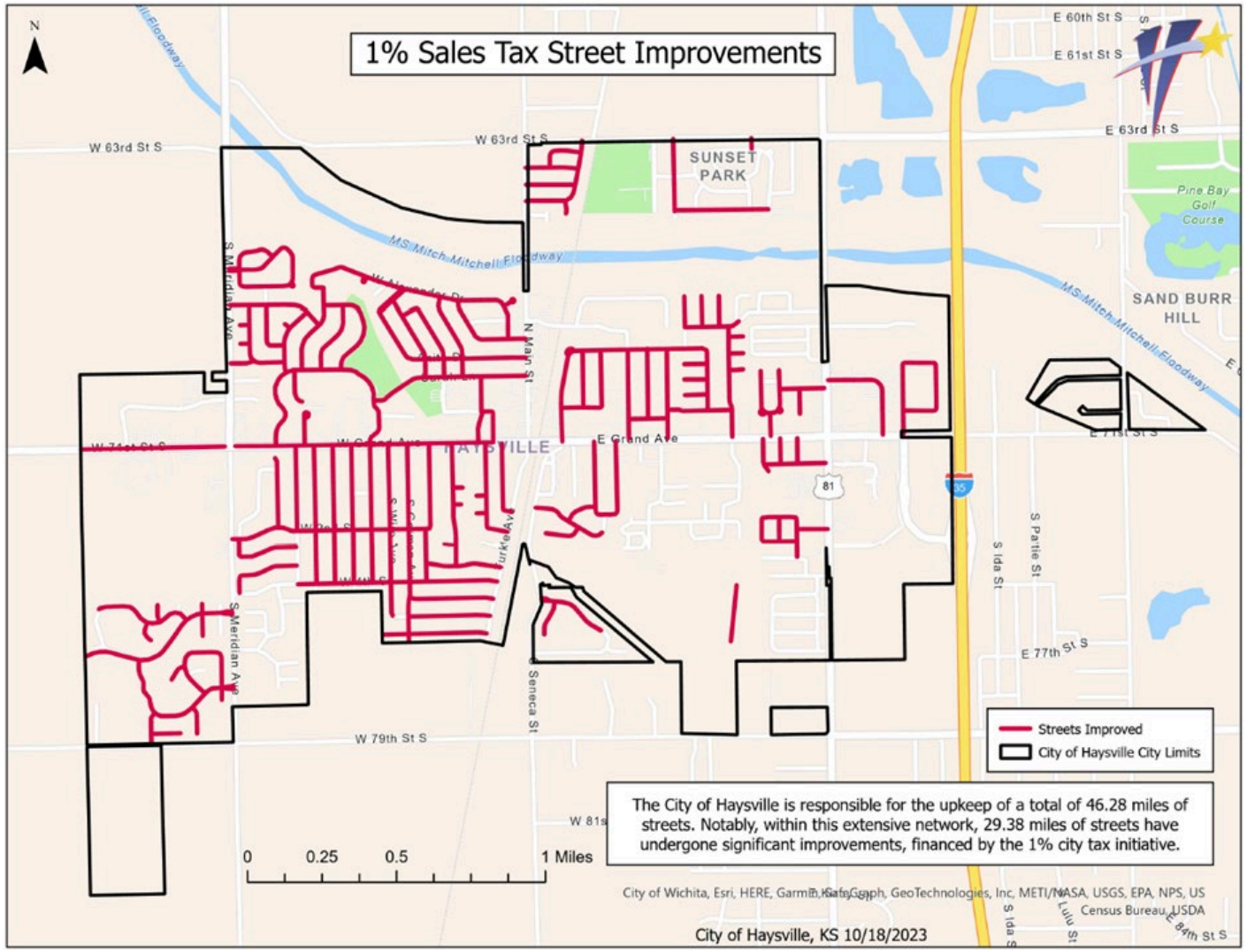
2023 – BAUGHMAN AVENUE

2023 – HEMPHILL AVENUE

STREET REPAIR PROJECTS

29 miles of streets have been preserved, resurfaced, or reconstructed

- 63.5% of total



2023 – WEIGHT EQUIPMENT

2023 – PLAGENS PLAYGROUND

2023 – CORNHOLE

2015-23 – DORNER PARK

2015-23 – DORNER PARK

2015-23 – DORNER PARK

2024 – RIGGS PARK

2024 – MILL & OVERLAY PROJECTS

THE UPCOMING QUESTION

The question being asked on May 7, 2024: Shall a retailers' sales tax in the amount of one percent (1.00%) be levied in the City of Haysville, Kansas, to take effect July 1, 2024, or as soon thereafter as such tax may be levied by the Kansas Department of Revenue, with ten percent (10.00%) of the revenue from such tax used to Reduce Property Taxes, fifty percent (50.00%) to fund a Local Street Program, and forty percent (40.00%) to fund a Park & Recreation Improvement Program; all pursuant to K.S.A 12-187, et seq., as amended?

