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A FINANCIAL STUDY OF THE CITY OF HAYS,
ELLIS COUNTY, KANSAS

being

A Thesis presented to

the Department of Social Science and
the Graduate Council of the Fort Hays Kansas
State College in partial fulfillment of the
requirements for the degree of
Master of Science.

by

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Date May 20, 1936

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1909 -
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Preface

gift
Lorenz Randall Dingham

The great problem of municipal finance with which a majority of our municipalities are confronted at the present time is a problem that can be attacked only through a slow process of analysis and investigation. Slashing of salaries, indiscriminate dispensing with the various services offered by the city in prosperous times, and increasing of bonded indebtedness will not in any sense provide a permanent solution to the problem. The difficulty is in tracing the course of money taken in by the city from its source to its ultimate use in providing that which the citizens demand. When this has been done, then it may be possible to locate points in the city budget where reductions can be made without a corresponding reduction in the efficiency of the city.

7/9/36

The primary aim of the writer of this thesis has been to investigate the various avenues from which funds for the support of the city of Hays are derived, to trace these funds through the collecting and controlling agencies of the city, and finally, to determine the ultimate purpose for which the funds are expended. No attempt has been made to present the administration of the finance of Hays from the viewpoint of the critical observer interested in uncovering either outstanding efficiencies or inefficiencies. Rather, the data herein presented are submitted as an impartial study of a typical city of the second class of Kansas, showing only that information which is available to every citizen who may be

interested in carrying on such an investigation.

For the development of my interest in this subject, I am particularly indebted to Dr. W. D. Moreland of the Social Science Department of Fort Hays Kansas State College who has directed me and encouraged me throughout the preparation of this thesis. Special acknowledgment for assistance in the collection of data is due Miss Emily C. Johnson, City Clerk of Hays, Kansas; Mrs. Ida Fogle, Assistant City Clerk of Hays, Kansas; Mr. Fred Haffamier, City Manager of Hays, Kansas; Mr. Ben Huser, County Clerk of Ellis County, Kansas; and Mr. Paul J. Wassinger, County Treasurer of Ellis County, Kansas.

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half feet. This determined the fate of Rome and made it
the principal city for the traffic of the surrounding area.
Rome lasted for several months and then was abandoned.
1 The Hays Daily News, November 11, 1935, p. 1, contains
"Complete Story of the Founding of Rome, Predecessor of the
City of Hays, Told for the First Time." From Historical and
Biographical Sketches by Simon Mott.

Chapter I

HISTORY AND DEVELOPMENT OF HAYS

Founding of Hays

The first settlement in Ellis County was made in 1867 on the west side of Big Creek a short distance west of the present site of Hays. This settlement was started by the Lull Brothers of Salina, Kansas, and was named Rome. It was in the latter part of May, 1867, that the first party of settlers arrived. Before the middle of the next month, quite a town was built up. Later, in June, William Edward Webb and Pliny Moore, of the Big Creek Land Company, surveyed the townsite of Hays City. Considerable contention over the supremacy of one of the two towns resulted. Unfortunately for Rome, the Big Creek Land Company was supported by the railroad construction company that was building the railroad through the area at the time. The railroad company found it necessary, in order to protect the bridge spanning Big Creek against high water, to raise the railroad grade three and one half feet. This determined the fate of Rome and made Hays the principal city for the traffic of the surrounding area. Rome lasted for several months and then was deserted. ¹

¹ The Hays Daily News, November 11, 1929, p. 1, Sec. C, "Complete Story of the Founding of Rome, Predecessor of the City of Hays, Told for the First Time." From Historical and Biographical Sketches by Simon Motz.

Fort Fletcher

Fort Fletcher, which was established October 11, 1865, was first located fourteen miles southeast of the present site of Hays along the bank of Big Creek. Later, during the summer of 1867, it was moved to the site of the Fort Hays Military Reservation. The land on which the Fort Hays Military Reservation was located was later ceded by the United States Government to the State of Kansas to be used for educational purposes.²

Early Institutions

The first school in Hays was held in the year 1869. It was taught for a period of about three months by a man named Mr. Reese.³ The first church service to be held in Hays was in the year 1873. This service was held in the, then famous, Tommy Drumm Saloon.⁴ The first newspaper to be published in Hays was the Hays City Sentinel which was started in February of 1874. This paper was sold in August of the same year to Simon Motz; whose son, Frank Motz, is now

2 The Hays Daily News, November 11, 1929, p. 1, Section c. "Complete Story of the Founding of Rome, Predecessor of the City of Hays, Told for the First Time." From Historical and Biographical Sketches by Simon Motz.

3 The Hays Daily News, November 11, 1929, p. 1, Section e. "A Little Girl's Impression of Hays in Its Wildest Days as given by Mrs. Josephine Middlekuff".

4 The Hays Daily News, November 11, 1929, p. 6, Section e. "First Church Service in Hays held in Famous Tommy Drumm's Saloon, by L. G. Bell."

owner and editor. ⁵ Since its beginning, this paper has changed names several times and is now known as the Hays Daily News.

Early Growth

The early growth of Hays was very rapid. Before it was one year old, it had a population of over one thousand inhabitants. Such increase was not to continue, for in 1882 the entire population of Big Creek Township was only nine hundred sixty nine. Big Creek Township was an area twelve miles east and west and twenty one miles north and south including the town of Hays. The fact that for a time Hays was the headquarters of the railroad construction camp and was the western terminus of the railroad accounts for the rapid early growth. ⁶

Hays was made the first county seat of Ellis County and still holds that position. The court house was built in 1873. In the same year there were issued bonds for \$12,000 with which to build a school house. This was located about two blocks west of the court house. The United States Land Office was established at Hays in 1875. In 1877 the Catholic Church was organized and the first church built. ⁷

⁵ The Hays Daily News, November 11, 1929, p. 7, Section E, "He Established the First Newspaper in Hays"

⁶ Andreas, A. T. History of State of Kansas. p. 1291

⁷ Andreas, A. T. History of State of Kansas. p. 1292

Present Status

Since the early period in the development of Hays, the city has maintained its position of prominence among the towns of Western Kansas. It was incorporated May 18, 1885, as a city of the third class. It was changed to a city of the second class July 9, 1909,⁸ and is now functioning as a city of the second class under the council-manager form of government.

Nativity of Present Population

While the early inhabitants of Hays were largely railroad workers, eight years after the original settlement a group of German-Russian immigrants entered Ellis County and settled in several places within the County. Many of these people made their homes in the vicinity of Hays and throughout the course of time have continued to maintain homes there.

Because of this early settlement of immigrants, the percentage of the population that is native white and of native white parentage is somewhat less than for the State as a whole. The following table shows the distribution of the population according to nativity as compared with the State as a whole in 1930.

8 Minutes of the Board of Commissioners Meetings Book C p. 276

Table I
Population Distribution

Population Groups	Hays	Percentage	Kansas	Percentage
Total population	4618		1,880,999	
Native white and native parentage	3081	67%	1,453,442	78%
Native white and foreign or mixed parentage	1251	27%	269,689	14%
Foreign-born whites	286	6%	69,713	4%
Negroes	0	0	66,344	4%

9

From this data it is seen that the foreign born whites and the native born whites of foreign parentage or mixed parentage is somewhat higher for Hays than for the State as a whole. Such a factor is undoubtedly important in the administration of any phase of the governmental unit in the case of a wide variation in the percentages. However, for the purpose of this study, it is not believed that the differences are great enough to cause any wide variation in the case of Hays from the average second class city of the State.

Home Owners and Renters

The question as to whether the inhabitants of the

city are home owners or renters is also important, especially in a study of taxation. Of the total of one thousand twelve homes in Hays in 1930, five hundred thirty two or fifty two and six tenths percent were owned by the persons occupying them and four hundred eighty or forty seven and four tenths percent were renters. In the State of Kansas, the percentage of home owners is fifty five and six tenths percent. It is found that the percentage of home owners is slightly less for the City of Hays than for the State as a whole. ¹⁰

Size of Families

The size of families of Hays has also been compared with the State as a whole. The median size of all families of Hays is 3.59 while for Kansas it is 3.26. The size of the average native white family of Hays is 3.60 while for the State it is 3.28. Foreign born white families are found to average 3.50 while the average for the State as a whole is 3.16. ¹¹

The above data tend to indicate that while the population of Hays varies slightly from the average of the State, there is no great variation in any of the phases that have been investigated.

¹⁰ Fifteenth Census of United States. Population. Vol. VI Families. p. 494

¹¹ Fifteenth Census of United States. Population. Vol. VI Families. p. 494

Present Institutions

In the city of Hays and vicinity, there are three important institutions. Two of these are supported by the State: the Fort Hays Kansas State College and the Fort Hays Experiment Station. The third institution is the St. Joseph's College and Military Academy.

The St. Joseph's College and Military Academy is a Catholic institution conducted by the Capuchin Friars. It was organized in 1908. The College offers work of the senior high school and junior college level. One of the chief aims of the College is to prepare candidates for the priesthood. In addition to this special aim, the College is also dedicated to the general aim of "Building men of strong character, firm faith, keenly intelligent mind, virile physique, active leadership and efficiency in their chosen profession". The School has an average attendance of one hundred fifty students and during the year of 1934-35 maintained nineteen members on the faculty. The average annual expenditure of this institution is approximately \$36,000.00.¹²

The Fort Hays Experiment Station was established on part of what was at one time the Fort Hays Military Reservation. At the present time the station comprises three thousand four hundred forty acres. Throughout the year it employs an

¹² The Bulletin Vol. III June 1934 Number I
(Published Quarterly by St. Joseph's College and Military Academy)

average of thirty employees. The present valuation is estimated to be \$385,000.00. Annual expenditures tend to vary with the success of the farming in which they are engaged. Expenditures from state appropriations for the year of 1934 were \$21,844.00. In addition to the expenditures from state appropriations, the station is allowed to use the money received from the sale of the production of the farm. This amount averages about \$36,000.00 annually. The total expenditures of 1934 were approximately \$57,844.00. The station is maintained for the purpose of conducting experiments relative to the problems that the farmers are forced to meet in this section of the country, and to improving the methods and practices of farming in this area. 13

The Fort Hays Kansas State College was created by legislative act February 26, 1901 as a part of the normal school system of Kansas. The first applied name to the institution was the Western Branch of State Normal School. School began in the summer of 1902 with William S. Picken as principal and Ann Keller as teacher. There were thirty four students enrolled. The hospital building of the old fort was used for the school until 1904 when the first new building was built. The first course provided for two years of work. This was changed to a three year course in 1905 and in 1908 the full

13 Personal interview with Mr. Aiker, Superintendent of the Fort Hays Experiment Station, July 26, 1935.

four year course was offered. The training school was established in 1907 and in 1909 work of college rank was added. The appropriation of the legislature for the first biennium of the life of the institution, 1902-1903 was \$12,000. This amount gradually increased. The appropriation for the biennial of 1910-1911 was \$98,000.¹⁴ The expenditure for 1934 totalled \$147,539.¹⁵ Enrollment of students has increased from the thirty four students at the first registration to eight hundred twenty five for the spring semester of 1935.¹⁶

Changes in the name of the institution indicate to a certain extent its changing function. Originally it was called the Western Branch of the State Normal School. By an act of legislature, August 14, 1913, it was made an independent institution and the name was changed to Fort Hays Kansas Normal School.¹⁷ Again, by an act of the legislature in 1923 the name was changed to the Kansas State Teachers College of Hays.¹⁸ As the college came to supply a wider need and offer courses other than those of purely professional nature for the teacher, the name was changed by legislative act in 1931 to Fort Hays Kansas State College.¹⁹ The institution now offers courses

14 Collections of the Kansas State Historical Society Vol. 12, 1911-1912. Edited by George W. Martin, Secretary. p 97

15 Report of the Auditor of State, Will J. French, Topeka, 1934

16 Personal interview with Registrar of Fort Hays Kansas State College, July 17, 1935

17 Fort Hays Kansas Normal School Catalogue 1915-1916 Vol. VI No. 2 p 12

18 State of Kansas Session Laws 1923 p. 323

19 State of Kansas Session Laws 1931 p. 423

in many fields and grants the degrees of Bachelor of Science in Education, Bachelor of Arts, Bachelor of Music, and Master of Science. As will be noted from the expenditures and the average enrollment as stated above, this institution is one which figures prominently in the entire social and economic life of the city of Hays.

Hays a Typical City

From this survey of the history and development of the city of Hays, it is noted that the city originated and developed much the same as many other towns of the middle west. No one particular feature can be cited that can be said to be typical of Hays alone. It has developed to a city of 5002 population in 1934. It is the center of the farming and stock raising activity of the surrounding country. While there is a slightly greater foreign element in the population of Hays than of some of the other towns of the area, the difference is not great enough to make Hays distinctly different from other towns as subject for a study in local finance. Considering these facts, it is believed that the material studied in Hays with reference to the administration of local finance is similar to that which could be studied in any similar town. It is further believed that the findings that are revealed relative to conditions in Hays are not typical of that particular city but that similar conditions would be found in other cities from which comparable data could be secured.

Chapter II

FORM OF GOVERNMENT

Introduction

The form of government is an important consideration in the study of the finance of any governmental unit. It is important in that some forms are more conducive to lax financial policies than are other forms. However, it must be understood that no form of government can insure an efficient financial administration. Efficiency in any phase of government, whether it be finance, public service, or law enforcement depends primarily upon the individuals in charge of the work. The form may be an instrument to better administration, but it is the individuals in charge who are ultimately responsible for efficiency or lack of efficiency.

Centralization of Responsibility

The present trend in all phases of governmental activity among many of those interested in improving the efficiency of administration is toward centralization of responsibility. In the development of form in city government, the council manager or commission manager plans offer a centralization of responsibility that is not to be found in some of the older forms. Even in this plan, there is no assurance of a full centralization of responsibility, but it is dependent upon those in charge of the administration. In theory, the

manager is an individual selected for the purpose of carrying on the administrative work of the city. He is free from political control. The council or commission is then supposed to engage primarily in the policy determining activities. From this theoretical plan, the manager form may be operated at the other extreme in such a way that the manager is merely the office clerk or secretary for the council with no freedom whatever in carrying out the administrative work of the city. The mayor council form of government was used in Hays until 1919 when it was supplanted by the commission manager form. This plan has been used from 1919 until the present time. 20

Cities of the Second Class

Any city of the population of over two thousand and not more than fifteen thousand may organize as a city of the second class under the laws of Kansas. In order to do this, it is necessary that the governor of the state be notified by the proper city authorities that the city has attained the required population. The governor will then declare that the city is subject to the acts governing cities of the second class. A meeting must then be called of the governing body of the city within fifteen days. At that meeting the city will be divided into wards and provision made for opening the

books for the registration of voters. A special election must be held in not less than sixty days or more than ninety days after this meeting of the governing body. At this election all officers necessary for the city of the second class must be elected. ²¹ Any city of a population exceeding four thousand must be divided into not less than four wards and one of a population not over eight thousand must not exceed four wards. ²²

Hays as a City of the Second Class

Hays was declared to be a city of the second class July 9, 1909. As a city of the second class, it has the power to sue and be sued, to purchase or receive as gift any real estate and personal property and to sell the same. It may also improve, regulate and govern any real estate or personal property as it is found to be necessary according to the best interests of the city. It may make contracts and do all other things necessary in the exercise of its corporate or administrative powers. It is to have and use a corporate seal and it has power to change the seal as it is desired, and it may exercise all other powers as conferred by law. ²³ The

- 21 Revised Statutes of Kansas, 1923 Chapter 14 Section 101
- 22 Revised Statutes of Kansas, 1923 Chapter 14 Section 103
- 23 Revised Statutes of Kansas, 1923 Chapter 12 Section 101

power of executing and administering all powers delegated to the city is granted to the governing body of the city.²⁴

Duties of the Governing Body

The governing body of the city of the second class is to have the care, management and control of the city and its finance. It has the power to enact or repeal any ordinance not contrary to the constitution and laws of the state which it believes necessary for the good of the city. The ordinances should provide for such things as preserving the peace, suppression of vice and immorality, improvement of trade and commerce, guarding the general health and welfare of the inhabitants, and other rules and regulations as it believes necessary for the welfare of the people.²⁵ Any ordinance that is passed by the governing body must be read and considered by sections at a public meeting and voted on by the governing body. A majority of the members elected is required for the passage of an ordinance. No ordinance is allowed to contain more than one subject and this subject must be clearly expressed in the title.²⁶ The city clerk is required to keep an ordinance book in which is written all the ordinances in force in the city.²⁷

24 Revised Statutes of Kansas, 1923 Chapter 12 Section 103

25 Revised Statutes of Kansas, 1923 Chapter 14 Section 401

26 Revised Statutes of Kansas, 1923 Chapter 14 Section 106

27 Revised Statutes of Kansas, 1923 Chapter 14 Section 107

In addition to these general duties, the governing body is also charged with the duty of levying taxes for all general revenue purposes. It is also to make such improvements in streets, alleys, sidewalks, sewers, sewage disposal and other such things necessary for the welfare of the people and for the maintenance of sanitary conditions. Such improvements as these are to be paid for in various ways. For street improvement as: opening, widening and bringing to grade and for building bridges, culverts, sewers, incinerating plants and such other means of providing for sanitary disposal of garbage and sewage; the entire taxable property of the city is to be assessed. If sidewalks are to be built or repaired, assessment is to be made against the property abutting on the improvement according to the front foot basis. For the pavement of street intersections or the purchase of property for the construction of incineration plants or other similar plants, the property of the city as a whole is to be assessed. Special improvement bonds may be issued to provide money for the construction of such improvements. However, before any such bonds are issued, the question of the issue must be submitted to a vote of the people. This vote is not required in cities having a population of ten thousand or more and with a valuation of ten million dollars or more.²⁸ No bonds are

28 Revised Statutes of Kansas, 1923, Chapter 14 Section 402

allowed to be issued either with or without the vote of the people before the plans, and specification of the proposed improvement have been submitted to and approved by the Kansas Corporations Commission.

Funds for the payment of expenses incurred by paving, curbing, or guttering of any street or alley are to be provided by special assessment. Such assessment is to be made for each block separately on all lots to the center of the block. This assessment is to be made according to the assessed valuation of the property without the improvement.²⁹ Attention must be paid to the amount of taxes which is to be levied any one year. No city is allowed to levy taxes in excess of the maximum for each of the various purposes as determined by state law. The maximum yearly rate of levy for each purpose is determined according to each dollar of valuation of the property of the city. These limitations for any city of the second class of Kansas are shown by the following table.

29 Revised Statutes of Kansas, 1923, Chapter 14 Section 402

Table II

Limitations on Rate of Levy

Purpose of Levy	Maximum Rate of Levy
General revenue	3.00 mills
Streets	3.00 "
Sewer (Maintenance of)	1.00 "
Sewage disposal plant operation	.50 "
Parks (Acquisition and Maintenance)	1.00 "
Library	1.00 "
Library (Acquisition)	1.50 "
Street lighting	2.00 "
Special lighting	1.00 "
Rest room	.25 "
Water hydrants or hydrant rental	1.00 "
Water fund	5.00 "
Fire department	2.00 "
Cemetery	.75 "
Cemetery (Paving leading to)	2.00 "
Airport (Acquisition and maintenance)	.50 "
Band (Without an election)	.50 "
(With an election)	1.00 "
Charities association aid	1.00 "
Fair (Joint district fund)	1.00 "
Forestry	.25 "
Garbage disposal	.50 "
Hospital (Site and building)	5.00 "
Hospital (Equipment and improvement)	2.00 "
Hospital aid (Public or private)	.30 "
Hospital maintenance	3.00 "
Public health nursing associations	.20 "
Military memorials (Maintenance)	.25 "
Trafficway	1.00 "
Total	40.80 "

In 1934 the levy in Hays for all purposes exclusive of school district levy was 2.208 percent of the total valuation of the city or 22.08 mills. The total mill levy for the local government of Hays was 16.67 mills. ³¹

Hays Under the Commission-Manager Plan

All cities of either the first, second or third class may adopt the manager plan of government by a majority vote of all electors voting. ³² After operating under the commission-mayor form of government from the time of incorporation of the city in 1885 until 1919, the city of Hays then changed to the commission-manager form. Since the adoption of this form, eleven men have served the city as commissioners.

Table III

Commissioners of Hays

Name	Yrs. Service	Period	Occupation	Church
C. A. Harkness	7 yrs.	1919-1926	Druggist	Episcopal
W. W. Paul	8 yrs.	1919-1927	Steam Engineer	Lutheran
H. W. Oshant	12 yrs.	1919-1931	Real Estate	Lutheran
A. H. Oehler	1 yr. 7 mo.	1926-1927	Clothing	Lutheran
C. L. King	4 yrs. 5 mo.	1927-1932	Ice Cream Mfg.	Presbyterian
Anton Jacobs	6 yrs.	1927-1933	Filling Stat.	Catholic
H. J. Tholen	3 yrs.	1931-1934	Jeweler	Catholic
H. E. Malloy	14 days	1932-1932	College Instr.	Methodist
Louis Groff *	3 yrs	1932-1935	Carpenter	Presbyterian
H. W. Twenter*	1 yr.	1934-1935	Auto Dealer	Catholic
H. H. King *	2 yrs.	1933-1935	Druggist	Lutheran

³¹ Tax Levy, 1934, Ellis County, Kansas

³² Revised Statutes of Kansas, 1923, Chapter 12, Section 1001

* These individuals now serving unexpired terms.

From this data, it is seen that the average length of service of the commissioners is 4.4 years. The longest period of service rendered by any commissioner was twelve years by H. W. Oshant. The shortest period of service was that of H. E. Malloy which was of fourteen days duration. It was necessary for Mr. Malloy to vacate the office of commissioner because of the statutory provision found in the laws of Kansas, Revised Statutes of Kansas, 1923, chapter 14, section 1302. This law prescribes that no person is permitted to hold a position as commissioner who holds any other office of profit or trust under the United States government, the state or the city. At the time of his election, Mr. Malloy was employed as an instructor in the Fort Hays Kansas State College. He was, therefore, holding a position of profit under the state, making him ineligible to hold office.

