

Board of Crawford County Commissioners

Commissioners' Journal

2020, FORTY-FIRST MEETING

CRAWFORD COUNTY COURTHOUSE, COMMISSIONERS' BOARD ROOM
Girard, KS, Friday, May 22, 2020 10:00 AM

The Crawford County Board of Commissioners met pursuant to Kansas Statutes

Annotated Chapter 19, Article 2, Section 18 in due and regular session with open doors.

Commissioner Bruce Blair served as the presiding officer.

Commissioners Tom Moody and Jeremy Johnson were in attendance.

County Clerk Don Pyle and County Counselor Jim Emerson were seated with the Board.

UNDER THE HEADING BUSINESS FROM A PREVIOUS MEETING CONSENT AGENDA

On motion (20-221) of Commissioner Moody and the second of Commissioner Johnson that the consent agenda be approved including:

1. Approval of the May 19, 2020 minutes of the Board of County Commissioners, and
2. Authorizing the Chairman to sign the previous week's vouchers.

Yeas: Commissioners Moody, Blair and Johnson

Nays:

Present but not voting:

Absent or not voting:

The motion prevailed and the consent agenda was approved.

SIGNING OF MOTIONS

The County Clerk presented the following motions for Commissioners' signatures:

Motion 20	212	That the consent agenda be approved including: Approval of the May 15, 2020 minutes
Motion 20	213	To approve the letter of support of the Check-In Crawford County App that is being developed by DevSquared LLC in response to the COVID 19 Pandemic
Motion 20	214	To approve the Letter of Support to Governor Laura Kelly for the re-opening of the Kansas Crossing Casino and authorize the Chairman
Motion 20	215	To approve drafting a letter of support for the re-opening of other recreational and entertainment venues in Crawford County
Motion 20	216	To approve a Letter of Support for the City of Pittsburg's request for \$10,000,000 from the US Economic Development Administration for a Wastewater Treatment Plant project

Board of Crawford County Commissioners

Motion 20	217	To adopt Resolution #2020-008, a Resolution Certifying Legal Authority and Authorization to Apply for the CDBG-CV From the Kansas Department of Commerce and to approve the CDBG-CV Grant Application and authorize the Chairman to sign
Motion 20	218	To recess this open session and go into a closed executive session for a period of not more than 10 minutes to discuss items that would be deemed privileged in the Attorney Client Relationship to discuss the landfill negotiations and to include the Board of County Commissioners and County Counselor Jim Emerson and to reconvene by 11:22 AM
Motion 20	219	To recess this open session for a period of 20 minutes and to reconvene at 11:45 AM
Motion 20	220	To approve the Letter of Support to Governor Laura Kelly asking for exemption from Phase 1.5 of the Governor's Plan to Reopen Kansas and to be allowed to move to Phase 2 of the plan and authorize the Chairman to sign

UNDER THE HEADING NEW BUSINESS

MESSAGES FROM CRAWFORD CO LOCAL BOARD OF HEALTH

Item One: County Health Officer Rebecca Adamson addressed the Commissioners regarding the COVID 19 outbreak. Ms. Adamson stated that the Governor's Phase 2 order went into effect today and she went through the modifications from Phase 1.5 to Phase 2. She discussed Medicare guidelines for nursing home facilities. Ms. Adamson suggested that the Commissioners rescind the County Order dated 5/15/2020 and have Crawford County follow the Governor's Executive Order No. 20-34 Phase 2 of "Ad Astra: A Plan to Reopen KANSAS".

On motion (20-222) of Commissioner Blair and the second of Commissioner Moody to rescind the Crawford County order put forth by the Crawford County Health Officer and the Crawford County Board of Health passed on 5/15/2020 that went into effect on May 18, 2020 at 12:00 AM.

Yeas: Commissioners Moody, Blair and Johnson

Nays:

Present but not voting:

Absent or not voting:

The motion prevailed.

Ms. Adamson stated that the link to the Executive Order No. 20-34 Phase 2 of "Ad Astra: A Plan to Reopen Kansas" is on the County website.