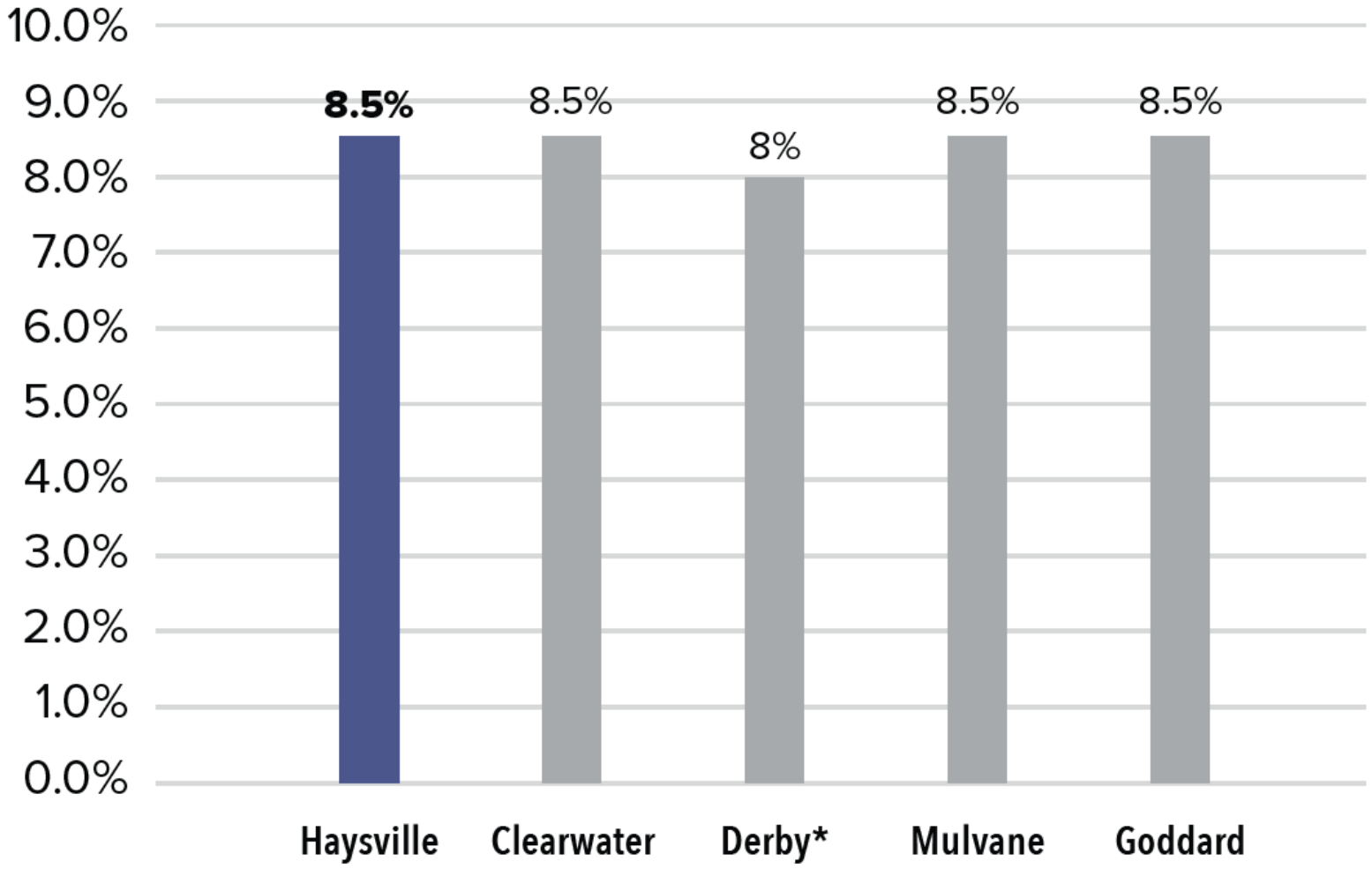
WHAT DOES 1% MEAN?

RECEIPT
Store in Haysville

Toilet Paper	$10.00
State & County Sales Tax	$ .75
Current 1% Sales Tax	*$ .10*
	$10.85

This is not a new or additional tax, but rather a continuation of the 1% City Sales Tax that currently exists

Renewing the sales tax would keep Haysville in line with surrounding communities



*Derby's sales tax will increase to 8.5% on Jan. 1, 2025.

ALTERNATIVES

Other options that could be considered include:

Reducing Improvements

Borrow Money

FAQs

What surrounding cities also have a local sales tax?

The following surrounding communities have also implemented a city sales tax:

Park City 1%	Wellington 2%	Areas in Wichita 1-1.5%	Andover 2%
Cheney 0.5%	Belle Plaine 1%	Oxford 1%	Rose Hill 2%
Goddard 1%	Peck 1%	Augusta 2%	Douglass 2%
Mulvane 1%	Caldwell 1%	Conway Springs 1%	Whitewater 1%
Valley Center 1%	Winfield 2%	Argonia 1%	Garden Plain 1%
Derby 0.5% *going to 1% in 2025	Arkansas City 2%	El Dorado 1%	Hutchinson 1.1%

FAQs

Why are we voting on this again?