It is further noted that no particular religious group or sect is dominant in the government of the city of Hays. Three individuals were affiliated with the Catholic Church while eight were of the various Protestant affiliations: Lutheran, Presbyterian, and Methodist being represented.

It is interesting to note that all the commissioners with the exception of one have been business men and tradesmen. Six have been retail merchants, one a real estate dealer, one in the wholesale ice cream business, one a carpenter and contractor, one a steam engineer, and one a college instructor. Only one professional man has been elected to the

board of commissioners and that individual was found to be ineligible to serve. ³³

All powers conferred upon the governing body by any other act continues to be exercised by it under the commission-manager plan unless these powers conflict with the act relating to the city manager form. ³⁴ Under such a plan, the governing body consists of the number of commissioners as provided for a city of designated class and population. ³⁵ The chairman, who is to have the title of mayor, is to be chosen annually by the board. He is to be the official head of the city on formal occasions. ³⁶ In all cities of the second class, the salaries of each member of the commission is fifty dollars per year. ³⁷ Meetings of the commission must be held at least twice each month and more often if business of the city requires. Regular and special meetings are always open to the public. ³⁸

The commission as the governing body of the city is empowered to pass all ordinances that it believes necessary for the welfare of the city, to provide for all officers and

33 Minutes of the Board of Commissioners Meetings, Kansas, Book E and F and personal interview with each commissioner, June, 1935

34 Revised Statutes of Kansas, 1923, Chapter 12, Section 1002

35 Revised Statutes of Kansas, 1923, Chapter 12, Section 1006

36 Revised Statutes of Kansas, 1923, Chapter 12, Section 1007

37 Revised Statutes of Kansas, 1923, Chapter 12, Section 1008

38 Revised Statutes of Kansas, 1923, Chapter 12, Section 1009

set salaries of all officers, and to appoint a manager. The commission is responsible for the efficiency of the manager in the administration of the business of the city. ³⁹

Manager as Administrative Head

While the responsibility for the efficient administration of the city's business lies with the commission, the administrative work is actually placed in the hands of the manager who holds office at the pleasure of the board of commissioners. ⁴⁰ No definite qualifications are stated which the city manager must meet, but it is required that he be selected solely on the basis of administrative ability. Neither is the choice limited by residence requirements. ⁴¹ The salary of the manager is fixed by the commission. ⁴²

Since the adoption of the commission-manager form of government in Hays in 1919, there have been three city managers. J. C. Manning, formerly of South Haven, Michigan, was the first city manager. The salary was three thousand dollars per year. He served the city from May 1, 1919 to May 1, 1920. A. W. Sang took over the duties of the position May 1, 1920 and served until July 1, 1927. The city was without a manager from July 1, 1927 until April 1, 1928 when Fred J. Haffamier was appointed. Mr. Haffamier is still employed in

39 Revised Statutes of Kansas, 1923, Chapter 12, Section 1010
40 Revised Statutes of Kansas, 1923, Chapter 12, Section 1011
41 Revised Statutes of Kansas, 1923, Chapter 12, Section 1012
42 Revised Statutes of Kansas, 1923, Chapter 12, Section 1013

this capacity.⁴³ Mr. Haffamier was associated with public utilities of the city before being appointed as city manager. From 1901 until 1919 he was superintendent of the city's water works. From 1908 until 1918 he was part owner and manager of the electric light company that served the city. This company was sold to the city in 1918 and later was sold by the city to the United Power and Light Company.⁴⁴

As the responsible head of all the administrative affairs of the city, it is the duty of the manager to see that all laws and ordinances of the city are enforced. He also has charge of all employees of the city and makes all appointments and removals of subordinate officers and employees. No commissioner is allowed to interfere with any department unless directed to do so by the commission. According to the principles upon which the manager form of government is based, appointments to all positions within the city are to be made on the basis of merit only.

Financial Control

General control over financial affairs of the city are to be exercised by the board of commissioners. They must levy all taxes, settle all accounts, and make all appropriations. The fiscal year of the city of the second class begins

- 43 Minutes of the Board of Commissioners Meetings, City of Hays, Kansas
44 Personal interview with Fred J. Haffamier, City Manager, July 6, 1935

on January first of each year. In July or soon thereafter the budget is to be drawn up. The amounts as set forth in the budget are to be appropriated after the beginning of the next ensuing fiscal year. In case the revenue is less than the amount of the budget, it will then be necessary to have a pro rata abatement of all appropriations. In case of a surplus above the amount called for in the budget, it shall be added to the available revenue for the ensuing year. Any member of the commission who knowingly votes for appropriations or expenditures above the estimated revenue as set forth in the budget is guilty of malfeasance in office. Such action shall cause one to vacate his office and the excess appropriations shall be void. The commissioner guilty of this offense is liable on his official bond for the money misappropriated.⁴⁵

In the conduct of the financial administration of the city, the manager must prepare and submit to the governing body the annual budget, and keep the city advised on its financial condition at all times.⁴⁶ Opportunity for public hearing of the budget must be given during the two weeks preceding presentation to the commissioners. It must be then printed in the official paper and further hearing given by the commission.⁴⁷

45 Revised Statutes of Kansas, 1923, Chapter 14 Section 1610
46 Revised Statutes of Kansas, 1923, Chapter 12 Section 1014
47 Revised Statutes of Kansas, 1923, Chapter 12 Section 1016

City Treasurer

The treasurer of the city is required to keep all the accounts of the city. A full financial statement must be made each month. Expenditures must be made on the basis of appropriations in the budget, and on authority of warrants issued by the director of finance, countersigned by the city manager. In no case can warrants be issued to exceed the balance in any fund. Expenditures made contrary to any of these provisions are illegal.

The City Clerk

The city clerk is the general accountant of the city. It is the duty of the clerk to examine all bills and accounts presented against the city. If these are found to be correct, the clerk signs them. If incorrect, he is to refuse to approve the same. The clerk must keep in books the accounts of all real, personal, and mixed property of the city. He must keep a detailed account of all receipts and disbursements and the source of receipts and cause of disbursements. A separate account of each appropriation of the board of commissioners must also be kept. This account must show the date of the appropriation and the purpose. A trial balance must be published in the official paper.⁴⁸ A quarterly financial report must also be made by the city

48 Revised Statutes of Kansas, 1923, Chapter 14 Section 1506

treasurer. At the close of the fiscal year, a complete financial statement must be made showing the receipts and expenditures, indebtedness, and all property of the city and income derived therefrom. He must also examine at least each month the books of account of all officers of the city charged with the receipt and disbursement of money. If any errors are found in these accounts, a report is to be made in writing to the commissioners concerning the nature of the error. After bills and accounts have been allowed by the commissioners, the clerk must examine all warrants for the payment of these accounts and countersign them. All other duties that the board of commissioners may direct from time to time are to be carried out by the city clerk.⁴⁹

Administrative Departments

Administrative departments of the city are to be created as the need arises. So far as it is possible, these departments are to be as follows: department of law, department of service, department of public welfare, department of safety, and department of finance. All department heads are required to report regularly to the manager and to submit to him any information that he requires.⁵⁰

49 Revised Statutes of Kansas, 1923, Chapter 14 Section 1506

50 Revised Statutes of Kansas, 1923, Chapter 12 Section 1015

Law and Enforcement

Heading the department of law of the city is the city attorney. He is employed to act as advisor to the commission, the city manager, and other officers. It is also his duty to appear in all courts and prosecute or defend the city in all cases of which it is a party or is interested. If requested to do so by any member of the commission, he is to attend the meetings of the board of commissioners. An assistant city attorney may be appointed by the city attorney subject to the approval of the board of commissioners. This assistant will have the same duties as the city attorney and is to receive a portion of the salary as agreed upon between the city attorney and the assistant.⁵¹ The salary of the city attorney of Hays is \$60.00 per month.⁵²

Police Judge

While it is the duty of the governing body of the city to make all ordinances for the welfare of the city, it is the duty of the police judge to "hear and determine all offenses against the ordinances". In this respect he has original jurisdiction. In performance of his duty, he is required to keep a docket. In this he must keep a record of cases that are brought before him. In case he is unable to

51 Hays, Kansas, City Ordinance Book F, p. 1219

52 Hays, Kansas, City Ordinance Book F, p. 1214

serve because of being absent, sick or disqualified, a justice of the peace of the city is to act in his place.⁵³ If the office becomes vacant, the governing body is to appoint a justice of the peace or some other qualified person to fill the position for the unexpired term.⁵⁴

The police judge is permitted and required to issue warrants for the arrest of offenders against whom complaints are filed. Warrants issued by the police judge are to be served by the city marshal, a policeman, the sheriff or any other person appointed to perform the function. Any person serving such a warrant is to receive fees as allowed by law.⁵⁵ Whenever any person is arrested and brought before the police judge, it is his duty to hear the case and determine the complaint alleged against the defendant.⁵⁶ If the police judge finds in the course of the trial that the offense alleged to have been committed is an offense against state law and not against the law of the city, he must stop the trial at once. In such a case it is out of his jurisdiction. It is then his duty to cause complaint to be made before a justice of the peace.⁵⁷ The police judge is also empowered to summon witnesses whom he believes to have a connection with the case.

- 53 Revised Statutes of Kansas, 1923, Chapter 14, Section 801
- 54 Revised Statutes of Kansas, 1923, Chapter 14, Section 802
- 55 Revised Statutes of Kansas, 1923, Chapter 14, Section 806
- 56 Revised Statutes of Kansas, 1923, Chapter 14, Section 808
- 57 Revised Statutes of Kansas, 1923, Chapter 14, Section 810

These witnesses are to receive fifty cents a day for services. This amount is to be added to the regular costs of trial.⁵⁸ If the defendant pleads guilty or is found to be guilty, the police judge declares the punishment.⁵⁹ All cases that have been tried before the police judge may be appealed to the district court.⁶⁰ If it is found in either the police court or the district court that proceedings were started because of malicious motives, the person who instigated the prosecution is required to pay the costs of the court.⁶¹ In connection with his duties of hearing cases and imposing penalties, the police judge is required to make out a list, within the first three days of each month, of all cases heard by him during the preceding month. This report must be presented to the city clerk who will submit it to the governing body of the city. When the report has been reviewed by the governing body, the police judge is required to pay to the city treasurer the amount collected from fines during the preceding month. He may retain the amount of costs legally taxed for himself and for the person or persons serving process in cases where the defendant was found not guilty. He must secure from the city treasurer duplicate receipts for the amount paid. One of these receipts is to be filed with the city clerk.⁶²

58 Revised Statutes of Kansas, 1923, Chapter 14, Section 811

59 Revised Statutes of Kansas, 1923, Chapter 14, Section 813

60 Revised Statutes of Kansas, 1923, Chapter 14, Section 815

61 Revised Statutes of Kansas, 1923, Chapter 14, Section 816

62 Revised Statutes of Kansas, 1923, Chapter 14, Section 818

Law Enforcement Officers

The principal law enforcement officer of the city is the marshal who serves as the chief of police. This officer possesses the power to make or order an arrest with proper process for an offense against state or city laws. He may also make arrests if an unlawful act is committed or an attempt is made to commit an unlawful act in his presence. ⁶³ Policemen work under the supervision of the marshal, and perform the law enforcement duties similar to those of the marshal. ⁶⁴ Either the marshal or the policemen may be removed for such things as being intoxicated, gambling, taking of bribes, brutal and indecent acts and other such conduct. ⁶⁵

63 Revised Statutes of Kansas, 1923, Chapter 14, Section 819

64 Revised Statutes of Kansas, 1923, Chapter 14, Section 821

65 Revised Statutes of Kansas, 1923, Chapter 14, Section 822

Chapter III

SOURCE OF FUNDS

Introduction

Funds for the support of government have been a vital problem throughout the ages. As the functions of government have been extended, so have the needs for funds been extended proportionally. Likewise, the problem of securing these funds has become increasingly difficult.

While the problem of the source from which funds could be derived for the support of any government has always been difficult, it has become increasingly so during the last few years. The economic depression and the shifting of additional functions to the governmental units is partly responsible for this increasing difficulty of the problem. Sources from which funds are being derived have been closely investigated. Attempts have been made to make changes in rates and methods of taxing these original sources to raise the revenue to meet the increasing needs. The entire field of finance has also been scrutinized for the purpose of locating new and untapped resources. The constantly widening gap between the taxes levied and the amount collected because of inability to pay has also been a source of annoyance to those interested in government finance. While this problem is vital to every form or unit of government in the country, it is par-

ticularly true in the case of local units. This is true because the local units receive a great portion of their support from the general property tax.

Importance of the General Property Tax in Local Finance

According to data of the year 1927, the federal government received 100% of its support from non-property sources. The State received 34.7% from the general property tax and the local units received 92.8% of their support from the general property tax. From a summary of all taxes raised, 50% was derived from the property tax and 50% from the non-property taxes.⁶⁶ From this information, it is seen that the property tax as a source of funds for the local unit is very important. Other sources that will be considered in this discussion are special assessments, fines, and court costs, fees, licenses, and special services rendered for which charges are made.

County as Administrative Unit

In the financial administration of any local taxing unit of Kansas, the county and county officers perform the functions of assessment, collection, and disbursement to the smaller units as well as to the state and the federal units.

⁶⁶ Tax Study in Thirteen Lessons, Kansas Chamber of Commerce, Lesson IV p. 6

The duty of performing these functions falls primarily upon the county clerk and the county treasurer. In counties with a population of 55,000 or more, a county assessor is also elected while in counties of less than 55,000 population the county clerk performs the duties of the assessor.⁶⁷ The population of Ellis County according to the census of 1934 was 16,042.⁶⁸ In view of this fact, the work of assessment is under the direction of the county clerk in Ellis County.

Disbursement of County Tax Collections

Of the total disbursements of \$577,994.93 through the office of the Ellis County Treasurer from taxes collected during the year of October 11, 1933 to September 30, 1934; \$70,334.20 was for the public schools, \$28,201.09 was for the townships of the county and \$128,548.41 was allotted to the three cities of the county: Ellis, Hays, and Victoria. Of this amount, the city of Hays received \$77,868.61 or 13.4% of the total disbursements.⁶⁹ This fund was for the direct administration of the government of Hays and for supplying the various services rendered by the city. This amount, however, is exclusive of funds received directly by the city treasurer from such sources as fines, court costs, licenses, returns from the municipally owned water plant and interest on investments.

67 Revised Statutes of Kansas, 1923, Chapter 19, Section 1401

68 Enumeration Report of the County Clerk, 1934

69 Financial Statement of Ellis County Treasurer, October 11, 1933 to September 30, 1934

From this information it is readily seen that the administration of the local government of Hays is an important factor in the tax problem of the community.

Distribution of Receipts of Hays

Using the statistics on the total revenue received by the city of Hays for the year of December 30, 1933 to December 30, 1934, it is found that the collections from all sources totalled \$120,056.86. Of this amount which was paid into the city treasurer for the administration of local government and services rendered, \$53,283.23 or 44.4% was derived from the general property tax.⁷⁰ Of this amount, \$4,567.00 was paid in as property tax by the three principal public utilities of Hays: the Union Pacific Railroad Company, \$1,926.40; United Telephone Company, \$1,016.49; Central Kansas Power Company, \$1,624.12.⁷¹ For special assessments, there was received \$32,487.74 or 27%. Totalling the amount received from general property tax and special assessments, it is found that the city of Hays received \$85,770.97, through the office of the county treasurer. It will be noted that no balance can be shown between the annual financial statement of the county treasurer and that of the city clerk because of the difference found in the fiscal year.

70 Financial Statement Annual Report of the City Clerk-Treasurer of Hays, Kansas, 1934

71 Tax Roll of the Ellis County, Kansas, 1934, Two volumes, East Half Volume and West Half Volume

\$23,917.28 or 19.9% was derived from services rendered through the municipally owned water plant. This leaves a total of \$10,368.61 or 8.6% that was derived from other sources. Fines and court costs yielded \$1,015.85 and \$1,707.82 was derived from various licenses issued by the city. Other minor sources of income are interest on investments, charges for special services rendered, dog taxes, and returns from the franchises. ⁷²

Much of the total collections from the water works was expended in maintaining the services, so, as a source of revenue for the support of the local government it supplies only a small amount. This fund will be discussed in another section. From the above data, it will be noted that the most fruitful source of revenue for the support of the local government is the general property tax. Because of the importance of this source of revenue, the assessment, levying, and collection of the general property tax will be analyzed in detail.

General Property Tax

The general property tax is a tax levied on property, both real and personal. As the term implies, it is a tax on property in general. In order to determine the amount of tax which is to be levied against any piece of property, the first

⁷² Financial Statement, Annual Report of City Clerk-Treasurer of Hays, Kansas, Summarized from entire report of 1934

step is in the assessment. This consists of placing on each parcel of real property a valuation which is supposed to be its true money value. In the case of personal property it is to be valued at the usual selling price of the article.

The process of assessment of both real and personal property is carried on by a person or persons designated for the work. In counties of 55,000 population or over, there is elected biennially a county assessor. In counties of population of 55,000 or less, the county clerk also serves as ex officio county assessor. In such a case he is allowed such additional salary as the board of county commissioners provides. It is then the duty of the county clerk to perform all the duties of the county assessor. If, for any reason, the people of a county of under 55,000 population believe that they should have a county assessor, provision is made for such situation. By a petition of ten per cent of the voters of the county who voted for the secretary of state at the last election, the subject of a separate assessor is submitted at the next general election.⁷³

In Ellis County, in which the city of Hays is located, the county clerk also serves as an ex officio county assessor. Future discussion of this office will be limited to the situation as found in Ellis County.

73 Revised Statutes of Kansas, 1923, Chapter 19, Section 401

74 Revised Statutes of Kansas, 1923, Chapter 79, Section 13
75 Revised Statutes of Kansas, 1923, Chapter 79, Section 73
76 Revised Statutes of Kansas, 1923, Chapter 79, Section 1404

County Clerk as County Assessor

The county clerk who serves as county assessor is empowered to perform the functions of the county assessor. He is given the same right as the deputy assessors for the examination of persons and property and the discovery and assessment of property. However, the county assessor is forbidden to exercise this power except after the deputy assessor has completed his work and it is found that some property has escaped taxation.⁷⁴

The county assessor is authorized to assess the property of telephone, telegraph, pipeline and electric power companies whose property is located wholly within the county.⁷⁵

The property of these companies when not located wholly within one county is assessed by the state tax commission as is also true of the property belonging to intercounty public utility companies. The valuation of such property in each county is then allotted to the said county to be added to the tax roll.⁷⁶

In Ellis County, such property as that of the Central Kansas Power Company, the United Telephone Company and the Union Pacific Railroad Company is assessed in this manner.

The county assessor is not empowered to change any report on valuation as submitted by the deputy. However, by acting jointly with the county board of equalization, the county assessor may assist in adjusting any valuation which is be-

74 Revised Statutes of Kansas, 1923, Chapter 79 Section 14
75 Revised Statutes of Kansas, 1923, Chapter 79 Section 711
76 Revised Statutes of Kansas, 1923, Chapter 79 Section 1404

lieved to be in excess of the actual value. Meetings of the county board of equalization and the county assessor are held during the month of May of each year. Appeals may be taken from this board to the state board of equalization. 77

Appointment of Deputy Assessors

While the county assessor is in charge of the assessment of property within the county, assessment districts are prescribed within the county. Each incorporated city in Kansas comprises a separate assessment district. For the carrying on of the work of assessment of such a district, the county clerk with the consent of the county commissioners is required to appoint as many deputy assessors as will be required to handle the work. This appointment is to be made between the second Monday in January and the second Wednesday in February of each year. The territory in each municipal township, exclusive of the territory in incorporated cities also constitutes an assessment district. The township trustee of each township is to be appointed deputy assessor in each of these districts. These deputy assessors work under the district supervision of the county assessor whose duty it is to instruct them in the work and supply them with the necessary blanks and reports for the work. 78 In the city of Hays, the work of assessment is carried on by two deputy assessors.

77 Revised Statutes of Kansas, 1923, Chapter 79, Section 1412

78 Revised Statutes of Kansas, 1923, Chapter 79, Section 1411

Real and Personal Property

A comprehensive definition of real and personal property is necessary in any discussion of assessment of property. Real property or real estate is defined by the laws of Kansas as including, "land, buildings, fixtures, improvements, mines, minerals, quarries, mineral springs, wells, and all rights and privileges appertaining thereto". Personal property is defined as pertaining to "every tangible thing which is subject of ownership, not forming part or parcel of real property", and including such things as the "capital stock, undivided profits, and all other assets of every company, incorporated or unincorporated and every share or interest in such stocks, profits, or assets".⁷⁹ Using as a basis these definitions, we find that all property of the state which is not expressly exempt is subject to taxation. The total assessed valuation of all taxable property in Hays in 1934 was \$3,039,812.00.

Tax Exempt Property

Much property subject to particular ownership is exempt. That which is exempt is as follows: Property used exclusively for public worship, public school houses, furniture, fixtures, and books for the same and grounds not exceeding ten acres. Other exemptions of this nature are parsonages or dwellings owned by the church and occupied by one serving as

⁷⁹ Revised Statutes of Kansas, 1923, Chapter 79, Section 102

the preacher with grounds not exceeding one half acre. Also, property, money and credit, and grounds not exceeding five acres of any literary, educational, scientific, religious, benevolent or charitable corporation. Graveyards are also exempt. In the event any of the above listed property is leased or rented, it is also exempt, provided the rent or return there from is used for benevolent, religious, charitable, educational, literary, or scientific purposes. Property and material of the United States or of a state, county, city, town, or school district are exempt except land bid off for a county or city at a tax sale.

In the matter of personal property, each family is allowed an exemption of property up to the total valuation of two hundred dollars, all wearing apparel, and private library up to fifty dollars valuation. Public libraries are tax free regardless of the valuation.⁸⁰ In the city of Hays, such property as that belonging to the various churches, the public library and equipment, the city hall and county court house and all school property is exempt from taxation.