County Counselor Jim Emerson discussed Kansas Attorney General's Opinion 2020-006 that came out Wednesday night about issues with the statute that authorizes the Governor's emergency powers under KEMA. Mr. Emerson stated that Senate Substitute for House Bill No. 2054 was approved by the Kansas Legislature on May 21, 2020, and it contained lots of changes to the Governor's authority to issue executive orders and to the items that can be addressed in those orders. Mr. Emerson stated that this bill attempted to address many of the issues that made it nearly unable to be used for emergencies that are

Board of Crawford County Commissioners

ongoing for an extended period of time. There was a discussion that this bill ratifies the governor's earlier orders, but it makes it necessary to have legislative approval for future orders. It was also discussed that this bill laid out how these orders can be enforced. The commissioners wanted temperatures of employees and visitors at the courthouse to be taken during the next week.

PUBLIC HEARINGS AND OPENING OF ANNOUNCED BIDS

Item One: Public Hearing on an application to be submitted to the Kansas Department of Commerce for Small Cities Community Development Block Grant funds under the CDBG-CV Category.

On motion (20-223) of Commissioner Johnson and the second of Commissioner Moody to open the public hearing on the Kansas Department of Commerce Small Cities CDGB-CV Grant.

Yeas: Commissioners Moody, Blair and Johnson

Nays:

Present but not voting:

Absent or not voting:

The motion prevailed.

There was no one present that wished to comment on the grant application.

On motion (20-224) of Commissioner Moody and the second of Commissioner Blair to close the public hearing on the Kansas Department of Commerce Small Cities CDGB-CV Grant.

Yeas: Commissioners Moody, Blair and Johnson

Nays:

Present but not voting:

Absent or not voting:

The motion prevailed.

Commissioner Johnson stated that the Ms. Susan Galemore from the Regional Planning Commission informed him that Crawford County's grant application is ready to be submitted with the exception of the dollar amounts for the businesses with fewer than 5 employees and businesses with fewer than 50 employees. He explained that the Ms. Galemore said that the Department of Commerce will be flexible on this issue. Commissioner Johnson stated that under the CDBG guidelines the maximum amount allowed in the grant for businesses with under 5 employees is \$35,000 and \$50,000 for businesses with under 50 employees but the County can cap the grant funding at smaller amounts if they choose.

Ms. Jessica Ripper, Girard Chamber of Commerce Director explained how the City of Girard will be allotting the money to the local businesses. There was a discussion of how the grant funding can be allotted to local businesses in a fair and transparent process.

The Commissioners discussed putting a cap on the amount the businesses in the county can apply for. Commissioner Johnson said that there are criteria from the state that have

Board of Crawford County Commissioners

to be met in the grant and the Commissioners can implement additional criteria to be met. He suggested capping the amount at \$10,000 to maximize the number of businesses that can apply for funding and also to split it at 50/50 for business under 5 and businesses under 50. The other Commissioners agreed and Mr. Johnson will contact Ms. Galemore and make her aware of the Commissioners decision.

MESSAGES FROM THE PUBLIC

MESSAGES FROM APPOINTED OFFICIALS

MESSAGES FROM ELECTED OFFICIALS

MESSAGES FROM OTHER GOVERNMENTAL ENTITIES

PROCLAMATION AND ORDERS OF THE BOARD

NEW BUSINESS

Item One: Mr. Emerson discussed legislation that will change much of the process of budgeting and changes in tax rates. He discussed the tax lid, public hearings on levying taxes over a certain amount, changes in deadlines, some issues on prohibiting property valuation increases, establishing partial payments and payment plans for all property taxes, implementation of the Golden Years Homestead Property Tax Freeze Act, repeal of the Senior Relief Program, property tax payment delay for 2019 and delays in notices due to the tax payment delay. He stated that all of these changes are contained in the Senate Substitute for House Bill No. 2118.