- The question is different
  - November's election was a special purpose tax for a street, park, and recreation program
    - No defined percentages for each component
    - 10-year sunset
  - The May 7 election is for a general purpose tax
    - 50% for streets
    - 40% for parks and rec
    - 10% for property tax reduction
    - Indefinite time frame

FAQs

Will the city keep bringing this up if the sales tax is voted down?

- No

FAQs

Will the city raise our property taxes if the sales tax is voted down?

- No
  - It is not practical to raise the mill levy to compensate for the sales tax
    - $1.38 Million equates to 16.318 mills using Haysville's current assessed valuation
    - Haysville's current mill rate is 41.959
- Planned projects that could be funded with sales tax dollars will happen at a slower rate

FAQs

What is the actual impact of using 10% of the sales tax to reduce property taxes?

- 10% of the sales tax estimate is $138,000
  - This is 1.632 mills using Haysville's current assessed valuation
    - This is 3.89% of the city's total property tax rate of 41.959 mills

Examples of Property Tax Reduction

Property Value	*Reduction*
$100,000.00	$18.77
$150,000.00	$28.15
$200,000.00	$37.54
$250,000.00	$46.92
$300,000.00	$56.30

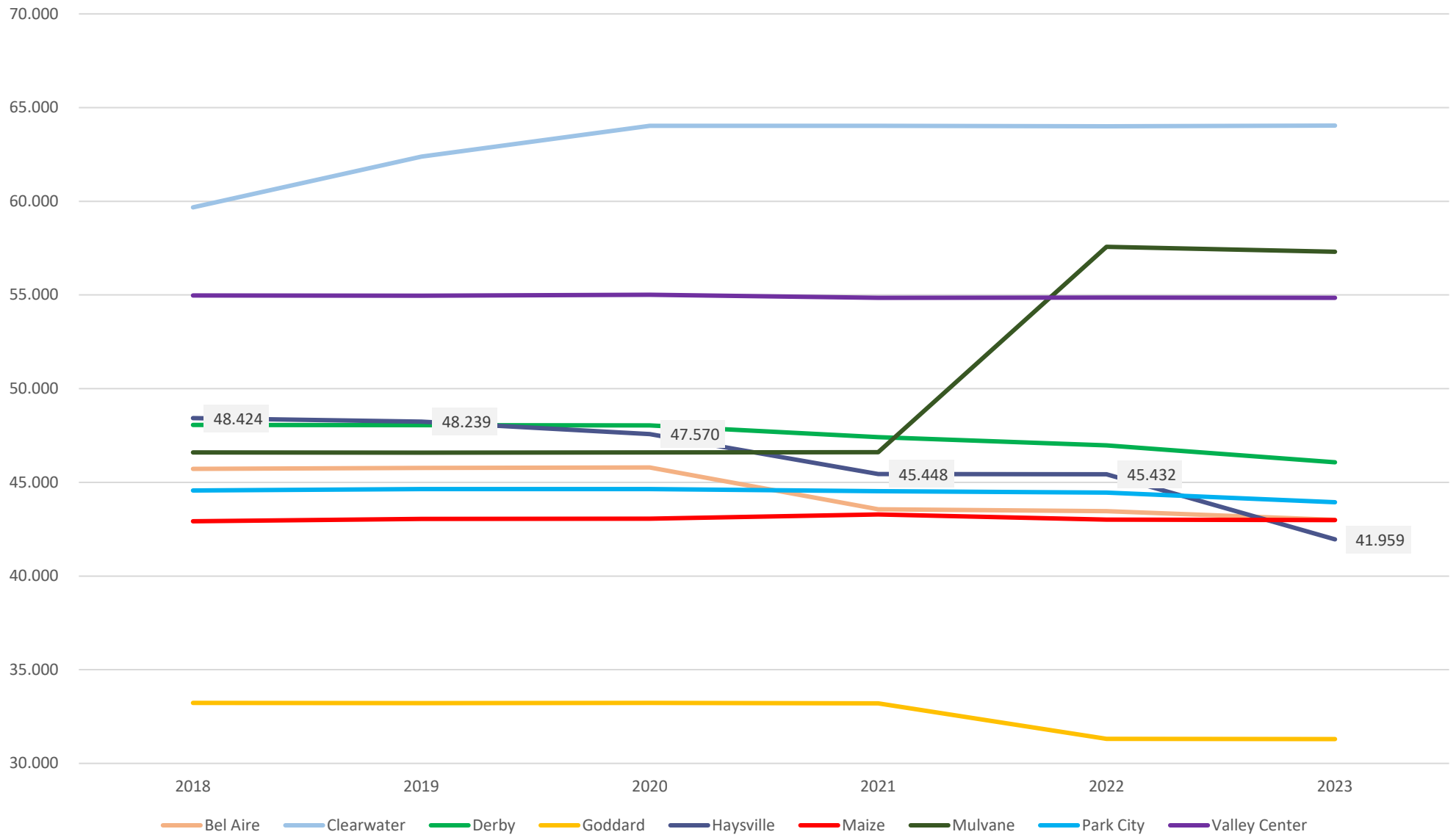
FAQs

How does Haysville's property tax rate compare to other communities in Sedgwick County?