Listing of Personal Property

In the listing of personal property for taxation, all personal property that is subject to taxation is to be listed at its true money value as on the first day of March

⁸⁰ Revised Statutes of Kansas, 1923, Chapter 79, Section 201

in the year in which it is assessed. It is true that many persons are entirely exempt from paying any personal property tax because of the two hundred dollar exemption allowed to the heads of families. Many others are to be found who are not owners of any personal property that is subject to taxation. However, it is provided by law that all persons twenty one years of age and over who are of sound mind must fill out an assessment blank. Even though he or she is not the owner of any personal property subject to taxation, the blank must be filled out so as to indicate that fact.

Provisions Against Evasion

Provision is also made in laws of Kansas for eliminating the possibilities of evasion of the paying of tax on personal property by sale or removal. If, after the personal property is assessed and before the tax is paid, any person sells and does not retain enough to pay the tax thereon, the tax for that year shall be a lien upon the property so sold. It then becomes due at once and the county treasurer shall issue a tax warrant for the collection. The purchaser is held to be liable for the payment of the tax, but the previous owner shall be civilly liable to any purchaser. Neither can personal property be legally removed from a county without paying the tax as assessed. In the event that the county treasurer is aware of the intentions of moving any personal property from a county without paying the tax due,

he is instructed to issue a warrant for the unpaid taxes. Another difficult problem that is believed to lead to evasion of personal property tax in some instances is the purchasing of property shortly after March first and not placing the property so purchased on the assessment sheet. As previously mentioned, assessment is made as of March first. Provision is made that if any property shall acquire an actual status within the state after March first and before September first, such property is taxable for that year and shall be assessed and placed on the tax roll accordingly. However, if such property can be shown to have been purchased with money or credit that was placed on the tax roll, the personal property so purchased cannot be taxed. ⁸¹

Legal Evasion of Taxes

An example will illustrate how the personal property tax may be legally evaded under this provision. A particular individual desires to purchase a new automobile at the purchase price of one thousand dollars and to turn in his old automobile as part of the purchase price of the new car. Contract is made for the transaction of February 28th and the old car is transferred to the dealer on that day. In return for the old car, the books of the dealer show a credit to

⁸¹ Revised Statutes of Kansas, 1923, Chapter 79 Section 3

the purchaser of one hundred dollars. Delivery of the new car is made on March 2nd, so that on March 1st, the individual was not in possession of an automobile of any kind. The tax roll shows him to have a credit of one hundred dollars on the books of the automobile dealer. This amount, being listed as credit, is intangible property and in Kansas is taxed at the rate of fifty cents per one hundred dollars. The total amount of tax paid by the individual in this instance would be fifty cents on this item. If, on the other hand, the entire transaction had been consummated on February twenty eighth, the purchaser would have been in possession of an automobile on March first, and would have been taxed accordingly. Making allowance for the depreciation allowed from the sale price according to the assessors code, this automobile would have been placed on the tax roll of the purchaser at a valuation of \$900.00. Applying to this valuation the mill levy of Hays for 1933 which was 43.97 mills, it is found that the tax that would have been collected on the automobile would have been \$39.57 as against fifty cents collected by the tax on the one hundred dollars credit. By postponing the purchase of the new automobile one day, it is seen that the personal property tax to be paid by this individual would be \$39.07 less than it would otherwise have been.

That some automobiles escape listing on the tax roll every year is not doubted. During the last fifteen

days of February, 1935, there were issued from the office of the county treasurer of Ellis County eleven licenses for 1935 model automobiles as against forty eight licenses issued for 1935 model automobiles during the first fifteen days of March. While other factors enter in to make this great difference, one of the factors is the evasion of taxes as above described. Examples of evasion of taxes in this way are listed in the following table.

Table IV

Automobiles Purchased

Make of car purchased	Motor number	Date of License Issued	Old car traded in	Model old car	Date of trade-in	Car on Assess. Sheet
Chevrolet	4793774	3-2-35	Ford Coach	1932	12-12-34	None
Oldsmobile	L 52252	3-9-35	Willys Knight	1932	2-23-35	None
Ford	1596397	3-13-35	Pontiac	1931	1-25-35	None
Ford	1587148	3-11-35	Chevrolet	1930	1-15-35	None
Dodge	DU75707	4-12-35	Essex Coach	1931	2-16-35	None

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In this record it is seen that the individuals purchasing the above listed motor cars were in possession of an automobile a short time prior to the first of March. They then traded in to the dealer their old cars on the dates as indicated. By securing delivery of the new car anytime after the first of March, they were not in possession of any automobile

82 Record of Automobile Licenses Issued; Assessment Sheets of residents of Hays; Personal interviews with automobile dealers July 16, 1935

on the first of March. If these individuals, along with others not listed who followed the same practice, listed on the assessment sheet the money and credit with which the purchase was made, they were able to reduce considerably the amount of their personal property tax and still act in accordance with the restrictions of the law. However, if the money and credit was not listed for taxation, the procedure was illegal and the newly purchased automobile could be placed on the tax roll and be taxed according to the regular mill levy on the total valuation of the purchase if the purchase was made anytime between March first and September first of the tax year. Since the assessment sheets of intangible property are not accessible to public inspection, no attempt was made to determine whether the money and credit was listed.

Listing and Valuation of Real Estate

As established by the laws of Kansas, all real estate property subject to taxation is to be assessed every fourth year after 1918. However, the governing body of the city may order an assessment of the realestate within its boundries for any year. All expenses that are incurred by such assessment is to be paid by the city. Such an assessment has never been made in the city of Hays.

The first step in the process of the actual assessment of real estate is the making up of the real estate assessment roll by the county clerk. One separate real

estate assessment roll is made up for each of the several assessment districts in the county and the work must be completed not later than February fifteenth. Any additional help that is needed for this work is to be furnished by the board of commissioners. Each deputy assessor must then be supplied with a field book in which to keep his record of his work of assessment. The form of this book is to be prescribed by the State Tax Commission. All of the field work of the deputy assessors must be completed and the field books turned in to the county assessor not later than May first. It is then the duty of the county clerk to enter all the data submitted by the deputy assessors on the assessment roll. According to law, this phase of the work is to be completed not later than the last day of May.

The valuation of real property is an important problem in tax administration. On this factor depends to a certain extent the distribution of the burden of the tax on real property. Valuation is to be determined by actual view as the first criteria. Other supplementary factors that are to be taken into account are such things as consultation with the owner or agent if this is expedient, and such other sources of information as are within the reach of the deputy assessor. Records of the transfer of title, insurance company records, records of building and loan companies and probate court records may all prove useful. After exhausting all

possible sources of information concerning the valuation of a particular piece of real property, the assessor or deputy assessor is then to determine as nearly as is possible the actual money value of the property. When the assessment of a district is completed and all reports of the deputy assessors have been turned in to the county assessor, he is then to mail to the owner a notice giving the amount of the assessment against his particular piece of property. However, failure to receive this notice from the county assessor does not invalidate the proceedings or effect the tax in any way.

While the listing on the tax roll indicates that the land and the improvements have been assessed together since they are entered in a single aggregate, such is not the case. It is the duty of the deputy assessor to examine all buildings and improvements not exempt from taxation and value separately from the land. As a matter of convenience for the administrators of the tax as well as for the owner, these are listed as a single aggregate on the tax roll. However, in the case of separate ownership of the fee and of improvements or of mineral rights, there must be a separate listing according to the individual ownership.

Provision is also made whereby land that has been omitted from the tax roll for any reason may be taxed at a later date. When the county clerk discovers that such an omission has occurred, it is his duty to assess that particular

piece of property and to determine how much tax should have been levied over the period in which it was omitted. While such amount shall become due at once, no penalty is to be applied for delinquency. 83

County Equalization

Since the county is the unit of assessment and taxation in the state and the actual work of assessment is carried on by numerous individuals largely independent of each other, it is necessary to have some plan by which inequalities in valuations may be adjusted. Provision is made for such adjustment by the creation of the county board of equalization. This board is composed of the board of county commissioners with the county clerk acting as clerk of the board. 84 Meetings of this board are held on the third Monday in May of each year. The place of meeting is in the office of the county clerk. The session of the board continues for a period of ten days. 85

It is the duty of the county clerk to publish in some newspaper of the county having a general circulation a notice of the meeting of this board. This notice must appear during the last week in April and the next two weeks following.

- 83 Revised Statutes of Kansas, 1923, Chapter 79, Section 4
- 84 Revised Statutes of Kansas, 1923, Chapter 79, Section 1601
- 85 Revised Statutes of Kansas, 1923, Chapter 79, Section 1602

valuation. At these meetings any person or corporation which feels that he has been unjustly or inequitably assessed may appear and submit their complaint for the consideration of the board.⁸⁶ The board has the power to raise or lower the valuation of any real property or personal property which it believes to be over-valued or under-valued. It may also equalize the valuation of the several assessment districts in the county. This may be done by either adding to or deducting from the value of real estate or any class of personal property such percentage as is necessary to make an equalization among the assessment districts of the county. It is the purpose of this equalization to have all property within the county assessed at its actual money value. When it is necessary to increase the valuation of any particular piece of property, the county clerk is required to notify the persons affected by the change. If any increases in valuation are made, the board is required to re-convene not less than ten days after adjournment. The purpose of this second session is to hear complaints from those whose valuation was changed at the first session. This adjourned session may not continue for more than three days. The final adjournment of the board must be on or before June twentieth. After this final adjournment, the board is not permitted to change the assessed

86 Revised Statutes of Kansas, 1923, Chapter 79, Section 1603

valuation of any piece of property within the county. ⁸⁷

The meeting of the county board of equalization in 1935 was for the purpose of equalization of values on personal property only. At the meeting of the Ellis County Board of Equalization, no changes were made in the assessment of any class of property or of any assessment district within the county. Three individuals appeared to make complaints on the assessed valuation as placed by the assessor. Only one of these individuals was of the city of Hays. This individual appeared in behalf of The Classic, one of the retail stores of Hays, and entered a plea that the merchandise of the store had been over-valued. After investigating the case, it was decided not to change the valuation of the assessor. ⁸⁸

State Tax Commission

While the county assessor has charge of the actual assessment within his own county, the State Tax Commission directs the entire system of taxation throughout the state. The State Tax Commission is composed of three commissioners, appointed by the governor with the consent of the senate. The term of office to be served by each commissioner is four years. It is required that persons appointed to this commission be such as are known to possess knowledge of the

87 Revised Statutes of Kansas, 1923, Chapter 79, Section 1602
88 Personal interview at County Board of Equalization Meeting, May 20, 1935

subject of taxation and skill in matters to be dealt with. No mention is made as to the degree of knowledge or past experience that these persons are required to have. The position is one that requires the full time of the members and they are forebidden to hold any other office or position while serving on the commission. ⁸⁹

Functions

One of the principal functions of the State Tax Commission is to prescribe a uniform plan for keeping the tax rolls and books relating to taxation for each county of the state. Lack of uniformity in governmental reports is one of the greatest inefficiencies of the government. Through centralized control, and only in this way, can the problem be solved. To insure that the methods of taxation and assessment are uniform throughout the state, provision is made for the individual members of the commission to visit the counties of the state and inspect the methods being employed. At least once every two years the State Tax Commission is required to meet with all county assessors of the state. This meeting is held at the State Capital for the purpose of discussing matters relative to taxation, to secure a uniform valuation throughout the state and to discuss and formulate needed changes in the process of assessment and taxation. ⁹⁰

⁸⁹ Revised Statutes of Kansas, 1923, Chapter 74, Section 2401

⁹⁰ Revised Statutes of Kansas, 1923, Chapter 79, Section 1401

As previously mentioned, one of the functions of the Commission is to investigate the methods and procedures in the several counties of the state. In doing this, they are empowered to require any local officer to furnish any reports which they desire. They may also call upon any individual or corporation for information relative to taxation; may examine books and papers; and may summon witnesses to appear and testify.⁹¹ However, no tax commissioner, assessor or deputy assessor is empowered to compel the production of bank records or books for examination, nor can any officer of any bank be forced to testify concerning the bank records.⁹²

The State Tax Commission also performs some of the actual work of assessment of property within the state. It is the duty of the Commission to make appraisement and assessment of all railroad property, property of express companies, property of pipe line companies, property of telephone companies and all other companies of similar nature.⁹³

State Board of Equalization

The State Tax Commission also acts as a State Board of Equalization. It is its duty as such to equalize the valuation and assessment of property throughout the state. In

91 Revised Statutes of Kansas, 1923, Chapter 79, Section 1403
92 Revised Statutes of Kansas, 1923, Chapter 79, Section 1424
93 Revised Statutes of Kansas, 1923, Chapter 79, Section 1404

this capacity it may either raise or lower valuations throughout the state. This equalization may be between individuals or corporations in the same assessment district, between cities and townships of the same county, or between different counties of the state. Any individual or corporation who is not satisfied with the assessment as determined by the county board of equalization may carry an appeal to the State Board within thirty days after the decision of the county board. The State Tax Commission holds its meetings at its office for the purpose of performing the work of equalization on the second Wednesday of July. At that time it apportions the amount of taxes for state purposes among the several counties in proportion to the valuation of the taxable property of the county. Upon the completion of the work of equalization by the State Board, the State Tax Commission is required to report to each county clerk its action and the valuation of the property as equalized. This report of the State Tax Commission on the total assessed valuation is to be used by each county as its basis for making their levies for all purposes on general property within the county. 94

Correction of Errors

The county clerk is permitted to make any corrections of clerical errors in the assessment and tax rolls before

November 1st of the current year. But no property is to be taken from the roll as exempt except by the authority of the State Tax Commission. After the tax rolls are delivered to the county treasurer on the first of November, no errors of any kind can be corrected without the authority of the board of county commissioners. The power of the board of county commissioners to make corrections of errors expires on the first day of February of the year following the assessment year. If any errors appear or grievances arise following the first of February, they must be submitted to the State Tax Commission. This board is empowered, any time before June 20th of the year following the assessment year, to authorize correction of errors or grievances if it appears that the tax payer has been unlawfully or unjustly charged. ⁹⁵

Personal Property Survey of Hays

Even with the statutory regulations and the power of supervision of the State Tax Commission, many inequalities still exist. Particularly in the field of personal property are evasions known to exist.

As a result of city-wide survey of every home of Hays, the following comparisons can be made with the data as found on the assessment sheets of individuals of the city of Hays. A total of 979 homes were investigated in the survey.

A group of common items of personal property was selected for investigation. The purpose of the survey was only to determine the total number of these items that were assessable in the city of Hays. The findings of the survey are submitted in the following table.

Table V
Assessable Personal Property
In Hays

Items	Number on Assessment Sheets	Number found by Survey
Electric Refrigerators	307	419
Pianos	269	353
Radios	553	787
Automobiles	663	771

96

Item number 17-e of the assessment sheet lists the following items in one group: electric motors, electric washing machines, vacuum cleaners, electric fans, gas or electric stoves. By checking the assessment sheets, it was found that five hundred seventy three individuals living in Hays listed one or more items under this group. In the city survey conducted to determine the total number of these items in the homes of Hays, it was found that there are 84 electric motors,

662 electric washing machines, 418 vacuum cleaners, 416 electric fans, and 851 gas or electric stoves. In reviewing the number of electric washing machines discovered, it is noted that there are 662 taxable machines in Hays, and in no case did any individual possess more than one machine. In contrast to this information, only 573 individuals listed one or more items of this group on their assessment sheets. Another interesting comparison is found in the listing of dogs. The assessment sheets show that 43 dogs are listed for taxation in Hays while 89 dog licenses have been issued from the office of the city clerk for dogs belonging to residents of Hays. These data are submitted only as evidence that much personal property that is subject to taxation escapes the assessor. Other interesting data relative to values have been found from the study of the assessment sheets. Of the total of 1190 assessment sheets of individuals living in Hays, 17 listed pictures, statuary or other works of art. The total valuation attached to this group is \$687. Twenty one individuals listed libraries valued above the \$50.00 exemption allowed for a personal library. The total valuation of these is \$955. Of the group of items including electric motors, electric washing machines, electric fans, electric or gas stoves, vacuum cleaners; a total valuation of \$15,751 was listed by 573 individuals. Seventeen individuals listed cameras at a total valuation of \$216. There were 90 shot guns, 31 rifles, and 17 revolvers listed at a total valuation of \$873. Forty individuals listed grapha-

phones and organs at a total valuation of \$288. Thirty five individuals listed band instruments at a total valuation of \$660. Thirty five individuals listed stringed instruments at a total valuation of \$532. There were 101 individuals who listed diamonds at a total valuation of \$3630 making an average of \$36 per individual. Sixteen individuals listed miscellaneous jewelry. The total valuation attached to this group of items was \$193. Thirty three individuals listed gold, silver and plated ware at a total valuation of \$629. The total number of pianos listed was 269 at a total valuation of \$9108. At this rate, the average value of pianos listed is \$34. There were found to be 553 radios listed on the assessment sheets at a total valuation of \$6246 or an average of \$11 each. The total of 663 automobiles was listed at a valuation of \$141,301. This is an average of \$213 each.⁹⁷ All automobiles that were assessed were valued according to the "N.A.D.A., The Official Used Car Guide, Copyright 1935, National Automobile Dealers Association".

That automobiles commonly escape taxation is seen in a comparison of the total number of automobile licenses issued in Ellis County and the total number of automobiles listed of the tax roll. The following table shows such a comparison over a four year period.

⁹⁷ Personal Property Statement, 1935, and survey of the City of Hays conducted during the month of June, 1935.

Table VI

Comparison of the number of automobiles listed on assessment sheets of Ellis County and the number for which licenses have been issued

Year	Licenses Issued		Listed on Tax Roll	Difference
1932	Automobiles	3125	2242	<u>1047</u>
	Trucks	615	451	
	Total	<u>3740</u>	<u>2693</u>	
1933	Automobiles	3099	2289	<u>960</u>
	Trucks	590	440	
	Total	<u>3689</u>	<u>2729</u>	
1934	Automobiles	3176	2024	<u>1040</u>
	Trucks	375	491	
	Total	<u>3551</u>	<u>2511</u>	
1935	Automobiles	3385	2408	<u>1134</u>
	Trucks	583	426	
	Total	<u>3968</u>	<u>2834</u>	

98

Taking the average of these four full years, it is found that there were an average of 1046 more licenses issued from the office of the county treasurer of Ellis County than there were to be found on the tax roll of the county. While some of these automobile licenses were undoubtedly issued to persons living outside the county and should not

be listed on the Ellis County tax roll, it is probable that some licenses for Ellis County cars were purchased in places other than in Ellis County. These two factors tend to balance each other. It is also recognized that many cars are taken out of service yearly by the various dealers. However, it is not believed that these factors account for all of the cars of the county. This data is submitted as additional evidence in support of the contention that not all the automobiles that should be listed for taxation are to be found on the tax roll and not as conclusive evidence. Those which are escaping the tax roll are escaping taxation with the results of lessening the tax revenue, a heavier burden being imposed upon those who do list property, and a less equitable distribution of the tax burden.

Real Estate Assessment in Hays

The accusation has been made frequently with reference to the assessment of real estate that the assessor merely copies the valuation as previously assessed without making any allowance for changes in valuation from one year of assessment to another. A survey of the assessment of lots in the city of Hays over the past three assessment years indicates that some attempt has been made to vary the assessed valuation with the changing price level. The following table is a sampling of various pieces of property in different parts of the city and will support this contention.

Table VII

Table of Assessed Valuation of
Representative Pieces of Real Estate
Located in Different Parts of Hays

Lot	Block	Addition	1926	1930	1934
S $\frac{1}{2}$ 14-16-18	13	Hays Original	\$ 600	\$1050	\$ 600
N $\frac{1}{2}$ 14-16-18	13	Hays Original	750	1100	900
16-18	2	C. W. Reeder	1100	1450	1100
2-4	17	J. E. Wilson	550	750	600
6-8	6	H. P. Wilson	3500	3500	2950
Middle 24'					
2-4-6	3	Hays Original	3500	4080	3000
5	24	Lebold Allen	300	400	350
9	63	Lebold Allen	400	500	350
21	3	Highland	80	200	50
10	16	Fairview	150	200	150

99

No attempt has been made to determine how the assessed valuation of these pieces of property correspond with the true money value. The information is submitted merely as evidence that there has been an effort on the part of the assessors to make the assessment in proportion to the general trend of price level, which was higher in early 1930 than in 1926 or 1934.

Chapter IV

COLLECTION AND CUSTODY OF FUNDS

AND THE CASH BASIS LAW

Introduction

While the collection and custody of funds of any organization is an important function, it is carried on in the city of Hays in a very routine manner. The principal collecting officer of the city is the county treasurer, an officer not directly connected with the city government. In the case of collections for special services rendered by the city, the city clerk acts as the collecting agent. A third individual who participates in the work of collecting the funds is the police judge. However, this officer collects only a very small sum in proportion to that collected by the county treasurer and by the city clerk.

Duties of the County Treasurer

In performing his duty of collecting all the taxes that are paid into the county, the county treasurer collects all taxes and special assessments levied by the governing body of the city. In 1934, the county treasurer distributed to the city of Hays \$76,995.10 as the total collections on the 1933 levy. These collections represent 70.4% of the total levy for the year of 1933. The delinquent taxes for that

year totalled \$22,275.58. ¹⁰⁰

Taxes are collected by the county treasurer throughout the year. Distribution of funds to each spending unit of the county is made by the county treasurer four times yearly. The time of such distribution is on or about January first, April first, July first, and in the latter part of the month of September. ¹⁰¹

Depositories

Tax money collected by the county treasurer is deposited in five banks of the county. These banks are the First National Bank of Hays, The Farmers State Bank of Hays, The Ellis State Bank of Ellis, The Farmers State Bank of Ellis, and the Farmers National Bank of Victoria. ¹⁰² Banks to be used as depositories must be so designated by the board of county commissioners and must meet certain statutory requirements. The county treasurer must deposit daily all funds that come into his possession, as treasurer of the county. The banks of the county are to be preferred to one out side the county. However, if satisfactory arrangements cannot be made with a bank located in the county, some other bank of Kansas may be designated as depository.