Board of Crawford County Commissioners

SESSION OF 2020

SUPPLEMENTAL NOTE ON SENATE SUBSTITUTE FOR HOUSE BILL NO. 2118

As Amended by Senate on Final Action

Brief*

Senate Sub. for HB 2118, as amended, would establish new notice and public hearing requirements for certain taxing subdivisions, prohibit certain real property valuation increases, enact the Golden Years Homestead Property Tax Freeze Act (Tax Freeze Act), authorize certain payment options for property taxes, repeal the Selective Assistance for Effective (SAFE) Senior Relief property tax refund program, and provide a one-time delay in the deadline for payment of property taxes.

Notice and Public Hearing Requirements

The bill would establish, beginning in 2021, new notice and public hearing requirements for certain taxing subdivisions prior to property tax increases above a revenue-neutral rate. The bill would not apply to school districts or to any taxing subdivisions receiving less than \$5,000 annually in property taxes.

On or before June 15 of each year, beginning in 2021, the bill would require county clerks to submit the revenue-neutral rate to all other taxing subdivisions at the same time estimated assessed valuation information is provided. "Revenue-neutral rate" would be defined to mean the tax rate for the current tax year that would generate the same property tax revenue as levied the previous tax year using the current tax year's total assessed valuation. The bill would

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

Board of Crawford County Commissioners

require the Director of Accounts and Reports to modify budget information forms to show the revenue-neutral rate.

The taxing subdivisions affected by the bill would be prohibited from levying rates that exceed the revenue-neutral rates unless the taxing subdivisions have published notice on their websites of the proposed intent to exceed such rates and announcing a public hearing on such action. On or before July 15, the bill would also require governing bodies to notify county clerks of their intent to exceed revenue-neutral rates. County clerks subsequently would be required to notify each taxpayer with property in taxing subdivisions seeking to exceed such rates of the public hearings at least ten days in advance of the hearings. The bill would require county clerks to send consolidated notifications for all taxing subdivisions relevant to a parcel of property *via* mail unless taxpayers and county clerks both have consented to service by electronic means. The bill would require all costs associated with notification requirements to be borne by taxing subdivisions seeking to exceed their revenue-neutral rates, with payment for such costs due to county clerks by December 31.

The bill would require, at public hearings required to be held on or before September 10, governing bodies to provide interested taxpayers an opportunity to present oral testimony within reasonable time limits and without unreasonable restriction on the number of individuals allowed to make public comment. At the conclusion of the public hearings, the bill would require a majority vote of governing bodies adopting resolutions or ordinances that approve exceeding the revenue-neutral rates, prior to adoption of proposed budgets resulting in a tax rate that exceeds the revenue-neutral rates.

The public hearings could be conducted in conjunction with other required budget hearings of the taxing subdivisions. Governing bodies taking such action would be required to submit on or before September 20 to each county clerk the amount of property taxes to be levied. Taxing subdivisions not complying with the notification and public

Board of Crawford County Commissioners

hearing requirements outlined in the bill would be required to refund to taxpayers any over-collected property taxes.

The bill also would repeal, beginning in 2021, the current property tax lid law applicable to cities and counties (KSA 79-2925c).

Prohibited Valuation Increases

The bill would prohibit an increase in the appraised valuation of real property solely as a result of normal repair, replacement, or maintenance of existing improvements on the property.

Property Tax Payment Plan

The bill would authorize county treasurers to establish partial payments and establish payment plans for all property taxes. Current law grants county treasurers authority to accept partial payment for delinquent property taxes.

Golden Years Homestead Property Tax Freeze Act

The bill would establish a new property tax circuit breaker refund program (refund program) beginning in tax year 2020 that would provide refunds of a portion of property taxes paid on qualifying residential homestead property equivalent to the total property tax increase over the base year. For taxpayers qualifying at the time of enactment, tax year 2019 liability would be deemed as the base year. For all other taxpayers, the base year would be the first year in which they are eligible to claim the refund provided by the Tax Freeze Act. The maximum amount of any refund under the program would be \$2,500.