Haysville's mill levy is positioned on the lower end when compared to other cities in Sedgwick County, which reflects the city's commitment to maintaining a competitive tax rate while still providing essential services and investing in the community.

City	Current Mill Levy Rates
Sedgwick	74.983
Clearwater	64.044
Garden Plain	59.181
Mulvane	57.300
Valley Center	54.844
Derby	46.068
Park City	43.943
Colwich	43.509
Maize	42.980
Haysville	**41.959**
Goddard	31.298

TAX RATE COMPARISON



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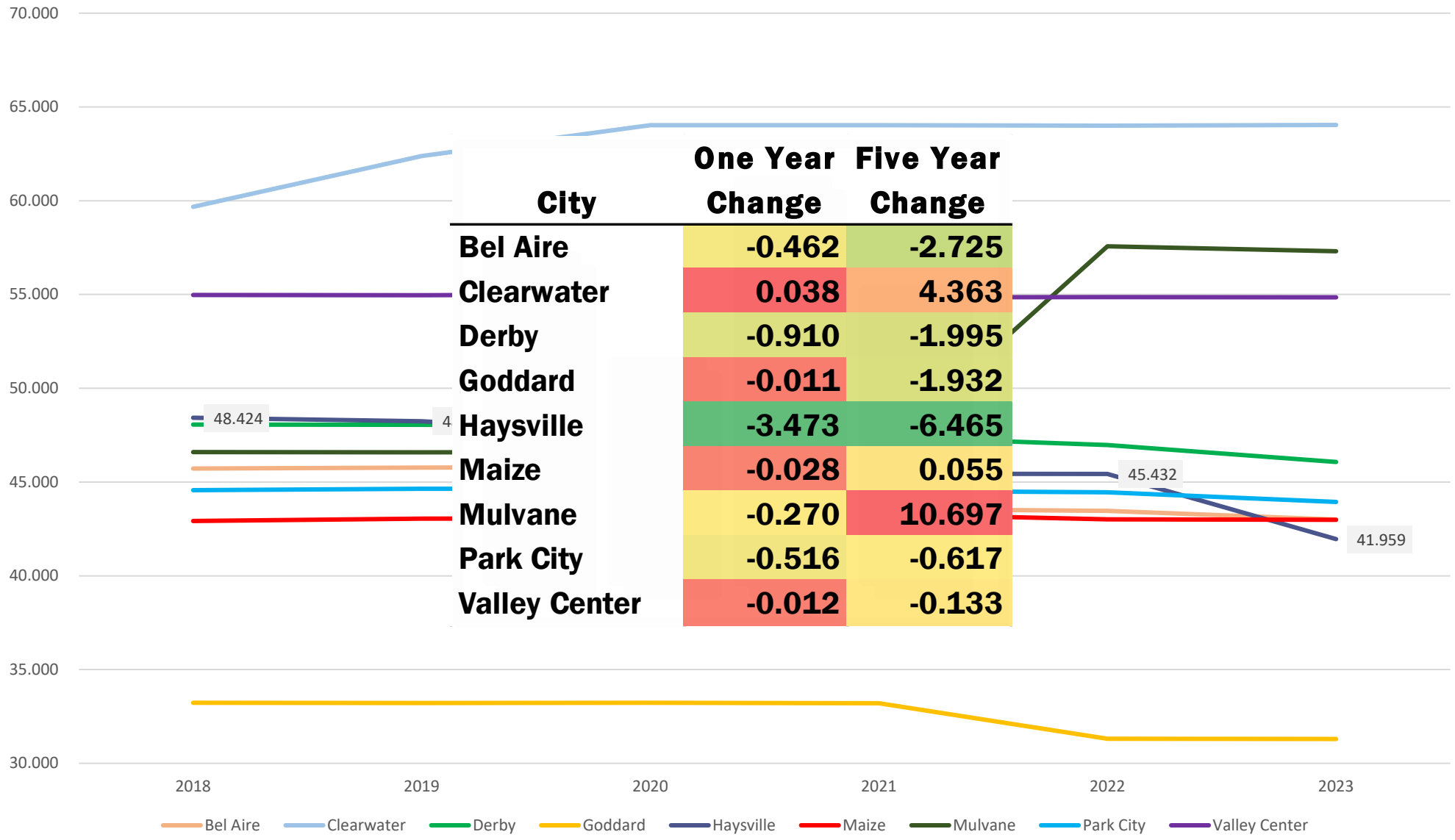