¹⁰⁰ Tax Distribution Book, 1934, Ellis County, Kansas

¹⁰¹ Interview with the Ellis County Treasurer, May 24, 1935

¹⁰² Interview with the Ellis County Treasurer, May 24, 1935

Banks in which county money is deposited are to pay interest on the average daily deposits at the rate agreed upon by the bank and board of commissioners. The interest is to be credited to the account of the county treasurer monthly. The bank designated as depository must, before any money is deposited in it, furnish a bond in a sum equal to twice the largest approximate amount that will be on deposit at any one time. Only by a unanimous vote of the county commissioners may any bank be named as depository of the county if the county treasurer or any member of the county board of commissioners is a stock holder or is otherwise pecuniarily interested. 103

City Clerk as Collecting Agent

The city clerk acts as the collecting agent in the case of collections made for services rendered directly by the city. Such charges as those made in issuance of city licenses, charges for various kinds of inspection as in the case of inspection of gas applications and electric wiring applications, collection of dog taxes levied by the city, registration of cows owned by dairies delivering milk within the city and all such charges are collected by the city clerk. During 1934, which was an average year of the last five years, collections from the issuance of licenses exclusive of dog licenses totalled exactly \$1,707.82. Charges for various in-

spection services totalled \$69.17; \$115.00 was collected from city dog tax; and from the registration of dairy cows, \$45.40 was secured. 104

Collections from the water department constitute the most important source of revenue that is collected directly by the city clerk. The water plant of Hays is municipally owned and operated. Collections are made monthly and it is the duty of the city clerk to handle all accounts of this department. During the fiscal year of December 31, 1933 to December 31, 1934, the total collections from the sale of water amounted to \$23,083.14. Other collections of the water department as for such services as turning on water, taps, merchandise, and interest on bond investments amounted to \$434.14; making a total of \$23,517.28 for all collections of the water department for the fiscal year of 1934. 105

Police Judge as Collecting Agent

Another officer who performs the function of collecting money for the city is the police judge. As the officer in charge of the police court, the police judge is empowered to make all collections in the way of fines and court costs assessed against those brought to trial. He is then required to turn over to the city treasurer monthly the full amount of

104 City Treasurer's Annual Report for 1934, City of Hays, Kansas, p. 1

105 City Treasurer's Annual Report for 1934, City of Hays, Kansas, p. 4

all fines collected by him during the preceding month, less only the amount of costs legally taxed for himself and the marshal or other officer serving process, in cases where the defendant on hearing or trial was found not guilty and was discharged. ¹⁰⁶ Collections of the police judge vary considerably but at no time have they amounted to a considerable sum as an item of the city finance. Collections during the year of 1934, which was an average year during the past five year period, amounted to \$1,015.85. ¹⁰⁷ Because of the small amount collected by the police judge of Hays, no attempt is made to comply with the statutory requirement that the amount collected each month be turned over to the city treasurer monthly. Such transfer of funds is made at the convenience of the police judge after the fund has accumulated to such a sum as he believes warrants a transfer. ¹⁰⁸

City Depositories

^{Depository} All the public money coming into the hands of any city official is to be deposited daily in a responsible bank of the city. The bank or banks for such deposits are to be designated by the governing body of the city. The banks in which deposits are made are to pay interest on the average

¹⁰⁶ Revised Statutes of Kansas, 1923, Chapter 14, Section 818

¹⁰⁷ City Treasurer's Annual Report for 1934, City of Hays, Kansas, p. 1

¹⁰⁸ Discussion at the City Commissioners Meeting, Hays, Kansas March 5, 1935

daily deposits of the city. If more than one bank is selected for this purpose, the funds are to be equally divided between them. The bank or banks so designated are to deposit with the governing body of the city a bond equal to twice the approximate largest sum that will be on deposit at any one time if it is a personal bond. If it is a bond of a surety company authorized to do business in the state, it is required that the bond equal the approximate largest amount that will be deposited by the city at any one time.¹⁰⁹ Statutory requirement provides that the money be deposited in the responsible banks that will pay the highest rate of interest on deposits.¹¹⁰ Preference is to be shown to banks within the county.¹¹¹

In the case of the deposits of the city of Hays, the two banks of the city, the First National Bank and the Farmers State Bank, are designated as depositories. Interest at the rate of one tenth of one per cent is received on daily deposits.¹¹² An attempt is made to keep an approximately equal amount on deposit in each of these banks. At the present time, the city of Hays is carrying on a federal works project. Regulations governing this project requires that all federal money must be deposited in a federal bank. Because of this

109 1933 Supplement to the Revised Statutes of 1923, Chapter 12, Section 1640

110 Revised Statutes of Kansas, 1923, Chapter 12, Section 1016

111 1933 Supplement to the Revised Statutes of 1923, Chapter 9, Section 302

112 Personal interview with the city clerk of Hays, May 17, 1935

regulation, the account in the First National Bank is sometimes larger than that in the Farmers State Bank. ¹¹³

Investment of Funds

It is not required to keep all funds of the city on deposit in a bank. That which has been collected for a sinking fund for the payment of bonds not yet due may be invested "in any municipal bonds of the state which become due at or prior to the due date of the bonds for which the sinking fund was levied and collected". No such funds may be invested in bonds of any governmental unit for which the bonded debt equals more than fifteen per cent of the total assessed valuation as shown by the last assessment preceeding the time of the investment of the surplus. ¹¹⁴ On December 31, 1934 the city of Hays had a total investment account of \$95,974.65 of which \$94,574.65 was in the sinking fund and \$1,400.00 was in the water fund. ¹¹⁵

Cash Basis Law

The cash basis law which has recently been enacted by the legislature of Kansas is important in the collection of funds as well as in expenditures in as much as it requires that funds must be on hand before expenditures can be made.

¹¹³ Personal interview with the city clerk of Hays, May 17, 1935

¹¹⁴ 1933 Supplement to the Revised Statutes of Kansas, 1923, Chapter 10, Section 122

¹¹⁵ City Treasurer's Annual Report for 1934, City of Hays, Kansas, p. 11

This law was passed during the special session of the Kansas legislature which met in 1933. The purpose of it with respect to municipalities is to provide for the funding and payment of all obligations legally contracted except the present bonded indebtedness and to require that all future business of any municipality be transacted on a cash basis. All cities having any indebtedness at the time of the passage of the law were required to pay or refinance the indebtedness and to contract no indebtedness after May 1st, 1933. 116

Sometime before or on this date, the governing body of the city having an indebtedness, not bonded, was required to make a detailed financial statement as to the condition of the city on April 30, 1933. 117 This statement had to be published on or before May 5, 1933. Accompanying this financial statement must also be a notice to the effect that on or before the third Monday of June, 1933, proceedings will be started to issue refunding bonds to retire the indebtedness. Any person claiming to be a creditor of any municipality whose claim did not appear on the financial statement must file with the governing body a notice of the claim before May 15, 1933. All claims not filed before that date are to be considered cancelled. 118 After any municipality has complied with all

116 1933 Supplement to the Revised Statutes of Kansas of 1923, Chapter 10, Section 1102

117 1933 Supplement to the Revised Statutes of Kansas of 1923, Chapter 10, Section 1103

118 1933 Supplement to the Revised Statutes of Kansas of 1923, Chapter 10, Section 1104

the requirement of the law relative to making out financial statements and publishing notices of indebtedness, funding bonds may be issued to refinance the indebtedness and the accrued interest to July 1, 1933, if any exists.¹¹⁹ Interest on these bonds is not to exceed five percent. They are to be issued in denominations of \$50.00 or more and to run a minimum of two and one half years but not more than fifteen years. All are to be serial bonds maturing in approximately equal annual installments. No debt or bond limitations provided by law are to apply to bonds issued under this act.¹²⁰

When these bonds are sold, the governing body is to use the proceeds to pay off the indebtedness of the city so that after May 1, 1933 there will be no debt against the city other than that bonded under the provisions of this act or bonded at some previous time.¹²¹

In order to pay off these bonds, the governing body is authorized to levy taxes on all the taxable property of the city. Money derived from this tax levy is to be used for the purpose of paying the bonds and interest only.¹²²

After May 1, 1933, it is unlawful for any governing body of the city to create any indebtedness or issue warrants,

119 1933 Supplement to the Revised Statutes of Kansas of 1923, Chapter 10, Section 1107

120 1933 Supplement to the Revised Statutes of Kansas of 1923, Chapter 10, Section 1108

121 1933 Supplement to the Revised Statutes of Kansas of 1923, Chapter 10, Section 1109

122 1933 Supplement to the Revised Statutes of Kansas of 1923, Chapter 10, Section 1111

checks or other evidence of indebtedness in excess of the amount of funds in the treasury at that time for the specific purpose. ¹²³ It is also unlawful for the clerk of the city to sign any warrants or checks in payment of indebtedness created in excess of available funds or for the treasurer to pay any such evidence of indebtedness in excess of funds actually available for the purpose. ¹²⁴

There are some exemptions to be noted in the operation of the cash basis law. It is not to be applied to indebtedness created, payment of which has been authorized by a vote of the electorate or provision made for the issuance of bonds to cover the indebtedness. Expenditures for municipally owned and operated public utilities are exempt from provision of this law. Extraordinary emergencies necessitating expenditures may be handled by temporary emergency expenditures in excess of the amount on hand. ¹²⁵

In order to be permitted to make such emergency expenditures, it is necessary for the governing body of the municipality to make application to the state tax commission. If the commission believes that an emergency exists necessitating additional funds to care for the welfare of the people, permission for the excess expenditure will be granted. In no case

¹²³ 1933 Supplement to the Revised Statutes of Kansas of 1923, Chapter 10, Section 1112

¹²⁴ 1933 Supplement to the Revised Statutes of Kansas of 1923, Chapter 10, Sections 1114, 1115

¹²⁵ 1933 Supplement to the Revised Statutes of Kansas of 1923, Chapter 10, Section 1116

is this excess expenditure allowed to amount to more than twenty five percent of the amount of money that can be raised by taxation in the taxing unit for the current year under the existing rates.¹²⁶ The governing body is then authorized to fix rates of levy so as to be able to pay off the indebtedness. This rate of levy to meet the emergency situation is to be in excess of the rate permitted by law.¹²⁷ To date, no such emergency situation has developed in Hays necessitating a resort to the provision for emergency expenditures.

Contracts for teachers of public schools and operation of schools may be made without having the total amount to cover such contracts on hand at the time the contract is made. However, the total amount payable under such contracts must not exceed the amount expended for school purposes for the preceeding fiscal year in which school was conducted. In case any municipality or spending unit finds that it will not be able to operate on a strictly cash basis after January 1, 1934, it may appeal to the state tax commission for permission to issue warrants as evidence of indebtedness. The tax commission will investigate the case and, if they believe it to be for just cause, will permit warrants to be issued as evidence of indebtedness. No exemptions to the law will be allowed

126 Revised Statutes of Kansas, 1923, Chapter 79, Section 1940
127 Revised Statutes of Kansas, 1923, Chapter 79, Section 1491

Chapter 10, Section 1312

131 Personal interview with the City Clerk of Hays, Kansas,
May 17, 1935

after January 1, 1935. ¹²⁸ All contracts which are entered into between the governing body of a municipality and an individual or corporation in violation of the provision of this act are void. ¹²⁹ Any member of the governing body or the clerk or the secretary or treasurer of a municipality who violates any of the provisions of this act is guilty of malfeasance in office and may be removed. He is also deemed to be guilty of misdemeanor and upon conviction in the proper court may be fined from ten to one thousand dollars. ¹³⁰

Effect of Cash Basis Law on Hays

At the time the cash basis law went into effect there was no outstanding debt of the city of Hays which had been incurred in the general operation of the governmental functions of the city. However, there was a deficiency in the bond and coupon fund. A bond issue of \$14,338.40 was issued July 1, 1933, as funding bonds and the entire amount was applied to the bond and coupon fund. Since that time, the city has operated on a cash basis, and has not found it necessary to apply to the State Tax Commission for permission to issue evidence of indebtedness. ¹³¹

128 1933 Supplement to the Revised Statutes of Kansas of 1923, Chapter 10, Section 1116

129 1933 Supplement to the Revised Statutes of Kansas of 1923, Chapter 10, Section 1119

130 1933 Supplement to the Revised Statutes of Kansas of 1923, Chapter 10, Section 1122

131 Personal interview with the City Clerk of Hays, Kansas, May 17, 1935

Chapter V

EXPENDITURES

Introduction

Expenditures of any city or other governmental unit are to a large extent dependent upon the needs of the city and the demands which the citizens make upon the governmental unit. While there is considerable discussion among many of the inhabitants of any city for the reduction of expenditures, few people of the average group of tax payers know the details of the spending program of the city. Neither can any definite plan be submitted by the average tax payer for the reduction of the expenditures of the city.

Expenditures of Funds

In the city of Hays as with other cities in the state of Kansas, the money expended by the city is divided into several different funds. The following table indicates the various funds from which funds are taken and the amount expended by each.

Retiring bonds and paying interest on the bonded indebtedness of the city. Of the total expenditure from this fund of \$41,308.00, there was disbursed \$21,400.00 for the purpose of

Table VIII

City Expenditures for the Fiscal Year of 1934

Fund	Amount Expended	Percentage
General Fund	\$11,425.56	11.1%
Band Fund	1,185.68	1.2
Water Fund	24,386.85	23.7
Library Fund	1,555.83	1.5
Street Fund	5,671.95	5.5
Airport Fund	4,592.31	4.5
White Way Fund	732.15	.7
Street Light Fund	3,315.67	3.2
Interest Fund	4,222.80	4.1
Improvement Bond Fund	41,308.90	40.2
Sewer Fund	766.59	.7
Fire Fund	2,973.32	2.9
Park Fund	660.02	.7
Total	102,797.63	

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It is noted from this table that the principal expenditure is from the improvement bond and coupon fund which spends 40.2% of the total expenditures of the city. Next in importance is the water fund which spends 23.7% and third in importance is the general fund which spends 11.1% of the total expenditures of the city. Disbursements from the improvement bond and coupon fund are for the purpose of retiring bonds and paying interest on the bonded indebtedness of the city. Of the total expenditure from this fund of \$41,308.90, there was disbursed \$21,400.00 for the paying

off of bonds. This is 52% of the total disbursements from the fund while 48% was expended for the payment of interest on bonded indebtedness.

While 23.7% of the total expenditures of the city was spent through the water fund, no part of this fund is derived from taxation. The principal source of revenue of this department is the sale of water, which source produced \$23,083.14 for the fiscal year of 1934. The total revenue of the department of that year was \$23,517.28. This additional revenue was derived from such sources as services rendered in turning on of water, sale of merchandise, and interest on investments. Expenditures of the water department are primarily for the purpose of supplying water and services to the residents of Hays.

Expenditures of the general fund for 1934 totaled \$11,425.56 or 11.1% of the total expenditures of the city. Taxation is the principal source of revenue of this fund, yielding \$8,767.71 of the total revenue of the fund of \$12,956.97. Expenditures made for the carrying on of the general administrative work of the city and the maintenance of the city hall come from this fund.

Expenditures According to Purpose

The total of the \$102,797.63 actual expenditures of the city of Hays for the fiscal year of 1934 may be divided into four groups according to the purposes for which

the money was expended. The following table indicates these general purposes.

Table XI
Purposes of Expenditures

Purpose	Amount	Percentage
Bonds and Interest	\$52,869.20	51.4%
Salaries and Labor	17,234.40	16.8
Band and Library Funds	2,741.51	2.7
Supplies and services other than salaries and labor	29,952.52	29.1

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The band fund and the library fund are listed together in one group because these funds are paid directly over to another spending agency. In the case of the band fund, payment is made directly to the Board of Education of District #1. In 1934, the amount so paid was \$1,185.68. The library fund is paid over directly to the Hays Free Library Board. The amount so paid in 1934 was \$1,555.83.

Disbursement for payment of bonds and interest was the largest single item of expenditures in 1934. Of the total of \$52,869.20 which was expended for this purpose, \$4,567.50 was interest on water works bonds and \$2,770.00 was a transfer to the sinking fund for 1934 liability on

long term water works bonds. Both of these sums were derived from the water works fund. \$4,222.80 was expended from the interest fund and \$41,308.90 was expended from the improvement bond and coupon fund.

Expenditures for all other supplies and services other than salaries and labor totalled \$29,952.52 in 1934 which was 29.1% of the total expenditures. Such things as the providing of street lights, the maintenance of streets other than salaries and labor expense, the providing of material and supplies necessary for the maintenance of the offices of the city, and the maintenance of the parks other than for salaries and labor are included in this total sum.

Salaries and labor, while ordinarily considered to be a very important item in the financial expenditures of any city are found to total only \$17,234.40 or 16.8% of the total expenditures. The total amount of the pay roll from each of the funds from which salaries were paid during the fiscal year of 1934 is as indicated by the following table.

City Clerk and Treasurer	100.00
City Attorney (first)	20.00
City Attorney (second)	20.00
Police Judge	32.00
City Marshal (chief)	100.00
City Marshal (assistant)	55.00
City Marshal (assistant)	20.00
Fireman (chief)	100.00
Fireman (assistant)	20.00

(Cont'd. on next page)

Table X
Expenditures for Salaries

Source	Amount
General Fund	\$2,545.00
Police and Justice of Peace	3,249.00
Water Fund	4,260.00
Street Fund	2,328.00
Sewer Fund	36.00
Fire Fund	1,788.00
Park Fund	36.00
Msc. Labor from various funds	2,947.40
Total	17,234.40

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On August 15, 1935, the monthly salary of each regularly employed person on the payroll of the city of Hays was as indicated on the following table.

Table XI
Salaries of Employees

Employee	Monthly Salary
City Manager	\$160.00
City Clerk and Treasurer	102.50
City Attorney (first)	30.00
City Attorney (second)	30.00
Police Judge	32.00
City Marshal (chief)	100.00
City Marshal (assistant)	85.00
City Marshal (assistant)	70.00
Fireman (chief)	100.00
Fireman (assistant)	90.00

Cont'd. on next page

Table XI Cont'd.
Salaries of Employees

Employee	Monthly Salary
Water Department Employee	\$100.00
Water Department Employee (pump man)	100.00
Assistant in office of City Clerk	60.00
Employee in Street Department	75.00
Employee in Street Department	70.00
Total monthly regular payroll	<u>\$1204.00</u>

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From this table it is seen that the employees of the city of Hays are not receiving unusually high salaries. It is doubted whether any reductions in salaries could be effected without reducing the efficiency of the department so affected. Probably any reduction in salaries for the purpose of economizing and reducing the expenditures could not possibly be effected to any material extent because of the requirements which the citizens of Hays demand in the way of services from the city. Furthermore, salaries constitute only 16.8% of the total expenditures, so any material reductions in the expenditures of the city must be made at other points in the budget where a greater percentage of the expenditures are to be found.

Chapter VI

BORROWING AND INDEBTEDNESS

Introduction

Borrowing and indebtedness are important factors in the financial administration of many municipalities at the present time. Particularly is this true in cases in which a considerable indebtedness was incurred during prosperous times. Under the adverse conditions brought on as a result of the economic depression, many municipalities find it difficult to meet their obligations. In the state of Kansas, the local governmental units are closely supervised at the present time in regard to their indebtedness program.