In order to qualify for the refund program, the bill would require a taxpayer to have a household income of less than \$50,000 and be 65 years of age or older or a disabled

Board of Crawford County Commissioners

veteran. The value of the qualifying residential homestead property would have to be less than \$350,000. Qualifying taxpayers would be ineligible to claim a Tax Freeze Act refund if they are seeking to claim the existing Homestead Property Tax Refund. The bill would allow surviving spouses of qualified individuals to continue in the refund program unless they subsequently remarry. The bill would require Tax Freeze Act claims to be filed by April 15, relative to refund amounts determined by the previous property tax year's liability.

Under the bill, "disabled veterans" would include Kansas residents honorably discharged from active service in any branch of the armed forces of the United States or Kansas National Guard who have been determined to have a 50 percent permanent disability sustained while on active duty.

Beginning with the second year of the program, the Director of Taxation would be required to send county clerks electronic records by October 1 of each year containing names of eligible claimants who have received refunds under the Tax Freeze Act for the prior year.

Under the bill, the Director of Taxation would have authority to apply refunds to any state tax liability of the qualified individual or other member of the household. Remaining refunds would first be applied to any delinquent property taxes on the homestead and then to any current property tax liability.

The bill would grant the Secretary of Revenue authority to adopt rules and regulations necessary for administration of the Tax Freeze Act.

Repeal of SAFE Senior Relief Program

The bill would, beginning in tax year 2020, eliminate the SAFE Senior Relief property tax refund program, which provided certain taxpayers with an income tax credit equal to 75 percent of the amount of certain property taxes paid.

Board of Crawford County Commissioners

Property Tax Payment Delay

The bill would prohibit interest from accruing on unpaid property tax for tax year 2019 from May 10, 2020, through August 10, 2020. The tax would not be considered delinquent for that time and counties would be required to waive any costs related to delinquent property tax collection charged to taxpayers prior to August 11, 2020.

The bill would also delay, for tax year 2019 only, the preparation of a list of real estate subject to sale due to delinquent taxes until after August 10, 2020, and the publication deadline of such list would be delayed until September 1, 2020. Real estate sales of property as a result of delinquent taxes in 2020 otherwise scheduled to occur on the first Tuesday of September would be scheduled to occur on or before the fourth Monday of October.

Effective Date

The bill would be in effect upon publication in the *Kansas Register*.

Background

The bill, as introduced, would have created income tax credits related to the aviation and aerospace industries. The Senate Committee on Assessment and Taxation (Senate Committee), on May 13, 2020, removed the contents of the bill; inserted the contents of SB 294 (as amended by the Senate Committee of the Whole), the contents of SB 295, and provisions delaying interest and fees for payments of real and personal property taxes; and created a substitute bill. The Senate Committee further amended the contents of SB 294 by changing the latest allowed date of the public hearing from September 15 to September 10, requiring consolidated notices from county clerks, and adopting technical

Board of Crawford County Commissioners

amendments. Background information for SB 294 and SB 295 is provided below.

The Senate, on May 21, 2020, amended the bill on final action to insert the provisions of Substitute for HB 2607, as recommended by the House Committee on Taxation (House Committee), to insert provisions creating the Tax Freeze Act and to repeal the SAFE Senior Relief property tax refund program. Background information for these provisions is provided below.

A fiscal note on the provisions of the bill delaying property tax interest and fees was not immediately available.

SB 294 (Notice and Public Hearing Requirements)

The bill was introduced by Senators Tyson, Alley, Braun, Estes, Goddard, Hilderbrand, Kerschen, Longbine, Lynn, Masterson, Olson, Petersen, Thompson, Wagle, and Wilborn.

In the Senate Committee hearing on February 7, 2020, representatives of Americans for Prosperity, the Kansas Association of Realtors, the Kansas Chamber, the Kansas Farm Bureau, and the Kansas Policy Institute, and a Linn County Commissioner, appeared as proponents. Proponents stated the bill's provisions would improve property tax transparency and accountability, and noted the legislation generally was patterned after a law Utah has had in place since the 1980s.