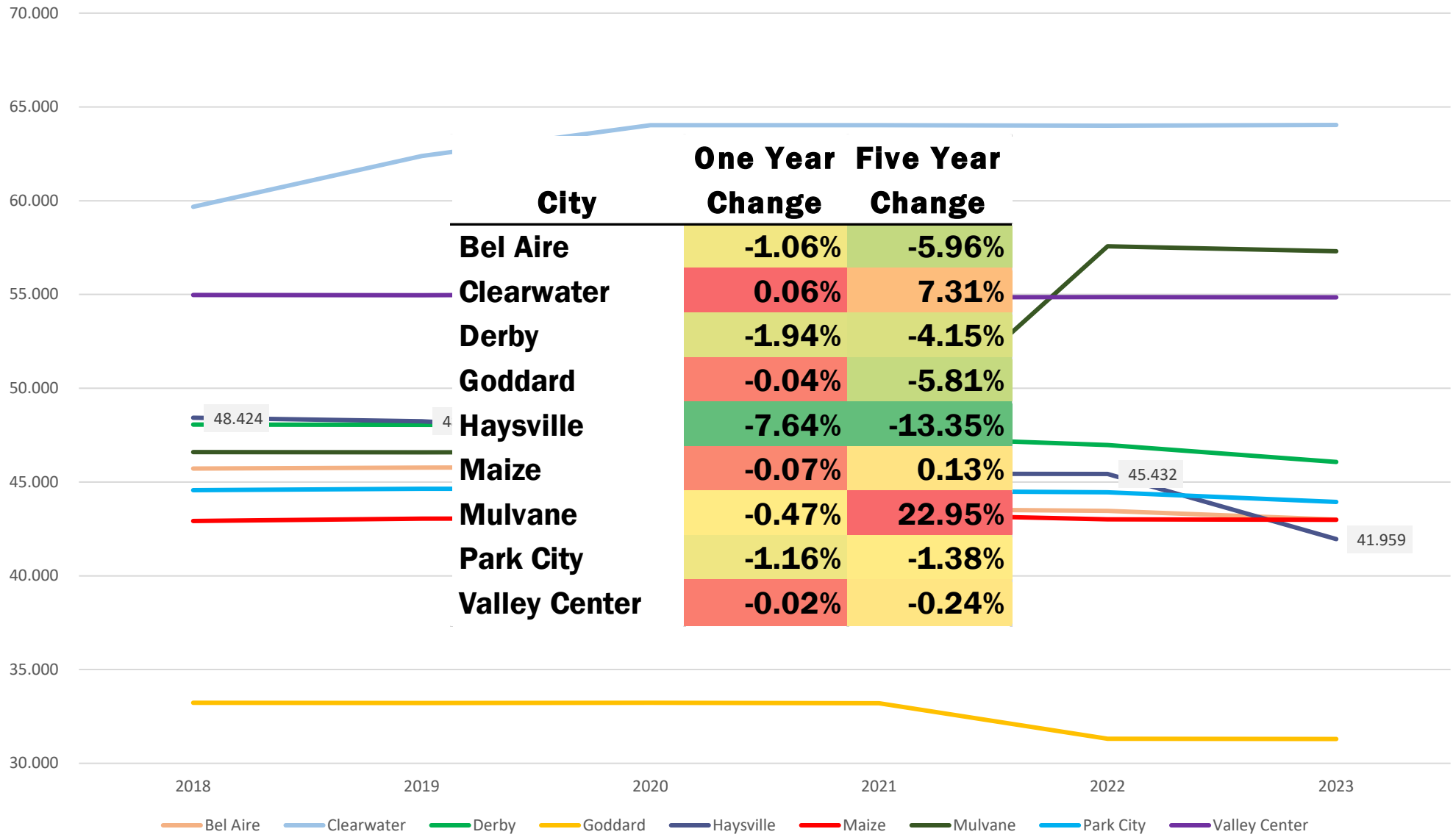


City	One Year Change	Five Year Change
Bel Aire	-0.462	-2.725
Clearwater	0.038	4.363
Derby	-0.910	-1.995
Goddard	-0.011	-1.932
Haysville	-3.473	-6.465
Maize	-0.028	0.055
Mulvane	-0.270	10.697
Park City	-0.516	-0.617
Valley Center	-0.012	-0.133

TAX RATE COMPARISON



City	One Year Change	Five Year Change
Bel Aire	-1.06%	-5.96%
Clearwater	0.06%	7.31%
Derby	-1.94%	-4.15%
Goddard	-0.04%	-5.81%
Haysville	-7.64%	-13.35%
Maize	-0.07%	0.13%
Mulvane	-0.47%	22.95%
Park City	-1.16%	-1.38%
Valley Center	-0.02%	-0.24%