State Treasurer as Fiscal Agent

The fiscal agent of the state of Kansas is the state treasurer.¹³⁶ All bonds that are issued by the state or any governmental unit of the state as county, township, municipality, or school district and the interest on bonds are payable at the office of the state treasurer.¹³⁷ In carrying out the duties as fiscal agent of the state, it is the duty of the state treasurer to register all state, county, city, township, or school district or drainage district bonds

¹³⁶ Revised Statutes of Kansas, 1923, Chapter 10, Section 501

¹³⁷ Revised Statutes of Kansas, 1923, Chapter 10, Section 503

which are presented by the holder. When such bonds are registered with the state treasurer, he must notify the governmental unit which issued the bond that it has been registered. Upon maturity of any bond that has been registered, payment is to be made to the state treasurer.¹³⁸ The fee for the registration of bonds with the state treasurer is as follows: twenty five cents for a bond of one hundred dollars and ten cents for each additional one hundred dollars for which the bond is issued. An assignment fee of twenty five cents is also charged for each bond that is assigned.¹³⁹ Upon maturity of any registered bond, it is to be sent by the holder to the state treasurer who collects the amount due and pays the proceeds over to the person who is the last registered holder of the bond.¹⁴⁰

Procedure in Issuing Bonds

All bonds of municipalities are to run not longer than thirty years and to bear interest of not more than five percent. They may be issued so as to mature yearly over a period of years with approximate equal amounts coming due each year. Bonds that are payable from assessments against the particular property that has been benefited by the im-

138 Revised Statutes of Kansas, 1923, Chapter 10, Section 601
139 Revised Statutes of Kansas, 1923, Chapter 10, Section 604
140 Revised Statutes of Kansas, 1923, Chapter 10, Section 603

provement for which the bonds were issued must not run for a period greater than ten years and shall be payable in not more than ten annual installments. 141

In the preparation for the sale of any bonds that are to be issued by any municipality, it is the duty of the officers in charge of the sale to publish in a newspaper having a general circulation in the county and in the official state paper a notice stating the amount, date, maturity, and rate of interest and the time and place where the bonds will be sold. Those desiring to purchase any or all of the bonds to be issued are to submit sealed bids accompanied by certified check for two percent of the total amount of the bid. The bonds are to be sold to the highest and best bidder but all bids may be rejected and the bonds sold at private sale. Before any bonds issued by a municipality become a valid obligation, there must be filed with the auditor of the state a complete transcript of all the proceedings leading up to the issuance of the bonds. This transcript must be certified by the clerk or other recording officer of the municipality issuing them. 142

Payment of Bonds

In order to provide for the payment of interest on

141 Revised Statutes of Kansas, 1923, Chapter 10, Section 103

142 Revised Statutes of Kansas, 1923, Chapter 10, Section 108

bonds that have been issued and the payment of the principal as it becomes due, it is the duty of the governing body of the municipality to levy taxes in sufficient amount each year to meet these payments. Failure of any officer to make such sufficient levy is guilty of misdemeanor. When internal improvement bonds have been issued to cover the cost of improvements chargeable against specific property the cost is to be apportioned against the specific property. The city clerk is to certify to the county clerk a list of the property liable for the cost of such improvement and the amount due on each lot or piece of property. The amount due is collected in the same manner as the general property tax is collected. 143

The owner of any lot or piece of property that is subject to special assessment to cover the cost of special improvements that have been made may redeem his property from such liability by paying the entire amount charged against the property. This amount may be paid any time before the issuance of the bonds or after the issuance of the bonds by paying the total amount of the assessment and the interest that will be due on the bonds to the time of maturity. Whenever such total payment is made to redeem any piece of property from liability for the cost of the improvement, such property is not liable for further special assessment for the

cost of the improvement.¹⁴⁴

Refunding Bonds

Any outstanding bonded indebtedness or legal judgment may be refunded. The refunding bonds may be issued upon any terms which may be agreed upon with the owners of the original bonds.¹⁴⁵

Sinking Fund

When ever bonds are issued so that the entire amount of the issue becomes due at the same time, it is the duty of the proper officers of the municipality to levy taxes each year for a sinking fund sufficient to pay the bonds when they come due, together with the interest thereon.¹⁴⁶ This sinking fund may be invested in any municipal bonds of the state which come due prior to the time when the bonds for which the sinking fund was established come due. However, no sinking fund may be invested in bonds of any county, township, city or school district where the bonded debt exceeds fifteen percent of the assessed valuation as shown by the last assessment preceding the investment.¹⁴⁷

144 Revised Statutes of Kansas, 1923, Chapter 10, Section 115

145 Revised Statutes of Kansas, 1923, Chapter 10, Section 116

146 Revised Statutes of Kansas, 1923, Chapter 10, Section 118

147 Revised Statutes of Kansas of 1923 Supplement of 1933, Chapter 10, Section 122

Restrictions on Bonded Indebtedness

Definite restrictions are placed on cities as well as on other governmental units relative to the amount of bonded indebtedness that a city can contract. All cities of the second class are prohibited from incurring a bonded indebtedness at any time that exceeds fifteen percent of the assessed valuation of the taxable property of the city as shown by the assessment books of the year previous to the one in which a new issue of bonds is proposed to be made. However, bonds for special improvements that are to be paid by special assessment levied against the property improved are exempt from this restriction. Bonds issued to cover the cost of improvement of street intersections or alley intersections and for the improvement of avenues and streets fronting on city property and bonds issued for general sewers are not to be included in estimating this indebtedness. It is further provided that the total bonded debt of any city of the second class must not exceed twenty five percent of the assessed valuation of all taxable property within the city as shown by the assessment books of the last assessment year previous to the time of the proposed issuing of bonds. 148

It was found that the city of Hays had on August 1, 1935, a total bonded debt of \$639,274.65. The 1934 assess-

ment records show the total assessed valuation of all the property which is taxable in the city of Hays was \$3,039,812.00. Using this data, it is found that the total of all bonded debt of the city of Hays is equal to 21.03% of the total assessed valuation of the year of 1934. Exempting the bonds to be paid by special assessment, it is found that the total of other bonded indebtedness is \$385,974.65 or 12.7% of the assessed valuation for the year of 1934. 149

Provision for City Improvements

Under the power to make improvements deemed necessary, the governing body of the city may grade, pave, gutter or make other street improvements that it believes necessary. The cost of such improvement is to be assessed to the property on each side of the street to the middle of the block. Whenever the governing body of the city believes that such improvements are necessary, they must publish notice to the effect that they intend to make such improvements. If the resident owners of more than half of the property which will be affected by a special tax levy for such improvement do not protest within twenty days after the publishing of the notice, the governing body is empowered to proceed with the work and levy taxes to cover the costs. A majority of the resident owners to be affected by a special improvement may

also petition to have the improvement made and upon this petition the governing body is empowered to proceed with the work. The cost of improvements in the intersections of streets or of streets or alleys along or through city property is to be shared by the city at large. General improvement bonds may be issued to meet this expense. ¹⁵⁰

Street Improvements

If the governing body paves, curbs, gutters, or otherwise improves any street within the city for which a special tax is to be levied, the payment of the cost may be provided for by issuing improvement bonds for one-half of the total cost to be charged to the abutting property and general improvement bonds of the city may be issued to pay for the remaining cost of the work. ¹⁵¹ A levy of a general property tax on all the property of the city is to be made to pay general improvement bonds. ¹⁵² Such an issue under the provisions of this act must be approved by a majority of the voters of the city voting on the proposition. ¹⁵³

Payment for Improvements

When the cost of any particular improvement has been determined, the governing body of the city is to

- 150 Revised Statutes of Kansas, 1923, Chapter 12, Section 602
- 151 Revised Statutes of Kansas, 1923, Chapter 14, Section 502
- 152 Revised Statutes of Kansas, 1923, Chapter 14, Section 503
- 153 Revised Statutes of Kansas, 1923, Chapter 14, Section 504

determine and assess to each parcel of land liable for such assessment the amount to be paid. This amount is to be determined by the assessed valuation of the lot or land without regard to the improvements. This valuation is to be determined by a group of three appraisers appointed by the governing body to perform this special function. ¹⁵⁴

Sidewalk Construction

Sidewalks may be constructed by the governing body of the city without any notice by the governing body or petition or protest from the residents. However, upon the petition of ten or more citizens, the governing body may authorize the construction of any side walk. ¹⁵⁵

Improving Previously Paved Streets

Whenever it is believed necessary to re-surface or improve any previously paved street, the problem of the proposed improvements are the issuance of bonds to cover the cost of such improvements must be submitted to the voters of the city. Such election may be called at any time when it is believed necessary. The majority of the vote cast by those voting is necessary to authorize the making of the improvement and issuance of the bonds to cover the cost. Such bonds cannot be issued for a period of longer than ten years

154 Revised Statutes of Kansas, 1923, Chapter 12, Section 608

155 Revised Statutes of Kansas, 1923, Chapter 12, Section 611

and cannot bear interest at the rate of more than five percent. Neither may the bonds be issued in excess of the amount necessary for the specific improvement.¹⁵⁶ The bonds are to mature in installments of equal amounts yearly and the governing body must levy a general tax on all the property of the city to cover the interest and installments as due.¹⁵⁷

Construction of Sewerage System

The governing body of the city also has power to provide for the construction of a sewerage or drainage system. The costs of such a system are to be paid by the lots or land which is within each sewer or drainage district. In case the city has not been divided into more than one sewer district, the cost of the improvement is not to be levied against each separate lot of the district. Improvement bonds may then be issued against the city as a whole.¹⁵⁸ For the construction of the main sewer, the governing body may provide that the cost of construction be borne by the city as a whole.¹⁵⁹ The construction and maintenance of a sewage disposal plant may also be authorized by the governing body of the city. The costs of the plant may be met out of the general revenue or improvement bonds may be issued. However, these bonds may not be issued in excess of one hundred thousand dollars.¹⁶⁰

156 Revised Statutes of Kansas, 1923, Chapter 12, Section 614

157 Revised Statutes of Kansas, 1923, Chapter 12, Section 615

158 Revised Statutes of Kansas, 1923, Chapter 12, Section 618

159 Revised Statutes of Kansas, 1923, Chapter 12, Section 619

160 Revised Statutes of Kansas, 1923, Chapter 12, Section 621

Bonds to cover the costs of right of way and the building of the sewer from the city limits to the disposal plant may be issued in excess of the one hundred thousand dollars.¹⁶¹

For the purpose of maintaining and operating a sewage disposal plant, any city of less than 50,000 population is authorized to levy a tax not exceeding one half mill on the dollar on all property of the city. Other available funds may also be used for this purpose.¹⁶² On February 1, 1935, Hays issued bonds totalling \$64,000.00 for the purpose of constructing a new sewage disposal plant.

Special Lighting

Whenever special lighting is believed to be necessary for the welfare of any particular block, street or area of a city of the first or second class, the governing body of the city is empowered to provide for such improvement.¹⁶³

Upon the petition signed by the resident owners of not less than one half of the feet owned by residents and fronting or abutting upon the street or section to be improved, the governing body is required to hold a hearing on the proposal.¹⁶⁴

At the hearing, the questions of the legality of the petition, the necessity of the improvement and the cost are to be dis-

161 Revised Statutes of Kansas, 1923, Chapter 12, Section 624

162 Revised Statutes of Kansas, 1923, Chapter 12, Section 630

163 Revised Statutes of Kansas, 1923, Chapter 12, Section 656

164 Revised Statutes of Kansas, 1923, Chapter 12, Section 657

cussed. If it is determined at the hearing to be advisable to make the proposed improvement, the governing body is then authorized to proceed. ¹⁶⁵ The cost of such improvements are assessed against the property facing or abutting on the street or section to be improved. Such levy is to be according to a "front foot" basis. Internal improvement bonds may be issued to provide funds for these improvements. ¹⁶⁶ According to an amendment to this law which was passed in 1923, provision is made whereby, if the street or section of a street to be improved has been declared to be a boulevard by the governing body, the cost of the improvements are to be assessed against the city at large and bonds may be issued for the payment of the same. For the payment of these bonds and the interest, the city is authorized to levy a sum not to exceed two cents on each one hundred dollars valuation of property in the city. The bonds must be payable in ten equal yearly installments and cannot bear interest of more than ten percent. ¹⁶⁷ After this system of special lighting has been installed, the cost of maintaining and operating the same is to be met by a special levy on all the property of the city. This special levy is not to exceed one third of one mill on the dollar and

165 Revised Statutes of Kansas, 1923, Chapter 12, Section 658

166 Revised Statutes of Kansas, 1923, Chapter 12, Section 659

167 Revised Statutes of Kansas, 1923, Chapter 12, Section 660

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is to be used exclusively for the maintenance and operation of these lights. 168

Public Utilities

Whenever the majority of the electors of any city vote in favor of issuing bonds for the purchase or construction of a public utility plant to be used for supplying the inhabitants with gas, water, electric lights, heat or with street railway or telephone service; it is lawful for the governing body to direct the issuance of the bonds. 169 No bonds in excess of fifteen percent of the assessed valuation of the city may be issued for this purpose. 170

The governing body of the city is authorized to create by ordinance a water works department. In this department, there is to be provided a superintendent and such other officers and assistants as is necessary for the management of the plant. The revenue and the income of the water works is to be kept separate from other funds and used for specific purposes. It is to be used for the payment of salaries of employees of the department, payment of interest on bonds that have been issued for the plant, and to pay for necessary improvements. Any sum that is remaining is to be set aside

1. Copy of resolution hereto attached to minutes of meeting
- 168 Revised Statutes of Kansas, 1923, Chapter 12, Section 661
169 Revised Statutes of Kansas, 1923, Chapter 12, Section 801
170 Revised Statutes of Kansas, 1923, Chapter 12, Section 803

171 Revised Statutes of Kansas, 1923, Chapter 12, Section 811

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annually as a sinking fund for the redemption of bonds until all bonds are paid. After all bonds and indebtedness is paid, the surplus is to be turned into the general fund of the city. 171

7. Data Relative to Sewage Disposal Plant Bonds by the
amount of outstanding bonds
8. Certificates of the
City of Hays

As previously discussed, the process by which bonds of any description may be issued by a municipality is prescribed in the statutes of the state of Kansas. Before bonds can be issued by any municipality, it is necessary to file with the auditor of the state a complete transcript of all the proceedings leading up to the issuance of the bonds. The complete transcript of proceedings relative to the issuing on February 1, 1935, of sewage disposal works bonds totaling \$64,000.00 is to be found in the Appendix of this thesis. This particular transcript includes the following data:

1. Showing election and qualification of the present board of commissioners.
2. Copy of notice to contractors of receiving bids and proof of publication of such notice.
3. Minutes of meeting of January 3, 1935 and copy of the engineer's estimate of cost is appended to these minutes.
4. Copy of resolution hereto attached on minutes of meeting at which same was adopted.

5. Copy of notice to sell bonds and proof of publication.
6. Minutes of meeting at which bond ordinance was adopted and copy of said bond ordinance and proof of publication.
7. Data relative to assessed valuation, financial statement, amount of outstanding bonds, and sinking fund.
8. Certificates at the end of bond transcript.

Present Bonded Indebtedness

The present bonded indebtedness of the city of Hays is, as previously stated, \$639,274.65, according to data as of August 5, 1935. By referring to the following table XII, it will be seen that this total bonded indebtedness is distributed among several different types of bonds.

City Hall Bonds					
Sept. 1, 1917	\$3,000.00	5%	Sept. 1, 1937	\$3,000.00	\$3,000.00
Sinking Bonds					
May 1, 1903	\$83,685.22	5%	May 1, 1943	\$3,000.00	
			(Serial Bonds)		
May 1, 1923	\$0,242.88	5%	May 1, 1943	\$4,500.00	
			(Serial Bonds)		
Mar. 1, 1924	\$72,164.37	5%	Mar. 1, 1943	\$5,000.00	
			(Serial Bonds)		
July 1, 1924	\$2,048.17	5%	July 1, 1944	\$6,000.00	
			(Serial Bonds)		
July 1, 1931	\$5,816.91	4%	July 1, 1941	\$3,000.00	
			(Serial Bonds)		
July 1, 1931	\$8,998.34	4%	July 1, 1941	\$8,000.00	
			(Serial Bonds)		
Jan. 1, 1932	\$3,994.00	4%	Jan. 1, 1942	\$2,000.00	
			(Serial Bonds)		

Table XII

Total Bonded Debt of the City of Hays, Kansas

August 5, 1935

Date	Amount	Rate	Date Due	Balance Due	Total
Water Works Bonds					
June 24, 1914	\$2,600.00	5½%	June 24, 1939	\$2,600.00	
March 1, 1915	12,900.00	5½%	March 1, 1940	12,900.00	
July 1, 1917	45,000.00	5 %	Jan. 1, 1942	42,000.00	
			(Optional after 1932)		
July 1, 1922	25,000.00	5½%	July 1, 1942	25,000.00	
July 1, 1929	9,000.00	4 %	July 1, 1939	6,000.00	88,500.00
Electric Light Bonds					
Jan. 1, 1917	29,033.00	4½%	Jan. 1, 1947	24,000.00	
Aug. 1, 1921	38,000.00	5 %	Aug. 1, 1942	38,000.00	62,000.00
City Hall Bonds					
Sept. 1, 1917	23,000.00	5 %	Sept. 1, 1937	23,000.00	23,000.00
Paving Bonds					
May 1, 1923	123,683.23	5½%	May 1, 1943	50,000.00	
			(Serial Bonds)		
May 1, 1923	60,242.86	5 %	May 1, 1943	24,500.00	
			(Serial Bonds)		
Mar. 1, 1924	172,164.37	5 %	Mar. 1, 1944	78,000.00	
			(Serial Bonds)		
July 1, 1924	42,048.17	5 %	July 1, 1944	19,000.00	
			(Serial Bonds)		
July 1, 1931	85,816.91	4½%	July 1, 1941	43,000.00	
			(Serial Bonds)		
July 1, 1931	88,996.34	4½%	July 1, 1941	36,000.00	
			(Serial Bonds)		
Jan. 1, 1932	3,984.00	4½%	Jan. 1, 1942	2,800.00	253,300.00
			(Serial Bonds)		

Table XII Cont'd.

Total Bonded Debt of the City of Hays, Kansas

August 5, 1935

Date	Amount	Rate	Date Due	Balance Due	Total
Sewer Bonds					
Oct. 1, 1924	\$58,000.00	5%	Oct. 1, 1954 Serial Bonds	\$39,000.00	103,000.00
Feb. 1, 1935	64,000.00	4%	Feb. 1, 1935 Serial Bonds	64,000.00	
Funding Bonds					
July 1, 1935	14,338.40	5%	Aug. 1, 1943 Serial Bonds	12,838.40	12,838.40
Refunding Bonds					
Jan. 1, 1934	96,636.25	4 $\frac{1}{8}$ % & 5%	Feb. 1, 1943 Serial Bonds	96,636.25	96,636.25
Total				\$ 636,274.65	

From this data it is noted that of the total of \$639,274.65, \$88,500.00 or 13.8% are water works bonds; \$62,000.00 or 9.7% are electric light bonds; \$23,000.00 or 3.7% are city hall bonds; \$253,300.00 or 39.6% are paving bonds; \$103,000.00 or 16.1% are sewer bonds; \$12,838.40 or 1.8% are funding bonds; and \$96,636.25 or 15.2% are refunding bonds. ¹⁷²

Interest on Bonded Debt of Hays

The interest on bonded debt paid by any city is important in proportion to the amount of indebtedness. It

is interesting to note that over a period of twenty years, the interest on a five percent bond will equal the principal. There is a tendency at the present time to issue serial bonds in preference to long term bonds which are payable in full at one time. Under the serial plan, the payment of the issue is divided into a number of approximately equal installments. This plan tends to lessen considerably the total interest payable as well as providing for making small payments rather than having the total amount to fall due at the same time. The total interest payable on a twenty year serial bond at five percent is equal to a ten and one half year average at five percent or is equal to 52.5% of the total principal of the bond as against 100% in the case of a twenty year bond. During the fiscal year of December 31, 1935 to December 31, 1934, the city of Hays paid out a total of \$30,124.50 as interest on the bonded debt. This is 56.5% of the \$53,283.23 which was the total amount of the general property tax paid by Hays property owners. 173

Throughout the entire history of Hays, bonds totaling \$1,445,985.85 have been issued by the municipality. The following table XIII presents a complete report of all bonds, and information relative to the interest of each issue.

Table XIII

Record of Bond Issues of Hays, Kansas to August 5, 1935

Date of Issue	Purpose	Date Due	Int. Rate	Amt. of Issue	Amt. of Interest Payable	Interest Paid to Date	Unpaid Bal. of Issue Aug. 5, 1935
Nov. 28, 1888	Water Works	Nov. 28, 1918	7%	\$ 1,000.00	\$ 2,100.00	\$ 2,100.00	Paid in full
July 1, 1904	Water Works	Serially 1915 to 1924	6%	25,000.00	25,770.00	25,770.00	Paid in full
Jan. 2, 1909	Water Works	Jan. 2, 1929	5%	18,000.00	18,000.00	18,000.00	Paid in full
May 1, 1910	Sewer Fund	May 1, 1930	5%	30,000.00	24,250.00	24,250.00	Paid in full
May 18, 1913	Funding	May 18, 1933	5%	22,565.84	22,565.84	22,565.84	Paid in full
June 24, 1914	Water Works	June 24, 1939	5 ¹ / ₂ %	2,600.00	3,575.00	3,003.00	\$ 2,600.00
Mar. 11, 1915	Water Works	Mar. 11, 1940	5 ¹ / ₂ %	12,900.00	17,737.50	14,190.00	12,900.00
Jan. 1, 1917	Elect. Light Purchase	Jan. 1, 1947 Optional after Jan. 1, 1937	4 ³ / ₈ %	29,033.00	36,044.55	20,009.07	24,000.00
July 1, 1917	Water Works Extension	July 1, 1942 Optional after July 1, 1932	5%	45,000.00	54,750.00	40,050.00	42,000.00
Aug. 1, 1917	Paving	Serially 1918 to 1927	5%	50,000.00	14,400.00	14,400.00	Paid in full
Aug. 1, 1917	Paving	Serially 1918 to 1927	5%	80,000.00	22,000.00	22,000.00	Paid in full
Sept. 1, 1917	City Hall	Sept. 1, 1937	5%	23,000.00	23,000.00	18,000.00	23,000.00
Nov. 1, 1917	Paving	Serially 1918 to 1927	5%	42,464.00	11,993.20	11,993.20	Paid in full
Apr. 1, 1918	Water Works	Apr. 1, 1943 Optional after Apr. 1, 1938	5%	14,500.00	6,525.00	6,525.00	Paid in full
Feb. 1, 1911	Sewer Fund	Serially 1912 to 1921	6%	22,787.18	7,817.23	7,817.23	Paid in full
Apr. 5, 1919	Funding	Apr. 5, 1939	5%	23,013.17	11,075.27	11,075.27	Cancelled Apr. 30, 1927

Table XIII Cont'd.

Record of Bond Issues of Hays, Kansas to August 5, 1935

Date of Issue	Purpose	Date Due	Int. Rate	Amt. of Issue	Amt. of Interest Payable	Interest Paid to date	Unpaid Bal. of Issue Aug. 5, 1935
Aug. 1, 1921	Imp. Elect. Light Plant	Aug. 1, 1941	5%	\$38,000.00	\$38,000.00	\$26,600.00	\$38,000.00
Apr. 5, 1922	Lateral Sewers Dist.	Serially 1923 to 1932	5%	4,630.00	1,356.50	1,356.50	Paid in full
July 1, 1922	W. W. Ext. and Imp.	July 1, 1942	5 $\frac{1}{2}$ %	25,000.00	27,500.00	17,875.00	25,000.00
May 1, 1923	Paving Bonds	Serially 1924 to 1943	5 $\frac{1}{2}$ %	123,683.23	71,811.58	60,657.58	50,000.00
May 1, 1923	Paving Bonds	Serially 1924 to 1943	5%	60,242.86	31,812.14	26,412.14	24,500.00
Sept. 1, 1923	Lateral Sewer	Serially 1924 to 1933	5%	18,827.26	5,466.35	5,466.35	Paid in full
Mar. 1, 1924	Paving Bonds	Serially 1925 to 1944	5%	172,164.87	90,508.24	70,858.24	78,000.00
Aug. 1, 1924	Storm Sewer Bonds	Aug. 1, 1954	5%	58,000.00	None	None	Cancelled Oct. 4, 1924
Oct. 31, 1924	Storm Sewer Bonds	Serially 1925 to 1954	5%	58,000.00	59,725.00	39,950.00	39,000.00
July 1, 1924	Paving Bonds	Serially 1925 to 1934	5%	42,048.17	19,799.50	16,668.00	19,000.00
July 1, 1924	Paving Bonds	Serially 1925 to 1934	5%	66,973.78	18,709.86	18,709.86	Paid in full
Nov. 1, 1924	Paving Bonds	Serially 1925 to 1934	5%	31,780.59	8,465.02	8,465.02	Paid in full
Feb. 1, 1926	Int. Imp. Bonds	Serially 1927 to 1946	4 $\frac{1}{2}$ %	32,271.00	None	None	Cancelled Mar. 31, 1926
July 1, 1929	Water Works Improvement	July 1, 1939	4%	9,000.00	2,580.00	1,500.00	6,000.00

Table XIII Cont'd.