Representatives of the City of Lenexa, Kansas Association of Chiefs of Police, Kansas Association of Counties (KAC), Kansas Association of School Boards, Kansas Sheriffs Association, League of Kansas Municipalities (LKM), and Unified Government of Wyandotte County and Kansas City, Kansas, appeared in opposition. Opponents also included the Andover Fire Chief, Andover City Council President, Atchison Director of Administration Service, McPherson Police Chief, McPherson Fire Chief, Riley County

Board of Crawford County Commissioners

Counselor, and Shawnee County Counselor. Opponents cited several concerns with the bill, including the potential costs that could be incurred by the affected taxing subdivisions.

Additional written-only testimony was submitted by several proponents, opponents, and neutral parties.

On February 13, 2020, the Senate Committee amended the bill to delay its implementation until 2021 while clarifying the revenue-neutral levy computation and a number of statutory timelines local officials would be required to follow, increase from \$5,000 to \$20,000 the level of annual property taxes below which taxing subdivisions would not be required to be subject to the bill's provisions, exclude school districts from the bill's provisions, and repeal the current tax lid law.

On February 25, 2020, the Senate Committee of the Whole amended the bill to clarify that county clerks be reimbursed for notification costs by December 31 of each year from those taxing subdivisions seeking to exceed revenue-neutral rates, to decrease from \$20,000 to \$5,000 the level of taxes below which taxing subdivisions would not be subject to the bill's provisions, and to remove a requirement for notice in official county newspapers.

A fiscal note on SB 294, as amended, was not immediately available.

SB 295 (Prohibited Valuation Increases)

The bill was introduced by Senators Tyson, Alley, Braun, Estes, Goddard, Hilderbrand, Longbine, Lynn, Masterson, Olson, Petersen, Thompson, Wagle, and Wilborn.

In the Senate Committee hearing, testimony in support of the bill was offered by a representative of the Kansas Policy Institute. Written-only proponent testimony was offered by the Kansas Agribusiness Retailers Association, Kansas Association of Wheat Growers, Kansas Grain and Feed

Board of Crawford County Commissioners

Association, Kansas Soybean Association, and Renew Kansas Biofuels Association. Opponent testimony was provided by representatives of the KAC and the LKM. Neutral testimony was provided by representatives of the Property Valuation Division of the Kansas Department of Revenue (KDOR) and the Kansas County Appraisers Association.

According to the fiscal note prepared by the Division of the Budget, the KDOR estimates enactment of the bill has the potential to decrease property tax revenues by a negligible amount. The KAC and the LKM indicate enactment of the bill has the potential to reduce the amount of local property tax revenues collected, but they are unable to make a precise estimate of the fiscal effect on local governments. Any fiscal effect associated with enactment of SB 295 is not reflected in *The FY 2021 Governor's Budget Report*.

Sub. for HB 2607 (Property Tax Payment Plans)

The bill was introduced by the House Committee at the request of Representative Kelly on behalf of the cities in Montgomery County. As introduced, the bill would have established specific guidelines for counties seeking to authorize installment payment plans for residential property.

At the House Committee hearing on February 20, 2020, Representative Kelly appeared as a proponent, as did a representative of the League of Kansas Municipalities and the Caney City Administrator. A representative of the Kansas Association of Counties and the Riley County Treasurer appeared in opposition. Written-only testimony in opposition was submitted by the Kansas County Treasurers Association. No neutral testimony was provided.

On February 24, 2020, the House Committee amended the bill to remove its original provisions and to expand the authority of county treasurers in current law to allow for property tax partial payments and payment plans. The House Committee recommended a substitute bill be created.

Board of Crawford County Commissioners

According to the fiscal note prepared by the Division of the Budget on HB 2607 as introduced, the KDOR did not anticipate any impact on the amount of property taxes collected but noted that the timing of receipts could be affected.

Golden Years Homestead Property Tax Freeze Act and SAFE Senior Relief Repeal

The Tax Freeze Act was originally introduced in 2019 as SB 91 and passed the Senate as a part of SB 104. The Tax Freeze Act, as passed by the Senate in Senate Sub. for HB 2118, included the following changes to the version passed by the Senate in SB 104:

- The base tax year is changed to 2019;
- The initial year of the program is changed to 2020;
- The date for which the list of eligible claimants must be delivered by to counties is changed from October 15 to October 1; and
- An annual cap on the maximum amount of refund under the program was added.