REAL ESTATE TAX STATEMENT

Taxing Authority	2022 Budget	2023 Budget	Change	% Diff
0101 STATE	8,852,025.00	9,650,902.00	798,877.00	9.0
0201 COUNTY	173,314,373.00	186,500,873.00	13,186,500.00	7.6
0510 CITY OF HAYSVILLE	3,459,504.00	3,547,653.00	88,149.00	2.5
0707 USD 261 BOND	2,805,042.00	2,877,093.00	72,051.00	2.5
0604 USD 261	2,551,241.00	3,040,170.00	488,929.00	19.1
0604 USD 261 SC	1,486,606.00	1,645,076.00	158,470.00	10.6
0604 USD 261 SG	2,975,136.00	3,319,806.00	344,670.00	11.5
0908 WACO CEMETERY	16,837.00	16,837.00		
1108 COUNTY FIRE DIST NO BONDS	19,610,712.00	21,308,547.00	1,697,835.00	8.6
TAX DISTRICT TOTAL	215,071,476.00	231,906,957.00	16,835,481.00	7.8

*The first $2300 in residential assessed value is exempt from the Statewide USD Mill Levy. Information required by K.S.A. 79-2001

TAXES LEVIED COMPARISON

Taxing Authority	2022	2023	Change	Difference
State	8,852,025	9,650,902	798,877	9.02%
County	192,925,085	207,809,420	14,884,335	7.72%
Haysville	3,459,504	3,547,653	88,149	2.55%
USD 261	9,818,025	10,882,145	1,064,120	10.84%
	215,054,639	**231,890,120**	**16,835,481**	**7.83%**

FAQs

Why did the city fund the HAC with a sales tax that ends before the debt payments do?

- Paying the Activity Center debt with sales tax dollars is a prudent use of the funds
- Plan was always to use the Capital Improvements Fund to pay debt service when the sales tax ends

FAQs

What purchases are taxed other than purchases made within city limits?

- Kansas is a destination-based sourcing state
  - The rate of sales tax due on purchases will be the combined state and local sales tax rate in effect where the customer takes delivery/possession of the purchased items
- Compensating Use Tax
  - Tax paid on merchandise purchased from other states and used, stored, or consumed in Kansas on which no sales tax was paid
  - It is also due if the other state's rate is less than the combined state and local rate of 8.50 percent paid at the time of purchase
- Local Use Tax
  - Due when the combined state and local tax rate where the vehicle is registered is higher than the sales tax rate at the dealer's location

FAQs

How much is sales tax, and how much is compensating or local use tax?

Year	Sales Tax	Use Tax
2021	64.6%	35.4%
2022	63.6%	36.4%
2023	62.0%	38.0%
2024*	56.8%	43.2%
* January through March Revenues		