Record of Bond Issues of Hays, Kansas to August 5, 1935

Date of Issue	Purpose	Date Due	Int. Rate	Amt. of Issue	Amt. of Interest Payable	Interest Paid to Date	Unpaid Bd. of Issue Aug. 5, 1935
July 1, 1931	Paving Bonds	Serially 1932 to 1941	4 $\frac{1}{2}$ %	\$85,816.91	\$21,029.26	\$12,108.01	\$43,000.00
July 1, 1931	Paving Bonds	Serially 1932 to 1941	4 $\frac{1}{2}$ %	88,996.34	21,093.58	11,441.08	36,000.00
Jan. 1, 1932	Paving Bonds	Serially 1933 to 1942	4 $\frac{1}{2}$ %	3,984.00	989.28	485.28	2,800.00
July 1, 1933	Funding Bonds	Serially 1935 to 1943	5%	14,338.40	4,333.24	1,108.24	12,838.40
Jan. 1, 1934	Refunding Bonds	Serially 1938 to 1948	5 & 4 $\frac{1}{2}$ %	96,636.25	41,829.22	4,840.82	96,636.25
Feb. 1, 1935	Sewage Disposal Plant	Serially 1936 to 1955	4%	64,000.00	41,560.00	620.00	64,000.00
TOTAL				1,445,985.85	808,172.36	585,870.23	639,274.65

From this data it is seen that of the total of \$1,536,056.74, there still remained to be paid \$639,274.65 as of August 5, 1935. A total of \$896,782.09 has been paid off. Accompanying this information, it is also found that the total interest that has been paid to date on all bond issues is \$587,314.73. If all bonds now outstanding are allowed to mature according to the specifications of the bonds, the total interest that will have been paid by the citizens of Hays on all bonds issued by the municipality is \$809,662.36. This amount is 52.6% of the total of all bonds that have been issued by the city of Hays and is 26.6% of the total assessed valuation of all taxable property of Hays according to the data of the 1934 assessment records. 174

Such data merely indicates that the burden of interest payment is considerable in the case of any municipality that has found it necessary to incur a bonded debt in any appreciable amount. From the standpoint of the tax payer, considerable saving could be effected by submitting to higher levies at the time of making the necessary improvements and permitting the issuing of bonds only in the form of short term serial issues.

Chapter VII

SUMMARY AND RECOMMENDATIONS

Introduction

The summary and recommendations that are made as a result of this study into the financial aspect of the government of the city of Hays are made only after a detailed investigation into the various phases of that field. In order to understand fully the problems encountered with regard to the handling of the finance of the city, it has been necessary to carry the study into other fields than those which are immediately and directly financial.

Such factors as the history and development of the city, institutions that have been important factors in the development of the city, and the size, nationality, and percentage of home owners of the family groups have been investigated. The form of government of the city has also been studied. This factor is important as it determines largely the methods and procedures that are followed in the administration of the financial affairs. In the study of those factors directly connected with the handling of the finance of the city, the sources of funds, collection and custody of funds, expenditures, borrowing and indebtedness have been investigated.

Form of Government

The form of government upon which the city of Hays is organized is believed to be conducive to good administration. The commission manager form was adopted in 1919 and is still being used. While the city commission acts as the policy determining organ and performs advisory functions, much of the actual administration of the city is placed in the hands of the city manager. He is the overseer of the various departments, is in charge of the employees, supervises the process of budget making and is the purchasing agent of the city.

Division of Power

The exact division of power between the city manager and the city commission is impossible to determine. The writer is inclined to believe that the city commission considers seriously the recommendations of the city manager. It is also believed that the city commission commonly advises the city manager relative to matters of employment, purchasing, and other problems which are administrative rather than policy forming in nature.

To carry on the government of Hays according to the best practices of the manager form of government would mean to limit the functions of the commission to purely policy determining functions and to place the city manager in a position of full responsibility for the conduct of all administrative functions of the city. To adopt such a policy

of division of functions would increase the efficiency of the government of Hays in as much as there would then be a full centralization of responsibility in one head. Under such a plan, the city manager could be held solely responsible for the entire conduct of the city's business. The manager would then be entirely responsible for any inefficiencies on the part of employees of the city or services rendered.

Purchasing

All purchasing should also be handled solely by the city manager without interference or suggestion from the commission as to the type of material or from whom purchased. The only justification by which the commission would be allowed to question the manager relative to his purchases should be relative to such things as adaptibility of equipment, quality, and economy of price. A complete system of standardization of equipment and competitive bidding should also be employed. Only by the adoption of such practices can the tax payers be given the benefit of economical purchasing policies as are to be found in well organized private business. Such a system is not used in the purchasing of supplies and equipment for the city of Hays at the present time.

Records and Reporting

The records and reporting constitute another important factor in city government. Records of the city of Hays which were investigated in connection with this study

were found to be in very good form: easily accessible and intelligible. However, difficulty was encountered in correlating the records of the city with those of Ellis County. This difficulty was primarily due to the fact of difference in the fiscal year of the county and city units. While the fiscal year of the county is from October 1st to October 1st, that of the city is from December 31st to December 31st. Uniformity in this respect would greatly facilitate comparison of records of these two governmental units.

A uniform plan of annual auditing of accounts is found to be beneficial for many governmental units. While the books of the city of Hays have been audited at irregular intervals, to adopt a plan whereby the accounts would be audited annually would, no doubt, prove advantageous. The last three complete audits of the financial records of the city of Hays were made on the following dates: June 1, 1925; April 1, 1930; and December 31, 1934. Best business practices would provide for a complete annual audit of the financial records of the city.

Provision is made in the cash basis law for the publishing annually of the complete proposed budget for the governmental unit for the ensuing fiscal year. In compliance with this law, the annual budget of Hays is published annually in the Hays Daily News. An annual financial report of the city of Hays is also printed in leaflet form and is available to all citizens who desire a copy. A copy of this report for

the fiscal year of 1935 will be found in the Appendix of this thesis.

The desirability of frequently making available to the citizens of a governmental unit a complete and intelligible financial report is not to be doubted. In studying the annual report of the city of Hays, it is found that all receipts and expenditures are listed according to the various funds of the city. Such a report is not generally intelligible to the average citizen without considerable study. A system of reporting based on the functional distribution of expenditures rather than according to funds will be found to be more interesting as well as more easily understood by the average citizen. A brief classification of such a functional distribution of expenditures is submitted as follows:

- I. Operation and maintenance of general departments
 1. Protection of persons and property
 2. Charities, hospitals, and correction
 3. General government
 4. Streets and highways
 5. Sanitation and promotion of cleanliness
 6. Recreation
 7. Miscellaneous
- II. Operation and maintenance of public service enterprises
- III. Interest on dept
- IV. Outlay on permanent improvements
 1. Streets and highways
 2. Education
 3. Public service enterprises

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By presenting to the citizens of Hays a record of all expenditures of the government according to the preceeding distribution, a report would be made available that would be both interesting and easily understood. Receipts of the city could be classified under the following headings:

- I. General property tax
- II. Special assessments
- III. Services rendered and sale of merchandise.

The interest of the average citizen will be found to be in the source from which the money is derived rather than in knowing the amount of money that is received by each fund.

Assessment as a County Function

While the actual work of the assessing of property is performed under the supervision of the officers of the county, this work is vitally important to the city. It is upon the efficiency of the work of the assessor and the deputies that the city must depend for a basis upon which to levy its tax. Considering state limitations which have been placed upon cities concerning the amount of levy which is allowed, it is readily seen that the amount of revenue that the city may expect is largely determined by the assessed valuation of the taxable property lying within the city.

Because of this close relationship existing between the county and the city in the work of assessment, the various problems in assessment of property have been studied in detail.

the article. In Problems of Assessment be necessary for the

assessor One of the most important needs in the development of efficiency in assessment is consistency throughout the various taxing units of the state. Much has been done in this direction in recent years through the agency of the State Tax Commission. As has been previously discussed, it is the duty of the State Tax Commission to hold each year a meeting in the State Capital which all county assessors are supposed to attend. The purpose of this meeting is to instruct the county assessors in the duties which they are expected to perform. The State Tax Commission is also charged with the duty of supervising the actual work of assessment. Because of the lack of adequate facilities, the work of supervision is limited to requiring that proper blanks be used and that the necessary reports be filled out and submitted. If it were possible for the State Tax Commission to have men in the field during the assessment period to make frequent visits to each of the deputy assessors, it is probable that the efficiency would be greatly increased.

filled out, signed and sent to the State Tax Commission. Common Practices of the Assessor

According to the requirements relative to the duties of the assessor as set forth in the statutes of the state, he is required to view all assessable real estate and place on it his estimate of the true money value. In the case of assessing personal property, he is also required to place on each item assessed what he believes to be the true money value of

the article. In order to do this it will be necessary for the assessor to view and examine the article. Contrary to this requirement, it was found to be a common practice for the assessor to accept the owners statement as to the amount and value of the personal property possessed. No attempt was made to investigate the home to determine the amount of furniture therein or to determine whether items of personal property were possessed which were not declared by the owner.

Instead of the assessor placing on the items what he believed to be the true money value, it was found to be a common practice for the assessor to inquire of the owner what he felt the items to be worth. When any valuation was given by the owner, it was ordinarily accepted by the assessor. In many cases, the assessor was not present when the assessment sheet was filled out and signed. If the person being assessed was not at home at the time the assessor called, or was unable to be interviewed at that time, it was a common practice for the assessor to leave the blank at the home and request that it be filled out, signed, and left at the hotel or one of the offices frequented by the assessor. In any such case, it is readily seen that the assessor can, in no way, supervise the filling out of the assessment blank.

An inconsistency that was noted in the assessing of individuals who are business men was in the case of having only one assessment sheet including both the household furniture and personal property and the property of the business.

In such case, two assessment sheets should be made out and filed. One should show the personal property and household furniture while the other should show the property of the business. While some business men are known to have included the two reports on the same sheet, others are known to have filed two separate reports. It is believed that if separate sheets were always required for household furniture and for business property, greater efficiency would be insured.

Mention has previously been made in this discussion relative to the differences found in the number of licenses issued for automobiles in the county and the number of dog licenses issued by the city as against the number of these items found on the assessment sheets. It is believed that to use the available records, would increase the efficiency of assessment very greatly. By surveying the available records to determine ownership of taxable items, much information could be found. Then, unless the individual could produce evidence to show that he had disposed of the item after the date of the record, the assessor would be justified in assessing the individual for any items as indicated by the official records. Such a practice would undoubtedly place on the assessment sheets many items that now escape taxation.

According to the legal requirement of the state of Kansas, the township trustee must be appointed to the position of deputy assessor unless there is some definite reason why

he is not qualified to fill the position. This requirement makes the deputy assessor virtually supreme in the position which he holds with no one possessing direct power to discharge him for inefficiency. Such a situation to a certain extent relieves the county assessor of direct responsibility for the work of his deputies. To place the deputy assessor under the direct control of the county assessor, giving to that person full power to hire and discharge his deputies, would be a step toward greater centralization of responsibility and in many cases would insure greater efficiency in the carrying out of the duties of the assessment of property.

Attempts at Tax Reduction

While many items are now believed to be escaping taxation with the result that the tax rate must be raised to provide the necessary funds for the operation of the city government, the common cry that is heard among the average tax payers is that taxes are too high and must be reduced. This plea is made often without any knowledge of the reason for high taxes. When the protest against high taxes becomes too severe for the officials to withstand, the common practice is to reduce salaries of the city employees. In many cases, these individuals are not over-paid when compared with the salaries that individuals in private business are receiving for doing similar work. The reduction in salaries is merely a reduction that can be pointed to when the protest becomes

strongest but does not reduce to any appreciable amount the total tax burden of the tax payer. As has been previously shown, the total expenditures for salaries in the case of Hays was only 16.8% of the total expenditures in 1934. The greatest expenditure of the city of Hays in 1934 was for bonds and interest which totalled 51.4% of the total expenditures. While salaries have been reduced, little attempt has been made during the last several years to reduce the total bonded debt of the city. As has been previously shown, the total bonded debt of the city of Hays in 1934 was near the maximum allowed by the state law. It is provided by the statutes of Kansas that all cities of the second class are prohibited from incurring a bonded debt at any time that exceeds fifteen percent of the assessed valuation of the taxable property of the city. However, bonds for special improvements which are to be paid by special assessment levied against the property improved are exempt from this restriction. It was found that in 1934, this bonded debt of Hays amounted to 12.7% of the total property valuation. It is further provided that the total of all bonded indebtedness of a city of the second class must not exceed twenty five percent of the total assessed valuation. The total bonded indebtedness of Hays in 1934 totalled 21.03% of the total assessed valuation of property of the city.

Long term bonds is seen in the case of the first bond that was issued by the city of Hays. That bond was a

Tax Burden of the Bonded Debt

If the average tax payer realized the extent to which his tax dollar is used for the purpose of paying bonds and interest on bonds, it is probable that he would demand that the bonded debt be reduced, even though it would require a higher tax rate for a period of time during the paying off of the debt. This factor is brought clearly to mind when one considers the examples of interest paid on bonded debt.

The present tendency is to issue serial bonds. This plan is much more economical from the standpoint of the tax payer than is the old plan of issuing regular long term bonds. The total interest payable on twenty year serial bonds equals a ten and one half year average. On a five percent bond of one thousand dollars issued on the twenty year serial plan, the total interest payable is \$525.00. If the same amount is issued as a regular twenty year bond, the total interest payable will equal the principal or \$1000.00. From this data, it is seen that in the case of a twenty year serial bond for \$1000.00, the tax payer is required to pay a total of \$1525.00 by the time the bond is paid off. In the case of a twenty year bond of \$1000.00, it is seen that the tax payer is required to pay \$2000.00 by the time the bond is paid off.

The most outstanding example of the burden of interest on long term bonds is seen in the case of the first bond that was issued by the city of Hays. That bond was a

water works bond for \$1000.00 issued November 28, 1888 at 7% interest. The bond was paid off November 28, 1918 after a period of thirty years. In this period of time, the tax payers of Hays paid in interest a total of \$2,100.00. Such examples as this are rare exceptions but all interest bearing indebtedness is just as important in proportion to the rate of interest and the period of time over which interest is paid. In this particular case, it is seen that the tax payers of Hays finally paid out a total of \$3,100.00 for the benefits of one thousand dollars enjoyed at the time of the issuing of the bond.

In view of such evidence as has been presented, it is the opinion of the writer that the only way open to the city of Hays to effect any appreciable reduction in taxes is for the citizens and tax payers of the city to refuse to permit the issuing of additional bonds by the city and to insist that those in charge of the finance of the city constantly exert every effort possible toward paying off of the present bonded indebtedness.

APPENDIX I

TRANSCRIPT OF PROCEEDINGS

in re

\$64,000.00

CITY OF HAYS, KANSAS

SEWAGE DISPOSAL WORKS BONDS

dated

Feb. 1, 1935

According to Ordinance No. 1267

OUTLINE OF BOND ABSTRACT

1. Show election and qualification of present Board of Commissioners.
2. Copy of notice to subscribers of receiving bids and proof of publication of such notice.
3. Minutes of meeting of January 3, 1935--add note to end of said minutes that copy of engineer's estimate of cost is appended to these minutes.

TRANSCRIPT OF PROCEEDINGS

in re

\$64,000.00

CITY OF HAYS, KANSAS

SEWAGE DISPOSAL WORKS BONDS

dated

Feb. 1, 1935

According to Ordinance No. 1257

4. Copy of resolution attached as appendix of meeting at which same were adopted.
5. Copy of notice to subscribers of receiving bids and proof of publication.
6. Minutes of meeting of February 1, 1935 on bond ordinance was adopted and copy of said bonds and proof of publication.
7. Usual data and statement of engineer's estimate of cost, amount of outstanding bonds, sinking fund, etc.
8. Usual certificates at the end of bond transcript.

OUTLINE OF BOND ABSTRACT

1. Show election and qualification of present Board of Commissioners.
2. Copy of notice to contractors of receiving bids and proof of publication of such notice.
3. Minutes of meeting of January 3, 1935--add note to end of said minutes that copy of engineer's estimate of cost is appended to these minutes, and insert copy of such estimate following these minutes.
4. Copy of resolution hereto attached on minutes of meeting at which same was adopted.
5. Copy of notice to sell bonds and proof of publication.
6. Minutes of meeting at which bond ordinance was adopted and copy of said bond ordinance and proof of publication.
7. Usual data about assessed valuation, financial statement, amount of outstanding bonds, sinking fund, etc.
8. Usual certificates at the end of bond transcript.

State of Kansas, Ellis County, ss:

FRANK MOTZ, being first duly sworn, says he is Publisher of THE HAYS DAILY NEWS, which is a daily newspaper, printed and of general circulation in said county of Ellis, that the annexed notice was

published in said paper for.....3.....
consecutive weeks, the first publica-

tion being on the.....13.....

day of.....December....., 1934., and

the last publication being on the.....

.....27 day of.....December....., 1934.,

and that said newspaper has been continuously and uninterruptedly published in said county during the period of fifty-two consecutive weeks prior to the first publication of said notice, which newspaper has been admitted to the mails as second class matter in said county.

(Signed)Frank Motz.....

Subscribed and sworn to before me

this4th..... day of

.....January....., 1935.....

.....
.....Leota Motz.....

Notary Public.

My commission expires.....Mar.. 28-38.....

Fee

(First published in Hays Daily News,
Thursday, Dec. 13, 1934)

NOTICE TO BIDDERS
P. W. A. Docket No. 1131

Sealed proposals will be received at the office of the City Manager of Hays, Kansas, until 8 p. m. on the 3rd day of January, 1935, for the furnishing of all material and labor in the construction of a complete Sanitary Sewerage Disposal Plant, consisting in general of a Pumping Plant, Clarifier, Sludge Digester, Rock Filters and Sludge Beds.

Plans and specifications are on file for examination at the office of F. J. Haffamier, City Manager, Hays, Kansas, and at the office of the Engineers, E. T. Archer & Co., New England Building, Kansas City, Missouri, who will furnish prospective bidders with bidder's blanks. Individual copies of the plans and specifications will be prepared for those requesting same, upon submission of a deposit of \$15.00, of which \$5.00 will be refunded upon their return in good order to the Engineer's office.

This project will be financed from funds furnished by the Federal Emergency Administration, entitled P. W. A. Docket No. 1131, and is subject to all the conditions and regulations governing P. W. A. projects.

Attention is called to the fact that not less than the minimum wage rates prescribed by the Federal Administration of Public Works must be paid on this project.

No bid will be considered unless accompanied by the Bidder's Certificate of Compliance, U. S. Government Form P. W. A. 61 revised March 1934, to the effect that the bidder is complying with and will continue to comply with each applicable code of fair competition, or in the absence of such code, or codes, with the President's Re-Employment Agreement. Copies of this certificate will be included with the instructions to bidder.

All bids must be submitted on the proposal blanks furnished and must be accompanied by Bidder's bond, certified, or Cashier's Check for not less than 5% of the amount of the bid.

Apr. 4, 1933

The regular meeting of the Board of Commissioners was adjourned until April 7, 1933.

The above minutes were read April 7, 1933, and were approved.

Emily C. Johnson
Clerk of the Board

April 7, 1933

The Board of Commissioners met as per adjournment April 4, 1933

Roll Call,

Present: H. J. Tholen
Louis Groff
Anton Jacobs

The minutes of March 7, 15, 21, 27, and April 4, 1933 were read and approved.

Motion was made by Mr. Jacobs, seconded by Mr. Tholen, that the Board adjourn and reconvene as a Canvassing Board.

Roll Call,

Present: H. J. Tholen
Louis Groff
Anton Jacobs

The Board of Commissioners met as a Canvassing Board to canvass the votes cast April 4, 1933, for two City Commissioners, three members of the Board of Education and Treasurer of the Board of Education.

After the canvass of the vote, the Commissioners find that the vote was as follows:

For Commissioner

Three Years	1st Ward	2nd Ward	3rd Ward	Total
Harry H. King	277	169	238	684
P. B. Smith	57	127	151	335

For Commissioner

Two Years				
Louis Groff	290	247	328	865

Motion was made by Mr. Jacobs, seconded by Mr. Groff, that those receiving the majority of the votes cast be declared elected to their respective offices, and that the Clerk be authorized to issue certificates of election.

Vote,

Ayes: H. J. Tholen
Louis Groff
Anton Jacobs

Thereupon the Board adjourned.

The above minutes were read April 18, 1933, and were approved.

Emily C. Johnson
Clerk of the Board

that F. J. Haffman be appointed City Manager for the coming year at \$150.00 per month.

Vote,

Ayes: Louis Groff
H. H. King
H. J. Tholen

Notice was made by Mr. King, April 18, 1933.

The Board of Commissioners met in regular session as provided by law.

Roll Call,

Present: H. J. Tholen
Louis Groff
H. H. King

The newly elected Commissioners having qualified and filed bonds, the City Commissioners proceeded to organize.