Additionally, SB 104 did not repeal the SAFE Senior property tax refund program and did provide for qualifying disabled veterans to participate in the existing Homestead Refund Program.

The Tax Freeze Act is projected to increase State General Fund (SGF) receipts by \$0.9 million in FY 2021, decrease SGF receipts by \$5.7 million in FY 2022, and decrease SGF receipts by \$12.3 million in FY 2023.

Item Two: Commissioner Moody discussed budget requests and County Clerk Don Pyle stated that he does have some requests back and he asked that the requests be returned by June 12. The Commissioners and Mr. Pyle discussed setting up budget work sessions.

Board of Crawford County Commissioners

Item Three: Commission Moody stated that the Pittsburg Judicial Center parking lot is done and it looks very nice.

Item Four: Commissioner Johnson stated that Ms. Galemore notified him that the county's CDBG application has been submitted and asked about setting up an RFP committee and Ms. Ripper explained how the City of Girard set up their committee.

OLD BUSINESS:

Item One: Mr. Pyle stated the he has turned in the request through the Secretary of State's Office for COVID-19 funding for County Election Offices.

Item Two: Commissioner Moody stated that historically the Commissioners do not meet on the day following a holiday. The Commissioners decided to cancel the Regular Session on Tuesday, July 26, 2020.

Item Three: Mr. Emerson stated that the RFP on the censes mailer has been approved and he will readdress this next Friday. He stated that he will also discuss the trash services for county buildings on Friday.

Item Four: Commissioner Blair addressed nuisance violations and stated that Zoning Administrator May Smith is sending out notices.

EXECUTIVE SESSION

UNDER THE HEADING FUTURE BUSINESS AND ANNOUNCEMENTS

FUTURE BUSINESS:

Item One: May 29, 2020 – 8:30 AM Work Session to review and sign May bills and payroll vouchers.

Item Two: May 29, 2020 – Opening of Chip & Seal Oil bids.

Item Three: June 2, 2020 – Mr. Mac Young and Ms. Tracy Harris presenting Community Corrections FY 2021 Comprehensive Plan and Behavioral Health Grant.

Item Four: June 5, 2020 – Mr. Mark Lehman, Crawford County Conservation District Chairman presenting the 2021 Conservation District Budget.

ANNOUNCEMENTS:

Item One: The Courthouse in Girard is open to the public from 8:00 AM to 3:30 PM until further notice. Anyone entering the building will be screened and required to maintain a 6-foot distancing guideline. The Motor Vehicle office at the Judicial Center in Pittsburg will remain closed but residents may use the drop box at the Security Desk at the Judicial Center for motor vehicle and tax payments to be processed at the courthouse.

Board of Crawford County Commissioners

Item Two: There is a drive thru VIN Inspection at the Sheriff's Department from 8:00 AM to 3:00 PM Monday thru Friday.

Item Three: May 25, 2020 – The Courthouse will be closed in observance of the Memorial Day Holiday.

Item Four: May 26, 2020 – The Regular Session of the Board of County Commissioners is cancelled.

UNDER THE HEADING MOTION TO ADJOURN

MOTION TO ADJOURN

Item One: Adjournment

On the motion of Commissioner Moody and the second of Commissioner Johnson to adjourn the [May 22, 2020](#) meeting of the Board of Crawford County Commissioners at 11:05 AM and to reconvene at the next regularly scheduled time with open doors.

Yeas: Commissioners Moody, Blair and Johnson

Nays:

Present but not voting:

Absent or not voting:

The motion prevailed.

In Testimony whereof, I have hereunto set my hand and caused to be affixed my official seal and submitted these minutes for the approval of the Board of Crawford County Commissioners.

Don Pyle

County Clerk

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This submission completed at the Crawford County Courthouse in Girard.

[Taken by BKW 5/22/2020 11:05 AM/amended BKW 5/28/2020 9:00 AM](#)