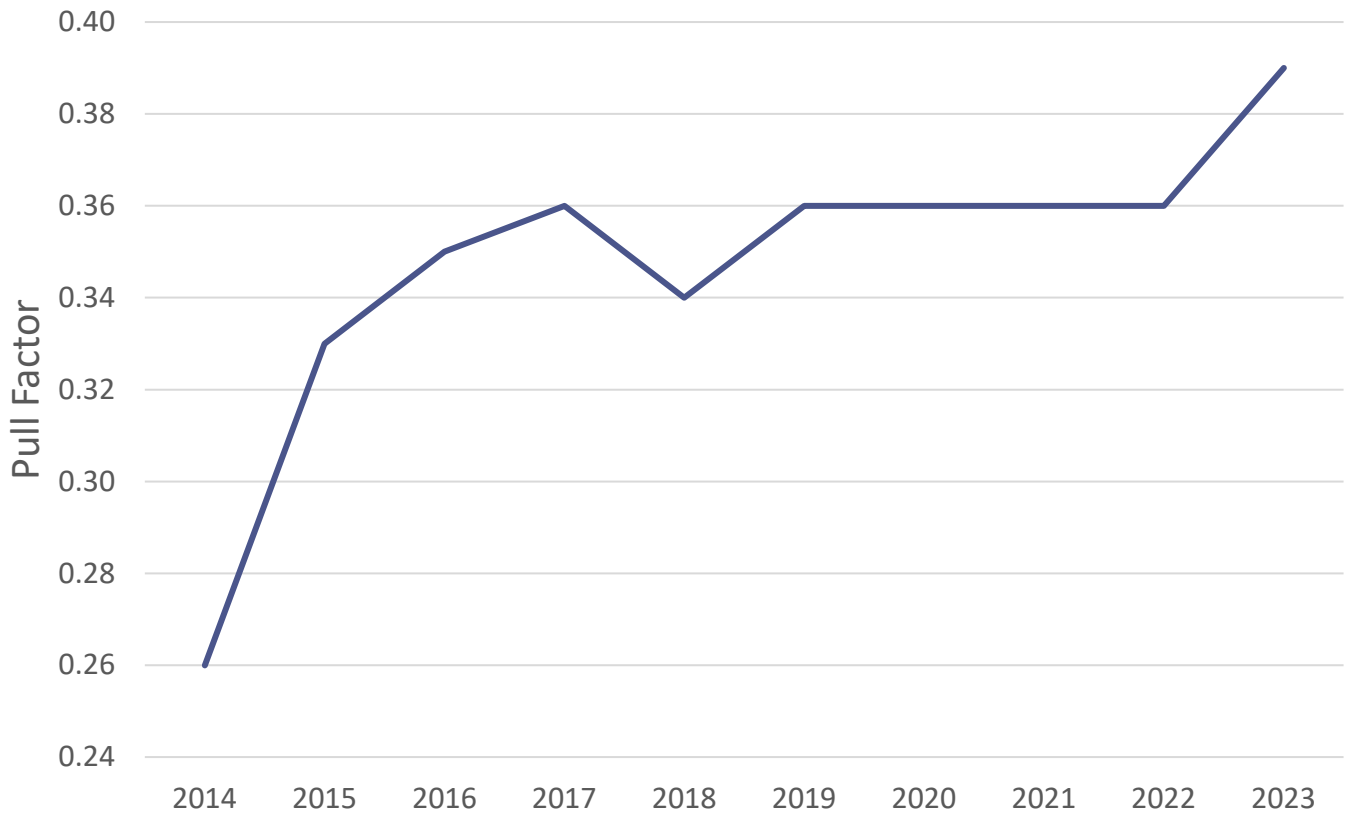
FAQs

What does the Kansas Department of Revenue's *City Trade Pull Factors* report indicate?

- The City Trade Pull Factor is a ratio calculated using the following data
  - City population
  - City sales tax collections
  - State population
  - State sales tax collections
- It is computed by dividing the per capita sales tax of a city by the statewide per capita sales tax
- It is not an indicator of where those making purchases are from
- Pull factors increasing over time indicate the local area is becoming more efficient at competing for local retail sales. Decreasing pull factors would indicate that the local business community is losing sales to outside areas.

FAQs

Haysville's Pull Factor History



WAMPO COMMUTER FLOWS

Haysville

Source: U.S. Census Bureau, Center for Economic Studies, LEHD. Accessed in July 2023 at https://onthemap.ces.census.gov/

https://www.wampo.org/commuter-flows

FAQs

What is the cost of this election?

- The cost estimate provided by the Sedgwick County Election Office is $6,151
- Other related costs
  - Recount of November Sales Tax Question $900.23
  - Informational items including the mailer $13,659.42

FAQs

Is a sales tax considered a regressive tax?

- Sales tax is often considered regressive primarily due to its disproportionate impact on lower-income individuals and families compared to higher-income earners.
- The regressive nature of sales tax emerges from its uniform application across income levels, its impact on basic necessities, and its tendency to disproportionately burden lower-income households.
- This contrasts with progressive taxes, like income tax, which typically impose higher rates on higher earners and lower rates on lower-income individuals to achieve what some consider a fairer distribution of the tax burden.

FAQs

Is this a new tax or not?

- The current 1% city sales tax ends June 30, 2024
- The sales tax election on May 7, 2024 is for a 1% city sales tax
- The current sales tax rate in Haysville is 8.5%
- If the sales tax is approved at the upcoming election, the sales tax rate in Haysville will be 8.5%
  - The current sales tax, which is used to fund a street, park, and recreation program would be replaced with a sales tax with the following uses
    - 10% to Reduce Property Taxes
    - 50% to Fund a Local Street Program
    - 40% to Fund a Park & Recreation Improvement Program

FAQs

Is the use of “renew” and “renewal” appropriate or misleading?

- Definition of Renew
  1. Resume after an interruption
  2. Extend for a further period the validity of
  3. Replace

FAQs

If the sales tax is approved at the May 7 election, will the tax ever end?

- The procedure for ending a General Purpose Tax is defined by state statute
  - KSA 12-187 provides that a city sales tax can be repealed by ordinance
    - Any repeal of such tax or any reduction or increase in the rate thereof, within the limits prescribed by K.S.A. 12-189, and amendments thereto, shall be accomplished in the manner provided herein for the adoption and approval of such tax except that the repeal of any such city retailers' sales tax may be accomplished by the adoption of an ordinance so providing.

FAQs

How many registered voters are there in Haysville?

- There are 6,907 registered voters

	Party					
Political Subdivision	**Democratic**	**Libertarian**	**No Labels Kansas**	**Republican**	**Unaffiliated**	**Grand Total**
City Council						
Haysville Ward 1 (CIHA1)	347	22	1	770	629	**1769**
Haysville Ward 2 (CIHA2)	367	29		719	667	**1782**
Haysville Ward 3 (CIHA3)	312	23		715	639	**1689**
Haysville Ward 4 (CIHA4)	284	31		769	583	**1667**
Grand Total	**1310**	**105**	**1**	**2973**	**2518**	**6907**

FAQs

Why was May 7th selected as the election date?