Motion was made by Mr. Tholen, seconded by Mr. King, that Mr. Groff be Chairman of the Board for the ensuing year.

Vote,

Ayes: H. J. Tholen
H. H. King

Motion was made by Mr. Groff, seconded by Mr. Tholen, that the following be the standing Committee:

On Public Service	Louis Groff
On Public Welfare	H. H. King
On Law and Finance	H. J. Tholen

Vote,

Ayes: Louis Groff
H. H. King
H. J. Tholen

Motion was made by Mr. Tholen, seconded by Mr. King, that F. J. Haffamier be appointed City Manager for the ensuing year at \$160.00 per month.

Vote,

Ayes: Louis Groff
H. H. King
H. J. Tholen

Motion was made by Mr. King, seconded by Mr. Groff, that the following be appointed officers for the ensuing two years:

Alex Weltz	Marshal
Jacob Bissing	Police Judge
Emily C. Johnson	City Clerk-Treasurer
F. J. Haffamier	City Engineer
F. J. Haffamier	Fire Marshal

Vote,

Ayes: Louis Groff
H. H. King
H. J. Tholen

The minutes of April 18, 1933, were read and approved.
Thereupon the Board adjourned until April 27, 1933.
The above minutes were read May 2, 1933, and approved.

Emily C. Johnson
Clerk of the Board

April 3, 1934

The regular meeting of the Board of Commissioners was adjourned until April 6, 1934.

The above minutes were read April 6, 1934, and were approved.

Emily C. Johnson
Clerk of the Board

April 6, 1934

The Board of Commissioners met as per adjournment
April 3, 1934.

Roll Call,

Present: Louis Groff
H. J. Tholen
Absent: H. H. King

The minutes of March 20 and April 3, 1934 were read
and approved.

Motion was made by Mr. Tholen, seconded by Mr. Groff,
that the Board adjourn and reconvene as a Canvassing Board.

Vote:

Ayes: Louis Groff
H. J. Tholen

The Board of Commissioners met as a Canvassing
Board to canvass the votes cast April 3, 1934, for one city
commissioner, two justices of the peace and two constables.

After the canvass of the vote, the Commissioners
find that the vote was as follows:

For Commissioner

Three years	1st Ward	2nd Ward	3rd Ward	Total
H. W. Twenter	92	97	111	300

Motion was made by Mr. Groff, seconded by Mr. Tholen,
that those having received the majority of the votes cast be
declared elected to their respective offices, and that the
Clerk be authorized to issue certificates of election.

Vote,

Ayes: Louis Groff
H. J. Tholen

Thereupon the Board adjourned until April 14, 1934.

The minutes of the above meeting were read May 1, 1934,
and were approved.

Emily C. Johnson
Clerk of the Board

The Board of Commissioners met as per adjournment
April 6, 1934.

Roll Call,

Prasent: Louis Groff
H. H. King
H. W. Twenter

Mr. Twenter having qualified and filed bond, the
City Commissioners prodeeded to organize.

Motion was made by Mr. Groff, seconded by Mr. Twenter,
that Mr. King be the Chairman of the Board for the ensuing year.

Vote,

Ayes: Louis Groff
H. W. Twenter

Motion was made by Mr. King, seconded by Mr. Groff,
that the governing body of the City of Hays have the following
standing committees, headed by the following commissioners:

On Service	Louis Groff
On Safety and Welfare	H. H. King
On Law and Finance	H. W. Twenter

Vote,

Ayes: H. H. King
Louis Groff
H. W. Twenter

Thereupon the Board adjourned.

The minutes of the above meeting were read May 1, 1934 and were approved.

Emily C. Johnson
Clerk of the Board

January 1, 1935

The regular meeting of the Board of Commissioners was adjourned until January 3, 1935.

The above minutes were read January 3, 1935 and were approved.

Emily C. Johnson
Clerk of the Board

January 3, 1935

The Board of Commissioners met as per adjournment January 1, 1935 and as per published Notice to Bidders.

Roll Call, discussion, Mr. Groff offered the following

Present: H. H. King
Louis Groff
Absent: H. W. Twenter

The minutes of Dec. 18, 1934, and Jan. 1, 1935, were read and approved.

Mr. Archer, the City's Consulting Engineer, stated to the Board that his revised estimate of the cost of the proposed Sewage Disposal Plant is at least \$78,000.00 for construction cost and approximately \$82,000.00 for the entire cost, including engineering fees.

After some discussion, motion was made by Mr. Groff, seconded by Mr. King, that the Board of Commissioners proceed

to open the bids for the construction of the Sewage Disposal Plant for the City of Hays.

Vote,

Ayes: H. H. King
Louis Groff

Thereupon the Commissioners proceeded to open the bids, which were accompanied by the Bidder's bond or certified check or checks according to Instructions to Bidders, and were as follows:

Dobson, Humphreys & Carter Wichita, Kansas	\$88,785.00
-----------------------------------------------	-------------

W. F. Edgell & Son Leavenworth, Kansas	\$77,860.00
-------------------------------------------	-------------

C. L. Burt Hutchinson, Kansas	\$78,000.00
----------------------------------	-------------

After some discussion, Mr. Groff offered the following resolution and moved its adoption, seconded by Mr. King:

WHEREAS, bids have been advertised for and three bids have been received in accordance with the advertisement, and

WHEREAS, the three bids have been tabulated and considered by the Board of Commissioners of the City of Hays, Kansas, and it has been found that the bid of W. F. Edgell & Son of Leavenworth, Kansas, for the complete disposal plant for the sum of \$77,860.00 is the low bidder,

NOW THEREFORE, be it resolved that the bid of W. F. Edgell and Son for \$77,860.00, covering the construction of the complete disposal plant in accordance with the plans and specifications, be accepted and that the Mayor and City Clerk of said City be authorized to enter into a contract for aforesaid bid.

That this award shall be subject to the approval of the State Engineer of PWA, and that the checks or bonds of the low bidders be retained until final action of the PWA, and that the check and bond of the other bidders be returned.

Vote,

Ayes: H. H. King
Louis Groff

Upon motion the Board adjourned until Jan. 7, 1935

The minutes of Jan. 3, 1935, were read Jan. 18, 1935, corrected and approved.

Emily C. Johnson
Clerk of the Board

Copy of Engineer's revised preliminary estimate of cost of sewage disposal plant is appended hereto.

3. REGUMLING TANK

a. Concrete	35 cu. yds.	807.75	1,075.35	115.70	1,998.80
b. Excavation	450 cu. yds.	225.00	35.00	10.00	270.00
c. Valves & Stands	4 units	20.00	200.00	10.00	230.00
d. Handrail	80 Lin. Ft.	40.00	40.00	10.00	90.00
e. Piping		2.00	10.00	5.00	17.00

5. FILTER & DRAINING TANK

a. Concrete	500 cu. yds.	4,500.00	7,070.00	220.00	11,790.00
b. Excavation	1800 cu. yds.	900.00	100.00	20.00	1,020.00
c. Rock	3400 cu. yds.	1,700.00	1800.00	100.00	3,600.00
d. Underdrains	7500 Lin. Ft.	250.00	1,750.00	100.00	2,100.00
e. Steps, Handrail, Etc.		175.00	300.00	25.00	400.00
f. Mechanism		150.00	2,950.00	100.00	3,200.00

4. CLARIFIER

a. Concrete	75 cu. yds.	675.00	837.75	100.00	1,612.75
b. Excavation	50 cu. yds.	25.00	5.00	5.00	35.00
c. Mechanism	1 unit	500.00	2,500.00	150.00	3,150.00
d. Cast Iron Pipe		40.00	200.00	50.00	290.00

REVISED PRELIMINARY ESTIMATE OF COST OF

SEWAGE DISPOSAL PLANT

HAYS, KANSAS

E. T. Archer & Company, Cons. Engrs.

January 3, 1935

ITEM	NUMBER UNITS	LABOR COSTS	MATERIAL COST	OTHER COSTS	TOTAL COSTS
1. CONTROL HOUSE					
a. Excavation	750 cu. yds.	\$ 400.00	\$ 100.00	\$25.00	\$ 525.00
b. Concrete	250 cu. yds.	1,787.50	3,112.50	350.00	5,250.00
c. Comminutors	2 units	200.00	2,100.00	200.00	2,500.00
d. Sewage Pumps	2 units	50.00	950.00	100.00	1,100.00
e. Sledge Pump	1 unit	25.00	600.00	25.00	650.00
f. Ventilation	2 fans	15.00	120.00	15.00	150.00
g. Spiral Stair		25.00	375.00	50.00	450.00
h. Plumbing & Lab. Equip.		300.00	450.00	50.00	800.00
i. Wiring & Elect. Work		250.00	400.00	50.00	700.00
j. Pipe & Valves		100.00	650.00	50.00	800.00
k. Brick	18 M.	300.00	360.00	40.00	700.00
l. Building		900.00	900.00	145.00	1,945.00
m. McNulty Shear Gate		50.00	750.00	25.00	825.00
2. RESETTLING TANK					
a. Concrete	85 cu. yds.	607.75	1,058.25	119.90	1,785.00
b. Excavation	450 cu. yds.	225.00	35.00	10.00	270.00
c. Valves & Stands	4 units	20.00	200.00	10.00	230.00
d. Handrail	80 Lin. Ft.	40.00	60.00	10.00	110.00
e. Piping		8.00	50.00	2.00	60.00
3. FILTER & DOSING TANK					
a. Concrete	600 cu yds.	4,290.00	7,670.00	840.00	12800.00
b. Excavation	1800 cu. yds.	600.00	100.00	20.00	720.00
c. Rock	3400 cu.yds.	1,700.00	18200.00	500.00	20400.00
d. Underdrains	7500 Lin. Ft.	250.00	1,750.00	100.00	2,100.00
e. Steps, Handrail, Etc.		175.00	300.00	25.00	500.00
f. Mechanism		150.00	2,950.00	100.00	3,200.00
4. CLARIFIER					
a. Concrete	75 cu. yds.	536.25	933.75	105.00	1,575.00
b. Excavation	50 cu. yds.	20.00	2.00	3.00	25.00
c. Mechanism	1 unit	200.00	2,400.00	150.00	2,750.00
d. Cast Iron Pipe		40.00	200.00	10.00	250.00

ITEM	NUMBER UNITS	LABOR COSTS	MATERIAL COSTS	OTHER COSTS	TOTAL COST
<u>5. SLUDGE BEDS</u>					
a. Concrete	120 cu.yd.	858.00	1,494.00	168.00	2,520.00
b. Excavation	500 cu.yd.	175.00	15.00	10.00	200.00
c. 8" Valves	8 valves	20.00	210.00	20.00	250.00
d. Cast Iron Pipe	100 ft.	25.00	290.00	5.00	320.00
e. 8" V.C.Pipe	380 ft.	15.00	95.00	10.00	120.00
f. Filter Sand	180	50.00	180.00	20.00	250.00
g. Gravel	90	25.00	180.00	5.00	210.00
h. Monorail Equip.		450.00	900.00	50.00	1,400.00
<u>6. YARD WORK & WATER LINE</u>					
a. Manholes		100.00	80.00	20.00	200.00
b. Yard Hydrants		5.00	20.00	5.00	30.00
c. 2" C.I. Pipe	1200 ft.	120.00	400.00	30.00	550.00
d. Misc. Valves		40.00	200.00	10.00	250.00
e. Covering M. H.		30.00	15.00	5.00	50.00
f. Clean up		200.00	15.00	5.00	220.00
g. Msc. Tile & C.I Pipe		125.00	350.00	25.00	500.00
h. Fence in place	1000 ft	300.00	1,300.00	50.00	1,650.00
<u>7. DIGESTER</u>					
a. Concrete	120 cu.yd.	858.00	1,494.00	168.00	2,520.00
b. Excavation	500 cu.yd.	225.00	60.00	15.00	300.00
c. Heat Coils	380 ft.	20.00	114.00	6.00	140.00
d. Msc. Iron & Pipe		110.00	120.00	20.00	250.00
e. Mechanism		150.00	2,650.00	100.00	2,900.00
					3,800.00
<u>8. ENGINEERING</u>					200.00
<u>9. PRINTING & MISCELLANEOUS EXPENSE</u>					

TOTAL \$17,165.50 \$56,968.50 \$3,876.00 \$83,000.00

I hereby certify that \$82,000.00 is a true and correct estimate of the total cost of the proposed project in accordance with the plans and specifications as filed with the City Clerk.

E. T. Archer & Company
Consulting Engineers
By E. C. Archer

State of Kansas, County of Ellis, ss

I, Emily C. Johnson, Clerk of the City of Hays, Ellis County, Kansas, do hereby certify that the above and foregoing is a true, correct and complete copy of the original Revised Preliminary Estimate of cost of Sewage Disposal Plant, Hays, Kansas.

Emily C. Johnson
City Clerk

The regular meeting of the Board of Commissioners was adjourned until January 18, 1935.

The above minutes were read Jan. 18, 1935, and were approved.

Emily C. Johnson
Clerk of the Board

Jan. 18, 1935.

The Board of Commissioners met as per adjournment Jan. 15, 1935.

Roll Call,

Present: H. H. King
Louis Groff
H. W. Twenter

The minutes of Jan. 3, 1935, were read corrected and approved. The minutes of Jan. 7 and 15, 1935, were read and approved. Mr. Groff offered the following resolution and moved its adoption, seconded by Mr. Twenter:

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF HAYS, KANSAS:

Section 1. That the total cost of the new Sewage Disposal Works for said City, which the Board of Commissioners heretofore determined to construct, including engineering costs and other miscellaneous expense, on the basis of the revised estimate of the engineer and bids received, is hereby found and determined to be approximately Eighty-two Thousand (\$82,000.00) Dollars.

Section 2. That in order to pay the cost of said new Sewage Disposal Works, it is necessary that improvement bonds of said City be issued therefor in the maximum amount of Fifty-seven Thousand (\$57,000.00) Dollars, depending upon the amount of grant for said project, which said City receives from the Federal Emergency Administration of Public Works.

Section 3. That the Board of Commissioners of said City receive bids on January 28, 1935, at eight o'clock P. M. for the sale for cash at not less than par and accrued interest, of from Fifty-seven Thousand (\$57,000.00) Dollars to Sixty-four Thousand installments of approximately equal amounts each year for a period of twenty years, said bonds to be in denominations of One Thousand (\$1,000.00) Dollars, to be dated February 1, 1935, to bear interest at the rate of four percent, payable semi-annually on the first day of February and August in each year, and said bonds to be offered for sale subject to their rejection by the State School Fund Commission.

Section 4. That the City Clerk forthwith publish a notice of said proposed bond sale in the official newspaper of said City, in accordance with this Resolution, which notice shall also state that bids shall be accompanied by a certified check for two percent of the total amount of the bid, and that the City reserves the right to reject any or all bids.

Vote,

Ayes: H. H. King
Louis Groff
H. W. Twenter

Thereupon the Board adjourned until Jan. 28, 1935.

The above minutes were read Feb. 5, 1935, and were approved.

Emily C. Johnson
Clerk of the Board.

State of Kansas, Ellis County, ss:

FRANK MOTZ, being first duly sworn, says he is Publisher of THE HAYS DAILY NEWS, which is a daily newspaper, printed and of general circulation in said county of Ellis, that the annexed notice was

published in said paper for 2 consecutive weeks, the first publica-

tion being on the 18

day of January, 1935, and

the last publication being on the.....

23 day of January, 1935,

and that said newspaper has been continuously and uninterruptedly published in said county during the period of fifty-two consecutive weeks prior to the first publication of said notice, which newspaper has been admitted to the mails as second class matter in said county.

(Signed) Frank Motz

Subscribed and sworn to before me

this 25th day of

January, 1935.

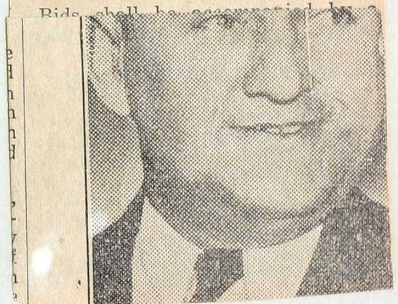
Leota Motz

Notary Public.

My commission expires Mar. 28 1938

Fee

of Hays, Kansas, maturing in installments of approximately equal amounts each year for a period of twenty years, said bonds to be dated February 1, 1935, be in denominations of \$1,000.00 each, and bear interest at the rate of 4% per annum, payable semi-annually on the first day of February and August in each year. Said bonds will be offered for sale subject to their rejection by the State School Fund Commission.



Jan. 28, 1935.

The Board of Commissioners met as per adjournment
Jan. 18, 1935.

Roll Call,

Present: H. H. King
Louis Groff
H. W. Twenter

After some discussion in regard to the Sewage Disposal Works' Bonds of the City of Hays, it was decided to issue \$64,000.00 worth of said bonds, \$58,000.00 to be delivered as soon as possible and \$6,000.00 to be withheld pending action of the Federal Administration of Public Works for an additional grant with option to City to Mar. 15, 1935, to elect not to sell this additional \$6,000.00 in bonds.

Bids for said bonds were received as follows from the following bonding houses, accompanied by checks:

Small, Milburn & Company, Wichita, Kansas, by Mr. Lowe

For 4% bonds. Par and accrued interest to date of delivery plus a premium of \$2.21 per M., print bonds and furnish services of attorney. Check for \$1,280.00.

The R. H. Middlekauff Company, Wichita, Kansas, by Mr. Cochran and the Brown-Crummer Company, Wichita, Kansas, by Mr. Ohmart

For 4% bonds. Par and accrued interest to date of delivery plus a premium of \$2.85 per M. without option, or par and accrued interest and a premium of 67¢ per M. with a ten year option. Check for \$1,300.00.

The Columbian Securities Corporation, Topeka, Kansas,
by Mr. Meyer

For 4% bonds. Par and accrued interest to date of delivery plus a premium of \$4.25 per M. without option, print bonds and furnish legal option or,

Par and accrued interest to date of delivery plus a premium of \$2.85 per M. with a ten year option, print bonds and furnish legal option. Check for \$1,300.00.

Estes, Payne & Company, Topeka, Kansas, by Mr. Payne

For 3 $\frac{3}{4}$ % bonds. Par and accrued interest to date of delivery. Print bonds and furnish legal option at a cost to the City of \$10.00 per M. Check for \$1,300.00.

The Wheeler Kelly Hagny Company, Wichita, Kansas,
by Mr. Todd

For 4% bonds. Par and accrued interest to date of delivery plus a premium of \$2.25 per M. and furnish legal option. Check for \$1,300.00.

After going over the best bids at length, motion was made by Mr. Twenter, seconded by Mr. Groff, that the bid of The Columbian Securities Corporation for the \$58,000.00 to \$64,000.00 of the City's 4% Sewage Disposal Works' Bonds at par and accrued interest to date of delivery plus a premium of \$4.25 per M. dollars, bidder to pay cost of printing bonds and furnish legal option, is the best bid received and that same by and hereby is accepted subject to the rejection of said bonds by the State School Fund Commission, and the Mayor and City Clerk authorized to enter into a contract in accordance with the bid.

Vote,

Ayes: H. H. King
Louis Groff
H. W. Twenter

Mr. Twenter offered the following resolution and moved its adoption, seconded by Mr. Groff:

RESOLUTION

REQUESTING ADDITIONAL GRANT FROM FEDERAL EMERGENCY ADMINISTRATION OF PUBLIC WORKS FOR CONSTRUCTION OF SEWAGE DISPOSAL PLANT FOR THE CITY OF HAYS, ELLIS COUNTY, KANSAS, AND REQUESTING THE CHANGE OF LOAN AND GRANT TO A GRANT ONLY.

WHEREAS, The Federal Emergency Administration of Public Works heretofore made the City of Hays, Ellis County, Kansas, a Loan and Grant for the construction of a Sewage Disposal Plant in said City for the respective amounts of Fifty Thousand (\$50,000.00) Dollars Loan, and not exceeding Eighteen Thousand (\$18,000.00) Dollars Grant, and a Loan and Grant Agreement covering said project was entered into between said City and the Federal Administrator of Public Works, said project being designed as P. W. A., Docket No. 1131;

And WHEREAS, Pursuant to said Loan and Grant Agreement, the City duly advertised for bids for the construction of said Sewage Disposal Plant, which bids were received and opened on the 3rd day of January, 1935, at eight o'clock P.M., and the lowest bid received was Seventy-seven Thousand Eight Hundred Sixty (\$77,860.00) Dollars, on which bid the governing body of the City made an award subject to the approval of the Federal Emergency Administration of Public Works;

And WHEREAS, It appears from the revised estimate of the City's Engineer of the cost of said project, and from the low bid received, that the total cost of such project, including engineering costs and miscellaneous expense, will be approximately Eighty-two Thousand (\$82,000.00) Dollars, consisting of the following items, to-wit:

Contract tentatively awarded - - - - -	\$77,860.00
Engineering plans - - - - -	1,946.50
Engineering supervision - - - - -	1,946.50
Legal and miscellaneous (Estimated) - -	247.00
Total revised estimate of cost	<u>\$82,000.00</u>

And WHEREAS, The City, to secure the necessary funds for the completion of said project over and above the funds to be derived or secured from the United States Government through the Grant from the Federal Emergency Administration of Public Works, did, on the 28th day of February, 1935, make a sale, to private parties, of from Fifty-eight Thousand (\$58,000.00) Dollars to Sixty-four Thousand (\$64,000.00) Dollars of the bonds of the City of Hays, Ellis County, Kansas, and said City, therefore, desires that the original Loan and Grant Agreement between the City and the Federal Administration of Public Works be changed to a Grant only, and that the City be made an additional Grant for a total amount of Grant equal to 30% of the contract price of said project plus 30% of the cost of supervision:

NOW, THEREFORE, BE IT RESOLVED By the Board of Commissioners of the City of Hays, Ellis County, Kansas, that the City hereby requests that the present Loan and Grant Agreement between the City and the Federal Administrator of Public Works be changed to a Grant only, and that the City be made an additional Grant, and that said Grant be allowed and approved for a total Grant equal to thirty (30%) per cent of the contract price and the cost of engineering supervision, amounting in all to approximately Twenty-four Thousand (\$24,000.00) Dollars.

AND BE IT FURTHER RESOLVED That four certified copies of this resolution be forwarded to the office of the State Engineer of the Federal Emergency Administration of Public Works for the State of Kansas for transmittal to the proper authorities at Washington.

Vote,

Ayes: H. H. King
Louis Groff
H. W. Twenter

Thereupon the Board adjourned.

The minutes of Jan. 28, 1935, were read Feb. 5, 1935, corrected and approved.

Emily C. Johnson
Clerk of the Board

Feb. 5, 1935.

The Board of Commissioners met in regular session
as provided by law.

Roll Call,

Present: H. H. King
Louis Groff
H. W. Twenter

The minutes of Jan. 18, 1935, were read and approved.
The Minutes of Jan. 28, 1935, were read, corrected and approved.

Ordinance No. 1257 was read by sections and re-read
as a whole, being an ordinance providing for the issuance of
the bonds of the City of Hays, Kansas, in the amount of
\$64,000.00 to pay the costs and expenses of providing for, and
building, a sewage disposal works for the purification of the
sewage of said City.

Motion was made by Mr. Groff, seconded by Mr. Twenter,
that Ordinance No. 1257 be adopted as read.

Vote,

Ayes: H. H. King
Louis Groff
H. W. Twenter

Thereupon the Board adjourned until Feb. 11, 1935.

The above minutes will be read at the next regular
meeting of the Board of Commissioners.

Emily C. Johnson
— Clerk of the Board.

State of Kansas, Ellis County, ss:

FRANK MOTZ, being first duly sworn, says he is Publisher of THE HAYS DAILY NEWS, which is a daily newspaper, printed and of general circulation in said county of Ellis, that the annexed notice was

published in said paper for 2 consecutive weeks, the first publica-

tion being on the 4th

day of February, 1935., and

the last publication being on the 18th

day of February., 1935.,

and that said newspaper has been continuously and uninterruptedly published in said county during the period of fifty-two consecutive weeks prior to the first publication of said notice, which newspaper has been admitted to the mails as second class matter in said county.

(Signed) Frank Motz

Subscribed and sworn to before me this 20th day of

February, 1935.

Leota Motz

Notary Public.

My commission expires Mar. 28, 1938

Fee

(Published in the Hays Daily News,
Feb. 6, 1935)

ORDINANCE NO. 1257

AN ORDINANCE

Providing for the Issuance of the Bonds of the City of Hays, Kansas, in the amount of \$64,000.00 to Pay the Costs and Expenses of Providing for, and Building, a Sewage Disposal Works for the Purification of the Sewage of Said City.

BE IT ORDAINED By the Board of Commissioners of the City of Hays, Kansas:

Section 1. That it is necessary to provide for, and to build, a Sewage Disposal Works for the purification of the sewage of said City, and in

order to pay the costs and expenses of building the same, to issue the improvement bonds of the City of Hays, Kansas, therefor in the amount of \$64,000.00.

Section 2. That for the purpose of paying the costs and expenses of building said Sewage Disposal Works for the City of Hays, Kansas, the improvement bonds of said City in the amount of \$64,000.00 be issued as provided by law.

Section 3. That said bonds shall consist of a series of sixty-four bonds, numbered consecutively from No. 1 to No. 64 inclusive, shall be of the denomination of \$1,000.00 each, shall all be dated February 1, 1935, and bear interest at the rate of four per cent per annum, payable semi-annually on the first day of February and August of each year. None of said bonds shall run longer than twenty years, and \$3,000.00 thereof shall mature on the first day of February of each year for sixteen consecutive years, commencing February 1, 1936, and \$4,000.00 thereof shall mature on the first day of February of each of the next four years. Each bond shall specify the date of its separate maturity, and all bonds and the interest coupons thereon shall be payable at the office of the State Treasurer, in the City of Topeka, in the State of Kansas.

Section 4. Attached to each of said bonds shall be interest coupons for the semi-annual payments of

TOTAL BOND CERTIFICATE

Feb. 17, 1932.

STATE OF KANSAS,)
)ss.
 COUNTY OF ELLIS.)

I, Emily C. Johnson, Clerk of the City of Hays, Ellis County, Kansas, do hereby certify that at all times covered by the foregoing proceedings The Hays Daily News, a daily newspaper printed and published in the City of Hays, Ellis County, Kansas, and having a general circulation in said City, has been the official City paper of Hays, Kansas.

Emily C. Johnson
 City Clerk

SEAL

Paving.....	55,000.00	491	5-1-40
	127,000.00	492	5-1-40
	154,000.00	51	3-1-40
	121,000.00	51	7-1-40
	121,000.00	495	7-1-41
	38,000.00	496	7-1-41
	2,000.00	496	1-1-41
Funding Bonds.....	11,335.40	52	5-1-40
Refunding Bonds.....	25,354.25	497 & 498	3-1-40
	4504,574.85		

All of the above bonds chargeable to the City at large with with the exception of approximately \$200,000.00 of the Paving Bonds.

TOTAL BONDED DEBT OF THE CITY OF HAYS, KANSAS

Feb. 11, 1935.

	AMOUNT OUTSTANDING	INTEREST RATE	MATURITY
Storm Sewer Refunding Bonds.....	\$ 39,000.00	5%	10-1-54
City Hall Bonds.....	23,000.00	5%	9-1-37
Electric Light.....	(24,000.00	4½%	1-1-47
	(Optional	1-1-37
	(38,000.00	5%	8-1-41
Waterworks.....	(2,600.00	5½%	6-24-39
	(
	(12,900.00	5½%	3-1-40
	(
	(42,000.00	5%	1-1-42
	(Optional any Int. pay- ing date		
	(25,000.00	5½%	7-1-41
	(
	(6,000.00	4%	7-1-39
	(
Paving.....	(56,000.00	5½%	5-1-43
	(
	(27,000.00	5%	5-1-43
	(
	(86,000.00	5%	3-1-44
	(
	(21,000.00	5%	7-1-44
	(
	(51,500.00	4½%	7-1-41
	(
	(36,000.00	4½%	7-1-41
	(
	(2,800.00	4½%	1-1-42
Funding Bonds.....	14,338.40	5%	8-1-43
Refunding Bonds.....	96,636.25	4½% & 5%	2-1-48
	<u>\$604,274.65</u>		

All of the above bonds chargeable to the City at Large with with the exception of approximately \$200,112.50 of the Paving Bonds.

STATE OF KANSAS,)
) ss.
COUNTY OF ELLIS.)

I, Emily C. Johnson, Clerk of the City of Hays, Kansas, hereby certify that the above and foregoing is a correct statement of the bonded debt of said City.

IN WITNESS WHEREOF, I hereunto subscribe my name and affix the corporate seal of the City of Hays, Kansas, this 11th day of February, 1935.

SEAL

Emily C. Johnson
City Clerk

H. N. King	Commissioner and Mayor	Apr. 7, 1933	Feb. 11, 1935
Louis Croff	Commissioner	May 5, 1932	Feb. 11, 1935
E. W. Twenter	Commissioner	Apr. 8, 1924	Feb. 11, 1935
P. J. Raffenler	City Manager	Apr. 17, 1929	Feb. 11, 1935
Emily C. Johnson	City Clerk	Apr. 15, 1931	Feb. 11, 1935

I further certify that there is no controversy, suit or other proceeding of any kind pending or threatened wherein or where by any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of said municipality or its committee or the right or title of any of its officers to their respective offices, or the legality of any official act shown to have been done in the foregoing transcript, or the constitutionality or validity of the indebtedness represented by the bonds shown to be authorized in said transcript, or the validity of said bonds, or any of the proceedings had in relation to the issuance thereof, or the levy and collection of a tax to pay the principal and interest thereof.

Witness my hand and the seal of said municipality this 11th day of February, 1935.

Signature
Emily C. Johnson

Official Title
City Clerk

SEAL

STATE OF KANSAS,)
County of Ellis,) ss.
City of Hays.)

I, the undersigned, Emily C. Johnson, City Clerk of the City of Hays in said County and State, hereby certify as follows:

That the City of Hays is a legally constituted City, organized and existing since May 18, 1885.

That the following named were and are the fully qualified and acting officers of said City of Hays at and during all the times indicated as follows:

Name	Title	From (date)	To (date)	in
H. H. King	Commissioner and Mayor	Apr. 7, 1933	Feb. 11, 1934	
Louis Groff	Commissioner	May 6, 1932	Feb. 11, 1933	
H. W. Twenter	Commissioner	Apr. 6, 1934	Feb. 11, 1935	
F. J. Haffamier	City Manager	Apr. 17, 1928	Feb. 11, 1933	
Emily C. Johnson	City Clerk	Apr. 19, 1921	Feb. 11, 1933	

I further certify that there is no controversy, suit or other proceeding of any kind pending or threatened wherein or where by any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of said municipality or its boundaries or the right or title of any of its officers to their respective offices, or the legality of any official act shown to have been done in the foregoing transcript, or the constitutionality or validity of the indebtedness represented by the bonds shown to be authorized in said transcript, or the validity of said bonds, or any of the proceedings had in relation to the issuance thereof, of the levy and collection of a tax to pay the principal and interest thereof.

Witness my hand and the seal of said municipality
this 11th day of February, 1935.

Signature
Emily C. Johnson

Official Title
City Clerk

SEAL

CERTIFICATE OF VALUATION AND POPULATION

State of Kansas,)
) SS.
County of Ellis.)

I, Ben G. Huser, County Clerk of Ellis County, Kansas,
do hereby certify that the assessed valuation of the taxable
property in the City of Hays, Kansas, as equalized for the year
1934 is as follows, as per the record in my office:

Real property	\$2,021,278.
Personal property	737,670.
Corporation valuation.	280,864.
	<u>\$3,039,812.</u>
Intangible property	<u>453,570.</u>
Total valuation	\$3,493,382.

And that the population of the City of Hays, Kansas,
for 1934, as returned by the assessors, was 4,669.

In Witness Whereof, I hereunto subscribe my name and
affix my official seal this 11 day of February, 1935.

SEAL

Ben G. Huser
County Clerk, Ellis County, Ks

CERTIFICATE OF IDENTIFICATION OF
SIGNATURES

STATE OF KANSAS,)
) ss.
COUNTY OF ELLIS,)

I, Emily C. Johnson, Clerk of the City of Hays, Kansas, hereby certify that the foregoing minutes are correct copies of the minutes or parts of the minutes of the Board of Commissioners of said City as per the record in my office.

IN WITNESS WHEREOF, I hereunto subscribe my name and affix the corporate seal of the City of Hays, Kansas, this 11th day of February, 1935.

Emily C. Johnson
City Clerk

SEAL

CERTIFICATE OF IDENTIFICATION OF
SIGNATURES

We, the undersigned, respectively residents and citizens of the City of Hays, a municipal corporation, in the State of Kansas, do each for himself and for each other certify that as duly qualified, constitute and authorized officials of the said municipality, we have concurrently herewith duly signed and executed the \$64,000.00, Sewage Disposal Plant Bonds of said City of Hays, Dated February 1, 1935, in denomination of \$1000.00 each, and that on February 1, 1935, the date of said bonds, and on February 27, 1935, the date when said bonds were duly executed by us, we were and now are the officials indicated by our signatures on said bonds, and by our signatures to this certificate respectively.

That the signatures of us and each of us, as such officials respectively, on said bonds, are our true and genuine signatures, and that the seal affixed to said bonds at the time of their execution, was and is the duly authorized seal of said municipality, and was thereto affixed by authority and direction of the Governing Body of said municipality, and is the seal affixed to this certificate.

We hereby ratify, confirm, and adopt the fac-simile signature of Emily C. Johnson, City Clerk, and H. H. King, Mayor, on the coupons attached to said bonds as a proper execution of said coupons.

We do further certify with respect to the proceed-

ing and facts authorizing said bonds, and providing for their payment, or affecting the same, that the transcript of such proceedings and proofs of such facts furnished to the purchasers are to the best of our knowledge, information and belief complete, that none of such proceedings have been repealed or amended, that such facts as are stated in the proofs furnished still exist.

We further certify that no question has been raised and no litigation is pending or threatened affecting the legality of any such proceedings or of such bonds or of any provisions made or authorized for their payment, or the title of us, or any of us, or of any officer of said municipality, to his office, or the existence, boundaries or taxing powers of said municipality.

This certificate is delivered by us concurrently with the delivery and acceptance of said bonds upon the faith hereof as evidenced by the endorsement of such delivery below.

WITNESS, Our hands and the seal of said municipality concurrently with the delivery of said bonds.

Signature	Official Title
<u>Emily C. Johnson</u>	City Clerk
<u>H. H. King</u>	Mayor

I hereby certify that I am acquainted with the above named officials and with their signatures; that I know them to hold the offices set opposite their names respectively, and have examined their signatures on each of the above named bonds and on the above certificate and believe such signatures and each of them to be true and genuine signatures of said officials, respectively.

(To be executed by official of
local Bank or Trust Co.)

(Seal)

First National Bank

Hays, Kansas

By Zita Paulen Asst. Cash.

Thirteenth Annual Report

of the
City of Hays
Kansas

For the Year

1935

Executive Officers

H. W. TWENTER.....	Mayor
H. H. KING.....	Commissioner
LOUIS GROFF	Commissioner

Administrative Officers

F. J. HAFFAMIER.....	City Manager
EMILY C. JOHNSON.....	Clerk-Treasurer
E. C. FLOOD.....	City Attorney
HENRY F. HERRMAN.....	Asst. City Attorney
JACOB BISSING.....	Police Judge
ALEX WELTZ	Marshal

Bibliography

Books

Rice, Stuart A. *Methods in Social Science*. A case book compiled under the direction of the Committee on Scientific Method in the Social Sciences of the Social Science Research Council; By Stuart A. Rice. Chicago, The University of Chicago Press, 1931. 822p.

Of particular value as a source of information relative to methods of research applicable to the field of Social Science.

Kansas, Laws, Statutes, etc. *Revised Statutes of, (Annotated) 1923*. Revised by Chester I. Long, F. Dumont Smith and Hugh P. Farrelly. Containing all laws of a general nature in force, including acts passed at the Regular and Special Sessions of 1923, duly arranged, edited and numbered, with headings, History and cross references inserted, as required by law. Published by authority of Laws of 1921, Chapter 207 and Laws of 1923, Chapter 144. Topeka, The Kansas State Printing Plant, B. P. Walker, State Printer, 1923. 1645p.

Very valuable as a source book on laws of Kansas which have been used as a basis of information throughout the preparation of this thesis.

Books Cont'd.

Kansas, Laws, Statutes, etc. 1930-1933 Supplement to Revised Statutes of Kansas, 1923 (Cumulative) to be cited, "R. S. Supplement....". Containing all laws of a general nature passed at the regular sessions of 1925-1933 and special sessions of 1928, 1930, 1933 which are still in force, following the same arrangement used in the revised statutes, with appropriate headings and cross references, as required by law, and fully annotated to decisions construing the statutes since 1923.... Published under authority of Chapter 279, Laws of 1929.

Topeka, Kansas state printing plant, B. P. Walker, State Printer, 1930-1934. 686p.

This book was valuable as a source book on laws of Kansas which have been used as a basis of information throughout the preparation of this thesis.

United States Department of Commerce. Bureau of the Census, W. M. Steuart, Director. Fifteenth Census of the United States, 1930. Population Volume III, Part I. Reporting by states, showing the composition and characteristics of the population for counties, cities and townships or other minor civil divisions. Alabama - Missouri Prepared under the supervision of Leon E. Truesdell, Chief Statistician for population. Washington, United States government printing office, 1932. 6 volumes.

Books Cont'd.

The Fifteenth Census of the United States, 1930, was used in gathering statistics which established the contention that the city of Hays is a typical city.

Kansas State Historical Society. Collections of, 1911-1912; Embracing addresses at Annual Meetings; some reviews of fifty years; the withdrawal of the Methodist Church, South, from Kansas; blizzards, earthquakes and rainfall; the Kansas School Fund; the route of Coronado; Crossing the Planes; the Soldier in Kansas; First Kansas at Wilson's Creek; A Beecher Island Diary; An Indian Fight in Ford County; First Capital of Territory; Lost Towns and Names; Personal Narrative. Edited by Geo. W. Martin, Secretary. Volume XII. Topeka, State Printing Office, 1912. 569p.

This reference was used only as a source of information relative to some of the historical data concerning the earliest development of Fort Hays Kansas State College.

Kansas Chamber of Commerce. Tax Study in Thirteen Lessons Text by: Jens P. Jensen, School of Business, University of Kansas; Harold Howe, Department of Agricultural Economics, Kansas State College. Sponsors: University of Kansas, Kansas State College, The Kansas State Farm Bureau, The Kansas State Grange, The Kansas Farmers' Union. Topeka, Kansas Chamber of

Books Cont'd.

Commerce. c1932. Each lesson paged separately.

Tax Study in Thirteen Lessons was used in securing statistics on the importance of the general property tax as a source of federal, state and local revenue.

Andreas, A. T. History of the State of Kansas. Containing a full account of its growth from an uninhabited territory to a wealthy and important state; of its early settlement; its rapid increase in population and the marvelous development of its great natural resources. Also a supplementary history and description of its counties, cities, towns and villages, their advantages, industries, manufactures and commerce; to which are added biographical sketches and portraits of prominent men and early settlers.

Chicago, A. T. Andreas, 1983. 1616p.

This book was valuable in securing information relative to the early history and development of Hays.

Newspapers

Hays Daily News, Hays, Kansas, November 11, 1929.

Valuable in securing information relative to the early history of Hays.

Documents

Hays. City Clerk. Record of Minutes of the Board of Commissioners Meetings. Hays, Kansas, 1885-1935. 6 vols.

Very valuable as a primary source of information concerning the activities of the Board of Commissioners and the carrying on of the business of the city.

Hays. City Clerk. Ordinance Book. Record of City Ordinances. Hays, Kansas, 1885-1935. 6 vols.

Used in conjunction with the Record of the Minutes of the Board of Commissioners Meetings as a primary source of information relative to the ordinances in force in the city of Hays. A valuable source of information.

Hays. City Clerk. Record of Bond Issues. Hays, 1888-1935. 2 vols.

Valuable in tracing the history of the bonded indebtedness of Hays from the time of the issuing of the first bond by city up to the present time.

Hays. City Clerk-Treasurer. Annual Report. Hays, 1934. 14p.

Used as a source of information in tracing the source of revenue and purposes of expenditures of the city of Hays.

Ellis County. Treasurer. Tax Levy, 1934

Used in determining the tax levy for various purposes as levied against the property of Hays, Kansas.

Ellis County. Treasurer. Analysis of Receipts and Disbursements.

October 11, 1933 to September 30, 1934.

Used in determining the proportion of disbursements that Hays received of the total disbursements of the county.

Documents Cont'd.

Ellis County. Treasurer. Record of Auto Licenses, 1932-1935

One volume and three file drawers.

Valuable in determining the number of automobiles for which Ellis County licenses were issued during the years of 1932 to 1935.

Ellis County. Treasurer. Fund Account Ledger, 1934 and Tax

Distribution Register, Book I. 2 vols.

Valuable in determining the distribution of taxes collected in Ellis County in 1934.

Ellis County. Clerk. Enumeration Report, 1934.

Used in securing population data of Ellis County, 1934.

Ellis County. Clerk. Tax Roll of Ellis County. 1934. 2 vols.

Helpful in determining property valuations according to assessment records of Hays, 1934.

Ellis County. Clerk. Abstract of Tangible Personal Property.

Ellis County, Kansas, 1934.

Helpful in determining the total number of various items of personal property listed on the assessment sheets by citizens of Hays.

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Personal Interview

Johnson, Emily C. City Clerk. Hays, Kansas, June, 1935.

Miss Johnson, who has held the position of city clerk of Hays, Kansas for the past eleven years, assisted to a very great extent in explaining the work of her office and the methods of procedure which she has found to be most efficient.

Huser, Ben. County Clerk. Ellis County, Kansas, June, 1935.

Mr. Huser, who has held the position of county clerk of Ellis County, Kansas for the past four years, assisted by making the records of his office available for this study in taxation. His assistance in explaining the procedure of assessment of property for taxation and his help in providing the records on assessment was very valuable.

Wassinger, Paul J. Treasurer of Ellis County, Kansas, June, 1935.

Mr. Wassinger has held the position of county treasurer of Ellis County, Kansas for the past four years. His assistance in making the records of his office available and in giving information concerning the work carried on by his office was very helpful.

Haffamier, Fred J. City Manager. Hays, Kansas, June, 1935.

The assistance of Mr. Haffamier was very beneficial in securing information relative to the duties of the city manager and the operation of government of Hays, Kansas.

Lee, F. B. Registrar of Fort Hays Kansas State College, Hays, Kansas, March, 1935.

Mr. Lee was consulted relative to the attendance at the Fort Hays Kansas State College. His assistance was beneficial in securing this information.

Personal Interview Cont'd.

Aicher, L. C. Superintendent of the Fort Hays Experiment Station, Hays, Kansas, July, 1935.

Mr. Aicher's assistance in securing information relative to the valuation and expenditures of the Fort Hays Experiment Station was valuable.

Hays, Residents of. Personal interview with residents of Hays, relative to possession of certain items of personal property. May, June and July, 1935.

Information derived from this city survey was valuable as evidence in support of the contention that much personal property escapes assessment.

Hays, Board of Commissioners Meetings. April, May and June, 1935.

Information relative to the work of the City Board of Commissioners that was secured by attending the meetings of that group was very beneficial.

Ellis County, Board of Equalization. May, 1935.

Information relative to the work of the County Board of Equalization was valuable in the study of the procedure of equalizing the assessed valuation of property of the county.