- The election could not be scheduled within 45 days of any other scheduled election
- Other elections already on the 2024 calendar
  - Presidential Preference Primary
    - March 19, 2024
  - Primary Election
    - August 6, 2024
  - General Election
    - November 5, 2024
- This left Tuesdays between May 3, 2024 and June 22, 2024 for the sales tax election

FAQs

Why was the natatorium built at Campus when it was voted on to be built by the HAC?

- The current 1% sales tax was never tied to the Campus Natatorium
- The city sales tax was approved by a vote of the people on April 1, 2014
- The USD 261 bond issue election that included funding for the natatorium was held on June 9, 2015
- The Campus Natatorium is a USD 261 facility, constructed and maintained with school district funds

FAQs

What do I do if I'm being charged the wrong sales tax rate?

- Confirm your tax rate using a Kansas Department of Revenue (KDOR) online tool
  - Link: https://www.ksrevenue.gov/atrl.html
- Contact KDOR to correct the tax rate for your address
- KDOR has information on its website concerning refunds
  - Publication KS-1220 details refund process
  - Link: https://www.ksrevenue.gov/pub1220.html

FAQs

What is planned for the funds collected in the future?

- 10% of Revenues will be used to reduce property taxes
- Street Program
  - Annual review of 572 segments of pavement
  - Ratings used to guide improvements
- Projects in WAMPO 2050 long range plan
  - 80% Federal funding with 20% local match
- HAC Building Payment
  - Average payment is $275,000 annually
  - Final payment is in 2035
  - This is approximately half of the park and recreation allocation

FAQs

What is planned for the funds collected in the future?

- Park Plan
  - ADA accessible equipment
    - Added to plan upon request
  - Improvements to Plagens-Carpenter ball fields
    - Field #1
      - Work with USD 261 to improve for Campus Baseball
  - See other proposed improvements in the Park Plan
    - Found on website under Park Board
- Capital Improvements Plan

FAQs

What is planned for the funds collected in the future?

- Recreation
  - Plate Loaded Weight Equipment
  - Cardio Equipment
    - Recumbent Elliptical
    - Stairmaster
    - Recumbent Bike 835
    - Air Bike
  - Pool Improvements
    - Upgrade pool house including locker rooms and showers
    - Additional shade structures
    - Upgraded splash pad
    - New slides
    - Replace pool deck

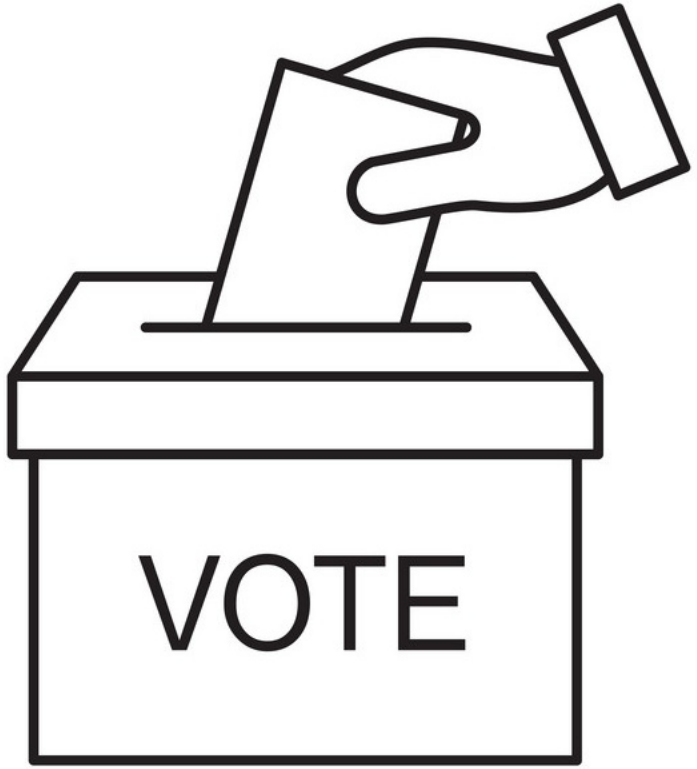
IMPORTANT DATES

- Mail-in Voting
  - Sedgwick County Election Office begins mailing advance by mail ballots on April 17th
  - April 30th is the last day to submit advance by mail ballots
- Early Voting
  - Begins April 29th at the Sedgwick County Election Office, 510 N. Main, Room 101, in the historic Sedgwick County Courthouse in downtown Wichita
  - Last day to vote early is Monday, May 6th
- Election Day
  - Election day voting will be held from 6:00 a.m. to 7:00 p.m. at the Haysville Community Library, 210 S. Hays Ave, Haysville on Tuesday, May 7th

SAVE THE DATE

General Election
Special Question

MAY 7, 2024



For more info: HaysvilleSalesTax.com